



**CITY OF HUTCHINS
CITY COUNCIL MEETING
AGENDA**

**Monday, March 03, 2025 at 6:30 PM
City Hall, 321 N. Main Street**

Pursuant to Section 551 of the Texas Government Code, notice is hereby given of a Regular Meeting of the Hutchins City Council to be held on Monday, March 3, 2025, at 6:30 p.m. at Hutchins City Hall Council Chambers, 321 N. Main Street, Hutchins, Texas, at which time the following items will be discussed and considered.

City Council Members

Mayor Mario Vasquez
Mayor Pro Tem Steve Nichols
Councilmember Brenda Campbell
Councilmember Dominic Didehbani
Councilmember Raymond Elmore
Councilmember Demarcus Odom

A. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT

B. INVOCATION AND PLEDGE OF ALLEGIANCE

C. CITIZEN COMMENTS - *This agenda item provides an opportunity for citizens to address the City Council on any matter that is not posted on the agenda. Anyone wishing to address the City Council should complete a Citizen Comments Form and submit it to the City Secretary prior to the start of the City Council meeting. There is a three (3) minute time limit for each citizen to speak. However, in accordance with the Texas Open Meetings Act, the City Council cannot discuss issues raised or make any decision at this time.*

D. CONSENT AGENDA - *All items presented in the Consent Agenda require no deliberation by the Council. Each Council member has the opportunity of removing an item from this agenda so that it may be considered separately.*

1. Consider approval of city council meeting minutes for January and February 2025.
Presented by: Cynthia Olguin

E. PRESENTATIONS

2. Annual Reports Presentation Presented by Steve Perry and Staff, Police Chief
3. Flock Security presentation on providing video surveillance for the City Parks. Presented by: Mamun Yusuf, Director of Public Works

F. PUBLIC HEARINGS

4. A. Conduct a Public Hearing regarding a request for a 4B project at 801 West Palestine Street, Suite 106.

B. Open Public Hearing and Receive Comment.

C. Discuss and consider Resolution R2025-03-1245 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING A 4B PROJECT FOR THE PURPOSE OF INFRASTRUCTURE IMPROVEMENTS FOR PROPERTY LOCATED AT 801 WEST PALESTINE, SUITE 106, HUTCHINS, TEXAS; AUTHORIZING THE HEDC EXECUTIVE DIRECTOR TO EXECUTE THE FINAL AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by: Guy Brown HEDC Executive Director

5. A. Conduct a Public Hearing regarding a request for a 4B project at and near 301 West Wintergreen.

B. Open the Public Hearing and receive comments

C. Discuss and consider Resolution R2025-03-1246 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING A 4B PROJECT FOR THE PURPOSE OF INFRASTRUCTURE IMPROVEMENTS FOR PROPERTY LOCATED AT AND NEAR 301 WEST WINTERGREEN, HUTCHINS, TEXAS; AUTHORIZING THE HEDC EXECUTIVE DIRECTOR TO EXECUTE THE FINAL AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by Guy Brown, HEDC Executive Director

6. A. Conduct a Public Hearing regarding a request for a 4B project at 207 North Main Street.

B. Open the Public Hearing and receive comments.

C. Discuss and consider Resolution R2025-03-1247 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING A 4B PROJECT FOR THE PURPOSE OF INFRASTRUCTURE IMPROVEMENTS FOR PROPERTY LOCATED AT 207 MAIN STREET, HUTCHINS, TEXAS; AUTHORIZING THE HEDC EXECUTIVE DIRECTOR TO EXECUTE THE FINAL AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by: Guy Brown HEDC Executive Director

G. REGULAR AGENDA - *As authorized by Section 551.071 of the Texas Government Code, the City Council reserves the right to convene in Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed herein.*

7. Discuss and consider ORDINANCE NO. 2025-03-1206 OF THE CITY OF HUTCHINS, TEXAS AUTHORIZING THE ISSUANCE OF "CITY OF HUTCHINS, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2025"; SPECIFYING THE TERMS AND FEATURES OF SAID BONDS; PROVIDING FOR THE PAYMENT OF SAID BONDS BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, PAYMENT, SECURITY, SALE AND DELIVERY OF SAID BONDS, INCLUDING THE APPROVAL AND EXECUTION OF A PAYING AGENT/ REGISTRAR AGREEMENT AND A BOND PURCHASE AGREEMENT AND APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING THERETO; AND PROVIDING AN EFFECTIVE DATE. Presented by: Maria Joyner, Director of Finance

8. Discuss and consider Resolution R2025-03-1248 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, AUTHORIZING CONTINUED MEMBERSHIP IN THE ATMOS CITIES STEERING COMMITTEE; AND AUTHORIZING THE PAYMENT OF FIVE CENTS PER CAPITA TO THE ATMOS CITIES STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO ATMOS ENERGY CORPORATION. Presented by: Katherine Lindsey, Assistant to the City Administrator

- [9.](#) Discuss and consider Resolution R2025-03-1249 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS APPROVING AND AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE THE AGREEMENT WITH KIMLEY-HORN, INC. FOR JJ LEMMON ROAD WIDENING. Presented by: Mamun Yusuf, Director of Public Works
- [10.](#) Discuss and consider Resolution R2025-03-1250 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING AND AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE THE TERMS AND CONDITIONS OF THE AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE CITY OF HUTCHINS AND MODIFIED LOGIC, INC., FOR LASERFICHE SELF-HOSTED SUBSCRIPTION IMPLEMENTATION. Presented by: Katherine Lindsey, Assistant to the City Administrator
- [11.](#) Discuss and consider Resolution R2025-03-1251 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, AUTHORIZING THE CHIEF OF POLICE TO APPLY FOR GRANT FUNDING TO FUND IN WHOLE OR IN PART A NEW RECORDS MANAGEMENT SYSTEM, FROM THE OFFICE OF THE GOVERNOR (OOG) CRIMINAL JUSTICE DIVISION (CJD) FOR THE FY 2025/2026 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM. Presented by: Steve Perry, Police Chief

H. EXECUTIVE SESSION

12. Pursuant to the provisions of Chapter 551, Subchapter D, Texas Government Code, §551.087. Deliberation regarding economic development negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision to a business prospect: 1) Project Visitation. Presented by: Guy Brown HEDC Executive Director

I. RECONVENE INTO REGULAR SESSION

13. Take action, if any, as a result of Executive Session:
 - a. Deliberation regarding economic development negotiations. 1) Project Visitation

J. ITEMS OF COMMUNITY INTEREST

14. Parks and Recreation Board Meeting, Tuesday, March 4, 2025, at 6:30 p.m., City Hall Council Chamber, 321 N. Main St., Hutchins.

Keep Hutchins Beautiful Board Meeting, Tuesday, March 11, 2025, at 6:00 p.m., City Hall Council Chamber, 321 N. Main St., Hutchins.

Boards and Commissions Recruitment Event, Thursday, March 20, 2025, at 6:00 p.m., Hutchins Community Center, 500 W. Denton St., Hutchins

Keep Hutchins Beautiful Peach Tree Arbor Day, Saturday, March 22, 2025, 8:30 a.m. Meeting Point: Campbell Park 200 N. Denton St. Hutchins. Volunteers needed. For more information call 972-225-0439 or email hutchinsctr@cityofhutchins.org.

Thursday, April 3, 2025: Last day to register to vote in the May 3, 2025 General Election.

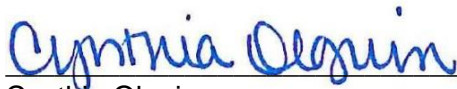
Keep Hutchins Beautiful - Great American Clean Up Day, Saturday, April 12, 2025 at 8:00 a.m. Meeting Point: Campbell Park, 200 N. Denton St., Volunteers needed. For more information call 972-225-0439 or email hutchinsctr@cityofhutchins.org.

Parks & Recreation Annual Easter Egg Hunt, Saturday, April 12, 2025, from noon - 2 pm at Campbell Park.

K. ADJOURN

CERTIFICATION

I certify that a copy of the March 3, 2025, agenda of items to be considered by the Hutchins City Council was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City's website www.cityofhutchins.org, in accordance with Chapter 551 of the Texas Government Code. Posted on Friday, February 28, 2025, before 6:30 p.m.



Cynthia Olguin
City Secretary



ACCESSIBILITY STATEMENT

The meeting location is wheelchair accessible from the front door. Request for special services must be received at least 48 hours in advance of the scheduled meeting. For assistance, please call the office of the City Secretary at 972-225-6121 or email the City Secretary at colguin@cityofhutchins.org



STAFF REPORT

MEETING DATE:	March 3, 2025
MEETING TYPE:	City Council Meeting
SUBMITTED BY:	Cynthia Olguin
AGENDA CAPTION:	Consider approval of city council meeting minutes for January and February 2025. Presented by: Cynthia Olguin

Background Information

Consider approval of the meeting minutes for:

January 6, 2025, and January 21, 2025, Regular Council Meetings
February 3, 2025, and February 17, 2025, Regular Council Meetings

Budget Implications

N/A

Operational Impact

N/A

Legal Review

N/A

Staff Recommendation

Staff recommends approval of the minutes.

Supporting Documentation and Attachments



**CITY OF HUTCHINS
CITY COUNCIL MEETING
MINUTES**

**Monday, January 06, 2025 at 6:30 PM
City Hall, 321 N. Main Street**

A Regular Meeting of the Hutchins City Council was held on Monday, January 6, 2025, at 6:30 PM at Hutchins City Hall Council Chambers, 321 N. Main Street, Hutchins, Texas, at which time the following items were discussed and considered.

A. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT

Mayor Vasquez called the meeting to order at 6:30 p.m. and announced a quorum.

PRESENT

- Mayor Mario Vasquez
- Mayor Pro Tem Steve Nichols
- Councilmember Brenda Campbell
- Councilmember Raymond Elmore
- Councilmember Demarcus Odom

ABSENT

- Councilmember Dominic Didehbani

B. INVOCATION AND PLEDGE OF ALLEGIANCE

Councilmember Campbell gave the invocation and Councilmember Odom led the Pledge of Allegiance.

C. CITIZEN COMMENTS –

Felix Madrigal, Trout Road, spoke regarding the increase in ATMOS billing and his frustration with their customer service and only two offices in the state that provide walk-in customer service.

D. CONSENT AGENDA - All items presented in the Consent Agenda require no deliberation by the Council. Each Council member has the opportunity of removing an item from this agenda so that it may be considered separately.

1. Consider approval of city council meeting minutes for December 2024. Presented by: Cynthia Olguin

The motion was made by Councilmember Nichols and seconded by Councilmember Campbell to approve the consent agenda as presented. All in favor the motion passed.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay: 0

E. PRESENTATIONS

2. Presentation of Donation to the University of North Texas at Dallas.

EDC Director Guy Brown introduced Jason Garrett, Dean of UNT Dallas School of Business, Dean Garrett was presented with \$6,000 donation by Mayor Vasquez and Council Members Hutchins.

3. Introducing new police department employees by: Chief, Steve Perry

Chief Perry introduced Animal Services Officers Vanessa Guevara and Lara Dewberry and Police Officer Presiliana Sanchez.

4. Motorola Radio project completion by: Chief, Steve Perry

Chief Perry and Communication Supervisor Becky Blanton updated the council on the Motorola Radio Project. Ms. Blanton explained that the switch-over to Dallas’ operating system was finished on December 5. There are still a few glitches with the recording system, but they are working with the supplier to solve the problems. On December 16, the new system was put into action, allowing Hutchins PD to coordinate expeditiously with several other law enforcement agencies by enabling secure communication under one incident command. This allowed the agencies to share vital details about the search area leading to the successful capture of the escaped juveniles from Hood County.

5. Review logo and tagline options for city rebranding initiatives presented by Bandera.

Beth Owens with Brandera presented a variety of new artwork and samples for logos, colors, and taglines. Ms. Owens received comments from the council and narrowed down designs using the font from option 1 with the design from option 10.

F. REGULAR AGENDA - As authorized by Section 551.071 of the Texas Government Code, the City Council reserves the right to convene in Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed herein.

6. Discuss and consider approving a logo design. Presented by Beth Owens

The action was postponed until January 21 council meeting.

7. Discuss and consider Resolution R2025-01-1230 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, AMENDING THE CITY OF HUTCHINS PERSONNEL MANUAL BY AMENDING CHAPTER 3, TITLED “LEAVE” BY AMENDING SECTION 3.13 TITLED “MENTAL HEALTH LEAVE POLICY” BY ADOPTING A REVISED MENTAL HEALTH LEAVE POLICY AND PROVIDING FOR AN EFFECTIVE DATE. Presented by: Karen Steward, HR Director

The motion was made by Councilmember Elmore and seconded by Councilmember Campbell to approve Resolution R2025-01-1230. All in favor the motion passed.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay: 0

8. Discuss and consider Resolution R2025-01-1231 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, DESIGNATING AN OFFICIAL NEWSPAPER OF THE CITY OF HUTCHINS, TEXAS, FOR THE REMAINDER OF FISCAL YEAR 2024-2025. Presented by Cynthia Olguin

The motion was made by Councilmember Nichols and seconded by Councilmember Odom to approve Resolution R2025-01-1231. All in favor the motion passed.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay: 0

9. Discuss and consider Resolution R2025-01-1232 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING AND AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE PROFESSIONAL SERVICES AGREEMENT BY AND BETWEEN THE CITY AND TURNING ART FOR PROFESSIONAL SERVICES FOR FREE STANDING EXTERIOR SCULPTURE ART AT CITY HALL IN AN AMOUNT NOT TO EXCEED \$105,100.00; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by Wanda Randle

The motion was made by Councilmember Nichols and seconded by Councilmember Campbell to approve Resolution R2025-01-1232. All in favor the motion passed.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay: 0

G. EXECUTIVE SESSION

10. The Hutchins City Council will hold a closed Executive Session pursuant to the provisions of Chapter 551, Subchapter D, Texas Government Code, in accordance with the authority contained in §551.087. Deliberation regarding economic development negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision to a business prospect: 1) Project Beckett. Presented by: Guy Brown HEDC Executive Director

11. The Hutchins City Council will hold a closed Executive Session pursuant to the provisions of Chapter 551, Subchapter D, Texas Government Code, in accordance with the authority contained in §551.087. Deliberation regarding economic development negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision to a business prospect: 1) Project Visitation. Presented by: Guy Brown HEDC Executive Director

Mayor Vasquez convened into Executive Session at 7:53 p.m.

H. RECONVENE INTO REGULAR SESSION

12. Take action, if any, as a result of the Executive Session:

The Council reconvened into Regular Session at 8:14 p.m.

a. Deliberation regarding economic development negotiations. 1) Project Beckett

Councilmember Nichols made a motion seconded by Councilmember Elmore to Authorize the City Administrator to negotiate and executive final Chapter 380 Documents with Project Beckett (Lineage) providing Project Beckett a 50% waiver of Roadway Impact Fees and a 50% property tax rebate grant for a term of 10 years.

b. Deliberation regarding the purchase, exchange, lease, or value of real property located within the City of Hutchins, Texas.

No action taken.

I. ITEMS OF COMMUNITY INTEREST

City Secretary Olguin announced the items of community interest.

J. ADJOURN

Motion made by Councilmember Campbell, seconded by Councilmember Nichols to adjourn the meeting at 8:16 PM. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Dominic Didehbani, Raymond Elmore, Steve Nichols, Demarcus Odom

Voting Nay: 0

PASSED AND APPROVED BY THE HUTCHINS CITY COUNCIL AT A REGULAR MEETING HELD ON THE 3rd DAY OF MARCH 2025.

APPROVED:

Mario Vasquez, Mayor

ATTEST:

Cynthia Olguin, City Secretary



**CITY OF HUTCHINS
CITY COUNCIL MEETING
MINUTES**

**Tuesday, January 21, 2025 at 6:00 PM
City Hall, 321 N. Main Street**

A Regular Meeting of the Hutchins City Council was held on Tuesday, January 21, 2025, at 6:00 PM located at Hutchins City Hall Council Chambers, 321 N. Main Street, Hutchins, Texas, at which time the following items were discussed and considered.

A. WORK SESSION

1. Presentation of logo design. Presented by Beth Owens, Brandera

Mayor Vasquez opened the Work Session at 6:08 p.m. Beth Owens presented the revised logos, colors, and taglines. The council agreed to consider sample number 5 with the embellishment of sample number seven with different fonts for “city” and “Texas”. The council agreed to consider “Where Progress Meets Opportunity” as a tagline.

Mayor Vasquez adjourned the Work Session at 6:25 p.m.

B. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT

Mayor Vasquez called the meeting to order at 6:28 p.m. and announced a quorum.

PRESENT

- Mayor Mario Vasquez
- Mayor Pro Tem Steve Nichols
- Councilmember Brenda Campbell
- Councilmember Raymond Elmore
- Councilmember Demarcus Odom

ABSENT

- Councilmember Dominic Didehbandi

C. INVOCATION AND PLEDGE OF ALLEGIANCE

Councilmember Nichols gave the invocation and Councilmember Campbell led the Pledge of Allegiance.

D. CITIZEN COMMENTS - None

E. CONSENT AGENDA - None

F. PRESENTATIONS

2. 2024 Public Works Capital Project Update, Presented by: Mamun Yusuf, Director of Public Works

Director of Public Works Yusuf presented an update on the 2024 capital projects. The council asked to see the cost of asphalt overlay along the Interurban from Palestine to Hutchins.

G. REGULAR AGENDA - *As authorized by Section 551.071 of the Texas Government Code, the City Council reserves the right to convene in Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed herein.*

3. Discuss and consider approving a logo design. Presented by Beth Owens

No action taken.

4. Discuss and consider Resolution R2025-01-1233 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, ACCEPTING THE BUYBOARD PROPOSAL RECEIVED IN ASSOCIATION WITH THE REHABILITATION OF N. DENTON STREET WASTEWATER MAIN PROJECT; AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH INSITUFORM TECHNOLOGIES, LLC, IN AN AMOUNT NOT TO EXCEED \$139,340.00; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by: Mamun Yusuf, Director of Public Works

The motion was made by Councilmember Nichols seconded by Councilmember Elmore to approve Resolution R2025-01-1233. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay: 0

5. Discuss and consider Ordinance 2025-01-1203 OF THE CITY OF HUTCHINS, TEXAS AMENDING THE CODE OF ORDINANCES BY AMENDING CHAPTER 1 TITLED “GENERAL PROVISIONS” BY AMENDING ARTICLE 1.02 TITLED “MAYOR AND COUNCIL MEMBERS” BY ADDING A NEW SECTION 1.02.002 TITLED “TERM OF OFFICE” TO ESTABLISH A TERM OF OFFICE FOR THREE (3) YEARS FOR THE MAYOR AND CITY COUNCIL MEMBERS BEGINNING WITH THE POSITION TO BE ELECTED AT THE GENERAL ELECTION IN MAY 2025 ON THE UNIFORM ELECTION DATE. Presented by Cynthia Olguin

The motion was made by Councilmember Nichols seconded by Councilmember Campbell to approve Ordinance 2025-01-1203. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay: 0

H. EXECUTIVE SESSION

6. The Hutchins City Council will hold a closed Executive Session pursuant to the provisions of Chapter 551, Subchapter D, Texas Government Code, in accordance with the authority contained in §551.087. Deliberation regarding economic development negotiations (1) to discuss or deliberate regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision to a business prospect: 1) Project Visitation. Presented by: Guy Brown HEDC Executive Director

7. Texas Government Code Sec. 551.072. DELIBERATION REGARDING REAL PROPERTY. A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property: Land Acquisition

Mayor Vasquez convened into Executive Session at 7:53 p.m.

I. RECONVENE INTO REGULAR SESSION

8. Take action, if any, as a result of Executive Session:

a. Deliberation regarding economic development negotiations. 1) Project Visitation

b. Deliberation regarding the purchase, exchange, lease or value of real property: Land Acquisition

The Council reconvened into Regular Session at 8:14 p.m. No action was taken.

J. ITEMS OF COMMUNITY INTEREST

City Secretary Olguin announced the items of community interest.

K. ADJOURN

Motion made by Councilmember Elmore, seconded by Councilmember Campbell to adjourn the meeting at 8:10 PM. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay: 0

PASSED AND APPROVED BY THE HUTCHINS CITY COUNCIL AT A REGULAR MEETING HELD ON THE 3rd DAY OF MARCH 2025.

APPROVED:

Mario Vasquez, Mayor

ATTEST:

Cynthia Olguin, City Secretary



**CITY OF HUTCHINS
CITY COUNCIL MEETING
MINUTES**

**Monday, February 03, 2025 at 6:00 PM
City Hall, 321 N. Main Street**

A Work Session and Regular Meeting of the Hutchins City Council was held on Monday, February 3, 2025, beginning at 6:00 a.m., located at Hutchins City Hall Council Chambers, 321 N. Main Street, Hutchins, Texas, at which time the following items were discussed and considered.

A. WORK SESSION

1. Presentation of logo design. Presented by Beth Owens, Brandera

Mayor Vasquez opened the Work Session at 6:02 p.m. Beth Owens presented the final changes based on the council's feedback from earlier meetings. The group agreed on option four, which features the tagline and blue color at the bottom. Mayor Vasquez stated that the vote would take place during the regular agenda discussions.

B. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT

Mayor Vasquez called the regular meeting to order at 6:28 p.m. and announced a quorum.

PRESENT

- Mayor Mario Vasquez
- Mayor Pro Tem Steve Nichols
- Councilmember Brenda Campbell
- Councilmember Dominic Didehbani
- Councilmember Raymond Elmore
- Councilmember Demarcus Odom

C. INVOCATION AND PLEDGE OF ALLEGIANCE

Mr. James Spence gave the invocation and Councilmember Nichols led the Pledge of Allegiance.

D. CITIZEN COMMENTS

Carrie Moody, residing on Palestine St., complained about the new Animal Services Officer and the officers not working with rescue groups.

E. PRESENTATIONS

2. Introduce new Sergeants by: Chief, Steve Perry

Chief Perry introduced the newly promoted officers, Pedro Moreno and Adrian McCowan. Both officers passed the written exam and exceeded the qualifications for promotion to Sergeant.

3. Employee commendations Presented by: Chief, Steve Perry

Chief Perry named Adrian McCowan as Officer of the Year for 2024. This award recognizes his strong leadership, hard work, and dedication to law enforcement and the City of Hutchins. Becky Blanton received the Communications Officer of the Year award for 2024. She has successfully handled every project and challenge given to her and was essential in the Motorola radio implementation project.

4. 2025 Water & Wastewater Rate Study

Chris Ekrut and Madison Moore from New Gen Strategies and Solutions presented their findings and recommendations regarding the city’s rate study and financial forecasts for the water and wastewater fund. Mr. Ekrut reminded council members that the city has not implemented a rate increase since 2019. However, Dallas Water Utilities continues to raise its prices for treated water and wastewater treatment each year, and the city absorbs these costs instead of passing them on to water customers. Mr. Ekrut emphasized to the council that charges passed on to customers should support reinvestment in infrastructure projects. The city is currently estimating \$22 million in projected infrastructure projects.

Mr. Ekrut explained how the sewer billing process works and shared two options for rate design. He recommended Scenario 1, which uses winter averaging. This means calculating a customer’s sewer usage based on their water consumption during the winter months. This approach can help reduce costs for homes with seasonal water use. Scenario 2 keeps the current billing method without any changes.

The staff will present a proposal for consideration at an upcoming council meeting.

5. Plan of Finance for Library & Recreation Center

Jim Sabonis from Hilltop Securities presented the plan of finance for the recreation center and library project. The bond election will authorize an amount not to exceed a specified limit; however, the city can issue general obligation bonds for a lesser amount. Mr. Sabonis discussed the city’s strong financial position, outstanding debt, historical tax rates, and strong AA- bond rating. He emphasized that there is no need for a property tax increase to fund this project and that any new debt will be structured to align with the existing debt.

F. REGULAR AGENDA - As authorized by Section 551.071 of the Texas Government Code, the City Council reserves the right to convene in Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed herein.

6. Discuss and consider approving a logo design. Presented by Beth Owens

Beth Owns, Brandera Inc., presented the final designs and taglines.

The motion was made by Councilmember Odom, seconded by Councilmember Elmore to approve the proposed logo design and tagline in Option four. All in favor, the motion passed 5-0.

Voting Yea: Brenda Campbell, Dominic Didehbani, Raymond Elmore, Steve Nichols, Demarcus Odom

Voting Nay:

7. Discuss and consider the new City Hall Architectural design sculpture art to be integrated into art in public spaces, with Turning Art. Presented by Wanda Randle

Director – Community Services & Park Programs Wanda Randle presented the item and provided the council with several artists' proposals and designs for a patio sculpture as part of the city's art in public places.

The motion was made by Councilmember Nichols, seconded by Councilmember Elmore to approve the sculpture titled Cotyledon Rising by David Boyajian. All in favor, the motion passed 5-0.

Voting Yea: Brenda Campbell, Dominic Didehbani, Raymond Elmore, Steve Nichols, Demarcus Odom

Voting Nay:

- 8. **Discuss and consider Resolution R2025-02-1234 OF THE CITY OF HUTCHINS, TEXAS, ORDERING AND PROVIDING NOTICE OF AN ELECTION FOR THE CITY OF HUTCHINS, TEXAS, TO BE HELD ON THE 3rd DAY OF MAY 2025, FOR THE PURPOSE OF ELECTING THREE (3) COUNCILMEMBERS AT LARGE FOR THREE (3) YEAR TERMS; ORDERING NOTICES OF ELECTION TO BE GIVEN; AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE A JOINT ELECTION AGREEMENT AND ELECTION SERVICES CONTRACT WITH DALLAS COUNTY ELECTIONS DEPARTMENT; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by: Cynthia Olguin, City Secretary**

The motion was made by Councilmember Nichols, seconded by Councilmember Odom to approve Resolution R2025-02-1234. All in favor, the motion passed 5-0.

Voting Yea: Brenda Campbell, Dominic Didehbani, Raymond Elmore, Steve Nichols, Demarcus Odom

Voting Nay:

- 9. **Discuss and consider Resolution R2025-02-1235 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS AUTHORIZING CONTINUED PARTICIPATION WITH THE STEERING COMMITTEE OF CITIES SERVED BY ONCOR; AND AUTHORIZING THE PAYMENT OF ELEVEN CENTS PER CAPITA TO THE STEERING COMMITTEE TO FUND REGULATORY AND LEGAL PROCEEDINGS AND ACTIVITIES RELATED TO ONCOR ELECTRIC DELIVERY COMPANY, LLC. Presented by: Katherine Lindsey, Assistant to the City Administrator**

The motion was made by Councilmember Odom, seconded by Councilmember Nichols to approve Resolution R2025-02-1235. All in favor, the motion passed 5-0.

Voting Yea: Brenda Campbell, Dominic Didehbani, Raymond Elmore, Steve Nichols, Demarcus Odom

Voting Nay:

- 10. **Discuss and consider Resolution R2025-02-1236 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING AND AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE THE TERMS AND CONDITIONS OF A CONTRACT, BY AND BETWEEN THE CITY OF HUTCHINS AND AT&T, FOR THE PURCHASE OF 911 CALL HANDLING PRODUCTS AND SERVICES (RFP 2024-06), AT THE QUOTED AT&T CONTRACT DIR-TELE-CTSA-002 PRICING NOT TO EXCEED THE TOTAL AMOUNT OF \$699,123.23 AND APPROPRIATING FUNDS FROM FISCAL YEAR 2025/2026 BUDGET, AND PROVIDING FOR AN EFFECTIVE DATE. Presented By Steve Perry, Police Chief**

The motion was made by Councilmember Nichols, seconded by Councilmember Elmore to approve Resolution R2025-02-1236. All in favor, the motion passed 5-0.

Voting Yea: Brenda Campbell, Dominic Didehbani, Raymond Elmore, Steve Nichols, Demarcus Odom

Voting Nay:

11. Discuss and Consider RESOLUTION R2025-02-1237 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING AND AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE THE AGREEMENT WITH PIPELINE ANALYSIS, LLC FOR CITYWIDE WASTEWATER FLOW MONITORING. Presented by: Mamun Yusuf, Director of Public Works

The motion was made by Councilmember Elmore, seconded by Councilmember Nichols to approve Resolution R2025-02-1237. All in favor, the motion passed 5-0.

Voting Yea: Brenda Campbell, Dominic Didehbani, Raymond Elmore, Steve Nichols, Demarcus Odom

Voting Nay:

12. Discuss and consider the Emergency Alerting System for Station 2. Presented by Stacey Hickson, Fire Chief

The motion was made by Councilmember Campbell, seconded by Councilmember Elmore to approve the purchase of the Emergency Alerting System for Station 2. All in favor, the motion passed 5-0.

Voting Yea: Brenda Campbell, Dominic Didehbani, Raymond Elmore, Steve Nichols, Demarcus Odom

Voting Nay:

13. Discuss and consider a request to extend part-time/temporary support staff in the Utility Billing Division. Presented by: Maria Joyner, Director of Finance

The motion was made by Councilmember Elmore, seconded by Councilmember Campbell to approve the request to extend part-time/temporary support staff in the Utility Billing Division. All in favor, the motion passed 5-0.

Voting Yea: Brenda Campbell, Dominic Didehbani, Raymond Elmore, Steve Nichols, Demarcus Odom

Voting Nay:

14. Discuss and consider a request for part-time/temporary support staff in the City Secretary's office. Presented by Cynthia Olguin

The motion was made by Councilmember Nichols, seconded by Councilmember Elmore to approve the request for a part-time/temporary support staff in the City's Secretary's office. All in favor, the motion passed 5-0.

Voting Yea: Brenda Campbell, Dominic Didehbani, Raymond Elmore, Steve Nichols, Demarcus Odom

Voting Nay:

15. Discuss and consider Resolution R2025-02-1238 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING AND AUTHORIZING THE CITY ADMINISTRATOR TO ENTER INTO AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF HUTCHINS AND

REGION VIII EDUCATION SERVICE CENTER TO PARTICIPATE IN THE INTERLOCAL PURCHASING SYSTEM (TIPS). Presented by Katherine Lindsey

The motion was made by Councilmember Elmore, seconded by Councilmember Campbell to approve Resolution R2025-02-1238. All in favor, the motion passed 4-1.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay: Dominic Didehbani

16. Discuss and act on Resolution No. R2025-02-1239 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, MODIFYING THE DESIGNATION OF THE ANIMAL SHELTER LOCATED AT 205 WEST HICKMAN STREET, HUTCHINS, TEXAS 75141 FROM TEMPORARY TO PERMANENT. This item was placed on the agenda by Mayor Vasquez.

Carrie Moody, a resident from W. Palestine St., spoke against small animal enclosures and urged the city to invest in a new animal shelter.

The council discussed cost estimates and compared the costs of renovating the existing facility to costs for a new facility, estimated at seven million dollars. Mayor Vasquez stated that the expense of constructing a new facility for seven million dollars could not be justified by the number of dogs taken in each month. Councilmember Didehbani expressed his concern about having an animal shelter near homes or businesses, citing potential depreciation in property values. He mentioned that the city hall and the old police department should be utilized more effectively. In contrast, Councilmember Campbell emphasized the importance of the city meeting the citizens' immediate needs by providing an animal shelter.

The motion was made by Councilmember Nichols, seconded by Councilmember Campbell to approve Resolution R2025-02-1239. All in favor, the motion passed 4-1.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay: Dominic Didehbani

G. EXECUTIVE SESSION

17. Pursuant to Texas Government Code Sec. 551.072. DELIBERATION REGARDING REAL PROPERTY. A governmental body may conduct a closed meeting to deliberate the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the governmental body in negotiations with a third person; specifically, discuss purchase of parkland. Presented by James Quin, City Administrator

Mayor Vasquez convened into Executive Session at 8:14 p.m.

H. RECONVENE INTO REGULAR SESSION

18. Take action, if any, as a result of Executive Session:

Deliberation regarding the approval of a professional services agreement entered into effective this 3rd day of February 2025 ("Effective Date"), by and between North Texas Urban Services, LLC ("NTXUS") and the City of Hutchins, Texas ("City"), acting by and through their respective authorized representatives as NTXUS shall seek to purchase for subsequent conveyance to the City certain properties that are of interest to the City for acquisition and improvement.

The council reconvened into Regular Session at 8:31 p.m. Councilmember Didehbani did not return to the meeting.

The motion was made by Councilmember Nichols and seconded by Councilmember Elmore to approve a professional services agreement entered into effective this 3rd day of February 2025 (“Effective Date”), by and between North Texas Urban Services, LLC (“NTXUS”) and the City of Hutchins, Texas (“City’), acting by and through their respective authorized representatives as NTXUS shall seek to purchase for subsequent conveyance to the City certain properties that are of interest to the City for acquisition and improvement. All in favor, the motion passed 4 -0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay: 0

I. ITEMS OF COMMUNITY INTEREST

19. City Secretary Olguin announced the items of community interest.

J. ADJOURN

Motion made by Councilmember Elmore, seconded by Councilmember Nichols to adjourn the meeting at 8:32 PM. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay: 0

PASSED AND APPROVED BY THE HUTCHINS CITY COUNCIL AT A REGULAR MEETING HELD ON THE 3rd DAY OF MARCH 2025.

APPROVED:

Mario Vasquez, Mayor

ATTEST:

Cynthia Olguin, City Secretary



**CITY OF HUTCHINS
CITY COUNCIL MEETING
MINUTES**

**Monday, February 17, 2025 at 6:30 PM
City Hall, 321 N. Main Street**

A Regular Meeting of the Hutchins City Council was held on Monday, February 17, 2025, at 6:30 p.m. at Hutchins City Hall Council Chambers, 321 N. Main Street, Hutchins, Texas, at which time the following items were discussed and considered.

A. CALL TO ORDER AND ANNOUNCE A QUORUM PRESENT

Mayor Vasquez called the regular meeting to order at 6:28 p.m. and announced a quorum.

PRESENT

- Mayor Mario Vasquez
- Mayor Pro Tem Steve Nichols
- Councilmember Brenda Campbell
- Councilmember Raymond Elmore
- Councilmember Demarcus Odom

ABSENT

- Councilmember Dominic Didehbani

B. INVOCATION AND PLEDGE OF ALLEGIANCE

C. CITIZEN COMMENTS - None

D. CONSENT AGENDA - None

E. PRESENTATIONS

1. Gateway Apartment Updates Presented by Bowie Wynne

Bowie Wynne and Jane Hamilton, representatives of Gateway Apartments, provided an update on the repairs identified during their meeting with Hutchins staff and the property management team on December 20, 2024. Ms. Hamilton informed the council about the initiative to serve evictions for delinquent payments and tenants housing bad actors contributing to crime. She also highlighted improvements in security measures, including the installation of 84 additional security cameras; an increase of courtesy patrol officers; enhanced security initiatives that involve issuing citations, documenting minors who are out after curfew, community policing efforts, and strategies to improve community engagement.

Dallas County Commissioner John Wiley Price addressed the city council and the citizens of Hutchins, offering an apology for the poor condition of the property. He dedicated his time at Christmas working with property management on clean-up efforts and expressed a commitment to improving the situation in partnership with the city. He will have his staff assist in clearing the brushy overgrown tree line.

F. REGULAR AGENDA - *As authorized by Section 551.071 of the Texas Government Code, the City Council reserves the right to convene in Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any agenda item listed herein.*

2. Discuss and consider approval of Battery-Operated Vehicle Extrication Equipment. Presented by Stacey Hickson, Fire Chief

The motion was made by Councilmember Nichols, seconded by Councilmember Elmore to approve the purchase of battery-operated vehicle extrication equipment. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay:

3. Discuss and consider RESOLUTION R2025-02-1240 of the CITY COUNCIL of the CITY OF HUTCHINS, TEXAS, APPROVING AND AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE THE AGREEMENT WITH GARVER, INC. FOR WATER SYSTEM MASTER PLAN UPDATE. Presented by: Mamun Yusuf, Director of Public Works

The motion was made by Councilmember Odom, seconded by Councilmember Elmore to approve Resolution R2025-02-1240. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay:

4. Discuss and consider Resolution R2025-02-1241 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING AND AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE AN AGREEMENT BY AND BETWEEN THE CITY AND DUNAWAY ASSOCIATES, LLC FOR PROFESSIONAL SERVICES REGARDING UPDATING THE ZONING AND SUBDIVISION ORDINANCES IN AN AMOUNT NOT TO EXCEED \$75,000; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by: Katherine Lindsey, Assistant to the City Administrator

The motion was made by Councilmember Elmore, seconded by Councilmember Campbell to approve Resolution R2025-02-1241. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay:

5. Discuss and consider Ordinance 2025-02-1204 OF THE CITY OF HUTCHINS, TEXAS AMENDING THE CODE OF ORDINANCES BY AMENDING CHAPTER 5 TITLED "FIRE PREVENTION AND PROTECTION" BY ADDING A NEW ARTICLE 5.05 TITLED "FIRE ALARM PERMITS"; PROVIDING A REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A PENALTY OF FINE NOT TO EXCEED THE SUM OF TWO THOUSAND DOLLARS (\$2,000.00) FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by Stacey Hickson, Fire Chief

The motion was made by Councilmember Elmore, seconded by Councilmember Nichols to approve Ordinance 2025-02-1204. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay:

- 6. **Discuss and consider Ordinance 2025-02-1205 OF THE CITY OF HUTCHINS, TEXAS AMENDING THE CODE OF ORDINANCES BY AMENDING APPENDIX A TITLED "FEE SCHEDULE" BY AMENDING ARTICLE A13.000 TITLED "UTILITIES" BY AMENDING DIVISION 4 TITLED "WATER AND SEWER CHARGES" BY AMENDING SECTION A13.095 TITLED "WATER RATES" AND BY AMENDING SECTION A13.098 TITLED "SEWER RATES AND CHARGES" BY AMENDING THE WATER AND SEWER RATES PREVIOUSLY ADOPTED BY ORDINANCE NO. 2019- 1086; PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by: Maria Joyner, Director of Finance**

The motion was made by Councilmember Nichols, seconded by Councilmember Odom to approve Ordinance 2025-02-1205. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay:

- 7. **Discuss and consider Resolution R2025-02-1242 AUTHORIZING THE CITY ADMINISTRATOR OR CITY ADMINISTRATOR'S DESIGNEE TO APPLY FOR THE STATE AND LOCAL CYBERSECURITY GRANT PROGRAM (SLCGP) FOR THE 2025-2026 FISCAL YEAR. Presented by: Katherine Lindsey, Assistant to the City Administrator**

The motion was made by Councilmember Nichols, seconded by Councilmember Elmore to approve Resolution R2025-02-1242. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay:

- 8. **Consideration of Resolution R2025-02-1243 OF THE CITY OF HUTCHINS, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF HUTCHINS AND DALLAS COUNTY HEALTH AND HUMAN SERVICES FOR FOOD ESTABLISHMENT INSPECTIONS AND ENVIRONMENTAL HEALTH SERVICES FOR the FISCAL YEAR 2023-2024 AND AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT; PROVIDING FOR THE REPEAL OF ANY AND ALL RESOLUTIONS IN CONFLICT; PROVIDING FOR SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by Tim Rawlings, Building Official**

The motion was made by Councilmember Elmore, seconded by Councilmember Nichols to approve Resolution R2025-02-1243 for Fiscal Year 2024-2025. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay:

- 9. **Consideration of Resolution R2025-02-1244 OF THE CITY OF HUTCHINS, TEXAS, APPROVING THE TERMS AND CONDITIONS OF AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF HUTCHINS AND DALLAS COUNTY HEALTH AND HUMAN SERVICES FOR FOOD ESTABLISHMENT INSPECTIONS AND ENVIRONMENTAL HEALTH SERVICES FOR the FISCAL YEAR 2023-2024 AND AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT; PROVIDING FOR THE REPEAL OF ANY AND ALL RESOLUTIONS IN CONFLICT; PROVIDING FOR SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by Tim Rawlings, Building Official**

The motion was made by Councilmember Nichols, seconded by Councilmember Campbell to approve Resolution R2025-02-1244 for Fiscal Year 2024-2025. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay:

G. ITEMS OF COMMUNITY INTEREST

10. City Secretary Olguin announced the items of community interest.

H. ADJOURN

Motion made by Councilmember Elmore, seconded by Councilmember Odom to adjourn the meeting at 7:43 PM. All in favor, the motion passed 4-0.

Voting Yea: Brenda Campbell, Raymond Elmore, Steve Nichols, Demarcus Odom
Voting Nay: 0

PASSED AND APPROVED BY THE HUTCHINS CITY COUNCIL AT A REGULAR MEETING HELD ON THE 3rd DAY OF MARCH 2025.

APPROVED:

Mario Vasquez, Mayor

ATTEST:

Cynthia Olguin, City Secretary



STAFF REPORT

MEETING DATE: March 3, 2025

MEETING TYPE: Regular Council Meeting

SUBMITTED BY: Chief Perry

AGENDA CAPTION: [Annual Reports Presentation] Presented by [Steve Perry and Staff, Police Chief]

Background Information

Presentation of Police department annual report and racial profiling report.

Budget Implications

N/A

Operational Impact

Submission of annual report and racial profiling report in compliance with the Texas best practices program and Texas Code of Criminal Procedure, Art. 2.134. Compilation and Analysis of Information Collected.

Legal Review

N/A

Staff Recommendation

N/A

Supporting Documentation and Attachments

Attached Police department annual report

Attached Racial Profiling report prepared by Del Carmen Consulting

Annual Contact Data 2024

Hutchins Police Department



Requirements of the Texas Profiling Law Sandra Bland Act

Section E, Item 2.

- Substantial updates to existing law
- Replaces Tier 1 with enhanced Tier 2 data
 - Re-defines a contact
 - Report on citations, tickets, warnings and arrests
 - Requires specific analysis of data (including searches)
 - Requires data audits
- Complaint or compliment process
- Removes “middle eastern” and “other” category
- Use of force results in injury reports
- Penalties for non-compliance increased
- Council/TCOLE by March 1st

Report on Complaints 1/1/2024—12/31/2024

The Hutchins Police Department received 1 racial profiling complaint which was “not sustained”.

**RACIAL
PROFILING**

Informing the Public

- Since 2002, RPD is in compliance with Senate Bill 1074 and the Sandra Bland Act
- RPD posts in the lobby on how to file a complaint on a racial profiling violation
- RPD informs the public (on qualifying contacts) on how to file a compliment or complaint including the department's telephone number, mailing address and email address

Analysis of Data

- It is very difficult to detect specific “individual” behavior with “aggregate-level” data.
- Three different types of analyses were conducted
 1. The first of these involved a careful evaluation of the 2024 motor vehicle contact data.
 - This particular analysis measured, as required by the law, the number and percentage of Whites, Blacks, Hispanics, Asians and American Indian, that came in contact with the police involving a motor vehicle and were issued a citation, ticket, warning or arrested in 2024.



Analysis of Data

2. The second type of analysis was based on a comparison of the 2024 contact data with a particular baseline.
 - Of all the baseline measures available, the Hutchins Police Department decided to adopt, as a baseline measure, the Fair Roads Standard.
 - The Fair Roads Standard is based on data obtained through the U.S. Census Bureau (2020) relevant to the number of households that have access to vehicles while controlling for race and ethnicity.
 - The Fair Roads Standard data obtained is relevant to the Houston-Baytown area.

Analysis of Data

3. A third type of analysis was conducted while comparing the pattern on searches performed as a result of a motor vehicle contact, as defined in the law.

Tier 2 (2024)

Motor Vehicle Contact Analysis

The trends on contacts were as follows:

- Most contacts were with Males
- Most were contacts with Blacks
- Officers did not know the race/ethnicity prior to the stop
- The most frequent reason for a stop was “moving traffic violation”
- Most stops took place on “city streets”

Tier 2 (2024)

Motor Vehicle Contact Analysis

- Most stops did not result in a search
- Of those searched, the reasons cited the most was “probable cause” and “contraband”
- Most searches resulted in contraband being discovered
- The contraband most frequently found was “drugs”
- Most stops resulted in a “citations”
- Most arrests were based on “outstanding warrant”
- In 1 instance, force was used which resulted in bodily injury

Fair Roads Standard Analysis

The percentage of Whites, Asians and Alaska Natives who came in contact with the police in motor vehicle related incidents in 2024, was the same or lower than the percentage of White, Asian and Alaska Native households in DFW area that claimed, in the 2020 census, to have access to vehicles.

Fair Roads Standard Analysis

With respect to Blacks and Hispanics, the data suggested that the percentage of Blacks and Hispanics that came in contact with the police in 2024 was higher than the percentage of Blacks and Hispanics in the DFW area with access to vehicles.

Search Analysis

- Most of the contraband found, originated from searches made on Blacks.
- This was followed by searches made on Hispanics.

Complying with the Sandra Bland Act

- The Department has also:
 - Revised its racial profiling policy to meet the new requirements of the law.
 - Engaged our firm in performed objective and external quarterly data audits.
 - Collected the enhanced version of Tier 2 data.
 - Engaged our firm in analyzing the data.
 - Informed the public, when making a contact, on how to file a compliment or complaint, as required by law.
 - Provided implicit bias training to all of its officers.

Recommendations

1. Collect and analyze data on searches.
2. Foster partnerships with organizations representing minority interests.
3. Commission quarterly data audits in order to determine the validity and reliability of data collected/reported in 2025.
4. Train all police officers on the new data requirements (Sandra Bland Act).
5. It should also be noted that the Hutchins Police Department complied with all of the recommendations made in last year's report.

Questions

Del Carmen Consulting, LLC

817.681.7840

www.TexasRacialProfiling.com

www.DelCarmenConsulting.com

Twitter - @RaceProfiling



STAFF REPORT

MEETING DATE: March 03, 2025

MEETING TYPE: City Council

SUBMITTED BY: Mamun Yusuf

AGENDA CAPTION: Flock Security presentation on providing video surveillance for the City Parks

Presented by: Mamun Yusuf, Director of Public Works

Background Information

Staff received a proposal from Flock Security to provide video surveillance for the city parks. They will present their annual service contract proposal to the Council.

Budget Implications

\$17,00.00

Operational Impact

N/A

Legal Review

N/A

Staff Recommendation

Staff recommend approving resolution R2025-XX-XXXX

Supporting Documentation and Attachments

flock safety

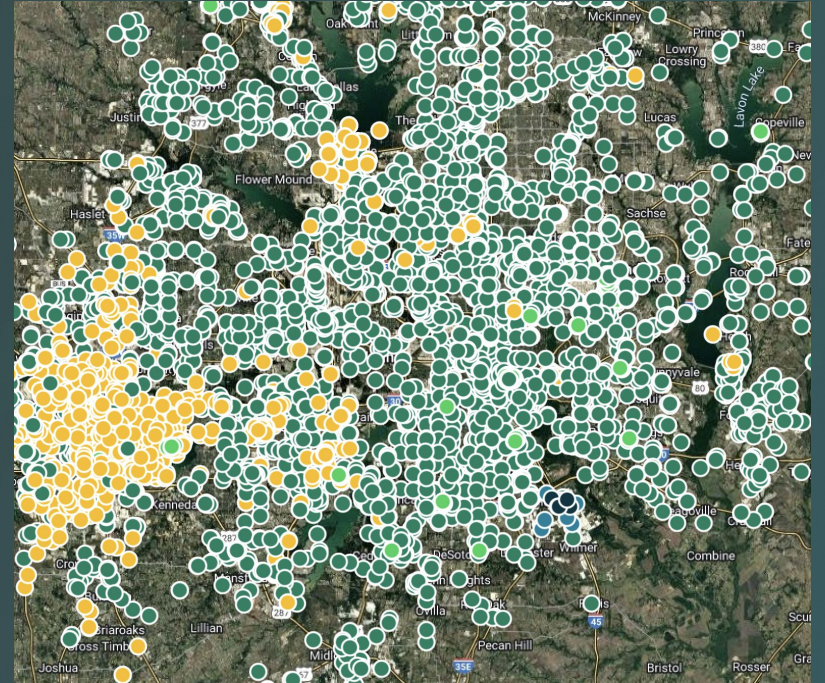
Flock Safety + City of Hutchins

Flock's Footprint Is Yours

The power of Flock expands far beyond one jurisdiction's bounds - our LPR network nationwide is 10X larger than the next closest competitor. Spanning Police, Public Works, Schools, HOA and Commercial businesses, all become a part of your footprint by joining Flock.

→ Texas → 11,000+ Cameras *(and counting)*

→ United States → 90,000+ Cameras *(and counting)*



Parks and Rec. Package

- 4 Real-Time Surveillance Cameras (PTZ), 1 Solar PTZ
- Cover Parks
- Guardian Mode, Vehicle Description Alerts
- FlockOS
- 50% Discount on One-Time Installation Fee (**\$1,875 in Savings**)
- Deployment [Site Map](#)

flock safety



flock safety

Parks and Rec. Package



Section E, Item3.

Product	Quantity	Total Price
Condor Real-Time Surveillance	5	INCLUDED
One Time Installation Fee (50% Discount on this package)(Contingent on signature by March)	5	INCLUDED
FlockOS	1	INCLUDED
	First Year Flock Cost	\$18,875
	Recurring Flock Cost	\$17,000



STAFF REPORT

MEETING DATE: March 3, 2025

MEETING TYPE: Hutchins City Council

SUBMITTED BY: Guy Brown

AGENDA CAPTION: Conduct a Public Hearing regarding a request for a 4B project at 801 West Palestine Street, Suite 106.

Open Public Hearing and Receive Comment.

Discuss and consider Resolution R2025-03-1245 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING A 4B PROJECT FOR THE PURPOSE OF INFRASTRUCTURE IMPROVEMENTS FOR PROPERTY LOCATED AT 801 WEST PALESTINE, SUITE 106, HUTCHINS, TEXAS; AUTHORIZING THE HEDC EXECUTIVE DIRECTOR TO EXECUTE THE FINAL AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by: Guy Brown HEDC Executive Director

Background Information

This is an Action Item related to the previously held Public Hearing.

The HEDC received a request for assistance with a retail project at 801 West Palestine, Suite 106. The owner (Chu Chu's Tacos) plans on placing a restaurant at the location. The HEDC Board of Directors is recommending an infrastructure grant to assist with cost for a signage at the location. This is a public hearing; the action item will appear subsequently on this agenda.

Budget Implications

If approved, the cost of the assistance would be derived from the HEDC budget. A grant of \$4,050 was recommended by the HEDC Board of Directors at their February 13, 2025 meeting. The project is now going to the City Council for final approval.

Operational Impact

Operational impact is minimal, the HEDC will release the grant to the business once the terms of the agreement are met.

Legal Review

The City Attorney has drafted an Economic Development Agreement related to the project.

Staff Recommendation

The HEDC Board of Directors is recommending that the City Council approve the attached agreement.



