



NOTICE OF THE CITY OF BRECKENRIDGE
**REGULAR MEETING OF THE BRECKENRIDGE CITY
COMMISSION**

May 05, 2026 at 5:30 PM

AGENDA

Notice is hereby given as required by Title 5, Chapter 551.041 of the Government Code that the City Commission will meet in a Regular Meeting of the Breckenridge City Commission on May 05, 2026 at 5:30 PM at the Breckenridge City Offices, 105 N. Rose Avenue, Breckenridge, Texas.

CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE

American Flag

OPEN FORUM

This is an opportunity for the public to address the City Commission on any matter of public business, except public hearings. Comments related to public hearings will be heard when the specific hearing begins.

STAFF REPORT

(Staff Reports are for discussion only. No action may be taken on items listed under this portion of the agenda, other than to provide general direction to staff or to direct staff to place such items of a future agenda for action.)

Fire Chief

1. Employee of the Month-Jon Jackson

City Manager

2. City Business

After Incident report-WWTP

2026 Community Engagement Survey Results

City Secretary

3. Upcoming Events

- May 3-19 Municipal Clerks Week
- May 10-16 National Police Week
- May 12 Special Meeting/Canvass Votes
- May 21 Bulk Pickup
- May 25 City Offices Closed in Observance of Memorial Day
- May 17-23 National Public Works Week

CONSENT AGENDA

Any commission member may request an item on the Consent Agenda to be taken up for individual consideration.

- 4. Consider approval of April 7, 2026, regular commission meeting minutes as recorded.
- 5. Consider approval of department head reports and monthly investment reports for March 2026.

ACTION ITEMS

- 6. Discussion and any action regarding the first reading of Resolution 2026-11 approving the Breckenridge Economic Development Corporation project for Neri's Courtyard.
- 7. Discussion and any necessary action regarding approval of awarding a construction contract related to the TWDB CWSRF Project No. 739005, CID-02-Phase I Collection System Improvements project contingent upon TWDB approval.
- 8. Discussion and any action regarding approval of Construction Contract Change Order 1 on the Water System Improvements project funded by Texas Water Development Board (DWSRF #62913) (CID-01) contingent upon agency approval.
- 9. Discussion and any necessary action regarding approval of the FY 2026 2027 Annual Audit Engagement Letter.
- 10. Discussion and any action regarding the approval of the purchase of a generator for the WWTP.
- 11. Discussion and any action regarding approval of Resolution 2026-12 for the purchase of an Asphalt Zipper for Street Department.
- 12. Discussion and any action regarding approval of VAC Trailer purchase for the Public Works Department.

- [13.](#) Discussion and any action regarding approval of an Ordinance 2026-09 of the City of Breckenridge, Texas, amending Chapter 13 "Occupational Licenses and Regulations" of the Breckenridge Code of Ordinances by adding Article 1 "Sexually Oriented Businesses" to establish regulations regarding sexually oriented businesses; providing a penalty; providing repealer and severability clauses; providing for publication; and establishing an effective date.
- [14.](#) Discussion and any action regarding approval of an update to the Stephens County Demo Interlocal
- [15.](#) Discussion and any action regarding approval of the Supplemental Point of Delivery Agreement with the West Central Texas Municipal Water District.
- [16.](#) Discussion and any necessary action regarding approval of Resolution 2026-13 appointing a director to the West Central Municipality Water District.

EXECUTIVE SESSION

Pursuant to Texas Government Code, Annotated, Chapter 551, Subchapter D, Texas Open Meetings Act (the "Act"), City Commission will recess into Executive Session (closed meeting) to discuss the following:

Consultation with Attorney

§551.071(1),(2): Consultation with attorney regarding pending or anticipated litigation, or a settlement offer; or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter:

17. City of Breckenridge vs. Akers Investments LLC, et al; Cause No. CV33796 in the 90th Judicial District Court of Stephens County, Texas.
18. Personnel Investigation

Real Property

§551.072: Deliberate the purchase, exchange, lease, or value of real property:

19. 120 W. Elm

RECONVENE INTO OPEN SESSION

In accordance with Texas Government Code, Section 551, the City Commission will reconvene into Open Session and consider action, if any, on matters discussed in Executive Session.

RECEIVE REQUESTS FROM COMMISSION MEMBERS/STAFF FOR ITEMS TO BE PLACED ON NEXT MEETING AGENDA

Discussion under this section must be limited to whether or not the Commission wishes to include a potential item on a future agenda.

ADJOURN

NOTE: As authorized by Section 551.071 of the Texas Government Code (Consultation with City Attorney), this meeting may be convened into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item herein.

CERTIFICATION

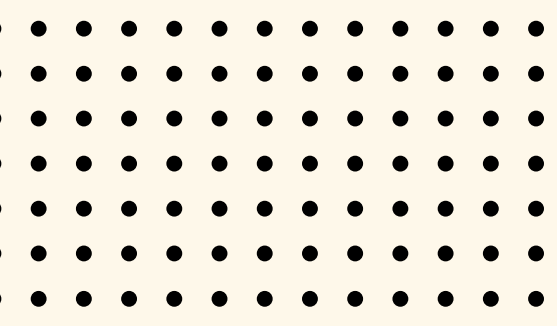
I hereby certify that the above notice was posted in the bulletin board at Breckenridge City Hall, 105 North Rose Avenue, Breckenridge, Texas , by **5:00 PM** on the **29th day of APRIL 2026**.

City Secretary



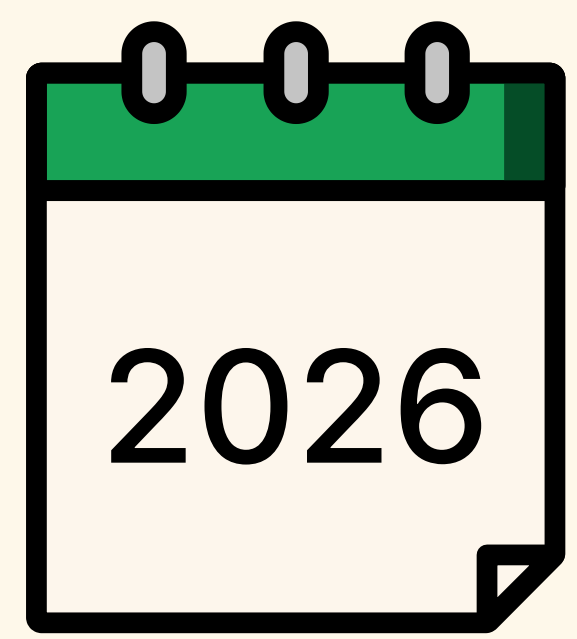
Persons with disabilities who plan to attend this public meeting and who may need auxiliary aid or services are requested to contact the Breckenridge City Hall 48 hours in advance, at 254-559-8287, and reasonable accommodations will be made for assistance.

2026
**CITIZEN
ENGAGEMENT
SURVEY**





TOTAL SURVEY RESPONSES



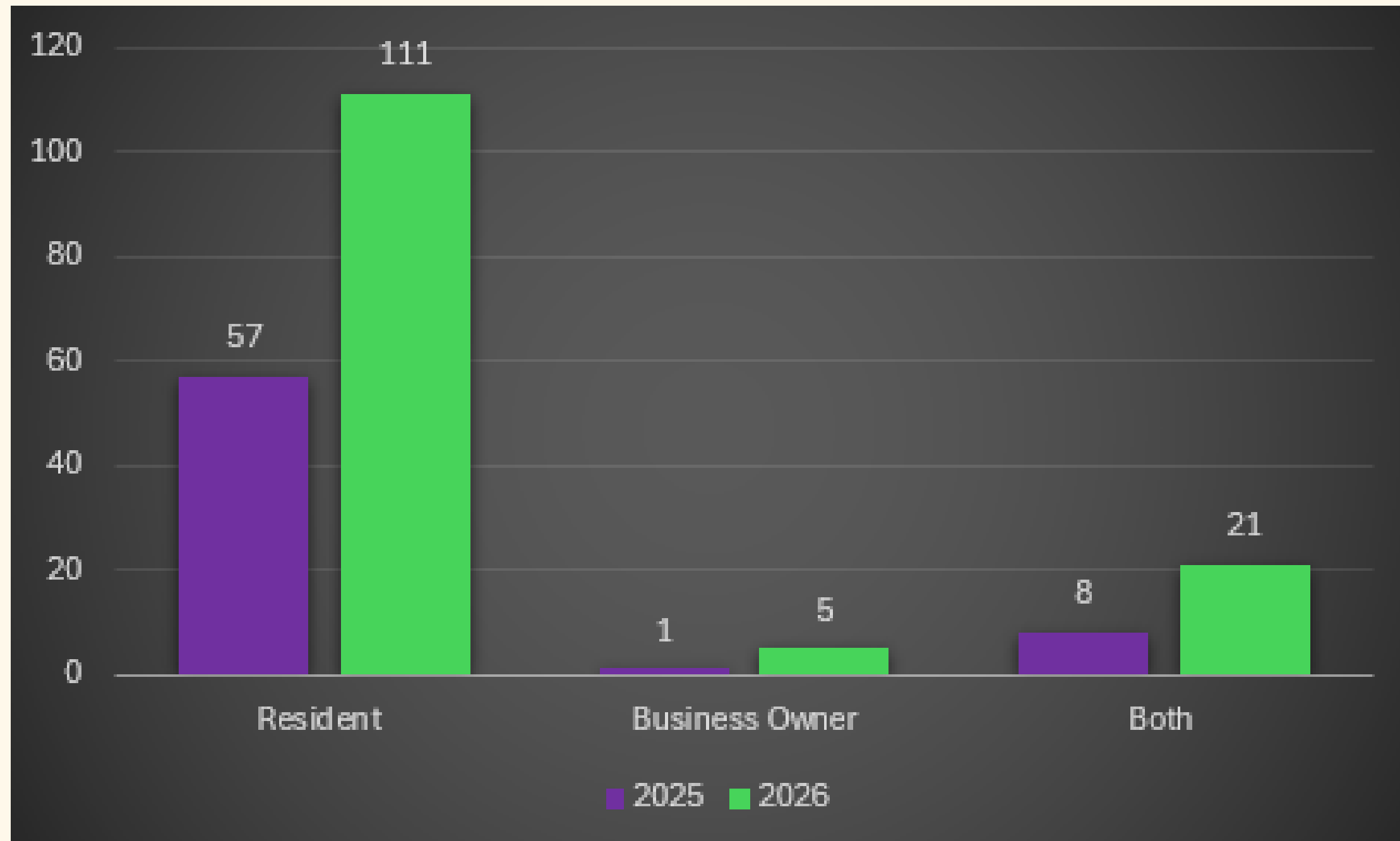
139



70



ARE YOU A RESIDENT OR BUSINESS OWNER IN THE CITY OF BRECKENRIDGE?



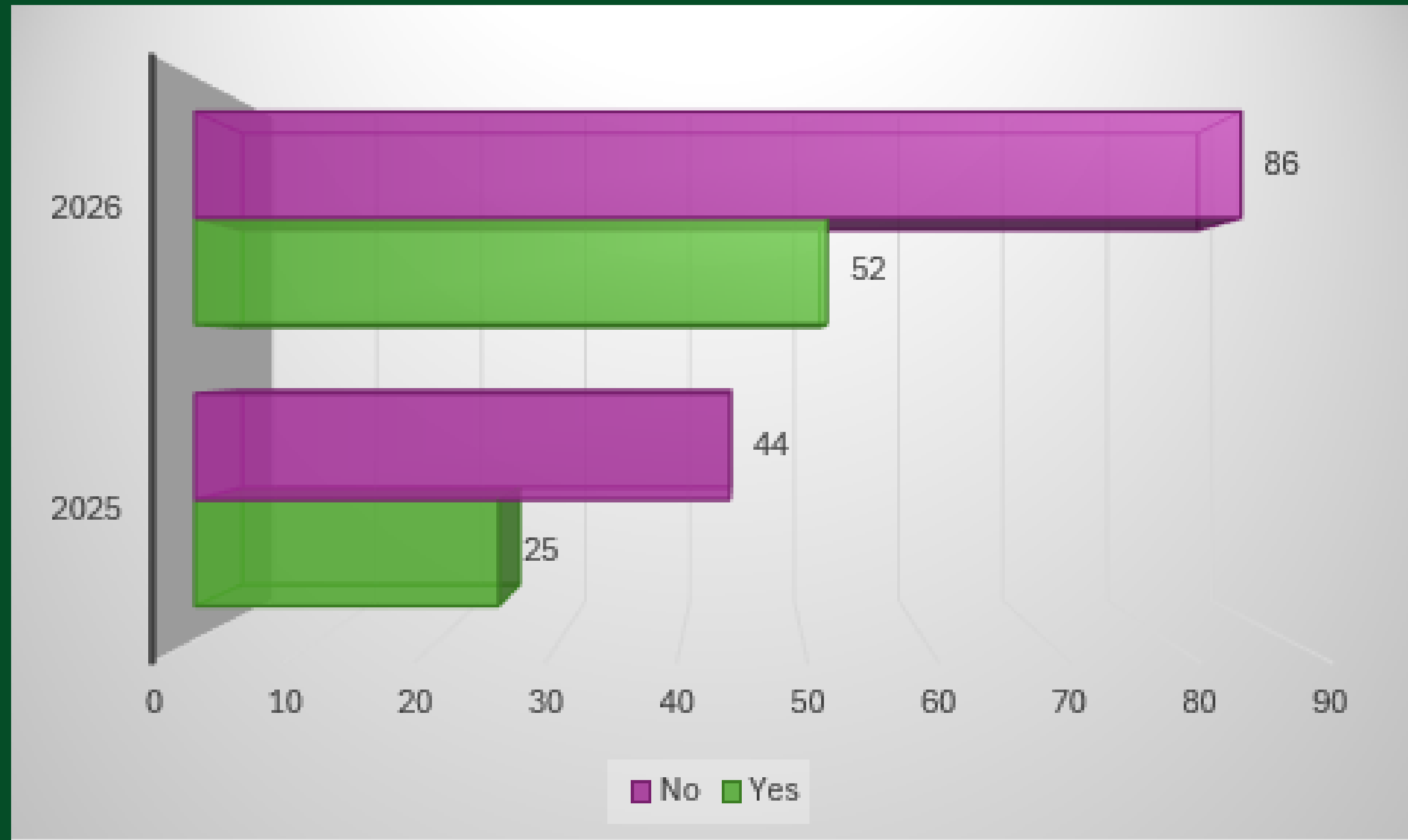
HOW LONG HAVE YOU LIVED IN THE CITY OF BRECKENRIDGE?



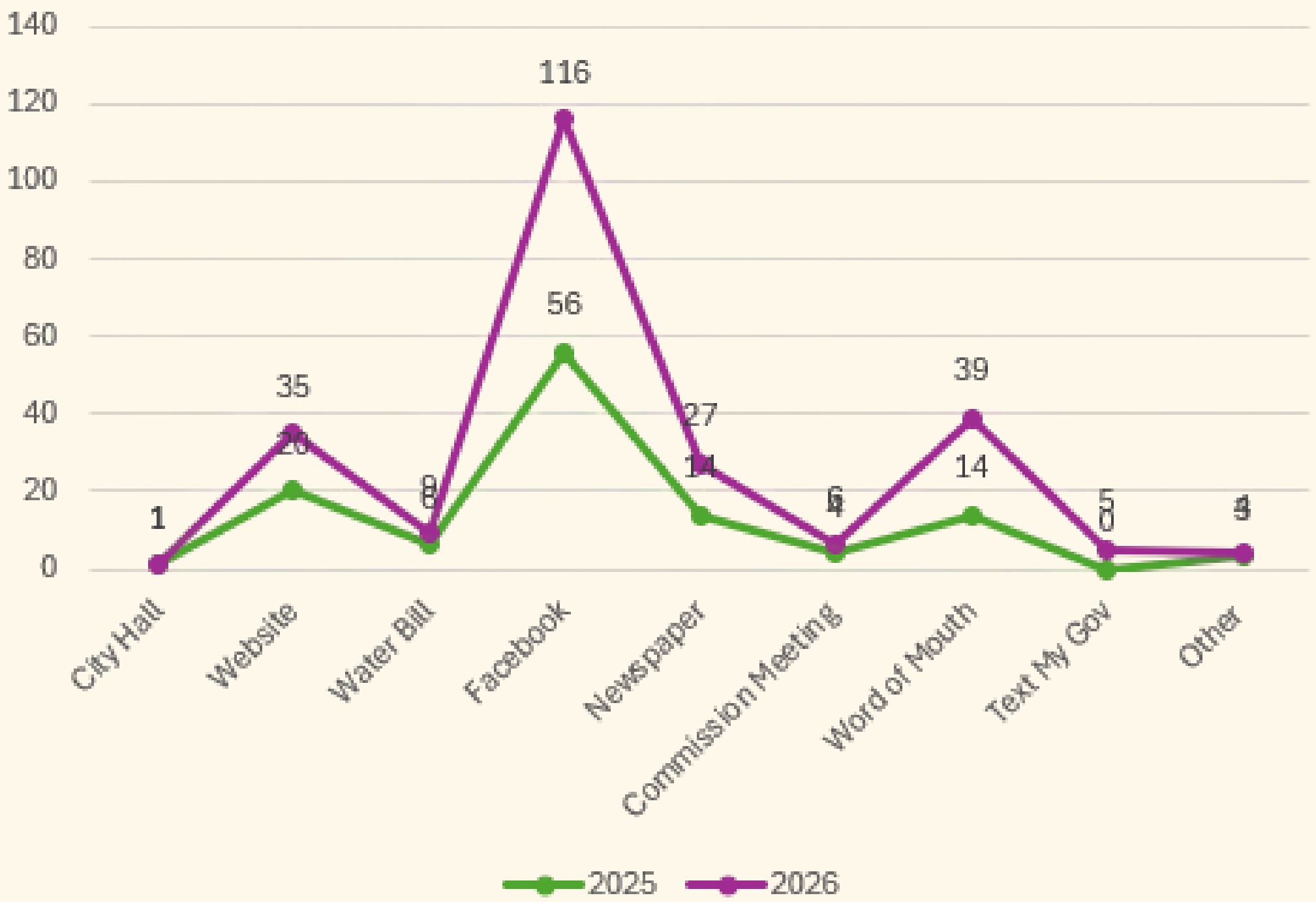


AGE GROUP

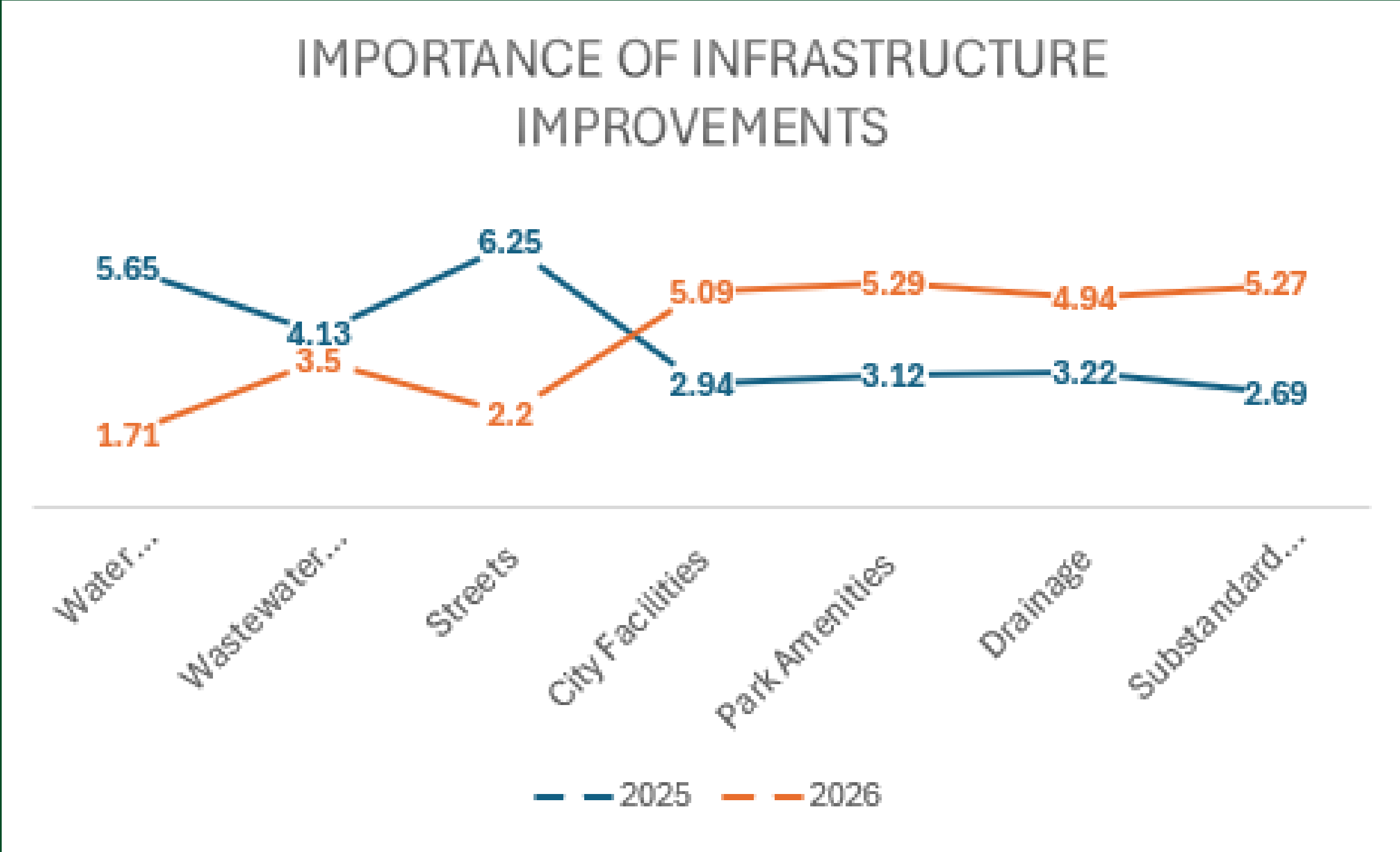
DO YOU HAVE CHILDREN UNDER THE AGE OF 18?



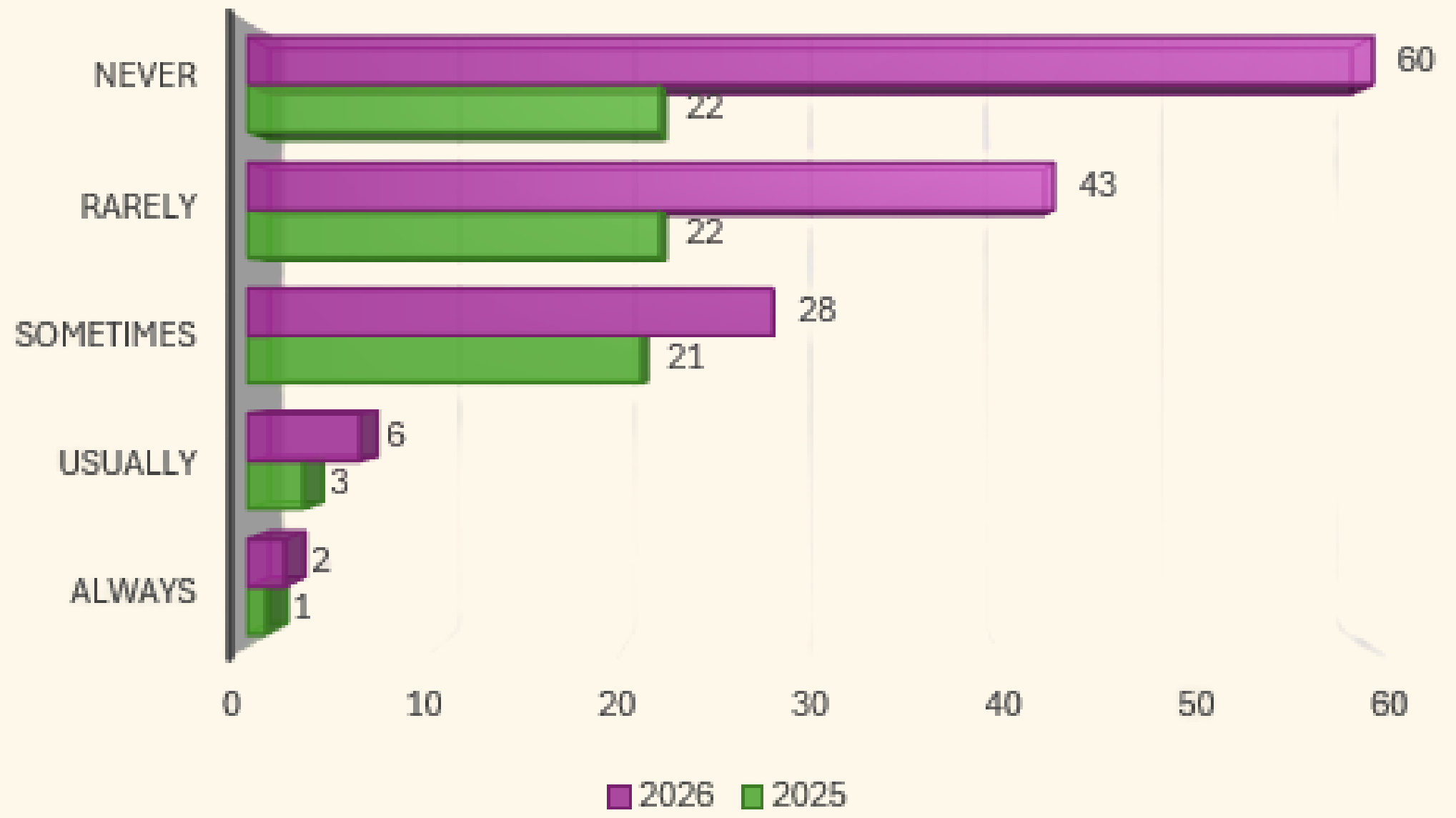
MOST CONVENIENT WAY TO FIND OUT ABOUT CITY SERVICES, NEWS, AND EVENTS?



IMPORTANCE OF INFRASTRUCTURE IMPROVEMENTS



HOW OFTEN DO YOU ATTEND CITY COMMISSION MEETINGS?



OVERALL QUALITY OF SERVICES BY BRECKENRIDGE POLICE DEPARTMENT AND 911 DISPATCHING



★ 3.3/5
Average Rating



★ 3.6/5
Average Rating

OVERALL QUALITY OF SERVICES BY BRECKENRIDGE ANIMAL CONTROL SERVICES



★ 2.8/5
Average Rating



★ 2.9/5
Average Rating

OVERALL QUALITY OF SERVICES BY THE BRECKENRIDGE FIRE DEPARTMENT



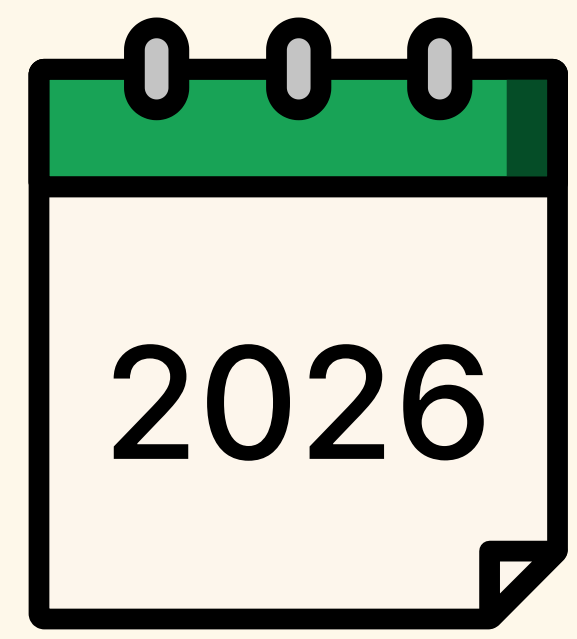
★ 4.3/5
Average Rating



★ 4.2/5
Average Rating

OVERALL QUALITY OF SERVICES BY THE PUBLIC SERVICES DEPARTMENT

PARKS AND CEMETERIES



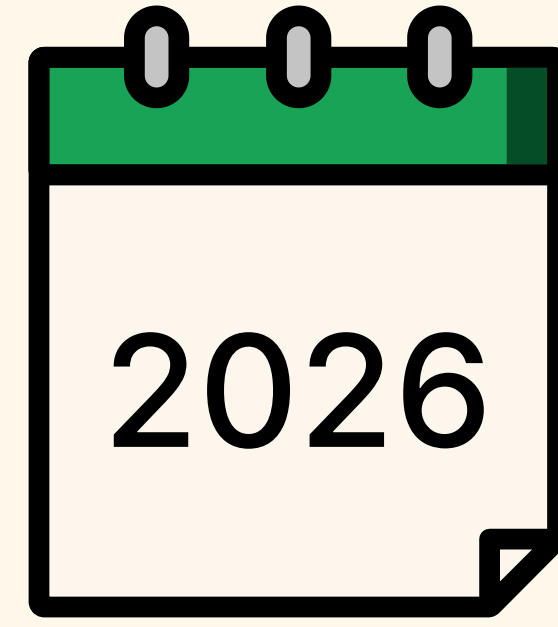
★ 3.3/5
Average Rating



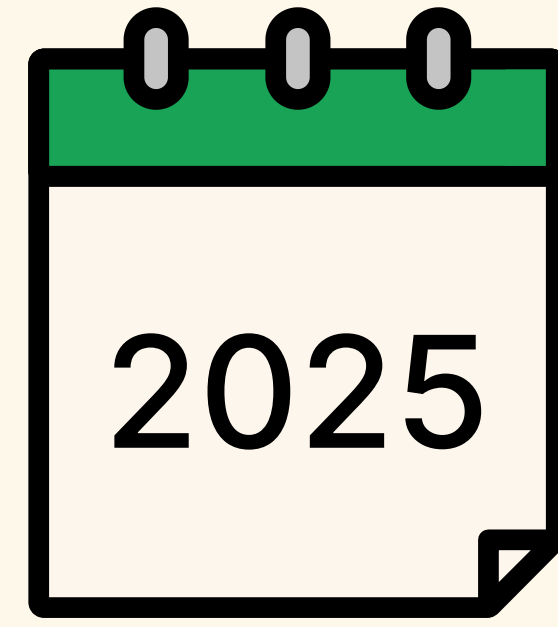
★ 3.6/5
Average Rating

OVERALL QUALITY OF SERVICES BY THE PUBLIC WORKS DEPARTMENT

ROADS, WATER,
SEWER



★ 2.2/5
Average Rating

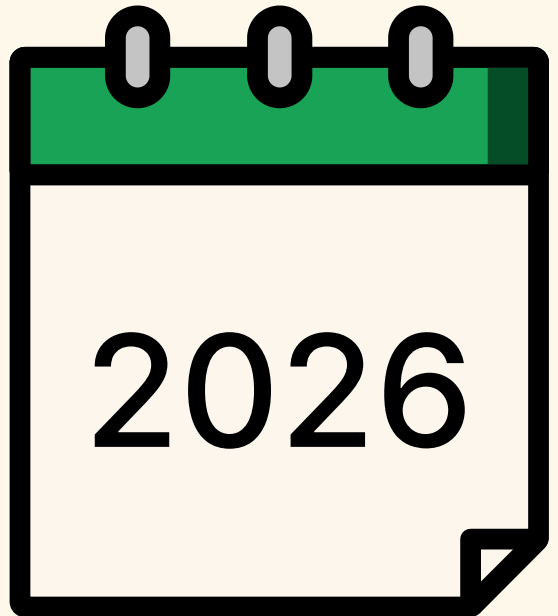


★ 2.6/5
Average Rating

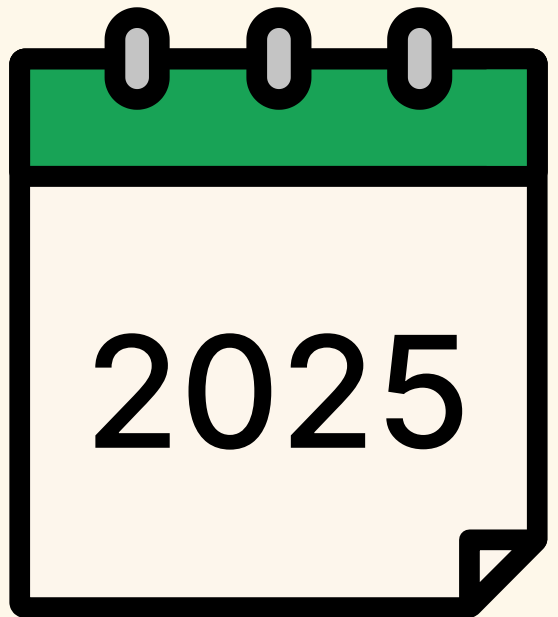
OVERALL QUALITY OF SERVICES BY THE DEVELOPMENTAL SERVICES DEPARTMENT



CODE ENFORCEMENT & PERMITTING



★ 2.5/5
Average Rating



★ 2.8/5
Average Rating

WHAT ARE WE DOING WELL?

1 INFRASTRUCTURE IMPROVEMENTS	“THE STREETS ARE LOOKING MUCH BETTER”
2 CITY LEADERSHIP/EMPLOYEES	“POSITIVE LEADERSHIP WITH A PLAN & PROGRESS ON THE PLAN” “I BELIEVE WE HAVE A LOT OF REALLY HARD WORKING PEOPLE DOING THE BEST THEY CAN WITH WHAT THEY HAVE.”
3 ECONOMIC DEVELOPMENT/DOWNTOWN	“DOWNTOWN BUSINESSES AND BEAUTIFICATION”
4 TRANSPARENCY & COMMUNICATION	“DOING A GREAT JOB TRYING TO IMPROVE BRECKENRIDGE & KEEPING COMMUNITY INFORMED WITH EVENTS, ISSUES, AND NEWS”
5 PARKS	”THE PARK FOR THE KIDS”
6 POLICE , CRIME & ACO	“MAINTAINING LAW & ORDER” “ACO EMPLOYEES ARE FRIENDLY”

WHAT DO WE NEED TO WORK ON?

1 INFRASTRUCTURE IMPROVEMENTS	“CONCENTRATE ON THE BASICS, SUBSTANDARD HOUSING/CODE ENF., STREETS AND WATER”
2 CODE & SUBSTANDARD BLDGS	“REMOVE RV’S BEING USED FOR DAILY LIVING ON RESIDENTIAL AND COMMERCIAL LOTS NOT DESIGNATED FOR RV’S”
3 ECONOMIC DEVELOPMENT & DOWNTOWN	“NEW LARGE DEVELOPMENT TO ATTRACT POPULATION GROWTH”
4 LOWER UTILITY BILLS & PROPERTY TAXES	“ I FEEL LIKE THE CITY NEEDS TO LOWER THE COST OF WATER”
5 ACTIVITIES FOR KIDS	“AMENITIES FOR CHILDREN
6 CRIME	“GETTNG RID OF DRUGS”



**BRECKENRIDGE CITY COMMISSION
AGENDA SUMMARY FORM**

Subject: Consider approval of April 7, 2026, regular commission meeting minutes as recorded.

Department: Administration

Staff Contact: Jessica Sutter

Title: City Secretary

BACKGROUND INFORMATION:

Meeting minutes for the regular commission meeting on April 7, 2026.

FINANCIAL IMPACT:

N/A

STAFF RECOMMENDATION:

Consider approval of minutes as presented.

REGULAR MEETING OF THE BRECKENRIDGE CITY COMMISSION



Tuesday, April 7, 2026, at 5:30 PM
Breckenridge City Offices Commission Chambers
105 North Rose Avenue
Breckenridge, Texas 76424

MINUTES

REGULAR CITY COMMISSION MEETING OF THE CITY OF BRECKENRIDGE, TEXAS, HELD ON THIS DATE WITH THE FOLLOWING MEMBERS PRESENT.

PRESENT

MAYOR
COMMISSIONER, PLACE 1
COMMISSIONER, PLACE 3
COMMISSIONER, PLACE 4

BOB SIMS
BLAKE HAMILTON
JUNIOR FERNANDEZ
PAUL HUNTINGTON JR.

CITY MANAGER
CITY SECRETARY
ASSISTANT CITY SECRETARY
FINANCE DIRECTOR

CYNTHIA NORTHROP
JESSICA SUTTER
LACY BOTTS
DIANE LATHAM

NOT PRESENT

MAYOR PRO TEM, PLACE 2

GREG AKERS

CALL TO ORDER

Mayor Sims called the meeting to order at 5:30 p.m.

Invocation

PLEDGE OF ALLEGIANCE

OPEN FORUM

Richard Russell-1317 Hunters Glen

No Action Taken

SPECIAL PRESENTATIONS AND ANNOUNCEMENTS

- 1. Presentation on EFleets Vehicle Replacement status.

Nathan Glasco with Enterprise Fleet Services Presented the EFleets annual review.

No action taken.

STAFF REPORT

Public Services Director

- 2. Employee of the Month-Wesley Duggan

City Secretary

- 3. Upcoming Events

04/12-04/18 National Public Telecommunicators Week

04/12-04/18 Animal Control Appreciation Week

04/16 Bulk Pickup

04/17-04/18 Spring Fling

04/20-04/28 Early Voting

5/1-5/2 Frontier Days

5/2 Election Day

Discussion only. No Action Taken

CONSENT AGENDA.

- 4. Consider approval of March 3, 2026, regular commission meeting minutes as recorded.
- 5. Consider approval of department head reports and monthly investment reports for February 2026.
- 6. Consider approval of Resolution 2026-10 re-appointing Scott Harris as Director on the WCTMWD Board for a term set to expire May 31, 2028.

Commissioner Hamilton made a motion to approve consent agenda items 4-6 as presented. Commissioner Huntington seconded the motion. The motion passed 4-0.

ACTION ITEMS

- 7. Discussion and any action regarding approval of BEDC entering into a Purchase and Sale Agreement with Breckenridge ISD for Project Sage Brush Development.

Michael Paris, Executive Director of the Breckenridge Economic Development Corporation (BEDC), presented the details of a Purchase and Sale Agreement with Breckenridge ISD for a shared lift station, with an estimated construction cost of \$1,285,608. BEDC will sell approximately 14 acres of the Sage Brush property to BISD for \$189,000, with the proceeds applied toward BISD's portion of the lift station costs. BISD will contribute an additional \$300,816, and BEDC will fund the remaining \$795,792. Any unused contingency funds will be reimbursed or credited back to BISD.

Commissioner Huntington made a motion to approve BEDC entering into a purchase and sale agreement with BISD. Commissioner Fernandez seconded the motion. The motion passed 4-0.

8. Discussion and any necessary action regarding award of construction contract related to the TX-CDBG #CDM22-0020 Downtown Revitalization Project.

City Manager Cynthia Northrop explained that the Downtown Revitalization Project grant was completed under budget, and the remaining funds will be used to pave Elm Street from Rose Avenue to McAmis Street. In February, the Commissioners rejected all bids received for the project, and it was subsequently rebid. Two bids were received in the second round, and the project engineers recommended awarding the contract to Raydon in the amount of \$224,692.41.

Commissioner Hamilton made a motion to award a construction contract in the amount of \$224,692.41 to Raydon Inc, for street reconstruction associated with TDA Contract CDM22-0020 and authorize the City Manager to execute the documents. Commissioner Fernandez seconded the motion. The motion passed 4-0.

9. Discussion and any necessary action regarding approval of Frontier Days 2026.

Northrop stated that the Chamber has scheduled Frontier Days to be held on May 1st and 2nd at the City Park.

Commissioner Huntington made a motion to approve Frontier Days 2026 as presented. Commissioner Hamilton seconded the motion. The motion passed 4-0.

10. Discussion and any necessary action regarding approval of Interlocal on the Waiving of Back Taxes.

Northrop explained that this interlocal agreement involves the waiver of back taxes by all taxing entities. The City has been addressing substandard and dangerous buildings by having them demolished. Once these properties are demolished, they are sold to new owners for redevelopment. In many cases, these properties have outstanding back taxes owed. All taxing entities have agreed to waive these back taxes. This interlocal agreement will allow for a one-time approval, reducing staff time and streamlining the process.

Commissioner Hamilton made a motion to approve an interlocal on the waiving of back taxes as presented. Commissioner Huntington seconded the motion. The motion passed 4-0.

11. Discussion and any action regarding approval of an update to the Stephens County Street Interlocal.

The City and County plan to update the current Street Interlocal Agreement to include parking lot improvements. The County proposed constructing a gravel parking lot at the northeast corner of the Baylor/Elm intersection and requested partial reimbursement from the City for materials. The County will also contribute to material costs and provide labor and equipment. The project will add parking in the downtown area.

Commissioner Huntington made a motion to approve the update to the Stephens County Interlocal Agreement for Streets as presented. Commissioner Fernandez seconded the motion. The motion passed 4-0.

12. Discussion and any necessary action regarding approval of MVBA Municipal Court Collections Agreement.

City Manager Northrop explained that the City currently utilizes Perdue, Brandon, Fielder, Collins & Mott for Municipal Court collection services. Due to concerns regarding service quality and communication, staff recommends transitioning to MVBA (McCreary, Veselka, Bragg & Allen). MVBA offers additional services aimed at improving the collection of delinquent fines, fees, and court costs. These services are authorized under Article 103.0031 of the Texas Code of Criminal Procedure and include legal enforcement of outstanding municipal court debts. The financial impact remains unchanged, as MVBA charges the same 30% fee on collected fines and fees as the current provider.

Commissioner Hamilton made a motion to approve a Municipal Court Collections Agreement with MVBA as presented. Commissioner Huntington seconded the motion. The motion passed 4-0.

13. Discussion and any action regarding approval of an Ordinance 2026-07 of the City of Breckenridge, Texas, amending Chapter 15 "Parks and Recreation," Article I "in General" of the Breckenridge Code of Ordinances by amending Sections 15-7 "Entering closed areas; hours of operation" to revise hours of operation for City Parks; adding Section 15-7 "Loitering" to prohibit loitering in City Parks.

City Manager Northrop presented a proposed update to park regulations in response to an increase in loitering at the City Park, which has raised concerns regarding safety and vandalism. The proposed update would establish consistent park operating hours tied to daylight saving time, with a recommended closing time of 8:00 PM during the winter months and 11:00 PM during the summer months. Commissioner Hamilton expressed concern that the proposed hours may restrict residents' ability to fully utilize park amenities and recommended extending the hours to 10:00 PM in the winter and midnight during the summer months.

