



Agenda
Prosper Town Council Meeting
Prosper Town Hall, Council Chambers
250 W. First Street, Prosper, Texas
Tuesday, August 25, 2026
6:15 PM

Welcome to the Prosper Town Council Meeting.

Citizens may watch the meeting live by using the following link: www.prospertx.gov/livemeetings

Addressing the Town Council:

Those wishing to address the Town Council must complete the Public Comment Request Form located on the Town's website or in the Council Chambers.

If you are attending in person, please submit this form to the Town Secretary or the person recording the minutes for the Board/Commission prior to the meeting. When called upon, please come to the podium, and state your name and address for the record.

If you are watching online, please submit this form to the Town Secretary prior to 4:00 p.m. on the day of the meeting in order for your comments to be read into the record. The Town assumes no responsibility for technical issues beyond our control.

In compliance with the Texas Open Meetings Act, the Town Council/Board/Commission may not deliberate or vote on any matter that does not appear on the agenda. The Council/Board/Commission, however, may provide statements of fact regarding the topic, request the topic be included as part of a future meeting, and/or refer the topic to Town staff for further assistance.

Citizens and other visitors attending Town Council meetings shall observe the same rules of propriety, decorum, and good conduct applicable to members of the Town Council. Any person making personal, impertinent, profane or slanderous remarks or who becomes boisterous while addressing the Town Council or while attending the meeting shall be removed from the room, if so directed by the Mayor or presiding officer, and the person shall be barred from further audience before the Town Council during that session. Disruption of a public meeting could constitute a violation of Section 42.05 of the Texas Penal Code.

Call to Order/ Roll Call.

Invocation, Pledge of Allegiance and Pledge to the Texas Flag.

Announcements of recent and upcoming events.

Presentations.

1. Recognize Prosper Lorene Rogers Middle School student, Aayush Jaladurgam. (MLS)
2. Recognize the Prosper Fire and Rescue Department on receiving the Meritorious Award. (SB)

CONSENT AGENDA:

Items placed on the Consent Agenda are considered routine in nature and non-controversial. The Consent Agenda can be acted upon in one motion. Items may be removed from the Consent Agenda by the request of Council Members or staff.

- [3.](#) Consider and act upon the minutes from the August 10, 2026, Town Council Special meeting. (MLS)
- [4.](#) Consider and act upon the minutes from the August 11, 2026, Town Council Regular meeting. (MLS)
- [5.](#) Consider acceptance of the July monthly financial report for fiscal year 2026. (CL)
- [6.](#) Consider and act upon a Resolution approving a Negotiated Settlement between the Atmos Cities Steering Committee and Atmos Energy Corporation, Mid-Tex Division regarding the Company's 2026 Rate Review Mechanism Filing; declaring the existing rates to be unreasonable; finding the rates to be set by the attached Settlement Tariffs to be just and reasonable and in the public interest; and approving an attachment establishing a benchmark for pensions and retiree medical benefits. (CL)
- [7.](#) Consider and act upon authorizing the Town Manager to execute an agreement with Canon U.S.A., Inc. for managed print services, including the lease and maintenance of the Town's copier and printer fleet, through Texas Department of Information Resources (DIR) Contract DIR-CPO-5428 for \$250,899. (LJ)
- [8.](#) Consider and act upon authorizing the Town Manager to execute a Professional Engineering Services Agreement between Kimley-Horn and Associates, Inc., and the Town of Prosper, Texas, related to the design of the Prosper Trail (Teel – Legacy) project for \$950,000. (JC)
- [9.](#) Consider and act upon authorizing the Town Manager to execute a Construction Agreement awarding CSP No. 2026-21-B to McMahon Contracting LP, related to construction services for the Craig Road (Preston Road to Fifth Street) project in the amount of \$3,649,793.58 and authorize \$300,000 for construction phase contingencies. The total purchase order amount is \$3,949,793.58. (AT)
- [10.](#) Consider and act upon an Ordinance to amend the Town of Prosper Unified Development Code related to closing applications, providing standards for a dual brand hotel, updating Commercial District setback regulations, landscape and open space criteria, and parking requirements for the Dallas North Tollway District, addressing jellyfish-style lighting, and defining terms related to the proposed amendments. (ZONE-26-0010) (DH)
- [11.](#) Consider and act upon whether to direct staff to submit a written notice of appeals on behalf of the Town Council to the Development Services Department, pursuant to Article 2.03(H)(8) and 2.03(I)(3)(g) of the Town's Unified Development Code, regarding action taken by the Planning and Zoning Commission on Preliminary Site Plans and Site Plans. (DH)

CITIZEN COMMENTS

The public is invited to address the Council on any topic. However, the Council is unable to discuss or take action on any topic not listed on this agenda. Please complete a "Public Comment Request Form" and present it to the Town Secretary prior to the meeting. Please limit your comments to three minutes. If multiple individuals wish to speak on a topic, they may yield their three minutes to one individual appointed to speak on their behalf. All individuals yielding their time must be present at the meeting, and the appointed individual will be limited to a total of 15 minutes.

REGULAR AGENDA:

Pursuant to Section 551.007 of the Texas Government Code, individuals wishing to address the Council for items listed as public hearings will be recognized when the public hearing is opened. [If

you wish to address the Council, please fill out a “Public Comment Request Form” and present it to the Town Secretary, preferably before the meeting begins.]

Items for Individual Consideration:

- [12.](#) Conduct a Public Hearing and consider and act upon a request for a rezoning from Planned Development-27 to a Planned Development for Cottage Logistics, Office/Warehouse, and Retail uses on Edward Bradley Survey, Abstract 86, Tract 5, on 39.2± acres, located on the northeast corner of Lovers Lane and University Drive. (ZONE-26-0006) (DH)
13. Discuss and consider Town Council Subcommittee reports. (DFB)

Possibly direct Town staff to schedule topic(s) for discussion at a future meeting.

EXECUTIVE SESSION:

Recess into Closed Session in compliance with Section 551.001 et seq. Texas Government Code, as authorized by the Texas Open Meetings Act, to deliberate regarding:

Section 551.087 – To discuss and consider economic development incentives and all matters incident and related thereto.

Section 551.072 – To discuss and consider the purchase, exchange, lease, or value of real property for municipal purposes and all matters incident and related thereto.

Section 551.074 – To discuss and consider personnel matters and all matters incident and related thereto.

Section 551.074 - To discuss appointments to the Board of Adjustment/Construction Board of Appeals, Parks & Recreation Board, Library Board, Prosper Economic Development Corporation Board, Planning & Zoning Commission, Community Engagement Committee, Downtown Advisory Committee, TIRZ I, and TIRZ II, and all matters incident and related thereto.

Section 551.071 - To consult with the Town Attorney regarding legal issues associated with code enforcement activities and substandard structures, and all matters incident and related thereto.

Section 551.071 - Consultation with the Town Attorney regarding pending or anticipated litigation.

Section 551.071- Consultation with the Town Attorney regarding legal issues and advice related to development agreements, including economic development incentives; acquisition of real property for public purposes; incentive “claw-back” provisions; permissible and secondary uses of property; issues relating to and enforcement of development agreements; procedural issues related thereto; anticipated or pending litigation regarding the foregoing; and further consultation regarding legal issues related to Article 1.02 of the Code of Ordinances, and all matters incident and related thereto.

Section 551.071 - Consultation with the Town Attorney to discuss legal issues associated with any Work Session or Council Meeting agenda item.

Reconvene in Regular Session and take any action necessary as a result of the Closed Session.

Adjourn.

CERTIFICATION

I, the undersigned authority, do hereby certify that this Notice of Meeting was posted at Prosper Town Hall, located at 250 W. First Street, Prosper, Texas 75078, a place convenient and readily accessible to the general public at all times, and said Notice was posted on Wednesday, August 19, 2026, and remained so posted at least three (3) business days before said meeting was convened.

Michelle Lewis Sirianni, Town Secretary

Date Notice Removed

Pursuant to Section 551.071 of the Texas Government Code, the Town Council reserves the right to consult in closed session with its attorney and to receive legal advice regarding any item listed on this agenda.

NOTICE OF ASSISTANCE AT PUBLIC MEETINGS: The Prosper Town Council meetings are wheelchair accessible. For special services or assistance, please contact the Town Secretary's Office at (972) 569-1073 at least 48 hours prior to the meeting time.



MINUTES

Item 3.

Prosper Town Council Special Meeting
Prosper Town Hall – Community Room
250 W. First Street, Prosper, Texas
Monday, August 10, 2026

Call to Order/ Roll Call.

The meeting was called to order at 5:30 p.m.

Council Members Present:

Mayor David F. Bristol
Mayor Pro-Tem Amy Bartley
Deputy Mayor Pro-Tem Chris Kern
Councilmember Marcus E. Ray
Councilmember Craig Andres
Councilmember Cameron Reeves

Council Members Absent:

Councilmember Doug Charles

Staff Members Present:

Jessica Hille, Deputy Town Secretary
Michelle Lewis Sirianni, Town Secretary

EXECUTIVE SESSION:

Recess into Closed Session in compliance with Section 551.001 et seq. Texas Government Code, as authorized by the Texas Open Meetings Act, to deliberate regarding:

Section 551.074 - To conduct interviews for positions on the Town's Board & Commissions, and all matters incident and related thereto.

The Town Council recessed into Executive Session at 5:45 p.m.

Reconvene in Open Session and take any action necessary as a result of the Closed Session.

The Town Council reconvened into Open Session at 9:10 p.m.

No action was taken.

Adjourn.

The meeting was adjourned at 9:10 p.m.

These minutes were approved on the 25th day of August 2026.

APPROVED:

David F. Bristol, Mayor

ATTEST:

Michelle Lewis Sirianni, Town Secretary



MINUTES

Prosper Town Council Meeting
Prosper Town Hall, Council Chambers
250 W. First Street, Prosper, Texas
Tuesday, August 11, 2026

Item 4.

Call to Order/ Roll Call.

The meeting was called to order at 6:22 p.m.

Council Members Present:

Mayor David F. Bristol
Mayor Pro-Tem Amy Bartley
Deputy Mayor Pro-Tem Chris Kern
Councilmember Marcus E. Ray *arrived at 6:49 p.m.*
Councilmember Craig Andres
Councilmember Cameron Reeves

Council Members Absent:

Councilmember Doug Charles

Staff Members Present:

Mario Canizares, Town Manager
Terry Welch, Town Attorney
Michelle Lewis Sirianni, Town Secretary
Chuck Ewings, Assistant Town Manager
Madison Clark, EDC Executive Director
Tony Luton, Human Resources Director
Hulon Webb, Director of Engineering
Chris Landrum, Finance Director
Colin Ashby, Budget Officer & Grants Administrator
David Hoover, Development Services Director
Suzanne Porter, Planning Manager
Carrie Jones, Public Works Director
Stephen Tanner, Director of Community Engagement & Experiences
David Angeles, Parks and Recreation Director
Stuart Blasingame, Fire Chief
Brent Brown, Police Chief
Scott Brewer, Assistant Police Chief
Leigh Johnson, IT Director
Muya Mwangi, IT Specialist I

Invocation, Pledge of Allegiance and Pledge to the Texas Flag.

Jason McConnell with Prosper United Methodist Church led the invocation. A Boy Scout with Troop 289 led the Pledge of Allegiance and the Pledge to the Texas Flag.

Presentations.

1. **Proclamation declaring the month of August 2026 as Gun Safety Awareness Month. (MLS)**

Mayor Bristol read and presented a Proclamation to members of Cook Children's.

2. Recognize Prosper High School student, Zoe Zogleman. (MLS)

Mayor Bristol recognized and presented a certificate to Ms. Zogleman on her achievement as Miss Texas Teen 2026 and wishing continued success in representing Prosper at the Miss America's Teen Competition.

CONSENT AGENDA:

Items placed on the Consent Agenda are considered routine in nature and non-controversial. The Consent Agenda can be acted upon in one motion. Items may be removed from the Consent Agenda by the request of Council Members or staff.

- 3. Consider and act upon the minutes from the July 28, 2026, Town Council Regular meeting. (MLS)**
- 4. Receive the Quarterly Investment Report for the Third Quarter. (CL)**
- 5. Consider and act upon authorizing the Town Manager to execute a Construction Agreement with American Landscape Systems for the Mahard Parkway Medians in the amount of \$482,505.50. (DA)**
- 6. Consider and act upon approving the purchase of water meters from Core & Main in the amount of \$119,828; and authorize the Town Manager to execute the same. (JR)**
- 7. Consider and act upon a request for the utilization of two existing temporary buildings for church administration purposes through August of 2028 at St. Martin de Porres, Block A, Lot 2R, on 39.8± acres, located 315± feet north of University Drive and 870± feet west of Teel Parkway. (DH)**

Mayor Pro-Tem Bartley made a motion to approve consent agenda items 3 through 7. Councilmember Reeves seconded the item. Motion carried with a 5-0 vote.

CITIZEN COMMENTS

Maria Narvaez, 1405 Starlight Ave., Aubrey, spoke in strong opposition to project Tomahawk and expressed concerns regarding infrastructure, environmental impacts, and location to residential.

Mr. Canizares noted that this project was removed for consideration from the upcoming Planning and Zoning Commission meeting. Staff has only seen what the developer has provided. The P&Z Commission and Town Council have not seen any materials.

Priya Patel, 10601 Fort Stockton Pl, McKinney, spoke to the Willow Initiative, a student led initiative that focuses on prevention and spreading education awareness campaigns around substance abuse in minors. She requested the Town Council to consider ways to address the issue.

Items for Individual Consideration:

- 8. Discuss and consider submission of the Preliminary Fiscal Year 2026-2027 Budget. (CL)**

Mr. Landrum presented an overview of the Preliminary Budget including the Budget timeline, key revenue drivers and expenditures, personnel and compensation, the Debt

Service Fund, the Capital Project Program, comparison of property tax valuations, Health Fund, projected water and wastewater rates, and the VERF.

Mr. Canizares commented on this year's Budget being focused on employees, current programs, and capital projects with no new position's in the General Fund.

The Town Council collectively expressed their appreciation to staff for all their work on putting everything together along with the Finance and CIP Subcommittee's work on reviewing and helping to finding ways to present a balanced budget. They also emphasized their value in taking care of all current employees and especially public safety, addressing the needs of the Town in a fiscally responsible manner and having the Capital Dedicated Fund to prioritize projects.

Mayor Bristol commented that since the announcements were accidentally skipped over, he would like to do those before moving to the next item.

Announcements of recent and upcoming events.

Councilmember Reeves made the following announcements:

Join us for a public Town Hall meeting regarding the fiscal year 2025-2026 Preliminary Budget on Thursday, September 3 at 6:00 p.m. in the Council Chambers. Town staff will provide a presentation and be available for questions.

Applications are being accepted for the Mayor's Youth Advisory Council. This leadership program gives high school juniors and seniors the chance to represent their peers, influence Town decisions, and take part in meaningful civic engagement. Eligible students must live in Prosper and be enrolled in grades 11 or 12 for the 2026-2027 school year. Deadline to apply is Monday, August 24. Learn more and apply at www.prospertx.gov/MYAC.

The annual Prosper Veterans Day Honor Run honors our nation's heroes, one stride at a time! With a 10K, 5K, and Fun Run, this event welcomes all ages and abilities. Whether you plan to run, walk, or cheer from the sidelines, mark your calendar for Saturday, November 7. Join us to recognize the service and sacrifice of the brave men and women who have served in the United States Armed Forces. Find all the details at www.prospertx.gov/specialevents.

Stay up to date on Town programs, services, and initiatives by subscribing to the resident update, downloading the myProsper app or following the various Town social media platforms. Visit the Town's Communications and Community Engagement website page for all the variety of ways to stay informed and connected.

- 9. Consider and act upon accepting submission of the tax year 2026, fiscal year 2026-2027, no-new-revenue tax rate of \$0.500622 per \$100 taxable value, voter-approval tax rate of \$0.509936 per \$100 taxable value, and preliminary property tax rate of \$0.505000 per \$100 taxable value. (CL)**

Mr. Landrum introduced the item noting the no-new-revenue tax rate compares like properties year over year. The voter-approval tax rate is split into two separate components which includes the operating and maintenance rate and a debt rate. He also noted that only one public hearing would be required due to the preliminary tax rate being higher than the no-new-revenue tax rate.

Councilmember Ray made a motion to place a proposal to adopt a FY2026-2027 tax rate of fifty and one-half cents (\$0.505) per hundred dollars (\$100) of valuation on the September 8, 2026, Town Council Agenda. Deputy Mayor Pro-Tem Kern seconded the motion. Motion carried with a 6-0 vote.

10. Consider and act upon a proposed FY 2026-2027 property tax rate. (CL)

Mr. Landrum introduced the item stating that this is setting the highest possible tax rate. The rate the Town adopts can be lower than the proposed rate, but it cannot exceed it. This item requires a roll call vote.

The Town Council went back to Agenda Item No. 9.

9. Consider and act upon accepting submission of the tax year 2026, fiscal year 2026-2027, no-new-revenue tax rate of \$0.500622 per \$100 taxable value, voter-approval tax rate of \$0.509936 per \$100 taxable value, and preliminary property tax rate of \$0.505000 per \$100 taxable value. (CL)

Councilmember Ray made a motion to withdraw the previous action listed. Deputy Mayor Pro-Tem Kern seconded the motion. Motion carried with a 6-0 vote.

Councilmember Ray made a motion to accept the submission of the tax year 2026 no-new revenue tax rate of \$0.500622 per \$100 taxable value, voter-approval tax rate of \$0.509936 per \$100 taxable value, and preliminary property tax rate of \$0.505000 per \$100 taxable value. Deputy Mayor Pro-Tem Kern seconded the motion. Motion carried with a 6-0 vote.

10. Consider and act upon a proposed FY 2026-2027 property tax rate. (CL)

Councilmember Kern made a motion to place a proposal to adopt a FY2026-2027 tax rate of fifty and one-half cents (\$0.505) per hundred dollars (\$100) of valuation on the September 8, 2026, Town Council Agenda. Councilmember Reeves seconded the motion.

Councilmember Reeves – In Favor
Deputy Mayor Pro-Tem Kern – In Favor
Mayor Bristol – In Favor
Mayor Pro-Tem Bartley – In Favor
Councilmember Andres – In Favor
Councilmember Ray – In Favor

Motion carried with a 6-0 vote.

11. Consider and act upon scheduling a Public Hearing on the FY 2026-2027 Proposed Budget. (CL)

Mr. Landrum stated this item is to set the Public Hearing date for September 8 and the notice of the public hearing to be submitted for publication.

Councilmember Reeves made a motion to schedule a Public Hearing on the FY2026-2027 Proposed Budget for September 8, 2026, at 6:15 p.m., with the meeting taking place in the Council Chambers of Prosper Town Hall, located at 250 W. First Street, Prosper, TX. Councilmember Andres seconded the motion. Motion carried with a 6-0 vote.

12. Consider and act upon scheduling a Public Hearing on the proposed Fiscal Year 2026-2027 tax rate. (CL)

Mr. Landrum stated this item is to set the Public Hearing date for September 8 for the tax rate.

Councilmember Andres made a motion to set the Public Hearing on the proposed tax rate for September 8, 2026, at 6:15 p.m., with the meeting taking place in the Council Chambers of Prosper Town Hall, located at 250 W. First Street, Prosper, TX. Mayor Pro-Tem Bartley seconded the motion. Motion carried with a 6-0 vote.

13. Discuss and consider Town Council Subcommittee reports. (DFB)

Downtown Advisory Committee: Councilmember Reeves noted they received updates on the current projects and noted that their will be charette's taking place next week for the small area plan within downtown.

Community Engagement Committee: Mayor Pro-Tem Bartley noted they discussed the holiday calendar and social media, future events, and debriefed on the America 250 events. She commented that their September meeting will be a joint meeting with the Downtown Advisory Committee.

Finance Subcommittee: Mayor Bristol commented was all budget items as reflected on the agenda.

CIP Subcommittee: Mayor Bristol commented was all budget items as reflected on the agenda.

Possibly direct Town staff to schedule topic(s) for discussion at a future meeting.

No comments were made.

EXECUTIVE SESSION:

Recess into Closed Session in compliance with Section 551.001 et seq. Texas Government Code, as authorized by the Texas Open Meetings Act, to deliberate regarding:

Section 551.087 – To discuss and consider economic development incentives and all matters incident and related thereto.

Section 551.072 – To discuss and consider the purchase, exchange, lease, or value of real property for municipal purposes and all matters incident and related thereto.

Section 551.074 – To discuss and consider personnel matters and all matters incident and related thereto.

Section 551.074 - To discuss appointments to the Board of Adjustment/Construction Board of Appeals, Parks & Recreation Board, Library Board, Prosper Economic Development Corporation Board, Planning & Zoning Commission, Community Engagement Committee, and the Downtown Advisory Committee, and all matters incident and related thereto.

Section 551.071 - Consultation with the Town Attorney regarding pending or anticipated litigation.

Section 551.071 - Consultation with the Town Attorney to discuss legal issues associated with any Work Session or Council Meeting agenda item.

The Town Council recessed into Executive Session at 7:47 p.m.

Reconvene in Regular Session and take any action necessary as a result of the Closed Session.

The Town Council reconvened into Regular Session at 9:30 p.m.

Mayor Pro-Tem Bartley made a motion to authorize the Town Manager to execute a Neighborhood Empowerment Zone Agreement for Blackhawk Brewery. Deputy Mayor Pro-Tem Kern seconded the motion. Motion carried with a 6-0 vote.

Mayor Pro-Tem Bartley made a motion to appoint the following individuals to the Town's Board and Commissions.

Board of Adjustments/Construction Board of Appeals	Term Expires
Brian Linden, Place 2	09/30/2028
Chibuzor Okeke, Place 4	09/30/2028
CJ Alexander, Place 6	09/30/2028
Economic Development Corporation	
Charles Cotten, Place 2	09/30/2029
Jason Dixon, Place 3	09/30/2031
David Bristol, Place 4	09/30/2029
Community Engagement Committee	
Gavin Hernandez, Place 2	09/30/2028
Kari Willis, Place 4	09/30/2028
Shannon DeVaughn, Place 6	09/30/2028
Kelly Sullivan, Place 8	09/30/2028
Soprina Reeves, Place 10	09/30/2028

Library Board	
Jessica Bravo, Place 2	09/30/2028
Shawn Sreedharan, Place 4	09/30/2028
Jennifer Wattenbarger, Place 6	09/30/2028
Holly Dee, Place 8	9/30/2028
Parks and Recreation	
Daniel Knox, Place 2	09/30/2028
Clinton Coe, Place 4	09/30/2028
Kyle LaFerney, Place 6	09/30/2028
Planning and Zoning Commission	
John Hamilton, Place 2	09/30/2028
Josh Carson, Place 4	09/30/2028
Damon Jackson, Place 6	09/30/2028

Downtown Advisory Committee: Remove Charles Cotten and Gavin Hernandez. Add Nate Pike and Srinivas Reddy.

Councilmember Ray seconded the motion. Motion carried with a 6-0 vote.

Adjourn.

The meeting was adjourned at 9:30 p.m.

These minutes were approved on the 11th day of August 2026.

APPROVED:

David F. Bristol, Mayor

ATTEST:

Michelle Lewis Sirianni, Town Secretary



FINANCE

To: Mayor and Town Council

From: Chris Landrum, Finance Director

Through: Mario Canizares, Town Manager
Bob Scott, Deputy Town Manager

Re: Consider acceptance of the July Monthly Financial Report for Fiscal Year 2026 (CL)

Town Council Meeting – August 25, 2026

Strategic Visioning Priority: 4. Provide Excellent Municipal Services

Agenda Item:

Consider acceptance of the July monthly financial report for fiscal year 2026. (CL)

Description of Agenda Item:

The Town Charter requires the submission of monthly financial reports to the Town Council. In summary, both revenues and expenditures are within the expected ranges, except where otherwise noted in the financial statements.

Budget Impact:

There is no budgetary impact affiliated with this item.

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

Attached Documents:

1. Monthly Financial Report – July 31, 2026

Town Staff Recommendation:

Town staff recommends Town Council vote to accept submission of the monthly financial report for the period of July for fiscal year 2026 in compliance with Town Charter requirements.

Proposed Motion:

I move to accept the July Monthly Financial Report for Fiscal Year 2026 in compliance with charter requirements.



MONTHLY FINANCIAL REPORT as of July 31, 2026 Cash/Budgetary Basis

Prepared by
Finance Department

August 25, 2026

TOWN OF PROSPER, TEXAS

MONTHLY FINANCIAL REPORT

July 2026

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TOWN OF PROSPER, TEXAS

Management Discussion & Highlights

July 2026

Overview

Monthly financial reports are presented on a cash basis to allow for timely reporting.

Expenditures in the operating funds exceeding the 83% year-to-date benchmark are primarily attributable to encumbrance accounting and the issuance of purchase orders at the beginning of the fiscal year.

Highlights

General Fund

- The ending fund balance exceeds the 21% target, largely due to most of the property tax collections occurring in January. YTD actual expenditures are within expected percentages except where noted.

Water-Sewer Fund

- Through July total water consumption is above the prior year by almost 6%. On average, roughly 29% of revenue is collected in the last two months of the fiscal year.

Drainage Fund

- Collections through July are below expected percentages because the new fee structure was not effective until the November billing. Revenue collections for the current year are outpacing the prior year collections.

Health Fund

- YTD revenue amounts are under expected percentages. This is largely due to vacancies, the new plan year starting in January 2026, and the newly budgeted positions not coming online until February 2026. Claims expenses continue to track on pace with the prior year claims. This is being closely monitored for any needed adjustments to keep the Health Fund whole.

TOWN OF PROSPER, TEXAS
MONTHLY FINANCIAL REPORT
July 31, 2026
Expected Year to Date Percent 83.3%

GENERAL FUND

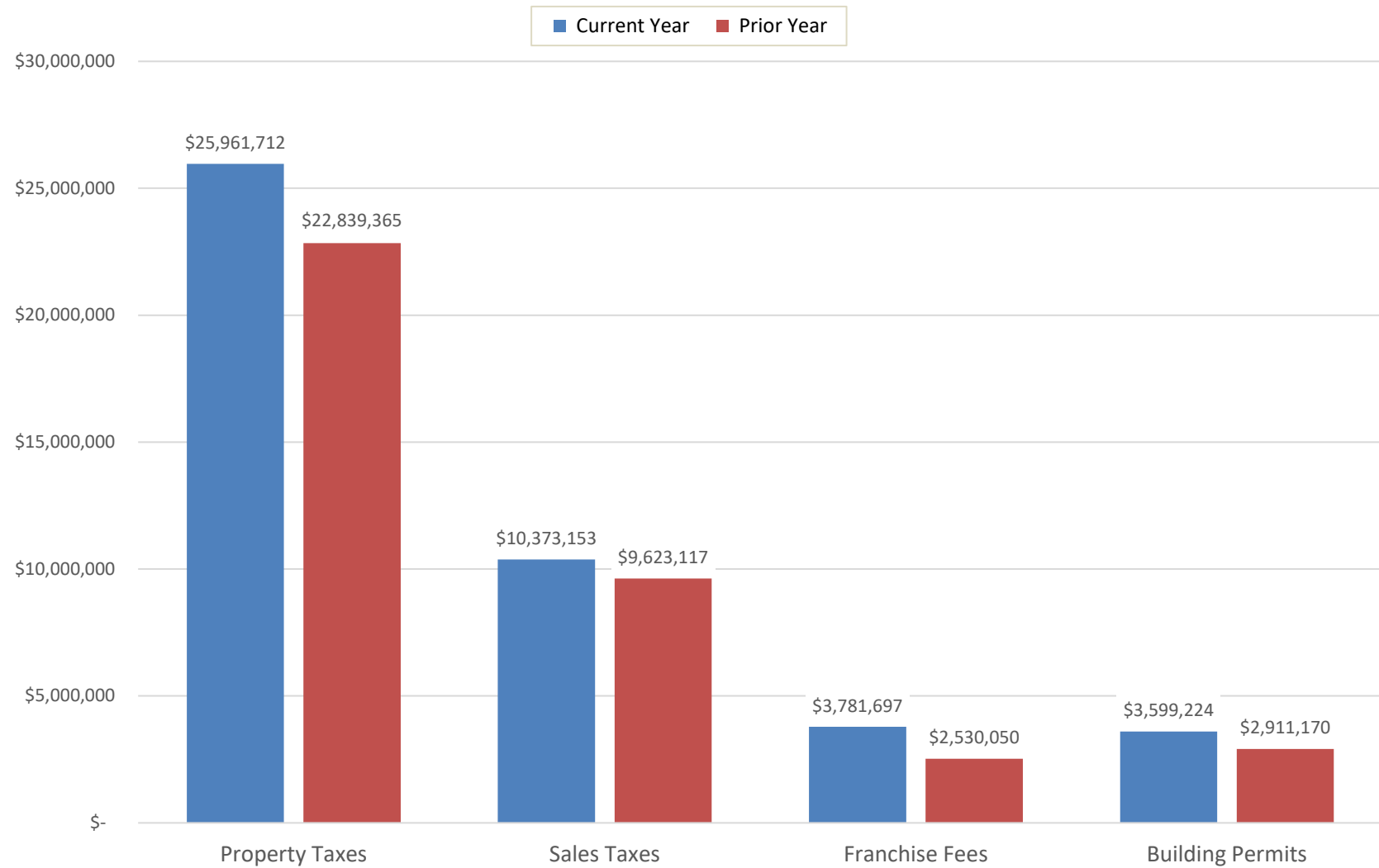
	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actuals	Current Year Encumbrances	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actuals	Change from Prior Year
REVENUES										
Property Taxes	\$ 26,277,088	\$ -	\$ 26,277,088	\$ 25,961,712	\$ -	\$ 315,376	99%	1	\$ 22,839,365	14%
Sales Taxes	13,199,055	-	13,199,055	10,373,153	-	2,825,903	79%		9,623,117	8%
Franchise Fees	4,685,174	-	4,685,174	3,781,697	-	903,477	81%	2	2,530,050	49%
Building Permits	5,193,641	-	5,193,641	3,599,224	-	1,594,417	69%		2,911,170	24%
Other Licenses, Fees & Permits	2,640,606	-	2,640,606	1,301,676	-	1,338,930	49%		1,692,145	-23%
Charges for Services	1,577,152	-	1,577,152	1,502,682	-	74,470	95%		1,458,949	3%
Fines & Warrants	581,144	-	581,144	516,668	-	64,476	89%		444,377	16%
Intergovernmental Revenue (Grants)	1,796,663	-	1,796,663	516,925	-	1,279,738	29%		28,320	1725%
Interest Income	750,000	-	750,000	882,052	-	(132,052)	118%		574,160	54%
Miscellaneous	332,071	-	332,071	514,193	-	(182,122)	155%		263,580	95%
Park Fees	818,041	-	818,041	560,657	-	257,384	69%		535,789	5%
Transfers In	10,389,929	-	10,389,929	8,753,100	-	1,636,829	84%	4	1,232,247	610%
Total Revenues	\$ 68,240,564	\$ -	\$ 68,240,564	\$ 58,263,739	\$ -	\$ 9,976,825	85%		\$ 44,133,269	32%
EXPENDITURES										
Administration	\$ 12,177,072	\$ 78,892	\$ 12,255,964	\$ 9,129,767	\$ 272,346	\$ 2,853,851	77%	5	\$ 8,677,199	5%
Police	17,724,406	(59,736)	17,664,670	12,533,586	462,560	4,668,524	74%	3	9,945,141	26%
Fire/EMS	15,945,810	-	15,945,810	13,179,263	280,035	2,486,512	84%	3	9,300,846	42%
Public Works	5,512,375	-	5,512,375	3,567,441	414,724	1,530,210	72%	5, 6	3,364,869	6%
Community Services	9,346,688	-	9,346,688	6,558,705	385,555	2,402,428	74%	5	6,139,185	7%
Development Services	4,083,700	-	4,083,700	3,108,159	122,468	853,073	79%		3,161,229	-2%
Engineering	2,708,971	-	2,708,971	2,048,952	369	659,650	76%		1,974,709	4%
Transfers Out	710,000	-	710,000	591,667	-	118,333	83%		-	0%
Total Expenses	\$ 68,209,022	\$ 19,156	\$ 68,228,178	\$ 50,717,540	\$ 1,938,057	\$ 15,572,581	77%		\$ 42,563,179	19%
REVENUE OVER (UNDER) EXPENDITURES	\$ 31,542	\$ (19,156)	\$ 12,386	\$ 7,546,199					\$ 1,570,090	
Beginning Fund Balance October 1			10,828,123	10,828,123					13,226,939	
Ending Fund Balance*			<u>\$ 10,840,509</u>	<u>\$ 18,374,322</u>					<u>\$ 14,797,029</u>	

Notes

- Property taxes are billed in October and a majority of collections occur December through February. TIRZ Transfer made in May, percentage decreased accordingly.
 - Franchise fees and other various license and fees are paid quarterly or annually.
 - Higher amounts vs prior years due to Special Purpose District salaries being moved to General Fund. Offset by Transfers In.
 - Increase in Transfers In vs prior year related to transfers from Capital Project and Special Purpose District funds for salaries.
 - Contracts encumbered at the beginning of the year cause YTD percent to be higher than expected in early months.
 - Higher amount vs prior year due to adding market adjustments and two additional staff.
- * Fund Balance Contingency per Charter and Reserve for FY26 = \$11,821,706 (21%).

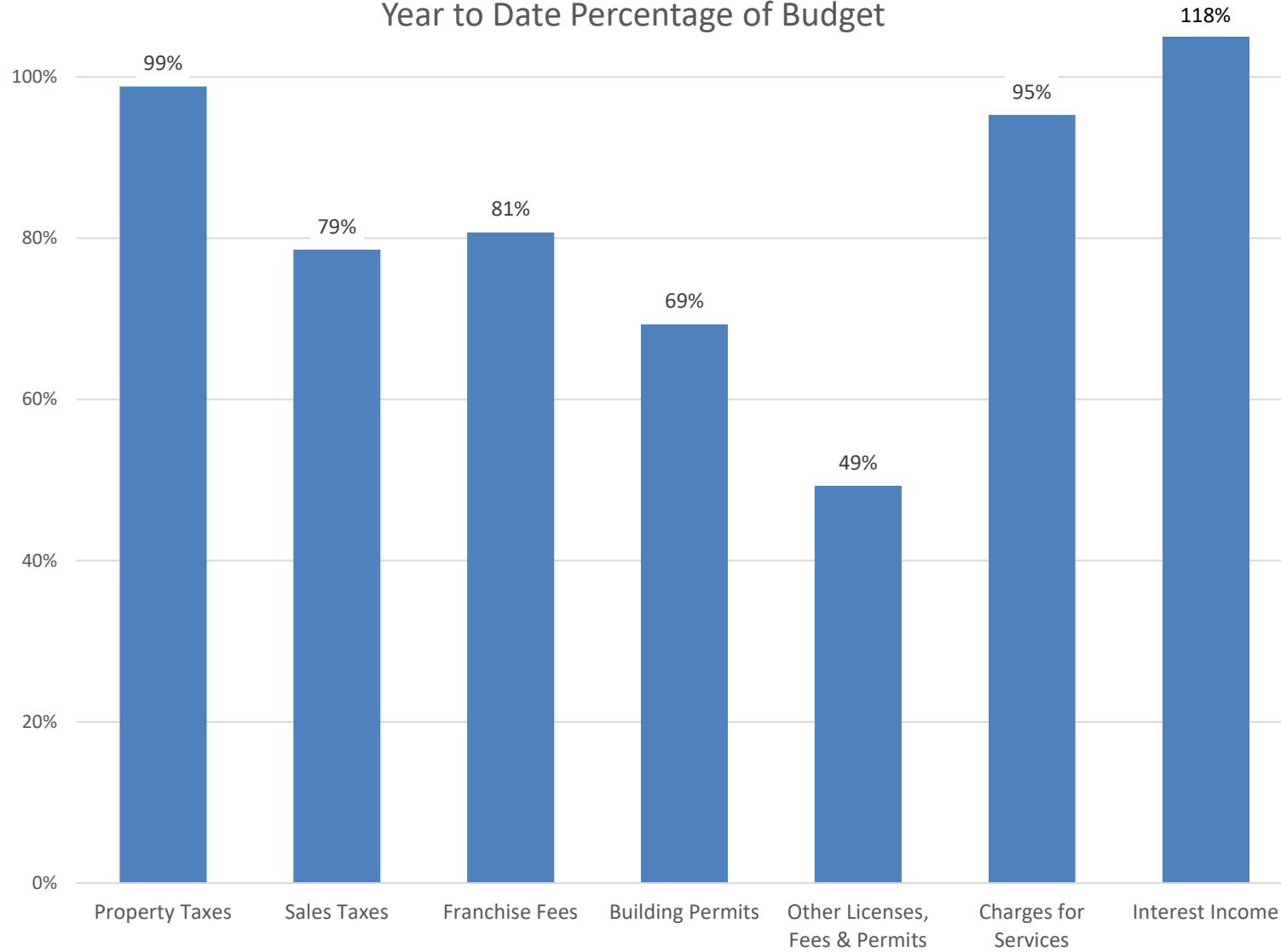
GENERAL FUND REVENUE

Current Year to Prior Year Actual

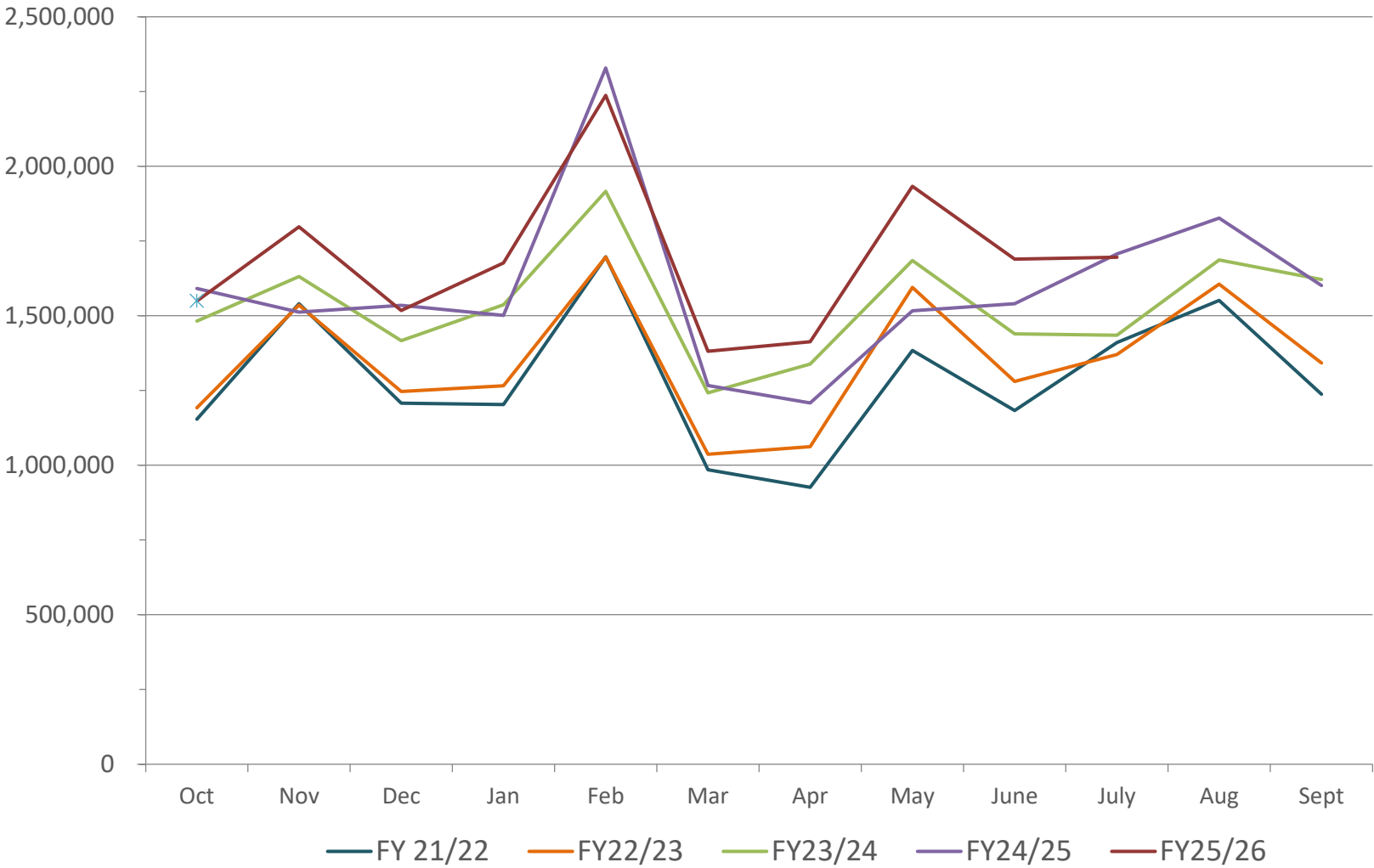


GENERAL FUND REVENUE

Year to Date Percentage of Budget



Sales Tax Revenue by Month



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Expected Year to Date Percent 83.3%

DEBT SERVICE FUND

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Year Encumbrances	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES										
Property Taxes-Delinquent	\$ 75,000	\$ -	\$ 75,000	\$ (40,491)	\$ -	\$ 115,491	-54%	4	\$ (1,748)	2216%
Property Taxes-Current	20,684,204	-	20,684,204	20,668,576	-	15,628	100%	1	17,961,707	15%
Taxes-Penalties	40,000	-	40,000	65,806	-	(25,806)	165%		53,515	23%
Interest Income	145,000	-	145,000	165,117	-	(20,117)	114%		199,427	-17%
Transfer In	-	-	-	-	-	-	0%		-	0%
Total Revenues	\$ 20,944,204	\$ -	\$ 20,944,204	\$ 20,859,008	\$ -	\$ 85,196	100%		\$ 18,212,900	15%
EXPENDITURES										
Professional Services	\$ -	\$ -	\$ -	\$ 5,000	\$ -	\$ (5,000)	0%		\$ -	0%
Bond Administrative Fees	20,000	-	20,000	750	-	19,250	4%		1,015	-26%
2014 GO Bond Payment	-	-	-	550,000	-	(550,000)	0%	3	-	0%
2015 GO Bond Payment	1,444,300	-	1,444,300	1,444,300	-	-	100%		1,436,700	1%
2015 CO Bond Payment	-	-	-	-	-	-	0%		495,000	-100%
2016 GO Debt Payment	250,000	-	250,000	250,000	-	-	100%		-	0%
2016 CO Debt Payment	470,000	-	470,000	470,000	-	-	100%		105,000	348%
2017 CO Debt Payment	490,000	-	490,000	490,000	-	-	100%		480,000	2%
2018 GO Debt Payment	170,000	-	170,000	170,000	-	-	100%		160,000	6%
2018 CO Debt Payment	560,000	-	560,000	560,000	-	-	100%	2	520,000	8%
2019 CO Debt Payment	564,212	-	564,212	564,212	-	-	100%		549,266	3%
2019 GO Debt Payment	175,000	-	175,000	175,000	-	-	100%		170,000	3%
2020 CO Debt Payment	445,000	-	445,000	445,000	-	-	100%		430,000	3%
2021 CO Debt Payment	270,000	-	270,000	270,000	-	-	100%		265,000	2%
2021 GO Debt Payment	1,205,000	-	1,205,000	1,205,000	-	-	100%		1,355,000	-11%
2022 GO Debt Payment	1,070,000	-	1,070,000	1,070,000	-	-	100%		1,020,000	5%
2023 GO Debt Payment	1,340,000	-	1,340,000	1,340,000	-	-	100%		1,055,000	27%
2024 GO Debt Payment	1,035,000	-	1,035,000	1,035,000	-	-	100%		2,100,000	-51%
2025 GO Debt Payment	3,150,000	-	3,150,000	3,150,000	-	-	100%		-	0%
Bond Interest Expense	8,506,816	-	8,506,816	4,346,633	-	4,160,183	51%		4,078,331	7%
Total Expenditures	\$ 21,165,328	\$ -	\$ 21,165,328	\$ 17,540,894	\$ -	\$ 3,624,433	83%		\$ 14,220,311	23%
REVENUE OVER (UNDER) EXPENDITURES	\$ (221,124)	\$ -	\$ (221,124)	\$ 3,318,114					\$ 3,992,588	
Beginning Fund Balance October 1			1,335,683	1,335,683					1,245,232	
Ending Fund Balance Current Month			<u>\$ 1,114,559</u>	<u>\$ 4,653,797</u>					<u>\$ 5,237,820</u>	

Notes

- Property taxes are billed in October and the majority of collections occur December through February.
- Annual debt service payments are made in February and August.
- Redemption of the remaining \$550,000 completed in November 2025.
- Recalculation refunds greater than delinquent payments.

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EAST THOROUGHFARE IMPACT FEES FUND

	Project Budget	Current Year Original Budget	Current Year Budget Adjustment	Current Year Amended Budget	Current Year Actual	Current Year Encumbrances	Current Remaining Budget Balance	Prior Years Expenditure	Project Budget Balance
REVENUES									
East Thoroughfare Impact Fees		\$ 1,200,000	\$ -	\$ 1,200,000	\$ 1,174,410				
East Thoroughfare Other Revenue		-	-	-	-				
Interest Income		100,000	-	100,000	49,378				
Total Revenues		<u>\$ 1,300,000</u>	<u>\$ -</u>	<u>\$ 1,300,000</u>	<u>\$ 1,223,789</u>				
EXPENDITURES									
Developer Reimbursements	\$ 250,000	\$ 250,000	\$ -	\$ 250,000	\$ -	\$ -	\$ 250,000	\$ -	\$ 250,000
Developer Refund (from PY)*	-	-	-	-	251,734	-	-	-	-
Total Developer Reimbursements	<u>\$ 250,000</u>	<u>\$ 250,000</u>	<u>\$ -</u>	<u>\$ 250,000</u>	<u>\$ 251,734</u>	<u>\$ -</u>	<u>\$ 250,000</u>	<u>\$ -</u>	<u>\$ 250,000</u>
Transfer to Capital Project Fund	\$ 2,400,000	\$ 2,400,000	\$ -	\$ 2,400,000	\$ 2,768,479		\$ (368,479)		\$ (368,479)
Total Transfers Out	<u>\$ 2,400,000</u>	<u>\$ 2,400,000</u>	<u>\$ -</u>	<u>\$ 2,400,000</u>	<u>\$ 2,768,479</u>	<u>\$ -</u>	<u>\$ (368,479)</u>	<u>\$ -</u>	<u>\$ (368,479)</u>
Total Expenditures	<u>\$ 2,650,000</u>	<u>\$ 2,650,000</u>	<u>\$ -</u>	<u>\$ 2,650,000</u>	<u>\$ 3,020,213</u>	<u>\$ -</u>	<u>\$ (118,479)</u>	<u>\$ -</u>	<u>\$ (118,479)</u>
REVENUE OVER (UNDER) EXPENDITURES				\$ (1,350,000)	\$ (1,796,424)				
Beginning Fund Balance October 1				2,212,875	2,212,875				
Ending Fund Balance Current Month				<u>\$ 862,875</u>	<u>\$ 416,451</u>				

Notes

* This will be corrected at midyear.

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WEST THOROUGHFARE IMPACT FEES FUND

	Project Budget	Current Year Original Budget	Current Year Budget Adjustment	Current Year Amended Budget	Current Year Actual	Current Year Encumbrances	Current Remaining Budget Balance	Prior Years Expenditure	Project Budget Balance
REVENUES									
West Thoroughfare Impact Fees		\$ 4,500,000	\$ -	\$ 4,500,000	\$ 2,939,495				
West Thoroughfare Other Revenue		-	-	-	-				
Interest Income		200,000	-	200,000	189,932				
Total Revenues		<u>\$ 4,700,000</u>	<u>\$ -</u>	<u>\$ 4,700,000</u>	<u>\$ 3,129,428</u>				
EXPENDITURES									
Developer Reimbursements									
Pk Place, Prosper Hills, Prosper Meadow	\$ 4,014,469	\$ 900,000	\$ -	\$ 900,000	\$ 302,650	\$ -	\$ 597,350	\$ 125,492	\$ 3,586,327
Parks @ Legacy	6,729,293	-	-	-	407,173	-	(407,173)	6,322,119	-
Star Trail Developer Reimb	6,872,624	-	-	-	-	-	-	6,872,624	-
Legacy Garden Developer Reimb	3,407,300	-	-	-	492,239	-	(492,239)	511,737	2,403,323
DNT Frontier Retail	2,154,348	600,000	-	600,000	270,635	-	329,365	1,343,841	539,872
Total Developer Reimbursements	<u>\$ 23,178,034</u>	<u>\$ 1,500,000</u>	<u>\$ -</u>	<u>\$ 1,500,000</u>	<u>\$ 1,472,698</u>	<u>\$ -</u>	<u>\$ 27,302</u>	<u>\$ 15,175,814</u>	<u>\$ 6,529,522</u>
Transfer to Capital Project Fund	\$ 3,000,000	\$ 3,000,000	\$ -	\$ 3,000,000	\$ 3,000,000		\$ -	\$ -	\$ -
Total Transfers Out	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>	<u>\$ -</u>	<u>\$ 3,000,000</u>	<u>\$ 3,000,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 26,828,034</u>	<u>\$ 4,500,000</u>	<u>\$ -</u>	<u>\$ 4,500,000</u>	<u>\$ 4,472,698</u>	<u>\$ -</u>	<u>\$ 27,302</u>	<u>\$ 15,175,814</u>	<u>\$ 7,179,522</u>
REVENUE OVER (UNDER) EXPENDITURES				\$ 200,000	\$ (1,343,270)				
Beginning Fund Balance October 1				6,079,635	6,079,635				
Ending Fund Balance Current Month				<u>\$ 6,279,635</u>	<u>\$ 4,736,365</u>				

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WATER IMPACT FEES FUND

	Project Budget	Current Year Original Budget	Current Year Budget Adjustment	Current Year Amended Budget	Current Year Actual	Current Year Encumbrances	Current Remaining Budget Balance	Prior Years Expenditure	Project Budget Balance
REVENUES									
Impact Fees Water		\$ 3,250,000	\$ -	\$ 3,250,000	\$ 1,859,015				
Interest Income		200,000	-	200,000	204,016				
Total Revenues		<u>\$ 3,450,000</u>	<u>\$ -</u>	<u>\$ 3,450,000</u>	<u>\$ 2,063,031</u>				
EXPENDITURES									
Developer Reimbursements									
DNT Frontier Retail	\$ 343,542	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ -	\$ 200,000	\$ 54,252	\$ 289,290
Star Trail	3,200,733	500,000	-	500,000	-	-	500,000	3,200,733	-
Victory at Frontier	209,392	68,031	-	68,031	3,821	-	64,210	168,869	36,702
Pk Place, Prosper Hills, Prosper Meadow	1,406,859	1,022,502	-	1,022,502	246,831	-	775,671	-	1,160,028
Total Developer Reimbursements	<u>\$ 5,160,526</u>	<u>\$ 1,790,533</u>	<u>\$ -</u>	<u>\$ 1,790,533</u>	<u>\$ 250,652</u>	<u>\$ -</u>	<u>\$ 1,539,881</u>	<u>\$ 3,423,854</u>	<u>\$ 1,486,020</u>
Transfer to Capital Project Fund*	\$ -	\$ 4,300,000	\$ -	\$ 4,300,000	\$ 5,799,905	\$ -	\$ (1,499,905)	\$ -	
Total Transfers Out	<u>\$ -</u>	<u>\$ 4,300,000</u>	<u>\$ -</u>	<u>\$ 4,300,000</u>	<u>\$ 5,799,905</u>	<u>\$ -</u>	<u>\$ (1,499,905)</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures	<u>\$ 5,160,526</u>	<u>\$ 6,090,533</u>	<u>\$ -</u>	<u>\$ 6,090,533</u>	<u>\$ 6,050,557</u>	<u>\$ -</u>	<u>\$ 39,976</u>	<u>\$ 3,423,854</u>	<u>\$ 1,486,020</u>
REVENUE OVER (UNDER) EXPENDITURES				<u>\$ (2,640,533)</u>	<u>\$ (3,987,526)</u>				
Beginning Fund Balance October 1				<u>7,728,595</u>	<u>7,728,595</u>				
Ending Fund Balance Current Month				<u>\$ 5,088,062</u>	<u>\$ 3,741,069</u>				

* This will be corrected at midyear.

