



**NOTICE OF
REGULAR MEETING OF THE TOWN COUNCIL
HICKORY CREEK TOWN HALL
1075 RONALD REAGAN AVENUE, HICKORY CREEK, TEXAS 75065
MONDAY, OCTOBER 24, 2022, 6:00 PM**

AGENDA

Call to Order

Roll Call

Pledge of Allegiance to the U.S. And Texas Flags

Invocation

Proclamations

1. Arbor Day

Items of Community Interest

Pursuant to Texas Government Code Section 551.0415 the Town Council may report on the following: expressions of thanks, congratulations, or condolence; an honorary or salutory recognition of an individual; a reminder about an upcoming event organized or sponsored by the governing body; and announcements involving an imminent threat to the public health and safety of people in the municipality or county that has arisen after the posting of the agenda.

Public Comment

This item allows the public an opportunity to address the Town Council. To comply with the provisions of the Open Meetings Act, the Town Council cannot discuss or take action on items brought before them not posted on the agenda. Please complete a request if you wish to address the Town Council. Comments will be limited to three minutes. Open Forum is for information only. No charges and/or complaints will be heard against any elected official, board member, the Town, or employee of the Town that are prohibited by law.

Consent Agenda

Items on the Consent Agenda are considered to be self-explanatory and will be enacted with one motion. No separate discussion of these items will occur unless so requested by at least one member of the Town Council.

2. September 2022 Council Meeting Minutes
3. September 2022 Financial Statements

4. Consider and act on an ordinance of the Town of Hickory Creek, Texas, granting to Denton County Electric Cooperative, Inc., d/b/a CoServ Electric, and its successors and assigns, the non-exclusive right to use and occupy rights-of-way within the Town of Hickory Creek, Texas for the construction and operation of an electric transmission and distribution system, prescribing conditions governing the use of the public rights-of-way; providing for compensation therefor, providing for an effective date and a term of said franchise, providing for written acceptance of this franchise: finding that the meeting at which this ordinance was passed is open to the public.
5. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas designating the Denton Record Chronicle as the official newspaper for the Town of Hickory Creek, Texas.
6. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, ("Town") denying Oncor Electric Delivery Company, LLC's application to increase rates related to Oncor's statement of intent to increase rates filed on or about May 13, 2022; requiring the reimbursement of municipal rate case expenses; finding the meeting complies with the Open Meetings Act; making other findings and provisions related to the subject.

Regular Agenda

7. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, hereby authorizing the Mayor of the Town of Hickory Creek, Texas, to execute an agreement concerning Town Hall audio systems.
8. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, hereby authorizing the Mayor of the Town of Hickory Creek, Texas, to execute an agreement between the Town of Hickory Creek and Pavlov Media, Inc. concerning the use of Town property for development and location of broadband infrastructure.
9. Consider and act on allocating funds for gateway monument sign on Turbeville Road.
10. Discussion regarding commercial use of Town boat ramps and docks and related fees.
11. Receive update from Chief Dunn concerning police department activity since the September council meeting and discuss same.
12. Receive update from John Smith, Town Administrator, regarding Sycamore Bend construction project and discuss same.

Future Agenda Items

The purpose of this section is to allow each Council Member the opportunity to propose that an item be added as a business item to any future agenda. Any discussion of, or a decision about, the subject matter shall be limited to a proposal to place the subject on the agenda for a subsequent meeting.

Adjournment

The Town Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by the Texas Government Code, Chapter 551.

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to the meeting. Please contact Town Hall at 940-497-2528 or by fax 940-497-3531 so that appropriate arrangements can be made.

I, Kristi Rogers, Town Secretary, for the Town of Hickory Creek certify that this meeting notice was posted on the bulletin board at Town Hall, 1075 Ronald Reagan Avenue, Hickory Creek, Texas on October 19, 2022 at 4:30 p.m.

A handwritten signature in cursive script, appearing to read "Kristi Rogers", written over a horizontal line.

Kristi Rogers, Town Secretary
Town of Hickory Creek

Proclamation

by the

Mayor of the Town of Hickory Creek, Texas

- WHEREAS,** In 1872, the Nebraska Board of Agriculture established a special day be set aside for the planting of trees, and
- WHEREAS,** this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and
- WHEREAS,** Arbor Day is now observed throughout the nation and the world, and
- WHEREAS,** trees can be a solution to combating climate change by reducing the erosion of our precious topsoil by wind and water, cutting heating and cooling costs, moderating the temperature, cleaning the air, producing life-giving oxygen, and providing habitat for wildlife, and
- WHEREAS,** trees are a renewable resource giving us paper, wood for our homes, fuel for our fires and countless other wood products, and
- WHEREAS,** trees in our town increase property values, enhance the economic vitality of business areas, and beautify our community, and
- WHEREAS,** trees, wherever they are planted, are a source of joy and spiritual renewal.
- NOW, THEREFORE,** I, Lynn C. Clark, Mayor of the Town of Hickory Creek, Texas, do hereby proclaim November 5, 2022, as Arbor Day, in the Town of Hickory Creek, Texas, and I urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands, and
- FURTHER,** I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the official seal of the Town of Hickory Creek, Texas to be affixed this the 24th day of October, 2022.

Lynn C. Clark, Mayor

ATTEST:

Kristi K. Rogers, Town Secretary

**SPECIAL MEETING OF THE TOWN COUNCIL
HICKORY CREEK TOWN HALL
1075 RONALD REAGAN, HICKORY CREEK, TEXAS
THURSDAY, SEPTEMBER 15, 2022**

MINUTES

Call to Order

Mayor Clark called the meeting to order at 6:01 p.m.

Roll Call

The following members were present:

Mayor Lynn Clark

Councilmember Randy Gibbons

Councilmember Richard DuPree

Councilmember Chris Gordon

Mayor Pro Tem Paul Kenney

Councilmember Ian Theodore arrived at 6:03 p.m.

Also in attendance:

John M. Smith, Jr., Town Administrator

Kristi K. Rogers, Town Secretary

Trey Sargent, Town Attorney

Pledge of Allegiance to the U.S. And Texas Flags

Mayor Clark led the Pledge of Allegiance to the U.S. and Texas Flags.

Invocation

Councilmember Gordon gave the invocation.

Proclamations

1. Suicide Prevention Awareness

Mayor Clark proclaimed September 2022 as Suicide Prevention Awareness Month.

Items of Community Interest

Citizens are encouraged to serve on various boards and commissions for the town.

7th Annual "See You at the Station" will be held on Wednesday, September 21, 2022 at 8:00 a.m. at Hickory Creek Town Hall. The community is invited to attend to pray for police officers, firefighters and all first responders.

The "9/11 Walk of Remembrance" held on Sunday, September 11, 2022 was a moving tribute to those who lost their lives on 9/11 and approximately 150 citizens attended.

Lake Cities Chamber Rolling into Fall Bicycle Rally will be held on September 24, 2022 from 7:00 a.m. until 1:00 p.m. at Thousand Hills Church. Volunteers are needed.

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Lake Cities Chamber of Commerce will host a Career Fair at the Fairfield Inn and Suites, 6557 S. I35E, Corinth Texas on October 19, 2022 from 2:00 p.m. to 6:00 p.m.

Thousand Hills Church, 8380 S. Stemmons Freeway, will hold a ribbon cutting on September 18, 2022 at 9:00 a.m.

Public Comment

Ron Furtick, 1500 Turbeville Road, announced he would be opening a French bakery across the street from Town Hall. He would like for the Town Council to attend the ribbon cutting ceremony. He would like to start the future downtown and the current market will dictate council making hard decisions. He is willing to invest his time in Hickory Creek and thanked the Town Council for all their efforts.

Consent Agenda

2. August 2022 Council Meeting Minutes
3. August 2022 Financial Statements
4. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas hereby authorizing the Mayor of the Town of Hickory Creek, Texas to execute an agreement between the Town of Hickory Creek and the Denton County Elections Administrator concerning election administration services.

Motion made by Councilmember DuPree to approve consent agenda items 2-4 as presented, Seconded by Councilmember Gordon.

Voting Yea: Councilmember Gibbons, Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

Regular Agenda

5. Conduct a public hearing continued from August 22, 2022 regarding a request from Reserve at Hickory Creek, LLC to designate the zoning as PD (Planned Development) on an 18.8530 acre tract of land situated in the H.H. Swisher Survey, Abstract Number 1220, Denton County, Texas, conveyed to Reserve at Hickory Creek LLC, according to the document filed of record in Document Number 2021-133395 Deed Records Denton County, Texas, Town of Hickory Creek, Denton County, Texas and consider and act on an ordinance for the same. The property is located at 1745 Turbeville Road.

John Smith, Town Administrator, provided the council an overview of the zoning request.

David Hawes, Hawes Hill & Associates and Taylor Stinnett, MarketSpace Capital, representing Reserve at Hickory Creek, LLC, provided an overview of the zoning request and answered questions from the Town Council.

Lee Williams, Halff Engineering, answered questions from the town council.

Mayor Clark called the public hearing to order at 6:40 p.m.

Melissa Stone, 207 Garth Lane, stated she has lived in Hickory Creek for almost a year and would like to serve on the vision committee. Development with increased density must happen for Hickory Creek to survive. Townhomes and apartments are needed due to growth in population. She would have liked more greenspace to be included in the development. It is incredibly dense and does not reflect why people choose to live in Hickory Creek. When considering future developments, she would like for the Town Council to consider the heart of the community. Mrs. Stone also shared her concerns regarding agenda item 7 including the increased density rezoning the property from SF-1 to SF-3 and traffic concerns.

John Walker, 127 Oakwood Lane, stated after speaking at previous Planning and Zoning and Town Council meetings regarding the Reserve at Hickory Creek, he reached out to the Town Council and John Smith, Town Administrator. He thanked Mr. Smith, who met with homeowners from the Enclave Subdivision, explaining the thought process and considerations the town went through regarding the development. He still has concerns including the number of trees that will be removed and ensuring the development will be owner occupied and not become short term rentals.

With no one else wishing to speak, Mayor Clark closed the public hearing at 6:46 p.m.

Motion made by Councilmember Gordon to approve an ordinance designating the zoning as PD (Planned Development) on an 18.8530 acre tract of land situated in the H.H. Swisher Survey, Abstract Number 1220, Denton County, Texas Seconded by Councilmember Theodore.

Voting Yea: Councilmember Gibbons, Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

6. Consider and act on a preliminary plat of Reserve at Hickory Creek, being an 18.8530 acre tract of land situated in the H.H. Swisher Survey, Abstract Number 1220, Town of Hickory Creek, Denton County, Texas. The property is located at 1745 Turbeville Road.

Motion made by Councilmember Theodore to approve agenda item 6, Seconded by Councilmember Gordon.

Voting Yea: Councilmember Gibbons, Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

7. Conduct a public hearing regarding a request from John Murphy, trustee of the John R Murphy Family Trust, on behalf of Yanlin Qian to change the zoning designation from SF-1 Residential District to SF-3 Residential District on a tract of land legally described as A1075a Ramsey, Tract 43B, 44B, 45C, 7.0 acres in the Town of Hickory Creek, Denton County, Texas. The property is located at 125 South Hook Road and consider and act on an ordinance for the same.

John Smith, Town Administrator, provided the council an overview of the zoning request.

Yanlin Qian provided an overview of the zoning request and answered questions from the Town Council.

Mayor Clark called the public hearing to order at 7:16 p.m.

Denver Stone, 207 Garth Lane, stated he is opposed to the zoning change. The addition of twenty one homes on seven acres does not make sense in the area since the surrounding lots are one acre or greater. He would not be opposed to the property being divided into seven one acre lots. The increase in traffic on Hook Street would be challenging and the existing infrastructure would not support the development.

Sharon Stratman, 100 Harmony Lane, stated she was drawn to Hickory Creek based on the existing zoning which requires one acre lots. She is concerned that a precedence will be set if high density is allowed for this property. Infrastructure is not in place to handle high density developments; it is dangerous for pedestrians, school buses and trash trucks.

Jim Stratman, 100 Harmony Lane, stated he moved to Hickory Creek in 2004. The ambiance of the area is very critical to him and others who also live there. Allowing twenty one homes to be built will influence the surrounding properties into a mushroom cloud of little houses. This type of development is not the right approach for the east side of Interstate 35. He loves Hickory Creek and does not want it to be ruined.

Sue Ortolano, 102 Harmony Lane, stated she moved to Hickory Creek three years ago with the expectation that lots surrounding her would be one acre. She is opposed to high density. Developing seven one acre lots would be lovely in the area. She is concerned about the wildlife, small roadways and drainage issues.

Lenora Schoultz, 962 Main Street, stated when she sits on her back patio, she sees birds, horses, deer, rabbits and lots of trees. She does not want to have twenty one homes behind her, but seven would be acceptable because that is what the undeveloped property was zoned when she purchased her land.

With no one else wishing to speak, Mayor Clark closed the public hearing at 7:29 p.m.

Motion made by Councilmember Gordon to deny the request from John Murphy, trustee of the John R Murphy Family Trust, on behalf of Yanlin Qian to change the zoning designation from SF-1 Residential District to SF-3 Residential District, located at 125 South Hook, Seconded by Councilmember Theodore.

Voting Yea: Councilmember Gibbons, Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

8. Consider and act on a preliminary and final plat of Garth Addition, Lot 1, Block A: being 2.00 acres of land located in John Ramsey Survey, Abstract No. 1075, the Town of Hickory Creek, Denton County, Texas. The property is located at 207 Garth Lane.

Motion made by Councilmember Theodore to approve agenda item 8, a preliminary and final plat of Garth Addition, Lot 1, Block A, Seconded by Councilmember DuPree.

Voting Yea: Councilmember Gibbons, Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

Mayor Clark called for a recess at 7:42 p.m.

Mayor Clark called the meeting back to order after the recess at 7:53 p.m.

9. Consider and act on an ordinance of the Town Council of the Town of Hickory Creek ratifying the property tax revenue increase reflected in the fiscal year 2022-2023 budget.

Motion made by Councilmember Gordon to approve an ordinance of the Town Council of the Town of Hickory Creek ratifying the property tax revenue increase reflected in the fiscal year 2021-2022 budget, Seconded by Councilmember Theodore.

A roll call vote was taken. Councilmember Gibbons voted yea, Councilmember DuPree voted yea, Councilmember Gordon voted yea, Mayor Pro Tem Kenney voted yea, Councilmember Theodore voted yea. Motion passed unanimously.

10. Consider and act on an ordinance of the Town Council of the Town of Hickory Creek, Texas, accepting the 2022 Certified Tax Roll for the Town of Hickory Creek; approving the 2022 Ad Valorem Tax Rate and levying \$0.270317 on each one hundred dollars of assessed valuation of all taxable property within the corporate limits of the Town for the fiscal year beginning October 1, 2022 and ending September 30, 2023. THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE; providing for a due date and delinquency date, providing for the collection and use of penalty and interest on delinquent taxes; directing the Tax Assessor/Collector to assess and collect Ad Valorem Property Taxes.

Motion made by Councilmember Gibbons to approve agenda item 10, Seconded by Mayor Pro Tem Kenney.

A roll call vote was taken. Councilmember Gibbons voted yea, Councilmember DuPree voted yea, Councilmember Gordon voted yea, Mayor Pro Tem Kenney voted yea, Councilmember Theodore voted yea. Motion passed unanimously.

11. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas authorizing the Mayor of the Town of Hickory Creek, Texas to execute an interlocal agreement among Town of Hickory Creek, Lake Cities Municipal Utility Authority and Harbor Grove Water Supply Corporation concerning fire protection services.

Motion made by Councilmember Gordon to approve a resolution, authorizing the Mayor to execute an interlocal agreement among Town of Hickory Creek, Lake Cities Municipal Utility Authority and Harbor Grove Water Supply Corporation concerning fire protection services, Seconded by Councilmember DuPree.

Voting Yea: Councilmember Gibbons, Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

12. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas hereby authorizing the Mayor of the Town of Hickory Creek, Texas to execute an interlocal agreement between the Town of Hickory Creek and the City of Corinth concerning animal services.

Motion made by Councilmember DuPree to approve a resolution of the Town Council of the Town of Hickory Creek, Texas hereby authorizing the Mayor of the Town of Hickory Creek, Texas to execute an interlocal agreement between the Town of Hickory Creek and the City of Corinth concerning an animal services interlocal agreement that is materially consistent with the proposed contract, Seconded by Councilmember Gordon.

Voting Yea: Councilmember Gibbons, Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

13. Consider and act on appointments to the vision committee and focus groups for the 2022-2023 Comprehensive Plan.

No action taken.

14. Discussion regarding potential amendments to the Town of Hickory Creek Code of Ordinances concerning tree maintenance and mitigation.

Discussion was held regarding potential amendments to the Town of Hickory Creek Code of Ordinances concerning tree maintenance and mitigation.

15. Discussion regarding the procedure, appropriateness, and other considerations concerning the adoption of a home rule charter.

Discussion was held regarding the procedure, appropriateness, and other considerations concerning the adoption of a home rule charter.

Future Agenda Items

The following items were requested: Sycamore Bend Road reconstruction update and Lake Cities Municipal Utility Authority interlocal agreement.

Adjournment

Motion made by Mayor Pro Tem Kenney to adjourn the meeting, Seconded by Councilmember Theodore.

Voting Yea: Councilmember Gibbons, Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

The meeting did then stand adjourned at 8:48 p.m.

Approved:

Attest:

Lynn C. Clark, Mayor
Town of Hickory Creek

Kristi K. Rogers, Town Secretary
Town of Hickory Creek

**REGULAR MEETING OF THE TOWN COUNCIL
HICKORY CREEK TOWN HALL
1075 RONALD REAGAN, HICKORY CREEK, TEXAS
MONDAY, SEPTEMBER 26, 2022**

MINUTES

Call to Order

Mayor Clark called the meeting to order at 6:04 p.m.

Roll Call

The following members were present:

Mayor Lynn Clark

Councilmember Richard DuPree

Councilmember Chris Gordon

Mayor Pro Tem Paul Kenney

Councilmember Ian Theodore arrived at 6:26 p.m.

The following member was absent:

Councilmember Randy Gibbons

Also in attendance:

John M. Smith, Jr., Town Administrator

Kristi K. Rogers, Town Secretary

Trey Sargent, Town Attorney

Pledge of Allegiance to the U.S. And Texas Flags

Mayor Clark led the Pledge of Allegiance to the U.S. and Texas Flags.

Invocation

Mayor Pro Tem Kenney gave the invocation.

Proclamations

1. World Teachers' Day

Mayor Clark proclaimed October 5, 2022 as World Teachers' Day.

Items of Community Interest

The Lake Dallas High School Homecoming Parade held earlier today was well attended and a fun event.

Lake Dallas ISD will host a Community Leadership Breakfast on Friday, October 14, 2022 at 8:00 a.m. at Lake Dallas High School, 3016 Parkridge Drive, Corinth, Texas 76210.

Thousand Hills Church will hold a Vendor Fair and Car Show on November 12, 2022 from 9:00 a.m. until 3:00 p.m. at 8380 S. Stemmons Freeway, Hickory Creek, Texas, 75065.

Town of Hickory Creek
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Lake Cities Chamber of Commerce will host a Career Fair at the Fairfield Inn and Suites, 6557 S. I35E, Corinth Texas on October 19, 2022 from 2:00 p.m. to 6:00 p.m.

The Parks and Recreation Board will host an Arbor Day Celebration, Saturday, November 5, 2022 from 9:00 a.m. until 12:00 p.m. at the public works facility located at 970 Main Street, Hickory Creek, Texas 75065.

Public Comment

There were no speakers for public comment.

Regular Agenda

2. Conduct a public hearing regarding a request from LG Hickory Creek LLC, to amend the current PD (Planned Development) zoning designation on a 24.344 acre tract of land situated in the H.H. Swisher Survey, Abstract No. 1220, Town of Hickory Creek, Texas, recorded in Document Number 179841 of the Official Public Records of Denton County, Texas and consider and act on an ordinance for the same.

John Smith, Town Administrator, provided an overview of the request to amend the zoning.

Scott Lyday, Leon Capital Group, provided an overview of the development and answered questions from the Town Council.

Mayor Clark called the public hearing to order at 6:20 p.m. With no one wishing to speak, Mayor Clark closed the public hearing at 6:20 p.m.

Motion made by Councilmember Gordon to approve an ordinance amending the current PD (Planned Development) zoning designation on a 24.344 acre tract of land situated in the H.H. Swisher Survey, Abstract No. 1220, Town of Hickory Creek, Texas, recorded in Document Number 179841 of the Official Public Records of Denton County, Texas, Seconded by Councilmember DuPree.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney.

Motion passed unanimously.

3. Consider and act on a final plat for the Lakesound Addition, Lot 1, Block A in the H.H. Swisher Survey, Abstract No 1220, Town of Hickory Creek, Denton County Texas. The property is located in the 3400 block of FM 2181.