Commissioner Hamilton made a motion to approve Ordinance 2026-07 with amendments to the operation hours from 11:00 p.m. in the summer months to 12:00 a.m. and from 8:00

p.m. in the Winter months to 10:00 p.m. Commissioner Fernandez seconded the motion. The motion passed 4-0.

14. Discussion and any action regarding approval of an Ordinance 2026-08 amending Chapter 19 “Signs”, Article III “Sign Standards” of the Breckenridge Code of Ordinances.

City Manager Northrop presented a proposed amendment to the Sign Ordinance to address the placement of temporary banners over streets, which is not currently included in the ordinance. The proposed update establishes a process for allowing non-profit organizations to display temporary banners over City and TXDOT facilities, including U.S. Highway 180, for the purpose of advertising events or activities. Priority for banner placement would be given to City-sponsored events, City/Chamber events, and long-standing community events such as Frontier Days and the Rodeo. The City has coordinated with TXDOT and will submit the required temporary banner permits on behalf of applicants. The City will also provide traffic control during the installation of approved banners.

Commissioner Huntington made a motion to approve Ordinance 2026-08 as presented. Commissioner Hamilton seconded the motion. The motion passed 4-0.

15. Discussion and any necessary action regarding Aquatic Center Operations for 2026.

City Secretary, Jessica Sutter reviewed the proposed Aquatic Center Operations for the 2026 season. Opening date for the pool would be May 23, 2026 and operate through August 1, 2026. The daily schedule, pool rental, and pricing would not change and would remain the same as the past year.

Commissioner Huntington made a motion to approve the Aquatic Center Operations for 2026 as presented. Commissioner Fernandez seconded the motion. The motion passed 3-1 with Mayor Sims voting Nay.

16. Discussion and any necessary action regarding Ordinance 2026-06 amending FY 2025-2026 official budget adopted by Ordinance 2025-17.

City Manager Northrop stated that budget amendments are presented throughout the year to revise the current year's approved fiscal budget and reflect changes that occur throughout the year. These adjustments are made between line items.

Commissioner Hamilton made a motion to approve Ordinance 2026-06 as presented. Commissioner Huntington seconded the motion. The motion passed 4-0.

17. Discussion and any necessary action regarding entering into a Professional Services Agreement between the City of Breckenridge and 4H Services LLC.

City Manager Northrop presented concerns regarding outdated and inaccurate GIS mapping of the City's water and sewer infrastructure. The current mapping system, originally developed using 1980s data, does not consistently reflect accurate locations or specifications of water lines, valves, and sewer lines. Northrop explained that while efforts have been made to update the system over time, progress has been limited due to

workload demands. These challenges have impacted operations, particularly in responding to water leaks, where accurate valve locations are critical to isolating lines and reducing water loss. Additional issues include infrastructure improvements and field work that have not been incorporated into the GIS system, as well as the presence of abandoned water lines that remain underground. There has also been an increase in locate requests from utility providers such as Texas Gas, ONCOR, and various fiber companies, which has placed a significant strain on Public Works crews. To address these challenges, staff recommended continuing work with 4H Services under a month-to-month contract. The proposed scope includes both field identification of infrastructure and integration of that data into the City’s GIS mapping system.

Commissioner Huntington made a motion to approve the Professional Services Agreement with 4H Services LLC and authorize the City Manager to execute the documents. Commissioner Hamilton seconded the motion. The motion passed 4-0.

WORKSHOP ITEMS

- 18. Discussion and direction regarding the upcoming FY 2026-2027 Budget and Strategic Plan review

City Manager Northrop reviewed the Strategic Plan and budget planning for he 2026-2027 Fiscal Year and confirmed Commissioner agreement that the City is on track with the current goals and progress. No action was taken this was for discussion only.

REQUESTS FROM COMMISSION MEMBERS/STAFF FOR ITEMS TO BE PLACED ON THE NEXT MEETING AGENDA

No requests.

ADJOURN

There being no further business, Mayor Sims adjourned the regular session at 6:58 p.m.

Bob Sims, Mayor

Jessica Sutter, City Secretary



BRECKENRIDGE CITY COMMISSION AGENDA SUMMARY FORM

Subject: Consider approval of department head reports and monthly investment reports for March 2026.

Department: Administration

Staff Contact: Jessica Sutter

Title: City Secretary

BACKGROUND INFORMATION:

The City approves an investment policy that complies with the Public Funds Investment Act of 1987 annually. The city allows investments in money market accounts, certificates of deposits, and investment pools. The Treasurer or their designee is required to provide a quarterly investment report to the Commissioners.

The staff provides commissioners monthly with departmental reports and finance reports, including investment reports. This aids in the transparency of the staff's accomplishments and the city's current financials for commissioners and citizens.

FINANCIAL IMPACT:

N/A

STAFF RECOMMENDATION:

Consider approval of departmental reports and monthly investment reports for March 2026.



DEPARTMENTAL REPORTS

MARCH 2026

105 N. Rose Ave.
Breckenridge, TX 76424
254.559.8287
www.breckenridgetx.gov

Finance

Bank Statement Balances

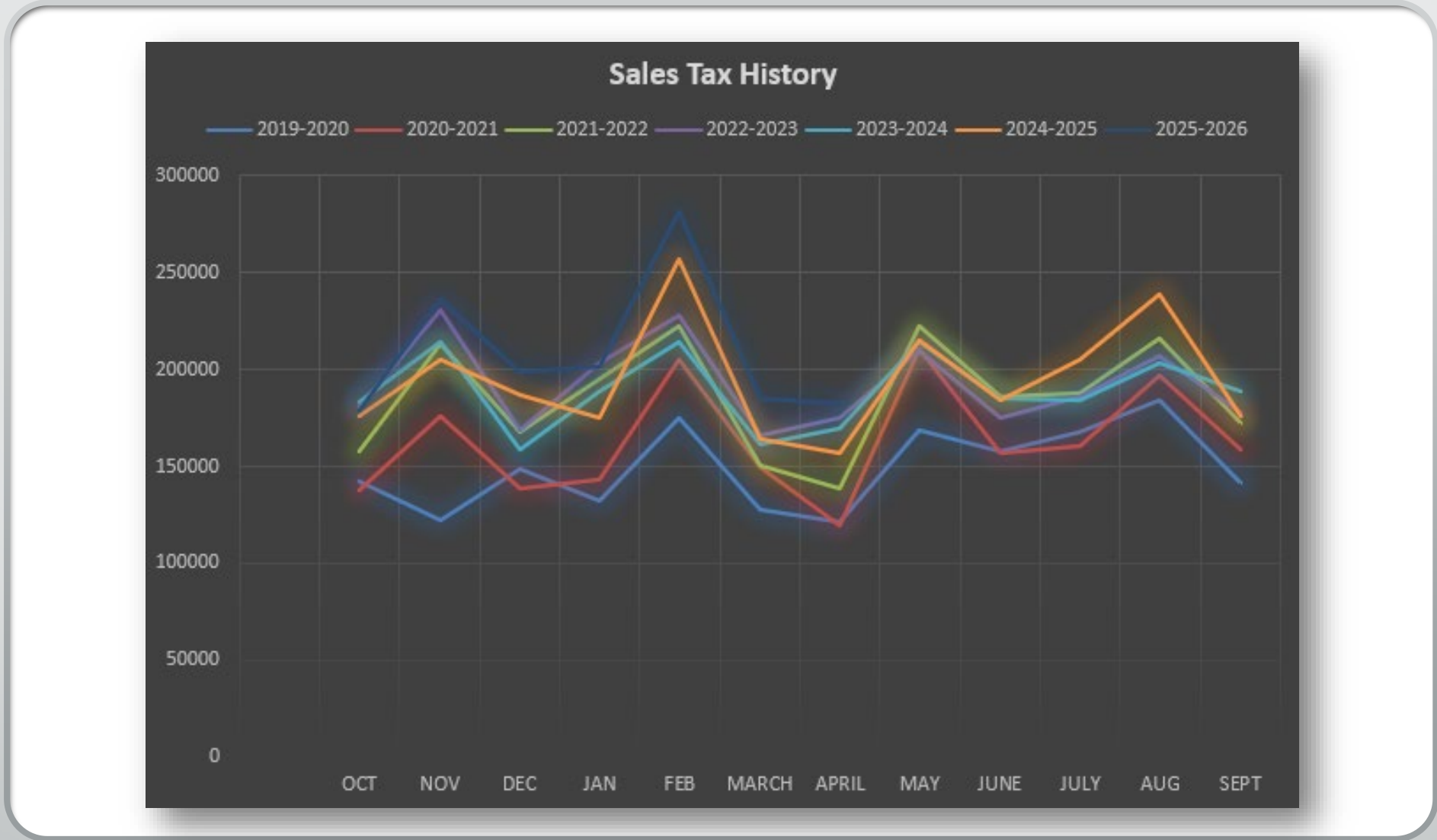


Diane Latham

	Account Name	Balances as of March 2025	Balances as of March 2024
1001	GENERAL FUND	\$ 2,805,027.03	\$ 3,551,318.47
1013	ARSON FUND	\$ 509.89	\$ 509.89
1014	FEDERAL TAX & LOAN	\$ 81.72	\$ 83.13
1001	WATER FUND	\$ 1,884,139.77	\$ 1,568,419.15
1001	WASTEWATER FUND	\$ 1,306,219.89	\$ 1,529,801.75
1001	SANITATION	\$ 80,760.87	\$ 48,559.38
1001	FIRE DEPT. SPECIAL	\$ 6,772.55	\$ 8,798.69
1001	FORFEITED PROPERTY	\$ 1,483.50	\$ 1,487.29
1002	PAYROLL FUND	\$ 34,275.71	\$ 33,814.80
1001	EQUIP. REPLACEMENT FUND	\$ 386,688.85	\$ 264,220.45
1001	STREET MAINTENANCE	\$ 429,126.50	\$ 613,955.11
1001	BRECKENRIDGE PARK FUND	\$ 10,047.20	\$ 8,005.47
1001	POLICE DEPT. SPECIAL	\$ 13,666.12	\$ 13,701.04
1001	Excess Sales Tax Revenue	\$ 17,700.39	\$ 17,745.61
1001	Breck Trade Days	\$ 39,576.38	\$ 39,661.20
1051	CO 2017 A&B Sinking /Rd	\$ -	\$ -
1001	Water Capital Projects	\$ (110,693.27)	\$ (110,693.27)
1001	Wastewater Capital Projects	\$ 164,314.28	\$ 164,314.28
1001	Capital Improvement Project	\$ 119,020.74	\$ 179,126.73
1058	GENERAL DEBT SERVICE FUND	\$ -	\$ -
1001	General Debt Service Fund P/C	\$ 465,932.53	\$ 567,952.74
1001	REVENUE DEBT SERVICE FUND	\$ 75,731.75	\$ 36,633.25
1025	Rescue Boat Donation	\$ 1,819.45	\$ 1,824.39
1073	CWSRF LF1001492	\$ 80,003.02	\$ 5.74
1076	CWSRF LF1001492 ESCROW	\$ 1,150,800.01	\$ 1,108,697.19
1056	CWSRF CO 2022A L1001491	\$ 1.00	\$ 1.00
1074	CWSRF CO 2022A L1001491 ESCROW	\$ 1,006,092.18	\$ 1,041,462.40
1072	CWSRF CO 2022A L1001426	\$ 1.00	\$ 1.00
1075	CWSRF CO 2022A L1001426 ESCROW	\$ 2,130,790.79	\$ 2,205,701.08
1071	DWSRF LF1001495	\$ 4.27	\$ 97,094.19
1079	DWSRF LF1001495 ESCROW	\$ 1,178,924.10	\$ 806,474.31
1070	DWSRF CO 2022B L1001493	\$ 1.00	\$ 1.00
1078	DWSRF CO 2022B L1001493 ESCROW	\$ 1,452,053.27	\$ 1,503,101.88
1057	DWSRF CO 2022B L1001494	\$ 1.00	\$ 1.44
1077	DWSRF CO 2022B L1001494 ESCROW	\$ 1,017,824.02	\$ 1,021,390.96
1010	LOGIC CO 2023	\$ 5,188,607.81	\$ 3,338,210.56
1084	WAF CO2026 L1002157 ESCROW	\$ -	\$ 1,640,138.70
1086	WAF CO2026 L1002157	\$ -	\$ -
1085	WAF CO2026 G1002158 ESCROW	\$ -	\$ 4,011,744.89
1087	WAF CO2026 G1002158	\$ -	\$ -
	TOTAL - ALL FUNDS	\$ 20,937,305.32	\$ 25,313,265.89

Fiscal Year Sales Tax Revenue Received

MONTH RECEIVED	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026
OCT	\$ 142,235.00	\$ 138,040.00	\$ 157,493.00	\$ 180,530.00	\$ 182,914.00	\$ 176,173.38	\$ 179,092.44
NOV	\$ 122,415.00	\$ 176,091.00	\$ 213,510.00	\$ 230,739.00	\$ 214,002.00	\$ 205,342.24	\$ 236,376.47
DEC	\$ 149,000.00	\$ 138,215.00	\$ 167,667.00	\$ 169,037.00	\$ 158,898.22	\$ 186,724.15	\$ 198,774.01
JAN	\$ 132,144.00	\$ 142,770.00	\$ 195,423.00	\$ 203,137.00	\$ 188,303.00	\$ 175,492.04	\$ 201,539.51
FEB	\$ 175,232.00	\$ 204,822.00	\$ 222,525.00	\$ 228,165.00	\$ 214,081.01	\$ 256,722.47	\$ 281,349.83
MARCH	\$ 127,285.00	\$ 149,849.00	\$ 150,395.00	\$ 166,133.00	\$ 161,140.16	\$ 163,877.32	\$ 184,924.78
APRIL	\$ 121,607.00	\$ 119,118.00	\$ 138,407.00	\$ 175,455.75	\$ 169,163.00	\$ 157,154.10	\$ 182,389.85
MAY	\$ 168,693.00	\$ 210,823.00	\$ 222,804.00	\$ 210,071.22	\$ 213,927.83	\$ 215,254.59	
JUNE	\$ 158,145.00	\$ 157,037.00	\$ 185,695.00	\$ 175,128.00	\$ 185,557.61	\$ 184,180.99	
JULY	\$ 167,474.00	\$ 160,631.00	\$ 187,757.00	\$ 185,736.00	\$ 184,363.32	\$ 205,052.41	
AUG	\$ 183,855.00	\$ 196,582.00	\$ 215,658.00	\$ 206,710.00	\$ 203,593.65	\$ 238,789.51	
SEPT	\$ 141,151.17	\$ 158,558.00	\$ 172,552.00	\$ 177,704.47	\$ 188,524.22	\$ 175,835.01	
TOTAL	\$ 1,789,236.17	\$ 1,952,536.00	\$ 2,229,886.00	\$ 2,308,546.44	\$ 2,264,468.02	\$ 2,340,598.21	\$ 1,464,446.89



SECURITIES PLEDGED

The following shows the calculation of deposit coverage for the deposits of The City of Breckenridge held in Clear Fork Bank on: March 26, 2026 and securities pledged as of: March 26, 2026

Checking account balances:	\$ 8,562,046.74
CD balances:	\$ -
Total on deposit:	<u>\$ 8,562,046.74</u>
FDIC Insurance coverage:	
Checking account balances:	\$ 250,000.00
CD balances:	\$ -
	<u>\$ 250,000.00</u>
Total Deposit balance	
less FDIC coverage:	<u>\$ 8,312,046.74</u>
Securities pledged at market value:	<u>\$ 9,086,685.98</u>
Excess securities pledged:	<u>\$ 774,639.24</u>

2023 CO BOND

BOND
AMOUNT

• \$8,641,984.74

BANK
TRANSFERS

• \$6,124,872.00

TOTAL
INTEREST
EARNED

• \$820,557.81

CURRENT
BALANCE

• \$3,37,670.55

2023 CO BOND-LOGIC PROJECT EXPENDITURES

STREETS

\$5,053,073.63

PARK IMPROVEMENT

\$779,995.17

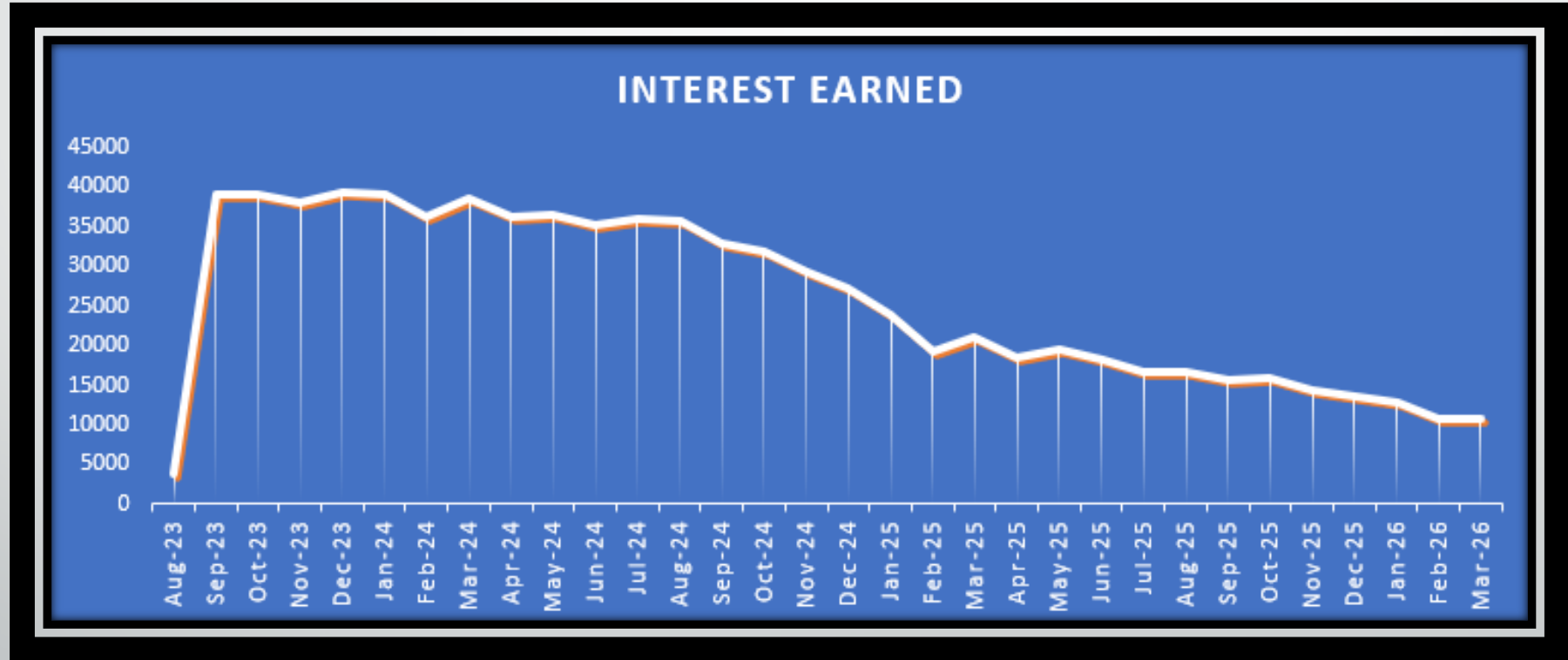
FACILITIES IMPROVEMENT

\$279,118.76

2023 CO BOND-LOGIC INTEREST EARNED

MARCH 2026: \$10,740.32

TOTAL: \$820,557.81

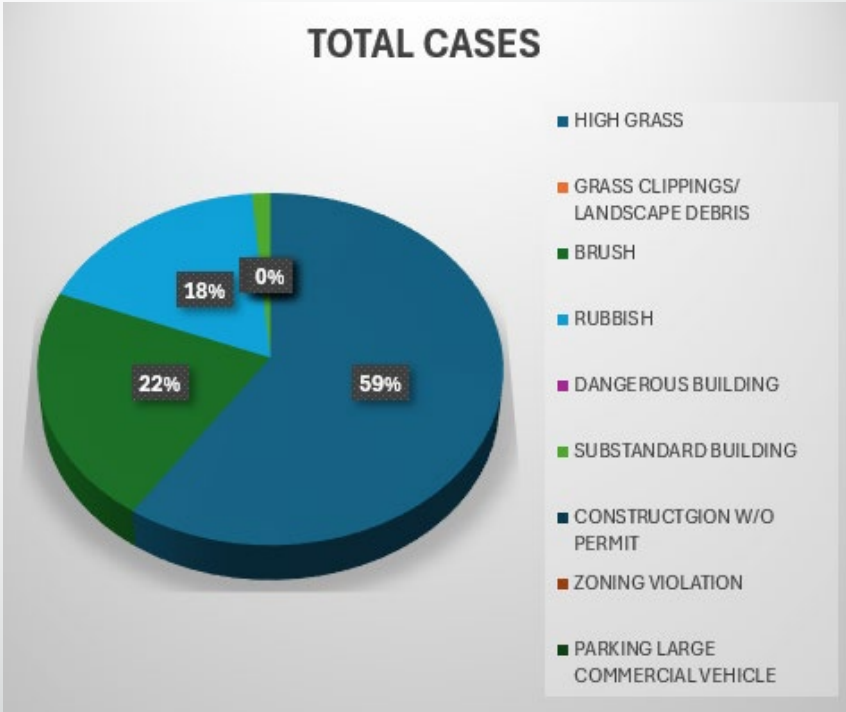
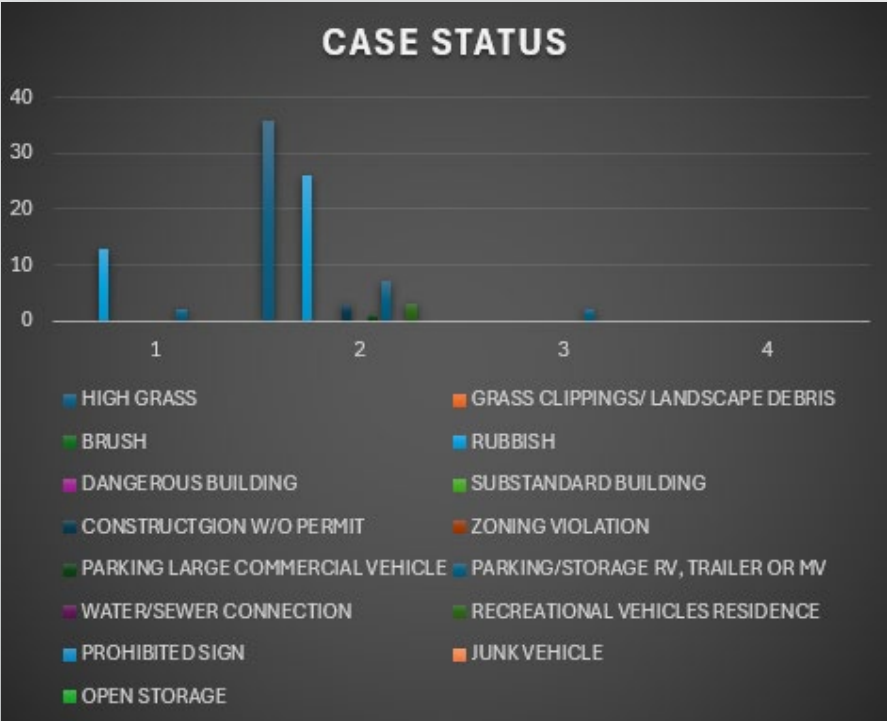


BUILDING & DEVELOPMENT

MARCH 2026		FY 2025-2026
Permits Issued:		
Building	4	27
Roof	0	4
Fence, windows, siding, etc.	1	5
Sign	0	0
Mobile home	1	3
Certificate of Occupancy	1	1
Electrical	15	42
Plumbing	3	10
Gas line	5	17
Irrigation	0	0
HVAC	1	7
Moving	0	0
Demolition	0	0
P&Z	0	2
Variance	0	1
Prelim/final plat/replat	0	3 replats
Solicitor/vendor	3	5
Beer/wine/liquor license	3	5
Gaming machine license	0	2
Food Mobile Unit	0	5
Fire alarm	0	1
Fire sprinkler	0	0

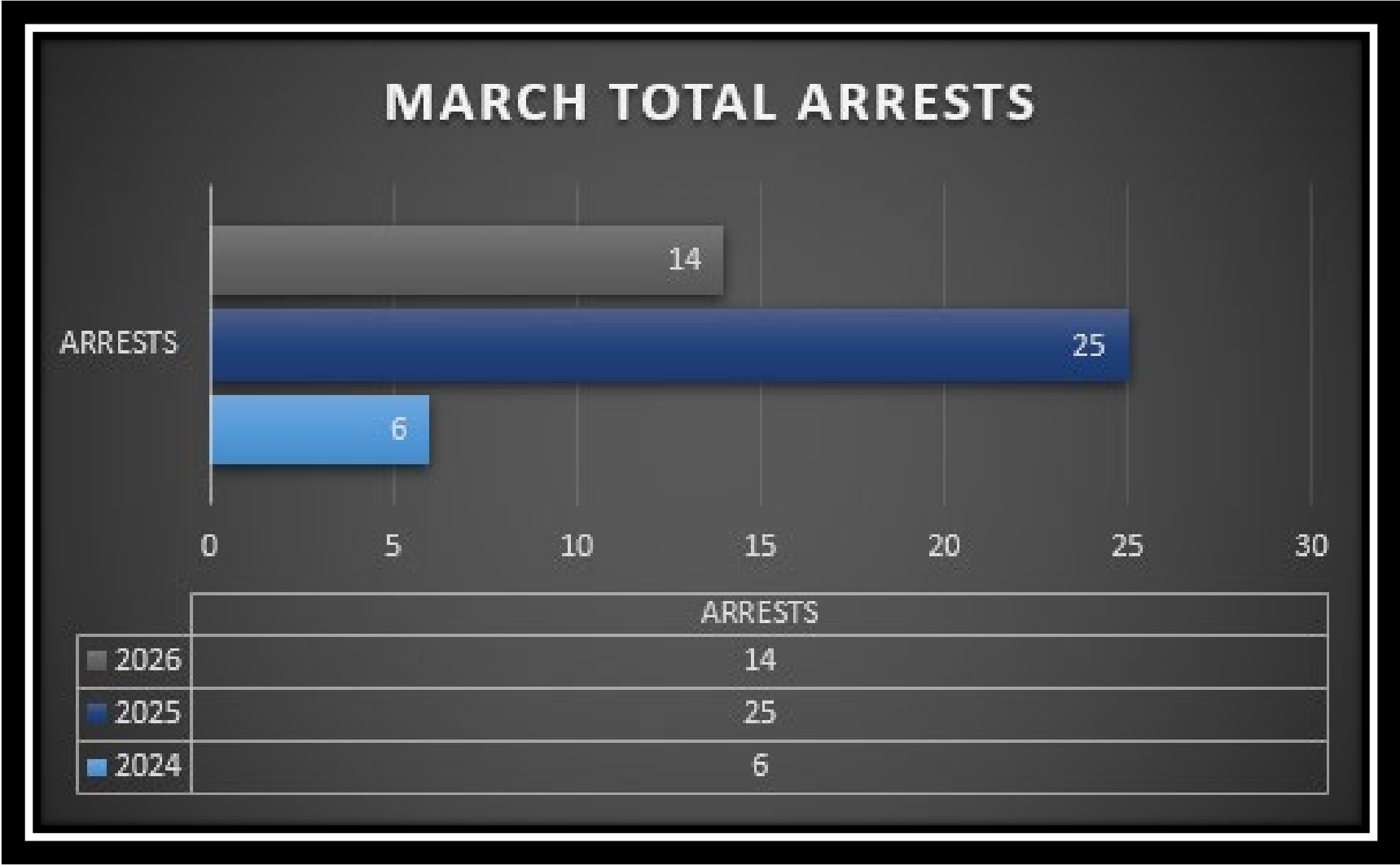
CODE ENFORCEMENT

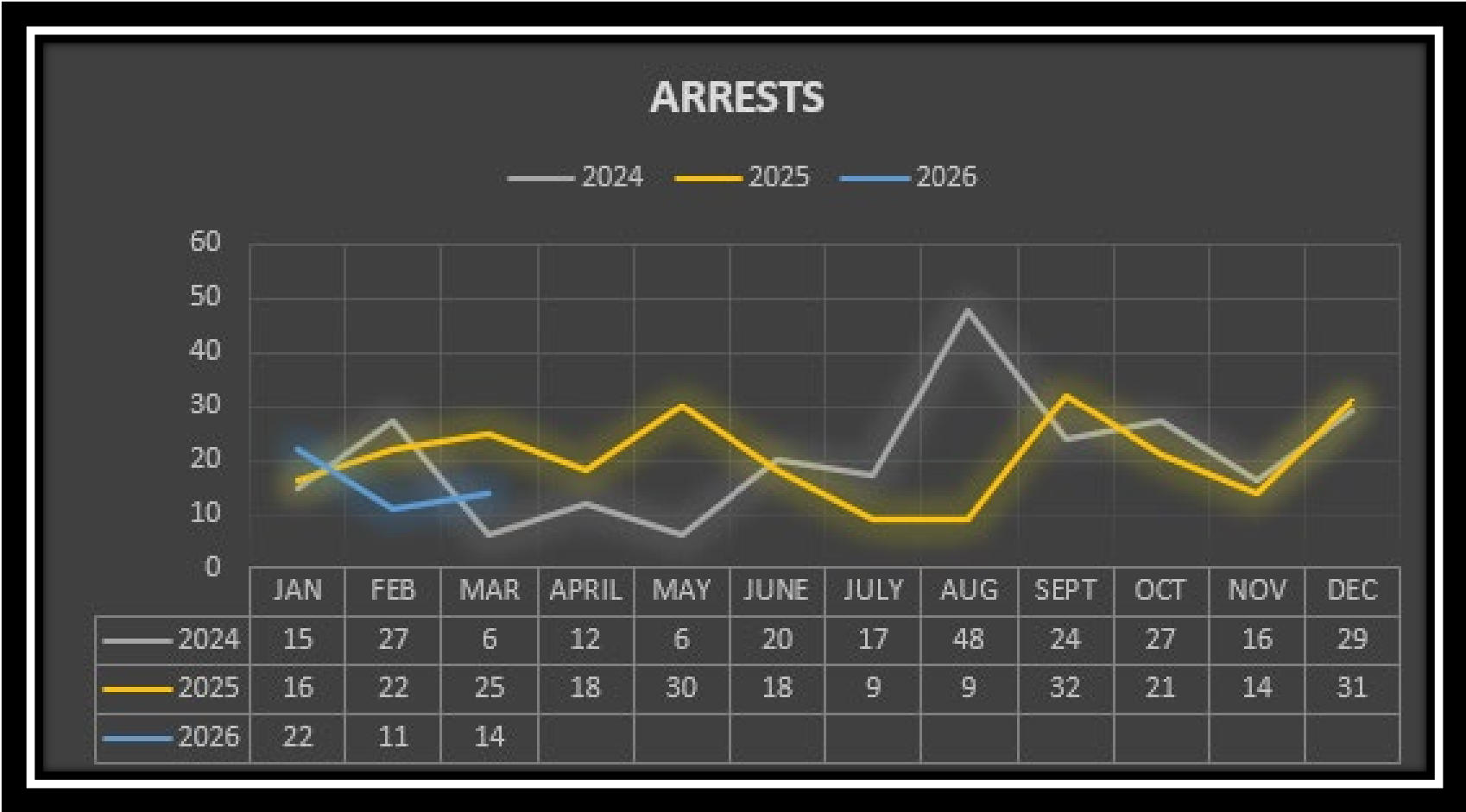
MARCH 2026 CASES: 116



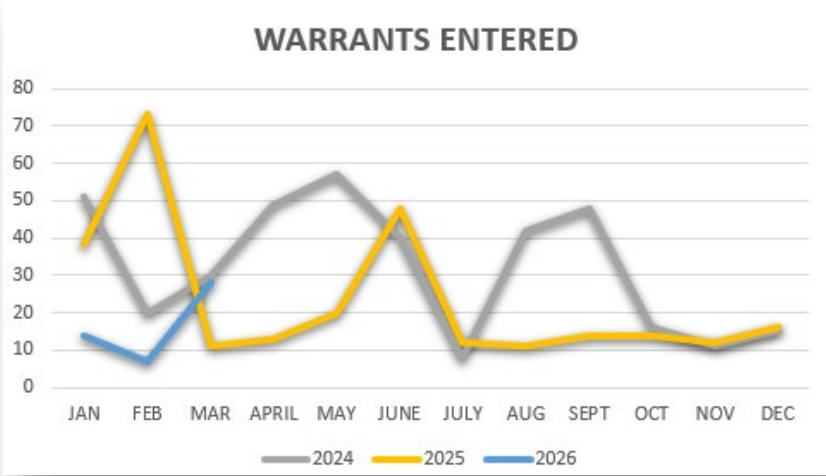
BRECKENRIDGE POLICE DEPARTMENT



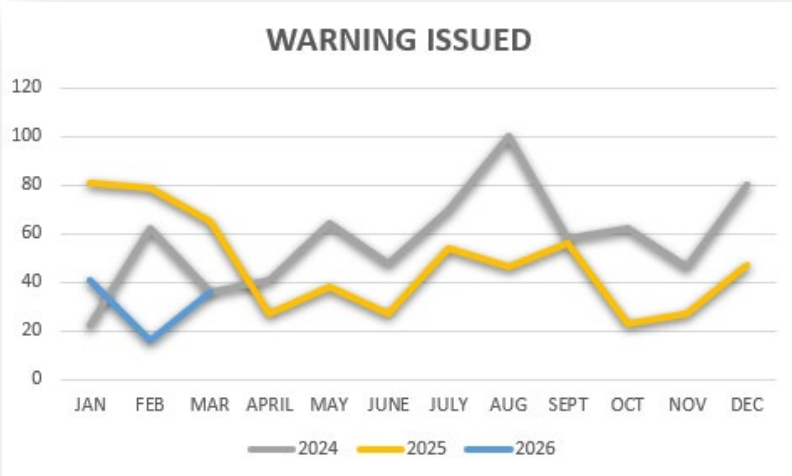
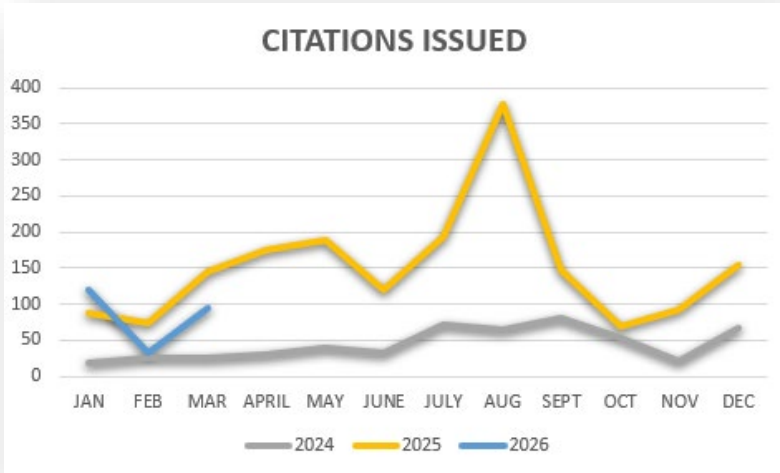
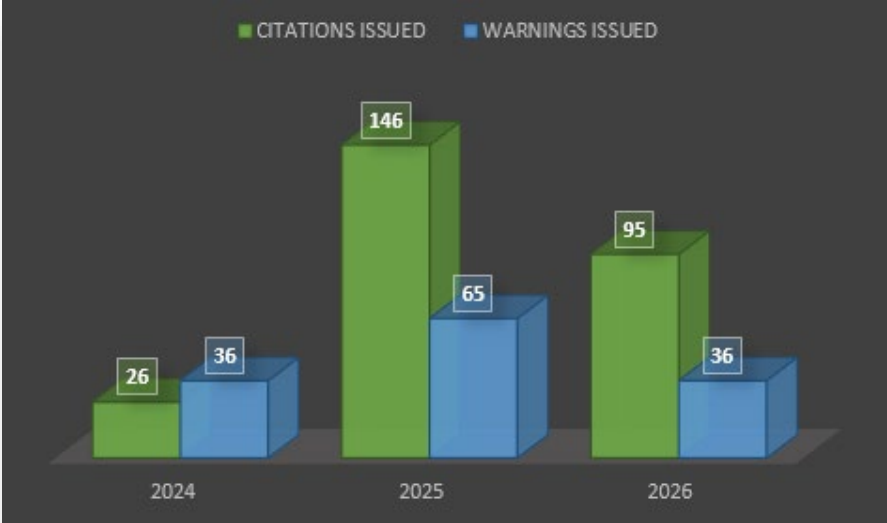




MARCH WARRANTS



MARCH CITATIONS & WARNINGS



MARCH ANIMAL CONTROL

TOTAL CALLS: 286

AGGRESSIVE	2	
BITE	5	
CARCASS w-31 d-8	39	
INJURED/SICK		
RETURNED TO OWNER IN FIELD	1	
RUNNING AT LARGE	53	3
NUISANCE/COMPLAINT		
WELFARE CHECK	92	
OTHER	91	
TOTAL	283	3

MARCH ANIMAL CONTROL

SHELTER INTAKE		
	CITY	COUNTY
STRAY/RUNNING AT LARGE	4	2
SEIZED BY LAW		
OWNER SURRENDER		
RABIES QUARANTINE OBSERVATION	5	
TOTAL	9	2

LEFT THE SHELTER		
	CITY	COUNTY
ADOPTED FROM SHELTER	1	
RECLAIMED BY OWNER	5	1
RETURNED AFTER QUARANTINE	1	
TRANSFERRED TO RESCUE PARTNER		
TOTAL	7	1

RABIES QUARANTINE OBSERVATION		
	CITY	COUNTY
HOME QUARANTINE		
SHELTER QUARANTINE	5	
TOTAL	5	0

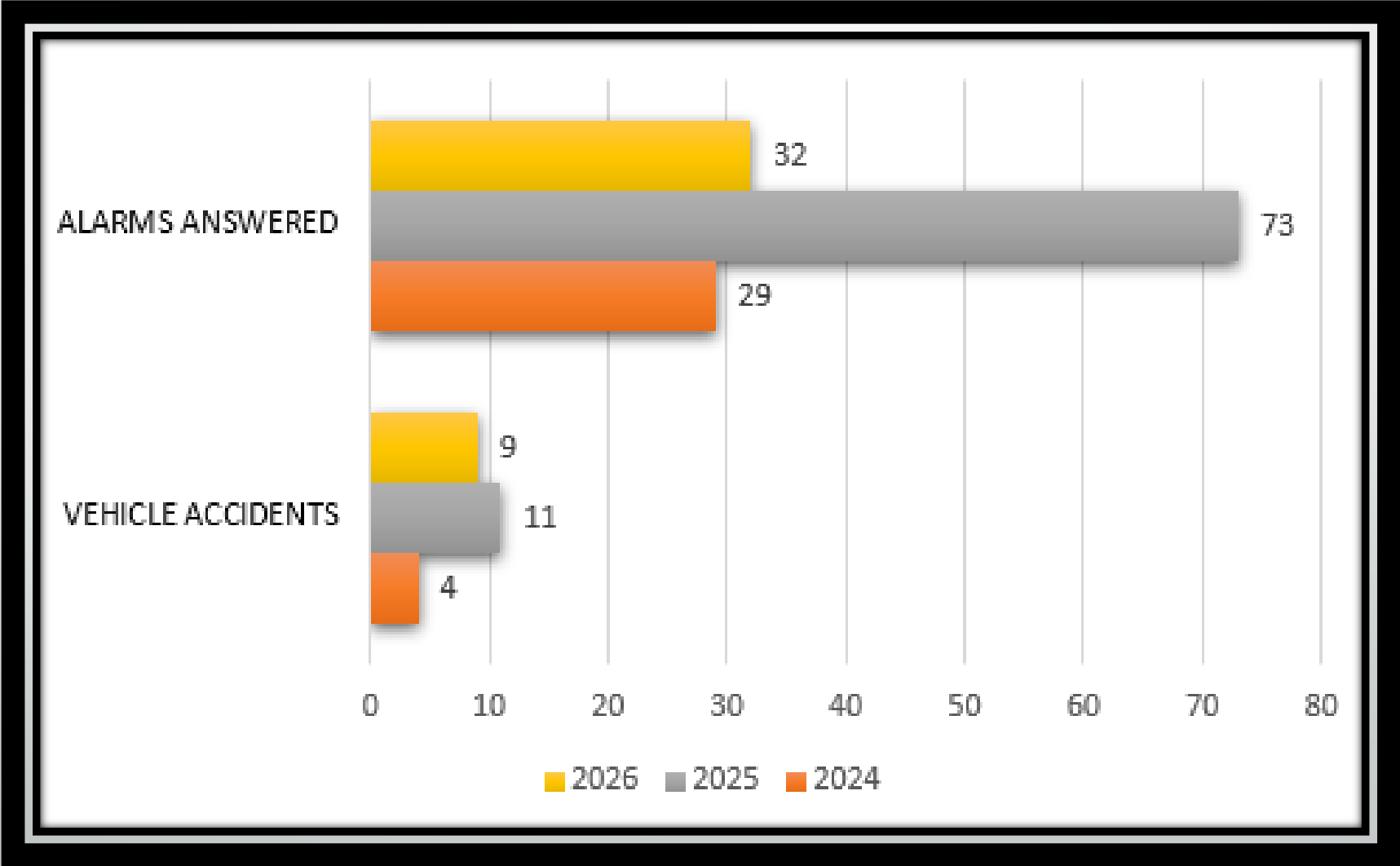
HUMANE EUTHANASIA		
	CITY	COUNTY
BEHAVIORAL	1	1
MEDICAL		3
OWNER SURRENDER	1	
TOTAL	2	4