CITY OF HUTCHINS - Hutchins EDC proposes to initiate a 4B project at 801 W. Palestine, Suite 105 - Hearing 3rd March

AFFIDAVIT OF PUBLICATION

THE STATE OF TEXAS §
COUNTY OF DALLAS §

I, **E. Nuel Cates**, being duly sworn upon oath, deposes and states that I am the **Publisher** of *The Daily Commercial Record*, a daily newspaper that qualifies as a newspaper of general circulation set out in Section 2051.044, Texas Government Code.

- 1) devotes not less than 25% of its total column lineage to general interest items;
- 2) is published at least once a week;
- 3) is entered as second-class (periodical) postal matter in Dallas County, Texas;
- 4) has been published regularly and continuously for at least 12 months prior to publishing

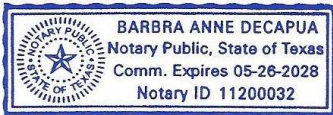
The attached notice was published in the *Daily Commercial Record* on the following date(s) and is a true and correct copy of said published notice.

Publication date(s)

2/12/2025

E. Nuel Cates, Publisher

Signed & sworn to me on this 12th day of February, 2025.



Barbra A. DeCapua

Notary Public, Dallas County, Texas

CITY OF HUTCHINS

Notice of Public Hearings
NOTICE IS HEREBY GIVEN TO ALL INTERESTED PERSONS, THAT:

The Hutchins Economic Development Corporation (Hutchins EDC) proposes to initiate a 4B Project for the purpose of Infrastructure Improvements to a commercial area located at 801 West Palestine, Suite 106 within the City of Hutchins.

The purpose of the 4B Project is to contribute to the retention or expansion of primary employment or to attract major investment and industry to the City of Hutchins for the purpose of creating jobs and expanding the tax base.

A public hearing will be held by and before the Hutchins City Council on the 3rd day of March, 2025 at 6:30 p.m. at the Hutchins City Hall located at 321 Main Street, Hutchins, Texas, for all persons interested in the above 4B Project.

The time and place of the public hearing is as follows:

Date: March 3, 2025

Time: 6:30 PM

Place: Hutchins City Hall
321 Main Street
Hutchins, TX 75141

2/12

The Daily Commercial Record
706 Main Street, Dallas, Texas. 75202
(214) 741-6366
720421

**CITY OF HUTCHINS, TEXAS
RESOLUTION NO. R 2025-03-1245**

A RESOLUTION OF THE HUTCHINS CITY COUNCIL, APPROVING A 4B PROJECT FOR THE PURPOSE OF INFRASTRUCTURE IMPROVEMENTS FOR PROPERTY LOCATED AT 801 WEST PALESTINE, SUITE 106 IN HUTCHINS.

WHEREAS, the Hutchins City Council desires to attract new and expand existing businesses in the City of Hutchins that will generate additional property and sales tax revenue for the City of Hutchins; and

WHEREAS, the attraction and expansion of business to the City of Hutchins will promote economic development, stimulate commercial activity, generate additional sales tax and will enhance the tax base and economic vitality of the City of Hutchins; and

WHEREAS, the City of Hutchins and the Hutchins Economic Development Corporation (HEDC) have adopted programs for promoting economic development; and

WHEREAS, the HEDC is authorized to provide undertake projects to promote local economic development and to stimulate business and commercial activity in the City of Hutchins; and

WHEREAS, the HEDC Board of Directors and the City Council have determined that entering into the attached agreement with Juan Garcia, doing business as Chu Chu’s Tacos (“Company”) will further the objectives of the HEDC, will benefit the City of Hutchins and the City of Hutchins's inhabitants and will promote local economic development and stimulate business and commercial activity in the City of Hutchins;

WHEREAS, the HEDC is authorized pursuant to the Development Corporation Act of 1979, as amended, to stimulate business and commercial activity in the City; and

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

SECTION 1. The Executive Director is hereby authorized to execute the Agreement, which is attached hereto as Exhibit “A,” on behalf of the City of Hutchins EDC.

SECTION 2. This Resolution shall become effective immediately upon its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Hutchins, Texas, this the 3rd day of March, 2025.

CITY OF HUTCHINS, TEXAS

Mario Vasquez, Mayor

ATTEST:

Cynthia Olguin, City Secretary
(250303-gb)

EXHIBIT "A"
Agreement between Juan Garcia, doing business as Chu Chu's Tacos, and the HEDC

STATE OF TEXAS §
§ ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT
COUNTY OF DALLAS §

This Economic Development Incentive Agreement (“Agreement”) is made by and between the Hutchins Economic Development Corporation, a Type B Sales Tax Corporation (“HEDC”), and Juan Garcia and Mae C. Garcia, Individually and as Co-Owners of Chu Chu’s Tacos (collectively “Company”) (each a “Party” and collectively the “Parties”), acting by and through their respective authorized officers.

WITNESSETH:

WHEREAS, Company has leased or intends to lease approximately 1,600 square feet of retail space located at 801 W. Palestine Street, Suite 106, Hutchins, Texas 75141 (the “Leased Premises”), for a period of at least two (2) years (the “Lease”); and

WHEREAS, Company intends to operate Chu Chu’s Tacos restaurant at the Leased Premises (the “Restaurant”); and

WHEREAS, Company has advised HEDC that a contributing factor that would induce Company to operate the Restaurant at the Leased Premises would be an agreement by HEDC to provide the Infrastructure Grant (hereinafter defined) to Company to defray a portion of the costs associated with the Infrastructure (hereinafter defined); and

WHEREAS, HEDC has adopted programs for promoting economic development; and

WHEREAS, the Development Corporation Act, Chapters 501- 505 of the Texas Local Government Code, as amended (the “Act”) authorizes HEDC to provide economic development grants for the creation and retention of primary jobs that are required for the development of manufacturing and industrial facilities and for infrastructure suitable for new or expanded industrial business enterprises; and

WHEREAS, HEDC has determined that the Infrastructure Grant to be made hereunder is required or suitable to promote or develop manufacturing and industrial facilities, new or expanded business enterprises and constitutes a “project”, as that term is defined in the Act; and

WHEREAS, HEDC has determined that making the Infrastructure Grant to Company in accordance with this Agreement will further the objectives of HEDC, will benefit City and City’s inhabitants and will promote local economic development and stimulate business and commercial activity in City.

NOW THEREFORE, in consideration of the foregoing and other considerations, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**Article I
Definitions**

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

“Bankruptcy or Insolvency” shall mean the dissolution or termination of Company’s existence, insolvency, employment of receiver for any part of Company’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors or the commencement of any proceedings under any bankruptcy or insolvency laws by or against Company and such proceedings are not dismissed within ninety (90) days after the filing thereof.

“City” shall mean the City of Hutchins, Texas.

“Commencement of Construction shall mean that: (i) the plans have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for construction of the Infrastructure; (ii) all necessary permits for the construction of the Infrastructure pursuant to the plans therefore have been issued by all the applicable governmental authorities; and (iii) construction of the Infrastructure has commenced.

“Commencement Date” shall mean the date the certificate of occupancy is issued by the City for the Company’s occupancy of the Leased Premises following the date of Completion of Construction of the Infrastructure.

“Company” shall mean Juan Garcia and Mae C. Garcia, Individually and as Co-Owners of Chu Chu’s Tacos.

“Completion of Construction” shall mean that: (i) substantial completion of the infrastructure has occurred; and (ii) the City has verified completion of the Infrastructure and issued a certificate of occupancy for Company to occupy the Leased Premises.

“Effective Date” shall mean the last date of execution hereof.

“Expiration Date” shall mean the second (2nd) anniversary of the Commencement Date.

“Force Majeure” shall mean an occurrence of any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, terrorism, civil commotion, insurrection, government or de facto governmental action, restrictions or interferences (unless caused by the intentional acts or omissions of the Party), fires, explosions, floods or other inclement weather, strikes, slowdowns or work stoppages, incidence of disease or other illness that reaches outbreak, epidemic, or pandemic proportions or similar causes affecting the area in which the Leased Premises are located that results in a reduction of labor force or work stoppage in order to comply with

local, state, or national disaster orders, construction delays, shortages or unavailability of supplies, materials or labor, necessary condemnation proceedings, or any other circumstances which are reasonably beyond the control of the Party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstances are similar to any of those enumerated or not, in which case the Party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or performance shall be extended for a period of time equal to the period such Party was delayed, provided the Party whose performance is delayed provides written notice to the other Party not later than fifteen (15) business days after the last day of the month of the occurrence of the event(s) or condition(s) causing the delay or the date the Party whose performance has been delayed becomes aware or should have reasonably known of the event, describing such event(s) and/or condition(s) and the date on which such event(s) and/or condition(s) occurred.

“HEDC” shall mean the Hutchins Economic Development Corporation.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on Company with respect to the Leased Premises or any property or any business owned by Company within the City.

“Infrastructure” shall mean signage to be installed at the Leased Premises by Company in accordance with plans approved by the City.

“Infrastructure Grant” shall mean an economic development grant to offset the costs of installation of the Infrastructure at the Leased Premises in an amount not to exceed Four Thousand and No/100 Dollars (\$4,000.00), to be paid as set forth herein.

“Lease” shall have the meaning assigned in the Recitals.

“Leased Premises” shall mean approximately 1,600 square feet of retail space located at 801 W. Palestine Street, Suite 106, Hutchins, Texas 75141.

“Payment Request” shall mean a written request from Company to HEDC for payment of the Infrastructure Grant accompanied by copies of paid invoices, receipts and other evidence of the costs incurred and paid by the Company for the Infrastructure, and such other information as may reasonably be requested by the HEDC.

“Related Agreement” shall mean any agreement (other than this Agreement) by and between the HEDC and/or the City and the Company, or any of its affiliated or related entities.

“Required Use” shall mean the continuous occupancy and use of the Restaurant open to the public and serving the citizens of the City.

“Restaurant” shall have the meaning assigned in the Recitals.

**Article II
Term**

The term of this Agreement shall begin on the Effective Date and continue until the Expiration Date, unless sooner terminated as provided herein.

**Article III
Infrastructure Grant**

3.1 Infrastructure Grant. Subject to the continued satisfaction of all the terms and conditions of this Agreement by Company, and the obligation of Company to repay the Infrastructure Grant pursuant to Section 5.2 hereof, HEDC agrees to provide the Infrastructure Grant to Company within thirty (30) days after HEDC receipt of a Payment Request following the Commencement Date. Company may submit the Payment Request to HEDC not earlier than the Commencement Date and no later than ninety (90) days thereafter. Failure of Company to timely submit the Payment Request for the Infrastructure Grant shall result in forfeiture of the payment of the Infrastructure Grant by HEDC to Company.

3.2 Current Revenue. The Infrastructure Grant made hereunder shall be paid solely from lawfully available funds that have been appropriated by HEDC; provided, however, HEDC agrees during the term of this Agreement to make a good faith effort to appropriate funds to pay the Infrastructure Grant. Consequently, notwithstanding any other provision of this Agreement, HEDC shall have no obligation or liability to pay the Infrastructure Grant except as allowed by law.

3.3 Grant Limitations. Under no circumstances shall the obligations of HEDC hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Further, HEDC shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by Company. None of the obligations of HEDC under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

**Article IV
Conditions to Economic Development Grant**

The obligation of HEDC to provide the Infrastructure Grant shall be conditioned upon the compliance and satisfaction by Company of the terms and conditions of this Agreement and each of the following conditions; provided, however, that failure to meet a condition shall not prevent the payment of the Infrastructure Grant prior to the specified deadline for satisfaction of the condition.

4.1 Payment Request. Company shall, as a condition precedent to the payment of the Infrastructure Grant, timely provide HEDC with the Payment Request.

4.2 Good Standing. Company shall not have an uncured breach or default of this Agreement, or a Related Agreement.

4.3 Required Use. During the term of this Agreement following the Commencement Date and continuing thereafter until the Expiration Date, the Leased Premises shall not be used for any purpose other than the Required Use, and the operation and occupancy of the Leased Premises in conformance with the Required Use shall not cease for more than thirty (30) days, except in connection with and to the extent of an event of Force Majeure.

4.4 Construction Schedule. Company shall, subject to events of Force Majeure, cause Commencement of Construction of the Infrastructure to occur on or before March 15, 2025, and subject to events of Force Majeure, cause Completion of Construction thereof to occur on or before May 15, 2025.

4.5 Continuous Occupancy. Company shall, beginning on the Commencement Date and continuing thereafter until the Expiration Date, continuously lease and occupy the Leased Premises, and operate the Restaurant.

**Article V
Termination; Repayment**

5.1 Termination. This Agreement shall terminate upon any one of the following:

- (a) By mutual written agreement of the Parties;
- (b) Upon the Expiration Date;
- (c) Upon the date set forth in written notice by either Party, if the other Party defaults or breaches any of the terms or conditions of this Agreement, or a Related Agreement, and such default or breach is not cured within thirty (30) days after written notice thereof;
- (d) Upon the date set forth in written notice by HEDC, if Company suffers an event of Bankruptcy or Insolvency;
- (e) Upon the date set forth in written notice by HEDC, if any Impositions owed to the HEDC or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such Impositions); or
- (f) Upon the date set forth in written notice by either Party, if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable.

5.2. Repayment. In the event the Agreement is terminated by HEDC pursuant to Section 5.1(c), (d), (e), or (f), Company shall immediately repay to HEDC an amount equal to the

Infrastructure Grant previously paid by HEDC to Company immediately preceding the date of such termination, plus interest at the rate of interest periodically announced by the *Wall Street Journal* as the prime or base commercial lending rate, or if the *Wall Street Journal* shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by HEDC) as its prime or base commercial lending rate, from the date on which the Infrastructure Grant is paid by HEDC until such Infrastructure Grant is refunded by Company. The repayment obligation of Company set forth in this section 5.2 hereof shall survive termination. Juan Garcia and Mae C. Garcia are jointly and severally liable for the repayment of the Infrastructure Grant to HEDC by Company.

5.3 Right of Offset. HEDC may at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to HEDC or City from Company, regardless of whether the amount due arises pursuant to the terms of this Agreement, a Related Agreement or otherwise, and regardless of whether the debt has been reduced to judgment by a court.

**Article VI
Miscellaneous**

6.1 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the Parties hereto.

6.2 Limitation on Liability. It is understood and agreed between the Parties that Company and HEDC, in satisfying the conditions of this Agreement, have acted independently, and HEDC assumes no responsibilities or liabilities to third parties in connection with these actions. Company agrees to indemnify and hold harmless HEDC from all such claims, suits, and causes of actions, liabilities, and expenses, including reasonable attorney’s fees, of any nature whatsoever by a third party arising out of Company’s performance of the conditions under this Agreement.

6.3 No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture between the Parties.

6.4 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day actually received if sent by courier or otherwise hand delivered:

If intended for HEDC, to:

With a copy to:

Attn: Guy D. Brown
Executive Director
Hutchins Economic Development Corporation
103 W. Palestine Street
P.O. Box 361
Hutchins, Texas 75141

Attn: Peter G. Smith
General Counsel
Nichols | Jackson
1800 Ross Tower
500 N. Akard Street
Dallas, Texas 75201

If intended for Company, to:

Attn: Juan Garcia
Individually and as Co-Owner of Chu Chu’s Tacos
Attn Mae C. Garcia
Individually and as Co-Owner of Chu Chu’s Tacos
801 W. Palestine Street, Suite 106
Hutchins, Texas 75141

6.5 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

6.6 Severability. In the event any section, subsection, paragraph, sentence, phrase, or word herein is held invalid, illegal, or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase, or word.

6.7 Governing Law. This Agreement shall be governed by the laws of the State of Texas without regard to any conflict of law rules. Exclusive venue for any action under this Agreement shall be the State District Court of Dallas County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

6.8 Counterparts. 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.

6.9 Entire Agreement. This Agreement embodies the complete agreement of the Parties hereto, superseding all oral or written previous and contemporary agreements between the Parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the Parties to be attached to and made a part of this Agreement.

6.10 Recitals. The Recitals to this Agreement are hereby incorporated herein.

6.11 Exhibits. Any exhibits to this Agreement are incorporated herein.

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

6.13 Legal Construction. 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 other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.14 Assignment. This Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement may not be assigned by Company without the prior written consent of the HEDC.

6.15 Employment of Undocumented Workers. During the term of this Agreement Company agrees not to knowingly employ any undocumented workers and if convicted of a violation under 8 U.S.C. Section 1324a (f), Company shall repay the Infrastructure Grant herein and any other funds received by Company from HEDC as of the date of such violation within thirty (30) days after the date Company is notified by HEDC of such violation, plus interest at the rate of four percent (4%) compounded annually from the date of violation until paid. Company is not liable for a violation of this section by a subsidiary, affiliate, or franchisee of Company or by a person with whom Company contracts.

6.16 Conditions Precedent. This Agreement is subject to, and the obligations of the Parties are expressly conditioned upon Company having entered into the Lease within ninety (90) days after the Effective Date.

[Signature Page to Follow]

EXECUTED on this _____ day of _____, 2025.

HUTCHINS ECONOMIC DEVELOPMENT CORPORATION

By: _____
Guy D. Brown, Executive Director

EXECUTED on this _____ day of _____, 2025.

Juan Garcia
Individually and as Co-Owner of Chu Chu’s Tacos

Mae C. Garcia
Individually and as Co-Owner of Chu Chu’s Tacos

801 Palestine
Suite 106

Public Hearing
March 3, 2025

801 West Palestine Chu Chu's Tacos

- Juan and Mae Garcia are working on a restaurant at 801 West Palestine Street, Suite 801.
- At the February 13, 2025, HEDC Meeting, the HEDC Board approve a \$4,050 Grant for the Project.
- Funds would be due at the completion of the Improvements and obtaining a Certificate of Occupancy for the Project.
- Attached is a Resolution and copy of the proposed agreement.







Section F, Item 4.





Section F, Item 4.



Mosquito Signs LLC
6960 Marvin D Love Fwy
Dallas, TX 75237 US
+14694129771
sales@mosquitosigns.com



INVOICE

BILL TO
Chu Chu's Tacos

INVOICE # 3013
DATE 02/11/2025
DUE DATE 02/11/2025
TERMS Due on receipt

DATE	PRODUCT/SERVICE	DESCRIPTION	QTY	RATE	AMOUNT
	Front Lit Shape Sign		1	4,500.00	4,500.00T
	ACM Flat Sign		1	1,000.00	1,000.00T
	Indoor Counter Sign		1	380.00	380.00T
	Window Decal		1	1,600.00	1,600.00T

Please contact our billing department to notify your payment method.
INFORMATION FOR PAYMENT

Zelle
Christian Alvarado
(214) 985-7428

SUBTOTAL 7,480.00
TAX 617.10
TOTAL 8,097.10
BALANCE DUE **\$8,097.10**



STAFF REPORT

MEETING DATE:	March 3, 2025
MEETING TYPE:	Hutchins City Council
SUBMITTED BY:	Guy Brown
AGENDA CAPTION:	<p>Conduct a Public Hearing regarding a request for a 4B project at and near 301 West Wintergreen.</p> <p>Open the Public Hearing and receive comments</p> <p>Discuss and consider Resolution R2025-03-1246 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING A 4B PROJECT FOR THE PURPOSE OF INFRASTRUCTURE IMPROVEMENTS FOR PROPERTY LOCATED AT AND NEAR 301 WEST WINTERGREEN, HUTCHINS, TEXAS; AUTHORIZING THE HEDC EXECUTIVE DIRECTOR TO EXECUTE THE FINAL AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by Guy Brown, HEDC Executive Director</p>

Background Information

This is an Action Item related to the previously held Public Hearing.

This Project is a new development proposed at the northwest corner of I-45 and Wintergreen Road. This project includes the construction of two hotels and a retail shopping center, representing a total capital investment of approximately \$35,781,283.

Project Visitation involves the development of two hotels and a retail component. The first hotel, Holiday Inn Express & Suites, will be located at 311 Wintergreen Road. It will include a five-story building with 106 guest rooms and represent a total investment of \$14,569,084, including land costs. The second hotel, Towne Place by Marriott, will be located at 321 Wintergreen Road. This hotel will have a four-story design with 99 guest rooms, with an estimated investment of \$16,217,199.

Combined, the two hotels and retail will encompass 145,231 square feet. The retail component of the project includes 17,000 square feet of space, with an estimated investment of \$5,000,000. Drawings are in the attached PowerPoint Presentation.

The Texas Department of Transportation is requiring the applicant to construct a series of deceleration lanes to accommodate the project. According to the applicant the deceleration lanes are now projected to cost approximately \$800,000. The applicant is requesting the HEDC contribution of \$400,000 to help offset these costs.

Budget Implications

If approved, the cost of the assistance would be derived from the HEDC budget. A grant of \$400,000 was recommended by the HEDC Board of Directors at their February 13, 2025 meeting. The item is now going to the City Council for final approval..

Operational Impact

Operational impact is minimal, the HEDC will release the grant to the business once the terms of the agreement are met.

Legal Review

The City Attorney has drafted an Economic Development Agreement related to the project.

Staff Recommendation

The HEDC Board of Directors is recommending that the City Council approve the attached Resolution and Agreement.

**CITY OF HUTCHINS, TEXAS
RESOLUTION NO. R 2025-03-1246**

A RESOLUTION OF THE HUTCHINS CITY COUNCIL, APPROVING A 4B PROJECT FOR THE PURPOSE OF INFRASTRUCTURE IMPROVEMENTS FOR PROPERTY LOCATED AT AND NEAR 301 WEST WINTERGREEN ROAD IN HUTCHINS.

WHEREAS, the Hutchins City Council desires to attract new and expand existing businesses in the City of Hutchins that will generate additional property and sales tax revenue for the City of Hutchins; and

WHEREAS, the attraction and expansion of business to the City of Hutchins will promote economic development, stimulate commercial activity, generate additional sales tax and will enhance the tax base and economic vitality of the City of Hutchins; and

WHEREAS, the City of Hutchins and the Hutchins Economic Development Corporation (HEDC) have adopted programs for promoting economic development; and

WHEREAS, the HEDC is authorized to provide undertake projects to promote local economic development and to stimulate business and commercial activity in the City of Hutchins; and

WHEREAS, the HEDC Board of Directors and the City Council have determined that entering into the attached agreement with Pinecove Investment Hutchins, LLC (“Company”) will further the objectives of the HEDC, will benefit the City of Hutchins and the City of Hutchins's inhabitants and will promote local economic development and stimulate business and commercial activity in the City of Hutchins;

WHEREAS, the HEDC is authorized pursuant to the Development Corporation Act of 1979, as amended, to stimulate business and commercial activity in the City; and

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

SECTION 1. The Executive Director is hereby authorized to execute the Agreement, which is attached hereto as Exhibit “A,” on behalf of the City of Hutchins EDC.

SECTION 2. This Resolution shall become effective immediately upon its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Hutchins, Texas, this the 3rd day of March, 2025.

CITY OF HUTCHINS, TEXAS

Mario Vasquez, Mayor

ATTEST:

Cynthia Olguin, City Secretary
(250303-gb)

EXHIBIT "A"
Agreement between Pinecove Investment Hutchins LLC, and HEDC



CITY OF HUTCHINS - Hutchins EDC proposes to initiate a 4B project at 301 W. Wintergreen Rd. - Hearing March 3

CITY OF HUTCHINS

Notice of Public Hearings NOTICE IS HEREBY GIVEN TO ALL INTERESTED PERSONS, THAT:

The Hutchins Economic Development Corporation (Hutchins EDC) proposes to initiate a 4B Project for the purpose of Infrastructure Improvements at and near a commercial area located at 301 West Wintergreen Road within the City of Hutchins.

The purpose of the 4B Project is to contribute to the retention or expansion of primary employment or to attract major investment and industry to the City of Hutchins for the purpose of creating jobs and expanding the tax base.

A public hearing will be held by and before the Hutchins City Council on the 3rd day of March, 2025 at 6:30 p.m. at the Hutchins City Hall located at 321 Main Street, Hutchins, Texas, for all persons interested in the above 4B Project.

The time and place of the public hearing is as follows: Date: March 3, 2025 Time: 6:30 PM Place: Hutchins City Hall 321 Main Street Hutchins, TX 75141

AFFIDAVIT OF PUBLICATION

THE STATE OF TEXAS § COUNTY OF DALLAS §

I, E. Nuel Cates, being duly sworn upon oath, deposes and states that I am the Publisher of The Daily Commercial Record, a daily newspaper that qualifies as a newspaper of general circulation set out in Section 2051.044, Texas Government Code.

- 1) devotes not less than 25% of its total column lineage to general interest items; 2) is published at least once a week; 3) is entered as second-class (periodical) postal matter in Dallas County, Texas; 4) has been published regularly and continuously for at least 12 months prior to publishing

The attached notice was published in the Daily Commercial Record on the following date(s) and is a true and correct copy of said published notice.

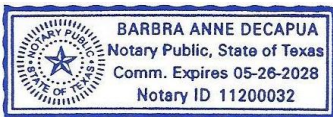
Publication date(s)

2/13/2025

[Handwritten signature of E. Nuel Cates]

E. Nuel Cates, Publisher

Signed & sworn to me on this 13th day of February, 2025.



Barbra A. DeCapua

Notary Public, Dallas County, Texas

The Daily Commercial Record 706 Main Street, Dallas, Texas. 75202 (214) 741-6366 720458

**Article I
Definitions**

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

“Bankruptcy or Insolvency” shall mean the dissolution or termination of Company’s existence, insolvency, employment of receiver for any part of Company’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors or the commencement of any proceedings under any bankruptcy or insolvency laws by or against Company and such proceedings are not dismissed within ninety (90) days after the filing thereof.

“Capital Investment” shall mean the capitalized cost incurred and paid by Company for design and construction of the Infrastructure.

“City” shall mean the City of Hutchins, Texas.

“Civic Center Development and Chapter 380 Agreement” shall mean that certain agreement by and between Company and City dated approximate date herewith.

“Commencement of Construction” shall mean that: (i) the plans have been prepared and all approvals thereof and permits with respect thereto required by applicable governmental authorities have been obtained for construction of the Infrastructure and the Improvements; (ii) all necessary permits for the construction of the Infrastructure and the improvements, pursuant to the respective plans therefore having been issued by all applicable governmental authorities; (iii) and grading of the Land and vertical construction have commenced.

“Company shall mean Pinecove Investment Hutchins LLC, a Texas limited liability company

“Company Affiliate” shall mean an entity that is directly or indirectly controlled by or is under common control with Company.

“Completion of Construction” shall mean: (i) substantial completion of the Infrastructure and the Improvements, in accordance with the respective plans and specifications; and (ii) with respect to the Infrastructure, the City has conducted the final inspection and/or accepted the Infrastructure, and with respect to the Improvements, the City has issued a certificate of occupancy for all of the Improvements.

“Deceleration Lane” shall mean the deceleration lane requested by Texas Department of Transportation (“TXDOT”) pursuant to the Traffic Engineering Study I-45 SBFR as commented by TXDOT in a report dated November 19, 2024, to serve the Improvements in accordance with plans approved by the City.

“Effective Date” shall mean the last date of execution hereof.

“Eligible Costs” shall mean the costs incurred and paid by Company or on behalf of Company for the design and construction of the Infrastructure not including costs for legal fees, permit fees, the costs of interest, finance, the cost of financing, management fees, land or right-of-way, or easements or other soft costs.

“Expiration Date” shall mean the tenth (10th) anniversary date of the date of Completion of Construction of the Infrastructure and the Improvements.

“Employment Period” shall mean each twelve (12) month consecutive period during the term of this Agreement beginning on the Commencement Date.

“Employment Positions” shall mean FTE Positions eligible for employee benefits that have been created, maintained, and filled at the Improvements.

“Force Majeure” shall mean an occurrence of any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, terrorism, civil commotion, insurrection, government or de facto governmental action, restrictions or interferences (unless caused by the intentional acts or omissions of the Party), fires, explosions, floods or other inclement weather, strikes, slowdowns or work stoppages, incidence of disease or other illness that reaches outbreak, epidemic, or pandemic proportions or similar causes affecting the area in which the Improvements is located that results in a reduction of labor force or work stoppage in order to comply with local, state, or national disaster orders, construction delays, shortages or unavailability of supplies, materials or labor, necessary condemnation proceedings, or any other circumstances which are reasonably beyond the control of the Party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstances are similar to any of those enumerated or not, in which case the Party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or performance shall be extended for a period of time equal to the period such Party was delayed, provided the Party whose performance is delayed provides written notice to the other Party not later than fifteen (15) business days after the last day of the month of the occurrence of the event(s) or condition(s) causing the delay or the date the Party whose performance has been delayed becomes aware or should have reasonably known of the event, describing such event(s) and/or condition(s) and the date on which such event(s) and/or condition(s) occurred.

“FTE Position” means a position filled by an individual scheduled to work at least 2080 hours per Employment Period.

“HEDC” shall mean the Hutchins Economic Development Corporation, a Type B Sales Tax Corporation.

“Holiday Inn Hotel shall mean a 5-story hotel containing 106 rooms operated pursuant to a franchise as a Holiday Inn Express & Express at 311 Wintergreen Road Hutchins, Texas, or other franchise approved by the City.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on Company with respect to the Improvements or any property or any business owned by Company within the City.

“Improvements” shall collectively mean a 5-story hotel containing 106 rooms operated pursuant to a franchise as a Holiday Inn Express & Express at 311 Wintergreen Road Hutchins, Texas (the “Holiday Inn Hotel”) and a 4-story hotel containing 99 rooms operated pursuant to a franchise as a Towne Place Suites by Marriot at 321 Wintergreen Road, Hutchins, Texas (the “Towne Place Hotel”) and a retail shopping with at least 130,000 square feet of combined retail and hotel space, and other ancillary facilities such as required parking and landscaping more fully described in the submittals filed by Company with the City, from time to time, to obtain a building permit(s).

“Infrastructure” shall have the meaning assigned by Section 501.103 Texas Local Government Code, as amended, and consist of the Deceleration Lane.

“Infrastructure Grant” shall mean an economic development grant to offset the Eligible Costs of the Infrastructure incurred and paid by Company, or on behalf of Company, in an amount not to exceed Four Hundred Thousand and No/100 Dollars (\$400,000.00), to be paid as set forth herein.

“Land” shall mean the real property described in **Exhibit “A”**.

“Payment Request” shall mean a written request from Company to HEDC for payment of the Infrastructure Grant accompanied by: (i) copies of invoices, bills, receipts, invoices, and such other information, as may be reasonably requested by HEDC, to document the Eligible Costs incurred and paid by Company or on behalf of Company for the design and construction of the Infrastructure; and (ii) copies of invoices, bills, receipts, and such other information, as may reasonably be requested by HEDC, to document the required Capital Investment.

“Related Agreements” shall mean the Civic Center Development and Chapter 380 Agreement, and any agreement (other than this Agreement) by and between HEDC, City and Company and/or a Company Affiliate.

“Towne Place Suites”) shall mean a 4-story hotel containing 99 rooms operated pursuant to a franchise as a Towne Place Suites by Marriot at 321 Wintergreen Road, Hutchins, Texas, or other franchise approved by the City.

**Article II
Term**

The term of this Agreement shall begin on the Effective Date and continue until the Expiration Date, unless sooner terminated as provided herein.

**Article III
Infrastructure Grant**

3.1 Infrastructure Grant. Subject to the continued satisfaction of all terms and conditions of this Agreement by Company, and the obligation of Company to repay the Infrastructure Grant pursuant to Article V hereof, HEDC agrees to provide the Infrastructure Grant to Company within thirty (30) days after receipt of the Payment Request following the date Completion of Construction of the Infrastructure and the Improvements. The Payment Request may be submitted no earlier than date of Completion of Construction of the Infrastructure and the Improvements, and no later than ninety (90) days thereafter. The failure to timely submit the Payment Request for the Infrastructure Grant shall result in the forfeiture of the payment of the Infrastructure Grant by HEDC to Company.

3.2 Current Revenue. The Infrastructure Grant made hereunder shall be paid solely from lawfully available funds that have been appropriated by HEDC; provided, however, HEDC agrees during the term of this Agreement to make a good faith effort to appropriate funds to pay the Infrastructure Grant. Consequently, notwithstanding any other provision of this Agreement, HEDC shall have no obligation or liability to pay Infrastructure Grant except as allowed by law.

3.3 Grant Limitations. Under no circumstances shall the obligations of HEDC hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Further, HEDC shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by Company. None of the obligations of HEDC under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

**Article IV
Conditions to Economic Development Grant**

The obligation of HEDC to pay the Infrastructure Grant shall be conditioned upon the compliance and satisfaction by Company of the terms and conditions of this Agreement and each of the following conditions provided; that failure to satisfy a condition shall not prevent the payment of the Infrastructure Grant prior to the specified deadline for satisfaction of the condition..

4.1 Payment Request. Company shall, as a condition precedent to the payment of the Infrastructure Grant, timely provide HEDC with the Payment Request.

4.2 Good Standing. Company shall not have an uncured breach or default of this Agreement, or a Related Agreement.

4.3 Construction Schedule. Company shall, subject to events of Force Majeure, cause Commencement of Construction of the Infrastructure and the Improvements to occur on or before December 31, 2025, and subject to events of Force Majeure, cause Completion of Construction thereof to occur on or before December 31, 2028.

4.4 Schedule of Jobs. Company anticipates that following the Commencement Date approximately twenty-five (25) Employment Positions shall have been created at the Improvements.

4.5 Capital Investment. The Capital Investment shall equal or exceed the amount of the Infrastructure Grant as of the date of Completion of Construction of the Infrastructure.

**Article V
Termination; Repayment**

5.1 Termination. This Agreement shall terminate upon any one of the following:

- (a) By mutual written agreement of the Parties;
- (b) Upon the Expiration Date;
- (c) Upon the date set forth in written notice by either Party, if the other Party defaults or breaches any of the terms or conditions of this Agreement, or a Related Agreement, and such default or breach is not cured within thirty (30) days after written notice thereof;
- (d) Upon the date set forth in written notice by HEDC, if Company suffers an event of Bankruptcy or Insolvency;
- (e) Upon the date set forth in written notice by HEDC, if any Impositions owed to the HEDC, the City, or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such Impositions); or
- (f) Upon the date set forth in written notice by either Party, if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal, or unenforceable.

5.2. Repayment. In the event the Agreement is terminated by HEDC pursuant to Section 5.1(c), (d), (e), or (f), Company shall immediately repay to HEDC an amount equal to the Infrastructure Grant previously paid by HEDC to Company immediately preceding the date of such termination, plus interest at the rate of interest periodically announced by the *Wall Street Journal* as the prime or base commercial lending rate, or if the *Wall Street Journal* shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by HEDC) as its prime or base commercial lending rate, from the date on which the Infrastructure

Grant is paid by HEDC until such Infrastructure Grant is refunded by Company. The repayment obligation of Company set forth in this section shall survive termination.

5.3 Right of Offset. HEDC may at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to HEDC and/or City from Company, regardless of whether the amount due arises pursuant to the terms of this Agreement, a Related Agreement or otherwise, and regardless of whether the debt due HEDC has been reduced to judgement.

Article VII

Miscellaneous

6.1 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the Parties hereto.

6.2 Limitation on Liability. It is understood and agreed between the Parties that Company and HEDC, in satisfying the conditions of this Agreement, have acted independently, and HEDC assumes no responsibilities or liabilities to third parties in connection with these actions. Company agrees to indemnify and hold harmless HEDC from all such claims, suits, and causes of actions, liabilities, and expenses, including reasonable attorney’s fees, of any nature whatsoever by a third party arising out of Company’s performance of the conditions under this Agreement.

6.3 No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture between the Parties.

6.4 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day actually received if sent by courier or otherwise hand delivered:

If intended for HEDC, to:

With a copy to:

Attn: Guy D. Brown
Executive Director
Hutchins Economic
Development Corporation
103 W. Palestine Street
P.O. Box 361
Hutchins, Texas 75141

Attn: Peter G. Smith
General Counsel
Nichols | Jackson
1800 Ross Tower
500 N. Akard Street
Dallas, Texas 75201

If intended for Company:

With a copy to:

Attn: Mainul Khan, Manager
Pinecove Investment Hutchins
LLC
8509 Orchard Hill Drive
Plano, Texas 75025

6.5 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

6.6 Severability. In the event any section, subsection, paragraph, sentence, phrase, or word herein is held invalid, illegal, or unconstitutional, the balance of this Agreement shall stand, shall be enforceable, and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase, or word.

6.7 Governing Law. This Agreement shall be governed by the laws of the State of Texas without regard to any conflict of law rules. Exclusive venue for any action under this Agreement shall be the State District Court of Dallas County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

6.8 Counterparts. 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.

6.9 Entire Agreement. This Agreement embodies the complete agreement of the Parties hereto, superseding all oral or written previous and contemporary agreements between the Parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the Parties to be attached to and made a part of this Agreement.

6.10 Recitals. The determinations recited and declared in the preambles to this Agreement are hereby incorporated herein as part of this Agreement.

6.11 Exhibits. All exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

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

6.13 Legal Construction. 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 other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.14 Assignment. This Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement may not be assigned by Company without the prior written consent of the HEDC.

6.15 Employment of Undocumented Workers. During the term of this Agreement, Company agrees not to knowingly employ any undocumented workers and, if convicted of a violation under 8 U.S.C. Section 1324a (f), Company shall repay the Infrastructure Grant, and any other funds received by Company from HEDC as of the date of such violation within one hundred twenty (120) days after the date Company is notified by HEDC of such violation, plus interest at the rate of four percent (4%) compounded annually from the date of violation until paid.

6.16 Boycott Israel; Boycott Energy Companies; and Prohibition of Discrimination against Firearm Entities and Firearm Trade Associations.

(a) Company verifies that it does not Boycott Israel and agrees that during the term of the Agreement will not Boycott Israel as that term is defined in Texas Government Code Section 808.001, as amended.

(b) Company verifies that it does not Boycott Energy Companies and agrees that during the term of this Agreement will not Boycott Energy Companies as that term is defined in Texas Government Code Section 809.001, as amended.

(c) Company verifies that: (i) it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association as those terms are defined in Texas Government Code Section 2274.001, as amended; and (ii) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

(d) This section does not apply if Company is a sole proprietor, a non-profit entity, or a governmental entity; and only applies if: (i) Company has ten (10) or more fulltime employees and (ii) this Agreement has a value of \$100,000.00 or more to be paid under the terms of this Agreement.

6.17 Conditions Precedent. This Agreement is subject to and the obligations of the Parties are expressly conditioned up the following: (i) Company closing its purchase of the Land on or before ___ 2025; and (ii) the Civic Center Development and Chapter 380 Agreement is fully executed.

(Signature page to follow)

EXECUTED on this _____ day of _____, 2025.

HUTCHINS ECONOMIC DEVELOPMENT CORPORATION

By: _____
Guy D. Brown, Executive Director

EXECUTED on this _____ day of _____, 2025.

PINECOVE INVESTMENT HUTCHINS LLC

By: _____
Mainul Khan, Manager

Exhibit A
Legal description of the Land to be attached

301 West Wintergreen HEDC Board of Directors

Public Hearing

March 3, 2025

Project Overview

- Location: NWC of I-45 and Wintergreen Road

Components:

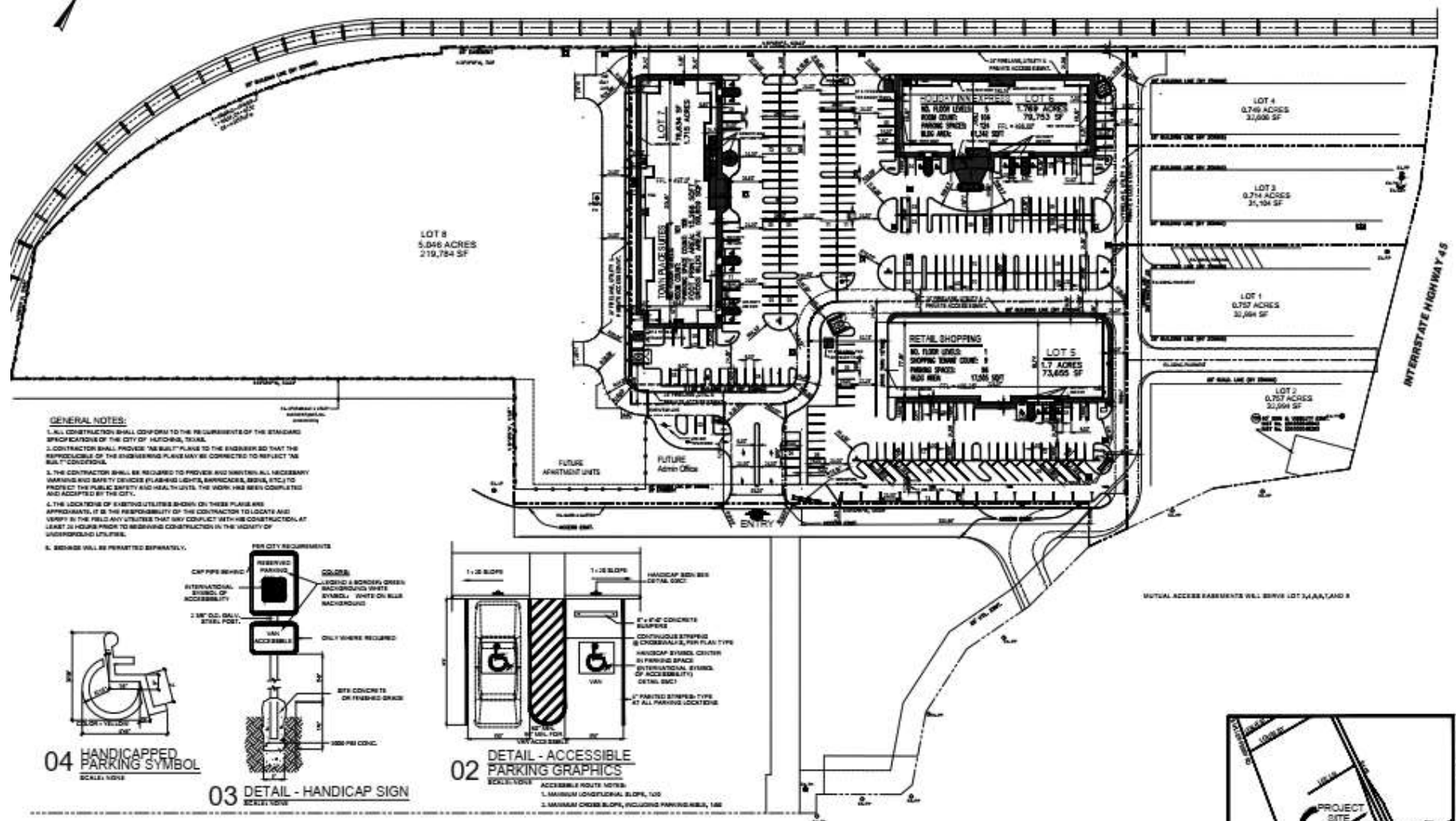
- 2 Hotels:
 - Holiday Inn Express & Suites (106 rooms, 5 stories)
 - Towne Place by Marriott (99 rooms, 4 stories)
- Retail: 17,000 SF
- Combined 145,000 SF with meeting spaces
- Total Investment: \$35.78 million (including land costs)

Updated Incentive Requests

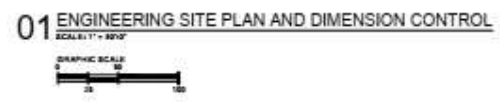
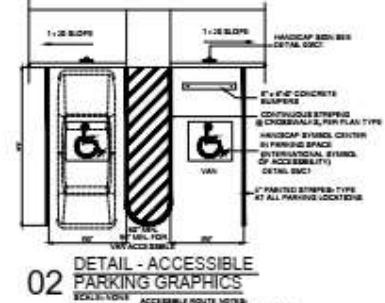
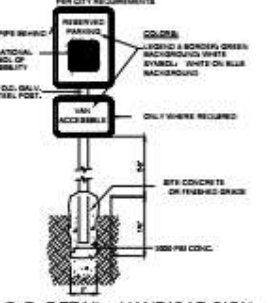
- Hotel Occupancy Tax: 40% rebate for 10 years (lowered to 10 years at the January 21 Council meeting)
- Real Property Tax Abatement: 50% for 10 years on hotels and retail
- Fee Reductions:
 - Municipal fees, permits, and plan reviews reduced by at least 50%
 - 50% reduction in roadway impact fees
- TX DOT Deceleration Lanes Grant:
 - Increased request from \$300,000 to \$400,000 from HEDC
 - Suggested partnership with neighboring businesses
- Sewer Infrastructure: City-led upgrades and completions

Hotel Site Plan



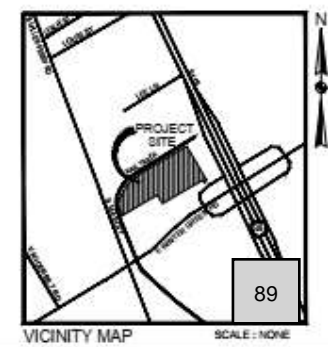


- GENERAL NOTES:**
1. ALL CONSTRUCTION SHALL CONFORM TO THE REQUIREMENTS OF THE STANDARD SPECIFICATIONS OF THE CITY OF HUNTSVILLE, TENNESSEE.
 2. CONTRACTOR SHALL PROVIDE "AS BUILT" PLANS TO THE ENGINEER SO THAT THE RESPONSIBILITY OF THE ENGINEERING PLANS MAY BE CORRECTED TO REFLECT "AS BUILT" CONDITIONS.
 3. THE CONTRACTOR SHALL BE REQUIRED TO PROVIDE AND MAINTAIN ALL NECESSARY BARRIERS AND SAFETY DEVICES (FLUORESCENT LIGHTS, BARRICADES, SIGNS, ETC.) TO PROTECT THE PUBLIC SAFETY AND HEALTH UNITS. THE WORK HAS BEEN COMPLETED AND ACCEPTED BY THE CITY.
 4. THE LOCATION OF EXISTING UTILITIES SHOWN ON THESE PLANS ARE APPROXIMATE. IF BE THE RESPONSIBILITY OF THE CONTRACTOR TO LOCATE AND VERIFY IN THE FIELD ANY UTILITIES THAT MAY CONFLICT WITH THE CONSTRUCTION, AT LEAST 24 HOURS PRIOR TO BEGINNING CONSTRUCTION IN THE VICINITY OF UNDERGROUND UTILITIES.
 5. BORINGS WILL BE PERMITTED SEPARATELY.



PROPOSED DEVELOPMENT AT WINTER GREEN
TOTAL PARKING REQUIRED = 282 SPACES

PARKING	6 STORY HIL HOTEL (LOT 6)	6 STORY TFS HOTEL (LOT 7)	RETAIL SHOPPING (LOT 5)	TOTAL
PARKING REQUIRED	1 SPACEDOWN UNIT = 281 SPACES	1 SPACEDOWN UNIT = 281 SPACES	1 SPACEDOWN UNIT = 281 SPACES	282 SPACES
LOADING UNLOADING	128 SPACES	128 SPACES	128 SPACES	384 SPACES
TOTAL PARKING REQUIRED	4 SPACES (1 VAN)	4 SPACES (1 VAN)	4 SPACES (1 VAN)	12 SPACES (3 VANS)
MAX. PARKING UNLOADING	4 SPACES (1 VAN)	4 SPACES (1 VAN)	4 SPACES (1 VAN)	12 SPACES (3 VANS)
LOADING PARKING PROVIDED	1 SPACE			1 SPACE



HI Express



Holiday Inn Express

- 1.769 Acres
- 63,316 Sq Ft.
- 106 Rooms
- Taxable Value
 - \$14,569,084, including land cost
- 25 Employees

TownPlace Suites



Town Place

- 1.715 acres
- 59,809 Sq Ft.
- 99 Rooms
- Taxable Value
 - Estimated at \$16,217,199
- 28 Employees

QT Hotel Site Retail 17,000 SF



Retail Project

17,000,000 Square Feet

28 Employees

\$4,500,000 Taxable Value

Key Features

- Construction Material: Hebel Autoclaved Aerated Concrete (AAC)
 - Lightweight, fire-resistant, insulating, and recyclable
- Eco-Friendly Initiatives:
 - Green product usage
 - Energy-efficient designs
- Community Impact:
 - New meeting spaces, increased tourism, and retail opportunities

Updated Incentive Requests

- Hotel Occupancy Tax: 40% rebate for 10 years
- Real Property Tax Abatement: 50% for 10 years on hotels and retail
- Fee Reductions:
 - Municipal fees, permits, and plan reviews reduced by at least 50%
 - 50% reduction in roadway impact fees
- TX DOT Deceleration Lanes Grant:
 - Increased request from \$300,000 to \$400,000 from HEDC
 - Suggested partnership with neighboring businesses
- Sewer Infrastructure: City-led upgrades and completions

Financial Impact

- Hotels' Contribution:
 - Enhanced lodging options
 - Support for local tourism and events
- Retail Benefits:
 - Increased shopping opportunities
 - Complementary services for visitors
- Municipal Savings:
 - Efficient infrastructure use
 - Long-term property value appreciation

Conclusion

- Very Complex Project
 - Incentives
 - Impact Fee Waivers
 - Tax Abatements Length and Amount
 - Hotel Occupancy Tax Rebate request (40% for 10 year)
 - Infrastructure Improvements
 - Water Sewer
 - Roadway Improvement including Deceleration Lanes

Recommendations

- The HEDC Board approved recommending a \$400,000 grant to assist with deceleration lanes for the Project.
- The HEDC recommends approval of the attached Resolution.



STAFF REPORT

MEETING DATE:	March 3, 2025
MEETING TYPE:	Hutchins City Council
SUBMITTED BY:	Guy Brown
AGENDA CAPTION:	<p>Conduct a Public Hearing regarding a request for a 4B project at 207 North Main Street.</p> <p>Open the Public Hearing and receive comments.</p> <p>Discuss and consider Resolution R2025-03-1247 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING A 4B PROJECT FOR THE PURPOSE OF INFRASTRUCTURE IMPROVEMENTS FOR PROPERTY LOCATED AT 207 MAIN STREET, HUTCHINS, TEXAS; AUTHORIZING THE HEDC EXECUTIVE DIRECTOR TO EXECUTE THE FINAL AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE. Presented by: Guy Brown HEDC Executive Director</p>

Background Information

This is an Action Item related to the previously held Public Hearing.

The HEDC received a request for assistance with a retail project at 207 North Main Street. The owner (Brandon Ashley, Big Moose BBQ and SoufFood) intends to locate a restaurant at the location. The HEDC Board of Directors is recommending an infrastructure grant to assist with the cost for signage, vent hood and physical improvements at the location. This is a public hearing; the action item will appear subsequently on this agenda.

Budget Implications

If approved, the cost of the assistance would be derived from the HEDC budget. A grant of \$16,500 was recommended by the HEDC Board of Directors at their January 16, 2025 meeting. The project is now going to the City Council for final approval.

Operational Impact

Operational impact is minimal, the HEDC will release the grant to the business once the terms of the agreement are met.