Motion made by Councilmember Gordon to approve a final plat for the Lakesound Addition, Lot 1, Block A in the H.H. Swisher Survey, Abstract No 1220, Town of Hickory Creek, Denton County Texas. The property is located in the 3400 block of FM 2181, Seconded by Mayor Pro Tem Kenney.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney.

Motion passed unanimously.

4. Consider and act on a site and landscape plan for the Lakesound Addition, Lot 1, Block A in the H.H. Swisher Survey, Abstract No 1220, Town of Hickory Creek, Denton County Texas. The property is located in the 3400 block of FM 2181.

Motion made by Mayor Pro Tem Kenney to approve site and landscape plan for the Lakesound Addition, Lot 1, Block A in the H.H. Swisher Survey, Abstract No 1220, Town of Hickory Creek, Denton County Texas. The property is located in the 3400 block of FM 2181, Seconded by Councilmember DuPree.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney.
Motion passed unanimously.

5. Conduct a public hearing regarding the voluntary annexation of a 10.72 acre tract or tracts of land situated in the H.H. Swisher Survey, Abstract No. 1220, Denton County, Texas and consider and act on an ordinance adopting the same.

John Smith, Town Administrator, provided an overview of the voluntary annexation.

Mayor Clark called the public hearing to order at 6:28 p.m. With no one wishing to speak, Mayor Clark closed the public hearing at 6:28 p.m.

Motion made by Councilmember Gordon to approve an ordinance regarding the voluntary annexation of a 10.72 acre tract or tracts of land situated in the H.H. Swisher Survey, Abstract No. 1220, Denton County, Texas, Seconded by Councilmember DuPree.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

6. Discussion with Denton Animal Support Foundation.

Bette Sherman, Chairman and Co-Founder of the Denton Animal Support Foundation, provided an overview of the foundation. DASF provides support to the Linda McNatt Animal Care & Adoption Center and funds critical programs and needs of the local community.

7. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas hereby authorizing the Mayor of the Town of Hickory Creek, Texas to execute an interlocal agreement between the Town of Hickory Creek and the Town of Shady Shores concerning public works services.

John Smith, Town Administrator, provided an overview of the interlocal agreement.

Motion made by Councilmember Gordon to approve a resolution of the Town Council of the Town of Hickory Creek authorizing the Mayor to execute an interlocal agreement between the Town of Hickory Creek and the Town of Shady Shores concerning public works services, Seconded by Councilmember DuPree.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

8. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas, supporting Denton County's Transportation Road Improvement Program, Proposition A on the November 8, 2022 Election Ballot.

Motion made by Councilmember Theodore to approve a resolution of the Town Council of the Town of Hickory Creek, Texas, supporting Denton County's Transportation Road Improvement Program, Proposition A on the November 8, 2022 Election Ballot, Seconded by Mayor Pro Tem Kenney.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

9. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas hereby authorizing the Mayor of the Town of Hickory Creek, Texas to execute an agreement between the Town of Hickory Creek and Utility Associates, Inc. concerning law enforcement technology services.

Motion made by Councilmember Gordon to approve a resolution to execute an agreement between the Town of Hickory Creek and Utility Associates, Inc. concerning law enforcement technology services, Seconded by Mayor Pro Tem Kenney.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

10. Consider and act on a resolution of the Town Council of the Town of Hickory Creek, Texas supporting a grant application to the Governor's Office concerning bullet resistant shields.

Motion made by Mayor Pro Tem Kenney to approve a resolution of the Town Council of the Town of Hickory Creek, Texas supporting a grant application to the Governor's Office concerning bullet resistant shields, Seconded by Councilmember DuPree.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

11. Consider and act on Contract Amendment No. 2 for the Sycamore Bend Road Construction Project.

John Smith, Town Administrator, provided information regarding Contract Amendment No. 2.

Motion made by Councilmember Gordon to approve Contract Amendment No. 2. in an amount not to exceed \$230,000, Seconded by Councilmember DuPree.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Councilmember Theodore.
Voting Nay: Mayor Pro Tem Kenney. Motion passed.

12. Consider and act on allocating funds to purchase a vehicle for the public works department.

Motion made by Councilmember Theodore to allocated funds in an amount not to exceed \$60,000 to purchase a vehicle for the public works department, Seconded by Mayor Pro Tem Kenney.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

13. Consider and act on appointments to the vision committee and focus groups for the 2022-2023 Comprehensive Plan.

Motion made by Councilmember Gordon to approve appointments to the vision committee and focus groups for the 2022-2023 Comprehensive Plan as discussed, Seconded by Mayor Pro Tem Kenney.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

Future Agenda Items

The following items were requested: Animal Services fees and construction of a Denton County Animal Shelter.

Adjournment

Motion made by Mayor Pro Tem Kenney to adjourn the meeting, Seconded by Councilmember Theodore.

Voting Yea: Councilmember DuPree, Councilmember Gordon, Mayor Pro Tem Kenney, Councilmember Theodore. Motion passed unanimously.

The meeting did then stand adjourned at 8:02 p.m.

Approved:

Attest:

Lynn C. Clark, Mayor
Town of Hickory Creek

Kristi K. Rogers, Town Secretary
Town of Hickory Creek

Town of Hickory Creek
Balance Sheet
As of September 30, 2022

	Sep 30, 22
ASSETS	
Current Assets	
Checking/Savings	
BOA - Animal Shelter Fund	22,537.33
BOA - Drug Forfeiture	3,797.36
BOA - Drug Seizure	3,937.16
BOA - General Fund	566,951.13
BOA - Parks and Recreation	94,361.56
BOA - Payroll	260.00
BOA - Police State Training	5,186.91
Logic 2020 CO's	2,728,554.15
Logic Animal Shelter Facility	9,655.60
Logic Coronavirus Recovery Fund	854,943.19
Logic Harbor Ln-Sycamore Bend	81,023.74
Logic Investment Fund	5,320,769.91
Logic Turbeville Road	95,641.86
Total Checking/Savings	9,787,619.90
Accounts Receivable	
Accounts Receivable	6,281.52
Municipal Court Payments	5,845.50
Total Accounts Receivable	12,127.02
Total Current Assets	9,799,746.92
TOTAL ASSETS	9,799,746.92
LIABILITIES & EQUITY	0.00

Town of Hickory Creek
Profit & Loss
September 2022

	Sep 22
Ordinary Income/Expense	
Income	
Ad Valorem Tax Revenue	
4002 M&O	873.03
4004 M&O Penalties & Interest	250.29
4006 Delinquent M&O	87.33
4008 I&S Debt Service	474.07
4010 I&S Penalties & Interest	140.17
4012 Delinquent I&S	54.74
	1,879.63
Total Ad Valorem Tax Revenue	1,879.63
Building Department Revenue	
4102 Building Permits	105,075.00
4104 Certificate of Occupancy	2,000.00
4106 Contractor Registration	675.00
4108 Preliminary/Final Plat	850.00
4110 Prelim/Final Site Plan	2,100.00
4112 Health Inspections	5,520.00
	116,220.00
Total Building Department Revenue	116,220.00
Franchise Fee Revenue	
4212 Republic Services	4,797.97
	4,797.97
Total Franchise Fee Revenue	4,797.97
Interest Revenue	
4330 General Fund Interest	1.12
4332 Investment Interest	19,593.60
	19,594.72
Total Interest Revenue	19,594.72
Interlocal Revenue	
4402 Corp Contract Current Year	17,049.84
	17,049.84
Total Interlocal Revenue	17,049.84
Miscellaneous Revenue	
4502 Animal Adoption & Impound	440.00
4506 Animal Shelter Donations	25.00
4508 Annual Park Passes	49.25
4510 Arrowhead Park Fees	3,937.00
4530 Other Receivables	37,845.09
4536 Point Vista Park Fees	1,475.00
	43,771.34
Total Miscellaneous Revenue	43,771.34
Municipal Court Revenue	
4602 Building Security Fund	1,246.67
4604 Citations	39,296.97
4606 Court Technology Fund	1,067.45
4608 Jury Fund	25.51
4610 Truancy Fund	1,276.34
4612 State Court Costs	20,728.97
4614 Child Safety Fee	25.00
	63,666.91
Total Municipal Court Revenue	63,666.91
Sales Tax Revenue	
4702 Sales Tax General Fund	169,361.18
4706 Sales Tax 4B Corporation	24,194.46
4708 Sales Tax Mixed Beverage	3,141.43
	196,697.07
Total Sales Tax Revenue	196,697.07
Total Income	463,677.48
Gross Profit	463,677.48
Expense	

Town of Hickory Creek
Profit & Loss
 September 2022

	Sep 22
Capital Outlay	
5026 Fleet Vehicles	64,628.89
5030 Sycamore Bend Construction	731,911.25
5032 Broadband Initiative	344,487.50
	1,141,027.64
Total Capital Outlay	
General Government	
5202 Bank Service Charges	15.00
5206 Computer Hardware/Software	3,410.45
5208 Copier Rental	363.12
5212 EDC Tax Payment	24,195.46
5214 Election Expenses	45.00
5216 Volunteer/Staff Events	120.01
5218 General Communications	472.00
5224 Postage	379.47
5226 Community Cause	450.14
5228 Town Council/Board Expense	1,721.71
	31,172.36
Total General Government	
Municipal Court	
5312 Court Technology	3,012.17
5318 Merchant Fees/Credit Cards	698.69
5322 Office Supplies/Equipment	3.49
5332 Warrants Collected	1,818.38
	5,532.73
Total Municipal Court	
Parks and Recreation	
5408 Tanglewood Park	926.18
	926.18
Total Parks and Recreation	
Parks Corps of Engineer	
5432 Arrowhead	340.39
5434 Harbor Grove	97.94
5436 Point Vista	174.73
5438 Sycamore Bend	198.85
	811.91
Total Parks Corps of Engineer	
Personnel	
5502 Administration Wages	57,758.27
5506 Police Wages	116,654.42
5507 Police Overtime Wages	5,348.65
5508 Public Works Wages	24,313.15
5509 Public Works Overtime Wage	296.25
5510 Health Insurance	19,325.01
5514 Payroll Expense	2,948.98
5518 Retirement (TMRS)	19,811.62
	246,456.35
Total Personnel	
Police Department	
5602 Auto Gas & Oil	5,239.79
5606 Auto Maintenance & Repair	1,443.20
5612 Computer Hardware/Software	750.08
5614 Crime Lab Analysis	530.00
5616 Drug Forfeiture	-3,561.58
5626 Office Supplies/Equipment	90.98
5634 Travel Expense	689.94
5636 Uniforms	1,568.03
5640 Training & Education	2,260.00
5648 K9 Unit	-8,500.00
	510.44
Total Police Department	
Public Works Department	
5710 Auto Gas & Oil	1,445.14

Town of Hickory Creek
Profit & Loss
September 2022

	<u>Sep 22</u>
5714 Auto Maintenance/Repair	122.00
5722 Equipment	1,095.09
5728 Equipment Supplies	133.22
5732 Office Supplies/Equipment	54.99
5734 Communications	315.25
5740 Travel Expense	451.77
5742 Uniforms	163.69
5748 Landscaping Services	10,272.58
Total Public Works Department	14,053.73
Services	
5802 Appraisal District	3,340.79
5804 Attorney Fees	16,352.65
5814 Engineering	7,921.11
5818 Inspections	22,260.00
5822 Legal Notices/Advertising	106.20
5824 Library Services	92.70
5826 Municipal Judge	1,150.00
5828 Printing	41.99
Total Services	51,265.44
Utilities & Maintenance	
5902 Bldg Maintenance/Supplies	31,941.96
5904 Electric	2,403.30
5906 Gas	97.73
5908 Street Lighting	3,417.31
5910 Telephone	2,577.98
5912 Water	7,603.76
Total Utilities & Maintenance	48,042.04
Total Expense	1,539,798.82
Net Ordinary Income	-1,076,121.34
Net Income	-1,076,121.34

Town of Hickory Creek
Budget vs. Actual Year to Date 100%
October 2021 through September 2022

	Oct '21 - Sep 22	Budget	% of Budget
Ordinary Income/Expense			
Income			
Ad Valorem Tax Revenue			
4002 M&O	1,463,820.31	1,484,251.00	98.6%
4004 M&O Penalties & Interest	6,288.88	3,000.00	209.6%
4006 Delinquent M&O	1,147.52	1,000.00	114.8%
4008 I&S Debt Service	794,677.23	805,976.00	98.6%
4010 I&S Penalties & Interest	3,359.75	1,500.00	224.0%
4012 Delinquent I&S	676.04	750.00	90.1%
Total Ad Valorem Tax Revenue	2,269,969.73	2,296,477.00	98.8%
Building Department Revenue			
4102 Building Permits	1,220,342.36	750,000.00	162.7%
4104 Certificate of Occupancy	32,500.00	25,000.00	130.0%
4106 Contractor Registration	12,975.00	7,500.00	173.0%
4108 Preliminary/Final Plat	7,375.00	2,275.00	324.2%
4110 Prelim/Final Site Plan	35,801.00	9,786.00	365.8%
4112 Health Inspections	16,100.00	10,000.00	161.0%
4122 Septic Permits	2,700.00	3,000.00	90.0%
4124 Sign Permits	1,450.00	1,000.00	145.0%
4126 Special Use Permit	0.00	200.00	0.0%
4128 Variance Fee	2,500.00	2,000.00	125.0%
4130 Vendor Fee	575.00	700.00	82.1%
4132 Alarm Permit Fees	625.00	500.00	125.0%
Total Building Department Revenue	1,332,943.36	811,961.00	164.2%
Franchise Fee Revenue			
4202 Atmos Energy	65,388.09	46,000.00	142.1%
4204 Charter Communications	43,182.77	42,900.00	100.7%
4206 CenturyLink	0.00	0.00	0.0%
4208 CoServ	5,081.57	4,700.00	108.1%
4210 Oncor Electric	132,559.70	131,500.00	100.8%
4212 Republic Services	54,593.86	48,000.00	113.7%
Total Franchise Fee Revenue	300,805.99	273,100.00	110.1%
Interest Revenue			
4302 Animal Shelter Interest	0.00	0.00	0.0%
4308 Drug Forfeiture Interest	0.00	0.00	0.0%
4330 General Fund Interest	12.67	50.00	25.3%
4332 Investment Interest	80,545.40	7,500.00	1,073.9%
Total Interest Revenue	80,558.07	7,550.00	1,067.0%
Interlocal Revenue			
4402 Corp Contract Current Year	51,149.52	45,500.00	112.4%
Total Interlocal Revenue	51,149.52	45,500.00	112.4%
Miscellaneous Revenue			
4502 Animal Adoption & Impound	10,394.50	10,600.00	98.1%
4506 Animal Shelter Donations	2,455.00	2,280.00	107.7%
4508 Annual Park Passes	10,015.60	25,000.00	40.1%
4510 Arrowhead Park Fees	46,720.00	40,000.00	116.8%
4512 Beer & Wine Permit	60.00	150.00	40.0%
4516 Corp Parks Fund Reserve	0.00	43,986.00	0.0%
4518 Drug Forfeiture	0.00	0.00	0.0%
4520 Drug Seizure	0.00	0.00	0.0%
4522 EDCPayment/Ronald Reagan	0.00	45,778.00	0.0%
4524 Fund Balance Reserve	0.00	111,092.00	0.0%
4526 Mineral Rights	1,371.18	1,000.00	137.1%
4530 Other Receivables	274,142.52	200,000.00	137.1%
4534 PD State Training	1,025.45	1,026.00	99.9%
4536 Point Vista Park Fees	15,654.00	12,000.00	130.5%
4546 Street Improv Restricted	0.00	265,000.00	0.0%
4550 Sycamore Bend Fees	17,229.00	15,000.00	114.9%
4554 Building Security Fund Res	0.00	0.00	0.0%

Town of Hickory Creek
Budget vs. Actual Year to Date 100%
October 2021 through September 2022

	Oct '21 - Sep 22	Budget	% of Budget
4556 Court Tech Fund Reserve	0.00	0.00	0.0%
4558 Harbor Lane/Sycamore Bend	28,000.00	26,250.00	106.7%
4560 2020 CO Proceeds	0.00	120,000.00	0.0%
4562 Coronavirus Local Recovery	0.00	595,240.00	0.0%
4564 Task Force Forfeiture	0.00	0.00	0.0%
Total Miscellaneous Revenue	407,067.25	1,514,402.00	26.9%
Municipal Court Revenue			
4602 Building Security Fund	17,433.40	9,270.00	188.1%
4604 Citations	520,565.74	450,000.00	115.7%
4606 Court Technology Fund	14,632.08	12,115.00	120.8%
4608 Jury Fund	341.22	200.00	170.6%
4610 Truancy Fund	17,059.44	7,500.00	227.5%
4612 State Court Costs	278,043.74	250,000.00	111.2%
4614 Child Safety Fee	224.16	800.00	28.0%
Total Municipal Court Revenue	848,299.78	729,885.00	116.2%
Sales Tax Revenue			
4702 Sales Tax General Fund	1,918,165.53	1,662,500.00	115.4%
4706 Sales Tax 4B Corporation	274,023.65	237,500.00	115.4%
4708 Sales Tax Mixed Beverage	34,718.11	30,000.00	115.7%
Total Sales Tax Revenue	2,226,907.29	1,930,000.00	115.4%
Total Income	7,517,700.99	7,608,875.00	98.8%
Gross Profit	7,517,700.99	7,608,875.00	98.8%
Expense			
Capital Outlay			
5010 Street Maintenance	8,797.08	25,000.00	35.2%
5012 Streets & Road Improvement	208,034.82	265,000.00	78.5%
5022 Parks and Rec Improvements	0.00	0.00	0.0%
5024 Public Safety Improvements	20,024.50	42,500.00	47.1%
5026 Fleet Vehicles	207,923.33	202,000.00	102.9%
5030 Sycamore Bend Construction	1,458,600.39	36,955.00	3,947.0%
5032 Broadband Initiative	345,188.75	595,240.00	58.0%
Total Capital Outlay	2,248,568.87	1,166,695.00	192.7%
Debt Service			
5106 2012 Refunding Bond Series	267,120.73	267,004.00	100.0%
5110 2015 Refunding Bond Series	308,800.00	308,400.00	100.1%
5112 2015 C.O. Series	278,250.00	276,350.00	100.7%
5114 2020 C.O. Series	204,950.00	204,950.00	100.0%
Total Debt Service	1,059,120.73	1,056,704.00	100.2%
General Government			
5202 Bank Service Charges	130.00	200.00	65.0%
5204 Books & Subscriptions	268.00	300.00	89.3%
5206 Computer Hardware/Software	32,592.58	106,222.00	30.7%
5208 Copier Rental	4,305.19	4,200.00	102.5%
5210 Dues & Memberships	2,913.02	3,000.00	97.1%
5212 EDC Tax Payment	274,048.65	237,500.00	115.4%
5214 Election Expenses	45.00	0.00	100.0%
5216 Volunteer/Staff Events	5,399.03	10,500.00	51.4%
5218 General Communications	30,802.57	28,000.00	110.0%
5222 Office Supplies & Equip.	3,277.12	5,000.00	65.5%
5224 Postage	8,242.94	5,800.00	142.1%
5226 Community Cause	26,894.36	28,000.00	96.1%
5228 Town Council/Board Expense	7,630.29	6,500.00	117.4%
5230 Training & Education	1,475.00	1,500.00	98.3%
5232 Travel Expense	0.00	1,500.00	0.0%
5234 Staff Uniforms	925.58	926.00	100.0%
Total General Government	398,949.33	439,148.00	90.8%

Town of Hickory Creek
Budget vs. Actual Year to Date 100%
October 2021 through September 2022