TOWN OF PROSPER, TEXAS
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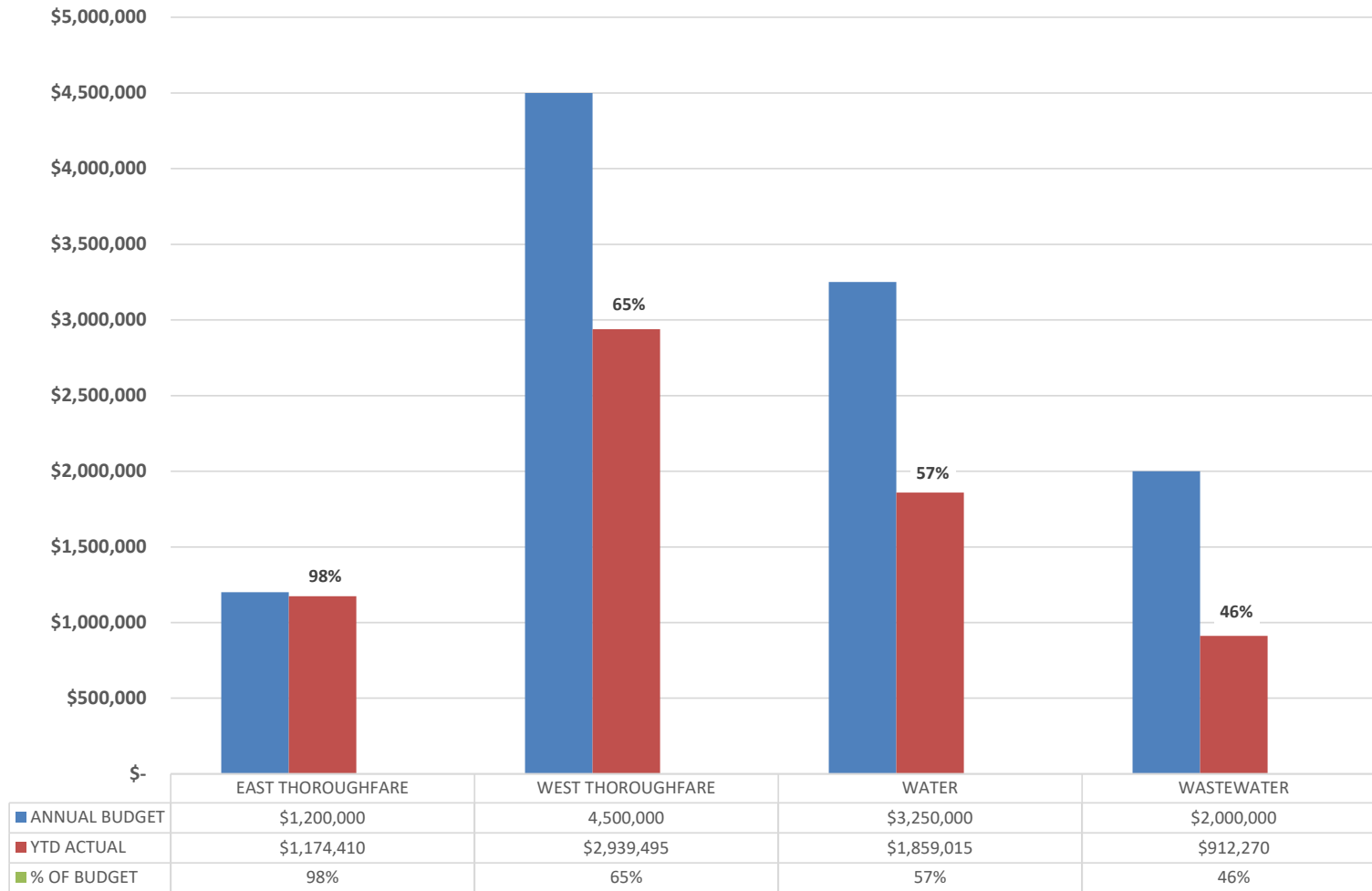
WASTEWATER IMPACT FEES FUND

	Project Budget	Current Year Original Budget	Current Year Budget Adjustment	Current Year Amended Budget	Current Year Actual	Current Year Encumbrances	Current Remaining Budget Balance	Prior Years Expenditure	Project Budget Balance
REVENUES									
Impact Fees Wastewater		\$ 2,000,000	\$ -	\$ 2,000,000	\$ 912,270				
Interest Income		100,000	-	100,000	53,386				
Upper Trinity Equity Fee		300,000	-	300,000	119,000				
Total Revenues		<u>\$ 2,400,000</u>	<u>\$ -</u>	<u>\$ 2,400,000</u>	<u>\$ 1,084,656</u>				
EXPENDITURES									
Developer Reimbursements									
LaCima Developer Reimb	\$ 707,235	\$ 308,726	\$ -	\$ 308,726	\$ -	\$ -	\$ 308,726	\$ 414,818	\$ 292,417
All Storage Developer Reimb	454,900	150,000	-	150,000	-	-	150,000	54,180	400,720
Pk Place, Prosper Hills, Prosper Meadow	186,169	100,000	-	100,000	-	-	100,000	-	186,169
Total Developer Reimbursements	<u>\$ 1,348,304</u>	<u>\$ 558,726</u>	<u>\$ -</u>	<u>\$ 558,726</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 558,726</u>	<u>\$ 468,998</u>	<u>\$ 879,306</u>
Transfer to Capital Project Fund*	\$ 2,568,378	\$ 2,568,378	\$ -	\$ 2,568,378	\$ 3,044,585	\$ -	\$ (476,207)	\$ -	\$ (476,207)
Total Transfers Out	<u>\$ 2,568,378</u>	<u>\$ 2,568,378</u>	<u>\$ -</u>	<u>\$ 2,568,378</u>	<u>\$ 3,044,585</u>	<u>\$ -</u>	<u>\$ (476,207)</u>	<u>\$ -</u>	<u>\$ (476,207)</u>
Total Expenditures	<u>\$ 3,916,682</u>	<u>\$ 3,127,104</u>	<u>\$ -</u>	<u>\$ 3,127,104</u>	<u>\$ 3,044,585</u>	<u>\$ -</u>	<u>\$ 82,519</u>	<u>\$ 468,998</u>	<u>\$ 403,099</u>
REVENUE OVER (UNDER) EXPENDITURES				\$ (727,104)	\$ (1,959,929)				
Beginning Fund Balance October 1				2,463,452	2,463,452				
Ending Fund Balance Current Month				<u>\$ 1,736,348</u>	<u>\$ 503,523</u>				

* This will be corrected at midyear.

IMPACT FEE REVENUE

YTD Actual to Annual Budget



TOWN OF PROSPER, TEXAS
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Expected Year to Date Percent 83.3%

TIRZ #1 - BLUE STAR

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES									
Impact Fee Revenue:									
Water Impact Fees	\$ 50,000	\$ -	\$ 50,000	\$ 298,030	\$ (248,030)	596%		\$ 341,656	-13%
Wastewater Impact Fees	700,000	-	700,000	489,898	210,102	70%		502,669	-3%
East Thoroughfare Impact Fees	50,000	-	50,000	466,009	(416,009)	932%		156,476	198%
Property Taxes - Town (Current)	1,376,961	-	1,376,961	1,376,516	445	100%	1	1,256,338	10%
Property Taxes - Town (Rollback)	-	-	-	-	-	0%	1	165,155	-100%
Property Taxes - County (Current)	295,022	-	295,022	290,770	4,252	99%	3	265,382	10%
Sales Taxes - Town	1,386,765	-	1,386,765	1,069,184	317,581	77%		1,032,199	4%
Sales Taxes - EDC	1,161,416	-	1,161,416	895,442	265,974	77%		864,467	4%
Interest Income	50,000	-	50,000	132,594	(82,594)	265%		158,369	-16%
Transfer In	-	-	-	-	-	0%		-	0%
Total Revenue	\$ 5,070,164	\$ -	\$ 5,070,164	\$ 5,018,444	\$ 51,720	99%		\$ 4,742,712	6%
EXPENDITURES									
Professional Services	\$ 3,000	\$ -	\$ 3,000	\$ -	\$ 3,000	0%		\$ -	0%
Developer Reimbursement	6,480,373	-	6,480,373	-	6,480,373	0%	2	-	0%
Transfers Out	-	-	-	-	-	0%		-	0%
Total Expenses	\$ 6,483,373	\$ -	\$ 6,483,373	\$ -	\$ 6,483,373	0%		\$ -	0%
REVENUE OVER (UNDER) EXPENDITURES			\$ (1,413,209)	\$ 5,018,444				\$ 4,742,712	
Beginning Fund Balance October 1			2,004,259	2,004,259				2,542,101	
Ending Fund Balance Current Month			<u>\$ 591,050</u>	<u>\$ 7,022,703</u>				<u>\$ 7,284,813</u>	

Notes

- 1 Property tax documentation received in May to make transfer.
- 2 TIRZ reimbursements are typically made in the last quarter of the fiscal year.
- 3 County's portion received in June.

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Expected Year to Date Percent 83.3%

TIRZ #2

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES									
Property Taxes - Town (Current)	\$ 151,173	\$ -	\$ 151,173	\$ 151,068	\$ 105	100%	1	\$ 114,647	32%
Property Taxes - Town (Rollback)	-	-	-	-	-	0%	1	-	0%
Property Taxes - County (Current)	9,285	-	9,285	31,911	(22,626)	344%	3	24,217	32%
Sales Taxes - Town	2,200	-	2,200	1,204	996	55%		1,288	-6%
Sales Taxes - EDC	2,200	-	2,200	1,204	996	55%		1,288	-6%
Interest Income	1,500	-	1,500	3,720	(2,220)	248%		3,244	15%
Total Revenue	\$ 166,358	\$ -	\$ 166,358	\$ 189,108	\$ (22,750)	114%		\$ 144,683	31%
EXPENDITURES									
Professional Services	\$ -	\$ -	\$ -	\$ -	\$ -	0%		\$ -	0%
Developer Reimbursement	184,122	-	184,122	-	184,122	0%	2	-	0%
Transfers Out	-	-	-	-	-	0%		-	0%
Total Expenditures	\$ 184,122	\$ -	\$ 184,122	\$ -	\$ 184,122	0%		\$ -	0%
REVENUE OVER (UNDER) EXPENDITURES			\$ (17,764)	\$ 189,108				\$ 144,683	
Beginning Fund Balance October 1			41,205	41,205				25,751	
Ending Fund Balance Current Month			<u>\$ 23,441</u>	<u>\$ 230,313</u>				<u>\$ 170,434</u>	

Notes

- 1 Property tax documentation received in May to make transfer.
- 2 TIRZ reimbursements are typically made in the last quarter of the fiscal year.
- 3 County's portion received in June.

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Expected Year to Date Percent 83.3%

CRIME CONTROL AND PREVENTION SPECIAL PURPOSE DISTRICT

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Year Encumbrances	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES										
Sales Tax - Town	\$ 3,426,536	\$ -	\$ 3,426,536	\$ 2,773,733	\$ -	\$ 652,803	81%		\$ 2,553,105	9%
Interest Income	1,200	-	1,200	1,121	-	79	93%		9,442	-88%
Other	-	-	-	-	-	-	0%		-	0%
Total Revenue	\$ 3,427,736	\$ -	\$ 3,427,736	\$ 2,774,854	\$ -	\$ 652,882	81%		\$ 2,562,547	8%
EXPENDITURES										
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%		\$ 1,924,045	-100%
Other	1,200	-	1,200	-	-	1,200	0%		1,930	-100%
Transfer Out	3,426,536	-	3,426,536	2,773,733	-	652,803	81%	1	-	0%
Total Expenditures	\$ 3,427,736	\$ -	\$ 3,427,736	\$ 2,773,733	\$ -	\$ 654,003	81%		\$ 1,925,974	-200%
REVENUE OVER (UNDER) EXPENDITURES	\$ -	\$ -	\$ -	\$ 1,121					\$ 636,573	
Beginning Fund Balance October 1			97,422	97,422					398,065	
Ending Fund Balance Current Month			<u>\$ 97,422</u>	<u>\$ 98,543</u>					<u>\$ 1,034,638</u>	

Notes

1 Payroll costs are transferred monthly.

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Expected Year to Date Percent 83.3%

FIRE CONTROL, PREVENTION, AND EMERGENCY MEDICAL SERVICES SPECIAL PURPOSE DISTRICT

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Year Encumbrances	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES										
Sales Tax - Town	\$ 3,460,319	\$ -	\$ 3,460,319	\$ 2,771,319	\$ -	\$ 689,000	80%		\$ 2,570,691	8%
Interest Income	600	-	600	1,204	-	(604)	201%		1,139	6%
Other	-	-	-	-	-	-	0%		-	0%
Total Revenue	\$ 3,460,919	\$ -	\$ 3,460,919	\$ 2,772,523	\$ -	\$ 688,396	80%		\$ 2,571,829	8%
EXPENDITURES										
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%		\$ 2,430,480	-100%
Other	2,400	-	2,400	-	-	2,400	0%		1,930	-100%
Transfer Out	3,458,519	-	3,458,519	2,771,319	-	687,200	80%	1	-	0%
Total Expenditures	\$ 3,460,919	\$ -	\$ 3,460,919	\$ 2,771,319	\$ -	\$ 689,600	80%		\$ 2,432,410	-200%
REVENUE OVER (UNDER) EXPENDITURES	\$ -	\$ -	\$ -	\$ 1,204					\$ 139,419	
Beginning Fund Balance October 1			75,732	75,732					382,940	
Ending Fund Balance Current Month			<u>\$ 75,732</u>	<u>\$ 76,936</u>					<u>\$ 522,359</u>	

Notes

1 Payroll costs are transferred monthly.

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PARK DEDICATION AND IMPROVEMENT FUND

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Year Encumbrances	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES										
Park Dedication Fees	\$ 1,550,000	\$ -	\$ 1,550,000	\$ -	\$ -	\$ 1,550,000	0%	1	\$ 1,303,973	-100%
Park Improvement Fees	800,000	-	800,000	4,500	-	795,500	1%		1,217,000	-100%
Interest - Park Dedication	20,000	-	20,000	24,401	-	(4,401)	122%		47,929	-49%
Interest - Park Improvement	20,000	-	20,000	19,557	-	443	98%		22,429	-13%
Contributions/Grants	-	-	-	-	-	-	0%		-	0%
Transfers In	-	-	-	-	-	-	0%		-	0%
Total Revenue	\$ 2,390,000	\$ -	\$ 2,390,000	\$ 48,458	\$ -	\$ 2,341,542	2%		\$ 2,591,331	-98%
EXPENDITURES										
Transfers Out - Park Dedication	\$ 1,400,000	\$ -	\$ 1,400,000	\$ 1,400,000	\$ -	\$ -	100%		\$ 1,115,050	26%
Park Dedication	-	-	-	-	-	-	0%		-	0%
Transfers Out - Park Improvement	750,000	-	750,000	750,000	-	-	100%		465,000	61%
Park Improvement	-	-	-	-	-	-	0%		-	0%
Total Expenditures	\$ 2,150,000	\$ -	\$ 2,150,000	\$ 2,150,000	\$ -	\$ -	100%		\$ 1,580,050	36%
REVENUE OVER (UNDER) EXPENDITURES	\$ 240,000	\$ -	\$ 240,000	\$ (2,101,542)					\$ 1,011,281	
Beginning Fund Balance October 1			2,379,093	2,379,093					1,232,390	
Ending Fund Balance Current Month			<u>\$ 2,619,093</u>	<u>\$ 277,551</u>					<u>\$ 2,243,671</u>	

Notes

1 Fees from Legacy Garden and Mirabella are anticipated later in the year.

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SPECIAL REVENUE FUNDS

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Year Encumbrances	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES										
Interest Income	\$ 31,550	\$ -	\$ 31,550	\$ 34,237	\$ -	\$ (2,687)	109%		\$ 272,792	-87%
Police Donation Revenue	15,500	-	15,500	17,607	-	(2,107)	114%		23,810	-26%
Cash Seizure Forfeiture	-	-	-	52,480	-	(52,480)	0%		16,370	221%
Fire Donation Revenue	15,500	-	15,500	14,606	-	894	94%		13,912	5%
Child Safety Revenue	28,000	-	28,000	9,055	-	18,945	32%		18,947	-52%
Court Technology/Security Revenue	16,723	-	16,723	34,920	-	(18,197)	209%		24,428	43%
Municipal Jury revenue	170	-	170	392	-	(222)	230%		341	15%
Tree Mitigation	300,000	-	300,000	156,595	-	143,406	52%		56,858	175%
Escrow Income	-	-	-	-	-	-	0%		10,000	-100%
LEOSE Revenue	3,000	-	3,000	11,016	-	(8,016)	367%		10,288	7%
60-A Inspection Revenue	-	-	-	13,320	-	(13,320)	0%		-	0%
Transfer In	-	-	-	14,858	-	(14,858)	0%		-	0%
Total Revenue	\$ 410,443	\$ -	\$ 410,443	\$ 359,086	\$ -	\$ 51,357	87%		\$ 447,745	-20%
EXPENDITURES										
Police Donation Expense	\$ 25,000	\$ -	\$ 25,000	\$ 15,378	\$ -	\$ 9,622	62%		\$ 3,989	285%
Police Seizure Expense	23,000	-	23,000	4,704	-	18,296	20%		6,621	-29%
Fire Donation Expense	10,000	-	10,000	669	-	9,331	7%		34,210	-98%
Child Safety Expense	80,000	-	80,000	14,711	-	65,289	18%		695	2018%
Court Technology/Security Expense	25,060	-	25,060	-	-	25,060	0%		-	0%
Tree Mitigation Expense	-	-	-	-	-	-	0%		-	0%
LEOSE Expense	10,000	-	10,000	-	-	10,000	0%		959	-100%
60-A Inspection Expense	-	-	-	-	-	-	0%		-	0%
Transfer Out (Escrow Funds)	-	-	-	-	-	-	0%		500,000	-100%
Transfer Out (Tree Mitigation)	850,000	-	850,000	850,000	-	-	100%		1,150,000	-26%
Total Expenses	\$ 1,023,060	\$ -	\$ 1,023,060	\$ 885,462	\$ -	\$ 137,598	87%		\$ 1,696,474	-48%
REVENUE OVER (UNDER) EXPENDITURES	\$ (612,617)	\$ -	\$ (612,617)	\$ (526,375)					\$ (1,248,729)	
Beginning Fund Balance October 1			1,359,045	1,359,045					2,356,265	
Ending Fund Balance Current Month			<u>\$ 746,428</u>	<u>\$ 832,670</u>					<u>\$ 1,107,536</u>	

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HOTEL OCCUPANCY TAX FUND

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Year Encumbrances	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES										
Hotel Occupancy Tax	\$ 302,675	\$ -	\$ 302,675	\$ 127,110	\$ -	\$ 175,565	42%		\$ -	0%
Interest Income	2,000	-	2,000	1,693	-	307	85%		-	0%
Other	-	-	-	-	-	-	0%		-	0%
Total Revenue	\$ 304,675	\$ -	\$ 304,675	\$ 128,802	\$ -	\$ 175,873	42%		\$ -	0%
EXPENDITURES										
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%		\$ -	0%
Hotel Occupancy Tax Rebate	100,892	-	100,892	-	-	100,892	0%		-	0%
Other	-	-	-	-	-	-	0%		-	0%
Total Expenditures	\$ 100,892	\$ -	\$ 100,892	\$ -	\$ -	\$ 100,892	0%		\$ -	0%
REVENUE OVER (UNDER) EXPENDITURES	\$ 203,783	\$ -	\$ 203,783	\$ 128,802					\$ -	
Beginning Fund Balance October 1			-	-					-	
Ending Fund Balance Current Month			<u>\$ 203,783</u>	<u>\$ 128,802</u>					<u>\$ -</u>	

Notes

- * Holiday Inn Express opened November 13, 2025.

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WATER-SEWER FUND

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Year Encumbrances	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES										
Water Charges for Services	\$ 27,821,398	\$ -	\$ 27,821,398	\$ 18,059,398	\$ -	\$ 9,762,000	65%	3	\$ 16,428,915	10%
Sewer Charges for Services	18,074,593	-	18,074,593	14,159,241	-	3,915,352	78%	3	11,417,585	24%
Licenses, Fees & Permits	193,000	-	193,000	281,292	-	(88,292)	146%	5	400,872	-30%
Utility Billing Penalties	205,500	-	205,500	201,589	-	3,911	98%		214,084	-6%
Interest Income	350,000	-	350,000	324,362	-	25,638	93%		411,097	-21%
Other	691,700	-	691,700	555,179	-	136,521	80%		545,394	2%
Transfer In	-	-	-	-	-	-	0		-	0%
Total Revenues	\$ 47,336,191	\$ -	\$ 47,336,191	\$ 33,581,060	\$ -	\$ 13,755,131	71%		\$ 29,417,946	14%
EXPENDITURES										
Administration	\$ 996,176	\$ -	\$ 996,176	\$ 1,121,313	\$ 1,311	\$ (126,448)	113%	2,4	\$ 1,052,209	7%
Debt Service	8,313,546	-	8,313,546	3,615,027	-	4,698,519	43%	1	2,853,759	27%
Water Purchases	15,819,798	-	15,819,798	12,438,197	-	3,381,601	79%		11,096,491	12%
Wastewater Treatment Fees	6,035,065	-	6,035,065	4,904,414	-	1,130,651	81%		5,154,723	-5%
Franchise Fee	2,172,380	-	2,172,380	1,636,678	-	535,702	75%		947,378	73%
Public Works	10,776,413	-	10,776,413	7,486,821	621,722	2,667,871	75%		6,893,012	9%
Transfer Out	1,829,753	-	1,829,753	1,524,794	-	304,959	83%		1,100,583	39%
Total Expenses	\$ 45,943,131	\$ -	\$ 45,943,131	\$ 32,727,245	\$ 623,033	\$ 12,592,854	73%		\$ 29,098,156	12%
REVENUE OVER (UNDER) EXPENDITURES	\$ 1,393,060	\$ -	\$ 1,393,060	\$ 853,816					\$ 319,790	
Beginning Working Capital October 1			9,120,375	9,120,375					12,212,476	
*Ending Working Capital			<u>\$ 10,513,435</u>	<u>\$ 9,974,191</u>					<u>\$ 12,532,266</u>	

Notes

- 1 Annual debt service payments are made in February and August.
- 2 Contracts encumbered at the beginning of the year cause YTD percent to be higher than expected in early months.
- 3 Charges for services are low in the winter months and peak in summer causing revenues to show lower than expected in the early months of the fiscal year.
- 4 Property and Liability insurance paid early in the fiscal year causing higher than expected YTD percentages.
- 5 Down from prior year due to change in processing for credit card fees.
- * Minimum Ending Working Capital balance for FY26 = \$10,637,474 (25%).

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WATER-SEWER FUND

	Jul-26		Jul-25		Growth % Change
	WATER	SEWER	WATER	SEWER	
# of Accts Residential	14,608	13,910	14,082	13,379	3.85%
# of Accts Commercial	531	486	503	458	5.83%
Consumption-Residential	222,133,060	106,494,254	217,540,280	94,111,458	5.45%
Consumption-Commercial	26,009,800	18,366,990	30,211,900	16,758,430	-5.52%
Consumption-Commercial Irrigation	34,870,000		36,402,840		-4.21%
Avg Total Res Water Consumption	15,188		15,430		-1.57%
Billed (\$) Residential	\$ 1,666,432	\$ 1,220,431	\$ 1,544,368	\$ 972,746	7.90%
Billed (\$) Commercial	\$ 295,013	\$ 246,047	\$ 313,751	\$ 185,403	-5.97%
Billed (\$) Commercial Irrigation	\$ 352,187		\$ 348,694		1.00%
Total Billed (\$)	\$ 2,313,632	\$ 1,466,477	\$ 2,206,813	\$ 1,158,148	12.34%

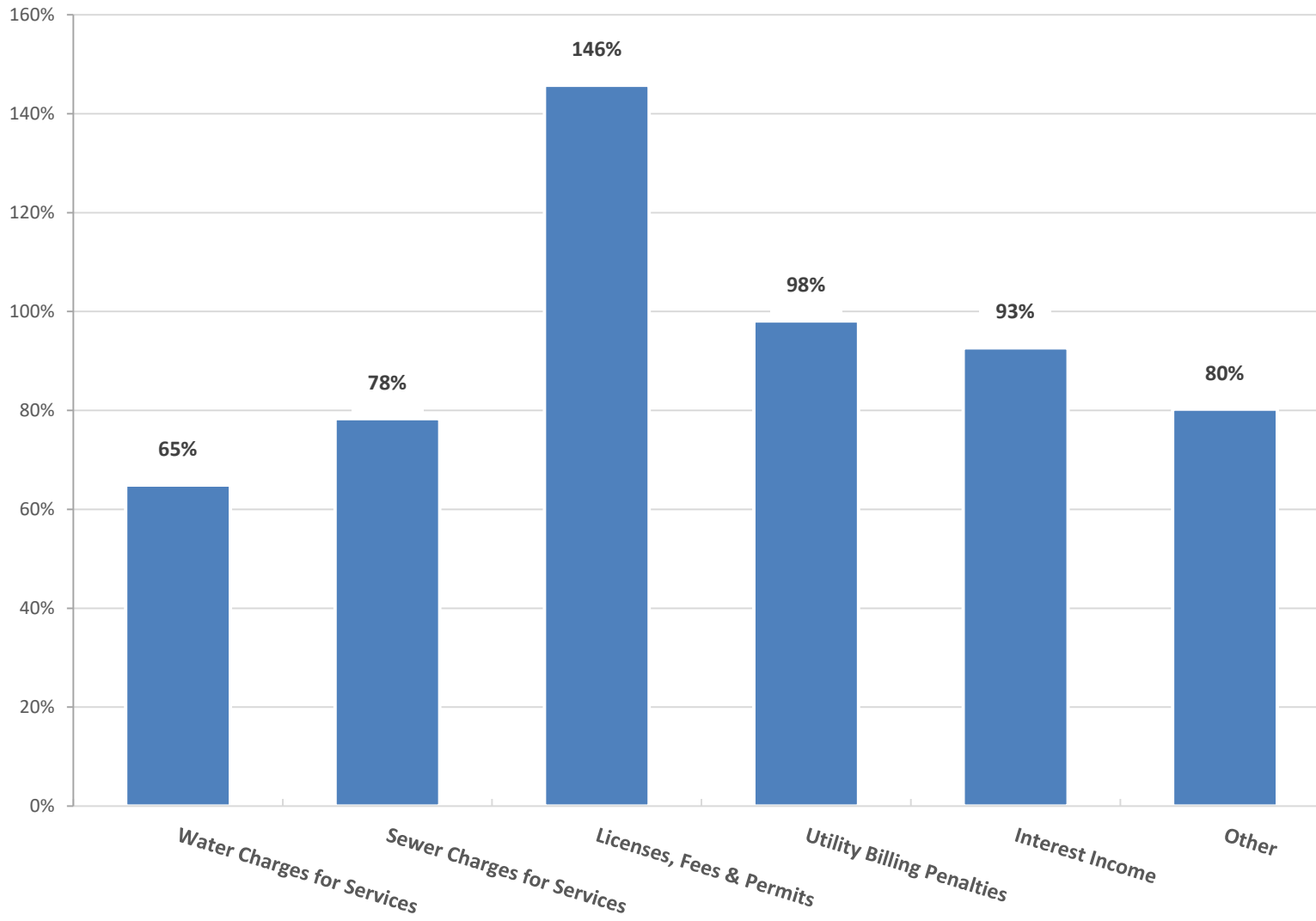
Month	FY2026			FY2025		
	Avg. Temp (°F)	# Rain Days	Rainfall (in)	Avg. Temp (°F)	# Rain Days	Rainfall (in)
October	73°	4	3.05	75°	1	0.41
November	63°	7	4.10	61°	9	4.09
December	54°	2	0.03	61°	13	5.91
January	47°	5	1.80	43°	6	5.94
February	60°	2	1.71	49°	10	2.12
March	67°	3	3.50	64°	7	1.31
April	70°	7	3.23	69°	10	4.65
May	75°	6	1.85	74°	10	6.07
June	83°	7	5.45	82°	6	3.09
July	89°	5	0.60	85°	11	2.58
August				85°	4	2.97
September				81°	6	3.08
Annual		48	25.32		93	42.22

Weather Data: <https://www.wunderground.com/history/monthly/KDAL/date/2026-07>

Average Total Residential Water Consumption by Month				
Month	FY2026	FY2025	Five Year Average	Cumulative Average
October	15,618	17,490	17,477	17,477
November	12,738	14,260	11,974	29,450
December	8,559	9,080	7,760	37,211
January	7,680	6,340	6,932	44,142
February	7,417	6,090	6,415	50,487
March	6,717	6,308	6,631	57,188
April	11,933	10,638	9,897	67,085
May	11,712	11,310	11,332	78,418
June	13,026	13,536	11,912	90,330
July	15,188	15,430	18,548	108,877
August		19,802	22,581	131,458
September		18,840	20,443	151,901
TOTAL (gal)	110,588	149,124	151,901	

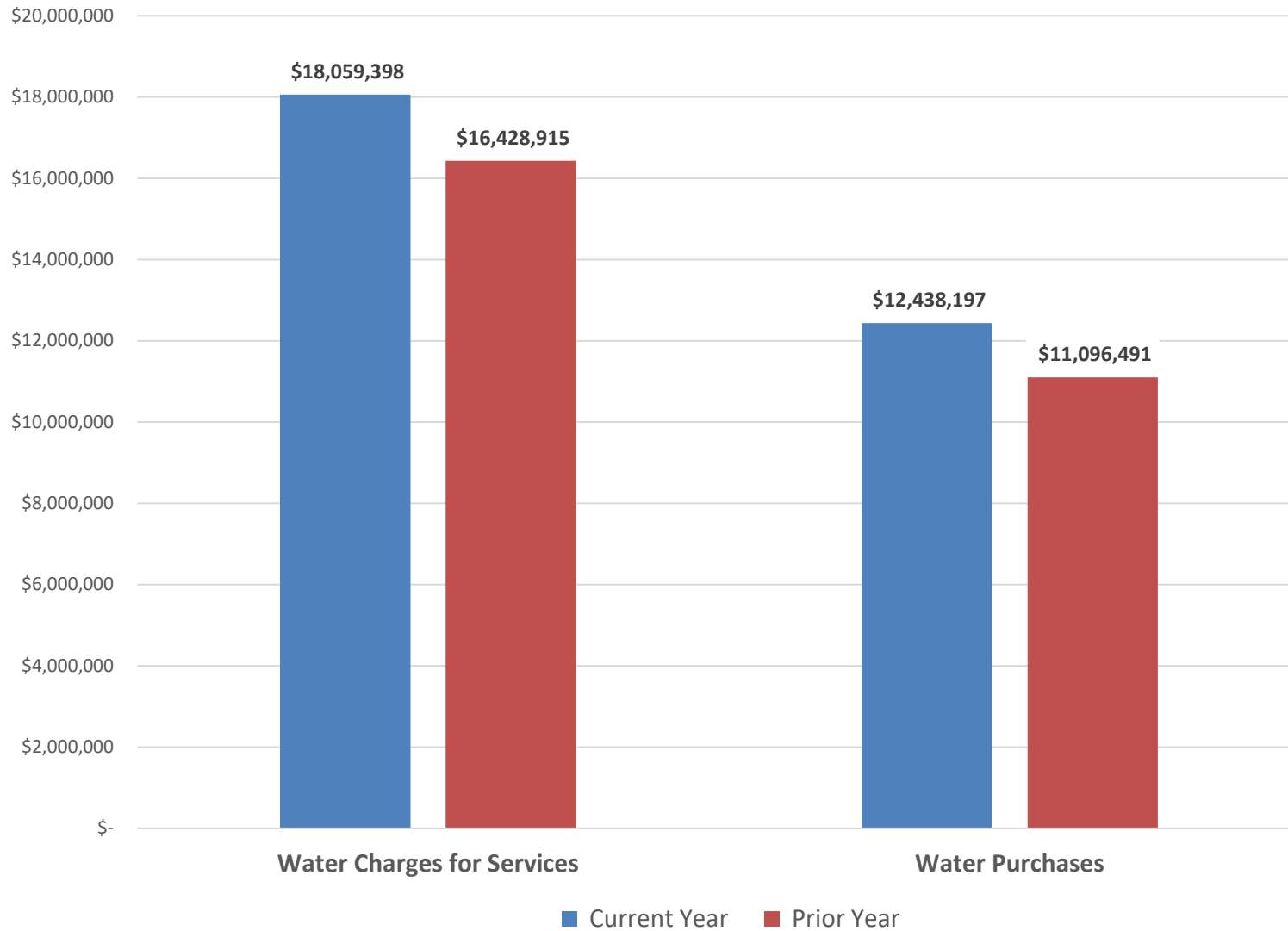
WATER SEWER FUND

REVENUE YTD % OF ANNUAL BUDGET



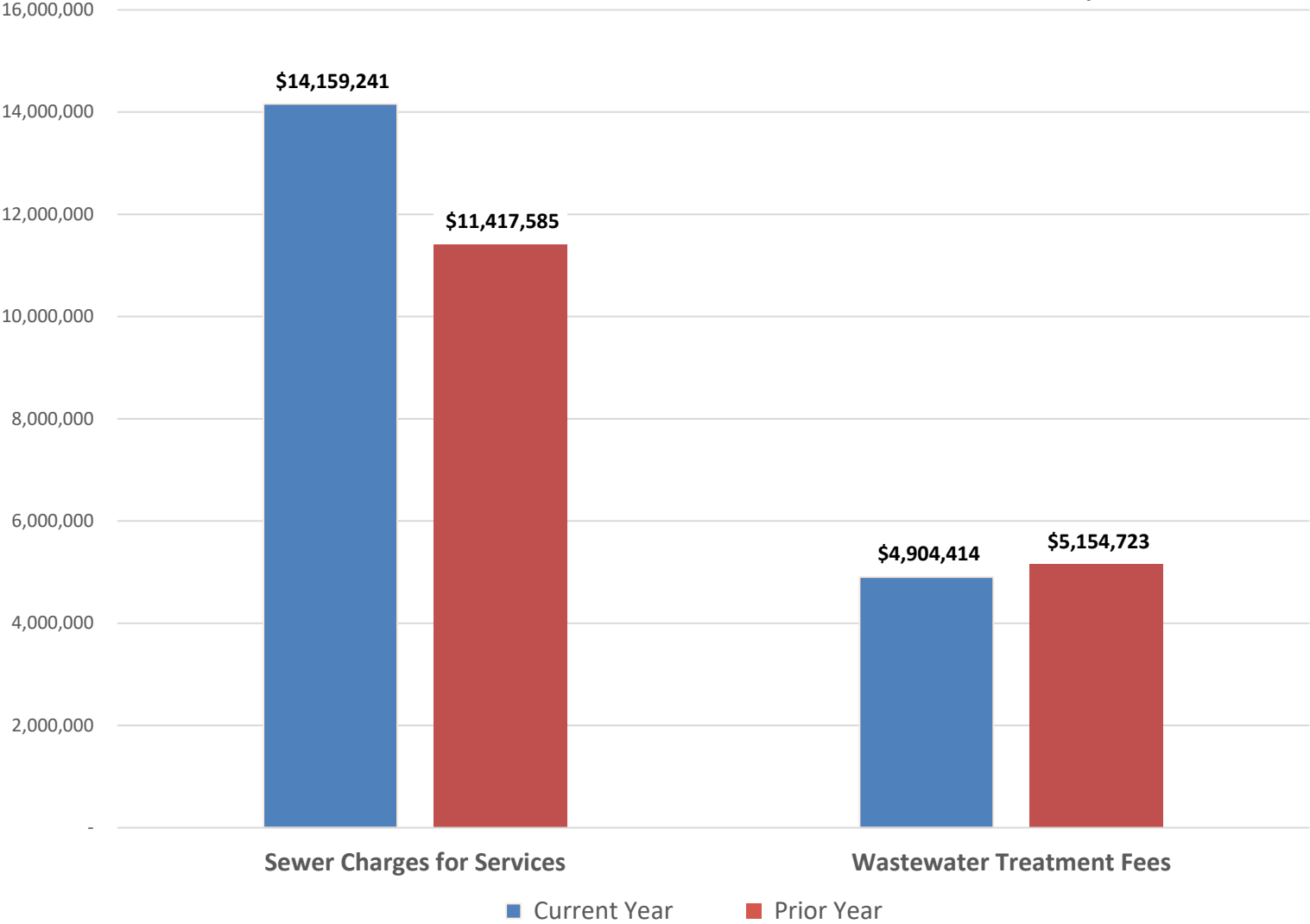
WATER REVENUE AND EXPENSE

Current YTD to Prior Year YTD Actual Comparison



SEWER REVENUE AND EXPENSE

Current YTD to Prior Year YTD Actual Comparison



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STORMWATER DRAINAGE UTILITY FUND

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Year Encumbrances	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES										
Storm Drainage Utility Fee	\$ 1,726,111	\$ -	\$ 1,726,111	\$ 1,230,899	\$ -	\$ 495,212	71%	3	\$ 820,440	50%
Drainage Review Fee	25,000	-	25,000	6,100	-	18,900	24%		-	0%
Interest Income	8,000	-	8,000	14,956	-	(6,956)	187%		7,878	90%
Other Revenue	-	-	-	46,650	-	(46,650)	0%		-	0%
Transfer In	-	-	-	-	-	-	0%		-	0%
Total Revenue	\$ 1,759,111	\$ -	\$ 1,759,111	\$ 1,298,605	\$ -	\$ 460,506	74%		\$ 828,318	57%
EXPENDITURES										
Administration	\$ 558,690	\$ -	\$ 558,690	\$ 390,228	\$ -	\$ 168,462	70%		\$ 337,782	16%
Debt Service	220,338	-	220,338	151,331	-	69,007	69%	2	133,388	13%
Operating Expenditures	119,546	(990)	118,556	53,432	800	64,324	46%		20,521	160%
Capital	267,374	-	267,374	-	-	267,374	0%		-	0%
Transfers Out	229,954	-	229,954	224,962	-	4,992	98%	1	181,663	24%
Total Expenses	\$ 1,395,902	\$ (990)	\$ 1,394,912	\$ 819,953	\$ 800	\$ 574,159	59%		\$ 673,354	22%
REVENUE OVER (UNDER) EXPENDITURES	\$ 363,209	\$ 990	\$ 364,199	\$ 478,652					\$ 154,964	
Beginning Working Capital October 1			342,877	342,877					251,393	
Ending Working Capital Current Month			<u>\$ 707,076</u>	<u>\$ 821,529</u>					<u>\$ 406,357</u>	

Notes

- 1 Capital project funds are transferred as needed; General fund transfers are made monthly.
- 2 Annual debt service payments are made in February and August.
- 3 Stormwater fees raised for FY2026.

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SOLID WASTE FUND

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Year Encumbrances	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES										
Sanitation Charges for Services	\$ 3,938,626	\$ -	\$ 3,938,626	\$ 3,498,388	\$ -	\$ 440,238	89%	2	\$ 3,058,069	14%
Interest Income	3,500	-	3,500	8,062	-	(4,562)	230%		6,900	17%
Transfer In	-	-	-	-	-	-	0%		-	0%
Total Revenues	\$ 3,942,126	\$ -	\$ 3,942,126	\$ 3,506,450	\$ -	\$ 435,676	89%		\$ 3,064,968	14%
EXPENDITURES										
Administration	\$ 75,588	\$ -	\$ 75,588	\$ 56,914	\$ -	\$ 18,674	75%		\$ 58,124	-2%
Sanitation Collection	3,445,196	-	3,445,196	2,784,895	660,301	-	100%	1	2,365,484	18%
Capital Expenditure	-	-	-	80,080	-	(80,080)	0%		-	0%
Debt Service	257,501	-	257,501	214,583	-	42,918	83%		214,583	0%
Transfer Out	195,951	-	195,951	158,293	-	37,659	81%		-	0%
Total Expenses	\$ 3,974,236	\$ -	\$ 3,974,236	\$ 3,294,765	\$ 660,301	\$ 19,170	100%		\$ 2,638,191	25%
REVENUE OVER (UNDER) EXPENDITURES	\$ (32,110)	\$ -	\$ (32,110)	\$ 211,685					\$ 426,777	
Beginning Working Capital October 1			278,792	278,792					52,403	
Ending Working Capital			<u>\$ 246,682</u>	<u>\$ 490,477</u>					<u>\$ 479,180</u>	

Notes

- 1 Full trash collection budget encumbered. Actual YTD spend is under expected percentage.
- 2 Town adopted a weekly bulk service pickup in February 2025.

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VEHICLE AND EQUIPMENT REPLACEMENT FUND

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Year Encumbrances	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES										
Charges for Services	\$ 1,566,797	\$ 5,267	\$ 1,572,064	\$ 1,310,053	\$ -	\$ 262,011	83%		\$ 1,048,043	25%
Grant Revenue	-	-	-	-	-	-	0%		-	0%
Other Reimbursements	150,000	(150,000)	-	-	-	-	0%		22,325	-100%
Interest Income	250,000	-	250,000	127,423	-	122,577	51%		205,249	-38%
Auction Proceeds	-	150,000	150,000	209,883	-	(59,883)	140%		107,500	95%
Total Revenue	\$ 1,966,797	\$ 5,267	\$ 1,972,064	\$ 1,647,359	\$ -	\$ 324,705	274%		\$ 1,383,116	-18%
EXPENDITURES										
Vehicle Replacement	\$ 1,972,462	\$ 400	\$ 1,972,862	\$ 1,502,013	\$ 5,285,577	\$ (4,814,728)	344%	1, 2	\$ 1,558,853	-4%
Equipment Replacement	77,706	1,089,094	1,166,800	877,700	-	289,100	75%	1	529,404	66%
Technology Replacement	1,089,094	(1,089,094)	-	-	-	-	0%		-	0%
Total Expenditures	\$ 3,139,262	\$ 400	\$ 3,139,662	\$ 2,379,713	\$ 5,285,577	\$ (4,525,628)	244%		\$ 2,088,257	14%
REVENUE OVER (UNDER) EXPENDITURES	\$ (1,172,465)	\$ 4,867	\$ (1,167,598)	\$ (732,355)					\$ (705,141)	
Beginning Working Capital October 1			3,891,901	3,891,901					6,055,897	
Ending Working Capital Current Month			<u>\$ 2,724,303</u>	<u>\$ 3,159,546</u>					<u>\$ 5,350,756</u>	

Notes

- 1 Contracts encumbered at the beginning of the year cause YTD percent to be higher than expected in early months.
- 2 Encumbrances include \$4,861,328 of fire equipment on order but not expected until FY27 or later.

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HEALTH INSURANCE FUND

	Original Budget	Budget Adjustment	Amended Budget	Current Year YTD Actual	Current Year Encumbrances	Current Remaining Budget Balance	YTD Percent	Note	Prior Year YTD Actual	Change from Prior Year
REVENUES										
Health Charges	\$ 7,231,912	\$ -	\$ 7,231,912	\$ 5,049,479	\$ -	\$ 2,182,433	70%	1	\$ 4,168,657	21%
Cobra and Stop Loss Reimbursements	300,000	-	300,000	538,881	-	(238,881)	180%	2	778,179	-31%
Interest Income	20,000	-	20,000	4,596	-	15,404	23%		2,876	60%
Transfers In	710,000	-	710,000	591,667	-	118,333	83%		-	0%
Total Revenue	\$ 8,261,912	\$ -	\$ 8,261,912	\$ 6,184,622	\$ -	\$ 2,077,290	75%		\$ 4,949,711	25%
EXPENDITURES										
Contractual Services	\$ 133,911	\$ -	\$ 133,911	\$ 202,614	\$ 4,667	\$ (73,370)	155%		\$ 77,552	161%
Employee Health Insurance/Claims	8,371,480	-	8,371,480	6,105,069	-	2,266,411	73%		6,465,417	-6%
Total Expenditures	\$ 8,505,391	\$ -	\$ 8,505,391	\$ 6,307,682	\$ 4,667	\$ 2,193,041	74%		\$ 6,542,969	-4%
REVENUE OVER (UNDER) EXPENDITURES	\$ (243,479)	\$ -	\$ (243,479)	\$ (123,060)					\$ (1,593,258)	
Beginning Fund Balance October 1			65,965	65,965					148,135	
Ending Fund Balance Current Month			<u>\$ (177,514)</u>	<u>\$ (57,095)</u>					<u>\$ (1,445,123)</u>	

Notes

- 1 Health Charges expected to increase later in the FY. New plan year starts January 2026. Additional staff budgeted February 2026.
- 2 Stop loss reimbursements are received after health claims are paid.

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GOVERNMENTAL CAPITAL PROJECTS FUND

	Prior Year Project Budget	Current Year Original Budget	Current Year Budget Adjustment	Life to Date Amended Budget	Current Year Actual	Current Year Encumbrances	Prior Years Expenditure	Project Budget Balance
REVENUES								
Property Taxes - Capital Dedicated		\$ 10,500,000	\$ (10,500,000)	\$ -	\$ 10,500,000			
Contributions/Interlocal Revenue		3,600,000	-	3,600,000	527,485			
Bond Proceeds - 2026 GO Bonds		23,297,062	-	23,297,062	-			
Interest Income		3,000,000	-	3,000,000	2,346,535			
Transfers In - Impact Fee Funds		5,500,000	-	5,500,000	5,768,479			
Transfers In - Tree Mitigation		850,000	-	850,000	850,000			
Transfers In - Park Dedication/Improvement		2,150,000	-	2,150,000	2,150,000			
Grants		-	-	-	646,113			
Other Revenue		-	-	-	7,287			
Transfers In		-	-	-	-			
Total Revenues		\$ 48,897,062	\$ (10,500,000)	\$ 38,397,062	\$ 22,795,899			

TOWN OF PROSPER, TEXAS
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GOVERNMENTAL CAPITAL PROJECTS FUND

	Prior Year Project Budget	Current Year Original Budget	Current Year Budget Adjustment	Life to Date Amended Budget	Current Year Actual	Current Year Encumbrances	Prior Years Expenditure	Project Budget Balance
EXPENDITURES								
Street & Traffic Projects								
<u>Street Projects</u>								
First Street (DNT - Coleman)	\$ 24,758,067	\$ -	\$ -	\$ 24,758,067	\$ 1,385,272	\$ 19,594,319	\$ 3,760,129	\$ 18,348
Coit Road (First-Frontier)	27,789,900	-	(6,881,407)	20,908,493	5,444,058	5,546,900	3,215,538	6,701,998
DNT Main Lane (US 380 - FM 428)	7,671,186	-	-	7,671,186	2,557,062	-	5,114,123	1
Fishtrap (Elem-DNT)	32,230,732	-	(58,589)	32,172,143	154,199	470,439	31,499,530	47,975
Teel (US380 Intersection Improv.)	-	-	493,527	493,527	493,527	-	-	-
First Street (Coit-Custer) 4 Lanes	26,563,812	-	-	26,563,812	210	-	26,372,036	191,567
Preston Road / First Street Dual Le	900,000	-	-	900,000	10,500	11,577	71,523	806,400
Craig Street (Preston - Fifth)	750,000	4,400,000	-	5,150,000	52,684	17,793	719,042	4,360,481
Coleman (Gorgeous - Talon)	4,022,596	15,500,000	(6,298,291)	13,224,305	310,042	226,131	2,847,712	9,840,420
Legacy (Prairie - Fishtrap) - 4 lan	10,000,000	-	171,519	10,171,519	-	-	10,171,519	-
Teel Parkway (US 380 - Fishtrap Rd)	6,040,289	-	26,212	6,066,501	6,237	4,161	6,056,103	-
Coit Road / US 380 SB Dual Left Tur	27,917	-	-	27,917	2,064	-	23,986	1,867
Parvin (FM 1385 - Legacy)	500,000	-	-	500,000	-	-	500,000	-
Street Impact Fee Analysis	105,627	-	-	105,627	1,750	-	57,110	46,766
US 380 Deceleration Lanes - Denton	500,000	-	-	500,000	-	-	43,600	456,400
Safety Way (Cook - Technology)	800,000	-	-	800,000	-	-	454,085	345,915
Gorgeous/McKinley	700,000	-	-	700,000	15,000	-	608,940	76,060
First Street (Coleman - Craig)	2,500,000	-	-	2,500,000	5,315	273,489	516,408	1,704,788
Gee Road (US 380 - FM 1385) - 2 NB	3,900,000	1,100,000	-	5,000,000	52,687	98,165	1,590,688	3,258,460
Frontier Parkway (Legacy - DNT)	300,000	-	-	300,000	-	-	300,000	-
Star Trail, Phase 5: Street Repairs	1,450,000	-	-	1,450,000	710,654	300,000	-	439,346
Prosper Trail (Coit - Custer) - 2 W	1,400,000	-	-	1,400,000	63,559	121,263	578,178	637,000
Windsong Parkway/US 380 Dual Left T	152,620	-	-	152,620	-	-	73,318	79,302
Legacy Drive (Prosper Tr. to P	-	-	6,308,292	6,308,292	1,449	6,298,292	167	8,384
Coleman St (First-Georgeous)	660,000	-	-	660,000	6,635	272,063	381,902	(600)
Teel Parkway (First-Freeman)	855,510	-	59,923	915,433	-	295,589	619,844	-
Legacy (First St. - Prosper Tr	200,000	-	-	200,000	134,800	-	-	65,200
Legacy (First St. - Prosper Tr	550,000	-	-	550,000	-	-	-	550,000
Prosper Trail (Legacy - DNT)	1,200,000	-	-	1,200,000	320,045	413,649	260,306	206,000
Roundabout Peer Review and Tho	28,500	-	-	28,500	4,463	-	24,038	-
West Gorgeous (McKinley-Colema	230,000	-	-	230,000	38,170	100,699	84,128	7,004
Godwin Parkway (DNT - BNSF RR)	-	2,000,000	-	2,000,000	1,000,000	-	-	1,000,000
Whitley Place/First St. - Open Spac	-	250,000	-	250,000	-	-	-	250,000
Unprogrammed Future Projects	522,874	-	(95,102)	427,772	-	-	-	427,772

TOWN OF PROSPER, TEXAS
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GOVERNMENTAL CAPITAL PROJECTS FUND

Street & Traffic Projects

Traffic Projects

	Prior Year Project Budget	Current Year Original Budget	Current Year Budget Adjustment	Life to Date Amended Budget	Current Year Actual	Current Year Encumbrances	Prior Years Expenditure	Project Budget Balance
Fifth Street Quiet Zone	500,000	-	-	500,000	390	-	-	499,610
Traffic Signal - Fishtrap & Artesia	525,000	140,000	(75,000)	590,000	1,305	6,707	323,079	258,909
Median Lighting US 380 (Mahard-Love	300,000	-	-	300,000	-	-	-	300,000
Traffic Signal - DNT/Frontier	281,500	-	-	281,500	-	56,637	213,560	11,303
Traffic Signal - Teel Pkway & Prair	525,000	140,000	73,720	738,720	471,736	66,984	39,304	160,696
Traffic Signal Acacia Parkway/Gee R	667,573	-	-	667,573	15,780	5,400	645,373	1,020
Traffic Signal First Street/Legacy	992,259	-	54,085	1,046,344	714,075	84,657	246,948	663
Opticom Repair/Installation	85,000	-	-	85,000	-	6,960	75,597	2,443
Gee/Lockwood Pedestrian Hybrid	357,113	-	-	357,113	232,291	6,285	113,650	4,887
First/Copper Canyon Pedestrian	331,054	-	-	331,054	211,103	4,937	108,867	6,147
First/Chaucer Pedestrian Hybri	316,374	-	-	316,374	198,633	4,927	106,658	6,156
Tr. Signal (Denton-Fishtrap)	390,428	-	-	390,428	-	-	377,974	12,454
Traffic Improvement Projects (	767,160	1,500,000	(954,189)	1,312,971	5,655	-	-	1,307,316
Traffic Signal Comunications P	495,000	-	150,000	645,000	134,912	473,805	-	36,283
Traffic Signal - Legacy & Prai	525,000	140,000	(49,500)	615,500	-	-	-	615,500
School Zone Flashers	140,544	-	-	140,544	-	-	140,544	-
Traffic Equipment	15,928	-	-	15,928	-	-	15,928	-
Crosswalk Development Projects	140,000	-	-	140,000	57,839	5,101	62,984	14,076
Traffic Signal - Legacy & Prosper T	-	85,000	(24,750)	60,250	-	-	-	60,250
Traffic Signal - Legacy & Starwood	-	85,000	(24,750)	60,250	-	-	-	60,250
Traffic Signal Warrant Studies	-	85,000	(35,500)	49,500	17,325	32,175	-	-
First St at Fire No.3 Emgcy Signal	-	-	77,500	77,500	-	77,500	-	-
La Cima Blvd at Arrowhead-PHB	-	-	77,500	77,500	-	77,500	-	-
Coit Rd at Rodgers MS - PHB	-	-	77,500	77,500	-	77,500	-	-
Traffic Detection Equipment	-	-	550,000	550,000	-	-	-	550,000
Total Street & Traffic Projects	\$ 164,664,563	\$ 25,425,000	\$ (6,377,300)	\$ 183,712,262	\$ 14,831,424	\$ 35,031,603	\$ 98,414,418	\$ 35,434,817

TOWN OF PROSPER, TEXAS
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GOVERNMENTAL CAPITAL PROJECTS FUND

Park Projects

Neighborhood Park

Windsong Park #3	\$ 350,000	\$ -	\$ -	\$ 350,000	\$ 307,824	\$ -	\$ -	\$ 42,176
Lakewood Preserve, Phase 2	5,587,255	-	(1)	5,587,255	8,889	5,478	5,563,948	8,940
Downtown Park (Broadway/Parvin)	1,158,240	200,000	(127,000)	1,231,240	480,357	94,340	99,058	557,485
Raymond Community Park Dam Repair	-	350,000	-	350,000	46,150	54,850	-	249,000
Playground Shade Structures - Lakew	-	200,000	-	200,000	-	-	-	200,000
Security Cameras - Raymond Communit	-	250,000	-	250,000	-	-	-	250,000
Pecan Grove & Whitley Place HOA Irr	-	125,000	-	125,000	-	-	-	125,000
Mirabella Park (Tellus)	-	500,000	-	500,000	-	-	-	500,000
Creekside Park (Shaddock)	-	445,000	-	445,000	-	-	-	445,000

Trails

Doe Branch Trail Connections	1,684,000	-	-	1,684,000	403,191	52,937	124,111	1,103,761
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Downtown Improvements

Downtown Improvements	329,383	-	9,930	339,313	89,061	5,485	239,166	5,601
Downtown Monumentation	164,700	-	40,531	205,231	31,568	9,323	164,341	-
Downtown Monumentation, Broadway &	370,000	255,000	7,622	632,622	353,722	230,007	-	48,893
Prosper Parking Lot and Alley Impro	552,500	-	(23,168)	529,332	178,648	248,880	100,550	1,254

Community Park

Raymond Community Park	24,787,000	128,000	390,000	25,305,000	6,469,165	834,538	17,375,181	626,117
Raymond Comm. Park, Trail/Brid	916,802	-	-	916,802	-	916,535	-	267
Froniter Park Pond Repairs	473,000	-	-	473,000	-	33,768	420,123	19,109
Frontier Park Concrete Repairs	120,000	-	-	120,000	-	-	-	120,000
Parks & Recreation Admin Facil	80,000	-	-	80,000	-	-	72,803	7,197
Doe Branch Property Masterplan	140,000	-	-	140,000	46,900	5,000	82,700	5,400
Dream Park	-	3,000,000	-	3,000,000	1,113,479	1,861,938	-	24,583
Playgr. Shade Struct.-Pecan Gr	160,000	-	-	160,000	-	-	158,923	1,077

Median/ Landscape Screening

US 380 Green Ribbon Lndscp- Irrigat	2,295,000	-	-	2,295,000	192,662	25,233	1,601,537	475,567
Mahard Medians	-	500,000	-	500,000	30,000	20,000	-	450,000
Prairie Medians	-	250,000	-	250,000	5,400	44,600	-	200,000
Richland Median Lndscp (Prosper Com	-	150,000	-	150,000	-	-	-	150,000
Prosper Trail Screening (Preston -	550,000	-	7,000	557,000	49,339	-	472,986	34,675
Parks Master Plan Update	140,000	-	-	140,000	-	-	132,707	7,293
Unprogrammed Future Projects	400,190	-	(333,333)	66,857	-	-	-	66,857

Total Park Projects

\$ 40,258,070	\$ 6,353,000	\$ (28,419)	\$ 46,582,651	\$ 9,806,354	\$ 4,442,911	\$ 26,608,134	\$ 5,725,252
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TOWN OF PROSPER, TEXAS
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GOVERNMENTAL CAPITAL PROJECTS FUND

	Prior Year Project Budget	Current Year Original Budget	Current Year Budget Adjustment	Life to Date Amended Budget	Current Year Actual	Current Year Encumbrances	Prior Years Expenditure	Project Budget Balance
Facility Projects								
<u>Public Safety</u>								
Fire Station #4 Design	\$ 950,680	\$ -	\$ 2,772	\$ 953,452	\$ 96,481	\$ 12,403	\$ 856,971	\$ (12,403)
Fire Station #4 Other Developm	413,422	-	(2,772)	410,650	19,621	13,111	111,496	266,423
Fire Station #4 Construction	11,610,003	-	-	11,610,003	5,075,759	-	6,534,244	-
Fire Station #4 (FF&E)	700,000	-	-	700,000	452,716	-	-	247,284
Public Safety Fiber Ring	1,000,000	-	-	1,000,000	76,621	-	-	923,380
PD Needs Assessment	78,740	-	1	78,741	11,775	-	66,966	-
Town Hall HVAC Unit	-	-	61,933	61,933	61,933	-	-	-
Repairs Fire Station 2	-	-	98,759	98,759	57,429	41,330	-	-
Central Fire BAS System	-	-	65,732	65,732	21,632	44,100	-	-
Fire Station 2 BAS System	-	-	16,435	16,435	16,435	-	-	-
Fire Station 3 BAS System	-	-	39,694	39,694	39,694	-	-	-
Quint Fire Engine (New Central Fire	1,495,000	-	-	1,495,000	-	-	1,469,880	25,120
Ambulance (New Central Fire Station	495,000	-	-	495,000	-	-	487,388	7,612
Fire Engine Station #4	1,250,000	-	-	1,250,000	-	-	1,246,418	3,582
Ambulance Station #4	552,000	-	-	552,000	-	-	551,600	401
In-Car Camera System and Body Worn	387,225	-	-	387,225	-	-	16,900	370,325
<u>Non-Public Safety</u>								
Parks & Public Works, Phase 1	5,802,938	5,397,062	8,319,788	19,519,788	445,198	19,638,377	777,468	(1,341,255)
Finish Out Interior Spaces Town Hal	685,416	-	-	685,416	260,768	4,922	419,725	-
Library Master Plan	130,000	-	-	130,000	8,600	5,389	116,011	-
Town Hall Repairs - N. Parking	290,892	-	7,320	298,212	247,723	-	50,489	-
Facility Improvement Projects	-	300,000	(241,223)	58,777	-	-	-	58,777
Unprogrammed Future Projects	511,916	-	(340,653)	171,263	-	-	-	171,263
Total Facility Projects	\$ 26,353,232	\$ 5,697,062	\$ 8,027,786	\$ 40,078,081	\$ 6,892,385	\$ 19,759,632	\$ 12,705,557	\$ 720,509
Transfer Out								
CIP Salaries - Streets	\$ -	\$ 400,000	\$ -	\$ 400,000	\$ 400,000	\$ -	\$ -	\$ -
CIP Salaries - Parks	-	300,000	-	300,000	300,000	-	-	-
CIP Salaries - Facilities	-	300,000	-	300,000	300,000	-	-	-
Total Expenditures	\$ 231,275,865	\$ 38,475,062	\$ 1,622,067	\$ 271,372,994	\$ 32,530,162	\$ 59,234,146	\$ 137,728,109	\$ 41,880,578
REVENUE OVER (UNDER) EXPENDITURES				\$ (232,975,932)	\$ (9,734,264)			
Beginning Fund Balance (Restricted for Capital Projects) October 1				82,578,172	82,578,172			
Ending Fund Balance (Restricted for Capital Projects) Current Month				\$ (150,397,760)	\$ 72,843,908			

TOWN OF PROSPER, TEXAS
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UTILITY CAPITAL PROJECTS FUND

	Prior Year Project Budget	Current Year Original Budget	Current Year Budget Adjustment	Life to Date Amended Budget	Current Year Actual	Current Year Encumbrances	Prior Year Expenditure	Project Budget Balance
REVENUES								
Interest Income		\$ 807,800	\$ -	\$ 807,800	\$ 1,330,020			
Bond Proceeds		26,538,619	-	26,538,619	-			
Grant Revenue		-	-	-	-			
Transfers In		-	-	-	-			
Transfers In - Impact Fee Funds		6,868,378	-	6,868,378	8,844,490			
Transfers In - Drainage Fund		200,000	-	200,000	200,000			
Total Revenues		<u>\$ 34,214,797</u>	<u>\$ -</u>	<u>\$ 34,214,797</u>	<u>\$ 10,374,510</u>			
EXPENDITURES								
Water Projects								
Lower Pressure Plane 42"	\$ 18,931,100	\$ -	\$ (346,400)	\$ 18,584,700	\$ -	\$ -	\$ 18,510,550	\$ 74,150
LPP Water Line Phase, 2A	9,000,000		(1,080,312)	7,919,688	42	-	7,919,646	-
Water Line Relocation-Frontier Park	6,900,000	-	-	6,900,000	3,437,865	547,783	1,554,570	1,359,781
Parks & Public Works, Phase 1	5,600,000		2,395,576	7,995,576	5,725,452	1,882,117	388,007	-
DNT (Prosper Trail - Frontier Parkw	23,785	-	-	23,785	-	-	3,585	20,200
Water Impact Fee Analysis	105,627	-	-	105,627	-	-	105,487	139
DNT Water Line Relocation	37,019	-	-	37,019	-	-	25,127	11,893
5 MG Ground Storage Tank	8,100,000	5,695,000	(74,150)	13,720,850	138,863	187,571	524,677	12,869,740
Craig Street 2 MG EST Rehabili	460,000	2,540,000	-	3,000,000	134,046	162,050	73,305	2,630,599
First Street (DNT - Coleman) - 12"	-	2,500,000	-	2,500,000	-	2,500,000	-	-
US 380 30-inch Water/8" WW Line Rel	-	1,800,000	-	1,800,000	254,611	764,199	-	781,190
Godwin Pkwy Materials	-	-	261,980	261,980	261,980	-	-	-
Unprogrammed Future Projects	356,728	-	(10,299)	346,429	-	-	-	346,429
Wastewater Projects								
Doe Branch Parallel Interceptor	16,253,327	-	-	16,253,327	3,750,000	-	3,750,000	8,753,327
Upper Doe Branch WW Line	8,025,000		(1,061,980)	6,963,021	1,910,887	448,901	4,573,501	29,731
Sewer Impact Fee Analysis	115,947	-	-	115,947	-	-	115,807	139
Doe Branch, Phase 3 WWTP	104,946,277	-	-	104,946,277	27,500,000	3,835	33,636,712	43,805,730
Wilson Creek WW Line	400,000	-	(94,714)	305,286	-	-	305,286	-
Denton ISD WW Line Reimburseme	531,622	-	-	531,622	-	-	-	531,622
Total Water & Wastewater Projects	<u>\$ 179,786,432</u>	<u>\$ 12,535,000</u>	<u>\$ (10,299)</u>	<u>\$ 192,311,133</u>	<u>\$ 43,113,745</u>	<u>\$ 6,496,456</u>	<u>\$ 71,486,261</u>	<u>\$ 71,214,670</u>
Drainage Projects								
Old Town Regional Retention Pond #2	\$ 98,386	\$ 200,000	\$ -	\$ 298,386	\$ -	\$ -	\$ 48,323	\$ 250,063
Doe Branch Creek Erosion Control	225,000	-	-	225,000	-	14,472	183,560	26,968
Total Drainage Projects	<u>\$ 323,386</u>	<u>\$ 200,000</u>	<u>\$ -</u>	<u>\$ 523,386</u>	<u>\$ -</u>	<u>\$ 14,472</u>	<u>\$ 231,883</u>	<u>\$ 277,031</u>
Transfer Out								
CIP Salaries - Water	\$ -	\$ 300,000	\$ -	\$ 300,000	\$ 300,000	\$ -	\$ -	\$ -
CIP Salaries - Wastewater	-	200,000	-	200,000	200,000	-	-	-
Total Expenses	<u>\$ 180,109,818</u>	<u>\$ 13,235,000</u>	<u>\$ (10,299)</u>	<u>\$ 193,334,519</u>	<u>\$ 43,613,745</u>	<u>\$ 6,510,928</u>	<u>\$ 71,718,144</u>	<u>\$ 71,491,701</u>
REVENUE OVER (UNDER) EXPENDITURES				\$ (159,119,722)	\$ (33,239,235)			
Beginning Fund Balance (Restricted for Capital Projects) October 1				115,732,372	115,732,372			
Ending Fund Balance (Restricted for Capital Projects) Current Month				<u>\$ (43,387,350)</u>	<u>\$ 82,493,137</u>			



FINANCE

To: Mayor and Town Council

From: Chris Landrum, Finance Director

**Through: Mario Canizares, Town Manager
Bob Scott, Deputy Town Manager**

Re: Atmos Rate Review Mechanism Filing

Town Council Meeting – August 25, 2026

Strategic Visioning Priority: 4. Provide Excellent Municipal Services

Agenda Item:

Consider and act upon a Resolution approving a Negotiated Settlement between the Atmos Cities Steering Committee and Atmos Energy Corporation, Mid-Tex Division regarding the Company's 2026 Rate Review Mechanism Filing; declaring the existing rates to be unreasonable; finding the rates to be set by the attached Settlement Tariffs to be just and reasonable and in the public interest; and approving an attachment establishing a benchmark for pensions and retiree medical benefits.