Legal Review

The City Attorney has drafted an Economic Development Agreement related to the project.

Staff Recommendation

The HEDC Board of Directors is recommending that the City Council approve the attached Resolution and Agreement.



CITY OF HUTCHINS - Hutchins EDC proposes to initiate a 4B project at 207 North Main within Hutchins - Hearing 3rd March

AFFIDAVIT OF PUBLICATION

THE STATE OF TEXAS §
COUNTY OF DALLAS §

I, **E. Nuel Cates**, being duly sworn upon oath, deposes and states that I am the **Publisher** of *The Daily Commercial Record*, a daily newspaper that qualifies as a newspaper of general circulation set out in Section 2051.044, Texas Government Code.

- 1) devotes not less than 25% of its total column lineage to general interest items;
- 2) is published at least once a week;
- 3) is entered as second-class (periodical) postal matter in Dallas County, Texas;
- 4) has been published regularly and continuously for at least 12 months prior to publishing

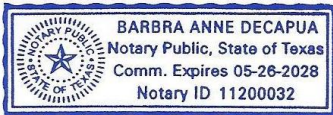
The attached notice was published in the *Daily Commercial Record* on the following date(s) and is a true and correct copy of said published notice.

Publication date(s)

2/12/2025

E. Nuel Cates, Publisher

Signed & sworn to me on this 12th day of February, 2025.



Barbra A. DeCapua

Notary Public, Dallas County, Texas

CITY OF HUTCHINS

Notice of Public Hearings
NOTICE IS HEREBY GIVEN TO ALL INTERESTED PERSONS, THAT:

The Hutchins Economic Development Corporation (Hutchins EDC) proposes to initiate a 4B Project for the purpose of Infrastructure Improvements to a commercial area located at 207 North Main within the City of Hutchins.

The purpose of the 4B Project is to contribute to the retention or expansion of primary employment or to attract major investment and industry to the City of Hutchins for the purpose of creating jobs and expanding the tax base.

A public hearing will be held by and before the Hutchins City Council on the 3rd day of March, 2025 at 6:30 p.m. at the Hutchins City Hall located at 321 Main Street, Hutchins, Texas, for all persons interested in the above 4B Project.

The time and place of the public hearing is as follows:

- Date: March 3, 2025
- Time: 6:30 PM
- Place: Hutchins City Hall
321 Main Street
Hutchins, TX 75141

2/12

The Daily Commercial Record
706 Main Street, Dallas, Texas. 75202
(214) 741-6366
720422

**CITY OF HUTCHINS, TEXAS
RESOLUTION NO. R 2025-03-1247**

A RESOLUTION OF THE HUTCHINS CITY COUNCIL, APPROVING A 4B PROJECT FOR THE PURPOSE OF INFRASTRUCTURE IMPROVEMENTS FOR PROPERTY LOCATED AT 207 MAIN STREET IN HUTCHINS.

WHEREAS, the Hutchins City Council desires to attract new and expand existing businesses in the City of Hutchins that will generate additional property and sales tax revenue for the City of Hutchins; and

WHEREAS, the attraction and expansion of business to the City of Hutchins will promote economic development, stimulate commercial activity, generate additional sales tax and will enhance the tax base and economic vitality of the City of Hutchins; and

WHEREAS, the City of Hutchins and the Hutchins Economic Development Corporation (HEDC) have adopted programs for promoting economic development; and

WHEREAS, the HEDC is authorized to provide undertake projects to promote local economic development and to stimulate business and commercial activity in the City of Hutchins; and

WHEREAS, the HEDC Board of Directors and the City Council have determined that entering into the attached agreement with Big Moose BBQ and Soul Food (“Company”) will further the objectives of the HEDC, will benefit the City of Hutchins and the City of Hutchins's inhabitants and will promote local economic development and stimulate business and commercial activity in the City of Hutchins;

WHEREAS, the HEDC is authorized pursuant to the Development Corporation Act of 1979, as amended, to stimulate business and commercial activity in the City; and

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

SECTION 1. The Executive Director is hereby authorized to execute the Agreement, which is attached hereto as Exhibit “A,” on behalf of the City of Hutchins EDC.

SECTION 2. This Resolution shall become effective immediately upon its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Hutchins, Texas, this the 3rd day of March, 2025.

CITY OF HUTCHINS, TEXAS

Mario Vasquez, Mayor

ATTEST:

Cynthia Olguin, City Secretary
(250303-gb)

EXHIBIT "A"
**Agreement between Moose BBQ & SoulFood LLC, a Texas limited liability company
and the HEDC**

STATE OF TEXAS §
§ ECONOMIC DEVELOPMENT INCENTIVE AGREEMENT
COUNTY OF DALLAS §

This Economic Development Incentive Agreement (“Agreement”) is made by and between the Hutchins Economic Development Corporation, a Type B Sales Tax Corporation (“HEDC”), and Big Moose BBQ & SoulFood LLC, a Texas limited liability company (“Company”) (each a “Party” and collectively the “Parties”), acting by and through their respective authorized officers.

WITNESSETH:

WHEREAS, Company has leased or intends to lease retail space located at 211 North Main Street, Hutchins, Texas 75141 (the “Leased Premises”), for a period of at least two (2) years (the “Lease”); and

WHEREAS, Company intends to operate Big Moose BBQ & SoulFood restaurant at the Leased Premises (the “Restaurant”); and

WHEREAS, Company has advised HEDC that a contributing factor that would induce Company to operate the Restaurant at the Leased Premises would be an agreement by HEDC to provide the Infrastructure Grant (hereinafter defined) to Company to defray a portion of the costs associated with the Infrastructure (hereinafter defined); and

WHEREAS, HEDC has adopted programs for promoting economic development; and

WHEREAS, the Development Corporation Act, Chapters 501- 505 of the Texas Local Government Code, as amended (the “Act”) authorizes HEDC to provide economic development grants for the creation and retention of primary jobs that are required for the development of manufacturing and industrial facilities and for infrastructure suitable for new or expanded industrial business enterprises; and

WHEREAS, HEDC has determined that the Infrastructure Grant to be made hereunder is required or suitable to promote or develop manufacturing and industrial facilities, new or expanded business enterprises and constitutes a “project”, as that term is defined in the Act; and

WHEREAS, HEDC has determined that making the Infrastructure Grant to Company in accordance with this Agreement will further the objectives of HEDC, will benefit City and City’s inhabitants and will promote local economic development and stimulate business and commercial activity in City.

NOW THEREFORE, in consideration of the foregoing and other consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**Article I
Definitions**

Wherever used in this Agreement, the following terms shall have the meanings ascribed to them:

“Bankruptcy or Insolvency” shall mean the dissolution or termination of Company’s existence, insolvency, employment of receiver for any part of Company’s property and such appointment is not terminated within ninety (90) days after such appointment is initially made, any general assignment for the benefit of creditors or the commencement of any proceedings under any bankruptcy or insolvency laws by or against Company and such proceedings are not dismissed within ninety (90) days after the filing thereof.

“City” shall mean the City of Hutchins, Texas.

“Commencement of Construction shall mean that: (i) the plans have been prepared and all approvals thereof required by applicable governmental authorities have been obtained for construction of the Infrastructure; (ii) all necessary permits for the construction of the Infrastructure pursuant to the plans therefore have been issued by all the applicable governmental authorities; and (iii) construction of the Infrastructure has commenced.

“Commencement Date” shall mean the date the certificate of occupancy is issued by the City for the Company’s occupancy of the Leased Premises following the date of Completion of Construction of the Infrastructure.

“Company” shall mean Big Moose BBQ & SoulFood LLC, a Texas limited liability company.

“Completion of Construction” shall mean that: (i) substantial completion of the Infrastructure has occurred; and (ii) the City has verified completion of the Infrastructure and issued a certificate of occupancy for Company to occupy the Leased Premises.

“Effective Date” shall mean the last date of execution hereof.

“Expiration Date” shall mean the second (2nd) anniversary of the Commencement Date.

“Force Majeure” shall mean an occurrence of any contingency or cause beyond the reasonable control of a Party including, without limitation, acts of God or the public enemy, war, riot, terrorism, civil commotion, insurrection, government or de facto governmental action, restrictions or interferences (unless caused by the intentional acts or omissions of the Party), fires, explosions, floods or other inclement weather, strikes, slowdowns or work stoppages, incidence of disease or other illness that reaches outbreak, epidemic, or pandemic proportions or similar causes affecting the area in which the Leased Premises are located that results in a reduction of labor force or work stoppage in order to comply with

local, state, or national disaster orders, construction delays, shortages or unavailability of supplies, materials or labor, necessary condemnation proceedings, or any other circumstances which are reasonably beyond the control of the Party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstances are similar to any of those enumerated or not, in which case the Party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such obligation or performance shall be extended for a period of time equal to the period such Party was delayed, provided the Party whose performance is delayed provides written notice to the other Party not later than fifteen (15) business days after the last day of the month of the occurrence of the event(s) or condition(s) causing the delay or the date the Party whose performance has been delayed becomes aware or should have reasonably known of the event, describing such event(s) and/or condition(s) and the date on which such event(s) and/or condition(s) occurred.

“HEDC” shall mean the Hutchins Economic Development Corporation.

“Impositions” shall mean all taxes, assessments, use and occupancy taxes, charges, excises, license and permit fees, and other charges by public or governmental authority, general and special, ordinary and extraordinary, foreseen and unforeseen, which are or may be assessed, charged, levied, or imposed by any public or governmental authority on Company with respect to the Leased Premises or any property or any business owned by Company within the City.

“Infrastructure” shall have the same meaning assigned by Texas Local Government Code Section 5.01.103 consisting of infrastructure necessary for the remodel of the Leased Premises for the occupancy thereof by Company for the operation of the Restaurant to be installed at the Leased Premises by Company in accordance with plans approved by City.

“Infrastructure Grant” shall mean an economic development grant to offset the costs of installation of the Infrastructure in an amount of: (i) up to Twelve Thousand Five Hundred and No/100 Dollars (\$12,500.00) for Infrastructure necessary for remodel of the Leased Premises: (ii) up to Two Thousand Five Hundred and No/100 Dollars (\$2,500.00) for the installation of a vent hood, if installed; and (iii) up to One Thousand and No/100 Dollars (\$1,000.00) for the installation of a new sign for the Leased Premises, if installed, not to exceed a total of Sixteen Thousand and No/100 Dollars (\$16,000.00), to be paid as set forth herein.

“Lease” shall have the meaning assigned in the Recitals

“Leased Premises” shall mean retail space located at 211 North Main Street, Hutchins, Texas 75141.

“Payment Request” shall mean a written request from Company to HEDC for payment of the Infrastructure Grant accompanied by copies of paid invoices, receipts and other evidence of the costs incurred and paid by the Company for the Infrastructure, and such other information as may reasonably be requested by the HEDC.

“Related Agreement” shall mean any agreement (other than this Agreement) by and between the HEDC and/or the City and the Company, or any of its affiliated or related entities.

“Required Use” shall mean the continuous occupancy and use of the Restaurant open to the public and serving the citizens of the City.

“Restaurant” shall have the meaning assigned in the Recitals.

**Article II
Term**

The term of this Agreement shall begin on the Effective Date and continue until the Expiration Date, unless sooner terminated as provided herein.

**Article III
Infrastructure Grant**

3.1 Infrastructure Grant. Subject to the continued satisfaction of all the terms and conditions of this Agreement by Company, and the obligation of Company to repay the Infrastructure Grant pursuant to Section 5.2 hereof, HEDC agrees to provide the Infrastructure Grant to Company within thirty (30) days after HEDC receipt of a Payment Request following City’s issuance to Company of a certificate of occupancy for Company occupancy of the Leased Premises. Company may submit the Payment Request to HEDC not earlier than thirty (30) days after the Commencement Date and no later than ninety (90) days thereafter. Failure of Company to timely submit the Payment Request for the Infrastructure Grant shall result in forfeiture of the payment of the Infrastructure Grant by HEDC to Company.

3.2 Current Revenue. The Infrastructure Grant made hereunder shall be paid solely from lawfully available funds that have been appropriated by HEDC; provided, however, HEDC agrees during the term of this Agreement to make a good faith effort to appropriate funds to pay the Infrastructure Grant. Consequently, notwithstanding any other provision of this Agreement, HEDC shall have no obligation or liability to pay the Infrastructure Grant except as allowed by law.

3.3 Grant Limitations. Under no circumstances shall the obligations of HEDC hereunder be deemed to create any debt within the meaning of any constitutional or statutory provision. Further, HEDC shall not be obligated to pay any commercial bank, lender or similar institution for any loan or credit agreement made by Company. None of the obligations of HEDC under this Agreement shall be pledged or otherwise encumbered in favor of any commercial lender and/or similar financial institution.

**Article IV
Conditions to Economic Development Grant**

The obligation of HEDC to provide the Infrastructure Grant shall be conditioned upon the compliance and satisfaction by Company of the terms and conditions of this Agreement and each

of the following conditions; provided, however, that failure to meet a condition shall not prevent the payment of the Infrastructure Grant prior to the specified deadline for satisfaction of the condition.

4.1 Payment Request. Company shall, as a condition precedent to the payment of the Infrastructure Grant, provide timely HEDC with the Payment Request.

4.2 Good Standing. Company shall not have an uncured breach or default of this Agreement, or a Related Agreement.

4.3 Required Use. During the term of this Agreement following the Commencement Date and continuing thereafter until the Expiration Date, the Leased Premises shall not be used for any purpose other than the Required Use, and the operation and occupancy of the Leased Premises in conformance with the Required Use shall not cease for more than thirty (30) days, except in connection with and to the extent of an event of Force Majeure.

4.4 Construction Schedule. Company shall, subject to events of Force Majeure, cause Commencement of Construction of the Infrastructure to occur on or before March 31, 2025, and subject to events of Force Majeure, cause Completion of Construction thereof to occur on or before December 31, 2025.

4.5 Continuous Occupancy. Company shall, beginning on the Commencement Date and continuing thereafter until the Expiration Date, continuously lease and occupy the Leased Premises, and operate the Restaurant.

4.6 Infrastructure to Remain. That portion of the Infrastructure consisting of the vent hood, grease trap, and air exchange system, once installed, shall not be removed by Company from the Leased Premises.

**Article V
Termination; Repayment**

5.1 Termination. This Agreement shall terminate upon any one of the following:

- (a) By mutual written agreement of the Parties;
- (b) Upon the Expiration Date;
- (c) Upon the date set forth in written notice by either Party, if the other Party defaults or breaches any of the terms or conditions of this Agreement, or a Related Agreement, and such default or breach is not cured within thirty (30) days after written notice thereof;
- (d) Upon the date set forth in written notice by HEDC, if Company suffers an event of Bankruptcy or Insolvency;

- (e) Upon the date set forth in written notice by HEDC, if any Impositions owed to the HEDC or the State of Texas by Company shall have become delinquent (provided, however, Company retains the right to timely and properly protest and contest any such Impositions); or
- (f) Upon the date set forth in written notice by either Party, if any subsequent Federal or State legislation or any decision of a court of competent jurisdiction declares or renders this Agreement invalid, illegal or unenforceable.

5.2. Repayment. In the event the Agreement is terminated by HEDC pursuant to Section 5.1(c), (d), (e), or (f), Company shall immediately repay to HEDC an amount equal to the Infrastructure Grant previously paid by HEDC to Company immediately preceding the date of such termination, plus interest at the rate of interest periodically announced by the *Wall Street Journal* as the prime or base commercial lending rate, or if the *Wall Street Journal* shall ever cease to exist or cease to announce a prime or base lending rate, then at the annual rate of interest from time to time announced by Citibank, N.A. (or by any other New York money center bank selected by HEDC) as its prime or base commercial lending rate, from the date on which the Infrastructure Grant is paid by HEDC until such Infrastructure Grant is refunded by Company. The repayment obligation of Company set forth in this section 5.2 hereof shall survive termination.

5.3 Right of Offset. HEDC may at its option, offset any amounts due and payable under this Agreement against any debt (including taxes) lawfully due to HEDC from Company, regardless of whether the amount due arises pursuant to the terms of this Agreement, a Related Agreement or otherwise, and regardless of whether the debt due HEDC has been reduced to judgment by a court.

Article VI Miscellaneous

6.1 Binding Agreement. The terms and conditions of this Agreement are binding upon the successors and permitted assigns of the Parties hereto.

6.2 Limitation on Liability. It is understood and agreed between the Parties that Company and HEDC, in satisfying the conditions of this Agreement, have acted independently, and HEDC assumes no responsibilities or liabilities to third parties in connection with these actions. Company agrees to indemnify and hold harmless HEDC from all such claims, suits, and causes of actions, liabilities, and expenses, including reasonable attorney’s fees, of any nature whatsoever by a third party arising out of Company’s performance of the conditions under this Agreement.

6.3 No Joint Venture. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture between the Parties.

6.4 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day actually received if sent by courier or otherwise hand delivered:

If intended for HEDC, to:

With a copy to:

Attn: Guy D. Brown
Executive Director
Hutchins Economic Development Corporation
103 W. Palestine Street
P.O. Box 361
Hutchins, Texas 75141

Attn: Peter G. Smith
General Counsel
Nichols | Jackson
1800 Ross Tower
500 N. Akard Street
Dallas, Texas 75201

If intended for Company, to:

Attn: Brandon Dushun Ashley, Owner
Big Moose BBQ & SoulFood LLC
2805 Fallbrook Street
Crandall, Texas 75114

6.5 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that are granted and assumed under this Agreement.

6.6 Severability. In the event any section, subsection, paragraph, sentence, phrase, or word herein is held invalid, illegal, or unconstitutional, the balance of this Agreement shall stand, shall be enforceable and shall be read as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase, or word.

6.7 Governing Law. This Agreement shall be governed by the laws of the State of Texas without regard to any conflict of law rules. Exclusive venue for any action under this Agreement shall be the State District Court of Dallas County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

6.8 Counterparts. 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.

6.9 Entire Agreement. This Agreement embodies the complete agreement of the Parties hereto, superseding all oral or written previous and contemporary agreements between the Parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the Parties to be attached to and made a part of this Agreement.

6.10 Recitals. The Recitals to this Agreement are hereby incorporated herein.

6.11 Exhibits. Any exhibits to this Agreement are incorporated herein.

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

6.13 Legal Construction. 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 other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable, a provision shall be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

6.14 Assignment. This Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns. This Agreement may not be assigned by Company without the prior written consent of the HEDC.

6.15 Employment of Undocumented Workers. During the term of this Agreement Company agrees not to knowingly employ any undocumented workers and if convicted of a violation under 8 U.S.C. Section 1324a (f), Company shall repay the Infrastructure Grant herein and any other funds received by Company from HEDC as of the date of such violation within thirty (30) days after the date Company is notified by HEDC of such violation, plus interest at the rate of four percent (4%) compounded annually from the date of violation until paid. Company is not liable for a violation of this section by a subsidiary, affiliate, or franchisee of Company or by a person with whom Company contracts.

6.16 Conditions Precedent. This Agreement is subject to, and the obligations of the Parties are expressly conditioned upon Company having entered into the Lease within ninety (90) days after the Effective Date.

[Signature Page to Follow]

EXECUTED on this _____ day of _____, 2025.

HUTCHINS ECONOMIC DEVELOPMENT CORPORATION

By: _____
Guy D. Brown, Executive Director

EXECUTED on this _____ day of _____, 2025.

BIG MOOSE BBQ & SOULFOOD LLC

By: _____
Brandon Dushun Ashley, Owner

PHOTOS of 209, 211 and 213 Main

10/29/24



PHOTOS of 209, 211 and 213 Main

10/29/24



PHOTOS of 209, 211 and 213 Main

10/29/24



PHOTOS of 209, 211 and 213 Main

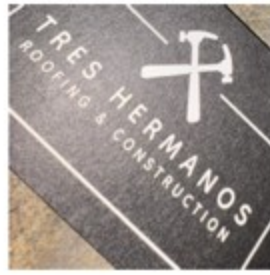
10/29/24



PHOTOS of 209, 211 and 213 Main

10/29/24





TRES HERMANOS CONSTRUCTION LLC

CLIENT Big Moose BBQ
 ADDRESS 203 n main street hutchins tx
 EMAIL Trayfay4@gmail.com
 DATE Oct 15, 2024
 PO # 469-569-4342

Tres Hermanos Construction
Treshermanosroofing@outlook.com

ITEM	PRICE	QTY	TOTAL
Demolition (back Area Of Resturant) Clean up of all debris in the back of restaurant	\$10,000.00	1	\$10,000.00
18 Wheeler Trailor Haul Off Removal of 18 wheeler trailers (contents inside as well)	\$2,000.00	2	\$4,000.00
DRY STORAGE RENOVATION Dry storage will include from top from the ceilings to the bottom doing the flooring in dry storage area and sheet rock walls as well ...	\$2,250.00	1	\$2,250.00
Tape And Bed Tape and bed in whole building	\$1,500.00	1	\$1,500.00
Privacy Wall Privacy wall from kitchen to rest of dinning area	\$675.00	1	\$675.00
Regular Sheet Rock	\$17.98	10	\$179.80
Fire Retardant Sheet Rock Required to pass code	\$23.98	10	\$239.80
FENCE DOOR (side And Back) Gate doors will be fixed on the south of the property and the west of the property (price does not include total fence)	\$275.00	2	\$550.00
Bathroom Door 24x80 optional can go to next size up	\$110.00	1	\$110.00
Commercial Kitchen Swinging Doors	\$875.00	1	\$875.00
LABOR	\$10,000.00	1	\$10,000.00
Landscaping	\$1,225.00	1	\$1,225.00
ELETRICAL	\$10,000.00	1	\$10,000.00
Estimate	\$0.00	1	\$0.00
INSTALLATION OF GREASE TRAP AND VENTEL HOOD	\$3,250.00	1	\$3,250.00
Exterior paint, trim, and caulking	\$5,400.00	1	\$5,400.00
4x6 NEON SIGNS	\$1,445.00	2	\$2,890.00
	SUBTOTAL		\$53,100.00



STAFF REPORT

MEETING DATE: March 3, 2025

MEETING TYPE: City Council

SUBMITTED BY: Maria Joyner

AGENDA CAPTION: Discuss and consider ORDINANCE NO. 2025-03-1206 OF THE CITY OF HUTCHINS, TEXAS AUTHORIZING THE ISSUANCE OF "CITY OF HUTCHINS, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2025"; SPECIFYING THE TERMS AND FEATURES OF SAID BONDS; PROVIDING FOR THE PAYMENT OF SAID BONDS BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, PAYMENT, SECURITY, SALE AND DELIVERY OF SAID BONDS, INCLUDING THE APPROVAL AND EXECUTION OF A PAYING AGENT/ REGISTRAR AGREEMENT AND A BOND PURCHASE AGREEMENT AND APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING THERETO; AND PROVIDING AN EFFECTIVE DATE. Presented by: Maria Joyner, Director of Finance

Background Information

Attached for consideration is an ordinance related to the issuance of City of Hutchins, Texas General Obligation Improvement Bonds, Series 2025. The principal amount of \$28 million will provide funding for the construction of a state-of-the-art Recreation Center and Library. The Recreation and Library building purpose is to enhance the quality of life for residents while offering a wide range of recreational and educational opportunities for all ages. The facility will span 37,250 square feet including 6,000 square feet dedicated solely to the Library. The Recreation Center will feature adult and youth basketball courts, cardio and weight equipment, training areas, multi-purpose studios for activities such as karate, dance, yoga, and performing arts, as well as a Transformation Place for wellness programs. Additionally, the center will include a teen gaming room, an indoor walking trail, and much more to cater to the varied interests of residents.

On August 12, 2024, the Hutchins City Council approved Ordinance 2024-08-1194, calling for a Bond Election. The bond election authorized issuing and selling general obligation bonds. The authorization includes the aggregate principal amount of not more than \$28,000,000 for purchasing, acquiring, on structing, repairing, improving facilities and equipment for recreation and library purposes and all matters necessary or incident related thereto. On November 5, 2024, Dallas County Elections and the City of Hutchins conducted a bond election. The authority to issue the bonds was granted through the successful passage of the bond election. The attached bond ordinance, prepared by Bond Counsel, is in draft form. On March 3, 2025, the bonds will be priced in the market. At that time, the terms of the bonds will be added to the ordinance.

Standard and Poor's (S&P) conducted a bond rating call with the City on February 13, 2025. The City was notified on February 21, 2025, that S&P affirmed the City's AA- bond rating for this issue. This rating is an indication of the City's strong capacity to meet its financial commitments.

Additionally, the City applied and qualified for “AA” bond insurance with Build America Mutual (BAM). The additional credit rating enhancement with “AA” insurance from BAM allows the City to sell the bonds at a lower interest rate achieve a lower cost of borrowing.

Budget Implications

Because the City has experienced an ad valorem property tax value growth of \$896,290,266 or 137 percent since 2021, there will be no tax increase for residents. The Series 2025 bonds have a 20-year term with a maturity date of 2045

Legal Review

The Ordinance was prepared by Bond Counsel.

Staff Recommendation

City Staff recommends approval of the attached Bond Ordinance.

Supporting Documentation and Attachments

Ordinance 2025-03-1206
Official Statement

CERTIFICATE FOR ORDINANCE

No. _____

THE STATE OF TEXAS §
COUNTY OF DALLAS §
CITY OF HUTCHINS §

We, the undersigned officers of the City of Hutchins, Texas (the “City”), hereby certify as follows:

1. The City Council of the City convened in a regular meeting (the “Meeting”) on March 3, 2025, at the regular meeting place, within the City, and the roll was called of the duly constituted officers and members of the City Council, to wit:

Mario Vasquez	Mayor
Steve Nichols	Mayor Pro Tem
Raymond Elmore	Councilmember
Demarcus Odom	Councilmember
Dominic Didehbani	Councilmember
Brenda Campbell	Councilmember

and all of such persons were present, except thus constituting a quorum. Whereupon, among other business, the following was transacted at the Meeting: a written

AN ORDINANCE AUTHORIZING THE ISSUANCE OF “CITY OF HUTCHINS, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2025”; SPECIFYING THE TERMS AND FEATURES OF SAID BONDS; PROVIDING FOR THE PAYMENT OF SAID BONDS BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, PAYMENT, SECURITY, SALE AND DELIVERY OF SAID BONDS, INCLUDING THE APPROVAL AND EXECUTION OF A PAYING AGENT/ REGISTRAR AGREEMENT AND A BOND PURCHASE AGREEMENT AND APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING THERETO; AND PROVIDING AN EFFECTIVE DATE

(the “Ordinance”) was duly introduced for the consideration of the City Council and read in full. It was then duly moved and seconded that the Ordinance be adopted; and, after due discussion, such motion, carrying with it the adoption of the Ordinance, prevailed and carried by the following vote:

AYES ___ NAYS: ___ ABSTENTIONS: ___

2. That a true, full and correct copy of the Ordinance adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Ordinance has been duly recorded in the City Council's minutes of such meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the City Council's minutes of such meeting pertaining to the adoption of the Ordinance; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the City Council as indicated therein; that each of the officers and members of the City Council was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and subject of the aforesaid meeting, and that the Ordinance would be introduced and considered for adoption at such meeting, and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; that said meeting was open to the public in compliance with the advisory issued by the Office of the Governor; and that public notice of the date, hour, place and subject of such meeting was given as required by the Open Meetings Law, Chapter 551, Texas Government Code.

IN WITNESS WHEREOF, I have hereunto signed my name officially and affixed the seal of said City, this the 3rd day March, 2025.

ATTEST:

By: _____
Cynthia Olguin, City Secretary

By: _____
Mario Vasquez, Mayor

(Seal)

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE ISSUANCE OF “CITY OF HUTCHINS, TEXAS, GENERAL OBLIGATION BONDS, SERIES 2025”; SPECIFYING THE TERMS AND FEATURES OF SAID BONDS; PROVIDING FOR THE PAYMENT OF SAID BONDS BY THE LEVY OF AN AD VALOREM TAX UPON ALL TAXABLE PROPERTY WITHIN THE CITY; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, PAYMENT, SECURITY, SALE AND DELIVERY OF SAID BONDS, INCLUDING THE APPROVAL AND EXECUTION OF A PAYING AGENT/ REGISTRAR AGREEMENT AND A BOND PURCHASE AGREEMENT AND APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING THERETO; AND PROVIDING AN EFFECTIVE DATE

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

ARTICLE I

FINDINGS AND DETERMINATIONS

Section 1.1: Findings and Determinations. The City Council hereby officially finds and determines that:

- (a) The City of Hutchins, Texas (the “City”), acting through its City Council, is authorized by the laws of the State of Texas, particularly Chapter 1331 of the Texas Government Code, as amended, to issue bonds for the purpose of making needed public improvements;
- (b) The issuance of the bonds herein authorized was approved by the voters of the City at an election held for such purpose on November 5, 2024 (the “2024 Election”), which was duly called by the City Council, and which authorized the issuance of \$28,000,000 in bonds for (i) purchasing, acquiring, constructing, repairing, improving facilities and equipment for recreation and library purposes and (2) all matters necessary or incident related thereto;
- (c) The City Council canvassed the returns of the 2024 Election and by Resolution No. R2024-11-1221 adopted November 18, 2024, declared the results to be in favor of the issuance of such bonds;
- (d) The City has determined that it is necessary and advisable to authorize, issue and deliver a series of such bonds consisting of the City’s General Obligation Bonds, Series 2025 (the “Bonds”), issued in the aggregate principal amount of \$28,000,000;

- (e) After the issuance of the Bonds (and the application of premium received on the sale of the Bonds), \$_____ principal amount of authorization will remain pursuant to the 2024 Election;
- (f) The City Council is of the opinion and hereby affirmatively finds that it is in the best interest of the City to issue bonds in the amount and for the purposes herein stated.
- (g) The meeting at which this Ordinance is considered is open to the public as required by law, and public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended.

ARTICLE II

DEFINITIONS AND INTERPRETATIONS

Section 2.1: Definitions. As used herein, the following terms shall have the meanings specified, unless the context clearly indicates otherwise:

“Act” shall mean Chapter 1331, Texas Government Code, as amended.

“Attorney General” shall mean the Attorney General of the State of Texas.

“Bond” or “Bonds” shall mean any or all of the City of Hutchins, Texas, General Obligation Bonds, Series 2025, authorized by this Ordinance.

“Bond Insurance Policy” shall mean the municipal bond insurance policy or policies issued by the Bond Insurer that guarantees the scheduled payment of principal of and interest on the Bonds when due.

“Bond Insurer” shall mean _____, [City, State].

“Bond Purchase Agreement” means a purchase contract between the City and the Underwriter relating to the sale of the Bonds described in Section 7.1 of this Ordinance.

“City” shall mean the City of Hutchins, Texas and, where appropriate, its City Council.

“City Council” shall mean the governing body of the City.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Comptroller” shall mean the Comptroller of Public Accounts of the State of Texas.

“Construction Fund” shall mean the General Obligation Bonds, Series 2025 Construction Fund established by the City and described in section 5.3 of this Ordinance.

“Debt Service Fund” shall mean the General Obligation Bonds, Series 2025 Debt Service Fund established by the City and described in section 5.2 of this Ordinance.

“DTC” shall mean The Depository Trust Company, New York, New York, or any successor securities depository.

“DTC Participant” shall mean brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“2024 Election” shall mean the election held November 5, 2024 and described in Section 1.1(b) of this Ordinance.

“Fiscal Year” shall mean the City’s then designated fiscal year, which currently is the twelve-month period beginning on the first day of October of a calendar year and ending on the last day of September of the next succeeding calendar year, and each such period may be designated with the number of the calendar year in which such period ends.

“Interest Payment Date,” when used in connection with any Bond, shall mean February 15, 2026, and each August 15 and February 15 thereafter until maturity or earlier redemption of such Bond.

“Issuance Date” shall mean the date on which the Bonds are delivered to and paid for by the Underwriter.

“Ordinance” shall mean this Ordinance and all amendments hereof and supplements hereto.

“Outstanding,” when used with reference to the Bonds, shall mean, as of a particular date, all Bonds theretofore and thereupon delivered pursuant to this Ordinance except: (a) any Bonds canceled by or on behalf of the City at or before such date; (b) any Bonds defeased pursuant to the defeasance provisions of this Ordinance or otherwise defeased as permitted by applicable law; and (c) any Bonds in lieu of or in substitution for which a replacement Bond shall have been delivered pursuant to this Ordinance.

“Paying Agent/Registrar” shall mean **The Bank of New York Mellon Trust Company, N.A.**, Dallas, Texas, and its successors in that capacity.

“Paying Agent/Registrar Agreement” shall mean the agreement between the City and the Paying Agent/Registrar as described more particularly in Section 6.1 hereof.

“Record Date” shall mean the close of business on the last business day of the month next preceding the applicable Interest Payment Date.

“Register” shall mean the registration books for the Bonds kept by the Paying Agent/Registrar in which are maintained the names and addresses of, and the principal amounts registered to, each Registered Owner of Bonds.

“Registered Owner” shall mean the person or entity in whose name any Bond is registered in the Register.

“Underwriter” shall mean Estrada Hinojosa & Company, Inc.

Section 2.2: Interpretations. All terms defined herein and all pronouns used in this Ordinance shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof. This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the levy of ad valorem taxes to pay the principal of and interest on the Bonds.

ARTICLE III

TERMS OF THE BONDS

Section 3.1: Amount, Purpose and Authorization. The Bonds shall be issued in fully registered form, without coupons, under and pursuant to the authority of the Act in the total authorized aggregate principal amount of _____ MILLION _____ HUNDRED _____ THOUSAND AND NO/100 DOLLARS (\$_____) for the purpose of providing all or part of the funds for the following purposes: (i) purchasing, acquiring, constructing, repairing and improving facilities and equipment for park and recreation purposes; and (ii) paying costs of professional services including the costs of issuance of the Bonds.

Section 3.2: Designation, Date and Interest Payment Dates. The Bonds shall be designated as the “City of Hutchins, Texas, General Obligation Bonds, Series 2025,” and shall be dated March 1, 2025 (the “*Dated Date*”). The Bonds shall bear interest at the rates set forth in Section 3.3 below, from the later of the March 31, 2025, or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, payable on February 15, 2026, and each August 15 and February 15 thereafter until maturity or earlier redemption.

If interest on any Bond is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter, the Paying Agent/Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Paying Agent/Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the City. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each affected Registered Owner as of the close of business on the day prior to mailing of such notice.

Section 3.3: Numbers, Denomination, Interest Rates and Maturities. The Bonds shall be initially issued bearing the numbers, in the principal amounts and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Ordinance. The Bonds shall mature on February 15 in each of the years and in the amounts set out in such schedule. Bonds delivered in transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Paying Agent/Registrar, shall be in the denomination of \$5,000 or integral multiples thereof and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

<u>Bond Number</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
R-1	2028		
R-2	2029		
R-3	2030		
R-4	2031		
R-5	2032		
R-6	2033		
R-7	2034		
R-8	2035		
R-9	2036		
R-10	2037		
R-11	2038		
R-12	2039		
R-13	203		
R-14	2040		
R-15	2041		
R-16	2042		
R-17	2043		
R-18	2044		
R-19	2045		

*Indicates Term Bond

Section 3.4: Redemption Prior to Maturity.

(a) The Bonds maturing on and after February 15, 20__, are subject to redemption prior to maturity, at the option of the City, in whole or in part, on February 15, 20__, or any date thereafter, at par plus accrued interest to the date fixed for redemption.

(b) *[The Bonds maturing in the year 20__ (the "Term Bonds") are subject to mandatory sinking fund redemption in the following amounts (subject to reduction as hereinafter provided), on the following dates, in each case at a redemption price equal to the principal amount of the Term Bonds or the portions thereof so called for redemption plus accrued interest to the date fixed for redemption:*

	<u>Mandatory Redemption Dates</u> <u>(February 15)</u>	<u>Principal</u> <u>Amounts</u>
<i>Certificate Maturing February 15, 20__</i>	20__	\$ _____
	20__ (maturity)	_____

The particular Term Bonds to be redeemed shall be selected by the Registrar by lot or other customary random selection method, on or before January 15 of each year in which Term Bonds are to be mandatorily redeemed. The principal amount of Term Bonds to be mandatorily redeemed in each year shall be reduced by the principal amount of such Term Bonds that have been optionally redeemed on or before January 15 of such year and which have not been made the basis for a previous reduction.]

(c) Bonds may be redeemed in part only in integral multiples of \$5,000. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, each Bond shall be treated as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000. Upon presentation and surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with the provisions of this Ordinance, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

(d) Not less than thirty (30) days prior to a redemption date for the Bonds, a notice of redemption will be sent by U.S. mail, first class postage prepaid, in the name of the City to each Owner of a Bond to be redeemed in whole or in part at the address of such Registered Owner appearing on the Register at the close of business on the business day next preceding the date of mailing. Such notices shall state the redemption date, the redemption price, the place at which Bonds are to be surrendered for payment and, if less than all Bonds Outstanding are to be redeemed, the numbers of Bonds or portions thereof to be redeemed. Any notice of redemption so mailed as provided in this Section will be conclusively presumed to have been duly given, whether or not the Registered Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed. When Bonds have been called for redemption in whole or in part and notice of redemption has been given as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded to be Outstanding, except for the purpose of receiving payment solely from the funds so provided for redemption, and interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

(e) With respect to any optional redemption of the Bonds, unless all prerequisites to such redemption required by this Ordinance have been met, including moneys sufficient to pay the principal of the Bonds to be redeemed having been received by the Paying Agent/Registrar prior to the giving of notice of such redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of all prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, and if such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

Section 3.5: Manner of Payment, Characteristics, Execution and Authentication. The Paying Agent/Registrar is hereby appointed the paying agent for the Bonds. The Bonds shall be payable, shall have the characteristics and shall be executed, sealed, registered and authenticated, all as provided and in the manner indicated in the FORM OF BOND set forth in Article IV of this Ordinance. If any officer of the City whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the authentication of the Bonds or before the delivery of the Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

The approving legal opinions of West & Associates, LLP, Dallas, TX, and Jackson Walker LLP, Houston, Texas, Co-Bond Counsel, may be printed on the back of the Bonds over the certification of the City Secretary, which may be executed in facsimile. CUSIP numbers also may be printed on the Bonds, but errors or omissions in the printing of either the opinion or the numbers shall have no effect on the validity of the Bonds.

Section 3.6: Authentication. Except for the Bonds to be initially issued, which need not be authenticated by the Paying Agent/Registrar, only such Bonds as shall bear thereon a certificate of authentication, substantially in the form provided in Article IV of this Ordinance, manually executed by an authorized representative of the Paying Agent/Registrar, shall be entitled to the benefits of this Ordinance or shall be valid or obligatory for any purpose. Such duly executed certificate of authentication shall be conclusive evidence that the Bond so authenticated was delivered by the Paying Agent/Registrar hereunder.

Section 3.7: Ownership. The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and interest thereon and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Registered Owner of any Bond in accordance with this Section shall be valid and effective and shall discharge the liability of the City and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.8: Registration. Transfer and Exchange. The Paying Agent/Registrar is hereby appointed the registrar for the Bonds. So long as any Bond remains Outstanding, the Paying Agent/Registrar shall keep the Register at its office in Dallas, Texas in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of the Bonds in accordance with the terms of this Ordinance.

Each Bond shall be transferable only upon the presentation and surrender thereof at the principal corporate trust office of the Paying Agent/Registrar, accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Bond for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, within seventy-two (72) hours after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented and surrendered.

All Bonds shall be exchangeable upon the presentation and surrender thereof at the office of the Paying Agent/Registrar for a Bond or Bonds, maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Paying Agent/Registrar shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section. Each Bond delivered by the Paying Agent/Registrar in accordance with this Section shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

All Bonds issued in transfer or exchange shall be delivered to the Registered Owners thereof at the principal corporate trust office of the Paying Agent/Registrar or sent by United States mail, first class, postage prepaid.

The City or the Paying Agent/Registrar may require the Registered Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the City.

The Paying Agent/Registrar shall not be required to transfer or exchange any Bond called for redemption in whole or in part during the forty-five (45) day period immediately prior to the date fixed for redemption; provided, however, that this restriction shall not apply to the transfer or exchange by the Registered Owner of the unredeemed portion of a Bond called for redemption in part.

Section 3.9: Book-Entry Only System.

(a) The definitive Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in subsection (b) hereof, all of the Outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the Owner at the close of business on the Record Date, the word "Cede & Co." in this Ordinance shall refer to such new nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (b) the delivery to any DTC Participant or any other person, other than a holder of the Bond, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption or (c) the payment to any DTC Participant or any other person, other than a holder of the Bond, as shown in the Register of any amount with respect to principal of Bonds, premium, if any, or interest on the Bonds.

Except as provided in subsection (c) of this Section 3.9, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of Bonds, premium, if any, and interest on the Bonds only to or upon the order of the respective owners, as shown in the Register as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person

other than an owner shall receive a Bond evidencing the obligation of the City to make payments of amounts due pursuant to this Ordinance.

(b) Payments and Notices to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, as long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on the Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

(c) Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the City or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certified Bonds, the City or the Paying Agent/Registrar shall (a) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (b) notify DTC of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names holders of the Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of this Ordinance.

Section 3.10: Replacement Bonds. Upon the presentation and surrender to the Paying Agent/Registrar of a damaged or mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond, of the same maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Registered Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Paying Agent/Registrar and the City.

If any Bond is lost, apparently destroyed or wrongfully taken, the City, pursuant to the applicable laws of the State of Texas and ordinances of the City, and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall execute, and the Paying Agent/Registrar shall authenticate and deliver, a replacement Bond of the same maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding, provided that the Registered Owner thereof shall have:

- (a) furnished to the City and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;
- (b) furnished such security or indemnity as may be required by the Paying Agent/Registrar and the City to save and hold them harmless;
- (c) paid all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that may be imposed; and

(d) met any other reasonable requirements of the City and the Paying Agent/Registrar.

If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the City or the Paying Agent/Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the City in its discretion may, instead of issuing a replacement Bond, authorize the Paying Agent/Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.11: Cancellation. All Bonds paid or redeemed in accordance with this Ordinance, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment or redemption. The Paying Agent/Registrar shall periodically furnish the City with certificates of destruction of such Bonds.

ARTICLE IV

FORM OF BOND

The Bonds, including the Form of Comptroller’s Registration Certificate, Form of Paying Agent/Registrar’s Authentication Certificate, Form of Statement of Insurance, if any, and Form of Assignment, shall be in substantially the form of **Exhibit A** hereto, with such omissions, insertions and variations as may be necessary or desirable, and not prohibited by this Ordinance.

ARTICLE V

SECURITY FOR THE BONDS

Section 5.1: Pledge and Levy of Taxes; Appropriation.

(a) To provide for the payment of principal of and interest on the Bonds, there is hereby levied, within the limits prescribed by law, for the current year and each succeeding year thereafter, while the Bonds or any part of the principal thereof and the interest thereon remain outstanding and unpaid, an ad valorem tax upon all taxable property within the City sufficient to pay the interest on the Bonds and to create and provide a sinking fund of not less than 2% of the principal amount of the Bonds or not less than the principal payable out of such tax, whichever is greater, with full allowance being made for tax delinquencies and the costs of tax collection, and such taxes, when collected, shall be applied to the payment of principal of and interest on the Bonds by deposit to the Debt Service Fund and to no other purpose.

(b) The City hereby declares its purpose and intent to provide and levy a tax legally sufficient to pay the principal of and interest on the Bonds, it having been determined that the existing and available taxing authority of the City for such purpose is adequate to permit a legally sufficient tax. As long as any Bonds remain outstanding, all moneys on deposit in, or credited to, the Debt Service Fund shall be secured by a pledge of security, as provided by law for cities in the State of Texas.

(c) To pay the debt service coming due on the Bonds prior to receipt of the taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service.

Section 5.2: Debt Service Fund. The General Obligation Bonds, Series 2025 Debt Service Fund (the "*Debt Service Fund*") is hereby created as a special fund solely for the benefit of the Bonds. The City shall establish and maintain such fund at an official City depository and shall keep such fund separate and apart from all other funds and accounts of the City. Any amount on deposit in the Debt Service Fund shall be maintained by the City in trust for the Registered Owners of the Bonds. Such amount, plus any other amounts deposited by the City into such fund and any and all investment earnings on amounts on deposit in such fund, shall be used only to pay the principal of, premium, if any, and interest on the Bonds.

Section 5.3: Construction Fund. The General Obligation Bonds, Series 2025 Construction Fund (the "*Construction Fund*") is hereby created as a special fund of the City. Money in deposit in the Construction Fund shall be used only for the purposes set forth in Section 3.1 of this Ordinance. Money on deposit in the Construction Fund may, at the option of the City, be invested as permitted by Texas law, provided that all such deposits and investments shall be made in such manner that the money required to be expended from the Construction Fund will be available at the proper time or times.

Section 5.4: Further Proceedings. After the Bonds to be initially issued have been executed, it shall be the duty of the Mayor to deliver the Bonds to be initially issued and all pertinent records and proceedings to the Attorney General for examination and approval. After the Bonds to be initially issued shall have been approved by the Attorney General, they shall be delivered to the Comptroller for registration. Upon registration of the Bonds to be initially issued, the Comptroller (or a deputy lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's registration certificate prescribed herein to be affixed or attached to the Bonds to be initially issued, and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

ARTICLE VI

CONCERNING THE PAYING AGENT/REGISTRAR

Section 6.1: Acceptance. **The Bank of New York Mellon Trust Company, N.A.**, Dallas, TX, is hereby appointed as the initial Paying Agent/Registrar for the Bonds pursuant to the terms and provisions of the Paying Agent/Registrar Agreement by and between the City and the Paying Agent/Registrar. The Paying Agent/Registrar Agreement, in substantially the form presented with this Ordinance, is hereby approved, and the Mayor is hereby authorized to execute and deliver such Paying Agent/Registrar Agreement on

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behalf of the City in multiple counterparts and the City Secretary is hereby authorized to attest thereto and affix the City’s seal. Such initial Paying Agent/Registrar and any successor Paying Agent/Registrar, by undertaking the performance of the duties of the Paying Agent/Registrar hereunder, and in consideration of the payment of any fees pursuant to the terms of any contract between the Paying Agent/Registrar and the City and/or the deposits of money pursuant to this Ordinance, shall be deemed to accept and agree to abide by the terms of this Ordinance.

Section 6.2: Trust Funds. All money transferred to the Paying Agent/Registrar in its capacity as Paying Agent/Registrar for the Bonds under this Ordinance (except any sums representing Paying Agent/Registrar’s fees) shall be held in trust for the benefit of the City, shall be the property of the City and shall be disbursed in accordance with this Ordinance.

Section 6.3: Bonds Presented. Subject to the provisions of Section 6.4, all matured Bonds presented to the Paying Agent/Registrar for payment shall be paid without the necessity of further instructions from the City. Such Bonds shall be canceled as provided herein.

Section 6.4: Unclaimed Funds Held by the Paying Agent/Registrar. Funds held by the Paying Agent/Registrar that represent principal of and interest on the Bonds remaining unclaimed by the Registered Owner thereof after the expiration of three years from the date such funds have become due and payable (a) shall be reported and disposed of by the Paying Agent/Registrar in accordance with the provisions of Title 6 of the Texas Property Code, as amended, to the extent such provisions are applicable to such funds, or (b) to the extent such provisions do not apply to the funds, such funds shall be paid by the Paying Agent/Registrar to the City upon receipt by the Paying Agent/Registrar of a written request therefor from the City.

The Paying Agent/Registrar shall have no liability to the Registered Owners of the Bonds by virtue of actions taken in compliance with this Section.

Section 6.5: Paying Agent/Registrar May Own Bonds. The Paying Agent/Registrar in its individual or any other capacity, may become the owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent/Registrar.

Section 6.6: Successor Paying Agents/Registrars. The City covenants that at all times while any Bonds are Outstanding it will provide a legally qualified bank, trust company, financial institution or other agency to act as Paying Agent/Registrar for the Bonds. The City reserves the right to change the Paying Agent/Registrar for the Bonds on not less than sixty (60) days’ written notice to the Paying Agent/Registrar, as long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Bonds. Promptly upon the appointment of any successor Paying Agent/Registrar, the previous Paying Agent/Registrar shall deliver the Register or a copy thereof to the new Paying Agent/Registrar, and the new Paying Agent/Registrar shall notify each Registered Owner, by United States mail, first class, postage prepaid, of such change and of the address of the new Paying Agent/Registrar. Each Paying Agent/Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Ordinance.

ARTICLE VII

PROVISIONS CONCERNING SALE AND
APPLICATION OF PROCEEDS OF BONDS

Section 7.1: Sale of Bonds. The Bonds are hereby sold and shall be delivered to the Underwriter at a price of \$_____ (representing the par value thereof plus an original issue premium on the Bonds of \$_____, less an underwriting discount of \$_____), in accordance with the terms of the Bond Purchase Agreement presented to and hereby approved by the City Council, in substantially the form attached hereto as **Exhibit B**, presented to and hereby approved by the City Council, which price and terms are hereby found and determined to be the most advantageous, reasonably obtainable by the City and produced the lowest net effective interest rate. The Mayor, Mayor Pro Tem, or the Director of Finance is hereby authorized and directed to executed the Purchase Contract on behalf of the City, and the Mayor, Mayor Pro Tem, City Secretary, City Administrator, Director of Finance, Interim Director of Finance and other appropriate officials of the City are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bonds.

The City hereby acknowledges that the sale of the Bonds pursuant to the Purchase Contract is contingent upon the issuance of a policy of municipal bond insurance from the Bond Insurer insuring the timely payment of principal of and interest on the Bonds. The Mayor and other appropriate City officials are hereby authorized and directed to execute such documents and certificates and to do any and all things necessary or desirable to obtain such insurance and the printing on the Bonds of an appropriate legend or statement regarding such insurance is hereby approved

Section 7.2: Approval, Registration and Delivery. The Mayor or Mayor Pro Tem is hereby authorized to have control and custody of the Bonds and all necessary records and proceedings pertaining thereto pending their delivery, and the Mayor and other officers and employees of the City are hereby authorized and directed to make such certifications and to execute such instruments as may be necessary to accomplish the delivery of the Bonds and to assure the investigation, examination and approval thereof by the Attorney General and the registration of the initial Bonds by the Comptroller. Upon registration of the Bonds, the Comptroller (or the Comptroller's certificates clerk or an assistant certificates clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Bonds prescribed herein to be attached or affixed to each Bond initially delivered and the seal of the Comptroller shall be impressed or printed or lithographed thereon. **The Bonds shall be initially registered in the name of the Underwriter.**

Section 7.3: Offering Documents; Ratings. The City Council hereby approves (a) the form and content of the Preliminary Official Statement relating to the Bonds, in the form presented to the City Council, and (b) the final Official Statement, substantially in the form of the Preliminary Official Statement with such additions and modifications as are required to reflect the terms of the Bonds, dated as of the date hereof, relating to the Bonds, and any addenda, supplement or amendment thereto; and, the City Council ratifies and approves the distribution of such Preliminary Official Statement and Official Statement in the offer and sale of the Bonds and in the reoffering of the Bonds by the Underwriter with such changes therein or additions thereto as the officials executing same may deem advisable. It is further hereby officially found, determined and declared that the statements and information contained in the

Preliminary Official Statement and final Official Statement are true and correct in all material respects, to the best knowledge and belief of the City Council, and that, as of the date thereof, the Preliminary Official Statement was an official statement of the City with respect to the Bonds that was deemed “final” by an authorized official of the City except for the omission of no more than the information permitted by subsection (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission.