	Oct '21 - Sep 22	Budget	% of Budget
Municipal Court			
5302 Books & Subscriptions	0.00	75.00	0.0%
5304 Building Security	1,656.77	9,270.00	17.9%
5312 Court Technology	12,542.07	12,115.00	103.5%
5314 Dues & Memberships	205.00	120.00	170.8%
5318 Merchant Fees/Credit Cards	281.59	0.00	100.0%
5322 Office Supplies/Equipment	954.97	1,200.00	79.6%
5324 State Court Costs	269,582.12	250,000.00	107.8%
5326 Training & Education	100.00	100.00	100.0%
5328 Travel Expense	0.00	500.00	0.0%
5332 Warrants Collected	-2,271.31	0.00	100.0%
Total Municipal Court	283,051.21	273,380.00	103.5%
Parks and Recreation			
5402 Events	1,320.84	2,000.00	66.0%
5408 Tanglewood Park	4,580.04	2,000.00	229.0%
5412 KHCB	175.00	500.00	35.0%
5414 Tree City USA	0.00	500.00	0.0%
5416 Town Hall Park	0.00	120,000.00	0.0%
Total Parks and Recreation	6,075.88	125,000.00	4.9%
Parks Corps of Engineer			
5432 Arrowhead	83,172.04	80,000.00	104.0%
5434 Harbor Grove	1,589.92	3,000.00	53.0%
5436 Point Vista	41,842.95	45,000.00	93.0%
5438 Sycamore Bend	15,606.68	20,000.00	78.0%
Total Parks Corps of Engineer	142,211.59	148,000.00	96.1%
Personnel			
5502 Administration Wages	483,936.09	474,280.00	102.0%
5506 Police Wages	980,205.41	983,721.00	99.6%
5507 Police Overtime Wages	19,040.36	10,000.00	190.4%
5508 Public Works Wages	204,541.03	204,506.00	100.0%
5509 Public Works Overtime Wage	2,876.98	1,200.00	239.7%
5510 Health Insurance	265,335.77	261,200.00	101.6%
5512 Longevity	12,910.00	13,076.00	98.7%
5514 Payroll Expense	25,116.03	22,000.00	114.2%
5516 Employment Exams	1,325.40	2,500.00	53.0%
5518 Retirement (TMRS)	239,415.66	239,305.00	100.0%
5520 Unemployment (TWC)	1,125.22	6,048.00	18.6%
5522 Workman's Compensation	40,538.08	31,510.00	128.7%
Total Personnel	2,276,366.03	2,249,346.00	101.2%
Police Department			
5602 Auto Gas & Oil	52,381.85	30,000.00	174.6%
5606 Auto Maintenance & Repair	38,817.44	30,000.00	129.4%
5610 Books & Subscriptions	575.63	750.00	76.8%
5612 Computer Hardware/Software	39,158.87	40,000.00	97.9%
5614 Crime Lab Analysis	3,713.71	4,500.00	82.5%
5616 Drug Forfeiture	4,494.79	0.00	100.0%
5618 Dues & Memberships	0.00	500.00	0.0%
5626 Office Supplies/Equipment	2,577.15	1,800.00	143.2%
5630 Personnel Equipment	44,386.09	50,000.00	88.8%
5634 Travel Expense	2,173.26	2,500.00	86.9%
5636 Uniforms	9,578.22	13,000.00	73.7%
5640 Training & Education	11,927.91	7,500.00	159.0%
5644 Citizens on Patrol	0.00	500.00	0.0%
5646 Community Outreach	948.59	700.00	135.5%
5648 K9 Unit	-5,289.24	3,000.00	-176.3%
5650 Task Force Forfeiture	0.00	15,000.00	0.0%
Total Police Department	205,444.27	199,750.00	102.9%
Public Works Department			
5702 Animal Control Donation	0.00	2,280.00	0.0%

Town of Hickory Creek
Budget vs. Actual Year to Date 100%
October 2021 through September 2022

	Oct '21 - Sep 22	Budget	% of Budget
5704 Animal Control Equipment	0.00	500.00	0.0%
5706 Animal Control Supplies	580.79	900.00	64.5%
5708 Animal Control Vet Fees	9,260.94	10,000.00	92.6%
5710 Auto Gas & Oil	19,005.30	20,000.00	95.0%
5714 Auto Maintenance/Repair	7,870.82	7,000.00	112.4%
5716 Beautification	2,319.27	25,000.00	9.3%
5718 Computer Hardware/Software	0.00	1,000.00	0.0%
5720 Dues & Memberships	0.00	350.00	0.0%
5722 Equipment	27,421.66	27,000.00	101.6%
5724 Equipment Maintenance	4,200.17	6,000.00	70.0%
5726 Equipment Rental	110.00	2,500.00	4.4%
5728 Equipment Supplies	5,136.61	5,000.00	102.7%
5732 Office Supplies/Equipment	514.09	500.00	102.8%
5734 Communications	3,779.47	3,800.00	99.5%
5738 Training	1,089.00	800.00	136.1%
5740 Travel Expense	806.00	1,000.00	80.6%
5742 Uniforms	2,791.99	2,500.00	111.7%
5748 Landscaping Services	59,929.51	110,000.00	54.5%
Total Public Works Department	144,815.62	226,130.00	64.0%
Services			
5802 Appraisal District	13,363.16	13,375.00	99.9%
5804 Attorney Fees	71,677.73	66,000.00	108.6%
5806 Audit	14,000.00	14,000.00	100.0%
5808 Codification	2,718.99	2,000.00	135.9%
5812 Document Management	0.00	0.00	0.0%
5814 Engineering	62,412.30	125,000.00	49.9%
5816 General Insurance	38,410.12	38,415.00	100.0%
5818 Inspections	101,555.00	75,000.00	135.4%
5820 Fire Service	972,692.00	970,692.00	100.2%
5822 Legal Notices/Advertising	1,730.90	2,500.00	69.2%
5824 Library Services	1,598.40	750.00	213.1%
5826 Municipal Judge	13,800.00	13,800.00	100.0%
5828 Printing	1,660.22	1,500.00	110.7%
5830 Tax Collection	2,599.00	2,700.00	96.3%
5832 Computer Technical Support	42,081.20	42,082.00	100.0%
5838 DCCAC	0.00	1,000.00	0.0%
5840 Denton County Dispatch	30,808.00	30,808.00	100.0%
5844 Helping Hands	0.00	200.00	0.0%
5846 Span Transit Services	200.00	200.00	100.0%
Total Services	1,371,307.02	1,400,022.00	97.9%
Special Events			
6004 Fourth of July Celebration	8,131.90	7,000.00	116.2%
6008 Tree Lighting	7,299.22	8,000.00	91.2%
6010 Arts and Cultural Events	0.00	5,000.00	0.0%
6012 Special Events	0.00	0.00	0.0%
Total Special Events	15,431.12	20,000.00	77.2%
Utilities & Maintenance			
5902 Bldg Maintenance/Supplies	222,768.74	185,000.00	120.4%
5904 Electric	20,149.32	27,000.00	74.6%
5906 Gas	2,085.99	1,700.00	122.7%
5908 Street Lighting	39,884.29	38,000.00	105.0%
5910 Telephone	37,416.79	35,000.00	106.9%
5912 Water	22,027.63	18,000.00	122.4%
Total Utilities & Maintenance	344,332.76	304,700.00	113.0%
Total Expense	8,495,674.43	7,608,875.00	111.7%
Net Ordinary Income	-977,973.44	0.00	100.0%
Net Income	-977,973.44	0.00	100.0%

Town of Hickory Creek
Expenditures over \$1,000.00
September 2022

Type	Date	Num	Name	Amount
Ordinary Income/Expense				
Expense				
Capital Outlay				
5026 Fleet Vehicles				
Check	09/20/2022	Debit	ENTERPRISE FM TR DESDIRECT PAY	4,270.60
Check	09/27/2022	4346	CarMax	55,300.00
Check	09/30/2022	Debit	CHECKCARD 0928 CARMAX #7173	1,586.29
Bill	09/30/2022	Invoice...	Applied Concepts	3,472.00
Total 5026 Fleet Vehicles				64,628.89
5030 Sycamore Bend Construction				
Deposit	09/20/2022		Deposit	-171,330.27
Check	09/27/2022	Wire	McMahon Contracting L.P.	903,241.52
Total 5030 Sycamore Bend Construction				731,911.25
Total Capital Outlay				796,540.14
General Government				
5206 Computer Hardware/Software				
Bill	09/26/2022	Invoice...	Eight20 Consulting LLC (dba Zactax)	3,000.00
Total 5206 Computer Hardware/Software				3,000.00
5212 EDC Tax Payment				
Check	09/14/2022		Hickory Creek Economic Development	24,194.46
Total 5212 EDC Tax Payment				24,194.46
5228 Town Council/Board Expense				
Check	09/09/2022	Debit	CHECKCARD 0907 GG *LAKE CITIES	1,500.00
Total 5228 Town Council/Board Expense				1,500.00
Total General Government				28,694.46
Municipal Court				
5312 Court Technology				
Bill	09/30/2022	Invoice...	Tyler Technologies	1,938.00
Total 5312 Court Technology				1,938.00
Total Municipal Court				1,938.00
Personnel				
5510 Health Insurance				
Check	09/01/2022	Debit	DearbornLife DESPayment	1,256.71
Check	09/06/2022	Debit	TML0111 DESCONS COLL	16,831.98
Total 5510 Health Insurance				18,088.69
5518 Retirement (TMRS)				
Check	09/07/2022	Debit	TMRS	19,811.62
Total 5518 Retirement (TMRS)				19,811.62
Total Personnel				37,900.31
Police Department				
5602 Auto Gas & Oil				
Check	09/27/2022	Debit	WRIGHT EXPRESS DESFLEET DEBI	4,882.97
Total 5602 Auto Gas & Oil				4,882.97
5616 Drug Forfeiture				
Deposit	09/08/2022		Deposit	-3,376.63
Total 5616 Drug Forfeiture				-3,376.63
5636 Uniforms				

Town of Hickory Creek
Expenditures over \$1,000.00
September 2022

Type	Date	Num	Name	Amount
Bill	09/30/2022	Invoice...	Angel Armor	1,262.35
			Total 5636 Uniforms	1,262.35
			5640 Training & Education	
Check	09/26/2022	4347	NCTCOG	2,015.00
			Total 5640 Training & Education	2,015.00
			5648 K9 Unit	
Deposit	09/06/2022		Deposit	-7,500.00
Deposit	09/15/2022		Deposit	-1,000.00
			Total 5648 K9 Unit	-8,500.00
			Total Police Department	-3,716.31
			Public Works Department	
			5710 Auto Gas & Oil	
Check	09/27/2022	Debit	WRIGHT EXPRESS DESFLEET DEBI	1,433.30
			Total 5710 Auto Gas & Oil	1,433.30
			5722 Equipment	
Bill	09/26/2022	Invoice...	Lawn Land	1,049.99
			Total 5722 Equipment	1,049.99
			5748 Landscaping Services	
Bill	09/30/2022	Invoice...	D & D Commercial Landscape Management	10,272.58
			Total 5748 Landscaping Services	10,272.58
			Total Public Works Department	12,755.87
			Services	
			5802 Appraisal District	
Bill	09/13/2022	Invoice...	DCAD	3,340.79
			Total 5802 Appraisal District	3,340.79
			5804 Attorney Fees	
Check	09/16/2022		Law Office of Dorwin L. Sargent III, PLLC	4,798.50
Check	09/19/2022		Law Office of Dorwin L. Sargent III, PLLC	5,364.40
Check	09/27/2022	Debit	Law Office of Dorwin L. Sargent III, PLLC	6,174.75
			Total 5804 Attorney Fees	16,337.65
			5814 Engineering	
Bill	09/20/2022	Invoice...	Half Associates, Inc.	7,221.15
			Total 5814 Engineering	7,221.15
			5818 Inspections	
Bill	09/07/2022	Invoice...	Finney Code Consultants, LLC	2,195.00
Bill	09/07/2022	Invoice...	Build by I-Codes	7,630.00
Bill	09/30/2022	Septe...	Finney Code Consultants, LLC	2,585.00
Bill	09/30/2022	Invoice...	Build by I-Codes	9,250.00
			Total 5818 Inspections	21,660.00
			5826 Municipal Judge	
Check	09/01/2022		Cynthia Burkett	1,050.00
			Total 5826 Municipal Judge	1,050.00
			Total Services	49,609.59
			Utilities & Maintenance	
			5902 Bldg Maintenance/Supplies	
Bill	09/06/2022	Invoice...	Denton Electric, Inc.	1,022.49
Bill	09/06/2022	Invoice...	Denton Electric, Inc.	2,056.89

8:04 AM

10/19/22

Accrual Basis

Town of Hickory Creek
Expenditures over \$1,000.00
September 2022

<u>Type</u>	<u>Date</u>	<u>Num</u>	<u>Name</u>	<u>Amount</u>
Bill	09/20/2022	Invoice...	Denton Electric, Inc.	27,738.46
			Total 5902 Bldg Maintenance/Supplies	30,817.84
			5904 Electric	
Check	09/22/2022	Debit	HUDSON ENERGY SE DESDEBITDEBIT	2,403.30
			Total 5904 Electric	2,403.30
			5908 Street Lighting	
Check	09/22/2022	Debit	HUDSON ENERGY SE DESDEBITDEBIT	3,173.25
			Total 5908 Street Lighting	3,173.25
			5910 Telephone	
Check	09/30/2022	Debit	Level 3 Communic DESAUTO PAY	1,323.77
			Total 5910 Telephone	1,323.77
			5912 Water	
Check	09/27/2022	Debit	LAKE CITIES MUA DESUTILITY	6,668.74
			Total 5912 Water	6,668.74
			Total Utilities & Maintenance	44,386.90
			Total Expense	968,108.96
			Net Ordinary Income	-968,108.96
			Net Income	-968,108.96



TOWN OF HICKORY CREEK
 ATTN KRISTI K ROGERS
 1075 RONALD REAGAN AVE
 HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276015

ACCOUNT NAME: 2020 CERTIFICATES OF OBLIGATIONS

STATEMENT PERIOD: 09/01/2022 - 09/30/2022

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 2.4756%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 19 DAYS AND THE NET ASSET VALUE FOR 9/30/22 WAS 0.999709.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			3,624,713.63
09/27/2022	WIRE WITHDRAWAL	6143881	903,241.52 -	2,721,472.11
09/30/2022	MONTHLY POSTING	9999888	7,082.04	2,728,554.15
	ENDING BALANCE			2,728,554.15

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	3,624,713.63
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	903,241.52
TOTAL INTEREST	7,082.04
ENDING BALANCE	2,728,554.15
AVERAGE BALANCE	3,504,281.43

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
2020 CERTIFICATES OF OBLIGATIONS	0.00	1,308,078.10	29,574.76





TOWN OF HICKORY CREEK
 ATTN KRISTI K ROGERS
 1075 RONALD REAGAN AVE
 HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276007

ACCOUNT NAME: ANIMAL SHELTER FACILITY

STATEMENT PERIOD: 09/01/2022 - 09/30/2022

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 2.4756%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 19 DAYS AND THE NET ASSET VALUE FOR 9/30/22 WAS 0.999709.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			9,636.00
09/30/2022	MONTHLY POSTING	9999888	19.60	9,655.60
	ENDING BALANCE			9,655.60

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	9,636.00
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	19.60
ENDING BALANCE	9,655.60
AVERAGE BALANCE	9,636.00

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
ANIMAL SHELTER FACILITY	0.00	0.00	73.53





TOWN OF HICKORY CREEK
 ATTN KRISTI K ROGERS
 1075 RONALD REAGAN AVE
 HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276016

ACCOUNT NAME: CORONAVIRUS LOCAL RECOVERY FUNDS

STATEMENT PERIOD: 09/01/2022 - 09/30/2022

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 2.4756%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 19 DAYS AND THE NET ASSET VALUE FOR 9/30/22 WAS 0.999709.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			598,686.21
09/27/2022	ACH DEPOSIT	6143819	595,240.87	1,193,927.08
09/28/2022	ACH WITHDRAWAL	6143882	340,312.50 -	853,614.58
09/30/2022	MONTHLY POSTING	9999888	1,328.61	854,943.19
	ENDING BALANCE			854,943.19

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	598,686.21
TOTAL DEPOSITS	595,240.87
TOTAL WITHDRAWALS	340,312.50
TOTAL INTEREST	1,328.61
ENDING BALANCE	854,943.19
AVERAGE BALANCE	644,020.41

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
CORONAVIRUS LOCAL RECOVERY FUNDS	596,414.93	340,312.50	4,677.32





TOWN OF HICKORY CREEK
 ATTN KRISTI K ROGERS
 1075 RONALD REAGAN AVE
 HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276009

ACCOUNT NAME: HARBOR LANE - SYCAMORE BEND

STATEMENT PERIOD: 09/01/2022 - 09/30/2022

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 2.4756%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 19 DAYS AND THE NET ASSET VALUE FOR 9/30/22 WAS 0.999709.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			80,859.19
09/30/2022	MONTHLY POSTING	9999888	164.55	81,023.74
	ENDING BALANCE			81,023.74

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	80,859.19
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	164.55
ENDING BALANCE	81,023.74
AVERAGE BALANCE	80,859.19

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
HARBOR LANE - SYCAMORE BEND	0.00	0.00	616.80





TOWN OF HICKORY CREEK
 ATTN KRISTI K ROGERS
 1075 RONALD REAGAN AVE
 HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276001

ACCOUNT NAME: INVESTMENT FUND

STATEMENT PERIOD: 09/01/2022 - 09/30/2022

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 2.4756%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 19 DAYS AND THE NET ASSET VALUE FOR 9/30/22 WAS 0.999709.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			5,309,965.31
09/30/2022	MONTHLY POSTING	9999888	10,804.60	5,320,769.91
	ENDING BALANCE			5,320,769.91

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	5,309,965.31
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	10,804.60
ENDING BALANCE	5,320,769.91
AVERAGE BALANCE	5,309,965.31

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
INVESTMENT FUND	2,000,000.00	1,264,700.00	43,697.82





TOWN OF HICKORY CREEK
 ATTN KRISTI K ROGERS
 1075 RONALD REAGAN AVE
 HICKORY CREEK TX 75065-7633

MONTHLY STATEMENT OF ACCOUNT

ACCOUNT: 1668276002

ACCOUNT NAME: TURBEVILLE RD IMPROVEMENT FUND

STATEMENT PERIOD: 09/01/2022 - 09/30/2022

LOGIC MONTHLY SUMMARY: THE AVERAGE MONTHLY RATE WAS 2.4756%. THE AVERAGE WEIGHTED AVERAGE MATURITY WAS 19 DAYS AND THE NET ASSET VALUE FOR 9/30/22 WAS 0.999709.

MONTHLY ACTIVITY DETAIL

TRANSACTION DATE	DESCRIPTION	CONFIRMATION NUMBER	TRANSACTION AMOUNT	BALANCE
	BEGINNING BALANCE			95,447.66
09/30/2022	MONTHLY POSTING	9999888	194.20	95,641.86
	ENDING BALANCE			95,641.86

MONTHLY ACCOUNT SUMMARY

BEGINNING BALANCE	95,447.66
TOTAL DEPOSITS	0.00
TOTAL WITHDRAWALS	0.00
TOTAL INTEREST	194.20
ENDING BALANCE	95,641.86
AVERAGE BALANCE	95,447.66

ACTIVITY SUMMARY (YEAR-TO-DATE)

ACCOUNT NAME	DEPOSITS	WITHDRAWALS	INTEREST
TURBEVILLE RD IMPROVEMENT FUND	0.00	0.00	728.07



**TOWN OF HICKORY CREEEK, TEXAS
ORDINANCE NO. 2022-10-_____**

AN ORDINANCE OF THE TOWN OF HICKORY CREEK, TEXAS, GRANTING TO DENTON COUNTY ELECTRIC COOPERATIVE, INC., D/B/A COSERV ELECTRIC, AND ITS SUCCESSORS AND ASSIGNS, THE NON-EXCLUSIVE RIGHT TO USE AND OCCUPY RIGHTS-OF-WAY WITHIN THE TOWN OF HICKORY CREEK, TEXAS, FOR THE CONSTRUCTION AND OPERATION OF AN ELECTRIC TRANSMISSION AND DISTRIBUTION SYSTEM; PRESCRIBING CONDITIONS GOVERNING THE USE OF THE PUBLIC RIGHTS-OF-WAY; PROVIDING FOR COMPENSATION THEREFOR, PROVIDING FOR AN EFFECTIVE DATE AND A TERM OF SAID FRANCHISE, PROVIDING FOR WRITTEN ACCEPTANCE OF THIS FRANCHISE; FINDING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC; AND PROVIDING FOR SEVERABILITY.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK, TEXAS, THAT:

SECTION 1. DEFINITIONS

For the purpose of this Ordinance the following terms, phrases, words, abbreviations and their derivations shall have the meaning given herein. When not inconsistent with the context, words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number.

- A. "Town" shall mean the Type A General Law municipal corporation designated as the Town of Hickory Creek, Texas, and includes the territory that currently is or may in the future be included within the boundaries of the Town. Any territory that may be disannexed in the future shall not be included within the boundaries of the Town upon the effective date of the disannexation.
- B. "CIAC" shall mean all payments received by Cooperative for contributions in aid of construction performed within the boundaries of the Town, including but not limited to System Benefit Charges and Facilities Charges, on contracts entered into after the Effective Date.
- C. "Cooperative" shall mean Denton County Electric Cooperative, Inc., d/b/a CoServ Electric, a Texas electric cooperative corporation, and its successors and assigns.
- D. "Effective Date" shall be the date specified in Section 21 of this Ordinance.
- E. "Electric Distribution System" or "System" shall mean the Cooperative's system of cables, wires, lines, poles, towers, anchors, guy wires, insulators, transformers, substations, conduits, ducts, and any associated equipment, or plant, or other facilities designed and constructed for the purpose of producing, transmitting or distributing electricity to or from customers or locations within the Town, as the

same now exists and may from time to time be placed, removed, constructed, reconstructed, extended and maintained.