TOTAL IN SHELTER AT END OF MONTH		
CITY	13	
COUNTY	2	
CITY QUARANTINE		
COUNTY QUARANTINE		
TOTAL	15	

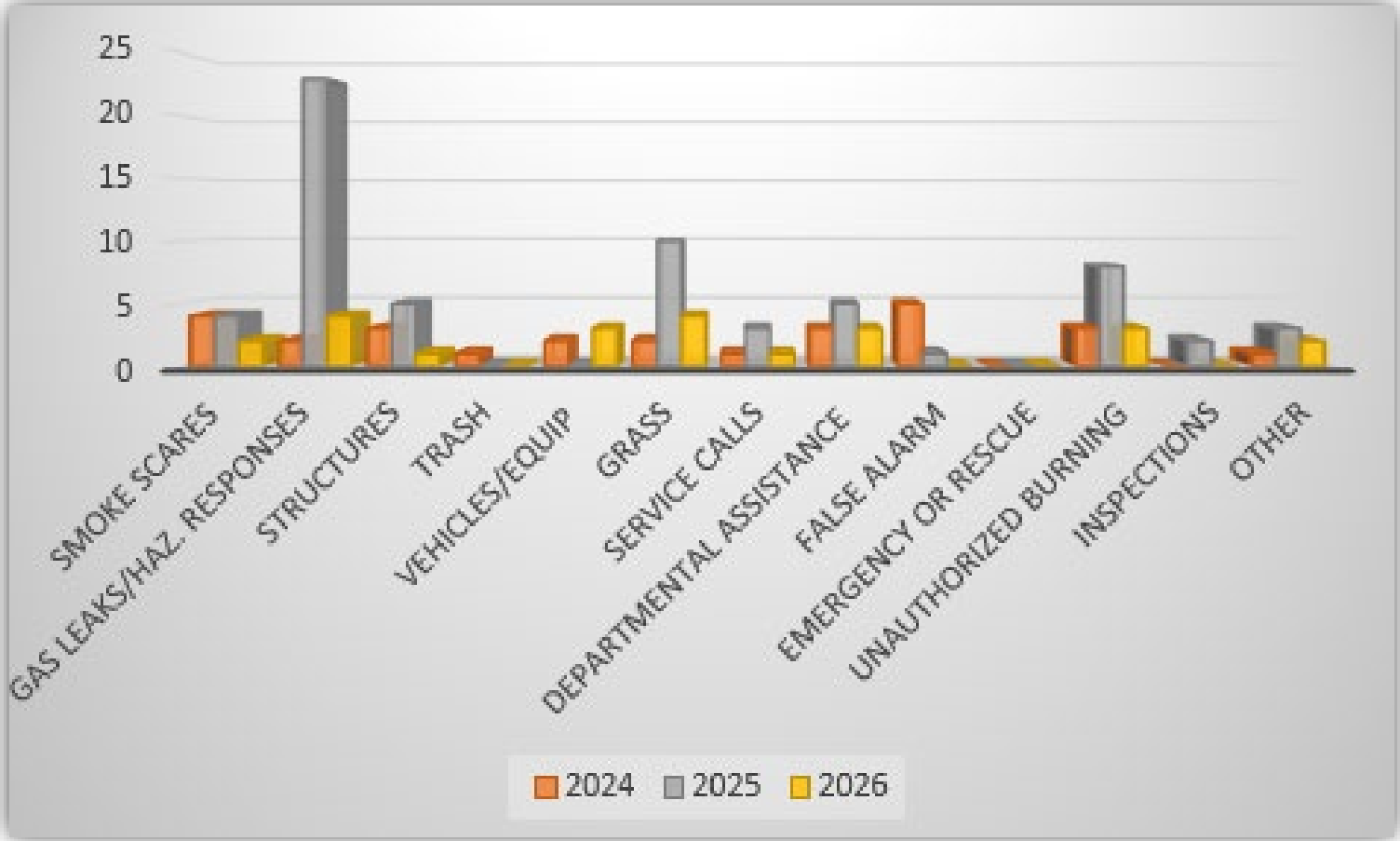
CITATIONS ISSUED	25
WARNING ISSUED	19
CASES IN MUNICIPAL COURT	

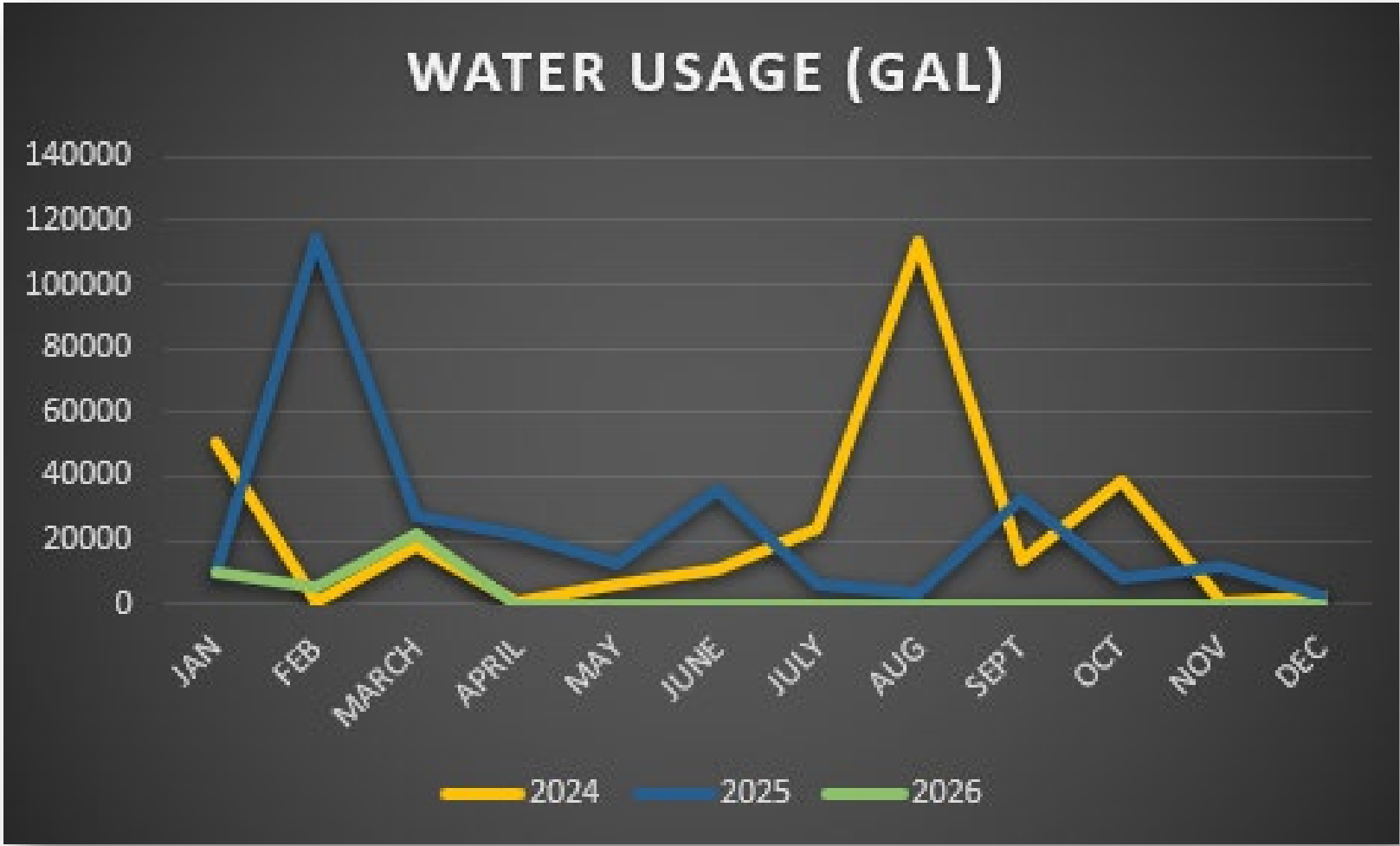


MARCH 2026



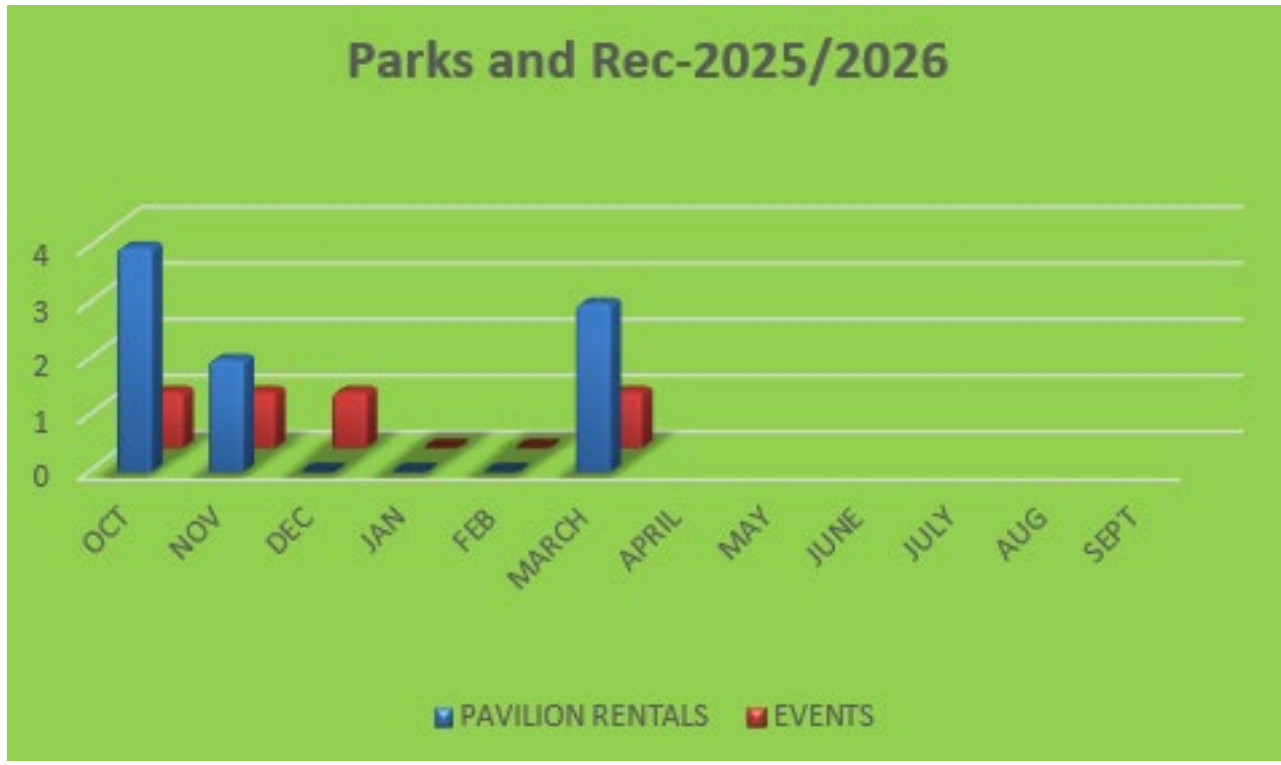
MARCH CALLS FOR SERVICE



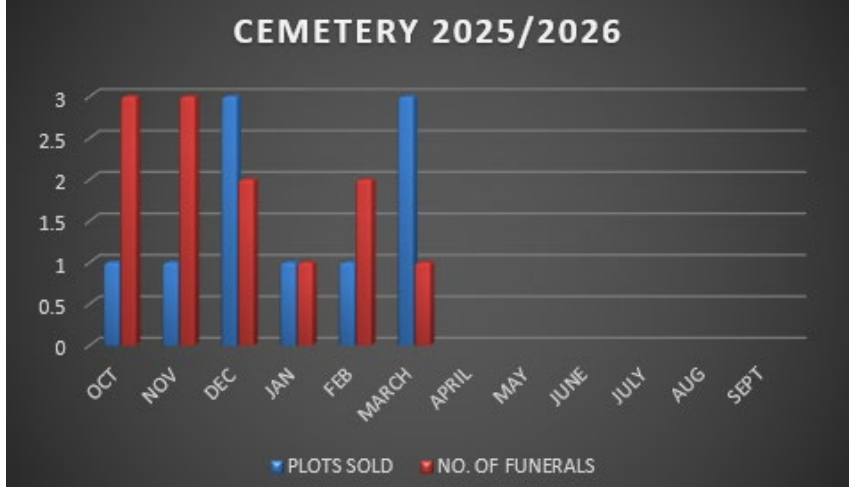




PARKS & CEMETERY



- 3 pavilion rentals
- 0 trade barn rentals
- 1 volleyball court rental
- 0 pickleball rental
- Heavy usage at the parks
- Maintaining all the parks
- Maintaining Downtown clean-up



- 1 funeral to report
- 3 spaces sold for \$1800
- Helping with Downtown clean-up
- Trimming trees
- Maintaining Cemetery
- Maintaining equipment

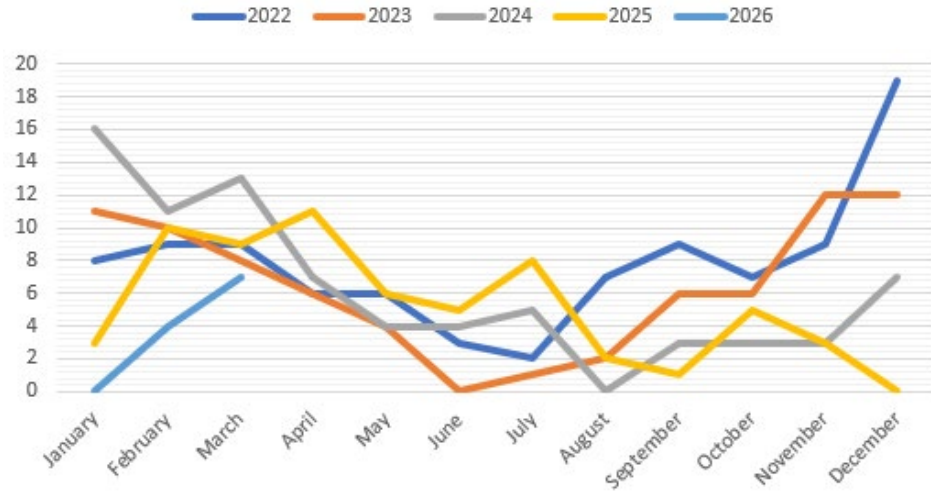
CEMETERY

PUBLIC

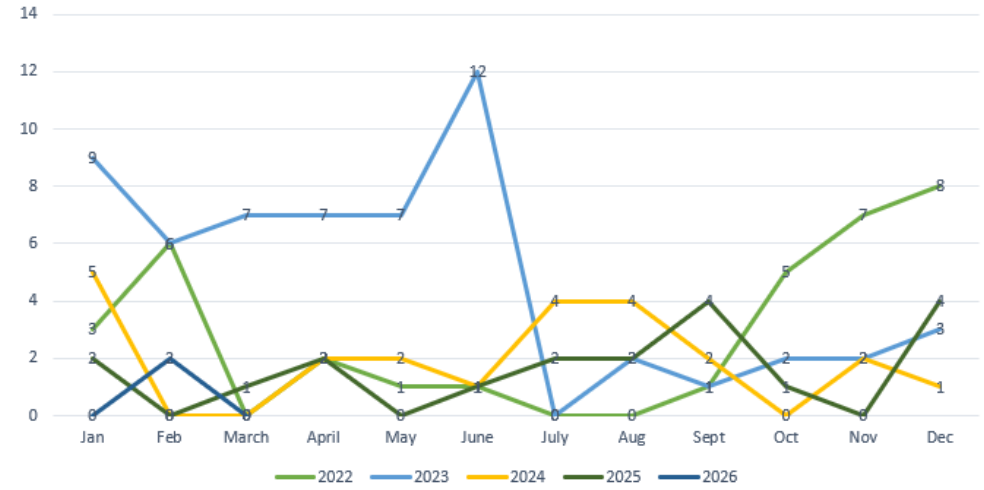


WORKS

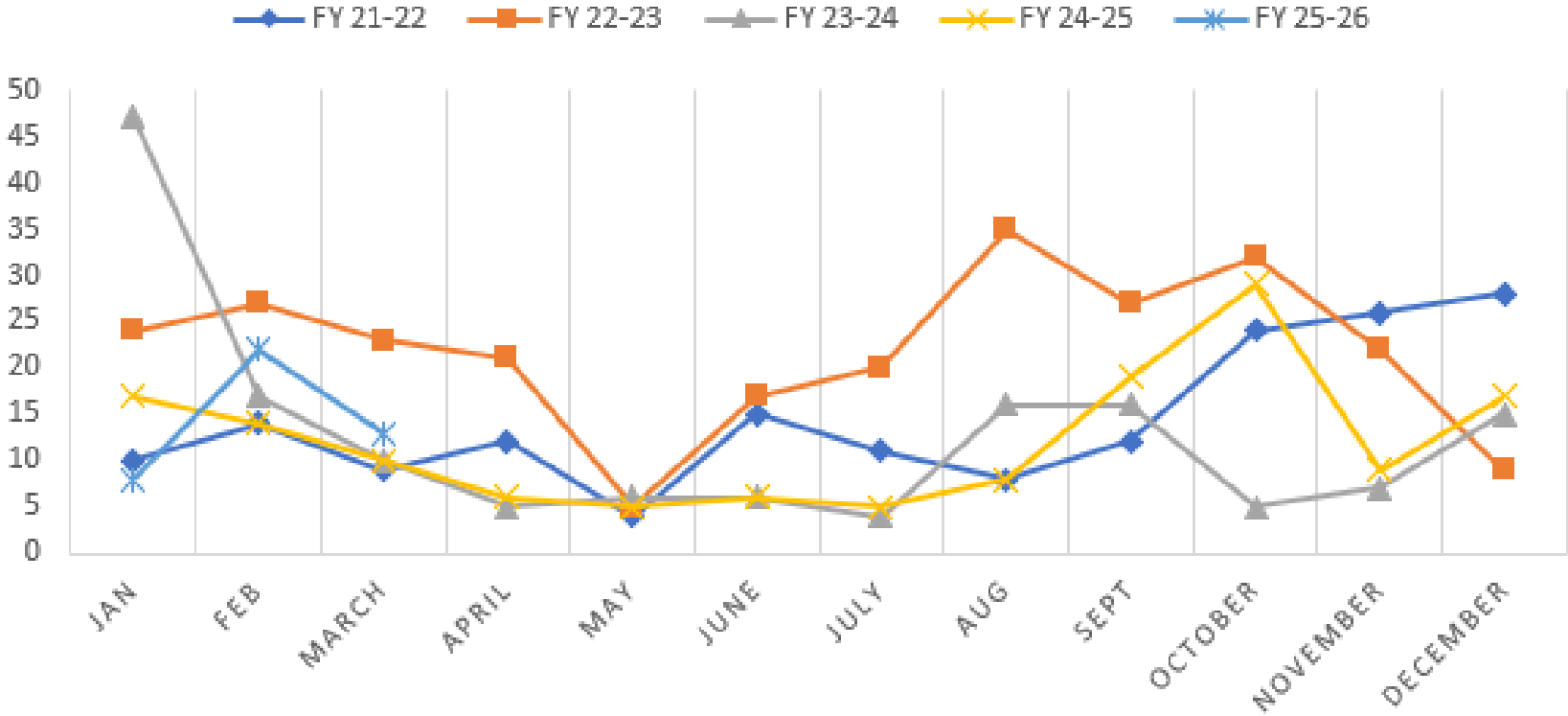
SEWER STOPPAGES



Meter Leak Report



WATER LEAKS





BRECKENRIDGE CITY COMMISSION AGENDA SUMMARY FORM

Subject: Discussion and any action regarding the first reading of Resolution 2026-11 approving the Breckenridge Economic Development Corporation project for Neri’s Courtyard.

Department: Administration

Staff Contact: Cynthia Northrop

Title: City Manager

BACKGROUND INFORMATION:

In April of 2024, Breckenridge Economic Development Corporation (“BEDC”) approved a project to provide a low-interest loan of \$250,000.00 and to convey the property at 219 W. Walker and 223 W. Walker to Jonathan and Neri Gonzalez for the development and operation of a restaurant called Neri’s Courtyard. The City Commission approved the project at that time.

However, it has recently been discovered that the paperwork concerning the project prepared by the former BEDC Executive Director was incomplete. There was also another incentive – a \$60,000.00 forgivable loan – that was provided by BEDC in April of 2024, which was not approved by the Commission. In an effort to have a solid agreement with Mr. and Mrs. Gonzalez, and to confirm that all parties involved are on the same page regarding expectations on each side, BEDC has asked the City Attorney to prepare an Amended Incentive Agreement.

This agenda item is for the City Commission to approve the project as reflected in the Amended Incentive Agreement, which includes total incentives of approximately \$610,000.00, including the \$250,000.00 low-interest loan, the \$60,000.00 no-interest forgivable loan, and the conveyance of the real property. However, the Amended Incentive Agreement has not yet been signed by all parties so the Resolution allows the City Manager and the BEDC Executive Director to finalize agreement terms pursuant to general authorization for the project from the Commission. This is the first reading of the Resolution, and it will be presented for final approval at the June 9, 2026, Commission meeting.

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

Approve first reading of Resolution No. 2026-11 presented.

RESOLUTION NO. 2026-11

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF BRECKENRIDGE, TEXAS AUTHORIZING THE BRECKENRIDGE ECONOMIC DEVELOPMENT CORPORATION TO UNDERTAKE A PROJECT TO PROMOTE NEW OR EXPANDED BUSINESS ENTERPRISES BY PROVIDING A LOW-INTEREST LOAN IN THE AMOUNT OF \$250,000.00 AND A NO-INTEREST FORGIVABLE LOAN IN THE AMOUNT OF \$60,000.00 AND CONVEYING PROPERTY KNOWN AS 219 W. WALKER AND 223 W. WALKER TO JONATHAN AND NERI GONZALEZ; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Breckenridge Economic Development Corporation (“Breckenridge EDC”) is a Type B economic development corporation governed by Chapters 501 and 505 of the Texas Local Government Code;

WHEREAS, in April 2024, the Board of Directors of the Breckenridge EDC (the “EDC Board”) and the City Commission of the City (the “City Commission”) approved a project to provide a low-interest loan of \$250,000.00 and to convey property known as 219 and 223 W. Walker to Jonathan and Neri Gonzalez for the development and operation of a restaurant called Neri’s Courtyard;

WHEREAS, after recently discovering that the paperwork for the 2024 was incomplete, the EDC Board has reauthorized the \$250,000.00 low-interest loan and conveyance of 219 and 223 W. Walker as well as a \$60,000.00 no-interest forgivable loan to Jonathan and Neri Gonzalez for Neri’s Courtyard, plus capital investments into and job creation and retention at said restaurant (the “Project”);

WHEREAS, the EDC Board has found that the Project is authorized pursuant to Section 505.158 of the Texas Local Government Code, as the Project would promote new and expanded business enterprises in the City of Breckenridge;

WHEREAS, Breckenridge EDC published notice regarding the Project on **April 29, 2026**, as required by Section 505.160 of the Texas Local Government Code, and the EDC Board held a public hearing regarding the Project on **May 19, 2026**, as required by Section 505.159 of the Texas Local Government Code;

WHEREAS, Section 505.158(b) of the Texas Local Government Code requires the City Commission to authorize a project allowed by that section by a resolution approved upon two readings; if it involves the expenditure of more than \$10,000; and

WHEREAS, the City Commission wishes to formally approve the Project.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF BRECKENRIDGE, TEXAS THAT:

SECTION 1. The recitals outlined above are found to be true and correct and are hereby adopted.

SECTION 2. The Project, as defined above, is hereby authorized.

SECTION 3. Breckenridge EDC may execute an Amended Incentive Agreement concerning the Project upon approval of the final form of said Agreement by the City Manager, in conjunction with the Breckenridge EDC Executive Director.

SECTION 4. This Resolution shall take effect immediately upon its approval on second reading by the City Commission.

PASSED AND APPROVED on first reading by the City Commission of the City of Breckenridge this the 5th day of May, 2026.

PASSED, ADOPTED, AND APPROVED on second reading by the City Commission of the City of Breckenridge this the 9th day of June, 2026.

, Mayor

ATTEST:

Jessica Sutter, City Secretary

S E A L



BRECKENRIDGE CITY COMMISSION AGENDA SUMMARY FORM

Subject: Discussion and any necessary action regarding approval of awarding a construction contract related to the TWDB CWSRF Project No. 739005, CID-02-Phase I Collection System Improvements project contingent upon TWDB approval

Department: Administration

Staff Contact: Cynthia Northrop

Title: City Manager

BACKGROUND INFORMATION:

This project is one of the TWDB CWSRF projects upgrading the City's lift stations. This project was advertised and the City received four proposals (see proposal tab). Staff committee reviewed and scored per the criteria listed in the "Instructions to Proposers" and the highest-ranking proposal was Legacy Construction, LP dba Control Specialist Services, LP., with a total amount of \$1,185,700.

FINANCIAL IMPACT:

TWDB (CWSRF) construction budget for the Wastewater System Improvements (WWTP, Lift Stations, Sewer lines) is \$3,150,000, plus \$341,691 in Contingency. The WWTP contract amount with Purcell is \$696,150. With the approval of Legacy at \$1,185,700, there will be an additional \$1,610,841 remaining for additional WWTP and Sewer Line system improvements.

STAFF RECOMMENDATION:

Consider award of construction contract to Legacy Construction, LP as presented.

Enprotec / Hibbs & Todd, Inc., 402 Cedar Street, Abilene, Texas 79601

TABULATION OF PROPOSALS FOR: CWSRF Wastewater Treatment Plant Improvements Phase I Collection System Imp. (CID 02), City of Breckenridge, Texas

PROPOSALS RECEIVED: 4/22/2026

PE Firm Registration No. 1151				Legacy Construction, LP. dba Control Specialist Services, LP.		Haynie Leadership Group, Inc. dba A & V Water		SCANDM, LLC		Rey-Mar Construction, LLC	
BASE PROPOSAL				Unit Cost	Amount	Unit Cost	Amount	Unit Cost	Amount	Unit Cost	Amount
Item No.	Quantity	Unit	Item								
1	1	LS	Mobilization, Bonds & Insurance	\$ 59,275.00	\$ 59,275.00	\$ 71,801.00	\$ 71,801.00	\$ 72,805.87	\$ 72,805.87	\$ 66,000.00	\$ 66,000.00
2	1	LS	Implement Stormwater Pollution Prevention Plan	\$ 4,100.00	\$ 4,100.00	\$ 26,000.00	\$ 26,000.00	\$ 6,500.00	\$ 6,500.00	\$ 1,230.00	\$ 1,230.00
3	1	LS	Complete Site Preparation	\$ 875.00	\$ 875.00	\$ 26,000.00	\$ 26,000.00	\$ 19,027.60	\$ 19,027.60	\$ 13,000.00	\$ 13,000.00
4	1	LS	Demolition of Equipment & Structures at Existing Lift Station 1	\$ 14,200.00	\$ 14,200.00	\$ 22,750.00	\$ 22,750.00	\$ 66,038.53	\$ 66,038.53	\$ 82,640.00	\$ 82,640.00
5	1	LS	Demolition of Equipment & Structures at Existing Lift Station 2	\$ 6,600.00	\$ 6,600.00	\$ 32,500.00	\$ 32,500.00	\$ 57,155.98	\$ 57,155.98	\$ 48,200.00	\$ 48,200.00
6	1	LS	Demolition of Equipment & Structures at Existing Lift Station 3	\$ 5,000.00	\$ 5,000.00	\$ 26,000.00	\$ 26,000.00	\$ 53,424.40	\$ 53,424.40	\$ 53,300.00	\$ 53,300.00
7	1	LS	Demolition of Equipment & Structures at Existing Lift Station 5	\$ 5,500.00	\$ 5,500.00	\$ 13,000.00	\$ 13,000.00	\$ 39,112.41	\$ 39,112.41	\$ 38,600.00	\$ 38,600.00
8	1	LS	Rehab of Existing Lift Station 1: 3 submersible pumps	\$ 629,600.00	\$ 629,600.00	\$ 597,296.00	\$ 597,296.00	\$ 484,591.23	\$ 484,591.23	\$ 952,000.00	\$ 952,000.00
9	1	LS	Rehab of Existing Lift Station 2: 2 submersible pumps	\$ 170,000.00	\$ 170,000.00	\$ 207,244.00	\$ 207,244.00	\$ 256,855.44	\$ 256,855.44	\$ 290,000.00	\$ 290,000.00
10	1	LS	Rehab of Existing Lift Station 3: 2 submersible pumps	\$ 180,000.00	\$ 180,000.00	\$ 240,294.00	\$ 240,294.00	\$ 232,713.52	\$ 232,713.52	\$ 295,000.00	\$ 295,000.00
11	1	LS	Rehab of Existing Lift Station 5: 1 submersible pump	\$ 68,650.00	\$ 68,650.00	\$ 118,575.00	\$ 118,575.00	\$ 161,614.49	\$ 161,614.49	\$ 145,200.00	\$ 145,200.00
12	130	LF	Fencing for Existing Lift Stations 3 & 5	\$ 130.00	\$ 16,900.00	\$ 227.50	\$ 29,575.00	\$ 164.32	\$ 21,361.00	\$ 184.00	\$ 23,920.00
13	1	LS	Owner Allowance Work Directed by City	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
TOTAL BASE PROPOSAL PRICE (Items 1 thru 13)					\$ 1,185,700.00		\$ 1,436,035.00		\$ 1,496,200.47	**	\$ 2,034,090.00

**** Due to calculation error, Rey-Mar Construction, LLC's Base Proposal Price is higher than what was read aloud at the Proposal Opening.**

I, COLDEN S. RICH, P.E., #110231, DO HEREBY CERTIFY THAT THE ABOVE REFERENCED PROPOSALS WERE RECEIVED, IN ACCORDANCE WITH THE ADVERTISED PROCEDURES, OPENED, AND READ ALOUD. THE PROPOSAL TABULATION HEREIN IS A TRUE AND ACCURATE REPRESENTATION OF THE PROPOSALS READ ALOUD.


COLDEN S. RICH, P.E., #110231

4/22/26





April 24, 2026

City of Breckenridge
105 North Rose Avenue
Breckenridge, TX 76424
Attn: Mr. Bob Sims, Mayor

**Re: Recommendation of Award
TWDB CWSRF No. 73905 – CID 02
Wastewater Treatment Plant Improvements – Phase I: Collection System Improvements**

Dear Mayor Sims:

Proposals for the referenced project were opened on April 22, 2026. Four (4) proposals were received, and the proposal tabulation was published the same day. This proposal tabulation is also attached for reference. A scoring committee composed of City Staff reviewed the Proposals per the Competitively Sealed Proposal (CSP) criteria provided within the *Instructions to Proposers for Construction Contract*. A copy of the proposal scoring sheet is also provided for reference. The highest-ranking proposal was submitted by Legacy Construction, LP. dba Control Specialist Services, LP.

Based upon the evaluation findings, it is recommended that the construction contract for the City of Breckenridge Collection System Improvements Project be awarded to Legacy Construction, LP. dba Control Specialist Services, LP, as the highest ranking, qualified proposer, in the total amount of **\$1,185,700.00**.

The TWDB project includes approximately \$3.15 million in loan/grant funding available for construction. The remainder of the funding is intended for additional WWTP and Collection system improvements.

Sincerely,

Enprotec / Hibbs & Todd

Brittany White, P.E.

BW/jd

Encl: Proposal Tabulation
Scoring Summary

c: Breckenridge City Council
Cynthia Northrop, City Manager
Project File 7902

V:\Vault\Abilene Data\Data\Projects\Breckenridge, City of\7902 2021 CWSRF WWTP Impl5. Bidding Phase\Phase 1 - Collection System Imp (CID 02) (Lift Station Imp) CSP\Bidder Evaluation\Recom of Award_CID 02_4-24-2026.docx

Enprotec / Hibbs & Todd, Inc., 402 Cedar Street, Abilene, Texas 79601

TABULATION OF PROPOSALS FOR: CWSRF Wastewater Treatment Plant Improvements Phase I Collection System Imp. (CID 02), City of Breckenridge, Texas

PROPOSALS RECEIVED: 4/22/2026

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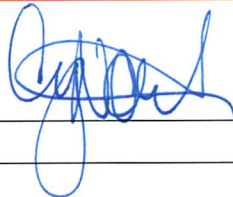


COLDEN S. RICH, P.E., #110231

4/22/26



Scoring Summary
Per EJCDC C-200 Article 19 - Evaluation of Proposals and Award of Contract

	Legacy Construction, LP. Dba Control Specialist Services, LP.	Haynie Leadership Group, Inc. dba A&V Water	SCANDM, LLC	RAY-MAR Construction, LLC
Proposal Pricing (50 Points Maximum)	REASONS FOR SELECTION 50.0	REASONS FOR SELECTION 39.4	REASONS FOR SELECTION 36.9	REASONS FOR SELECTION 14.2
Based on Base Proposal Price Items.				
% difference compared to the Base Proposal Price	\$ 1,185,700.00	\$ 1,436,035.00	\$ 1,496,200.47	\$ 2,034,090.00
Points = (1-(Proposer Price - Lowest Base Proposal Price)/Lowest Base Proposal Price) * 50 points				
Contractors Qualifications (20 Points Maximum)	REASONS FOR SELECTION 15	REASONS FOR SELECTION 15	REASONS FOR SELECTION 18	REASONS FOR SELECTION 15
a. The Proposer's key team members for this project only, and their location (on-site and off-site) during project construction.				
b. The resumes of the Project Manager (PM), Project Superintendent (PS), and the names of all projects that they completed together that will be assigned to the project. Provide the names of contact persons with whom those individuals have worked on listed projects.				
c. Provide the name of two (2) proposed Project Superintendents. Superintendents shall have been directly employed by the Proposer for not less than five (5) years. Provide the name of the projects for which each superintendent was responsible, including the dollar value of the project, date complete, contact name and phone number for the Client. Proposers shall verify that contact name and number is current and correct. Superintendents shall not have been engaged on a Contract Labor basis by the Proposer.				
Current and Completed Projects and References (15 Points Maximum)	REASONS FOR SELECTION 10	REASONS FOR SELECTION 10	REASONS FOR SELECTION 10	REASONS FOR SELECTION 10
Refer to Article 3				
Adherence to the Technical Requirements of the Request for Proposals (10 Points Maximum)	REASONS FOR SELECTION 10	REASONS FOR SELECTION 10	REASONS FOR SELECTION 10	REASONS FOR SELECTION 10
The Proposer has provided the information and documentation required for the evaluation of the proposal as required in this RFP.				
Safety Record (5 Points Maximum)	REASONS FOR SELECTION 3	REASONS FOR SELECTION 3	REASONS FOR SELECTION 3	REASONS FOR SELECTION 3
Attach the Contractor's Project Office's OSHA 300a Summary of Work-Related Injuries and Illness Form for the last three (3) years.				
TOTAL SCORE	50.0 88	39.4 77.4	36.9 77.9	14.2 52.2
RANK	1	3	2	4

Owner's Signature:  _____
 Date: 4-23-20  _____ 04/23/2020



BRECKENRIDGE CITY COMMISSION
AGENDA SUMMARY FORM

Subject: Discussion and any action regarding approval of Construction Contract Change Order 1 on the Water System Improvements project funded by Texas Water Development Board (DWSRF #62913) (CID-01) contingent upon agency approval.

Department: Administration

Staff Contact: Cynthia Northrop

Title: City Manager

BACKGROUND INFORMATION:

This project is one of the TWDB projects for water line (DWSRF) improvements that is ongoing. As a reminder, the contractor (Raydon), started on Elm at Rose, working east. This change-order extends the contract time (an additional 288 days) due to several issues outside the contractor’s control (see attachment).

Additionally, the change-order includes an increase of \$5,850 for three additional water service reconnects (3 x \$1,950=\$5,850).

FINANCIAL IMPACT:

- Original contract amount - \$334,229.50
- Increases contract amount \$5,850
- Total contract amount after change-order #1 - \$340,079.50

STAFF RECOMMENDATION:

Consider approval of Change-order #1 to TWDB DWSRF Water Line Improvement project as presented and authorize the City Manager to execute the documents.

Attachments:

1. **PCO – 1 (3) Additional Water Service Reconnects. 3 x \$1,950/EA = \$5,850.00.**
2. **PCO – 2 Time Extension.**
3. **Time Extension Spreadsheet.**

Change in Contract Price	Change in Contract Times
Original Contract Price: \$ 334,229.50	Original Contract Times: Substantial Completion: 180 Ready for final payment: 210
NO CHANGE from previously approved Change Orders \$ 0.00	NO CHANGE from previously approved Change Orders: 0 days
Contract Price prior to this Change Order: \$ 334,229.50	Contract Times prior to this Change Order: Substantial Completion: 180 Ready for final payment: 210
Impact this Change Order: \$ 5,850	Impact this Change Order: Substantial Completion: 228 Ready for final payment: 228
Contract Price incorporating this Change Order: \$ 340,079.50	Contract Times with all approved Change Orders: Substantial Completion: 408 Ready for final payment: 438

Recommended by Engineer

Signature: _____
 By: Sage Diller
 Title: Project Manager
 Date: 4/23/2026

Accepted by Contractor

 Seth Shortes
 Raydon, Inc. - President
 4/23/2026

Authorized by Owner

Signature: _____
 By: Cynthia Northrop
 Title: City Manager
 Date: 4/23/2026



Raydon, Inc.

1465 Elmdale Rd. N. Abilene, TX 79601
PO Box 671 Breckenridge, TX 76424
Abilene Ph: 325-548-9369
Breckenridge Ph: 254-559-5012

Item 8.

CUSTOMER:

City of Breckenridge
ATTN: Cynthia Northrop
105 N. Rose St.
Breckenridge, TX 76424
Ph: 254-477-3019

cnorthrop@breckenridgetx.gov

REGARDING:

TWDB Water Distribution System Improvements
Additional Work (March 2026)

Change Order Request

23442

DATE: April 1, 2026

DESCRIPTION

RECONNECT (3) 1" SERVICE LINES ON MCAMIS, MILLER & SMITH. 3 x \$1,950.00/EA = \$5,850.00

TOTAL: \$5,850.00

Dick Garcia 4/1/26
Submitted by: Date

Accepted by: Date

WE APPRECIATE YOUR BUSINESS AND THE OPPORTUNITY TO SUBMIT THIS PROPOSAL. WE LOOK FORWARD TO ENHANCING THE QUALITY AND CURB APPEAL OF YOUR PROPERTY. IF YOU HAVE ANY QUESTIONS OR CONCERNS PLEASE CONTACT: DICK GARCIA AT 254-559-0195

21-14-2026

City of Breckenridge Elm Street Water Line (meter)
Rose Street to Live Oak

- 1-Extra (1) City of Breckenridge Parking Lot (West side) 2-1" Short Services
* (1) extra
- (2) 316 Elm 1" Short
- (3) 316 Elm 1" Short
- (4) 321 Elm 1" Long
- (5) 109 N McAmis 1" Long
- (6) 400 Elm 1" Short
- (7) 404 Elm 1" Short
- (8) 407 Elm 1" Long
- (9) 414 Elm 1" Short
- (10) 200 N Miller 1" Short * Note we tie in 204 N Miller at This Service
- 1-Extra (11) * Note N Miller + Elm we Tie in 1" Service Line to Apartments.
- (11) 210 N Miller 1" Short
- (12) 109 N Miller 1" Long
- (13) (P) 505 Elm 1" Long
- 1-Extra (14) (P) 505 Elm 1" Long
- (15) No Address 2-1" Long
- 1-Extra (16) 507 Elm 1" Long to Food Trailer
- (17) 508 Elm 1" Short
- (18) 511 Elm 1" Long
- (19) 112 N Smith 1" Long
- (20) 512 Elm 1" Short * (Note use This service to tie in 1" Service to 206, 208 N Smith and 600 Elm meter on N Smith.
- (21) 604 Elm 1" Short
- (22) 612 Elm 1" Short
- (23) 110 N Live Oak Open Door * Note Meter is in Alley not off of Elm *
- (24) 201 N Oak 1" Short



Raydon, Inc.

1465 Elmdale Rd. N. Abilene, TX 79601
PO Box 671 Breckenridge, TX 76424
Abilene Ph: 325-548-9369
Breckenridge Ph: 254-559-5012

Item 8.

CUSTOMER:

City of Breckenridge
ATTN: Cynthia Northrop
105 N. Rose St.
Breckenridge, TX 76424
Ph: 254-477-3019

cnorthrop@breckenridgetx.gov

REGARDING:

TWDB Water Distribution System Improvements
-Project Construction Time Extension

Change Order Request

23449

DATE: April 8, 2026

DESCRIPTION

AS OF 4/3/26 WE HAVE INSTALLED WATER LINE FROM NORTH PARKS TO NORTH OAKWOOD, MOVING AHEAD SCHEDULE.

4/6/26-4/8/26: WE WILL BE FLUSHING WATER LINE FROM PARKS TO SHELTON STREET & WILL BE INSTALLING NEW SERVICE LINE HOOK UPS.
4/6/26-4/24/26: INSTALL WATER LINE FROM OAKWOOD TO PECAN STREET.
4/24/26-5/8/26: INSTALL WATER LINE FROM PECAN TO HARVEY.
5/8/26-5/23/26: INSTALL WATER LINE FROM HARVEY TO WILSON.

SCHEDULE FOR W. WILLIAMS
5/23/26-6/5/26: INSTALL WATER LINE FROM S. WILSON TO HARVEY.
6/5/26-6/19/26: INSTALL WATER LINE FROM HARVEY TO PECAN.
6/19/26-7/3/26: INSTALL WATER LINE FROM PECAN TO OAKWOOD.
7/3/26-7/16/26: INSTALL WATER LINE FROM OAKWOOD TO SHELTON.
7/16/26-7/30/26: INSTALL WATER LINE FROM SHELTON TO DOUGLAS.
7/30/26-8/12/26: INSTALL WATER LINE FROM DOUGLAS TO PARKS.

WHEN WE WERE AWARDED THE CONTRACT ON SEPTEMBER 8, 2025, I MENTIONED THAT WE WOULD NOT BE ABLE TO START DUE TO JUST STARTING ANOTHER PROJECT DUE TO THIS PROJECT BEING DELAYED WHILE WAITING ON PAPERWORK. WE STARTED ON DECEMBER 22, 2025, 105 DAYS AFTER THE CONTRACT WAS AWARDED. THE CITY ALSO ADDED A RESTRICTION NOT ALLOWING US TO EXCAVATE ON FRIDAYS, WHICH ALSO DEDUCTED SATURDAYS. A TOTAL OF 88 DAYS THAT WE WERE NOT ALLOWED TO EXCAVATE. SUNDAYS ARE ALSO COUNTED OUT.

WE WOULD LIKE TO EXTEND OUR CONSTRUCTION TIME TO OCTOBER 30, 2026 PLUS THE DAYS FOR PUNCH LIST.

PROJECT SCHEDULE FOR SHELTON & LINDSEY ST: WE ARE CURRENTLY WAITING FOR TAPPING SADDLES, WE PLAN TO HAVE THEM AND COMPLETE THIS AREA BY 4/17/26.