Further, the City Council hereby ratifies, authorizes and approves the actions of the Mayor, the City’s financial advisor and other consultants in seeking ratings on the Bonds from S&P Global Ratings, a division of S&P Global Inc. and such actions are hereby ratified and confirmed.

Section 7.4: Application of Proceeds of Bonds.
Proceeds from the sale of the Bonds shall, promptly upon receipt by the City, be applied as follows:

- (1) Proceeds in the amount of \$_____ shall be applied to pay expenses arising in connection with the issuance of the Bonds;
- (2) Proceeds in the amount of \$_____ shall be deposited into the Construction Fund created in Section 5.3 of this Ordinance; and
- (3) Any proceeds remaining in the Construction Fund after completion of the purposes described in Section 3.1 hereof shall be transferred to the Debt Service Fund and used to pay debt service on the Bonds.

Section 7.5: [Tax Exemption. *The City intends that the interest on the Bonds shall be excludable from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended, (the “Code”) and all applicable temporary, proposed and final regulations (the “Regulations”) and procedures promulgated thereunder and applicable to the Bonds. For this purpose, the City covenants that it will monitor and control the receipt, investment, expenditure and use of all gross proceeds of the Bonds (including all property the acquisition, construction or improvement of which is to be financed directly or indirectly with the proceeds of the Bonds) and take or omit to take such other and further actions as may be required by Sections 103 and 141 through 150 of the Code and the Regulations to cause interest on the Bonds to be and remain excludable from the gross income, as defined in Section 61 of the Code, of the owners of the Bonds for federal income tax purposes. Without limiting the generality of the foregoing, the City shall comply with each of the following covenants:*

- (a) *The City shall not use, permit the use of or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which, if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City shall have received a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.*

(b) *Except as permitted by Section 141 of the Code and the regulations and rulings thereunder, the City shall, at all times prior to the last stated maturity of the Bonds,*

(1) *exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed directly or indirectly with Gross Proceeds of such series of the Bonds and not use or permit the use of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity other than a state or local government, unless such use is solely as a member of the general public, or*

(2) *not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of such series of the Bonds or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with such Gross Proceeds.*

(c) *Except to the extent permitted by Section 141 of the Code and the regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, Gross Proceeds are considered to be “loaned” to a person or entity if (1) property acquired, constructed or improved with Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes, (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement, or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or such property are otherwise transferred in a transaction which is the economic equivalent of a loan.*

(d) *Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the final stated maturity or final payment of the Bonds, directly or indirectly invest Gross Proceeds of such Bonds in any Investment (or use such Gross Proceeds to replace money so invested), if as a result of such investment the Yield of all Investments allocated to such Gross Proceeds whether then held or previously disposed of, exceeds the Yield on the Bonds.*

(e) *Based on all of the facts and estimates now known or reasonably expected to be in existence on the date the Bonds are delivered, the City reasonably expects that the proceeds of the Bonds (to the extent any of such proceeds remain unexpended) will not be used in a manner that would cause the Bonds or any portion thereof to be “arbitrage bonds” within the meaning of Section 148 of the Code.*

(f) *At all times while the Bonds are outstanding, the City will identify and properly account for all amounts constituting gross proceeds of the Bonds in accordance with the Regulations. The City will monitor the yield on the investments of the proceeds of the Bonds and, to the extent required by the Code and the Regulations, will restrict the yield on such investments to a yield which is not materially higher than the yield on the Bonds. To the extent necessary to prevent the Bonds from constituting “arbitrage bonds,” the City will make such payments as are necessary to cause the yield on all yield restricted nonpurpose investments allocable to the Bonds to be less than the yield that is materially higher than the yield on the Bonds.*

(g) *The City will not take any action or knowingly omit to take any action, if taken or omitted, would cause the Bonds to be treated as “federally guaranteed” obligations for purposes of Section 149(b) of the Code;*

(h) *The City represents that not more than fifty percent (50%) of the proceeds of the Bonds will be invested in nonpurpose investments (as defined in Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more within the meaning of Section 149(g)(3)(A)(ii) of the Code, and the City reasonably expects that at least eighty-five percent (85%) of the spendable proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within the three-year period beginning on the respective dates of issue of the Bonds.*

(i) *The City will take all necessary steps to comply with the requirement that certain amounts earned by the City on the investment of the gross proceeds of the Bonds, if any, be rebated to the federal government. Specifically, the City will (i) maintain records regarding the receipt, investment, and expenditure of the gross proceeds of the Bonds as may be required to calculate such excess arbitrage profits separately from records of amounts on deposit in the funds and accounts of the City allocable to other obligations of the City or moneys which do not represent gross proceeds of any obligations of the City and retain such records for at least six years after the day on which the last outstanding Bond is discharged, (ii) account for all gross proceeds under a reasonable, consistently applied method of accounting, not employed as an artifice or device to avoid in whole or in part, the requirements of Section 148 of the Code, including any specified method of accounting required by applicable Regulations to be used for all or a portion of any gross proceeds, (iii) calculate, at such times as are required by applicable Regulations, the amount of excess arbitrage profits, if any, earned from the investment of the gross proceeds of the Bonds and (iv) timely pay, as required by applicable Regulations, all amounts required to be rebated to the federal government. In addition, the City will exercise reasonable diligence to assure that no errors are made in the calculations required by the preceding sentence and, if such an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter, including payment to the federal government of any delinquent amounts owed to it, interest thereon and any penalty.*

(j) *The City will not directly or indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in smaller profit or a larger loss than would have resulted if such arrangement had been at arm’s length and had the yield on the Bonds not been relevant to either party.*

(k) *The City will timely file or cause to be filed with the Secretary of the Treasury of the United States the information required by Section 149(e) of the Code with respect to the Bonds on such form and in such place as the Secretary may prescribe.*

(l) *The City will not issue or use the Bonds as part of an “abusive arbitrage device” (as defined in Section 1.148-10(a) of the Regulations). Without limiting the foregoing, the*

Bonds are not and will not be a part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code and the Regulations, by (i) enabling the City to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, or (ii) increasing the burden on the market for tax-exempt obligations.

(m) Proper officers of the City charged with the responsibility for issuing the Bonds are hereby directed to make, execute and deliver certifications as to facts, estimates or circumstances in existence as of the Issue Date and stating whether there are facts, estimates or circumstances that would materially change the City's expectations. On or after the Issue Date, the City will take such actions as are necessary and appropriate to assure the continuous accuracy of the representations contained in such certificates.

(n) The covenants and representations made or required by this Section are for the benefit of the Bondholders and any subsequent Bondholder, and may be relied upon by the Bondholder and any subsequent Bondholder and bond counsel to the City.

In complying with the foregoing covenants, the City may rely upon an unqualified opinion issued to the City by nationally recognized bond counsel that any action by the City or reliance upon any interpretation of the Code or Regulations contained in such opinion will not cause interest on the Bonds to be includable in gross income for federal income tax purposes under existing law.

Notwithstanding any other provision of this Ordinance, the City's representations and obligations under the covenants and provisions of this Section 7.5 shall survive the defeasance and discharge of the Bonds for as long as such matters are relevant to the exclusion of interest on the Bonds from the gross income of the owners for federal income tax purposes.]

Section 7.6:

Reserved.

Section 7.7:

Related Matters. In order that the City shall satisfy in a timely manner all of its obligations under this Ordinance, the Mayor, City Secretary and all other appropriate officers, agents, representatives and employees of the City are hereby authorized and directed to take all other actions that are reasonably necessary to provide for the issuance and delivery of the Bonds, including, without limitation, executing and delivering on behalf of the City all certificates, consents, receipts, requests, notices, and other documents as may be reasonably necessary to satisfy the City's obligations under this Ordinance and to direct the transfer and application of funds of the City consistent with the provisions of this Ordinance.

ARTICLE VIII

CONTINUING DISCLOSURE UNDERTAKING

Section 8.1: Annual Reports. The City shall provide annually to the MSRB, within six (6) months after the end of each fiscal year and in an electronic format prescribed by the MSRB, financial information and operating data with respect to the City of the general type described in the Official Statement and identified in Exhibit C hereto. Any financial statements so to be provided shall be (a) prepared in accordance with generally accepted accounting principles for governmental units as prescribed by the Government Accounting

Standards Board from time to time, as such principles may be changed from time to time to comply with state or federal law or regulation and (b) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not available at the time the financial information and operating data must be provided, then the City shall provide unaudited financial statements for the applicable fiscal year to the MSRB and shall provide to the MSRB audited financial statements, when and if the same become available.

If the City changes its Fiscal Year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to documents (i) available to the public on the MSRB's Internet Web Site or (ii) filed with the SEC.

Section 8.2: Event Notices. The City shall notify the MSRB, in a timely manner (not in excess of ten (10) business days after the occurrence of the event), of any of the following events with respect to the Bonds or the City:

- (a) Principal and interest payment delinquencies;
- (b) Non-payment related defaults, if material;
- (c) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (e) Substitution of credit or liquidity providers or their failure to perform;
- (f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (g) Modifications to rights of holders of the Bonds, if material;
- (h) Bond calls, if material, and tender offers;
- (i) Defeasances;
- (j) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (k) Rating changes;
- (l) Bankruptcy, insolvency, receivership or similar event of the City;
- (m) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary

course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

- (n) Appointment of a successor Paying Agent/Registrar or change in the name of the Paying Agent/Registrar, if material;
- (o) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
- (p) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For the purposes, any event described in the immediate preceding paragraph (l) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding Under States Bankruptcy Code or any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

The City intends the words used in the immediately preceding paragraphs (o) and (p) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance this Section by the time required by such Section.

(b) Identifying Information. All documents provided to the MSRB shall be accompanied by identifying information, as prescribed by the MSRB.

(c) Limitations, Disclaimers and Amendments. The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by Section 8.2 of any Bond calls and defeasance that cause the City to be no longer such an “obligated person.”

The provisions of this Article are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any

other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Article shall constitute a breach of or default under the Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Article is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

The provisions of this Article may be amended by the City from time to time to adapt the changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell the Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the holder and beneficial owners of the Bonds. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 8.1 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided. The City may also amend or repeal the provisions of this Article if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the City also may amend the provisions of this Article in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

(d) Definitions. As used in this Article, the following terms have the meanings ascribed to such terms below:

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

ARTICLE IX

MISCELLANEOUS

Section 9.1 Defeasance. The City may defease the provisions of this Ordinance and discharge its obligations to the Registered Owners of any or all of the Bonds to pay the principal of and interest thereon in any manner now or hereafter permitted by law, including by depositing with the Paying Agent/Registrar or with the Comptroller of Public Accounts of the State of Texas either:

(a) cash in an amount equal to the principal amount of such Bonds plus interest thereon to the date of maturity or redemption; or

(b) pursuant to an escrow or trust agreement, cash and/or (i) direct noncallable obligations of United States of America, including obligations that are unconditionally guaranteed by the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; or (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, which, in the case of (i), (ii) or (iii), may be in book-entry form, and the principal of and interest on which will, when due or redeemable at the option of the holder, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, provide money in an amount which, together with other moneys, if any, held in such escrow at the same time and available for such purpose, shall be sufficient to provide for the timely payment of the principal of and interest thereon to the date of maturity or earlier redemption; provided, however, that if any of the Bonds are to be redeemed prior to their respective dates of maturity, provision shall have been made for giving notice of redemption as provided in this Ordinance. Upon such deposit, such Bonds shall no longer be regarded to be Outstanding or unpaid. Any surplus amounts not required to accomplish such defeasance shall be returned to the City.

Section 9.2 Application of Chapter 1208, Government Code. Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the City under Section 5.1 of this Ordinance, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the taxes granted by the City under Section 5.1 of this Ordinance is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the Registered Owners of the Bonds the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

Section 9.3 Ordinance a Contract - Amendments. This Ordinance shall constitute a contract with the Registered Owners from time to time, be binding on the City, and shall not be

amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section. The City may, without the consent of or notice to any Registered Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Registered Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Registered Owners who own in the aggregate a majority of the principal amount of the Bond then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Registered Owners of Outstanding Bonds, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (ii) give any preference to any Bond over any other Bond, or (iii) reduce the aggregate principal amount of Bonds required to be held by Registered Owners for consent to any such amendment, addition, or rescission.

Section 9.4 Legal Holidays. In any case where the date interest accrues and becomes payable on the Bonds or principal of the Bonds matures or the date fixed for redemption of any Bonds or a Record Date shall be in the City a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized by law to close, then payment of interest or principal need not be made on such date, or the Record Date shall not occur on such date, but payment may be made or the Record Date shall occur on the next succeeding day which is not in the City a Saturday, Sunday, legal holiday or a day on which banking institutions are authorized by law to close with the same force and effect as if (i) made on the date of maturity or the date fixed for redemption and no interest shall accrue for the period from the date of maturity or redemption to the date of actual payment or (ii) the Record Date had occurred on the fifteenth day of that calendar month.

Section 9.5 Bond Insurance. The City hereby acknowledges that the sale of the Bonds is contingent upon the issuance of a policy of municipal insurance from the Bond Insurer insuring the timely payment of the principal of and interest on the Bonds. The terms and conditions of the bond insurance policy, as set out in Exhibit D hereto are incorporated herein for all purposes for so long as such policy remains in effect. The appropriate officials and representatives of the City are hereby authorized and directed to execute such documents and certificates and to do any and all things necessary or desirable to obtain such insurance, and the printing on the Bonds of an appropriate legend or statement regarding such insurance, as provided by the Bond Insurer, is hereby approved.

Section 9.6 No Recourse Against City Officials. No recourse shall be had for the payment of principal of or interest on any Bonds or for any claim based thereon or on this Ordinance against any official of the City or any person executing any Bonds.

Section 9.7. Further Proceedings. The Mayor, City Secretary and other appropriate officials of the City are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Ordinance.

Section 9.8 Power to Revise Form of Documents. Notwithstanding any other provision of this Ordinance, the Mayor is hereby authorized to make or approve such revisions, additions, deletions, and variations to this Ordinance and in the form of the documents attached hereto as exhibits as, in the judgment of the Mayor, and in the opinion of Bond Counsel to the City, may be necessary or convenient to carry out or assist in carrying out the purposes of this Ordinance,

or as may be required for approval of the Bonds by the Attorney General of Texas; provided, however, that any changes to such documents resulting in substantive amendments to the terms and conditions of the Bonds or such documents shall be subject to the prior approval of the City Council.

Section 9.9 Severability. If any Section, paragraph, clause or provision of this Ordinance shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such Section, paragraph, clause or provision shall not affect any of the remaining provisions of this Ordinance.

Section 9.10 Open Meeting. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of the meeting of the City Council at which this Ordinance was adopted was posted at a place convenient and readily accessible at all times to the general public at City Hall for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 9.11: Engagement of Professionals. To effect the issuance, sale and delivery of the Bonds, the City Council deems it necessary and appropriate for the City to engage, select or approve (or confirm the prior engagement, selection or approval of) certain professional consultants and legal counsel, as follows: Bond Counsel, West & Associates, L.L.P. and Special Tax Counsel, Jackson Walker LLP, The City Council hereby authorizes, to the extent necessary, the execution and delivery of engagement letters with such firms and file transfer letters to prior consultants.

Section 9.12: Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 9.13: Effective Date. This Ordinance shall be in force and effect from and after its passage on the date shown below.

[Remainder of this page intentionally left blank]

PASSED AND ADOPTED this 3rd day of March, 2025 at _____ a.m. / p.m..

CITY OF HUTCHINS, TEXAS

Mario Vasquez, Mayor

ATTEST

Cynthia Olguin, City Secretary

(SEAL)

APPROVED AS TO FORM:

City Attorney

Exhibits:

- Exhibit A - Form of Bond
- Exhibit B – Bond Purchase Agreement
- Exhibit C - Description of Annual Financial Information
- Exhibit D – Bond Insurance Policy

EXHIBIT A

FORM OF BOND

UNITED STATES OF AMERICA
STATE OF TEXAS

CITY OF HUTCHINS, TEXAS,
GENERAL OBLIGATION BOND, SERIES 2025

NUMBER
R-__¹
REGISTERED

PRINCIPAL AMOUNT
\$ _____
REGISTERED

INTEREST² DATED DATE: MATURITY CUSIP:²
RATE: DATE²:
_____% March 1, 20125 February 15, _____

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ DOLLARS

THE CITY OF HUTCHINS TEXAS, a municipal corporation of the State of Texas (the “City”), for value received, hereby promises to pay to the Registered Owner identified above or its registered assigns, on the maturity date specified above (or on earlier redemption as herein provided), upon presentation and surrender of this Bond at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., Dallas, Texas or its successor (the “Paying Agent/Registrar”), the principal amount identified above (or so much thereof as shall not have been paid or deemed to have been paid upon prior redemption) payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due to the United States of America, and to pay interest thereon at the rate shown above, calculated on a basis of a 360-day year composed of twelve 30-day months, from the later of March 31, 2025 or the most recent interest payment date to which interest has been paid or duly provided for.³ Interest on this Bond is payable on February 15, 2026, and each August 15 and

¹ The Initial Bond shall be numbered I-1.

² Omitted from the Initial Bond.

³ The first sentence of the Initial Bond shall read as follows:

“THE CITY OF HUTCHINS, TEXAS, a municipal corporation of the State of Texas (the “City”), for value received, hereby promises to pay to the Registered Owner identified above or its registered assigns, on February 15 of each of the years set forth in the following schedule: [Insert information regarding years of maturity, principal amounts and interest rates from Section 3.3 of the Ordinance.] (or on earlier redemption as herein provided), upon presentation and surrender of this Bond at the principal corporate trust office of The Bank of New York Mellon Trust Company, N.A., Dallas, TX or its successor (the “Paying Agent/Registrar”), the principal amounts identified above

February 15 thereafter until maturity or earlier redemption of this Bond, by check sent by United States mail, first class, postage prepaid, by the Paying Agent/Registrar to the Registered Owner of record as of the close of business on the last business day of the month next preceding the applicable interest payment date, as shown on the registration books kept by the Paying Agent/Registrar. Any accrued interest payable at maturity or earlier redemption shall be paid upon presentation and surrender of this Bond at the office of the Paying Agent/Registrar.

THIS BOND IS ONE OF A DULY AUTHORIZED SERIES OF BONDS (the “Bonds”) in the aggregate principal amount of \$_____ issued pursuant to an ordinance adopted by the City Council of the City on March 3, 2025 (the “Ordinance”) for the purpose of providing funds for permanent public improvements in the City, under and pursuant to the authority of Chapter 1331, Texas Government Code, as amended, and an election held on November 5, 2024. Proceeds of the Bonds will also be used to pay costs of issuance of the Bonds.

THE CITY RESERVES THE RIGHT, at its option, to redeem, prior to their maturity, Bonds maturing on and after February 15, 20__, in whole or in part, on February 15, 20__, or any date thereafter, at par plus accrued interest to the date fixed for redemption.

[THE BONDS MATURING IN THE YEAR 20__8 (the “Term Bonds”) are subject to mandatory sinking fund redemption in the following amounts (subject to reduction as hereinafter provided), on the following dates, in each case at a redemption price equal to the principal amount of the Term Bonds or the portions thereof so called for redemption plus accrued interest to the date fixed for redemption:

	<u>Mandatory Redemption Dates</u>	<u>Principal</u>
	<u>(February 15)</u>	<u>Amounts</u>
Bonds Maturing February 15, 20__	20__	\$_____
	20__ (maturity)	_____

The particular Term Bonds to be redeemed shall be selected by the Registrar by lot or other customary random selection method, on or before February 15 of each year in which Term Bonds are to be mandatorily redeemed. The principal amount of Term Bonds to be mandatorily redeemed in each year shall be reduced by the principal amount of such Term Bonds that have been optionally redeemed on or before February 15 of such year and which have not been made the basis for a previous reduction.]

BONDS MAY BE REDEEMED IN PART only in integral multiples of \$5,000. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, each Bond shall be treated as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000. Upon surrender of any Bond

(or so much thereof as shall not have been paid or deemed to have been paid upon prior redemption) payable in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due to the United States of America, and to pay interest thereon at the rates shown above, calculated on a basis of a 360-day year composed of twelve 30-day months, from the later of the March 31, 2025 or the most recent interest payment date to which interest has been paid or duly provided for.”

for redemption in part, the Paying Agent/Registrar, in accordance with the provisions of the Ordinance, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

NOTICE OF ANY REDEMPTION shall be given at least thirty (30) days prior to the date fixed for redemption by first class U.S. mail, postage prepaid, addressed to the registered owner of each Bond to be redeemed in whole or in part at the address shown on the books of registration kept by the Paying Agent/Registrar. When Bonds or portions thereof have been called for redemption, and due provision has been made to redeem the same, the amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall cease to accrue on the date fixed for redemption.

WITH RESPECT TO ANY OPTIONAL REDEMPTION OF THE BONDS, unless all prerequisites to such redemption required by this Ordinance have been met, including moneys sufficient to pay the principal of the Bonds to be redeemed having been received by the Paying Agent/Registrar prior to the giving of notice of such redemption, such notice shall state that said redemption may, at the option of the City, be conditional upon the satisfaction of all prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, and if such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the principal corporate trust office of the Paying Agent/Registrar, accompanied by an assignment duly executed by the Registered Owner or its authorized representative, subject to the terms and conditions of the Ordinance.

THIS BOND IS EXCHANGEABLE at the principal corporate trust office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in the principal amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Ordinance.

THE PAYING AGENT/REGISTRAR is not required to accept for transfer or exchange any Bond called for redemption, in whole or in part, during the forty-five (45) day period immediately prior to the date fixed for redemption; provided, however, that such limitation shall not apply to the transfer or exchange by the Registered Owner of an unredeemed portion of a Bond called for redemption in part.

THE CITY OR PAYING AGENT/REGISTRAR may require the Registered Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of a Bond. Any fee or charge of the Paying Agent/Registrar for a transfer or exchange shall be paid by the City.

THE REGISTERED OWNER of this Bond by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Ordinance.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Bond is authenticated by the Paying Agent/Registrar by due execution of the authentication certificate endorsed hereon.⁴

IT IS HEREBY DECLARED AND REPRESENTED that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law; that the Bonds do not exceed any constitutional or statutory limitation; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied, within the limits prescribed by law, against all taxable property in the City and have been irrevocably pledged for such payment.

REFERENCE IS HEREBY MADE TO THE ORDINANCE, a copy of which is filed with the Paying Agent/Registrar, for the full provisions thereof, to all of which the Registered Owners of the Bonds assent by acceptance of the Bonds.

IN WITNESS WHEREOF, the City has caused its corporate seal to be impressed or placed in facsimile hereon and this Bond to be signed by the Mayor and countersigned by the City Secretary by their manual, lithographed or printed facsimile signatures.

CITY OF HUTCHINS, TEXAS

Mario Vasquez, Mayor

(SEAL)

COUNTERSIGNED:

Cynthia Olguin, City Secretary

* * *

FORM OF COMPTROLLER’S REGISTRATION CERTIFICATE

The following form of Comptroller’s Registration Bond shall be attached or affixed to each of the Bonds initially delivered:

⁴ In the Initial Bond, this paragraph shall read:

“THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Ordinance unless this Bond is registered by the Comptroller of Public Accounts of the State of Texas by due execution of the registration certificate endorsed hereon.”

OFFICE OF THE COMPTROLLER §
OF PUBLIC ACCOUNTS § REGISTER NO. _____
THE STATE OF TEXAS §

I hereby certify that this Bond has been examined, certified as to validity and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL OF OFFICE this _____.

(SEAL)

Comptroller of Public Accounts
of the State of Texas

* * *

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

The following form of authentication certificate shall be printed on the face of each of the Bonds:

AUTHENTICATION CERTIFICATE

This Bond is one of the Bonds described in and delivered pursuant to the within mentioned Ordinance; and, except for the Bonds initially delivered, this Bond has been issued in exchange for or replacement of a Bond, Bonds, or a portion of a Bond or Bonds of an issue which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.

By _____
Authorized Signature

Date of Authentication: _____

* * *

FORM OF ASSIGNMENT

The following form of assignment shall be printed on the back of each of the Bonds:

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

(Please print or type name, address, and zip code of Transferee)

(Please insert Social Security or Taxpayer Identification Number of Transferee)
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
_____ attorney to transfer such bond on the books kept for
registration thereof, with full power of substitution in the premises.

DATED: _____

Signature Guaranteed: _____

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

Registered Owner
NOTICE: The signature above must correspond to the name of the Registered Owner as shown on the face of this Bond in every particular, without any alteration, enlargement or change whatsoever.

* * *

FORM OF STATEMENT OF INSURANCE

EXHIBIT B
BOND PURCHASE AGREEMENT

EXHIBIT C

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 8.1 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. The audited financial statements of the City, but for the most recently concluded fiscal year, and, to the extent that such statements are not completed and available, unaudited financial statements for such fiscal year.

2. The quantitative financial information and operating data identified in the Official Statement under Tables numbered 1 through 6 and 8 through 15 and in Appendix B.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 1 above.

EXHIBIT D
BOND INSURANCE POLICY

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.



PRELIMINARY OFFICIAL STATEMENT

Ratings:
S&P: "AA" (BAM Insured) Section G, Item 7.
S&P: "AA-" (Underlying)
See "OTHER INFORMATION - Ratings"; "BOND INSURANCE" and "BOND INSURANCE RISKS"

Dated February 24, 2025

NEW ISSUE - Book-Entry-Only

In the opinion of Jackson Walker LLP, Special Tax Counsel to the City, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986. Special Tax Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Special Tax Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. See "TAX MATTERS" herein.

THE BONDS WILL NOT BE DESIGNATED AS "QUALIFIED TAX-EXEMPT OBLIGATIONS" FOR FINANCIAL INSTITUTIONS

\$26,145,000*
CITY OF HUTCHINS, TEXAS
(Dallas County)
GENERAL OBLIGATION BONDS, SERIES 2025

Dated Date: March 1, 2025

Due: February 15, as shown on page 2

Interest accrues from the Delivery Date (defined herein)

PAYMENT TERMS. . . Interest on the \$26,145,000* City of Hutchins, Texas (the "City"), General Obligation Bonds, Series 2025 (the "Bonds") will accrue from the date of initial delivery to the Underwriter of the Bonds (the "Delivery Date", anticipated to be on or about March 31, 2025), will be payable February 15 and August 15 of each year commencing February 15, 2026, until maturity or prior redemption, and will be calculated on the basis of a 360-day year consisting of twelve 30-day months. The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company, New York, New York ("DTC") pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof within a maturity. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see "THE BONDS - Book-Entry-Only System" herein). The initial Paying Agent/Registrar is The Bank of New York Mellon Trust Company, N.A. (see "THE BONDS - Paying Agent/Registrar").

AUTHORITY FOR ISSUANCE . . . The Bonds are issued pursuant to the Constitution and general laws of the State of Texas (the "State"), including particularly Texas Government Code Chapter 1331, as amended, an election held by the City on November 5, 2024, and are direct obligations of the City, payable from a continuing ad valorem tax levied on all taxable property within the City, within the limits prescribed by law, as provided in the ordinance authorizing the Bonds (the "Ordinance") (see "THE BONDS - Authority for Issuance of the Bonds").

PURPOSE. . . Proceeds from the sale of the Bonds will be used for the purpose of (i) purchasing, acquiring, constructing, repairing, improving facilities and equipment for the recreation center and library building, and (ii) paying the costs of issuance associated with the sale of the Bonds (see "PLAN OF FINANCING – Purpose").

CUSIP PREFIX: 448125
MATURITY SCHEDULE & 9 DIGIT CUSIP
See Schedule on Page 2

MUNICIPAL BOND INSURANCE . . . The scheduled payment of the principal of and interest on the Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Bonds by Build America Mutual Assurance Company ("BAM"). See "BOND INSURANCE" and "BOND INSURANCE RISKS" herein.



LEGALITY . . . The Bonds are offered for delivery when, as and if issued and received by the underwriter identified below (the "Underwriter") subject to the approving opinion of the Attorney General of Texas, and the opinion of West & Associates, L.L.P., Dallas, Texas, Bond Counsel (see Appendix C, "Form of Bond Counsel's Opinion") and the opinion of Jackson Walker LLP, Houston, Texas, Special Tax Counsel (see Appendix D - "Form of Special Tax Counsel's Opinion"). Certain legal matters will be passed upon by McCall, Parkhurst & Horton L.L.P., Dallas, Texas, counsel for the Underwriter.

DELIVERY. . . It is expected that the Bonds will be available for initial delivery through the facilities of DTC on March 31, 2025.

ESTRADA HINOJOSA

* Preliminary, subject to change.

MATURITY SCHEDULE*

Section G, Item 7.

CUSIP Prefix: 448125⁽¹⁾

Principal Amount	15-Feb Maturity	Interest Rate	Yield	CUSIP Suffix ⁽¹⁾
\$ 215,000	2028			
280,000	2029			
275,000	2030			
285,000	2031			
1,165,000	2032			
1,225,000	2033			
1,285,000	2034			
1,350,000	2035			
1,415,000	2036			
1,490,000	2037			
1,565,000	2038			
1,650,000	2039			
1,735,000	2040			
1,815,000	2041			
1,915,000	2042			
2,010,000	2043			
3,155,000	2044			
3,315,000	2045			

(Interest to accrue from the Delivery Date.)

(1) CUSIP is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services ("CGS"), managed by FactSet Research Systems Inc. on behalf of the American Bankers Association. This data is not intended to create a database and does not serve in any way as a substitute for the services provided by CGS. The City, the Financial Advisor and the Underwriter take no responsibility for the accuracy of such numbers.

OPTIONAL REDEMPTION OF THE BONDS . . . The City reserves the right, at its option, to redeem Bonds having stated maturities on or after February 15, 2036, in whole or in part, in principal amounts of \$5,000, or any integral multiple thereof, on February 15, 2035, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see "THE BONDS – Optional Redemption of the Bonds").

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended (the "Rule") and in effect on the date of this Preliminary Statement, this document constitutes an Official Statement of the City that has been "deemed final" by the City as of its date except for the omission of no more than the permitted by the Rule.

No dealer, broker, salesman or other person has been authorized by the City or the Underwriter to give any information, or to make any representations other than those contained in this Preliminary Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Underwriter. This Preliminary Official Statement does not constitute an offer to sell Bonds in any jurisdiction to any person to whom it is unlawful to make such offer in such jurisdiction.

Certain information set forth herein has been obtained from the City and other sources which are believed to be reliable but is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the Financial Advisor. Any information and expressions of opinion herein contained are subject to change without notice, and neither the delivery of this Preliminary Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or other matters described herein since the date hereof. See "CONTINUING DISCLOSURE OF INFORMATION" for a description of the City's undertaking to provide certain information on a continuing basis.

IN CONNECTION WITH THE OFFERING OF THE BONDS, THE UNDERWRITER MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICES OF THE BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE BONDS ARE EXEMPT FROM REGISTRATION WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION AND CONSEQUENTLY HAVE NOT BEEN REGISTERED THEREWITH. THE REGISTRATION, QUALIFICATION, OR EXEMPTION OF THE BONDS IN ACCORDANCE WITH APPLICABLE SECURITIES LAW PROVISIONS OF THE JURISDICTION IN WHICH THE BONDS HAVE BEEN REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF.

NONE OF THE CITY, THE UNDERWRITER, OR THE FINANCIAL ADVISOR MAKE ANY REPRESENTATION OR WARRANTY WITH RESPECT TO THE INFORMATION CONTAINED IN THIS PRELIMINARY OFFICIAL STATEMENT REGARDING THE DEPOSITORY TRUST COMPANY ("DTC"), AS SUCH INFORMATION HAS BEEN PROVIDED BY THE DTC.

BUILD AMERICA MUTUAL ASSURANCE COMPANY ("BAM") MAKES NO REPRESENTATION REGARDING THE BONDS OR THE ADVISABILITY OF INVESTING IN THE BONDS. IN ADDITION, BAM HAS NOT INDEPENDENTLY VERIFIED, MAKES NO REPRESENTATION REGARDING, AND DOES NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THIS OFFICIAL STATEMENT OR ANY INFORMATION OR DISCLOSURE CONTAINED HEREIN, OR OMITTED HEREFROM, OTHER THAN WITH RESPECT TO THE ACCURACY OF THE INFORMATION REGARDING BAM, SUPPLIED BY BAM AND PRESENTED UNDER THE HEADING "BOND INSURANCE" AND "APPENDIX E - SPECIMEN MUNICIPAL BOND INSURANCE POLICY".

The Underwriter has reviewed the information in this official statement pursuant to its responsibilities to investors under the federal securities laws, but the Underwriter does not guarantee the accuracy or completeness of such information.

THIS PRELIMINARY OFFICIAL STATEMENT CONTAINS "FORWARD-LOOKING" STATEMENTS WITHIN THE MEANING OF SECTION 21E OF THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. SUCH STATEMENTS MAY INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE THE ACTUAL RESULTS, PERFORMANCE AND ACHIEVEMENTS TO BE DIFFERENT FROM FUTURE RESULTS, PERFORMANCE, AND ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. INVESTORS ARE CAUTIONED THAT THE ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE SET FORTH IN THE FORWARD-LOOKING STATEMENTS. SEE "FORWARD-LOOKING STATEMENTS DISCLAIMER" HEREIN.

The agreements of the City and others related to the Bonds are contained solely in the contracts described herein. Neither this Preliminary Official Statement nor any other statement made in connection with the offer or sale of the Bonds is to be construed as constituting an agreement with the purchasers of the Bonds. INVESTORS SHOULD READ THE ENTIRE PRELIMINARY OFFICIAL STATEMENT, INCLUDING THE APPENDICES ATTACHED HERETO, TO OBTAIN INFORMATION ESSENTIAL TO MAKING AN INFORMED INVESTMENT DECISION.

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The cover pages hereof, maturity schedule, this page, and the appendices included herein and any addenda, supplement or amendment hereto, are part of the Preliminary Official Statement.

PRELIMINARY OFFICIAL STATEMENT SUMMARY

This summary is subject in all respects to the more complete information and definitions contained or incorporated in this Preliminary Official Statement. The offering of the Bonds to potential investors is made only by means of this entire Preliminary Official Statement. No person is authorized to detach this summary from this Preliminary Official Statement or to otherwise use it without the entire Preliminary Official Statement.

THE CITY..... The City of Hutchins, Texas (the “City”) is a political subdivision and municipal corporation of the State of Texas (the “State”), located in Dallas County, Texas and operates as a Type A general law municipality. The City covers approximately 9.09 square miles (see “INTRODUCTION - Description of the City”).

THE BONDS The Bonds are issued as \$26,145,000* General Obligation Bonds, Series 2025 (the “Bonds”). The Bonds are issued as serial bonds maturing February 15 in each of the years 2028 through 2045, inclusive, unless the Underwriter designates two or more consecutive serial maturities as Term Bonds (see “THE BONDS - Description of the Bonds” and “THE BONDS - Optional Redemption of the Bonds”).

PAYMENT OF INTEREST ON THE BONDS Interest on the Bonds accrues from the date of initial delivery (the “Delivery Date”, anticipated to be March 31, 2025), and is payable February 15 and August 15 of each year, commencing February 15, 2026, until maturity or prior redemption (see “THE BONDS - Description of the Bonds” and “THE BONDS - Optional Redemption of the Bonds”).

AUTHORITY FOR ISSUANCE FOR THE BONDS..... The Bonds are issued pursuant to the Constitution and general laws of the State, including particularly Texas Government Code, Chapter 1331, as amended, an election held by the City on November 5, 2024, and an ordinance to be passed by the City Council of the City (the “Ordinance”) (see “THE BONDS - Authority for Issuance of the Bonds”).

SECURITY FOR THE BONDS..... The Bonds constitute direct obligations of the City, payable from the levy and collection of a direct and continuing annual ad valorem tax, within the limits prescribed by law, upon all taxable property located within the City, as provided in the Ordinance (see “THE BONDS - Security and Source of Payment of the Bonds”).

OPTIONAL REDEMPTION OF THE BONDS..... The City reserves the right, at its option, to redeem Bonds having stated maturities on or after February 15, 2036, in whole or in part, in principal amounts of \$5,000, or any integral multiple thereof, on February 15, 2035, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption (see “THE BONDS – Optional Redemption of the Bonds”).

TAX EXEMPTION In the opinion of, Special Tax Counsel, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, and is not a specific preference item for purposes of the federal individual alternative minimum tax. See “TAX MATTERS” herein.

NOT QUALIFIED TAX-EXEMPT OBLIGATIONS..... The City will not designate the Bonds as “Qualified Tax-Exempt Obligations” for financial institutions.

USE OF PROCEEDS FOR THE BONDS Proceeds from the sale of the Bonds will be used for the purpose of (i) purchasing, acquiring, constructing, repairing, improving facilities and equipment for the recreation center and library building, and (ii) paying the costs of issuance associated with the sale of the Bonds (see “PLAN OF FINANCING – Purpose”).

RATINGS AND BOND INSURANCE The Bonds are expected to be rated "AA" by S&P Global Ratings, a division of S&P Global Inc. (“S&P”) by virtue of a municipal bond insurance policy to be issued by BAM upon delivery of the Bonds to the Underwriter. S&P has assigned an underlying credit rating of "AA-" to the Bonds (see "OTHER INFORMATION - Ratings"; "BOND INSURANCE" and "BOND INSURANCE RISKS" herein).

* Preliminary, subject to change.

BOOK-ENTRY-ONLY

SYSTEM..... The definitive Bonds will be initially registered and delivered only to Cede & Co., the nominee of DTC pursuant to the Book-Entry-Only System described herein. Beneficial ownership of the Bonds may be acquired in denominations of \$5,000 or integral multiples thereof within a maturity. No physical delivery of the Bonds will be made to the beneficial owners thereof. Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see “THE BONDS - Book-Entry-Only System”).

PAYMENT RECORD The City has never defaulted in payment of its general obligation tax debt.

PAYING AGENT/REGISTRAR..... The initial Paying Agent/Registrar of the Bonds is The Bank of New York Mellon Trust Company, N.A.

SELECTED FINANCIAL INFORMATION

Fiscal Year Ended 9/30	Estimated Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Taxable Assessed Valuation Per Capita	G.O. Tax Debt Outstanding at End of Year ⁽³⁾	Ratio of G.O. Tax Debt to Taxable Assessed Valuation	G.O. Debt Per Capita
2021	5,602	\$ 651,768,211	\$ 116,346	\$ 19,259,000	2.95%	\$ 3,438
2022	5,614	816,133,225	145,375	19,978,000	2.45%	3,559
2023	6,100	994,531,800	163,038	43,643,000	4.39%	7,155
2024	6,450	1,236,605,271	191,722	46,952,000	3.80%	7,279
2025	6,500	1,548,058,477	238,163	71,145,000 ⁽⁴⁾	4.60%	10,945

- (1) Source: City officials.
- (2) As reported by the Dallas Central Appraisal District on City’s annual State Property Tax Board Reports; subject to change during the ensuing year.
- (3) Includes self-supporting debt.
- (4) Includes the Bonds. Preliminary, subject to change.

For additional information regarding the City, please contact:

James Quin City Administrator City of Hutchins 321 N. Main Street Hutchins, Texas 75141 (972) 225-6121 j.quin@cityofhutchins.org	Maria Joyner Finance Director City of Hutchins 321 N. Main Street Hutchins, Texas 75141 (972) 225-6121 m.joyner@cityofhutchins.org	James S. Sabonis Managing Director Hilltop Securities, Inc. 717 N. Harwood Street, Suite 3400 Dallas, Texas 75201 (214) 953-4000 jim.sabonis@hilltopsecurities.com	Jorge Delgado Senior Vice President Hilltop Securities, Inc. 717 N. Harwood Street, Suite 3400 Dallas, Texas 75201 (214) 953-4000 jorge.delgado@hilltopsecurities.com
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CITY OFFICIALS, STAFF AND CONSULTANTS

ELECTED OFFICIALS

City Council	Term Expires	Occupation
Mario Vasquez Mayor	May 2026	Sales
Steve Nichols Mayor Pro Tem	May 2026	Plumber
Raymond Elmore Councilmember	May 2025	Electrician
Demarcus Odom Councilmember	May 2025	Network Engineer
Dominic Didehbani Councilmember	May 2025	Self-employed
Brenda Campbell Councilmember	May 2026	Retired

SELECTED ADMINISTRATIVE STAFF

Name	Position	Length of Service
James Quin	City Administrator	3 Years
Maria Joyner	Finance Director	2 Years
Cynthia Olguin	City Secretary	6 Years

CONSULTANTS AND ADVISORS

AuditorsBrooks Watson & Co., PLLC
Houston, Texas

Bond Counsel West & Associates, L.L.P.
Dallas, Texas

Special Tax Counsel Jackson Walker LLP
Houston, Texas

Financial Advisor.....Hilltop Securities Inc.
Dallas, Texas

PRELIMINARY OFFICIAL STATEMENT
RELATING TO
\$26,145,000*
CITY OF HUTCHINS, TEXAS
GENERAL OBLIGATION BONDS, SERIES 2025

INTRODUCTION

This Preliminary Official Statement, which includes the maturity schedule and Appendices hereto, provides certain information regarding the issuance of the \$26,145,000* City of Hutchins, Texas (the "City"), General Obligation Bonds, Series 2025 (the "Bonds") being offered herein. Capitalized terms used in this Official Statement have the same meanings assigned to such terms in the ordinance to be adopted on the date of sale of the Bonds which will authorize the issuance of the Bonds, except as otherwise indicated herein the ordinance authorizing the issuance of the Bonds (the "Ordinance").

There follows in this Preliminary Official Statement descriptions of the Bonds and certain information regarding the City of Hutchins, Texas (the "City") and its finances. All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each such document. Copies of such documents may be obtained from the City's Financial Advisor, Hilltop Securities, Inc. ("HilltopSecurities"), Dallas, Texas.

DESCRIPTION OF THE CITY. . . The City is a political subdivision and municipal corporation of the State of Texas (the "State"), duly organized and existing under the laws of the State, as a Type A general law municipality. The City was incorporated in 1946. The City operates under a city administrator form of government with a City Council comprised of the Mayor and five Councilmembers. The term of office is two years with the terms of the Mayor and two of the Councilmembers' terms expiring in even-numbered years and the other terms of three Councilmembers expiring in odd-numbered years. Some of the services that the City provides are: public safety (police and fire protection), highways and streets, water and sanitary sewer utilities, health and social services, culture-recreation, public improvements, planning and zoning, and general administrative services. The estimated 2025 population is 6,500. The City covers approximately 9.09 square miles.

PLAN OF FINANCING

PURPOSE. . . The Bonds are being issued for the purpose of (i) purchasing, acquiring, constructing, repairing, improving facilities and equipment for the recreation center and library building, and (ii) paying the costs of issuance associated with the sale of the Bonds.

SOURCES AND USES OF FUNDS. . . Proceeds from the sale of the Bonds are expected to be expended as follows:

SOURCES OF FUNDS:

Par Amount of Bonds	\$ -
Net Premium/Discount	-
TOTAL ISSUES:	<u>\$ -</u>

USES OF FUNDS:

Deposit to Project Fund	\$ -
Underwriter's Discount	-
Cost of Issuance	-
TOTAL USES:	<u>\$ -</u>

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* Preliminary, subject to change.

THE BONDS

DESCRIPTION OF THE BONDS. . . The Bonds are dated March 1, 2025 (the “Dated Date”), and mature on February 15 in each of the years and in the amounts shown on page 2 hereof. Interest will accrue from the date of initial delivery (the “Delivery Date”, anticipated to be March 31, 2025), will be computed on the basis of a 360-day year of twelve 30-day months, and will be payable on February 15 and August 15 of each year commencing February 15, 2026, until maturity or prior redemption. The definitive Bonds will be issued only in fully registered form in any integral multiple of \$5,000 for any one maturity and will be initially registered and delivered only to Cede & Co., the nominee of The Depository Trust Company (“DTC”) pursuant to the Book-Entry-Only System described herein. **No physical delivery of the Bonds will be made to the beneficial owners thereof.** Principal of, premium, if any, and interest on the Bonds will be payable by the Paying Agent/Registrar to Cede & Co., which will make distribution of the amounts so paid to the participating members of DTC for subsequent payment to the beneficial owners of the Bonds (see “THE BONDS - Book-Entry-Only System”).

AUTHORITY FOR ISSUANCE OF THE BONDS. . . The Bonds are being authorized and issued pursuant to the Constitution and general laws of the State, particularly Texas Government Code, Chapter 1331, as amended, an election held by the City on November 5, 2024, and the Ordinance to be passed by the City Council.

SECURITY AND SOURCE OF PAYMENT OF THE BONDS. . . The principal of and interest of the Bonds are payable from the proceeds of a continuing direct annual ad valorem tax levied by the City, within the limits prescribed by law, upon all taxable property located within the City, as provided in the ordinance authorizing the Bonds (the “Ordinance”).

TAX RATE LIMITATION. . . All taxable property within the City is subject to the assessment, levy and collection by the City of a continuing annual ad valorem tax sufficient to provide for the payment of principal of and interest on all ad valorem tax debt within the limits prescribed by law. Article XI, Section 4, of the Texas Constitution is applicable to the City, and provides for a maximum ad valorem tax rate of \$1.50 per \$100 Taxable Assessed Valuation for all City purposes. Administratively, the Attorney General of the State of Texas will permit allocation of the \$1.00 of the \$1.50 maximum tax rate for all general obligation debt service, as calculated at the time of issuance and based on a 90% collection rate.

OPTIONAL REDEMPTION OF THE BONDS . . . The City reserves the right, at its option, to redeem Bonds having stated maturities on or after February 15, 2036, in whole or in part, in principal amounts of \$5,000, or any integral multiple thereof, on February 15, 2035, or any date thereafter, at the par value thereof plus accrued interest to the date of redemption. If less than all of the Bonds are to be redeemed, the City may select the maturities of such Bonds to be redeemed. If less than all the Bonds of any maturity are to be redeemed, the Paying Agent/Registrar (or DTC while the Bonds are in Book-Entry-Only form) shall determine by lot the Bonds, or portions thereof, within such maturity to be redeemed. If a Bond (or any portion of the principal sum thereof) shall have been called for redemption and notice of such redemption shall have been given, such Bond (or the principal amount thereof to be redeemed) shall become due and payable on such redemption date and interest thereon shall cease to accrue from and after the redemption date, provided funds for the payment of the redemption price and accrued interest thereon are held by the Paying Agent/Registrar on the redemption date.

NOTICE OF REDEMPTION. . . Not less than 30 days prior to a redemption date for the Bonds, the City shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the registered owners of the Bonds to be redeemed, in whole or in part, at the address of the registered owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice. ANY NOTICE SO MAILED SHALL BE CONCLUSIVELY PRESUMED TO HAVE BEEN DULY GIVEN, WHETHER OR NOT THE REGISTERED OWNER RECEIVES SUCH NOTICE. NOTICE HAVING BEEN SO GIVEN, THE BONDS CALLED FOR REDEMPTION SHALL BECOME DUE AND PAYABLE ON THE SPECIFIED REDEMPTION DATE, AND NOTWITHSTANDING THAT ANY BOND OR PORTION THEREOF HAS NOT BEEN SURRENDERED FOR PAYMENT, INTEREST ON SUCH BOND OR PORTION THEREOF SHALL CEASE TO ACCRUE.

With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received or such prerequisites are not satisfied, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Paying Agent/Registrar and the City, so long as a book-entry-only system is used for the Bonds, will send any notice of redemption relating to the Bonds only to DTC. Any failure by DTC to advise any DTC participant, or of any DTC participant or indirect participant to notify the Beneficial Owner, will not affect the validity of the redemption of the Bonds called for redemption or any other action premised on any such notice. Redemptions of portions of the Bonds by the City will reduce the outstanding principal amount of such Bonds held by DTC. In such event, DTC may implement, through its book-entry-only system, a redemption of such Bonds held for the account of DTC participants in accordance with its rules or other agreements with DTC participants and then DTC participants and indirect participants may implement a redemption of such Bonds from the Beneficial Owners. Any such selection of Bonds within a maturity to be redeemed will not be governed by the Ordinance and will not be

conducted by the City or the Paying Agent/Registrar. Neither the City nor the Paying Agent/Registrar will have any responsibility to DTC participants, indirect participants or the persons for whom DTC participants act as nominees, with respect to the payments on the Bonds or the providing of notice to DTC participants, indirect participants, or Beneficial Owners of the selection of portions of the Bonds for redemption (see “THE BONDS – Book-Entry-Only System” herein).

DEFEASANCE . . . The Ordinance provides for the defeasance of the Bonds when payment of the principal of such Bonds, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) has been made or caused to be made in accordance with the terms thereof, or (ii) has been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment. The Ordinance provides that “Defeasance Securities” means any securities and obligations now or hereafter authorized by State law that are eligible to refund, retire or otherwise discharge obligations such as the Bonds, which under current State law include the following: (a) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that are rated, on the date of their acquisition or purchase by the City, as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that are rated, on the date of their acquisition or purchase by the City, as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent. The City has the right, subject to satisfying the requirements of (1) and (2) above, to substitute other Defeasance Securities for the Defeasance Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance.

There is no assurance that the current law will not be changed in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds. Because the Ordinance does not contractually limit such investments, registered owners may be deemed to have consented to defeasance with such other investments, notwithstanding the fact that such investments may not be of the same investment quality as those currently permitted under State law. There is no assurance that the ratings for U.S. Treasury securities used as Defeasance Securities or for any other Defeasance Securities will be maintained at any particular rating category.

Upon making such deposit in the manner described, such defeased Bonds shall no longer be deemed outstanding Bonds secured by the Ordinance, but will be payable only from the funds and Defeasance Securities deposited into escrow and will not be considered debt of the City for purposes of taxation or applying any limitation on the City’s ability to issue debt for any other purpose.

Upon such deposit as described above, such Bonds shall no longer be regarded to be outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the City to initiate proceedings to call the Bonds for redemption, or take any other action amending the terms of the Bonds, are extinguished; provided, however, that the right to call the Bonds for redemption is not extinguished if the City: (i) in the proceedings providing for firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements, and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

BOOK-ENTRY-ONLY SYSTEM. . . This section describes how ownership of the Bonds is to be transferred and how the principal of, premium, if any, and interest on the Bonds are to be paid to and credited by DTC while the Bonds are registered in its nominee name. The information in this section concerning DTC and the Book-Entry-Only System has been provided by DTC for use in disclosure documents such as this Preliminary Official Statement. The City believes the source of such information to be reliable, but takes no responsibility for the accuracy or completeness thereof.