Description of Agenda Item:

The Town, along with 181 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism ("RRM"), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about April 1, 2026, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2025, entitled it to additional system-wide revenues of \$291.1 million.

Application of the standards set forth in ACSC's RRM Tariff reduces the Company's request to \$273.6 million. After reviewing the filing and conducting discovery, ACSC's consultants concluded that the system-wide deficiency under the RRM regime should be \$253.4 million instead of the claimed \$291.1 million.

After several settlement meetings, the parties have agreed to settle the case for \$260.5 million. This is a reduction of \$30 million to the Company's initial request. This includes payment of ACSC's expenses. The Effective Date for new rates is October 1, 2026.

Atmos generated rate tariffs attached to the Resolution will generate \$260.5 million in additional revenues. Atmos also prepared a Proof of Revenues supporting the settlement figures. ACSC consultants have agreed that Atmos' Proof of Revenues is accurate.

The impact of the settlement on average residential rates is an increase of \$13.37 on a monthly basis, or 14.15%. The increase for average commercial usage will be \$44.82 or 9.90%. Atmos provided bill impact comparisons containing these figures.

Budget Impact:

There is no budgetary impact affiliated with this item.

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

Attached Documents:

1. Resolution & Attachments

Town Staff Recommendation:

Town Staff recommend that the Town Council approve a Resolution approving a Negotiated Settlement between the Atmos Cities Steering Committee and Atmos Energy Corporation, Mid-Tex Division regarding the Company's 2026 Rate Review Mechanism Filing; declaring the existing rates to be unreasonable; finding the rates to be set by the attached Settlement Tariffs to be just and reasonable and in the public interest; and approving an attachment establishing a benchmark for pensions and retiree medical benefits.

Proposed Motion:

I move to approve a Resolution approving a Negotiated Settlement between the Atmos Cities Steering Committee and Atmos Energy Corporation, Mid-Tex Division regarding the Company's 2026 Rate Review Mechanism Filing; declaring the existing rates to be just and unreasonable; finding the rates to be set by the attached Settlement Tariffs to be reasonable and in the public interest; and approving an attachment establishing a benchmark for pensions and retiree medical benefits.

TOWN OF PROSPER, TEXAS

RESOLUTION NO. 2026-XX

AN RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION ("COMPANY") REGARDING THE COMPANY'S 2026 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; ADOPTING A SAVINGS CLAUSE; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.

WHEREAS, the Town of Prosper, Texas ("Town"), is a gas utility customer of Atmos Energy Corp., Mid-Tex Division ("Atmos Mid-Tex" or "Company"), and a regulatory authority with an interest in the rates and charges of Atmos Mid-Tex; and

WHEREAS, the Town is a member of the Atmos Cities Steering Committee ("ACSC"), a coalition of similarly-situated cities served by Atmos Mid-Tex ("ACSC Cities") that have joined together to facilitate the review of, and response to, natural gas issues affecting rates charged in the Atmos Mid-Tex service area; and

WHEREAS, ACSC and the Company worked collaboratively to develop a new Rate Review Mechanism ("RRM") tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program ("GRIP") process instituted by the Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

WHEREAS, the current RRM tariff was adopted by the Town in a rate ordinance in 2018; and

WHEREAS, on about April 1, 2026, Atmos Mid-Tex filed its 2026 RRM rate request with ACSC Cities based on a test year ending December 31, 2025; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2026 RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$260.5 million applicable on a system-wide basis with an effective date of October 1, 2026; and

WHEREAS, ACSC agrees that Atmos' plant-in-service is reasonable; and

WHEREAS, with the exception of approved plant-in-service, ACSC is not foreclosed from future reasonableness evaluation of costs associated with incidents related to gas leaks; and

WHEREAS, the attached tariffs (Attachment 1) implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Attachment 2); and

WHEREAS, the RRM Tariff contemplates reimbursement of ACSC's reasonable expenses associated with RRM applications.

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

SECTION 1

All of the above premises are hereby found to be true and correct legislative and factual findings of the Town of Prosper and they are hereby approved and incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2

Without prejudice to future litigation of any issue identified by ACSC, the Town Council finds that the settled amount of an increase in revenues of \$260.5 million on a system-wide basis represents a comprehensive settlement of gas utility rate issues affecting the rates, operations and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2026 RRM filing, is in the public interest, and is consistent with the Town's authority under Section 103.001 of the Texas Utilities Code.

SECTION 3

Despite finding Atmos Mid-Tex's plant-in-service to be reasonable, ASCS is not foreclosed in future cases from evaluating the reasonableness of costs associated with incidents involving leaks of natural gas.

SECTION 4

The existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs, attached hereto and incorporated herein as Attachment 1, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$260.5 million on a system-wide basis, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

SECTION 5

The ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Attachment 2, attached hereto and incorporated herein.

SECTION 6

Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2026 RRM filing.

SECTION 7

To the extent any resolution or ordinance previously adopted by the Town is inconsistent with this Ordinance, it is hereby repealed.

SECTION 8

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

SECTION 9

If any one or more sections or clauses of this Resolution is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Ordinance, and the remaining provisions of this Resolution shall be interpreted as if the offending section or clause never existed.

SECTION 10

Consistent with the Town ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2026.

SECTION 11

A copy of this Ordinance shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs, Atmos Energy Corporation, Mid-Tex Division, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Thomas Brocato, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

PASSED AND APPROVED by the Town Council of the Town of Prosper, Texas, on this the ____ day of August, 2026.

APPROVED:

David F. Bristol, Mayor

ATTEST:

Michelle Lewis Sirianni, Town Secretary

APPROVED AS TO FORM:

Terrence S. Welch, Town Attorney

ATTACHMENT 1

ATTACHMENT 2

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Application

Applicable to Residential Customers for all natural gas provided at one Point of Delivery and measured through one meter.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 24.35 per month
Rider CEE Surcharge	\$ 0.05 per month ¹
Total Customer Charge	\$ 24.40 per month
Commodity Charge – All <u>Ccf</u>	\$ 1.03839 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

¹Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 19196. Surcharge billing effective July 1, 2026.

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Application

Applicable to Commercial Customers for all natural gas provided at one Point of Delivery and measured through one meter and to Industrial Customers with an average annual usage of less than 30,000 Ccf.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and Ccf charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Bill	\$ 115.50 per month
Rider CEE Surcharge	\$ 0.00 per month ¹
Total Customer Charge	\$ 115.50 per month
Commodity Charge – All Ccf	\$ 0.27784 per Ccf

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Weather Normalization Adjustment: Plus or Minus an amount for weather normalization calculated in accordance with Rider WNA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Presumption of Plant Protection Level

For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

¹ Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 19196. Surcharge billing effective July 1, 2026.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 200 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 200 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service

Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's monthly bill will be calculated by adding the following Customer and MMBtu charges to the amounts due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 2,304.50 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.9582 per MMBtu
Next 3,500 MMBtu	\$ 0.7018 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.1505 per MMBtu

Gas Cost Recovery: Plus an amount for gas costs and upstream transportation costs calculated in accordance with Part (a) and Part (b), respectively, of Rider GCR.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

Curtailment Overpull Fee

Upon notification by Company of an event of curtailment or interruption of Customer's deliveries, Customer will, for each MMBtu delivered in excess of the stated level of curtailment or interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled "Daily Price Survey."

Replacement Index

In the event the "midpoint" or "common" price for the Katy point listed in *Platts Gas Daily* in the table entitled "Daily Price Survey" is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Agreement

An Agreement for Gas Service may be required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company's Tariff for Gas Service.

Special Conditions

In order to receive service under Rate I, Customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

Presumption of Plant Protection Level

For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Application

Applicable, in the event that Company has entered into a Transportation Agreement, to a customer directly connected to the Atmos Energy Corp., Mid-Tex Division Distribution System (Customer) for the transportation of all natural gas supplied by Customer or Customer's agent at one Point of Delivery for use in Customer's facility.

This tariff is not available to customers with a maximum daily demand of 1,000 MMBtu or greater and a daily/annual load factor of 10% or less. Load factor is calculated as follows: annual usage / (maximum daily connected demand X 365). Load factors will be recalculated once each year to determine appropriate eligibility for Rate T.

Type of Service

Company's receipt and delivery of all gas quantities under the applicable Transportation Agreement will be on a wholly interruptible basis subject to the Terms and Conditions incorporated in the Transportation Agreement. If Customer is an Industrial Customer, then Customer may elect, at the reasonable discretion of Company, to contract for Plant Protection transportation quantities defined as the minimum natural gas required to prevent physical harm and/or protect critical safety to the plant facilities, plant personnel, or the public when such protection cannot be achieved through the use of an alternate fuel. Where service of the type desired by Customer is not already available at the Point of Delivery, additional charges and special contract arrangements between Company and Customer may be required prior to service being furnished.

Monthly Rate

Customer's bill will be calculated by adding the following Customer and MMBtu charges to the amounts and quantities due under the riders listed below:

Charge	Amount
Customer Charge per Meter	\$ 2,304.50 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.9582 per MMBtu
Next 3,500 MMBtu	\$ 0.7018 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.1505 per MMBtu

Upstream Transportation Cost Recovery: Plus an amount for upstream transportation costs in accordance with Part (b) of Rider GCR.

Retention Adjustment: Plus a quantity of gas as calculated in accordance with Rider RA.

Franchise Fee Adjustment: Plus an amount for franchise fees calculated in accordance with Rider FF. Rider FF is only applicable to customers inside the corporate limits of any incorporated municipality.

Tax Adjustment: Plus an amount for tax calculated in accordance with Rider TAX.

Surcharges: Plus an amount for surcharges calculated in accordance with the applicable rider(s).

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Imbalance Fees

All fees charged to Customer under this Rate Schedule will be charged based on the quantities determined under the applicable Transportation Agreement and quantities will not be aggregated for any Customer with multiple Transportation Agreements for the purposes of such fees.

Monthly Imbalance Fees

Customer shall pay Company the greater of (i) \$0.10 per MMBtu, or (ii) 150% of the difference per MMBtu between the highest and lowest “midpoint” price for the Katy point listed in *Platts Gas Daily* in the table entitled “Daily Price Survey” during such month, for the MMBtu of Customer’s monthly Cumulative Imbalance, as defined in the applicable Transportation Agreement, at the end of each month that exceeds 10% of Customer’s receipt quantities for the month.

Overpull Fee

Upon notification by Company of an event of interruption of Customer’s deliveries, Customer will, for each MMBtu delivered in excess of the stated level of interruption, pay Company 200% of the midpoint price for the Katy point listed in *Platts Gas Daily* published for the applicable Gas Day in the table entitled “Daily Price Survey.”

Replacement Index

In the event the “midpoint” or “common” price for the Katy point listed in *Platts Gas Daily* in the table entitled “Daily Price Survey” is no longer published, Company will calculate the applicable imbalance fees utilizing a daily price index recognized as authoritative by the natural gas industry and most closely approximating the applicable index.

Agreement

A transportation agreement is required.

Notice

Service hereunder and the rates for services provided are subject to the orders of regulatory bodies having jurisdiction and to the Company’s Tariff for Gas Service.

Special Conditions

In order to receive service under Rate T, customer must have the type of meter required by Company. Customer must pay Company all costs associated with the acquisition and installation of the meter.

RIDER:	SUR – SURCHARGES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Application

This Rider is applicable to customer classes in the incorporated areas under the RRM tariff as authorized by the state or any governmental entity, a municipality, or a regulatory authority pursuant to any statute, ordinance, order, rule, contract, or agreement.

Monthly Calculation

Surcharges will be calculated in accordance with the applicable statute, ordinance, order, rule, contract, or agreement.

FASB ASC 740-10 (Fin48) Refund

Applicable to Customers taking service under Rate Schedules R – Residential, C – Commercial, I – Industrial and T – Transportation.

To ensure that gas utility customers receive the benefit associated with the changes in the Company's Uncertain Tax Positions ("UTPs") arising from recognition of Texas Margin Tax returns.

The decrease shall be calculated as follows:

Beginning with implementation of rates from the negotiated RRM Tariff, and annually thereafter, the portion of UTP liabilities identified in Schedule FIN48-1.1 for the prior fiscal year shall be allocated based on the final class allocations of GUD No. 10170 as per the RRM Tariff, divided by the annual bill count to derive rates to be refunded through Rider SUR in the subsequent fiscal year. Each year's calculation will include a true-up (+ or -) due to account for over/under collections. Amounts identified in Schedule FIN48-1 shall be adjusted to reflect any audit adjustments received from the Texas Comptroller of Public Accounts.

No action on the part of the Regulatory Authority is required to give effect to the amount to be refunded to customers. However, any amount refunded to customers shall be fully subject to review for reasonableness and accuracy in the gas utility's next statement of intent proceeding with the Railroad Commission of Texas, and if applicable, the gas utility shall be required to reconcile any discrepancies.

The following refund as authorized in the most recent negotiated RRM Tariff shall be refunded to each Rate Schedules R – Residential, C – Commercial, I – Industrial and T – Transportation customer's monthly bill in each month for a 12-month period. The refund amount by month by Rate Schedule is shown in the table below:

Rate Schedules	Rate
Rate R – Residential Sales	\$ (0.14)
Rate C – Commercial Sales	\$ (0.49)
Rate I – Industrial Sales	\$ (10.47)
Rate T – Transportation	\$ (10.47)

RIDER:	SUR – SURCHARGES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Unprotected Excess Deferred Income Tax Amortization

The allocated RRM Cities balance of the Unprotected portion of the Excess Deferred Income Taxes (“EDIT”) remaining after implementation of rates at October 1, 2026 shall be applied to each Rate Schedules R – Residential, C – Commercial, I – Industrial and T – Transportation customer’s monthly bill for a one-month period. The refund amount by Rate Schedule is shown in the table below:

Rate Schedules	Rate
Rate R – Residential Sales	\$ (4.45)
Rate C – Commercial Sales	\$ (14.80)
Rate I – Industrial Sales	\$ (319.02)
Rate T – Transportation	\$ (319.02)

Maximum Allowable Operating Pressure (“MAOP”) Hydrostatic Testing Cost Recovery

The allocated RRM Cities balance of the MAOP Hydrostatic Testing Cost as of December 31, 2025 is to be recovered through a monthly rate. This monthly rate shall be applied to each Rate Schedules R – Residential, C – Commercial, I – Industrial and T – Transportation customer’s monthly bill for approximately twelve (12) months or until all approved costs are recovered from the applicable customer classes. The monthly recovery rate by Rate Schedule is shown in the table below:

Rate Schedules	Rate
Rate R – Residential Sales	\$ 0.30
Rate C – Commercial Sales	\$ 0.98
Rate I – Industrial Sales	\$ 21.17
Rate T – Transportation	\$ 21.17

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Provisions for Adjustment

The Commodity Charge per Ccf (100 cubic feet) for gas service set forth in any Rate Schedules utilized by the cities of the Mid-Tex Division service area for determining normalized winter period revenues shall be adjusted by an amount hereinafter described, which amount is referred to as the "Weather Normalization Adjustment." The Weather Normalization Adjustment shall apply to all temperature sensitive residential and commercial bills based on meters read during the revenue months of November through April. The five regional weather stations are Abilene, Austin, Dallas, Waco, and Wichita Falls.

Computation of Weather Normalization Adjustment

The Weather Normalization Adjustment Factor shall be computed to the nearest one-hundredth cent per Ccf by the following formula:

$$WNAF_i = R_i \frac{(HSF_i \times (NDD-ADD))}{(BL_i + (HSF_i \times ADD))}$$

Where

i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf

R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.

HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

ADD = billing cycle actual heating degree days.

BL_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

The Weather Normalization Adjustment for the j th customer in i th rate schedule is computed as:

$$WNA_i = WNAF_i \times q_{ij}$$

Where q_{ij} is the relevant sales quantity for the j th customer in i th rate schedule.

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2026	

Base Use/Heat Use Factors

<u>Weather Station</u>	<u>Residential</u>		<u>Commercial</u>	
	<u>Base use Ccf</u>	<u>Heat use Ccf/HDD</u>	<u>Base use Ccf</u>	<u>Heat use Ccf/HDD</u>
Abilene	9.78	0.1448	91.89	0.8018
Austin	9.07	0.1318	213.26	0.9418
Dallas	12.87	0.1937	192.49	1.1269
Waco	9.39	0.1261	159.17	0.8068
Wichita Falls	10.61	0.1364	133.65	0.6965

Weather Normalization Adjustment (WNA) Report

On or before June 1 of each year, the company posts on its website at www.atmosenergy.com/MTXTariffs, in Excel format, a *Weather Normalization Adjustment (WNA) Report* to show how the company calculated its WNAs factor during the preceding winter season. Additionally, on or before June 1 of each year, the company files one hard copy and an Excel version of the *WNA Report* with the Railroad Commission of Texas' Gas Services Division, addressed to the Director of that Division.

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2025

Line No.	Description	Shared Services		Mid-Tex Direct			Adjustment Total
		Pension Account Plan	Post-Employment Benefit Plan	Pension Account Plan	Post-Employment Benefit Plan	Supplemental Executive Benefit Plan	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Proposed Benefits Benchmark -						
	Fiscal Year 2026 Willis Towers Watson Report as adjusted (1) (2) (3)	\$ 200,382	\$ (490,197)	\$ 951,536	\$ (3,288,240)	\$ 72,926	
2	Allocation Factor	46.66%	46.66%	87.00%	87.00%	100.00%	
3	Proposed Benefits Benchmark Costs Allocated to Mid-Tex (Ln 1 x Ln 2)	\$ 93,490	\$ (228,707)	\$ 827,882	\$ (2,860,928)	\$ 72,926	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	Proposed Benefits Benchmark Costs to Approve (Ln 3 x Ln 4)	\$ 93,490	\$ (228,707)	\$ 827,882	\$ (2,860,928)	\$ 72,926	\$ (2,095,337)
6							
7	O&M Expense Factor (WP_F-2.3, Ln 2)	80.27%	80.27%	36.19%	36.19%	8.73%	
8							
9	Summary of Costs to Approve (1):						
10	Total Pension Account Plan	\$ 75,047		\$ 299,646			\$ 374,693
11	Total Post-Employment Benefit Plan		\$ (183,588)		\$ (1,035,492)		(1,219,080)
12	Total Supplemental Executive Benefit Plan					\$ 6,367	6,367
13	Total (Ln 10 + Ln 11 + Ln 12)	\$ 75,047	\$ (183,588)	\$ 299,646	\$ (1,035,492)	\$ 6,367	\$ (838,020)



INFORMATION TECHNOLOGY

To: Mayor and Town Council

From: Leigh Johnson, Director of Information Technology

**Through: Mario Canizares, Town Manager
Bob Scott, Deputy Town Manager**

Re: Managed Print Services and Equipment Lease Agreement

Town Council Meeting – August 25, 2026

Strategic Visioning Priority: Provide Excellent Municipal Services

Agenda Item:

Consider and act upon authorizing the Town Manager to execute an agreement with Canon U.S.A., Inc. for managed print services, including the lease and maintenance of the Town's copier and printer fleet, through Texas Department of Information Resources (DIR) Contract DIR-CPO-5428 for \$250,899.

Description of Agenda Item:

In December 2014, the Town entered into an agreement with ImageNet Consulting for print management services, including copier leases and maintenance services for the Town's copier and printer fleet. Since that time, the Town has continued to utilize the equipment and services provided under the agreement.

The existing copier and printer fleet is now aging, and several of the models currently in service have reached a point where replacement parts are no longer readily available. Continued operation of the existing equipment increases the potential for extended outages, reduced equipment reliability, and difficulty maintaining consistent service levels across Town facilities.

To address these concerns, Town staff evaluated options to replace the existing fleet and establish a new managed print services agreement. The proposed agreement will provide for a full replacement of the Town's copier and printer fleet, along with ongoing maintenance, support, supplies, and related managed print services.

Procurement will be made through Texas Department of Information Resources Contract DIR-CPO-5428.

Budget Impact:

The proposed agreement has a total annual cost of \$50,180, consisting of equipment lease costs and managed print/maintenance services for a term of 60 months.

Funding for these services is included in the adopted budget and will be charged to the applicable equipment lease and print management accounts.

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

Attached Documents:

1. Canon U.S.A., Inc. Proposal
2. DIR-CPO-5428 Contract

Town Staff Recommendation:

Town Staff recommend the Town Council authorize the Town Manager to execute an agreement with Canon U.S.A., Inc. for managed print services, including the lease and maintenance of the Town's copier and printer fleet, through Texas Department of Information Resources (DIR) Contract DIR-CPO-5428 for \$250,899.

Proposed Motion:

I move to authorize the Town Manager to execute an agreement with Canon U.S.A., Inc. for managed print services, including the lease and maintenance of the Town's copier and printer fleet, through Texas Department of Information Resources (DIR) Contract DIR-CPO-5428 for \$250,899.



Canon U.S.A., Inc.
One Canon Park
Melville, NY 11747

Town of Prosper

May 28, 2026

Prepared by Johannes Lin
Account Executive, Senior
Canon U.S.A., Inc.

P: 469-928-9918

E: jolin@cusa.canon.com

**Request for Quote 2026-14-A Multi-
Function Printer (MFP) Fleet Upgrade**



Canon U.S.A., Inc.

One Canon Park
Melville, NY 11747
Tel: 631.330.5000

Item 7.

May 28, 2026

Mr. Jay Carter
Purchasing Manager
Town of Prosper
250 W First Street
Prosper, TX 75078

Subject: Response to Request for Quote 2026-14-A Multi-Function Printer (MFP) Fleet Upgrade

Dear Mr. Carter:

Thank you for allowing us the opportunity to respond to your Request for Quote for a Multi-Function Printer (MFP) Fleet Upgrade. You will find our company's products and services to be of considerable value to your organization. We are committed to providing Town of Prosper with the highest level of customer satisfaction.

Canon's solutions address a wide range of daily challenges for government agencies. We currently service more than 2,500 organizations in the state and local government sector. We offer a wide variety of hardware, software solutions, and services to help modernize your print and digital environment. Our portfolio of multifunction and desktop printers, large format printers and scanners, and production print devices can help increase efficiencies and foster secure, productive environments for all aspects of government including data and cybersecurity.

The pricing in our proposal is conditioned on contracting, if you decide to award this opportunity to us, through Canon's State of Texas DIR Contract (DIR-CPO-5428) (the "DIR Contract"), which is available at <https://dir.texas.gov/contracts/dir-cpo-5428>. Accordingly, if you decide to award the contract to us, while it will be based on the DIR Contract, it can also incorporate terms, conditions and other requirements of the RFP as mutually agreed to by the parties, provided they are not inconsistent with the DIR Contract, and subject to the terms and conditions in our proposal.

Notwithstanding anything to the contrary contained in the RFP or the foregoing, our proposal submitted in response to the RFP shall not be deemed, or construed as, acceptance of any of the terms and conditions contained in the RFP.

I am pleased to designate Johannes Lin, Account Executive, Senior as the main contact for Town of Prosper. He can be contacted by phone at 469-928-9918 and by email at jolin@cusa.canon.com.

This response includes our response packet, pricing, and required attachments for your review. Our proposal for Town of Prosper is valid for 90 days after receipt to allow time for evaluation, discussion, and selection. We look forward to participating in the next steps of this project and welcome additional inquiries about our proposal.

Sincerely,

Signed by:

Stephen E. Frank

3205AAACEA369437...
Stephen Frank

Vice President, Canon U.S.A., Inc.

REVIEWED AND APPROVED AS TO FORM
Canon U.S.A., Inc. Legal Division
By KO on May 27, 2026

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Executive Summary



Executive Summary

Our proposal reflects the Town Of Prosper's goals to reduce printing costs, efficiency, improve document security and support sustainability across all departments.

Canon has a long, rich history of providing best-in-class products alongside a wide variety of specialized services. With one of the strongest solutions portfolios in the document management industry, we take considerable pride in matching our innovative technology and services with the unique needs of our clients. We offer the combination of a local team with years of professional experience, paired with the vast technological and service resources of one of the world's most admired companies.

We also have a proven track record of innovation, operational excellence, and customer service. Our experience is evident through the unique technology solutions we provide organizations, leading to improved print policies and management, and savings on print related costs while promoting environmentally conscious behavior.

DELIVERING SUCCESSFUL PROGRAMS FOR OUR CLIENTS

Canon's goal is to keep customers productive on what makes them successful – their core operations. The best results can be achieved by looking beyond traditional device replacements into a comprehensive analysis of how information, including documents, move throughout the customer enterprise. To implement a truly successful solution, we need to understand the goals and initiatives of your organization and align ourselves with those goals. Having an in-depth insight into your environment, requirements, and end user behavior allows us to align our Canon solutions to help Town Of Prosper enhance your operational environment, expand your technology, and improve your efficiency. We work to understand the plan and design and develop our solution around your goals and objectives, while maintaining the flexibility to adapt our solutions as your needs change.

Our team of experts help you acquire the right technology, solutions, and services for Town of Prosper. From pre-sales analysis to post-sales support, Canon's team of professionals provide continued support to look for better ways to improve employee efficiency and provide costs savings on a continued basis.

THE CANON ADVANTAGE

- **Unmatched Texas Footprint:** A 166,151-sq.-ft. Irving Distribution Center and a dedicated local service team within a 50-mile radius.
- **Elite Service Levels:** Industry-leading KPI standards for rapid Response and Restore times.
- **Direct & Proven Expertise:** Direct-from-manufacturer partnership with a proven track record across 23+ State and Local Government entities.
- **Unbeatable Contract Value:** The market's strongest TX-DIR vehicle, featuring Pricing for the Town of Prosper that sits 30% below TX-DIR 5428.

LOCAL SUPPORT

Canon Distribution Facility- Irving, TX

- 3200 Regent Blvd Irving, TX 75063
- 166,151 sq. ft. Facility
- Facility Established in 1984
- Equipment and supplies shipped in weekly
- Equipment Configured and Staged for delivery
- Toner/ Inks/ Supplies Warehouse
- Service, Sales and Support Offices
- Demo Room for Production Printers, Large Format Printers, MFP Copiers and Desktops Printers



LOCAL PARTNERSHIPS



CONCLUSION

Our knowledge and experience can help Town of Prosper build the right combination of equipment and software. With more than five decades of experience implementing solutions for our clients, regardless of market, we can effectively optimize your print, copy, fax, and scan operations throughout Town Of Prosper, reduce the total cost of printing through print job management and energy efficiency, and support your organization's environmental sustainability target initiatives for waste avoidance, green procurement, and recyclability.

Canon offers Town Of Prosper:

- Global Reach with Local Flexibility
- A Single-Source Solutions Provider
- Best-in-Class Technology
- Discovery Capability
- Forward-Thinking Program Management
- Commitment to Excellence and Social Responsibility
- Complete Coverage
- Benchmark Value from a Financial Perspective
- Financial Strength

Our client references further demonstrate our ability to meet your technology and customer service needs. Town Of Prosper can be assured that Canon will support your needs and core organizational initiatives.

Thank you for your consideration. We would welcome the opportunity to meet in person to review the proposal details and address your questions directly and possibly provide you with the best and final



Pricing Proposal

Pricing Proposal

Equipment:

1. Canon imageFORCE C5140 (40-PPM Color & BW Full-Size MFP)

- a. Configuration: 4 x 550-sheet Cassettes Feeding, Inner Finisher (staples up to 50 sheets, holds up to 545 sheets), and 2/3-Hole Punch.

Fair Market Value Lease \$0 Down:

36-Month: \$202.71 per month per device

48-Month: \$168.70 per month per device

60-Month: \$139.66 per month per device.

Note: recommended Qty per Updated Printer Audit report: (12) devices

- b. Configuration: 4 x 550-sheet Cassettes Feeding, Booklet Finisher with Trifold (staples up to 65 sheets, holds up to 3,250 sheets, booklet-making up to 20 sheets, built-in C-fold up to 6 sheets), and 2/3-Hole Punch.

36-Month: \$227.53 per month per device

48-Month: \$199.28 per month per device

60-Month: \$175.16 per month per device.

Note: recommended Qty per the Updated Printer Audit report: (1) device

2. Canon imageFORCE C1333F (35-PPM Color & BW Desktop MFP)

- a. Configuration: 1 x 250-sheet, Print-Copy-Scanner, and built-in Fax.

36-Month: \$31.09 per month per device

48-Month: \$25.29 per month per device

60-Month: \$20.94 per month per device.

Note: recommended qty per the Updated Printer Audit report: (16) devices

3. Canon imageFORCE 1643P (45-PPM BW Desktop Printer)

- a. Configuration: 1 x 550-sheet Cassette Feeding and Print.

36-Month: \$18.65 per month per device

48-Month: \$15.52 per month per device

60-Month: \$12.85 per month per device.

Note: recommended Qty per Updated Printer Audit report: (7) devices

4. Canon imageFORCE 1643 (45-PPM BW Desktop MFP)

- a. Configuration: 1 x 550-sheet Cassette Feeding and Print, Printer-Copier-Scanner.

36-Month: \$27 per month per device

48-Month: \$22.47 per month per device

60-Month: \$18.60 per month per device.

Note: recommended Qty per the Updated Printer Audit report: (6) devices

5. Badge / ID Card Reader

36-Month: \$5.96 per month per unit

48-Month: \$4.96 per month per unit

60-Month: \$4.10 per month per unit

Note: recommended Qty per the Updated Printer Audit report: (42) card readers

6. uniFLOW Online Solution

a. Configuration:

Licenses for uniFLOW ONE Print & Scan (Full-Size MFP & Desktop Printer/MFP)
Implementation and Project Management Services

36-Month: \$643.49 per month

48-Month: \$620.02 per month

60-Month: \$599.98 per month

Note: per the Updated Printer Audit report: (42) licenses

Equipment Lease includes:

- Pricing via State of Texas DIR Contract with Canon USA, Inc. (DIR-CPO- 5428)
- DocuSign Agreement or PO in lieu of signature
- Includes delivery and installation
- Lease does not commence until all devices are installed
- Equipment Invoiced monthly by Canon Financial Services
- Included in TX-DIR Lease Terms:
 - o Payment Terms- Net 30
 - o Late Charge Exemption
 - o State Property Tax
 - o Document Fee Waived

Maintenance:

Cost Per Copy	IFC5140	IFC1333F	IF1643P & 1643
B&W	\$0.0048	\$0.0142	\$0.0142
Color	\$0.032	\$0.1017	

Maintenance Contract includes:

- Cost Per Copy Billing
- Usage Billed Monthly
- All parts, labor, staples and auto toner
- No shipping cost for contracted consumable supplies
- Invoiced monthly by Canon Financial Services
- Fixed Cost for the duration of desired lease term



Required Forms

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

FORM CIQ

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

Canon U.S.A., Inc.

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

Not Applicable

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

☐ Yes

☒ No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

☐ Yes

☒ No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.

To the best of our knowledge, there are no known conflicts of interest.

6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7 Stephen Frank
Vice President, Canon U.S.A., Inc.

Name of signatory

Signed by:

Stephen E. Frank

3205AAACEA369437
Signature

May 28, 2026

Date

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

- (2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

- (i) a contract between the local governmental entity and vendor has been executed;
- or

- (ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

- (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

- (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

- (3) has a family relationship with a local government officer of that local governmental entity.

- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

- (1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

- (2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.



Corporate Profile

Corporate Profile

Canon U.S.A., Inc. is a wholly owned subsidiary of Canon Inc., operating within the United States. We provide industry leading enterprise, production, and large format printing solutions supported by exceptional professional and managed services offerings. Canon helps companies of all sizes improve sustainability, increase efficiency, and control costs through high volume, continuous feed, digital and traditional printing, and document management solutions.

MORE THAN SEVENTY YEARS IN DOCUMENT MANAGEMENT

Canon U.S.A. was established in 1955 and incorporated in 1965 in New York. With more than 70 years in the document management industry, our team of highly skilled professionals provide sales, service, and support of Canon technology. We have nearly 100 sales and service locations in most major metropolitan areas throughout the U.S., and a network of Canon-authorized service companies to ensure nationwide coverage.

Our customers enjoy consistent, best-in-class support across the U.S. Our product and software application experts are directly accessible to assist our customers with the continual task of streamlining workflow processes through innovative technology. We help our customers protect their workplace by expanding cybersecurity awareness for employees through our computer-based phishing simulation training solution.

Furthermore, our cybersecurity partner professionals offer consultation services for helping to improve security frameworks, privacy regulation compliance, incident response, and virtual Chief Information Security officer (vCISO) subscription services.

A HISTORY OF RE-INVENTING THE OFFICE IMAGING INDUSTRY

We are backed by one of the world's most financially stable companies, Canon Inc. A \$29.5 billion company with 326 research, sales, and manufacturing subsidiaries, Canon employs 165,547 employees. As an industry-leading imaging company, Canon pursues global diversification with regional operations in the U.S., Japan, Europe, Asia, Oceania, the Middle East, and Africa.



Widely Recognized for Excellence – In addition to awards from BLI for security, reliability, and innovation in hardware and software, Canon has been recognized for sustainability, design, and corporate responsibility. More information can be provided

Canon places a high priority on global research and development (R&D) and this regional focus allows us to develop technologies for the specific demands encountered in the Americas, Europe, and Asia. Based on the number of registered U.S. patents filed by Canon, you can easily conclude that we have spent our research and development dollars effectively. ***We have been among the top ten U.S. patent holders for more than forty-two years.*** In 2025, Canon Inc. ranked seventh overall in patents registered in the U.S. with a total of 2,623 patents.

As a testament to our commitment to developing innovative technology, Canon's office imaging products are reviewed and recognized by several esteemed, independent organizations, including Buyers Laboratory (BLI), the imaging industry's leading independent authority and provider of competitive intelligence, testing, and reviews on multifunction, copier, printer, scanner, and software solutions and products. When choosing Canon, you can be assured that you're partnering with a company that delivers outstanding technologies across a range of markets.

Given the breadth of Canon's support areas, it's easy to see why we position ourselves as a secure information management solutions provider. Our diverse solutions portfolio touches every point of the document lifecycle within an organization's workflow.

WHY CHOOSE CANON?

There are many reasons why we are a premier choice for your imaging needs. We offer:

- **Local Support Backed by a Global Brand:** Canon technology continues to set the bar for innovation, quality, productivity, reliability, and energy efficiency. It is widely accepted and used in the ever-changing world of business. Our relationship with our parent company is strong and we benefit from the strength, innovation, and longevity of the world-renowned Canon brand.
- **A Single Source Solutions Provider:** Our hardware, software, and third-party enablers create one of the most diverse portfolios in the industry. With a sales and service footprint incorporating enterprise, large format, production, and vertical industry solutions, along with the expert knowledge of our people and a culture of providing excellent support and service nationally, we are uniquely positioned to meet the growing demands of today's world.
- **On-site Consultation:** Our on-site consultation and ongoing analysis of your paper and digital data flow requirements enables us to recommend scalable solutions, adapted to meet your needs as they change. Our goal is to capture your vision and deliver solutions that drive results. Our strategies are designed to provide the highest quality service and the best technology available, while maintaining a privacy-aware and secure environment, all in a cost-effective package.
- **Commitment to Innovation:** From device technology and workflow solutions to our support and services options, we are poised to innovate your environment. No matter what technology the future brings, you can count on Canon to lead the way. Our Cloud for Business portfolio offers a wide and agile array of solutions to make innovation easier.
- **The Canon U.S.A. Five Pillars of Security:** We are committed to enabling our customers to maintain a comprehensive and in-depth approach to workplace security in five key areas: device security, printing security, document security, information security, and cybersecurity.

Our Five Pillars of Security are founded on the preservation of the fundamental NIST security principles of confidentiality, integrity, and availability.

- **A Pledge of Social and Environmental Responsibility:** Through our corporate philosophy of *kyosei*, Canon is committed to dedicating itself to social and environmental responsibilities, as well as contributing to the prosperity of people in local communities and around the world.
- **U.S. Based Customer Service:** Our customer service and support network is positioned to ensure you enjoy high levels of customer satisfaction and loyalty.

Trust Canon U.S.A., Inc. to help you streamline and secure business processes, reduce costs, and improve productivity. Let us provide the technology, support, and service you need to create a seamless workflow for your business operations.

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Supporting our Government Clients



Supporting Our Government Clients

We have a long, rich history of providing not only best-in-class products, but a wide variety of specialized services tailored to our clients' needs. Our experience is evident through the unique technology solutions we provide organizations and employees, leading to improved print policies and management, potential savings on print related costs, and the ability to comply with ever more stringent state and federal security standards; all while promoting and achieving more environmentally conscious behavior.

Modernize State and Local Government with Canon Solutions

With tens of thousands of customers nationwide, we currently service approximately 2771 organizations in the state and local government sector. State and local governments are comprised of multiple industries under one authority including: finance, insurance, legal, human resources, construction, transportation, events and marketing, education, and healthcare. Canon offers solutions and services that, in most cases, can help to address key areas and concerns as may be dictated by compliance obligations for new regulations added in this market.

We offer a wide variety of hardware, software solutions, and services to help modernize your print and digital environments. Our portfolio of multifunction and desktop printers, large format printers and scanners, and production print devices can help increase efficiencies and foster secure, productive environments for all aspects of government including data and cybersecurity.

Canon's solutions and technologies can assist your government agency with:

- Print devices and management (FedRAMP authorized service)
- Environmental and accessibility compliance initiatives
- Hybrid workforce strategies
- Complying with Zero Trust security policies
- Digital Transformation strategies
- Production center productivity, quality, and workflows

Modernize Print Management

As cloud-based solutions become more prevalent in government entities, so do cybersecurity concerns. Canon office Cloud, a FedRAMP authorized (moderate level) print management service, provides support for government agencies' managed print strategies. We designed Canon office Cloud to help keep printed documents secure, reduce overall printing costs, and improve office productivity by reducing IT administration.

FedRAMP is a federal government-wide program that provides a standardized approach to security assessment and authorization. FedRAMP allows for the continuous monitoring of cloud offerings. Canon's ATO (Authority to Operate) allows us to sell Canon office Cloud to eligible organizations and State and Local governments.

Strengthening data security is critical for state and local governments. When an MFD connects to the outside world through an external network, there is an increased risk it might become the target of a cyber-attack. To help protect against such possibilities, Canon employs the latest industry-standard encryption methods for communication between the device and the outside world, in addition to the implementation of security solutions that detect tampering with our device's firmware.

Zero Trust security frameworks continue to gain momentum as a best practice in attempting to combat cybersecurity threats. Including your print environment in a Zero Trust strategy helps protect your network and develop trust from the end user to the device as well as the applications and data that reside on it. With a long history of advanced print security solutions, Canon's technologies include print and document management in your Zero Trust strategy.

Modernize with Digital Services

State and local governments are looking to digitize documents and improve citizen experience. Our solutions help state governments improve digital accessibility, enable a virtual working government, and maintain the ability to serve citizens. The Canon imageFORMULA scanner, part of a backfile solution, is compliant with the Federal Agencies Digital Guidelines Initiative (FADGI), which helps meet the government standard for safe and accurate document preservation.

Modernize the Government Workforce

In today's state and local governments, **Employee Experience** (EX) is just as important as **Citizen Experience** (CX). Providing employees with access to information and services regardless of location and allowing them the ability to collaborate is critical. Canon offers products and solutions to enable these efficiencies such as Therefore Online and FORTRA's Digital Guardian Secure Collaboration.

Optimize The Procurement process with Cooperative Contracts

Canon has the knowledge and experience to help Town of Prosper build the right combination of equipment and software. With more than five decades of experience implementing solutions for our customers, we can optimize your print, copy, fax, and scan operations to reduce the total cost of printing through print job management and energy efficiency. This also helps meet environmental sustainability targets for waste avoidance, green procurement, and recyclability.



Hardware Overview

Hardware Overview

IMAGEFORCE 1643/1643P/1643F

Designed for small and medium-sized business offices looking for a high-performance black-and-white printer with professional finishing capabilities..



45 ppm

[Brochure](#)

[Spec Sheet](#)

A4

B&W

MULTIFUNCTION

OFFICE PRINTER

About the imageFORCE 1643 Series

Canon’s imageFORCE 1643 series offers fast, dependable black-and-white printing and scanning in a compact design—ideal for businesses that need productivity without sacrificing space. Built on Canon’s imageFORCE platform, these models combine advanced security features, seamless connectivity, and efficient performance to help streamline everyday workflows. With multifunction and single-function options, the 1643 series is designed to integrate easily into existing print environments while supporting flexible workstyles. All in a space-saving package that helps keep your office running smoothly.

- ✓

Up to 1200 x 1200 dpi (equivalent)
- ✓

Robust Security Features
- ✓

Ease of Use
- ✓

Compact Design
- ✓

Cloud & Mobile Ready
- ✓

Sustainability Features



CORE FUNCTIONS



PRINT SPEED



MAX PAPER SIZE

1643: Print, Copy, Scan, Send		
1643F: Print, Copy, Scan, Send & Fax	Print: Up to 45 ppm	Standard: Up to 8-1/2" x 14"
1643P: Print		



PAPER CAPACITY



Media Types



Dimensions

Standard: 350 Sheets Maximum: 2,550 Sheets	Thin, Plain, Recycled, Color, Heavy, Bond, Labels, Envelope, Postcard, Letterhead	1643/1643F: 18-7/8" x 20-3/8" x 18" (480 x 518 x 458 mm) 1643P: 16-1/8" x 18-7/8" x 10-7/8" (409 x 376 x 275 mm)
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imageFORCE C1333F/C1333P

For small and medium-sized business offices looking for high-performance color printer with professional finishing capabilities.



35 ppm

[Brochure](#)

[Spec Sheet](#)

A4

COLOR



DESKTOP

OFFICE PRINTER

About the imageFORCE C1333 Series

The Canon imageFORCE C1333 Series is where speed, security, and vibrant color printing meet an efficient and compact design. Designed for organizations demanding dependable performance and effortless fleet integration, this A4 multifunction or single-function solution helps transform your workflow. Built on Canon’s cutting-edge imageFORCE platform, the C1333 Series delivers advanced security, seamless cloud connectivity, and eco-friendly features—all in a space-saving package designed to help elevate your business

- 1200 dpi Print Resolution
- Smart & Secure
- Ease of Use
- Compact Design
- Cloud & Mobile Ready
- Eco-Conscious Design



Core Functions



print speed



max paper size

C1333F: Multifunctional Laser Printer
(Print, Copy, Scan, Send and Fax)

Print: 35 PPM

Standard: Up to 8-1/2” to 14”

C1333P: Single Function Laser Printer



paper capacity



media types



dimensions

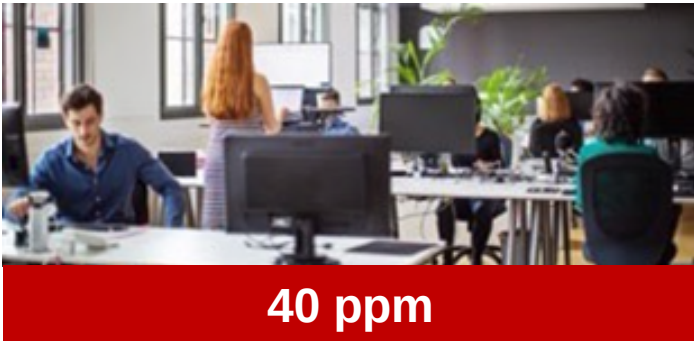
Standard: 250 Sheets
Maximum: 850 Sheets

Thin, Plain, Thick, Color, Recycled,
Coated, Label, Pre-punched,
Letterhead, Postcard, Envelope

C1333F: 16-3/4” x 18-1/8” x 17”
C1333P: 16-3/4” x 16-7/8 x 15”

imageforce C5140

Ideal for smaller workspaces with regular color print and scan requirements



40 ppm

Brochure

Spec Sheet



Trellix



OLED

A3

COLOR

MULTIFUNCTION

OFFICE PRINTER

About the imageFORCE C5100 Series

Thoughtfully manufactured with today’s mid-to-high-volume print environments in mind, the imageFORCE C5100 series supports productive performance and intuitive design. From vibrant color prints to advanced scanning features, the series is designed to help organizations operate efficiently, enhance output quality, and keep up with daily demands.

- ✓

4800 dpi Print Resolution
- ✓

Security Environment Estimation
- ✓

Ease of Use
- ✓

Multi-Use Print Applications
- ✓

Cloud Software Integration
- ✓

Eco-Smart Design



Print & scan speed



max Paper size



max paper size

Print: 40/40 PPM
Scan: 270/270 IPM

Standard: Up to 12" x 18"
Long Sheets: Up to 12-5/8" x 51-1/4"

Standard: 1,200 Sheets
Maximum: 6,350 Sheets



Finishing



media types



Dual controller

Collate, Group, offset, Staple, Saddle Stitch, Hole Punch, Staple-free Staple, Staple On-Demand, V-fold, C-Fold, Z-Fold, Long Sheets

Thin, Plain, Recycled, Eco, Color, Heavy, Coated, Tracing, Bond, Transparency, Label, Pre-punched, Letterhead, Tab, Envelope

Optional imagePASS Controller to help boost performance.



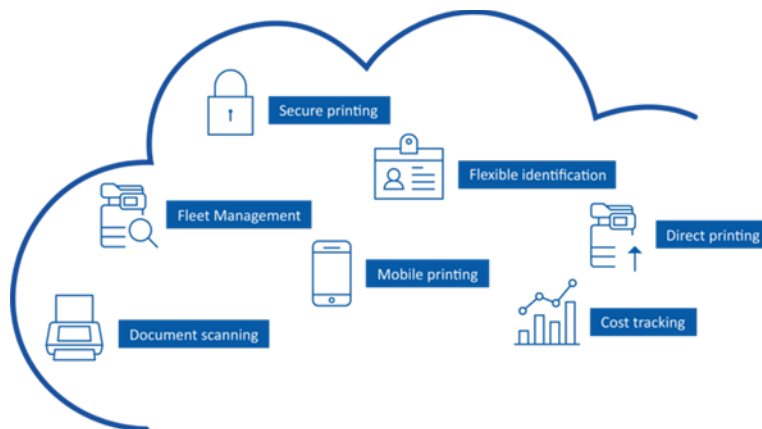
Software Overview

Software Overview

uniFLOW Online



uniFLOW Online is a secure, cloud-based print and scan solution which enables organizations to manage their entire print environment. The solution aims to upgrade document security, control costs and increase employee productivity while simultaneously reducing internal IT requirements. It has been designed to meet the needs of organizations that do not wish to invest in or manage local servers but still need to control their full printing and scanning process.