PROJECT SCHEDULE FOR W. FIRST & MCAMIS ST WATER LINE REPLACEMENT: 5/8/2026-5/29/2026

Dick Garcia 4/8/26
Submitted by Date

Accepted by: _____ Date

WE APPRECIATE YOUR BUSINESS AND THE OPPORTUNITY TO SUBMIT THIS PROPOSAL. WE LOOK FORWARD TO ENHANCING THE QUALITY AND CURB APPEAL OF YOUR PROPERTY. IF YOU HAVE ANY QUESTIONS OR CONCERNS PLEASE CONTACT: DICK GARCIA AT 254-559-0195

Breckenridge DWSRF Project No. 62913

Time Extension Dates

Original NTP

Start Date: 9/18/2025
 Substantial Completion: 3/17/2026
 Final Completion: 4/16/2026

Proposed Schedule

Actual Start Date: 12/22/2025
 Current Day: 4/23/2026
 Substantial Completion: 10/31/2026
 New Final Completion: 11/30/2026

Days Allowed for Work:
 Days Prohibited for Work:

2025								# of Days Allowed
Sun	Mon	Tues	Wed	Thurs	Fri	Sat		
	1	2	3	4	5	6		4
	7	8	9	10	11	12	13	
	14	15	16	17	18	19	20	
	21	22	23	24	25	26	27	
	28	29	30	31				

2026								# of Days Allowed
Sun	Mon	Tues	Wed	Thurs	Fri	Sat		
				1	2	3		1
	4	5	6	7	8	9	10	4
	11	12	13	14	15	16	17	4
	18	19	20	21	22	23	24	4
	25	26	27	28	29	30	31	4

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
FEB	1	2	3	4	5	6	7	4
	8	9	10	11	12	13	14	4
	15	16	17	18	19	20	21	4
	22	23	24	25	26	27	28	4

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
MAR	1	2	3	4	5	6	7	4
	8	9	10	11	12	13	14	4
	15	16	17	18	19	20	21	4
	22	23	24	25	26	27	28	4
	29	30	31					2

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
APR				1	2	3	4	2
	5	6	7	8	9	10	11	4
	12	13	14	15	16	17	18	4
	19	20	21	22	23	24	25	4
	26	27	28	29	30			4

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
MAY						1	2	
	3	4	5	6	7	8	9	4
	10	11	12	13	14	15	16	4
	17	18	19	20	21	22	23	4
	24	25	26	27	28	29	30	4
	31							

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
JUNE		1	2	3	4	5	6	4
	7	8	9	10	11	12	13	4
	14	15	16	17	18	19	20	4
	21	22	23	24	25	26	27	4
	28	29	30					2

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
JULY				1	2	3	4	2
	5	6	7	8	9	10	11	4
	12	13	14	15	16	17	18	4
	19	20	21	22	23	24	25	4
	26	27	28	29	30	31		4

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
AUG							1	
	2	3	4	5	6	7	8	4
	9	10	11	12	13	14	15	4
	16	17	18	19	20	21	22	4
	23	24	25	26	27	28	29	4
	30	31						1

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
SEPT			1	2	3	4	5	3
	6	7	8	9	10	11	12	4
	13	14	15	16	17	18	19	4
	20	21	22	23	24	25	26	4
	27	28	29	30				3

Breckenridge DWSRF Project No. 62913

Time Extension Dates

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
OCT					1	2	3	1
	4	5	6	7	8	9	10	4
	11	12	13	14	15	16	17	4
	18	19	20	21	22	23	24	4
	25	26	27	28	29	30	31	4 180

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
NOV	1	2	3	4	5	6	7	7
	8	9	10	11	12	13	14	7
	15	16	17	18	19	20	21	7
	22	23	24	25	26	27	28	7
	29	30						2 210

	Sun	Mon	Tues	Wed	Thurs	Fri	Sat	
DEC			1	2	3	4	5	
	6	7	8	9	10	11	12	
	13	14	15	16	17	18	19	
	20	21	22	23	24	25	26	
	27	28	29	30	31			



BRECKENRIDGE CITY COMMISSION
AGENDA SUMMARY FORM

Subject: Discussion and any necessary action regarding approval of the FY 2026
2027 Annual Audit Engagement Letter

Department: Administration

Staff Contact: Cynthia Northrop

Title: City Manager

BACKGROUND INFORMATION:

This action will engage a new CPA firm to conduct our annual audit for FY 2026-2027. In past years, the City of Breckenridge has engaged the CPA firm of George, Morgan & Sneed. However, due to workload they have declined to continue audit services for the City.

After reviewing nearby available accounting firms that conduct municipal audits, staff are recommending consideration of the MWH Group’s proposal to provide professional audit service.

FINANCIAL IMPACT:

\$45,000

STAFF RECOMMENDATION:

Consider approval of the MWH Group proposal for Annual Audit services as presented authorizing City Manager to execute the documents.



Bob Sims, Mayor
City of Breckenridge, Texas
105 North Rose Ave.
Breckenridge, TX 76424

Dear Mr. Sims:

Thank you for the opportunity to provide a proposal for audit services for the City of Breckenridge, Texas (City) for the year ended September 30, 2026.

MWH Group, P.C. has been providing auditing, accounting, and consulting services to governments throughout the North Texas area since our Firm's inception in the 1960's. With such a large segment of our practice devoted to governments, we have committed significant resources, including personnel, training, and financial, to maintain our status as a leader in the industry.

We are committed to providing the services you are requesting in a professional and timely manner. We value the opportunity to include City of Breckenridge, Texas as one of our clients. We take great pride in our clients and the services that we provide to them. As a result, we strive to ensure that our clients receive professional, timely, and personal services. You can be certain that our team assigned to your City will be one of experience and knowledge in serving the governmental industry. Such an approach allows for an efficient and beneficial audit process.

As a client service organization, we know that our business depends on successful relationships with the clients that we serve. In addition to audit services, we are committed to do the following to continually build our relationship with you.

- Meet periodically with the finance staff or members of City Council to share planning ideas, discuss the results of the audit, and receive feedback on the services performed.
- Provide guidance for staff on accounting and tax issues, including updates on pertinent regulatory issues.

We understand that it is necessary for an audit firm to possess certain critical components in order to perform efficient and effective audits. We believe the following areas are key expectations of the audit firm:

- Experience in serving governmental clients;
- A highly qualified service team;
- Competitive fees; and
- A technical resource and advisor for the City.

Bob Sims, Mayor
City of Breckenridge, Texas

Page Two

Experience in Serving Governmental Clients

We have served as the independent certified public accountants for many cities and local governments. All of this knowledge and experience will directly benefit the City and provide for the more efficient and effective audit. We will periodically rotate certain staff members engaged to work on the audit to increase the level of professional skepticism our Firm brings to your City. However, each team member will be trained in the area of governmental audits.

We perform audits in accordance with *Government Auditing Standards* for many other local governments and nonprofit entities, including City of Burkburnett, Texas, City of Electra, Texas, and City of Iowa Park, Texas.

A Highly Qualified Service Team

We have an Accounting & Audit Department, whose primary emphasis is in providing accounting, auditing, and consulting services to our clients, and in particular governmental clients. In this department we have team members specifically dedicated to providing services to our governmental clients. It is from these members that we have selected the team to serve you.

Valerie R. Halverson, CPA, will serve as the audit shareholder and will coordinate and supervise the activities of the professional team members assigned to this engagement. She has over sixteen years of experience in public accounting and performing audits of local governments.

Rodney D. Case, CPA, MAFF, will serve as the engagement quality control reviewer for all services to the City of Breckenridge, Texas. He is the head of the audit and accounting department, with over twenty-five years of experience in public accounting.

Competitive Fees

We understand that local governments are faced with budget constraints, and we know that it is important to City management to pay a fair price for audit services. We believe that our fees for the services to be provided will be reasonable and competitive with other accounting firms for similar quality services. We estimate that our fees will be as follows:

<u>Fiscal Year</u>	<u>Proposed Fee</u>
September 30, 2026	\$45,000

Presentations of the audit report that require in-person attendance will be charged an additional fee of \$1,500, plus travel time at standard hourly rates and travel costs. Our professional fees will be based on the actual time required to perform the audit at hourly rates related to the experience level of the professionals serving on the engagement. If actual time required for these engagements is less than these amounts, you will be charged the lesser amount.

A Technical Resource and Advisor for the City

We are available any time throughout the year to provide assistance to our clients, whether it be simply answering questions, providing assistance with accounting or bookkeeping matters, or assisting with more complex projects. Our goal is to provide personalized, one-on-one services to assist our clients in any way we can.

We are large enough to draw upon specialized resources as the need arises. Our reference materials contain complete, up-to-date information, regarding the most current accounting and auditing requirements, trends,

Bob Sims, Mayor
City of Breckenridge, Texas

Page Three

and practices affecting the governmental environment. In addition to our technical library, the Firm maintains voluntary membership in the AICPA Government Audit Quality Center, the Government Finance Officers Association, the AICPA Center For Audit Quality, and the AICPA Private Company Practice Section as additional sources of current information.

With respect to our proposal and other matters related to this engagement, the following people are authorized to make representations on behalf of our Firm and will be responsible for conducting the City's audit:

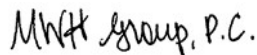
Valerie R. Halverson, C.P.A., Shareholder
Rodney D. Case, C.P.A., M.A.F.F., Shareholder

Both may be contacted by phone at (940) 723-1471, by mail at P. O. Box 97000, Wichita Falls, Texas 76307-7000, or by e-mail at vhalverson@mwhpc.com and rcase@mwhpc.com, respectively.

We appreciate this opportunity to present our qualifications, capabilities, and the approach we will take to serve your needs. We believe the quality and experience of the personnel involved, our approach, and the organization of our efforts are all of vital importance in providing you with outstanding professional services.

This proposal is a firm and irrevocable offer for one year and will be held open for acceptance for 90 days. We will be happy to discuss any questions you may have regarding our proposal or any other matters related to this engagement.

Very truly yours,



MWH GROUP, P.C.

Wichita Falls, Texas
April 24, 2026



BRECKENRIDGE CITY COMMISSION
AGENDA SUMMARY FORM

Subject: Discussion and any action regarding the approval of the purchase of a generator for the WWTP

Department: Administration

Staff Contact: Cynthia Northrop

Title: City Manager

BACKGROUND INFORMATION:

We have been systematically analyzing the conditions of our generators across the organization. The WWTP existing generator (1984) was purchased used in 2017 or 2018 and is in need of extensive repairs. Due to the age, condition, and potential cost of repairs, staff have been sourcing new generator options with input from our engineers and are recommending the purchase of a generator from Taylor Power Systems (see attached quotes from three vendors). This was a budgeted expense included in our WWTP System Improvement budget.

Taylor Power System Generator specifications:
250KW, 480/277V 3 Phase 4 Wire Diesel Generator
Includes generator, automatic transfer switch, start-up, and 2-hour test
Lead time is 30-34 weeks (though they have two units available now, so it could be sooner, assuming they are still available).
\$92,649.00


Effective September 1, 2025, Texas Senate Bill (1173) increased the competitive bidding threshold for local governments (including cities, counties, and school districts) from \$50,000 to \$100,000. This law streamlines purchasing by allowing smaller contracts without formal, complex bidding, saving time and advertising costs, and accounting for inflation since the last increase in 2007.

FINANCIAL IMPACT:

\$92,649.00

STAFF RECOMMENDATION:

Consider approval of the purchase of the Taylor Power System generator as presented and authorize the City Manager to execute the documents.

	Quote:	Sales Quote
	Date:	Quote: 00005799
	User:	2026-02-23
		User: Baylor Silvi



Taylor Diesel Select
250kW Diesel Generator

	Quote:	Sales Quote
	Date:	Quote: 00005799
	User:	2026-02-23
		Baylor Silvi

Breckenridge TD250V

Taylor Model: TD250V Taylor Diesel Select
Rated: 250kW Diesel 277/480V Three Phase 60Hz EPA Stationary Standby

Unit Features

Volvo Engine

- Volvo TAD852GE Engine, 50°C Ambient Radiator, Electronic Isochronous Governor

Stamford Alternator

- Stamford S4L1D-D41-311, 12 Lead, Class H Insulation, MX341, w/PMG, 1% AVR, 1 Phase Sensing, w/Strip Heater

Basler DGC2020HD Controller

- DGC2020HD Control Panel, integrated engine-genset control, protection, and metering for paralleling and complex load sharing schemes. Front panel controls and indicators, wide temperature-range liquid crystal display (LCD) with backlighting. Includes a manual override bypass key switch allowing manual starting of the generator in the event of control systems failure.
- Flush Mount RDP-110C Remote Annunciator (Shipped Loose)
- Remote Mount Break Glass E-Stop Switch (Shipped Loose)

Wide Skid Base

SENS NRG Battery Charger, 10A-12V/24V, & 208-240V, Float & Equalize, LCD DC Ammeter & Voltmeter, LED Indicator, NFPA 110 Contacts

Standard Weather Enclosure w/Internal Critical Silencer

- 200 MPH Wind Rated, Heavy Duty 14 Ga. Steel, Lockable Doors, Stainless Steel Hinges & Hardware, Powder Coat Finish
- Load Center, 100A, 120/240V, 1 Phase, NEMA 1, w/(2) AC Industrial Lights & (1) GFCI Receptacle

398 Gallon UL142 Secondary Containment Base Tank

- Emergency & Normal Vents (Internal), Low Fuel Level & Fuel in Basin Switch, Mechanical Fuel Level Gauge, Fuel Level Sender, Manual Fill w/Locking Cap, Dimensions: 162" L x 66" W x 18" H

Square D 400A, 100% Rated, 3 Pole, Electronic Trip (LI), L-Frame Circuit Breaker

- Interrupting Rating: 18 kAIC
- Lug Size: (2) 2/0 - 500 MCM (Cu/Al)

	Quote:	Sales Quote
	Date:	Quote: 00005799
	User:	2026-02-23
		User: Baylor Silvi

One Hour Factory Load Bank Test, (1) Electronic O&M Manual, Certified to UL2200 & Standard 2 Year Standby Limited Warranty

~~Freight Included to Site; Offloading by Others~~

~~Start Up Included. One Trip; 2 Hour Resistive Load Bank.~~

Lead Time: Estimated completion of this product is approximately 30 - 34 weeks after order process is completed. Please note lead times are subject to change; completion date may vary.



Sales Quote
 Quote: Quote: 00005799
 Date: 2026-02-23
 User: Baylor Silvi

Terms & Conditions

Note: Quoted price does not include any applicable taxes, fees, or rigging. Unless otherwise specified in agreement with Taylor Power Systems Inc., a contractor requesting quotation for the above generator-set, transfer switch, and/or standalone accessories assumes all responsibilities and liabilities for the proper unloading and installation of the generator-set, and any related products contained in this quotation. Contractor responsibilities include, but are not limited to, anchoring of the generator-set or sub-base fuel tank to a structural slab, installation of the generator-set to a sub-base fuel tank and/or enclosure when separate shipments are required or requested, installation of the generator-set exhaust connections included in a separately-shipped enclosure, assembly and anchoring of exterior access platforms or stairs, installation and plumbing of external fuel pumps or treatment devices, anchoring, installation and plumbing of standalone fuel tanks, wiring and termination of any generator-set electrical output devices, wiring and termination of all utility powered accessories affixed to the generator-set (e.g. battery charger, block heater, load center, etc.), installation, wiring and termination of shipped loose electrical accessories (e.g. remote annunciator, external emergency stop button, external load bank, etc.), installation, wiring and termination of transfer switches and automatic start signal wiring (where applicable).

Terms: Net 30 days with approved credit from date of invoice, others COD. A 1.5% finance charge will be applied to all past due accounts. No retainage Allowed. Taylor Power Systems, Inc. is a manufacturer and not a contractor. Payment must be prompt and complete subject to Terms of Payment.


Shipment: If a completed product remains at Taylor Power Systems' Clinton, Mississippi facility longer than 30 days from the date of initial invoice, a \$2500 storage fee will be applied per unit every 30 days until shipment of the product. Taylor Power Systems' responsibility of a product ceases with the transfer of said product to a transportation carrier. Claims for damage in transit must be made by the customer against the carrier. It is the responsibility of the customer to inspect the product before acceptance from the carrier for any damages that may occur during shipment. Shipment of any unit or accessory will be held until outstanding storage fees and invoices are paid in full.

- Quote valid for 15 days. Created on 2026-02-23
- Only items listed in quotation are included in price.*
- Orders are non-cancelable; Deposits are non-refundable*
- Freight not included, unless otherwise noted in the preceding quote.*
- An extra 1.95% is applied to all credit card charges.*

Net Price: **\$84,972.00**

Thank you for this opportunity and please contact me if you have any questions or need additional information.

Sincerely,
Baylor Silvi
Phone:

	Quote:	Sales Quote
	Date:	Quote: 00005799
	User:	2026-02-23
		Baylor Silvi

Manufacturer's Basic Limited Warranty

This Taylor Power Systems Standby Generator System has been manufactured and inspected with care by experienced craftsmen. If you are the original purchasers, Taylor Power Systems, Inc. warrants for two years or 1500 hours, whichever occurs first, that the system will be free from defects in material and workmanship if properly installed, maintained, and operated in accordance with Taylor Power Systems, Inc. instruction manuals. A Taylor Power distributor, dealer, or authorized representative must perform startup inspection/warranty registration, and warranty repairs.

During the warranty period, repair or replacement at Taylor Power's option will be furnished free of charge for parts and labor, provided an inspection to Taylor Power's satisfaction discloses a defect in material and workmanship, and provided that the part or parts are returned to Taylor Power warranty department, if requested.*

This warranty does not apply to malfunctions caused by damage, unreasonable use, unapproved modifications, misuse, abuse, or normal wear and tear while in your possession.

*Some restrictions may apply. Contact your Taylor Power Systems distributor/dealer for full details.

Warranty Periods

1. Emergency or Standby Duty

Standby generators must be permanently installed, properly enclosed, ventilated, and used as back up to the normal power source.

The warranty period is 24 months from date of startup by the first owner/user or 1500 hours of operation, limited to a maximum of 750 hours in the first year.

2. Continuous or Prime Duty

Continuous or prime power service describes operation in a permanent or mobile application where no other source of power is generally available. Rental sets, and specific products for irrigation and refrigeration meet this criteria. Cogeneration and peak shaving installations are considered prime power.

The warranty period is 12 months from date of startup by the first owner/user or 3000 hours of operation, whichever is shorter.

Limited Warranty Conditions

Before there is any protection under this Limited Warranty, the distributor/dealer must complete the Taylor Power Systems Warranty, Startup Validation Inspection form and return it to Taylor Power Systems within 30 days of the startup date. In addition, this Limited Warranty is not valid or enforceable unless all supporting maintenance records are kept on file with the end user and made available upon request from factory, the generator set is routinely exercised in accordance with operation instructions, and the installation meets the general guidelines, standards, and recommendations as laid out in the Installation Guide provided with the product and all local standards and codes applicable in the location of installation.

Engine Manufacturers Warranty:


The engine manufacturer issues its own separate warranty covering the engine's performance and parts. In the event of an engine related failure, Taylor Power Systems, Inc. can refer you to an engine authorized service center.

Travel shall be allowed up to a maximum of 300 miles round trip and a maximum of 7 hours travel time.

Taylor Power Systems, Inc. will provide replacement parts to claimant's location within the United States. If claimant is located outside of the continental United States, all parts shipments are FOB point of debarkation. In the event warranty repairs are affected outside the boundaries of the United States of America, Taylor Power Systems, Inc. is not responsible for any duties, taxes, or associated charges as may be applicable in accordance with the regulations of the country where such warranty repair is performed.

TAYLOR POWER SYSTEMS SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND including, but not limited to, injury to individuals, personal property, or business losses due to down time, installation charges, telephone charges, or transportation charges in connection with the replacement or repair of defective parts or damages resulting from outside influences (e.g. lightning, power surge, or pest damage).

THIS IS OUR EXCLUSIVE WRITTEN WARRANTY. We make no other express or implied warranty nor is anyone authorized to make any on our behalf.



Sales Quote
 Quote: 00005799
 Date: 2026-02-23
 User: Baylor Silvi

ANY IMPLIED OR STATUTORY WARRANTY, INCLUDING AN WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, is expressly limited to the duration of this warranty. Some states do not allow limitations on how long an implied warranty lasts, or the exclusion or limitation of incidental or consequential damages, so the above limitation or exclusion may not apply to you. This warranty gives you specific legal rights, and you may also have other rights which vary from state to state.

The following will not be covered by this warranty:

1. Normal engine wear, routine tune-ups, tune-up parts, adjustments, installation charges, startup cost, improper startup inspection, and periodic service.
2. Damage caused by accidents, improper installation (unless installed by Taylor Power Systems, Inc.), shipping and handling, or improper storage.
3. Damage caused by operation with improper fuel or at speeds, loads, conditions, modifications, or installation contrary to published specifications or recommendations.
4. Damage caused by negligent maintenance such as:
 1. Failure to provide the specified type and sufficient lubricating oil
 2. Failure to provide sufficient coolant, cooling air and to keep the air intake and cooling fin areas clean
 3. Failure to service the air cleaner
 4. Failure to perform scheduled maintenance as prescribed in supplied manuals
 5. Fuel contamination (including water etc.). Improper use of starting aids.
 6. Improper use of starting aids
5. Labor and travel expenses related to starting batteries.
6. Engine coolant heaters, heater controls, and circulating pumps after the first year.
7. Rental equipment including neither replacement generators nor any other equipment (cranes, trucks, etc.) needed during performance of warranty repairs.
8. Parts purchased from sources other than Taylor Power. Replacement of a failed Taylor Power part with a non-Taylor Power part voids warranty on that part.
9. Engine fluids such as fuel, oil, or coolant/antifreeze.
10. Shop supplies such as adhesives, cleaning solvents, and rags.
11. Expenses incurred investigating performance complaints unless the problem is caused by defective Taylor Power materials or workmanship.
12. Maintenance items such as fuses, filters, spark plugs, loose/leaking clamps, batteries and adjustments.
13. Any overtime travel or labor to make repairs under warranty.
14. Any special access fees or additional cost required to gain access to Taylor Power Systems, Inc. equipment including but not limited to any training or safety policy requirements to gain access.
15. Trailer lights, wiring, and brakes.



Waukesha-Pearce Industries

12320 South Main Street, Houston, TX 77035

Phone: 713-723-1050 ~ Fax: 713-551-0799

Date: February 27, 2026
 Company: Bidding Company
 Attention: Estimator
 Quote Number: JS02-26-029
 Reference: City of Breckenridge WWTP Generator

Thank you for considering WPI for your Power Generation needs. We are pleased to offer the following bill of material based on your recent request and the above referenced project. This pricing is budgetary only.

Qty.	Description	Lead (weeks)	Price
1	Generac 400KW Diesel Generator	12-18	\$101,789.00
1	Generac 250KW Diesel Generator	12-18	\$79,471.00
1	Generac 200KW Diesel Generator	12-18	\$65,028.00
1	Generac 600AMP Automatic Transfer Switch	12-16	\$8,314.00

Pricing includes shipping to site and start-up costs. Offloading at site by others.

Quantity 1 - Generac Industrial diesel engine-driven generator set with turbocharged/aftercooled 6-cylinder 12.5L engine, consisting of the following features and accessories:

- Stationary Emergency-Standby rated
- 400kW Rating, wired for 277/480 VAC three phase, 60Hz
- Permanent Magnet Excitation
- EPA Certified
- Standard Weather Protective Enclosure, Steel
 - Industrial Grey Baked-On Powder Coat Finish
- 36" 693 Gallon Double-Wall UL142 Basetank
 - Mechanical fuel level indicator gauge
 - Electronic fuel level sender
 - Emergency Vent
- Power Zone Digital Control Panel for Single or MPS Generators
 - Meets NFPA 99 and 110 requirements
 - Temp Range -40 to 70 degrees C
 - Humidity 2 – 95% (Non Condensing)
 - UL6200
 - C-ETL-US
 - CE
 - FCC
 - IEC801 (Radiated Emissions, Susceptibility, and Surge Immunity)
 - 7" Resistive Color Touchscreen
 - Built-in Webserver
 - IP65 (front)
 - Auto/Manual/Off key switch, Alarm Indication, Not in Auto Indication, audible alarm, emergency stop switch
 - Dual Core Digital Microprocessor
 - RS485, Ethernet and CANbus ports
 - Engine Sensors: Oil Pressure, optional Oil Temp, Coolant Temp and Level, Fuel Level/Pressure (where applicable), Engine Speed, DC Battery Voltage, Run-time Hours, Generator Voltages, Amps, Frequency, Power, Power Factor



Waukesha-Pearce Industries

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Phone: 713-723-1050 ~ Fax: 713-551-0799

- Alarm Status: Low or High AC Voltage, Low or High Battery Voltage, Low or High Frequency, Pre-low or Low Oil Pressure, Pre-high or High Oil Temp (optional), Low Water Level and Temp, Pre-high or High Engine Temp, High, Low, and Critical-low Fuel Level/Pressure (where applicable), Overcrank, Over and Under Speed, Unit Not in Automatic
- Programmable I/O
- Built-in PLC for special applications
- Engine function monitoring and control:
 - Full range standby operation; programmable auto crank, Emergency Stop, Auto-Off-Manual switch
 - Isochronous Governor
 - 0.25% digital frequency regulation with: soft-start ramping - adjustable, gain - adjustable, overshoot limit - adjustable
 - 3 Phase RMS Voltage Sensing
 - +/-0.5% digital voltage regulation with: soft-start voltage ramping - adjustable, loss of sensing protection - adjustable, negative power limit - adjustable, Hi/Lo voltage limit - adjustable, V/F slope and gain - adjustable, fault protection
 - Service reminders, trending, fault history (alarm log)
 - I2T function for full generator protection
 - Selectable low-speed exercise
 - 2 and 3-wire start controls for any industrial grade transfer switch
- EPA Certified
- 8 Function Alarm Relay Panel
- 21 Light Annunciator - Surface
- Remote Emergency Stop Switch, surface-mount, shipped loose
- MLCB, 100% rated, LSI Electronic Trip
 - 600 amp
 - Alarm Contacts, Shunt Trip
 - Auxiliary Contacts, 1 Set
- 225 AH, 1155 CCA Group 8D Batteries, with rack, installed
- Coolant Heater, 2500W, 240VAC
- 120V GFCI and 240V Outlet
- Alternator Strip Heater
- Engine Run Relay, 10 Amp
- Fan and Belt Guards
- Generac Link Manager hardware gateway for remote monitoring and control
 - 2 Serial Ports: CAN/RS485; 2 TCP Ports: Eth1 (Ethernet 1), Eth2 (Ethernet 2)
 - Antennas: GPS, Ethernet Ports (2); Cellular SIM Card Ruggedized 2FF
- Critical Muffler - Installed
- 3 Owners Manuals
- Battery Charger, 10 Amp, NFPA 110 compliant, installed
- Standard 2-Year Limited Warranty
- SD0400KG22125D18PPYY3

Quantity 1 - Generac Industrial diesel engine-driven generator set with turbocharged/aftercooled 6-cylinder 8.7L engine, consisting of the following features and accessories:

- Stationary Emergency-Standby rated
- 250 kW Rating, wired for 277/480 VAC three phase, 60 Hz
- Permanent Magnet Excitation



Waukesha-Pearce Industries

12320 South Main Street, Houston, TX 77035

Phone: 713-723-1050 ~ Fax: 713-551-0799

- UL2200
- EPA Emergency Certified
- Standard Weather Protective Enclosure, Steel
 - Industrial Grey Baked-On Powder Coat Finish
- 36" 589 Gallon Double-Wall UL142 Basetank
 - Mechanical fuel level indicator gauge
 - Electronic fuel level sender
 - Emergency Vents
- Stainless Steel Fire-Rated fuel supply and return hoses
- DSE G8601 Digital Genset Controller
 - Meets NFPA 99 and 110 requirements
 - UL6200
 - CE
 - High-Resolution 240 X 128 Pixel Display
 - Integral LCD Display Heater
 - Auto/Manual/Off key switch, Alarm Indication, Not in Auto Indication, audible alarm, emergency stop switch
 - Advanced PLC Functionality
 - 2 RS485 Ports, 2 USB Ports, 1 Ethernet Port, and 1 CANbus Port
 - Engine Sensors: (Examples) Oil Pressure, Oil Temp, Coolant Temp and Level, Fuel Level/Pressure (where applicable), Engine Speed, DC Battery Voltage and Charge Current, Run-time Hours, Generator Voltages, Amps, Frequency, Power, Power Factor
 - Alarm Status: (Examples) Low or High AC Voltage, Low or High Battery Voltage, Low or High Frequency, Pre-low or Low Oil Pressure, Pre-high or High Oil Temp, Low Water Level and Temp, Pre-high or High Engine Temp, High, Low, and Critical-low Fuel Level/Pressure (where applicable), Overcrank, Over and Under Speed, Unit Not in Automatic
 - Programmable I/O
 - Built-in PLC for special applications
 - Engine function monitoring and control:
 - Full range standby operation; programmable auto crank, Emergency Stop, Auto-Off-Manual switch
 - Isochronous Governor (on applicable models)
 - Digital frequency regulation with: soft-start ramping - adjustable, gain - adjustable, overshoot limit - adjustable
 - 3 Phase RMS Voltage Sensing
 - +/-0.5% digital voltage regulation with: soft-start voltage ramping - adjustable, loss of sensing protection - adjustable, negative power limit - adjustable, Hi/Lo voltage limit - adjustable, V/F slope and gain - adjustable, fault protection (I2T Function)
 - Configurable Timers
 - Integrated SNMP
 - DSENet (I/O Expansion Module Support)
 - 2 and 3-wire start controls for any industrial grade transfer switch
- 8 Function Alarm Relay Panel
- 21 Light Remote Annunciator, Surface mount
- Remote Emergency Stop Switch, Surface-Mount, shipped loose
- Primary MLCB, 80% rated thermal-magnetic
 - PDG33F0400TFA
 - 400 amp
 - Auxiliary Contacts, 1 Set



Waukesha-Pearce Industries

12320 South Main Street, Houston, TX 77035

Phone: 713-723-1050 ~ Fax: 713-551-0799

- Battery Charger, 10 Amp, NFPA 110 compliant, installed
- 110 AH, 925 CCA Group 31 Batteries, with rack, installed
- Coolant Heater, 2000W, 240VAC
- Alternator Strip Heater
- Circuit Breaker Auxiliary Contacts Wired to Control Panel Alarm
- Engine Run Relay, 10A
- Generac Link Manager hardware gateway for remote monitoring and control
 - 2 Serial Ports: CAN/RS485; 2 TCP Ports: Eth1 (Ethernet 1), Eth2 (Ethernet 2)
 - Antennas: GPS, Ethernet Ports (2); Cellular SIM Card Ruggedized 2FF
- Std set of 3 Manuals
- Standard 2-Year Limited Warranty
- SD0250KG178.7D18CPYY3

Quantity 1 - Generac Industrial diesel engine-driven generator set with turbocharged/aftercooled 6-cylinder 8.7L engine, consisting of the following features and accessories:

- Stationary Emergency-Standby rated
- 200 kW Rating, wired for 277/480 VAC three phase, 60 Hz
- Permanent Magnet Excitation
- UL2200
- EPA Emergency Certified
- Standard Weather Protective Enclosure, Steel
 - Industrial Grey Baked-On Powder Coat Finish
- 36" 589 Gallon Double-Wall UL142 Basetank
 - Mechanical fuel level indicator gauge
 - Electronic fuel level sender
 - Emergency Vents
- Stainless Steel Fire-Rated fuel supply and return hoses
- DSE G8601 Digital Genset Controller
 - Meets NFPA 99 and 110 requirements
 - UL6200
 - CE
 - High-Resolution 240 X 128 Pixel Display
 - Integral LCD Display Heater
 - Auto/Manual/Off key switch, Alarm Indication, Not in Auto Indication, audible alarm, emergency stop switch
 - Advanced PLC Functionality
 - 2 RS485 Ports, 2 USB Ports, 1 Ethernet Port, and 1 CANbus Port
 - Engine Sensors: (Examples) Oil Pressure, Oil Temp, Coolant Temp and Level, Fuel Level/Pressure (where applicable), Engine Speed, DC Battery Voltage and Charge Current, Run-time Hours, Generator Voltages, Amps, Frequency, Power, Power Factor
 - Alarm Status: (Examples) Low or High AC Voltage, Low or High Battery Voltage, Low or High Frequency, Pre-low or Low Oil Pressure, Pre-high or High Oil Temp, Low Water Level and Temp, Pre-high or High Engine Temp, High, Low, and Critical-low Fuel Level/Pressure (where applicable), Overcrank, Over and Under Speed, Unit Not in Automatic
 - Programmable I/O
 - Built-in PLC for special applications
 - Engine function monitoring and control:
 - Full range standby operation; programmable auto crank, Emergency Stop, Auto-Off-Manual switch
 - Isochronous Governor (on applicable models)



Waukesha-Pearce Industries

12320 South Main Street, Houston, TX 77035

Phone: 713-723-1050 ~ Fax: 713-551-0799

- Digital frequency regulation with: soft-start ramping - adjustable, gain - adjustable, overshoot limit - adjustable
 - 3 Phase RMS Voltage Sensing
 - +/-0.5% digital voltage regulation with: soft-start voltage ramping - adjustable, loss of sensing protection - adjustable, negative power limit - adjustable, Hi/Lo voltage limit - adjustable, V/F slope and gain - adjustable, fault protection (I2T Function)
 - Configurable Timers
 - Integrated SNMP
 - DSENet (I/O Expansion Module Support)
 - 2 and 3-wire start controls for any industrial grade transfer switch
- 8 Function Alarm Relay Panel
- 21 Light Remote Annunciator, Surface mount
- Remote Emergency Stop Switch, Surface-Mount, shipped loose
- Primary MLCB, 80% rated thermal-magnetic
 - PDG33F0400TFA
 - 350 amp
 - Auxiliary Contacts, 1 Set
- Battery Charger, 10 Amp, NFPA 110 compliant, installed
- 110 AH, 925 CCA Group 31 Batteries, with rack, installed
- Coolant Heater, 2000W, 240VAC
- Alternator Strip Heater
- Circuit Breaker Auxiliary Contacts Wired to Control Panel Alarm
- Engine Run Relay, 10A
- Generac Link Manager hardware gateway for remote monitoring and control
 - 2 Serial Ports: CAN/RS485; 2 TCP Ports: Eth1 (Ethernet 1), Eth2 (Ethernet 2)
 - Antennas: GPS, Ethernet Ports (2); Cellular SIM Card Ruggedized 2FF
- Std set of 3 Manuals
- Standard 2-Year Limited Warranty
- SD0200KG178.7D18CPYY3

Quantity 1 - TX Series Automatic Transfer Switch consisting of the following features and accessories:

- **600** Amp, 4 pole, 277/480 VAC three phase, 60 Hz, with 2 or 3-Wire Start Circuit
 - Utility Voltage Sensing Controls:
 - Adjustable Drop-out and Pick-up
 - Adjustable Utility Interrupt Delay
 - Adjustable Logic Controls:
 - Minimum Standby Voltage
 - Minimum Standby Frequency
 - Engine Warmup
 - Return to Utility
 - Engine Cooldown
 - Transfer on Exercise
- 3 Owner's Manuals
- Double Set of Form C Aux Cont
- IBC Seismic Certified
- Any Breaker (3 Cycle)
- Withstand and Close-On Rating - 200kA Fuse Rating
- Withstand and Close-On Rating - 50kA Any breaker



Waukesha-Pearce Industries

12320 South Main Street, Houston, TX 77035

Phone: 713-723-1050 ~ Fax: 713-551-0799

- Enclosure Heater
- CSA - C22.2 No.178
- UL Listed 1008 by ETL
- Controller Cover, Padlockable, Black
- NEMA 3R Enclosure
- Non Service Entrance Rated
- In Phase Only Transfer
- Standard two year basic warranty
- TX611NN0600K4CH

Quantity 1 – WPI Standard Factory Start-Up & Warranty Registration

- Two (2) Hour Load Bank Test
- Two (2) Hour Building Load Test
- Two (2) Hour Customer Training at time of startup
- One (1) Trip

FOB Shipping Point

Project Clarifications:

- Quotation based one-line only. No other information was provided for consideration in this proposal. Compliance with any other specification section(s) or drawing(s) is specifically excluded including those incorporated by reference.
- NETA Testing, Infrared Scanning, Coordination Studies, etc. NOT included, to be provided by others.

Standard Clarifications:

- **Please be advised that due to the potential for changes in tariffs. All quotes are subject to revision. We kindly ask for your understanding, as any adjustments will be made to reflect the updated costs associated with these changes. Please reach out if you would like to verify your current pricing.**
- New cancellation policy included in WPI Terms and Conditions.
- Sales Tax is NOT Included.
- All gas train accessories by others.
- Any Factory witness test expenses by others.
- Offering manufacturers standard materials of construction.
- Offering manufacturers' standard field testing, Startup & Warranty Registration unless specifically noted above only.
- Quotation is limited to the quantity and description listed above.
- External plumbing & required Primary Gas Pressure Reducing Regulator by others.
- Recommended gas supply guidelines available at energy.wpi.com
- All Fuel to be provided by others.
- Startup/commissioning must be done within 1 year of factory shipment.
- Responsibility of freight claims to be done by others.



Waukesha-Pearce Industries

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- Jobsite Offloading/Setting is to be done by others.
- Installation & External Wiring is to be done by others.
- Assumes that all work will be done during Normal Business Hours (M-F 8-5)
- Manufacturers' standard literature available upon request.
- This quotation is subject to WPI Terms and Conditions.
- Roof curbs and all roof accessories by others.
- Quotation is valid for 30 days.

Best Regards,

Jennifer Sullins

Sales Manager – Power Generation
Waukesha-Pearce Industries, LLC
 Cell: (214) 205-2242
 Email: jennifer.sullins@wpi.com
energy.wpi.com

Other services available include Paralleling, Turnkey Services, Remote Monitoring Systems, Preventative Maintenance Agreements, Fuel Maintenance Services, Annual Load Testing, Multi-Purpose Docking Stations and other Power Generation Needs.

*Waukesha-Pearce Industries, Inc. (WPI)
Standard Terms and Conditions of Sale*

1. Acceptance

All quotations offered by WPI are subject to acceptance within thirty (30) days from the quoted date.

2. Payment Terms

Subject to WPI Credit Department approval, WPI's payment terms are Net-30 Days from date of invoice. WPI does NOT allow for the buyer to withhold "Retainage" from final payment. In the event that WPI requires progress payments the following milestone achievements are:

- 50% upon submittal approval and release of order to the factory
- 50% upon completion of equipment, shipment from the factory and prior to delivery to customer site

3. Cancellation or Termination

The Buyer, only upon payment of reasonable cancellation charges related to expenses already incurred and/or commitments made by WPI, may cancel any order placed with WPI. Cancellation charges for Generac Power Systems equipment purchases are subject to the following charges:

For Orders <\$100,000 in Total Price:

- 12 weeks prior to ship date 10% of Selling Price
- 10 weeks prior to ship date 20% of Selling Price
- 8 weeks prior to ship date 30% of Selling Price
- 5 weeks prior to the ship date or less 40% of Selling Price
- Discontinued Product (Engine) No Cancellations Accepted

Non-Standard Tanks

- Special Engineering (Upon Generac SEQ Approval) Incremental 10% of Selling Price

For Orders >\$100,000 in Total Price:

- 20 Weeks Prior to Ship Date 10% of Selling Price
- 18 Weeks Prior to Ship Date 15% of Selling Price
- 16 Weeks Prior to Ship Date 20% of Selling Price
- 14 Weeks Prior to Ship Date 30% of Selling Price
- 13 Weeks Prior to Ship Date 40% of Selling Price
- 12 Weeks Prior to Ship Date 50% of Selling Price
- 10 weeks prior to the ship date or less 60% of Selling Price
- Discontinued Product (Engine) No Cancellations Accepted
- Special Engineering (Upon Generac SEQ Approval) 10% of Selling Price

Cancellation For PSTS Transfer Switch Orders:

PSTS Products <1000 Amps:

- >18 Weeks Prior to Ship Date 0% of Selling Price
- 14-18 Weeks Prior to Ship Date 25% of Selling Price
- Less than 14 Weeks Prior to Ship Date 100% of Selling Price

PSTS Products >1000 Amps:

- >13 Weeks Prior to Ship Date 0% of Selling Price
- 12-13 Weeks Prior to Ship Date 25% of Selling Price
- Less than 12 Weeks Prior to Ship Date 100% of Selling Price

Residential Products:

Cancellation of stock item products is permitted provided the cancellation request is executed by Generac sales and order entry prior to shipment. Cancellations are subject to the following fees:

- 2-4 Weeks Prior to Ship Date 2% of Selling Price
- 1 Day-2 Weeks Prior to Ship Date 5% of Selling Price

Product purchased with special engineering requirements or discontinued engines are subject to 100% cancellation charge.

4. Change Orders

No alterations in specifications, either for total quantity, delivery, mechanical, electrical or other details may be made without written consent of WPI and readjustment of price and estimated delivery. Change order requests are subject to the following fees and based on factory shipping windows:

- 4-6 weeks prior to ship date.....4%
- 2-3 weeks prior to ship date.....6%
- Less than 2 weeks.....No Changes Accepted

Depending on the nature and timing of the changes requested, it may be necessary to reschedule production to a later date.

5. Taxes

In addition to the prices stated in the quote, Buyer shall reimburse WPI for any excise, sales, diesel fuel surcharge or use tax incident to this transaction for which WPI may be liable or compelled to collect.

6. Shipping Dates

Any shipment date provided in the quote is approximate and is estimated based on the advised lead-times provided by the manufacturer(s) of the equipment quoted. Upon receipt of a Purchase Order from Buyer, along with complete specifications and drawings approval, if required, and after receipt of WPI's Purchase Order to the manufacturer the estimated delivery will again be advised by the manufacturer to WPI and WPI will update Buyer on the new estimated delivery. WPI shall not be liable for any loss or damage for delay or non-delivery due to the acts of civil or military authority, acts of the Buyer or by reason of Force Majeure, which shall be deemed to mean all other causes whatsoever not reasonably within the control of WPI, including, but not limited to Acts of God, war, riots or insurrection, blockades, embargoes, sabotage, epidemics, fires, strikes, lockouts or other industrial disturbances, delays of carriers, the inability to secure materials, labor shortages or

*Waukesha-Pearce Industries, Inc. (WPI)
Standard Terms and Conditions of Sale*

manufacturing delays. Any delay resulting from any such cause shall extend shipping dates correspondingly. WPI shall in no event be liable for any special, direct or indirect or consequential damages arising from delay(s) irrespective of the reason.