The City cannot and does not give any assurance that (1) DTC will distribute payments of debt service on the Bonds, or redemption or other notices, to DTC Participants, (2) DTC Participants or others will distribute debt service payments paid to DTC or its nominee (as the registered owner of the Bonds), or redemption or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or (3) DTC will serve and act in the manner described in this Preliminary Official Statement. The current rules applicable to DTC are on file with the United States Securities and Exchange Commission (the “SEC”), and the current procedures of DTC to be followed in dealing with DTC Participants are on file with DTC.

DTC will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of the Bonds in the aggregate principal amount of each such maturity and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing

corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC, is the holding company of DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of: AA+. The DTC Rules applicable to its Direct and Indirect Participants are on file with the SEC. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through direct Participants, which will receive a credit for such purchases on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct or Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interest in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. **Beneficial Owners will not receive certificates representing their ownership interests in the Bonds, except in the event that use of the book-entry system described herein is discontinued.**

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other nominee effect no change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Paying Agent/Registrar and request that copies of notices be provided directly to them.

Redemption notices relating to the Bonds shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC’s practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Bonds unless authorized by a Direct Participant in accordance with DTC’s MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the Record Date (hereinafter defined). The Omnibus Proxy assigns Cede & Co.’s consenting or voting rights to those Direct Participants to whose accounts the Bonds are credited on the Record Date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, principal and interest payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC’s practice is to credit Direct Participants’ accounts, upon DTC’s receipt of funds and corresponding detail information from the City or the Paying Agent/Registrar on payable date in accordance with their respective holdings shown on DTC’s records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in “street name,” and will be the responsibility of such Participant and not of DTC (nor its nominee), the Paying Agent/Registrar or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, principal and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Bonds at any time by giving reasonable notice to the City. Under such circumstances, in the event that a successor securities depository is not obtained, Bonds are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered.

So long as Cede & Co. is the registered owner of the Bonds, the City will have no Bond or responsibility to the Direct Participants or Indirect Participants, or the persons for which they act as nominees, with respect to the payment to or providing of notice to such Direct Participants, Indirect Participants or the persons for which they act as nominees.

Use of Certain Terms in Other Sections of this Preliminary Official Statement. In reading this Preliminary Official Statement it should be understood that while the Bonds are in the Book-Entry-Only System, references in other sections of this Preliminary Official Statement to registered owners should be read to include the person for which the Participant acquires an interest in the Bonds, but (i) all rights of ownership must be exercised through DTC and the Book-Entry-Only System, and (ii) except as described above, notices that are to be given to registered owners under the applicable Ordinance will be given only to DTC.

Information concerning DTC and the Book-Entry-Only System has been obtained from DTC and is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by the City, the Financial Advisor or the Underwriter.

PAYING AGENT/REGISTRAR. . . The initial Paying Agent/Registrar of the Bonds is The Bank of New York Mellon Trust Company, N.A. (the "Paying Agent/Registrar"). In the Ordinance, the City retains the right to replace the Paying Agent/Registrar. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are duly paid and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution or other entity duly qualified and legally authorized to serve as and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each registered owner of such Bonds by United States mail, first class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

Principal of the Bonds will be payable to the registered owner at maturity or prior redemption upon presentation and surrender at the principal office of the Paying Agent/Registrar. Interest on the Bonds shall be paid to the registered owners appearing on the registration books of the Paying Agent/Registrar at the close of business on the Record Date (see "THE BONDS – Record Date for Interest Payment" herein), and such interest shall be paid (i) by check sent by United States Mail, first class, postage prepaid, to the address of the registered owner recorded in the registration books of the Paying Agent/Registrar, or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday or day when banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday or day when banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. So long as Cede & Co. is the registered owner of the Bonds, payments of principal and interest on the Bonds will be made as described in "THE BONDS - Book-Entry-Only System" herein.

TRANSFER, EXCHANGE AND REGISTRATION. . . In the event the Book-Entry-Only System should be discontinued, printed Bond certificates will be delivered to the registered owners of the Bonds and thereafter the Bonds may be transferred and exchanged on the registration books of the Paying Agent/Registrar only upon presentation and surrender of such printed certificates to the Paying Agent/Registrar and such transfer or exchange shall be without expense or service charge to the registered owner, except for any tax or other governmental charges required to be paid with respect to such registration, exchange and transfer. Bonds may be assigned by the execution of an assignment form on the respective Bonds or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. New Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bonds being transferred or exchanged, at the principal office of the Paying Agent/Registrar, or sent by United States mail, first class, postage prepaid, to the new registered owner or his designee. To the extent possible, new Bonds issued in an exchange or transfer of Bonds will be delivered to the registered owner or assignee of the registered owner in not more than three business days after the receipt of the Bonds to be canceled, and the written instrument of transfer or request for exchange duly executed by the registered owner or his duly authorized agent, in form satisfactory to the Paying Agent/Registrar. New Bonds registered and delivered in an exchange or transfer shall be of the same series, in denominations of \$5,000 or integral multiples thereof for any one maturity and for a like aggregate principal amount as the Bonds surrendered for exchange or transfer. See "THE BONDS - Book-Entry-Only System" for a description of the system to be utilized initially in regard to ownership and transferability of the Bonds. Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within 45 days of the date fixed for redemption; provided, however, such limitation on transfer shall not be applicable to an exchange by the registered owner of the uncalled balance of a Bond.

RECORD DATE FOR INTEREST PAYMENT. . . The record date (the "Record Date") for the interest payable on the Bonds on any interest payment date means the close of business on the last business day of the month next preceding each interest payment date for the Bonds.

In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (the "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date", which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each registered owner of

a Bond appearing on the registration books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice.

MUTILATED, DESTROYED, LOST AND STOLEN BONDS. . . If any Bond is mutilated, destroyed, stolen or lost, a new Bond in the same principal amount as the Bond so mutilated, destroyed, stolen or lost will be issued. In the case of a mutilated Bond, such new Bond will be delivered only upon surrender and cancellation of such mutilated Bond. In the case of any Bond issued in lieu of and substitution for any Bond which has been destroyed, stolen or lost, such new Bond will be delivered only (a) upon filing with the Paying Agent/Registrar evidence satisfactory to the Paying Agent/Registrar to the effect that such Bond has been destroyed, stolen or lost and authenticity of ownership thereof, and (b) upon furnishing the Paying Agent/Registrar with indemnity satisfactory to hold the City and the Paying Agent/Registrar harmless. The person requesting the authentication and delivery of a new Bond must pay such expenses as the Paying Agent/Registrar may incur in connection therewith.

BONDHOLDERS’ REMEDIES. . . The Ordinance establishes specific events of default with respect to the Bonds. If the City defaults in the payment of principal, interest or redemption price, as applicable, on the Bonds when due, or if it fails to make payments into any fund or funds created in the Ordinance, or defaults in the observation or performance of any other covenants, conditions or obligations set forth in the Ordinance, and the continuation thereof for a period of 60 days after notice of such default is given by any registered owner to the City, the registered owners may seek a writ of mandamus to compel City officials to carry out their legally imposed duties with respect to the Bonds if there is no other available remedy at law to compel performance of the Bonds or the Ordinance and the City’s obligations are not uncertain or disputed. The issuance of a writ of mandamus is controlled by equitable principles, and rests with the discretion of the court, but may not be arbitrarily refused. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. The Ordinance do not provide for the appointment of a trustee to represent the interest of the holders of the Bonds upon any failure of the City to perform in accordance with the terms of the Ordinance, or upon any other condition and, accordingly, all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the registered owners.

On June 30, 2006 Texas Supreme Court ruled in *Tooke v. City of Mexia*, 197 S.W. 3d 325 (Tex. 2006), that a waiver of sovereign immunity in a contractual dispute must be provided for by statute in “clear and unambiguous language.” Because it is unclear whether the Texas legislature has effectively waived the City’s sovereign immunity from a suit for money damages, holders of the Bonds may not be able to bring such a suit against the City for breach of the covenants in the Bonds or in the Ordinance. Even if a judgment against the City could be obtained, it could not be enforced by direct levy and execution against the City’s property. Further, the registered owners cannot themselves foreclose on property within the City or sell property within the City to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. In *Tooke*, the Court noted the enactment in 2005 of sections 271.151 through .160, Texas Local Government Code (the “Local Government Immunity Waiver Act”), which, according to the Court, waives “immunity from suit for contract claims against most local governmental entities under certain circumstances.” The Local Government Immunity Waiver Act covers cities and relates to contracts entered into by cities for providing goods and services to cities.

On April 1, 2016, the Texas Supreme Court ruled in *Wasson Interests, Ltd. v. City of Jacksonville*, 489 S.W.3d 427 (Tex. 2016) (“*Wasson P*”), that governmental immunity does not imbue a city with derivative immunity when it performs a proprietary, as opposed to a governmental, function in respect to contracts executed by a city. On October 5, 2018, the Texas Supreme Court issued a second opinion to clarify *Wasson I*, *Wasson Interests LTD. v. City of Jacksonville*, 559 S.W.3d 142 (Tex. 2018) (“*Wasson IP*”, and together with *Wasson I* “*Wasson*”), ruling that to determine whether governmental immunity applies to a breach of contract claim, the proper inquiry is whether the municipality was engaged in a governmental or proprietary function at the time it entered into the contract, not at the time of the alleged breach. In *Wasson*, the Court recognized that the distinction between governmental and proprietary functions is not clear. Therefore, in regard to municipal contract cases (as opposed to tort claim cases), it is incumbent on the courts to determine whether a function was governmental or proprietary based upon the statutory and common law guidance at the time of the contractual relationship. Texas jurisprudence has generally held that proprietary functions are those conducted by a city in its private capacity, for the benefit only of those within its corporate limits, and not as an arm of the government or under authority or for the benefit of the State; these are usually activities that can be, and often are, provided by private persons, and therefore are not done as a branch of the State, and do not implicate the State’s immunity since they are not performed under the authority, or for the benefit, of the State as sovereign. Issues related to the applicability of a governmental immunity as they relate to the issuance of municipal debt have not been adjudicated. Each situation will be evaluated based on the facts and circumstances surrounding the contract in question.

As noted above, the Ordinance provides that holders of the Bonds may exercise the remedy of mandamus to enforce the obligations of the City under the Ordinance. Neither the remedy of mandamus nor any other type of injunctive relief was at issue in *Tooke*, and it is unclear whether *Tooke* will be construed to have any effect with respect to the exercise of mandamus, as such remedy has been interpreted by Texas courts. In general, Texas courts have held that a writ of mandamus may be issued to require public officials to perform ministerial acts that clearly pertain to their duties. Texas courts have held that a ministerial act is defined as a legal duty that is prescribed and defined with a precision and certainty that leaves nothing to the exercise of discretion or judgment, though mandamus is not available to enforce purely contractual duties. However, mandamus may be used to require a public officer to perform legally imposed ministerial duties necessary for the performance of a valid contract to which the State or a political subdivision of the State is a party (including the payment of monies due under a contract). Furthermore, the City is eligible to seek relief from its creditors under Chapter 9 of the United States Bankruptcy Code (“Chapter 9”). Although Chapter 9 provides for the recognition of a security interest represented by a specifically pledged source of revenues, the pledge of ad valorem taxes

in support of a general obligation of a bankrupt entity is not specifically recognized as a security interest under Chapter 9. Chapter 9 also includes an automatic stay provision that would prohibit, without Bankruptcy Court approval, the prosecution of any other legal action by creditors or holders of the Bonds of an entity which has sought protection under Chapter 9. Therefore, should the City avail itself of Chapter 9 protection from creditors, the ability to enforce remedies would be subject to the approval of the Bankruptcy Court (which could require that the action be heard in Bankruptcy Court instead of other federal or state court); and the Bankruptcy Code provides for broad discretionary powers of a Bankruptcy Court in administering any proceeding brought before it. The opinion of Bond Counsel will note that all opinions relative to the enforceability of the Ordinance and the Bonds are qualified with respect to the customary rights of debtors relative to their creditors.

AMENDMENTS ... The City may, without the consent of or notice to any Holders, from time to time and at any time, amend the Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency or formal defect or omission herein. In addition, the City may, with the consent of Holders holding a majority in aggregate principal amount of the Bonds then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition or rescission.

BOND INSURANCE

BOND INSURANCE POLICY

Concurrently with the issuance of the Bonds, Build America Mutual Assurance Company (“BAM”) will issue its Municipal Bond Insurance Policy for the Bonds (the “Policy”). The Policy guarantees the scheduled payment of principal of and interest on the Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

BUILD AMERICA MUTUAL ASSURANCE COMPANY

BAM is a New York domiciled mutual insurance corporation and is licensed to conduct financial guaranty insurance business in all fifty states of the United States and the District of Columbia. BAM provides credit enhancement products to issuers in the U.S. public finance markets. BAM will only insure municipal bonds, as defined in Section 6901 of the New York Insurance Law, which are most often issued by states, political subdivisions, integral parts of states or political subdivisions or entities otherwise eligible for the exclusion of income under section 115 of the U.S. Internal Revenue Code of 1986, as amended. No member of BAM is liable for the obligations of BAM.

The address of the principal executive offices of BAM is: 200 Liberty Street, 27th Floor, New York, New York 10281, its telephone number is: 212-235-2500, and its website is located at: www.bambonds.com.

BAM is licensed and subject to regulation as a financial guaranty insurance corporation under the laws of the State of New York and in particular Articles 41 and 69 of the New York Insurance Law.

BAM’s financial strength is rated “AA/Stable” by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”). An explanation of the significance of the rating and current reports may be obtained from S&P at <https://www.spglobal.com/en/>. The rating of BAM should be evaluated independently. The rating reflects S&P’s current assessment of the creditworthiness of BAM and its ability to pay claims on its policies of insurance. The above rating is not a recommendation to buy, sell or hold the Bonds, and such rating is subject to revision or withdrawal at any time by S&P, including withdrawal initiated at the request of BAM in its sole discretion. Any downward revision or withdrawal of the above rating may have an adverse effect on the market price of the Bonds. BAM only guarantees scheduled principal and scheduled interest payments payable by the issuer of the Bonds on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the Policy), and BAM does not guarantee the market price or liquidity of the Bonds, nor does it guarantee that the rating on the Bonds will not be revised or withdrawn.

Capitalization of BAM

BAM’s total admitted assets, total liabilities, and total capital and surplus, as of December 31, 2024 and as prepared in accordance with statutory accounting practices prescribed or permitted by the New York State Department of Financial Services were \$498.6 million, \$253.4 million and \$245.2 million, respectively.

BAM is party to a first loss reinsurance treaty that provides first loss protection up to a maximum of 15% of the par amount outstanding for each policy issued by BAM, subject to certain limitations and restrictions.

BAM's most recent Statutory Annual Statement, which has been filed with the New York State Insurance Department and posted on BAM's website at www.bambonds.com, is incorporated herein by reference and may be obtained, without charge, upon request to BAM at its address provided above (Attention: Finance Department). Future financial statements will similarly be made available when published.

BAM makes no representation regarding the Bonds or the advisability of investing in the Bonds. In addition, BAM has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding BAM, supplied by BAM and presented under the heading "BOND INSURANCE".

Additional Information Available from BAM

Credit Insights Videos. For certain BAM-insured issues, BAM produces and posts a brief Credit Insights video that provides a discussion of the obligor and some of the key factors BAM's analysts and credit committee considered when approving the credit for insurance. The Credit Insights videos are easily accessible on BAM's website at <https://bambonds.com/insights/#video>. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Credit Profiles. Prior to the pricing of bonds that BAM has been selected to insure, BAM may prepare a pre-sale Credit Profile for those bonds. These pre-sale Credit Profiles provide information about the sector designation (e.g. general obligation, sales tax); a preliminary summary of financial information and key ratios; and demographic and economic data relevant to the obligor, if available. Subsequent to closing, for any offering that includes bonds insured by BAM, any pre-sale Credit Profile will be updated and superseded by a final Credit Profile to include information about the gross par insured by CUSIP, maturity and coupon. BAM pre-sale and final Credit Profiles are easily accessible on BAM's website at <https://bambonds.com/credit-profiles>. BAM will produce a Credit Profile for all bonds insured by BAM, whether or not a pre-sale Credit Profile has been prepared for such bonds. (The preceding website address is provided for convenience of reference only. Information available at such address is not incorporated herein by reference.)

Disclaimers. The Credit Profiles and the Credit Insights videos and the information contained therein are not recommendations to purchase, hold or sell securities or to make any investment decisions. Credit-related and other analyses and statements in the Credit Profiles and the Credit Insights videos are statements of opinion as of the date expressed, and BAM assumes no responsibility to update the content of such material. The Credit Profiles and Credit Insight videos are prepared by BAM; they have not been reviewed or approved by the issuer of or the underwriter for the Bonds, and the issuer and underwriter assume no responsibility for their content.

BAM receives compensation (an insurance premium) for the insurance that it is providing with respect to the Bonds. Neither BAM nor any affiliate of BAM has purchased, or committed to purchase, any of the Bonds, whether at the initial offering or otherwise.

BOND INSURANCE RISKS

BOND INSURANCE RISK FACTORS. . . In the event of default of the scheduled payment of principal of or interest on the Bonds when all or a portion thereof becomes due, any owner of the Bonds shall have a claim under the Policy for such payments. The payment of principal and interest in connection with mandatory or optional prepayment of the Bonds by the City which is recovered by the City from the bond owner as a voidable preference under applicable bankruptcy law is covered by the Policy; however, such payments will be made by the Insurer at such time and in such amounts as would have been due absent such prepayment by the City (unless the Insurer chooses to pay such amounts at an earlier date).

Payment of principal of and interest on the Bonds will not be subject to acceleration, but other legal remedies upon the occurrence of non-payment do exist (see "THE BONDS – Bondholders' Remedies"). BAM may reserve the right to direct the pursuit of available remedies, and, in addition, may reserve the right to consent to any remedies available to and requested by the Bondholders.

In the event BAM is unable to make payment of principal and interest as such payments become due under the Policy, the Bonds are payable solely from ad valorem taxes levied, within the limited prescribed by law, as further described in "THE BONDS – Security and Source of Payment of the Bonds". In the event BAM becomes obligated to make payments with respect to the Bonds, no assurance is given that such event will not adversely affect the market price or the marketability (liquidity) of the Bonds.

The long-term ratings on the Bonds will be dependent in part on the financial strength of BAM and its claims-paying ability. BAM's financial strength and claims-paying ability are predicated upon a number of factors which could change over time. No assurance can be given that the long-term ratings of BAM and of the ratings on the Bonds, whether or not subject to the Policy, will not be

subject to downgrade and such event could adversely affect the market price or the marketability (liquidity) of the Bonds (see "OTHER INFORMATION – Rating").

The obligations of BAM under the Policy are general obligations of the BAM and in an event of default by BAM, the remedies available may be limited by applicable bankruptcy law. None of the City, the City’s Financial Advisor or the Underwriter has made independent investigation into the claims-paying ability of any potential insurer and no assurance or representation regarding the financial strength or projected financial strength of any potential insurer is given.

CLAIMS-PAYING ABILITY AND FINANCIAL STRENGTH OF MUNICIPAL BOND INSURERS . . . Moody’s Investor Services, Inc., S&P and Fitch Ratings (collectively, the "Rating Agencies") have downgraded and/or placed on negative watch the claims-paying ability and financial strength of most providers of municipal bond insurance. Additional downgrades or negative changes in the rating outlook for all bond insurers is possible. In addition, recent events in the credit markets have had substantial negative effects on the bond insurance business. These developments could be viewed as having a material adverse effect on the claims-paying ability of such bond insurers, including any bond insurer of the Bonds. Thus, when making an investment decision, potential investors should carefully consider the ability of the City to pay principal and interest on the Bonds and the claims-paying ability of any such bond insurer, particularly over the life of the Bonds.

TAX INFORMATION

The following is a summary of certain provisions of State law as it relates to ad valorem taxation and is not intended to be complete. Prospective investors are encouraged to review Title 1 of the Texas Tax Code, as amended (the "Property Tax Code"), for identification of property subject to ad valorem taxation, property exempt or which may be exempted from ad valorem taxation if claimed, the appraisal of property for ad valorem tax purposes, and the procedures and limitations applicable to the levy and collection of ad valorem taxes.

VALUATION OF TAXABLE PROPERTY. . . The Property Tax Code provides for countywide appraisal and equalization of taxable property values and establishes in each county of the State an appraisal district and an appraisal review board (the "Appraisal Review Board") responsible for appraising property for all taxing units within the county. The appraisal of property within the City is the responsibility of the Dallas Central Appraisal District (the "Appraisal District"). Except as generally described below, the Appraisal District is required to appraise all property within the Appraisal District on the basis of 100% of its market value and is prohibited from applying any assessment ratios. In determining market value of property, the Appraisal District is required to consider the cost method of appraisal, the income method of appraisal and the market data comparison method of appraisal, and use the method the chief appraiser of the Appraisal District considers most appropriate. The Property Tax Code requires appraisal districts to reappraise all property in its jurisdiction at least once every three (3) years. A taxing unit may require annual review at its own expense, and is entitled to challenge the determination of appraised value of property within the taxing unit by petition filed with the Appraisal Review Board.

State law requires the appraised value of an owner’s principal residence ("homestead" or "homesteads") to be based solely on the property’s value as a homestead, regardless of whether residential use is considered to be the highest and best use of the property. State law further limits the appraised value of a homestead to the lesser of (1) the market value of the property or (2) 110% of the appraised value of the property for the preceding tax year plus the market value of all new improvements to the property.

Effective January 1, 2024, an appraisal district is prohibited from increasing the appraised value of real property during the 2024 tax year on certain non-homestead properties (the "Subjected Property") whose appraised values are not more than \$5 million (the "Maximum Property Value") to an amount not to exceed the lesser of: (1) the market value of the Subjected Property for the most recent tax year that the market value was determined by the appraisal office; or (2) the sum of: (a) 20% of the appraised value of the Subjected Property for the preceding tax year; (b) the appraised value of the Subjected Property for the preceding tax year; and (c) the market value of all new improvements to the Subjected Property (collectively the "Appraisal Cap"). After the 2024 tax year, through December 31, 2026 (unless extended by Legislature), the Maximum Property Value may be increased or decreased by the product of the preceding state fiscal year’s increase or decrease in the consumer price index, as applicable, to the Maximum Property Value.

State law provides that eligible owners of both agricultural land and open-space land, including open-space land devoted to farm or ranch purposes or open-space land devoted to timber production, may elect to have such property appraised for property taxation on the basis of its productive capacity. The same land may not be qualified as both agricultural and open-space land.

The appraisal values set by the Appraisal District are subject to review and change by the Appraisal Review Board. The appraisal rolls, as approved by the Appraisal Review Board, are used by taxing units, such as the City, in establishing their tax rolls and tax rates (see "TAX INFORMATION – City and Taxpayer Remedies").

STATE MANDATED HOMESTEAD EXEMPTIONS. . . State law grants, with respect to each taxing unit in the State, various exemptions for disabled veterans and their families, surviving spouses of members of the armed services killed in action and surviving spouses of first responders killed or fatally wounded in the line of duty.

LOCAL OPTION HOMESTEAD EXEMPTIONS. . . The governing body of a taxing unit, including a city, county, school district, or special district, at its option may grant: (1) an exemption of up to 20% of the appraised value of all homesteads (but not less than \$5,000) and (2) an additional exemption of at least \$3,000 of the appraised value of the homesteads of persons sixty-five (65) years of age or older and the disabled. Each taxing unit decides if it will offer the local option homestead exemptions and at what percentage or dollar amount, as applicable. The exemption described in (2), above, may also be created, increased, decreased or repealed at an election called by the governing body of a taxing unit upon presentment of a petition for such creation, increase, decrease, or repeal of at least 20% of the number of qualified voters who voted in the preceding election of the taxing unit. The governing body of a school district, municipality, or county that adopted an exemption described in (1), above, for the 2022 tax year may not reduce the amount of or repeal the exemption through December 31, 2027.

LOCAL OPTION FREEZE FOR THE ELDERLY AND DISABLED. . . The governing body of a county, municipality or junior college district may, at its option, provide for a freeze on the total amount of ad valorem taxes levied on the homesteads of persons 65 years of age or older or of disabled persons above the amount of tax imposed in the year such residence qualified for such exemption. Also, upon voter initiative, an election may be held to determine by majority vote whether to establish such a freeze on ad valorem taxes. Once the freeze is established, the total amount of taxes imposed on such homesteads cannot be increased except for certain improvements, and such freeze cannot be repealed or rescinded.

PERSONAL PROPERTY. . . Tangible personal property (furniture, machinery, supplies, inventories, etc.) used in the “production of income” is taxed based on the property’s market value. Taxable personal property includes income-producing equipment and inventory. Intangibles such as goodwill, accounts receivable, and proprietary processes are not taxable. Tangible personal property not held or used for production of income, such as household goods, automobiles or light trucks, and boats, is exempt from ad valorem taxation unless the governing body of a taxing unit elects to tax such property.

FREEPORT AND GOODS-IN-TRANSIT EXEMPTIONS. . . Certain goods that are acquired in or imported into the State to be forwarded outside the State, and are detained in the State for 175 days or less for the purpose of assembly, storage, manufacturing, processing or fabrication (“Freeport Property”) are exempt from ad valorem taxation unless a taxing unit took official action to tax Freeport Property before April 1, 1990 and has not subsequently taken official action to exempt Freeport Property. Decisions to continue taxing Freeport Property may be reversed in the future; decisions to exempt Freeport Property are not subject to reversal. Certain goods, that are acquired in or imported into the State to be forwarded to another location within or without the State, stored in a location that is not owned by the owner of the goods and are transported to another location within or without the State within 175 days (“Goods-in-Transit”), are generally exempt from ad valorem taxation; however, the Property Tax Code permits a taxing unit, on a local option basis, to tax Goods-in-Transit if the taxing unit takes official action, after conducting a public hearing, before January 1 of the first tax year in which the taxing unit proposes to tax Goods-in-Transit. Goods-in-Transit and Freeport Property do not include oil, natural gas or petroleum products, and Goods-in-Transit does not include aircraft or special inventories such as manufactured housing inventory, or a dealer’s motor vehicle, boat, or heavy equipment inventory.

A taxpayer may receive only one of the Goods-in-Transit or Freeport Property exemptions for items of personal property.

OTHER EXEMPT PROPERTY. . . Other major categories of exempt property include property owned by the State or its political subdivisions if used for public purposes, property exempt by federal law, property used for pollution control, farm products owned by producers, property of nonprofit corporations used for scientific research or educational activities benefitting a college or university, designated historic sites, solar and wind-powered energy devices, and certain classes of intangible personal property.

TEMPORARY EXEMPTION FOR QUALIFIED PROPERTY DAMAGED BY A DISASTER. . . The Property Tax Code entitles the owner of certain qualified (i) tangible personal property used for the production of income, (ii) improvements to real property, and (iii) manufactured homes, located in an area declared by the governor to be a disaster area following a disaster and is at least 15% damaged by the disaster, as determined by the chief appraiser, to an exemption from taxation of a portion of the appraised value of the property. The amount of the exemption ranges from 15% to 100% based upon the damage assessment rating assigned by the chief appraiser. Except in situations where the territory is declared a disaster on or after the date the taxing unit adopts a tax rate for the year in which the disaster declaration is issued, the governing body of the taxing unit is not required to take any action in order for the taxpayer to be eligible for the exemption. If a taxpayer qualifies for the exemption after the beginning of the tax year, the amount of the exemption is prorated based on the number of days left in the tax year following the day on which the governor declares the area to be a disaster area. For more information on the exemption, reference is made to Section 11.35 of the Property Tax Code. Section 11.35 of the Property Tax Code was recently amended to clarify that “damage” is limited to physical damage.

TAX INCREMENT REINVESTMENT ZONES. . . A city or county, by petition of the landowners or by action of its governing body, may create one or more tax increment reinvestment zones (“TIRZ”) within its boundaries. At the time of the creation of the TIRZ, a “base value” for the real property in the TIRZ is established and the difference between any increase in the assessed valuation of taxable real property in the TIRZ in excess of the base value is known as the “tax increment”. During the existence of the TIRZ, all or a portion of the taxes levied against the tax increment by a city or county, and all other overlapping taxing units that elected to participate, are restricted to paying only planned project and financing costs within the TIRZ and are not available for the payment of other obligations of such taxing units.

TAX ABATEMENT AGREEMENTS. . . Taxing units may also enter into tax abatement agreements to encourage economic development. Under the agreements, a property owner agrees to construct certain improvements on its property. The taxing unit,

in turn, agrees not to levy a tax on all or part of the increased value attributable to the improvements until the expiration of the agreement. The abatement agreement could last for a period of up to 10 years.

For a discussion of how the various exemptions described above are applied by the City, see “TAX INFORMATION – City Application of Tax Code” herein.

CITY AND TAXPAYER REMEDIES. . . Under certain circumstances, taxpayers and taxing units, including the City, may appeal the determinations of the Appraisal District by timely initiating a protest with the Appraisal Review Board. Additionally, taxing units such as the City may bring suit against the Appraisal District to compel compliance with the Property Tax Code.

Owners of certain property with a taxable value in excess of the current year “minimum eligibility amount”, as determined by the State Comptroller, and situated in a county with a population of 1.2 million or more, may protest the determinations of an appraisal district directly to a three-member special panel of the appraisal review board, appointed by the chairman of the appraisal review board, consisting of highly qualified professionals in the field of property tax appraisal. The minimum eligibility amount is set at \$61,349,201 for the 2025 tax year, and is adjusted annually by the State Comptroller to reflect the inflation rate.

The Property Tax Code sets forth notice and hearing procedures for certain tax rate increases by the City and provides for taxpayer referenda that could result in the repeal of certain tax increases (see “TAX INFORMATION – Public Hearing and Maintenance and Operations Tax Rate Limitations”). The Property Tax Code also establishes a procedure for providing notice to property owners of reappraisals reflecting increased property value, appraisals which are higher than renditions, and appraisals of property not previously on an appraisal roll.

LEVY AND COLLECTION OF TAXES. . . The City is responsible for the collection of its taxes, unless it elects to transfer such functions to another governmental entity. Taxes are due October 1, or when billed, whichever comes later, and become delinquent after January 31 of the following year. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty of up to twenty percent (20%) if imposed by the City. The delinquent tax also accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code also makes provision for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes for certain taxpayers. Furthermore, the City may provide, on a local option basis, for the split payment, partial payment, and discounts for early payment of taxes under certain circumstances.

CITY’S RIGHTS IN THE EVENT OF TAX DELINQUENCIES. . . Taxes levied by the City are a personal obligation of the owner of the property. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of each taxing unit, including the City, having power to tax the property. The City’s tax lien is on a parity with tax liens of such other taxing units. A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the City is determined by applicable federal law. Personal property, under certain circumstances, is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the City may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both. In filing a suit to foreclose a tax lien on real property, the City must join other taxing units that have claims for delinquent taxes against all or part of the same property.

Collection of delinquent taxes may be adversely affected by the amount of taxes owed to other taxing units, adverse market conditions, taxpayer redemption rights, or bankruptcy proceedings which restrain the collection of a taxpayer’s debt.

Federal bankruptcy law provides that an automatic stay of actions by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases, post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

PUBLIC HEARING AND MAINTENANCE AND OPERATIONS TAX RATE LIMITATIONS. . . The following terms as used in this section have the meanings provided below:

“adjusted” means lost values are not included in the calculation of the prior year’s taxes and new values are not included in the current year’s taxable values.

“de minimis rate” means the maintenance and operations tax rate that will produce the prior year’s total maintenance and operations tax levy (adjusted) from the current year’s values (adjusted), plus the rate that produces an additional \$500,000 in tax revenue when applied to the current year’s taxable value, plus the debt service tax rate.

“foregone revenue amount” means the greater of zero or the amount expressed in dollars calculated according to the following formula: the voter-approval tax rate less the actual tax rate, then multiplied by the taxing unit’s current total value in the applicable preceding tax year.

“no-new-revenue tax rate” means the combined maintenance and operations tax rate and debt service tax rate that will produce the prior year’s total tax levy (adjusted) from the current year’s total taxable values (adjusted).

“special taxing unit” means a city for which the maintenance and operations tax rate proposed for the current tax year is 2.5 cents or less per \$100 of taxable value.

“unused increment rate” means the greater of (i) zero; or (ii) the sum of the foregone revenue amount for each of the tax years 2021 through 2023 divided by the current total value.

“voter-approval tax rate” means the maintenance and operations tax rate that will produce the prior year’s total maintenance and operations tax levy (adjusted) from the current year’s values (adjusted) multiplied by 1.035, plus the debt service tax rate, plus the “unused increment rate”.

The City’s tax rate consists of two components: (1) a rate for funding of maintenance and operations expenditures in the current year (the “maintenance and operations tax rate”), and (2) a rate for funding debt service in the current year (the “debt service tax rate”). Under State law, the assessor for the City must submit an appraisal roll showing the total appraised, assessed, and taxable values of all property in the City to the City Council by August 1 or as soon as practicable thereafter.

A city must annually calculate its voter-approval tax rate and no-new-revenue tax rate in accordance with forms prescribed by the State Comptroller and provide notice of such rates to each owner of taxable property within the city and the county tax assessor-collector for each county in which all or part of the city is located. A city must adopt a tax rate before the later of September 30 or the 60th day after receipt of the certified appraisal roll, except that a tax rate that exceeds the voter-approval tax rate must be adopted not later than the 71st day before the next occurring November uniform election date. If a city fails to timely adopt a tax rate, the tax rate is statutorily set as the lower of the no-new-revenue tax rate for the current tax year or the tax rate adopted by the city for the preceding tax year.

As described below, the Property Tax Code provides that if a city adopts a tax rate that exceeds its voter-approval tax rate or, in certain cases, its de minimis rate, an election must be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

A city may not adopt a tax rate that exceeds the lower of the voter-approval tax rate or the no-new-revenue tax rate until each appraisal district in which such city participates has posted notice prominently on the appraisal district’s website (if the appraisal district maintains a website) and the assessor for the city has prominently posted on the city’s website notice informing property owners of the estimated total amount of property taxes owed and the city has held a public hearing on the proposed tax increase. The appraisal district is also required to post notice in a newspaper of general circulation by August 7 or as soon thereafter as practicable or if there is no newspaper of general circulation, the notice must be posted in the appraisal district’s office.

For cities with a population of 30,000 or more as of the most recent federal decennial census, if the adopted tax rate for any tax year exceeds the voter-approval tax rate, that city must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

For cities with a population less than 30,000 as of the most recent federal decennial census, if the adopted tax rate for any tax year exceeds the greater of (i) the voter-approval tax rate or (ii) the de minimis rate, the city must conduct an election on the next occurring November uniform election date to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

However, for any tax year during which a city has a population of less than 30,000 as of the most recent federal decennial census and does not qualify as a special taxing unit, if a city’s adopted tax rate is equal to or less than the de minimis rate but greater than both (a) the no-new-revenue tax rate, multiplied by 1.08, plus the debt service tax rate or (b) the city’s voter-approval tax rate, then a valid petition signed by at least three percent of the registered voters in the city would require that an election be held to determine whether or not to reduce the adopted tax rate to the voter-approval tax rate.

Any city located at least partly within an area declared a disaster area by the Governor of the State or the President of the United States during the current year may calculate its voter-approval tax rate using a 1.08 multiplier, instead of 1.035, until the earlier of (i) the second tax year in which such city’s total taxable appraised value exceeds the taxable appraised value on January 1 of the year the disaster occurred, or (ii) the third tax year after the tax year in which the disaster occurred.

State law provides cities and counties in the State the option of assessing a maximum one-half percent (1/2%) sales and use tax on retail sales of taxable items for the purpose of reducing its ad valorem taxes, if approved by a majority of the voters in a local option election. If the additional sales and use tax for ad valorem tax reduction is approved and levied, the no-new-revenue tax rate and voter-approval tax rate must be reduced by the amount of the estimated sales tax revenues to be generated in the current tax year.

The calculations of the no-new-revenue tax rate and voter-approval tax rate do not limit or impact the City’s ability to set a debt service tax rate in each year sufficient to pay debt service on all of the City’s tax-supported debt obligations, including the Bonds.

Reference is made to the Property Tax Code for definitive requirements for the levy and collection of ad valorem taxes and the calculation of the various defined tax rates.

PROPERTY ASSESSMENT AND TAX PAYMENT. . . Property within the City is generally assessed as of January 1 of each year. Business inventory may, at the option of the taxpayer, be assessed as of September 1. Oil and gas reserves are assessed on the basis of a valuation process which uses an average of the daily price of oil and gas for the prior year. Taxes become due October 1 of the same year, and become delinquent on February 1 of the following year. Taxpayers 65 years old or older are permitted by State law to pay taxes on homesteads in four installments with the first due on February 1 of each year and the final installment due on August 1.

PENALTIES AND INTEREST . . . Charges for penalty and interest on the unpaid balance of delinquent taxes are made as follows:

Month	Cumulative Penalty	Cumulative Interest	Total
February	6%	1%	7%
March	7	2	9
April	8	3	11
May	9	4	13
June	10	5	15
July	12	6	18

After July, penalty remains at 12%, and interest increases at the rate of one-percent (1%) for each month or portion of a month the tax remains unpaid. A delinquent tax continues to incur interest as long as the tax remains unpaid, regardless of whether a judgment for the delinquent tax has been rendered. The purpose of imposing such interest is to compensate the taxing unit for revenue lost because of the delinquency. In addition, if an account is delinquent in July, an attorney's collection fee of up to 20% may be added to the total tax penalty and interest charge. Under certain circumstances, taxes which become delinquent on the homestead of a taxpayer 65 years old or older incur a penalty of 8% per annum with no additional penalties or interest assessed. In general, property subject to the City's lien may be sold, in whole or in parcels, pursuant to court order to collect the amounts due. Federal law does not allow for the collection of penalty and interest against an estate in bankruptcy. Federal bankruptcy law provides that an automatic stay of action by creditors and other entities, including governmental units, goes into effect with the filing of any petition in bankruptcy. The automatic stay prevents governmental units from foreclosing on property and prevents liens for post-petition taxes from attaching to property and obtaining secured creditor status unless, in either case, an order lifting the stay is obtained from the bankruptcy court. In many cases post-petition taxes are paid as an administrative expense of the estate in bankruptcy or by order of the bankruptcy court.

CITY APPLICATION OF TAX CODE . . . The City grants an exemption to the market value of the residence homestead of persons 65 years of age or older of \$30,000; the disabled are also granted an exemption of \$30,000.

The City has granted an additional exemption of 10% of the market value of residence homesteads; minimum exemption of \$5,000.

See "Table 1- Assessed Valuation and Exemption" for a listing of the amounts of the exemptions described above.

Ad valorem taxes are not levied by the City against the exempt value of residence homesteads for the payment of debt.

The City does not tax nonbusiness personal property; and the Dallas County Tax Office collects taxes for the City.

The City does not permit split payments, and discounts are not allowed.

The City does not tax Freeport Property.

The City does collect the additional one-half cent sales tax for reduction of ad valorem taxes.

The City has adopted a tax abatement policy.

TAX ABATEMENT POLICY. . . The City has established a tax abatement program to encourage economic development. In order to be considered for tax abatement, a project must meet several criteria pertaining to job creation and property value enhancement. No more than fifty percent (50%) of the increase in the value of the real property being developed shall be abated for more than five (5) years. No more than thirty percent (30%) of the increase in the value of the real property being developed shall be abated

for more than ten (10) years. Personal property investment of \$300,000 to \$500,000 shall be abated no more than fifteen percent (15%) of the taxable value for more than two (2) years or ten percent (10%) of the taxable value for three (3) years. Personal property investment of \$500,001 to \$1,000,000 shall be abated no more than three (3) years or fifteen percent (15%) of the taxable value for four (4) years. Personal property investment of \$1,000,001 and higher shall be abated no more than twenty-five percent (25%) of the taxable value for more than four (4) years or twenty percent (20%) of the taxable value for five (5) years.

TAX INCREMENT REINVESTMENT ZONE #1. . .The City of Hutchins designated Tax Increment Reinvestment Zone #1 ("TIRZ #1") on August 1, 2016. TIRZ #1 is set to expire on December 31, 2047 or at an earlier time as designated by City Council. TIRZ #1 will support the development of water and sanitary sewer services, as well as roads within TIRZ #1. As of September 30, 2023, TIRZ #1 had a fund balance of \$673,171.

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TABLE 1 - ASSESSED VALUATION AND EXEMPTION

2024/25 Market Valuation Established by Dallas Central Appraisal District (excluding totally exempt property)		\$ 2,181,869,160
Less Exemptions/Reductions at 100% Market Value:		
Capped Value Loss	\$ 52,287,203	
Homestead Exemption	11,084,580	
Over 65 Exemption	5,705,398	
Disabled Persons	1,047,520	
Disabled Veterans	3,131,846	
Abatements	250,126,356	
Pollution Control	225,300	
Freeport Exemption	176,338,247	
Totally Exempt	93,083,542	
Under 2500	66,430	
Agricultural Loss	40,714,261	633,810,683
2024/25 Taxable Assessed Valuation		\$ 1,548,058,477
General Obligation Debt Payable from Ad Valorem Taxes (as of 3/1/2025)	\$ 45,000,000	
The Bonds ⁽¹⁾	26,145,000	\$ 71,145,000
Less: General Obligation Self-Supporting Debt (as of 3/1/2025) ⁽²⁾		
Waterworks and Sewer System Supported General Obligation Debt		\$ 21,945,000
2024/25 Net General Obligation Debt Payable from Ad Valorem Taxes ⁽³⁾		\$ 49,200,000
Interest and Sinking Fund (as of 1/15/2025)		\$ 1,753,335
Ratio of Total Funded General Obligation Tax Debt to Taxable Assessed Valuation		2.91%
Ratio of Net Funded Debt to Taxable Assessed Valuation		3.18%
2025 Estimated Population - 6,500 Per Capita Taxable Assessed Valuation - \$238,163 Per Capita Total Funded Debt - \$6,923 Per Capita Net Funded Debt - \$7,569		

- (1) Preliminary, subject to change.
- (2) General obligation debt in the amounts shown for which repayment is currently provided, as applicable, from Net Revenues of the System. In the event payment is not made from such revenues, the City will be required to assess an ad valorem tax sufficient to make such payments.
- (3) Preliminary, subject to change. Includes the Bonds.

TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY

Category	Taxable Appraised Value for Fiscal Year Ended September 30,					
	2025		2024		2023	
	Amount	% of Total	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 277,343,370	12.71%	\$ 240,560,540	12.78%	\$ 162,489,630	10.72%
Real, Residential, Multi-Family	30,982,750	1.42%	27,838,310	1.48%	23,462,980	1.55%
Real, Vacant Lots/Tracts	66,215,470	3.03%	61,989,120	3.29%	55,162,650	3.64%
Real, Acreage (Land Only)	42,190,460	1.93%	50,414,110	2.68%	49,047,100	3.24%
Real, Farm and Ranch Improvements	445,930	0.02%	445,930	0.02%	445,930	0.03%
Real, Commercial	1,060,616,650	48.61%	757,929,870	40.25%	585,392,870	38.61%
Real, Industrial	18,186,700	0.83%	19,908,480	1.06%	19,876,260	1.31%
Real and Tangible Personal, Utilities	34,354,330	1.57%	31,494,080	1.67%	29,638,770	1.95%
Tangible Personal, Commercial	590,511,540	27.06%	637,454,230	33.85%	540,789,300	35.67%
Tangible Personal, Industrial	44,102,690	2.02%	45,941,220	2.44%	39,467,020	2.60%
Tangible Personal, Mobile Homes	4,823,450	0.22%	5,019,360	0.27%	4,257,290	0.28%
Special Inventory	12,095,820	0.55%	3,928,010	0.21%	6,024,350	0.40%
Total Appraised Value Before Exemptions	\$ 2,181,869,160	100.00%	\$ 1,882,923,260	100.00%	\$ 1,516,054,150	100.00%
Less: Total Exemptions/Reductions	(633,810,683)		(646,317,989)		(521,522,350)	
Taxable Assessed Value	<u>\$ 1,548,058,477</u>		<u>\$ 1,236,605,271</u>		<u>\$ 994,531,800</u>	

Category	Taxable Appraised Value for Fiscal Year Ended September 30,			
	2022		2021	
	Amount	% of Total	Amount	% of Total
Real, Residential, Single-Family	\$ 128,626,880	10.88%	\$ 112,983,400	11.65%
Real, Residential, Multi-Family	19,328,500	1.64%	16,073,210	1.66%
Real, Vacant Lots/Tracts	48,023,580	4.06%	27,119,080	2.80%
Real, Acreage (Land Only)	46,526,410	3.94%	45,333,790	4.67%
Real, Farm and Ranch Improvements	-	0.00%	-	0.00%
Real, Commercial	438,923,190	37.13%	296,608,100	30.57%
Real, Industrial	17,994,450	1.52%	14,062,460	1.45%
Real and Tangible Personal, Utilities	28,312,420	2.40%	27,090,680	2.79%
Tangible Personal, Commercial	415,467,430	35.15%	393,991,430	40.61%
Tangible Personal, Industrial	34,092,490	2.88%	31,830,290	3.28%
Tangible Personal, Mobile Homes	4,234,570	0.36%	4,506,680	0.46%
Special Inventory	458,550	0.04%	618,660	0.06%
Total Appraised Value Before Exemptions	\$ 1,181,988,470	100.00%	\$ 970,217,780	100.00%
Less: Total Exemptions/Reductions	(365,855,245)		(318,449,569)	
Taxable Assessed Value	<u>\$ 816,133,225</u>		<u>\$ 651,768,211</u>	

NOTE: Valuations shown are certified taxable assessed values reported by the Dallas Central Appraisal District to the State Comptroller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

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TABLE 3 - VALUATION AND GENERAL OBLIGATION DEBT HISTORY

Fiscal Year Ended 9/30	Estimated Population ⁽¹⁾	Taxable Assessed Valuation ⁽²⁾	Taxable Assessed Valuation Per Capita	G.O. Tax Debt Outstanding at End of Year ⁽³⁾	Ratio of G.O. Tax Debt to Taxable Assessed Valuation	G.O. Debt Per Capita
2021	5,602	\$ 651,768,211	\$ 116,346	\$ 19,259,000	2.95%	\$ 3,438
2022	5,614	816,133,225	145,375	19,978,000	2.45%	3,559
2023	6,100	994,531,800	163,038	43,643,000	4.39%	7,155
2024	6,450	1,236,605,271	191,722	46,952,000	3.80%	7,279
2025	6,500	1,548,058,477	238,163	71,145,000 ⁽⁴⁾	4.60%	10,945

- (1) Source: City officials.
- (2) As reported by the Dallas Central Appraisal District on City’s annual State Property Tax Board Reports. Subject to change during the ensuing year.
- (3) Includes self-supporting debt paid by revenues from the waterworks and sewer system.
- (4) Includes the Bonds. Preliminary, subject to change.

TABLE 4 - TAX RATE, LEVY AND COLLECTION HISTORY

Year Ended 9/30	Taxable Assessed Valuation	Tax Rate	General Fund	Interest and Sinking Fund	Tax Levy	% Current Collections	% Total Collections
2021	\$ 651,768,211	\$ 0.6825	\$ 0.4793	\$ 0.2032	\$ 4,448,051	121.17%	121.48%
2022	816,133,225	0.6825	0.5246	0.1579	5,569,775	97.97%	98.83%
2023	994,531,800	0.6559	0.4980	0.1579	6,523,144	99.84%	100.64%
2024	1,236,605,271	0.6301	0.4798	0.1503	7,791,627	99.15%	100.89%
2025	1,548,058,477	0.6301	0.4426	0.1875	9,754,038	87.07% ⁽¹⁾	88.78% ⁽¹⁾

- (1) Collections as of January 2025.

TABLE 5 - TEN LARGEST TAXPAYERS

Name of Taxpayer	Nature of Property	2024/25 Taxable Assessed Valuation	% of Total Taxable Assessed Valuation
MPLD Cleveland 45 I LLC	Commercial BPP	\$ 63,090,800	4.08%
CFA Hutchins RE LLC	Warehouse	60,000,000	3.88%
PS Hutchins Phase Two LLC	Warehouse	58,679,790	3.79%
Duke Realty Ltd. Partnership	Distribution Center	44,406,380	2.87%
Duke Secured Financing 2009 UNM LLC	Finance	44,099,220	2.85%
FeedEX Ground Package Systems Inc	Commercial BPP	42,203,140	2.73%
IAC Wintergreen Vanderbilt LLC	Commercial BPP	37,366,332	2.41%
SB Hutchins LLC	Warehouse	37,112,730	2.40%
Georgia Pacific Consumer Products LP	Distribution Center	36,818,831	2.38%
CIVF VI TX1B01 LLC	Commercial Land	33,204,430	2.14%
		\$ 456,981,653	29.52%

Source: Dallas Central Appraisal District.

TAX VALUE CONCENTRATION . . . As shown in Table 5 above, the top ten taxpayers in the City currently account for approximately 29.52% of the City’s tax base. Adverse developments in economic conditions, especially in shipping/courier and real estate industry, could adversely impact some of the largest taxpayers and the tax values in the City, resulting in less local tax revenue. The City does not make any representations as to any future trend with respect to such businesses. If any major taxpayer were to default in the payment of taxes, the ability of the City to make timely payment of debt service on the Bonds will be dependent on its ability to enforce and liquidate its tax lien, which is a time-consuming process, which can only occur annually, or, perhaps, to sell tax anticipation notes until such amounts could be collected, if ever. See "THE BONDS – Bondholders’ Remedies" and “TAX INFORMATION” in this Official Statement.

GENERAL OBLIGATION DEBT LIMITATION. . . No general obligation debt limitation is imposed on the City under current State law (see “THE BONDS – Tax Rate Limitation”).

TABLE 6 - TAX ADEQUACY

Net Principal and Interest Requirements, 2025	\$ 2,263,111
\$0.14918 Tax Rate at 98% Collection Produces	\$ 2,263,206
Net Average Annual Principal and Interest Requirements, 2025-2045	\$ 3,663,306 ⁽¹⁾
\$0.24147 Tax Rate at 98% Collection Produces	\$ 3,663,335
Net Maximum Annual Principal and Interest Requirements, 2031	\$ 4,936,617 ⁽¹⁾
\$0.32540 Tax Rate at 98% Collection Produces	\$ 4,936,635

(1) Includes the Bonds. Preliminary, subject to change.