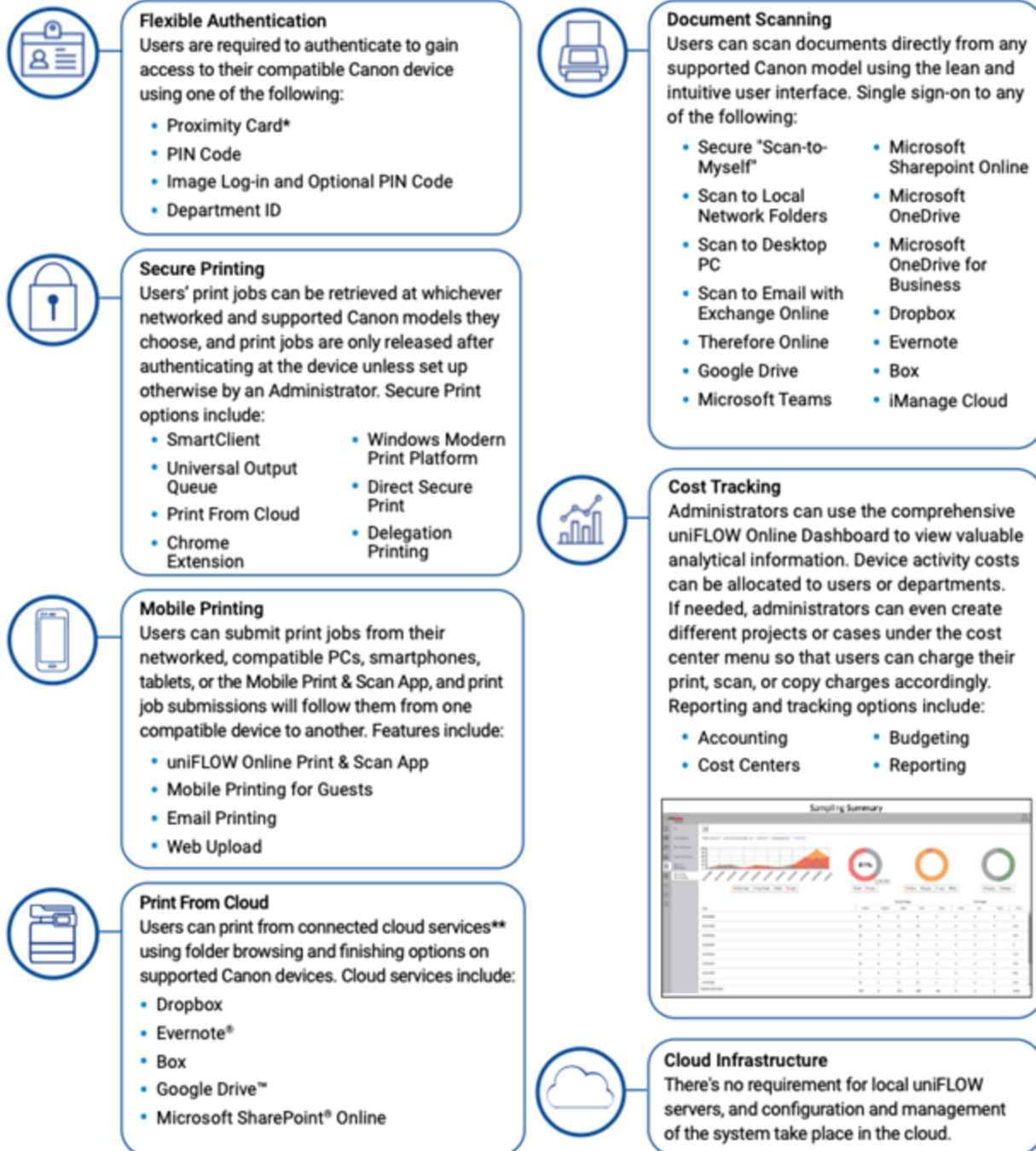


Those businesses that embrace cloud services are driven by opportunities to increase flexibility within their markets and to benefit from computing resources whilst spending less. Cloud print management and scan management reduces IT burden through eliminating servers and increases office productivity thanks to simplified print and scan processes.

- Gain Control over costs: Areas where costs can be scaled down can be indicated and reduced through targeted actions
- Help save the environment: Paper volume and power consumption are reduced by avoiding unnecessary prints and eliminating 'Always On' print servers
- Increase security: Only authorized users have access to devices and documents reach the right place.
- Improve office productivity: Various options to send and receive print jobs, change finishing options at the device, and workflows to simplify print and scan processes.

UNIFLOW ONLINE CLOUD PRINT & SCAN

Designed for business environments of any size, uniFLOW Online can help reduce and allocate printing costs, limit unauthorized access to printed documents, improve office productivity, and enable central control of printing, scanning, copying, and faxing.



UNIFLOW ONLINE CLOUD IMAGE PROCESSING

Cloud Image Processing adds robust scanning features designed to optimize your processes for scanned documents by directly sending them to a variety of scan destinations with enhanced image quality, compression, and document security.

Capture Digitizing documents in a structured and secure manner reduces error-prone manual interaction while optimizing processes and security measures. Users can alter scan options at the device and are able to browse through the root of their selected destination to select a folder. Access to scan profiles can be restricted to individual users or groups. 	Distribute Users can scan documents directly from any supported Canon model using the intuitive user interface and single sign-on to any of the following: • Secure "Scan-to-Myself" • Scan to Email with Exchange Online • Scan to Local Network Folders • Scan to Desktop PC • Google Drive • Microsoft OneDrive • Microsoft OneDrive for Business • Therefore Online • Microsoft Teams • Evernote • Box • Microsoft SharePoint Online • Dropbox • Concur • iManage Cloud • NetDocuments
Powerful Scan Processing Users can benefit from optimized scan processes including the following:  Despeckling. After receiving the scan, image quality can be enhanced through despeckle and deskew operations.  Receipt Scanning (multicrop). Receipts and business cards can automatically be extracted and rotated and scanned images can be converted to editable and searchable documents.  File Compression. Scanned files can be compressed to a fraction of the actual file size without having a major impact on image quality.  Encrypted PDF. To increase document security, scanned documents can be saved as encrypted PDF files.	Automated Document Filing uniFLOW Online's core document processing capabilities are enhanced and expanded in order to automate the process of digitizing documents. Filing Assist. Using preconfigured workflows, users can scan batches of repetitive documents to popular cloud services. The documents are named, converted, and filed according to predefined rules and information within the document. My Filing Assist. Ideal for ad hoc scanning of single, one-off documents for individual users. After scanning the document, the user selects the scan destination, target folder, and file format once back at their desk. Validate from Workstation. Scans are available in the uniFLOW Online Scan Center. Users can check if the prepopulated file name and metadata are correct. Where errors are detected, the preview can be opened to edit the OCR result or select a different OCR block to make corrections. Once confirmed, documents are submitted to their final destination by hitting the "Send" button. Parallels Desktop

UNIFLOW ONLINE BENEFITS

- **Limit Unauthorized Usage:** Administrators can restrict printer access to authorized users. Plus, with function-level access, log-in is only required for specific functions at the device.
- **Control Print, Scan, Copy, and Fax Costs:** Authenticating and releasing print jobs when only at the device helps reduce print costs. Tracking expenditures by users and departments helps pinpoint excessive spending.
- **Enable Outstanding Office Productivity:** Employees can print from compatible mobile devices and connected cloud services and scan directly from any supported Canon model for greater office workflow flexibility. Secure Print jobs can be modified prior to printing to help save valuable time.
- **Address Regulatory Compliance:** To address GDPR compliance, a user's personal data can be deleted and accounting data in reports can be made anonymously. A user's data can be collected and shared or deleted by the administrator upon request, helping to achieve GDPR processes such as "Right of Access by a User" and the "Right to be Forgotten."
- **Help Secure Confidential Documents:** Using a single driver, users can print confidential documents via any supported Canon model where unauthorized access can be limited due to authentication requirements.
- **Support Environmental Goals:** Encouraging users to print only what's needed and allowing finishing options to be changed at a compatible Canon device prior to printing saves paper and energy.



Service & Support

Service & Support

As the direct sales and service unit of Canon U.S.A. Inc., we provide extensive services as part of a larger support network. Our service and support divisions are the backbone of our company’s success. Our comprehensive support structure allows our customers to enjoy a wide array of technical service coverage to help ensure their ongoing satisfaction.

A QUALITY SERVICE EXPERIENCE NATIONALLY

We provide geographic coverage in major metropolitan areas throughout the United States. A comprehensive network of service professionals supports each region with best-in-class technical support. Beyond these critical regions, a group of independent Canon-authorized service companies support your needs. All servicing entities must adhere to strict performance guidelines and are fully certified to provide technical assistance with your Canon product.

The strength of Canon’s service delivery program is comprised of an extensive network of service locations across the United States certified to meet Canon standards. With 1,000+ service locations across the United States certified to meet Canon standards, there are over 7,500 technicians trained to solve technical and equipment problems, easily accessible wherever you are located. We require our authorized service centers to submit a detailed business plan describing prospective territory, staffing plans, and financials. They must agree to use only genuine Canon parts and consent to unscheduled observations by Canon management.

Our standard service hours are Monday through Friday, 8:30 AM to 5:00 PM local time, excluding weekends and holidays. If Town of Prosper requires service outside the scope of our standard service hours, we contract on a device or location basis. We can also provide a dedicated technician to be on standby should you have critical uptime or volume issues. Extended service is not available in all locations.

MULTIPLE OPTIONS TO REQUEST SERVICE ANYTIME

Town of Prosper end-users can request service in multiple ways:

- 

 - Our toll-free number (800-355-1385) displayed on your Canon device
 - Online at <http://www.cusa.canon.com>
- 

 - Via your MyCanon Business account
 - Using a QR code

Canon offers remote technical support needed to resolve disruptive workflow issues quickly, so critical systems can resume normal operations as soon as possible. Our Help Desk services provide a single point of contact for all incidents and service requests. Our award-winning Help Desk offers toll

free phone and email support from 8:30 AM to 8:00 PM ET, Monday to Friday, with Extended Help Desk support available 24/7/365.¹

Our Help Desk Operators are responsible for:

- Logging calls and generating tickets
- Incident management
- Escalation management
- Dispatching service technicians

The Help Desk covers a wide spectrum of hardware, software, network connectivity, application, and workflow issues. The interconnectivity of these areas sometimes creates challenging scenarios that require diverse troubleshooting skills. The Help Desk is uniquely qualified to provide this type of assistance. Our Solutions Support Center (SSC) customer help desk also escalates to partner support desks, if necessary. With expert assistance, we offer remote technical support to help resolve issues quickly.

OTHER TOOLS TO MONITOR YOUR PRINT ENVIRONMENT

To provide the security, functionality, and workflow efficiencies requested by Town of Prosper, we use multiple tools to monitor and manage your fleet, including:

MyCanon Business

MyCanon Business is a self-service portal available 24 hours a day, 7 days a week that provides an efficient way to handle day-to-day functions related to your Canon devices. Upon enrollment, you can take advantage of its many features and view your current fleet status, enter Meter Reads, place Service Requests, order Contract Supplies,² or manage devices on our Auto Toner program. You can retrieve account information from any tablet, laptop, or desktop, check the status of active service requests, and review closed requests.

imageWARE Remote

imageWARE Remote is firmware embedded in our imageRUNNER products. It automatically provides meter reads without the need for customer intervention, helping to reduce administrative costs and increase accuracy. It automatically reads meters every day for the most up-to-date reporting capabilities. The Service Monitoring portion of this tool automatically notifies our Dispatch Department of hardware or software errors. Our Dispatch Representatives can proactively call you to confirm if service is required. Devices using imageWARE Remote can also be set up on our Auto Toner program.

imageWARE Enterprise Management Console

¹ 24/7/365 Extended Solutions Support is currently available for uniFLOW, Therefore, IRIS, and IDEAS enterprise solutions only.

² Requires an active service contract with Canon U.S.A., Inc.

imageWARE Enterprise Management Console is an easy-to-use centralized point of control for all devices installed across your organization. This expandable console can help reduce downtime by directing low toner, paper jams, and device management alerts via emails to designated resource(s) within your organization. It is designed for easy implementation and simplified expandability.

ACCURATE REPORTING WITH AUTOMATED METER READING

We offer a variety of meter read submission methods. Town of Prosper can submit meter reads manually by calling our Customer Service Department's toll-free number. However, we encourage you to use our automated submissions tools, MyCanon Business and imageWARE Remote—which are free of charge—to reduce administrative burden and ensure regular and accurate reporting.

REDUCED BURDEN WITH AUTOMATED SUPPLY REPLENISHMENT

Devices using imageWARE Remote are eligible for our Auto Toner Program. The device sends a notification when toner is getting low, which automatically creates an order, helping to reduce administrative burden. An established supply contact for the device receives an email when an order is created and another when it ships (including tracking) so you are always informed. We make viewing and managing devices enrolled in Auto Toner easy with MyCanon Business.

For devices not enrolled in our Auto Toner program, Town of Prosper can call the toll-free Customer Service Department to speak to a Customer Service Representative, who places the supply order. This department is available Monday through Friday, 8:30 AM to 8:00 PM ET, to accommodate our customers nationwide. The toll-free number is located directly on the Canon device. The representative verifies a contact person, address, and serial number, clarifies the number of toners needed, and provides a confirmation number.

Town of Prosper can also place a supply order via MyCanon Business, a web-based account management platform included with an active Canon service agreement, and online at MyCanonBusiness.usa.canon.com.

At Town of Prosper's request, we can maintain a standard stock of parts and supplies onsite, provided there is a secure location for storage. Maintaining a consistent supply of toner and additional supplies on site can help maintain uptime of your Canon equipment.

A SERVICE ORGANIZATION FOCUSED ON YOUR INCREASED PRODUCTIVITY

Our customers have access to local, regional, and national level engineers, to help ensure Service Level Agreement compliance. Mobile technology allows our field technicians and industry certified engineers to handle customer calls quickly and efficiently, to help maximize uptime.

Our service technicians average 13 years' experience and are factory trained on Canon's equipment and the network support systems and software that drive its sophisticated technology. Our primary service objective is to resolve the problem on our first visit and eliminate the need for additional calls for the same problem.

To accomplish this, our service organization:

- offers unparalleled, manufacturer direct service and support
- Delivers an average response time of four hours
- Uses AI-driven parts stocking
- Provides a state-of-the-art Automated Dispatching System that delivers customer information to the Service Technician
- Technicians can remotely view machine diagnostics to ensure they have the proper parts to fix the device on the first visit

Our service technicians are measured on device reliability—not on the number of calls per day. As a result, customers are assured that the technician is dedicated to increasing productive time for their Canon equipment. For the customer this means one service call, one technician.

SERVICE UPDATES WITH “WHERE’S MY TECH?” APPLICATION

To establish a more seamless experience for our valued customers, Canon Service Support Operations offers Where’s My Tech?, an application in Oracle Field Service (OFS) that enables Town of Prosper end-users to easily track the status of service requests through a series of helpful notifications.

The process begins when an end-user submits a service request, prompting our system to deliver a confirmation email which establishes the device location and service request number and directs the end-user to a Service Request Confirmation link. This link provides the end-user with up-to-date information related to the request, including the current date, customer location where service is to take place, and details of service.

After the technician has been assigned, the link is updated to include the technician’s name and the best available service window for the completion of the request.

Once the technician departs for the service location, an email is automatically sent to the end-user, providing the technician’s name and the updated Service Request Confirmation link. The end-user then has access to real-time updates of the technician’s progress via the link.

Once on location, the technician has the option to send an arrival confirmation email to the end-user in OFS. This email includes the end-user’s service request number and an updated link, which shows that the request is in progress.

REDUCE DOWNTIME WITH PREDICTIVE MAINTENANCE

We establish predictive maintenance schedules to aggressively address technical issues before they become an operational problem that might result in equipment downtime. Service technicians service the device to a predictive maintenance standard each time they visit a device, performing what we call a “Complete Call Process.” The technician cleans all optics and removes, inspects, and cleans all assemblies of the device and its accessories, to help maintain a consistent level of service.

USING PREDICTIVE ANALYTICS TO IMPROVE PERFORMANCE

We use Canon-proprietary technology to provide the service technician with vital device information before a service visit. This tool processes the information and recommends next steps by analyzing your device's performance, operational characteristics, and service history. This proactively prepares our technician for your service visit by predicting the expected resolution and parts that might be required to help minimize repair time.

Additionally, our Cycle Clinic automated predictive maintenance program uses revolutionary product design enhancements to help improve unscheduled downtime, minimize device failures, and maximize copy quality. The program forecasts optimal maintenance timing and sends a service call to our system before the end user needs it. Networked devices also place service calls when durables (customer replaceable components) are near their end of life. This allows the technician to prepare the parts required before arriving, helping to reduce emergency and after-hour calls and a high first-call fix ratio. With Service approval, the Cycle Clinic automated predictive maintenance program is optional, at no additional cost.

SERVICE TECHNICIAN TRAINING

All new technicians attend an extensive new-hire training program called **Printing and Digital Imaging Foundations** (PDIF), which provides the technicians tools to maintain, troubleshoot, and repair Canon products. New hire service technicians receive classroom-based training and firsthand training in the field. The technician, upon successful completion, is certified on a specific Canon model, which is based on territory demand, and has received critical skill courses that enable the technician to be a successful service technician in the field. The critical skills portion of their training includes the following: Customer Satisfaction Skills, Basic Network Install, Complete Call Process, Troubleshooting, Communication, and Technology. We continually provide ongoing product training and certifications based on technology updates and field territory growth.

Canon U.S.A. designed the **Association of Technical Service Professionals** (ATSP) to uphold the high-performance standards intended to support the needs and expectations of Canon customers. The ATSP program provides assurance that its certified members have attained a level of knowledge and proficiency that upholds the standards Canon expects of its Service Organization. The program sets out strict guidelines to which service technicians must adhere, ensuring customers receive best-in-class service. We are proud of the high volume of certified professionals currently in our organization.

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Quality Assurance

Quality Assurance and Excellence

In 1964, Canon established its basic quality concept: no claims, no trouble. This approach to quality assurance for products and services remains unchanged today as part of Canon's corporate philosophy of **kyosei**. By providing outstanding quality for its products and services, we aim to earn the trust of customers and ensure they are 100% satisfied.

Our commitment to "Canon Quality" includes three main principles:

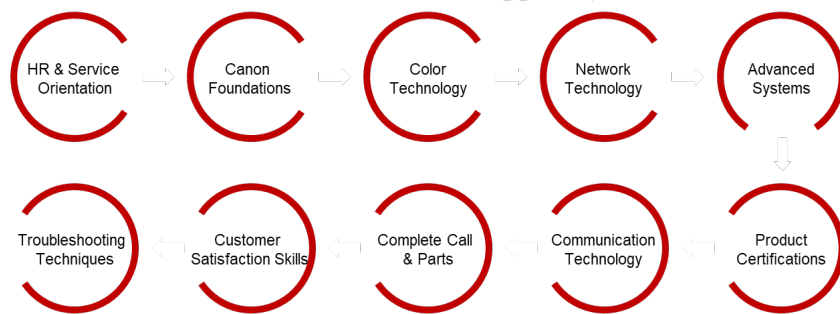
- Safety—quality that helps ensure products will not break, cause injury or malfunction.
- Smartness—quality that helps ensure ease of use, elegant designs, and customers' trust in our products.
- Satisfaction—quality that ensures customers will be delighted with their purchase and use our products for years to come.

At Canon U.S.A., your investment in our products and solutions is mission critical to your success. To meet your needs, we invest in logistic systems, regional parts warehouses, and computer modeled technician inventories to help improve uptime³ and reduce restore time for your equipment.

Through extensive training for our field and support professionals, Canon's technical employees are certified in the products and software they support. Additionally, they participate in ongoing skill enhancement and development training to provide the highest quality of service and support to help ensure your ultimate satisfaction. **Over 94% of our customers would recommend our service to a friend or colleague (cited by Confirmit, (a third party) average for 2024).**

EXTENSIVE TRAINING AND SUPPORT FOR TECHNICIANS

Our service technicians are measured on machine reliability, not the number of calls completed per day. As a result, the technician is dedicated to improving the productivity time for their Canon equipment. In addition, our technicians are trained on the network support systems and software that drive Canon's sophisticated technology. For the customer, this means one service call, one technician. The Association of Technical Service Professionals (ATSP) program is designed by Canon U.S.A. to uphold the high-performance standards intended to support the needs and



All new technicians attend extensive training to provide them with the tools to maintain, troubleshoot, and repair Canon

³ Many variables can impact results and uptime, and results and actual uptime may vary based on equipment, circumstance, and environment.

expectations of Canon customers. This program is designed to help assure its certified members have attained a level of knowledge and performance that is second to none in our competitive business.

MEASURING PERFORMANCE NATIONALLY

As part of our commitment to continuous improvement of engineering staff and service management, we monitor and measure both device and engineer performance through state-of-the-art performance dashboards. We measure each area of service performance, based on key criteria for each department.

- **Benchmarking:** Canon U.S.A. national Key Performance Indicator (KPI) measurements, third-party analysis of industry KPIs, and Canon Global KPI measurements.
- **Machine Performance:** Mean Copy Between Failure, Mean Copy Between Visit, and Machine Uptimes
- **Service Performance:** Response Time, Restore Time, First-Call Fix Rate, and Uptime

Our engineers monitor machine performance against the manufacturer's performance metrics in the areas of fleet uptime, failures between service visits, energy efficiency, and other key indicators. Our support personnel are held accountable for the service statistics by which they are measured. Our technicians are formally evaluated through an extensive suite of performance indicators related to speed of repair, quality of repair, and overall customer satisfaction.

ISO Certifications

Our manufacturing sites in Japan and [our manufacturing and return center in Virginia](#) are ISO 9001 certified. ISO 9001 is a part of a family of quality management standards; it ensures that the customer receives a quality product/service and that the organization complies with any regulations pertinent to those products/services.

More than 500 Canon Global sites, [including the Canon Americas Headquarters](#), are certified to the ISO 14001 standard, the internationally recognized standard for environmental management systems to help organizations minimize their environmental footprint, comply with relevant legal requirements, and achieve their environmental objectives.

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Device Management Tools

Device Management Tools

MYCANON BUSINESS ACCOUNT MANAGEMENT PORTAL

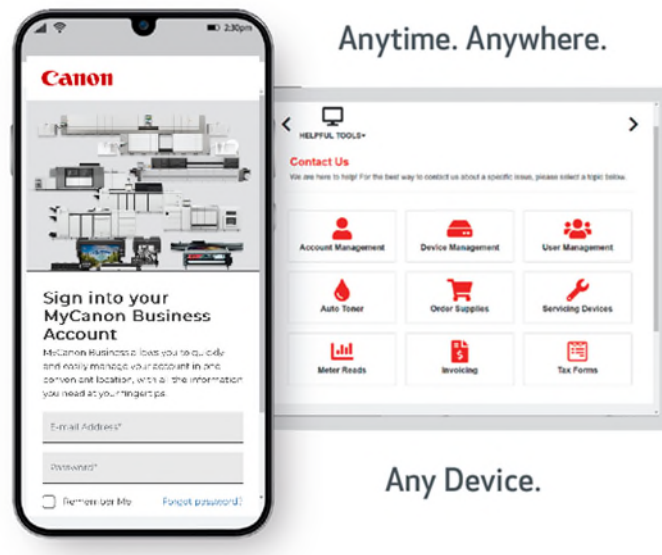
MyCanon Business from Canon U.S.A., Inc. provides a simple and convenient solution to managing your devices. The self-service utility is available 24 hours a day, 7 days a week and offers an efficient way to handle day-to-day functions from any smart device. With a robust two-factor authentication process in place, MyCanon

Business users are supplied with an added layer of security to help protect personal data and information beyond standard username and password.

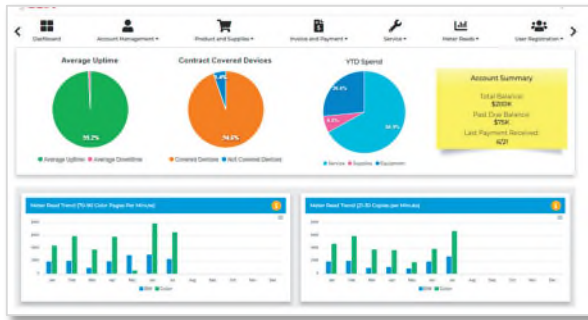
Upon enrollment, Town of Prosper can take advantage of the many features of MyCanon Business such as sending meter reads, placing service requests, ordering supplies under contract or for purchase, Auto Toner enrollment options, and retrieving account information.

MyCanon Business saves Town of Prosper valuable time with its flexibility and control, all on a tablet-friendly platform:

- Access a business intelligence dashboard with usage information on all your devices.
- Quickly and easily submit meter reads and view meter read history.
- View, pay, and download open and closed invoices.
- Order and track supplies.
- Place and track service requests.
- See a full catalog of Canon products and solutions and request a quote.
- Use quick action buttons to order supplies, enter meter reads, request service, and remove devices.
- Update your preferences and contact information.



MyCanon Business's robust set of features save time, improve efficiency, and increase visibility.



The account management dashboard provides at-a-glance summaries of program activity

DASHBOARD OVERVIEWS

The MyCanon Business account management dashboard provides an overview of usage associated with the devices registered to you. Depending on your user role, it also allows you to quickly access overall customer account-related information such as invoicing, orders, and service requests.

- **Average Uptime:** Displays the percentage of time your device was functional for use based on service requests submitted.
- **Contract Covered Devices:** Displays the percentage of devices covered under a maintenance agreement.
- **YTD Spend:** Displays your total charges for billable service/parts, and supply/equipment orders for the prior 12 months.
- **Account Summary:** Displays an at-a-glance view of your total open balance, the balance which is past due, and the date for last payment received on the account. This information displays for those users with access to view invoices.
- **Meter Read Trend:** Displays your meter reads by printer capacity (pages per minute) for the last 12 months.

PRODUCTS AND SUPPLIES

MyCanon Business simplifies ordering supplies for your printing needs, whether they're for devices on a toner-inclusive contract or devices not covered under contract. Town of Prosper can view open and closed supply orders with tracking information, by order number or date range. It can also send email confirmations when supply orders are placed and shipped.

On the "Order Contract Supplies" page, an Auto Toner status indicates if a device is enrolled in Auto Toner and if toner orders are actively being placed through the Auto Toner process. The devices enrolled in the Auto Toner program send an alert to us through the installed data collection software when toner is low. We then automatically ship toner to you.

INVOICES & PAYMENTS

Conveniently view, download, pay, and set up auto payments for Canon invoices with MyCanon Business. Easily view your Canon U.S.A. or Canon Financial Services invoices or download them into Microsoft Excel format to manipulate the data as you need.

DEVICE MONITORING AND MANAGEMENT

Canon's imageWARE Suite of utilities expands the resources available to manage and monitor the imageRUNNER and imageFORCE devices on your network. Two key components of this suite are imageWARE Remote and imageWARE Enterprise Management Console.

IMAGEWARE REMOTE

imageWARE Remote is firmware embedded in Canon imageRUNNER, imageFORCE, imageCLASS and imagePRESS products to help reduce administrative costs and increase accuracy. imageWARE Remote provides daily meter reads for the most up-to-date reporting capabilities. The Service Monitoring part of this tool automatically notifies our Dispatch Department of a hardware/software error. This feature allows our Dispatch Representatives to proactively call the customer to confirm service is required. If you are enrolled in our Auto Toner Program, imageWARE Remote notifies Canon when the machine is low on toner, so we can automatically ship toner to you.

IMAGEWARE ENTERPRISE MANAGEMENT CONSOLE

imageWARE Enterprise Management Console is a platform-independent, web-based application capable of installing and managing Canon networked systems on most customer networks. It monitors device conditions (jams, paper level, toner, etc.), monitors any job on the network, and delivers administrator alerts.

Monitoring ability includes:

- Remote device status.
- Jobs in the queue.
- Job status/error messages.
- Paper levels by drawer.
- Paper drawer configuration (paper size).
- Counter information (meter reads—includes breakdown of color vs. black-and-white).
- Key contact information by device (allows for automatic email notification to key contacts when problems occur).

For added convenience, imageWARE Enterprise Management Console can monitor third-party printers that comply with the standard printer MIB, thereby consolidating network device management via one utility. Using the map view feature of imageWARE Enterprise Management Console, administrators can create logical representations of their actual printing environments. imageWARE Enterprise Management Console ships standard with all Canon imageRUNNER and imageFORCE products. While the imageWARE Enterprise Management Console comes free with an imageRUNNER or imageFORCE device, the implementation of the solution may be fee-based.

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Service Level Agreements & Guarantees



Service Level Agreement Provisions & Guarantees

FOR CANON U.S.A., INC.'S SERVICE TERRITORY WITHIN THE CONTINENTAL UNITED STATES

RESPONSE TIME

For all Town of Prosper's U.S. locations, Canon U.S.A., Inc. will commit to a fleet average response of four (4) hours, over four (4) fixed quarterly intervals per year, for devices within Canon U.S.A., Inc.'s Servicing Territory. Response time, as noted above, shall be calculated from the time the customer call is placed with our Dispatch department until the time the technician arrives at the individual location. Response times are calculated between 8:30 AM and 5:00 PM local time, Monday through Friday, excluding Canon U.S.A., Inc. holidays. For an individual location which has multiple machines and active service calls, the Technician's arrival shall stop the response time calculation for all open service calls at that location.

UPTIME: FLEET

Canon U.S.A., Inc. will commit to a fleet average uptime of 95% over the four (4) fixed quarterly intervals per year, for devices within Canon U.S.A., Inc.'s Servicing Territory (excludes devices with rated speeds of 105 ppm or greater). Downtime is calculated from the time a service call is placed with our Dispatch department until the time the Technician completes the repair. Uptime criteria is calculated between 8:30 AM and 5:00 PM local time, Monday through Friday, excluding Canon U.S.A., Inc. holidays, and exceptions outlined below. Uptime requirements will not include preventative maintenance service calls, calls which could have been prevented by key operator functions outlined in unit's operation manual, calls created by user mishandling, units which are running outside the manufacturer's optimum performance volume, or units which need to be overhauled as a result of reaching useful life, in the opinion of our Service department.

WARRANTY & CUSTOMER SATISFACTION POLICY

All Canon brand Equipment is provided with an end user limited warranty from either Canon U.S.A., Inc. ("Canon") or a Canon affiliated company. If you are not satisfied with the performance of your Equipment, upon your written request, Canon U.S.A., Inc. in its sole discretion will repair or replace the Equipment with a like unit with equivalent capabilities. Prior to replacement, Canon U.S.A., Inc. shall have had the opportunity to return the Equipment to good working order in accordance with the terms of the applicable Agreement. If a replacement unit of Equipment is provided, the replaced unit shall be removed from the Lease and the replacement unit shall be deemed a "Listed Item" under the Lease and for the Lease and all other purposes of the applicable Agreement. This policy shall pertain to Canon Brand Equipment only and shall apply for three (3) years from the date of installation or for the initial term of any Canon Financial Services Lease, if longer, provided you are not in default of the Agreement or the Lease and such Maintenance services have not been canceled or terminated.

For Canon brand production print and/or large format cut-sheet printing Equipment, our Guarantee commits us to promptly repair the Equipment that you purchase, rent, or lease from us that fails to perform for you in accordance with its published specifications, provided such Equipment is continually covered under our Equipment Maintenance Agreement, such failure is not caused by accident or misuse, you use supplies approved by Canon U.S.A., and you comply with the terms of your sales, rental, license, lease, and service agreements, as applicable, pertaining to such equipment. The Guarantee applies for a period of three years from the date of installation while under continuous maintenance agreement, or through the end of the initial term of your Lease or Rental. This Guarantee does not apply to used or remanufactured Equipment or products, or to continuous feed Equipment. In the event the Equipment cannot be repaired, Canon U.S.A. in its sole discretion will replace the Equipment with a similar model at no cost to you.



Account Team Overview

Account Team Overview

Our internal staffing and support organization is one of the strongest differentiators we can provide Town of Prosper. When hiring and retaining quality personnel, we ensure our employees are fully-benefited career minded individuals. Our Account Management Teams are dedicated to providing the highest levels of customer service and we are supported by our national support network and processes based on decades of experience and industry best practices.

The following key personnel are a part of Town of Prosper's Account Management Team.

PROFESSIONAL BIOGRAPHIES AND PERSONAL INFORMATION IS PROPRIETARY AND CONFIDENTIAL.

Johannes Lin **Account Executive, Senior**

Canon Tenure – 4 years
Industry Experience – 15 years

The Senior Account Executive is the support person for Town Of Prosper. Johannes Lin's primary responsibility is to handle customer concerns and to help ensure your objectives are met. They coordinate a seamless transition to new Canon devices in your facilities. Johannes Lin is available for Town Of Prosper employees who require assistance with the devices. They are the key person for consultation on the Canon products deployed in your facilities.

Rodrick Byers **Manager, Major Accounts**

Canon Tenure – 26 years
Industry Experience – 26 years

The Major Accounts Manager directs all sales functions of the operation in accordance with Canon's standards of service excellence and total customer satisfaction objectives. Rodrick Byers works closely with the entire team of Canon professionals responsible for your account. As an integral member of the escalation process, they are available anytime their input is required. The Major Accounts Manager reports directly to the Branch Sales Director.

Philip Fleming **Branch Sales Director**

Canon Tenure – 10 years
Industry Experience – 37 years

The Branch Sales Director plans and directs all functions of the operation in accordance with Canon's standards of service excellence and total customer satisfaction objectives. Philip Fleming supervises and coordinates operational transition from sales through implementation, installation, training, and account management.

Michael Landolfa
Regional Service Director**Canon Tenure – 41 years**
Industry Experience – 41 years

The Regional Service Director manages a team of factory trained, authorized service technicians. Areas of expertise include: graphics, production, imaging and all segments of black and white and color equipment. Regional Service Director's primary function is to back up the field technicians to ensure maximum uptime and equipment efficiency. They also provide a link to our national support network which extends to our national equipment specialists in New York, Canon U.S.A.'s corporate headquarters.

Ken Hargis
Pre-Sales Systems Analyst**Canon Tenure – 15 years**
Industry Experience – 27 years

The Pre-Sales Systems Analyst provides technical recommendations and support for integrating Canon supported products into Town Of Prosper's environment. Ken Hargis has an in-depth knowledge of Canon software, hardware, and solution paths, and is available for any questions. They have direct access to Canon U.S.A. and Canon U.S.A. Affiliates for help with support, integration, and design needs.

DIGITAL SERVICE ENGINEERS

Digital Service Engineers provide repair and service support to our customer base, working with analog, digital, networked, and integrated business equipment. They receive comprehensive training to learn the most up-to-date techniques and skills to work with Canon products. They repair and maintain all assigned equipment to recommended standards and specifications.

DIGITAL SERVICE SPECIALISTS

Digital Service Specialists service specific business system products including: black & white and color printers and copiers, facsimile equipment, document management solutions and related software. They play a key role in the satisfaction of many loyal customers, which includes large companies and government offices as well as small to medium-sized businesses. Our Technicians are responsible for on-site service of Canon's networked digital imaging products. Working within a designated geographic territory, they are dispatched to various job assignments depending on the product and experience level. They make the necessary mechanical or electrical repairs as well as provide prevention maintenance on all machines serviced.

PRODUCT TRAINERS

Product Trainers are responsible for training customers on specific business system products and services including: black & white and color printers and copiers, facsimile equipment, document management solutions and related software. Their primary focus is conducting post-sale product

training to the end users of Canon and 3rd party products. They also are responsible for conducting training sessions (classroom and non-classroom) on equipment operations, maintenance, and troubleshooting.

HELP DESK CALL CENTER

The Help Desk Call Center covers a wide spectrum of hardware, software, network connectivity, application, and workflow issues. The interconnectivity of these areas sometimes creates challenging scenarios that require intelligent troubleshooting. The Help Desk is uniquely qualified to provide that type of assistance. The hours of operation are from 8:30AM to 8:00PM EST.



Implementation Approach

Implementation Approach

Your Account Executive, Senior, Johannes Lin is the primary point of contact throughout your implementation. Johannes Lin:

- Is a single point of contact.
- Manages and provides support throughout the implementation lifecycle.
- Is accountable for understanding your expectations and providing effective implementation planning and coordination.
- Provides an enterprise-wide focus, seeing “the big picture.”
- Partners with stakeholders for effective communication.

The Account Executive, Senior is responsible for managing the day-to-day operational aspects of the implementation:

- Creates and manages the implementation plan.
- Identifies, tracks, and mitigates risks.
- Creates a Communication Plan and proactively providing information to all stakeholders.

Johannes Lin and other Canon stakeholders work collaboratively to customize the Implementation Plan to best fit the implementation scope. The Implementation Plan is clearly defined to cover every aspect of the process. This is a coordinated and collaborative delivery that includes a Pre-Implementation Checklist and, for software solutions, a Statement of Work (SOW) that details all aspects of the implementation scope.

APPROACH TO IMPLEMENTATION

At the highest level, our implementation methodology encompasses five important phases that constitute the implementation lifecycle: Initiate, Plan, Execute, Monitor and Control, and Close.

INITIATE

During the initiation phase, we assemble the implementation team, consisting of stakeholders from both your organization and Canon. The Account Executive, Senior

- Holds meetings to review the implementation scope and establish high-level goals and objectives.
- Develops implementation tracking tools and documents.

PLAN

During the planning phase, critical implementation documents are created, including Communication Plan, Resource Plan, Technical Discovery session, Proof of Concept, detailed Implementation Schedule, Equipment Implementation Matrix, Action Items Log, and Risk Log.

The key components of this phase include:

- Site Assessments to confirm power supply, network, space requirements, and fax, and to identify contacts, device locations, device removals, staging area, loading dock, and egress and ingress.
- Final review and confirmation of the Scope of Work (if applicable).
- Pre-implementation checklist with your IT team to capture device and fleet settings.
- Technical Discovery.
- New device testing to help ensure a smooth implementation process.
- Replicate (clone) your desired configuration across your fleet so all devices can look, feel, and function identically for end users.

The planning phase is an opportunity for the Canon team coordinate with your team to account for all critical implementation elements.

The **Communication Plan** includes:

- How and when regular team meetings take place.
- What information is provided and who receives the information.
- Meeting Agenda and Meeting Minutes.
- Action Items, Issues Log, Risk and Decision Logs.
- Weekly Implementation Status Reports.

An **Implementation Schedule** is collaboratively developed so implementation tasks are identified, tracked, and updated.

The **Equipment Implementation Matrix (EIM)** is an asset tracking document used to track device deployment. The tool is used to capture and track device delivery and installation schedule. This helps manage your fleet and to ensure seamless deployment.

The **Resource Plan** is developed and managed to help ensure proper resources are available when and where needed based on the implementation schedule.

Technical Discovery includes completing the Pre-Implementation Settings Checklist, a device settings checklist performed after the test devices have been delivered, to ensure devices look and function according to your organization's needs and configured uniformly across your fleet. This checklist allows for device pre-configuration prior to delivery.

Proof of Concept (if applicable) involves testing device(s) that have been deployed, and typically takes one to two weeks. This is an important part of the planning process to determine what configuration is needed for your organization's needs. The POC tests and confirms configuration for copy, scan print and fax functionality including print drivers.

Device Configuration Manager (DCM) file is created after new device testing. The DCM file is an export of all the configuration settings from each device, allowing Canon to clone the configuration and "look and feel" of the devices for field deployment.

The **Action Items/Issues Log** tracks and resolves outstanding items in a consistent and timely manner.

The **Risk Log** allows the implementation team to identify, manage, and mitigate risks. Once created, it is maintained and managed throughout the implementation.

EXECUTE

During the execution phase, Johannes Lin works closely with your stakeholders and Canon Logistics and Service resources, to oversee the implementation in accordance with the schedules created. This typically entails managing the complete hardware roll-out and software deployment (if applicable). Metrics are monitored, and, if necessary, corrective actions are taken.

MONITOR AND CONTROL

During the monitoring and controlling phase of the implementation, equipment and software is in operation as accepted by your organization. In this phase of the implementation, which contrasts with the execution phase, information updates are sent to determine if corrective actions may be necessary in the implementation plan. Any remaining or outstanding action items or issues are closely tracked and addressed. When all the equipment is installed, configured, and tested, the implementation transitions to the Close phase.

CLOSE

During the close-out phase of the implementation, a formal Close-Out Meeting is conducted. Johannes Lin also engages the Canon Help Desk and local Field Service team(s) for ongoing support. This meeting consists of core team members from Canon and your organization. The purpose of this meeting is two-fold: to deliver and review all deliverables, implementation documents and open/closed items and to solicit feedback regarding how the implementation was performed.



Training & Education

Training & Education

Training fulfills important goals, like ensuring your team can maximize the potential of Town of Prosper's new Canon technology. Through a nationwide network of certified professional instructors, we offer a full suite of web-based and hands-on remote training. Our goal is to help your team reach maximum productivity and operational efficiency quickly and easily.

REMOTE INSTRUCTOR-LED TRAINING

We customize training to help meet your needs. With every installation, we arrange custom training for your key operators. We match our schedule to yours and conduct remote instructor-led training when it is convenient for you and your team. We customize our instructions to focus on your key applications, unique document management requirements, and learning expectations. Our staff of professional remote instructors helps your team maximize your Canon technology and perform jobs quickly and efficiently. Town of Prosper receives the following training content for each Canon device acquired:

OPERATING AN IMAGERUNNER ADVANCE DX OR IMAGEFORCE DEVICE

- Getting started
 - o System power on and off
 - o Control panel overview
 - o Printer overview
 - o Printer maintenance
- Basic copy operation
- Advanced copy operation
- Paper path and paper jam removal process
- Color calibration
- Printer features overview

MANAGING MEDIA

- Loading
 - o Assigning media to trays
 - o Adding new media to catalog
 - o Media curl and proper loading
- In-line finishing (where applicable)

REPLENISHING CONSUMABLES

- Toner
- Waste container
- Staples
- Hole-punch waste

ENGINE CALIBRATION (WHERE APPLICABLE)

STANDARD PRINTING AND PRINT DRIVER FEATURES

REMOTE USER INTERFACE

UNDERSTANDING THE COMPONENTS OF THE FIERY RIP (WHERE APPLICABLE)

- Power up/Power down sequences
- Logging on to Command Workstation
- Hold and release jobs from Command Workstation
- Changing print ticket properties for a given job
- Reprinting an archived print job

eLEARNING FOR ANYTIME, ANYWHERE TRAINING

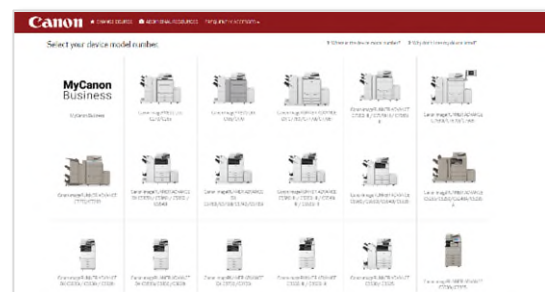
In today's fast-paced world, time is of the essence. Convenience, flexibility, and simplicity are key values when it comes to critical services like technology training. That is where Canon's eLearning shines. Our eLearning platform provides unlimited web-based training available anytime, anywhere.

Benefits of our eLearning platform include:

- Simple course navigation
- Quick application of device capabilities
- 24/7 on-site access from your location
- Cost-effective training resource
- Training opportunity for new employees

Course topics include:

- Replacing consumables
- Paper loading and registration
- Control panel navigation
- Copying, faxing, scanning, printing, and more



Canon's eLearning platform guides users through step-by-step lessons and accommodates different learning styles, at the user's pace, 24/7.

Town of Prosper users learn by watching short, animated videos with voiceovers which guide them through each lesson, step-by-step. A Closed Caption feature can be used in quiet environments or to assist hearing-impaired associates. The course structure accommodates different learning styles; users can go through the course chapter-by-chapter or use the table of contents to quickly jump directly to topics that pertain to their job. Quick links are always available to provide access to the most frequently requested lessons.

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References

References

THE FOLLOWING INFORMATION IS PROPRIETARY AND CONFIDENTIAL TO
CANON

REFERENCE 1: City of Decatur

Contact Name: Herandi Martinez
Contact Title: IT Director
Address: 201 E Walnut St, Decatur, TX 76234
Phone: 940-393-0200
Email: hmartinez@decaturtx.org
Contract Date: December 2021
Description of Services: Multi-Function Printer (MFP)

REFERENCE 2: City of Irving

Contact Name: Bennie Boysen
Contact Title: Deputy Chief Technology Officer
Address: 825 W Irving Blvd, Irving, TX 75060
Phone: 972-721-2775
Email: bboysen@irvingtx.org
Contract Date: July 2025
Description Services: MFP, Production, and uniFLOW Online

REFERENCE 3: City of Burleson

Contact Name: James Grommersch
Contact Title: Chief Technology Officer
Address: 141 W Renfro St, Burleson, TX 76028
Phone: 817-426-9672
Email: jgrommersch@burlesontx.com
Contract Date: March 2022
Description of Services: MFP and Large Format Printer

REFERENCE 4: City of Weatherford

Contact Name: Kiason Turner
Contact Title: Director of IT
Address: 303 Palo Pinto St, Weatherford, TX 76086
Phone: 817-598-4295
Email: kntruner@weatherfordtx.gov
Contract Date: March 2022
Description of Services: MFP and uniFLOW Online

REFERENCE 5: Tarrant Regional Water District

Contact Name: Phil Hatfield

Contact Title: System Administrator Manager

Address: 800 E Northside Dr, Fort Worth, TX 76102

Phone: 817-720-4237

Email: phil.hatfield@trwd.com

Contract Date: October 2023

Description of Services: MFP, Large Format Printer, and uniFLOW Online



Sustainability & Green Initiatives

Sustainability & Green Initiatives

Canon U.S.A. adheres to the spirit of our company's corporate philosophy of kyosei—all people, regardless of race, religion, or culture, harmoniously living and working together into the future. Canon takes a socially responsible and economically logical approach to business and seeks to be a truly excellent global corporation. For our customers, we strive to offer the best products possible. Simultaneously, we strive to improve our relationships with local communities and to increase our respect for the environment as we contribute to the prosperity of the world and the happiness of its people.

Our commitment and contribution to the environment and to the world community are integral to our management structure, product design, manufacturing, and corporate culture. This commitment has inspired many special corporate programs at both the global and regional level.

Canon Inc. also publishes an annual [Sustainability Report](#) describing our efforts to help achieve a more sustainable society. We have published an annual sustainability report since 1999 and report our sustainability strategies and initiatives in accordance with the GRI Standards.

CANON GROUP ENVIRONMENTAL CHARTER

CORPORATE PHILOSOPHY: KYOSEI

Achieve corporate growth and development while contributing to the prosperity of the world and the happiness of humankind.

ENVIRONMENTAL ASSURANCE PHILOSOPHY

Pursue maximization of resource efficiency and contribute to the creation of a society that practices sustainable development.

FUNDAMENTAL POLICIES FOR ENVIRONMENTAL ASSURANCE

Seek to harmonize environmental, economic, and social interests in all business activities, products, and services; offer products with low environmental burden through innovative improvements in resource efficiency; and eliminate anti-social activities that threaten the health and safety of mankind and the environment.

THE FIRST COMPANY IN THE INDUSTRY TO LAUNCH A TONER CARTRIDGE RECYCLING PROGRAM

In 1990, Canon launched its Toner Cartridge Recycling Program, the first such program in the industry. With the cooperation of our customers, Canon has collected more than 473,000 tons around the world as of the end of 2024. As of 2024, we have achieved a cumulative reduction in the use of new resources of approximately 340,000 tons.

We sort returned cartridges by model. The reusable parts are picked out, washing and maintenance are performed and the parts are reused in new products. Parts that cannot be reused are crushed and separated by material using physical characteristics such as electrostatic properties and specific gravity. At our website for our [Toner Cartridge Take-Back Program](#), customers can print a label for the return of cartridges or request a multiple-cartridge return box.

LONGSTANDING ENERGY STAR® PARTNERSHIP

To help save Town of Prosper energy and money while making a difference for the environment, Canon has partnered voluntarily with the EPA for more than 30 years to design products that meet the high standards of its ENERGY STAR® Program. This program promotes the development and introduction of energy-efficient products to combat climate change and other environmental issues.

As an ENERGY STAR® partner, Canon has approximately 200 certified products that incorporate advanced energy-efficient technologies, without compromising features or performance, such as energy saver mode, automatic duplex settings, and low sleep mode power consumption. ENERGY STAR® certified imaging equipment, printers, scanners, and all-in-one devices help reduce the amount of fossil fuels burned to produce electricity and cause fewer greenhouse gas emissions that harm the environment and contribute to global climate change.



RECOGNITION FOR CANON'S ENVIRONMENTAL ACTIVITIES

Canon has received multiple awards for protecting the environment through manufacturing energy-efficient products. Canon U.S.A., Inc. is a proud recipient of the United States Environmental Protection Agency's 2024 ENERGY STAR® Partner of the Year – Sustained Excellence Award. Canon U.S.A. has received Partner of the Year – Product Brand Owner Awards (2010, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, 2024), as well as Excellence Awards for ENERGY STAR Promotion (2011) and Product Labeling (1996, 1997, 2001, 2002, 2003, 2005 and 2008) for its outstanding contribution to the reduction of greenhouse gas emissions by manufacturing energy-efficient products and educating consumers about energy efficiency.

Other recent environmental awards include:



Canon U.S.A. earned the 2024 ENERGY STAR Partner of the Year — Sustained Excellence



Canon U.S.A. received a 2020 SmartWay Excellence Award from the EPA.



Canon was named one of the 2022 World's Most Ethical Companies by the Ethisphere Institute for the fifth year in a

EPEAT

Canon offers products that are registered in accordance with EPEAT for Imaging Equipment. EPEAT is a voluntary environmental rating program managed by the Global Electronics Council. This sustainability tool provides third-party verification of the environmental attributes of imaging equipment. EPEAT considers many environmental attributes such as climate change mitigation, the sustainable use of resources, chemicals of concern and responsible supply chains.. To find out which Canon products are registered bronze, silver, or gold, please visit www.epeat.net.

LEED CERTIFICATION

Canon U.S.A. is proud to have earned LEED ® certification for the Canon Americas Headquarters in Melville, N.Y. and the Canon Experience Center in Costa Mesa, CA. The Canon Distribution Center in Norcross, GA is LEED® Certified. The U.S. Green Building Council's LEED® green building program is the world's most widely used and was created as a leadership standard defining best practices for healthy, high-performing green buildings. To learn more about Canon's LEED certification, please visit [Canon LEED certification](#).

ISO 14001 CERTIFICATION

More than 500 Canon Global sites, including the Canon Americas Headquarters, are certified to the ISO 14001 standard. The ISO 14001 standard is the internationally recognized standard for environmental management systems created by the International Organization for Standardization to help organizations minimize their environmental footprint, comply with relevant legal requirements, and achieve their environmental objectives.

Canon U.S.A.'s Environmental Management System (EMS) analyzes environmental aspects associated with our operating activities, products, and services, to establish objectives and targets to help reduce their negative environmental impacts. Canon Americas sites with a certified EMS are audited by a third party to guarantee continual conformance to the standard. Canon's EMS monitors various aspects such as energy efficiency, resource conservation, waste management, chemical control, and recycling. The EMS is incorporated into various business operations.

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Canon U.S.A. Supplier Diversity Program

Canon U.S.A. Supplier Diversity Program

From its founding, Canon's corporate philosophy has been Kyosei - which means "all people, regardless of race, religion, or culture, harmoniously living and working together into the future." This is reflected in Canon's commitment to create a culture of respect, fairness and opportunity.

Although Canon is not a certified Minority/Women-Owned Business Enterprise (MWBE) vendor, we are committed to engaging with a wide range of diverse suppliers.

Canon U.S.A. subcontracts with certified suppliers, including small businesses, disadvantaged businesses, HUBZone small businesses, and veteran-owned businesses. To the extent required by applicable law, we complete a comprehensive corporate Subcontracting Plan annually and submit it to the Federal Government for approval. Canon does not discriminate in its supplier procurement processes and complies with all applicable federal, state, and local laws.

Our supplier diversity program aims to build relationships with and purchase goods and services from certified small businesses and diverse enterprises, helping Canon achieve our corporate objectives. We welcome the opportunity to expand our program and exchange ideas to further these efforts.

Below is our Supplier Diversity Spend from Canon Solutions America, Inc. and Canon U.S.A., Inc. for the last six years, including both direct and indirect spend (effective January 1, 2025, Canon Solutions America, Inc. merged into its parent company, Canon U.S.A., Inc.).

Canon U.S.A. Supplier Diversity Spend

CATEGORY	2023	2024	2025
DIVERSE SUPPLIERS	\$9,231,781.20	\$9,977,837.01	\$26,511,113.49
SMALL BUSINESS SUPPLIERS	\$111,290,626.85	\$156,567,372.38	\$163,220,312.45
ECONOMICALLY DISADVANTAGED SUPPLIERS	\$89,303,084.76	\$136,083,386.34	\$141,311,222.87
VETERAN OWNED SUPPLIERS	\$1,830,292.52	\$794,799.69	\$586,989.44
TOTAL	\$211,655,785.33	\$303,423,395.42	\$331,629,638.25



Reporting Overview

Reporting Overview

Canon U.S.A., Inc. takes a proactive approach to customer service. We prefer to anticipate your needs and to identify opportunities for process improvements. As part of this, we perform periodic account reviews where we survey:

- Number of devices in the account
- Uptime
- Response time
- Volume of output
- Billing issues
- Upgrade and downgrade opportunities

We can provide customized reports to meet Town of Prosper's specific requirements. Other formats can be prepared based on your request.

Our service leadership (local, regional, and national) meet with our customers periodically to review customer care quality metrics and fleet performance metrics, and to strategize opportunities for change management or improvement. Through these stringent performance standards and the commitment to our continuous improvement process, we confidently offer our Customer Satisfaction and Service Performance Guarantees to maintain the highest levels of customer satisfaction.

The following is a list of the types of reports we can provide.

- **Quarterly Management Report** – Summarizes all activity on a quarterly basis. It provides detailed information on device volume, device relocation, and volume trends.
- **Monthly Machine Volume Report Trended 12 Months** – Provides a rolling 12-month copy volume history for each piece of equipment. This report tracks the actual volume versus the rated volume for any given device and pinpoints any potential user concerns and equipment issues sorted by location.
- **Machine Uptime Report** – Details percentage uptime for each piece of equipment.
- **Quarterly Service Call Report** – Describes the average response time for all maintenance requests within the reporting period.
- **Quarterly Usage Report** – Provides maintenance usage and toner requirement calculations sorted by location.
- **Excessive Visit Report** – Provides details on devices that require additional attention and therefore specific action schedules.

The MyCanon Business account management dashboard also provides Town of Prosper with overviews including uptime, usage, year-to-date spend, and up-to-date invoicing summaries.

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STATE OF TEXAS
DEPARTMENT OF INFORMATION RESOURCES
CONTRACT FOR PRODUCT, SERVICES, AND RELATED SERVICES
CANON U.S.A., INC.

1 INTRODUCTION

1.1 Parties

This contract for Managed Print Services, Printers, Copiers, 3D Printers, Scanning, Plotting and Facsimile Equipment and Related Services; Document Imaging Services/Solutions; Enterprise Content Management Products, Software and Services (this "Contract") is entered into between the State of Texas, acting by and through the Department of Information Resources (hereinafter "DIR") with its principal place of business at 300 West 15th Street, Suite 1300, Austin, Texas 78701, and CANON U.S.A., INC. a New York For-Profit Corporation (hereinafter "Successful Respondent"), with its principal place of business at One Canon Park, Melville, NY 11747.