7. Shipping and Delivery Acceptance

It is the responsibility of the buyer or the buyer's representative to inspect all equipment at time of delivery for visible or concealed freight damage. Apparent and concealed damage must be noted on the driver's delivery ticket and subsequent freight claims must be completed and filed directly with the drayage company by the Buyer. In most cases, buyer has up to 30 days to file freight claims when damage is noted with the freight carrier at time of delivery. In most cases, buyer has up to 5 days to file freight claims on damage found after equipment is delivered but not noted at time of delivery. WPI is NOT responsible for damages incurred to equipment during shipment nor is responsible for filing freight claims on damaged equipment incurred in shipment.

8. Equipment Storage

It is hereby understood and agreed that the customer will accept delivery of all purchased equipment within 30 days of fabrication completion. WPI may, at the customer's written request, store or stage all or part of, the customer's purchased equipment at one of our strategic facilities provided the customer submits an acceptable "Bill & Hold" letter to WPI Inventory Control Department. Buyer hereby agrees to pay WPI in full for all stored equipment within the terms of the contract (Net 30) otherwise the order will be subject to incur storage fees of 3% of the contracted sales price per month.

9. Indemnity

Buyer agrees that it will indemnify and hold harmless WPI, its officers, agents and employees, from and against any and all claims, losses, damages, causes of action, suits and liabilities of every kind, including all expenses of litigation, court costs and attorney's fees, forfeiture of an oil, gas or mineral lease, damage to a producing reservoir or lease operations of lost production, denied certificate of occupancy or "Green Tag" from the local "AHJ", arising out of, or in any way connected with the failure of, or the operation of the equipment sold by WPI, unless WPI is proven in court to be 100% solely negligent in its responsibilities.

10. Consequential Damages and Other Charges

WPI will not be responsible or liable for any special, direct, indirect or consequential damages or for any operational interruptions or delays, production loss, or other damages or claims of whatever kind caused by or arising out of the fabrication, manufacture, sale, delivery, installation, use, breakage or performance of equipment sold or any part thereof, except only to the extent and in the manner set out in Item 12 below having to do with warranty.

11. Performance Guarantee

Performance is subject to manufacturer's guarantees for horsepower and capacities and is subject to de-rating for actual site conditions.

12. Comments and Exceptions

When Buyer's specifications are attached to or referenced in an invitation to quote, WPI makes a thorough and sincere effort to review these and provide a quote based on WPI's interpretation of the Buyer's specification. WPI's quote will clearly state what is included and what our interpretation is of Buyer's requirements. It is the Buyer's responsibility to review WPI's quote carefully and advise WPI of any discrepancies between Buyer's specification and WPI's quote. WPI's quote constitutes WPI's total offer and only those items; procedures, scope and content clearly stated in the quote are included and WPI makes no guarantee that the products quoted will meet the Buyer's specifications.

13. Warranty

WPI warrants that the equipment of its own fabrication shall be free from defects in design, material, workmanship and title, under normal use, service, and operating conditions, for the period of one (1) year from date of start-up or commissioning or eighteen (18) months from date of shipment. WPI's exclusive remedy for breach of this warranty shall be repair or replacement of any defective parts packaged by WPI, F.O.B. Houston, Texas. Accessories or equipment furnished by WPI, but manufactured by others, shall carry that manufacturer's warranty, which will be passed-on to Buyer. WPI shall not be liable for any repairs, replacements, or adjustments to the equipment or any costs of labor performed by the Buyer or others without WPI's prior written approval. WPI will serve the Buyer by acting as Buyer's representative in regard to warranty claims for items not manufactured by WPI. However, warranty in all cases is limited to the manufacturer's warranty. Any part(s) found to be defective will be replaced at no charge subject to each manufacturer's respective warranty policy, which WPI will administer. Any part(s) replaced that are not subsequently found to be defective by the manufacturer will be charged to the Buyer. Warranty labor for replacement or repair is on site only. Buyer is responsible for travel time, transportation and expenses to and from the closest WPI location, to the location of the subjected equipment. Should WPI travel to the location and find that the cause is not warrantable, all expenses incurred by WPI, to include travel and labor, will be billed to the Buyer at WPI's posted rates. WPI will not be responsible for crane, barge, or special transportation charges associated with warranty repairs.

14. Literature

WPI will provide upon request, the manufacturer's standard literature. This includes Spec Sheets, Bill of Materials, Drawings, Operation and Maintenance Manuals and/or Factory Test Reports. WPI takes exception to all specification requirements & requests for non-standard factory literature.

15. Hours of Operation

This bid assumes all work will be done during normal business hours. Normal hours of operation for WPI are 8 am – 5 pm Monday-Friday. Any work performed outside of the normal operating hours will be billed at 1.5 times our current labor rate.

16. Start-Up

When factory start-up services and field testing are included as part of a quoted package it is understood that the equipment will be made available by the buyer for WPI to perform the factory services within six (6) months of shipment. Additional charges may be required for factory services performed beyond the six (6) month window. Customer has one year (365 days) from the initial ship date of a Generac generator to be started up/commissioned and filed online via GENservice. Registration will then activate the warranty start date. If the product is not started up/commissioned within the first year of the ship date, the warranty start date will revert back to the initial ship date. In addition, any product not started up in the first year must have the Long Term Preservation and Storage Procedure performed and the form completed. Forms must be submitted BEFORE the first year after the initial ship date has expired.



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Annunciator-panel mount with enclosure (SHIPS LOOSE)	1
Remote Emergency Stop Switch with clear cover (SHIPS LOOSE)	1
Connector Kit for Remote Emergency Stop Switch (SHIPS LOOSE)	1
Freight to site direct from the factory	1
Lead Acid Battery	2
Field Service - Cummins standard generator & ATS startup	1 trip
Field Service - Onsite NFPA 110 testing with written record (2-hour resistive load bank test & 2-hour building load test)	1 trip
Field Service - Cummins standard 2-hour Owner Training	1 trip

200kW GENERATOR TOTAL: \$76,928.00

Item	Description	Qty
3	<p>DQDAA, Genset, Configurable Diesel</p> <p>250DQDAA, Diesel Genset, 60Hz, 250kW</p> <p>U.S. EPA, Stationary Emergency Application</p> <p>Enclosure Color - Green, Steel</p> <p>Listing - UL 2200</p> <p>Duty Rating - Standby Power (ESP)</p> <p>Emission Certification, EPA, Tier 3, NSPS CI Stationary Emergency</p> <p>Exciter/Regulator - Permanent Magnet Generator, 3 Phase Sensor</p> <p>Voltage - 277/480, 3 Phase, Wye, 4 Wire</p> <p>Alternator - 60Hz, 12 Lead, Broad Range, 105C</p> <p>Alternator Heater, 120 Volt AC</p> <p>Steel Sound Attenuated Level 2 Enclosure, with Exhaust System (72 dBA at 23 feet)</p> <p>Fuel Tank - Sub Base, 500 Gallon, UL142 Compliant (25 hours at full load)</p> <p>Listing, ULC - S601-07</p> <p>Fuel Tank - Dual Wall Sub - Base, 24 Hour Minimum Capacity</p> <p>Fuel Water Separator</p> <p>Control Mounting - Left Facing</p> <p>PowerCommand 2.3 Controller</p> <p>Relays - Genset Status, User Configured</p> <p>Stop Switch - Emergency</p> <p>Alarm - Audible, Engine Shutdown</p> <p>Signals - Auxiliary, 8 Inputs/8 Outputs</p> <p>Control Display Language - English</p> <p>Circuit Breaker or Entrance Box or Terminal Box - Right Only</p> <p>Circuit Breaker - 400A, Right Circuit Breaker on Right side, 3 - Pole, UL 600, IEC 690 100%</p> <p>Circuit Breaker or Entrance Box - Bottom Entry, Right Side</p> <p>Auxiliary contacts/Trip Alarm - Single Circuit Breaker</p> <p>Engine Governor - Electronic, Isochronous</p> <p>Engine Starter - 24 Volt DC Motor</p> <p>Engine Air Cleaner - Normal Duty</p> <p>Battery Charging Alternator</p>	1



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<p>External Battery Charger - 12 Amp, Regulated Engine Cooling - Radiator, High Ambient Air Temperature, Ship Fitted Shutdown - Low Coolant Level Engine Coolant - 50% Antifreeze, 50% Water Mixture Coolant Heater - 120V, Single Phase Engine Oil Cummins Certified Test Record Genset Warranty - 2 Years Base Literature - English Packing - None, Base Mounted Housing Annunciator-Panel Mounted With Enclosure (SHIPS LOOSE) Remote Emergency Stop Switch with clear cover (SHIPS LOOSE) Freight to site direct from the factory Lead Acid Battery Field Service - Cummins standard generator & ATS startup Field Service - Onsite NFPA 110 testing with written record (2-hour resistive load bank test & 2-hour building load test) Field Service - Cummins standard 2-hour Owner Training</p>	<p>1 1 1 2 1 trip 1 trip 1 trip</p>
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250kW GENERATOR TOTAL: \$111,699.00

Item	Description	Qty
4	<p>DFEJ Commercial Diesel Generator Set, 450kW Standby 60Hz 450DFEJ, Diesel Genset, 60Hz, 450kW-Standby Rating U.S. EPA, Stationary Emergency Application Duty Rating - Standby Power (ESP) Emission Certification, EPA, Tier 2, NSPS CI Stationary Emergency Listing - UL 2200 Voltage - 277/480, 3 Phase, Wye, 4 Wire Alternator - 60Hz, 12 Lead, Broad Range, 125/105C Alternator Heater, 120 Volt AC Steel Sound Attenuated Level 2 Enclosure, with Exhaust System (74 dBA at 23 feet) Enclosure Color - Green, Steel Fuel Tank - Sub Base, 850 Gallon, UL142 Compliant (28 hours at full load) Listing, ULC - S601-07 Fuel Water Separator Control Mounting - Left Facing PowerCommand 2.3 Controller LCD Control Display Relays - Genset Status, User Configured Alarm - Audible, Engine Shutdown Signals - Auxiliary, 8 Inputs/8 Outputs Relay - Alarm Shutdown Control Display Language - English</p>	1



<p>Circuit Breaker or Entrance Box or Terminal Box - Right Only Circuit Breaker - 600A, Right Circuit Breaker on Right side, 3 - Pole, UL 600, IEC 690, 100% Circuit Breaker or Entrance Box - Bottom Entry, Right Side Auxiliary contacts/Trip Alarm-Single Circuit Breaker Engine Air Cleaner - Normal Duty Engine Cooling - Radiator, 40C Ambient Shutdown - Low Coolant Level Coolant Heater - 208/240/480 Volts AC, Below 40F Ambient Temperature Cummins Certified Test Record Genset Warranty - 2 Years Base Literature - English Packing - None, Base Mounted Housing Annunciator-Panel Mounted With Enclosure (SHIPS LOOSE) Remote Emergency Stop Switch with clear cover (SHIPS LOOSE) Freight to site direct from the factory Lead Acid Battery Field Service - Cummins standard generator & ATS startup Field Service - Onsite NFPA 110 testing with written record (2-hour resistive load bank test & 2-hour building load test) Field Service - Cummins standard 2-hour Owner Training</p>	<p>1 1 1 2 1 trip 1 trip 1 trip</p>
450kW GENERATOR TOTAL: \$139,349.00	

Quote values do not include any tax.

Project Notes & Clarifications:

- Current Submittal Lead Time: 2 weeks
- Current Production Lead Time (after receipt of approved submittal and accepted PO):
 - Transfer Switch(es): 18-22 weeks
 - Generator: 24-28 weeks
- Proposal based upon information provided via email and phone conversation only. No plans or specifications were provided.
- Price quoted is F.O.B. factory with freight allowed to the first U.S. destination.
- Price does not include any applicable taxes unless listed above.
- All ship loose items installed by others.
- Unloading, installation, and fuel are not included and will be the responsibility of others.
- Warranty: Cummins 2-year warranty begins at the successful completion of startup and testing in lieu of acceptance or substantial completion.
- Startup & Training:
 - Providing Cummins standard startup and the specific testing listed above only. All other testing including NETA testing is provided by others.
 - Our proposal includes **THREE** trips during normal business hours to complete the onsite services listed above. If additional trips or after-hours trips are required, additional cost will be incurred.
 - Training for maintenance personnel will be concurrent at time of startup unless otherwise noted.
 - No videotaping is included with this quotation. All taping is supplied by others.
- PMA: Generator Maintenance Agreement is not included and will be negotiated directly with the owner once equipment has been successfully started up and tested.
- NOTICE: As a result of the outbreaks of the disease COVID-19 arising from the novel coronavirus, temporary delays in delivery, labor, or services from Cummins and its sub-suppliers or subcontractors may occur. Among other factors, Cummins' delivery is subject to correct and punctual supply from our sub-suppliers or subcontractors, and Cummins reserves the right to make



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partial deliveries or modify its labor or service. While Cummins shall make every commercially reasonable effort to meet the delivery, service, or completion described herein, such date(s) is(are) subject to change.

Please feel free to contact me if you require any additional information; or if you have any further questions or concerns that I may be of assistance with.

Thank you for choosing Cummins.

Submitted by:

Charlie Schnieders

Charlie Schnieders
Senior Sales Executive - PG
ih752@cummins.com

SUBMITTALS. An order for the equipment covered by this quotation will be accepted on a hold for release basis. Your order will not be released and scheduled for production until written approval to proceed is received in our office. Such submittal approval shall constitute acceptance of the terms and conditions of this quotation unless the parties otherwise agree in writing.

THERE ARE ADDITIONAL CONTRACT TERMS AND CONDITIONS ATTACHED TO THIS QUOTATION, INCLUDING LIMITATIONS OF WARRANTIES AND LIABILITIES, WHICH ARE EXPRESSLY INCORPORATED HEREIN. BY ACCEPTING THIS QUOTATION, CUSTOMER ACKNOWLEDGES THAT THE CONTRACT TERMS AND CONDITIONS HAVE BEEN READ, FULLY UNDERSTOOD AND ACCEPTED.

Authorized Signature

Date

Company Name

Printed Name & Title

Purchase Order No

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[Sourcewell]****TERMS AND CONDITIONS FOR SALE OF POWER GENERATION EQUIPMENT**

These Terms and Conditions for Sale of Power Generation Equipment, together with the quote ("Quote"), sales order ("Sales Order"), and/or credit application ("Credit Application") on the front side or attached hereto, are hereinafter collectively referred to as this "Agreement" and shall constitute the entire agreement between the customer identified in the Quote ("Customer") and Cummins Southern Plains, LLC ("Cummins") and supersede any previous representation, statements, agreements or understanding (oral or written) between the parties with respect to the subject matter of this Agreement. Customer shall be deemed to have made an unqualified acceptance of these Terms and Conditions and it shall become a binding agreement between the parties on the earliest of the following to occur: (i) Cummins' receipt of Customer's purchase order or purchase order number; (ii) Customer's signing or acknowledgment of this Agreement; (iii) Cummins' release of equipment to production pursuant to Customer's oral or written instruction or direction; (iv) Customer's payment of any amounts due to Cummins; or (v) any other event constituting acceptance under applicable law. No prior inconsistent course of dealing, course of performance, or usage of trade, if any, constitutes a waiver of, or serves to explain or interpret, the Terms and Conditions set forth in this Agreement. Electronic transactions between Customer and Cummins will be solely governed by the Terms and Conditions of this Agreement, and any terms and conditions on Customer's website or other internet site will be null and void and of no legal effect on Cummins. In the event Customer delivers, references, incorporates by reference, or produces any purchase order or document, specifications, agreement (whether upstream or otherwise), or any other terms and conditions related thereto, then such specifications, terms, document, or other agreement: (i) shall be null and void and of no legal effect on Cummins, and (ii) this Agreement shall remain the governing terms of the transaction.

1. SCOPE. Cummins shall supply power generation equipment and any related parts, materials and/or services expressly identified in this Agreement (collectively, "Equipment"). No additional services, parts or materials are included in this Agreement unless mutually agreed upon by the parties in writing. A Sales Order for Equipment is accepted on a hold for release basis. The Sales Order will not be released and scheduled for production until written approval to proceed is received from Customer. A Quote is limited to the plans and specifications section specifically referenced in the Quote. No other sections shall apply. Additional requirements for administrative items may require additional costs. The Quote does not include off unit wiring, off unit plumbing, offloading, rigging, installation, exhaust insulation or fuel, unless otherwise stated and mutually agreed to in writing by the parties. Unless otherwise agreed by Cummins in writing, this Quote is valid for a maximum period of thirty (30) days from the date appearing on the first page of this Quote ("Quote Validation Period"). At the end of the Quote Validation Period, this Quote will automatically expire unless accepted by Customer prior to the end of the Quote Validation Period. The foregoing notwithstanding, in no event shall this Quote Validation Period be deemed or otherwise considered to be a firm offer period nor to establish an option contract, and Cummins hereby reserves its right to revoke or amend this Quote at any time prior to Customer's acceptance.

2. SHIPPING; DELIVERY; DELAYS. Unless otherwise agreed in writing by the parties, Equipment shall be delivered FOB origin, freight prepaid to first destination. For consumer and mobile products, freight will be charged to Customer. Unless otherwise agreed to in writing by the parties, packaging method, shipping documents and manner, route and carrier and delivery shall be as Cummins deems appropriate. Cummins may deliver in installments. The purchase of Equipment is a "take or pay" obligation on the part of the Customer, such that Customer is absolutely and irrevocably required to accept and pay for the Equipment if delivery or pick-up of Equipment is delayed, deferred, or refused by Customer beyond thirty (30) days from the agreed upon delivery date. In the event Customer fails to take any or all shipments of Equipment ordered hereunder within thirty (30) days of the agreed upon delivery date, Cummins shall have the right to invoice the Customer and, upon Cummins' sole discretion, Cummins may either: (i) deliver the Equipment to the location indicated on Customer's purchase order (regardless of whether Customer elected to pick up the Goods at Cummins' facility or otherwise indicated an alternate delivery method), and Customer shall assume all associated delivery costs incurred by Cummins, or (ii) charge storage fees for the additional inventory holding period, the additional inventory holding period not to exceed one hundred twenty (120) days from the agreed upon delivery date, unless otherwise agreed by Cummins in writing. A storage fee of two thousand five hundred dollars (\$2,500.00) or two percent (2%) of the total quoted amount, whichever is greater, shall be assessed for any Equipment whose delivery or pick-up is delayed, deferred, or refused by Customer beyond thirty (30) days from the agreed upon delivery date. Unless otherwise agreed by Cummins in writing, in the event delivery or pick-up of Equipment is delayed, deferred, or refused by Customer beyond one hundred twenty (120) days from the agreed upon delivery or pick-up date, or date of completion of Services, then Cummins has the right, in its sole discretion, to: (i) tow, remove, or otherwise dispose of the unclaimed Equipment in accordance with applicable abandonment laws, and/or (ii) make the Equipment available for auction or sale to other customers or to the public, or (iii) otherwise use, destroy, or recycle the Equipment at Customer's sole cost and expense. The foregoing remedies shall be without prejudice to Cummins' right to pursue other remedies available under the law, including without limitation, recovery of costs and/or losses incurred due to the storage, auction, sale, destruction, recycling, or otherwise of the Equipment. Offloading, handling, and placement of Equipment and crane services are the responsibility of Customer and not included unless otherwise stated. All shipments are made within normal business hours, Monday through Friday. Any delivery, shipping, installation, or performance dates indicated in this Agreement are estimated and not guaranteed. Further, delivery time is subject to confirmation at time of order and will be in effect after engineering drawings have been approved for production. Cummins shall use commercially reasonable efforts to meet estimated dates, but shall not be liable to customer or any third party for any delay in delivery, shipping, installation, or performance, however occasioned, including any delays in performance that result directly or indirectly from acts of Customer or any unforeseen event, circumstance, or condition beyond



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Cummins' reasonable control including, but not limited to, acts of God, actions by any government authority, civil strife, fires, floods, windstorms, explosions, riots, natural disasters, embargos, wars, strikes or other labor disturbances, civil commotion, terrorism, sabotage, late delivery by Cummins' suppliers, fuel or other energy shortages, or an inability to obtain necessary labor, materials, supplies, equipment or manufacturing facilities. *AS A RESULT OF COVID-19 RELATED EFFECTS OR INDUSTRY SUPPLY CHAIN DISRUPTIONS, TEMPORARY DELAYS IN DELIVERY, LABOR OR SERVICES FROM CUMMINS AND ITS SUB-SUPPLIERS OR SUBCONTRACTORS MAY OCCUR. AMONG OTHER FACTORS, CUMMINS' DELIVERY OBLIGATIONS ARE SUBJECT TO CORRECT AND PUNCTUAL SUPPLY FROM OUR SUB-SUPPLIERS OR SUBCONTRACTORS, AND CUMMINS RESERVES THE RIGHT TO MAKE PARTIAL DELIVERIES OR MODIFY ITS LABOR OR SERVICE. WHILE CUMMINS SHALL MAKE COMMERCIALY REASONABLE EFFORTS TO MEET THE DELIVERY, SERVICE OR COMPLETION OBLIGATIONS SET FORTH HEREIN, SUCH DATES ARE SUBJECT TO CHANGE. IN THE EVENT DELIVERY, SHIPPING, INSTALLATION, OR PERFORMANCE IS DELAYED, HOWEVER OCCASIONED, DUE TO EVENTS BEYOND CUMMINS' REASONABLE CONTROL, THEN THE DATE OF DELIVERY, SHIPPING, INSTALLATION, OR PERFORMANCE FOR THE EQUIPMENT OR SERVICES SHALL BE EQUITABLY EXTENDED FOR A PERIOD EQUAL TO THE TIME LOST, PLUS REASONABLE RAMP-UP.*

3. PAYMENT TERMS; CREDIT; RETAINAGE. Unless otherwise agreed to by the parties in writing and subject to credit approval by Cummins, payments are due thirty (30) days from the date of the invoice. If Customer does not have approved credit with Cummins, as solely determined by Cummins, payments are due in advance or at the time of supply of the Equipment. If payment is not received when due, in addition to any rights Cummins may have at law, Cummins may charge Customer eighteen percent (18%) interest annually on late payments, or the maximum amount allowed by law. Customer agrees to pay Cummins' costs and expenses (including reasonable attorneys' fees) related to Cummins' enforcement and collection of unpaid invoices, or any other enforcement of this Agreement by Cummins. Retainage is not acceptable nor binding, unless required by statute or accepted and confirmed in writing by Cummins prior to shipment. All sales are subject to Customer's ongoing credit approval. While Cummins may initially extend Net 30 payment terms upon Cummins' approval of Customer's credit application, Cummins reserves the right to reassess Customer's creditworthiness at any time prior to shipment. If, in Cummins' sole discretion, Customer's financial condition weakens or otherwise declines, Customer has past due invoices with Cummins, or Cummins otherwise determines that extending credit terms is no longer commercially reasonable, Cummins may, upon notice to Customer, (i) require full or partial payment in advance, (ii) require an alternative form of security satisfactory to Cummins, including but not limited to a letter of credit or payment bond, or (iii) withhold shipment until such payment or security is provided. Cummins shall not be liable for any delays or damages resulting from the enforcement of this provision. If Customer fails to make any payments to Cummins when due and payable, and such failure continues for more than sixty (60) days from the date of the invoice, or less if required by applicable law, then Cummins may, at Cummins' sole discretion and without prejudice to any other rights or remedies, either (i) terminate this Agreement; or (ii) postpone delivery of any undelivered Equipment in Cummins' possession and/or suspend its services until payment for unpaid invoices is received.

4. TAXES; EXEMPTIONS. Unless otherwise stated, the Quote excludes all applicable local, state and federal sales and/or use taxes, permits and licensing. Customer must provide a valid resale or exemption certificate prior to shipment of Equipment or applicable taxes will be added to the invoice.

5. TITLE; RISK OF LOSS. Unless otherwise agreed in writing by the parties, title and risk of loss for the Equipment shall pass to Customer upon delivery of the Equipment by Cummins to freight carrier or to Customer at pickup at Cummins' facility.

6. INSPECTION AND ACCEPTANCE. Customer shall inspect the Equipment upon delivery, before offloading, for damage, defects, and shortage. Any and all claims which could have been discovered by such inspection shall be deemed absolutely and unconditionally waived unless noted by Customer on the bill of lading. Where Equipment is alleged to be non-conforming or defective, written notice of defect must be given to Cummins within three (3) days from date of delivery after which time Equipment shall be deemed accepted. Cummins shall have a commercially reasonable period of time in which to correct such non-conformity or defect. If non-conformity or defect is not eliminated to Customer's reasonable satisfaction, Customer may reject the Equipment (but shall protect the Equipment until returned to Cummins) or allow Cummins another opportunity to undertake corrective action. In the event startup of the Equipment is included in the services, acceptance shall be deemed to have occurred upon successful startup.

7. LIEN; SECURITY AGREEMENT. Customer agrees that Cummins retains all statutory lien rights. To secure payment, Customer grants Cummins a Purchase Money Security Interest in the Equipment. If any portion of the balance is due to be paid following delivery, Customer agrees to execute and deliver such security agreement, financing statements, deed of trust and such other documents as Cummins may request from time to time in order to permit Cummins to obtain and maintain a perfected security interest in the Equipment; or in the alternative, Customer grants Cummins a power of attorney to execute and file all financing statements and other documents needed to perfect this security interest. Cummins may record this Agreement, bearing Customer's signature, or copy of this Agreement in lieu of a UCC-1, provided that it shall not constitute an admission by Cummins of the applicability or non-applicability of the UCC nor shall the failure to file this form or a UCC-1 in any way affect, alter, or invalidate any term, provision, obligation or liability under this Agreement. The security interest shall be superseded if Customer and Cummins enter into a separate security agreement for the Equipment. Prior to full payment of the balance due, Equipment will be kept at Customer's location noted in this Agreement, will not be moved without prior notice to Cummins, and is subject to inspection by Cummins at all reasonable times.

8. CANCELLATION; CHARGES. Orders placed with and accepted by Cummins may not be cancelled except with Cummins' prior written consent. If Customer seeks to cancel all or a portion of an order placed pursuant to this Agreement, and Cummins accepts such cancellation in whole or in part, Customer shall be assessed cancellation charges as follows: (i) 10% of total order price if cancellation is received in Cummins' office after Cummins has provided submittals and prior to releasing equipment to be manufactured; (ii) 25% of total order price if cancellation is received in Cummins' office after receipt of submittal release to order, after receipt of a purchase order



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for a generator already on order with the factory, or after Cummins is asked to make any hardware changes to the equipment already on order with the factory; (iii) 50% of total order price if cancellation is received in Cummins' office sixty (60) or fewer days before the scheduled shipping date on the order; or (iv) 100% of total order price if cancellation is received in Cummins' office after the equipment has shipped from the manufacturing plant.

9. TERMINATION. Cummins may, at any time, terminate this Agreement for convenience upon sixty (60) days' written notice to Customer. If the Customer defaults by (i) breaching any term of this Agreement, (ii) becoming insolvent or declared bankrupt, or (iii) making an assignment for the benefit of creditors, Cummins may, upon written notice to Customer, immediately terminate this Agreement. Upon such termination for default, Cummins shall immediately cease any further performance under this Agreement, without further obligation or liability to Customer, and Customer shall pay Cummins for any Equipment or services supplied under this Agreement, in accordance with the payment terms detailed in Section 3. If a notice of termination for default has been issued and is later determined, for any reason, that the Customer was not in default, the rights and obligations of the parties shall treat the termination as a termination for convenience.

10. MANUALS. Unless otherwise stated, electronic submittals and electronic operation and maintenance manuals will be provided, and print copies may be available upon Customer's request at an additional cost.

11. TRAINING; START UP SERVICES; INSTALLATION. Startup services, load bank testing, and owner training are not provided unless otherwise stated. Site startup will be subject to the account being current and will be performed during regular Cummins business hours, Monday to Friday. Additional charges may be added for work requested to be done outside standard business hours, on weekends, or holidays. One visit is allowed unless specified otherwise in the Quote. A minimum of two-week prior notice is required to schedule site startups and will be subject to prior commitments and equipment and travel availability. A signed site check sheet confirming readiness will be required, and Cummins personnel may perform an installation audit prior to the startup being completed. Any issues identified by the installation audit shall be corrected at the Customer's expense prior to the start-up. Portable load banks for site test (if offered in the Quote) are equipped with only 100 feet of cable. Additional lengths may be arranged at an extra cost. Cummins is not responsible for any labor or materials charged by others associated with start-up and installation of Equipment, unless previously agreed upon in writing. Supply of fuel for start-up and/or testing, fill-up of tank after start up, or change of oil is not included unless specified in the Quote. All installation/execution work at the site including, but not limited to: civil, mechanical, electrical, supply of wall thimbles, exhaust extension pipe, elbows, hangers, expansion joints, insulation and cladding materials, fuel/oil/cooling system piping, air ducts, and louvers/dampers is not included unless specified in the Quote. When an enclosure or sub-base fuel tank (or both) are supplied, the openings provided for power cable and fuel piping entries, commonly referred to as "stub-ups", must be sealed at the site by others before commissioning. All applications, inspections and/or approvals by authorities are to be arranged by Customer.

12. MANUFACTURER'S WARRANTY. Equipment purchased hereunder is accompanied by an express written manufacturer's warranty ("Warranty") and, except as expressly provided in this Agreement, is the only warranty offered on the Equipment. A copy of the Warranty is available upon request. While this Agreement and the Warranty are intended to be read and applied in conjunction, where this Agreement and the Warranty conflict, the terms of the Warranty shall prevail.

13. WARRANTY PROCEDURE. Prior to the expiration of the Warranty, Customer must give notice of a warrantable failure to Cummins and deliver the defective Equipment to a Cummins location or other location authorized and designated by Cummins to make the repairs during regular business hours. Cummins shall not be liable for towing charges, maintenance items such as oil filters, belts, hoses, etc., communication expenses, meals, lodging, and incidental expenses incurred by Customer or employees of Customer, "downtime" expenses, overtime expenses, cargo damages and any business costs and losses of revenue resulting from a warrantable failure.

14. LIMITATIONS ON WARRANTIES
THE REMEDIES PROVIDED IN THE WARRANTY AND THIS AGREEMENT ARE THE SOLE AND EXCLUSIVE WARRANTIES AND REMEDIES PROVIDED BY CUMMINS TO THE CUSTOMER UNDER THIS AGREEMENT. EXCEPT AS SET OUT IN THE WARRANTY AND THIS AGREEMENT, AND TO THE EXTENT PERMITTED BY LAW, CUMMINS EXPRESSLY DISCLAIMS ALL OTHER REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, AND CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY STATUTORY OR COMMON LAW IMPLIED REPRESENTATIONS, WARRANTIES AND CONDITIONS OF FITNESS FOR A PURPOSE OR MERCHANTABILITY.

The limited warranty does not cover Equipment failures resulting from: (a) inappropriate use relative to designated power rating; (b) inappropriate use relative to application guidelines; (c) inappropriate use of an EPA-SE application generator set relative to EPA's standards; (d) normal wear and tear; (e) improper and/or unauthorized installation; (f) negligence, accidents, or misuse; (g) lack of maintenance or unauthorized or improper repair; (h) noncompliance with any Cummins published guideline or policy; (i) use of improper or contaminated fuels, coolants, or lubricants; (j) improper storage before and after commissioning; (k) owner's delay in making Equipment available after notification of potential Equipment problem; (l) replacement parts and accessories not authorized by Cummins; (m) use of battle short mode; (n) owner or operator abuse or neglect such as: operation without adequate coolant, fuel, or lubricants; over fueling; over speeding; lack of maintenance to lubricating, fueling, cooling, or air intake systems; late servicing and maintenance; improper storage, starting, warm-up, running, or shutdown practices, or for progressive damage resulting from a defective shutdown or warning device; or (o) damage to parts, fixtures, housings, attachments and accessory items that are not part of the generating set.

15. INDEMNITY. Customer shall indemnify, defend and hold harmless Cummins from and against any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, brought against or incurred by Cummins related to or arising out of this Agreement or the Equipment supplied under this Agreement (collectively, the "Claims"), where such Claims were caused or contributed to by, in whole or in part, the acts, omissions, fault or negligence of the Customer. Customer shall present any Claims covered



by this indemnity to its insurance carrier unless Cummins directs that the defense will be handled by Cummins' legal counsel at Customer's expense.

16. LIMITATION OF LIABILITY

NOTWITHSTANDING ANY OTHER TERM OF THIS AGREEMENT, IN NO EVENT SHALL CUMMINS, ITS OFFICERS, DIRECTORS, EMPLOYEES, OR AGENTS BE LIABLE TO CUSTOMER OR ANY THIRD PARTY, WHETHER IN CONTRACT OR IN TORT OR UNDER ANY OTHER LEGAL THEORY (INCLUDING, WITHOUT LIMITATION, STRICT LIABILITY OR NEGLIGENCE), FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE, LIQUIDATED, OR CONSEQUENTIAL DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION DOWNTIME, LOSS OF PROFIT OR REVENUE, LOSS OF DATA, LOSS OF OPPORTUNITY, DAMAGE TO GOODWILL, ENHANCED DAMAGES, MONETARY REQUESTS RELATING TO RECALL EXPENSES AND REPAIRS TO PROPERTY, AND/OR DAMAGES CAUSED BY DELAY), OR IN ANY WAY RELATED TO OR ARISING FROM CUMMINS' SUPPLY OF EQUIPMENT UNDER THIS AGREEMENT OR THE USE OR PERFORMANCE OF EQUIPMENT SUPPLIED UNDER THIS AGREEMENT. IN NO EVENT SHALL CUMMINS' LIABILITY TO CUSTOMER OR ANY THIRD PARTY CLAIMING DIRECTLY THROUGH CUSTOMER OR ON CUSTOMER'S BEHALF UNDER THIS AGREEMENT EXCEED THE TOTAL COST OF EQUIPMENT SUPPLIED BY CUMMINS UNDER THIS AGREEMENT GIVING RISE TO THE CLAIM. BY ACCEPTANCE OF THIS AGREEMENT, CUSTOMER ACKNOWLEDGES CUSTOMER'S SOLE REMEDY AGAINST CUMMINS FOR ANY LOSS SHALL BE THE REMEDY PROVIDED HEREIN.

17. DEFAULT; REMEDIES. Customer shall be in breach and default if: (a) any of the payments or amounts due under this Agreement are not paid; (b) Customer fails to comply, perform, or makes any misrepresentation relating to any of the Customer's obligations or covenants under this Agreement; or (c) prior to full payment of the balance due, Customer ceases to do business, becomes insolvent, makes an assignment for the benefit of its creditors, appoints a receiver, commences an action for dissolution or liquidation, or becomes subject to bankruptcy proceedings, or the Equipment is attached, levied upon, seized under legal process, is subjected to a lien or encumbrance, or transferred by operation of law or otherwise to anyone other than Cummins. Upon the occurrence of any event of Customer's default, Cummins, at its sole option and without notice, shall have the right to exercise concurrently or separately any one or all of the following remedies, which shall be cumulative and not alternative: (a) to declare all sums due, and to become due, under this Agreement immediately due and payable; (b) to commence legal proceedings, including collection actions and specific performance proceedings, to enforce performance by Customer of any and all provisions of this Agreement, and to be awarded damages or injunctive relief for the Customer's breach; (c) to require the Customer to deliver the Equipment to Cummins' branch specified on the face of this Agreement; (d) to exercise one or more of the rights and remedies available to a secured party under applicable law; and (e) to enter, without notice or liability or legal process, onto any premises where the Equipment may be located, using force permitted by law, and there to disconnect, remove and repossess the Equipment, the Customer having waived further right to possession after default. A waiver of any event of default by Cummins shall not be a waiver as to any other or subsequent default.

18. CUSTOMER REPRESENTATIONS; RELIANCE. Customer is responsible for obtaining, at its cost, permits, import licenses, and other consents in relation to the Equipment, and if requested by Cummins, Customer shall make these permits, licenses, and consents available to Cummins prior to shipment. Customer represents that it is familiar with the Equipment and understands operating instructions and agrees to perform routine maintenance services. Until the balance is paid in full, Customer shall care for the Equipment properly, maintain it in good operating condition, repair and appearance; and Customer shall use it safely and within its rated capacity and only for purpose it was designed. Even if Customer's purchase of Equipment from Cummins under this Agreement is based, in whole or in part, on specifications, technical information, drawings, or written or verbal advice of any type from third parties, Customer has sole responsibility for the accuracy, correctness and completeness of such specifications, technical information, drawings, or advice. Cummins make no warranties or representations respecting the accuracy, correctness and completeness of any specifications, technical information, drawings, advice or other information provided by Cummins. Cummins makes no warranties or representations respecting the suitability, fitness for intended use, compatibility, integration or installation of any Equipment supplied under this Agreement. Customer has sole responsibility for intended use, for installation and design and performance where it is part of a power, propulsion, or other system. Limitation of warranties and remedies and all disclaimers apply to all such technical information, drawings, or advice. Customer acknowledges and agrees by accepting delivery of the Equipment that the Equipment purchased is of the size, design, capacity and manufacture selected by the Customer, and that Customer has relied solely on its own judgment in selecting the Equipment.

19. CONFIDENTIALITY. Each party shall keep confidential any information received from the other that is not generally known to the public and at the time of disclosure, would reasonably be understood by the receiving party to be proprietary or confidential, whether disclosed in oral, written, visual, electronic, or other form, and which the receiving party (or agents) learns in connection with this Agreement including, but not limited to: (a) business plans, strategies, sales, projects and analyses; (b) financial information, pricing, and fee structures; (c) business processes, methods, and models; (d) employee and supplier information; (e) specifications; and (f) the terms and conditions of this Agreement. Each party shall take necessary steps to ensure compliance with this provision by its employees and agents.

20. GOVERNING LAW, VENUE, AND JURISDICTION. This Agreement and all matters arising hereunder shall be governed by, interpreted, and construed in accordance with the laws of the State of Indiana without giving effect to any choice or conflict of law provision. The parties agree that the federal and state courts of the State of Indiana shall have exclusive jurisdiction over, regarding, or relating to any dispute or claim arising in connection with this Agreement or any related matter, and hereby waive any right to claim such forum would be inappropriate, including concepts of forum non conveniens.



**Project: Breckenridge TX WWTP
[Sourcewell]**

21. INSURANCE. Upon Customer's request, Cummins will provide to Customer a Certificate of Insurance evidencing Cummins' relevant insurance coverage.

22. ASSIGNMENT. This Agreement shall be binding on the parties and their successors and assigns. Customer shall not assign this Agreement without the prior written consent of Cummins.

23. INTELLECTUAL PROPERTY. Any intellectual property rights created by either party, whether independently or jointly, in the course of the performance of this Agreement or otherwise related to Cummins pre-existing intellectual property or subject matter related thereto, shall be Cummins' property. Customer agrees to assign, and does hereby assign, all right, title, and interest to such intellectual property to Cummins. Any Cummins pre-existing intellectual property shall remain Cummins' property. Nothing in this Agreement shall be deemed to have given Customer a license or any other rights to use any of the intellectual property rights of Cummins.

24. PRICING. To the extent allowed by law, actual prices invoiced to Customer may vary from the price quoted at the time of order placement, as the same will be adjusted for prices prevailing on the date of shipment due to economic and market conditions at the time of shipment. Subject to local laws, Cummins reserves the right to adjust pricing on goods and services due to input and labor cost changes and/or other unforeseen circumstances beyond Cummins' control.

25. TARIFF AND DUTY SURCHARGES. In addition to any adjustments otherwise provided for in this Agreement, in the event of any increase in the cost of purchased materials due to the impact of any tariffs, duties, levies, or similar government charges ("Tariffs") in effect during the term of this Agreement, the parties agree that such increases shall be passed through directly to the Customer effective immediately upon Cummins' notice to the Customer of such increases. The Customer shall pay Tariff-related increases within thirty (30) days of receipt of invoice.

26. MISCELLANEOUS. Cummins shall be an independent contractor under this Agreement. All notices under this Agreement shall be in writing and be delivered personally, mailed via first class certified or registered mail, or sent by a nationally recognized express courier service to the addresses set forth in this Agreement. No amendment of this Agreement shall be valid unless it is writing and signed by an authorized representative of the parties hereto. Failure of either party to require performance by the other party of any provision hereof shall in no way affect the right to require such performance at any time thereafter, nor shall the waiver by a party of a breach of any of the provisions hereof constitute a waiver of any succeeding breach. Any provision of this Agreement that is invalid or unenforceable shall not affect the validity or enforceability of the remaining terms hereof. These terms are exclusive and constitute the entire agreement. Customer acknowledges that the provisions were freely negotiated and bargained for, and Customer has agreed to purchase of the Equipment pursuant to these Terms and Conditions. Acceptance of this Agreement is expressly conditioned on Customer's assent to all such Terms and Conditions. Neither party has relied on any statement, representation, agreement, understanding, or promise made by the other except as expressly set out in this Agreement. In the event Cummins incurs additional charges hereunder due to the acts or omissions of Customer, the additional charges will be passed on to the Customer, as applicable. Headings or other subdivisions of this Agreement are inserted for convenience of reference and shall not limit or affect the legal construction of any provision hereof. The Parties' rights, remedies, and obligations under this Agreement which by their nature are intended to continue beyond the termination or cancellation of this Agreement, including but not limited to the Section 16. Limitation of Liability provision contained herein, shall survive the expiration, termination, or cancellation of this Agreement.