- F. “Governmental or Regulatory Authority” means any court, tribunal, arbitrator, authority, agency, commission, official or other instrumentality of the United States, or any state, county, municipality or other political subdivision.
- G. “Gross Revenues” shall mean the operating revenue for electric services provided by the Cooperative to its customers within the corporate boundaries of the Town pursuant to the accounting principles established by the Rural Utilities Service of the U. S. Dept. of Agriculture in 7 CFR 1767, including specifically 1767.26, Accounts 440-456, as amended, except as modified herein, including:
 - (1) all operating revenues received by the Cooperative from the sale of electricity to all classes of customers within the Town;
 - (2) all operating revenues derived from the Cooperative’s service fees as defined in CFR 1767.26, Accounts 440-456, including, but not limited to, the following:
 - (a) charges to connect, disconnect, or reconnect service within the Town;
 - (b) charges to handle returned checks from consumers within the Town; and
 - (c) such other service charges and charges as may, from time to time, be authorized in the rates and charges of the Cooperative; and
 - (3) franchise fees collected from the Cooperative’s customers located within the corporate boundaries of the Town.

The term “Gross Revenues” shall not include:

- (a) the revenue of any person including, without limitation, an affiliate of the Cooperative, to the extent that such revenue is also included in Gross Revenues of the Cooperative;
- (b) other than Franchise Fees, any taxes or fees required to be remitted to a third party including the Town;
- (c) any interest or investment income earned by Cooperative;
- (d) all monies received from the lease or sale of real or personal property;
- (e) any amounts billed or collected from Cooperative’s members for refundable membership fees and deposits;
- (f) amounts derived from CIAC or any franchise fee assessed on CIAC;

- (g) sales of energy or electric service for resale or to wholesale customers;
 - (h) reimbursements for damage to or relocation of any part of the System;
 - (i) amounts billed or collected by the Cooperative from its customers for charitable contributions such as Operation Roundup[®];
 - (j) revenues billed but not ultimately collected or received by the Cooperative;
 - (k) Pole Attachment Revenue or any franchise fee assessed on Pole Attachment Revenue; and
 - (l) State or Federal grants or reimbursements.
- H. “Laws” shall mean any and all federal, state and local statutes, constitutions, ordinances, resolutions, regulations, judicial decisions, rules, tariffs, administrative orders, certificates, orders, or other requirements of the Town or other governmental agency having joint or several jurisdiction over the parties to the Franchise granted herein, in effect either as of the Effective Date or at any time during the term of the Franchise granted herein.
- I. “Pole Attachment Revenue” shall mean any revenue received by the Cooperative from third-party attachments to the Cooperative’s utility poles or other facilities. .
- J. “Public Right-of-Way” shall mean all present and future public streets, public thoroughfares, highways and alleys owned by Town, and all present and future public utility easements located on property owned by the Town that allow the use of Cooperative’s facilities. This term shall not include county, state, or federal rights of way or any property owned by any person or agency other than the Town, except as provided by applicable Laws or pursuant to an agreement between the Town and any such person or agency.
- K. “Public Utility Commission of Texas” or “PUC” shall mean that agency as presently constituted by the laws of the State of Texas or any successor agency.
- L. “Tariff” shall mean the Tariff for Electric Service for Cooperative, effective as of January 21, 2021, and as subsequently revised or amended.

SECTION 2. GRANT OF AUTHORITY.

A. There is hereby granted to Cooperative and its successors and assigns, the right, privilege and franchise to construct, re-construct, extend, maintain, repair, remove and operate in, along, under and across the Public Rights-of-Way of Town an Electric Distribution System consisting of electric power lines, with all necessary or desirable appurtenances and communications cables, equipment, devices and other equipment (including underground

conduits, poles, towers, wires, transmission lines and other structures, and telephone and communication lines for its own internal and non-commercial use), for the purposes of supplying, operating, managing, controlling, optimizing, and maintaining electric service to the Town, the inhabitants thereof, and persons, firms and corporations beyond the corporate limits thereof, and operating, managing, controlling, and maintaining local and regional distribution and/or transmission systems, for the term set out in Section 12 (“Franchise”). The Franchise granted herein does not grant to the Cooperative the right, privilege, or authority to engage in any other business within the Town requiring the grant of a right, privilege or authority by the Town, other than the provision of electric utility service.

B. The Franchise granted herein does not establish any priority for the use of the Public Rights-of-Way by Cooperative or by any present or future recipients of franchise agreements, franchisees, or other permit holders. In the event of any dispute as to the priority of use of the Public Rights-of-Way, the first priority shall be to the public generally, the second priority to the Town, the third priority to the State of Texas and its political subdivisions in the performance of their various functions, and thereafter, as between recipients of franchise agreements, Cooperative and other permit holders, as reasonably determined by the Town in the lawful exercise of its powers, including the police power and other powers reserved to and conferred on it by the State of Texas.

C. Cooperative acknowledges that by this Ordinance it obtains only the non-exclusive right to use the Public Rights-of-Way that is expressly granted herein. Cooperative acknowledges and accepts at its own risk that Town may make use of the Public Rights-of-Way in a manner that is inconsistent with Cooperative’s placement and use of its Electric Distribution System located in the Public Rights-of-Way, and in that event Cooperative shall not be entitled to compensation from Town except to the extent Town is obligated to compensate Cooperative under applicable Laws.

D. Cooperative shall have the right to lease, license or otherwise grant to a party other than Cooperative the use of its facilities within the Town’s Public Rights-of-Way, provided that prior to the date of the initial attachment of the facilities of a new lessee, licensee, or user to Cooperative’s facilities, Cooperative shall notify the Town of the name of the lessee, licensee, or user, the type of service(s) intended to be provided through the facilities, and the name and telephone number of a contact person associated with such lessee, licensee, or user. This authority to lease facilities within the Public Rights-of-Way shall not affect any such lessee, licensee, or user’s obligation, if any, to pay franchise fees to the Town.

SECTION 3. PURPOSE.

The provisions set forth in this Ordinance represent the terms and conditions under which Cooperative shall construct, re-construct, extend, repair, remove, operate and maintain the System within the Public Rights-of-Way of the Town. Except as otherwise provided in this Ordinance, the Town does not in any manner surrender or waive its regulatory or other rights and powers under and by virtue of the Constitution and statutes of the State of Texas as the same may be amended, nor any of its rights and powers under or by virtue of present or future charters or ordinances of the Town. Not included in the Franchise granted herein are any facilities (including any equipment attached in any way to Cooperative's facilities, whether owned by the Cooperative or not) that provide data delivery, cable service, telephone service, and/or any other service or product unrelated to the Cooperative's transmittal and delivery of electricity.

SECTION 4. OPERATION, CONSTRUCTION AND MAINTENANCE OF ELECTRIC DISTRIBUTION SYSTEM.

A. Cooperative's System shall be initially constructed so as not to unreasonably interfere with any existing publicly-owned or publicly-franchised water and wastewater lines, gas lines, storm sewer lines, open drainage areas, cable, fiber optic cable, roadways, sidewalks, alleys, traffic control devices, public signs, or any other publicly-owned or publicly-franchised facility. The Town shall have the right at any time to order and require Cooperative to remove and abate any part of its Electric Distribution System that is unnecessarily dangerous to life or property, and in case Cooperative, after notice, fails or refuses to act within a reasonable time, the Town shall have the power to remove or abate the same at the expense of Cooperative, all without compensation or liability for damages to Cooperative.

B. Permits

1. Cooperative's facilities shall interfere as little as reasonably possible with Town-owned public works facilities and with vehicular and pedestrian use of Public Rights-of-Way.
2. Cooperative shall not be required to submit a permit application for the placement of facilities outside of the Public Rights-of-Way, however, Cooperative shall provide detailed drawings, in accordance with Cooperative's customary practice, reflecting Cooperative's installations on private property so that Town may verify compliance with Town ordinances related to zoning, development, building regulations, and setbacks, and for easement verification.

3. Cooperative shall submit a permit application to Town for the placement of new facilities, for upgrade or augmentation of existing facilities, or for replacement of existing facilities in the Public Rights-of-Way. Such permit application shall include:
 - (a) complete plans and detailed drawings reflecting compliance with all applicable zoning, development, and building requirements of the Town; and
 - (b) all additional information requested by Town reasonably related to the permit request.
4. Except as otherwise provided in this Section 4(B), following the submission of a permit application described herein, notice of Town's approval or denial of Cooperative's request for a permit shall be provided in accordance with Town's usual procedures for processing of permit applications.
5. Town shall endeavor to complete its review of Cooperative's application within thirty (30) business days after Town's receipt of the permit application. Prior to the expiration of the said thirty (30) business day period, City shall request any additional information that is necessary to complete its review of Cooperative's application. City shall issue a decision regarding Cooperative's permit application within fifteen (15) business days of receipt of the additional information. If the additional information is not sufficient to complete the review of Cooperative's application, the City may request additional information. City shall issue a decision regarding the application within fifteen (15) business days of receipt of all additionally requested information.
6. If Town has not approved or denied Cooperative's request for a permit within:
 - (a) Thirty (30) business days after receipt by Town of the permit application (if no additional information was requested by Town), or
 - (b) The timeline established in Section 4(B)(5) after receipt by Town of all additional information requested by Town reasonably related to the permit request,then upon written request by Cooperative, the Town's Department Director in charge of the permit process shall, within fifteen (15) days after such

written request, approve (and issue) the permit or deny the permit application in question.

7. Cooperative may proceed with the placement of the facilities described in its permit application if written notice of Town's approval or denial of Cooperative's request for a permit is not provided within the timeline pursuant to Section 4(B)(6) above.
8. A permit application for new overhead facilities not directly associated with a line extension for new electric service, or for overhead facilities to augment, upgrade, replace, or repair facilities within a Public Right-of-Way on existing poles (existing pole lines) containing overhead facilities, may not be denied for aesthetic reasons.
9. A permit application approved by the Town may be valid for a period of time consistent with the amount of time reasonably required and submitted in the permit application for the Cooperative to perform the work described in the permit application. City shall grant an extension for such time as reasonably required to complete such work upon Town's receipt of Cooperative's request in writing for such an extension, but in no case shall the extended period exceed six (6) months from date of such written request.
10. In determining the location of the Cooperative's new facilities within the Town, the Cooperative shall minimize interferences with then-existing or documented planned underground structures of the Town or with the existing facilities of other users of the Public Rights-of-Way. In determining the location of the facilities of the Town and other utility franchisees and other users of the Public Rights-of-Way within the Town, the Town shall take reasonable steps to minimize the interference with existing facilities of the Cooperative and shall require other utility franchisees or users of the Public Rights-of-Way to minimize interference with existing facilities of the Cooperative.

C. Cooperative's property and operations within the Public Rights-of-Way of the Town shall be subject to such reasonable and lawful rules and regulations of the Town or other Governmental or Regulatory Authority as may be authorized by applicable law from time to time for the protection of the public health, safety and welfare. This Ordinance shall in no way affect or impair the rights, obligations or remedies of the parties under the Texas Public Utility Regulatory

Act, or other state or federal law. Nothing herein shall be deemed a waiver, release or relinquishment of either party's right to contest, appeal, or file suit with respect to any action or decision of the other party, including ordinances adopted by the Town that Cooperative believes are contrary to applicable Laws.

D. Cooperative shall construct, re-construct, extend, repair, remove, maintain, operate and replace its facilities in accordance with its Tariff and in conformance with the applicable provisions of the National Electric Safety Code or such comparable standards as may be adopted by the Cooperative, provided such comparable standards are not in conflict with the National Electric Safety Code. Cooperative shall comply with applicable Laws and standards.

E. Town may request that Cooperative place new facilities underground, provided that, if Cooperative otherwise would, pursuant to its Tariff, construct those facilities overhead, the Town or property developer shall (a) bear the cost differential between overhead and underground construction and facilities and (b) specify and provide, in compliance with the Cooperative's reasonable specifications and requirements, a location for such underground facilities.

F. Cooperative and Town have agreed that Cooperative shall not be obligated to provide maps identifying all Cooperative facilities within the Town boundaries, provided however, that Cooperative agrees to provide reproducible copies of maps showing the location of all Cooperative primary electric lines within the Public Rights-of-Way at least annually upon request by Town. The maps shall be provided in electronic digital format, if available. In addition, upon request, Cooperative shall cooperate with the Town by identifying and locating, at locations specified by the Town, Cooperative's existing facilities such as underground conduits, manholes to access such underground conduits, and other appurtenances and by providing information to the Town regarding Cooperative's plans for future facilities. Maps provided to Town by Cooperative shall be maintained as confidential by the Town as provided in Section 14 hereof. Upon request, the Town shall cooperate with the Cooperative by identifying and locating, at locations specified by the Cooperative, Town's existing facilities such as water and sewer lines, storm drains, communications lines, and appurtenances.

G. Any and all excavations and obstructions in and upon the Public Rights-of-Way and other public places in the Town caused by the Cooperative's operations under the Franchise granted herein shall be repaired and removed as quickly as is reasonably possible, under the circumstances. All excavations shall be repaired in a good and workmanlike manner and restored to at least the condition that existed prior to the excavation. All utilities, irrigation equipment, utility equipment, and any other improvements located in the Public Rights-of-Way and disturbed by the Cooperative's operations under the Franchise granted herein shall likewise be restored within a

reasonable time to as good a condition as existed before the commencement of the work to the satisfaction of the Town. Replacement of sod is to be of like kind, smoothed, shaped, rolled and compacted for proper landscape maintenance. Cooperative warrants that any such restoration work performed in the Public Rights-of-Way shall be in satisfactory condition for a period of two (2) years after completion of restoration, to the extent that such restoration work has not been disturbed by others. In the event that the Cooperative fails to repair or restore an excavation site within fourteen (14) calendar days after receipt of written notice from the Town of a deficiency, the Town may, at its option, perform the needed repair or restoration and the Cooperative shall promptly reimburse the Town for the cost of such repair or restoration.

H. Town shall have the right to inspect all reconstruction or installation work and to make such tests as it deems necessary to ensure compliance with the terms of this Ordinance, or other applicable Town ordinances or pertinent provisions of law.

I. The public shall be protected by barriers and lights placed, erected, marked and maintained by the Cooperative in accordance with standards set forth in the current Texas Manual on Uniform Traffic Control Devices as well as any other applicable local, state and federal requirements. Except for repairs, day-to-day maintenance, or in cases of emergency conditions, work conducted within the Public Rights-of-Way shall require an approved permit issued by the Town prior to commencement of work. In no instance shall Cooperative be required to pay fees or post bonds related to its use of the Public Rights-of-Way.

J. Cooperative shall have the authority to trim or remove trees and vegetation upon or overhanging its System that may endanger or interfere with the System and its operation, and to prevent the vegetation and the branches of such trees from coming in contact with the System. The Cooperative's vegetation management practices shall be consistent with the safety requirements for pruning, repairing, maintaining, and removing trees endorsed by the American National Standards Institute (specifically the ANSI A300, titled "Best Management Practices, Utility Pruning of Trees"); NESC Section 218; and state law. Except during an emergency or the recovery after an emergency, Cooperative shall notify the Town and its residents at least three (3) days prior to entering onto property to perform any tree trimming activities. The Town will encourage new developments to make prudent tree selection and planting decisions around power lines.

K. Upon the written request of any person holding a building moving permit issued by the Town, Cooperative shall remove, raise or lower its wires temporarily to permit the moving of a house, building or other bulky structure. The reasonable expense of such temporary removal, raising or lowering shall be paid by the benefitted person or persons and Cooperative may require

such payment in advance. Cooperative shall be given not less than forty-eight (48) hours advance notice in writing to arrange for such temporary removal, raising or lowering.

L. Nothing contained in this Ordinance shall be construed to require any pole attachments for electric light or power wires or electrical facilities or systems not provided by Cooperative, or any non-electric wires, facilities or systems, to be attached to Cooperative's poles or other physical plant. If the Town or any other person or entity desires pole attachments for any such electric or non-electric wires, facilities or systems not provided by Cooperative, then a further separate, non-contingent agreement shall be prerequisite to such attachments or such use of any trench space. Nothing herein shall prohibit Cooperative from requiring reasonable, non-discriminatory terms and from charging just compensation pursuant to a pole attachment or joint use agreement; however, any pole attachment or joint use agreement with a third party shall not be enforceable by the Town.

M. In areas of the Town where the Town finds that the Public Rights-of-Way will not readily accommodate further facilities, the Town may require Cooperative to share trench space with the Town or any other person authorized to use such Public Rights-of-Way for the placement of its cables or ducts. Ducts, cables, or wires not owned by Cooperative shall be placed in trenches in compliance with applicable safety and construction standards in a manner that does not interfere with Cooperative's ducts, conduit, cables or wires. Nothing herein shall prohibit Cooperative from requiring reasonable, non-discriminatory terms and from charging just compensation for the use of its facilities or trench space; however, any such agreement with a third party shall not be enforceable by the Town.

N. The Cooperative shall hold itself ready to furnish, subject to Section 4(L) above, such space as may be required from time to time by the Town upon the poles now owned or hereafter erected by the Cooperative in the Town for the use of the Town's police, fire alarm, communications, and traffic signal systems (for purposes of this Section hereafter referred to as "Town Systems"); provided that such Town use and placement shall be in compliance with applicable safety and construction standards and shall not interfere with Cooperative's System. The location on the poles of the Town Systems shall be determined on specific applications for space, at the time the applications are received from the Town, and will be allotted in accordance with the National Electrical Safety Code. In its wire construction on Cooperative's poles, the Town shall comply with the applicable suggestions, standards and requirements of the National Electrical Safety Code and such construction shall not interfere with or cause damage to the Cooperative's System.

O. Town shall not sell, lease or otherwise make available any rights granted by Cooperative to Town to use Cooperative's facilities to any third party. Such rights are provided solely for the non-commercial, governmental use by the Town.

SECTION 5. RELOCATION OF FACILITIES.

A. The Town reserves the right to lay, and permit to be laid, storm, sewer, gas, water, wastewater and other pipe lines, cable, and conduits, or other improvements and to do and permit to be done any underground or overhead work that may be necessary or proper in, across, along, over, or under Public Rights-of-Way occupied by Cooperative.

B. The Town also reserves the right to change in any manner any curb, sidewalk, highway, alley, public way, street, utility lines, storm sewers, drainage basins, drainage ditches, and other public improvements. Upon request by Town, Cooperative shall relocate, remove, or alter its facilities at its expense whenever such relocation, removal, or alteration is made necessary by Public Right-of-Way or other public improvements, provided that the Town shall provide Cooperative with at least thirty (30) days prior written notice and shall specify and provide a new location for such facilities within the Public Rights-of-Way. If Cooperative believes that the cost is excessive to relocate, remove, or alter its facilities per the Town request, Cooperative shall have the opportunity to present alternative proposals for the Town's consideration. Town may request that Cooperative relocate existing overhead facilities underground when Cooperative is required to relocate facilities under this Section 5(B), provided that the Town or property developer shall (a) bear the cost differential between overhead and underground construction and facilities and (b) specify and provide, in compliance with the Cooperative's reasonable specifications and requirements, a new location for such facilities.

C. When Cooperative is required by Town to remove or relocate its poles, towers, conduits, cables, and other facilities to accommodate Public Right-of-Way improvements, and Cooperative is eligible under Federal, State, County, Town or other local agencies or programs for reimbursement of costs and expenses incurred by Cooperative as a result of such removal or relocation and such reimbursement is required to be handled through Town, the Cooperative's costs and expenses shall be included in any application by Town for reimbursement, if Cooperative submits its cost and expense documentation to Town prior to the filing of the application. Town shall provide reasonable notice to Cooperative of the deadline for Cooperative to submit documentation of the costs and expenses of such removal or relocation to Town.

D. If a Public Right-of-Way in which Cooperative has facilities is proposed to be vacated, eliminated, discontinued, or closed, Cooperative shall be notified of same at least sixty

(60) days prior to such event, and all rights of Cooperative under this Ordinance to use same shall terminate, provided that a reasonable alternate route within the Public Right-of-Way is available for relocation of such facilities. Cooperative shall, as soon as reasonably possible, remove the Electric Distribution System from such Public Right-of-Way unless Cooperative obtains any necessary easements from the affected property owner to use the former Public Right-of-Way, or a court orders the provision of such easements. Where reasonably possible and to the extent consistent with the treatment of other utility facilities in the former Public Right-of-Way, Town shall reserve easements for Cooperative to continue to use the former Public Right-of-Way. Cooperative shall bear the cost of any removal or relocation of the Electric Distribution System unless the vacation, elimination, discontinuance or closure is primarily for the benefit of a private party, in which case the private party shall bear such costs.

E. If the Town requires the Cooperative to adapt or conform its facilities, or in any manner to alter, relocate, or change its property to enable any other entity to use, or use with greater convenience, said Public Rights-of-Way, the Cooperative shall not be bound to make such changes until such other entity shall have undertaken, with good and sufficient bond, to reimburse the Cooperative for any costs, loss, or expense which will be caused by, or arises out of such change, alteration, or relocation of Cooperative's property or facilities.

SECTION 6. LIABILITY INSURANCE.