1.2 Compliance with Procurement Laws

This Contract is the result of compliance with applicable procurement laws of the State of Texas. DIR issued a solicitation on the Comptroller of Public Accounts' Electronic State Business Daily, Request for Offer (RFO) DIR-CPO-TMP-583, on 11/03/2023, for Managed Print Services, Printers, Copiers, 3D Printers, Scanning, Plotting and Facsimile Equipment and Related Services; Document Imaging Services/Solutions; Enterprise Content Management Products, Software and Services (the "RFO"). Upon execution of all Contracts, a notice of award for DIR-CPO-TMP-583, shall be posted by DIR on the Electronic State Business Daily.

1.3 Order of Precedence

- A. For transactions under this Contract, the order of precedence shall be as follows:
1. this Contract;
 2. **Appendix A, Standard Terms and Conditions;**
 3. **Appendix B, Successful Respondent's Historically Underutilized Businesses Subcontracting Plan;**
 4. **Appendix C, Pricing Index;**

5. **Appendix D, Service Agreement template;**
 6. **Appendix E, Master Operating Lease Agreement;**
 7. **Appendix F, Master Lease Agreement;**
 8. **Appendix G, Service Level Agreement;**
 9. **Exhibit 1, RFO DIR-CPO-TMP-583**, including all Addenda; and
 10. **Exhibit 2, Successful Respondent's Response to RFO DIR-CPO-TMP-583**, including all Addenda.
- B. Each of the foregoing documents is hereby incorporated by reference and together constitute the entire agreement between DIR and Successful Respondent.

1.4 Definitions

Capitalized terms used but not defined herein have the meanings given to them in **Appendix A, Standard Terms and Conditions.**

2 TERM OF CONTRACT

The initial term of this Contract shall be up to two (2) years commencing on the date of the last signature hereto (the "Initial Term"), with one (1) optional two-year renewal and one (1) optional one-year renewal (each, a "Renewal Term"). Prior to expiration of the Initial Term and each Renewal Term, this Contract will renew automatically under the same terms and conditions unless either party provides written notice to the other party at least sixty (60) days in advance of the renewal date stating that the party wishes to discuss amendment or non-renewal.

3 OPTION TO EXTEND

Successful Respondent agrees that DIR may require continued performance under this Contract at the rates specified in this Contract following the expiration of the Initial Term or any Renewal Term. This option may be exercised more than once, but the total extension of performance hereunder shall not exceed ninety (90) calendar days. Such extension of services shall be subject to the requirements of the Contract, with the sole and limited exception that the original date of termination shall be extended pursuant to this provision. DIR may exercise this option upon thirty (30) calendar days written notice to the Successful Respondent.

4 PRODUCT AND SERVICE OFFERINGS

Products and services available under this Contract are limited to the technology categories defined in Request for Offer DIR-CPO-TMP-583 for Managed Print Services, Printers, Copiers, 3D Printers, Scanning, Plotting and Facsimile Equipment and Related Services; Document Imaging Services/Solutions; Enterprise Content Management Products, Software and Services. At DIR's sole discretion, Successful Respondent may incorporate changes or make additions to its product and service offerings, provided that any changes or additions must be within the scope of the RFO.

5 PRICING

5.1 Pricing Index

Pricing to Customers shall be as set forth in **Appendix C, Pricing Index**, and shall include the DIR Administrative Fee (as defined below).

5.2 Customer Discount

- A. The minimum Customer discount for all products and services will be the percentage off List Price (as defined below) or MSRP (as defined below), as applicable, as specified in **Appendix C, Pricing Index**. Successful Respondent shall not establish a List Price or MSRP for a particular solicitation. For purposes of this Section, "List Price" is the price for a product or service published in Successful Respondent's price catalog (or similar document) before any discounts or price allowances are applied. For purposes of this Section, "MSRP," or manufacturer's suggested retail price, is the price list published by the manufacturer or publisher of a product and available to and recognized by the trade.
- B. Customers purchasing products or services under this Contract may negotiate additional discounts with Successful Respondent. Successful Respondent and Customer shall provide the details of such additional discounts to DIR upon request.
- C. If products or services available under this Contract are provided at a lower price to: (i) an eligible Customer who is not purchasing those products or services under this Contract, or (ii) to any other customer under the same terms and conditions provided for the State for the same products and services under this

contract, then the price of such products and services under this Contract shall be adjusted to that lower price. This requirement applies to products or services quoted by Successful Respondent for a quantity of one (1), but does not apply to volume or special pricing purchases. Successful Respondent shall notify DIR within ten (10) days of providing a lower price as described in this Section, and this Contract shall be amended within ten (10) days to reflect such lower price.

5.3 Changes to Prices

- A. Subject to the requirements of this section, Successful Respondent may change the price of any product or service upon changes to the List Price or MSRP, as applicable. Discount levels shall not be subject to such changes, and will remain consistent with the discount levels specified in this Contract.
- B. Successful Respondent may revise its pricing by publishing a revised pricing list, subject to review and approval by DIR. If DIR, in its sole discretion, finds that the price of a product or service has been increased unreasonably, DIR may request that Successful Respondent reduce the pricing for the product or service to the level published before such revision. Upon such request, Successful Respondent shall either reduce the pricing as requested, or shall remove the product or service from the pricing list for this Contract. Failure to do so will constitute an act of default by Successful Respondent.

5.4 Shipping and Handling

Prices to Customers shall include all shipping and handling fees. Shipments will be Free On Board Customer's Destination. No additional fees may be charged to Customers for standard shipping and handling. If a Customer requests expedited or special delivery, Customer will be responsible for any additional charges for expedited or special delivery.

6 DIR ADMINISTRATIVE FEE

- A. Successful Respondent shall pay an administrative fee to DIR based on the dollar value of all sales to Customers pursuant to this Contract (the "DIR Administrative Fee"). The amount of the DIR Administrative Fee shall be seventy-five hundredths of a percent (0.75%) of all sales, net of returns and credits. For example, the administrative fee for sales totaling \$100,000 shall be \$750.
- B. All prices quoted to Customers shall include the DIR Administrative Fee. DIR reserves the right to increase or decrease the DIR Administrative Fee during the

term of this Contract, upon written notice to Successful Respondent without amending this Contract. Any increase or decrease in the DIR Administrative Fee shall be incorporated in the price to Customers.

7 INTERNET ACCESS TO CONTRACT AND PRICING INFORMATION

In addition to the requirements listed in **Appendix A, Section 7.2, Internet Access to Contract and Pricing Information**, Successful Respondent shall include the following with its webpage:

- A. A current price list or mechanism to obtain specific contract pricing;
- B. MSRP/list price or DIR Customer price;
- C. Discount percentage (%) off MSRP or List Price;
- D. Warranty policies; and
- E. Return policies.

8 USE OF ORDER FULFILLERS

8.1 Authorization to Use Order Fulfillers

Subject to the conditions in this Section 8, DIR agrees to permit Successful Respondent to utilize designated order fulfillers to provide products, services, and support resources to Customers under this Contract ("Order Fulfillers").

8.2 Designation of Order Fulfillers

- A. Successful Respondent may designate Order Fulfillers to act as the distributors for products and services available under this Contract. In designating Order Fulfillers, Successful Respondent must be in compliance with the State's Policy on Utilization of Historically Underutilized Businesses. DIR and Successful Respondent will agree on the number of Order Fulfillers that are Historically Underutilized Businesses as defined by the CPA.
- B. In addition to the required Subcontracting Plan, Successful Respondent shall provide DIR with the following Order Fulfiller information: Order Fulfiller name, Order Fulfiller business address, Order Fulfiller CPA Identification Number, Order Fulfiller contact person email address and phone number.

- C. DIR reserves the right to require Successful Respondent to rescind any Order Fulfiller participation or request that Successful Respondent name additional Order Fulfillers should DIR determine it is in the best interest of the State.
- D. Successful Respondent shall be fully liable for its Order Fulfillers' performance under and compliance with the terms and conditions of this Contract. Successful Respondent shall enter into contracts with Order Fulfillers and use terms and conditions that are consistent with the terms and conditions of this Contract.
- E. Successful Respondent may qualify Order Fulfillers and their participation under the Contract provided that: i) any criteria is uniformly applied to all potential Order Fulfillers based upon Successful Respondent's established, neutrally applied criteria, ii) the criteria is not based on a particular procurement, and iii) all Customers are supported under the criteria.
- F. Successful Respondent shall not prohibit any Order Fulfiller from participating in other procurement opportunities offered through DIR.

8.3 Changes in Order Fulfiller

Successful Respondent may add or remove Order Fulfillers throughout the term of this Contract upon written authorization by DIR. Prior to adding or removing Order Fulfillers, Successful Respondent must make a good faith effort to revise its Subcontracting Plan in accordance with the State's Policy on Utilization of Historically Underutilized Businesses. Successful Respondent shall provide DIR with its updated Subcontracting Plan and the Order Fulfillers information listed above.

8.4 Order Fulfiller Pricing to Customer

Order Fulfiller pricing to the Customer shall be in accordance with Section 5.

9 NOTIFICATION

All notices under this Contract shall be sent to a party at the respective address indicated below.

If sent to the State:

Lisa Massock or Successor in Office
Chief Procurement Officer
Department of Information Resources
300 W. 15th St., Suite 1300

Austin, Texas 78701
Phone: (512) 475-4700
Email: lisa.massock@dir.texas.gov

If sent to Successful Respondent:

Mason Olds
CANON U.S.A., INC.
One Canon Park
Melville, NY 11747
Phone: (631) 330-4928
Email: isgbidadmin@cusa.canon.com

10 SOFTWARE LICENSE, LEASE, AND SERVICE AGREEMENTS

10.1 Software License Agreement

- A. Customers acquiring software licenses under this Contract shall hold, use, and operate such software subject to compliance with the Software License Agreement. Customer and Successful Respondent may agree to additional terms and conditions that do not diminish a term or condition in the Software License Agreement, or in any manner lessen the rights or protections of Customer or the responsibilities or liabilities of Successful Respondent. Successful Respondent shall make the Software License Agreement terms and conditions available to all Customers at all times.
- B. Compliance with the Software License Agreement is the responsibility of the Customer. DIR shall not be responsible for any Customer's compliance with the Software License Agreement.

10.2 Service Agreement

Services provided under this Contract shall be in accordance with the Service Agreement as set forth in **Appendix D** of this Contract. No changes to the Service Agreement terms and conditions may be made unless previously agreed to by Successful Respondent and DIR. Successful Respondent and Customer may agree to terms and conditions that do not diminish or lessen the rights or protections of the Customer or the responsibilities or liabilities of Successful Respondent.

10.3 Master Operating Lease Agreement

DIR and Successful Respondent hereby agree that Successful Respondent is authorized to utilize the Master Operating Lease Agreement in **Appendix E** of this Contract for Lessees that are Texas State Agencies or otherwise authorized to conduct lease transactions through DIR Contracts.

10.4 Master Lease Agreement

DIR and Successful Respondent hereby agree that Successful Respondent is authorized to utilize the Master Lease Agreement in **Appendix F** of this Contract for DIR authorized entities as Lessees that are **not** Texas State Agencies or otherwise required by statute to utilize the Texas Public Finance Authority for such leasing transactions. Texas State Agencies that have the requisite capital authority and who are not required to utilize such authority via the Texas Public Finance Authority may or may not be eligible to utilize the Master Lease Agreement; each such agency must confer with its own counsel to make this determination.

11 CONFLICTING OR ADDITIONAL TERMS

- A. The terms and conditions of this Contract shall supersede any additional conflicting or additional terms in any additional service agreements, statement of work, and any other provisions, terms, conditions, and license agreements, including those which may be affixed to or accompany software upon delivery (sometimes called shrink-wrap or click-wrap agreements), and any linked or supplemental documents, which may be proposed, issued, or accepted by Successful Respondent and Customer in addition to this Contract (such additional agreements, "Additional Agreements"), regardless of when such Additional Agreements are proposed, issued, or accepted by Customer. Notwithstanding the foregoing, it is Customer's responsibility to review any Additional Agreements to determine if Customer accepts such Additional Agreement. If Customer does not accept such Additional Agreement, Customer shall be responsible for negotiating any changes thereto.
- B. Any update or amendment to an Additional Agreement shall only apply to Purchase Orders for the associated product or service offering after the effective date of such update or amendment; provided that, if Successful Respondent has responded to a Customer's solicitation or request for pricing, any subsequent

update or amendment to an Additional Agreement may only apply to a resulting Purchase Order if Successful Respondent directly informs such Customer of such update or amendment before the Purchase Order is executed.

- C. Successful Respondent shall not require any Additional Agreement that: i) diminishes the rights, benefits, or protections of Customer, or that alters the definitions, measurements, or method for determining any authorized rights, benefits, or protections of Customer; or ii) imposes additional costs, burdens, or obligations upon Customer, or that alters the definitions, measurements, or method for determining any authorized costs, burdens, or obligations upon Customer.
- D. If Successful Respondent attempts to do any of the foregoing, the prohibited documents will be void and inapplicable to this Contract or the Purchase Order between Successful Respondent and Customer, and Successful Respondent will nonetheless be obligated to perform such Purchase Order without regard to the prohibited documents, unless Customer elects instead to terminate such Purchase Order, which in such case may be identified as a termination for cause against Successful Respondent.

12 AUTHORIZED EXCEPTIONS TO APPENDIX A, STANDARD TERMS AND CONDITIONS

A. Appendix A, Section 10.1.1.A, Indemnities by Successful Respondent, is hereby deleted and replaced in its entirety as follows:

A. Successful Respondent shall defend, indemnify, and hold harmless DIR, the State of Texas, and Customers, AND/OR THEIR OFFICERS, DIRECTORS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, SUCCESSORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL THIRD PARTY LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES arising out of, resulting from, or related to:

- i) any acts or omissions of Successful Respondent, its employees, or Third Party Providers in or in connection with the execution or performance of the Contract and any Purchase Orders issued under the Contract;
- ii) any and all third party claims involving infringement of United States patents, copyrights, trade and service marks, and any other intellectual or intangible property rights (an "Infringement") in or in connection with the execution or performance of the Contract and any Purchase Orders issued under the Contract; provided that Successful Respondent shall have no liability under this section if the alleged infringement is caused by: (a) use of the product or services for a purpose or in a manner not contemplated by this Contract or applicable documentation, (b) any modification made to the product without Successful Respondent's written approval, (c) any intellectual property right owned by or licensed to Customer, or (d) any use of the product or service by Customer that is not in conformity with the terms of any applicable license agreement.
- iii) any breach, disclosure, or exposure of data or information of or regarding DIR or any Customer that is provided to or obtained by Successful Respondent in connection with the Contract, including DIR data, Customer data, confidential information of DIR or Customer, any personal identifying information, or any other protected or regulated data by Successful Respondent, its employees, representatives, agents, or subcontractors in or in connection with the execution or performance of the Contract and any Purchase Orders issued under the Contract; and
- iv) tax liability, unemployment insurance or workers' compensation or expectations of benefits by Successful Respondent, its employees, representatives, agents, or subcontractors in or in connection with the execution or performance of the Contract and any Purchase Orders issued under the Contract.

B. Appendix A, Section 5, Intellectual Property Matters, is hereby deleted and replaced in its entirety as follows:

5. INTELLECTUAL PROPERTY MATTERS

This contract does not contemplate, authorize or support acquisition of customized products or services. If Successful Respondent and Customer seek to

contract for such customized product or service, they must use a separate contract or seek amendment with DIR of this contract. Further, if DIR and Successful Respondent decide to authorize customized software or hardware products, then the intellectual property language will be negotiated and applied.

(Remainder of this page intentionally left blank.)

This Contract is executed to be effective as of the date of last signature.

CANON U.S.A., INC.

Authorized By: Signature on File _____

Name: Mason Olds _____

Title: SVP _____

Date: 12/16/2024 | 2:55 PM PST _____

The State of Texas, acting by and through the Department of Information Resources

Authorized By: Signature on File _____

Name: Lisa Massock _____

Title: Chief Procurement Officer _____

Date: 12/19/2024 | 9:48 AM CST _____

Office of General Counsel: Signature on File _____

Date: 12/19/2024 | 9:19 AM CST _____



ENGINEERING SERVICES

To: Mayor and Town Council

From: Joshua Cotton, P.E., Senior Engineer

Through: Mario Canizares, Town Manager
Chuck Ewings, Assistant Town Manager
Hulon T. Webb, Jr., P.E., Director of Engineering Services
Pete Anaya, P.E., Assistant Director of Engineering – Capital Projects

Re: Professional Engineering Services Agreement:
Prosper Trail (Teel – Legacy)

Town Council Meeting – August 25, 2026

Strategic Visioning Priority: Accelerate Infrastructure Delivery

Agenda Item:

Consider and act upon authorizing the Town Manager to execute a Professional Engineering Services Agreement between Kimley-Horn and Associates, Inc., and the Town of Prosper, Texas, related to the design of the Prosper Trail (Teel – Legacy) project for \$950,000.

Description of Agenda Item:

The professional engineering services associated with this agreement are for the design of the Prosper Trail (Teel – Legacy) project. The design includes approximately 4,800 linear feet of the remaining two westbound lanes of Prosper Trail from Teel Parkway to Legacy Drive along with associated auxiliary lanes and median openings. The improvements generally include paving, sidewalk, drainage, water line extensions, illumination conduit, median landscaping and irrigation, survey, and geotechnical services. The project also includes franchise coordination, level 'A' and 'B' SUE, right-of-way and easement documents, bid phase services, construction phase services, record drawings, and roundabout evaluations.

At the October 24, 2023, Town Council meeting, the Town Council approved a list of qualified engineering firms, which included services for roadway engineering design. Kimley-Horn and Associates, Inc., is included on the approved list and has successfully completed the design of roadway improvement projects for the Town.

Budget Impact:

The cost of the design is \$950,000. This project was part of the 2025 Bond Election list of road projects, that included \$1,200,000 estimated for design. To accelerate the design portion of this project, funds from the FY26 bond issuances will be utilized. Necessary funds will be allocated to Account No. ST202627-DESGN-PROFS.

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

Attached Documents:

1. Professional Engineering Services Agreement
2. Location Map

Town Staff Recommendation:

Town staff recommends that the Town Council authorize the Town Manager to execute a Professional Engineering Services Agreement between Kimley-Horn and Associates, Inc., and the Town of Prosper, Texas, related to the design of the Prosper Trail (Teel – Legacy) project for \$950,000.

Proposed Motion:

I move to authorize the Town Manager to execute a Professional Engineering Services Agreement between Kimley-Horn and Associates, Inc., and the Town of Prosper, Texas, related to the design of the Prosper Trail (Teel – Legacy) project for \$950,000.

PROFESSIONAL ENGINEERING SERVICES AGREEMENT
BETWEEN THE TOWN OF PROSPER, TEXAS, AND KIMLEY-HORN AND ASSOCIATES, INC.
FOR THE PROSPER TRAIL (TEEL PARKWAY – LEGACY DRIVE) PROJECT

This Agreement for Professional Engineering Services, hereinafter called "Agreement," is entered into by the Town of Prosper, Texas, a municipal corporation, duly authorized to act by the Town Council of said Town, hereinafter called "Town," and Kimley-Horn and Associates, Inc., a company authorized to do business in Texas, acting through a duly authorized officer, hereinafter called "Consultant," relative to Consultant providing professional engineering services to Town. Town and Consultant when mentioned collectively shall be referred to as the "Parties."

W I T N E S S E T H:

WHEREAS, Town desires to obtain professional engineering services in connection with the Prosper Trail (Teel Parkway - Legacy Drive) Project, hereinafter called "Project";

For the mutual promises and benefits herein described, Town and Consultant agree as follows:

1. **Term of Agreement.** This Agreement shall become effective on the date of its execution by both Parties, and shall continue in effect thereafter until terminated as provided herein.
2. **Services to be Performed by Consultant.** The Parties agree that Consultant shall perform such services as are set forth and described in Exhibit A - Scope of Services and incorporated herein as if written word for word. All services provided by Consultant hereunder shall be performed in accordance with the degree of care and skill ordinarily exercised under similar circumstances by competent members of their profession. In case of conflict in the language of Exhibit A and this Agreement, this Agreement shall govern and control. Deviations from the Scope of Services or other provisions of this Agreement may only be made by written agreement signed by all Parties to this Agreement.
3. **Prompt Performance by Consultant.** Consultant shall perform all duties and services and make all decisions called for hereunder promptly and without unreasonable delay as is necessary to cause Consultant's services hereunder to be timely and properly performed. Notwithstanding the foregoing, Consultant agrees to use diligent efforts to perform the services described herein and further defined in any specific task orders, in a manner consistent with these task orders; however, the Town understands and agrees that Consultant is retained to perform a professional service and such services must be bound, first and foremost, by the principles of sound professional judgment and reasonable diligence.
4. **Compensation of Consultant.** Town agrees to pay to Consultant for satisfactory completion of all services included in this Agreement a total fee of Nine Hundred Fifty Thousand and 00/100 Dollars (\$950,000.00) for the Project as set forth and described in Exhibit B - Compensation Schedule and incorporated herein as if written word for word. Lump sum fees shall be billed monthly based on the percentage of completion. Hourly not to exceed fees shall be billed monthly based on hours of work that have been completed. Direct Costs for expenses such as mileage, copies, scans, sub-consultants, and similar costs are included in fees and shall be billed as completed.

Consultant agrees to submit statements to Town for professional services no more than once per month. These statements will be based upon Consultant's actual services performed and reimbursable expenses incurred, if any, and Town shall endeavor to make prompt payments. Each statement submitted by Consultant to Town shall be reasonably itemized to show the amount of work performed during that period. If Town fails to pay Consultant within sixty (60) calendar days of the receipt of Consultant's invoice, Consultant may, after giving ten (10) days written

notice to Town, suspend professional services until paid.

Nothing contained in this Agreement shall require Town to pay for any work that is unsatisfactory as reasonably determined by Town or which is not submitted in compliance with the terms of this Agreement.

The Scope of Services shall be strictly limited. Town shall not be required to pay any amount in excess of the original proposed amount unless Town shall have approved in writing in advance (prior to the performance of additional work) the payment of additional amounts.

5. Town's Obligations. Town agrees that it will (i) designate a specific person as Town's representative, (ii) provide Consultant with any previous studies, reports, data, budget constraints, special Town requirements, or other pertinent information known to Town, when necessitated by a project, (iii) when needed, assist Consultant in obtaining access to properties necessary for performance of Consultant's work for Town, (iv) make prompt payments in response to Consultant's statements and (v) respond in a timely fashion to requests from Consultant. Consultant is entitled to rely upon and use, without independent verification and without liability, all information and services provided by Town or Town's representatives.

6. Ownership and Reuse of Documents. Upon completion of Consultant's services and receipt of payment in full therefore, Consultant agrees to provide Town with copies of all materials and documents prepared or assembled by Consultant under this Agreement and that Town may use them without Consultant's permission for any purpose relating to the Project. Any reuse of the documents not relating to the Project shall be at Town's risk. Consultant may retain in its files copies of all reports, drawings, specifications and all other pertinent information for the work it performs for Town.

7. Town Objection to Personnel. If at any time after entering into this Agreement, Town has any reasonable objection to any of Engineer's personnel, or any personnel, professionals and/or consultants retained by Engineer, Engineer shall promptly propose substitutes to whom Town has no reasonable objection, and Engineer's compensation shall be equitably adjusted to reflect any difference in Engineer's costs occasioned by such substitution.

8. Insurance. Consultant shall, at its own expense, purchase, maintain and keep in force throughout the duration of this Agreement applicable insurance policies as described in Exhibit C - Insurance Requirements and incorporated herein as if written word for word. Consultant shall submit to Town proof of such insurance prior to commencing any work for Town.

9. Indemnification. CONSULTANT DOES HEREBY COVENANT AND AGREE TO RELEASE, INDEMNIFY AND HOLD HARMLESS TOWN AND ITS OFFICIALS, OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES AND INVITEES FROM AND AGAINST LIABILITY, CLAIMS, SUITS, DEMANDS AND/OR CAUSES OF ACTION, (INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEY'S FEES AND COSTS OF LITIGATION), WHICH MAY ARISE BY REASON OF DEATH OR INJURY TO PROPERTY OR PERSONS BUT ONLY TO THE EXTENT OCCASIONED BY THE NEGLIGENT ACT, ERROR OR OMISSION OF CONSULTANT, ITS OFFICIALS, OFFICERS, AGENTS, EMPLOYEES, INVITEES OR OTHER PERSONS FOR WHOM CONSULTANT IS LEGALLY LIABLE WITH REGARD TO THE PERFORMANCE OF THIS AGREEMENT.

IN THE EVENT THAT TOWN AND CONSULTANT ARE CONCURRENTLY NEGLIGENT, THE PARTIES AGREE THAT ALL LIABILITY SHALL BE CALCULATED ON A COMPARATIVE BASIS OF FAULT AND RESPONSIBILITY AND THAT NEITHER PARTY SHALL BE REQUIRED TO DEFEND OR INDEMNIFY THE OTHER PARTY FOR THAT PARTY'S NEGLIGENT OR INTENTIONAL ACTS, ERRORS OR OMISSIONS.

10. Notices. Any notices to be given hereunder by either Party to the other may be affected either by personal delivery, in writing, or by registered or certified mail to the following addresses:

Kimley-Horn and Associates, Inc.
L. Nathan Ante, P.E., Sr. Vice Pres.
2201 W. Royal Lane, Suite 275
Irving, TX 75063
Nathan.Ante@kimley-horn.com

Town of Prosper
Mario Canizares, Town Manager
PO Box 307
Prosper, TX 75078
MCanizares@prospertx.gov

11. Termination. The obligation to provide further services under this Agreement may be terminated by either Party in writing upon thirty (30) calendar days notice. In the event of termination by Town, Consultant shall be entitled to payment for services rendered through receipt of the termination notice.

12. Sole Parties and Entire Agreement. This Agreement shall not create any rights or benefits to anyone except Town and Consultant, and contains the entire agreement between the Parties. Oral modifications to this Agreement shall have no force or effect.

13. Assignment and Delegation. Neither Town nor Consultant may assign its rights or delegate its duties without the written consent of the other Party. This Agreement is binding on Town and Consultant to the extent permitted by law. Nothing herein is to be construed as creating any personal liability on the part of any Town officer, employee or agent.

14. Texas Law to Apply; Successors; Construction. This Agreement shall be construed under and in accordance with the laws of the State of Texas. It shall be binding upon, and inure to the benefit of, the Parties hereto and their representatives, successors and assigns. Should any provisions in this Agreement later be held invalid, illegal or unenforceable, they shall be deemed void, and this Agreement shall be construed as if such provision had never been contained herein.

15. Conflict of Interest. Consultant agrees that it is aware of the prohibited interest requirement of the Town Charter, which is repeated in Exhibit D - Conflict of Interest Affidavit and incorporated herein as if written word for word, and will abide by the same. Further, a lawful representative of Consultant shall execute the Affidavit included in the exhibit. Consultant understands and agrees that the existence of a prohibited interest during the term of this Agreement will render the Agreement voidable.

Consultant agrees that it is further aware of the vendor disclosure requirements set forth in Chapter 176, Local Government Code, as amended, and will abide by the same. In this connection, a lawful representative of Consultant shall execute the Conflict of Interest Questionnaire, Form CIQ, attached hereto as Exhibit E - Conflict of Interest Questionnaire and incorporated herein as if written word for word.

16. Venue. The Parties herein agree that this Agreement shall be enforceable in Prosper, Texas, and if legal action is necessary to enforce it, exclusive venue shall lie in Collin County, Texas.

17. Mediation. In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to submit such disagreement to non-binding mediation.

18. Prevailing Party. In the event a Party initiates or defends any legal action or proceeding to enforce or interpret any of the terms of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its reasonable costs and attorney's fees (including its reasonable costs and attorney's fees on any appeal).

19. **"Anti-Israel Boycott" Provision.** In accordance with Chapter 2270, Texas Government Code, a Texas governmental entity may not enter into a contract with a company for the provision of goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. Chapter 2270 does not apply to a (1) a company that is a sole proprietorship; (2) a company that has fewer than ten (10) full-time employees; or (3) a contract that has a value of less than One Hundred Thousand Dollars (\$100,000.00). Unless the company is not subject to Chapter 2270 for the reasons stated herein, the signatory executing this Agreement on behalf of the company verifies by its signature to this Agreement that the company does not boycott Israel and will not boycott Israel during the term of this Agreement.

20. **Signatories.** Town warrants and represents that the individual executing this Agreement on behalf of Town has full authority to execute this Agreement and bind Town to the same. Consultant warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind Consultant to same.

IN WITNESS WHEREOF, the Parties, having read and understood this Agreement, have executed such in duplicate copies, each of which shall have full dignity and force as an original, on the _____ day of _____, 20____.

KIMLEY-HORN AND ASSOCIATES, INC.

TOWN OF PROSPER, TEXAS

By: 
Signature

By: _____
Signature

Ryan Dufour, P.E.
Printed Name

Mario Canizares
Printed Name

Project Manager
Title

Town Manager
Title

August 13, 2026
Date

Date

By: 
Signature

L. Nathan Ante, P.E.
Printed Name

Senior Vice President
Title

August 13, 2026
Date

EXHIBIT A SCOPE OF SERVICES

PROFESSIONAL ENGINEERING SERVICES AGREEMENT BETWEEN THE TOWN OF PROSPER, TEXAS, AND KIMLEY-HORN AND ASSOCIATES, INC. FOR THE PROSPER TRAIL (TEEL PARKWAY - LEGACY DRIVE) PROJECT

I. PROJECT DESCRIPTION

This project includes the design of approximately 4,800 linear feet of the two westbound lanes and associated auxiliary lanes and median openings for Prosper Trail from Teel Parkway to Legacy Drive. The design improvements generally include paving, sidewalk, drainage, water line extensions, illumination conduit, median landscaping and irrigation, survey, and geotechnical services.

The project also generally includes franchise utility coordination, level 'A' and 'B' SUE, right-of-way and easement documents, bid phase services, construction phase services, record drawings, and a roundabout evaluation.

II. TASK SUMMARY

Task 1 – Survey

- 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 and fee only upon written Town authorization.
 - 1.1.4 Coordinate with Town and Texas 811 to locate and mark existing franchise and public utilities prior to performing the field survey. Existing franchise and public utility map to be provided as a part of Task 3.
- 1.2. Design Survey (Subconsultant)
 - 1.2.1 The survey limits include the following:
 - Prosper Trail alignment from Teel Parkway to Legacy, 130 feet wide.
 - 1.2.2 Establish a vertical control benchmark circuit as needed throughout the project. Town to provide established monument information for the area. Vertical control benchmarks will be established for use during construction.
 - 1.2.3 Establish horizontal control points, which will be based on NAD-83. Locate pertinent objects and above ground features within the survey limits, typically including:
 - Roadway pavement and driveways (including pavement type)
 - Drainage structures (i.e., culverts, ditches, inlets, manholes, and outfalls)
 - Utilities (signs or markers showing the presence of underground utilities, valves, manholes, flowlines, meters, backflow preventers, vents, poles, and guy wires)
 - Large (6-inch diameter and up), significant trees (identify species and caliper), and smaller trees and other plantings located within maintained landscapes
 - Fences (including material type) and gates
 - Sidewalks
 - Signs (roadway and private)

- Right-of-Way monumentation
 - Creek Bank Elevations
 - Creek Flowline
- 1.2.4 Process survey data to create plan view base map of existing features. Prepare a final topographic drawing in digital format (including contours and breaklines) showing the features located in the field as well as boundary and property information, an ASCII coordinate file of the points located in the field.
- 1.2.5 Project site visit to verify survey data.

Task 2 – Geotechnical Services (Subconsultant)

2.1. Subsurface Exploration

- 2.1.1 Along the roadway alignment from Teel Parkway to Legacy Drive, drill and extrude nine (9) sample borings to depths of 20 feet below existing grade using truck mounted equipment. Additional depths or borings, if necessary, will be provide as Additional Services only upon written Town authorization.
- Check samples for consistency with a hand penetrometer
 - Stake the boring locations using normal taping procedures (location and elevation to be surveyed)
 - Backfill bore holes and plug at the surface
 - Provide continuous sampling (with field strength testing)
 - Rock if encountered, will be evaluated for hardness by TxDOT cone penetrating field testing

2.2. Laboratory Services

2.2.1 Testing

- Moisture contents to determine profile of moisture variations
- Atterberg limits and sieve analysis for classification of soils
- Unconfined compression tests to evaluate soil strengths
- Swell test to determine swell potential and subgrade treatment requirements
- Lime Stabilization Series to determine percent lime and/or cement required for subgrade stabilization (evaluation and recommendation will be provided for both widening conditions and new pavement conditions).
- Sulfate test
- Standard proctor
- Resilient modulus

2.3. Engineering Analysis

- 2.3.1 Prepare an engineering report presenting the following:
- Sample boring location map
 - General soil and ground-water conditions
 - Examine samples for visible evidence of sulfates and discuss in the reports
 - Recommendations for appropriate subgrade treatment, stabilization type, and concentration
 - Recommend pavement section
 - Earthwork recommendations, including compaction criteria for any given fill placed
- 2.3.2 Submit one (1) copy of the report to the Town

Task 3 – Conceptual Design (30%)

- 3.1. Project Management and Administration
 - 3.1.1 Up to two (2) meeting with Town staff and stakeholders
 - 3.1.2 Up to one (1) project site visit
 - 3.1.3 Develop QC plan
 - 3.1.4 Develop project production plan
 - 3.1.5 Develop project schedule and interim milestones
 - 3.1.6 Project correspondence and invoicing
- 3.2. Data Collection
 - 3.2.1 Consultant will rely on the Town to provide Town Design Criteria (paving, drainage, utilities, streetscape), Standard Details, Ordinances, and Master Plan documents applicable to the project.
- 3.3. Roadway Design
 - 3.3.1 Establish roadway centerline.
 - 3.3.2 Establish typical sections, anticipated:
 - Minor Thoroughfare '4LD' approximately 4,800 linear feet of Prosper Trail.
 - Two (2) 12-foot travel lanes (full buildout)
 - 6-foot sidewalk along westbound parkway as-needed
 - 3.3.3 Establish median openings and auxiliary lanes.
 - 3.3.4 Establish sidewalk/trail widths and locations.
 - 3.3.5 Establish profile of the roadway.
 - 3.3.6 Determine Right-of-Way (ROW) and Easement requirements.
- 3.4. Drainage Design
 - 3.4.1 Compile hydrological and hydraulic data.
 - 3.4.2 Develop project drainage area maps.
 - Determine conveyance paths, channel slopes, time of concentration, and runoff coefficients to calculate design-year flows for proposed conditions.
 - Subdivide the overall drainage areas into sub-areas and calculate the discharge to each existing and future inlet. Analyze future inlet capacities and adjust inlet locations and sub-areas as needed to meet Town design criteria. Analyze existing inlets along Prosper Trail to determine if the existing facilities are sized to accommodate the proposed widening. Anticipated internal system for the entire length of project.
 - 3.4.3 Analyze drainage improvements to accommodate the proposed roadway. Evaluate the need for any offsite drainage improvements and report to the Town (the need for offsite improvements is not anticipated). The design of any offsite drainage improvements will be considered as *Additional Services* and can be performed for an additional fee.
 - 3.4.4 Conceptual design of storm drain facilities will consist of plan view only.
- 3.5. Water Line
 - 3.5.1 Establish horizontal location for the following proposed water line improvements:
 - Extension of existing laterals and crossings
 - Additional fire hydrants to meet current Town Standards
- 3.6. Franchise Utilities
 - 3.6.1 Establish the location of existing public utilities based upon information provided by the Town, franchise utility owners, and field survey information.
 - 3.6.2 Provide overall existing utility map representing all known existing franchise and public utility information along project corridor gathered from data collection.
 - 3.6.3 Identify potential conflicts with franchise utilities. Consultant will provide plan sets upon

request for franchise utility coordination purposes.

- 3.6.4 Additional effort may be provided as a part of Task 6.
- 3.7. Opinion of Probable Construction Cost (OPCC)
 - 3.7.1 Compile and prepare a conceptual opinion of probable construction cost (OPCC) for the project using recent average unit bid prices which are representative of similar types of construction in the local area.
- 3.8. Conceptual Plan and Profile Exhibit
 - 3.8.1 Prepare one (1) conceptual roadway plan and profile exhibit (roll plot format at appropriate scale as determined by the engineer). Items to be included:
 - Plan
 - Control Data
 - Existing right-of-way and easements
 - Existing survey data
 - Existing pavement
 - Existing driveway locations
 - Existing trees
 - Existing storm drain locations
 - Existing water line locations
 - Existing sanitary sewer line locations
 - Existing franchise utility locations (relying upon information provided by franchise utility owners and data collection)
 - Proposed centerline alignment and horizontal curve data
 - Proposed curb and paving limits
 - Proposed sidewalk
 - Proposed driveways
 - Proposed transition pavement tie-ins to existing pavement
 - Proposed cross culverts and headwalls, if applicable
 - Proposed storm drainage system
 - Proposed storm drain inlet locations
 - Proposed water line improvements
 - Proposed limits of construction
 - Proposed pavement marking and signs
 - Proposed ROW and easement requirements
 - Profile
 - Existing ground profile at proposed top of curb and right-of-way lines
 - Proposed vertical alignment (top of curb)
- 3.9. Prepare one (1) Conceptual level right-of-way map showing the existing and proposed right-of-way and easements needed for proposed improvements.
- 3.10. Conceptual Design submittal
 - 3.10.1 Refer to III. DELIVERABLES

Task 4 – Preliminary Design (60%)

- 4.1. Project Management and Administration
 - 4.1.1 Up to two (2) meetings with Town staff and stakeholders
 - 4.1.2 Up to one (1) project site visit
 - 4.1.3 Implement QC plan
 - 4.1.4 Update project schedule and interim milestones
 - 4.1.5 Project correspondence and invoicing

4.2. General Plan Sheets

- 4.2.1 Incorporate conceptual design submittal review comments.
- 4.2.2 Upon Town approval of the Conceptual Design, prepare plan sheets (originals may be 22"x34" at a scale of 1"=20' horizontal and 1"=4' vertical).
- 4.2.3 Prepare miscellaneous plan sheets
 - Cover Sheet
 - Sheet Index
 - General Notes (anticipated to be provided by Town)
 - Project Control
 - Typical Sections
 - Demolition Plan
 - Identify and prepare special specifications and/or special provisions applicable to the project

4.3. Roadway Design

- 4.3.1 Develop roadway plan and profile.
- 4.3.2 Incorporate intersection improvements as determined by the Town.
- 4.3.3 Develop design cross-sections.
 - Develop on 50' station intervals and driveway centers.
 - Show pavement, subgrade, right-of-way limits, easements, cross slopes, curbs, and sidewalks.
 - Cross-sections may be provided in the bid documents.
- 4.3.4 Prepare roadway details to clarify intent of design.
- 4.3.5 Compile applicable Town standard details. Supplement standard details as needed.

4.4. Drainage Design

- 4.4.1 Perform preliminary storm sewer sizing and alignment design. Prepare preliminary plan and profile design sheets and hydraulic design sheets for inclusion in the plans.
 - The design of lateral extensions and inlet replacements for existing inlet locations are included. The design of any storm drain main line capacity improvements and/or offsite drainage improvements to accommodate the proposed widening, if necessary, will be considered Additional Services.
- 4.4.2 Determine outfall grading requirements and provide plans and details for channel protection (if applicable).
- 4.4.3 Prepare drainage details to clarify intent of design.
- 4.4.4 Compile applicable Town standard details. Supplement standard details, as needed.

4.5. Water Line Design

- 4.5.1 Incorporate conceptual design review comments.
 - Establish horizontal location for the proposed water line improvements.

4.6. Pavement Marking and Signing Design

- 4.6.1 Plans will consist of stop-control devices, stop bar locations, lane delineation pavement markings, and pedestrian signing/stripping (if applicable).
- 4.6.2 Prepare pavement markers and marking layouts in accordance with Town design standards and the Texas Manual of Uniform Traffic Control Devices (TMUTCD).
- 4.6.3 Prepare details to clarify intent of design.
- 4.6.4 Compile applicable Town standard details. Supplement standard details, as needed.

4.7. Traffic Control Design

- 4.7.1 Develop a traffic control narrative.
- 4.7.2 Traffic control layout and plan sheets to be included with Final Design submittal.

- 4.7.3 Compile applicable Town and TxDOT standard details.
- 4.8. Illumination Design (Conduit Only)
 - 4.8.1 Locate proposed illumination conduit runs and ground boxes along the project.
- 4.9. Landscape and Irrigation Design (Median Only)
 - 4.9.1 Coordinate with Town on proposed median landscaping and irrigation to meet Town standards
 - 4.9.2 Prepare preliminary planting plans including trees, planting areas, and turf. Planting plans will show plant species, sizes, and location.
 - 4.9.3 Prepare plan sheets for planting details and specifications, including canopy trees, ornamental trees, shrubs and groundcover, and turf.
 - 4.9.4 Prepare preliminary irrigation plans per Town standards for irrigation equipment. Irrigation plans will show head layout, pipe sizing, controller / valve locations, and standard details.
- 4.10. Erosion Control Design
 - 4.10.1 Develop erosion control plans to comply with Town and any federal, state, or local requirements. Sheets will specify sediment control fence, inlet protection, rock check dams, sod, and seed locations.
 - 4.10.2 Compile applicable Town and TxDOT standard details.
- 4.11. Franchise Utilities
 - 4.11.1 Continue to identify potential conflicts with existing franchise utilities.
 - 4.11.2 Additional tasks may be provided as a part of Task 6.
- 4.12. Opinion of Probable Construction Cost (OPCC)
 - 4.12.1 Compile and prepare a preliminary opinion of probable construction cost (OPCC) for the project using recent average unit bid prices which are representative of similar types of construction in the local area.
- 4.13. Preliminary Design submittal
 - 4.13.1 Refer to III. DELIVERABLES

Task 5 – Final Design (90% and Final)

90% Design Submittal

- 5.1. Project Management and Administration
 - 5.1.1 Up to two (2) meetings with Town staff and stakeholders
 - 5.1.2 Up to one (1) project site visit
 - 5.1.3 Implement QC plan
 - 5.1.4 Update project schedule and interim milestones
 - 5.1.5 Project correspondence and invoicing
- 5.2. General Plan Sheets
 - 5.2.1 Incorporate preliminary design submittal review comments
 - 5.2.2 Finalize plan sheets (originals may be 22"x34" at a scale of 1"=20' horizontal and 1"=4' vertical)
 - 5.2.3 Finalize miscellaneous plan sheets
 - Cover Sheet
 - Sheet Index
 - General Notes
 - Project Control
 - Typical Sections
 - Demolition Plan
 - 5.2.4 Finalize special specifications and/or special provisions applicable to the project.
- 5.3. Roadway Design
 - 5.3.1 Finalize roadway plan and profile.

- 5.3.2 Finalize ultimate intersection improvements as determined by the Town.
- 5.3.3 Finalize cross-sections and driveway grading.
- 5.4. Drainage Design
 - 5.4.1 Perform final storm sewer sizing and alignment design. Finalize inlet design sheets and hydraulic design sheets.
 - 5.4.2 Design outfall grading requirements and provide plans and details for channel protection (if applicable).
 - 5.4.3 Provide hydrologic and hydraulic calculations for the proposed storm drain improvements.
 - 5.4.4 Finalize drainage plan and profile sheets.
 - 5.4.5 Prepare drainage details to clarify intent of design. Compile applicable Town standard details. Supplement standard details, as needed.
- 5.5. Water Line Design
 - 5.5.1 Incorporate Preliminary Design review comments.
- 5.6. Pavement Marking and Signing Design
 - 5.6.1 Finalize pavement marking and signing plans.
 - 5.6.2 Prepare details to clarify intent of design.
 - 5.6.3 Compile applicable Town standard details. Supplement standard details, as needed.
- 5.7. Traffic Control Design
 - 5.7.1 Finalize traffic control narrative.
 - 5.7.2 Develop traffic control plan sheets at 1"=100' scale (22"x34"). Traffic control plan to include signage, channelization devices, detours, temporary pavement, and concrete barriers (where applicable). Up to three (3) phases are anticipated.
 - 5.7.3 Compile applicable Town and TxDOT standard details. Supplement standard details as needed.
- 5.8. Illumination Design (Conduit Only)
 - 5.8.1 Upon Town approval of illumination conduit location, design 2-inch conduit system using Town specifications.
 - 5.8.2 Provide conduit layout, pull box locations, and applicable notes and details. Conduit will be shown on paving plans.
 - 5.8.3 Compile applicable TxDOT and Town standard details.
- 5.9. Landscape and Irrigation Design (Median only)
 - 5.9.1 Finalize landscape and irrigation design upon Town approval of preliminary landscape and irrigation plans. Final plans will be in accordance with Town requirements.
 - 5.9.2 Prepare final planting plans including trees, planting areas, and turf. Planting plans will show plant species, sizes, and location.
 - 5.9.3 Compile applicable Town standard planting and irrigation details and specifications.
 - 5.9.4 Prepare final irrigation plans per Town standards for irrigation equipment. Irrigation plans will show head layout, pipe sizing, controller / valve locations, and standard details.
- 5.10. Erosion Control Design
 - 5.10.1 Finalize erosion control measures.
 - 5.10.2 Compile applicable Town and TxDOT standard details.
- 5.11. Opinion of Probable Construction Cost (OPCC)
 - 5.11.1 Update opinion for construction cost using recent average unit bid prices which are representative of similar types of construction in the local area.
- 5.12. Project Manual
 - 5.12.1 It is anticipated that the Town will compile the project manual. Consultant to provide the following:
 - Pay item listing

- Quantities
- Update the overall OPCC

5.13. Final design submittal (90%)

5.13.1 Refer to III. DELIVERABLES

Final Design Submittal

5.14. Incorporate the final design submittal review comments.

5.15. Prepare the final OPCC.

5.16. Final design submittal (Final) (to be used by the Town for bidding)

5.16.1 Incorporate the final design submittal review comments.

5.16.2 It is anticipated the following sheets will be included in the construction plans:

- Cover Sheet
- Sheet Index
- General Notes
- Project Control
- Typical Sections
- Demolition Plan
- Paving Plan and Profile
- Pavement Marking and Signing Plan
- Drainage Area Map (Existing and Proposed)
- Drainage Calculations
- Storm Drain Plan and Profile
- Traffic Control Narrative and Plan
- Landscape Plan
- Irrigation Plan
- Erosion Control Plan
- Cross Sections
- Standard Details
- TxDOT Details (where applicable)

5.17. Agency Permitting and Coordination (TDLR)

5.17.1 Prepare and submit Final Design plans to a Texas Department of Licensing and Regulation (TDLR) reviewer in accordance with the Elimination of Architectural Barriers Act. Consultant will review accessibility comments and make appropriate revisions to the plans. All coordination and fees with the TDLR application will be performed by Kimley-Horn.

5.18. Refer to III. DELIVERABLES

Task 6 – Franchise Utility Coordination

6.1 The budgeted fee for this Task is based upon approximately 80 hours for franchise utility coordination. We will not proceed with performance of services beyond the hours budgeted, without written authorization by the Town. This Task shall be used on an as-needed basis, at the discretion of the Town. Task may include:

- 6.1.1 Coordinate with franchise utility companies.
- 6.1.2 Attend group and/or individual franchise utility meetings.
- 6.1.3 Provide design data to franchise utility companies.
- 6.1.4 Identify potential franchise utility conflicts and possible relocation requirements.
- 6.1.5 Notify the Town if any relocations may be required.
- 6.1.6 Provide utility relocation exhibits to assist with franchise utility coordination.
- 6.1.7 Review relocation plans from franchise utility companies to identify conflicts with improvements.

Task 7 – Subsurface Utility Engineering (SUE) Quality Level “A” and Level “B” (through a subconsultant)

- 7.1 Upon Town Authorization, perform SUE (Subsurface Utility Engineering) Quality Level “A” and/or Level “B” to identify existing franchise utility locations along Prosper Trail by exposing specific utilities. Additional SUE will not be performed without written authorization by the Town.
- 7.1.1 Utilities to be designated include, gas, telecommunications, electric, traffic signals, storm, water, and sanitary sewer.
- 7.1.2 QL “A” provides three-dimensional (x,y,z) information obtained through the application and interpretation of non-destructive vacuum excavation methods. This quality provides horizontal location and vertical position of subsurface utilities. Up to five (5) test hole locations which will then be field surveyed have been budgeted for this task. We will not proceed with performance of services beyond the test holes budgeted, without written authorization by the Town.
- 7.1.3 QL “B” provides two-dimensional (x,y) information obtained through the application and interpretation of non-destructive surface geophysical methods. This quality provides the horizontal position of subsurface utilities within approximately one foot. Approximately two (2) days have been budgeted for this task. We will not proceed with performance of services beyond the days budgeted, without written authorization by the Town.

Task 8 – ROW and Easement Instruments of Conveyance

- 8.1 Prepare up to three (3) Right-of-Way instrument (narrative and graphic exhibits of ROW required for the Project).
- 8.2 Prepare up to eight (8) easement instruments for acquisition purposes (narrative and graphic exhibits of easements required for drainage, sidewalk, slope, street, and/or temporary construction easement).
- 8.3 Individual parcel exhibits shall be on 8 ½” x 11” paper, shall be sealed, dated, and signed by a Registered Professional Land Surveyor and shall contain the following:
- Parcel number.
 - Area required.
 - Area remaining.
 - Legal description.
 - Current owner.
 - Any existing platted easement or easements filed by separate instrument including easements provided by utility companies.
 - Metes and bounds description of parcel to be acquired. Description shall be provided on a separate sheet from the exhibit. Each type of easement shall be described separately.
 - Easement instruments for encroachment agreement purposes will be prepared in accordance with franchisee requirements.
- 8.4 Refer to III. DELIVERABLES

Task 9 – Bid and Construction Phase Services

- 9.1 Bid Phase Services
- 9.1.1 Town will issue bid documents to prospective bidders via electronic site, maintain a list of bidders to whom bidding documents have been issued, and addenda as appropriate to interpret, clarify, or expand the bidding documents. Assist the Town as needed.
- 9.1.2 Attend the pre-bid meeting and bid opening
- 9.1.3 Final construction plan submittal (conformed sets). Refer to III. DELIVERABLES

- 9.1.4 The budgeted fee for this Task is based upon approximately 20 hours for bid phase services. We will not proceed with performance of services beyond the hours budgeted, without written authorization by the Town.
- 9.2 Construction Phase Services
- 9.2.1 The budgeted fee for *Shop Drawings and Samples* is based upon approximately 120 hours (approx. 10 hours/month for anticipated 12 months for construction phase services). We will not proceed with performance of services beyond the hours budgeted, without written authorization by the Town.
- *Shop Drawings and Samples*. 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 and compatibility with the design concept of the completed Project as a functioning whole as indicated in the Contract Documents. Such review and approvals or other action will not extend to means, methods, techniques, equipment choice and usage, sequences, schedules, or procedures of construction or to related safety precautions and programs.
- 9.2.2 The budgeted fee for *Clarifications and Interpretations* is based upon approximately 120 hours (Approx. 10 hours/month for anticipated 12 months for construction phase services). We will not proceed with performance of services beyond the hours budgeted, without written authorization by the Town.
- *Clarifications and Interpretations*. When requested, review laboratory testing reports, requests for information (RFI), field change requests, and change orders and provide comments and/or responses to Town. Provide written responses to RFI's or clarification to Town or contractor. Provide and maintain an accurate Change Order Log, Submittal Log and RFI Log throughout the duration of the Project, and make such logs available to the Town upon request. If requested by the Town, render written decision on all claims of Town and contractor relating to the acceptability of contractor's work or the interpretation of the requirements of the contract documents pertaining to the progress of the contractor's work.
- 9.2.3 The total budgeted fee for Construction Phase Services is approximately 240 hours (approx. 20 hours/month for anticipated 12 months). We will not proceed with performance of services beyond the hours budgeted, without written authorization by the Town. Consultant shall perform its services in accordance with such Project schedule as is specified in the Contract, but in any event as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project in the case of delays caused by the Town's review of documents submitted under this Contract.

Task 10 – Record Documents

- 10.1 Consultant will prepare construction Record Documents based on the information received from the Contractor.
- 10.2 The budgeted fee for this Task is based upon approximately 40 hours. We will not proceed with performance of services beyond the hours budgeted, without written authorization by the Town.
- 10.3 Record Documents submittal, refer to III. DELIVERABLES

Task 11 – Roundabout Evaluation

- 11.1. Prepare high-level review along Prosper Trail (Teel to Legacy) and evaluate the following intersections along the corridor:
- 11.1.1 Teel Parkway
 - 11.1.2 Monarch Street
 - 11.1.3 Azalea Drive

- 11.1.4 Park Place
- 11.1.5 Cool River Trail
- 11.2. KH will request and obtain development data from the Town along corridor to assist with recommendations for roundabouts along Project area. This data should include proposed land use, density (square footage), existing traffic studies, and will be used to prepare high-level review to identify recommended roundabout locations. Traffic counts and operations analysis modeling are not included, and if necessary, will be considered *Additional Services*. KH will attend one (1) meeting with Town staff and stakeholders to discuss and document conclusions in a one-page memo.
- 11.3. Prepare conceptual-level roundabout sketches for up to three (3) of the intersection mentioned above. (Teel Parkway, plus up to two (2) unidentified intersections)
 - 11.3.1 The primary objective is to determine if roundabout geometrically feasible and reasonable based on available topographic survey and aerial imagery for the existing intersection geometry and proposed intersection geometry based on the Town's Design Manual. One PDF of the proposed roundabout concept will be prepared by the Consultant and provided to the Town for an overview of the proposed design parameters. Design constraints and Right-of-way needs will be defined at each location.
- 11.4. Prepare an opinion of probable construction cost (OPCC) for the proposed roundabout concept. It is assumed that the OPCC will need to consider a full-depth reconstruction of the existing intersection for the proposed improvements. These OPCCs are based on horizontal geometry drawn and assumptions on vertical geometry. This will include a measurement of existing pavement and curb removal as well as typical associated discipline-specific costs.
- 11.5. Consultant will provide one (1) Roundabout Conceptual Exhibit for each Intersection on aerial overlay.
- 11.6. Consultant will address up to one (1) round of comments for each Roundabout Conceptual exhibit.