27. COMPLIANCE. Customer shall comply with all laws applicable to its activities under this Agreement, including, without limitation, any and all applicable federal, state, and local anti-bribery, environmental, health, and safety laws and regulations then in effect. Customer acknowledges that the Equipment, and any related technology that are sold or otherwise provided hereunder may be subject to export and other trade controls restricting the sale, export, re-export and/or transfer, directly or indirectly, of such Equipment or technology to certain countries or parties, including, but not limited to, licensing requirements under applicable laws and regulations of the United States, the United Kingdom and other jurisdictions. It is the intention of Cummins to comply with these laws, rules, and regulations. Any other provision of this Agreement to the contrary notwithstanding, Customer shall comply with all such applicable all laws relating to the cross-border movement of goods or technology, and all related orders in effect from time to time, and equivalent measures. Customer shall act as the importer of record with respect to the Equipment and shall not resell, export, re-export, distribute, transfer, or dispose of the Equipment or related technology, directly or indirectly, without first obtaining all necessary written permits, consents, and authorizations and completing such formalities as may be required under such laws, rules, and regulations. In addition, Cummins has in place policies not to distribute its products for use in certain countries based on applicable laws and regulations including but not limited to UN, U.S., UK, and European Union regulations. Customer undertakes to perform its obligations under this Agreement with due regard to these policies. Strict compliance with this provision and all laws of the territory pertaining to the importation, distribution, sales, promotion and marketing of the Equipment is a material consideration for Cummins entering into this Agreement with Customer and continuing this Agreement for its term. Customer represents and warrants that it has not and shall not, directly or through any intermediary, pay, give, promise to give or offer to give anything of value to a government official or representative, a political party official, a candidate for political office, an officer or employee of a public international organization or any other person, individual or entity at the suggestion, request or direction or for the benefit of any of the above-described persons and entities for the purposes of inducing such person to use his influence to assist Cummins in obtaining or retaining business or to benefit Cummins or any other person in any way, and will not otherwise breach any applicable laws relating to anti-bribery. Any failure by Customer to comply with these provisions will constitute a default giving Cummins the right to immediate termination of this Agreement and/or the right to elect not to recognize the warranties associated with the Equipment. Customer shall accept full responsibility for any and all civil or criminal liabilities and costs arising from any breaches of those laws and regulations and will defend, indemnify, and hold Cummins harmless from and against any and all fines, penalties, claim, damages, liabilities, judgments, costs, fees, and expenses incurred by Cummins or its affiliates as a result of Customer's breach.



28. To the extent applicable, this contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. The employee notice requirements set forth in 29 CFR Part 471, Appendix A to Subpart A, are hereby incorporated by reference into this contract.



Rolls-Royce



Date: 2/27/2026
 Quote No: CS26-44098
 Subject: City of Breckenridge - DS250
 Customer: City of Breckenridge

Stewart & Stevenson Power Products, LLC submits the following proposal for the equipment below:

One (1) MTU Rolls-Royce Model DS250 Diesel Generator Set:

- Rating: 250 kW / 313 kVA @ 277/480V 3Ø, 376 Full Load Amps
- Engine: John Deere 9L Diesel Engine, 1800 RPM, EPA Tier 3 Certified for Emergency Standby
- Compliance: NFPA-110 Level 1, UL2200 Listed
- Fuel Tank: 1060 Gallon, 54 Hour Run Time at Full Load, UL 142 Listed
- Enclosure: Sound Level 3 with Vertical Air Discharge, Steel Construction, 130 MPH Wind Load Rated, 74.6 dBA
- Isolators: Elastomeric Isolator Pads Installed Under Skid
- Silencer: Internally Mounted within Enclosure, Critical Grade
- Controller: MGC-2020 Digital Control Panel, Mounted Left Side
- Accessories: 4-Relay Package
- Communications: ModBus RTU (RS-485)
- Breaker: 450 Amp, 3-Pole, 100% Rated with Electronic LSI Trip, Mounted Right Side
- Block Heater: 2500 Watt, 208V 1Ø (AC Wiring by Others)
- Battery Charger: 10 Amp, 24VDC / 120VAC 1Ø, Factory Installed
- Batteries: Engine Starting Batteries Shipped with Unit
- Warranty: 2-Year, 3000 Hour, Comprehensive from Date of Startup
- Startup: Standard Startup Services with 2-Hour Load Bank Test



STEWART & STEVENSON



Rolls-Royce



Notes: Included is Two (2) days for Start UpOne (1) Trip, 1 hour for and Training by factory trained technician, during the hours of 8:00am to 4:30pm Monday through Friday. Working after normal hours will incur overtime charges and require a separate Purchase Order.

- Freight is included in this proposal to one location.
- Jobsite Exhaust Pressure Test, Engine Emissions Test, Voltage & Transient Test, Harmonics and Sound Level Testing, Coordination Study, Infrared Scanning, Installation, Offloading, and Fuel are all not included.
- Mechanical lugs are provided as standard on main line circuit breakers and automatic transfer switches. Varying lug arrangements are not available due to UL2200 listings
- Equipment sized and rated, per the conditions set forth in the project specifications. Failures or de-rates caused by improper site design are at the responsibility of others.
- All seismic installation certification shall be by others.
- All orders without approved credit will require a current credit card or 50% down payment upon order.
- Quoted pricing firm for 30 days. ALL Orders after 30 days are subject to price increases.
- All orders are NET 30 with approved credit. Price does not include federal, state, or local taxes.
- Quoted per Plans and Specs. Addendum(s) 0 Acknowledged.
- **Estimated Delivery: Generator 19-21 Weeks ARO.**
 - Subject to production scheduling, supplier performance, and carrier performance.
 - Delivery based upon final manufacturer production schedule.
 - Quoted product subject to prior sale.
- If non-exempt, TERP tax (1.5%) and sales tax (8.25%) will apply to the above total.

All sales are subject to Terms and Conditions of Sale, which can be found at link below and which are incorporated by reference into this document as if fully set forth herein.

<https://www.stewartandstevenson.com/terms-of-sale/>

Stewart & Stevenson Power Products, LLC includes the following disclaimers:

All prices are subject to change without prior notice due to unprecedented steel surcharges, trucking prices and/or unforeseen economic circumstances. The Prices set forth herein are subject to modification to the extent impacted by applicable increased tariffs. The costs associated with applicable increased tariffs will be borne by Customer.

Total Package Price:

\$103,930.00

We appreciate the opportunity to be of service to you. Should you have any questions concerning the above, or require further information, please do not hesitate contacting us.

Sincerely,

Clayton Stanford

Stewart & Stevenson Power Products, LLC
Cell: (214) 918-5053
Email: clayton.stanford@kirbycorp.com

Acceptance of Quoted approved by: _____

Date: _____



**BRECKENRIDGE CITY COMMISSION
AGENDA SUMMARY FORM**

Subject: Discussion and any action regarding approval of Resolution 2026-12 for the purchase of an Asphalt Zipper for Street Department

Department: Administration

Staff Contact: Cynthia Northrop

Title: City Manager

BACKGROUND INFORMATION:

In our efforts to do more with less we have been researching the benefits of purchasing an asphalt zipper. This piece of equipment recycles the asphalt (on a street with multiple potholes in the same area vs. a single pothole on a street). At least half of our streets have this condition of multiple potholes in a concentrated area. These conditions are prime candidates for the asphalt zipper to recycle the asphalt, followed by our crew packing it down, rolling the area, adding/spreading asphalt and finally rolling the asphalt. This will address larger areas on our streets and uses less asphalt overall as it lasts longer vs. filling a single pothole that is more susceptible to environmental stressors such as rain, snow, cold, and heat. Additionally, this process uses less equipment, trips, and crew members.

This equipment is on buy board (which meets purchasing criteria). The price is \$240,915.00 and staff are proposing financing over five years (\$55,948.78 annually). There is no payment due the first year).

FINANCIAL IMPACT:

\$240,915.00 financed over 5 years (\$55,948.78 one year from signing, annually thereafter)

STAFF RECOMMENDATION:

Consider approval of the Resolution 2026-12 for the purchase of Asphalt Zipper via HGAC Buy board and finance over five years as presented and authorize the City Manager to execute the documents.



**GOVERNMENT CAPITAL
CORPORATION**

Financing Proposal

Prepared For



City of Breckenridge

April 24, 2026

Submitted By

Government Capital Corporation

345 Miron Drive
Southlake, Texas 76092

Stephanie Cates

SVP Client Services
(817) 722-0214



GOVERNMENT CAPITAL
CORPORATION

Corporate Overview

Government Capital Corporation (GCC) was founded in 1992 with the primary purpose of providing tax-exempt financing solutions for state and local government entities including cities, schools, counties, and special districts. Since our inception, GCC and its affiliates have provided financing solutions exceeding \$7 billion for many different types of projects. These financings have provided funding for a wide variety of municipal needs including vehicles, technology, facilities, and heavy-duty equipment. Although we serve clients in all 50 states, one of our primary areas of focus is assisting Texas cities with acquiring essential personal property and equipment. Our team possesses extensive experience assisting local Texas governments in creating, evaluating and implementing financing structures of every type authorized by state borrowing authorities. Since our inception, we've been honored to provide financing solutions for over 560 Texas cities, representing over 45 percent of the cities in the state. In many cases, we have helped our clients adapt to and comply with regulatory changes as well as enable them to execute financings more rapidly, efficiently, and economically.

Representative Experience

City of Mathis - Government Capital's longest client relationship is with the City of Mathis, Texas. From the firm's very first funding in January of 1993 to the present day, GCC has provided the City of Mathis with millions of dollars in financing. Projects have included public works, public safety, capital equipment, energy efficiency, and technology improvements as well as various economic development projects.

City of San Saba - For over 20 years, Government Capital has assisted the City of San Saba with providing tailored financing solutions for more than 55 projects. With GCC's support, the city has financed a wide variety of vehicles, equipment, infrastructure improvements, and real estate acquisitions. The city's Economic Development Corporation has also partnered with Government Capital to fund playground and water park projects.

City of Van Horn - Since 2002, GCC has partnered with the City of Van Horn to create various financing solutions that fit the needs of the city. Projects have included numerous vehicle and equipment acquisitions as well as utility improvement projects.

City of Corrigan - Government Capital's relationship with the City of Corrigan began in 2006 and has included funding a variety of acquisitions for police vehicles, technology, and public safety equipment. Most recently, the city financed a water meter replacement project to install radio-read meters to recapture water loss.

City of Hillsboro - Since 2010, the City of Hillsboro and Government Capital have completed numerous projects and acquisitions together. These projects have included public safety vehicle acquisitions, HVAC upgrades, capital equipment procurement, and utility meter updates. Most recently, the city financed hardware and software technology upgrades for the police department.

City of Post - Government Capital has partnered with the City of Post since 2020 to fund projects from heavy equipment acquisitions to water meter replacements. Additionally, GCC has provided multiple refinancings designed to reduce interest costs, allowing the city to reallocate critical funds.

City of La Feria - Since 2005, Government Capital has provided financing solutions to the City of La Feria. Funded projects have included acquiring public safety vehicles and public works equipment. Most recently, GCC funded a city-wide utility meter replacement project.



GOVERNMENT CAPITAL CORPORATION

Partial Listing of Texas City Clients



City of Brady



City of Stephenville



City of Troup



City of Anson



City of Dilley



City of Early



City of Eastland



City of Katy



City of Ralls



City of Poteet



City of Dublin



City of Whitney



Town of Anthony



City of Panhandle



City of Roma



City of Liberty Hill



City of East Tawakoni



Town of Pecos City



City of Dalhart



City of Hidalgo



City of Mineral Wells



City of Chandler



City of Lamesa



City of Canyon



GOVERNMENT CAPITAL
CORPORATION

April 24, 2026

Ms. Cynthia Northrop
City of Breckenridge
254-559-8287
cnorthrop@breckenridgetx.gov

Dear Ms. Northrop,

Thank you for the opportunity to present proposed financing for City of Breckenridge. I am submitting for your review the following proposed structure:

ISSUER:	City of Breckenridge, TX
FINANCING STRUCTURE:	Public Property Finance Contract issued under Local Government Code Section 271.005
EQUIPMENT COST:	\$ 240,915.50
TERM:	5 Payments
INTEREST RATE:	5.197%
PAYMENT AMOUNT:	\$ 55,948.78
PAYMENTS BEGINNING:	One year from signing, annually thereafter

Financing for these projects would be simple, fast and easy due to the fact that:

- ✓ We have an existing relationship with you and have your financial statements on file, expediting the process. Please keep in mind we may also need current year statements.
- ✓ We can provide familiar documentation for your legal counsel.

The above proposal is subject to audit analysis, assumes bank qualification and mutually acceptable documentation. The terms outlined herein are based on current markets. Upon credit approval, rates may be locked for up to thirty (30) days. If funding does not occur within this time period, rates will be indexed to markets at such time.

Our finance programs are flexible and as always, my job is to make sure you have the best possible experience every time you interact with our brand. We're always open to feedback on how to make your experience better. If you have any questions regarding other payment terms, frequencies or conditions, please do not hesitate to call.

With Best Regards,

Stephanie Cates

Stephanie Cates
SVP Client Services
Main: 817-421-5400

Asphalt Zipper

420X

WITH ACCU-TRAK™ WHEEL ASSIST



Shown with optional 150-gallon Wheel Assist Mount water supply system

42" Cutting Width Reclaimer/Stabilizer and Utility Trencher with PATENTED ZipTec™ Enhanced Pulverizing System and Accu-Trak™ Wheel Assist

BACKHOE MOUNT

SMALLER LOADER MOUNT

Packed with technology, yet surprisingly simple to operate, the 420X WA harnesses the power and productivity of much larger, self-propelled reclaimers into a very powerful, versatile, and affordable loader attachment. Powered by either a Cummins intercooled turbo-diesel **Tier 4 Final** engine or the latest Cummins intercooled turbo-diesel **Tier 4 Final Performance Series** engine, the 420X WA will pulverize up to 10-inch-thick asphalt in a single pass. The innovative upgrades and improvements throughout this new-generation Asphalt Zipper dramatically improve production in thicker asphalt, reliability and longevity of the machine, and ease of use. Full road repairs, street patches, base stabilization, and opening utility trenches in asphalt are just a few of its many uses.

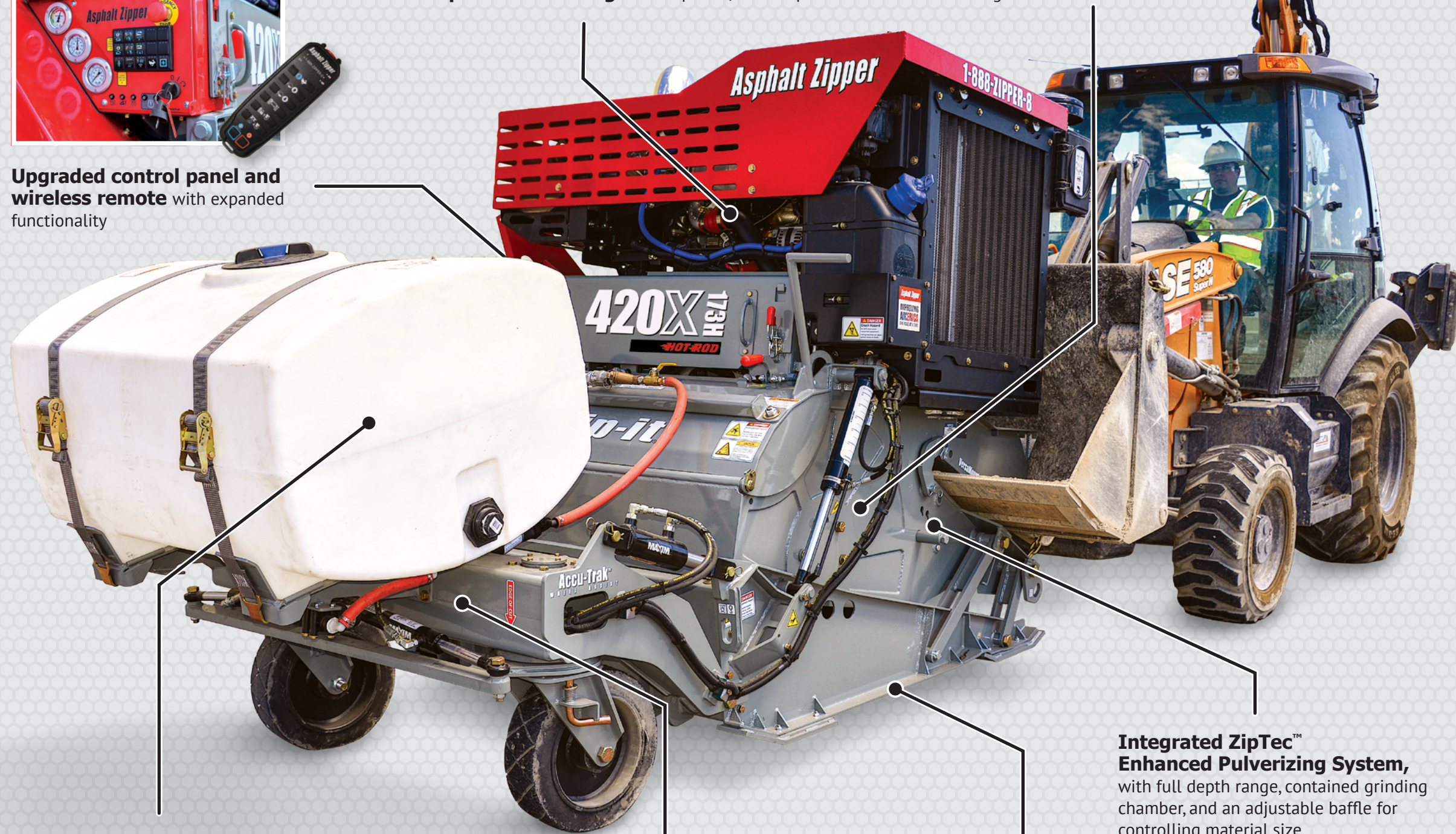
Completely re-engineered, with new features and improvements throughout



Upgraded control panel and wireless remote with expanded functionality

Cummins 173 hp Tier 4 Final Performance Series or 120 hp Tier 4 Final engine for quieter, cleaner power

Hardox®-reinforced steel frame with greater internal abrasion resistance, for longer life



150 gallon wheel assist mount water supply system (optional) for an on-board, steady supply of water

Improved Accu-Trak™ wheel assist system (optional) with remote-control steering, for even more precise maneuvering and fine control of milling depth, enabling use with smaller host vehicles

Milling sled for easier leveling

Integrated ZipTec™ Enhanced Pulverizing System, with full depth range, contained grinding chamber, and an adjustable baffle for controlling material size

Hydraulically activated auto-adjusting clutch, remote engage, and loader operator's safety stop

Improved Z-Pro™ X cutter head for greater production with better material gradation

Heavier-duty planetary / gear box for even greater durability

Hydraulic safety-chain system ensures secure connection to host vehicle

Full-range depth adjustment, independent of the loader

Automatic hydraulic belt tensioning that is dynamically self-adjusting and releases tension when not in use, for greater longevity

Upgraded control box for cab of host vehicle, with improved display

Push cooling for lower under-hood temperatures

Innovative liquid cooling jacket for up to 5x improved planetary cooling



Quick-Load™ guiding system on all custom trailers, for easier loading

And much more ...



Custom tandem-axle trailer (optional) with quick-load guiding system, low center of gravity, convenient working deck and built-in custom toolbox, enables the 420X WA to be hauled behind a 1-ton pickup truck.

Specifications

Model	420X-120E WA	420X-173H WA
Engine	 Cummins 120 hp Turbo-Diesel Tier 4 Final	 Cummins 173 hp HOT-ROD Turbo-Diesel Tier 4 Final Performance Series
Torque	360 ft·lb <hr/> 488 N·m	457 ft·lb <hr/> 620 N·m
Weight	7050 lbs <hr/> 3198 kg	7000 lbs <hr/> 3175 kg
Cutting Width	42 in (30" available) <hr/> 1067 mm (762 mm available)	
Cutting Depth	0 to 10 in <hr/> 0 to 254 mm	

Asphalt Zipper reserves the right to change specifications at any time. U.S. Patent nos. 7036252, 7066555, 7144087, 8177456, 10086867. Other U.S. and international patents pending.

Asphalt Zipper

World Leader in Portable Reclaimers/Stabilizers and Utility Trenchers



Toll-free: 888-ZIPPER-8 (947-7378)

310 West 700 South, Pleasant Grove, UT 84062

Main: 801-847-3200 • Fax: 801-847-3250

www.asphaltzipper.com

Standard Features

Cutter Head	420X/300X
Cutting Bits	Double-carbide, bullet-head
Containment System	ZipTec™ Enhanced Pulverizing System
Planetary	Fairfield Magnum-duty
Depth Control	Hydraulic (infinitely adjustable)
Rear Baffle	5-position, adjustable
Bit Hatch	EZ-Lift™ manually opening
Mounting System	Versa-Mount™ hydraulic, bottom-clamping Universal Coupler
Controls and Monitoring	<ul style="list-style-type: none"> Control Panel (on machine) Control Box (for host vehicle) Wireless Remote (for groundsmen)
Transport	Tows behind 1-ton pickup on tandem-axle trailer.
Additional Features	<ul style="list-style-type: none"> Built-in spray system Hydraulic belt tensioning Planetary cooling jacket Push fan under-hood cooling

Available Options

Side Shift and Tilt

Optional Mounting Systems:

- Quick Coupler
- Versa-Mount™ Quick Coupler

Water Supply Systems:

- Wheel Assist Mount (150 gallon)

Custom Trailer

How Any Municipality Can Afford an Asphalt Zipper®

How a Small Town Got an Asphalt Zipper® without Adding a Penny to Their Budget

The town of Walsh, Colorado (pop. 720), opted to spread the cost of purchase over 5 years through a special financing program available to municipalities. A benefit of this program is that the first payment is not due for one full year. After completing their needed road work for the season, they found that what they had saved in road repair expenses by using the Zipper more than covered their annual payment. In effect, they were able to acquire an Asphalt Zipper® without adding one cent to their budget.



Street in Walsh, Colorado, that was repaired doing Full-Depth Reclamation with their Asphalt Zipper® and then chip-sealed.



“The Zipper has more than paid for itself. In fact, it paid for itself within the first year.”

James Dubois
Superintendent
Walsh, CO (pop. 720)

Cost Savings Pay for the Machine

WITHOUT ASPHALT ZIPPER®



Production cost

WITH ASPHALT ZIPPER®



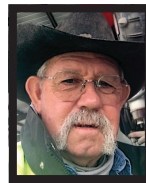
Savings

Funds freed up to use elsewhere
(Usually more than enough to pay for the machine)

Production cost

Special Municipal Program

- ▶ Spreads cost over 5 years
- ▶ Nothing down; first annual payment not due for an entire year
- ▶ Low municipal interest rate
- ▶ With less than 40 hours of use, savings most often are greater than annual payment; Zipper pays for itself



“Our first job took us only 8 hours to ‘Zip’ one mile of road, incorporate an emulsion and roll it all back down, and we saved \$65,000. Even if the machine had cost twice as much, it would be worth every penny.”

Dugan Sewell
Street Superintendent, Brady, TX



“The 5-year muni program enabled us to buy an Asphalt Zipper. The Zipper is more productive than we thought, and the savings have far exceeded our annual payment. We couldn’t be happier.”

Melvin Lanier
Road & Bridge Supervisor, Custer County, ID



RESOLUTION 2026-12

A RESOLUTION REGARDING A CONTRACT FOR THE PURPOSE OF FINANCING AN
"ASPHALT ZIPPER".

WHEREAS, City of Breckenridge (the "City") desires to enter into that certain Finance Contract by and between the City and Government Capital Corporation ("GCC") for the purpose of financing an "Asphalt Zipper".

WHEREAS, the City desires to designate this Finance Contract as a "qualified tax-exempt obligation" of the City for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended.

WHEREAS, the City desires to designate Cynthia Northrop, City Manager, as an authorized signer of the Finance Contract.

NOW THEREFORE, BE IT RESOLVED BY CITY OF BRECKENRIDGE:

Section 1. That the City will enter into a Finance Contract with Government Capital Corporation for the purpose of financing an "Asphalt Zipper".

Section 2. That the Finance Contract by and between the City of Breckenridge and Government Capital Corporation is designated by the City as a "qualified tax-exempt obligation" for the purposes of Section 265 (b) (3) of the Internal Revenue Code of 1986, as amended.

Section 3. That City of Breckenridge designates the City Manager or City Manager's designee, as the authorized signer of the Finance Contract by and between the City of Breckenridge and Government Capital Corporation as well as any other ancillary exhibit, certificate, or documentation needed for the Finance Contract.

Section 4. The City will use loan proceeds for reimbursement of expenditures related to the Property, within the meaning of Treasury Regulation § 1.150-2, as promulgated under the Internal Revenue Code of 1986, as amended.

This Resolution has been PASSED upon Motion made by Commissioner _____, seconded by Commissioner _____ by a vote of _____ Ayes to _____ Nays and is effective this _____, 2026.

City: City of Breckenridge

Attestation:

Bob Sims, Mayor

Jessica Sutter, City Secretary



**BRECKENRIDGE CITY COMMISSION
AGENDA SUMMARY FORM**

Subject: Discussion and any action regarding approval of VAC Trailer purchase for the Public Works Department.

Department: Administration

Staff Contact: Cynthia Northrop

Title: City Manager

BACKGROUND INFORMATION:

The VAC truck is a piece of equipment that our Collections & Distribution crews use daily for both water leaks and sewer stops, though it has other uses as well (i.e., excavation, pumping water out of holes). Two years ago, our VAC truck broke down, and the cost of repairs was more than the unit was worth, so we purchased a new VAC truck at that time.

Because of the amount of use staff are recommending the purchase of a VAC trailer, which not only provides for opportunity to increase our productivity in addressing the constant need for the equipment, but will also provide flexibility/maneuverability to reach areas where it is harder for the VAC truck to reach due to its size.

As discussed previously, staff is recommending using fund balance to buy the VAC trailer outright vs. financing. It will be split between Water and Wastewater Fund balance. As has been communicated, our financial condition has improved dramatically over the past 3.5 years, increasing our fund balance across all three funds (General, Water, Wastewater) from approximately \$300K to right around \$2 million in all three funds. Best financial practices state we should have 4-6 months of operating funds in our fund balance, and we meet that criteria in all three funds.

The equipment is available on the Buy Board. Staff recommend Vac-Con Neptune through CLS Equipment Co. Inc.:

Model No. – V 800 Gal. Debris, 325 Gal. water, 74 HP Kubota Diesel, 909 CFM/16” Hg, 15 gpm@3000 psi water pump in lieu of 20@2000, with Kubota Tier 4 Diesel, 30 Gal. Fuel Tank, 9’ boom with hyd extension, Hyd Up/Down in/out & powered rotation, 4” – 16’ boom hose included, boom lights

FINANCIAL IMPACT:

\$187,637. Includes delivery. To be funded from fund balance in 102 and 103, split equally.

STAFF RECOMMENDATION:

Consider approval of purchase of Vac-Con VAC Trailer through CLS Equipment Co. Inc., splitting cost equally from Fund 102 and 103 as presented and authorizing City Manager to execute the documents.



CLS Equipment Co., Inc.
726 South Sherman Street
Richardson, TX 75081

Date 4/13/26
Quote Number 114160
Type of Quote Neptune

BUYBOARD Purchase Proposal Vac-Con Neptune Combination Trailer

Retail Purchaser

Attn: City of Breckenridge, Texas

BUYBOARD CONTRACT # 776-25

BUYBOARD VENDOR: CLS SEWER EQUIPMENT CO., INC.

Model Number - V 800 Gal. Debris, 325 Gal. water, 74 HP Kubota Diesel, 909 CFM/16" Hg

Standard Equipment Includes:

Kubota Tier 4 Diesel
30 Gal. Fuel Tank
PD Blower CFM/16" Hg
Debris Tank
55 Degree Hydraulic Dump
Hydraulic Dump Door
Water & Airtight Quick Dump
HDPE Water Tank
Water Recirculation
Water Digger Wand w/wobble nozzle
Wash Down Wand
200' of 1/2" Sewer hose and reel
Hose Reel & 50' of 3/8" high pressure hose
Steel Toolbox - Black powder coated
Crown Nozzle - 6' x 4" Alum.
(2) Extensions - 6' x 4" Alum.
Trailer - Welded Rect. Tube Steel
Wheel chocks
Axles - 2 @ 10K Ea. Dual wheel, Rims - Steel
4" Lil Hummer Silencer
Fully Enclosed Power Pack
6" Decant Knife valve rear door
Elec. Clutch on water pump
Hydrant wrench & 50-micron filter bag
Pendant Control (only w/Boom)
Vacuum E-Stop - 100' cord
Tool Rack
(1) cleaning nozzle & (1) penetrator nozzle
Standard paint- Dusty Grey (RAL7037)

Main Information

Model	800 Gal. Debris, 325 Gal. water, 74 HP Kubota Diesel, 909 CFM/16" Hg
Boom	9' Boom with Hyd Extension, Hyd Up/Down in/out & powered rotation included, 4" - 16' boom hose included, boom lights
Hose Brand	Cobra Hose Brand

Other Items

<u>Qty</u>	<u>Description</u>
1	Wireless Remote
1	Rear door hydraulic locks
1	Upgrade to 300' Sewer hose & reel
1	15 gpm @ 3000 psi water pump in lieu of 20 @ 2000
1	LED arrow stick

Machine Total \$183,242.00

Delivery \$4,395.00

Total Price Including Equipment and Delivery: \$187,637.00





Warranty Terms

VJ Series – Sewer Jetter Trailers and Trucks (VJ 375 & 750 Trailers, VJT 375 & 750 Trucks, & VJT-V 600 & 750 Trucks (Excludes the VJT 1500) Mudslinger Trailers and Trucks (MS 500 & 800 Trailers, MST 500 & 800 Trucks, MS 70 & 150 Skids) Neptune Trailers and Trucks (NP 500 & 800 Trailers and NPT 500 & 800 Trucks)

Unit shall be warranted against manufacturing defects for twelve (12) months from date of delivery (excluding wear parts).

The Trailer Frame shall be warranted against manufacturing defects for thirty-six (36) months from date of delivery.

The Kubota diesel engine (when equipped) shall have a standard manufacturer's warranty of thirty-six (36) months or 3,000 hours (whichever occurs first) from the date of delivery.

The available gas engine option (when equipped) shall be covered by the manufacturer's standard warranty, from the date of delivery.

VJ models equipped with a Giant Water Pump shall have a 24-month standard manufacturer's warranty from Giant for the original water pump starting from the date of delivery.

MS and NP models equipped with a Giant Water Pump shall have a 12-month standard manufacturer's warranty from Giant for the original water pump starting from the date of delivery.

The Blower (when equipped) shall have a 12-month standard manufacturer's warranty from the date of delivery.

The Debris tank (when equipped) shall have a 36-month standard manufacturer's warranty from date of delivery.

Freshwater tanks as equipped:

The 125-gallon fresh water tank shall be free from defects in material and workmanship, under normal use and service as determined by the manufacturer, for a period of (120) months (not pro-rated) from the date of delivery.

The 225-gallon and 325-gallon fresh water tank(s) shall be free from defects in material and workmanship, under normal use and service as determined by the manufacturer, for a period of (36) months (not pro-rated) from the date of delivery.

The 375-gallon fresh water tank(s) shall be free from defects in material and workmanship, under normal use and service as determined by the manufacturer, for a period of (60) months from the date of delivery.

VAC-CON, as seller, warrants all equipment manufactured by it and bearing its name shall be free from defects in material and workmanship, under normal use and service as determined by us, for a period of (12) twelve months from date of delivery to the first retail purchaser. Warranties covering major components not of Vac-Con/Vector Technologies manufacture (power plants, hydraulics, trucks, vacuum compressors, transmissions, electrical components, batteries, tires, etc.) are warranted by their respective manufacturers. We give no warranty express or implied, as to description, quality, productiveness or any other matter and the Buyer hereby waives the right of refusal and return of the goods which is usually connected with non-warranty. It is the sole responsibility of the purchaser to use this equipment in an appropriate application and a safe manner. Vac-Con/Vector Technologies assumes no responsibility or liability for its misuse. This warranty is not transferable.

WARRANTY REGISTRATION:

Warranty must be registered with Vac Con upon delivery to the first retail purchaser in order to be in effect. Failure to do so will result in the original invoice date becoming the inception date of warranty coverage. Vac Con is not responsible or liable for loss of warranty coverage due to failure to register the warranty in a timely manner.

SPECIFIC EXCLUSIONS:

Normal and routine maintenance as specified in the specific manuals as indicated by the manufacturer's official Operator's Manual. Travel time, meals, lodging, transportation expenses, rental units and work unrelated to a covered event. Certain parts are deemed consumable or expendable items. These parts are consumed with routine usage of the equipment and are not covered by equipment warranty. Excluded items include, but are not limited to: Nozzles, Nozzle skids, Sewer Cleaning Hoses, Ball Valves, Gate Valves, Knife Valves, Needle Valves, Hose Guides, Rotary Unions, Hand Guns, Unloader Valves, Water System Relief Valves, Hydrant Fill Hoses, Water Pump Packings, Water Pump Check Valves, all Belts, Vacuum Hoses, Boom Suction Elbows, Suction Tubes, Catch Basin Tubes, Tube Clamps, Lay Flat drain hoses, All Bearings, All Seals and Gaskets, All Fluids, All Filters, Fuses, Electrical Switches, Electric bulbs and lenses.

LIMITATIONS:

Warranty claims must be filed within thirty (30) calendar days from date of repair. Claims submitted more than forty-five (45) days after date of repair, labor will not be considered. Claims submitted more than ninety (90) days after date of repair will not be considered.

REV 01.28.2026



Vermeer Texas-Louisiana
 4030 W Interstate 20
 Weatherford, TX 76088
 Ph: (817) 533-0944
 vermeertexas.com

Please remit to:
 Vermeer Texas-Louisiana Item 12.
 PO Box 227283
 Dallas, TX 75222-7283

Ship To: IN STORE PICKUP

Invoice To: CITY OF BRECKENRIDGE
 105 N ROSE
 BRECKENRIDGE TX 76424-3531

Attention: TAYLOR HARDY

Branch 17 - VT WEATHERFORD		
Date 04/13/2026	Time 15:41:59 (O)	Page 1
Account No BRECK002	Phone No 2545598287	Est No 02 Q00087
Ship Via	Purchase Order TBD	
Tax ID No		
CODY WELLS		Salesperson 094 / 094

EQUIPMENT QUOTE - NOT AN INVOICE

Description **** Q U O T E **** EXPIRY DATE: 08/31/2026 Amount

New VERMEER VX75G2 Jette VX75-800 GEN II JETTER 214252.48
 *****INCLUDES THE FOLLOWING OPTIONS*****
 74 HP Kubota Tier 4 Final diesel engine
 800 Gallon debris tank
 Reverse flow 1025 CFM blower system
 4" fully hydraulic telescoping boom
 3-stage filtration system
 Full-spoil-tank electronic float shutdown with a
 secondary manual ball float shut off
 5' vacuum tool, and two 15' X 4" vacuum hoses
 18GPM 2500 PSI water pump with an auto-clutch
 500'x1/2" jetter hose with reel, leader line, jetter nozzle
 Rotary digging lance and wash wand
 In-tank cleanout system, water tank quick fill
 Hydraulic jack and LED lights
 Cam-over locking mechanism and full-open hydraulic door
 Insulated and lockable enginr=e enclosure
 Lockable control box
 30-gallon diesel fuel tank
 Directional Light Bar

Miscellaneous Charges/Credits
 =====

24 MO PREM 1000 HRS MAINT Qty: 1 Price: 17847.00 17847.00

Subtotal: 232099.48
 Quote Total: 232099.48

Authorization: _____



Vac-N-Jet-500- Yanmar 59hp Cold Water

Order Overview #JNV500HJ2-41326

Name / Address / Phone			Ship To:		
City of Breckenridge Taylor Hardy 254-477-3019 thardy@breckenridgetx.gov			105 North Rose Avenue, Breckenridge, TX 76424		
Date	Sales Rep.	Build Lead Times	Contact	Terms	Quote Expires
4/13/26	Mo and Derek	IN STOCK	Taylor	PO	7/13/26
QTY	Model/Item	Description	Standard Price	Municipality Price	
1	Trailer – 7’X20’	7’ x 20’ Diamond Plate Steel Deck Tandem Axle Trailer 14k (2 x 7000lb), DOT Compliant, Dual Axle Electric Brakes.	\$469,995.00	\$159,995.00	
1	HJVT-500HD-35hp	Industrial Vacuum Excavation Unit. 750 CFM & 15” Mercury. 500-gallon debris tank with the 4-ton coil lift system. 35HP Gas V-Twin Engine. Upgraded Vac Skid. Includes 2-25ft 3” Vac Hose			Included
1	Hydraulic Dump Hatch full opening	Full opening hydraulic-drive rear dump hatch. Also includes a manual roller-bearing easy swing 7ft-boom. 3-Part Flush Out System for easy clean out of the debris tank.			Included
1	YANMAR 59 TURBO JETTING SYSTEM 20GPM @4k	COLD WATER JETTING SYSTEM 59 HP YANMAR Turbo Diesel Liquid Cooled Low Noise Muffler, EPA Tier 4 final Rated, Stage 5 Certified. Rear Manual Throttle Control, remote throttle control Pulsation System, , Feature Low Engine Oil / High Temperature Automatic Shutdown System. Engine also has extra large radiator.			Included
1	UDOR Pump	20-GPM @ 4000-PSI +/- 5%. This jetting system will clean lines from 4-inch up to 30-inch. Along with hydro excavating.			Included
2	Water Storage Tanks	2 165-gallon (330 Total) fender mounted water tanks. Includes fast fill capability.			Included
2	Remote Control	Solid State Remote Control for safety start up and shut down of both engines and the burner with a range up to 300’			Included
1	1/2 Hose & Hydraulic powered Hose Reel	500’ 1/2” Poly-Flow Jetter Hose Installed on Industrial duty hydraulic powered hose reel made by Hannay. Includes swivel arm with hose guide arm and thumb button reversing switch.			Included
1	1/2” Warthog	Stone Age’s most popular nozzle			Included
1	Jetter Nozzle Sets – 1/2	1/2” 4-piece Custom Drilled Nozzle Sets -- Ram, Laser, Spinner, Deicer. Drilled as flushers / Pullers			Included
1	Soap Injection System	Soap Injections System, 12gallon Soap Tank			Included
1	Power Wash Unit & Sludge Pump	Pressure Wash System. Used in conjunction with the Hydro-X package. 1-full set of spray nozzles and one (1) turbo nozzle spray nozzle set and a turbo nozzle. Includes the reverse venturi-Sludge Pump Assembly Engineered to vacate liquid to move sludge at 50 GPM			Included
1	Quick Antifreeze Systems	Antifreeze System. 12-gallon soap & Antifreeze Tank, System Blow Out, System Recycle.			Included

PAGE 2 OF 2				
QTY	Model/Item	Description	Standard Price	Contractor Price
2	Toolboxes	<u>(1) Heavy Duty Steel Tongue Mounted, (1) Craftsman Toolbox</u>		Included
1	Hydro-excavation Package	<u>3/8x100ft High-pressure hose rated to 6000 PSI, Blue non-marking installed on a manual hose reel made by Hosetract. Includes 5000-PSI stainless steel Super Swivel with grease fitting. Comes with Spray Gun / Lance Combo, and the Ripsaw hydro excavation nozzle. Will also include full set of spray nozzles (Red, Green, Yellow and White). Includes one (1) Turbo Nozzle. Also includes 6ft section of Alum 3-inch, not to be used as a digging bar, it will break.</u>		Included
1	Safety Kit	<u>Safety Cones, Strobe Light, Vest, Insulated Gloves, Rear LED Lighting</u>		Included
1	Manual Package	<u>(1) Parts Book, (1) Service Manual, (1) Operator's Book</u>		Included
1	1-Day Training	Airfare, Lodging, Meals, Transportation in Salt Lake City for two (2) to attend Safety & Operations, Business & Marketing Training. You are more than welcome to bring more (Up to 4), we only ask that you cover the airfare; we will take care of the rest.		FREE
QTY	Model/Item	**Options / Extras**	Wholesale Price	Add-in Price if wanted
1	Directional light Bar	Left/Right directional light bar on rear of trailer.	\$2,995.00	Not Included
1	Vacuum Hoses Upgrade	4-inch x 25ft Lightweight Vac hoses include cam lock fittings	\$2,495.00	Not Included
1	Vac system upgrade	Upgrade to the new Vanguard 37EFI blower system 850-CFM 16" lift Industrial Vacuum Excavation Unit. 500-gallon debris tank with the 4-ton colt lift system Includes 2-25ft 3" Vac Hose T.	\$4,995.00	Not Included
1	3/8 Root Cutter Kit	3/8 complete root cutter kit includes 3-types of chain – Bicycle, Link and cable. All cables pre-cut to 3-4-6-8-10-12 in pipe sizes. Also includes all three centralizers 3-4-6. Custom drilled to the specifications of your jetter for optimum performance.	\$1,484.00	Not Included
1	1/2 Chisel tip nozzle	1/2 Custom drilled chisel Tip nozzle. Modern Jetter Nozzle Technology. This nozzle is state of the art, very aggressive forward cleaning nozzle that will also cut roots.	\$695.00	Not Included
1	3/8 Chisel tip nozzle	3/8 Custom drilled chisel Tip nozzle. Modern Jetter Nozzle Technology. This nozzle is state of the art, very aggressive forward cleaning nozzle that will also cut roots.	\$495.00	Not Included
1	Release the Beast	FS Nozzle 3D, Flunder, Primus	\$2,495.00	Not Included
1	2 nd Hydraulic Reel	2 nd Hydraulic Hose Reel that holds 300' of 3/8" hose & nozzle set	\$9,995.00	Not Included
1	DISCOUNT	DEMO DISCOUNT		(\$9,995.00)

Please review carefully and note any corrections or optional items to be included. If purchasing the Equipment out-right, we require 50% deposit, with balance before shipment. If a municipality or government division is purchasing, we require a purchase order before production. If financing the equipment, we will work with you directly with the financing company.

Authorized Signature _____

Date _____

Subtotal Less Extras:	\$150,000.00
Tax:	Paid by client in state
Shipping Flat Rate:	Will Call
Total:	\$150,000.00





BRECKENRIDGE CITY COMMISSION AGENDA SUMMARY FORM

Subject: Discussion and any action regarding approval of an Ordinance 2026-09 of the City of Breckenridge, Texas, amending Chapter 13 “Occupational Licenses and Regulations” of the Breckenridge Code of Ordinances by adding Article 1 “Sexually Oriented Businesses” to establish regulations regarding sexually oriented businesses; providing a penalty; providing repealer and severability clauses; providing for publication; and establishing an effective date.

Department: Administration

Staff Contact: Cynthia Northrop

Title: City Manager

BACKGROUND INFORMATION:

We have been updating our ordinances, looking for gaps, outdated and those that just need to be updated. This ordinance update is a gap. For whatever reason, we do not have an ordinance that addresses sexually oriented businesses in Breckenridge. Without this in place, the City has no ability to control this type of use. These types of ordinances are common and most cities across the country have adopted some form of an SOB Ordinance. Staff have been working with our attorney to develop an ordinance that has the standard language found in these types of ordinances. While it has not been an issue so far, we want to be proactive instead of reactive.