Cooperative shall, at its sole cost and expense, obtain, maintain, or cause to be maintained, and provide, throughout the term of the Franchise granted herein, insurance in the amounts, types and coverages set forth below. Such insurance may be in the form of self-insurance to the extent not precluded by applicable law or by obtaining insurance, as follows:

- A. Commercial general or excess liability on an occurrence or claims made form with minimum limits of not less than five million dollars (\$5,000,000) per occurrence and not less than ten million dollars (\$10,000,000) aggregate. To the extent that coverage is maintained on a claims made form, the minimum limits are not less than ten million dollars (\$10,000,000) per occurrence and not less than twenty million dollars (\$20,000,000) aggregate. This coverage shall include the following:
1. Products/completed operations to be maintained for the warranty period specified in Section 4(G), provided however that no bond shall be required.
 2. Personal and advertising injury.
 3. Contractual liability.
 4. Explosion, collapse, or underground (XCU) hazards.

- B. Automobile liability coverage with a minimum policy limit of not less than one million dollars (\$1,000,000) combined single limit each accident. This coverage shall include all owned, hired and non-owned automobiles.
- C. Statutory workers' compensation benefits in accordance with the statutes and regulations of the State of Texas. Cooperative must provide the Town with a waiver of subrogation for workers' compensation claims.
- D. Cooperative must name the Town, which includes all authorities, commissions, divisions, and departments, as well as elected and appointed officials, agents, and volunteers, as additional insureds under the coverage required herein, except workers' compensation coverage. The certificate of insurance must state that the Town is an additional insured.
- E. Cooperative will require its contractors and subcontractors performing work within the Public Rights-of-Way to maintain, at their sole cost and expense, commercial general or excess liability on an occurrence or claims made form with minimum limits of not less than one million dollars (\$1,000,000) per occurrence and not less than two million dollars (\$2,000,000) aggregate. Such insurance shall be required under the same conditions as specified herein for Cooperative. Cooperative will maintain at all times, and will provide to Town upon request, proof of its contractors' and subcontractors' compliance with this requirement.
- F. The Cooperative will provide proof of insurance in accordance with this Ordinance within thirty (30) days of the effective date hereof and annually thereafter. Cooperative will not be required to furnish separate proof when applying for permits.
- G. All policies shall be endorsed to read: "THIS POLICY WILL NOT BE CANCELLED OR NON-RENEWED WITHOUT 30 DAYS ADVANCE WRITTEN NOTICE TO THE TOWN EXCEPT WHEN THIS POLICY IS BEING CANCELLED FOR NONPAYMENT OF PREMIUM, IN WHICH CASE TEN (10) DAYS ADVANCE WRITTEN NOTICE IS REQUIRED."

SECTION 7. NON-EXCLUSIVE FRANCHISE.

The Franchise granted herein is not exclusive, and nothing herein contained shall be construed so as to prevent the Town from granting other like or similar rights, privileges and franchises to any other person, firm, or corporation.

SECTION 8. COMPENSATION TO THE TOWN.

A. In consideration of the grant of said right, privilege and franchise by the Town and as full payment for the right, privilege and franchise of using and occupying the said Public Rights-of-Way, Cooperative shall pay to the Town a franchise fee as set forth herein ("Franchise Fee").

1. The Franchise Fee shall be in lieu of any and all occupation taxes, assessments, municipal charges, fees, easement taxes, franchise taxes, license, permit and inspection fees or charges, street taxes, bonds, street or alley rentals, and all other taxes, charges, levies, fees and rentals of whatsoever kind and character which the Town may impose or hereafter be authorized or empowered to levy and collect, excepting only the usual general or special ad valorem taxes which the Town is authorized to levy and impose upon real and personal property, sales and use taxes, and special assessments for public improvements.
2. The Franchise Fee on Gross Revenues shall be paid quarterly, within forty-five (45) days after the end of each calendar quarter (*i.e.*, by May 15, August 15, November 15, and February 15 of each year of this Franchise term).
3. Quarterly payments shall be a sum equal to four percent (4%) of Gross Revenues received by Cooperative for the immediately preceding calendar quarter.
4. Payments shall continue in like manner for any extension of the Franchise granted herein as provided in Section 12 hereof.

B. With each payment of compensation required by Section 8(A), Cooperative shall furnish to the Town a statement, executed by an authorized officer of Cooperative or designee, in sufficient detail to show how each component of the payment described herein was arrived at and how the amount paid to the Town was determined for the pertinent quarter.

C. If either party discovers that Cooperative has failed to pay the entire or correct amount of compensation due, the correct amount shall be determined by mutual agreement between the Town and Cooperative and the Town shall be paid by Cooperative within thirty (30) calendar days of such determination or such additional time as mutually agreed to by the Town and Cooperative. Any overpayment to the Town through error or otherwise will, at the sole option of the Town, either be refunded or offset against the next payment due from Cooperative. Acceptance by the Town of any payment due under this Section shall not be deemed to be a waiver by the Town of any breach of this Ordinance, nor shall the acceptance by the Town of any

such payments preclude the Town from later establishing that a larger amount was actually due or from collecting any balance due to the Town.

D. Interest on late payments and underpayments shall be calculated in accordance with the interest rate for customer deposits established by the Public Utility Commission of Texas in accordance with Texas Utilities Code § 183.003, as amended, for the time period involved.

E. No taxes, fees, or other payments by Cooperative to the Town, including, but not limited to, ad valorem taxes, shall reduce the Franchise Fees payable to the Town hereunder, except as agreed to in writing by the Town.

F. Within thirty (30) days after the effective date of this Ordinance, the Town shall provide Cooperative (at the notice address specified in Section 17) with maps clearly showing the location of the boundaries of the Town. Within thirty (30) days after Town annexes property into, or disannexes property from, the territory of Town, Town shall provide Cooperative (at the notice address specified in Section 17) with maps clearly showing the location of the boundaries of such annexed or disannexed property. Within sixty (60) days, or such additional time as mutually agreed to by the Town and Cooperative, after Cooperative's receipt by certified mail of (i) written notice from the Town that the Town has annexed territory into the Town and (ii) maps showing clearly the areas annexed, the Cooperative shall revise its accounting records to include the annexed territory, and Cooperative's customers therein, within the Town. After such time period, each kilowatt hour of electricity delivered by Cooperative to each retail customer whose consuming facility's point of delivery is located within such annexed area shall be included in the calculation of the amount described in Section 8(A) above.

G. Cooperative is hereby authorized to surcharge to customers within the Town all or any portion of the Franchise Fee that is the subject of this Ordinance. All bills for service rendered within the Town may be adjusted so as to recover the Franchise Fee that is the subject of this Ordinance, less any percentage that is recovered by Cooperative through base rates or other charges.

SECTION 9. ACCOUNTING MATTERS.

A. Cooperative shall maintain the fiscal records and supporting documentation for Gross Revenues and the payment of Franchise Fees associated with this Ordinance for not less than five years.

B. Cooperative shall provide Town and any of its duly authorized representatives access to and the right to examine relevant books, accounts, records, audit reports, reports, files, documents, written material, and other papers belonging to or in use by Cooperative pertaining

to the Franchise Fee payable under this Ordinance (the “Records”) during the Cooperative’s regular business hours and at the Cooperative’s principal offices upon receipt of thirty (30) days written notice from Town. Town’s access to the Records will be limited to information needed to verify that, within the two (2) year period prior to such access to the Records, Cooperative is and has been complying with the terms of this Ordinance with respect to the payment of Franchise Fees. Town may conduct an audit or other inquiry in relation to a Franchise Fee payment made by Cooperative or may pursue a cause of action in relation to Cooperative’s payment of any Franchise Fee only if such audit, inquiry, or pursuit of a cause of action concerns a payment made less than two (2) years before the commencement of such audit, inquiry, or pursuit of a cause of action. If such an examination reveals that Cooperative has underpaid the Franchise Fee to Town, then upon receipt of written notification from Town regarding the existence of such underpayment, Cooperative shall undertake a review of Town’s claim and, if said underpayment is confirmed, remit the amount of underpayment to Town, including any interest calculated in accordance with Section 8(D). The cost of the audit shall be borne by Town unless the Cooperative is finally determined to have underpaid the Franchise Fee by five percent (5%) or more, in which case the reasonable costs of the audit shall be immediately reimbursed to the Town by Cooperative. The rights to access the Records shall terminate two (2) year(s) after the termination or expiration of this Ordinance.

SECTION 10. RIGHT OF RENEGOTIATION.

A. Should either Cooperative or the Town have cause to believe that a change in circumstances relating to the terms of the Franchise granted herein may exist, it may request that the other party provide it with a reasonable amount of information to assist in determining whether a change in circumstances has taken place. If the Cooperative elects to participate in customer choice (*i.e.*, retail competition), it shall notify the Town within thirty (30) days of the Cooperative’s election to so participate.

B. Should either party hereto determine that based on a change in circumstances, it is in such party’s best interest to renegotiate all or some of the provisions of this Ordinance, then the other party agrees to enter into good faith negotiations. Said negotiations shall involve reasonable, diligent, and timely discussions about the pertinent issues and a resolute attempt to settle those issues. The obligation to engage in such negotiations does not obligate either party to agree to an amendment of this Ordinance as a result of such negotiations. A failure to agree does not show a lack of good faith. If, as a result of renegotiation, the Town and Cooperative agree to a change in a provision of this Ordinance, the change shall become effective upon

passage of an ordinance by the Town in accordance with the Town Charter and acceptance of the ordinance by Cooperative.

SECTION 11. TRANSFER AND ASSIGNMENT.

The Franchise granted herein shall not be assigned or transferred without the written consent of the Town, which consent shall not be unreasonably withheld, provided, however, that Cooperative may assign its rights under this Ordinance to a parent, subsidiary, affiliate or successor entity without such consent, so long as (i) such parent, subsidiary, affiliate or successor assumes all obligations of Cooperative hereunder, and (ii) is bound to the same extent as Cooperative hereunder. Cooperative shall give the Town sixty (60) days prior written notice of any assignment to a parent, subsidiary, affiliate or successor entity. Any required consent shall be expressed by an ordinance that fully recites the terms and conditions, if any, upon which such consent is given. Any assignment or transfer effected prior to the Town's approval thereof, if required, shall authorize the Town to treat such assignment or transfer as an Uncured Event of Default and immediately implement the provisions of Section 13, including the right to terminate the Franchise granted herein.

SECTION 12. TERM.

This Ordinance shall become effective on the Effective Date and shall expire on December 31 of the calendar year in which the tenth (10th) anniversary of the Effective Date occurs; provided that, unless written notice of non-renewal is given by either party hereto to the other not less than six (6) months before the expiration of the Franchise granted herein, it shall be automatically renewed for an additional period of one (1) year from such expiration date and shall be automatically renewed thereafter for like periods until canceled by written notice given not less than six (6) months before the expiration of any such renewal period.

SECTION 13. DEFAULT, REMEDIES AND TERMINATION.

A. Events of Default. The occurrence, at any time during the term of the Franchise granted herein, of any one or more of the following events, shall constitute an Event of Default by Cooperative under this Ordinance:

1. The failure of Cooperative to pay the Franchise Fee on or before the due dates specified herein.

2. Cooperative's breach or violation of any of the terms, covenants, representations or warranties contained herein or Cooperative's failure to perform any material obligation contained herein.

B. Uncured Events of Default.

1. Upon the occurrence of an Event of Default which can be cured by the immediate payment of money to Town or a third party, Cooperative shall have thirty (30) calendar days after receipt of written notice from Town of an occurrence of such Event of Default (or such longer time as the Town may specify in such notice) to cure same before Town may exercise any of its rights or remedies pursuant to Section 13(C).
2. Upon the occurrence of an Event of Default by Cooperative which cannot be cured by the immediate payment of money to Town or a third party, Cooperative shall have sixty (60) calendar days (or such additional time as may be agreed to by the Town) after receipt of written notice from Town of an occurrence of such Event of Default to cure same before Town may exercise any of its rights or remedies pursuant to Section 13(C).
3. If the Event of Default is not cured within the time period allowed for curing the Event of Default as provided for herein, such Event of Default shall, without additional notice, become an Uncured Event of Default, which shall entitle Town to exercise the remedies pursuant to Section 13(C).

C. Remedies. Upon receipt of a notice of an alleged Uncured Event of Default as described in Section 13(B), which notice shall specify the alleged failure with reasonable particularity, the Cooperative shall, within the time periods specified in Section 13(B) or such longer period of time as the Town may specify in such notice, either cure such alleged failure or, in a written response to the Town, either present facts and arguments in refuting or defending such alleged failure or state that such alleged failure will be cured and set forth the method and time schedule for accomplishing such cure. In the event that such cure is not forthcoming or the Town determines that an unexcused Uncured Event of Default has occurred, Town shall be entitled to exercise any and all of the following cumulative remedies;

1. The commencement of an action against Cooperative at law for monetary damages.
2. The commencement of an action in equity seeking injunctive relief or the specific performance of any of the provisions, which as a matter of equity, are specifically enforceable.

3. The termination of the Franchise granted herein.

D. Remedies Not Exclusive. The rights and remedies of Town and Cooperative set forth in this Ordinance shall be in addition to, and not in limitation of, any other rights and remedies provided by law or in equity. Town and Cooperative understand and intend that such remedies shall be cumulative to the maximum extent permitted by law and the exercise by Town of any one or more of such remedies shall not preclude the exercise by Town, at the same or different times, of any other such remedies for the same failure to cure. However, notwithstanding this Section or any other provision of this Ordinance, Town shall not recover both liquidated damages and actual damages for the same violation, breach, or noncompliance, either under this Section or under any other provision of this Ordinance.

E. Termination. The Franchise granted herein may be terminated only in accordance with the provisions of Section 13(C). Town shall notify Cooperative in writing at least thirty (30) business days in advance of the Town Council meeting at which the questions of termination shall be considered, and Cooperative shall have the right to appear before the Town Council in person or by counsel and raise any objections or defenses Cooperative may have that are relevant to the proposed forfeiture or termination. The final decision of the Town Council may be appealed to any court or regulatory authority having jurisdiction. Upon timely appeal by Cooperative of the Town Council's decision terminating the Franchise granted herein, the effective date of such termination shall be either when such appeal is withdrawn or a court order upholding the termination becomes final and unappealable. If no appeal is filed, the effective date of such termination shall be the thirtieth (30th) day following the date of the final termination decision of the Town Council. Until the termination becomes effective the provisions of the Franchise granted herein shall remain in effect for all purposes.

F. The failure of the Town to insist in any one or more instances upon the strict performance of any one or more of the terms or provisions of this Ordinance shall not be construed as a waiver or relinquishment for the future of any such term or provision, and the same shall continue in full force and effect. No waiver or relinquishment shall be deemed to have been made by the Town unless said waiver or relinquishment is in writing and signed by the Town.

SECTION 14. PUBLIC INFORMATION.

If the Cooperative provides confidential or proprietary information to the Town, the Cooperative shall be solely responsible for identifying such information with markings calculated to bring the Town's attention to the proprietary or confidential nature of the information, provided it is expressly understood and agreed that all maps and all information concerning Franchise Fee

calculation and payments and audit information furnished by or on behalf of the Cooperative to the Town or its auditors or consultants shall be deemed strictly confidential and subject to the Town's agreement in the next sentence. The Town agrees to maintain the confidentiality of any information obtained from Cooperative so designated to the fullest extent allowed by law. Town shall not be liable to Cooperative for the release of any information the Town is required to release by law. Town shall provide notice to Cooperative of any request for release of information designated as confidential or proprietary prior to releasing the information so as to allow Cooperative adequate time to pursue available remedies for protection. If the Town receives a request under the Texas Public Information Act that includes information designated by Cooperative as proprietary or confidential, Town will notify the Texas Attorney General of the asserted proprietary or confidential nature of the document(s). The Town also will provide Cooperative with a copy of such notification to the Texas Attorney General, and thereafter Cooperative is responsible for establishing that an exception under the Texas Public Information Act allows the Town to withhold the information.

SECTION 15. PUBLIC PURPOSE.

All of the provisions contained in this Ordinance are hereby declared to be for a public purpose, and are in the interests of the health, safety, and welfare of the general public.

SECTION 16. SEVERABILITY; ORDINANCE CONTROLLING.

If any provision, section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be unconstitutional, void or invalid (or for any reason unenforceable), the validity of the remaining portions of this Ordinance shall not be affected thereby, it being the intent of the parties in adopting this Ordinance that no provision hereof shall be inoperative or fail by reason of any unconstitutionality or invalidity of any other portion, provision, or regulation, and to that end, all provisions of this Ordinance are declared to be severable. Both the Cooperative and the Town expressly recognize that this Ordinance creates a binding and enforceable contract between them, which contract may not be amended without written consent of both the Cooperative and the Town. Should any inconsistency or conflict exist between the provisions of this Ordinance and the Town's charter or another ordinance or ordinances, then the provisions of this Ordinance shall control to the extent of such inconsistency or conflict to the extent not prohibited by law.

SECTION 17. NOTICE.

Any notices required or desired to be given from one party to the other party to this Ordinance shall be in writing and shall be given and shall be deemed to have been served and received if: (i) delivered in person to the address set forth below; (ii) deposited in an official depository under the regular care and custody of the United States Postal Service located within the confines of the United States of America and sent by certified mail, return receipt requested, and addressed to such party at the address hereinafter specified; or (iii) delivered to such party by courier receipted delivery. Either party may designate another address within the confines of the continental United States of America for notice, but until written notice of such change is deemed served and received by the other party as provided above, the last address of such party designated for notice shall remain such party's address for notice.

TOWN

Town of Hickory Creek, Texas
1075 Ronald Reagan Avenue
Hickory Creek, Texas 75065
Attention: Town Secretary

COOPERATIVE

Denton County Electric Cooperative, Inc.,
d/b/a CoServ Electric
7701 S. Stemmons Freeway
Corinth, Texas 76210-1842
Attention: President

SECTION 18. ACCEPTANCE.

In order to accept the Franchise granted herein, Cooperative must file with the Town Secretary its written acceptance of this Ordinance within sixty (60) days after the Town provides written notice to Cooperative of this Ordinance's final passage and approval by Town (the "Town Adoption Notice"). Cooperative shall reimburse Town for publication expenses incurred by Town in connection with Town publishing this Ordinance for purposes of public notification of the accepted Franchise to the extent that such expenses do not exceed the cost to publish the caption of this Ordinance in accordance with Section 52.013(a) of the Texas Local Government Code,

Upon Cooperative's written acceptance of the terms of this Ordinance, all claims of Town and Cooperative under any prior franchise ordinance or other agreement between the parties that were or could have been made by either party shall be forever waived and extinguished.

SECTION 19. FUTURE AMENDMENTS.

This Ordinance may be amended only by an ordinance adopted by the Town and accepted by the Cooperative in writing.

SECTION 20. ORDINANCE PASSED AT PUBLIC MEETING.

It is hereby officially found that the meeting at which this Ordinance is passed is open to the public and that due notice of this meeting was posted, all as required by law.

SECTION 21. EFFECTIVE DATE.

Upon the filing of Cooperative’s written acceptance of the Franchise granted herein, this Ordinance shall become effective as of the first day of the calendar month that is not less than sixty (60) days after the final adoption of this Ordinance by the Town.

SECTION 22. REPEAL.

This Ordinance shall supersede any and all other franchises granted by the Town to Cooperative, its predecessors and assigns.

DULY PASSED AND APPROVED BY THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK, TEXAS, BY A VOTE OF _____ TO _____, ON THIS THE 24th DAY OF OCTOBER, 2022.

APPROVED:

MAYOR

ATTEST:

TOWN SECRETARY

APPROVED AS TO FORM:

TOWN ATTORNEY

**TOWN OF HICKORY CREEK
RESOLUTION NO. 2022-1024-__**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF
HICKORY CREEK, TEXAS DESIGNATING THE DENTON RECORD
CHRONICLE AS THE OFFICIAL NEWSPAPER FOR THE TOWN OF
HICKORY CREEK, TEXAS.**

WHEREAS, the Town of Hickory Creek is required to adopt an official municipal newspaper as per Chapter 52.004 of the Texas Local Government Code;

WHEREAS, the Town of Hickory Creek shall publish in the official newspaper that holds more than a de minimis number of subscribers within a specific geographic region, has a diverse subscribership, and publishes some items of general interest to the community; and

WHEREAS, the Town Council finds that *Denton Record Chronicle* meets the criteria listed above, and:

1. devotes not less than 25% of its total column lineage to general interest items;
2. is published at least once each week;
3. is entered as 2nd class postal matter in the county where published; and
4. has been published regularly and continuously for at least 12 months before the governmental entity or representative publishes notice; and

WHEREAS, the Town Council of the Town of Hickory shall publish in the official newspaper each ordinance; captions of ordinances; notice; or other matter required by law or ordinance to be published.

**NOW THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE TOWN OF
HICKORY CREEK, TEXAS:**

Section 1

The Town of Hickory Creek hereby designates the *Denton Record Chronicle* as the official newspaper of the Town of Hickory Creek.