Additional Services

Services not specifically identified in the Scope of Services above will be considered additional and may be performed with additional fee on an individual basis upon authorization by the Town. Such services may include, but are not limited to, the following:

- Construction Staking
- Environmental Services
- Title Research
- Streetscape/Hardscape design
- Illumination design
- Sanitary sewer design
- Franchise utility design
- Bridge design
- Retaining wall design
- Traffic simulations and/or traffic studies not mentioned above
- Temporary or permanent traffic signal design
- Design of any offsite drainage improvements beyond the improvements identified in the scope
- Design of retaining walls over 3 feet or outside the limits of right-of-way, or specialized inlets
- Stakeholder Coordination
- Preparation of Additional Bid Packages
- Packaging/inclusion of contract documents prepared by others
- Revising the Traffic Control Narrative or Phasing Plan based on Contractor input after Bidding

III. DELIVERABLES

Task 1 - Survey	Digital Topographic Drawing
Task 2 - Geotechnical Services	One (1) Copy of Geotechnical Report
Task 3 - Conceptual Design	<u>30% Design</u> - Half size and full size roll plots (up to one of each upon request) - Conceptual Level Right-of-Way Map - Overall Existing Utility Map - Drainage Area Maps 30% Opinion of Probable Construction Cost - PDF versions of 30% Deliverables
Task 4 - Preliminary Design	<u>60% Design</u> - Half-size 60% roll plot (up to 1 of each upon request) - Preliminary Right-of-Way Map - Half-size 60% plan sets (up to 1 of each upon request) - Draft ROW and Easement documents 60% Opinion of Probable Construction Cost - PDF versions of 60% Deliverables
Task 5 - Final Design	<u>90% Design</u> - Half-size 90% roll plot (up to 1 of each upon request) - Half-size 90% plan sets (up to 1 of each upon request) - Final ROW and Easement documents 90% Opinion of Probable Construction Cost - PDF versions of 90% Deliverables <u>Final Design</u> - Half-size and full-size of Final plan sets (up to 1 of each upon request) - Final Opinion of Probable Construction Cost - PDF versions of Final Deliverables - One (1) DWG copy of final files
Task 8 – ROW and Easement Instruments of Conveyance	- Up to three (3) ROW instruments - Up to eight (8) Easement instruments
Task 9 – Bid and Construction Phase Services	- Pay item listing - Half-size and full-size of final (signed and sealed) Conformed plan sets (up to 1 each upon request)

Task 10 - Record Drawings

- One (1) DWG of the record drawings base map in accordance with Town standard
- One (1) PDF copy of each sheet of the record drawings

Task 11 – Roundabout Evaluation

- One (1) PDF copy of each intersection Layout Exhibit
- One (1) PDF copy of each intersection Opinion of Probable Construction Cost

EXHIBIT B
COMPENSATION SCHEDULE

PROFESSIONAL ENGINEERING SERVICES AGREEMENT
BETWEEN THE TOWN OF PROSPER, TEXAS, AND KIMLEY-HORN AND ASSOCIATES, INC.
FOR THE PROSPER TRAIL (TEEL PARKWAY - LEGACY DRIVE) PROJECT

I. COMPENSATION SCHEDULE

Task	Completion Schedule (Anticipated)	Compensation Schedule (Anticipated)
Notice-to-Proceed	September 2026	
Task 1 – Survey	September 2026	\$84,000
Task 2 – Geotechnical Services (through Subconsultant)	January 2027	\$29,000
Task 3 – Conceptual Design (30%)	January 2027	\$175,000
Task 4 – Preliminary Design (60%)	April 2027	\$245,000
Task 5 – Final Design (90% and Final)	October 2027	\$215,000
Task 6 – Franchise Utility Coordination	As needed	Up to \$25,000
Task 7 – SUE QL “B” and “A” (through subconsultant)	As needed	Up to \$23,000
Task 8 – ROW and Easement Instruments of Conveyance	July 2027	Up to \$20,000
Task 9 – Bid and Construction Phase Services	TBD	Up to \$81,000
Task 10 – Record Drawings	TBD	Up to \$13,000
Task 11 – Roundabout Evaluation	October 2026	Up to \$40,000
Total Compensation		\$950,000

II. COMPENSATION SUMMARY

Basic Services (Lump Sum)	Amount
Task 1 – Survey	\$84,000
Task 2 – Geotechnical Services (through Subconsultant)	\$29,000
Task 3 – Conceptual Design (30%)	\$175,000
Task 4 – Preliminary Design (60%)	\$245,000
Task 5 – Final Design (90% and Final)	\$215,000
Total Basic Services:	\$748,000

Special Services (Hourly Not-to-Exceed)	Amount
Task 6 – Franchise Utility Coordination	Up to \$25,000
Task 7 – SUE QL “B” and “A” (through Subconsultant)	Up to \$23,000
Task 8 – ROW and Easement Instruments of Conveyance	Up to \$20,000
Task 9 – Bid and Construction Phase Services	Up to \$81,000
Task 10 – Record Drawings	Up to \$13,000
Task 11 – Roundabout Evaluation	Up to \$40,000
Total Special Services:	\$202,000

EXHIBIT C INSURANCE REQUIREMENTS

Service provider shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the vendor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by the service provider. A certificate of insurance meeting all requirements and provisions outlined herein shall be provided to the Town prior to any services being performed or rendered. Renewal certificates shall also be supplied upon expiration.

A. MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. ISO Form Number GL 00 01 (or similar form) covering Commercial General Liability. "Occurrence" form only, "claims made" forms are unacceptable, except for professional liability.
2. Workers Compensation insurance as required by the Labor Code of the State of Texas, including Employers' Liability Insurance.
3. Automobile Liability as required by the State of Texas, covering all owned, hired, or non-owned vehicles. Automobile Liability is only required if vehicle(s) will be used under this contract.
4. Professional Liability, also known as Errors and Omissions coverage.

B. MINIMUM LIMITS OF INSURANCE

Service Provider shall maintain throughout contract limits not less than:

1. Commercial General Liability: \$500,000 per occurrence /\$1,000,000 in the aggregate for third party bodily injury, personal injury and property damage. Policy will include coverage for:
 - a. Premises / Operations
 - b. Broad Form Contractual Liability
 - c. Products and Completed Operations
 - d. Personal Injury
 - e. Broad Form Property Damage
2. Workers Compensation and Employer's Liability: Workers Compensation limits as required by the Labor Code of the State of Texas and Statutory Employer's Liability minimum limits of \$100,000 each accident, \$300,000 Disease- Policy Limit, and \$100,000 Disease- Each Employee.
3. Automobile Liability: \$500,000 Combined Single Limit. Limits can only be reduced if approved by the Town. Automobile liability shall apply to all owned, hired, and non-owned autos.
4. Professional Liability aka Errors and Omissions: \$500,000 per occurrence and in the aggregate.

C. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductible or self-insured retentions in excess of \$10,000 must be declared to and approved by the Town.

D. OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain the following provisions:

1. General Liability and Automobile Liability Coverages

- a. The Town, its officers, officials, employees, boards and commissions and volunteers are to be added as "Additional Insured's" relative to liability arising out of activities performed by or on behalf of the provider, products and completed operations of the provider, premises owned, occupied or used by the provider. The coverage shall contain no special limitations on the scope of protection afforded to the Town, its officers, officials, employees or volunteers.
- b. The provider's insurance coverage shall be primary insurance in respects to the Town, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Town, its officers, officials, employees or volunteers shall be in excess of the provider's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Town, its officers, officials, employees, boards and commissions or volunteers.
- d. The provider's insurance shall apply separately to each insured against whom the claim is made or suit is brought, except to the insured's limits of liability.

2. Workers Compensation and Employer's Liability Coverage:

The insurer shall agree to waive all rights of subrogation against the Town, its officers, officials, employees and volunteers for losses arising from work performed by the provider for the Town.

3. All Coverages:

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after 30 days written notice to the Town for all occurrences, except 10 days written notice to the Town for non-payment.

4. Professional Liability and / or Errors and Omissions:

"Claims made" policy is acceptable coverage, which must be maintained during the course of the project, and up to two (2) years after completion and acceptance of the project by the Town.

E. ACCEPTABILITY OF INSURERS

The Town prefers that Insurance be placed with insurers with an A.M. Best's rating of no less than A- VI, or better.

F. VERIFICATION OF COVERAGE

Service Provider shall provide the Town with certificates of insurance indicating the coverages required. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. Certificates of insurance similar to the ACORD Form are acceptable. Town will not accept Memorandums of Insurance or Binders as proof of insurance. The Town reserves the right to require complete, certified copies of all required insurance policies at any time.

Certificate holder to be listed as follows:

Town of Prosper
P.O. Box 307
Prosper, TX 75078

EXHIBIT E

CONFLICT OF INTEREST QUESTIONNAIRE

CONFLICT OF INTEREST QUESTIONNAIRE For vendor doing business with local governmental entity		FORM CIQ
This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a). By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code. A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.	OFFICE USE ONLY Date Received	
1 Name of vendor who has a business relationship with local governmental entity. Kimley-Horn and Associates, Inc.		
2 ☐ Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)		
3 Name of local government officer about whom the information is being disclosed. _____ Name of Officer		
4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary. A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor? ☐ Yes ☒ No B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity? ☐ Yes ☒ No		
5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.		
6 ☐ Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).		
7 Signature of vendor doing business with the governmental entity 08/13/2026 Date		

LOCATION MAP

Legacy Drive (Star Trail – Legacy MS)





ENGINEERING SERVICES

To: Mayor and Town Council

From: Alexis Turner, P.E., Civil Engineer

Through: Mario Canizares, Town Manager
 Chuck Ewings, Assistant Town Manager
 Hulon T. Webb, Jr., P.E., Director of Engineering Services
 Pete Anaya, P.E., Assistant Director of Engineering – Capital Projects

Re: Bid Award: Craig Road (Preston Road to Fifth Street)

Town Council Meeting – August 25, 2026

Strategic Visioning Priority: 1. Acceleration of Infrastructure

Agenda Item:

Consider and act upon authorizing the Town Manager to execute a Construction Agreement awarding CSP No. 2026-21-B to McMahon Contracting LP, related to construction services for the Craig Road (Preston Road to Fifth Street) project in the amount of \$3,649,793.58 and authorize \$300,000 for construction phase contingencies. The total purchase order amount is \$3,949,793.58.

Description of Agenda Item:

On July 21, 2026, at 2:00 PM, nine (9) Competitive Sealed Proposals were received for the Craig Road (Preston Road to Fifth Street) project (2140-ST). The project consists of all work needed for construction of a modified 3-lane commercial couplet from Preston Road to First Street, a modified collect street from First Street to Broadway Avenue and a rural neighborhood street from Broadway Avenue to Fifth Street. The project includes roadway paving, sidewalks, drainage, 12" water line, and sanitary sewer.

The project was advertised using the Competitive Sealed Proposal Construction alternative procurement method to allow the Town to award the project to the contractor that offers the best value proposal based on the following criteria, which include standard percentages based on direction from the Town Council:

- Qualifications and Experience (10%)
 - Outline contractor and subcontractor experience with similar projects.
 - Outline qualifications of key personnel assigned to this project.
 - Provide references.
- Project Timeline (25%)
- Cost Proposal (65%)

The verified proposal totals ranged between \$3,363,975.36 to \$4,150,761.50 The Engineer's Estimate was \$4,285,908.00. The proposal's final completion times ranged from 200 calendar days to 426 calendar days.

McMahon Contracting LP, was the firm that ranked the highest after consideration of Costs, Time, and Qualifications with a cost of \$3,649,793.58 and a project timeline of 200 calendar days. McMahon Contracting LP, has successfully completed the Teel Parkway (US 380 to First Street) and First Street (Gee Road to Teel Parkway) projects, as well as multiple other projects with the Town.

Budget Impact:

The cost for the construction of the project is \$3,649,793.58. The construction budget for the project is \$4,340,000.00 is in Account No. ST202140-CONST-CONST. The contingency amount of \$300,000 will be used during the construction phase to address field changes or adjust quantities during construction. The use of the contingency fund will be documented with change order requests negotiated between staff and the contractor as construction progresses.

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the standard construction agreement as to form and legality.

Attachments:

1. Location Map
2. Bid Tabulation Summary
3. Construction Agreement

Town Staff Recommendation:

Town staff recommends that the Town Council authorize the Town Manager to execute a Construction Agreement awarding CSP No. 2026-21-B McMahon Contracting LP, related to construction services for the Craig Road (Preston Road to Fifth Street) project in the amount of \$3,649,793.58 and authorize \$300,000 for construction phase contingencies. The total purchase order amount is \$3,949,793.58

Proposed Motion:

I move to authorize the Town Manager to execute a Construction Agreement awarding CSP No. 2026-21-B McMahon Contracting LP, related to construction services for the Craig Road (Preston Road to Fifth Street) project in the amount of \$3,649,793.58 and authorize \$300,000 for construction phase contingencies. The total purchase order amount is \$3,949,793.58.



LOCATION MAP

Craig Road Improvements

Preston Road to Fifth Street





TOWN OF PROSPER PROPOSAL TABULATION SUMMARY

Solicitation Number	CSP No. 2026-21-B
Solicitation Title	Craig Road (Preston Road to Fifth Street)
Close Date	07/21/2026 at 2:00PM

Responding Supplier	City	State	Response Submitted	Response Total	Total Days
Axis Contracting, Inc.	Dallas	TX	7/21/2026 12:49:46 PM (CT)	\$4,050,300.00	345
DDM Construction Corporation	Addison	TX	7/21/2026 01:20:55 PM (CT)	\$3,697,720.75	303
Jackson Construction, Ltd.	Fort Worth	TX	7/21/2026 12:24:09 PM (CT)	\$4,150,761.50	426
McMahon Contracting LP	Grand Prairie	TX	7/21/2026 12:24:51 PM (CT)	\$3,649,793.58	200
Quality Excavation, LTD	Aubrey	TX	7/21/2026 01:32:37 PM (CT)	\$3,795,764.09	315
Ratliff Hardscape, Ltd	Carrollton	TX	7/21/2026 11:24:16 AM (CT)	\$3,363,975.35	360
SYB CONSTRUCTION COMPANY, INC	IRVING	TX	7/21/2026 10:15:12 AM (CT)	\$4,102,727.25	300
Tiseo Paving Co.	Mesquite	TX	7/21/2026 12:57:08 PM (CT)	\$3,999,235.50	240
Vlex construction LLC	Greenville	TX	7/21/2026 12:12:34 PM (CT)	\$3,675,531.00	360

****All bids/proposals submitted for the designated project are reflected on this tabulation sheet. However, the listing of the bid/proposal on this tabulation sheet shall not be construed as a comment on the responsiveness of such bid/proposal or as any indication that the agency accepts such bid/proposal as being responsive. The agency will make a determination as to the responsiveness of the vendor responses submitted based upon compliance with all applicable laws, purchasing guidelines and project documents, including but not limited to the project specifications and contract documents. The agency will notify the successful vendor upon award of the contract and, as according to the law, all bid/proposal responses received will be available for inspection at that time.**

Certified by:	Jay Carter, NIGP-CPP, CPPB, C.P.M. Purchasing Manager Town of Prosper, Texas	Certified on:	July 21, 2026
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CONSTRUCTION AGREEMENT

THE STATE OF TEXAS)
)
 COUNTY OF COLLIN) KNOW ALL MEN BY THESE PRESENTS:

This Construction Agreement (the "Agreement") is made by and between **McMahon Contracting, LP**, a company authorized to do business in Texas, (the "Contractor") and the **Town of Prosper, Texas**, a municipal corporation (the "Owner"). For and in consideration of the payment, agreements and conditions hereinafter mentioned, and under the conditions expressed in the bonds herein, Contractor hereby agrees to complete the construction of improvements described as follows:

CSP NO. 2026-21-B Craig Road (Preston Road-Fifth Street)

in the Town of Prosper, Texas, and all extra work in connection therewith, under the terms as stated in the terms of this Contract, including all Contract Documents incorporated herein; and at his, her or their own proper cost and expense to furnish all superintendence, labor, insurance, equipment, tools and other accessories and services necessary to complete the said construction in accordance with all the Contract Documents, incorporated herein as if written word for word, and in accordance with the Plans, which include all maps, plats, blueprints, and other drawings and printed or written explanatory manner therefore, and the Specifications as prepared by Town of Prosper or its consultant hereinafter called Engineer, who has been identified by the endorsement of the Contractor's written proposal, the General Conditions of this Contract, the Special Conditions of this Contract, the payment, performance, and maintenance bonds hereto attached; all of which are made a part hereof and collectively evidence and constitute the entire Contract.

A. Contract Documents and Order of Precedence

The Contract Documents shall consist of the following documents:

1. this Construction Agreement;
2. properly authorized change orders;
3. the Special Conditions of this Contract;
4. the General Conditions of this Contract;
5. the Technical Specifications & Construction Drawings of this Contract;
6. the OWNER's Standard Construction Details;
7. the OWNER's Standard Construction Specifications;
8. the OWNER's written notice to proceed to the CONTRACTOR;
9. the Contractor's Cost Proposal;
10. any listed and numbered addenda;
11. the Performance, Payment, and Maintenance Bonds; and,
12. any other proposal materials distributed by the Owner that relate to the Project.

These Contract Documents are incorporated by reference into this Construction Agreement as if set out here in their entirety. The Contract Documents are intended to be complementary; what is called for by one document shall be as binding as if called for by all Contract Documents. It is specifically provided, however, that in the event of any inconsistency in the Contract Documents, the inconsistency shall be

resolved by giving precedence to the Contract Documents in the order in which they are listed herein above. If, however, there exists a conflict or inconsistency between the Technical Specifications and the Construction Drawings it shall be the Contractor's obligation to seek clarification as to which requirements or provisions control before undertaking any work on that component of the project. Should the Contractor fail or refuse to seek a clarification of such conflicting or inconsistent requirements or provisions prior to any work on that component of the project, the Contractor shall be solely responsible for the costs and expenses - including additional time - necessary to cure, repair and/or correct that component of the project.

B. Total of Payments Due Contractor

For performance of the Work in accordance with the Contract Documents, the Owner shall pay the Contractor in current funds an amount not to exceed **three million six hundred forty-nine thousand seven hundred ninety-three dollars and fifty-eight cents (\$3,649,793.58)**. This amount is subject to adjustment by change order in accordance with the Contract Documents.

C. Dates to Start and Complete Work

Contractor shall begin work within ten (10) calendar days after receiving a written Notice to Proceed or written Work Order from the Owner. All Work required under the Contract Documents shall be substantially completed within 185 calendar days after the date of the Notice to Proceed for the base proposal. Within 15 additional calendar days after Substantial Completion, all outstanding issues shall be addressed and ready for final payment.

Under this Construction Agreement, all references to "day" are to be considered "calendar days" unless noted otherwise.

For the purpose of tracking time, issuing payment of retainage, and assessing liquidated damages, Substantial Completion shall be defined as the date upon which all scheduled bid items included in the Contract have been constructed or installed completely to allow all facilities to function as designed and the Contractor has made a request for a final walk-through inspection with the Owner's Construction Superintendent, CIP Program Manager, Engineer, and other representatives.

For the purpose of tracking time, issuing payment of retainage, and assessing liquidated damages, Final Completion shall be defined as the date upon which all items identified during the final walk-through inspection as being incomplete or not functioning as designed (the "punch list") have been completed or corrected and the Contractor has requested final acceptance of the Project.

D. CONTRACTOR'S INDEMNITY TO THE OWNER AND OTHERS

CONTRACTOR DOES HEREBY AGREE TO WAIVE ALL CLAIMS, RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS THE TOWN OF PROSPER (OWNER) TOGETHER WITH ITS MAYOR AND TOWN COUNCIL AND ALL OF ITS OFFICIALS, OFFICERS, AGENTS AND EMPLOYEES, IN BOTH THEIR PUBLIC AND PRIVATE CAPACITIES, FROM AND AGAINST ANY AND ALL CITATIONS, CLAIMS, COSTS, DAMAGES, DEMANDS, EXPENSES, FINES, JUDGMENTS, LIABILITY, LOSSES, PENALTIES, SUITS OR CAUSES OF ACTION OF EVERY KIND INCLUDING ALL EXPENSES OF LITIGATION AND/OR SETTLEMENT, COURT COSTS AND ATTORNEY FEES WHICH MAY ARISE BY REASON OF INJURY TO OR DEATH OF ANY PERSON OR FOR LOSS OF, DAMAGE TO, OR LOSS OF USE OF ANY PROPERTY

OCCASIONED BY ERROR, OMISSION, OR NEGLIGENT ACT OF CONTRACTOR, ITS SUBCONTRACTORS, ANY OFFICERS, AGENTS OR EMPLOYEES OF CONTRACTOR OR ANY SUBCONTRACTORS, INVITEES, AND ANY OTHER THIRD PARTIES OR PERSONS FOR WHOM OR WHICH CONTRACTOR IS LEGALLY RESPONSIBLE, IN ANY WAY ARISING OUT OF, RELATING TO, RESULTING FROM, OR IN CONNECTION WITH THE PERFORMANCE OF THIS CONTRACT, AND CONTRACTOR WILL AT HIS OR HER OWN COST AND EXPENSE DEFEND AND PROTECT TOWN OF PROSPER (OWNER) FROM ANY AND ALL SUCH CLAIMS AND DEMANDS.

CONTRACTOR DOES HEREBY AGREE TO WAIVE ALL CLAIMS, RELEASE, INDEMNIFY, DEFEND AND HOLD HARMLESS TOWN OF PROSPER (OWNER) TOGETHER WITH ITS MAYOR AND TOWN COUNCIL AND ALL OF ITS OFFICIALS, OFFICERS, AGENTS, AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CITATIONS, CLAIMS, COSTS, DAMAGES, DEMANDS, EXPENSES, FINES, JUDGMENTS, LIABILITY, LOSSES, PENALTIES, SUITS OR CAUSES OF ACTION OF EVERY KIND INCLUDING ALL EXPENSES OF LITIGATION AND/OR SETTLEMENT, COURT COSTS AND ATTORNEYS FEES FOR INJURY OR DEATH OF ANY PERSON OR FOR LOSS OF, DAMAGES TO, OR LOSS OF USE OF ANY PROPERTY, ARISING OUT OF OR IN CONNECTION WITH THE PERFORMANCE OF THIS CONTRACT. SUCH INDEMNITY SHALL APPLY WHETHER THE CITATIONS, CLAIMS, COSTS, DAMAGES, DEMANDS, EXPENSES, FINES, JUDGMENTS, LIABILITY, LOSSES, PENALTIES, SUITS OR CAUSES OF ACTION ARISE IN WHOLE OR IN PART FROM THE NEGLIGENCE OF THE TOWN OF PROSPER (OWNER), ITS MAYOR AND TOWN COUNCIL, OFFICERS, OFFICIALS, AGENTS OR EMPLOYEES. IT IS THE EXPRESS INTENTION OF THE PARTIES HERETO THAT THE INDEMNITY PROVIDED FOR IN THIS PARAGRAPH IS INDEMNITY BY CONTRACTOR TO INDEMNIFY AND PROTECT TOWN OF PROSPER (OWNER) FROM THE CONSEQUENCES OF TOWN OF PROSPER'S (OWNER'S) OWN NEGLIGENCE, WHETHER THAT NEGLIGENCE IS A SOLE OR CONCURRING CAUSE OF THE INJURY, DEATH OR DAMAGE.

IN ANY AND ALL CLAIMS AGAINST ANY PARTY INDEMNIFIED HEREUNDER BY ANY EMPLOYEE OF THE CONTRACTOR, ANY SUB-CONTRACTOR, ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY ANY OF THEM OR ANYONE FOR WHOSE ACTS ANY OF THEM MAY BE LIABLE, THE INDEMNIFICATION OBLIGATION HEREIN PROVIDED SHALL NOT BE LIMITED IN ANY WAY BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE BY OR FOR THE CONTRACTOR OR ANY SUB-CONTRACTOR UNDER WORKMEN'S COMPENSATION OR OTHER EMPLOYEE BENEFIT ACTS.

INDEMNIFIED ITEMS SHALL INCLUDE ATTORNEYS' FEES AND COSTS, COURT COSTS, AND SETTLEMENT COSTS. INDEMNIFIED ITEMS SHALL ALSO INCLUDE ANY EXPENSES, INCLUDING ATTORNEYS' FEES AND EXPENSES, INCURRED BY AN INDEMNIFIED INDIVIDUAL OR ENTITY IN ATTEMPTING TO ENFORCE THIS INDEMNITY.

In its sole discretion, the Owner shall have the right to approve counsel to be retained by Contractor in fulfilling its obligation to defend and indemnify the Owner. Contractor shall retain approved counsel for the Owner within seven (7) business days after receiving written notice from the Owner that it is invoking its right to indemnification under this Construction Agreement. If Contractor does not retain counsel for the Owner within the required time, then the Owner shall have the right to retain counsel and the Contractor shall pay these attorneys' fees and expenses.

The Owner retains the right to provide and pay for any or all costs of defending indemnified items, but it shall not be required to do so. To the extent that Owner elects to provide and pay for any such costs, Contractor shall indemnify and reimburse Owner for such costs.

(Please note that this "broad-form" indemnification clause is not prohibited by Chapter 151 of the Texas Insurance Code as it falls within one of the exclusions contained in Section 151.105 of the Texas Insurance Code.)

E. Insurance Requirements

Contractor shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the vendor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be included in the contractor's proposal. A certificate of insurance meeting all requirements and provisions outlined herein shall be provided to the Town prior to any services being performed or rendered. Renewal certificates shall also be supplied upon expiration. Certificates holder shall be listed as follows, with the project/contract number referenced:

Town of Prosper
Attn: Purchasing Manager
P.O. Box 307
Prosper, Texas 75078

re: CSP No. **2026-21-B** Craig Road (Preston Road-Fifth Street)

1. Minimum Scope of Insurance

Coverage shall be at least as broad as:

- a. ISO Form Number GL 00 01 (or similar form) covering Comprehensive General Liability. "Occurrence" form only, "claims made" forms are unacceptable.
- b. Workers' Compensation insurance as required by the Labor Code of the State of Texas, including Employers' Liability Insurance.
- c. Automobile Liability as required by the State of Texas, covering all owned, hired, or non-owned vehicles. Automobile Liability is only required if vehicle(s) will be used under this contract.

2. Minimum Limits of Insurance

Contractor shall maintain throughout contract limits not less than:

- a. Commercial General Liability: \$1,000,000 per occurrence / \$2,000,000 in the aggregate for third party bodily injury, personal injury and property damage. Policy will include coverage for:

- 1) Premises / Operations
 - 2) Broad Form Contractual Liability
 - 3) Products and Completed Operations
 - 4) Personal Injury
 - 5) Broad Form Property Damage
 - 6) Explosion Collapse and Underground (XCU) Coverage.
- b. Workers' Compensation and Employer's Liability: Workers' Compensation limits as required by the Labor Code of the State of Texas and Statutory Employer's Liability minimum limits of \$100,000 per injury, \$300,000 per occurrence, and \$100,000 per occupational disease.
 - c. Automobile Liability: \$1,000,000 Combined Single Limit. Limits can only be reduced if approved by the Town. Automobile liability shall apply to all owned, hired and non-owned autos.
 - d. Builders' Risk Insurance: Completed value form, insurance carried must be equal to the completed value of the structure. Town shall be listed as Loss Payee.
 - e. \$1,000,000 Umbrella Liability Limit that follows form over underlying Automobile Liability, General Liability, and Employers Liability coverages.
3. Deductible and Self-Insured Retentions
- Any deductible or self-insured retentions in excess of \$10,000 must be declared to and approved by the Town.
4. Other Insurance Provisions

The policies are to contain, or be endorsed to contain the following provisions:

- a. General Liability and Automobile Liability Coverage
 - 1) The Town, its officers, officials, employees, boards and commissions and volunteers are to be added as "Additional Insured's" relative to liability arising out of activities performed by or on behalf of the contractor, products and completed operations of the contractor, premises owned, occupied or used by the contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Town, its officers, officials, employees or volunteers.

- 2) The contractor's insurance coverage shall be primary insurance in respects to the Town, its officers, officials, employees and volunteers. Any insurance or self- insurance maintained by the Town, its officers, officials, employees or volunteers shall be in excess of the contractor's insurance and shall not contribute with it.
- 3) Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Town, its officers, officials, employees, boards and commissions or volunteers.
- 4) The contractor's insurance shall apply separately to each insured against whom the claim is made or suit is brought, except to the limits of the insured's limits of liability.

b. Workers' Compensation and Employer's Liability Coverage

The insurer shall agree to waive all rights of subrogation against the Town, its officers, officials, employees and volunteers for losses arising from work performed by the contractor for the Town.

c. All Coverages

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after 30 days written notice to the Town for all occurrences, except 10 days written notice to the Town for non-payment.

5. Acceptability of Insurers

The Town prefers that Insurance be placed with insurers with an A.M. Best's rating of no less than A- VI, or better.

6. Verification of Coverage

Contractor shall provide the Town with certificates of insurance indicating coverage's required. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. Certificates of Insurance similar to the ACORD Form are acceptable. Town will not accept Memorandums of Insurance or Binders as proof of insurance. The Town reserves the right to require complete, certified copies of all required insurance policies at any time.

F. Performance, Payment and Maintenance Bonds

The Contractor shall procure and pay for a Performance Bond applicable to the work in the amount of one hundred fifteen percent (115%) of the total proposed price, and a Payment Bond applicable to the work in the amount of one hundred percent (100%) of the total proposed price. The Contractor shall also

procure and pay for a Maintenance Bond applicable to the work in the amount of one hundred percent (100%) of the total proposed price. The period of the Maintenance Bond shall be two years from the date of acceptance of all work done under the contract, to cover the guarantee as set forth in this Construction Agreement. The performance, payment and maintenance bonds shall be issued in the form attached to this Construction Agreement as Exhibits A, B and C. Other performance, payment and maintenance bond forms shall not be accepted. Among other things, these bonds shall apply to any work performed during the two-year warranty period after acceptance as described in this Construction Agreement.

The performance, payment and maintenance bonds shall be issued by a corporate surety, acceptable to and approved by the Town, authorized to do business in the State of Texas, pursuant to Chapter 2253 of the Texas Government Code. Further, the Contractor shall supply capital and surplus information concerning the surety and reinsurance information concerning the performance, payment and maintenance bonds upon Town request. In addition to the foregoing requirements, if the amount of the bond exceeds One Hundred Thousand Dollars (\$100,000) the bond must be issued by a surety that is qualified as a surety on obligations permitted or required under federal law as indicated by publication of the surety's name in the current U.S. Treasury Department Circular 570. In the alternative, an otherwise acceptable surety company (not qualified on federal obligations) that is authorized and admitted to write surety bonds in Texas must obtain reinsurance on any amounts in excess of One Hundred Thousand Dollars (\$100,000) from a reinsurer that is authorized and admitted as a reinsurer in Texas who also qualifies as a surety or reinsurer on federal obligations as indicated by publication of the surety's or reinsurer's name in the current U.S. Treasury Department Circular 570.

G. Progress Payments and Retainage

As it completes portions of the Work, the Contractor may request progress payments from the Owner. Progress payments shall be made by the Owner based on the Owner's estimate of the value of the Work properly completed by the Contractor since the time the last progress payment was made. The "estimate of the value of the work properly completed" shall include the net invoice value of acceptable, non-perishable materials actually delivered to and currently at the job site only if the Contractor provides to the Owner satisfactory evidence that material suppliers have been paid for these materials.

No progress payment shall be due to the Contractor until the Contractor furnishes to the Owner:

1. copies of documents reasonably necessary to aid the Owner in preparing an estimate of the value of Work properly completed;
2. full or partial releases of liens, including releases from subcontractors providing materials or delivery services relating to the Work, in a form acceptable to the Owner releasing all liens or claims relating to goods and services provided up to the date of the most recent previous progress payment;
3. an updated and current schedule clearly detailing the project's critical path elements; and
4. any other documents required under the Contract Documents.

Progress payments shall not be made more frequently than once every thirty (30) calendar days unless the Owner determines that more frequent payments are appropriate. Further, progress payments are

to be based on estimates and these estimates are subject to correction through the adjustment of subsequent progress payments and the final payment to Contractor. If the Owner determines after final payment that it has overpaid the Contractor, then Contractor agrees to pay to the Owner the overpayment amount specified by the Owner within thirty (30) calendar days after it receives written demand from the Owner.

The fact that the Owner makes a progress payment shall not be deemed to be an admission by the Owner concerning the quantity, quality or sufficiency of the Contractor's work. Progress payments shall not be deemed to be acceptance of the Work nor shall a progress payment release the Contractor from any of its responsibilities under the Contract Documents.

After determining the amount of a progress payment to be made to the Contractor, the Owner shall withhold a percentage of the progress payment as retainage. The amount of retainage withheld from each progress payment shall be set at five percent (5%). Retainage shall be withheld and may be paid to:

1. ensure proper completion of the Work. The Owner may use retained funds to pay replacement or substitute contractors to complete unfinished or defective work;
2. ensure timely completion of the Work. The Owner may use retained funds to pay liquidated damages; and
3. provide an additional source of funds to pay claims for which the Owner is entitled to indemnification from Contractor under the Contract Documents.

Retained funds shall be held by the Owner in accounts that shall not bear interest. Retainage not otherwise withheld in accordance with the Contract Documents shall be returned to the Contractor as part of the final payment.

H. Withholding Payments to Contractor

The Owner may withhold payment of some or all of any progress or final payment that would otherwise be due if the Owner determines, in its discretion, that the Work has not been performed in accordance with the Contract Documents. The Owner may use these funds to pay replacement or substitute contractors to complete unfinished or defective Work.

The Owner may withhold payment of some or all of any progress or final payment that would otherwise be due if the Owner determines, in its discretion, that it is necessary and proper to provide an additional source of funds to pay claims for which the Owner is entitled to indemnification from Contractor under the Contract Documents.

Amounts withheld under this section shall be in addition to any retainage.

I. Acceptance of the Work

When the Work is completed, the Contractor shall request that the Owner perform a final inspection. The Owner shall inspect the Work. If the Owner determines that the Work has been completed in accordance with the Contract Documents, it shall issue a written notice of acceptance of the Work. If the Owner determines that the Work has not been completed in accordance with the Contract Documents, then it shall

provide the Contractor with a verbal or written list of items to be completed before another final inspection shall be scheduled.

It is specifically provided that Work shall be deemed accepted on the date specified in the Owner's written notice of acceptance of the Work. The Work shall not be deemed to be accepted based on "substantial completion" of the Work, use or occupancy of the Work, or for any reason other than the Owner's written Notice of Acceptance. Further, the issuance of a certificate of occupancy for all or any part of the Work shall not constitute a Notice of Acceptance for that Work.

In its discretion, the Owner may issue a Notice of Acceptance covering only a portion of the Work. In this event, the notice shall state specifically what portion of the Work is accepted.

J. Acceptance of Erosion Control Measures

When the erosion control measures have been completed, the Contractor shall request that the Owner perform a final inspection. The Owner shall inspect the Work. If the Owner determines that the Work has been completed in accordance with the Contract Documents and per TPDES General Construction Permit, it shall issue a written Notice of Acceptance of the Work. If the Owner determines that the Work has not been completed in accordance with the Contract Documents or TPDES General Construction Permit, then it shall provide the Contractor with a verbal or written list of items to be completed before another final inspection shall be scheduled.

K. Final Payment

After all Work required under the Contract Documents has been completed, inspected, and accepted, the Town shall calculate the final payment amount promptly after necessary measurements and computations are made. The final payment amount shall be calculated to:

1. include the estimate of the value of Work properly completed since the date of the most recent previous progress payment;
2. correct prior progress payments; and
3. include retainage or other amounts previously withheld that are to be returned to Contractor, if any.

Final payment to the Contractor shall not be due until the Contractor provides original full releases of liens from the Contractor and its subcontractors, or other evidence satisfactory to the Owner to show that all sums due for labor, services, and materials furnished for or used in connection with the Work have been paid or shall be paid with the final payment. To ensure this result, Contractor consents to the issuance of the final payment in the form of joint checks made payable to Contractor and others. The Owner may, but is not obligated to issue final payment using joint checks.

Final payment to the Contractor shall not be due until the Contractor has supplied to the Owner original copies of all documents that the Owner determines are reasonably necessary to ensure both that the final payment amount is properly calculated and that the Owner has satisfied its obligation to administer the Construction Agreement in accordance with applicable law. The following documents shall, at a minimum,

be required to be submitted prior to final payment being due: redline as-built construction plans; consent of surety to final payment; public infrastructure inventory; affidavit of value for public infrastructure; and, final change order(s). "Redline as-built construction plans" shall include, but are not limited to markups for change orders, field revisions, and quantity overruns as applicable. The list of documents contained in this provision is not an exhaustive and exclusive list for every project performed pursuant to these Contract Documents and Contractor shall provide such other and further documents as may be requested and required by the Owner to close out a particular project.

Subject to the requirements of the Contract Documents, the Owner shall pay the Final Payment within thirty (30) calendar days after the date specified in the Notice of Acceptance. This provision shall apply only after all Work called for by the Contract Documents has been accepted.

L. Contractor's Warranty

For a two-year period after the date specified in a written notice of acceptance of Work, Contractor shall provide and pay for all labor and materials that the Owner determines are necessary to correct all defects in the Work arising because of defective materials or workmanship supplied or provided by Contractor or any subcontractor. This shall also include areas of vegetation that did meet TPDES General Construction Permit during final close out but have since become noncompliant.

Forty-five (45) to sixty (60) calendar days before the end of the two-year warranty period, the Owner may make a warranty inspection of the Work. The Owner shall notify the Contractor of the date and time of this inspection so that a Contractor representative may be present. After the warranty inspection, and before the end of the two-year warranty period, the Owner shall mail to the Contractor a written notice that specifies the defects in the Work that are to be corrected.

The Contractor shall begin the remedial work within ten (10) calendar days after receiving the written notice from the Town. If the Contractor does not begin the remedial work timely or prosecute it diligently, then the Owner may pay for necessary labor and materials to effect repairs and these expenses shall be paid by the Contractor, the performance bond surety, or both.

If the Owner determines that a hazard exists because of defective materials and workmanship, then the Owner may take steps to alleviate the hazard, including making repairs. These steps may be taken without prior notice either to the Contractor or its surety. Expenses incurred by the Owner to alleviate the hazard shall be paid by the Contractor, the performance bond surety, or both.

Any Work performed by or for the Contractor to fulfill its warranty obligations shall be performed in accordance with the Contract Documents. By way of example only, this is to ensure that Work performed during the warranty period is performed with required insurance and the performance and payment bonds still in effect.

Work performed during the two-year warranty period shall itself be subject to a one-year warranty. This warranty shall be the same as described in this section.

The Owner may make as many warranty inspections as it deems appropriate.

M. Compliance with Laws

The Contractor shall be responsible for ensuring that it and any subcontractors performing any portion of the Work required under the Contract Documents comply with all applicable federal, state, county, and municipal laws, regulations, and rules that relate in any way to the performance and completion of the Work. This provision applies whether or not a legal requirement is described or referred to in the Contract Documents.

Ancillary/Integral Professional Services: In selecting an architect, engineer, land surveyor, or other professional to provide professional services, if any, that are required by the Contract Documents, Contractor shall not do so on the basis of competitive bids but shall make such selection on the basis of demonstrated competence and qualifications to perform the services in the manner provided by Section 2254.004 of the Texas Government Code and shall so certify to the Town the Contractor's agreement to comply with this provision with Contractor's bid.

N. "Anti-Israel Boycott" Provision

In accordance with Chapter 2270, Texas Government Code, a Texas governmental entity may not enter into a contract with a company for the provision of goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. Chapter 2270 does not apply to a (1) a company that is a sole proprietorship; (2) a company that has fewer than ten (10) full-time employees; or (3) a contract that has a value of less than One Hundred Thousand Dollars (\$100,000.00). Unless the company is not subject to Chapter 2270 for the reasons stated herein, the signatory executing this Agreement on behalf of the company verifies by its signature to this Contract that the company does not boycott Israel and will not boycott Israel during the term of this Contract.

O. IRAN, SUDAN AND FOREIGN TERRORIST ORGANIZATIONS.

If § 2252.153 of the Texas Government Code is applicable to this Contract, by signing below Contractor does hereby represent, verify and warrant that (i) it does not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) it is not listed by the Texas Comptroller under § 2252.153, Texas Government Code, as a company known to have contracts with or provide supplies or services to a "foreign terrorist organization" as defined in § 2252.151 of the Texas Government Code.

P. PROHIBITION ON CONTRACTS WITH CERTAIN COMPANIES PROVISION.

In accordance with Section 2252.152 of the Texas Government Code, the Parties covenant and agree that Contractor is not on a list maintained by the State Comptroller's Office prepared and maintained pursuant to Section 2252.153 of the Texas Government Code.

Q. Other Items

The Contractor shall sign the Construction Agreement, and deliver signed performance, payment and maintenance bonds and proper insurance policy endorsements (and/or other evidence of coverage)

within ten (10) calendar days after the Owner makes available to the Contractor copies of the Contract Documents for signature.

The Construction Agreement "effective date" shall be the date on which the Town Council acts to approve the award of the Contract for the Work to Contractor. It is expressly provided, however, that the Town Council delegates the authority to the Town Manager or his designee to rescind the Contract award to Contractor at any time before the Owner delivers to the Contractor a copy of this Construction Agreement that bears the signature of the Town Manager and Town Secretary or their authorized designees. The purpose of this provision is to ensure:

1. that Contractor timely delivers to the Owner all bonds and insurance documents; and
2. that the Owner retains the discretion not to proceed if the Town Manager or his designee determines that information indicates that the Contractor was not the lowest responsible bidder or that the Contractor cannot perform all of its obligations under the Contract Documents.

THE CONTRACTOR AGREES THAT IT SHALL HAVE NO CLAIM OR CAUSE OF ACTION OF ANY KIND AGAINST OWNER, INCLUDING A CLAIM FOR BREACH OF CONTRACT, NOR SHALL THE OWNER BE REQUIRED TO PERFORM UNDER THE CONTRACT DOCUMENTS, UNTIL THE DATE THE OWNER DELIVERS TO THE CONTRACTOR A COPY OF THE CONSTRUCTION AGREEMENT BEARING THE SIGNATURES JUST SPECIFIED.

The Contract Documents shall be construed and interpreted by applying Texas law. Exclusive venue for any litigation concerning the Contract Documents shall be Collin County, Texas.

In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to submit such disagreement to non-binding mediation.

Although the Construction Agreement has been drafted by the Owner, should any portion of the Construction Agreement be disputed, the Owner and Contractor agree that it shall not be construed more favorably for either party.

The Contract Documents are binding upon the Owner and Contractor and shall insure to their benefit and as well as that of their respective successors and assigns.

If Town Council approval is not required for the Construction Agreement under applicable law, then the Construction Agreement "effective date" shall be the date on which the Town Manager and Town Secretary or their designees have signed the Construction Agreement. If the Town Manager and Town Secretary sign on different dates, then the later date shall be the effective date.

[Signatures continued on following page.]

CONTRACTOR**TOWN OF PROSPER, TEXAS**By: Scott CummingsTitle: President

Date: _____

Address: 3019 Roy Orr Blvd
Grand Prairie, TX 75050Phone: 972-263-6907Email: scottc@mcmahoncontracting.comBy: **MARIO CANIZARES**

Title: Town Manager

Date: _____

Address: 250 W. First St.
P.O. Box 307
Prosper, Texas 75078

Phone: (972) 346-2640

Email: mcanizares@prospertx.gov

ATTEST:

MICHELLE LEWIS SIRIANNI
Town Secretary



PLANNING

To: Mayor and Town Council

From: David Hoover, AICP, Director of Development Services

Through: Mario Canizares, Town Manager
Chuck Ewings, Assistant Town Manager

Re: Ordinance for Amendments to the Unified Development Code

Town Council Meeting – August 25, 2026

Strategic Visioning Priority: Provide Excellent Municipal Services
Ensure the Town's Commercial Corridors are Ready for Development

Agenda Item:

Consider and act upon and ordinance to amend the Town of Prosper Unified Development Code related to closing applications, providing standards for a dual brand hotel, updating Commercial District setback regulations, landscape and open space criteria, and parking requirements for the Dallas North Tollway District, addressing jellyfish-style lighting, and defining terms related to the proposed amendments. (ZONE-26-0010)

Description of Agenda Item:

On July 28, 2026, the Town Council unanimously approved the proposed rezoning request by a vote of 6-0 (Councilmember Charles absent), subject to requiring a Specific Use Permit for a dual brand hotel and stipulating that jellyfish lighting cannot be used between 12 pm and 6 am. An ordinance has been prepared accordingly.

Budget Impact:

There is no budgetary impact affiliated with this item.

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

Attached Documents:

1. Ordinance

Town Staff Recommendation:

Town Staff recommend the Town Council approve the ordinance to amend the Town of Prosper Unified Development Code related to closing applications, providing standards for a dual brand hotel, updating Commercial District setback regulations, landscape and open space criteria, and parking requirements for the Dallas North Tollway District, addressing jellyfish-style lighting, and defining terms related to the proposed amendments.

Proposed Motion:

I move to approve/deny the ordinance to amend the Town of Prosper Unified Development Code related to closing applications, providing standards for a dual brand hotel, updating Commercial District setback regulations, landscape and open space criteria, and parking requirements for the Dallas North Tollway District, addressing jellyfish-style lighting, and defining terms related to the proposed amendments.

TOWN OF PROSPER, TEXAS

ORDINANCE NO. 2026-__

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS, AMENDING SECTION 1.03.C, "APPLICATION PROCESSING," OF ARTICLE 1, "GENERAL PROVISIONS," OF THE UNIFIED DEVELOPMENT CODE OF THE TOWN OF PROSPER, TEXAS; AMENDING SECTION 2.04.E.2, "COMMERCIAL (C) DISTRICT" OF ARTICLE 2, "ZONING REGULATIONS," OF THE UNIFIED DEVELOPMENT CODE OF THE TOWN OF PROSPER, TEXAS; AMENDING SECTION 2.07.D.25, "HOTEL, FULL SERVICE," OF ARTICLE 2, "ZONING REGULATIONS," OF THE UNIFIED DEVELOPMENT CODE OF THE TOWN OF PROSPER, TEXAS; AMENDING SECTION 2.08.F.3.a.i., "NONRESIDENTIAL LANDSCAPE AREA REQUIREMENTS" OF ARTICLE 2, "ZONING REGULATIONS," OF THE UNIFIED DEVELOPMENT CODE OF THE TOWN OF PROSPER, TEXAS; AMENDING SECTION 2.08.F.3.f., "OPEN SPACE REQUIREMENTS" OF ARTICLE 2, "ZONING REGULATIONS," OF THE UNIFIED DEVELOPMENT CODE OF THE TOWN OF PROSPER, TEXAS; AMENDING SECTION 2.10.C.21, "NONRESIDENTIAL AND MULTIFAMILY PARKING PROVISIONS," OF SECTION 2.10, "PARKING, CIRCULATION, AND ACCESS," OF ARTICLE 2, "ZONING REGULATIONS, OF THE UNIFIED DEVELOPMENT CODE OF THE TOWN OF PROSPER, TEXAS; AMENDING SECTION 2.12.B.1, "GENERAL REQUIREMENTS," OF SECTION 2.12, "OUTDOOR LIGHTING," OF ARTICLE 2, "ZONING REGULATIONS," OF THE UNIFIED DEVELOPMENT CODE OF THE TOWN OF PROSPER, TEXAS; AMENDING SECTION 4.02.G, "SERVICE USES," OF SUBDIVISION 4.02, "LAND USE TERMS," AND SECTION 4.03.B, "TERMS E-K," OF SUBDIVISION 4.03, "TERMS DEFINED," OF ARTICLE 4, "DEFINITIONS," OF THE UNIFIED DEVELOPMENT CODE OF THE TOWN OF PROSPER, TEXAS; MAKING FINDINGS; PROVIDING FOR A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; PROVIDING FOR REPEALING, SAVINGS, AND SEVERABILITY CLAUSES; PROVIDING FOR AN EFFECTIVE DATE OF THIS ORDINANCE AND PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.

WHEREAS, the Town Council of the Town of Prosper, Texas (the "Town Council"), has investigated and determined that the Unified Development Code should be amended; and

WHEREAS, after public notice and public hearing as required by law, the Planning and Zoning Commission of the Town of Prosper, Texas, has recommended amending the Town's Unified Development Code to encompass those amendments as set forth herein; and

WHEREAS, after public notice and public hearing as required by law, and upon due deliberation and consideration of the recommendation of said Planning and Zoning Commission and of all testimony and information submitted during said public hearing, the Town Council of the Town of Prosper, Texas, has determined that it is in the public's best interest and in furtherance of the health, safety, morals, and general welfare of the citizens of the Town to amend the Town's Unified Development Code as set forth herein.

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

SECTION 1

The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2

From and after the effective date of this Ordinance, Section 1.03.C, "Application Processing" of Article 1, "General Provisions," of the Town's Unified Development Code, is hereby amended by repealing Subsection C.5, "Payment of All Indebtedness Attributable to the Subject Property," and replacing it with a new Subsection C.5, "Application Closure Procedure," to read as follows:

"Article 1. General Provisions

* * *

1.03. Universal Procedures and Provisions

* * *

C. Application Processing.

* * *

5. Application Closure Procedure

- a. If an application is under review and no revisions have been made for a period five months or more, the applicant will be notified that the project will be closed in 30 days.
- b. The case may remain active if revisions that address the previous Town comments are submitted prior to the completion of the 30-day period.

* * *

SECTION 3

From and after the effective date of this Ordinance, Section 2.04.E.2, "Commercial (C) District," of Article 2, "Zoning Regulations," of the Town's Unified Development Code is hereby amended to read as follows:

"Article 2. Zoning Regulations

* * *

§ 2.04. Zoning Districts.

* * *

E. Nonresidential Zoning Districts.

2. Commercial (C) District.

a. General Purpose and Description.

The Commercial District is intended predominately for heavy retail, service, light intensity wholesale and commercial uses, but excluding warehousing uses. The nature of uses in this district has operating characteristics and traffic service requirements generally compatible with typical office, retail, and some residential environments. Uses in this district may require open, but screened, storage areas for materials. This zoning district may be appropriate in areas designated as community or regional retail on the Future Land Use Plan.

b. Dimensional Standards

Commercial District	
Height	
Maximum Height	40 feet
Size of Lots	
Minimum Lot Area	10,000 square feet
Minimum Lot Width	100 feet
Minimum Lot Depth	100 feet
Size of Yards	
Minimum Front Yard *	30 feet *
Minimum Side Yard	15 feet adjacent to a nonresidential district. The minimum side yard setback may be eliminated for attached retail buildings on separate lots as shown on an approved Site Plan 40 feet for a one-story building adjacent to a residential district and 60 feet for a two-story building adjacent to a residential district
Minimum Side Yard (F, see Figure 2.04-30)	30 feet adjacent to a street
Minimum Rear Yard	15 feet adjacent to a nonresidential district. The minimum side yard setback may be eliminated for attached retail buildings on separate lots as shown on an approved Site Plan 40 feet for a one-story building adjacent to a residential district and 60 feet for a two-story building adjacent to a residential district
Other Dimensional Requirements	
Maximum Lot Coverage	50%
Maximum Floor Area Ratio	0.5:1

*For properties within the Dallas North Tollway District, see Article 2.04.E.2.c. below.

c. Minimum Setbacks in the Dallas North Tollway District shall be as follows:

1. Dallas North Tollway, US 380 and Frontier Parkway Front Setback Zone

- (a) Adjacent to US 380 and Frontier Parkway - Front Setback of 50 feet.
- (b) Adjacent to Dallas North Tollway – Front Setback of 60 feet.
- (c) Subdistrict 3 (First Street Neighborhood) adjacent to the Green Commons – Front Setback of 20 feet.
- (d) Subdistrict 4 (Downtown West) adjacent to the Green Commons – Front Setback of 20 feet.

2. Build-to Lines

- (a) Streets with On-Street Parking – A build-to line shall be required. The primary building façade shall be built along the public or private street.
- (b) Front Setbacks facing a Parks/Open Space – Front Setback shall range between 18 feet and 24 feet from the face of curb for the street that defines the pocket park space.
- (c) Non-Residential Buildings (buildings with non-residential on the first floor) – The primary façade shall be located on the block face (i.e. property line) with a minimum 70 percent of the building being adjacent to this build-to-line.

d. Other Regulations.

See **Article 2.07** for permitted uses.”

SECTION 4

From and after the effective date of this Ordinance, Section 2.07.D.25, “Hotel, Full Service,” of Article 2, “Zoning Regulations,” off the Town’s Unified Development Code, is hereby amended to read as follows:

“Article 2. Zoning Regulations

* * *

§ 2.07. Permitted Uses and Use-Based Standard.

* * *

D. Conditional Development Standards.

* * *

25. Hotel, Full Service.

Full-Service Hotel developments shall be subject to the following development standards:

- a. External balconies and walkways shall be set back 200 feet from any residential zoning district.
- b. Shall provide management staff on-site 24 hours a day.
- c. Shall provide at least four amenities from the list below:
 - i. Indoor/Outdoor Pool
 - ii. Spa/Sauna
 - iii. Weight Room/Fitness Center
 - iv. Playground
 - v. Sports Court
 - vi. Game Room
 - vii. Jogging Trail
 - viii. Other similar amenities as approved by the Director of Development Services.
- d. Shall provide a full-service restaurant offering three meals a day with room service.
- e. Shall provide a minimum total of 20,000 square feet of meeting/event space.
- f. No more than 5% of the total number of guest rooms shall have cooking facilities.
- g. All room units must be accessed through an internal hallway, lobby, or courtyard.
- h. A dual brand hotel could be considered subject to a Specific Use Permit, subject to the following criteria:
 - i. The dual brands shall be either Full Service and Limited Service or Full Service and Residence/Extended Stay.
 - ii. A minimum sixty (60) percent of the rooms shall be part of the Full Service brand.
 - iii. Each of the two brands shall be the same chain.
 - iv. The Limited Service or Residence/Extended Stay portion of the hotel must comply with the requirements of its conditional development standards as found in this section, namely Article 2.D.26 and Article 2.D.27. There are no limitations on the location of a Residence/ Extended Stay hotel when part of the dual brand.
 - v. The required amenities for each type of hotel must be provided, and no single amenity can be counted for both brands. However, it is permissible for the guests of both brands to use all the amenities.
 - vi. The hotel shall be designed to appear as one hotel with similar architectural style and articulation for both brands.

* * *

SECTION 5

From and after the effective date of this Ordinance, Section 2.08.F.3.a.i, “Nonresidential Landscape Area Requirements,” of Article 2, “Zoning Regulations,” of the Town’s Zoning Ordinance, is hereby amended to read as follows:

“Article 2. Zoning Regulations

* * *

§ 2.08. Landscaping.

* * *

F. Landscape Area Requirements.

* * *

3. Nonresidential Landscape Area Requirements.

These standards apply to all nonresidential uses. Any area within a PD containing landscaping standards shall comply with the standards set forth in the PD district.

a. Perimeter requirements:

- i. A landscaped area consisting of living trees (as specified below), turf, or other living ground cover and being at least 25 feet in width measured from the property line interior to the property shall be provided adjacent to and outside of the right-of-way on all properties located adjacent to a major or minor thoroughfare as defined by the Town of Prosper Thoroughfare and Circulation Designs Standards.
 - (a) The landscaped area may be reduced to 15 feet for the portion of a property adjacent to a collector or equivalent street as defined by the Town of Prosper Thoroughfare and Circulation Designs Standards.
 - (b) The landscaped area shall be increased to 30 feet for properties adjacent to Preston Road, University Drive, and Frontier Parkway, and 60 feet for properties adjacent to the Dallas Parkway.
 - (c) One large tree, 3-inch caliper minimum per 30 linear feet of roadway frontage shall be planted within the required landscape area. The trees may be planted in groups with appropriate spacing for species.
 - (d) For new development in Downtown Prosper, one large tree, 3-inch caliper minimum per 30 linear feet of roadway frontage, excluding the width of driveways at the property line, shall be planted within the required landscape area. Where the width of the

roadway frontage is greater than 80 feet, excluding the width of driveways at the property line, the number of large trees may be planted at a rate of one, 3-inch large tree per 40 feet of roadway frontage, in lieu of the required one tree per 30 linear feet. The trees may be planted in groups with appropriate spacing for species. In Downtown Prosper, the substitution of three small, ornamental trees for one large tree shall not be permitted.