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

Consider approval of Ordinance 2026-09 as presented.

ORDINANCE NO. 2026-09

AN ORDINANCE OF THE CITY OF BRECKENRIDGE, TEXAS AMENDING CHAPTER 13 “OCCUPATIONAL LICENSES AND REGULATIONS” OF THE BRECKENRIDGE CODE OF ORDINANCES BY ADDING ARTICLE II “SEXUALLY ORIENTED BUSINESS REGULATIONS” TO ESTABLISH REGULATIONS REGARDING SEXUALLY ORIENTED BUSINESSES; PROVIDING A PENALTY; PROVIDING REPEALER AND SEVERABILITY CLAUSES; PROVIDING FOR PUBLICATION; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Breckenridge, Texas (the “City”) is a home-rule city operating pursuant to its Charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution;

WHEREAS, sexually oriented businesses require special supervision from the public safety agencies of the City in order to protect and preserve the health, safety, and welfare of the patrons of such businesses as well as the citizens of the City;

WHEREAS, the City is expressly authorized to regulate sexually oriented business pursuant to Chapter 243 of the Texas Local Government Code;

WHEREAS, as a result of numerous studies that have determined that sexually oriented businesses reduce nearby private property values and increase crime, a majority of cities in Texas have adopted ordinances regulating such businesses;

WHEREAS, the City Commission of the City of Breckenridge (the “City Commission”) desires to minimize and control these adverse effects and thereby protect the health, safety, and welfare of the citizenry; protect the citizens from crime; preserve the quality of life; preserve the character of surrounding neighborhoods and deter the spread of urban blight;

WHEREAS, the City intends to regulate such businesses as sexually oriented businesses through a narrowly tailored ordinance designed to serve the substantial government interest in preventing the negative secondary effects of sexually oriented businesses;

WHEREAS, it is not the intent of this ordinance to suppress any speech activities protected by the U.S. Constitution or the Texas Constitution, but to enact legislation to further the content neutral governmental interests of the City, to wit, the controlling of secondary effects of sexually oriented businesses;

WHEREAS, the City Commission has determined it is in the best interest of the citizens to adopt regulations governing the development and conduct of sexually oriented businesses within the City; and

WHEREAS, the City Commission has further determined the following regulations would provide for and would be in the best interest of the safety, health and general welfare of its citizens.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF BRECKENRIDGE, TEXAS THAT:

I. Incorporation of Premises. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

II. Findings. After due deliberations, the City Commission has concluded that the adoption of this Ordinance is in the best interest of the City of Breckenridge, Texas, and of the public health, safety, morals, and welfare of its citizens.

III. Addition of Chapter 13, Article II. Chapter 13 “Occupational Licenses and Regulations” of the Breckenridge Code of Ordinances is hereby amended by the addition of Article II “Sexually Oriented Business Regulations” to read as follows, and all articles, chapters, sections, paragraphs, sentences, phrases, and words not expressly amended hereby are hereby ratified and affirmed.

ARTICLE II. SEXUALLY ORIENTED BUSINESS REGULATIONS

Sec. 13-20. Purpose; intent

(a) It is the purpose of this article to regulate sexually oriented businesses to promote the health, safety, morals and general welfare of the citizens of the city and to establish reasonable and uniform regulations to prevent the concentration of sexually oriented businesses within the city. The provisions of this article have neither the purpose nor effect of imposing a limitation or restriction on the content of any communicative materials, including sexually oriented materials. Similarly, it is neither the intent nor effect of this article to restrict or deny access by adults to sexually oriented materials protected by the First Amendment, or to deny access by distributors and exhibitors of sexually oriented entertainment to their intended market.

(b) A license granted under this article or under any other city ordinance does not authorize or legalize any conduct, activity or business that is illegal under state or federal law.

Sec. 13-21. Definitions

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

(a) Adult arcade. Any place to which the public is permitted or invited wherein coin-operated, slug-operated, or for any form of consideration, electronically, electrically, or mechanically controlled still or motion pictures, projectors, or other image-producing devices are maintained to show images to one or more persons per machine at any one time, and where the images so displayed are distinguished or characterized by regularly depicting or describing specified sexual activities or specified anatomical areas.

(b) Adult audio or video center. Any place at which any of the following activities regularly occurs:
(1) Inbound or outbound telephone or other audio communications in which a topic or purpose of the communication between an occupant of the premises and a third party is the discussion or description of specified sexual activities or specified anatomical areas for consideration;

- (2) Video or audio broadcasting, whether live, delayed, by film, by tape recording or otherwise, of specified sexually activities or specified anatomical areas for consideration; or
- (3) Filming, taping or otherwise creating video or audio recordings of specified sexually activities or specified anatomical areas, including but not limited to, films, movies, video tapes, DVDs, audio tapes or compact disks, of specified sexually activities or specified anatomical areas that are broadcast, sold, manufactured or distributed for consideration.
- (c) Adult bookstore, adult novelty store or adult video store. A commercial establishment for which the primary business is the offering of a service or the selling, renting, or exhibiting of devices or any other items intended to provide sexual stimulation or sexual gratification to the customer, including:
- (1) Books, magazines, periodicals or other printed matter, or photographs, films, motion pictures, DVDs, videocassettes or video reproductions, slides, or other visual representations, that depict or describe specified sexual activities or specified anatomical areas; or
 - (2) Instruments, devices, or paraphernalia that are designed for use in connection with specified sexual activities, but not including items for birth control or for the prevention of sexually transmitted diseases.
- (d) Adult cabaret. A nightclub, bar, restaurant, or similar commercial establishment which regularly features:
- (1) Persons who appear in a state of nudity or semi-nudity;
 - (2) Live performances which are characterized by the exposure of specified anatomical areas or by specified sexual activities; or
 - (3) Films, motion pictures, videocassettes, slides or other photographic reproductions which are characterized by the depiction or description of specified sexual activities or specified anatomical areas.
- (e) Adult motel. A hotel, motel or similar commercial establishment which:
- (1) Offers accommodations to the public for any form of consideration; provides patrons with closed-circuit television transmissions, films, motion pictures, videocassettes, slides or other photographic reproductions which are characterized by the depiction or description of specified sexual activities or specified anatomical areas; and has a sign visible from the public right-of-way which advertises the availability of this adult type of photographic reproductions;
 - (2) Offers a sleeping room for rent for a period of time that is less than ten hours; or
 - (3) Allows a tenant or occupant of a sleeping room to subrent the room for a period of time that is less than ten hours.
- (f) Adult motion picture theater. A commercial establishment where, for any form of consideration, films, motion pictures, videocassettes, slides or similar photographic reproductions are regularly shown which are characterized by the depiction or description of specified sexual activities or specified anatomical areas.
- (g) Adult theater. A theater, concert hall, auditorium or similar commercial establishment which regularly features persons who appear in a state of nudity or semi-nude, or live performances which are characterized by the exposure of specified sexual activities or specified anatomical areas.
- (h) Applicant.
- (1) A person or entity in whose name a license to operate a sexually oriented business will be issued;

- (2) Each individual who signs an application for a sexually oriented business license as required by section 13-25;
- (3) Each individual who is an owner or operator of a sexually oriented business for which a license application is made under section 13-25, regardless of whether the individual’s name or signature appears on the application;
- (4) Each individual who has a 20 percent or greater ownership interest in a sexually oriented business for which a license application is made under section 13-25, regardless of whether the individual’s name or signature appears on the application; and
- (5) Each individual who exercises substantial de facto control over a sexually oriented business for which a license application is made under section 13-25, regardless of whether the individual’s name or signature appears on the application.

(i) City manager. The city manager for the City of Breckenridge or the city manager’s designated agent.

(j) Chief of police. The chief of police of the City of Breckenridge or the chief of police’s designated agent.

(k) Classification. The type of sexually oriented business, which may be one of the following:

- (1) Adult arcades;
- (2) Adult audio or video centers;
- (3) Adult bookstores, adult novelty stores or adult video stores;
- (4) Adult cabarets;
- (5) Adult motels;
- (6) Adult motion picture theaters;
- (7) Adult theaters;
- (8) Escort agencies;
- (9) Nude modeling studios; and
- (10) Sexual encounter centers.

(l) Customer. Any person who:

- (1) Is allowed to enter a sexually oriented business or any portion of a sexually oriented business in return for the payment of an admission fee, membership fee or any other form of consideration or gratuity;
- (2) Enters a sexually oriented business or any portion of a sexually oriented business and purchases, rents or otherwise partakes of any merchandise, goods, entertainment or other services offered therein; or
- (3) Is a member of and on the premises of a sexually oriented business operating as a private or membership club or a sexually oriented business that reserves any portion of the premises of the sexually oriented business as a private or membership club.

(m) Employee. A person who performs any service on the premises of a sexually oriented business on a full-time, part-time or contract basis, whether or not the person is designated an employee, independent contractor, agent or otherwise and whether or not the person is paid a salary, wage or other compensation by an owner or operator of the sexually oriented business. “Employee” does not include a person exclusively on the premises for repair or maintenance of the premises or equipment on the premises, or for the delivery of goods to the premises.

- (n) Entertainment. Any act or performance, such as a play, skit, reading, revue, fashion show, modeling performance, pantomime, role playing, encounter session, scene, song, dance, musical rendition or striptease, that involves the display or exposure of specified sexual activities or specified anatomical areas. The term “entertainment” shall include any employee or entertainer exposing any specified anatomical areas or engaging in any specified sexual activities in the presence of customers.
- (o) Escort. A person who, for consideration, agrees or offers to act as a companion, guide or date for another person, or who agrees or offers to privately model lingerie or to privately perform a striptease for another person.
- (p) Escort agency. A person or business association which furnishes, offers to furnish or advertises to furnish escorts as one of its primary business purposes, for a fee, tip or other consideration.
- (q) License. A license issued to a licensee pursuant to this article.
- (r) Licensee.
- (1) A person in whose name a license to operate a sexually oriented business has been issued;
 - (2) Each individual listed as an applicant on the application for a license;
 - (3) Each individual who is an owner or operator of a sexually oriented business for which a license has been issued under this article, regardless of whether the individual’s name or signature appears on the license application;
 - (4) Each individual who has a 20 percent or greater ownership interest in a sexually oriented business for which a license has been issued under this article, regardless of whether the individual’s name or signature appears on the license application; and
 - (5) Each individual who exercises substantial de facto control over a sexually oriented business for which a license has been issued under this article, regardless of whether the individual’s name or signature appears on the license application.
- (s) Manager. Any person, including an on-site manager, who supervises, directs or manages any employee or other person who conducts business on the premises of a sexually oriented business and/or performs certain services including, but not limited to, the following:
- (1) Operating a cash register, cash drawer or other depository on the premises of the sexually oriented business where cash funds or records of credit card or other credit transactions are generated in any manner by the operation of the sexually oriented business or the activities at the premises of the sexually oriented business;
 - (2) Displaying or taking orders from any customer for any merchandise, goods, entertainment or other services offered on the premises of the sexually oriented business;
 - (3) Delivering or providing to any customer any merchandise, goods, entertainment or other services offered on the premises of the sexually oriented business;
 - (4) Acting as an attendant to regulate entry, flow or traffic of customers or other persons into the premises of the sexually oriented business; or
 - (5) Supervising or managing other person(s) in the performance of any of the foregoing activities on the premises of the sexually oriented business.
- (t) Nude model studio. Any place where a person who appears in a state of nudity or displays specified anatomical areas is provided to be observed, sketched, drawn, painted, sculptured, photographed, or similarly depicted by other persons who pay money or any form of consideration;

however, nude modeling at or on behalf of any properly accredited institution of higher learning shall not fall within this definition.

(u) Nudity or a state of nudity. A state of dress which fails to fully and opaquely cover the anus, genitals, pubic region, or perineum anal region, or the exposure of any device, costume or covering that gives the realistic appearance of or simulates the anus, genitals, pubic region, or perineum anal region, regardless of whether the nipple and areola of the human female breast are exposed.

(v) Opaque. Impervious to the rays of light; not transparent; impenetrable to sight.

(w) Operates or causes to be operated. To cause, to function or to put or keep in operation. A person may be found to be operating or causing to be operated a sexually oriented business whether or not that person is a licensee, owner or operator of the sexually oriented business.

(x) Operator. The individual or natural person who is principally in charge of the operations of a sexually oriented business.

(y) Owner or owners. The proprietor, if a sole proprietorship, or all general partners if a partnership, or the corporation if a corporation, of a sexually oriented business.

(z) Person. An individual, proprietorship, partnership, corporation, limited liability company, association or other legal entity.

(aa) Semi-nude or semi-nudity or state of semi-nudity. The exposure of the post-puberty female nipple or areola, or the exposure of any device, costume or covering that gives the realistic appearance of or simulates the post-puberty female nipple or areola, so long as the following anatomical areas of an individual are fully and opaquely covered: the anus, genitals, pubic region and the perineum anal region of the human body. The term “semi-nude” shall not apply to an individual exposing a post-puberty female nipple or areola in the process of breastfeeding a child under that person’s care.

(bb) Sexual encounter center. A business or commercial sexually oriented business that, as one of its primary business purposes, offers for any form of consideration:

- (1) Physical contact in the form of wrestling or tumbling between persons of the opposite sex; or
- (2) Activities between male and female persons and/or persons of the same sex when one or more of the persons is in a state of nudity or semi-nude.

(cc) Sexually oriented business. An adult arcade, adult audio or video center, adult bookstore, adult novelty store or adult video store, adult cabaret, adult motel, adult motion picture theater, adult theater, escort agency, nude modeling studio or sexual encounter center, or other sexually oriented business the primary business of which is the offering of a service or the selling, renting, or exhibiting of devices or any other items intended to provide sexual stimulation or sexual gratification to the customer. For purposes of this article, “primary business” means 25 percent or more of the items in inventory and/or floor space used for the offering of a service or the selling, renting, or exhibiting of devices or any other items intended to provide sexual stimulation or sexual gratification to the customer. Inventory shall be measured with all titles or objects available on the premises for sale or rental, including those that are identical being considered a separate title or object. The term shall also mean any commercial sexually oriented business that self-identifies as an adult arcade, adult audio or video center, adult

bookstore or adult video store, adult cabaret, adult motel, adult motion picture theater, adult theater, escort agency, nude modeling studio or sexual encounter center, regardless of whether the percentage of items in inventory and/or floor space constitute 25 percent or more of the total items in inventory and/or floor space. The term “sexually oriented business” shall not be construed to include:

- (1) Any business operated by or employing a licensed psychologist, licensed physical therapist, licensed athletic trainer, licensed cosmetologist, licensed massage therapist, or licensed barber engaged in performing functions authorized under the lawful license held;
- (2) Any business operated by or employing a licensed physician or chiropractor engaged in practicing the healing arts;
- (3) Any business licensed as a tattoo studio or a body piercing studio and was engaged in practices authorized under the license; or
- (4) An activity conducted or sponsored:
 - (A) By a proprietary school licensed by the state or a college, junior college or university supported entirely or partly by taxation; or
 - (B) By a private college or university which maintains or operates educational programs in which credits are transferable to a college, junior college, or university supported entirely or partly by taxation;
 - (C) and any activity conducted or sponsored by an entity identified in subsection (A) or (B) must be situated in a structure: (i) which has no sign or other advertising visible from the exterior of the structure indicating a nude or semi-nude person is available for viewing; and (ii) where in order to participate in a class, a student must enroll at least three days in advance of the class; and (iii) where no more than one nude or semi-nude model is on the premises at any one time.

(dd) Specified anatomical area.

- (1) Any of the following, or any combination of the following, when less than completely and opaquely covered:
 - (A) Any human genitals, pubic region or pubic hair;
 - (B) Any buttock; or
 - (C) Any portion of the female breast or breasts that is situated below a point immediately above the top of the areola; or
- (2) Human male genitals in a discernibly erect state, even if completely and opaquely covered.

(ee) Specified sexual activity. Any of the following:

- (1) The fondling or other erotic touching of human genitals, pubic region, buttocks, anus, or female breast;
- (2) Sex acts, normal or perverted, actual or situated, including intercourse, oral copulation, or sodomy;
- (3) Masturbation, actual or simulated; or
- (4) Excretory functions as part of or in connection with any of the activities set forth in subsections (1) through (3) of this definition.

(ff) Substantial enlargement of a sexually oriented business. The increase in floor area occupied by the business of more than 25 percent, as the floor area exists on the date of passage of this article.

(gg) Transfer of ownership or control. Pertaining to a sexually oriented business, means and includes any of the following:

- (1) The sale, lease or sublease of the business;

- (2) The transfer of securities which constitute a controlling interest in the business, whether by sale, exchange or similar means; or
- (3) The establishment of a trust, gift or other similar legal device which transfers the ownership or control of the business, except for transfer by bequest or other operation of law upon the death of the person possessing the ownership or control.

Sec. 13-22. Location; exemption from location restrictions

(a) A person commits an offense if the person operates, or causes to be operated, a sexually oriented business in any zoning district other than as allowed by Chapter 22, Zoning, as amended.

(b) A person commits an offense if the person causes or permits the operation, establishment, substantial enlargement, or transfer of ownership or control of a sexually oriented business within 1,000 feet of any of the following:

(1) A religious institution, church, synagogue, mosque, temple or structure that is used primarily for religious worship and related religious activities or real property owned by, or for the benefit of, a religious organization that intends to use the property for such purposes if such ownership has been registered with the city;

(2) A public or private educational facility, including, but not limited to, child day care facilities, nursery schools, preschools, kindergartens, elementary schools, private schools, intermediate schools, junior high schools, middle schools, high schools, vocational schools, secondary schools, continuing education schools, special education schools, junior colleges, colleges and universities; school includes the school grounds and related athletic or other facilities regularly visited by students; or

(3) A public park or recreational area which has been designated for park or recreational activities, including but not limited to a park, playground, nature trails, swimming pool, golf course, reservoir, athletic field, basketball or tennis courts, pedestrian/ bicycle paths, wilderness areas, or other similar public land within the city which is under the control, operation, or management of a governmental entity;

(c) For the purposes of subsection (b), measurement must be made in a straight line, without regard to intervening structures or objects, from the nearest portion of the property line or boundary of the premises where a sexually oriented business is operated or to be operated, to the nearest portion of a property line or boundary for the uses listed in subsection (b). The presence of a city, county, or other political subdivision boundary shall be irrelevant for purposes of calculating and applying the distance requirements of this section.

(d) Appeal from location restrictions.

(1) If the chief of police denies the issuance of a license to an applicant because the location of the sexually oriented business is in violation of this article, then the applicant may, not later than ten calendar days after receiving notice of the denial, file with the city manager a written request for an exemption of the locational restrictions of this article.

(2) The appeal shall follow the procedures contained in Section 13-34 except as provided in this section.

(3) The City Manager may, in his or her discretion, grant an exemption from the locational restrictions of this article if it finds that:

(A) The location of the sexually oriented business will not have a detrimental effect on nearby properties or be contrary to the public safety or welfare;

(B) The location of the sexually oriented business will not downgrade the property values or quality of life in the adjacent areas or encourage the development of urban blight;

- (C) The location of the sexually oriented business in the area will neither be contrary to any program of neighborhood conservation nor will it interfere with any efforts of urban renewal or restoration; and
 - (D) All other applicable provisions of this article will be observed.
- (4) In making the findings specified in subsection (3), the City Manager may consider, among other things:
- (A) Crime statistics and forecasts of the location and its 1,000-foot radius maintained by the appropriate law enforcement agency;
 - (B) Assessed property values for the location and properties within the surrounding 1,000-foot radius, considering any decline or increase in property values or rates of decrease or increase in property values in relation to otherwise comparable properties;
 - (C) Sales, leases, and vacancy rates of all property types within the surrounding 1,000-foot radius in relation to otherwise comparable properties; and
 - (D) Any evidence regarding the award or denial of any public or private grants for neighborhood conservation, urban renewal or restoration for any property located within the surrounding 1,000-foot radius.
- (7) If granted, the exemption is valid for one year from the date of the City Manager’s action. Upon the expiration of an exemption, the sexually oriented business is in violation of the locational restrictions of this article until the applicant applies for and receives another exemption pursuant to this subsection.
- (8) If the City Manager denies the exemption, the applicant may not reapply for an exemption until at least 12 months have elapsed since the date of the City Manager’s action.
- (9) The grant of an exemption does not exempt the applicant from any other provisions of this article other than the locational restrictions.

Sec. 13-23. Suit for injunction

A person who operates, or causes to be operated, a sexually oriented business without a valid license or in violation of locational requirements of this article is subject to a suit for injunction as well as prosecution for criminal violations.

Sec. 13-24. Penalty

- (a) Any person, firm, corporation, agent or employee who violates any of the provisions of this article shall be guilty of a Class A misdemeanor.
- (b) Each day that a violation is permitted to exist shall constitute a separate offense.
- (c) The refusal to issue a license based on ineligibility shall not prohibit the imposition of a criminal penalty and the imposition of a criminal penalty shall not prevent the refusal to issue a license based on ineligibility.
- (d) The revocation or suspension of a license shall not prohibit the imposition of a criminal penalty and the imposition of a criminal penalty shall not prevent the revocation or suspension of a license.
- (e) Except where otherwise specified or as required by law, a culpable mental state is not required for the commission of an offense under this article.

Sec. 13-25. License required

- (a) A person commits an offense if the person operates, or causes to be operated, a sexually oriented business without a valid license issued by the city for the particular classification of sexually oriented

business. A separate license is required for each sexually oriented business. A sexually oriented business license shall be issued only for the one sexually oriented business use listed on the application. Any change in the type of sexually oriented business use shall invalidate the sexually oriented business license and require the licensee to obtain a new license for the change in use. The establishment or maintenance of more than one sexually oriented business in the same building, structure or portion thereof is prohibited.

(b) Any person, association, firm, partnership or corporation desiring to obtain a sexually oriented business license shall make application on a form provided by the chief of police. The completed application for a sexually oriented business shall contain the following information and be accompanied by the following documents:

- (1) If the applicant is:
 - (A) An individual, the individual shall state such person's legal name and any aliases and submit proof that such person is at least 18 years of age;
 - (B) A partnership, the partnership shall state its complete name; the date of its formation; evidence that the partnership is in good standing under the laws of the state, and if not a Texas partnership, its state of formation; the names and capacity of all partners and officers; whether the partnership is general, limited or otherwise; a copy of the partnership agreement or certificate of partnership, if any; and the official name and address to be used for process of service on the partnership; and/or
 - (C) A corporation, limited liability company or other legal entity, the entity shall state its complete name; the date of its incorporation or formation; evidence that the entity is in good standing under the laws of the state of formation, and if not a Texas entity, the state of incorporation or formation; the names and capacity of all officers, directors and controlling stockholders or owners; and the name of the registered agent and the address of the registered office for service of process.
- (2) If the applicant intends to operate the sexually oriented business under a name other than that of the applicant, the applicant must:
 - (A) State the sexually oriented business's fictitious name or business owner's fictitious name; and
 - (B) Submit the required registration and assumed name documents.
- (3) Whether the applicant has been convicted of a criminal activity listed under section 13-26, and, if so, the criminal activity involved, the date, place, and jurisdiction of each conviction, and the date of release from confinement, if applicable.
- (4) Whether the applicant has had a previous license under this article or other similar sexually oriented business provisions from another city or county denied, suspended or revoked, including the name and location of the sexually oriented business for which the license was denied, suspended or revoked, the date of the denial, suspension or revocation, and whether the applicant or a person residing with the applicant has been a partner in a partnership or an officer, director or principal stockholder or owner of a corporation or other legal entity that is licensed under this article whose license has been previously denied, suspended or revoked, including the name and location of the sexually oriented business for which the license was denied, suspended or revoked, and the date of denial, suspension or revocation.
- (5) Whether the applicant holds any other licenses under this article or other similar sexually oriented business regulations from another city or county and, if so, the names and locations of such other licensed businesses.
- (6) The classification of the sexually oriented business for which the applicant is seeking the license. A sexually oriented business may only have one classification to be eligible for a license.

- (7) The location of the proposed sexually oriented business, including a legal description of the property, street address, telephone number, if any, and the dates a sign stating the intent to locate a sexually oriented business was posted as required by this article.
 - (8) The applicant's mailing address and residence or physical address.
 - (9) For each applicant, a copy of the valid state driver's license with photo, or a valid state identification card with photo. The originals of the required forms of identification shall be presented to the chief of police for inspection prior to the issuance of a license.
 - (10) The applicant's driver's license number and state of issuance.
 - (11) A sketch or diagram showing the configuration of the premises, including a statement of total floor space occupied by the business. The sketch or diagram shall also depict the total floor space devoted to the offering of a service or the selling, renting, or exhibiting of devices or any other items intended to provide sexual stimulation or sexual gratification as it relates to the total floor space occupied by the business, if applicable. The sketch or diagram shall also depict the manager's station and any proposed stage or performance areas, if applicable. The sketch or diagram need not be professionally prepared but must be drawn to a designated scale or drawn with marked dimensions of the interior of the premises to an accuracy of plus or minus six inches (6").
 - (12) A current straight-line drawing prepared and certified within 30 days prior to application by a registered land surveyor depicting the property lines or boundaries of the uses and locations described in section 13-22(b) within 1,000 feet of the property where the proposed sexually oriented business will be located.
 - (13) By submitting an application for a sexually oriented business license, the applicant agrees that it shall provide access to its inventory records for the business. These records shall be made available to the city pursuant to section 13-28.
- (c) The applicant must be qualified according to the provisions of this article. The application may request and the applicant shall provide such information (including fingerprints) as to enable the city to determine whether the applicant meets the qualifications in this article. Each applicant shall sign a waiver and authorization form authorizing the chief of police to request on behalf of the applicant criminal history from the state department of public safety and other appropriate state and federal agencies. The applicant shall pay all fees and costs associated with such request for criminal history.
- (d) An individual person who wishes to operate a sexually oriented business must sign the application for a license as applicant. If a person who wishes to operate a sexually oriented business is other than an individual, each individual who has a 20 percent or greater interest in the business must sign the application for a license as applicant. Each applicant must be qualified under section 13-26 and each applicant shall be considered a licensee if a license is granted.
- (e) The fact that a person possesses other types of state or city permits does not exempt that person from the requirement of obtaining a license for a sexually oriented business.
- (f) All applications for a license under this article shall be accompanied by a nonrefundable application fee in the amount established in Appendix A, Fee Schedule. An application shall not be considered to have been received as administratively complete until the fee is paid and all information required by the application form has been submitted. The application for a sexually oriented business license shall be approved or denied within the time frame, and in the manner, established by 13-26. Such application for a sexually oriented business license shall be deemed denied if not approved or denied within such time period.
- (g) Upon approval of a sexually oriented business license, an applicant for a sexually oriented business license must obtain a certificate of occupancy and any required building permits from the building official.

Sec. 13-26. License issuance and grounds for denial

- (a) The chief of police shall approve the issuance of a license to an applicant within 30 days after receipt of an application, unless the chief of police finds one or more of the following to be true:
- (1) The location of the sexually oriented business is or would be in violation of section 13-22.
 - (2) The applicant failed to supply all of the information requested on the application.
 - (3) The applicant gave false, fraudulent or untruthful information on the application.
 - (4) An applicant is under 18 years of age.
 - (5) An applicant or an applicant's spouse is overdue in payment to the secretary of state or the city of taxes, fees, fines or penalties assessed against or imposed upon the applicant or the applicant's spouse in relation to a sexually oriented business.
 - (6) An applicant or an applicant's spouse has been convicted or placed on deferred disposition, probation or community supervision for a violation of a provision of this article, within two years immediately preceding the application. The fact that a conviction is being appealed shall have no effect.
 - (7) The required application fee has not been paid.
 - (8) The applicant has not demonstrated that the owner of the sexually oriented business owns or holds a lease for the property or the applicable portion thereof upon which the sexually oriented business will be situated or has a legally enforceable right to acquire the same.
 - (9) An applicant or the proposed establishment in violation of or is not in compliance with this article.
 - (10) An applicant has been convicted or placed on deferred disposition, probation, or community supervision for:
 - (A) Any offense under the laws of the United States of America, another state or the Uniform Code of Military Justice for an offense described in this subsection (a)(10); or
 - (B) Any of the below offenses of the state or criminal attempt, conspiracy, or solicitation to commit same:
 - (i) Any of the following offenses as described in Texas Penal Code ch. 43:
 - a. Prostitution;
 - b. Promotion of prostitution;
 - c. Aggravated promotion of prostitution;
 - d. Compelling prostitution;
 - e. Obscenity;
 - f. Sale, distribution or display of harmful material to a minor;
 - g. Sexual performance by a child;
 - h. Possession or promotion of child pornography;
 - (ii) Any of the following offenses as described in Penal Code ch. 21:
 - a. Public lewdness;
 - b. Indecent exposure;
 - c. Indecency with a child;
 - (iii) Sexual assault or aggravated sexual assault as described in Texas Penal Code ch. 22;
 - (iv) Incest, solicitation of a child or harboring a runaway child as described in Penal Code ch. 25; or
 - (v) Those crimes defined as "drug-defined offenses" or "drug-related offenses" by the Bureau of Justice Statistics Drug and Crime Data Fact Sheet, 1994, for which punishment would be classified as a felony as set forth in Penal Code sec. 12.04;

- (C) For which (regarding subsections (a)(10)(A) and (B) of this section):
 - (i) Less than two years have elapsed since the date of conviction, or the date of release from the terms of community supervision, probation, parole or deferred disposition or the date of release from confinement imposed for the conviction, whichever is the later date, if the conviction is a misdemeanor offense;
 - (ii) Less than five years have elapsed since the date of conviction, or the date of release from the terms of community supervision, probation, parole or deferred disposition or the date of release from confinement for the conviction, whichever is the later date, if the conviction is a felony offense; or
 - (iii) Less than five years have elapsed since the date of the last conviction or the date of release from confinement for the last conviction, whichever is the later date, if the convictions are of two or more misdemeanor offenses or combination of misdemeanor offenses occurring within any 24-month period.
- (11) The applicant or the applicant’s spouse is required to register as a sex offender under the provisions of chapter 62 of the Texas Code of Criminal Procedure.
- (12) The applicant failed to comply with any of the requirements of Local Government Code sec. 243.0075 regarding the posting of an outdoor sign.
- (b) The license, if granted, shall state on its face the name of the person or persons to whom it is granted, the expiration date and the address of the sexually oriented business.
- (c) The license shall be posted in a conspicuous place at or near the entrance to the sexually oriented business, so that it is visible to the public at all times and may be easily read.

Sec. 13-27. Annual license fee

- (a) The annual fee for a sexually oriented business license shall be in an amount as established in Appendix A, Fee Schedule.
- (b) The fact that a person possesses other types of state or city permits does not exempt that person from the requirement of obtaining a license for a sexually oriented business.

Sec. 13-28. Inspection of premises and maintenance of records

- (a) A licensee, owner, operator or employee of a sexually oriented business shall be subject to regulation under this article and shall permit City representatives to inspect all portions of the premises where customers are allowed and the records required to be maintained under this article by the sexually oriented business for the purpose of ensuring compliance with this article at any time it is occupied or open for business.
- (b) The licensee, owner or operator of a sexually oriented business shall maintain all records required to be maintained under the provisions of this article on the licensed premises.
- (c) The provisions of this section do not apply to areas of an adult motel which are currently being rented by a customer for use as a permanent or temporary habitation.

Sec. 13-29. Expiration and renewal of license

- (a) Each license shall expire one year after the date of issuance.
- (b) Renewal of a license may be applied for in the same manner as Section 13-25 provides for the initial license. Payment of an additional application fee, as established in Appendix A, Fee Schedule, is required.

Sec. 13-30. Grounds for suspension of license

- (a) Subject to subsection (b) of this section, the chief of police shall suspend a sexually oriented business license if the chief of police determines that a licensee, owner, operator or employee of a sexually oriented business (or any combination thereof) has, on five or more occasions within any 12-month period of time been cited for a violation of this article, and been convicted or placed on deferred disposition or probation for the violation(s).
- (b) A period of suspension will begin the first day after the decision of the chief of police has been made. If appeal is taken as provided in this article, the period of suspension begins the day after all appeals are final.
- (c) Each day in which a violation is permitted to continue shall constitute a separate violation for purposes of suspension.

Sec. 13-31. Grounds for revocation of license

- (a) The chief of police may revoke a sexually oriented business license:
 - (1) If a license has been ordered suspended by the chief of police for a 30-day period within the preceding year;
 - (2) If the chief of police determines that, on two or more occasions within any five-year time period, a licensee, owner, operator or employee (or any combination thereof) has/have been convicted of or placed on deferred disposition, probation or community supervision for conduct occurring on the premises of a sexually oriented business that constitutes any of the offenses of the state or criminal attempt, conspiracy, or solicitation to commit same for the following offenses (except the chief of police may, if he determines that the criminal offense of sexual performance of a child has occurred on a single occasion, revoke the sexually oriented business license):
 - (A) Any offenses as described in Texas Penal Code ch. 43 including:
 - (i) Prostitution;
 - (ii) Promotion of prostitution;
 - (iii) Aggravated promotion of prostitution;
 - (iv) Compelling prostitution;
 - (v) Obscenity;
 - (vi) Sale, distribution or display of harmful material to a minor;
 - (vii) Sexual performance by a child;
 - (viii) Possession or promotion of child pornography;
 - (B) Any of the following offenses as described in Penal Code ch. 21:
 - (i) Public lewdness;
 - (ii) Indecent exposure;
 - (iii) Indecency with a child;
 - (C) Sexual assault or aggravated sexual assault as described in Texas Penal Code ch. 22;
 - (D) Incest, solicitation of a child or harboring a runaway child and other offenses contained in Texas Penal Code ch. 25; or
 - (E) Those crimes defined as “drug-defined offenses” or “drug-related offenses” by the Bureau of Justice Statistics Drug and Crime Data Fact Sheet, 1994, for which punishment would be classified as a felony as set forth in Texas Penal Code sec. 12.04;
 - (3) If a licensee, owner or operator gave false or misleading information in the material submitted to the chief of police during the application process;

- (4) If a licensee, owner or operator has knowingly allowed possession, use or sale of a controlled substance on the premises;
 - (5) If a licensee, owner or operator has on two (2) or more occasions knowingly allowed prostitution on the premises;
 - (6) If a licensee, owner or operator knowingly operated the sexually oriented business during a period of time when the licensee’s license was suspended;
 - (7) If a licensee, owner or operator has, on one or more occasions, knowingly allowed any act of sexual intercourse, sodomy, oral copulation, masturbation or sexual contact to occur in or on the licensed premises. The term “sexual contact” shall have the same meaning as it is defined in Texas Penal Code sec. 21.01;
 - (8) If a licensee is delinquent in payment to the city for hotel occupancy taxes, ad valorem taxes or sales taxes related to the sexually oriented business;
 - (9) If the licensee is required to register as a sex offender under the provisions of Texas Criminal Procedure Code ch. 62; or
 - (10) If a license is unlawfully transferred.
- (b) The fact that a conviction is being appealed shall have no effect on the revocation of the license.
- (c) Subsection (a)(7) of this section does not apply to adult motels as a ground for revoking the license, unless the licensee, owner, operator or employee knowingly allowed the act of sexual intercourse, sodomy, oral copulation, masturbation or sexual contact to occur in a public place or within public view.

Sec. 13-32. Denial, suspension and revocation procedures

- (a) If the chief of police is authorized to deny the issuance of a license, or suspend or revoke a license, the chief of police shall give written notice to the applicant or licensee of his intent to implement denial, suspension, or revocation procedures. The notice shall state:
- (1) The reason for such denial, suspension, or revocation.
 - (2) The provisions of the code which have been violated.
 - (3) The person or office with which any request for a contested case hearing must be filed and the address at which any such request must be filed.
- (b) The notice shall provide that the denial of issuance, suspension or revocation shall take effect at the expiration of the tenth calendar day after notification. The applicant or licensee shall have ten calendar days from the date notice is received to request a hearing on the denial, suspension or revocation as provided in this article.
- (c) A written request for a hearing from the applicant or licensee received by the chief of police before the expiration of the tenth (10th) calendar day does not stay the denial, suspension or revocation of the license pending a hearing before the City Manager.
- (d) In making a determination as to the denial of a license, the chief of police shall consider whether the applicant has established the applicant’s entitlement to a license and/or whether the city has established a disqualifying factor under the requirements imposed by section 13-26.
- (e) In making a determination of the suspension of a license under section 13-30, the chief of police shall consider:
- (1) Whether the required number of citations under section 13-30(a) were issued to the licensee, owner, operator, or employee of the licensee within a 12-month period of time; and
 - (2) Whether the licensee, owner, operator or employee of the licensee was convicted or placed on deferred disposition or probation for the citations.
- (f) In making a determination of the revocation of a license under section 13-31, the chief of police shall consider:

- (1) Whether the required number of citations under section 13-30(a) were issued to the licensee, owner, operator or employee of the licensee within a 12-month period of time;
 - (2) Whether the licensee, owner, operator or employee of the licensee was convicted or placed on deferred disposition or probation for the citations; and
 - (3) Whether the license at issue has been ordered suspended for a 30-day period of time pursuant to section 13-33 within the preceding 12-month period of time.
- (h) In making a determination of the revocation of a license under section 13-31, the chief of police shall consider whether the evidence shows that the specified convictions, events or actions occurred as set forth in those sections of this article.

Sec. 13-33. Period of suspension or revocation

- (a) The revocation of a license as provided for in section 13-31 shall be for a period of 12 months.
- (b) The suspension of a license as provided for in section 13-30 shall be as follows:
 - (1) The first suspension of a license shall be for a period of three calendar days.
 - (2) The second suspension of a license shall be for a period of seven calendar days.
 - (3) The third suspension of a license shall be for a period of 15 calendar days.
 - (4) The fourth suspension of a license shall be for a period of 30 calendar days. Except where grounds for revocation of a license exist under section 13-31(a)(1), each subsequent suspension of a license shall be for a period of 30 calendar days.

Sec. 13-34. Appeals

- (a) An applicant or licensee shall have ten (10) calendar days from the date notice is received to request a hearing on the denial, suspension or revocation; if a hearing on the denial, suspension or revocation is not timely requested, the denial, suspension or revocation becomes final. The request shall be in writing and delivered to applicant or licensee via personal delivery, or via U.S. Postal Service, certified mail, return receipt requested. If filed by mail, the request shall be considered timely filed if the green return receipt card shows the item was properly addressed and received by the applicant or licensee on or before the tenth calendar day from the date the applicant or licensee received notice of intention to deny/revoke/suspend. Upon receipt of the request for hearing, a hearing before the City Manager shall be scheduled to take place within thirty (30) calendar days unless both parties agree to a certain date beyond the thirty (30) days. The City Manager shall consider only the testimony and evidence admitted for consideration at the hearing. The City Manager shall have five business days from the date of the hearing to notify the applicant or licensee of the decision.
- (b) Status of license during hearing. While a case is pending, and prior to the final decision of the City Manager regarding denial, revocation or suspension, a license is neither valid nor effective.
- (c) Decision of City Manager.
 - (1) If a request for a hearing has been timely filed, the City Manager shall conduct a de novo hearing and shall make one of the following findings:
 - (A) If the hearing is one for which the license is subject to suspension, the City Manager shall determine that the alleged offense occurred, and determine the severity of the offense, and shall either order a suspension pursuant to the time periods in section 13-33 or deny the suspension.
 - (B) If the City Manager finds that any of the conditions set forth in this article exist that would make the license subject to revocation, the City Manager shall, on the basis of the severity of the offense, either revoke the license, or order a suspension pursuant to section 13-33.

- (C) If the City Manager finds that any of conditions set forth in this article exist that would be grounds for denial of the license, the City Manager shall deny the license pursuant to section 13-26.
- (2) If the City Manager does not make the requisite findings, then the decision of the police chief shall be affirmed.
- (d) Notice of denial/revocation/suspension.
 - (1) A final decision or order by the City Manager shall be issued in writing, and shall:
 - (A) Be provided to all parties via personal delivery or via United States Postal Service, certified mail, return receipt requested; and
 - (B) Be considered timely if:
 - i. For personal delivery, a party receives the notice not later than three business days from the date on which the decision is rendered; or
 - ii. For postal delivery, the decision or order is postmarked not later than three business days from the date on which the decision is rendered.
 - (2) The decision by the City Manager is effective 30 calendar days after the applicant or licensee is notified of the decision.
 - (3) Any act authorized by a license shall be unauthorized and in violation of this article upon and after the effective date of any suspension of the license until the suspension expires.
 - (4) Any act authorized by a license shall be unauthorized and in violation of this article upon and after the effective date of any revocation of the license unless and until a new license, if any, is applied for and granted pursuant to the terms of this article. If a license has been revoked because of crimes or activities occurring on the premises of a sexually oriented business, the owner/operator of the sexually oriented business is disqualified from receiving or holding any license under this article for a period of one calendar year from the effective date of the revocation.
 - (5) If a license is suspended or revoked because of crimes or activities occurring on the premises of a sexually oriented business, each and every individual, person, or association which is an owner/operator of a sexually oriented business at the time of any suspension or revocation of the sexually oriented business for that establishment shall be considered to have had a license suspended or revoked as if they held the license in their own name for purposes of determining whether they are qualified to participate in another license application under this article.

Sec. 13-35. Transfer of license; forging or altering license

- (a) A person commits an offense if the person transfers a license to another person or operates a sexually oriented business under the authority of a license at any place other than the address designated on the license. A transfer of a license is deemed to have occurred if there is a transfer of more than fifty percent (50%) of the ownership or control of a sexually oriented business.
- (b) A person commits an offense if the person counterfeits, forges, changes, defaces or alters a license.

Sec. 13-36. Provisions cumulative

The provisions of this article are expressly made cumulative of other applicable laws including, without limitation, to the entire article.

Sec. 13-37. Nudity and semi-nudity prohibited; exceptions

(a) It shall be unlawful for a person, individual, corporation, or association that manages or operates a sexually oriented business to intentionally or knowingly allow an individual to appear on the premises of said establishment in a state of nudity or semi-nudity.

(b) It shall be unlawful for an owner-operator of a sexually oriented business to intentionally or knowingly allow an individual to appear on the premises of said establishment in a state of nudity or semi-nudity.

(c) Exceptions. It is an exception to the application of this section that at the time of the state of nudity or semi-nudity the actor was an individual, person, or, in the case of subsection (b), an association that:

(1) Manages, operates, or appears nude in a public place that is a business operated by or employing a licensed psychologist, licensed physical therapist, licensed athletic trainer, licensed cosmetologist, licensed massage therapist, or licensed barber engaged in performing functions authorized under the lawful license held;

(2) Owns, manages, operates, or appears nude in a public place that is a business operated by or employing a licensed physician or chiropractor engaged in practicing the healing arts; or

(3) Owns, manages, operates, or appears nude in a public place that is a business licensed as a tattoo studio or a body piercing studio and was engaged in practices authorized under the license.