Section 2

The Town of Hickory Creek hereby finds that *Denton Record Chronicle* has more than de minimis number of subscribers within the geographic region containing the Town of Hickory Creek, Texas, has a diverse subscribership, and publishes some items of general interest to the community of Hickory Creek, Texas.

Section 3

The Town Secretary is hereby authorized to publish required matters with the official newspaper for the Town of Hickory Creek.

Section 4

That this resolution shall become effective immediately upon its passage and approval.

PASSED AND APPROVED this the 24th day of October, 2022.

Lynn C. Clark, Mayor
Town of Hickory Creek

ATTEST:

APPROVED AS TO FORM:

Kristi K. Rogers, Town Secretary
Town of Hickory Creek

Dorwin L. Sargent, III, Town Attorney
Town of Hickory Creek

AGENDA INFORMATION SHEET

APPLICATION FOR AUTHORITY TO INCREASE RATES SUBMITTED BY ONCOR ELECTRIC DELIVERY COMPANY LLC

BACKGROUND

On or about May 13, 2022, Oncor Electric Delivery Company LLC (“Oncor” or “Company”) filed a Statement of Intent to increase its revenues by approximately \$251 million, which equates to a net increase of approximately 4.5% in Oncor’s overall revenue. Oncor proposes to implement its proposed increase in rates effective June 17, 2022.

Earlier, sometime in June, 2022, the City took its initial action on Oncor’s application and suspended Oncor’s proposed effective date to keep Oncor’s proposed rates from going into effect.

The City must now take its final action on Oncor’s application to increase rates and must do so no later than October 30, 2022.

INTERVENTION AT THE PUBLIC UTILITY COMMISSION OF TEXAS

Oncor filed its Statement of Intent to raise rates with the City and with the Public Utility Commission of Texas (“PUCT”) on the same date, May 13, 2022. Because Oncor filed its application with the City and with the PUCT on the same date, the City, as part of the Alliance of Oncor Cities (“AOC”) intervened in the proceedings before the PUCT.

During the suspension period, through AOC the City participated in the proceedings, including hearings, at the PUCT. AOC through its Special Counsel, Herrera Law & Associates, PLLC, engaged rate consultants to evaluate Oncor’s proposal to increase rates and is participating in the hearings being held as directed by the PUCT. The hearings regarding Oncor’s application to increase rates are expected to run through October 5, 2022, after which the administrative law judges’ (“ALJs”) will issue a proposal for decision (“PFD”). The ALJs’ proposal for decision will be presented to the PUCT commissioners likely some time in February, 2023, for a final decision.

While there were numerous issues raised by Oncor’s application to increase rates, AOC focused on several key issues that standing alone have the greater effect on Oncor’s proposed increase: Oncor’s rate of return, its depreciation expense, Oncor’s funding for its self-insurance reserve and its incentive compensation for its employees including its executives, and Oncor’s post Test Year adjustment to its payroll expense.

Regarding Oncor’s rate of return, AOC’s rate expert concluded that a rate of return of 6.31% was a reasonable return that would allow Oncor continued access to the capital

markets to raise financing for its ongoing operations. By comparison, Oncor proposed a rate of return of 7.05%.

AOC's rate expert's proposed rate of return is comprised of 57.20% long-term debt and 42.50% common equity; a cost of long-term debt of 4.39%; and a cost of equity (aka, return on equity) of 8.90%. By comparison, Oncor's rate of return is based on a capital structure of 55.00% long-term debt and 45.00% common equity; the same cost of long-term debt of 4.39%; and a cost of equity of 10.30%. The effect of AOC's expert's conclusion regarding Oncor's rate of return is a decrease of about \$177.8 million to Oncor's requested increase in rates.

With regard to Oncor's depreciation expense, Oncor's rate expert concluded that Oncor's depreciation expense should be decreased by about \$75.0 million.

Regarding Oncor's self-insurance reserve, though AOC's expert did not disagree with the amount of Oncor's funding for its self-insurance reserve, AOC's expert recommended amortization of 10 years (versus Oncor's proposed 5-year amortization). The effect of a longer amortization period is to reduce Oncor's request for self-insurance reserve is a decrease of \$58.9 million to Oncor's proposed increase.

With regard to Oncor's incentive compensation expense, AOC's expert recommended a decrease of \$29.8 million to Oncor's proposed amount for incentive compensation.

With regard to Oncor's proposed post Test Year adjustment to increase its payroll expense, AOC's expert recommended a decrease of \$9.2 million to Oncor's proposed increase.

Combined, AOC's experts' conclusions regarding Oncor's rate of return, depreciation expense, self-insurance reserves, incentive compensation, and payroll adjustment combined equate to a decrease of about \$211.7 million to Oncor's *proposed increase* of about \$251 million.

In addition to AOC's analysis, parties representing other municipalities in the proceeding before the PUCT also concluded that Oncor's requested increase was too high. Those parties proposed a decrease of about \$314 million to Oncor's proposed increase in rates. Added to AOC's findings, AOC and the other cities participating in the proceeding before the PUCT recommended that the PUCT reduce Oncor's proposed increase of \$251 million, by about \$525.7 million.

The effect of these recommendations is that AOC and the other cities participating in Oncor's rate case at the PUCT, recommended to the PUCT that Oncor's *present revenue* be decreased by about \$275 million.

CITY JURISDICTION TO SET ONCOR'S RATES:

Municipalities have exclusive, original jurisdiction over an electric utility's rates, services, and operations within a city's boundaries. This means that for a utility like Oncor to change

its rates it must seek approval to do so from the city in which it provides its service. Even if a city has ceded its jurisdiction to the PUCT, a city nonetheless has the statutory right to participate in rate proceedings before the PUCT.

But, the PUCT has appellate jurisdiction over rate-setting decisions a city makes. This means that Oncor may appeal to the PUCT, a city's decision regarding rates. And to be clear: Oncor will appeal to the PUCT, the City's decision regarding rates.

PRIOR CITY ACTION

The City previously acted to suspend the effective date of Oncor's requested rate increase by 90 days. Contemporaneously with the City's prior action to suspend the rate increase, the City also: (1) authorized intervention in proceedings related to Oncor's proposed rate increase as a member of the coalition of cities known as the Alliance of Oncor Cities; (2) directed Oncor to reimburse AOC's rate case expenses; and (3) retained the law firm of Herrera Law and Associates, PLLC with respect to rate proceedings involving Oncor before the Public Utility Commission of Texas and courts of law and to retain consultants to review Oncor's rate application subject to AOC's approval.

RATE CASE EXPENSES

Cities, by statute, are entitled to recover their reasonable rate case expenses from the utility. The accompanying Resolution directs Oncor to continue to reimburse AOC's rate case expenses on a monthly basis based on presentation of approved invoices from the cities.

DENIAL

The attached Resolution denies Oncor's proposed increase in revenue and changes in rates and directs Oncor to reimburse AOC's rate case expenses.

RECOMMENDATION: DENY ONCOR'S PROPOSED INCREASE

AOC's Special Counsel and consultants' analyses found that Oncor's rates should be decreased. However, because: (1) the PUCT has appellate jurisdiction over the City's actions setting Oncor's rates; and (2) the rates the City sets would be in effect for only a short period, AOC's Special Counsel recommends that the City deny Oncor's proposed increase in rates.

Additionally, to do otherwise could cause significant confusion in the pricing of electricity by retail electric providers ("REPs"). The REPs are the entities that sell electricity service to end-use customers and have a direct relationship with the end-use customer. The REPs generally need from four to six weeks to change their billings to customers. Thus, requiring Oncor to change its rates consistent with Oncor's and the other cities' rate experts' findings pending Oncor's appeal to the PUCT, likely would not provide the REPs sufficient time to adjust their billings to end-use customers, and likely would require the REPs to change

their billings twice: once to conform their billings to the City's decision and again to conform their billings to the PUCT's decision.

A denial of Oncor's proposed increase maintains the status quo until the PUCT issues its final order regarding Oncor's rates and provides the REPs adequate time for the REPs to change their billings to end-use customers.

The City must take final action on Oncor's proposed increase by no later than October 30, 2022. If the City does not take action by October 30, 2020, Oncor's proposed rates will be deemed approved by operation of law.

**TOWN OF HICKORY CREEK
RESOLUTION NO. 2022-1024-___**

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK (“TOWN”) DENYING ONCOR ELECTRIC DELIVERY COMPANY LLC’S APPLICATION TO INCREASE RATES RELATED TO ONCOR’S STATEMENT OF INTENT TO INCREASE RATES FILED ON OR ABOUT MAY 13, 2022; REQUIRING THE REIMBURSEMENT OF MUNICIPAL RATE CASE EXPENSES; FINDING THAT THE MEETING COMPLIES WITH THE OPEN MEETINGS ACT; MAKING OTHER FINDINGS AND PROVISIONS RELATED TO THE SUBJECT; AND DECLARING AN EFFECTIVE DATE

WHEREAS, Oncor Electric Delivery Company LLC (“Oncor” or “Company”) filed a Statement of Intent with the Town on or about May 13, 2022, to increase its revenues; and

WHEREAS, Oncor initially proposed to implement its proposed increase in rates on or about June 17, 2022, and

WHEREAS, Oncor’s proposed increase in rates, if approved or implemented, would result in an increase of approximately \$251 million in its annual revenue, which equates to an overall increase in revenue of approximately 4.5%; and

WHEREAS, the Town is a regulatory authority under the Public Utility Regulatory Act (“PURA”) and under Chapter 33, §33.001 et seq. of PURA has exclusive original jurisdiction over Oncor’s rates, operations, and services within the municipality; and

WHEREAS, in order to maximize the efficient use of resources and expertise in reviewing, analyzing and investigating Oncor’s rate request and its changes in tariffs the Town coordinated its efforts with a coalition of similarly situated municipalities known as the Alliance of Oncor Cities (“AOC”); and

WHEREAS, Oncor failed to establish that its overall revenue request resulted in no more than an amount that will permit Oncor a reasonable opportunity to earn a reasonable return on the utility’s invested capital used and useful in providing service to the public in excess of the utility’s reasonable and necessary operating expenses; and

WHEREAS, Oncor failed to establish that its proposed rates were just and reasonable; and

WHEREAS, the Town has previously: (1) suspended Oncor's proposed rate increase by 90 days; (2) authorized intervention in proceedings related to Oncor's proposed rate increase as a member of the coalition of cities known as the Alliance of Oncor Cities; (3) directed Oncor to reimburse AOC's rate case expenses; and (4) retained the law firm of Herrera Law & Associates, PLLC with respect to rate proceedings involving Oncor before the Town, the Public Utility Commission of Texas, and courts of law and to retain consultants to review Oncor's rate application subject to AOC's approval.

NOW THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK, TEXAS THAT:

Section 1. The findings set out in the preamble are in all things approved and incorporated herein as if fully set forth.

Section 2. Oncor failed to show that its proposed rates are just and reasonable.

Section 3. The Town hereby **DENIES** Oncor's request to increase rates and in support of **DENIAL** finds that:

- a) Oncor failed in its burden of proof to establish that its requested increase in revenue or the changes set forth in its tariffs attached to Oncor's Statement of Intent to increase rates, results in just and reasonable rates;
- b) Oncor failed in its burden of proof to establish that adoption of its proposed rate base, expenses, investment, return on equity, and other rate issues as presented in Oncor's Statement of Intent to increase rates, result in just and reasonable rates.

Section 4. The Town hereby orders Oncor to reimburse the Town's rate case expenses as provided in the Public Utility Regulatory Act and that Oncor shall continue to do so on a monthly basis and within 30 days after submission of the AOC's invoices for the AOC's reasonable costs associated with the Town's activities related to this rate review or to related proceedings involving Oncor before the Town, the Public Utility Commission of Texas, or any court of law.

Section 5. The Town, in coordination with the AOC, delegates to the Town Manager and/or the Town Attorney, or designee of such office, review of the invoices of the lawyers

and rate experts for reasonableness before submitting the invoices to Oncor for reimbursement.

Section 6. A copy of this resolution shall be sent to Mr. Matt Henry, Vice President, General Counsel, Oncor, 1616 Woodall Rodgers Expressway, Dallas, Texas, 75202; Mr. Robert Schmidt, Regulatory Manager, Oncor/Regulatory Financial, 1616 Woodall Rodgers Expressway, Dallas, Texas, 75202; and to Mr. Alfred R. Herrera, Herrera Law & Associates, PLLC, 4400 Medical Pkwy, Austin, Texas 78756.

Section 7. The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 8. This resolution supersedes any prior inconsistent or conflicting resolution or ordinance.

Section 9. This resolution shall become effective from and after its passage.

PASSED AND APPROVED this the 24th day of October, 2022.

Lynn C. Clark, Mayor
Town of Hickory Creek

ATTEST:

APPROVED AS TO FORM:

Kristi K. Rogers, Town Secretary
Town of Hickory Creek

Dorwin L. Sargent, III, Town Attorney
Town of Hickory Creek

**TOWN OF HICKORY CREEK, TEXAS
RESOLUTION NO. 2022-1024-__**

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK, TEXAS, HEREBY AUTHORIZING THE MAYOR OF THE TOWN OF HICKORY CREEK, TEXAS, TO EXECUTE AN AGREEMENT CONCERNING TOWN HALL AUDIO SYSTEMS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Hickory Creek (the “Town”), Texas is a Type A General Law Municipality located in Denton County, Texas, created in accordance with the provisions of the Texas Local Government Code and operating pursuant to enabling legislation of the State of Texas; and

WHEREAS, the Town Council has been presented with a proposed agreements concerning audio systems from BISDigital, attached hereto as Exhibit A, and from Digital Resources, Inc, attached hereto as Exhibit B, each of which are hereby incorporated herein by reference; and

WHEREAS, upon full review and consideration of the Town’s need for audio visual systems, and all matters attendant and related thereto, the Town Council is of the opinion that the terms and conditions of Exhibit _____ should be approved, and that the Mayor shall be authorized to execute it on behalf of the Town of Hickory Creek.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Hickory Creek, Texas:

Section 1: That the Mayor of the Town of Hickory Creek, Texas, is hereby authorized to execute on behalf of the Town of Hickory Creek, Texas, the agreement attached hereto as Exhibit _____.

Section 2: This Resolution shall take effect immediately upon its passage.

PASSED AND APPROVED by the Town Council of the Town of Hickory Creek, Texas this 24th day of October, 2022.

Lynn C. Clark, Mayor
Town of Hickory Creek, Texas

ATTEST:

Kristi Rogers, Town Secretary
Town of Hickory Creek, Texas

APPROVED AS TO FORM:

Dorwin L. Sargent, III, Town Attorney
Town of Hickory Creek, Texas

September 26, 2022

John Smith
Hickory Creek, TX Municipal Court
1075 Ronald Reagan Avenue
Hickory Creek, TX 75065

RE: I - JUL 2022 - Audio - City Council - Municipal Court - Hickory Creek, TX Municipal Court

Dear John,

Thank you for the opportunity to submit a quotation for the product supply, installation, and training of our integrated audio/video (AV) solution.

BIS Digital provides a complete technology solution based on your needs and requirements which includes planning, design, programming, installation as well as training with on-going support and service. Our ability to design, implement and support a fully integrated AV workflow solution makes BIS unique.

Please don't hesitate to contact me with any questions or concerns.

Sincerely,

Brandy Johnson
Account Manager
(800) 834-7674
brandy.johnson@bisdigital.com



1350 NE 56th Street, Suite 300
Ft. Lauderdale, FL 33334



Sales: (800) 834-7674
Support: (800) 715-1234



Email: info@bisdigital.com
Web: www.bisdigital.com

About BIS Digital

BIS Digital is a technology company which provides integrated digital recording and multi-media communications solutions. We “capture the record” with complete multi-channel audio and video digital recording systems customized to meet client needs. We work with award-winning manufacturers to bring you the latest in AV technology.

We design systems with fully integrated AV capabilities for optimal workflow and efficiency. Founded in 1982, BIS Digital has the knowledge and experience gained through our large customer base to build the perfect AV system from concept to completion. We handle everything from planning and design to installation and service. Moreover, we ensure staff is properly trained on using the system to master its operation.

Our solutions include:

- Multi-channel audio and video recording
- Sound systems
- Presentation systems
- Video conferencing
- Enterprise room control
- Video walls
- Language translation connectivity

Onsite service or remote service agreements may be included within this proposal or are available upon request. Multiple-year service agreements are also available.

Free CourtSide Portal Access



Included in this proposal is the CourtSide app. CourtSide is a web application that uses artificial intelligence and professional editing services to create formatted, speaker-identified transcripts. The app is free, and transcripts are produced on-demand through the CourtSide online transcript ordering portal. Transcription costs are based on page count and turnaround time.

Date	Monday, September 26, 2022
Quote Number	Q-8020683-9.26.2022 I - JUL 2022 - Audio - City Council - Municipal Court - Hickory Creek, TX Municipal Court
Sales Consultant	Brandy Johnson, Account Manager (800) 834-7674 / brandy.johnson@bisdigital.com
Primary Contact	John Smith, Town Administrator 1075 Ronald Reagan Avenue Hickory Creek, TX 75065 940-497-2528 ext 231 john.smith@hickorycreek-tx.gov
Billing Address	Hickory Creek, TX Municipal Court / A-1019261 1075 Ronald Reagan Avenue Hickory Creek, TX 75065
Shipping Address	1075 Ronald Reagan Avenue Hickory Creek, TX 75065
Users To Train	TBD
Wiring Required	Yes
Installation Notes	Installation will be scheduled to begin 7-9 weeks from receipt of order confirmation with a PO.

System Overview

BIS-ZH7F30XM

Scope of Work Details

Type	Version #	Option	System
On-site Walkthrough	1	N/A	Council Room

Account Name	Building Name	Room Name
Hickory Creek, TX Municipal Court	Municipal Court	City Council

BIS Digital Rep	Email	Phone	Ext.
Brandy Johnson	brandy.johnson@bisdigital.com	(800) 834-7674	4553

Lockable storage?	Yes
Loading area/dock?	No
Multiple ceiling heights?	Yes
Access above ceiling?	Yes
Client providing lift?	No
Known asbestos?	No
Run new cables?	Yes (all new cables)

System Inputs and Outputs

Audio Feeds (Inputs)	Video Feeds (Inputs)	Speakers (Outputs)	Displays (Outputs)
12		6	2

Installation Description / Notes

BIS Digital will provide and install:

- DCR 8-channel audio video recording software (will be setup to record only audio)
- Touchscreen room control system to control audio levels
- Dante Audio Mixer
- Televic Push to Talk gooseneck microphone system including (11) delegate microphones and (1) chairman microphone
 Will include voting function and results display
- Network switch for audio routing



General Scope of Work Description

BIS-ZH7F30XM

Except as otherwise expressly provided herein, the following provisions are standard for every installation. Note that this Scope of Work is preliminary and is designed to reflect general system needs and the corresponding installation objectives. It offers no guarantee and does not include all items that may be necessary. Any reference to specific equipment provided by BIS Digital may be subject to change. The full price-accurate quote and labor assessment will be delivered in the form of a formal proposal after the client confirms review of this Scope of Work.

BIS Digital shall:

- Supply all adequate and competent labor, supervision, tools, and equipment, installed and consumable materials, services, testing, and every item of expense necessary for the installation and integration of the A/V solutions detailed. Products, services, or functions not specifically listed in this Scope of Work will not be included.
- Perform all work as described in the Scope of Work so as to provide all services required to install, test, and deliver a complete and operable A/V solution. BIS Technicians will install all specified equipment and make all final circuit terminations in the head-end equipment racks.
- Provide all adequate and competent project management, personnel, supervision, staff, labor, installation planning, scheduling, documentation, installation quality, and testing devices in order to complete the work.
- Furnish the equipment as specified herein. BIS Digital reserves the right to bill for equipment as stored materials when delivery or installation is not possible. There are no additional implied or expressed operations of the system other than stated within.
- Recommend for Dedicated Electrical Power to be installed at the head-end, end-user equipment, or at the location of final control(s).
- Ensure all deliverables and any substitutions are produced on a schedule established under a relevant contract and Scope of Work.

The Client shall:

- Prepare the installation site as required including but not limited to carpentry, network connection installation, and electrical work.
- Provide scaffold, ladders, or high-reach equipment for all installation work in ceilings over 14 feet.
- Assume responsibility for any external noise or factors creating noise within the systems not exposed by installed electronic equipment.
- Ensure installation structures will support equipment load, including but not limited to wall-mounted displays, hanging loudspeakers, and equipment racks.

If required, the customer-provided contractor(s) will be responsible for providing, hanging, and installing all rigid electrical junction boxes, AC power, relay switches, conduits, and any structural reinforcement means as required for the proposed systems. Provided PCs should meet the following requirements: Operating System: Microsoft Windows 10 (64-bit) version 1909 or later. Processor: Intel® 6th Gen or newer CPU -or- AMD Ryzen™ 1000 Series or newer CPU. Memory: 8 GB of RAM /16 GB of RAM for HD media. GPU: 4 GB of GPU memory for HD and some 4K media. Storage: 8 GB of available hard-disk space for installation; additional free space required (will not install on removable flash storage). Additional high-speed drive for media. Sound Card: ASIO compatible or Microsoft Windows Driver Model. Network Connection: 1 Gigabit Ethernet.