- (e) A minimum of 15 shrubs with a minimum size of 5 gallons each will be planted in the landscaped area for each 30 feet of linear frontage.
- (f) Parking abutting the landscape area shall be screened from the adjacent roadway. The required screening may be accomplished with shrubs or earthen berms.
- (g) Unless parking is adjacent to a street, shrubs are not required in the landscape area in Downtown Prosper.
- (h) Required landscape areas adjacent to public streets shall be planned around existing obstacles and shall not include easements or other restrictions which could inhibit planting, growth, or permanence of landscaping.
- (i) Berms ranging in height from 3 feet to 6 feet, and an overall minimum average of 4.5 foot, shall be required along US 380, Frontier Parkway/FM 1461/ Parvin Road, Custer Road/FM 2478, Preston Road, Dallas Parkway, and FM 1385.
- (j) Within the Dallas North Tollway District:
 - 1. Adjacent to Dallas North Tollway:
 - a. Three (3) offsetting rows of six (6) inch caliper minimum (at the time of planting) evergreen trees.
 - b. The trees will be planted on thirty-six (36) foot centers in the north/south direction and placed as tightly as possible in the east/west direction.
 - c. Include pleasant landscape ground plain with pedestrian trail connections.
 - 2. Major and Minor Thoroughfares:
 - a. One (1) large tree, four (4) inch caliper minimum (at the time of

planting) per twenty-five (25) feet of linear roadway frontage shall be planted within the required landscaped area.

- b. The trees may be planted in groups with appropriate spacing for species.
 - c. Shrub plantings shall be provided at a minimum rate of twenty-two (22) shrub plantings per thirty (30) linear feet with a minimum size of ten (10) gallon at the time of planting.
 - d. Parking abutting the landscaped area shall be screened from the adjacent roadway. The required screening shall be with shrubs or earthen berms.
 - e. During the review of development proposals, additional landscaping features such as berms or hardscape elements for enhanced beautification of the Tollway District may be required.
3. Retail and Grocery Stores
- a. One (1) additional tree shall be planted for each 100 linear feet of frontage.
 - b. Trees shall be a minimum 4-inch caliper.
 - c. Trees may be placed in planters.

* * *

SECTION 6

From and after the effective date of this Ordinance, Section 2.08.F.3.f, "Open Space Requirements," of Article 2, "Zoning Regulations," of the Town's Zoning Ordinance, is hereby amended to read as follows:

"Article 2. Zoning Regulations

* * *

§ 2.08. Landscaping.

* * *

F. Landscape Area Requirements.

* * *

3. Nonresidential Landscape Area Requirements.

These standards apply to all nonresidential uses. Any area within a PD containing landscaping standards shall comply with the standards set forth in the PD district.

* * *

f. Open Space Requirements.

* * *

- iii. Open space in the Dallas North Tollway District is to be designed in a network as represented in Exhibit 2 of the Dallas North Tollway District Development Standards and comply with the following:
 - (a) Within each new development, a minimum of three amenities shall be provided within an open space in accordance with the list in Article 3.f.ii. above, with at least one being a major amenity.
 - (b) Open spaces shall be visible and easily accessible from public areas such as building entrances and adjacent streets and sidewalks.
 - (c) Ample seating shall be provided, including walls, ledges, and other raised surfaces which can serve a similar purpose.
 - (d) Active uses such as retail, cafes, restaurants, higher density residential and office uses which provide pedestrian traffic should be considered as appropriate uses to line parks and open spaces.
 - (e) In addition to the open space framework shown on Exhibit 2, development plans shall take the goals and objectives of the Town's Bike and Trail Master Plan into consideration when planning for new parks and open space amenities.
 - (f) Whether a park/open space is a public facility or publicly accessible under private ownership will be determined during the site plan approval process.
 - (g) Design issues and opportunities will be confirmed through the final site plan approval process.
 - (h) Subdistrict 1
 - (i) Prominent open space should be readily visible from the Dallas North Tollway to serve as an entry gateway and be a feature around which buildings are sited. The length of the open space should be proportionate with the buildings it serves and create notable space from Dallas North Tollway.
 - (ii) Develop a water feature (central lake) surrounded by trees and trails in the development on the east side of the Dallas North Tollway, south of First Street.
 - (i) Subdistrict 2
 - (i) The Parvin Branch drainage feature north of First Street shown on Exhibit 2 is envisioned to be a continuous green open space that

- provides the adjacent neighborhood with active programming and respite.
 - (ii) Within non-residential development south of First Street and east of Legacy Drive, the existing drainage and retention basin should be preserved, enhanced, and amenitized as an open space feature.
- (j) Subdistrict 3
 - (i) Provide open space at the hard corner at the intersection of First Street and the Dallas North Tollway approximately 100 feet by 150 feet to be designed for pedestrian activity.
 - (iii) Provide open space in the form of pocket parks within the development for passive pedestrian use.
- (k) Subdistrict 4
 - (i) The Parvin Branch waterway south of Safety Way shall be a continuous green open space with a central retention pond features.
 - (ii) Intermingle pocket parks into the neighborhood(s).
 - (iii) Provide a green commons in the retail village area.
 - (iv) Create a central pocket park at the silo designed so the adjacent streets may be shut down during events.
- (l) Subdistrict 5
 - (i) A central vehicular feature around the existing drainage area is envisioned to work with the existing site natural features. It should use heavy landscaping and provide connection to a larger pedestrian trail system.
- (m) Subdistrict 6
 - (i) Provide a parklet space at the northeast corner (hard corner) of Prosper Trail and the Dallas North Tollway that can be utilized and accessed by restaurants and other similar non-residential uses.
 - (ii) Provide small pocket parks intermingled into the development framework as rectangular spaces with streets around them and roundabouts with central greens.
 - (iii) Special artwork should be considered given the visual prominence of their locations within the community plan.
- (n) Subdistrict 7
 - (i) Prominent open space should be readily visible from the Dallas North Tollway to serve as an entry gateway and be a feature around which buildings are sited.

- (ii) The interior of roundabouts shall be designed for passive pedestrian use and landscaped.
- (iii) Special artwork should be considered given the visual prominence of their locations within the community plan.

* * *

SECTION 7

From and after the effective date of this Ordinance, Section 2.10.C, “Nonresidential and Multifamily Parking Provisions,” of Section 2.10, “Parking, Circulation, and Access,” of Article 2, “Zoning Regulations,” of the Town’s Unified Development Code, is hereby amended to add a new Subsection 21, to read as follows:

“Article 2. Zoning Regulations

* * *

§ 2.10. Parking, Circulation, and Access.

* * *

C. Nonresidential and Multifamily Parking Provisions.

* * *

- 21. Nonresidential parking within the Dallas North Tollway District shall comply with the following standards:
 - (a) Parking shall be provided on the side or rear of the primary buildings within new development to minimize visibility.
 - (b) Parking lots shall be screened through building and landscape placement and through creating parking “courts” that are entered versus seen directly from the public street.
 - (c) Surface parking shall be designed to promote a pleasant pedestrian experience with special design features and landscaped pedestrian ways.
 - (d) A maximum of two rows of parking is permitted in the front of the buildings along the Dallas North Tollway, except adjacent to the Green Commons in the Subdistrict 3 (First Street Neighborhood), Subdistrict 4 (Downtown West), and Subdistrict 6 (Prosper Trail Neighborhood), as represented on Exhibit 2 of the Dallas North Tollway District Guidelines, where no parking will be allowed between buildings and the street.
 - (e) Shared parking agreements for adjacent properties are acceptable where they:
 - (i) include a business pursuant to the Town’s vision,
 - (ii) there is a written agreement between property owners that clearly stipulates the terms of the joint use of the parking spaces, and
 - (iii) the spaces must be committed and available to the respective users on a non-conflicting bases.

- (f) Parking garages shall follow the parameters below:
 - (i) located behind or to the side of the primary building,
 - (ii) shall have an architecturally finished façade complementary to the surrounding buildings with enhanced articulation on a facade facing the street.
 - (iii) Street front openings in parking structures should not exceed 55 percent of the façade area, excluding the top floor if the garage is unroofed.
 - (v) Where possible, the narrower façade of the parking garage should be oriented to the street."

SECTION 8

From and after the effective date of this Ordinance, Section 2.12.B.1, "General Requirements," of Section 2.12, "Outdoor Lighting," of Article 2, "Zoning Regulations," of the Town's Unified Development Code, is hereby amended by adding a new Subsection I to read as follows:

"Article 2. Zoning Regulations

* * *

§ 2.12. Outdoor Lighting.

* * *

B. General Requirements.

1. The following standards shall apply to all exterior lighting except public street lighting and other lighting that is specifically exempted by this section.

* * *

- I. Jellyfish style permanent outdoor string lighting shall comply with the following:
 - i. It is limited to residential structures;
 - ii. It shall be limited to the under the eaves of a residential structure;
 - iii. It shall not flash or strobe in such a way as to unreasonably harm or restrict public health, safety, and welfare or create a nuisance; and
 - iv. The lighting shall not operate between the hours of 12:00 PM and 6:00 AM."

SECTION 9

From and after the effective date of this Ordinance, Section 4.02.G, "Service Uses," of Subdivision 4.02, "Land Use Terms," and Section 4.03.B, "Terms E-K," of Subdivision 4.03, "Terms Defined," of Article 4, "Definitions," of the Town's Unified Development Code, are hereby amended to read as follows:

“Article 4. Definitions.

* * *

§ 4.02. Land Use Terms.

* * *

G. Service Uses.

* * *

29. Hotel, Dual Brand: A dual brand hotel combines two hotel brands, one of which is a full service hotel, from the same hotel chain into one building. Each brand operates separately with its own identity but must have a shared lobby and check-in desk. The brands may also share services such as laundry facilities, food and beverage facilities, and amenities.

* * *

§ 4.03. Terms Defined.

* * *

B. Terms E-K

* * *

194. Jellyfish Lighting - a permanent, color-changing LED lighting system designed for the exterior of residential homes.

* * *”

SECTION 10

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

SECTION 11

All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict; but such repeal shall not abate any pending prosecution from being commenced for any violation if occurring prior to the repeal of the Ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 12

Any person, firm, corporation, or business entity violating this Ordinance shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be subject to a fine not to exceed the sum of two thousand dollars (\$2,000.00), and each and every day such violation shall continue shall constitute a separate offense.

SECTION 13

This Ordinance shall become effective after its adoption and publication as required by law.

DULY PASSED, APPROVED, AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS, ON THIS 25th DAY OF AUGUST, 2026.

David F. Bristol, Mayor

ATTEST:

Michelle Lewis Sirianni, Town Secretary

APPROVED AS TO FORM AND LEGALITY:

Terrence S. Welch, Town Attorney



PLANNING

To: Mayor and Town Council

From: David A. Hoover, AICP, Director of Development Services

Through: Mario Canizares, Town Manager
Chuck Ewings, Assistant Town Manager

Re: Notice of Appeals

Town Council Meeting – August 25, 2026

Strategic Visioning Priority: Ensure the Town's Commercial Corridors are Ready for Development

Agenda Item:

Consider and act upon whether to direct staff to submit a written notice of appeals on behalf of the Town Council to the Development Services Department, pursuant to Article 2.03(H)(8) and 2.03(I)(3)(g) of the Town's Unified Development Code, regarding action taken by the Planning and Zoning Commission on Preliminary Site Plans and Site Plans.

Description of Agenda Item:

Attached is the Site Plan that was acted on by the Planning and Zoning Commission on August 4, 2026.

Per the Unified Development Code, the Town Council can direct staff to submit a written notice of appeal on behalf of the Town Council to the Development Services Department for any Preliminary Site Plans and Site Plans acted on by the Planning and Zoning Commission.

Budget Impact:

There is no budgetary impact affiliated with this item.

Attached Documents:

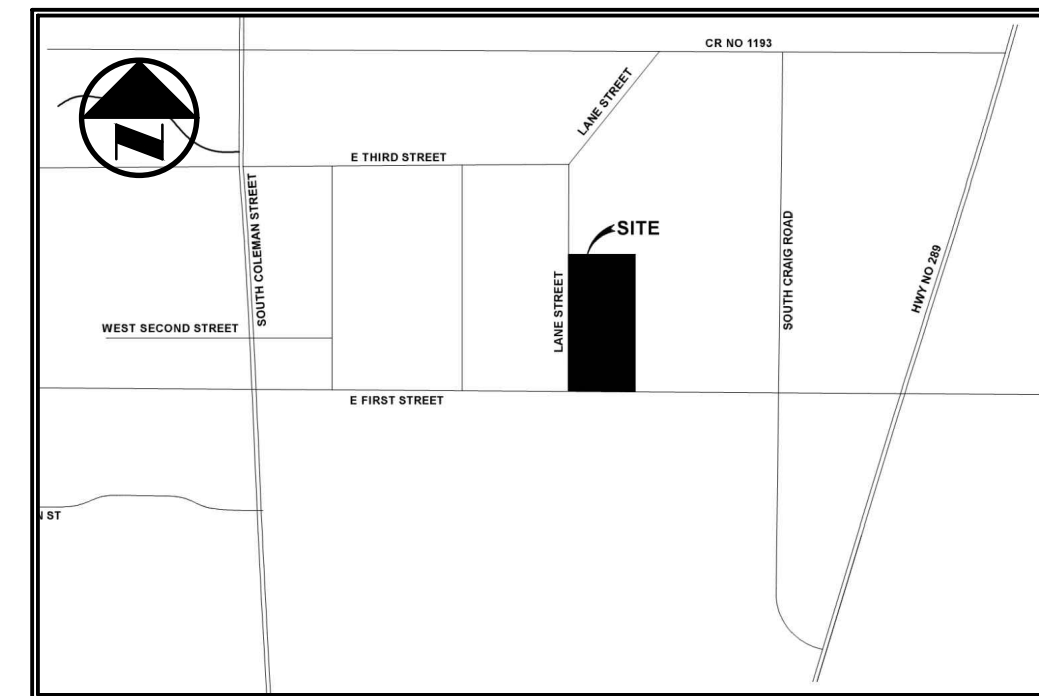
1. DEVAPP-24-0024 – Mettica Addition, Block 12, Lot 29 (Approved 7-0)
2. PowerPoint Slides

Town Staff Recommendation:

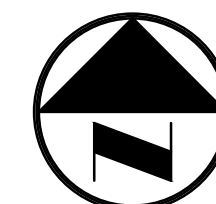
Town Staff recommend the Town Council take no action on this item.

Proposed Motion:

N/A



VICINITY MAP
N.T.S.



0 15 30 60 90
GRAPHIC SCALE IN FEET
SCALE: 1" = 30'

BASIS OF BEARINGS
TEXAS STATE PLANE COORDINATE SYSTEM,
NORTH CENTRAL ZONE, NORTH AMERICAN
DATUM OF 1983, (2011).

LEGEND

B	BOLLARD
EM	ELECTRIC METER
PP	POWER POLE
LS	LIGHT STANDARD
WM	WATER METER
WV	WATER VALVE
ICV	IRRIGATION CONTROL VALVE
FH	FIRE HYDRANT
FDC	FIRE DEPARTMENT CONNECTION
CO	CLEAN OUT
MH	MANHOLE
GM	GAS METER
TSC	TRAFFIC SIGNAL CONTROL
TSP	TRAFFIC SIGNAL POLE
TELE	TELEPHONE BOX
TV	TV BOX
FP	FLAG POLE
VG	VALLEY CUTTER
---	PROPERTY LINE
OH	O.H. POWER LINES
TEL	U/G TELEPHONE LINES
---	U/G WATER LINES
---	U/G GAS LINE
---	FENCE
---	EXISTING CONTOURS
XXX	PROPOSED CONTOURS
xxx.xx	EXISTING SPOT GRADES
to xxx.xx	PROPOSED SPOT GRADES
6 xxx.xx	PROPOSED EROSION CONTROL
---	PROPOSED DRAINAGE DIVIDES

SITE DATA SUMMARY TABLE

ITEM	LOT 1/BLOCK A
GENERAL SITE DATA	
ZONING	DOWNTOWN OFFICE
PROPOSED USE	PROFESSIONAL OFFICE
LOT AREA, EXCLUDING RIGHT-OF-WAY (SQUARE FOOTAGE AND ACREAGE)	16284 SF / 0.374 AC.
BUILDING AREA (GROSS SQUARE FOOTAGE)	1660 SF
BUILDING FOOTPRINT	1218 SF
BUILDING HEIGHT (FEET AND NUMBER OF STORIES)	25' (2 STORIES)
THE HIGHEST ROOF SURFACE ABOVE GRADE PLANE	
LOT COVERAGE (%)	10.19
FLOOR AREA RATIO	0.10/1
TOTAL PARKING REQUIRED (WITH RATIO)	5 (1/350 SF)
HANDICAP PARKING REQUIRED INCLUDING VAN ACCESSIBLE	1
HANDICAP PARKING PROVIDED INCLUDING VAN ACCESSIBLE	1
TOTAL PARKING PROVIDED	8
INTERIOR LANDSCAPING REQUIRED	150 SF
INTERIOR LANDSCAPING PROVIDED	250 SF
SQUARE FOOTAGE OF IMPERVIOUS SURFACE	11899 SF
OPEN SPACE REQUIRED	7% (1140 SF)
OPEN SPACE PROVIDED	31.23% (5085 SF)

- NOTE:**
1. ALL DEVELOPMENT STANDARDS SHALL FOLLOW TOWN STANDARDS.
 2. LANDSCAPING SHALL CONFORM TO LANDSCAPE PLANS APPROVED BY THE TOWN OF PROSPER.
 3. ALL DEVELOPMENT STANDARDS SHALL FOLLOW FIRE REQUIREMENTS PER THE TOWN OF PROSPER.
 4. HANDICAPPED PARKING AREAS AND BUILDING ACCESSIBILITY SHALL CONFORM TO THE AMERICANS WITH DISABILITIES ACT (ADA) AND WITH THE REQUIREMENTS OF THE CURRENT, ADOPTED BUILDING CODE.
 5. ALL SIGNAGE IS SUBJECT TO BUILDING OFFICIAL APPROVAL.
 6. IMPACT FEES WILL BE ASSESSED IN ACCORDANCE WITH THE LAND USE CLASSIFICATION(S) IDENTIFIED ON THE SITE DATA SUMMARY TABLE; HOWEVER, CHANGES TO THE PROPOSED LAND USE AT THE TIME OF CO AND/OR FINISH-OUT PERMIT MAY RESULT IN ADDITIONAL IMPACT FEES AND/OR PARKING REQUIREMENTS.
 7. OPEN SPACE REQUIREMENTS SHALL FOLLOW THE ZONING ORDINANCE, PER TRACT. OPEN SPACE SHALL NOT INCLUDE VEHICULAR PAVING, REQUIRED PARKING LOT LANDSCAPE ISLANDS, BUILDING FOOTPRINT, UTILITY YARDS, REQUIRED LANDSCAPE SETBACKS, SIDEWALKS, AND DETENTION POND.

BENCH MARK LIST:

- BENCHMARK #1**
BRONZE DISK STAMPED "TOWN OF PROSPER SURVEY MONUMENT" LOCATED ON THE NORTHWEST CORNER OF A CURB INLET LYING ON THE WEST SIDE OF COTTONTROSE LANE, 80' SOUTH OF THE INTERSECTION OF COTTONTROSE LANE AND PERENNIAL WAY.
ELEVATION = 554.23'
- BENCHMARK #2**
BRONZE DISK STAMPED "TOWN OF PROSPER SURVEY MONUMENT" LOCATED ON THE NORTHWEST CORNER OF A CURB INLET LYING ON THE EAST SIDE OF S. TEEL PARKWAY, 75' NORTH OF THE INTERSECTION OF S. TEEL PARKWAY AND COVERGERS ISLAND WAY.
ELEVATION = 584.10'

CAUTION!!!
UNDERGROUND UTILITIES ARE LOCATED IN THIS AREA. 48 HOURS PRIOR TO ANY CONSTRUCTION ACTIVITIES, CONTACT LINE LOCATES FOR FRANCHISE UTILITY INFO. CALL BEFORE YOU DIG: 811



PROJECT INFORMATION

0.539 ACRE TRACT
701 E. FIRST ST.
PROSPER, TEXAS 75078
COLLIN COUNTY
ABSTRACT No. 147

OWNER

VIVID PARTNERS, LLC
5573 FM 1461
MCKINNEY, TEXAS 75071

THE SEAL APPEARING ON THIS DOCUMENT WAS AUTHORIZED BY KELVIN R. GOMEZ, P.E. 83268 ON 06/15/2016. ALTERATION OF A SEALED DOCUMENT WITHOUT PROPER NOTIFICATION TO THE RESPONSIBLE ENGINEER IS AN OFFENSE UNDER THE TEXAS ENGINEERING PRACTICE ACT.

Kelvin R. Gomez



APPLICANT:
MR. KELLY GOMEZ
KRG CIVIL ENGINEERS, INC.
2150 SOUTH CENTRAL EXPY., SUITE 200
MCKINNEY, TEXAS 75072
PH: 469.219.3137

OWNER:
MR. SATHU SUBBIAH
VIVID PARTNERS, LLC
5573 FM 1461
SUITE 200
MCKINNEY, TEXAS 75071
PH: 469.920.1313

KRG Civil Engineers, Inc.

2150 SOUTH CENTRAL EXPY., SUITE 200
MCKINNEY, TEXAS 75072
(469) 219-3137 PHONE
(469) 219-3201 FAX
KELLY@KRGCVIL.COM

FIRM REGISTRATION F-9131

(DEVAPP-24-0024)

SITE PLAN

701 E. FIRST ST
METTICA ADDITION
BLOCK 12, LOT 29
TOWN OF PROSPER, COLLIN COUNTY, TEXAS

SHEET NO.

C1.00

Mettica Addition Block 12, Lot 29 (DEVAPP-24-0024)

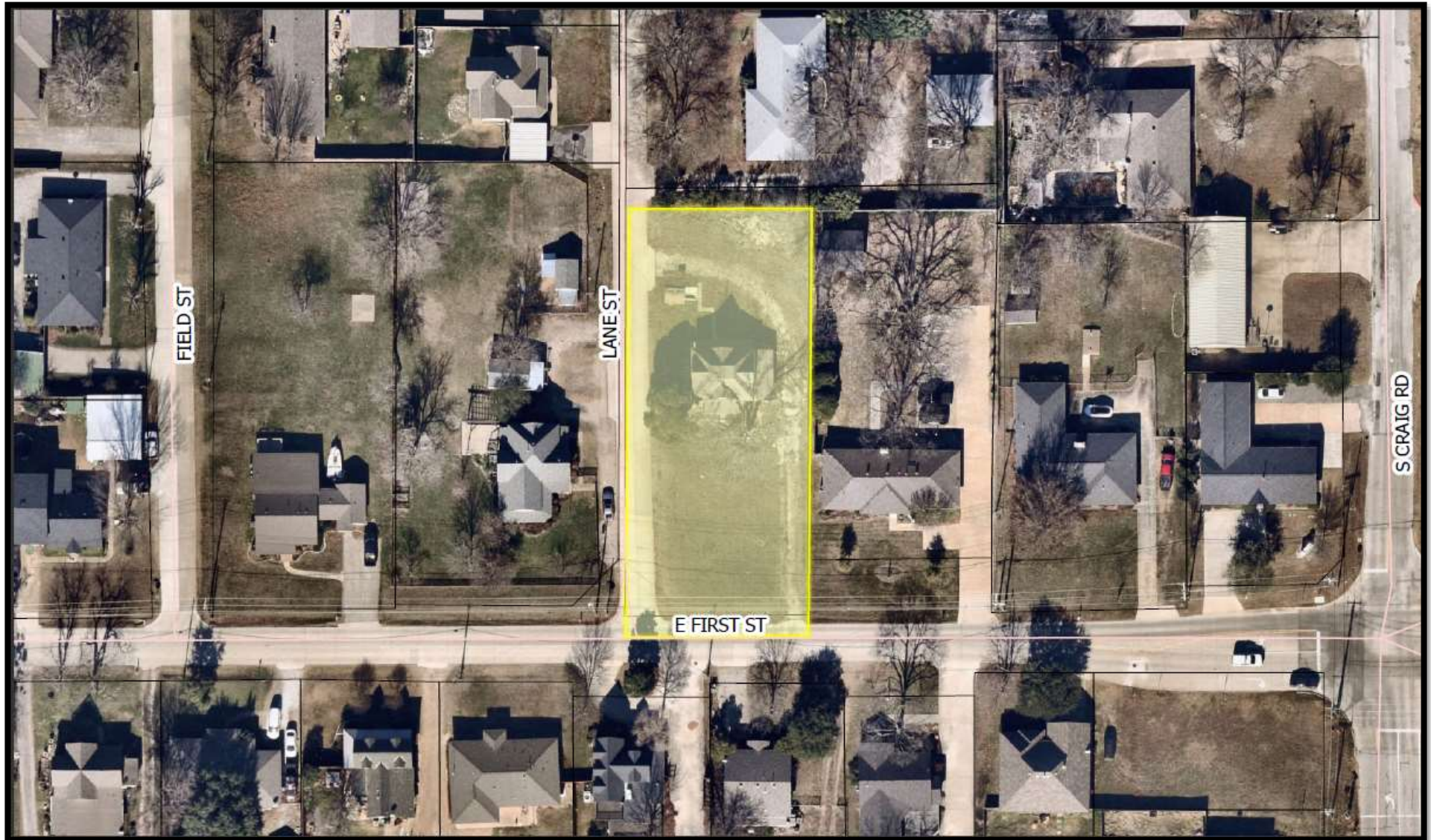
Proposal

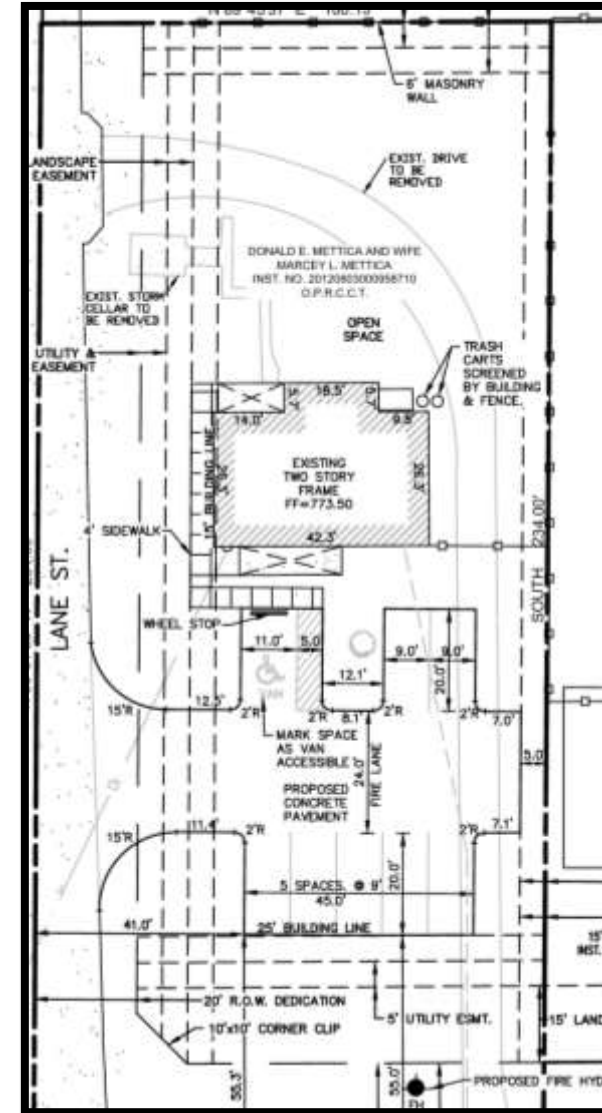
Purpose:

- Convert an existing, two-story residential home into a professional office building totaling 1,660 square feet and associated parking.

Recommendation:

- Town Staff recommends approval of the Site Plan.







PLANNING

To: Mayor and Town Council

From: David Hoover, AICP, Director of Development Services

Through: Mario Canizares, Town Manager
Chuck Ewings, Assistant Town Manager

Re: Planned Development for Prosper LGE

Town Council Meeting – August 25, 2026

Strategic Visioning Priority: Ensure the Town's Commercial Corridors are Ready for Development

Agenda Item:

Conduct a Public Hearing and consider and act upon a request for a rezoning from Planned Development-27 to a Planned Development for Cottage Logistics, Office/Warehouse, and Retail uses on Edward Bradley Survey, Abstract 86, Tract 5, on 39.2± acres, located on the northeast corner of Lovers Lane and University Drive. (ZONE-26-0006)

Description of Agenda Item:

The proposed development is subdivided into three distinct tracts, Tracts One, Two, and Three, and extends Richland Boulevard from its current section to Lovers Lane. Tract One, located on the hard corner of Lovers Lane and University Drive, will allow for retail uses. Tract Two, located on the north and east sides of Tract One, will allow for light industrial uses. Tract Three, located on the north side of future Richland Boulevard, will allow for cottage logistics uses.

Future Land Use Plan:

The Future Land Use Plan recommends the US Highway 380 District.

Zoning:

The property is zoned Planned Development-27 (Commercial Corridor and Retail).

Compatibility:

The zoning and land use of the surrounding properties are shown below.

	Zoning	Current Land Use	Future Land Use Plan
Subject Property	Planned Development-27 (Commercial Corridor and Retail)	Vacant	US Highway 380 District
North	Planned Development-2 (Single Family-10)	Residential (Willow Ridge)	Medium Density Residential
East	Planned Development-2 (Commercial Corridor)	Utility (Oncor Substation)	US Highway 380 District
South	N/A (City of Frisco)	Vacant	N/A (City of Frisco)
West	Planned Development-67 (Retail)	Commercial (Dick's Sporting Goods)	Town Center

District Regulations:

The district regulations within each tract of this Planned Development compared to the regulations in the Commercial and Industrial Districts in the Unified Development Code are shown below.

Tract One (Retail)

The only deviations are an increased side yard setback adjacent to commercial lots outside of this Planned Development and an increase in the allowed building height.

	Proposed Regulations (Development Standards)	Commercial District (Unified Development Code)
Size of Yards	Front: 30' Side: 0' (Attached, Separate Lots) 10' (Adj. to Internal Lots) 25' (Adj. to Commercial) 30' (Adj. to Thoroughfare) 40' (1-Story Adj. to Residential) 60' (2-Story Adj. to Residential) Rear: 0' (Attached, Separate Lots) 10' (Adj. to Internal Lots) 25' (Adj. to Commercial) 40' (1-Story Adj. to Residential) 60' (2-Story Adj. to Residential)	Front: 30' Side: 0' (Attached, Separate Lots) 15' (Adj. to Commercial) 30' (Adj. to Thoroughfare) 40' (1-Story Adj. to Residential) 60' (2-Story Adj. to Residential) Rear: 0' (Attached, Separate Lots) 15' (Adj. to Commercial) 40' (1-Story Adj. to Residential) 60' (2-Story Adj. to Residential)
Size of Lots	Area: 10,000 SF Width: 100' Depth: 100'	Area: 10,000 SF Width: 100' Depth: 100'
Maximum Height	Height: 50'	Height: 40'
Lot Coverage	Maximum: 50%	Maximum: 50%
Floor Area Ratio	Maximum: 0.5:1	Maximum: 0.5:1

Tract Two (Light Industrial)

Item 12.

The only deviations are a reduced front setback, reduced side yard setback adjacent to thoroughfares, and a decrease in the allowed building height.

	Proposed Regulations (Development Standards)	Industrial District (Unified Development Code)
Size of Yards	Front: 30' Side: 0' (Attached, Separate Lots) 10' (Adj. to Internal Lots) 30' (Adj. to Commercial) 30' (Adj. to Thoroughfare) 60' (Adj. to Residential) Rear: 0' (Attached, Separate Lots) 10' (Adj. to Internal Lots) 30' (Adj. to Commercial) 60' (Adj. to Residential)	Front: 50' (35' on Arterial Street) Side: 30' (Adj. to Commercial) 50' (Adj. to Thoroughfare) 60' (Adj. to Residential) Rear: 30' (Adj. to Commercial) 60' (1-Story Adj. to Residential)
Size of Lots	Area: 15,000 SF Width: 100' Depth: 150'	Area: 15,000 SF Width: 100' Depth: 150'
Maximum Height	Height: 50'	Height: 100'
Lot Coverage	Maximum: 60%	Maximum: N/A
Floor Area Ratio	Maximum: 1:1	Maximum: 1:1

Tract Three (Cottage Logistics)

The only deviations are a reduced front setback, reduced side yard setback adjacent to thoroughfares, and a decrease in the allowed building height.

	Proposed Regulations (Development Standards)	Industrial District (Unified Development Code)
Size of Yards	Front: 30' Side: 10' (Adj. to Internal Lots) 30' (Adj. to Commercial) 30' (Adj. to Thoroughfare) 60' (Adj. to Residential) Rear: 10' (Adj. to Internal Lots) 30' (Adj. to Commercial) 60' (Adj. to Residential)	Front: 50' (35' on Arterial Street) Side: 30' (Adj. to Commercial) 50' (Adj. to Thoroughfare) 60' (Adj. to Residential) Rear: 30' (Adj. to Commercial) 60' (1-Story Adj. to Residential)
Size of Lots	Area: 15,000 SF Width: 100' Depth: 150'	Area: 15,000 SF Width: 100' Depth: 150'
Maximum Height	Height: 35'	Height: 100'
Lot Coverage	Maximum: 60%	Maximum: N/A
Floor Area Ratio	Maximum: 1:1	Maximum: 1:1

Uses:

The list of permitted uses within this Planned Development is shown below, as well as the list of uses currently allowed in Planned Development-27 that would be eliminated should this rezoning request be approved.

Tract One (Retail)

- By Right:
 - Administrative, Medical, or Professional Office
 - Alcoholic Beverage Sales
 - Antique Shop and Used Furniture
 - Bank, Savings and Loan, or Credit Union
 - Beauty Salon/Barber Shop
 - Building Material and Hardware Sales, Minor
 - Business Service
 - Cabinet/Upholstery Shop
 - Catering
 - Commercial Amusement, Indoor
 - Dry Cleaning, Minor
 - Feed Store
 - Furniture, Home Furnishings and Appliance Store
 - Governmental Office
 - Gymnastics/Dance Studio
 - Health/Fitness Center
 - Homebuilder Marketing Center
 - Locksmith/Security System Company
 - Massage Therapy, Licensed
 - Meeting/Banquet/Reception Facility
 - Municipal Uses Operated by the Town of Prosper
 - Nursery, Minor
 - Office/Showroom
 - Private Utility, Other Than Listed
 - Restaurant
 - Retail/Service Incidental
 - Retail Stores and Shops
 - Theater, Neighborhood
 - Theater, Regional
- By Specific Use Permit:
 - Child Care Center, Incidental
 - Child Care Center, Licensed
 - Restaurant, Drive-In

Tract Two (Light Industrial)

- By Right:
 - Administrative, Medical, or Professional Office
 - Building Material and Hardware Sales, Minor
 - Business Service
 - Cabinet/Upholstery Shop
 - Commercial Amusement, Indoor
 - Furniture, Home Furnishings and Appliance Store
 - Furniture Restoration
 - Gymnastics/Dance Studio
 - Health/Fitness Center

- Homebuilder Marketing Center
 - Limited Assembly and Manufacturing Use Complying with Performance Standards
 - Locksmith/Security System Company
 - Municipal Uses Operated by the Town of Prosper
 - Nursery, Minor
 - Office/Showroom
 - Office/Warehouse
 - Print Shop, Minor
 - Private Utility, Other Than Listed
 - Repair Service, Indoor
 - Research and Development Center
 - Retail/Service Incidental
 - Retail Stores and Shops
 - Storage or Wholesale Warehouse
- By Specific Use Permit:
 - Auto Parts Sales, Inside
 - Equipment and Machinery Sales and Rental, Minor
 - Wireless Communications and Support Structures

Tract Three (Cottage Logistics)

- By Right:
 - Administrative, Medical, or Professional Office
 - Artisan's Workshop
 - Building Material and Hardware Sales, Minor
 - Business Service
 - Cabinet/Upholstery Shop
 - Cottage Logistics *
 - Furniture, Home Furnishings and Appliance Store
 - Furniture Restoration
 - Health/Fitness Center
 - Homebuilder Marketing Center
 - Limited Assembly and Manufacturing Use Complying with Performance Standards
 - Locksmith/Security System Company
 - Machine Shop
 - Municipal Uses Operated by the Town of Prosper
 - Nursery, Minor
 - Office/Showroom
 - Office/Warehouse
 - Print Shop, Minor
 - Private Utility, Other Than Listed
 - Repair Service, Indoor
 - Research and Development Center
 - Retail/Service Incidental
 - Retail Stores and Shops
 - Small Engine Repair Shop
 - Storage or Wholesale Warehouse
- By Specific Use Permit:
 - Auto Parts Sales, Inside
 - Contractor's Shop and/or Storage Yard
 - Equipment and Machinery Sales and Rental, Minor
 - Wireless Communications and Support Structures

A definition has been created for this use in the proposed development standards. The use is defined as “an establishment or business where the primary purpose is small-scale and individualized (i.e., not mass produced) assembly and light manufacturing of commodities and is characterized by low to no external impact.”

Eliminated Uses (Currently Allowed in Planned Development-27)

- Alcoholic Beverage Establishment (S)
- Antenna, Non-Commercial
- Antenna, Stealth
- Assisted Care of Living Facility (S; Retail District)
- Automobile Paid Parking Lot/Garage
- Automobile Parking Lot/Garage
- Automobile Repair, Minor (S)
- Automobile Sales/Leasing, New (S)
- Automobile Sales/Leasing, Used (S)
- Athletic Stadium or Field, Private (S)
- Athletic Stadium or Field, Public
- Bed and Breakfast Inn
- Big Box (S)
- Building Material and Hardware Sales, Major (S; Retail District)
- Bus Terminal
- Cemetery or Mausoleum (S)
- Child Care Center, Incidental (S)
- Child Care Center, Licensed (S)
- Civic/Convention Center
- College, University, Trade, or Private Boarding School
- Commercial Amusement, Outdoor (S)
- Commercial Drone Delivery Hub (S)
- Community Center
- Construction Yard and Field Office, Temporary
- Convenience Store without Gas Pumps
- Day Care Center, Adult
- Donation or Recycling Bin
- Equipment and Machinery Sales and Rental, Minor
- Fairgrounds/Exhibition Area (S)
- Farm, Ranch, Stable, Garden, or Orchard
- Farmer’s Market
- Food Truck Park (S)
- Fraternal Organization, Lodge, Civic Club, Fraternity, or Sorority
- Funeral Home (S; On-Site Cremation Services)
- General Manufacturing/Industrial Use Complying with Performance Standards
- Golf Course and/or Country Club
- Helistop (S)
- Hospital
- Hotel, Full Service
- Hotel, Limited Service (S)
- Hotel, Residence/Extended Stay (S)
- House of Worship
- Indoor Gun Range (S)
- Laundromat

- Mobile Food Vendor (S)
- Motorcycle Sales/Service (S)
- Museum/Art Gallery
- Nursery, Major (S)
- Open Storage
- Outdoor Merchandise Display, Incidental (S)
- Outdoor Merchandise Display, Temporary
- Park or Playground
- Print Shop, Major
- Private Club (S)
- Private Recreation Center
- Recycling Center (S)
- Recycling Collection Point
- Rehabilitation Care Institution (S)
- School District Bus Yard
- School, Private or Parochial
- School, Public
- Sewage Treatment Plant/Pumping Station (S)
- Taxidermist
- Telephone Exchange
- Temporary Building (S)
- Transit Center
- Utility Distribution/Transmission Facility (S)
- Water Treatment Plant (S)
- Winery
- Wireless Communications and Support Structures (S)

Building Materials:

The architectural standards within this Planned Development are shown below.

- Building Materials:
 - Primary Materials (Min. of 80%)
 - Clay Fired Brick
 - Concrete Tilt Wall
 - Split-Faced Block
 - Stone (Natural and Manufactured)
 - Secondary Materials (Max. of 20%)
 - Formliner
 - Steel
 - Stucco (Three-Step Only)
 - Timber
- Building Design:
 - Enhanced Building Entrances
 - Enhanced Pedestrian-Facing Façades
 - Enhanced Public-Facing Façades

Landscaping:

The landscaping regulations within this Planned Development compared to the regulations in the Unified Development Code are shown below.

Perimeter Landscaping

The only deviation is the allowance for no landscaping buffer between commercial lots (5' width) when the lot line is located at the centerline of a drive aisle or fire lane.

	Proposed Regulations (Development Standards)	Town Regulations (Unified Development Code)
Buffer / Easement	Width: 5' (Adj. to Commercial) 15' (Adj. to Residential) 25' (Adj. to Thoroughfare) 30' (University Drive)	Width: 5' (Adj. to Commercial) 15' (Adj. to Residential) 25' (Adj. to Thoroughfare) 30' (University Drive)
Trees	Adj. to Commercial: One Small Tree every 15 Feet Adj. to Residential: One 3" Caliper every 30 Feet Adj. to Thoroughfare: One 3" Caliper every 30 Feet	Adj. to Commercial: One Small Tree every 15 Feet Adj. to Residential: One 3" Caliper every 30 Feet Adj. to Thoroughfare: One 3" Caliper every 30 Feet
Shrubs	Adj. to Commercial: One 5-Gallon every 15 Feet Adj. to Residential: N/A Adj. to Thoroughfare: 15 5-Gallon every 30 Feet	Adj. to Commercial: One 5-Gallon every 15 Feet Adj. to Residential: N/A Adj. to Thoroughfare: 15 5-Gallon every 30 Feet

Open Space and Amenities:

A minimum percentage of open space will not be required for each commercial lot; however, a minimum of 12 percent of open space is required for the aggregate area of the proposed development. Additionally, amenities from the list below will be provided in these open space areas. These amenities are categorized as either major or minor with a requirement of three major amenities and ten minor amenities being provided throughout the development as approved by the Director of Development Services.

- Major Amenities:
 - Dog Park
 - Fountain
 - Hike and Bike Trail Head
 - Shade Structure
- Minor Amenities:
 - Benches and Tables
 - Bike Racks
 - Dog Waste Station
 - Pond Overlook

Screening:

A living screen is proposed in lieu of a masonry screening wall adjacent to the residential subdivision to the north, Willow Ridge. There is an existing tree line adjacent to the homes in Willow Ridge that are adjacent to the site. The screen will consist of this existing tree line in addition to plantings that will fill in its gaps. Additionally, an eight-foot wrought iron fence will be placed along the northern boundary adjacent to the common area lot in Willow Ridge as shown on the Conceptual Plan.

Richland Boulevard:

Richland Boulevard, as depicted on the Conceptual Plan, will be extended through the interior of the development from its current section to Lovers Lane to provide access throughout the site and frontage onto a public right-of-way for Tract 3. Additionally, berms and a ten-foot hike and bike trail will be provided along this thoroughfare.

Thoroughfare Plan:

This property has access to Lovers Lane, future Richland Boulevard, and University Drive.

Parks Master Plan:

The Parks Master Plan does not indicate a park is needed on the subject property.

Budget Impact:

There is no budgetary impact affiliated with this item.

Notification:

Notification was provided as required by the Unified Development Code and state law. Staff has received five letters of opposition, two letters of neutrality, and one letter of support to the proposed zoning request to date.

The applicant met with the Homeowners' Association to discuss the proposal and worked to address their concerns.

Attached Documents:

1. Aerial Map
2. Zoning Map
3. Future Land Use Exhibit
4. Exhibit A-1 – Written Metes and Bounds
5. Exhibit A-2 – Boundary Exhibit
6. Exhibit B – Letter of Intent
7. Exhibit C – Development Standards
8. Exhibit D – Conceptual Plan
9. Exhibit E – Development Schedule
10. Exhibit F – Elevations
11. Exhibit G – Landscape Plan
12. Exhibit H – Open Space Plan
13. Trip Generation Exhibit (Tract 2)
14. Draft Development Agreement
15. Letter from Resident – St. Romain, D.
16. Letter from Resident – Holbrook, R.
17. Letter of Support – Hage, G.
18. Letter of Opposition – Chatfield, K.
19. Letter of Opposition – Astie, S.
20. Letter of Opposition – Bremer, T.
21. Letter of Opposition – Raney, L.
22. Letter of Opposition – Hendrickson, C.

Town Staff Recommendation:

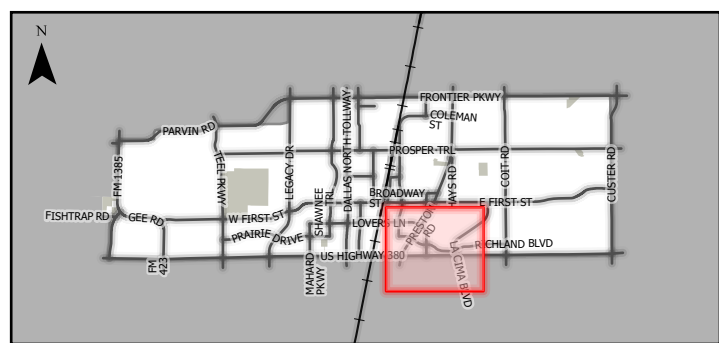
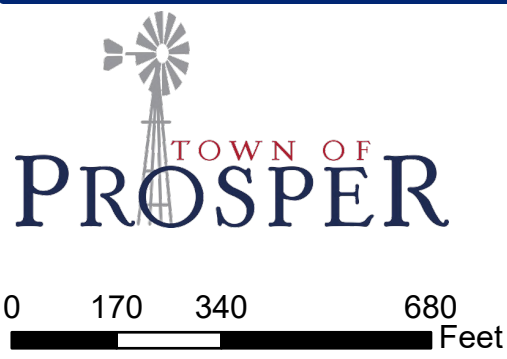
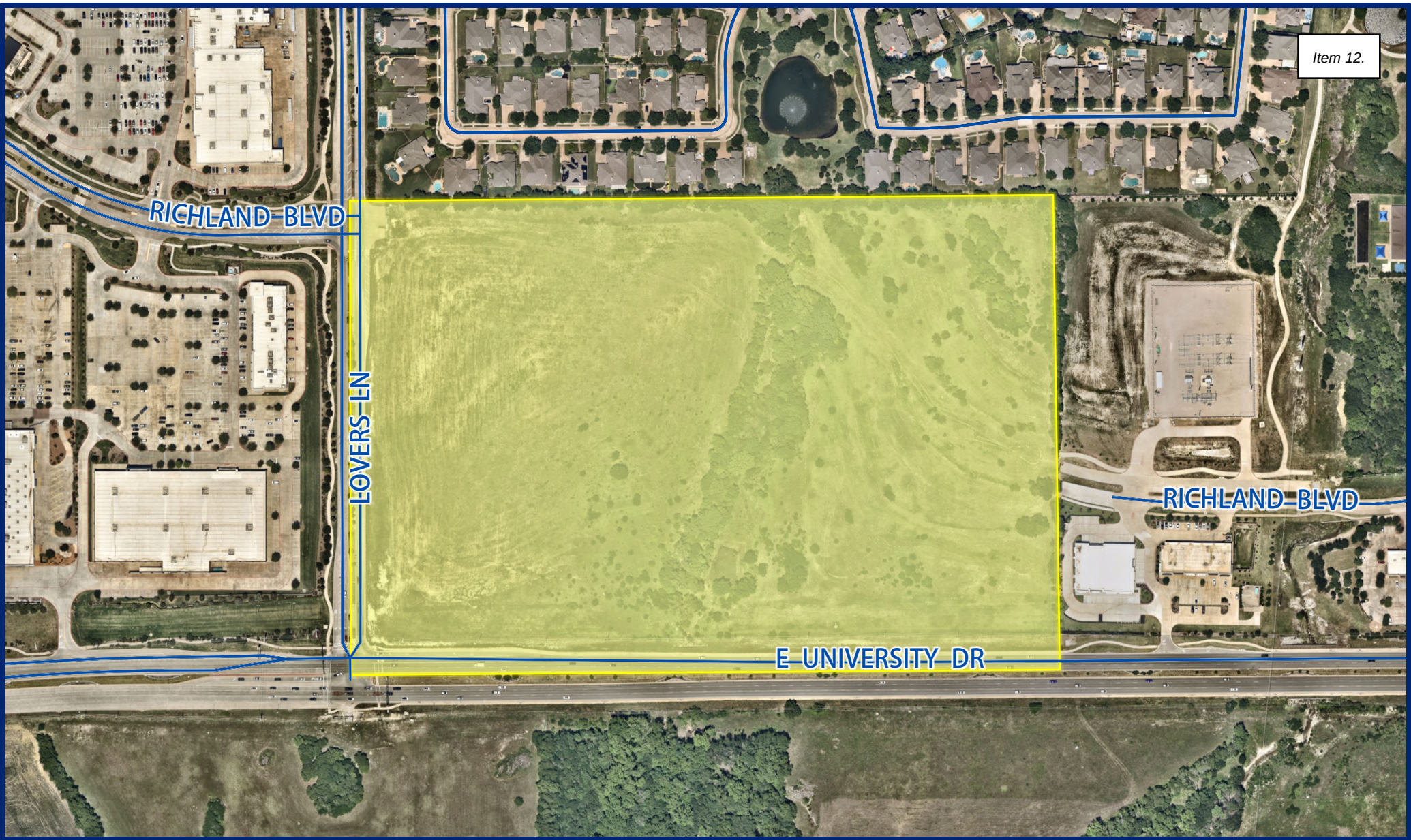
The rezoning request is compliant with the Future Land Use Plan. Additionally, it allows for the update of an outdated zoning district with undesirable uses and a development agreement that will ensure the aesthetic quality of the development. For these reasons, Town Staff recommends the Planning and Zoning Commission approve the request for a rezoning from Planned Development-27 to a Planned Development for Cottage Logistics, Office/Warehouse, and Retail uses on Edward Bradley Survey, Abstract 86, Tract 5, on 39.2± acres, located on the northeast corner of Lovers Lane and University Drive.

Planning and Zoning Commission Recommendation:

The Planning and Zoning Commission unanimously recommended approval of this item by a vote of 7-0 at their meeting on August 4, 2026, with the condition that dumpsters shall not be located on the northern boundary of Tract 3.

Proposed Motion:

I move to approve/deny the request for a rezoning from Planned Development-27 to a Planned Development for Cottage Logistics, Office/Warehouse, and Retail uses on Edward Bradley Survey, Abstract 86, Tract 5, on 39.2± acres, located on the northeast corner of Lovers Lane and University Drive, with the condition that dumpsters shall not be located on the northern boundary of Tract 3.

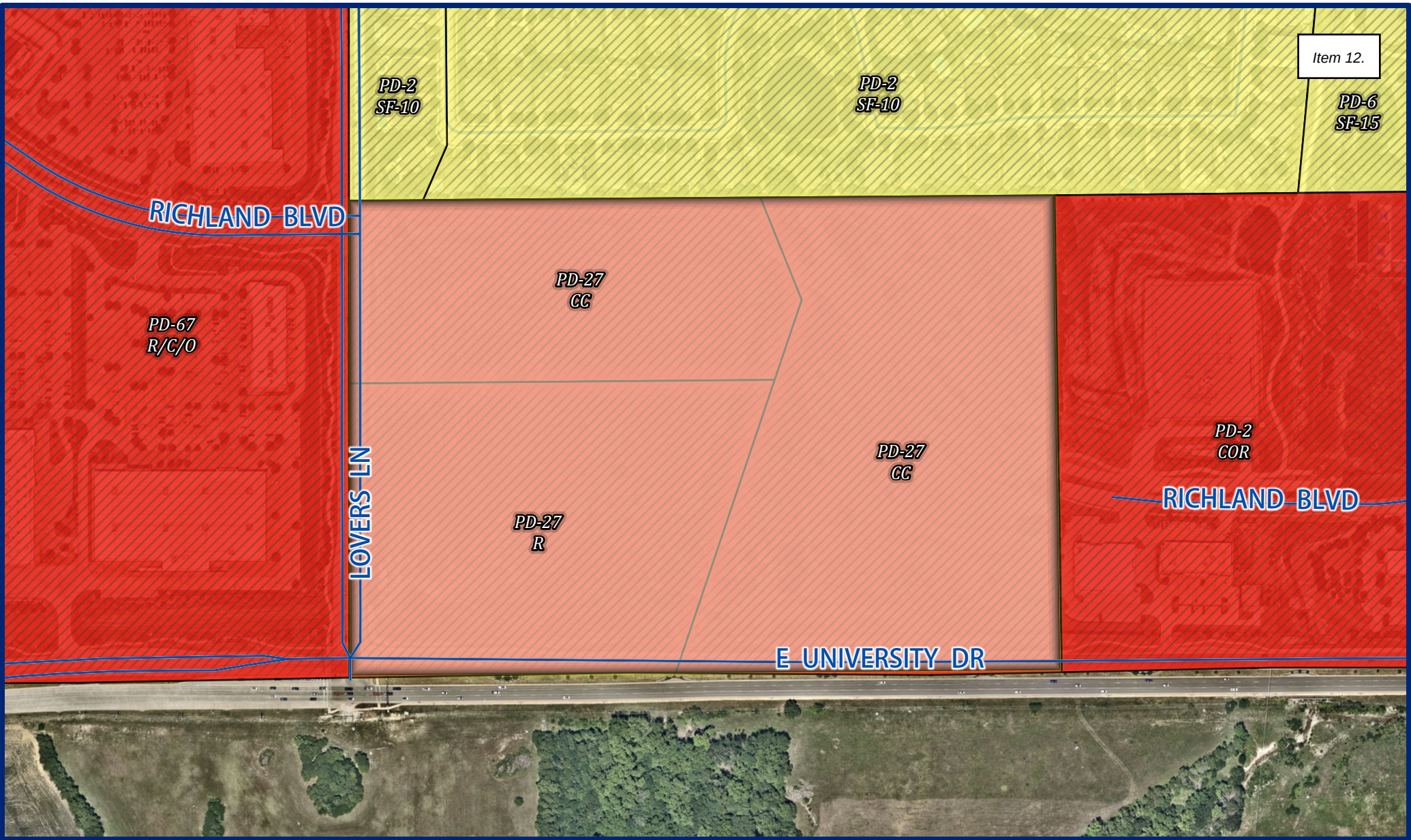


ZONE-26-0006

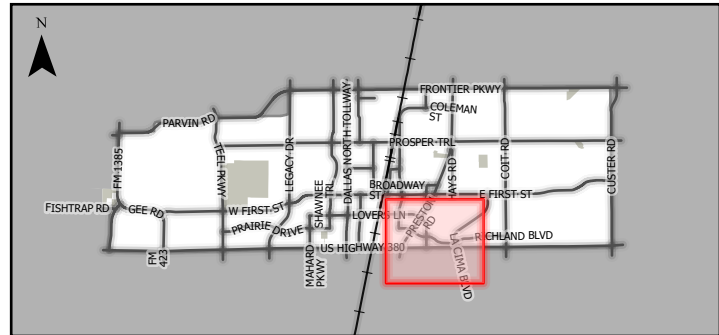
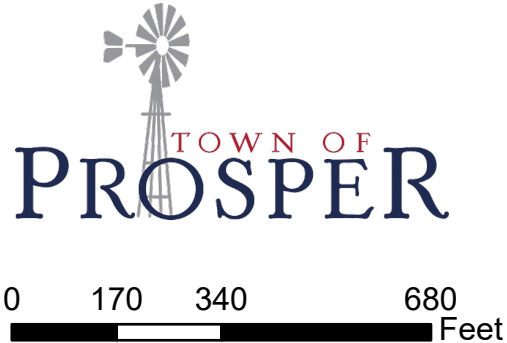
Prosper LGE

Planned Development

This map for illustration purposes only



Item 12.