TABLE 7 - ESTIMATED OVERLAPPING DEBT

Expenditures of the various taxing entities within the territory of the City are paid out of ad valorem taxes levied by such entities on properties within the City. Such entities are independent of the City and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax debt (“Tax Debt”) was developed from information contained in “Texas Municipal Reports” published by the Municipal Advisory Council of Texas. Except for the amounts relating to the City, the City has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional Tax Debt since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional Tax Debt, the amount of which cannot be determined. The following table reflects the estimated share of overlapping Tax Debt of the City.

Taxing Jurisdiction	2024/2025 Taxable Assessed Value ⁽¹⁾	2025 Tax Rate ⁽¹⁾	Total G.O. Tax Debt As of 3/1/2025 ⁽¹⁾	Estimated % Applicable ⁽¹⁾	City's Overlapping G.O. Tax Debt as of 3/1/2025
City of Hutchins	\$ 1,548,058,477	\$ 0.6301	\$ 71,145,000 ⁽²⁾	100.00%	\$ 71,145,000 ⁽²⁾
Dallas County	412,792,494,091	0.2155	198,645,000	0.39%	774,716
Dallas County Hospital	414,014,886,764	0.2120	527,660,000	0.39%	2,057,874
Dallas County CCD	423,071,753,336	0.1056	318,675,000	0.39%	1,242,833
Dallas ISD	194,055,575,689	0.9972	4,064,130,000	0.77%	31,293,801
Lancaster ISD	6,052,167,864	1.2244	162,602,531	2.48%	4,032,543
Total Direct and Overlapping G. O. Tax Debt					\$ 110,546,766
Ratio of Direct and Overlapping G. O. Tax Debt to 2024/25 Taxable Assessed Valuation					7.14%
Per Capita Overlapping G. O. Tax Debt					\$ 17,007

(1) As reported by the Municipal Advisory Council of Texas.
 (2) Includes self-supporting debt. Includes the Bonds. Preliminary, subject to change.

DEBT INFORMATION

TABLE 8 - PRO-FORMA GENERAL OBLIGATION DEBT SERVICE REQUIREMENTS

Fiscal Year Ending	Outstanding Debt Service			The Bonds ⁽¹⁾			Less: W&S Revenue Supporting	Less: HEDC Supported	Net General Obligation	% of Principal
	Principal	Interest	Total	Principal	Interest	Total	Debt Service	Debt Service	Debt Service	Retired
2025	\$ 1,952,000	\$ 1,895,686	\$ 3,847,686	\$ -	\$ -	\$ -	\$ 1,446,875	\$ 137,700	\$ 2,263,111	
2026	2,157,000	1,763,608	3,920,608	-	1,797,469	1,797,469	1,444,697	-	4,273,380	
2027	2,469,000	1,675,061	4,144,061	-	1,307,250	1,307,250	1,444,269	-	4,007,042	
2028	2,796,000	1,573,037	4,369,037	215,000	1,301,875	1,516,875	1,445,169	-	4,440,743	
2029	3,052,000	1,462,468	4,514,468	280,000	1,289,500	1,569,500	1,444,644	-	4,639,324	17.68%
2030	3,334,000	1,341,479	4,675,479	275,000	1,275,625	1,550,625	1,445,494	-	4,780,610	
2031	3,637,000	1,196,211	4,833,211	285,000	1,261,625	1,546,625	1,443,219	-	4,936,617	
2032	1,365,000	1,086,519	2,451,519	1,165,000	1,225,375	2,390,375	1,445,044	-	3,396,850	
2033	1,430,000	1,024,369	2,454,369	1,225,000	1,165,625	2,390,625	1,444,019	-	3,400,975	
2034	1,500,000	957,519	2,457,519	1,285,000	1,102,875	2,387,875	1,445,044	-	3,400,350	38.88%
2035	1,570,000	887,369	2,457,369	1,350,000	1,037,000	2,387,000	1,444,519	-	3,399,850	
2036	1,645,000	814,872	2,459,872	1,415,000	967,875	2,382,875	1,443,522	-	3,399,225	
2037	1,710,000	744,019	2,454,019	1,490,000	895,250	2,385,250	1,442,019	-	3,397,250	
2038	1,785,000	672,813	2,457,813	1,565,000	818,875	2,383,875	1,442,713	-	3,398,975	
2039	1,855,000	600,613	2,455,613	1,650,000	738,500	2,388,500	1,443,713	-	3,400,400	60.82%
2040	1,925,000	529,713	2,454,713	1,735,000	653,875	2,388,875	1,442,313	-	3,401,275	
2041	2,005,000	456,888	2,461,888	1,815,000	565,125	2,380,125	1,445,488	-	3,396,525	
2042	2,075,000	381,213	2,456,213	1,915,000	471,875	2,386,875	1,442,313	-	3,400,775	
2043	2,155,000	302,688	2,457,688	2,010,000	373,750	2,383,750	1,442,788	-	3,398,650	
2044	1,205,000	241,263	1,446,263	3,155,000	244,625	3,399,625	1,446,263	-	3,399,625	88.17%
2045	1,250,000	194,081	1,444,081	3,315,000	82,875	3,397,875	1,444,081	-	3,397,875	
2046	1,305,000	141,384	1,446,384	-	-	-	1,446,384	-	-	
2047	1,360,000	86,419	1,446,419	-	-	-	1,446,419	-	-	
2048	1,415,000	29,184	1,444,184	-	-	-	1,444,184	-	-	100.00%
	<u>\$ 46,952,000</u>	<u>\$ 20,058,471</u>	<u>\$ 67,010,471</u>	<u>\$ 26,145,000</u>	<u>\$ 18,576,844</u>	<u>\$ 44,721,844</u>	<u>\$ 34,665,188</u>	<u>\$ 137,700</u>	<u>\$ 73,531,552</u>	

(1) Preliminary, subject to change.

TABLE 9 - INTEREST AND SINKING FUND BUDGET PROJECTION

Net Tax Supported Debt Service Requirements, Fiscal Year Ending 9/30/25 ⁽¹⁾		\$ 2,263,111
Interest and Sinking Fund, Fiscal Year Ending 9/30/24 ⁽²⁾	\$ 695,975	
Budgeted Interest and Sinking Fund Tax Collection	2,935,393	3,631,368
Estimated Balance, Fiscal Year Ending 9/30/25		\$ 1,368,257

- (1) Includes the Bonds. Preliminary; subject to change.
- (2) Unaudited.

TABLE 10 - AUTHORIZED BUT UNISSUED GENERAL OBLIGATION BONDS

Purpose	Date Authorized	Authorized Amount	Amount Previously Issued	Amount Being Issued	Unissued Balance
Recreation Center & Library	11/5/2024	\$ 28,000,000	\$ -	\$ 28,000,000	\$ -

ANTICIPATED ISSUANCE OF ADDITIONAL GENERAL OBLIGATION DEBT

The City does not anticipate issuing any tax supported debt obligations within the next twelve months.

TABLE 11 - OTHER OBLIGATIONS

At this time the City has no other obligations.

PENSION FUND. . . The City provides pension benefits for all of its full-time employees through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of over 919 currently administered by TMRS, an agent multiple-employer public employee retirement system. For more information about the City’s retirement plan, refer to Appendix B “Excerpts of City of Hutchins, Texas Annual Financial Report as of Fiscal Year Ended September 30, 2023,” Note 5, Section C.

OTHER POST-EMPLOYMENT BENEFITS . . . GASB released the Statement of General Accounting Standards No. 75 (“GASB 75”), Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (“OPEB”), in June 2015. GASB 75 sets forth standards for the measurement, recognition and display of post-employment benefits, other than pensions, such as health and life insurance for current and future retirees. Those subject to this pronouncement are required to: (i) measure the cost of benefits, and recognize other post-employment benefits expense, on the accrual basis of accounting over the working lifetime of the employees; (ii) provide information about the actuarial liabilities for promised benefits associated with past services and whether, or to what extent, the future costs of those benefits have been funded; and (iii) provide information useful in assessing potential demands on the employer’s future cash flows. The employer’s contributions to OPEB costs that are less than an actuarially determined annual required contribution will result in a net OPEB cost, which under GASB 75 will be required to be recorded as a liability in the employer’s financial statements.

The City also participates in a defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). This is a voluntary program in which participating member cites may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

As a result of its participation in TMRS and having no other post-employment benefit plans, the City has no obligations for other post-employment benefits within the meaning of GASB 75 and therefore the City has not been required to implement GASB 75.

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FINANCIAL INFORMATION

TABLE 12 - GENERAL FUND REVENUE AND EXPENDITURE HISTORY

	Fiscal Years Ended September 30,				
	2023	2022	2021	2020	2019
<u>Revenues:</u>					
Property Taxes	\$ 4,594,135	\$ 3,801,992	\$ 3,081,478	\$ 2,576,433	\$ 2,172,782
Sales Tax	4,445,018	4,039,052	3,387,433	2,207,656	2,159,046
Franchise Tax	607,888	535,540	513,022	543,762	525,725
Licenses, Permits and Fees	1,726,363	1,482,962	385,083	421,732	360,885
Fines and Forfeitures	193,703	165,554	161,143	97,675	208,766
Charges for Current Services	143,728	306,879	422,685	410,553	336,072
Revenues from Use of Money and Property	-	-	3,442	10,618	20,360
Other	828,321	134,477	134,882	166,168	152,207
Intergovernmental	260,852	367,069	537,454	824,707	568,133
Total Revenues	\$ 12,800,008	\$ 10,833,525	\$ 8,626,622	\$ 7,259,304	\$ 6,503,976
<u>Expenditures:</u>					
General Government	\$ 2,075,686	\$ 1,553,840	\$ 1,424,364	\$ 1,344,784	\$ 1,304,843
Cultural and Recreational	162,876	127,922	139,513	135,161	138,760
Public Safety	6,127,008	5,377,064	5,023,871	4,596,304	4,699,315
Public Works	1,479,706	870,996	798,971	834,485	733,358
Municipal Court	23,310	27,873	-	-	-
Other	98,031	60,309	-	-	-
Principal Retirement	-	-	-	110,000	105,000
Interest and Fiscal Changes	-	-	-	25,100	29,075
Bond Issuance costs	-	-	58,935	-	16,934
Capital Outlay	462,036	245,663	1,321,750	-	-
Total Expenditures	\$ 10,428,653	\$ 8,263,667	\$ 8,767,404	\$ 7,045,834	\$ 7,027,285
Excess(deficiency) of Revenues					
Over Expenditures	\$ 2,371,355	\$ 2,569,858	\$ (140,782)	\$ 213,470	\$ (523,309)
<u>Other Financing Sources (Uses)</u>					
Bond Proceeds	\$ -	\$ -	\$ 295,000	\$ -	\$ 846,426
Insurance Proceeds	26,147	51,410	62,089	12,661	93,203
Transfers In	735,875	248,899	299,637	1,153	10,852
Transfers Out	-	-	(115,000)	-	(70,175)
Total other Financing Sources (uses)	\$ 762,022	\$ 300,309	\$ 541,726	\$ 13,814	\$ 880,306
Net Change in Fund Balances	\$ 3,133,377	\$ 2,870,167	\$ 400,944	\$ 227,284	\$ 356,997
Fund Balances at Beginning of Year	6,381,290 ⁽¹⁾	3,308,810	2,907,866 ⁽¹⁾	3,061,067	2,704,070
Fund Balances at End of Year	\$ 9,514,667	\$ 6,178,977	\$ 3,308,810	\$ 3,288,351	\$ 3,061,067

(1) Restated.

TABLE 13 - CONDENSED UTILITY FUND REVENUES AND EXPENDITURES HISTORY

	Fiscal Year Ended September 30,				
	2023	2022	2021	2020	2019
Operating revenues:					
Water	\$ 3,086,862	\$ 2,521,920	\$ 2,299,066	\$ 2,070,804	\$ 2,732,359
Sewer	1,934,727	1,750,609	1,582,930	1,152,692	1,121,045
State Jail Water and Sewer	-	-	-	743,624	787,083
Penalties	153,341	149,352	72,356	76,350	69,905
Impact and Tap Fees	-	-	-	8,000	6,000
Miscellaneous	97,450	86,122	259,715	74,990	92,000
Total Operating Revenues	\$ 5,272,380	\$ 4,508,003	\$ 4,214,067	\$ 4,126,460	\$ 4,808,392
Operating expenses:					
Personnel Services	\$ 317,798	\$ 202,870	\$ 249,265	\$ 261,614	\$ 217,788
Supplies	146,503	122,079	308,109	56,035	62,124
Contractual Services	2,200,877	2,149,760	1,845,329	1,824,441	1,581,398
Garbage Collection	-	-	-	-	-
Utilities	96,712	71,965	-	70,920	88,501
Other Services	69,332	158,294	-	105,168	104,644
Repairs and Maintenance	95,203	135,780	-	187,662	213,466
Total Operating Expenses	\$ 2,926,425	\$ 2,840,748	\$ 2,402,703	\$ 2,505,840	\$ 2,267,921
Nonoperating revenue:					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -
Investment Earnings	827,702	48,589	3,564	27,467	57,174
Total Nonoperating Revenues	827,702	48,589	3,564	27,467	57,174
Net Revenue Available for Debt Service	\$ 3,173,657	\$ 1,715,844	\$ 1,814,928	\$ 1,648,087	\$ 2,597,645

TABLE 14 - MUNICIPAL SALES TAX HISTORY

The City has adopted the Municipal Sales and Use Tax Act, Texas Tax Code, Chapter 321, which grants the City the power to impose and levy a 1% Local Sales and Use Tax within the City; the proceeds are credited to the General Fund and are not pledged to the payment of the Bonds. Collections and enforcements are effected through the offices of the State Comptroller of Public Accounts, who remits the proceeds of the tax, after deduction of a 2% service fee, to the City monthly.

Fiscal Year Ended 9/30	1 Cent City Sales Tax Collections	1/2 Cent Property Tax Reduction Sales Tax Collections	1/2 Cent EDC Sales Tax Collections	Total Collected	Total Collections as a % of Ad Valorem Tax Levy	Equivalent of Ad Valorem Tax Rate
2021	\$ 2,135,353	\$ 1,067,676	\$ 1,067,676	\$ 4,270,705	96.01%	0.6552
2022	2,582,570	1,291,285	1,291,285	5,165,140	92.74%	0.6329
2023	2,990,709	1,495,355	1,495,355	5,981,418	91.70%	0.6014
2024	2,841,580	1,420,790	1,420,790	5,683,159	72.94%	0.4596
2025	1,040,926 ⁽¹⁾	520,463	520,463	2,081,853	21.34%	0.1345

(1) Unaudited. Partial collections through January 2025. As reported by the Texas Comptroller of Public Accounts.

The sales tax breakdown for the City is as follows:

Hutchins Economic Development Corporation	1/2¢
Property Tax Reduction	1/2¢
City Sales and Use Tax	1¢
State Sales & Use Tax	6 1/4¢
TOTAL	8 1/4¢

FINANCIAL POLICIES

Basis of Accounting . . . The modified accrual basis of accounting is followed by the governmental fund types. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures, other than interest on long-term debt, are recorded when the liability is incurred. Interest on long term debt is recorded when due.

Ad valorem and sales tax revenues are recognized under the susceptible to accrual concept. Licenses and permits, franchise taxes, charges for services, fines and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned because they are measurable and available.

The accrual basis of accounting is utilized by proprietary funds.

Budgetary Procedures . . . The City Council follows these procedures in establishing budgetary data reflected in the financial statements:

- (1) Prior to September 1, the Finance Officer submits to the City Council a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- (2) Public hearings are conducted to obtain taxpayer comments.
- (3) Prior to September 30, the budget is legally enacted through passage of an ordinance.
- (4) The finance office is authorized to transfer budgeted amounts within a category in a department. Transfers between categories or between departments require Council approval.
- (5) Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Fund and Debt Service Fund. Budgetary control is maintained at the function level.
- (6) Budgets for the General, Special Revenue, and Debt Service Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- (7) Budgetary data for the Capital Projects Funds are not presented in combined financial statements of the City as such funds are budgeted over the life of the respective project and not on an annual basis. Accordingly, formal budgetary integration of the Capital Projects Funds is not employed and comparison of actual results of operations to budgetary data for such fund is not presented.

Fund Investments . . . The City's investment policy parallels the State laws which govern the investment of public funds. The City generally restricts investments to direct obligations of the United States Government, governmental agencies, and to insured or collateralized bank certificates of deposit.

INVESTMENTS

The City invests its investable funds in investments authorized by State law in accordance with investment policies approved by the City Council of the City. Both State law and the City's investment policies are subject to change.

LEGAL INVESTMENTS...Available City funds are invested as authorized by Texas law and in accordance with investment policies approved by the City Council. Both State law and the City's investment policies are subject to change. Under State law, the City is authorized to invest in (1) obligations, including letters of credit, of the United States or its agencies and instrumentalities, including the federal Home Loan Banks; (2) direct obligations of the State or its agencies and instrumentalities; (3) collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; (4) other obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of, the State or the United States or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States; (5) obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent; (6) bonds issued, assumed or guaranteed by the State of Israel; (7) interest-bearing banking deposits that are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor; (8) interest-bearing banking deposits other than those described by clause (7) if (A) the funds invested in the banking deposits are invested through: (i) a broker with a main office or branch office in this State that the investing entity selects from a list the governing body or designated investment committee of the entity adopts as required by Section 2256.025; or (ii) a depository institution with a main office or branch office in this State that the investing entity selects; (B) the broker or depository institution selected as described by (A) above arranges for the deposit of the funds in the banking deposits in one or

more federally insured depository institutions, regardless of where located, for the investing entity's account; (C) the full amount of the principal and accrued interest of the banking deposits is insured by the United States or an instrumentality of the United States; and (D) the investing entity appoints as the entity's custodian of the banking deposits issued for the entity's account: (i) the depository institution selected as described by (A) above; (ii) an entity described by Section 2257.041(d), Texas Government Code; or (iii) a clearing broker dealer registered with the Securities and Exchange Commission and operating under Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3); (9) certificates of deposit and share certificates (i) issued by a depository institution that has its main office or a branch office in the State of Texas, and are guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Insurance Fund or its successor, or are secured as to principal by obligations described in the clauses (1) through (8) or in any other manner and amount provided by law for City deposits, or (ii) where (a) the funds are invested by the City through (I) a broker that has its main office or a branch office in the State and is selected from a list adopted by the City as required by law or (II) a depository institution that has its main office or a branch office in the State that is selected by the City; (b) the broker or the depository institution selected by the City arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, for the account of the City; (c) the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States, and (d) the City appoints the depository institution selected under (a) above, an entity as described by Section 2257.041(d) of the Texas Government Code, or a clearing broker-dealer registered with the Securities and Exchange Commission and operating pursuant to Securities and Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3) as custodian for the City with respect to the certificates of deposit; (10) fully collateralized repurchase agreements that have a defined termination date, are fully secured by a combination of cash and obligations described in clause (1) which are pledged to the City, held in the City's name, and deposited at the time the investment is made with the City or with a third party selected and approved by the City and are placed through a primary government securities dealer, as defined by the Federal Reserve, or a financial institution doing business in the State; (11) securities lending programs if (i) the securities loaned under the program are 100% collateralized, a loan made under the program allows for termination at any time and a loan made under the program is either secured by (a) obligations that are described in clauses (1) through (8) above, (b) irrevocable letters of credit issued by a state or national bank that is continuously rated by a nationally recognized investment rating firm at not less than A or its equivalent or (c) cash invested in obligations described in clauses (1) through (8) above, clauses (13) through (15) below, or an authorized investment pool; (ii) securities held as collateral under a loan are pledged to the City, held in the City's name and deposited at the time the investment is made with the City or a third party designated by the City; (iii) a loan made under the program is placed through either a primary government securities dealer or a financial institution doing business in the State; and (iv) the agreement to lend securities has a term of one year or less, (12) certain bankers' acceptances with the remaining term of 270 days or less, if the short-term obligations of the accepting bank or its parent are rated at least A-1 or P-1 or the equivalent by at least one nationally recognized credit rating agency, (13) commercial paper with a stated maturity of 270 days or less that is rated at least A-1 or P-1 or the equivalent by either (a) two nationally recognized credit rating agencies or (b) one nationally recognized credit rating agency if the paper is fully secured by an irrevocable letter of credit issued by a U.S. or state bank, (14) a no-load money market mutual fund registered with and regulated by the Securities and Exchange Commission that provides the City with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940 and complies with federal Securities and Exchange Commission Rule 2a-7, and (15) no-load mutual funds registered with the Securities and Exchange Commission that have an average weighted maturity of less than two years, and have a duration of one year or more and are invested exclusively in obligations described in this paragraph or have a duration of less than one year and the investment portfolio is limited to investment grade securities, excluding asset-backed securities. In addition, bond proceeds may be invested in guaranteed investment contracts that have a defined termination date and are secured by obligations, including letters of credit, of the United States or its agencies and instrumentalities in an amount at least equal to the amount of bond proceeds invested under such contract, other than the prohibited obligations described in the next succeeding paragraph.

The City may invest in such obligations directly or through government investment pools that invest solely in such obligations provided that the pools are rated no lower than AAA or AAA-m or an equivalent by at least one nationally recognized rating service. The City is specifically prohibited from investing in: (1) obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pays no principal; (2) obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security and bears no interest; (3) collateralized mortgage obligations that have a stated final maturity of greater than 10 years; and (4) collateralized mortgage obligations the interest rate of which is determined by an index that adjusts opposite to the changes in a market index.

INVESTMENT POLICIES. . . Under State law, the City is required to invest its funds under written investment policies that primarily emphasize safety of principal and liquidity; that address investment diversification, yield, maturity, and the quality and capability of investment management; and that includes a list of authorized investments for City funds, maximum allowable stated maturity of any individual investment and the maximum average dollar-weighted maturity allowed for pooled fund groups, methods to monitor the market price of investments acquired with public funds, a requirement for settlement of all transactions, except investment pool funds and mutual funds, on a delivery versus payment basis, and procedures to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the PFIA. All City funds must be invested consistent with a formally adopted "Investment Strategy Statement" that specifically addresses each fund's investment. Each Investment Strategy Statement will describe its objectives concerning: (1) suitability of investment type, (2) preservation and safety of principal, (3) liquidity, (4) marketability of each investment, (5) diversification of the portfolio, and (6) yield. Under State law, City investments must be made "with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived." At least quarterly the investment officers of the City shall submit an investment report detailing: (1)

the investment position of the City on the date of the report, (2) that all investment officers jointly prepared and signed the report, (3) the beginning market value, the ending market value, and the fully accrued interest of each pooled fund group, (4) the book value and market value of each separately listed asset at the beginning and end of the reporting period, (5) the maturity date of each separately invested asset, (6) the account or fund or pooled fund group for which each individual investment was acquired, and (7) the compliance of the investment portfolio as it relates to: (a) adopted investment strategy statements and (b) state law. No person may invest City funds without express written authority from the City Council.

ADDITIONAL PROVISIONS . . . Under State law the City is additionally required to: (1) annually review its adopted policies and strategies; (2) adopt a rule, order, ordinance or resolution stating that it has reviewed its investment policy and investment strategies and records any changes made to either its investment policy or investment strategy in the respective rule, order, ordinance or resolution; (3) require any investment officers with personal business relationships or relatives with firms seeking to sell securities to the entity to disclose the relationship and file a statement with the Texas Ethics Commission and the City Council; (4) require the qualified representative of firms offering to engage in an investment transaction with the City to: (a) receive and review the City’s investment policy, (b) acknowledge that reasonable controls and procedures have been implemented to preclude investment transactions conducted between the City and the business organization that are not authorized by the City’s investment policy (except to the extent that this authorization is dependent on an analysis of the makeup of the City’s entire portfolio and requires an interpretation of subjective investment standards) and (c) deliver a written statement in a form acceptable to the City and the business organization attesting to these requirements; (5) perform an annual audit of the management controls on investments and adherence to the City’s investment policy; (6) provide specific investment training for the City’s designated Investment Officer; (7) restrict reverse repurchase agreements to not more than 90 days and restrict the investment of reverse repurchase agreement funds to no greater than the term of the reverse purchase agreement; (9) require local government investment pools to conform to the new disclosure, rating, net asset value, yield calculation, and advisory board requirements, and (10) at least annually review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with the City.

TABLE 15 - CURRENT INVESTMENTS

As of January 15, 2025, the City’s investable funds were invested in the following categories:

Description	Market Value	% Total
TexPool	\$ 3,378,207	6.24%
TexSTAR	13,177,347	24.33%
Texas Class	37,601,149	69.43%
	\$ 54,156,703	100.00%

TAX MATTERS

The following discussion of certain federal income tax considerations is for general information only and is not tax advice. Each prospective purchaser of the Bonds should consult its own tax advisor as to the tax consequences of the acquisition, ownership and disposition of the Bonds.

In the opinion of Jackson Walker LLP, Special Tax Counsel to the City (“Special Tax Counsel”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”). Special Tax Counsel is of the further opinion that interest on the Bonds is not a specific preference item for purposes of the federal individual alternative minimum tax. Special Tax Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest on, the Bonds. The proposed form of opinion of Special Tax Counsel is set forth in APPENDIX D hereto.

To the extent the issue price of any maturity of the Bonds is less than the amount to be paid at maturity of such Bonds (excluding amounts stated to be interest and payable at least annually over the term of such Bonds), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest on the Bonds which is excluded from gross income for federal income tax purposes. For this purpose, the issue price of a particular maturity of the Bonds is the first price at which a substantial amount of such maturity of the Bonds is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any maturity of the Bonds accrues daily over the term to maturity of such Bonds on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Bonds to determine taxable gain or loss upon disposition (including sale, redemption, or payment on maturity) of such Bonds. Beneficial Owners of the Bonds should consult their own tax advisors with respect to the tax consequences of ownership of Bonds with original issue discount, including the treatment of Beneficial Owners who do not purchase such Bonds in the original offering to the public at the first price at which a substantial amount of such Bonds is sold to the public.

Bonds purchased, whether at original issuance or otherwise, for an amount higher than their principal amount payable at maturity (or, in some cases, at their earlier call date) (“Premium Bonds”) will be treated as having amortizable bond premium. No deduction is allowable for the amortizable bond premium in the case of obligations, like the Premium Bonds, the interest on which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Bond, will be reduced by the amount of amortizable bond premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Bonds should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Bonds. The City has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest on the Bonds will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest on the Bonds being included in gross income for federal income tax purposes, possibly from the date of original issuance of the Bonds. The opinion of Special Tax Counsel assumes the accuracy of these representations and compliance with these covenants. Special Tax Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Special Tax Counsel’s attention after the date of issuance of the Bonds may adversely affect the value of or the tax status of interest on the Bonds. Accordingly, the opinion of Special Tax Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Special Tax Counsel is of the opinion that interest on the Bonds is excluded from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest on, the Bonds may otherwise affect a Beneficial Owner’s federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner’s other items of income or deduction. Special Tax Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest on the Bonds to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect the market price or marketability of the Bonds. Prospective purchasers of the Bonds should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Special Tax Counsel expresses no opinion.

The opinion of Special Tax Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Special Tax Counsel’s judgment as to the proper treatment of the Bonds for federal income tax purposes. It is not binding on the Internal Revenue Service (“IRS”) or the courts. Furthermore, Special Tax Counsel cannot give and has not given any opinion or assurance about the future activities of the City or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The City has covenanted, however, to comply with the requirements of the Code.

CONTINUING DISCLOSURE OF INFORMATION

In the Ordinance, the City has made the following agreement for the benefit of the holders and beneficial owners of the Bonds. The City is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the City will be obligated to provide certain updated financial information and operating data annually, and timely notice of specified material events, to the Municipal Securities Rulemaking Board (the “MSRB”). The MSRB has established the Electronic Municipal Market Access (“EMMA”) system to make such continuing disclosure available to investors free of charge. Investors may access continuing disclosure information filed with the MSRB at www.emma.msrb.org.

ANNUAL REPORTS . . . The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year (beginning with the fiscal year ending September 30, 2024) financial information and operating data with respect to the City of the general type in Tables 1 through 6 and 8 through 15 hereof and (2) if not provided as part of such financial information and operating data in item (1), audited financial statements of the City within 12 months after the end of each fiscal year ending in or after 2024. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City shall file unaudited financial statements within such 12-month period and audited financial statements for such fiscal year when and if the audit report on such statements becomes available. Any financial statements so provided shall be prepared in accordance with the accounting principles described in Appendix B hereof and audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided.

The financial information and operating data to be provided may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB’s internet website or filed with the SEC as permitted by the Rule. The updated information will include audited financial statements, if the City commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the City will provide unaudited financial statements by the required time, and audited financial statements when and if such audited financial statements become available.

Any such financial statements will be prepared in accordance with the accounting principles described in Appendix B or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation.

The City's current fiscal year end is September 30. Accordingly, unless the City changes its fiscal year it must provide updated financial information and operating data by March 31 in each year and provide its audited financial statements (or unaudited financial statements if audited financial statements are not available) by September 30. If the City changes its fiscal year, it will notify the MSRB of the change.

NOTICE OF CERTAIN EVENTS. . . . The City will also provide the following to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5702-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; (7) modifications to rights of holders of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the City; (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and (14) appointment of a successor or additional paying agent/registrant or the change of name of a paying agent/registrant, if material, (15) incurrence of a Financial Bond (as defined below) of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties. In addition, the City will provide to the MSRB, in a timely manner, notice of any failure by the City to provide the required annual financial information described above under "Annual Reports" and any notices of events in accordance with this section.

For these purposes, (a) any event described in (12) in the immediately preceding paragraph is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City. "Financial Obligation" means (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule. Additionally, the City intends the words used in clauses (15) and (16) of the preceding paragraph and the definition of "financial obligation" in these clauses to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

AVAILABILITY OF INFORMATION. . . . The City has agreed to provide the foregoing financial and operating information only as described above. Investors may access continuing disclosure information filed with the MSRB free of charge at www.emma.msrb.org.

LIMITATIONS AND AMENDMENTS . . . The City has agreed to update information and to provide notices of material events only as described above. The City has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The City makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The City disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although holders of Bonds may seek a writ of mandamus to compel the City to comply with its agreement. The City may amend its continuing disclosure agreement from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, if (i) the agreement, as amended, would have permitted an Underwriter of the Bonds to purchase or sell Bonds in the offering described herein in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (a) the holders of a majority in aggregate principal amount of the respective outstanding Bonds consent to the amendment or (b) any person unaffiliated with the City (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an Underwriter of the Bonds from lawfully purchasing or selling Bonds in the primary

offering of the Bonds. If the City so amends its continuing disclosure agreement, it has agreed to include with the next financial information and operating data provided in accordance with its agreement described above under "Annual Reports" an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

COMPLIANCE WITH PRIOR UNDERTAKINGS. . . . During the last five years, the City has filed certain unaudited financial information and operating data within six months of its fiscal year end as required by its prior undertakings under the Rule. The City's continuing disclosure undertaking related to the City's Combination Tax and Revenue Certificates of Obligation, Series 2010 required filing the City's audited or unaudited financial statements within six months after the end of each fiscal year (subsequent continuing disclosure undertakings of the City have required the filing of such information within twelve months of the City's fiscal year end or, if not available by such time, when and if available). The City filed audited financial statements for the fiscal years ending in 2019, 2020, 2021, 2022, and 2023, on June 4, 2020, May 28, 2021, August 30, 2022, May 17, 2023, and November 5, 2024, respectively.

OTHER INFORMATION

RATINGS

The Bonds are expected to be rated "AA" (stable outlook) by S&P Global Ratings, a division of S&P Global, Inc. ("S&P") by virtue of a municipal bond insurance policy to be issued by BAM upon delivery of the Bonds to the Underwriter. The Bonds have an underlying rating of "AA-"(stable outlook) by S&P. The rating reflects only the views of such organization and the City makes no representation as to the appropriateness of the rating. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating company, if in the judgment of said company, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

LITIGATION

It is the opinion of the City Attorney and City Staff that there is no pending litigation against the City that would have a material adverse financial impact upon the City or its operations.

REGISTRATION AND QUALIFICATION OF BONDS FOR SALE

The sale of the Bonds has not been registered under the Federal Securities Act of 1933, as amended, in reliance upon the exemption provided thereunder by Section 3(a)(2); and the Bonds have not been qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been qualified under the securities acts of any jurisdiction. The City assumes no responsibility for qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration provisions.

LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS

Section 1201.041 of the Public Security Procedures Act (Chapter 1201, Texas Government Code) provides that the Bonds are negotiable instruments and investment securities governed by Chapter 8, Texas Business and Commerce Code, and are legal and authorized investments for insurance companies, fiduciaries, and trustees, and for the sinking funds of municipalities or other political subdivisions or public agencies of the State. With respect to investment in the Bonds by municipalities or other political subdivisions or public agencies of the State, the Public Funds Investment Act, Chapter 2256, Texas Government Code, requires that the Bonds be assigned a rating of not less than "A" or its equivalent as to investment quality by a national rating agency (see "OTHER INFORMATION - Rating" herein). In addition, various provisions of the Texas Finance Code provide that, subject to a prudent investor standard, the Bonds are legal investments for state banks, savings banks, trust companies with capital of one million dollars or more, and savings and loan associations. The Bonds are eligible to secure deposits of any public funds of the State, its agencies, and its political subdivisions, and are legal security for those deposits to the extent of their market value. No review by the City has been made of the laws in other states to determine whether the Bonds are legal investments for various institutions in those states.

No representation is made that the Bonds will be acceptable to public entities to secure their deposits or acceptable to such institutions for investment purposes. The City has made no investigation of other laws, rules, regulations or investment criteria which might apply to any such persons or entities or which might otherwise limit the suitability of the Bonds for any of the foregoing purposes or limit the authority of such persons or entities to purchase or invest in the Bonds for such purposes.

LEGAL OPINIONS AND NO LITIGATION CERTIFICATE

The City will furnish to the Underwriter a complete transcript of proceedings incident to the authorization and issuance of the Bonds, including the unqualified approving legal opinion of the Attorney General of Texas approving the Initial Bond and to the

effect that the Bonds are valid and legally binding obligations of the City payable from the proceeds of an annual ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City, and the approving legal opinion of West & Associates, L.L.P., Bond Counsel, to like effect. The City will also furnish an opinion of Special Tax Counsel to the effect that the interest on the Bonds will be excludable from gross income for federal income tax purposes under Section 103(a) of the Code, subject to the matters described under "TAX MATTERS" herein. The customary closing papers, including a certificate to the effect that no litigation of any nature has been filed or is then pending to restrain the issuance and delivery of the Bonds will also be furnished. The form of Bond Counsel's opinion is attached hereto as Appendix C. The legal fees to be paid Bond and Special Tax Counsel for services rendered in connection with the issuance of the Bonds is contingent upon the sale and delivery of the Bonds. The legal opinions of Bond and Special Tax Counsel will accompany the Bonds deposited with DTC or will be printed on the definitive Bonds in the event of the discontinuance of the Book-Entry-Only System. Certain legal matters will be passed upon for the Underwriter by its counsel, McCall, Parkhurst & Horton L.L.P., Dallas, Texas. Bond Counsel was engaged by, and only represents, the City. Except as noted below, Bond Counsel did not take part in the preparation of the Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained herein except that in its capacity as Bond Counsel, such firm has reviewed the information appearing under captions "PLAN OF FINANCING", (except under the subcaptions "Sources and Uses of Fund"), "THE BONDS" (except under the subcaptions "Book-Entry-Only System," and "Bondholders' Remedies"), "CONTINUING DISCLOSURE OF INFORMATION" (except under the subcaption "Compliance With Prior Undertakings") and the subcaptions "Legal Opinions and No Litigation Certificate" (except for the last two sentences of the first paragraph thereof), "Registration and Qualification of Bonds for Sale" and "Legal Investments and Eligibility to Secure Public Funds In Texas," under the caption "OTHER INFORMATION" and such firm is of the opinion that the information relating to the Bonds and legal matters contained under such captions and subcaptions is an accurate and fair description of the laws and legal issues addressed therein and, with respect to the Bonds, such information conforms to the Ordinance. Special Tax Counsel was not requested to participate, and did not take part, in the preparation of this Official Statement, and such firm has not assumed any responsibility with respect thereto or undertaken independently to verify any of the information contained therein, except that, in its capacity as Special Tax Counsel, such firm has reviewed the information under the captions "TAX MATTERS" in this Official Statement, and such firm is of the opinion that the information relating to the Bonds and the legal issues contained under such caption is an accurate and fair description of the laws and legal issues addressed therein.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

AUTHENTICITY OF FINANCIAL DATA AND OTHER INFORMATION

The financial data and other information contained herein have been obtained from City records, audited financial statements and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and resolutions contained in this Official Statement are made subject to all of the provisions of such statutes, documents and resolutions. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects.

2021 AUDIT

In connection with the preparation of the City's audited financial statement for the fiscal year ending 2021, the City's auditors identified a number of material weaknesses and one significant deficiency with respect to the City's internal controls. The City is undertaking corrective action to correct these deficiencies in accordance with the auditors' recommendations. The City's auditors did not review this Official Statement. In addition, the City did not request the consent of the independent auditors to append to this Official Statement the general purpose financial statements of the issuer for fiscal year 2021 and the related opinion of the independent auditors. Accordingly, the independent auditors did not perform any procedures relating to any of the information in this Official Statement.

FINANCIAL ADVISOR

HilltopSecurities is employed as Financial Advisor to the City in connection with the issuance of the Bonds. The Financial Advisor's fee for services rendered with respect to the sale of the Bonds is contingent upon the issuance and delivery of the Bonds. HilltopSecurities, in its capacity as Financial Advisor, does not assume any responsibility for the information, covenants and representations contained in any of the legal documents with respect to the federal income tax status of the Bonds, or the possible impact of any present, pending or future actions taken by any legislative or judicial bodies.

The Financial Advisor to the City has provided the following sentence for inclusion in this Preliminary Official Statement. The Financial Advisor has reviewed the information in this Preliminary Official Statement in accordance with, and as part of, its responsibilities to the City and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisor does not guarantee the accuracy or completeness of such information.

CYBERSECURITY

The City’s operations are increasingly dependent on information technologies and services, which are exposed to cybersecurity risks and cyber incidents or attacks. While the City continually assesses and monitors its cybersecurity risks, the City has been (and may be in the future) subject to cyber-attacks from time to time. In response to such assessments and monitoring, the City takes actions it deems appropriate in response to cybersecurity risks, including, but not limited to, implementing cybersecurity training programs, obtaining technology improvements to mitigate cybersecurity risks, and taking other similar measures. To date, the City has not been the victim of any cyber-attack that has had a material adverse effect on its operations or financial condition. However, no assurance can be given that the City will fully prevent or successfully remediate the operational and/or financial impact and cybersecurity incursions or incidents arising from events wholly or partially beyond the City’s control, including electrical telecommunications outages, natural disasters or cyber-attacks initiated by criminal activities of individuals or organizations. Any such occurrence could materially and adversely affect the City’s operations and/or financial condition.

UNDERWRITER

The Underwriter has agreed, subject to certain conditions, to purchase the Bonds from the City, at a price equal to the initial offering prices to the public, as shown on page 2 hereof, less an underwriting discount of \$ _____. The Underwriter will be obligated to purchase all of the Bonds if any Bonds are not purchased. The Bonds to be offered to the public may be offered and sold to certain dealers (including the Underwriter and other dealers depositing Bonds into investment trusts) at prices lower than the public offering prices of such Bos, and such public offering prices may be changed, from time to time, by the Underwriter.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

FORWARD-LOOKING STATEMENTS DISCLAIMER

The statements contained in this Preliminary Official Statement, and in any other information provided by the City, that are not purely historical, are forward-looking statements, including statements regarding the City's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included in this Preliminary Official Statement are based on information available to the City on the date hereof, and the City assumes no obligation to update any such forward-looking statements. The City's actual results could differ materially from those discussed in such forward-looking statements.

The forward-looking statements included herein are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties, including customers, suppliers, business partners and competitors, and legislative, judicial, and other governmental authorities and officials. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the City. Any of such assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included in this Preliminary Official Statement will prove to be accurate.

The financial data and other information contained herein have been obtained from the City’s records, audited financial statements and other sources which are believed to be reliable. There is no guarantee that any of the assumptions or estimates contained herein will be realized. All of the summaries of the statutes, documents and ordinances contained in this Official Statement are made subject to all of the provisions of such statues, documents and ordinances. These summaries do not purport to be complete statements of such provisions and reference is made to such documents for further information. Reference is made to original documents in all respects. The Ordinance authorizing the issuance of the Bonds will also approve the form and content of this Official Statement, and any addenda, supplement or amendment thereto, and authorize its further use in the reoffering of the Bonds by the Underwriter of the Bonds.

Mayor
City of Hutchins, Texas

ATTEST:

City Secretary
City of Hutchins, Texas

APPENDIX A

GENERAL INFORMATION REGARDING THE CITY

THE CITY

The City of Hutchins, Texas (the “City”) is a suburban community located south of and adjacent to the City of Dallas on Interstate 45. Located 12 minutes south of downtown Dallas, Hutchins is served extensively by ground, air and rail. Both Interstate 20 and Interstate 45 serve Hutchins and Interstate 35 is just minutes away. Union Pacific Railroad, with its 360-acre state-of-art intermodal facility, runs through the City along Interstate 45. A second intermodal facility located adjacent to the City’s west boundary and operated by BNSF is planned. Hutchins is just minutes away from Lancaster Municipal Airport. Hutchins is also less than a 40 minute drive from Dallas-Fort Worth International and Dallas Love Field Airports. Hutchins has an estimated population of 6,500. Additionally, over 55,000 residents live within a 10-minute drive of City Hall. Hutchins is home to one of the largest FedEx Ground facilities in the U.S., the Union Pacific Intermodal and the Dallas Logistics Hub. Hutchins boasts two parks, a community center and a library. With ongoing growth, the proximity to downtown Dallas, commercial, retail, industrial, and a host of other economic sectors will continue to expand in the region. Below is a listing of some of the major employers in Hutchins.

Employer	Nature of Business	Number of Employees
FedEx Ground	Shipping & Logistics	1300
Georgia Pacific	Paper Manufacturing	1300
Hutchins State Jail	Correctional Facilities	429
Chick-fil-A	Supply Distribution Center	325
SIGNACAST	Steel Investment Foundries	250
KTN Dallas Logistics Terminal	Plastics Manufacturing	250
Union Pacific Railroad Dallas Intermodal Terminal	Railroad Terminals	200
Republic Services	Other Waste Collection	200
Dallas County Sheriff Southeast Patrol Office	Sheriff's Office	164
Shipper Warehouse 2	Third Party Logistics	120
Taylor Communications	Manifold Business Forms Printing	100
Trinity Utility Service, Inc.	Specialty Trade Controls	100
Shipper Warehouse	Third Party Logistics	100
Cary Products	Plastics Products Manufacturing	90
City of Hutchins	General Public Administration	93
Brock's Board Packaging	Materials Manufacturing	50
Texas Department of Transportation	Transportation Administration	50
Biagi Warehousing Inc.	Beverage Distribution	50
Eagle National Steel	Metal Merchant Wholesale	45

Source: Hutchins Economic Development Corporation, Major Business list.

EDUCATION

The Dallas Independent School District serves the City with facilities consisting of five elementary schools, two middle/junior high schools and two high schools.

Higher education facilities located within a 35 mile radius of the City include Southern Methodist University, University of North Texas at Dallas, Texas Christian University, University of Dallas, University of Texas at Arlington, University of Texas at Dallas, Dallas Baptist University, Dallas County Community College District, and Paul Quinn College.

THE COUNTY

Dallas County is a national center for insurance, banking, transportation, electronics, data processing, conventions and trade shows. More than 3,000 manufacturing plants produce goods such as building materials, apparel, food, aviation equipment, oil fields supplies and silicon products. The principal sources of agricultural income are sorghum, wheat, hay, vegetables and livestock.

EMPLOYMENT

Sample employment statistics for Dallas County are as follows:

	<u>2024⁽¹⁾</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Labor Force	1,511,979	1,461,604	1,421,836	1,373,693	1,329,323
Employed	1,458,289	1,405,512	1,368,400	1,297,412	1,225,658
Unemployed	53,690	56,092	53,436	76,281	103,665
Unemployment Rate	3.6%	3.8%	3.8%	5.6%	7.8%

(1) As of December 2024.
Source: U.S. Bureau of Labor Statistics.

APPENDIX B

EXCERPTS FROM THE
CITY OF HUTCHINS, TEXAS
ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2023

The information contained in this Appendix consists of excerpts from the City of Hutchins, Texas, Annual Financial Report for the Fiscal Year Ended September 30, 2023 (the "Report"), and is not intended to be a complete statement of the City's financial condition. Reference is made to the complete Report for further information.

APPENDIX C

FORM OF BOND COUNSEL'S OPINION

APPENDIX D

FORM OF SPECIAL TAX COUNSEL'S OPINION

APPENDIX E

SPECIMEN MUNICIPAL BOND INSURANCE POLICY



STAFF REPORT

MEETING DATE: March 3, 2025

MEETING TYPE: City Council

SUBMITTED BY: Katherine Lindsey

AGENDA CAPTION: Discuss and consider Resolution R2025-03-1248 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, AUTHORIZING CONTINUED MEMBERSHIP IN THE ATMOS CITIES STEERING COMMITTEE; AND AUTHORIZING THE PAYMENT OF FIVE CENTS PER CAPITA TO THE ATMOS CITIES STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO ATMOS ENERGY CORPORATION. Presented by: Katherine Lindsey, Assistant to the City Administrator

Background Information

Purpose of the Resolution:

Most municipalities have retained original jurisdiction over gas utility rates and services within municipal limits. The Atmos Cities Steering Committee (“ACSC”) is composed of 186 municipalities in the service area of Atmos Energy Corporation, Mid-Tex Division that have retained original jurisdiction. Atmos is a monopoly provider of natural gas. Because Atmos has no competitors, regulation of the rates that it charges its customers is the only way that cities can ensure that natural gas rates are fair. Working as a coalition to review the rates charged by Atmos allows cities to accomplish more collectively than each city could do acting alone. Cities have more than 100 years experience in regulating natural gas rates in Texas.

ACSC is the largest coalition of cities served by Atmos Mid-Tex. There are 186 ACSC member cities, which represent more than 60 percent of the total load served by Atmos-Mid Tex. ACSC protects the authority of municipalities over the monopoly natural gas provider and defends the interests of residential and small commercial customers within the cities. Although many of the activities undertaken by ACSC are connected to rate cases (and therefore expenses are reimbursed by the utility), ACSC also undertakes additional activities on behalf of municipalities for which it needs funding support from its members.

The ACSC Membership Assessment Supports Important Activities:

ACSC is actively involved in rate cases, appeals, rulemakings, and legislative efforts impacting the rates charged by Atmos within the City. These activities will continue throughout the calendar year. It is possible that additional efforts will be necessary on new issues that arise during the year, and it is important that ACSC be able to fund its participation on behalf of its member cities. A per capita assessment has historically been used, and is a fair method for the members to bear the burdens associated with the benefits received from that membership.

Explanation of Resolution Paragraphs:

- I. This paragraph authorizes the continuation of the City's membership in ACSC.
- II. This paragraph authorizes payment of the City's assessment to the ACSC in the amount of five cents (\$0.05) per capita.
- III. This paragraph requires notification that the City has adopted the Resolution.

Payment of Assessment

The assessment payment check should be made out to "City of Arlington, c/o Atmos Cities Steering Committee," and mailed to City of Arlington, Brandi Stigler, PO Box 90231, Arlington, Texas 76004.

Budget Implications

The total amount of the invoice based on the 2025 Membership Assessment is \$307.45.

Operational Impact

Maintaining membership to the ACSC will allow the City to remain apprised of Atmos rate cases and provide opportunity to take advantage of lower rates than the City would otherwise.

Legal Review

The Atmos Cities Steering Committee's attorney, Thomas Brocato with Lloyd Gosselink Attorneys at Law, drafted the resolution.

Staff Recommendation

Staff recommends that the City Council approves the resolution.

Supporting Documentation and Attachments

- 1. Resolution
- 2. Memo to Steering Committee
- 3. ACSC Master List
- 4. ACSC Year in Review
- 5. 2025 Contact Form
- 6. 2025 ACSC Invoice

**CITY OF HUTCHINS, TEXAS
RESOLUTION NO. R 2025-03-1248**

A RESOLUTION AUTHORIZING MEMBERSHIP IN THE ATMOS CITIES STEERING COMMITTEE; AND AUTHORIZING THE PAYMENT OF FIVE CENTS PER CAPITA TO THE ATMOS CITIES STEERING COMMITTEE TO FUND REGULATORY AND RELATED ACTIVITIES RELATED TO ATMOS ENERGY CORPORATION

WHEREAS, the City of Hutchins is a regulatory authority under the Gas Utility Regulatory Act (GURA) and has exclusive original jurisdiction over the rates and services of Atmos Energy Corporation, Mid-Tex Division (Atmos) within the municipal boundaries of the city; and

WHEREAS, the Atmos Cities Steering Committee (ACSC) has historically intervened in Atmos rate proceedings and gas utility related rulemakings to protect the interests of municipalities and gas customers residing within municipal boundaries; and

WHEREAS, ACSC is participating in Railroad Commission dockets and projects, as well as court proceedings and legislative activities, affecting gas utility rates; and

WHEREAS, the City is a member of the Steering Committee; and

WHEREAS, the City would like to continue its membership of ACSC; and

WHEREAS, in order for ACSC to continue its participation in these activities which affects the provision of gas utility service and the rates to be charged, it must assess its members for such costs; NOW THEREFORE,

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

SECTION 1. That the City is authorized to become a member in the Atmos Cities Steering Committee to protect the interests of the City of Hutchins and protect the interests of the customers of Atmos Energy Corporation, Mid-Tex Division residing and conducting business within the City limits.

SECTION 2. The City is further authorized to pay its 2025 assessment to the ACSC in the amount of five cents (\$0.05) per capita.

SECTION 3. A copy of this Resolution and approved assessment fee payable to “City of Arlington, c/o Atmos Cities Steering Committee,” shall be sent to:

City of Arlington
Brandi Stigler
PO Box 90231

Arlington, Texas 76004

DULY RESOLVED AND ADOPTED by the City Council of the City of Hutchins, Texas, this the 3rd day of March 2025.

CITY OF HUTCHINS, TEXAS

Mario Vasquez, Mayor

ATTEST:

Cynthia Olguin, City Secretary

Atmos Cities Steering Committee
 C/O City of Arlington
 Attn: Brandi Stigler
 PO Box 90231
 Arlington, TX 76004

Section G, Item 8.