Disclaimer: This Scope of Work document is intended as an initial work assessment only and may be subject to a final technical assessment of your requirements. Its use is limited to the purpose of allowing you, the intended recipient, to verify via signature whether the listed equipment, software, and installation needs were accurately recorded herein. This document does not provide any implied or express warranties. We accept no liability to you for any reliance placed on the information in this document other than for its intended purpose as an initial work assessment. Should you seek to use any information contained in this document other than in accordance with the terms of this disclaimer, we exclude all liability to the maximum extent permitted by law. By requesting and/or receiving this Scope of Work, you acknowledge your acceptance of the terms in this disclaimer. This includes any/all financial responsibility for change orders that may occur before, during, or after installations with unsigned Scope of Works. By signing this Scope of Work, you affirm that the listed equipment, software, and installation needs represented are correct to the best of your knowledge. Any changes made to a Scope of Work before a quote is delivered will be reflected in the Scope of Work Version Log. Changes made after a quote is delivered will be conducted in the form of a change order. If you choose not to accept these terms, please return the document to us and do not act upon the information contained within it. Our Scope of Work is subject to our standard terms and conditions, which you acknowledge as sighted when acting on this document. If a Scope of Work is not accepted and signed, the terms in this disclaimer continue to apply. The information within this document is proprietary and confidential and must not be disseminated to, or used by, third parties without our consent.

Client confirmed that installation structures will support installed equipment as applicable?

Yes (client confirmed structure WILL support installed devices)

Client Name (Print) _____

Client Signature _____ Date _____

Microphones and Audio Feeds

	A1	A2	A3	A4	A5	A6	A7	A8	A9	A10
Location	Dais	Dais	Podium 1	Clerk	Administrator	Other (see notes)				
Qty	6	1	1	1	1	2				
Status	Provide (New)	Provide (New)	Provide (New)	Provide (New)	Provide (New)	Provide (New)				
Type	Conference (wireless)	Conference (wireless)	Conference (wireless)	Conference (wireless)	Conference (wireless)	Conference (wireless)				
Make / Model	Televic Gooseneck - Delegate	Televic Gooseneck - Chairman	Televic Gooseneck	Televic Gooseneck	Televic Gooseneck	Televic Gooseneck				
System	Council	Council	Council	Council	Council	Court				
Mount	Base	Base	Base	Base	Base	Base				
Length										
Room Control Device										
Stream Online	No	No	No	No	No	No				
Used in VTC?	No	No	No	No	No	No				
Channel	6	7	8	8	7	8				

Equipment

	Qty	Status	Make/Model	Ports	Room Control Device	RC Operation 1	RC Operation 2	RC Operation 3
Audio Amplifier	1	Use (Existing)	Crown					
Desktop/Laptop	1	Provide (New)						
DSP/Mixer	1	Provide (New)	Tesira Biamp		Touch Panel	Volume		
Network Switch	1	Use (Existing)		8				
Video Distribution Amplifier	2	Use (Existing)	1x4; 1x8					

Rack

Location	Status	Access	Conduit	Avail Slots
Rack Room	Use (Existing)	Indirect (adjacent room)	Existing	4

Recording

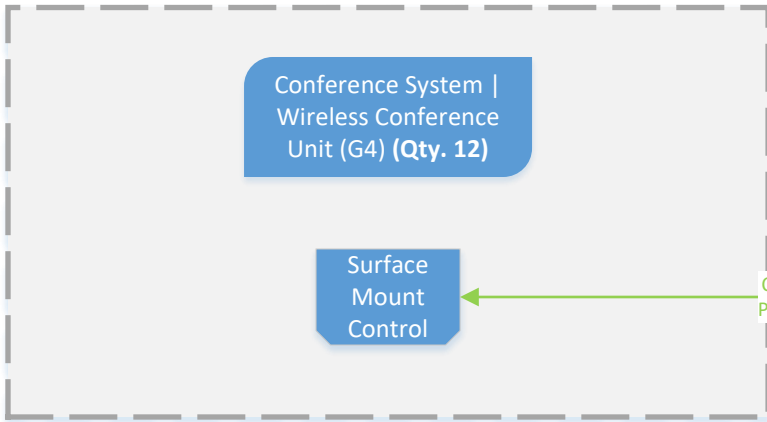
Location	Type	Method	Audio Channels	Video Channels	Record VTC?	Software Status	PC Status	External Drive Needed?	Control	Storage	Access
Administrator	DCR	On-site Installation	8			Provide (New)					

Itemized Quote

Item	Product Code	Qty	Unit Price	Total Price
DCR 8ch Digital A/V Recording Software (incl. 12 month SAS)	DCR-8S	1	\$4,500.00	\$4,500.00
DANTE Virtual Sound Card (up to 64ch)	BIS-DANTE-V64	1	\$130.00	\$130.00
Professional Digital PA Mixer DANTE Capable w/8ch USB out and POTS/VoIP Interface	BIS-MX-DAN-USB8PV	1	\$4,700.00	\$4,700.00
Desktop Mount Control (For Professional Digital PA Mixer Only) Touch-Enabled 12 Button	BIS-MX-DMX-TE-12B	1	\$770.00	\$770.00
Table Mount for BIS-MX-SMX-TE-12B	BIS-TM-MX-SMX-TE-12B	1	\$220.00	\$220.00
Conference System Wireless Conference Unit (G4) w/ Voting Series 4	BIS-CONF-WU-G4-S4	12	\$1,800.00	\$21,600.00
Conference System 16" Gooseneck Microphone w/ LED Ring Series 3	BIS-CONF-16GN-LEDR-S3	12	\$205.00	\$2,460.00
Conference System Charging Tray for 10 Battery Packs (G4) 19" Rack mountable Series 4	BIS-CONF-10BPCT-S4	2	\$1,550.00	\$3,100.00
Conference System Audio Engine w/ Dante Card Series 3	BIS-CONF-AEWD-S3	1	\$5,500.00	\$5,500.00
Conference System Browser Interface 360 License Series 4	BIS-CONF-CON-BIL-S4	1	\$3,400.00	\$3,400.00
Conference System PoE+ Power Adapter for Wireless Conference Access Point (G4) Series 4	BIS-CONF-PoE+PA-WCAP-S4	1	\$115.00	\$115.00
Conference System Wireless Conference Access Point (G4) w/ Dante Interface Series 4	BIS-CONF-WCAP-WD-S4	1	\$4,500.00	\$4,500.00
Conference System 65' Patch Cable Series 3	BIS-CONF-65PC-S3	3	\$70.00	\$210.00

CAT6 Patch Cable (5ft.)	BIS-CAT6-PC5	8	\$15.00	\$120.00
CAT6 Patch Cable (10ft.)	BIS-CAT6-PC10	3	\$20.00	\$60.00
UPS Backup 6 outlets 425VA	BIS-UPS-425V6	1	\$125.00	\$125.00
USB Gigabit NIC (10/100/1000)	BIS-NIC-GB	1	\$30.00	\$30.00
Network Switch w/PoE 8-port (Series 8)	BIS-NS-POE-8-S8	2	\$545.00	\$1,090.00
Installation Supplies	BIS-INST-SUP	1	\$698.02	\$698.02
Shipping/Handling	S/H	1	\$3,424.36	\$3,424.36
On-site Setup, Installation and Training	SIT	1	\$3,600.00	\$3,600.00
Annual DCR REMOTE SUPPORT on above purchased system (Hardware Replacement not included)	NMNT-DCR-R	1	\$3,930.75	\$3,930.75
TIPS DISCOUNT – 10%	DISCOUNT	1	(\$6,095.02)	(\$6,095.02)
			Sales Tax Rate	_____ %
			Total (Excluding Sales Tax)	\$58,188.11

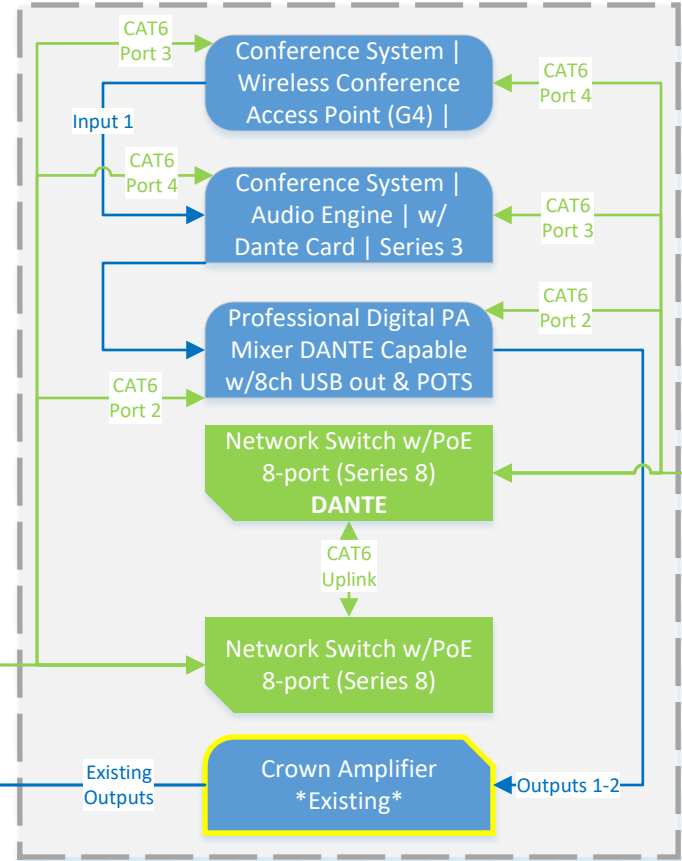
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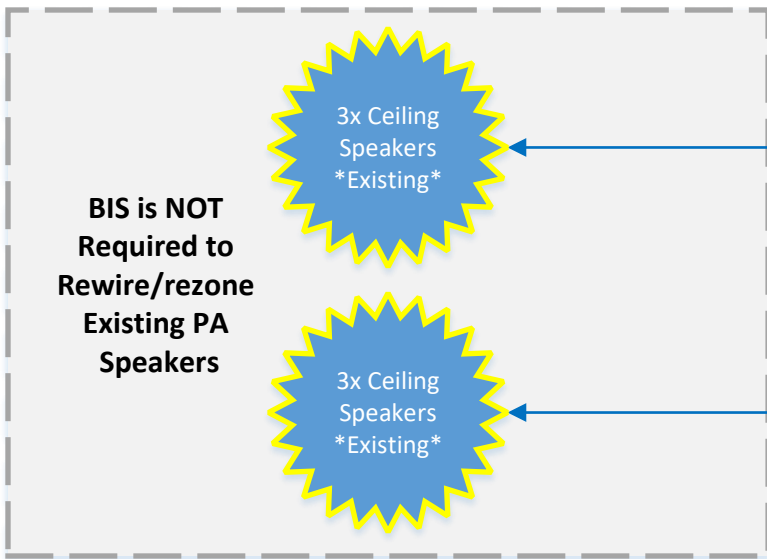
Court Recorder Station



Existing AV Rack



Ceiling



- Wiring Legend:**
- Audio: ———
 - HDMI: - - - - -
 - VGA: _ _ _ _ _
 - Composite: - · - · - ·
 - Network: ———
 - USB: ———
 - HDBaseT: ———

Clients Existing Equipment

Signature: _____

Date: _____

ALL IDEAS, DESIGNS AND PLANS REPRESENTED BY THIS DRAWING ARE OWNED BY AND ARE THE PROPERTY OF BIS DIGITAL . THEY WERE CREATED AND DEVELOPED FOR USE ON THIS SPECIFIED PROJECT ONLY. NONE OF THE IDEAS, DESIGNS AND PLANS SHALL BE USED BY ANY PERSONS OR CORPORATIONS FOR ANY PURPOSE WITHOUT THE WRITTEN CONSENT OF BIS DIGITAL .		Hickory Creek (TX) Municipal Court Q-8020683	
		AUDIO LINE DRAWING	
1350 NE 58th STREET, SUITE 300 FORT LAUDERDALE, FL 33334 PHONE: 800.715.1234 WEBSITE: www.bisdigital.com	AUTHOR: J.D.P.	DWG NO 1	REV B
DATE: 08/23/2022	SHEET 1 of 1		

Optimal Specifications for BIS Digital PC Systems

Live Stream & On-Demand Requirements

- BIS Digital, Inc. recommends customer can transmit continuous stream of 300kbps or more for optimal performance.

All specifications are subject to change without notice. All computers sourced from third parties must first be approved by BIS Digital prior to purchase.

Equipment Supply

BIS Digital will furnish the equipment as specified herein. Revisions to this contract are made by approved written "Change Order". BIS reserves the right to bill for equipment as stored materials when delivery or installation is not possible. There are no additional implied or expressed operations of the system other than stated within.

Electrical Installation

The customer provided electrical contractor will install all AC power, relay switches & conduit as required for the proposed systems. If required, the customer provided electrician will be responsible for providing and hanging all rigid electrical junction boxes, conduit and installing same. BIS Digital has recommended and asked for Dedicated Electrical Power to be installed at the head-end, controlled end-user equipment or at the same location of final control(s). Dedicated Power shall be the responsibility of the end-user and any external noise or factors creating noise within the systems not exposed by installed electronic equipment shall not be BIS Digital, Inc. responsibility and shall not be reason for any hold-backs whatsoever by any party.

Equipment Installation and Head End Connections

BIS technicians will install all specified equipment and make all final circuit terminations in the head-end equipment racks. The customer will provide all custom carpentry or custom room preparations as required prior to the installation. The customer will provide scaffold or high reach for all installation work in ceilings over fourteen feet. All network connection(s) are to be provided by the customer. Any changes, alterations or deviations from the Equipment and installation obligations specified herein involving extra cost for labor or material will be executed only on written orders for the same. The cost of any added labor or material will become an extra charge over and above the total specified on the Agreement.



Order Summary

Date	Monday, September 26, 2022
Quote Number	Q-8020683-9.26.2022
Account Name	Hickory Creek, TX Municipal Court
Total (Excluding Sales Tax)	\$58,188.11

Terms and Conditions

- Effective Period** This proposal is a firm offer for 30 days from quote date Monday, September 26, 2022.
- Tax Status** Sales tax will be added to invoice unless Tax Exempt Form is on file with BIS Digital.
- Payment Terms** **Deposit:** All orders above \$5,000 require a 50% deposit. Once the order and deposit is confirmed (received) by BIS Digital, scheduling of the installation / and shipment of goods will occur.
Balance: The remaining balance is to be paid on the completion of the installation. (delivery of goods at customer site)
- Install Cancellation** If customer cancels (or postpones) a mutually agreed upon installation date, BIS Digital reserves the right to ship to customer and invoice for hardware, software or other materials procured for the project.
- Restocking Fee** 20% restocking fee will be charged for all cancelled orders
- Site Preparation** Customer is required to supply all conduit and cable pulls not listed on this quote. Customer will be responsible for any additional wiring or installation supplies needed during installation.
- Training** BIS Digital will provide full training of all system users per agreed training schedule.
- Limited Warranty** All BIS supplied new systems (Hardware & Software) are covered for 90 days following date of installation/delivery. Warranty does not cover On-Site Technical Support, Shipping costs, or Software upgrades (See Software Assurance below).
- Software Assurance** Annual Software Assurance entitles user to unlimited software upgrades throughout the one-year term, at the cost of \$380 per license/year.

Disclaimer: Unforeseen supply chain disruptions or component shortages may impact hardware availability. As a result, items listed in this quotation may require substitution and may be subject to price and/or delivery time variances. In these instances, BIS Digital will consult with the customer about options and alternatives.

This signature and Purchase Order number states acceptance to the above scope of work, workflow, price, terms and conditions, authorizing BIS Digital, Inc. to order, install and bill for the above equipment.

* Accepted by: _____

Name Title

Signature Date

*** Accounts Payable Information * Required for order to be processed***

A/P Contact: _____

Name Phone Number

Email Address Fax #

Is a Purchase Order required for processing? _____ P.O. # _____

Presented By:

Digital Resources Inc

2107 Greenbriar Drive
Suite B
Southlake, TX 76092 US
(817) 481-9300
www.digitalresources.com



Leading AV Design and Integration

HUB / Woman Owned Business ID: 49129

City Council Upgrades

City of Hickory Creek

John Smith

john.smith@hickorycreek-tx.gov

1075 Ronald Reagan Avenue
Hickory Creek, Tx 76065 USA
940-497-2528 ext 231

Sales Rep: Jeff Marler

Valid For: 30 Days

Revision: 0

Date: 9/9/2022

Terms: Net 30

Co-Op

TIPS Contract

Contract Type: Audio Visual Equipment,
Supplies and Services

Contract Number: 200904

Contract Expiration Date: 11/30/2023

City Council Chambers

2	Kramer Electronics 30-00000190 10" tabletop/in Control wall Black Touch Panel	\$2,908.13	\$2,908.13
1	Kramer Electronics 30-80484090 Compact 16 Port Master/Room Controller with Power Over Ethernet	\$842.19	\$842.19
City Council Chambers Total			\$3,750.32

City Council Upgrades

City Council Chambers: Wireless Microphones

1	Biamp Systems 0451.900 TesiraFORTE DAN VT	\$2,937.50	\$2,937.50
11	Shure MX410LPDF/C 10" Shock-Mounted Gooseneck, Green/Red LED Ring at bottom, Less Preamp, Dual Flexible, Cardioid	\$2,299.00	\$2,299.00
11	Shure MXW8--Z10 DESKTOP BASE TRANSCEIVER	\$5,943.44	\$5,943.44
2	Shure MXWAPT8--Z10 8-CH ACCESS POINT TRANSCEIVER	\$6,334.13	\$6,334.13
3	Shure MXWNCS8 8-CH NETWORKED CHARGING STATION	\$4,951.88	\$4,951.88

City Council Chambers: Wireless Microphones Total

\$22,465.95

City Council Chambers: Speakers

6	Crestron Electronics 6507581 Saros® Integrator 6.5" 2-Way In-Ceiling Speaker, White Textured, Single (must be ordered in multiples of 2)	\$638.46	\$638.46
1	QSC SPA4-60 SPA Series 4-channel power amplifier, 60w/CH, 250W/70V	\$668.75	\$668.75

City Council Chambers: Speakers Total

\$1,307.21

City Council Chambers: Audio Recording

1	Denon Pro DN-300RMKII Denon DN-300RMKII Solid-State SD/USB Audio Recorder	\$346.39	\$346.39
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City Council Chambers: Audio Recording Total

\$346.39

Network Switch

1	Netgear XSM4216F-100NAS NETGEAR AV Line M4250-16XF - switch - 16 ports - managed - rack-mountable	\$997.69	\$997.69
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Network Switch Total **\$997.69**

Professional Service's

1	*** Engineering, Programming and Integration Services Engineering, Programming and Integration Services Required	\$9,093.06	\$9,093.06
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Professional Service's Total **\$9,093.06**

Handheld Wireless Mic Option

2	Shure MXW2/SM58 Shure MXW2 Handheld Transmitter with SM58 Microphone Capsule	\$1,016.63	\$1,016.63
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Handheld Wireless Mic Option Total **\$1,016.63**

Voting System Option

2	BrightSign XD234 Standard I/O Player	\$1,209.35	\$1,209.35
1	Cloud Driven Solutions 3 year license for AgendaLink Solo Including features such as: agenda csv / html import, request to speak, voting, completed meetings access, speaker timer, live meeting output, and remote voting. Support 1 Board, and unlimited in meeting users.	\$19,412.79	\$19,412.79
1	Kramer Electronics 20-90054190 2:1 UHD HDMI auto switcher	\$478.82	\$478.82

Voting System Option Total **\$21,100.96**

Project Subtotal: **\$60,078.21**

**TOWN OF HICKORY CREEK, TEXAS
RESOLUTION NO. 2022-1024-__**

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF HICKORY CREEK, TEXAS, HEREBY AUTHORIZING THE MAYOR OF THE TOWN OF HICKORY CREEK, TEXAS, TO EXECUTE AN AGREEMENT BETWEEN THE TOWN OF HICKORY CREEK AND PAVLOV MEDIA INC. CONCERNING USE OF TOWN PROPERTY FOR DEVELOPMENT AND LOCATION OF BROADBAND INFRASTRUCTURE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Hickory Creek (the “Town”), Texas is a Type A General Law Municipality located in Denton County, Texas, created in accordance with the provisions of the Texas Local Government Code and operating pursuant to enabling legislation of the State of Texas; and

WHEREAS, the Town Council has been presented with a proposed agreement with Pavlov Media Inc. (hereinafter the "Agreement") for the location and use of Town property for the development and location of certain broadband infrastructure improvements according to the terms and conditions contained with the Agreement, a copy of which is attached hereto as Exhibit “A” and incorporated herein by reference; and

WHEREAS, upon full review and consideration of the Agreement, and all matters attendant and related thereto, the Town Council is of the opinion that the terms and conditions thereof should be approved, and that the Mayor shall be authorized to execute them on behalf of the Town of Hickory Creek.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Hickory Creek, Texas:

Section 1: That the Mayor of the Town of Hickory Creek, Texas, is hereby authorized to execute on behalf of the Town of Hickory Creek, Texas, the Agreement attached hereto as Exhibit A.