Sec. 13-38. Loitering; monitoring of parking lot

(a) It shall be the duty of the operator of a sexually oriented business to:

(1) Ensure that at least two conspicuous signs, visible from a public right-of-way, stating that no loitering is permitted on the premises, are posted on the exterior of the structure;

(2) Designate one or more employees to monitor the parking lot of the premises by the use of video cameras and monitors, which shall operate and record continuously at all times that the premises are open for business. The monitors shall be installed within a manager's station, and the operator of a sexually oriented business shall preserve such recordings for a period of not less than one week before the recording may be erased. Recordings maintained under this section are subject to the inspection requirements set forth in section 13-28.

(b) No sexually oriented business shall erect a fence, wall, or similar barrier that prevents any portion of the business's parking lot(s) from being visible from a public right-of-way.

(c) It shall be unlawful for a person having a duty under this section to intentionally or knowingly fail to fulfill that duty.

Sec. 13-39. Escort agencies

(a) A person commits an offense if the person employs at an escort agency any person under the age of 18 years.

(b) A person commits an offense if the person acts as an escort or agrees to act as an escort for any person under the age of 18 years.

(c) An employee of an escort agency must attend training given by the licensee concerning the requirements of this article as they pertain to escort agencies, before the employee receives any compensation for the employee's services. The licensee shall provide this training to all employees at the beginning of employment before the employee receives any compensation for services, and at least once a year thereafter. The licensee shall maintain written records of the training provided to each employee pursuant to this subsection. These records shall include a signed and dated statement from

each employee verifying the employee’s attendance at and participation in training provided by the licensee, identifying the date on which the training was provided, and the specific topics discussed.

(d) A licensee shall designate and appoint one or more individuals to manage, direct, and control the premises operations of the escort agency. At least one person so appointed shall be on the premises at any time the escort agency is open.

(e) An operator or an individual person appointed under subsection (d) above shall at all times have the duty to ensure that each employee in the escort agency has received the training required by subsection (c) above and each employee is instructed to commit no act which would constitute a violation of this article or which would provide grounds, or part of the grounds, for suspension or revocation of a license issued under this article.

Sec. 13-40. Nude model studios

(a) A person commits an offense if the person employs at a nude model studio any person under the age of 18 years.

(b) A person who is not an employee commits an offense if the person intentionally or knowingly appears in a state of nudity or semi-nudity in or on the premises of a nude model studio.

(c) A person commits an offense if the person intentionally or knowingly appears in a state of nudity or semi-nudity or intentionally or knowingly allows another to appear in a state of nudity or semi-nudity in an area of the nude model studio premises which can be viewed from the public right-of-way.

(d) A person commits an offense if the person intentionally or knowingly places or permits a bed, sofa or mattress in any room on the premises of a nude model studio, except that a sofa may be placed in a reception room open to the public.

(e) A licensee, owner, operator or employee commits an offense if the person intentionally or knowingly permits any customer access to an area of the premises not visible from the manager’s station by direct line of sight or not visible by a walk-through of the premises without entering a private, exclusive, closed, curtained, or otherwise screened area, excluding restrooms. The view required in this subsection shall be by direct line of sight. The view shall be deemed insufficient if clear visibility of such line of sight must be attained by utilizing flashlights or spotlights in addition to overhead house lighting.

(f) An employee of a nude model studio, while appearing in a state of nudity, commits an offense if the employee intentionally or knowingly touches a customer or the clothing of a customer.

(g) A customer at a nude model studio commits an offense if the customer intentionally or knowingly touches an employee or the clothing of an employee while the employee is appearing in a state of nudity.

(h) A licensee commits an offense if the licensee fails to display the signs on the interior of the nude model studio premises and/or the floor markings as required in section 13-50.

(i) An employee of a nude model studio commits an offense if that employee allows, asks, directs, or suggests that a customer disrobe to a state of nudity.

(j) An employee of a nude model studio must attend training given by the licensee concerning the requirements of this article as they pertain to nude model studios, before the employee receives any compensation for the employee’s services. The licensee or operator shall provide this training to all employees at the beginning of employment before the employee receives any compensation for services, and at least once a year thereafter. The licensee shall maintain written records of the training provided to each employee pursuant to this subsection. These records shall include a signed and dated statement from each employee verifying the employee’s attendance at and participation in training

provided by the licensee, identifying the date on which the training was provided, and the specific topics discussed.

(k) A licensee shall designate and appoint one or more individuals to manage, direct, and control the premises and operations of the nude model studio. At least one person so appointed shall be on the premises at any time the nude model studio is open.

(l) An operator or an individual person appointed under subsection (k) above shall at all times have the duty to ensure that each employee in the nude model studio has received the training required by subsection (j) above and each employee is instructed to commit no act which would constitute a violation of this article or which would provide grounds, or part of the grounds, for suspension or revocation of a license issued under this article.

Sec. 13-41. Adult theaters and adult motion picture theaters

(a) A person commits an offense if the person employs at an adult theater or an adult motion picture theater any person under the age of 18 years.

(b) A person commits an offense if the person intentionally or knowingly appears in a state of nudity or semi-nudity in or on the premises of an adult theater or an adult motion picture theater.

(c) Adult theaters and adult motion picture theaters shall also comply with the requirements of section 13-46.

(d) An employee of an adult theater or adult motion picture theater must attend training given by the licensee concerning the requirements of this article as they pertain to adult theaters or adult motion picture theaters, before the employee receives any compensation for the person's services. The licensee shall provide this training to all employees at the beginning of employment before the employee receives any compensation for services, and at least once a year thereafter. The licensee shall maintain written records of the training provided to each employee pursuant to this subsection. These records shall include a signed and dated statement from each employee verifying the employee's attendance at and participation in training provided by the licensee, identifying the date on which the training was provided, and the specific topics discussed.

(e) A licensee shall designate and appoint one or more individuals to manage, direct, and control the premises and operations of the adult theater or adult motion picture theater. At least one person so appointed shall be on the premises at any time the adult theater or adult motion picture theater is open.

(f) An operator or a person appointed under subsection (e) above shall at all times have the duty to ensure that each employee in the adult theater or adult motion picture theater has received the training required by subsection (d) above and each employee is instructed to commit no act which would constitute a violation of this article or which would provide grounds, or part of the grounds, for suspension or revocation of a license issued under this article.

Sec. 13-42. Adult motels

Evidence that a sleeping room in a hotel, motel or similar commercial establishment has been rented and vacated two or more times in a period of time that is less than ten hours creates a rebuttable presumption that the establishment is an adult motel as that term is defined in this article.

Sec. 13-43. Adult cabarets

(a) A person commits an offense if the person employs at an adult cabaret any person under the age of 18 years.

(b) An employee of an adult cabaret, while appearing in a state of nudity or semi-nudity, commits an offense if the employee intentionally or knowingly touches a customer or the clothing of a customer.

(c) A customer at an adult cabaret commits an offense if the customer intentionally or knowingly touches an employee appearing in a state of nudity or semi-nudity or the clothing of an employee appearing in a state of nudity or semi-nudity.

(d) A licensee, owner, operator or employee commits an offense if the licensee, owner, operator or employee intentionally or knowingly allows, in a sexually oriented business, any person to appear in a state of nudity or semi-nudity, unless the person is an employee who, while in a state of nudity or semi-nudity, is on a stage (on which no customer is present) at least 18 inches above the floor, and is:

(i) at least six feet from any customer (hereinafter called “unenclosed performance stage”), or (ii) physically separated from customers by a wall or partition composed of solid glass or light-transmitting plastic, or substantially equivalent material, extending from the floor of the performance stage to at least five feet above the level of the performance stage, but such that there are not openings in the wall or partition that would permit physical contact between customers and such employee (hereinafter “enclosed performance stage”).

(e) A licensee, owner, operator or employee commits an offense if the licensee, owner, operator or employee intentionally or knowingly permits any customer access to an area of the premises not visible from the manager’s station or not visible by a walk-through of the premises without entering a private, exclusive, closed, curtained, or otherwise screened area, excluding restrooms. The view required in this subsection shall be by direct line of sight. The view shall be deemed insufficient if clear visibility of such line of sight must be attained by utilizing flashlights or spotlights in addition to overhead house lighting.

(f) A licensee, owner, operator or employee commits an offense if the licensee, owner, operator or employee intentionally or knowingly appears in or allows another to appear in a state of nudity or semi-nudity in an area of the adult cabaret business premises which can be viewed from the public right-of-way.

(g) A licensee, owner or operator commits an offense if the licensee, owner or operator fails to display the signs on the interior of the adult cabaret business premises and/or the floor markings as required in section 13-50.

(h) An employee of an adult cabaret must attend training provided by the licensee, owner or operator concerning the requirements of this article as they pertain to adult cabarets, before the employee receives any compensation for the person’s services. The licensee, owner or operator shall provide this training to all employees at the beginning of employment before the employee receives any compensation for services, and at least once a year thereafter. The licensee, owner or operator shall maintain written records of the training provided to each employee pursuant to this subsection. These records shall include a signed and dated statement from each employee verifying the employee’s attendance at and participation in training provided by the licensee, owner or operator, identifying the date on which the training was provided, and the specific topics discussed.

(i) A licensee shall designate and appoint one or more individuals to operate, manage, direct, and control the premises and operations of the adult cabaret. At least one person so appointed shall be on the premises at any time the adult cabaret is open.

(j) An operator or a person appointed under subsection (i) above shall at all times have the duty to ensure that each employee in the adult cabaret has received the training required by subsection (h) above and each employee is instructed to commit no act which would constitute a violation of this article or which would provide grounds, or part of the grounds, for suspension or revocation of a license issued under this article.

Sec. 13-44. Sexual encounter centers prohibited

- (a) Sexual encounter centers are prohibited. No license shall be issued for the operation of a sexual encounter center.
- (b) A person commits an offense if the person owns, operates or causes to be operated a sexual encounter center. Any person in control or apparent control of the premises shall be presumed to be operating the sexual encounter center.

Sec. 13-45. Adult bookstores, adult novelty stores and adult video stores

- (a) A person who operates or causes to be operated an adult bookstore, adult novelty store or adult video store shall comply with the following requirements:
 - (1) An application for a sexually oriented business license for an adult bookstore, adult novelty store or adult video store shall be accompanied by a diagram of the premises showing a plan thereof specifying the location of one or more manager's stations and the location of all overhead lighting fixtures and designating any portion of the premises in which patrons will not be permitted. A manager's station may not exceed 32 square feet of floor area. The diagram shall also designate the place at which the license will be conspicuously posted, if granted. A professionally prepared diagram in the nature of an engineer's or architect's blueprint shall not be required; however, each diagram shall be oriented to the north, or to some designated street or object, and shall be drawn to a designated scale or with marked dimensions sufficient to show the various internal dimensions of all areas of the interior of the premises to an accuracy of plus or minus six inches. The building official may waive the foregoing diagram for renewal applications if the applicant adopts a diagram that was previously submitted and certifies that the configuration of the premises has not been altered since the previously submitted diagram was prepared.
 - (2) The application shall be sworn to be true and correct by the applicant.
 - (3) No alteration in the configuration or location of a manager's station may be made without the prior approval of the building official.
 - (4) A licensee, owner or operator commits an offense if the licensee, owner or operator permits a manager's station to be unattended by an employee at any time a customer is present on, in or about the premises.
 - (5) The interior of the premises shall be configured in such a manner that there is an unobstructed view from a manager's station of every area of the premises to which any customer is permitted access for any purpose, excluding restrooms and fitting/dressing rooms (in stores that sell apparel). Restrooms and fitting/dressing rooms may not contain video reproduction equipment or any other equipment allowing for the viewing of film, videos, photographs or other video reproduction. Only one person shall be allowed in each restroom at any time, unless otherwise required by law. The operator shall ensure that not more than one person is permitted to enter a restroom, unless otherwise required by law, and that no persons engage in any specified sexual activity in the restroom. If the premises have two or more manager's stations designated, then the interior of the premises shall be configured in such a manner that there is an unobstructed view of each area of the premises to which any customer is permitted access for any purpose from at least one of the manager's stations. The view required in this subsection must be by direct line of sight from the manager's station.
 - (6) A licensee, owner, operator or employee commits an offense if the licensee, owner, operator or employee intentionally or knowingly permits a customer access to any area of the premises that is not visible from the manager's station for any purpose, excluding restrooms and fitting/dressing rooms.

- (7) Each and every licensee, owner, operator and employee present on the premises shall ensure that the view area specified in subsection (a)(5) of this section remains unobstructed by any doors, curtains, partitions, walls, blinds, locks or other control-type devices, merchandise, display racks or other materials at all times that any customer is present on, in or about the premises, and that no customer is permitted access to any area of the premises which has been designated as an area in which customers will not be permitted in the application filed pursuant to subsection (a)(1) of this section.
 - (8) The premises shall be equipped with overhead lighting fixtures of sufficient intensity to illuminate every place to which customers are permitted access at an illumination of not less than one footcandle as measured as the floor level.
 - (9) A licensee, owner, operator or employee commits an offense if the licensee, owner, operator or employee intentionally or knowingly permits illumination of any area of the premises to which customers have access to be less than one footcandle as measured at the floor level.
 - (10) No viewing room or reading room or booth, or fitting/dressing room, may be occupied by more than one person at any time.
 - (11) No licensee, owner, operator or employee shall allow openings or holes of any kind to exist between adjacent or adjoining viewing rooms, reading rooms or booths, or fitting/dressing rooms.
 - (12) No person shall make or attempt to make an opening or hole of any kind between adjacent or adjoining viewing rooms, reading rooms or booths, or fitting/dressing rooms.
 - (13) The licensee, owner, operator or employee shall, during each business day, regularly inspect the walls of all viewing rooms, reading rooms or booths, or fitting/dressing rooms, to determine if any openings or holes exist.
 - (14) The walls of any viewing room or reading room or booth shall be no more than 48 inches tall. At least one wall of any such viewing room or reading room or booth shall be visible in a direct unobstructed line of sight from the manager's station. Each wall or door of any such viewing room or reading room or booth shall be constructed of clear transparent glass, plastic or substantially equivalent materials that allow an unobstructed view of the entire interior of the viewing room or reading room or booth.
 - (15) Live entertainment is prohibited in any viewing room or reading room or booth, as well as any other room adjacent to or visible from any viewing room or reading room or booth.
 - (16) A licensee, owner, operator or employee commits an offense if the licensee, owner, operator or employee intentionally or knowingly allows a person to appear in a state of nudity or semi-nudity in, on or about the premises of an adult bookstore, adult novelty store or adult video store.
 - (17) A person commits an offense if the person intentionally or knowingly appears in a state of nudity or semi-nudity in or on the premises of an adult bookstore, adult novelty store or adult video store.
 - (18) It is a defense to prosecution under subsections (a)(16) and (17) of this section if the person was in a restroom or fitting/dressing room not open to public view or persons of the opposite sex.
- (b) A person having a duty under subsections (a)(1) through (17) herein commits a misdemeanor if he or she knowingly fails to fulfill that duty.
 - (c) An employee of an adult bookstore, adult novelty store or adult video store must attend training provided by the licensee, owner or operator concerning the requirements of this article as they pertain to such a business, before the employee receives any compensation for the person's services. The licensee, owner or operator shall provide this training to all employees at the beginning of employment

before the employee receives any compensation for services, and at least once a year thereafter. The licensee shall maintain written records of the training provided to each employee pursuant to this subsection. These records shall include a signed and dated statement from each employee verifying the employee’s attendance at and participation in training provided by the licensee, owner or operator, identifying the date on which the training was provided, and the specific topics discussed.

(d) A licensee, owner or operator shall designate and appoint one or more individuals to manage, direct, and control the premises and operations of the adult bookstore, adult novelty store or adult video store. At least one person so appointed shall be on the premises at any time the adult bookstore, adult novelty store or adult video store is open.

(e) An operator or a person appointed under subsection (d) above shall at all times have the duty to ensure that each employee in the adult bookstore, adult novelty store or adult video store has received the training required by subsection (c) above and each employee is instructed to commit no act which would constitute a violation of this article or which would provide grounds, or part of the grounds, for suspension or revocation of a license issued under this article.

Sec. 13-46. Exhibition of sexually explicit films, photographs, pictures or videos

(a) A person who operates, or causes to be operated, a sexually oriented business, other than an adult motel, which exhibits on the premises in a viewing room, a film, photograph, picture, videocassette or other video reproduction which depicts specified sexual activities or specified anatomical areas, shall comply with the following requirements:

(1) An application for a sexually oriented business license shall be accompanied by a diagram of the premises showing a plan thereof specifying the location of one or more manager’s stations and the location of all overhead lighting fixtures and designating any portion of the premises in which patrons will not be permitted. A manager’s station may not exceed 32 square feet of floor area. The diagram shall also designate the place at which the license will be conspicuously posted, if granted. A professionally prepared diagram in the nature of an engineer’s or architect’s blueprint shall not be required; however, each diagram shall be oriented to the north, or to some designated street or object, and shall be drawn to a designated scale or with marked dimensions sufficient to show the various internal dimensions of all areas of the interior of the premises to an accuracy of plus or minus six inches. The chief of police may waive the foregoing diagram for renewal applications if the applicant adopts a diagram that was previously submitted and certifies that the configuration of the premises has not been altered since the previously submitted diagram was prepared.

(2) The application shall be sworn to be true and correct by the applicant.

(3) No alteration in the configuration or location of a manager’s station may be made without the prior approval of the chief of police.

(4) The licensee, owner or operator commits an offense if the licensee, owner or operator permits a manager’s station to be unattended by an employee at any time a customer is present on, in or about the premises.

(5) The interior of the premises shall be configured in such a manner that there is an unobstructed view from a manager’s station of every area of the premises to which any customer is permitted access for any purpose, excluding restrooms. Restrooms may not contain video reproduction equipment or any other equipment allowing for the viewing of film, videos, photographs or other video reproductions. If the premises have two or more manager’s stations designated, then the interior of the premises shall be configured in such a manner that there is an unobstructed view of each area of the premises to which any customer

is permitted access for any purpose from at least one of the manager's stations. The view required in this subsection must be by direct line of sight from the manager's station.

(6) The licensee, owner or operator commits an offense if the licensee, owner or operator permits a customer access to any area of the premises that is not visible from the manager's station for any purpose, excluding restrooms.

(7) The licensee, owner, operator or employee present on the premises shall ensure that the view area specified in subsection (5) of this section remains unobstructed by any doors, curtains, partitions, walls, blinds, locks or other control-type devices, merchandise, display racks or other materials at all times that any customer is present on, in or about the premises, and that no customer is permitted access to any area of the premises which has been designated as an area in which customers will not be permitted in the application filed pursuant to subsection (a)(1) of this section.

(8) The premises shall be equipped with overhead lighting fixtures of sufficient intensity to illuminate every place to which customers are permitted access at an illumination of not less than one footcandle as measured as the floor level.

(9) The licensee, owner or operator commits an offense if the licensee, owner or operator permits illumination of any area of the premises to which customers have access to be less than one footcandle as measured at the floor level.

(10) No viewing room or booth of less than 150 square feet of floor space shall be occupied by more than one person at any time.

(11) No licensee, owner or operator shall allow openings or holes of any kind to exist between adjacent or adjoining viewing rooms or booths.

(12) No person shall make or attempt to make an opening or hole of any kind between adjacent or adjoining viewing rooms or booths.

(13) The licensee, owner or operator shall, during each business day, regularly inspect the walls of all viewing rooms or booths to determine if any openings or holes exist.

(14) In a viewing room or booth of less than 150 square feet of floor space, the walls shall be no more than 48 inches tall. At least one wall of any such viewing room or booth shall be visible in a direct unobstructed line of sight from the manager's station. Each wall or door of any such viewing room or booth shall be constructed of clear transparent glass, plastic or substantially equivalent materials that allow an unobstructed view of the entire interior of the viewing room or booth.

(15) Live entertainment is prohibited in any viewing room or booth of less than 500 square feet of floor space, as well as any other room adjacent to or visible from any viewing room or booth.

(16) The licensee, owner or operator commits an offense if the licensee, owner or operator intentionally or knowingly allows a person to appear in a state of nudity or semi-nudity in, on or about the premises of a sexually oriented business, other than an adult motel, which exhibits on the premises in a viewing room of less than 500 square feet of floor space, a film, photograph, picture, videocassette or other video reproduction which depicts specified sexual activities or specified anatomical areas.

(17) A person commits an offense if the person intentionally or knowingly appears in a state of nudity or semi-nudity in or on the premises of a sexually oriented business, other than an adult motel, which exhibits on the premises in a viewing room of less than 500 square feet of floor space, a film, photograph, picture, videocassette or other video reproduction which depicts specified sexual activities or specified anatomical areas.

(18) It is a defense to prosecution under subsections (a)(16) and (17) of this section if the person was in a restroom not open to public view or persons of the opposite sex.

(b) A person having a duty under subsections (a)(1) through (17) herein commits a misdemeanor if he or she knowingly fails to fulfill that duty.

(c) An employee of a sexually oriented business that exhibits sexually explicit films, photographs, pictures or videos must attend training given by the licensee concerning the requirements of this article as they pertain to such a business, before the employee receives any compensation for the person’s services. The licensee, owner or operator shall provide this training to all employees at the beginning of employment before the employee receives any compensation for services, and at least once a year thereafter. The licensee, owner or operator shall maintain written records of the training provided to each employee pursuant to this subsection. These records shall include a signed and dated statement from each employee verifying the employee’s attendance at and participation in training provided by the licensee, owner or operator, identifying the date on which the training was provided, and the specific topics discussed.

(d) A licensee, owner or operator shall designate and appoint one or more individuals to manage, operate, direct, and control the premises and operations of the sexually oriented business. At least one person so appointed shall be on the premises at any time the sexually oriented business as described in this section is open.

(e) An operator or a person appointed under subsection (d) above shall at all times have the duty to ensure that each employee in the sexually oriented business has received the training required by subsection (c) above and each employee is instructed to commit no act which would constitute a violation of this article or which would provide grounds, or part of the grounds, for suspension or revocation of a license issued under this article.

Sec. 13-47. Hours of operation

No sexually oriented business, except for an adult motel, may remain open at any time except between the hours of 12:00 p.m. (noon) and 9:00 p.m. on weekdays and Saturdays, and from 2:00 p.m. until 9:00 p.m. on Sundays.

Sec. 13-48. Prohibition against children in sexually oriented business

A licensee, owner, operator or employee commits an offense if the licensee, owner, operator or employee intentionally, knowingly, or recklessly allows a person under the age of 18 years on the premises of a sexually oriented business.

Sec. 13-49. Employees in state of nudity or semi-nudity—Restrictions

(a) A licensee, owner, operator or employee commits an offense if the licensee, owner, operator or employee intentionally or knowingly allows, in a sexually oriented business, a person to appear in a state of nudity or semi-nudity, unless the person is an employee who, while in a state of nudity or semi-nudity, is on an unenclosed performance stage or an enclosed performance stage.

(b) It is an offense for an employee, while in a state of nudity or semi-nudity in a sexually oriented business, to receive directly any pay or gratuity from any patron or customer, or for any patron or customer to pay or give any gratuity directly to any employee, while that employee is in a state of nudity or semi-nudity in a sexually oriented business. Such gratuity or pay may be provided to such employee through a tip receptacle, located more than six feet from the nearest point of the performance stage where such employee is in a state of nudity, or may be paid to an employee that is not in a state of nudity or semi-nudity, as part of the customer’s bill.

- (c) It is an offense if an employee, while in a state of nudity or semi-nudity, touches a customer or the clothing of a customer.
- (d) It is an offense if a customer touches an employee appearing in a state of nudity or semi-nudity or clothing of the employee.

Sec. 13-50. Same–Conspicuous signage and markings required

(a) A licensee, owner or operator commits an offense if the licensee, owner or operator fails to display a sign on the interior of the sexually oriented business premises notifying customers and employees of the prohibition prescribed by section 13-49. The sign must be prominently and continuously displayed where customers enter the premises, and immediately adjacent to each stage, and must state in letters at least two inches high:

TOUCHING OR TIPPING AN EMPLOYEE WHO IS IN A STATE OF NUDITY OR SEMI-NUDITY IS A CRIME (MISDEMEANOR), PUNISHABLE BY FINE UP TO \$2,000. PATRONS SHALL REMAIN AT LEAST SIX (6) FEET FROM ALL UNENCLOSED PERFORMANCE STAGES WHILE A PERSON IS PERFORMING.

The chief of police may require, at the time of issuance or renewal of the license, the licensee, owner or operator to also display the sign in a language other than English if he determines that a substantial portion of the expected customers speak the other language as their primary language. Upon notification, a licensee, owner or operator commits an offense if the sign does not contain the language in the required language, in addition to English.

(b) A licensee, owner or operator commits an offense if the licensee, owner or operator fails to prominently and continuously display a two inches wide glow-in-the-dark line on the floor of the sexually oriented business marking a distance of six feet from each unenclosed stage on which an employee in a state of nudity may appear in accordance with section 13-49(a).

Sec. 13-51. Alcoholic beverage sales and consumption prohibited

- (a) It shall be an offense for any person to maintain, own or operate a sexually oriented business on any premises on which alcoholic beverages are served or offered for sale for consumption.
- (b) It shall be an offense for any person who maintains, owns or operates any commercial establishment where alcoholic beverages are served or offered for sale for consumption on the premises to permit any person to appear in a state of nudity or semi-nudity.

Sec. 13-52. Sign requirements

The following requirements apply for posting a sign concerning intent to locate a sexually oriented business:

- (1) An applicant for a sexually oriented business license for a location for which a sexually oriented business license has not previously been issued shall post an outdoor sign at the location in compliance with Texas Local Government Code sec. 243.0075, as amended, not later than the sixtieth (60th) day before submitting the application for a sexually oriented business license.
- (2) The sign shall comply with Local Government Code sec. 243.0075, as follows:
 - (A) The sign must be at least 24 by 36 inches in size;
 - (B) All letters must be at least two inches in height and one and one-half inches in width for each letter on the sign;
 - (C) The sign shall state that a sexually oriented business is intended to be located on the premises;

- (D) The sign shall provide the name and business address of the owner and operator;
- (E) All required information must be presented in both English and Spanish;
- (F) All required information must read horizontally from left to right; and
- (G) The sign shall be prominently posted such that it is clearly legible from the public right-of-way.

(3) The operator of a proposed sexually oriented business shall notify the chief of police, by certified mail or hand delivery, when a sign is posted at the intended location of the business in compliance with Local Government Code sec. 243.0075. The notification must be in the form of a sworn statement indicating the location of the sign and the date it was posted and must be received by the chief of police within five days after the posting of the sign. If the chief of police receives the notification within five days after the sign was posted, the 60-day posting period required by Local Government Code sec. 243.0075 shall be deemed to begin on the posting date. If the notification is received by the chief of police more than five days after the sign was posted, the 60-day posting requirement shall be deemed to begin on the date the chief of police verifies the sign has been posted.

(4) When a sign is posted at an intended location of a sexually oriented business and the intended location is not in violation of the distance requirements set out in this article on the posting date, the sexually oriented business will qualify as a conforming use with regard to the distance requirements and will not be rendered nonconforming by any location, subsequent to the posting of the sign, of the use or location described in section 13-22(b) within 1,000 feet of the posted location.

(5) Subsection (4) above does not apply if:

- (A) A completed and correct application for a license for a proposed sexually oriented business is not filed with the chief of police within twenty (20) days after the expiration of the 60-day posting requirement under Local Government Code sec. 243.0075;
- (B) The application for a license is withdrawn or denied; or
- (C) The notification requirements of subsection (3) are not met.

V. Repeal. Any prior ordinances or ordinance provisions are hereby repealed to the extent they are in conflict with the terms of this Ordinance. Any remaining provisions of said ordinances shall remain in full force and effect.

VII. Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The City Commission hereby declares that it would have passed this Ordinance, and each section, subsection, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, clauses, or phrases be declared unconstitutional or invalid.

VIII. Open Meetings. 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.

IX. Effective Date. This Ordinance shall become effective upon its adoption by the City Commission, and after publication as required by law.

PASSED, APPROVED, AND ADOPTED on this the 5th day of May 2026.

Bob Sims, Mayor

ATTEST:

Jessica Sutter, City Secretary

S E A L



BRECKENRIDGE CITY COMMISSION AGENDA SUMMARY FORM

Subject: Discussion and any action regarding approval of an update to the Stephens County Demo Interlocal

Department: Administration

Staff Contact: Cynthia Northrop

Title: City Manager

BACKGROUND INFORMATION:

The city, County, and BEDC have an interlocal agreement under which the BEDC contributes \$4,000 per house to the County for houses that Stephens County Commissioners demolish and haul to the City of Breckenridge’s Monofil.

This update will enable Stephens County Commissioners to cover the demo debris at the Monofil as required and bill the city for the service.

FINANCIAL IMPACT:

STAFF RECOMMENDATION:

Consider approval of the update to the Stephens County Interlocal Agreement for the Demo of Dangerous Buildings

**SECOND AMENDED INTERLOCAL AGREEMENT
FOR BUILDING DEMOLITIONS**

This Second Amended Agreement for Building Demolitions (the “Agreement”) is entered on the ____ day of May, 2026 by and between the City of Breckenridge, Texas, a Texas home-rule municipality operating under Article XI, Sec. 5 of the Texas Constitution (the “City”), Stephens County, a political subdivision of the State of Texas (the “County”), and Breckenridge Economic Development Corporation, a Texas non-profit economic development corporation (“BEDC”).

RECITALS

WHEREAS, the City and the County are authorized to enter into an interlocal agreement pursuant to Chapter 791 of the Texas Government Code to cooperate with each other to perform governmental functions and services, including such functions and services to promote “public health and welfare” pursuant to Section 791.003 of the Texas Government Code;

WHEREAS, pursuant to Chapter 214 of the Texas Local Government Code, under Article I of Chapter 5 of the Breckenridge Code of Ordinances, the City has processes in place to abate substandard structures within the City, and the City and the County are mutually interested in demolishing and removing substandard structures to promote public health and welfare and increase property tax revenues within the City and the County;

WHEREAS, BEDC is dedicated to promoting economic development within the City of Breckenridge and the BEDC Board has found that assisting with the expenses of demolishing substandard buildings within the City is an acceptable BEDC project as it promotes new or expanded business development pursuant to Section 505.158 of the Texas Local Government Code;

WHEREAS, the City, County, and BEDC first entered into an agreement to cooperate in demolishing and removing substandard buildings in 2023 and entered into an Amended Agreement for Building Demolitions on January 27, 2025 to increase the amount of compensation paid by BEDC for demolitions; and

WHEREAS, the City, County, and BEDC wish to enter into this Agreement to extend the term of the previous agreement, to allow for the County to operate an excavator at the City’s monofill, and to require that the City compensate the County for the use of said excavator.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the City, the County, and BEDC agree as follows:

1. Responsibilities of City.
 - (a) The City shall provide the County with a list of structures that have been deemed to be substandard structures and ordered to be demolished by the City’s City Commission. The City shall be solely responsible for determining that the substandard structures identified for demolition under this Agreement have been properly deemed to be substandard and ordered

to be demolished and that the appropriate time has passed to allow the owners or other interested parties to demolish the substandard structure.

(b) Prior to the demolition of any structure, the City shall notify the County and BEDC at least thirty (30) days of the scheduled demolition.

2. Responsibilities of County.

(a) The County agrees to demolish identified substandard structures on a schedule to be mutually agreed upon by the County Judge and the City Manager.

(b) The County has agreed to demolish structures in exchange for payment in the amount of Four Thousand Dollars (\$4,000.00) per structure. The County shall not undertake the demolition before receiving payment from BEDC.

(c) The County shall be solely responsible for the manner and means of demolition of the identified substandard structures and for supervising its employees or contractors engaging in the same.

(d) After a substandard structure is demolished by the County, the County will haul the demolition debris to the City’s monofill.

(e) Should the County not proceed with the demolition of any structure for any reason within six (6) months of receiving payment from BEDC, the County shall refund BEDC’s payment within thirty (30) days of BEDC’s demand for same.

3. Responsibilities of BEDC. Within thirty (30) days of receiving notice from the County as described in Section 1(b) above, BEDC will remit payment in the amount of Four Thousand Dollars (\$4,000.00) per structure to the County, not exceeding \$20,000 annually for demolitions.

4. Use of Excavator.

(a) The City authorizes the County to use the Stephens County Precinct 3 Excavator at the City’s monofill in connection with demolition operations described in this Agreement.

(b) The City shall compensate the County at the rate of \$200.00 per hour for the actual hours that the Precinct 3 Excavator is used at the monofill. There is no minimum hourly requirement. Billing shall be based solely upon actual documented hours of operation.

(c) Hours of use shall be agreed upon and verified by the City’s City Manager or designee and the Precinct 3 County Commissioner, Will Warren.

(d) Stephens County shall invoice the City on a quarterly basis, and payment shall be made in accordance with applicable law and standard municipal payment procedures.

5. General.

(a) *Term.* The term of this Agreement shall be one (1) year, beginning on April 15, 2026 and ending on April 14, 2027. Any party wishing to terminate the Agreement must provide a written notice to the other party at least ninety (90) days before the end of the current term.

(b) *Nonappropriation of Funds.* Each party will strive to ensure that sufficient amounts are budgeted each year for each party to comply with this Agreement. However, should any party fail to appropriate adequate funds to comply with this Agreement, the party failing to so appropriate shall provide notice to the other parties at least ninety (90) days prior to the end of the fiscal year in which funds were budgeted. In such case, this Agreement will terminate at the end of the fiscal year in which funds were budgeted.

(c) *Breach.* If any party fails to comply with any provision of this Agreement, any other party may send written notice of that fact to the breaching party. The Agreement will terminate, as to the party notifying the breaching party of the breach, if the breach is not cured within thirty (30) days after the date notice is received. A waiver by a party of any breach of this Agreement will not operate as a waiver of any other breach of this Agreement.

(d) *Venue.* All parties agree that exclusive venue for any action arising from this Agreement will lie in the District Court located in Stephens County, Texas.

(e) *Severability.* If any portion of this Agreement is found to be invalid or unenforceable, the remaining provisions will remain in full force and effect and the parties will negotiate in good faith to substitute for such invalid, illegal, or unenforceable provision with a mutually acceptable provision consistent with the original intentions of the parties.

(f) *No Waiver of Defense.* Nothing in this Agreement will be construed to waive, modify, or amend any applicable legal defense available to any party, or any past or present City Commissioner, County Commissioner, Board Member, officer, agent, or employee, including but not limited to governmental immunity from suit as provided by law.

(g) *Assignment.* This Agreement may not be assigned without the written consent of both parties.

(h) *Independent Contractors.* The parties to this Agreement are independent contractors. No party will have any rights, power, or authority to act or create an obligation, express or implied, on behalf of another party except as specified in this Agreement.

This Interlocal Agreement was duly approved by the City Commission of the City of Breckenridge on the ___ day of _____ 2026.

Bob Sims, Mayor

ATTEST:

Jessica Sutter, City Secretary

S E A L

This Interlocal Agreement was duly approved by the Commissioners Court of Stephens County on the _____ day of _____ 2026.

William Thompson, County Judge

ATTEST:

Jackie Ensey, County Clerk

This Interlocal Agreement was duly approved by the Board of Directors of the Breckenridge Economic Development Corporation on the _____ day of _____ 2026.

Ty Bartoskewitz, President

ATTEST:

_____, Secretary



**BRECKENRIDGE CITY COMMISSION
AGENDA SUMMARY FORM**

Subject: Discussion and any action regarding approval of the Supplemental Point of Delivery Agreement with the West Central Texas Municipal Water District

Department: Administration

Staff Contact: Cynthia Northrop

Title: City Manager

BACKGROUND INFORMATION:

This supplemental agreement would update our Point(s) of Delivery with the West Central Texas Municipal Water District from our original 1959 Contract with two existing amendments (dated Aug. 22, 1985, and July 30, 2003) and involved the Breckenridge Country Club.

The BCC has been getting their water directly from WCTMWD and has been paying a rate not in compliance with state statutes charging water rates. Put simply, whether it is WCTMWD or the City of Breckenridge, we are both required to charge rates by class of users and so the WCTMWD had to update the rate they were charging the BCC. Unfortunately, the rate increased their cost, and they are seeking a more equitable rate to continue operations.

First, this agreement simply adds a point of delivery to our contract with WCTMWD for BCC. They are in our CCN (Certificate of Convenience and Necessity) which is the area for which we can provide water.

Two correlated issues to be aware:

1. The amount of water they use will be calculated into our allowed contractual allocation of water. Generally, we are allowed 1900-acre ft per year (619 million gallons). We currently use approximately 1200 – 1300-acre ft per year (391 mg – 423 mg). Using the upper number (423mg) we use approximately 68% of our allowable allocation. in 2025 the BCC used 9,088,000 which represents approximately a little over 2% of our annual use of 423 mg.
2. Cost of water. To keep it simple, staff is proposing to charge the same rate WCTMWD of BCC's previous rate. This rate is .25 cents per 1,000 gallons with a minimum of \$138.90. This will be addressed in a separate agenda item in June by Ordinance; codifying the water rate charge in our Fee Schedule.

FINANCIAL IMPACT:

NA

STAFF RECOMMENDATION:

Consider approval of the WCTMWD Agreement as presented.



WEST CENTRAL TEXAS MUNICIPAL WATER DISTRICT

410 Hickory Street, Abilene TX 79601

Phone (325) 673-8254 / Fax (325) 673-8272 / www.wctmwd.org

SUPPLEMENTAL POINT OF DELIVERY AGREEMENT BETWEEN THE WEST CENTRAL TEXAS MUNICIPAL WATER DISTRICT AND THE CITY OF BRECKENRIDGE, TEXAS

WHEREAS, an obligation for raw water (“**Water**”) delivery by the **WEST CENTRAL TEXAS MUNICIPAL WATER DISTRICT (“District”)** to the **CITY OF BRECKENRIDGE, TEXAS (“City”)** has been defined by a Water Contract dated September 30, 1959, together with all amendments previously executed (“**Contract**”); and

WHEREAS, under the terms of the Contract, the current Point of Delivery of District Water to the City is defined as the “City’s water treatment plant located at 900 South Breckenridge Avenue”; and

WHEREAS, the City and the District desire to add a Point of Delivery of District Water to the City as set forth herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the District and the City agree as follows:

1. A Point of Delivery of District Water to the City under the Contract shall be added at the District’s Breckenridge Pipeline station 291+00 (the “Golf Course Meter”).
2. The Golf Course Meter is: a) deemed to be a meter to measure quantities of Water being sold and delivered to the City under the Contract; and b) subject to all terms, conditions, restrictions and other agreements as set forth in the Contract relating to meters.
3. The Water as measured by the District at the Golf Course Meter: a) is in all respects considered to be Water delivered by the District to the City under the Contract; b) shall be counted as part of the City’s annual allocation under the Contract from Hubbard Creek Reservoir (currently 1,900 acre-feet per year); c) shall be charged (and paid) as part of the District’s billing to the City under the Contract; and d) is subject to all terms, conditions, restrictions and other agreements as set forth in the Contract.
4. The District confirms that the City may charge the Breckenridge Country Club for the Water measured at the Golf Course Meter at its discretion.
5. The terms and conditions set forth herein are binding upon the District and the City as of the date set forth below and shall continue under the terms of the Contract; provided however that either party may terminate the supplemental Point of Delivery of District Water as established herein upon 60 days’ notice to the other party.

COMPLETED AND EXECUTED THIS _____ DAY OF _____, 2026.

WEST CENTRAL TEXAS
MUNICIPAL WATER DISTRICT

CITY OF BRECKENRIDGE, TEXAS

By: _____
Board President

By: _____
Mayor

By: _____
General Manager

By: _____
City Manager

ATTEST:

ATTEST:

By: _____
Board Secretary

By: _____
City Secretary

“District”
General Manager
West Central Texas Municipal Water District
410 Hickory Street
Abilene, Texas 76901

“City”
City Manager
City of Breckenridge
105 North Rose Avenue
Breckenridge, Texas 76424



BRECKENRIDGE CITY COMMISSION
AGENDA SUMMARY FORM

Subject: Discussion and any necessary action regarding approval of Resolution 2026-13 appointing a director to the West Central Municipality Water District.

Department: Administration

Staff Contact: Cynthia Northrop

Title: City Manager

BACKGROUND INFORMATION:

As a member city of the West Central Texas Municipal Water District, the City of Breckenridge has the responsibility to appoint two members to serve as Directors on the WCTMWD Board. City Commissioners recently re-appointed Scott Harris. Our other current appointee is Will Thompson, who recently resigned as he is the Stephens County Judge Elect. Will is serving a two-year term that expires May 31, 2027.

The following individuals are willing to serve the unexpired term:

- Caleb Masters – local realtor and current (2026) Citizen’s Academy attendee.
- John Powell – local resident and graduate of our 2025 Citizen’s Academy.
- Jacob Cornwall – currently serving on the BEDC Board.

FINANCIAL IMPACT:

NA

STAFF RECOMMENDATION:

Consider approval of Resolution 2026-13 appointing_____ to serve as Director on the WCTMWD to fill the unexpired term set to expire May 31, 2027 as presented.

RESOLUTION NO. 2026-13

A RESOLUTION OF THE CITY OF BRECKENRIDGE, STEPHENS COUNTY, TEXAS, APPOINTING A MEMBER TO THE BOARD OF DIRECTORS OF THE WEST CENTRAL TEXAS MUNICIPAL WATER DISTRICT.

WHEREAS, the City Commission of the City of Breckenridge is charged to annually appoint a member to the Board of Directors of the West Central Texas Municipal Water District; and

WHEREAS, the term of office for Will Thompson does expire on May 31, 2027;

WHEREAS, Will Thompson has resigned his position on the Board of Directors;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF BRECKENRIDGE, STEPHENS COUNTY, TEXAS AS FOLLOWS:

That _____ shall be appointed to the Board of Directors of the West Central Texas Municipal water District for the remaining term set to expire on May 31, 2027.

PASSED AND APPROVED by the City Commission of the City of Breckenridge, Stephens County, Texas on this the 5th day of May 2026.

APPROVED:

Bob Sims, Mayor

ATTEST:

Jessica Sutter, City Secretary