Invoice

Date	Invoice #
1/29/2025	25-87

Bill To
City of Hutchins

Item	Population	Per Capita	Amount
2025 Membership Assessment	6,149	0.05	307.45
Please make check payable to: Atmos Cities Steering Committee and mail to Atmos Cities Steering Committee, C/O City of Arlington, Attn: Brandi Stigler, PO Box 90231, Arlington, Texas 76004			Total \$307.45

MEMORANDUM

TO: Atmos Cities Steering Committee
FROM: Meg Jakubik, Chair, Atmos Cities Steering Committee
DATE: January 13, 2025
RE: **Action Needed - 2025 Atmos Cities Steering Committee Membership Assessment Invoice**

On December 12, 2025, the Atmos Cities Steering Committee (“ACSC”) held a quarterly meeting with representatives from Atmos Energy. During the meeting, the group held a discussion of upcoming natural gas issues and approved the assessment for ACSC membership. Using the population-based assessment protocol previously adopted by ACSC, the assessment for 2025 is a per capita fee of \$0.05. This is the same amount as was adopted for 2019-2024.

ACSC protects the authority of municipalities over the monopoly natural gas provider and defends the interests of the residential and small commercial customers within the cities. Cities are the only consumer advocates that work to keep natural gas rates reasonable. The work undertaken by ACSC has saved ratepayers millions of dollars in unreasonable charges. In order to continue to be an effective voice at the Railroad Commission, at the Legislature, and in the courts, ACSC must have your support. Please take action to pay the membership assessment as soon as possible. Payment of the membership assessment fee shall be deemed to be in agreement with the terms of the ACSC participation agreement.

Although ACSC does not require that your city take action by resolution to approve the assessment, some members have requested a model resolution authorizing payment of the 2025 membership assessment. To assist you in the assessment process, we have provided the following documents for your use:

- ACSC 2024 Year in Review
- Model resolution approving the 2025 assessment (optional, provided for those cities that have requested a resolution to authorize payment)
- Model staff report supporting the resolution
- List of Atmos Cities Steering Committee members
- 2025 Assessment invoice
- 2024 Assessment invoice and statement (only included if not yet paid)
- Blank member contact form to update the distribution lists

Please forward the membership assessment fee and, if applicable, the signed resolution to City of Arlington, Brandi Stigler, PO Box 90231, Arlington, Texas 76004. Checks should be made payable to: *“City of Arlington, c/o Atmos Cities Steering Committee.”*

If you have any questions, please contact ACSC Chairperson, Meg Jakubik ((972) 874-6082). ACSC’s counsel, Thomas Brocato (tbrocato@lglawfirm.com) at 512/322-5857 is also available to assist you.

ACSC Master List of Members (186 Total)

- | | | |
|----------------------------|---------------------------|---------------------------|
| 1. Abilene | 63. Fairview | 125. Nocona |
| 2. Addison | 64. Farmers Branch | 126. North Richland Hills |
| 3. Albany | 65. Farmersville | 127. Northlake |
| 4. Allen | 66. Fate | 128. Oak Leaf |
| 5. Alvarado | 67. Flower Mound | 129. Ovilla |
| 6. Angus | 68. Forest Hill | 130. Palestine |
| 7. Anna | 69. Forney | 131. Pantego |
| 8. Archer City | 70. Fort Worth | 132. Paris |
| 9. Argyle | 71. Frisco | 133. Parker |
| 10. Arlington | 72. Frost | 134. Pecan Hill |
| 11. Aubrey | 73. Gainesville | 135. Petrolia |
| 12. Azle | 74. Garland | 136. Plano |
| 13. Bartonville | 75. Garrett | 137. Ponder |
| 14. Bedford | 76. Georgetown | 138. Pottsboro |
| 15. Bellmead | 77. Glenn Heights | 139. Prosper |
| 16. Belton | 78. Grand Prairie | 140. Quitman |
| 17. Benbrook | 79. Grapevine | 141. Red Oak |
| 18. Beverly Hills | 80. Groesbeck | 142. Reno (Parker County) |
| 19. Blossom | 81. Gunter | 143. Rhome |
| 20. Blue Ridge | 82. Haltom City | 144. Richardson |
| 21. Bowie | 83. Harker Heights | 145. Richland |
| 22. Boyd | 84. Haskell | 146. Richland Hills |
| 23. Bridgeport | 85. Haslet | 147. River Oaks |
| 24. Brownwood | 86. Hewitt | 148. Roanoke |
| 25. Bryan | 87. Highland Park | 149. Robinson |
| 26. Buffalo | 88. Highland Village | 150. Rockwall |
| 27. Burkburnett | 89. Honey Grove | 151. Roscoe |
| 28. Burleson | 90. Hurst | 152. Rowlett |
| 29. Caddo Mills | 91. Hutchison | 153. Royse City |
| 30. Canton | 92. Hutto | 154. Sachse |
| 31. Carrollton | 93. Iowa Park | 155. Saginaw |
| 32. Cedar Hill | 94. Irving | 156. Sansom Park |
| 33. Celeste | 95. Justin | 157. Seagoville |
| 34. Celina | 96. Kaufman | 158. Seymour |
| 35. Centerville | 97. Keene | 159. Sherman |
| 36. Cisco | 98. Keller | 160. Snyder |
| 37. Clarksville | 99. Kemp | 161. Southlake |
| 38. Cleburne | 100. Kennedale | 162. Springtown |
| 39. Clyde | 101. Kerens | 163. Stamford |
| 40. College Station | 102. Kerrville | 164. Stephenville |
| 41. Colleyville | 103. Killeen | 165. Sulphur Springs |
| 42. Colorado City | 104. Krum | 166. Sweetwater |
| 43. Comanche | 105. Lakeside | 167. Temple |
| 44. Coolidge | 106. Lake Dallas | 168. Terrell |
| 45. Coppell | 107. Lake Worth | 169. The Colony |
| 46. Corinth | 108. Lancaster | 170. Trophy Club |
| 47. Crandall | 109. Lavon | 171. Tyler |
| 48. Cross Roads | 110. Lewisville | 172. University Park |
| 49. Crowley | 111. Little Elm | 173. Venus |
| 50. Dalworthington Gardens | 112. Little River Academy | 174. Vernon |
| 51. Denison | 113. Llano | 175. Waco |
| 52. Denton | 114. Lorena | 176. Watauga |
| 53. DeSoto | 115. Madisonville | 177. Waxahachie |
| 54. Draper | 116. Malakoff | 178. Westlake |
| 55. Duncanville | 117. Mansfield | 179. Westover Hills |
| 56. Early | 118. McKinney | 180. Westworth Village |
| 57. Eastland | 119. Melissa | 181. Whitesboro |
| 58. Edgecliff Village | 120. Mesquite | 182. White Settlement |
| 59. Emory | 121. Midlothian | 183. Wichita Falls |
| 60. Ennis | 122. Murphy | 184. Wilmer |
| 61. Euless | 123. Newark | 185. Woodway |
| 62. Everman | 124. New Fairview | 186. Wylie |

2024 ACSC Newsletter



2024 YEAR IN REVIEW ISSUE

This past year was a busy one for ACSC. This annual review highlights the significant events of 2024 that impacted ACSC and what's on the horizon next year.

ACSC Thanks Outgoing President Jennifer Richie

The Atmos Cities Steering Committee offered its sincere thanks in 2024 to Jennifer Richie, who resigned her post as City Attorney for the City of Waco. With her Aug. 12 departure, Ms. Richie also left her post as head of ACSC, a position she has held with distinction since 2014.

Thomas Brocato, general counsel for ACSC, praised Ms. Richie for her leadership. "Jennifer is the consummate professional and a great friend. It has been my pleasure partnering with her over the years."

Waco Mayor Jim Holmes also expressed his thanks. "We are appreciative of Jennifer's contributions to our city — her expertise and dedication have been vital in navigating the complex landscape of municipal governance," he said.

Richie, who received her law degree in 1998 from the Paul M. Hebert Law Center at Louisiana State University, said she is leaving her post to pursue other opportunities. She praised the City of Waco's legal team and said "it has been a true joy" working with her colleagues during a period of unprecedented growth for the city. "I have been so lucky to lead a legal team made up of smart, talented, and diligent professionals," she said. "I am confident that this team will continue to excel and support Waco's growth and development."

On December 17, 2014, ACSC held a quarterly meeting at the Arlington Convention Center during which Ms. Richie was elected as president to replace Jay Doegey, who had retired from the City of Arlington.

With Ms. Richie's departure, the ACSC officers for 2025 are Chair Meg Jakubik, Treasurer David Johnson, and Secretary Lupe Orozco. The vice chair position remains open.



From left: Lloyd Gosselink attorney Jamie Mauldin, outgoing ACSC Chair Jennifer Ritchie, and Lloyd Gosselink attorney Thomas Brocato

ACSC Welcomed New Members in 2024

The Atmos Cities Steering Committee welcomed two new members in 2024 — the town of Bartonville and the city of Llano. Bartonville and Llano became ACSC’s 185th and 186th members respectively.

Town of Bartonville. Located eight miles south of Denton in south central Denton County, Bartonville was settled in 1878, and by 1890 had twenty-five residents, a general store, a gristmill, and cotton gin — all owned by the family of the town's namesake, T. Bent Barton. The present town of Bartonville, which incorporated in 1973, continues to grow as part of the general development of the area north of the Dallas / Fort Worth International Airport.

City of Llano. The county seat of Llano County, this Central Texas municipality was founded in 1855 as a frontier trading hub. Various 19th century buildings remain standing in the city’s historic downtown area — including the charming Llano County courthouse, which was completed in 1893; and the grey granite building known as the Red Top Jail, built in 1895.

Welcome aboard Bartonville and Llano!

2024 Rate Case Round-Up

Atmos West Texas Seeks \$66.1 Million Hike; ACSC Intervenes for Consumers

Atmos Energy has filed paperwork seeking to increase system-wide base rates in its West Texas Division by approximately \$66.1 million. If approved, annual revenues received from the incorporated areas of that division would increase by approximately \$26.9 million, which equates to 32.27 percent, excluding gas costs. Average monthly residential bills also would go up by about \$16.66, or 10 percent, according to the company’s Oct. 25 filing. The company seeks a rate of return of 8.21 percent.

In addition to establishing new rates, the company seeks in its filing to establish a new “System Safety and Integrity Rider” through which it could recover expenses for inspection activities, incremental leak surveying, pipeline integrity testing, and other associated costs. Atmos likewise seeks to obtain approval to recover cloud computing costs through the interim Gas Reliability Infrastructure Program, and it seeks approval to increase limits on recoverable meals and lodging expenditures.

ACSC has intervened in the matter. The case number is 00018879.

Atmos Rev Rider Filing

On Oct. 15, the Texas Railroad Commission ordered a \$38,875,709 reduction in Atmos Pipeline Texas rates, the result of a utility filing earlier in the year through the Rider Revenue Adjustment process.

Under the new Rev Rider Adjustment, the city gate capacity charge decreased by \$.100616, bringing the new charge to \$20.30379. Measured in million British thermal

units of maximum gas quantity flowing over the pipeline system, the charge gets allocated in an indirect fashion to residential customers. According to ACSC calculations, typical bills would decrease by approximately \$1.20 per month as a result.

The effective date was Nov. 1, 2024. More information can be found at the Railroad Commission website, under Case No. 00018176.

Rate Review Mechanism and GRIP

Atmos has a statutory right to an annual rate increase associated with recovery of capital investment made in the preceding 12 months. The statutory right to recovery of capital costs is pursuant to a process referred to as Gas Reliability Infrastructure Program (also known as “GRIP,” see below). However, ACSC has always objected to GRIP as piecemeal ratemaking because it does not evaluate rising revenues or declining expenses that may offset the need for a rate increase associated with increased capital investment.

Additionally, cities are not entitled to challenge any portion of a GRIP filing as unreasonable. In response, ACSC negotiated a Rate Review Mechanism (“RRM”) with Atmos as a substitute for GRIP. The RRM has no existence in statutes and exists only pursuant to city ordinances.

Environs (areas outside municipal limits) are subject to GRIP, and some non-ACSC member cities have chosen to remain under GRIP. ACSC current rates are lower than GRIP rates, and research has shown that consumer outcomes under the RRM process are generally better than under GRIP.

Atmos RRM Filings

Mid-Tex RRM. On April 1, Atmos Energy filed its annual Rate Revenue Mechanism rate case for the RRM cities of its Mid-Tex Division. The company initially sought a \$196.8 million annual revenue increase on a system-wide basis. The initial request was reduced to \$182.5 million due to limitations in the RRM tariff. ACSC consultants conducted a review of the filing and prepared a report identifying other potential decreases totaling \$32.9 million. The company subsequently agreed to settle for a \$164.7 million increase, or a reduction of \$32.1 million from its initial request.

West Texas RRM. On April 1, Atmos filed its annual RRM request for its West Texas service territory. As filed, the request would have resulted in a \$6.7 million revenue increase for affected customers. The initial request for the utility’s West Texas Division was subsequently reduced to \$5.8 million due to limitations in the RRM tariff. Consultants for the Cities Served by Atmos West Texas conducted a review of the filing and prepared a report identifying more potential decreases totaling \$2.7 million. The company subsequently agreed to settle for a \$4.3 million increase, or a reduction of \$2.4 million from its initial request.

Atmos GRIP Filings

Mid-Tex. On May 14, the Texas Railroad Commission approved an interim \$173.4 million increase for the environs in the Atmos Mid-Tex region, of which \$8,529,031 is recoverable from the 97,217 customers subject to the order.

Atmos made the rate request on February 23 under the state’s GRIP statute. The residential charge set in the last

environs base rate case in 2018 was \$17.00. Six consecutive GRIP cases have added \$29.06 to the customer charge (including \$6.73 in the current filing). With the new Railroad Commission action, the residential customer charge in the environs will be \$46.11, or more than 170 percent of the charge set in the last rate case. More information in Case No. 00016391.

Atmos West Texas. On May 14, the Texas Railroad Commission approved a \$16.8 million increase for the Atmos West Texas region, of which \$1,379,450 is recoverable from 25,257 customers subject to the order. Atmos made the rate request on February 23 under the state’s GRIP statute. The residential charge set in the last base rate case was \$16.10. Since then, six consecutive GRIP cases have added \$19.01 to the environs customer charge (including \$3.62 in the current filing), more than doubling the charge set in the 2018 rate case. With the new Railroad Commission action, the residential customer charge now becomes \$35.11. Find more information in Case No. 00016393.

Atmos Pipeline. On May 14, the Texas Railroad Commission approved an \$82,440,179 million increase for Atmos Pipeline Texas. The company requested the increase on February 27. The increase represents the first such GRIP adjustment for Atmos Pipeline Texas since the last base rate case (Case No. 00013758) in 2023. The adjustment adds \$2.12 to the Atmos Pipeline capacity charge, bringing the total to \$20.35. (The capacity charge is measured in million British thermal units of MDQ, where MDQ is defined as the maximum daily quantity of gas over the pipeline system). Find more information in Case No. 00016396.

RRC Chair Craddick Elected to Third Term

Railroad Commission Chair Christi Craddick has won reelection for her third term to the powerful energy-related regulatory agency.

In addition to regulating the Texas oil and gas industries, the Railroad Commission oversees gas utility regulatory matters. The GCCC intervenes in gas utility rate cases at the Railroad Commission.

As a top campaign issue, Craddick pointed to the growth of the Texas oil and gas industries during her tenure. She also criticized federal regulations intended to reduce emissions and fight climate change but that she said would damage the fossil fuel industries.

Each of Craddick’s opponents — Democrat Katherine Culbert, Libertarian Hawk Dunlap, and Green Party Candidate Eddie Espinoza —called for reform, arguing that the fossil fuel industry exerts too much control over the Railroad Commission.

Because the Texas Railroad Commission regulates the economically and politically powerful Texas fossil fuel industry, a seat there has been called one of the nation’s most important elected offices relating to ene

However, the agency has no authority over Railroads, and members of the public often report confusion about the agency's mission.

The elected officials who sit on the three-member commission serve six-year terms and run in staggered elections. As such, one commission is always up for re-election every two years.

All Railroad commissioners have been Republicans since the mid-1990s.

RRC Approves Gas Conservation Program Rules

New regulations to implement House Bill 2263, state legislation that authorized gas utilities to create ratepayer-supported energy conservation programs, received final approval in 2024.

HB 2263 specifies that local gas distribution companies such as Atmos in the Dallas-Fort Worth area and CenterPoint in Houston can offer energy conservation programs to their residential and commercial customers. The legislation also sets forth rules for cost recovery by utilities.

The Texas Railroad Commission adopted the final rules on March 20 after a public comment period and input from various stakeholders, including the Atmos Cities Steering Committee. As adopted, the rules establish a new section in state law, 16 Texas Administrative Code §7.480, that specifically addresses the implementation of Energy Conservation Programs by gas utilities.

The Details

- The new rules create a cost cap for energy conservation programs, such that the maximum rate for them may not exceed a volumetric charge of \$0.20 per Mcf for residential and commercial customers. The rate increase due to an ECP charge would be no more than approximately 1.2 percent of the 2023 average cost of residential gas service in Texas according to the U.S. Energy Information Administration. Various stakeholder

groups supported this change.

- The final adopted rules did not include a cost-effectiveness standard for the conservation programs, although commission staff indicated that they may revisit the issue after the program is up and running. ASCC and other stakeholder groups recommended the inclusion of such a standard.
- The rules did not include a contested case prudence review of costs, as recommended by consumer and city groups, including the ACSC.
- The rule included a 120-day deadline in which commission staff must complete its administrative review of an ECP application. This deadline was suggested by ACSC.
- ACSC asked that the Commission allow program modifications more frequently than once every three years. The Commission pointed to its limited staff resources and said that once every year would not be manageable. However, it agreed with ACSC that once every three years is too infrequent, so the Commission included a provision in the final rule to allow new program applications every other year.
- The final rule contemplates an annual review of the ECP rate to ensure rates match ECP costs, as suggested by ACSC. Staff will instruct the local distribution company to adjust its ECP rate for the next program year if the rate needs to be adjusted.

2025 ACSC Meetings
 March 6
 June 12 — Virtual
 September 11
 December 11 — Virtual

2025 Officers
 Chair—Meg Jakubik (Bedford)
 Vice Chair—Open
 Secretary—Lupe Orozco (Keller)
 Treasurer—David Johnson (Arlington)

For more questions or concerns regarding any ACSC matter or communication, please contact the following representative, who will be happy to provide assistance:



Thomas L. Brocato
(512) 322-5857
tbrocato@lglawfirm.com

Jamie Mauldin
(512) 322-5890
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Atmos Reports Fiscal Year Earnings for 2024

Atmos Energy made \$2.9 billion in capital expenditures during the fiscal year ending Sept. 30 — an increase from the \$2.8 billion in capital expenditures it made during the prior fiscal year.

The company also expects to make another \$3.7 billion in capital expenditures during the 2025 fiscal year.

Those top-line capital expenditure numbers were among the highlights of a conference call conducted by Atmos executives on Nov. 7. Atmos Energy also released additional regulatory information to investment analysts on the call.

Fiscal Year Data

- Atmos reports that about \$1.3 billion in 2024 capital spending — or 83 percent of this year’s \$2.9 billion total — was used to repair and replace transmission and distribution pipelines.
- Atmos reported \$854.5 million in distribution income and \$500.9 million in pipeline income during the 2024 fiscal year. That compares to \$692.6 million in distribution income and \$364.5 million in 2023 pipeline income during the prior fiscal year.
- Some of the key income drivers in 2024 were a \$219.2 million net increase from distribution rate adjustments and \$68.4 million from pipeline rate adjustments.

RRC Makes Big Legislative Ask for IT Funding

The Railroad Commission would receive tens of millions of dollars in additional funding for new hardware, software, and information technology-related capital projects, under a budgeting request issued by the agency in advance of the 89th Texas Legislature.

In all, the commission has requested \$466,560,272 in biennial funding, with revenues from fees and surcharges covering 34.9 percent of its request and tax-supported General Revenue sources comprising 41.2 percent. The federal government will provide 23.3 percent.

But the “last big ask” in its Legislative Appropriations Request is for IT, according to Railroad Commission chairwoman Christi Craddick. “We have to work to get more data,” she said, according to media reports.

Some details:

Microfilm Digitization — \$907,496

The agency endeavors to make all oil and gas records available digitally online for use by the public. However, records held at the district offices won’t be completely digitized until the end of the 2025 fiscal year. The agency requests \$907,496 to complete this project.

Oversight and Safety Regulatory Filing Systems — \$6,288,068

The Railroad Commission collects multiple reports with large amounts of data from natural gas utilities

related to the sale of natural gas. The Commission uses this data to audit utility companies and ensure the accuracy of collected Natural Gas Utility Taxes. As such, the agency requests \$6,288,068 to create a new online filing system to make reporting easier for utility companies and an Alternative Fuels Online System to streamline the permitting process for operators.

Data Center Services Adjustment — \$7,700,000

The agency seeks an additional \$7,700,000 to fund Data Center Services (DCS) for the biennium. The agency says the extra funding is needed because its DCS costs are estimated to increase by 50.5 percent beyond the 2024-2025 appropriated amount.

Capital Budget — \$40,844,771

The agency seeks capital spending authority totaling \$40,844,771 for four capital projects: \$21,475,647 for mainframe modernization; \$15,280,374 for Data Center Services capital expenditures; \$3,000,000 for Inspection and Enforcement Tracking and Reporting System upgrades; and \$1,088,750 for new personal computers.

In addition, the agency notes that funding from the 2021 Infrastructure and Investment Jobs Act supports or is anticipated to support several programs including well plugging and site remediation activities, the Commission’s Brownfields program, and a program providing for the remediation of pre-1977 mining sites in Texas.

REQUEST FOR CONTACT INFORMATION

January 2025

CONTACTS

Please provide contact information for the following coalitions:

- OCSC (Oncor Cities Steering Committee)
- ACSC (Atmos Cities Steering Committee)

Please type or print clearly *MAIN CONTACT*

Name:	Katherine Lindsey
Title:	Assistant to the City Administrator
City of:	Hutchins
Address:	321 N Main Street, Hutchins, TX 75141
Phone:	972-225-6121 ext. 120
Fax:	
Email:	klindsey@cityofhutchins.org

ADDITIONAL CONTACT

Name:	Cynthia Olguin
Title:	City Secretary
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Email:	colguin@cityofhutchins.org

CONTACT TO SEND INVOICES OR CHECKS

Name:	Katherine Lindsey
Title:	Assistant to the City Administrator
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Address:	321 N Main Street, Hutchins, TX 75141
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Email:	klindsey@cityofhutchins.org

Please duplicate if more room needed.

(Please complete and return to: Thomas Brocato @ tbrocato@lglawfirm.com
and Brandi Stigler @ brandi.stigler@arlingtontx.gov)



STAFF REPORT

MEETING DATE: March 03, 2025

MEETING TYPE: City Council

SUBMITTED BY: Mamun Yusuf

AGENDA CAPTION: Discuss and consider Resolution R2025-03-1249 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS APPROVING AND AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE THE AGREEMENT WITH KIMLEY-HORN, INC. FOR JJ LEMMON ROAD WIDENING. Presented by: Mamun Yusuf, Director of Public Works

Background Information

Staff received a proposal from Kimley-Horn Inc. to widen JJ Lemmon Road from the intersection of Lancaster Hutchins Road to approximately 585 feet northwest for a fee of \$98,700.00. The project will include new concrete pavement without curbs, expanding the roadway to three lanes. The center lane will serve as a dedicated turn lane for access to the new City Hall, as well as the proposed recreation center and library.

Budget Implications

\$98,700.00

Operational Impact

N/A

Legal Review

N/A

Staff Recommendation

Staff recommend approving resolution R2025-0-1249

Supporting Documentation and Attachments

Feb 21th, 2025

Mamun Yusuf, P.E.
Director of Public Works
City of Hutchins
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P.O. Box 500
Hutchins, TX 75141
(972) 255-6121
myusuf@cityofhutchins.org

Re: Scope of Services for JJ Lemmon Road Widening
Hutchins, Texas

Dear Mr. Yusuf,

Kimley-Horn and Associates, Inc. (“Kimley-Horn” or “Consultant”) submits this Letter Agreement (“Agreement”) to the City of Hutchins (“Client”) for providing professional services (“Project”).

Project Understanding

The City of Hutchins has requested Kimley-Horn to provide professional services for the design of JJ Lemmon Road widening from its intersection with Lancaster Hutchins Rd. to approximately 585 feet northwest.

Scope of Services

Kimley-Horn will provide the services specifically set forth below.

Task 1 Data Collection – Topographic Survey, Boundary Survey and Site Visit

- 1.1. Data Collection and Property Research
 - 1.1.1 Gather existing plat information.
 - 1.1.2 Collect property owner and record information.
 - 1.1.3 Gather existing right-of-way and easement information. Identify easements available through typical research methodologies (i.e. plats, courthouse filings, etc.). Undocumented easements may not be identified. Title research may be performed as an *Additional Service* only upon written City authorization.
 - 1.1.4 Coordinate with Texas 811 to locate and mark existing franchise and public utilities prior to performing the field survey.
 - 1.1.5 The City will arrange and make all provisions for access to perform the services specified within this scope. The surveyor will provide the City with the name and address of the property owners.

- 1.2. Design Survey
 - 1.2.1 Approximately 600 linear feet of 70’ wide swath of public right-of-way including the intersection at Lancaster Hutchins Rd. along the existing JJ Lemmon Rd. to the northwest as shown in Figure 1.



Figure 1 – Proposed JJ Lemmon Road Widening

- 1.2.2 Set control points, which will be based on NAD-83 and NGVD 88 Texas State Plane Coordinate System datums at the north and south ends of the limits of the project area, to include two (2) primary control points established in locations unlikely to be disturbed during street reconstruction. Before setting the control points, the surveyor will submit sketches and data sheets of the control to the City for approval.
- 1.2.3 Perform a field survey to identify and locate visible existing topographic elements within survey limits, including the following items:
 - Property corner monumentation
 - Existing pavement (including material type), curbs, sidewalks, barrier free ramps, etc.
 - Existing storm sewer inlets, manholes, junction boxes (including culvert sizes, material type and invert elevations and direction for all visible connecting lines, where available from the surface through the access lids).
 - Existing driveway culverts and swales including flow lines.
 - Utility manholes, vaults, water valves, water meters, telephone poles, power poles, utility markers, other public utilities, and franchise utilities.

- Signs (excluding temporary signs).
 - Trees for greater than 6” caliper. Dense stands of trees described by their limits.
 - Buildings and permanent structures.
 - Fence limits and material types (excluding temporary fences).
 - Other applicable physical features that could impact design.
 - Cross-sections throughout project limits at 50-foot intervals and at grade breaks.
- 1.2.4 The survey deliverable will include the following:
- Project Control sheets identifying control points used or set.
 - Relevant benchmark data.
 - AutoCAD file showing the features located and ground elevations. Provide copies of the survey field notes, a hardcopy of the coordinates and an ASCII file of the coordinates for the points located.
 - An overall printout of the survey identifying drainage structure types, sizes, and flowlines identified.
- 1.3. Subsurface Utility Engineering (SUE) QL C/D Services – The CONSULTANT shall provide combined SUE quality level C and D Services for the purpose of determining horizontal locations of underground city and franchise utilities, in conjunction with and/or prior to the field survey. The CITY shall assist with provisions for access to perform the services specified in this item. The CONSULTANT shall provide the City with the name and address of the property owners.
- 1.3.1 Level ‘C+D’ Services:
- Horizontal location of utilities will be determined.
 - Approximately 1,140 linear feet of designation.
- 1.4. Geotechnical Investigation – The CONSULTANT will provide a Geotechnical Engineer Report, no later than the preliminary design phase submittal, containing the following information:
- 1.4.1 Existing Pavement Assessment – The CONSULTANT shall perform a visual inspection of existing pavement and make recommendations on preservation and replacement. The CONSULTANT shall determine location(s) to obtain boring samples.
- 1.4.2 Exploration and Sampling – The CONSULTANT shall provide a subgrade investigation.
- 1.4.3 Laboratory Testing – The CONSULTANT shall determine soil properties in accordance with City design standards, *Pavement and Subgrade Design Requirements*.
- 1.4.4 Pavement Design – The CONSULTANT shall provide a comprehensive pavement design report including summary of site investigations and multiple recommendation options for pavement section design based on the results of the above testing. The summary is to include an evaluation of the existing pavement and proposed pavement sections.

Task 2 Roadway Design

Milestones for review of roadway design anticipates providing submittal review documents at 30%, 90% and Final design. Submittal at 30% is in roll plot format with a summary of drainage recommendations included in the notes to reviewer. Subsequent submittals include plan sheets with a detailed opinion of probable construction cost including spec item listing. City comments received at 30% and 90% will be incorporated in the subsequent submittal.

- 2.1. Design criteria and data collection
 - 2.1.1 Compile City roadway design criteria and standard details
 - 2.1.2 Construction contract document standards
 - 2.1.3 Existing storm drainage facilities / record drawings
 - 2.1.4 Existing water and sanitary line locations / record drawing review

- 2.2. Roadway Design
 - 2.2.1 Prepare up to two (2) proposed typical sections with subgrade and pavement design
 - 2.2.2 Prepare paving plan / profile sheets (22"x34" plan sheets at a scale of 1"=20' horizontal, and 1"=4' vertical). The final bid documents will be half-size 11"x17" plan sheets at a scale of 1"=40' horizontal, and 1"=8' vertical. Paving sheets to include the following information:
 - Control data
 - Existing right-of-way and easement locations
 - Existing topography
 - Existing pavement
 - Existing storm sewer, water, and sanitary sewer locations based on City provided record drawings
 - Existing franchise utility locations (information provided by franchise utilities)
 - Existing trees
 - Existing driveway locations
 - Proposed centerline alignment and horizontal curve data
 - Proposed face of curb
 - Proposed transition pavement tie-ins to existing pavement
 - Proposed storm sewer and culvert alignments.
 - Proposed commercial driveways
 - Profile: Existing ground profile and proposed vertical alignment
 - Proposed easement locations (if any)
 - Proposed commercial driveways (if replacement is required)
 - 2.2.3 Analyze all driveways within the project to assist with establishing roadway profile elevation.
 - 2.2.4 Side street improvements defined vertically by spot elevations.
 - 2.2.5 Develop design cross-sections on 50' station intervals and at driveway centerlines. Show pavement and subgrade, right-of-way limits, side slopes, pavement cross slopes, ditch fore/back slopes.
 - 2.2.6 Compile applicable paving standard details.

- 2.3. Drainage:
 - 2.3.1 Develop updated existing project drainage area map. Determine conveyance paths, channel slopes, time of concentration, and runoff coefficients to calculate design-year flows.
 - 2.3.2 Analyze existing drainage features within the limits of improvement. Subdivide the overall drainage area into sub-areas and calculate discharge to each design point (culvert, inlet, or ditch critical points). At 30% design phase, provide a summary of existing drainage capacities and limitations needing improvement.
 - 2.3.3 90% design submittal to include final storm drainage improvements and sizing recommendations. Storm drainage sizing to be improvements over the existing conditions. The need for hydraulic calculations to size infrastructure to convey a specific design storm is not anticipated and is available as *Additional Services*.

- Design of offsite drainage improvements and easements will be considered as *Additional Services*.
- 2.3.4 Ditch profiles parallel to the roadway will be shown on the paving plan & profile sheet.
 - 2.3.5 Determine grading requirements at culvert inlets and outfalls, if necessary. Provide plans and details for channel slope protection. Design of retaining walls and gabion mattresses (beyond specification of material/method) will be provided as *Additional Services* only upon City written authorization.
 - 2.3.6 Compile applicable standard details. Storm drainage structures will rely on standard details. Design of special drainage structures is available as *Additional Service*.
 - 2.3.7 Prepare erosion control plan.
- 2.4. Traffic Control Plans
 - 2.4.1 Develop construction sequence plan showing:
 - Travel lanes and construction area for each phase of construction
 - Temporary signing and striping, barricades, and other channelization devices
 - Narrative of the sequence of work
 - 2.4.2 Develop typical sections showing lane widths, edge conditions, channelization and proposed construction area.
 - 2.4.3 Develop driveway staging plans as appropriate to accommodate the adjacent properties with one and multiple access points. Show uses of high early strength concrete where needed.
 - 2.4.4 Pavement Markers and Marking Plans
 - Prepare pavement markers and marking layouts in accordance with City design standards and the Texas Manual of Uniform Traffic Control Devices (TMUTCD)
 - Compile applicable City standard details.
 - Use TxDOT sign sizing criteria to size and detail custom guide signs
 - 2.5. Final Plans:
 - 2.5.1 The following sheets are anticipated to be included in the final reconstruction plans:
 - Title Sheet
 - General Notes
 - Project Control (1"=100' scale)
 - Typical Sections
 - Removal Plan (1"=40' scale)
 - Paving Plan and Profile (1"=20' scale)
 - Paving Details
 - Pavement Marking and Signing
 - Drainage Area Map
 - Drainage Details
 - Construction Phasing and Traffic Control Narrative (1"=30' scale)
 - Erosion Control Plan and Details (1"=40' scale)
 - Cross Sections
 - 2.6. Final design deliverables include up to three (3) full-size and three (3) half-size sets of the plans and specifications to the City.
 - 2.7. The consultant will provide a conceptual opinion of probable construction cost at 30% and a detailed OPCC at the 60%, 90%, and final design submittals. The pay item listing may utilize City, NCTCOG, and TxDOT pay item descriptions and specifications.

2.8. Client Meetings and Communication

- 2.8.1 The Consultant will prepare monthly invoices along with a design progress report and submit these documents to the City during the 1st or 2nd week of the month. Effort billed with each invoice will be from the previous month.
- 2.8.2 The Consultant will provide the City with project progress updates via email during times of activity documenting effort for the given week, anticipated effort the following week, and any items needed from the City.
- 2.8.3 The assigned Quality Control Manager will provide oversight of the Consultant's deliverables and overall effort. The QC Manager will be provided with deliverables at least four business days prior to an external client milestone to provide review and comments for the Consultant to incorporate prior to submitting the deliverable to the City.

Task 3 Environmental (Lump Sum)

3.1. Aquatic Resources Delineation

Kimley-Horn will locate readily available resource documents and related data for a preliminary review of site conditions and then perform a site visit to evaluate the existence and approximate locations of aquatic resources on the site generally following the USACE 1987 Wetlands Delineation Manual and the applicable USACE Regional Supplement.

Kimley-Horn will prepare exhibits showing the boundaries, acreage, and linear footage (if applicable) of aquatic resources identified onsite during the site visit. Appropriate feature data, locations, and extents will be collected with a GPS with sub-meter accuracy as required by the USACE.

This scope of work does not include flagging; however, if warranted by the Client, features can be flagged for an additional fee to allow for surveyors to collect the data at a later date.

Kimley-Horn will prepare a report for the project documenting the results of the Aquatic Resources Delineation performed onsite. The report will address the applicable regulatory framework, describe the assessment methodology, limitations, and findings based on our interpretation of regulations. The report will also include applicable maps/exhibits, site photographs, and data sheets/forms.

The Environmental Protection Agency (EPA) and the USACE occasionally issue guidance concerning what they intend to assert jurisdiction over. Changes that impact our strategy or scope will cause additional work and will be addressed as an additional service amendment to this agreement. Observations will be made based on our understanding of the applicable regulatory guidance at the time of the observations. This delineation report should not be considered authoritative, as only the USACE has the authority to make final determinations. This Task does not include consultation with the USACE.

3.2. USACE NWP 14 Non-Notifying Memorandum (Lump Sum)

If it appears that the proposed project could be authorized by Nationwide Permit (NWP) 14 for Linear Transportation Projects without notification to the USACE Fort Worth District, Kimley-Horn will add to the aquatic resources delineation report to document compliance with the applicable NWP.

Though no coordination with the USACE is proposed as part of this Task, the use of the applicable NWP constitutes compliance with appropriate Federal regulations. All NWP General and Regional Conditions and NWP terms must be met by the Client. For reference, notification to the USACE involves the submittal of a Pre-Construction Notification (PCN), which may be required (NWP 14) if:

- The NWP General or Regional Conditions cannot be met;
- Specific triggers for notification to the USACE are met within the NWP;
- The impacts thresholds for the Nationwide Permit program are exceeded (greater than 0.10 acre and less than 0.50 acre, and 0.03 acre or less of stream bed at each separate, single and complete crossing);
- The project proposes impacts to special aquatic sites, including wetlands; or
- Client requests verification from the USACE.

This scope assumes that formal USACE notification and authorization is not required; therefore, Kimley-Horn will document specific project information and details and how to use the perceived applicable NWP. The report will include regulatory language for the applicable NWP with discussion of selected noteworthy General Conditions. The report will include the following information:

- Brief project description of proposed impacts to aquatic features;
- NWP 14 permit language with General Conditions;
- State Water Quality Certifications and Conditions; and
- NWP Regional Conditions for Texas.

This task is based on the ability to receive authorization under the current NWP Program (2022-2026).

3.3. Desktop Cultural Review (Lump Sum)

Kimley-Horn will engage a professional archeologist subconsultant to perform a desktop cultural resources review. The results of the desktop review will be compiled in a letter report, which can be used to coordinate the field efforts with the USACE Fort Worth District Regulatory Archeologist and/or Texas Historical Commission (THC) if a survey is requested during USACE permit review (if permitting is required). The purpose of the desktop review is to identify and describe existing cultural resources in the project area, discuss the potential for discovering previously unknown cultural resources, and make recommendations about the need for further archeological work so that the project can proceed.

The archeologist will compile information from records/databases, including (as necessary):

- Texas Archeological Sites Atlas (TASA);
- National Register of Historic Places (NRHP);
- Additional records at the Texas Archeological Research Laboratory (TARL);
- Natural Resources Conservation Service (NRCS) soil maps;
- Bureau of Economic Geology geological maps;
- City, state, or county planning documents (when available);
- USGS topographic maps;
- Records available at city and county historical societies; and
- Published local histories.

A letter report that details the results of the records search and presents a review of the



natural environment and cultural history of the project area, along with conclusions and recommendations of findings. This letter will include a discussion of the potential for the proposed project to affect known archeological sites, State Antiquities Landmarks (SALs), or sites listed or potentially eligible for listing on the NRHP. In addition to this discussion, the letter will also address the likelihood that the proposed project will encounter areas with a high potential for containing cultural resources. The report will be submitted to the Client for review.

Task 4 Franchise Utility Coordination (Hourly)

- 4.1. Submit one set of plans and the project schedule to each affected franchise utility for review and comment at 30% (rollplot) and 90% design submittals.
- 4.2. The City will coordinate with the franchise utilities if any relocations are required.
- 4.3. The budgeted fee for this task is based upon up to **20 hours** of labor.
- 4.4. Coordination with additional project stakeholders is available as *Additional Services*.

Task 5 Bidding Phase (Hourly)

The following services are to be provided by the Consultant as part of the Advertising and Bidding phase of the construction. The Consultant will compile a bid package to advertise as a single construction project to bidders.

Compilation and advertisement of additional bid packages beyond the single combined bid package may be provided by the Consultant as an *Additional Service*.

- 5.1. Prepare specification data and identify and prepare special specifications and/or special provisions applicable to the project.
- 5.2. Project Manual:
 - City of Hutchins standard construction contract forms
 - Notice to bidders
 - Special instructions to bidders
 - Bid form
 - Standard construction contract
 - Performance bond
 - Payment bond
 - Maintenance bond
 - Certificate of insurance
 - General conditions
 - Special provisions
 - Technical specifications
- 5.3. Advertise the bidding documents on Civcast in PDF format.
- 5.4. Maintain a list of bidders to whom bidding documents have been issued.
- 5.5. Prepare for and attend the pre-bid meeting with prospective bidders.

- 5.6. Prepare addenda as necessary to interpret, clarify, or expand the bidding documents.
- 5.7. Attend and facilitate the bid opening.
- 5.8. Prepare the contractors bid tabulation summary and assist the City in determining the qualifications and acceptability of prospective contractors, subcontractors, and suppliers.
- 5.9. Prepare a written summary of this tabulation and evaluation together with a letter addressing the award of the construction contract to the City after reviewing the lowest bidder's bid package and reviewing references.
- 5.10. The City will pay for the advertising of the project and coordinate the advertisement with local publications.
- 5.11. The budgeted fee for this task is up to **20 hours** of labor.

Task 6 Construction Phase Services (Hourly):

The scope of services listed below may or may not be performed as part of our construction phase services (CPS). Kimley-Horn's role during construction is limited and services are only provided upon request of the Client and billed on a reimbursable basis as labor and direct expenses are incurred. The budgeted fee for this task is based upon approximately **30 hours** of labor. We will not proceed with performance of services beyond the hours budgeted without written authorization by the Client.

- 6.1. *Pre-Construction Conference.* Consultant will attend a Pre-Construction Conference prior to commencement of construction activity.
- 6.2. *Attend Progress Meetings, Visits to Site and Observation of Construction.* Consultant will make visits as directed by Client in order to observe the progress of the work. Such observations will not be exhaustive or extend to every aspect of Contractor's work. Observations will be limited to spot checking, selective measurement, and similar methods of general observation. Based on information obtained during site visits, Consultant will evaluate whether Contractor's work is generally proceeding in accordance with the Contract Documents, and Consultant will keep Client informed of the general progress of the work.
- 6.3. Consultant will not supervise, direct, or have control over Contractor's work, nor shall Consultant have authority to stop the Work or have responsibility for the means, methods, techniques, equipment choice and usage, schedules, or procedures of construction selected by Contractor, for safety programs incident to Contractor's work, or for any failure of Contractor to comply with any laws. Consultant does not guarantee the performance of any Contractor and has no responsibility for Contractor's failure to perform its work in accordance with the Contract Documents.
- 6.4. *Recommendations with Respect to Defective Work.* Consultant will recommend to Client that Contractor's work be disapproved and rejected while it is in progress if, on the basis of its observations, Consultant believes that such work will not produce a completed Project that generally conforms to the Contract Documents.
- 6.5. *Clarifications and Interpretations.* Consultant will respond to reasonable and appropriate

Contractor requests for information and issue necessary clarifications and interpretations of the Contract Documents. Any orders authorizing variations from the Contract Documents will be made by Client.

- 6.6. *Change Orders.* Consultant may recommend Change Orders to the Client, and will review and make recommendations related to Change Orders submitted or proposed by the Contractor.
- 6.7. *Shop Drawings and Samples.* Consultant will review and approve or take other appropriate action in respect to Shop Drawings and Samples and other data which Contractor is required to submit, but only for conformance with the information given in the Contract Documents. Such review and approvals or other action will not extend to means, methods, techniques, equipment choice and usage, schedules, or procedures of construction or to related safety programs.
- 6.8. *Substitutes and "or-equal."* Consultant will evaluate and determine the acceptability of substitute or "or-equal" materials and equipment proposed by Contractor in accordance with the Contract Documents.
- 6.9. *Disagreements between Client and Contractor.* Consultant will, if requested by Client, render written decision on claims of Client and Contractor relating to the acceptability of Contractor's work or the interpretation of the requirements of the Contract Documents. In rendering decisions, Consultant shall be fair and not show partiality to Client or Contractor and shall not be liable in connection with any decision rendered in good faith.
- 6.10. *Applications for Payment.* Based on its observations and on review of applications for payment and supporting documentation, Consultant will determine amounts that Consultant recommends Contractor be paid. Such recommendations will be based on Consultant's knowledge, information and belief, and will state whether in Consultant's opinion Contractor's work has progressed to the point indicated, subject to any qualifications stated in the recommendation. For unit price work, Consultant's recommendations of payment will include determinations of quantities and classifications of Contractor's work, based on observations and measurements of quantities provided with pay requests. Consultant's recommendations will not be a representation that its observations to check Contractor's work have been exhaustive, extended to every aspect of Contractor's work, or involved detailed inspections.
- 6.11. *Substantial Completion.* Consultant will, after notice from Contractor that it considers the Work ready for its intended use, in company with Client and Contractor, conduct a site visit to determine if the Work is substantially complete. Work will be considered substantially complete following satisfactory completion of all items with the exception of those identified on a final punch list.
- 6.12. *Final Notice of Acceptability of the Work.* Consultant will conduct a final site visit to determine if the completed Work of the Contractor is generally in accordance with the Contract Documents and the final punch list so that Consultant may recommend final payment to Contractor. Accompanying the recommendation for final payment, Consultant shall also provide a notice that the Work is generally in accordance with the Contract Documents to the best of Consultant's knowledge, information, and belief based on the extent of its services and based upon information provided to Consultant.

Assumptions

Kimley-Horn’s scope and fee are based on the following assumptions:

- Right-of-way and easement acquisitions are not anticipated
- Tree survey is not anticipated
- Improvements will not adjust cut/fill within the floodplain and coordination with FEMA is not anticipated.
- Task 2 includes SUE C+D, which will be performed as combination of topographic survey of Tx811 markings and review of City record drawings. The need for SUE A potholing is not anticipated.

If any of these assumptions are not correct, then the scope and fee may change.

Additional Services

Any services not specifically provided for in the above scope will be billed as additional services and performed at our then current hourly rates. Additional services we can provide include, but are not limited to, the following:

- Public involvement
- Executive briefings or presentations (Council meetings)
- Design of Traffic Signals or Illumination
- Traffic data collection
- Environmental services
- Other services not specifically listed above

Information Provided By the Client

Kimley-Horn shall be entitled to rely on the completeness and accuracy of all information provided by the Client, the Client’s consultants, or representatives.

Schedule

Kimley-Horn will provide the services listed in the Scope of Services as expeditiously as practicable with the goal of providing Task 1-3 deliverables within nine months of written notice-to-proceed.



Fee and Expenses

Kimley-Horn will perform the services in Tasks 1-3 for the total lump sum fee below. Individual task amounts are informational only. Lump sum fees will be invoiced monthly based upon the overall percentage of services performed.

Task Number & Name		Fee	Type
1	Data Collection	\$ 17,400	Lump Sum
2	Roadway Design	\$ 57,000	Lump Sum
3	Environmental	\$ 8,500	Lump Sum
Total		\$ 82,900	

Lump sum fees will be invoiced monthly based upon the overall percentage of services performed. Payment will be due within 25 days of your receipt of the invoice and should include the invoice number and Kimley-Horn project number.

Kimley-Horn will perform services in Task 4-6 on a labor fee plus expense basis with labor fees billed on an hourly basis. The hourly fee is budgeted based on Kimley-Horn’s experience with similar projects. Kimley-Horn will not exceed the maximum hourly labor fee shown without prior authorization from the Client, however, Kimley-Horn reserves the right to reallocate amounts among tasks as necessary. Labor fee will be billed on an hourly basis according to our then-current rates.

Task Number & Name		Fee	Type
4	Franchise Utility Coordination	\$ 4,700	Hourly, Not-to-Exceed
5	Advertising, Bidding	\$ 4,300	Hourly, Not-to-Exceed
6	Construction Phase Services	\$ 6,800	Hourly, Not-to-Exceed
Total		\$ 15,800	

Labor fee will be billed on an hourly basis according to our then-current rates. Direct reimbursable expenses such as express delivery services, air travel, and other direct expenses will be billed at 1.15 times cost. A percentage of labor fee will be added to each invoice to cover certain other expenses as to these tasks such as telecommunications, in-house reproduction, postage, supplies, project related computer time, and local mileage. Administrative time related to the project may be billed hourly. All permitting, application, and similar project fees will be paid directly by the Client. Should the Client request Kimley-Horn to advance any such project fees on the Client’s behalf, an invoice for such fees, with a fifteen percent (15%) markup, will be immediately issued to and paid by the Client.

Payment will be due within 25 days of your receipt of the invoice and should include the invoice number and Kimley-Horn project number.

Kimley-Horn will perform the above basic services in Tasks 1-3 on a lump sum basis and Tasks 4-6 on a labor fee plus expense hourly basis for a total fee not to exceed \$98,700.00.



Closure

In addition to the matters set forth herein, our Agreement shall include and be subject to, and only to, the attached Standard Provisions, which are incorporated by reference. As used in the Standard Provisions, "Kimley-Horn" shall refer to Kimley-Horn and Associates, Inc., and "Client" shall refer to the City of Hutchins.

Kimley-Horn, in an effort to expedite invoices and reduce paper waste, submits invoices via email in a PDF. We can also provide a paper copy via regular mail if requested. Please include the invoice number and Kimley-Horn project number with all payments. Please provide the following information:

Please email all invoices to: _____

Please copy: _____

To proceed with the services, please have an authorized person sign this Agreement below and return to us. We will commence services only after we have received a fully-executed agreement. Fees and times stated in this Agreement are valid for sixty (60) days after the date of this letter.

To ensure proper set up of your projects so that we can get started, please complete and return with the signed copy of this Agreement the attached Request for Information. Failure to supply this information could result in delay in starting work on this project.

We appreciate the opportunity to provide these services. Please contact me if you have any questions.

Sincerely,

KIMLEY-HORN AND ASSOCIATES, INC.

Signed: *L. Nathan Ante*

Printed Name: Nathan Ante

Title: Contract Specialist

SIGNED: _____

PRINTED NAME: _____

TITLE: _____

DATE: _____

Client's Federal Tax ID: _____

Client's Business License No.: _____

Client's Street Address: _____

**KIMLEY-HORN AND ASSOCIATES, INC.
STANDARD PROVISIONS**

- 1) **Kimley-Horn's Scope of Services and Additional Services.** Kimley-Horn will perform only the services specifically described in this Agreement ("Services"). Any services that are not set forth in the scope of Services described herein will constitute additional services ("Additional Services"). If requested by the Client and agreed to by Kimley-Horn, Kimley-Horn will perform Additional Services, which shall be governed by these provisions. Unless otherwise agreed to in writing, the Client shall pay Kimley-Horn for any Additional Services an amount based upon Kimley-Horn's then-current hourly rates plus an amount to cover certain direct expenses including telecommunications, in-house reproduction, postage, supplies, project related computer time, and local mileage. Other direct expenses will be billed at 1.15 times cost.
- 2) **Client's Responsibilities.** In addition to other responsibilities herein or imposed by law, the Client shall:
 - a. Designate in writing a person to act as its representative, such person having complete authority to transmit instructions, receive information, and make or interpret the Client's decisions.
 - b. Provide all information and criteria as to the Client's requirements, objectives, and expectations for the project and all standards of development, design, or construction.
 - c. Provide Kimley-Horn all available studies, plans, or other documents pertaining to the project, such as surveys, engineering data, environmental information, etc., all of which Kimley-Horn may rely upon.
 - d. Arrange for access to the site and other property as required for Kimley-Horn to provide its services.
 - e. Review all documents or reports presented by Kimley-Horn and communicate decisions pertaining thereto within a reasonable time so as not to delay Kimley-Horn.
 - f. Furnish approvals and permits from governmental authorities having jurisdiction over the project and approvals and consents from other parties as may be necessary.
 - g. Obtain any independent accounting, legal, insurance, cost estimating, and feasibility services required by Client.
 - h. Give prompt written notice to Kimley-Horn whenever the Client becomes aware of any development that affects Kimley-Horn's services or any defect or noncompliance in any aspect of the project.
- 3) **Period of Services.** Unless otherwise stated herein, Kimley-Horn will begin work after receipt of a properly executed copy of this Agreement. This Agreement assumes conditions permitting continuous and orderly progress through completion of the services. Times for performance shall be extended as necessary for delays or suspensions due to circumstances that Kimley-Horn does not control. If such delay or suspension extends for more than six months, Kimley-Horn's compensation shall be renegotiated.
- 4) **Method of Payment.** Client shall pay Kimley-Horn as follows:
 - a. Invoices will be submitted periodically for services performed and expenses incurred. Payment of each invoice will be due within 25 days of receipt. The Client shall also pay any applicable sales tax. All retainers will be held by Kimley-Horn and applied against the final invoice. Interest will be added to accounts not paid within 25 days at the maximum rate allowed by law. If the Client fails to make any payment due under this or any other agreement within 30 days after Kimley-Horn's transmittal of its invoice, Kimley-Horn may, after giving notice to the Client, suspend services and withhold deliverables until all amounts due are paid.
 - b. The Client will remit all payments electronically to:

Account Name: KIMLEY-HORN AND ASSOCIATES, INC.
Bank Name and Address: WELLS FARGO BANK, N.A., SAN FRANCISCO, CA 94104
Account Number: 2073089159554
ABA#: 121000248
 - c. The Client will send the project number, invoice number and other remittance information by e-mail to payments@kimley-horn.com at the time of payment.
 - d. If the Client relies on payment or proceeds from a third party to pay Kimley-Horn and Client does not pay Kimley-Horn's invoice within 60 days of receipt, Kimley-Horn may communicate directly with such third party to secure payment.
 - e. If the Client objects to an invoice, it must advise Kimley-Horn in writing giving its reasons within 14 days of receipt of the invoice or the Client's objections will be waived, and the invoice shall conclusively be deemed due and owing. If the Client objects to only a portion of the invoice, payment for all other portions remains due.
 - f. If Kimley-Horn initiates legal proceedings to collect payment, it shall recover, in addition to all amounts due, its reasonable attorneys' fees, reasonable experts' fees, and other expenses related to the proceedings.