Section 2: This Resolution shall take effect immediately upon its passage.

PASSED AND APPROVED by the Town Council of the Town of Hickory Creek, Texas this 24th day of October, 2022.

Lynn C. Clark, Mayor
Town of Hickory Creek, Texas

ATTEST:

Kristi Rogers, Town Secretary
Town of Hickory Creek, Texas

APPROVED AS TO FORM:

Dorwin L. Sargent, III, Town Attorney
Town of Hickory Creek, Texas

After Recording, Return to:
Town of Hickory Creek, Texas
1075 Ronald Reagan
Hickory Creek, Texas 75065

STATE OF TEXAS	§	PUBLIC PROPERTY PREMISES USE LICENSE
	§	AND
COUNTY OF DENTON	§	HOLD HARMLESS AGREEMENT

THIS PUBLIC PROPERTY PREMISES USE LICENSE AND HOLD HARMLESS AGREEMENT (the “Agreement”) is made by and between the Town of Hickory Creek, Texas, (hereinafter called “**Town**”), a Texas General Law Municipality, and Pavlov Media, Inc. (“**Licensee**”), a Delaware corporation with its principal place of business at 601 N. Country Fair Drive, Champaign, Illinois 61821. Town and Licensee are hereafter collectively referred to as “**the Parties**” and individually as “**Party**.”

WHEREAS, Town is the owner of public property Premises described in Ex. A (the “**Licensed Premises**”); and

WHEREAS, Licensee is a party to the DARK FIBER LEASE AND NETWORK OPERATION AGREEMENT dated _____, (the” **Fiber Agreement**”) by and among Pavlov, Corinth, TX, Hickory Creek, TX and Shady Shores, TX, for the construction and operation of a Fiber Optic Ring, as described in that Agreement; which includes sheltered equipment facilities know as Huts, (hereafter the “**Private Improvements**”) and for which Pavlov and the Town have agreed that use of Town Licensed Premises described in Ex A for a Hut location is in the best interest of the Town and its residents;

WHEREAS, Town has reviewed Licensee’s request and recommends approval of the location of the Private Improvements within the Licensed Premises subject to the provisions of this Agreement.

NOW THEREFORE, for and in consideration of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by Town, Town hereby grants to Licensee a non-exclusive license (the “**License**”) authorizing construction, maintenance, repair, replacement, and removal of the Private Improvements within the Licensed Premises (collectively the “**Licensed Purpose**”), subject to the following:

1. The term of this Agreement (the “**Term**”) is the same as the term of the Fiber Agreement, provided, however, this Agreement may be terminated as provided herein, and is terminated should the Fiber Agreement be terminated. The monthly license fee payable by Licensee to the Town is \$700 per month, due on the 1st day of each month of the Term. Payments may be made quarterly on notice and agreement by the Town. Payments received more than 7 days after the due date are subject to a \$50.00 late payment fee, and ten percent interest. Either (1) failure to pay within 30 days of the due date or (2) any termination or default by Licensee of the Fiber Agreement

constitutes a material breach of this Agreement, and may result in termination of the Agreement at the option of the Town.

2. Licensee agrees to promptly defend, indemnify and hold Town harmless from and against all damages, costs, losses, and expenses, including reasonable attorneys' fees that may result directly from (1) the construction, placement, operation and/or existence of the Private Improvements within the Licensed Premises or (2) the acts or omissions of Licensee, its officers, directors, employees, agents, contractors, subcontractors, tenants, partners, or members, including for:

(a) the repair, replacement, or restoration of Town's Licensed Premises, equipment, materials, structures and facilities which are damaged, destroyed or rendered defective as a result of the acts or omissions of Licensee, its officers, directors, employees, agents, contractors, subcontractors, tenants, partners, or members; and

(b) any and all claims, demands, suits, causes of action, and judgments for (i) damage to or loss of the Licensed Premises of any person (including, but not limited to Licensee, its agents, officers, employees, contractors, subcontractors tenants, partners, or members, Town's agents, officers, and employees, and third parties); and/or (ii) death, bodily injury, illness, disease, loss of services, or loss of income or wages to any person (including, but not limited to the agents, officers and employees of Licensee, Licensee's contractors or subcontractors, and third parties), arising out of, incident to, concerning or resulting from the negligent or willful act or omissions of Licensee, its agents, employees, officers, contractors and/or subcontractors, in the performance of activities pursuant to this Agreement.

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

3. During the Term of this Agreement, Licensee agrees to maintain in full force and effect the insurance and the provisions for the insurance required in the Fiber Agreement, which shall specifically include both the Licensed Premises, and the use and operations of the Private Improvements.

Notwithstanding the above limits, the amount of insurance coverage set forth herein to be purchased by Licensee shall at all times be not less than twice the amount of the maximum liability for Town per occurrence as set forth in the Texas Tort Claims Act, as amended (Tex. Civ. Prac. & Rem. Code §101.001, et. seq. as amended or succeeded). Such insurance shall be endorsed to (i) name Town as an additional insured, (ii) provide for a waiver of subrogation in favor of Town, and (iii) provide for notice to be sent to Town not less than thirty (30) days (or the maximum period of calendar days permitted under applicable law, if less than thirty (30) calendar days) prior to the effective date of the cancellation or non-renewal of coverage or reduction of limits below the required minimums. In the event any insurance policy required to be carried by or on behalf of

Licensee pursuant to this Agreement is to be canceled due to non-payment of premiums, the requirements of the preceding sentence shall apply except that the notice shall be sent to Town on the earliest possible date, but in no event less than ten (10) calendar days prior to the effective date of such cancellation. A certificate of insurance in a form that complies with applicable law indicating the above coverage and endorsements are in effect shall be provided to Town prior to Licensee commencing work to locate the Private Improvements in the Licensed Premises

4. Unless Licensee's insurance also covers Licensee's contractors, prior to commencing any work within the Licensed Premises relating to the construction, repair, or maintenance of the Private Improvements, Licensee's contractors must comply with the provisions of Section 3, above, to the same extent as Licensee.

5. Licensee acknowledges and agrees that Licensee is not released by Town from the responsibility or liability for damage to the Town's Licensed Premises or facilities located within the Town property that may result from the construction, placement, operation and/or existence of the Private Improvements within the Licensed Premises.

6. If Town determines, in its sole discretion and upon reasonable engineering standards, that in order for Town to repair, replace, maintain, or alter the Town's Licensed Premises or facilities located on, over, or beneath the Private Improvements, including the widening of any street or relocation of related curbs and/or sidewalks, and that as a result of Town's determination it is reasonably necessary for Licensee to alter, relocate, or remove all or any portion of the Private Improvements within or from the Licensed Premises to another area within or outside of the Licensed Area, then Town shall give written notice of such determination to Licensee, including which portion(s) of the Private Improvements Town has determined must be altered, relocated and/or removed. Licensee shall solely bear the cost of repairing, replacing, or otherwise reconstructing any portion of the Private Improvements that Town has determined needs to be relocated, altered, or removed from the Licensed Area. Notwithstanding anything in this Section 6 to the contrary, Licensee shall have the right, at the sole cost of Licensee, to demolish and remove the Private Improvements in lieu of relocating, altering or removing the Private Improvements. Upon the relocation, alteration or removal of the Private Improvements such that no part of the Private Improvements remains in the Licensed Premises, or upon the demolition and removal of the Private Improvements from the Licensed Premises, this Agreement shall terminate.

7. If Town determines, in its sole discretion and upon reasonable engineering standards, that the Private Improvements pose a hazard to the public or may interfere or impede traffic safety in any way, the Private Improvements, at the sole cost of Licensee, must be modified or relocated upon written notice from Town; provided, however, Licensee shall have the right, at the sole cost of Licensee, to demolish and remove the Private Improvements in lieu of modifying or relocating the Private Improvements. Upon the modification or relocation of the Private Improvements such that no part of the Private Improvements remains in the Licensed Premises, or upon the demolition and removal of the Private Improvements from the Licensed Premises, this Agreement shall terminate. Town shall not be required to compensate Licensee in any manner or amount if the Private Improvements must be removed in whole or in part as the result of the operation of this Section 7.

8. The Private Improvements shall be designed substantially as set forth in Exhibit “B,” attached hereto and incorporated herein by reference (the “**Concept Drawings**”). No other private improvements, permanent or temporary, shall be allowed within the Licensed Premises unless written permission from Town is granted to Licensee, such permission not to be unreasonably withheld, conditioned or delayed.

9. Prior to commencement of construction of the Private Improvements within the Licensed Premises, Licensee shall deliver to Town for review and approval the plans and specifications for the Private Improvements, which shall be substantially consistent with the Concept Drawings, the approval of which shall not be unreasonably withheld, delayed, or denied by Town (such plans and specifications, once approved, being the “**Approved Plans**”). If Town fails to respond to such written request for approval of the plans and specifications within thirty (30) days of its receipt thereof, such plans and specifications shall be deemed to be Approved Plans after the lapse of such thirty (30)-day period. The Private Improvements shall be constructed in accordance with the Approved Plans as amended from time to time with the prior written approval of Town. In the event Licensee desires to modify or replace the Private Improvements, Licensee shall comply with this Section 9 with respect to obtaining the prior approval of the plans and specifications for such modified or replaced Private Improvements.

10. It is understood that by execution and granting of the License, Town does not impair or relinquish Town’s right to use the Licensed Premises for any other purpose that does not interfere with the Private Improvements, nor shall use of the Licensed Premises by Licensee under this Agreement ever be construed as abandonment by Town of the Licensed Premises. Licensee understands, acknowledges, and agrees that Town does not by this Agreement grant or convey any real Licensed Premises interest in the Licensed Premises but merely consents to such use by Licensee to the extent Town’s authority and title permits.

11. This Agreement and the License shall terminate upon the removal of the Private Improvements by Licensee from the Licensed Premises for more than six (6) consecutive months, unless sooner terminated pursuant to the provisions of this Agreement.

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

13. This Agreement shall be binding upon Licensee and Licensee’s successors and assigns.

14. This Agreement constitutes the sole and only agreement between the Parties relating to the subject matter contained herein and supersedes any prior understandings written or oral agreements between the Parties with respect to this subject matter.

15. Licensee may not assign this Agreement in whole or in part without the prior written consent of Town; provided, however, assignment of this Agreement to a successor in ownership

of fee simple title to the Licensee's Licensed Premises shall not require Town's consent. In the event of an assignment of this Agreement authorized by this Section 15, such assignment shall not be effective as to Town, and the assignor of this Agreement shall not be released from any liability or obligations under this Agreement, unless and until the assignee has agreed in writing to personally assume, perform, and be bound by all the covenants and obligations contained in this Agreement and a copy of such assignment agreement has been delivered to Town.

16. The laws of the State of Texas shall govern this Agreement; and venue for any action concerning this Agreement shall be in a state court of competent jurisdiction in Denton County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said Court.

17. This Agreement may be amended only by the mutual written agreement of the Parties.

18. When notice is permitted or required by this Agreement, it shall be in writing and shall be deemed delivered when delivered in person or on the date when placed, postage prepaid in the United States mail, certified return receipt requested, and addressed to the Parties at the address set forth below. Either Party may designate from time to time another and different address for receipt of notice by giving notice of such change or address.

If intended for Licensee, to:

Pavlov Media, Inc
Attn: Glenn Meyer
601 N. Country Fair Drive
Champaign, Illinois 61821

In intended for Town to:

Town of Hickory Creek, Texas
Attn: Town Administrator
1075 Ronald Reagan
Hickory Creek, Texas 75065

With Copies to:

Law Office of Dorwin L. Sargent III, PLLC
Attn: Dorwin L. Sargent, III
624 W. University #127
Denton, Texas 76201

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

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

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

(signatures on following page)

Town's Signature Page

SIGNED AND AGREED this _____ day of _____ 2022.

Town of Hickory Creek, Texas

By: _____
Lynn C. Clark, Mayor

ATTEST:

Kristi Rogers, Town Secretary

APPROVED AS TO FORM:

Dorwin L. Sargent III, Town Attorney

STATE OF TEXAS §
§
COUNTY OF DENTON §

This instrument was acknowledged before me, the undersigned authority, this _____ day of October 2022, by Lynn C. Clark, Mayor, Hickory Creek, Texas, a Texas general law municipality, for and on behalf of said municipality.

Notary Public, State of Texas

My Commission Expires: _____

Licensee's Signature Page

SIGNED AND AGREED this _____ day of _____ 2022.

LICENSEE:

Pavlov Media, Inc.

By: _____
Print name: Glenn Meyer
Title: _____

_____ Date

STATE OF _____

§

§

COUNTY OF _____

§

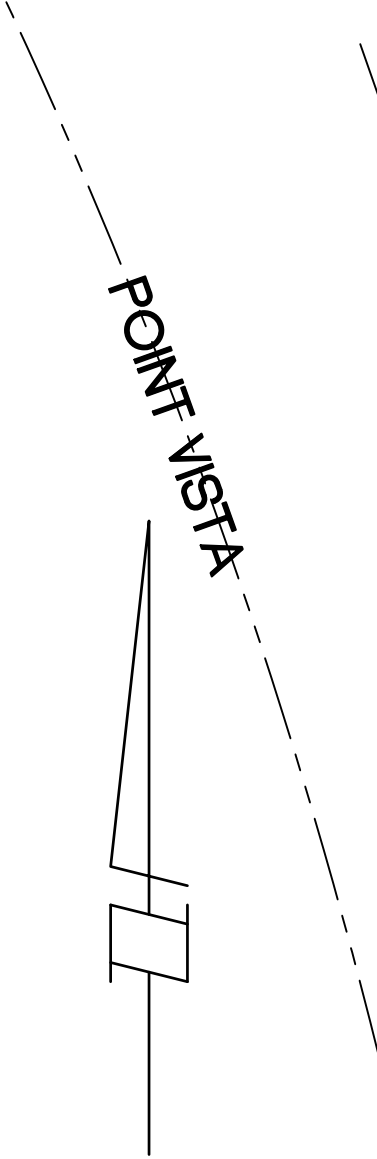
This instrument was acknowledged before me, the undersigned authority, on the _____ day of _____ 2022, by Glen Meyer, the _____ of Pavlov Media, Inc, a Delaware corporation, for and on behalf of said company.

Notary Public, State of _____

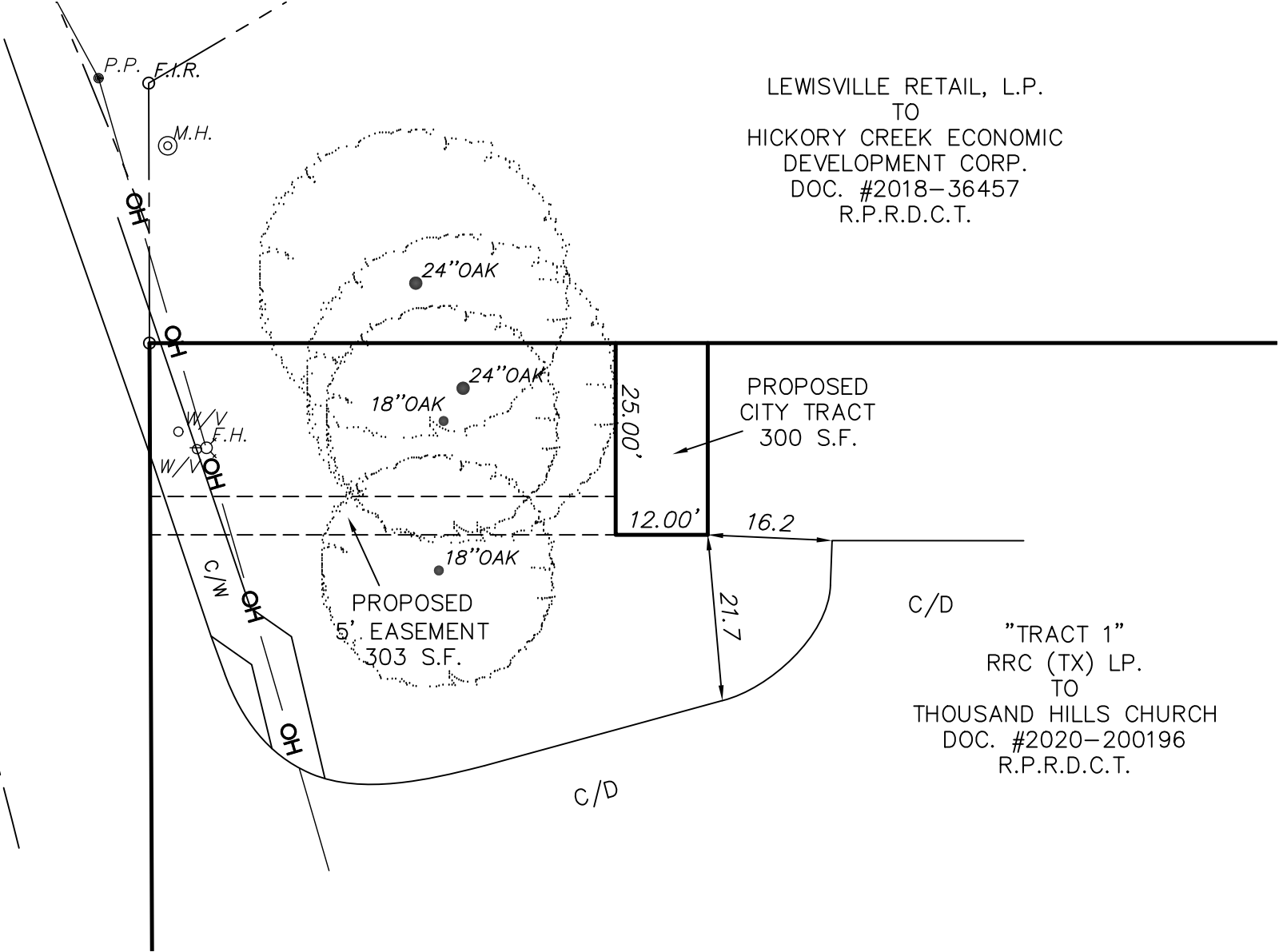
My Commission expires: _____

EXHIBIT "A"
Description of Licensed Premises

EXHIBIT "B"
Concept Drawing of the Private Improvements



POINT OF VIEW



LEWISVILLE RETAIL, L.P.
 TO
 HICKORY CREEK ECONOMIC
 DEVELOPMENT CORP.
 DOC. #2018-36457
 R.P.R.D.C.T.

PROPOSED
 CITY TRACT
 300 S.F.

PROPOSED
 5' EASEMENT
 303 S.F.

C/D
 "TRACT 1"
 RRC (TX) LP.
 TO
 THOUSAND HILLS CHURCH
 DOC. #2020-200196
 R.P.R.D.C.T.

C/D



Canton, Texas



Kemah, Texas



Cypress, Texas



Ripon, California



Gahanna, Ohio



McGregor, Texas



Champaign, IL



Waco, Texas



Holly Springs, North Carolina



Fredericksburg, Texas

BUSINESS RELATED FEES

Type:		Fee
Commercial Use of Boat Ramps and Boat Docks	Annual Use Fee per vessel or four jet skis	\$10,000
	Annual Use Fee per vessel or Four jet skis Second and Subsequent	\$5,000
Commercial Use of Boat Ramps for Fishing Charters	Annual Use Fee	\$1,250
	Annual Launch Fee per trailer	\$500
Oil and Gas Well	Application Fee	\$10,000
	Notification Letters	\$6 per letter
	Yearly Inspection Fee	\$3,000
Overweight Vehicle exceeding 15,000 lbs.	Daily Permit	\$125 per vehicle
	Monthly Permit	\$300 per vehicle
	Yearly Permit	\$2,000 per vehicle
Short Term Rental Permit	Annual	\$1,500
Solicitor's Permit		\$75
	Each additional person	\$25
Towing Service Permit		\$15
Towing Service Maximum Fee	Car weighing up to 10,000 lbs.	\$255
	Car weighing more than 10,000 but less than 25,000 lbs.	\$357
	Car weighing more than 25,000 lbs.	\$459
	per unit with a total maximum	\$918

PARKS AND RECREATION FEES

Boat Ramp	Daily Use Pass	\$10
	Hickory Creek Resident Annual Pass	\$0
	Hickory Creek Resident Annual Pass Second and Subsequent	\$100
	Non-Resident Annual Pass	\$100
Camp Site		\$20 Daily
Day Use	Vehicle Fee	\$5
	Hickory Creek Resident Annual Pass	\$0
	Hickory Creek Resident Annual Pass Third and Subsequent	\$25
	Non-Resident Annual Pass	\$25
Pavilion	Rental Fee	\$75
	Cleaning Fee	\$50 (Refundable)