Such expenses shall include the cost, at Kimley-Horn's normal hourly billing rates, of the time devoted to such proceedings by its employees.

- g. The Client agrees that the payment to Kimley-Horn is not subject to any contingency or condition. Kimley-Horn may negotiate payment of any check tendered by the Client, even if the words "in full satisfaction" or words intended to have similar effect appear on the check without such negotiation being an accord and satisfaction of any disputed debt and without prejudicing any right of Kimley-Horn to collect additional amounts from the Client.

- 5) **Use of Deliverables.** All documents, data, and other deliverables prepared by Kimley-Horn are related exclusively to the services described in this Agreement and may be used only if the Client has satisfied all of its obligations under this Agreement. They are not intended or represented to be suitable for use or reuse by the Client or others on extensions of this project or on any other project. Any modifications by the Client to any of Kimley-Horn's deliverables, or any reuse of the deliverables without written authorization by Kimley-Horn will be at the Client's sole risk and without liability to Kimley-Horn, and the Client shall indemnify, defend and hold Kimley-Horn harmless from all claims, damages, losses and expenses, including but not limited to attorneys' fees, resulting therefrom. Kimley-Horn's electronic files and source code remain the property of Kimley-Horn and shall be provided to the Client only if expressly provided for in this Agreement. Any electronic files not containing an electronic seal are provided only for the convenience of the Client and use of them is at the Client's sole risk. In the case of any defects in the electronic files or any discrepancies between them and the hardcopy of the deliverables prepared by Kimley-Horn, the hardcopy shall govern.

- 6) **Intellectual Property.** Kimley-Horn may use or develop its proprietary software, patents, copyrights, trademarks, trade secrets, and other intellectual property owned by Kimley-Horn or its affiliates ("Intellectual Property") in the performance of this Agreement. Intellectual Property, for purposes of this section, does not include deliverables specifically created for Client pursuant to the Agreement and use of such deliverables is governed by section 5 of this Agreement. Unless explicitly agreed to in writing by both parties to the contrary, Kimley-Horn maintains all interest in and ownership of its Intellectual Property and conveys no interest, ownership, license to use, or any other rights in the Intellectual Property to Client. Any enhancements of Intellectual Property made during the performance of this Agreement are solely owned by Kimley-Horn and its affiliates. If Kimley-Horn's services include providing Client with access to or a license for Kimley-Horn's (or its affiliates') proprietary software or technology, Client agrees to the terms of the Software License Agreement set forth at <https://www.kimley-horn.com/khts-software-license-agreement> ("the License Agreement") which terms are incorporated herein by reference.

- 7) **Opinions of Cost.** Because Kimley-Horn does not control the cost of labor, materials, equipment or services furnished by others, methods of determining prices, or competitive bidding or market conditions, any opinions rendered as to costs, including but not limited to the costs of construction and materials, are made solely based on its judgment as a professional familiar with the industry. Kimley-Horn cannot and does not guarantee that proposals, bids or actual costs will not vary from its opinions of cost. If the Client wishes greater assurance as to the amount of any cost, it shall employ an independent cost estimator. Kimley-Horn's services required to bring costs within any limitation established by the Client will be paid for as Additional Services.

- 8) **Termination.** The obligation to provide further services under this Agreement may be terminated by either party upon seven days' written notice in the event of substantial failure by the other party to perform in accordance with the terms hereof, or upon thirty days' written notice for the convenience of the terminating party. Kimley-Horn shall be paid for all services rendered and expenses incurred to the effective date of termination, and other reasonable expenses incurred by Kimley-Horn as a result of such termination.

- 9) **Standard of Care.** The standard of care applicable to Kimley-Horn's services will be the degree of care and skill ordinarily exercised by consultants performing the same or similar services in the same locality at the time the services are provided. No warranty, express or implied, is made or intended by Kimley-Horn's performance of services, and it is agreed that Kimley-Horn is not a fiduciary with respect to the Client.

- 10) **LIMITATION OF LIABILITY.** IN RECOGNITION OF THE RELATIVE RISKS AND BENEFITS OF THE PROJECT TO THE CLIENT AND KIMLEY-HORN, THE RISKS ARE ALLOCATED SUCH THAT, TO THE FULLEST EXTENT ALLOWED BY LAW, AND NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS AGREEMENT OR THE EXISTENCE OF APPLICABLE INSURANCE COVERAGE, THAT THE TOTAL LIABILITY, IN THE AGGREGATE, OF KIMLEY-HORN AND KIMLEY-HORN'S OFFICERS, DIRECTORS,

EMPLOYEES, AGENTS, AND SUBCONSULTANTS TO THE CLIENT OR TO ANYONE CLAIMING BY, THROUGH OR UNDER THE CLIENT, FOR ANY AND ALL CLAIMS, LOSSES, COSTS, ATTORNEYS' FEES (INCLUDING ATTORNEYS' FEES OTHERWISE RECOVERABLE UNDER TEX. CIV. PRAC. & REM. CODE § 38.001), OR DAMAGES WHATSOEVER ARISING OUT OF OR IN ANY WAY RELATED TO THE SERVICES UNDER THIS AGREEMENT FROM ANY CAUSES, INCLUDING BUT NOT LIMITED TO, THE NEGLIGENCE, PROFESSIONAL ERRORS OR OMISSIONS, STRICT LIABILITY OR BREACH OF CONTRACT OR ANY WARRANTY, EXPRESS OR IMPLIED, OF KIMLEY-HORN OR KIMLEY-HORN'S OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, AND SUBCONSULTANTS, SHALL NOT EXCEED TWICE THE TOTAL COMPENSATION RECEIVED BY KIMLEY-HORN UNDER THIS AGREEMENT OR \$50,000, WHICHEVER IS GREATER. HIGHER LIMITS OF LIABILITY MAY BE NEGOTIATED FOR ADDITIONAL FEE. THIS SECTION IS INTENDED SOLELY TO LIMIT THE REMEDIES AVAILABLE TO THE CLIENT OR THOSE CLAIMING BY OR THROUGH THE CLIENT, AND NOTHING IN THIS SECTION SHALL REQUIRE THE CLIENT TO INDEMNIFY KIMLEY-HORN.

- 11) **Mutual Waiver of Consequential Damages.** In no event shall either party be liable to the other for any consequential, incidental, punitive, or indirect damages including but not limited to loss of income or loss of profits.
- 12) **Construction Costs.** Under no circumstances shall Kimley-Horn be liable for extra costs or other consequences due to changed or unknown conditions or related to the failure of contractors to perform work in accordance with the plans and specifications. Kimley-Horn shall have no liability whatsoever for any costs arising out of the Client's decision to obtain bids or proceed with construction before Kimley-Horn has issued final, fully approved plans and specifications. The Client acknowledges that all preliminary plans are subject to substantial revision until plans are fully approved and all permits obtained.
- 13) **Certifications.** All requests for Kimley-Horn to execute certificates, lender consents, or other third-party reliance letters must be submitted to Kimley-Horn at least 14 days prior to the requested date of execution. Kimley-Horn shall not be required to execute certificates, consents, or third-party reliance letters that are inaccurate, that relate to facts of which Kimley-Horn does not have actual knowledge, or that would cause Kimley-Horn to violate applicable rules of professional responsibility.
- 14) **Dispute Resolution.** All claims arising out of this Agreement or its breach shall be submitted first to mediation in accordance with the American Arbitration Association as a condition precedent to litigation. Any mediation or civil action by Client must be commenced within one year of the accrual of the cause of action asserted but in no event later than allowed by applicable statutes.
- 15) **Hazardous Substances and Conditions.** Kimley-Horn shall not be a custodian, transporter, handler, arranger, contractor, or remediator with respect to hazardous substances and conditions. Kimley-Horn's services will be limited to analysis, recommendations, and reporting, including, when agreed to, plans and specifications for isolation, removal, or remediation. Kimley-Horn will notify the Client of unanticipated hazardous substances or conditions of which Kimley-Horn actually becomes aware. Kimley-Horn may stop affected portions of its services until the hazardous substance or condition is eliminated.
- 16) **Construction Phase Services.**
 - a. If Kimley-Horn prepares construction documents and Kimley-Horn is not retained to make periodic site visits, the Client assumes all responsibility for interpretation of the documents and for construction observation, and the Client waives any claims against Kimley-Horn in any way connected thereto.
 - b. Kimley-Horn shall have no responsibility for any contractor's means, methods, techniques, equipment choice and usage, equipment maintenance and inspection, sequence, schedule, safety programs, or safety practices, nor shall Kimley-Horn have any authority or responsibility to stop or direct the work of any contractor. Kimley-Horn's visits will be for the purpose of observing construction and reporting to the Client whether the contractors' work generally conforms to the construction documents prepared by Kimley-Horn. Kimley-Horn neither guarantees the performance of contractors, nor assumes responsibility for any contractor's failure to perform its work in accordance with the contract documents.
 - c. Kimley-Horn is not responsible for any duties assigned to it in the construction contract that are not expressly provided for in this Agreement. The Client agrees that each contract with any contractor shall state that the contractor shall be solely responsible for job site safety and its means and methods; that the contractor shall indemnify the Client and Kimley-Horn for all claims and liability arising out of job site accidents; and that the Client and Kimley-Horn shall be made additional insureds under the contractor's general liability insurance policy.

- 17) **No Third-Party Beneficiaries; Assignment and Subcontracting.** This Agreement gives no rights or benefits to anyone other than the Client and Kimley-Horn, and all duties and responsibilities undertaken pursuant to this Agreement will be for the sole benefit of the Client and Kimley-Horn. The Client shall not assign or transfer any rights under or interest in this Agreement, or any claim arising out of the performance of services by Kimley-Horn, without the written consent of Kimley-Horn. Kimley-Horn reserves the right to augment its staff with subconsultants as it deems appropriate due to project logistics, schedules, or market conditions. If Kimley-Horn exercises this right, Kimley-Horn will maintain the agreed-upon billing rates for services identified in the contract, regardless of whether the services are provided by in-house employees, contract employees, or independent subconsultants.

- 18) **Confidentiality.** The Client consents to the use and dissemination by Kimley-Horn of photographs of the project and to the use by Kimley-Horn of facts, data and information obtained by Kimley-Horn in the performance of its services. If, however, any facts, data or information are specifically identified in writing by the Client as confidential, Kimley-Horn shall use reasonable care to maintain the confidentiality of that material.

- 19) **Miscellaneous Provisions.** This Agreement is to be governed by the law of the State of Texas. This Agreement contains the entire and fully integrated agreement between the parties and supersedes all prior and contemporaneous negotiations, representations, agreements, or understandings, whether written or oral. Except as provided in Section 1, this Agreement can be supplemented or amended only by a written document executed by both parties. Any conflicting or additional terms on any purchase order issued by the Client shall be void and are hereby expressly rejected by Kimley-Horn. If Client requires Kimley-Horn to register with or use an online vendor portal for payment or any other purpose, any terms included in the registration or use of the online vendor portal that are inconsistent or in addition to these terms shall be void and shall have no effect on Kimley-Horn or this Agreement. Any provision in this Agreement that is unenforceable shall be ineffective to the extent of such unenforceability without invalidating the remaining provisions. The non-enforcement of any provision by either party shall not constitute a waiver of that provision nor shall it affect the enforceability of that provision or of the remainder of this Agreement.

**CITY OF HUTCHINS, TEXAS
RESOLUTION NO. R 2025-03-1249**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, ACCEPTING THE PROPOSAL RECEIVED TO ASSIST THE CITY IN ENGINEERING SERVICES TO WIDEN JJ LEMMON ROAD; AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH KIMLEY-HORN, INC, IN AN AMOUNT NOT TO EXCEED \$98,700.00; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS the City accepted the proposal for engineering services to widen JJ Lemmon Road (“the “Project”); and

WHEREAS the City has accepted the proposal of Kimley-Horn, Inc. for the Project; and

WHEREAS the City Council of the City of Hutchins finds it in the best interest to the residents and businesses of the City of Hutchins to accept the proposal of Kimley-Horn, Inc, for the Project in an amount not to exceed \$98,700.00.

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

SECTION 1. The City, acting through its governing body, hereby confirms that it accepts the proposal received by the City’s Department of Public Works on February 21, 2025.

SECTION 2. The City, acting through its governing body, hereby confirms that it awards the Project to Kimley-Horn, Inc, at the submitted proposal of \$98,700.00 as set forth in Exhibit “A” attached hereto and incorporated herein by reference.

SECTION 4. For and on behalf of the City Council, the City Administrator is hereby authorized to negotiate and execute a contract with Kimley-Horn, Inc., in the amount not to exceed \$98,700.00 for the Project.

SECTION 5. This Resolution shall become effective immediately from and after its passage.

DULY RESOLVED AND ADOPTED by the City Council of the City of Hutchins, Texas, this the 3rd day of March 2025.

CITY OF HUTCHINS, TEXAS

Mario Vasquez, Mayor

ATTEST:

Cynthia Olguin, City Secretary

EXHIBIT "A"
Kimley-Horn, Inc. Proposal



STAFF REPORT

MEETING DATE:	February 3, 2024
MEETING TYPE:	City Council
SUBMITTED BY:	Katherine Lindsey
AGENDA CAPTION:	Discuss and consider Resolution R2025-03-1250 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING AND AUTHORIZING THE CITY ADMINISTRATOR TO EXECUTE THE TERMS AND CONDITIONS OF THE AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN THE CITY OF HUTCHINS AND MODIFIED LOGIC, INC., FOR LASERFICHE SELF-HOSTED SUBSCRIPTION IMPLEMENTATION. Presented by: Katherine Lindsey, Assistant to the City Administrator

Background Information

In the FY2024-2025 Annual Budget, the City Council approved \$36,000 for Laserfiche Records Management software. This software will allow the City to digitize forms for both internal and external uses, such as requisition forms and water service applications. The software will also act as a digital records repository that will allow the City to move from paper record keeping to digital record keeping in accordance with the Texas State Library and Archives Commission requirements. The quote received for this project was within budget at \$35,849.52.

In order for the Municipal Court and Police Department to fully use the service, it must meet CJIS requirements. This means that instead of storing and transmitting files through the Cloud, the data is stored on internally hosted servers. After investigation, it was discovered that the current servers the City uses do not have the storage capabilities needed for this and new servers would need to be purchased. This will result in an additional cost of approximately \$45,000.00.

Budget Implications

There is availability in the current budget for both Laserfiche and the servers.

Operational Impact

Laserfiche has the potential to benefit every municipal department.

Legal Review

The City Attorney approved the Resolution.

Staff Recommendation

Staff recommends that the City Council approve the resolution.

Supporting Documentation and Attachments

1. Resolution
2. Laserfiche Proposal

**CITY OF HUTCHINS
RESOLUTION NO. R 2025-03-1250**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, APPROVING AND AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE AND EXECUTE THE TERMS AND CONDITIONS OF AN AGREEMENT, BY AND BETWEEN THE CITY OF HUTCHINS AND MODIFIED LOGIC, INC. FOR LASERFICHE SELF-HOSTED SUBSCRIPTION IMPLEMENTATION IN AN AMOUNT NOT TO EXCEED \$35,849.52; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Hutchins has been presented with a proposed agreement between the City and Modified Logic, Inc. for Laserfiche Self-hosted Subscription Implementation (the “Agreement”); and

WHEREAS, the City Council of the City of Hutchins finds it in the best interest of the City of Hutchins to authorize the City Administrator to negotiate and execute the Agreement, attached hereto as Exhibit “A”, on behalf of the City of Hutchins.

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

SECTION 1. The City Administrator is authorized to negotiate and execute the Agreement, attached hereto and incorporated herein as Exhibit “A,” and all related documents thereto on behalf of the City of Hutchins.

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

DULY RESOLVED AND ADOPTED by the City Council of the City of Hutchins, Texas, this the 3rd day of March 2025.

CITY OF HUTCHINS, TEXAS

Mario Vasquez, Mayor

ATTEST:

Cynthia Olguin, City Secretary
(01-28-2025: 4929-1139-3043, v. 1)

EXHIBIT "A"
AGREEMENT, BY AND BETWEEN THE CITY OF HUTCHINS AND
MODIFIED LOGIC, INC. FOR LASERFICHE SELF-HOSTED
SUBSCRIPTION IMPLEMENTATION

4929-1139-3043, v. 1

2.2 In the event there exists a conflict in interpretation, the documents shall control in the order listed above. These documents shall be referred to collectively as “Contract Documents.”

**Article III
Scope of Services**

3.1 Professional shall provide the services specifically set out in Exhibit “A.”

3.2 The Parties acknowledge and agree that any and all opinions provided by Professional represent the best judgment of Professional.

3.3 All materials and reports prepared by Professional in connection with this Agreement are “works for hire” and shall be the property of the City. The City shall have the right to publish, disclose, distribute and otherwise use such materials and reports in accordance with Professional Practice Act of the State of Texas. Professional shall upon completion of the services, or earlier termination, provide City with reproductions of all materials reports, and exhibits prepared by Professional pursuant to this Agreement, and in electronic format if requested by the City.

**Article IV
Schedule of Work**

Professional agrees to commence services upon written direction from City and to complete the required services in accordance with a work schedule established by City (the “Work Schedule”).

**Article V
Compensation and Method of Payment**

5.1 City shall compensate Professional in an amount not to exceed Thirty-Five Thousand Eight Hundred Forty-Nine and .52/100 Dollars (\$35,849.52) as set forth in Exhibit “A.” Professional shall invoice City on a monthly basis for the services performed. Payments shall be made to Professional within thirty (30) days of receiving Professional’s invoice, provided there are no errors or discrepancies and that all work noted on the invoice has been completed. Professional shall not proceed with any task until receiving a work order from City. Issuance of work orders under this Agreement shall be at the sole discretion of City.

5.2 Professional shall be responsible for all expenses related to the services provided pursuant to this Agreement including, but not limited to, travel, copying and facsimile charges, telephone, internet and email charges.

**Article VI
Suspension of Work**

The City shall have the right to immediately suspend work by Professional if the City determines in its sole discretion that Professional has, or will fail to perform, in accordance with this Agreement. In such event, any payments due Professional shall be suspended until Professional has taken satisfactory corrective action.

**Article VII
Devotion of Time; Personnel; and Equipment**

7.1 Professional shall devote such time as reasonably necessary for the satisfactory performance of the work under this Agreement. Should City require additional services not included under this Agreement, Professional shall make reasonable effort to provide such additional services at mutually agreed charges or rates, and within the time schedule prescribed by City; and without decreasing the effectiveness of the performance of services required under this Agreement.

7.2 To the extent reasonably necessary for Professional to perform the services under this Agreement, Professional shall be authorized to engage the services of any agents, assistants, persons, or corporations that Professional may deem proper to aid or assist in the performance of the services under this Agreement. The cost of such personnel and assistance shall be borne exclusively by Professional.

7.3 Professional shall furnish the facilities, equipment, telephones, facsimile machines, email facilities, and personnel necessary to perform the services required under this Agreement unless otherwise provided herein.

**Article VIII
Relationship of Parties**

It is understood and agreed by and between the Parties that in satisfying the conditions of this Agreement, Professional is acting independently, and that the City assumes no responsibility or liabilities to any third party in connection with these actions. All services to be performed by Professional pursuant to this Agreement shall be in the capacity of an independent contractor, and not as an agent or employee of City. Professional shall supervise the performance of her services and shall be entitled to control the manner and means by which her services are to be performed, subject to the terms of this Agreement. As such, the City shall not: train Professional, require Professional to devote her full-time services to City, or dictate Professional's sequence of work or location at which Professional performs her work.

**Article IX
Availability of Funds**

If monies are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, this Agreement shall be canceled and Professional

may only be compensated for the reasonable value of any non-recurring costs incurred but not amortized in the price of services delivered under this Agreement or which are otherwise not recoverable. The cost of cancellation may be paid from any appropriations for such purposes.

**Article X
Insurance**

(a) Professional shall during the term hereof maintain in full force and effect the following insurance: (1) a policy of insurance for bodily injury, death and property damage insuring against all claims, demands or actions relating to Professional’s performance of services pursuant to this Agreement with a minimum combined single limit of not less than \$1,000,000 per occurrence for injury to persons (including death), and for property damage; (2) policy of automobile liability insurance covering any vehicles owned and/or operated by Professional, its officers, agents, and employees, and used in the performance of this Agreement; and (3) statutory Worker’s Compensation Insurance covering all of Professional’s employees involved in the provision of services under this Agreement.

(b) All insurance and certificate(s) of insurance shall contain the following provisions: (1) name City, its officers, agents and employees as additional insureds as to all applicable coverage with the exception of Workers Compensation Insurance; (2) provide for at least thirty (30) days prior written notice to City for cancellation, non-renewal, or material change of the insurance; (3) provide for a waiver of subrogation against the City for injuries, including death, property damage, or any other loss to the extent the same is covered by the proceeds of insurance.

(c) All insurance companies providing the required insurance shall either be authorized to transact business in Texas and rated at least “B” by AM Best or other equivalent rating service, or approved by the City Risk Manager.

(d) A certificate of insurance evidencing the required insurance shall be submitted to the City prior to commencement of services.

**Article XI
Indemnification**

PROFESSIONAL DOES HEREBY COVENANT AND CONTRACT TO WAIVE ANY AND ALL CLAIMS, RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS CITY COUNCIL, OFFICERS, EMPLOYEES, AND AGENTS, FROM AND AGAINST ALL LIABILITY, CAUSES OF ACTION, CITATIONS, CLAIMS, COSTS, DAMAGES, DEMANDS, EXPENSES, FINES, JUDGMENTS, LOSSES, PENALTIES OR SUITS, TO THE EXTENT CAUSED BY OR RESULTING FROM THE NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED BY THE PROFESSIONAL, ITS AGENT, ITS CONSULTANTS AND CONTRACTORS UNDER CONTRACT, OR

ANY OTHER ENTITY OVER WHICH THE PROFESSIONAL EXERCISES CONTROL.

INDEMNIFIED ITEMS SHALL INCLUDE REASONABLE ATTORNEYS' FEES AND COSTS, COURT COSTS, AND SETTLEMENT COSTS IN PROPORTION TO THE PROFESSIONAL'S LIABILITY.

THE PROFESSIONAL'S OBLIGATIONS UNDER THIS SECTION SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE MAINTAINED OR REQUIRED TO BE MAINTAINED BY PROFESSIONAL UNDER THIS AGREEMENT. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

**Article XII
Miscellaneous**

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

12.2 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations granted and assumed under this Agreement.

12.3 Assignment. Professional may not assign this Agreement in whole or in part without the prior written consent of City. In the event of an assignment by the Professional to which City has consented, the assignee shall agree in writing with City to personally assume, perform, and be bound by all the covenants, and obligations contained in this Agreement.

12.4 Successors and Assigns. Subject to the provisions regarding assignment, this Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors and assigns.

12.5 Governing Law. The laws of the State of Texas shall govern this Agreement; and venue for any action concerning this Agreement shall be in Dallas County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said Court.

12.6 Amendments. This Agreement may be amended by the mutual written agreement of the Parties.

12.7 Severability. 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 the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

12.8 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

12.9 Recitals. The recitals to this Agreement are incorporated herein.

12.10 Notice. Any notice required or permitted to be delivered hereunder may be sent by first class mail, overnight courier or by confirmed telefax or facsimile to the address specified below, or to such other party or address as either party may designate in writing, and shall be deemed received three (3) days after delivery set forth herein:

If intended for City:

City of Hutchins
Attn: James W. Quin
City Administrator
City of Hutchins
321 North Main Street
P. O. Box 500
Hutchins, Texas 75141
Phone: (972) 225-6121
j.quin@cityofhutchins.org

With a copy to:

Joseph J. Gorfida, Jr.
Nichols | Jackson
1800 Ross Tower
500 N. Akard Street
Dallas, Texas 75201
Telephone: 214-965-9900
jgorfida@nicholsjackson.com

If intended for Professional:

Modified Logic, Inc.
Attn: Ashley Jackson
4261 East University Drive
#30-274
Prosper, Texas 75078
Phone: (469) 998-7176
ashley@modifiedlogic.com

12.11 Counterparts. This Agreement may be executed by the Parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of any number of copies hereof each signed by less than all, but together signed by all of the Parties hereto.

12.12 Exhibits. The exhibits attached hereto are incorporated herein and made a part hereof for all purposes.

12.13 Audits and Records. Professional agrees that during the term hereof, City and its representatives may, during normal business hours and as often as deemed necessary, inspect, audit, examine and reproduce any and all of Professional's records relating to the services

provided pursuant to this Agreement for a period of one year following the date of completion of services as determined by City or date of termination if sooner.

12.14 Conflicts of Interests. Professional represents that no official or employee of City has any direct or indirect pecuniary interest in this Agreement.

12.15 Compliance with Federal, State & Local Laws. Professional shall comply in performance of services under the terms of this Agreement with all applicable laws, ordinances and regulations, judicial decrees or administrative orders, ordinances, and codes of federal, state and local governments, including all applicable federal clauses.

12.16 Force Majeure. No Party will be liable for any default or delay in the performance of its obligations under this Agreement if and to the extent such default or delay is caused, directly or indirectly, by fire, flood, earthquake, elements of nature or acts of God, riots, civil disorders, acts of terrorism or any similar cause beyond the reasonable control of such party, provided that the non-performing party is without fault in causing such default or delay. The non-performing Party agrees to use commercially reasonable efforts to recommence performance as soon as possible.

12.17 Boycott Israel; Boycott Energy Companies; and Prohibition of Discrimination against Firearm Entities and Firearm Trade Associations.

- (a) Professional verifies that it does not Boycott Israel and agrees that during the term of the Agreement will not Boycott Israel as that term is defined in Texas Government Code Section 808.001, as amended.
- (b) Professional verifies that it does not Boycott Energy Companies and agrees that during the term of this Agreement will not Boycott Energy Companies as that term is defined in Texas Government Code Section 809.001, as amended.
- (c) Professional verifies that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association as those terms are defined in Texas Government Code Section 2274.001, as amended; and (ii) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.
- (d) This section does not apply if Professional is a sole proprietor, a non-profit entity, or a governmental entity; and only applies if: (i) Professional has ten (10) or more fulltime employees and (ii) this Agreement has a value of \$100,000.00 or more to be paid under the terms of this Agreement.

(signature page to follow)

EXECUTED this _____ day of _____, 2025.

City of Hutchins, Texas

By: _____
James W. Quin, City Administrator

Approved as to form:

By: _____
Joseph J. Gorfida, Jr., City Attorney
(01-28-2025: 4919-4126-0051, v. 1)

EXECUTED this _____ day of _____, 2025.

Modified Logic, Inc.

By: _____
Name: _____
Title: _____

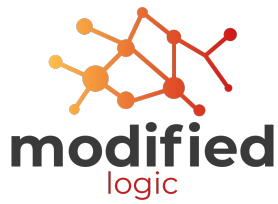
EXHIBIT "A"
Scope of Services



modified logic

Laserfiche Self-hosted Subscription Proposal

City of Hutchins
February 2025



Modified Logic Inc.
 4261 E University Dr #30-274
 Prosper Texas, 75078
 469-998-7176

QUOTE

Bill To

City of Hutchins

321 North Main Street
 Hutchins Texas, 75141

Quote #	Q-000594
Quote Date	02/19/2025

Subject :

Laserfiche Self-hosted Subscription Implementation

#	Item & Description	Qty	Rate	Discount	Amount
1	Laserfiche Self-hosted Subscription Municipality Site License: Population Less than 10,000 * Yearly Subscription Includes: * 100 Qty Business Users * A Business user can do everything in Laserfiche as long as they have security permissions to do it. They can scan, import documents, index documents, add annotations, create forms, access form analytics/reporting, and more! * Advanced Audit Trail * Full SQL Support * Unlimited Repositories/Content Servers * Records Management * Unlimited Forms Portal - supports form submissions * Unlimited Weblink Public Portal - supports read-only access	1.00	3,255.00	4.00%	3,124.80
2	Modified Logic Professional Services (As You Go) Professional service hours for Training Hutchins administration employees on how to utilize the solution. Laserfiche Repository Training Topics Include: <ul style="list-style-type: none"> • General Navigation • Folder creation and security concepts • Document intake <ul style="list-style-type: none"> o Scanning o Import o Electronic documents • Searching • Troubleshooting • Administration <ul style="list-style-type: none"> o Templates o Tags o Security o Forms design and process automation One-time Cost for hours quoted.	8.00	150.00	4.00%	1,152.00

#	Item & Description	Qty	Rate	Discount	Section G, Item 10.
3	<p>Modified Logic Professional Services (As You Go) Digitize and Automate Employment Application and Submission Process.</p> <p>One-time Cost for hours quoted.</p>	24.00	150.00	4.00%	3,456.00
4	<p>Modified Logic Professional Services (As You Go) Digitize and Automate Purchase Requisition Form and Process.</p> <p>One-time Cost for hours quoted.</p>	16.00	150.00	4.00%	2,304.00
5	<p>Modified Logic Professional Services (As You Go) Digitize and Automate Purchasing Card Program Monthly Transaction Log Form and Process.</p> <p>One-time Cost for hours quoted.</p>	16.00	150.00	4.00%	2,304.00
6	<p>Modified Logic Professional Services (As You Go) Digitize and Automate Budget Transfer Form and Process</p> <p>One-time Cost for hours quoted.</p>	16.00	150.00	4.00%	2,304.00
7	<p>Modified Logic Professional Services (As You Go) Digitize and Automate PO Form and Process.</p> <p>One-time Cost for hours quoted.</p>	16.00	150.00	4.00%	2,304.00
8	<p>Modified Logic Professional Services (As You Go) Hours for installing Laserfiche software on the City's servers.</p> <p>One-time Cost for hours quoted.</p>	8.00	150.00	4.00%	1,152.00
9	<p>Modified Logic Professional Services (As You Go) Professional service hours for configuration of the Laserfiche Cloud repository- may include all aspects of the solution development process: initial planning, design, configuration, testing, knowledge transfer, and training.</p> <p>*Hours to be used for the initial repository build-out to support electronic records management along with training on how to utilize Laserfiche for the departments listed below. Estimating: 2.5 Days / 20 Hours per department.</p> <ul style="list-style-type: none"> • City Secretary • City Administration • Municipal Court • Human Resources • Finance • Community Development <p>Laserfiche Records Management Training Topics Include:</p> <ul style="list-style-type: none"> • Retention schedule creation • Records search based upon retention schedule or cutoff dates <p>One-Time Cost for Hours.</p>	120.00	150.00	4.00%	17,280.00
10	Modified Logic Annual Support Agreement	1.00	488.25	4.00%	468.72

We are looking forward to working with you!

Sub Total

35,849.52

Modified Logic is proud to support St. Jude Children's Research Hospital as a St. Jude Give To Live Society member.

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Terms & Conditions

Payment Terms: Invoice for software licensing and annual support to be provided at time of agreement approval. Professional service hours will be invoiced monthly as time is utilized. Invoices to be paid in full, all invoices are Net 30.

Prices quoted include a 4% Discount off software licensing, professional services, and annual support based upon Modified Logic's contract with TIPS (The Interlocal Purchasing System). The complete contract can be viewed here:

<https://www.tips-usa.com/vendorProfile.cfm?RecordID=F5F008D601D7A18D0BB40AD9D13236B5>

Authorized Signature & Date _____

Recommended Server Specifications

*All Microsoft Windows Servers 2012 and up

Laserfiche Servers – 1

- 1 repository
- x64 Quad Core Processor 2.4 GHz or higher
- 16 GB RAM (can vary based on usage)
- 500 GB Storage

Database Server - 1

- Microsoft SQL Server 2014 Service Pack 3, Microsoft SQL Server 2016 Service Pack 2, Microsoft SQL Server 2017, Microsoft SQL Server 2019
- x64 Quad Core Processor 2.4 GHz or higher
- 24 GB RAM
- 250 GB Storage

Web Server – 1

- CPU: 2.8 GHz or faster processor
- Memory: 16 GB RAM
- Operating system: Windows Server 2012 or later, x64 only
 - Internet Information Services (IIS): IIS 8 or later.
 - .NET 4.8 is required. The ASP.NET component corresponding to your .NET version should also be installed in IIS.
- 100 GB Storage

Note: Hardware requirements may fluctuate based on the number of users logged in to the server. If you expect to have many simultaneous connections to your Laserfiche web server, we encourage you to configure it with a faster CPU and/or add more RAM.

Note: Serving high-resolution images can require large amounts of system resources. If your repository contains high-resolution images, make sure that the total paging file size on the Laserfiche web server is at least twice the amount of physical memory (RAM).



Our Project Management Approach

We will listen, understand your challenges, and work tirelessly to achieve your goals - ensuring we deliver you meaningful results. With over 20 years of experience, Modified Logic has a proven record of providing the highest level of support & exceptional services for Laserfiche clients across multiple different industries. We are believers in agile project management and open communication; and our team possesses top-notch technical expertise.

Modified Logic will assign a Project Manager to your account who will be your solution architect and go-to point of contact throughout the implementation. Our team is experts in business process improvement; rest assured you will be in great hands!

Modified Logic's Typical Implementation Plan:

- Project Kick-off Meeting with project sponsors
 - Create Project Plan: Identify timelines, Discuss Needs & Requirements
- Modified Logic to Configure Solution
 - Repository, templates, filing rules, security
 - Create forms & associated workflow processes
- Department Meeting to Review Repository Design, Forms, & Business Processes
- Modified Logic to Make Changes as needed
- Sign-off on Laserfiche configuration
- Department Training
- Department Go-live

Our commitment to you is that our team will always be accessible and will keep you informed throughout every step in the project. Communication is key!

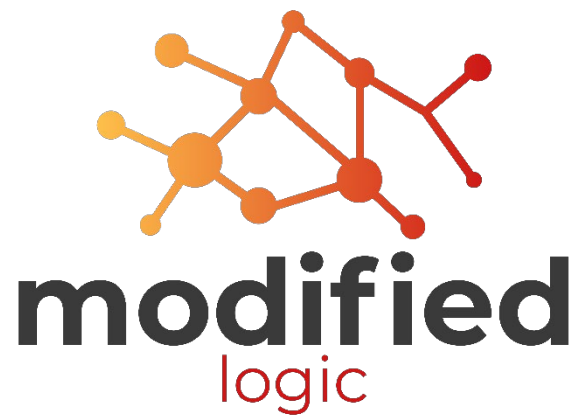
Our Training Approach

At Modified Logic, we provide an individualized training approach – tailored to meet the user's needs. Our approach is to personalize training content to each group of users, based upon their intended use of the solution. We believe training is most effective when focused on exactly what features the user needs to learn to perform their jobs most efficiently. Our goal is to set you up for success and to provide you with everything you need to get the most out of your Laserfiche solution.

For continuing education, you will be provided a log-in to Laserfiche’s support site and Laserfiche Aspire. The support site includes extensive documentation, knowledge base articles, and customer use cases that the district can reference at any time. Laserfiche Aspire is another fantastic resource that includes hundreds of video tutorials, which are easy to navigate and focused on a variety of different features. Laserfiche also offers a variety of certification courses (ex. Records Management, Capture, Administration) that are available to enroll in for a fee.

Transition and Ongoing Assistance

Throughout the project, Modified Logic will schedule weekly calls and send task update emails to the project sponsors – updating them on progress that has been made and addressing any questions they may have. Our Sales and Technical teams are in constant communication with one another, and both teams will be in connecting with you throughout the project to ensure success. Additionally, please also reference the attached annual support agreement for details on on-going technical support and assistance.



Premium Support Agreement

Support/Service/LSAP

Purpose

The initial purchase of Laserfiche software licensing also requires purchasing maintenance for each component. Annual Maintenance is a software assurance program initiated by Modified Logic and required by the manufacturer to ensure that Clients can receive regular product updates and basic software support through their solution provider. The purpose of this Support Agreement is to formalize an arrangement between Modified Logic and the Client to deliver specific levels of support services at an agreed-upon cost.

Services Included In Support Agreement Costs

- Modified Logic technical support hotline:
 - 833.813.2221
- Dedicated support emails address:
 - support@modifiedlogic.com
- Access to new product update versions and hotfixes
- Software credit eligibility for product upgrades
- 24/7 access to the Laserfiche Support Site and Laserfiche Answers discussion forums
- Remote support

Description of Support Services

1. Laserfiche Software Assurance Plan (LSAP)

Fee is based upon software components that have been purchased. The support plan is renewable each year. Solution Provider support is provided as a part of the Laserfiche annual support fee. Technical support is considered assistance with software malfunctions (break/fix) or “bugs.” Technical Support does not include assisting Client with how-to questions, configuration of software, creating workflows, consulting, development, or training is not considered technical support.

2. Response Time and Definition

Responses provided within 4 hours of initial report. Most responses and technical troubleshooting will happen within an hour, if not immediately through remote support. Responses consist of diagnosing the problem and if possible, resolving it immediately. If it is not possible to resolve a support issue immediately, a time will be scheduled to attempt resolution of the problem at the Client’s convenience. Modified Logic provides a technical support hotline during weekday and nonholiday business hours 8:00 AM to 5:00 PM Central Time. Support requests are evaluated for severity and addressed in the order they arrive. Support calls may be escalated internally to other support staff as needed.

3. Options for Coverage During Non-Standard Business Hours or “After Hours Support”

After hours support requires a one-week prior notification, except in cases of emergency. Upgrades, development, training & other services conducted after hours will be subject to billable rates and availability. Billable rates for Clients with current Laserfiche Software Assurance Plans are \$225/hr – before 8:00am & after 5:00pm Central Time (M-F) and on weekend days (Saturday-Sunday).

4. Remote Support and Services

We use a web-based tool for remote attended and unattended support. With specific prior written authorization from Client an unattended access tool is available for use. Use of Client tools such as VPN is also acceptable if the Client provides the VPN Client software install.

5. Maintenance Cost for Fixes, Major Releases and Platform Changes

Maintenance that is done over the phone or through remote access is included in annual maintenance agreement at no additional cost. Software upgrade packages are available to Client at support.laserfiche.com or by emailing support@modifiedlogic.com.

6. Support Escalation Procedures

- i. Problem is reported, a support case is opened and documented. The case is resolved over the phone or remotely.
- ii. If immediate resolution is not possible, problem is reported to Laserfiche support.
- iii. If there is no existing solution, Modified Logic development will develop a solution or “work around” to fix the problem. Modified Logic will then implement the solution. Modified Logic creates technical support cases on behalf of the Client with the manufacturer upon diagnosis of the problem if the problem cannot be immediately resolved by Modified Logic.

7. Support Ticket Tracking

All support cases are tracked in a ticketing system. The tracking software assigns incident numbers, and the Client may call to request the status on any support case at any time during work hours or by visiting the Client portal.

8. Third-Party IT Contractors

Clients that utilize a third-party IT contractor for management of servers and networking should expect their IT contractor to assign remote access to Modified Logic for installation and configuration. Should unattended access not be permissible, third-party IT consultants may need to be present during installation or configuration. Additional configuration pertaining to Client’s network IP addresses, network security, and access may be necessary from time-to-time. Charges from third-party IT consultants may be incurred. Modified Logic is not responsible for such charges. It is the policy of Modified Logic to copy Client on all communication between third-party IT contractors unless explicitly instructed otherwise.

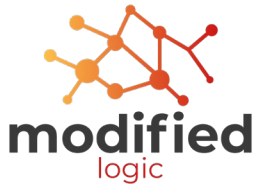
Services Not Included In Support Agreement Costs

- Technical services, installation, design, configuration
- Project management
- Development, integration and conversion
- Off-hours work, outside normal business hours excluding holidays
- Managed Services including configuration of servers, domains, IP addresses, certificates, firewall, backups or SQL Server
- Travel expenses for onsite services

Roles And Responsibilities

The Client

- The Client will conduct business in a courteous and professional manner with Modified Logic.
- The Client's users, Clients, and/or suppliers using the applications stated in the Statement of Work will use the appropriate help desk to request support.
- The Client will use its own appropriate help desk to provide first line support; this includes creating troubleshooting tickets, work orders, and assigning responsibility to the appropriate Client resource.
- The Client will use its own appropriate internal support to provide support for infrastructure related items including server, network, firewall, operating systems, web server, authentication software, software installation, application installation on production servers, database connections, database changes, data backup and storage, and all other infrastructure related responsibilities.
- The Client will provide all information required to open a support request.
- Once a support request has been submitted, the Client will make its personnel available to work with the Modified Logic representative assigned to the support request.
- The Client's end users do not contact Modified Logic support resources directly to report a problem. All problem calls must be logged through the appropriate help desk. This ensures maximum availability and prompt response times.
- The Client will continue to provide Modified Logic access, software, licensing, training, documentation, and support of its remote access software if Modified Logic is required to utilize specific software to provide remote support. Otherwise, Modified Logic will utilize its existing Client user-assisted remote access tools.



Modified Logic

Modified Logic has the following general responsibilities under this agreement:

- Modified Logic will conduct business in a courteous and professional manner with the Client.
- Modified Logic will log all information from the Client required to establish contact information and document the nature of the problem and the Client's hardware/network environment (as applicable).
- Modified Logic will attempt to resolve problems over the phone on the first call.
- Modified Logic will escalate support requests to the next level of Modified Logic support upon approach of escalation points.
- Modified Logic will obtain the Client's approval before ticket closure or may close the ticket if 5 business days elapse without an update or response from the Client.
- Modified Logic will be the interface on behalf of the Client to Modified Logic's partner software manufacturers.

Authorized Signature & Date: _____



STAFF REPORT

MEETING DATE: March 3, 2024

MEETING TYPE: Regular Council Meeting

SUBMITTED BY: Chief Perry

AGENDA CAPTION: Discuss and consider Resolution R2025-03-1251 OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, AUTHORIZING THE CHIEF OF POLICE TO APPLY FOR GRANT FUNDING TO FUND IN WHOLE OR IN PART A NEW RECORDS MANAGEMENT SYSTEM, FROM THE OFFICE OF THE GOVERNOR (OOG) CRIMINAL JUSTICE DIVISION (CJD) FOR THE FY 2025/2026 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM. Presented by: Steve Perry, Police Chief

Background Information

The Criminal Research Information Management Evaluation System (CRIMES) was developed in 1995 to help smaller law enforcement agencies manage records. The Police Research Center at Sam Houston State University created the system. The system was developed to:

- To meet the needs of smaller law enforcement agencies
- Reduce costs
- To address the dissatisfaction of Texas police chiefs with the available systems and technology
- CAD
- RMS
- Jail
- Evidence
- NIBRS

The City of Hutchins began using this system for dispatching calls for service for both Police and Fire dispatch in 2010.

It is redundant and time consuming that an officer taking a report must duplicate information and entries into multiple different operational modules. In 2024, 1429 reports were created by officers and the numbers are increasing every year. With staffing shortages, and increased calls for service, Officers are spending an exuberant amount of time with reports.

In addition to the CRIMES system the Police department utilizes TYLER technologies for citation management and capturing racial profiling data. Reporting this data to the State of Texas each year is a requirement of article 2.133 of the Texas Code of Criminal Procedures.

The information from the CRIMES system and Tyler technologies requires staff to spend exuberant amounts of time going through traffic stop data to ensure we are correctly reporting traffic contact data to the State of Texas.

Officer safety is essential to the safety of our personnel and time is of critical importance. Example: Officer makes a traffic stop. The violator happens to be an unknown felon, and CAD freezes. This delays the officer receiving critical officer safety information.

For the Fire Department, Crimes Cad does not benefit the fire department equally and only offers minimum options. Other CAD systems provide options like attaching pre-fire plans to a business address that can be reviewed while on scene of an active incident, hydrant locations, and mapping. CRIMES does not have the ability to keep up with today's standards and information sharing and safety.

In our RMS system it is a challenge to get accurate crime data numbers. We are unable to rely on the system that we should be able to get good quality data from for case management and crime statistics. For the past two years we have solely relied on CRIME DATA reported to the FBI through the NIBRS system for our reports.

Future use:

CRIMES is unable to support our new radio system, and soon to be new 911 system that will be coming online in 2025/2026. We live in a world today where technology is one of the key components to a successful organization. We should have integration between the technology we use within the organization, and we need to simplify the process of receiving information, obtaining information, disseminating information, and relying on quality data.

During the past few years, Midlothian, Seagoville, Ovilla, Sunnyvale, Red Oak, White Settlement to name a few of the known departments that have moved away from the CRIMES system.

It is critical to public safety in the City of Hutchins that we also move away from the CRIMES system. With the support from the city council, we are requesting, councils support to apply for a grant through the Office of the Governor to assist with the purchase of a new CAD, and RMS system.

The CRIMES system cannot keep up with the demanding requirements of today's Law Enforcement profession.

Budget Implications

Grant \$ 200,000.00 (two-year period)

Operational Impact

Improve public safety by reducing time spent on reports, improve officer safety, improve the quality of data in the department records management system, improve fire department response to critical incidents.

Legal Review

City Attorney Joe Gorfida reviewed and approved the attached resolution.

Staff Recommendation

Approve the resolution allowing staff to apply for a grant to assist with the funding of a new CAD and RMS system.

Supporting Documentation and Attachments

Resolution

Preliminary estimate of a new CAD and RMS system.

CITY OF HUTCHINS
RESOLUTION NO. R 2025-XXXX

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, AUTHORIZING THE CHIEF OF POLICE TO APPLY FOR GRANT FUNDING TO FUND IN WHOLE OR IN PART A NEW RECORDS MANAGEMENT SYSTEM, FROM THE OFFICE OF THE GOVERNOR (OOG) CRIMINAL JUSTICE DIVISION (CJD) FOR THE FY 2025/2026 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AND AUTHORIZING THE CITY ADMINISTRATOR OR HIS DESIGNEE TO ACT ON THE CITY'S BEHALF TO ADMINISTER THE GRANT, AND PLEDGING THAT THE CITY OF HUTCHINS WILL COMPLY WITH THE GRANT REQUIREMENTS OF THE CRIMINAL JUSTICE DIVISION (CJD) OFFICE OF THE GOVERNOR (OOG).

WHEREAS, The City of Hutchins finds it in the best interest of the citizens of Hutchins, Texas, that the Records management grant be operated for the 2025/2026 budget year; and

WHEREAS, The City of Hutchins agrees that in the event of loss or misuse of the Office of the Governor funds, The City of Hutchins assures that the funds will be returned to the Office of the Governor in full.

WHEREAS, The City of Hutchins designates Sergeant Matthew Mc Pherson as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter, or terminate the grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that The City of Hutchins approves submission of the grant application for the Records Management System grant to the Office of the Governor.

Signed by:

Passed and approved this _____ (Day) of _____ (Month), _____ (Year)

Grant Number: 5370001

CITY OF HUTCHINS, TEXAS

Mario Vasquez, Mayor

ATTEST:

Cynthia Olguin, City Secretary

**CITY OF HUTCHINS, TEXAS
RESOLUTION NO. R 2025-2025-03-1251**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUTCHINS, TEXAS, AUTHORIZING THE CHIEF OF POLICE TO APPLY FOR GRANT FUNDING TO FUND IN WHOLE OR IN PART A NEW RECORDS MANAGEMENT SYSTEM, FROM THE OFFICE OF THE GOVERNOR (OOG) CRIMINAL JUSTICE DIVISION (CJD) FOR THE FY 2025/2026 JUSTICE ASSISTANCE GRANT (JAG) PROGRAM AND AUTHORIZING THE CITY ADMINISTRATOR OR THEIR DESIGNEE TO ACT ON THE CITY'S BEHALF TO ADMINISTER THE GRANT, AND PLEDGING THAT THE CITY OF HUTCHINS WILL COMPLY WITH THE GRANT REQUIREMENTS OF THE CRIMINAL JUSTICE DIVISION (CJD) OFFICE OF THE GOVERNOR (OOG); AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Hutchins finds it in the best interest of the citizens of Hutchins, Texas, that the Records management grant be operated for the 2025/2026 budget year; and

WHEREAS, in the event of loss or misuse of the Office of the Governor funds, the City shall return the funds to the Office of the Governor in full; and

WHEREAS, the City of Hutchins designates Sergeant Matthew McPherson as the grantee’s authorized official.

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

SECTION 1. The City of Hutchins authorizes the Chief of Police to apply for grant funding to fund a new Records Management System from the Office of the Governor (OOG) Criminal Justice Division (CJD) for the FY 2025/2026 Justice Assistance Grant (JAG) Program.

SECTION 2. The City Administrator or their designee shall act on the City’s behalf to administer the Grant and shall pledge that the City will comply with the Grant requirements of the Criminal Justice Division (CJD) Office of the Governor (OOG).

SECTION 3. This Resolution shall take effect immediately from and after its passage and the publication of the caption, as the law in such cases provides.

DULY RESOLVED AND ADOPTED by the City Council of the City of Hutchins, Texas, this the 3rd day of March 2025.

CITY OF HUTCHINS, TEXAS

Mario Vasquez, Mayor

ATTEST:

Cynthia Olguin, City Secretary
(02-24-2025: 4934-6189-2124, v. 1)

Grant Number: 5370001
4934-6189-2124, v. 1