ZONE-26-0006

Prosper LGE

Planned Development

This map for illustration purposes only

Future Land Use Exhibit

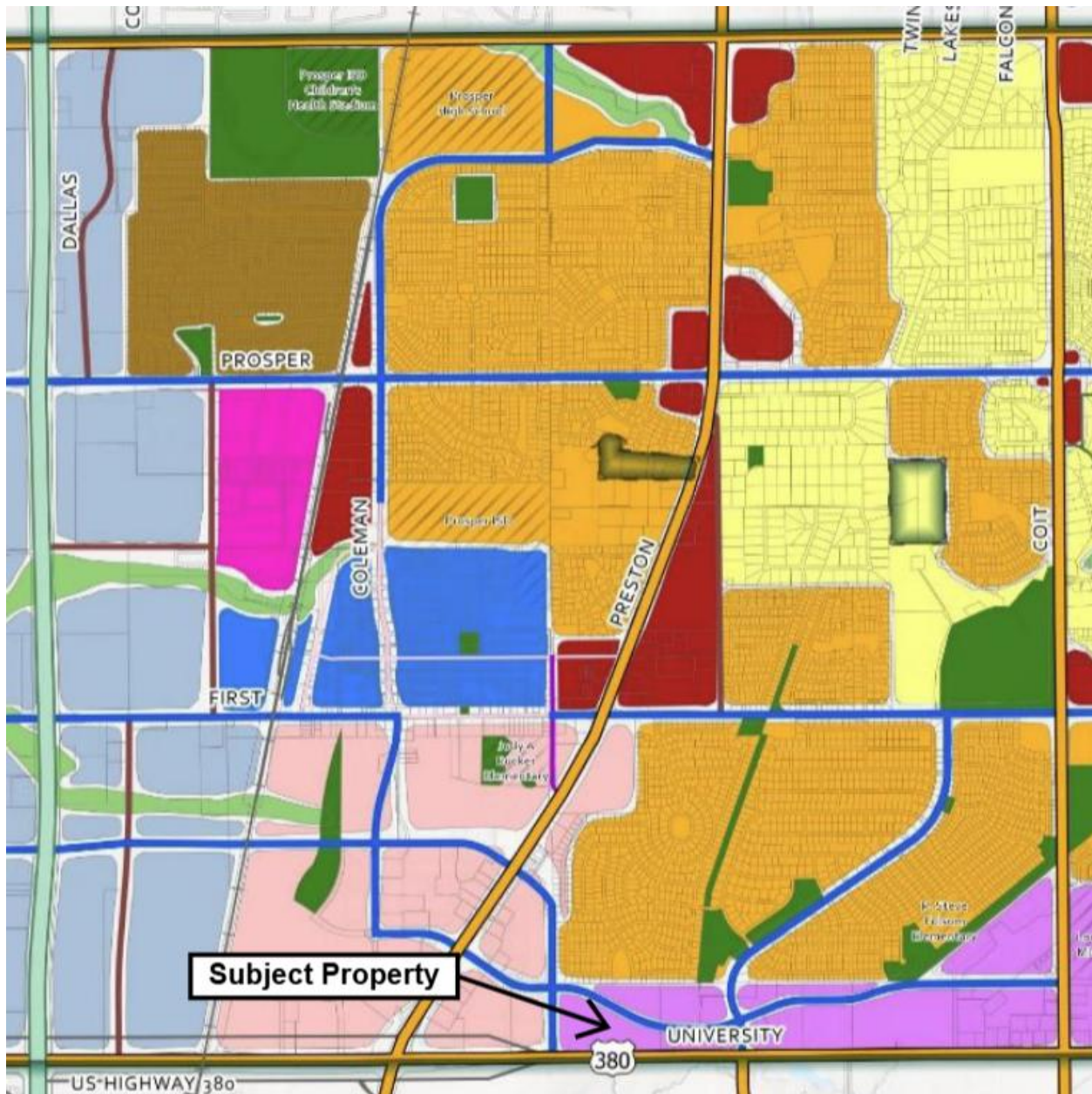


EXHIBIT "A-1"
ZONE-26-0006

BEING a tract of land situated in the Edward Bradley Survey, Abstract No. 86, Town of Prosper, Collin County, Texas, and being a portion a called 41.166-gross acre tract of land, described in a deed from Carol Tsai, L.P. to Carol Tsai (21.206% interest), Chao-Lun Tsai (39.397% interest), Grace Tsai Hage (0.333% interest), and Grace Tsai Hage Trust (39.064% interest), recorded in Instrument No. 20121129001521660, that tract of land described in a deed from Carol Tsai to Grace Tsai Hage Trust (21.206% interest), recorded in Instrument No. 20121217001602890, that tract of land described in a deed from Chao-Lun Tsai to Chao-Lun Tsai (a/k/a/ Roland Tsai), as Trustee of the Roland Tsai Trust, U/A/D April 11, 2017 (39.397% interest), recorded in Instrument No. 20170630000859500, that tract of land described in a deed from Chao-Lun Tsai (a/k/a/ Roland Tsai), as Trustee of the Roland Tsai Trust, U/A/D April 11, 2017 to Chris LLC (39.397% interest), recorded in Instrument No. 20181220001544550, corrected in Instrument No. 20190208000136680, further corrected in Instrument No. 201902110001041320, all of the Official Public Records of Collin County, Texas, and being the current north half of E. University Drive (U. S. Highway 380) and the east half of Lovers Lane, and being more particularly described as follows:

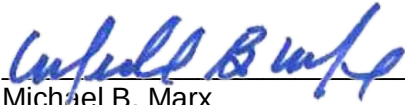
BEGINNING at a 1/2-inch iron rod found for the northeast corner of said 41.166-gross acre tract, same being the northwest corner of Lot 3R, Block B of La Cima Crossing, an addition to the Town of Prosper, according to the Plat recorded in Volume 2021, Page 166 of the Plat Records of Collin County, Texas, same being on the south line of Willow Ridge Phase Three, an addition to the Town of Prosper, according to the Plat recorded in Cabinet Q, Page 618 of the Plat Records of Collin County, Texas;

THENCE South 00°47'44" East, along the east line of said 41.166-gross acre tract, the west line of said Lot 3R, Block B, passing at a distance of 617.29 feet, a 5/8-inch iron rod with a yellow plastic cap, stamped "DUNAWAY ASSOC LP" found for the southwest corner of said Lot 3R and the north corner of the west terminus of Richland Boulevard, a 90' wide right of way as dedicated in aforesaid Volume 2017, Page 490, Plat Records, Collin County, Texas, passing at a distance of 712.34 feet a 1/2-inch iron rod with a yellow plastic cap, stamped "DAA" found for the south corner of said Richland Boulevard and the northwest corner of Lot 4, Block A of La Cima Crossing, an addition to the Town of Prosper, according to the plat recorded in Volume 2017, Page 490 of the Plat Record of Collin County, Texas, continuing along the west line of said Lot 4, passing at distance of 1,044.37 feet, an aluminum TXDOT right of way disk found on the east line of said 41.166-gross acre tract, for the southwest corner of said Lot 4, Block A, same being on the north right of way line of E. University Drive (U. S. Highway 380), a variable width right of way, described in a 0.6980-acre deed to the State of Texas, recorded in Volume 3299, Page 107 of the Land Records of Collin County, Texas, continuing a cross said E. University Drive (U. S. Highway 380), a total distance of 1,130.91 feet to the center of existing E. University Drive (U. S. Highway 380), same being the south town limit line of the Town of Prosper and the north city limit line of the City of Frisco;

THENCE South 89°33'11" West, along the current centerline of E. University Drive (U. S. Highway 380), and the common boundaries of the Town of Prosper and the City of Frisco, a distance of 1,687.91 feet to the intersection of said line with the centerline of Lovers Lane;

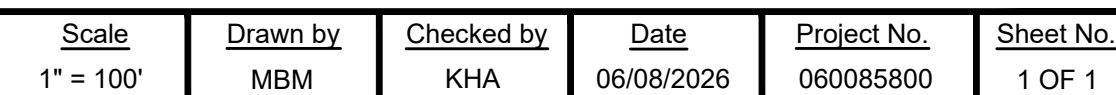
THENCE North 00°05'38" West, along the centerline of said Lovers Lane, a distance of 1,129.48 feet to a point for corner;

THENCE North 89°30'15" East, departing the centerline of said Lovers Lane, crossing said Lovers Lane, passing a 1/2-inch iron rod with a plastic cap, stamped "DAA" found for the southwest corner of Block B, Lot 68 of Willow Ridge Phase Four A, an addition to the Town of Prosper, according to the Plat recorded in Volume 2009, Page 124 of the Plat Records of Collin County, Texas, passing the northwest corner of aforesaid 41.166-gross acre tract, continuing along the north line of said 41.166-gross acre tract, the south line of said Willow Ridge Phase Four A and the south line of aforesaid Willow Ridge Phase Three, a total distance of 1,674.07 feet to the **POINT OF BEGINNING** and containing 43.61 acres of land, more or less.



Michael B. Marx
Registered Professional Land Surveyor No. 5181
Kimley-Horn and Associates, Inc.
6160 Warren Pkwy., Suite 210
Frisco, Texas 75034
Ph. 972-335-3580
michael.marx@kimley-horn.com
Michael B. Marx





ZONE-26-0006

Exhibit B: Statement of Intent and Purpose

PLANNED DEVELOPMENT DISTRICT

LOVERS BUSINESS PARK

Southeast corner of Lovers Land and Richland Blvd, Prosper, Texas

Creation RE, LLC

Creation RE, LLC intends to develop this site to accommodate retail, office, and showroom, along with high-quality business park space to support a variety of light manufacturing and warehousing uses. The project will be thoughtfully planned to enhance both functionality for future tenants and the visual character of the surrounding area, contributing positively to the Town of Prosper.

EXHIBIT C: Development Standards

ZONE-26-0006

LOVERS BUSINESS PARK

Except as otherwise set forth in these Development Standards, the regulations of the Unified Development Code (as it currently exists or may be amended) shall apply to the property.

The zoning exhibits attached and incorporated into this Planned Development shall serve as a guide for development of the Property. The ultimate layout (including streets, site layout, building uses, and open space areas) shall be determined at the time of Preliminary Site Plan or Site Plan by the Planning & Zoning Commission.

This Planned Development document shall be the governing document for development of the Property and in the event of any conflict or inconsistency between any Town Ordinances and this document, the terms and provisions of this Planned Development shall control. This PD document is a vesting document for purposes of Chapter 245 of the Texas Local Government Code.

Commercial Corridor District – LOVERS BUSINESS PARK

1.1 GENERAL PURPOSE AND DESCRIPTION:

This planned development is separated into three tracts as shown on Exhibit D-1.

1.2 REGULATIONS:

“Tract I” Commercial Tract

A. Size of Yards:

- 1. Minimum Front Yard:** 30 feet
- 2. Minimum Side Yard:**
 - a. Twenty-five feet adjacent to a nonresidential district. The minimum side yard setback may be eliminated for attached buildings on separate lots as shown on an approved site plan.
 - b. Ten feet adjacent to lots within this planned development.
 - c. Forty feet for a one story building adjacent to a residential district and 60 feet for a two story building adjacent to a residential district.
 - d. Thirty feet when adjacent to a street.

3. Minimum Rear Yard:

- a. Twenty-five feet adjacent to a nonresidential district. The minimum rear yard setback may be eliminated for attached buildings on separate lots as shown on an approved site plan.
- b. Ten feet adjacent to lots within this planned development.
- c. Forty feet for a one story building adjacent to a residential district and 60 feet for a two story building adjacent to a residential district.

B. Size of Lots:

- 1. **Minimum Size of Lot Area:** 10,000 square feet.
- 2. **Minimum Lot Width:** 100 feet.
- 3. **Minimum Lot Depth:** 100 feet.

C. **Maximum Height:** 50 feet

D. **Lot Coverage:** 50 percent.

E. **Floor Area Ratio:** Maximum 0.5:1

“Tract II” Light Industrial

A. Size of Yards:

- 1. **Minimum Front Yard:** 30 feet
- 2. **Minimum Side Yard:**
 - a. Thirty feet adjacent to a nonresidential district. The minimum side yard setback may be eliminated for attached buildings on separate lots as shown on an approved site plan.
 - b. Ten feet adjacent to lots within this planned development.
 - c. 60 feet adjacent to a residential district.
 - d. Thirty feet adjacent to a street.

3. Minimum Rear Yard:

- a. Thirty feet adjacent to a nonresidential district. The minimum rear yard setback may be eliminated for attached buildings on separate lots as shown on an approved site plan.
- b. Ten feet adjacent to lots within this planned development.
- c. 60 feet adjacent to a residential district.

B. Size of Lots:

- 1. **Minimum Size of Lot Area:** 15,000 square feet.
- 2. **Minimum Lot Width:** 100 feet.
- 3. **Minimum Lot Depth:** 150 feet.

- C. Maximum Height:** 50 feet in height.
- D. Lot Coverage:** 60 percent.
- E. Floor Area Ratio:** Maximum 1:1

“Tract III” Cottage Logistics

A. Size of Yards:

- 1. Minimum Front Yard:** 30 feet
- 2. Minimum Side Yard:**
 - a. Thirty feet adjacent to a nonresidential district. The minimum side yard setback may be eliminated for attached buildings on separate lots as shown on an approved site plan.
 - b. Ten feet adjacent to lots within this planned development.
 - c. 60 feet adjacent to a residential district.
 - d. Thirty feet adjacent to a street.
- 3. Minimum Rear Yard:**
 - a. Thirty feet.
 - b. Ten feet adjacent to lots within this planned development.
 - c. Sixty feet adjacent to a residential district.

B. Size of Lots:

- 1. Minimum Size of Lot Area:** 15,000 square feet.
- 2. Minimum Lot Width:** 100 feet.
- 3. Minimum Lot Depth:** 150 feet.

- C. Maximum Height:** 35 feet
- D. Lot Coverage:** 60 percent.
- E. Floor Area Ratio:** Maximum 1:1

1.5 Parking Requirements:

Parking spaces shall be provided in accordance with the requirements listed in the Schedule of Uses in Article 2.07.C in the Unified Development Code in addition to the following:

Tract III Cottage Logistics: 1 space per 350 SF (office) 1 space per 1,000 SF (Warehouse)

1.6 EXTERIOR APPEARANCE OF BUILDINGS:

Building facades shall be comprised of minimum of 80% primary building material (split-faced block, brick, concrete tilt-wall panel, stone) with a maximum of 20% secondary materials (steel, timber, form liner, three-step stucco). These restrictions shall apply to all facades of any building as a cohesive whole. Glazing shall be encouraged but subtracted from the overall façade calculations.

For Tract I, overall material ratios (for all facades of any building as a cohesive whole) shall include a minimum of 70% primary materials (including glazing) with total secondary material not to exceed 30%, as reviewed and confirmed by the Director of Development Services or his or her designee.

Buildings shall incorporate a cohesive palette of high-quality materials including natural stone, architectural concrete tilt-wall panels, metal accents, and glazing systems to establish a refined contemporary character appropriate for the Town of Prosper. Natural stone shall be prominently integrated at primary building entries and along key pedestrian-facing facades (front and sides of building) to reinforce a durable, authentic material expression.

Architectural tilt-wall panels shall utilize a minimum of two complementary earth-tone colors, consisting of a lighter primary field color with a darker contrasting base course to provide visual grounding and pedestrian-scale articulation. Horizontal and vertical reveals, offsets, and varying panel depths shall be incorporated at regular intervals to reduce perceived massing and create shadow lines and visual interest along all public-facing elevations (front and sides of building).

Primary building entrances shall be enhanced through the use of articulated steel canopies, enhanced glazing, vertical architectural elements, accent lighting, and landscape integration to create a clearly identifiable and inviting entry experience.

Buildings throughout the development shall maintain a consistent architectural vocabulary, coordinated material palette, and complementary colors while allowing for subtle variation in facade composition and detailing to avoid repetition and enhance the overall character of the development.

1.7 LANDSCAPE AREA REQUIREMENTS

Lovers Business Park Planned Development shall comply with the Town of Prosper's landscaping standards except as described herein:

A 5' landscape buffer is required on each side of the lot line except where the lot line falls within a drive aisle or fire lane. Alternate landscape requirements to be allowed

where in conflict with existing utility and utility easements as determined by the Director of Development Services or his or her designee.

The northern property boundary of the Lovers Planned Development District Shall be heavily screened where space allows. In addition to an twenty foot landscape buffer, A ten foot natural buffer shall be preserved along the northern property line with the intent to save the existing tree line for better screening. No grading shall occur within the 10' natural buffer. Where there are gaps in the existing tree line, additional vegetation screening shall be provided as determined by the Director of Development Services or his/her designee. A 8' wrought iron fence shall be provided along the northern property line where single family lot does not exist as shown on the Concept Plan.

In addition to the landscape requirements set forth in the Unified Development Code, Richland Blvd landscape to include a 10' hike and bike trail with clustered enhanced landscape areas and landscape berms where space allows. The 10' hike and bike trail to be required as shown on the Concept Plan in Exhibit D. Due to the alignment of Richland Blvd, landscape requirements along the northern ROW may not be required where there is insufficient space, as determined by the Director of Development Services or his or her designee.

Open Space Amenities:

Lovers Business Park will provide thoughtfully designed open space amenities to enhance usability for future tenants. The open space for Lovers Business Park will be shared and maintained by the property owner's. The open space may be separated into separate areas as shown in Exhibit H and described below. The open space will be consolidated and not be required on a lot-by-lot basis. If the project is phased, the open space plan will be updated and reviewed at preliminary site plan level to ensure the total open space area meets or exceeds 12% of the net lot area included in Lovers Business Park PD. Specific details, cut sheets, and product information to be provided at site plan level. The open space shall include a minimum of 3 major amenities and 10 minor amenities from the list below subject to approval of the Director of Development Services:

- A. Major Amenities: Hike and Bike Trail Head, Shade Structure, Dog Park, Fountain
- B. Minor Amenities: Bench, Table, Bike Rack, Pond Overlook, Dog Waste Station.

LOVERS BUSINESS PARK

PLANNED DEVELOPMENT

SCHEDULE OF USES

Permitted uses within the Lovers Business Park Planned Development shall comply with the Schedule of uses herein. The following shall apply to the Lovers Business Park Planned Development:

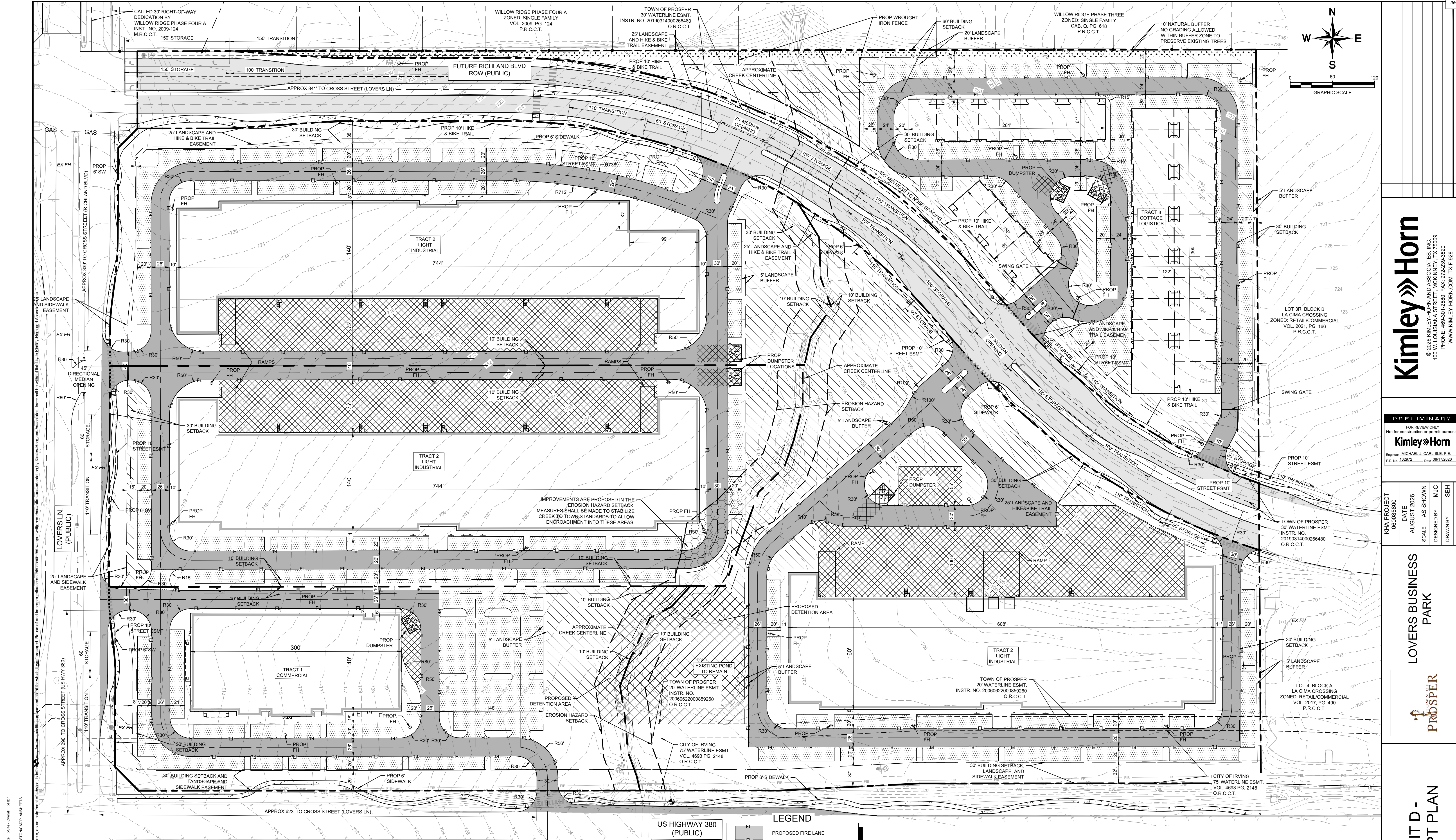
Tract III to allow for Cottage Logistics use which is defined as an establishment or business where the primary purpose is small-scale and individualized (i.e., not mass produced) assembly and light manufacturing of commodities and is characterized by low to no external impact. This use includes, but is not limited to workshops and studios for cottage industries such as pottery, glassblowing, metalworking and fabrication, weapon bluing, and furniture-making. Cottage logistics enterprises may include direct sales to consumers and repair or rehabilitation of household goods, appliances, or furnishings. This use does not include any maintenance or repair work done on automobiles.

Office/Warehouse – means a building primarily devoted to storage and warehousing of merchandise, supplies, and equipment. Accessory uses may include retail and wholesale sales areas, sales offices, and display areas for products sold, distributed, and shipped from the storage and warehousing areas.

Use	TRACT I – RETAIL	TRACT II – LIGHT INDUSTRIAL	TRACT III – PORTIS
SECTION 1.3(B) ACCESSORY AND INCIDENTAL USES			
Homebuilder Marketing Center	X	X	X
Retail/Service Incidental Use	X	X	X
SECTION 1.3(C) EDUCATIONAL, INSTITUTIONAL, PUBLIC, AND SPECIAL USES			
Municipal Uses Operated by the Town of Prosper	X	X	X
SECTION 1.3(D) TRANSPORTATION, UTILITY, AND COMMUNICATIONS USES			
Private Utility, Other Than Listed	X	X	X
Wireless Communications and Support Structures		S	S

SECTION 1.3(E) OFFICE AND PROFESSIONAL USES			
Administrative, Medical, or Professional Office	X	X	X
Governmental Office	X		
Research and Development Center		X	X
SECTION 1.3(F) RETAIL USES			
Antique Shop and Used Furniture	X		
Alcoholic Beverage Sales	X		
Building Material and Hardware Sales, Minor	X	X	X
Equipment and Machinery Sales and Rental, Minor		S	S
Feed Store	X		
Furniture, Home Furnishings and Appliance Store	X	X	X
Nursery, Minor	X	X	X
Retail Stores and Shops	X	X	X
SECTION 1.3(G) SERVICE USES			
Artisan's Workshop			X
Bank, Savings and Loan, or Credit Union	X		
Beauty Salon/Barber Shop	X		
Business Service	X	X	X
Cabinet/Upholstery Shop	X	X	X
Catering	X		
Child Care Center, Licensed	S		
Child Care Center, Incidental	S		
Commercial Amusement, Indoor	X	X	
Contractor's Shop and/or Storage Yard			S
Dry Cleaning, Minor	X		
Furniture Restoration		X	X
Gymnastics/Dance Studio	X	X	
Health/Fitness Center	X	X	X
Locksmith/Security System Company	X	X	X
Massage Therapy, Licensed	X		
Meeting/Banquet/Reception	X		
Print Shop, Minor		X	X

Repair Service, Indoor		X	X
Restaurant	X		
Restaurant, Drive In	S		
Small Engine Repair Shop			X
Theater, Neighborhood	X		
Theater, Regional	X		
SECTION 1.3(H) AUTOMOBILE AND RELATED USES			
Auto Parts Sales, Inside		S	S
SECTION 1.3(I) WHOLESALE USES			
Office/Showroom	X	X	X
Office/Warehouse*		X	X
Cottage Logistics			X
Storage or Wholesale Warehouse		X	X
SECTION 1.3(J) MANUFACTURING AND INDUSTRIAL USES			
Limited Assembly and Manufacturing Use Complying with Performance Standards		X	X
Machine Shop			X



SITE DATA SUMMARY TABLE						
TRACT	LOT AREA	LAND USE	BUILDING HEIGHT	LOT COVERAGE	FLOOR AREA RATIO	PARKING REQUIREMENT
TRACT 1	10,000 SF MIN	COMMERICAL	50 FT MAX	50% MAX	0.5:1 MAX	2 plus 1/300 SF of GFA exceeding 1,000 SF 1/350 SF (OFFICE)
TRACT 2	15,000 SF MIN	LIGHT INDUSTRIAL	50 FT MAX	60% MAX	1:1 MAX	1/1000 SF (WAREHOUSE)
TRACT 3	15,000 SF MIN	COTTAGE LOGISTICS	50 FT MAX	60% MAX	1:1 MAX	1/350 SF (OFFICE) 1/1000 SF (WAREHOUSE)

WHERE LAND USES VARY FROM SITE DATA SUMMARY TABLE, FINAL PARKING COUNT SHALL MEET THE RESPECTIVE REQUIRED RATIOS FOR THE AMOUNT OF BUILDING SQUARE FOOTAGE DEDICATED TO EACH USE.

NOTE

THE THOROUGHFARE ALIGNMENT SHOWN ON THIS EXHIBIT IS FOR ILLUSTRATION PURPOSES AND DOES NOT SET THE ALIGNMENT. THE ALIGNMENT IS DETERMINED AT THE TIME OF THE FINAL PLAN.

FIRE ZONING COMMENTS

Zoning does not include compliance with the town fire code, nor does it include fire access, fire hydrants, and fire lane arrangements. Review of the Zoning does not grant or otherwise provide said approval to the Town Fire Code. Full compliance will be reviewed during PSP and SP submittal and may require the site is reconfigured and modified from that shown in the Concept Plan and/or Zoning Exhibit.

FLOOD STATEMENT

FLOOD STATEMENT: According to flood map 48085QJ253, revised June 2, 2009 of the Flood Insurance Rate Map of Collin County, Texas, Federal Emergency Management Agency, Federal Insurance Administration, this property is not within a Special Flood Hazard Area.

LEGEND

- FL PROPOSED FIRE LANE
- FL PROPOSED BUILDING
- OPEN SPACE
- NATURAL BUFFER ZONE
- PROPOSED SIDEWALK
- PROPOSED LIGHT-DUTY PAVEMENT
- PROPOSED HEAVY-DUTY PAVEMENT
- PROPOSED ROW/LINE
- PROPOSED SETBACK

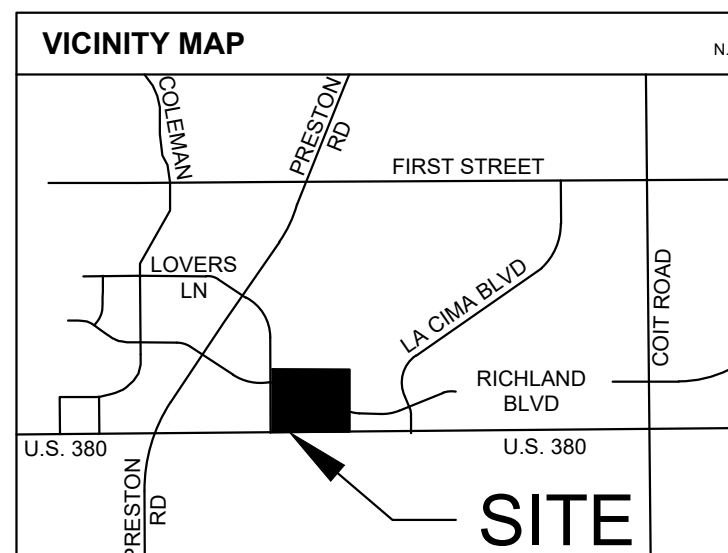


EXHIBIT D - CONCEPT PLAN
ZONE-26-0006
PROSPER LGE,
BEING 39.20 ACRES IN THE EDWARD
BRADLEY SURVEY. ABSTRACT NO. 86
Town of Prosper,
Collin County, Texas
SUBMITTED: August 17, 2026

Owner:
Hage Group Teal Trust
3208 Caruth Blvd
Dallas, TX 75225
Phone: (214) 676-3418
Contact: Andrew Price

Developer:
Creation Equity
1280 E. Levee St.
Dallas, Texas 75207
Phone: (602) 600-6363
Contact: Mr. Taylor Mittham

ARCHITECT:
LGE Design Build
1280 E. Levee St.
Dallas, Texas 75207
Phone: (469) 498-0998
Contact: Mark Cone

Engineer:
Kimley-Horn and Associates, Inc.
200 N Travis St, Suite 500
Sherman, Texas 75090
Phone: (469) 353-6061
Contact: Michael Carlisle, P.E.

Drawn by: J. H. H. 10/26/2026
Checked by: J. H. H. 10/26/2026
Reviewed by: J. H. H. 10/26/2026
Approved by: J. H. H. 10/26/2026
Project: 26-0006
Sheet: 241

Kimley»Horn
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106 W. LOUISIANA STREET, MCKINNEY, TX 75069
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WWW.KIMLEY-HORN.COM TX F-928

PRELIMINARY
FOR REVIEW ONLY
Not for construction or permit purposes.
Kimley»Horn
Engineer: MICHAEL J. CARLISLE, P.E.
P.E. No. 132972 Date: 08/17/2026

KHA PROJECT	06005800	DATE	AUGUST 2026	SCALE	AS SHOWN	DESIGNED BY	MJC	SEH	MJC
LOVERS BUSINESS PARK									
PROSPER TEXAS									

EXHIBIT D - CONCEPT PLAN

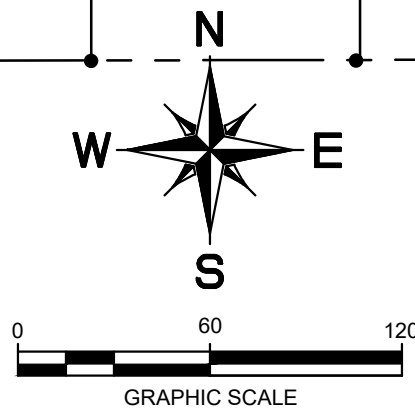
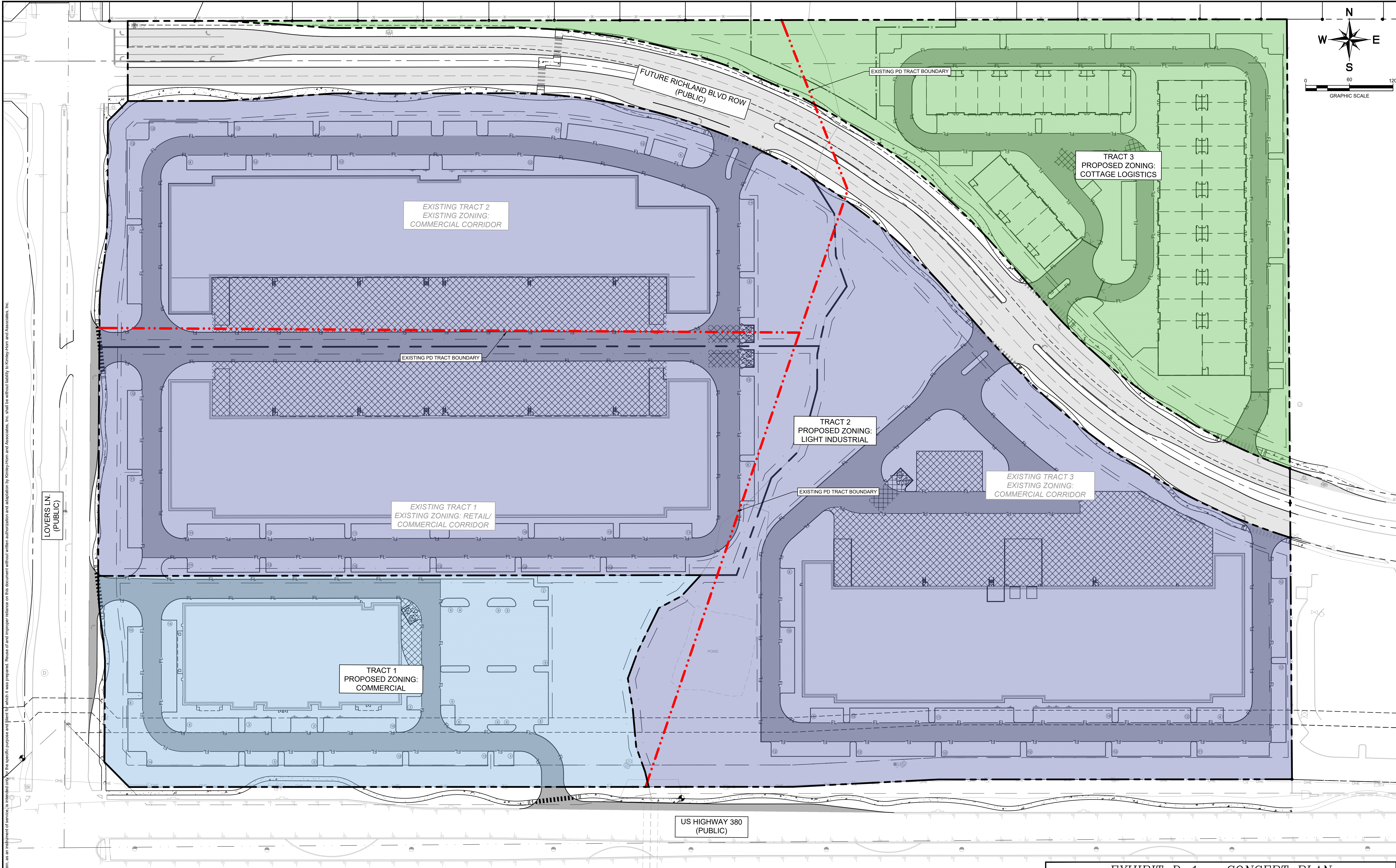
SHEET NUMBER
EX - D

Item 12

DATE	
REVISIONS	
No.	

PROJECT: Lovers Business Park
DATE: 8/17/2026
DRAWN BY: K. BARNETT
CHECKED BY: J. CARLISLE
SCALE: AS SHOWN
SHEET: 242 OF 242

This document, together with the concepts and designs presented herein, is intended only for the specific purpose and project for which it was prepared. Reuse of and improper reliance on this document without written authorization and delineation by Kimley-Horn and Associates, Inc. shall be without liability to Kimley-Horn and Associates, Inc.



FIRE ZONING COMMENTS
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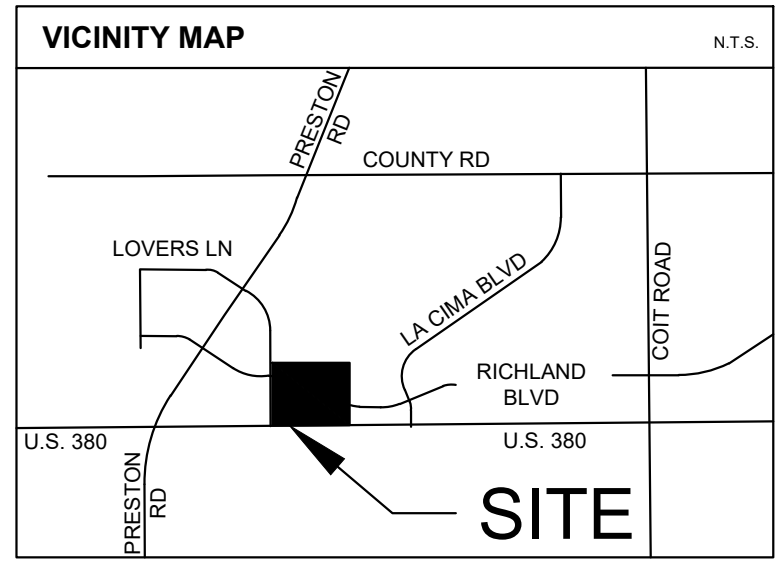


EXHIBIT D-1 - CONCEPT PLAN
ZONE-26-0006
PROSPER LGE,
BEING 39.20 ACRES IN THE EDWARD
BRADLEY SURVEY, ABSTRACT NO. 86
Town of Prosper,
Collin County, Texas
SUBMITTED: August 17, 2026

Owner:
Hage Grace Tsai Trust
3208 Caruth Blvd
Dallas, TX 75225
Phone: (214) 676-3419
Contact: Andrew Prine

Developer:
Creation Equity
1280 E. Levee St.
Dallas, Texas 75207
Phone: (802) 600-6363
Contact: Mr. Taylor Mitcham

ARCHITECT:
LGE Design Build
1280 E. Levee St.
Dallas, Texas 75207
Phone: (469) 498-0998
Contact: Mark Cone

Engineer:
Kimley-Horn and Associates, Inc.
200 N Travis St
Suite 500
Sherman, Texas 75090
Phone: (469) 353-6061
Contact: Michael Carlisle, P.E.

Kimley»Horn
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106 W. LOUISIANA STREET, MCKINNEY, TX 75069
PHONE: 469-301-2560 FAX: 972-239-3820
WWW.KIMLEY-HORN.COM TX F-928

PRELIMINARY
FOR REVIEW ONLY
Not for construction or permit purposes.
Kimley»Horn
Engineer: MICHAEL J. CARLISLE, P.E.
P.E. No. 132972 Date: 08/17/2026

KHA PROJECT	060065800
DATE	AUGUST 2026
SCALE	AS SHOWN
DESIGNED BY	MJC
DRAWN BY	SEH
CHECKED BY	MJC

LOVERS BUSINESS PARK

TOWN OF PROSPER

CONCEPT PLAN

SHEET NUMBER
EX - D-1

No.	REVISIONS	DATE

Item 12.

EXHIBIT "E"

ZONE-26

LOVERS BUSINESS PARK

PLANNED DEVELOPMENT

DEVELOPMENT SCHEDULE

Following completion of the required zoning and permitting. Lovers Business Park will proceed immediately to begin the permitting process of phase 1 of the development with the intent to begin construction of 200,000 SF of the business park within 12-18 months. Phase 1 is anticipated to be completed in approximately 18 months upon start of construction. Subsequent phases will be built based on market demand but is intended to be fully built out in 5 years.



EXTERIOR MATERIAL SCHEDULE			
MATERIAL		FINISHES	
LIMESTONE VENEER AT WALLS, PILASTERS, KNEE WALLS, AND DUMPSIDE SCREEN WALL.	LUDERS LIMESTONE QUARRIED AND FABRICATED BY MEZGER ENTERPRISES IN LAMPASAS, TX - NO SUBSTITUTIONS. CONTACT: STEVE WALKER (512) 625-6668 ST.1+ COLOR: "ROOMS TO GO BLEND", TYPE: CHOPPED LENGTH, COURSE SIZE = 6" (X18" TO 36" LENGTH), BED DEPTH: 3" TO 5". ST.2+ ROUGH/TEXTURED FACE - COLOR: ROUGHBACKS/PUTFACE BLEND, TYPE: SAWN 3 SIDES (TOP, BOTTOM, BACK) CHOPPED, LENGTH: COURSE SIZE = 12" (X18" TO 30" LENGTH), BED DEPTH: 3" TO 5". ST.3+ SMOOTH FACE - COLOR: BUFF, TYPE: SAWN 6 SIDES, LENGTH: COURSE SIZE = 4" (X18" TO 30" LENGTH), BED DEPTH: 4". ST.4+ ROUGH/TEXTURED FACE - COLOR: ROUGHBACKS/PUTFACE BLEND, TYPE: SAWN 3 SIDES (TOP, BOTTOM, BACK) CHOPPED, LENGTH: COURSE SIZE = 24" (X18" TO 30" LENGTH), BED DEPTH: 3" TO 5". MASONRY MORTAR TO BE HOLCIM, MORTAMIX RAINBOW, CUSTOM COLOR: OYSTER WHITE, OR APPROVED EQUAL. OWNERS REPRESENTATIVE APPROVAL OF FIELD SAMPLE REQUIRED. IF HIGH INHERENTLY COLORED SPLIT FACE CONCRETE MASONRY UNITS APPLY WATER REPELLENT (REFER SPECIFICATION 09060), MANUFACTURER: OLD CASTLE/JEWELL CONCRETE PRODUCTS COLOR: WHITE LIMESTONE OR APPROVED EQUAL.	CEMENT PLASTER STUCCO SYSTEM FASCIA, CORNICE, AND CEILING AT MAIN ENTRY. EXPOSED STEEL TRUSSES, CANOPY, SIGN SUPPORTS STANDING SEAM METAL ROOF AND FLASHING PRE FINISHED METAL COPING AND FASCIA COVER GUTTERS AND DOWNSPOUTS AT STANDING SEAM METAL ROOF GUTTERS AND DOWNSPOUTS AT REAR WALL CURTAIN WALL MULLIONS AND ENTRY DOORS REFINISHED METAL ROOF AT RECYCLE AREA WALL HUNG CANOPY HOLLOW METAL DOORS AND FRAMES	STO-POWERWALL WITH EXTRASEAL @ CMU, STO-POWERWALL WITH DRAINSCREEN @ SHEATHING, STO-STOLIT LOTUSAN FINE AND COARSE FINISH COAT. COLOR: STO WHITE #9433 OR DRYVIT COLOR TO MATCH. SHOP PRIME IN INVERTED POSITION AND FIELD PAINT TO MATCH PAINT PT-11 WHITE FACTORY FINISHED, MATCH BERRIDGE CHAMPAGNE FACTORY FINISH IN STANDARD COLOR AS CLOSE AS POSSIBLE TO PAINT PT-11 WHITE FACTORY FINISH IN STANDARD COLOR AS CLOSE AS POSSIBLE TO PT-11 WHITE ROOF FACTORY FINISH IN STANDARD COLOR AS CLOSE AS POSSIBLE TO THE CONCRETE MASONRY MATCH WHITE PAINT PT-11 WHITE, KYNAR FINISH ON EXTERIOR AND INTERIOR FACTORY FINISH IN STANDARD COLOR AS CLOSE AS POSSIBLE TO PAINT PT-11 WHITE ALL EXPOSED COMPONENTS FACTORY FINISH IN STANDARD COLOR AS CLOSE AS POSSIBLE TO PAINT PT-11 WHITE PAINT TO MATCH ADJACENT MASONRY. SHERWIN WILLIAMS SW6173 SHITAKE, PT-14 BEIGE
SPLIT FACE CONCRETE MASONRY UNITS AT REAR WALL	IF HIGH INHERENTLY COLORED SPLIT FACE CONCRETE MASONRY UNITS APPLY WATER REPELLENT (REFER SPECIFICATION 09060), MANUFACTURER: OLD CASTLE/JEWELL CONCRETE PRODUCTS COLOR: WHITE LIMESTONE OR APPROVED EQUAL. IF HIGH SMOOTH-FAACE CONCRETE MASONRY UNITS, STRIKE VERTICAL AND HORIZONTAL JOINTS FLUSH, PAINT WHITE PANEL FINISH / COLOR TO MATCH: ALPOLIC / "HYB BLUE" 70% GLOSS		
4" HIGH SMOOTH-FAACE CONCRETE MASONRY UNIT ACCENT BANDS AT SPLIT FACE CONCRETE MASONRY	4" HIGH SMOOTH-FAACE CONCRETE MASONRY UNITS, STRIKE VERTICAL AND HORIZONTAL JOINTS FLUSH, PAINT WHITE PANEL FINISH / COLOR TO MATCH: ALPOLIC / "HYB BLUE" 70% GLOSS		
ARCHITECTURAL ALUMINUM COMPOSITE PANELS AT KIDS AND MATTRESS ENTRY ARCH	INFILL PANEL FINISH / COLOR TO MATCH: ALPOLIC / "HYB BLUE" 70% GLOSS		
ARCHITECTURAL ALUMINUM COMPOSITE PANELS AT KIDS AND MATTRESS ENTRY INFL PANEL	PROJECTION PANEL FINISH / COLOR: "WHITE" 70% GLOSS		
ARCHITECTURAL ALUMINUM COMPOSITE PANELS AT KIDS AND MATTRESS ENTRY PROJECTIONS			

12 SUNNEN DR. STE. 100
ST. LOUIS, MO 63143
ARCHITECTS/ENGINEERS
314-821-1100

Prosper, Texas (Lover's Lane)
7/28/2026



CORNER ENTRY



CENTER ENTRY

TRACT 2: LIGHT INDUSTRIAL
(OFFICE/WAREHOUSE)



820 EXCHANGE
HALTOM CITY, TX
COMPLETED 2021



THE LOOP BUSINESS PARK
SCOTTSDALE, AZ
IN PROGRESS

TRACT 2: LIGHT INDUSTRIAL
(OFFICE/WAREHOUSE)

Item 12.



TRIAD 820
HALTOM CITY, TX
COMPLETED 2026





NOTES:
1. EXISTING LANDSCAPE TO REMAIN SHALL BE MAINTAINED.
2. ALL PLANTING SHALL BE DONE IN ACCORDANCE WITH THE TOWN OF PROSPER LANDSCAPE DESIGN STANDARDS.
3. A MINIMUM OF 15 SHRUBS WITH A MINIMUM SIZE OF FIVE GALLONS EACH WILL BE PLANTED IN THE LANDSCAPED AREA FOR EACH 30 FEET OF LINEAR FRONTAGE.
4. PARKING ADJACENT TO THE LANDSCAPE AREA SHALL BE SCREENED FROM THE ADJACENT ROADWAY. THE REQUIRED SCREENING MAY BE ACCOMPLISHED WITH SHRUBS OR EARTH BERMS.
5. WHERE A NON-RESIDENTIAL DEVELOPMENT IS ADJACENT TO THE PROPERTY LINE OF RESIDENTIAL ZONED PARCELS OR AREAS SHOWN AS RESIDENTIAL ON THE FUTURE LAND USE PLAN, ONE LARGE TREE, THREE-INCH CALIPER MINIMUM, WILL BE PLANTED ON 30 FOOT CENTERS IN A 15 FOOT LANDSCAPE AREA.
6. WHERE A NON-RESIDENTIAL DEVELOPMENT IS ADJACENT TO THE PROPERTY LINE OF PARCELS ZONED FOR USES OTHER THAN RESIDENTIAL OR PARCELS NOT SHOWN AS RESIDENTIAL ON THE FUTURE LAND USE PLAN:
- A FIVE-FOOT WIDE LANDSCAPE AREA IS REQUIRED.
- ONE SMALL TREE AND ONE FIVE-GALLON SHRUB SHALL BE PLANTED EVERY 15 LINEAR FEET. THESE TREES AND SHRUBS MAY BE CLUSTERED IN LIEU OF PLANTING THEM EVERY 15 FEET.

This document, together with the concepts and designs presented herein, is intended only for the specific purpose and client for which it was prepared. Reuse of and improper reliance on this document without written authorization and acquisition by Kimley-Horn and Associates, Inc. shall be without liability to Kimley-Horn and Associates, Inc.



PERIMETER LANDSCAPE REQUIREMENTS:

- A LANDSCAPED AREA CONSISTING OF LIVING TREES, TURF, OR OTHER LIVING GROUND COVER AND BEING AT LEAST 25 FEET IN WIDTH MEASURED FROM THE PROPERTY LINE INTERIOR TO THE PROPERTY SHALL BE PROVIDED ADJACENT TO AND OUTSIDE OF THE RIGHT-OF-WAY ON ALL PROPERTIES LOCATED ADJACENT TO A MAJOR OR MINOR THOROUGHFARE AS DEFINED BY THE TOWN OF PROSPER THOROUGHFARE AND CIRCULATION DESIGN STANDARDS.
- ONE LARGE TREE, THREE-INCH CALIPER MINIMUM PER 30 LINEAR FEET OF ROADWAY FRONTAGE SHALL BE PLANTED WITHIN THE REQUIRED LANDSCAPE AREA. THE TREES MAY BE PLANTED IN GROUPS WITH APPROPRIATE SPACING FOR SPECIES.
- A MINIMUM OF 15 SHRUBS WITH A MINIMUM SIZE OF FIVE GALLONS EACH WILL BE PLANTED IN THE LANDSCAPED AREA FOR EACH 30 FEET OF LINEAR FRONTAGE.
- PARKING ADJACENT TO THE LANDSCAPE AREA SHALL BE SCREENED FROM THE ADJACENT ROADWAY. THE REQUIRED SCREENING MAY BE ACCOMPLISHED WITH SHRUBS OR EARTH BERMS.
- WHERE A NON-RESIDENTIAL DEVELOPMENT IS ADJACENT TO THE PROPERTY LINE OF RESIDENTIAL ZONED PARCELS OR AREAS SHOWN AS RESIDENTIAL ON THE FUTURE LAND USE PLAN, ONE LARGE TREE, THREE-INCH CALIPER MINIMUM, WILL BE PLANTED ON 30 FOOT CENTERS IN A 15 FOOT LANDSCAPE AREA.
- WHERE A NON-RESIDENTIAL DEVELOPMENT IS ADJACENT TO THE PROPERTY LINE OF PARCELS ZONED FOR USES OTHER THAN RESIDENTIAL OR PARCELS NOT SHOWN AS RESIDENTIAL ON THE FUTURE LAND USE PLAN:
 - A FIVE-FOOT WIDE LANDSCAPE AREA IS REQUIRED.
 - ONE SMALL TREE AND ONE FIVE-GALLON SHRUB SHALL BE PLANTED EVERY 15 LINEAR FEET. THESE TREES AND SHRUBS MAY BE CLUSTERED IN LIEU OF PLANTING THEM EVERY 15 FEET.

Landscape Plan

Scale: 1" = 60'

A

EXHIBIT G - LANDSCAPE PLAN

ZONE-26-0006
PROSPER LGE,
BEING 39.20 ACRES IN THE EDWARD
BRADLEY SURVEY, ABSTRACT NO. 86
Town of Prosper,
Collin County, Texas
SUBMITTED: August 17, 2026

Owner:
Hage Grace Tsai Trust
3208 Caruth Blvd
Dallas, TX 75225
Phone: (214) 676-3419
Contact: Andrew Prine

Developer:
Creation Equity
1280 E. Levee St.
Dallas, Texas 75207
Phone: (602) 600-6363
Contact: Mr. Taylor Mitcham

ARCHITECT:
LGE Design Build
1280 E. Levee St.
Dallas, Texas 75207
Phone: (469) 498-0998
Contact: Mark Cone

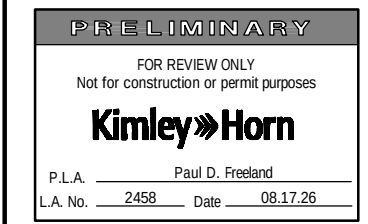
Engineer:
Kimley-Horn and Associates, Inc.
200 N Travis St
Suite 500
Sherman, Texas 75090
Phone: (469) 353-6061
Contact: Michael Carlisle, P.E.

EXHIBIT G -
LANDSCAPE EXHIBIT

SHEET NUMBER
EX - G

LOVERS BUSINESS PARK
PROSPER, TEXAS

KHA PROJECT	DATE	SCALE	DESIGNED BY	DRAWN BY	CHECKED BY
060085800	JULY 2026	AS SHOWN	PDF	JSB	PDF



Kimley»Horn
© 2026 KIMLEY-HORN AND ASSOCIATES, INC.
106 W. LOUISIANA STREET, MCKINNEY, TX 75069
PHONE: 469-301-2560 FAX: 972-239-3820
WWW.KIMLEY-HORN.COM TX F-928

NO.	REVISIONS	DATE

[illegible]

LOVERS BUSINESS
PARK
PROSPER, TEXAS

OPEN SPACE PLAN

Page 251



TRACT 2: LIGHT INDUSTRIAL

Trip Generation

Land Uses	Amount	Units	ITE Code	Daily One-Way Trips	AM Peak Hour One-Way Trips			PM Peak Hour One-Way Trips		
					IN	OUT	TOTAL	IN	OUT	TOTAL
Warehouse Total	300,000	SF	150	370	33	10	43	15	38	53
Warehouse Truck Trips				129	3	3	6	3	3	6
Warehouse Passenger Car Trips				241	30	7	37	12	35	47
Development Totals										
Trip Generation Total:				370	33	10	43	15	38	53

Trip Generation rates based on *ITE's Trip Generation Manual*, 12th Edition.

PROSPER LGE DEVELOPMENT AGREEMENT

THIS PROSPER LGE DEVELOPMENT AGREEMENT ("Agreement") is entered into by and between the Town of Prosper, Texas ("Town"), and Grace Hage Trust ("Developer"), individually, a "Party" and collectively, the "Parties," to be effective (the "Effective Date") on the latest date executed by a Party.

WHEREAS, the Town is a home-rule municipal corporation, located in Collin County and Denton County, Texas, organized and existing under the laws of the State of Texas; and

WHEREAS, Developer is developing a project in the Town known as Prosper LGE ("Property"), a legal description of which Property is attached hereto as Exhibit A and incorporated by reference; and

WHEREAS, the Property was rezoned by the Town Council on or about _____, 2026, and this Agreement seeks to incorporate, in part, the negotiated and agreed upon development standards contained in the underlying zoning ordinance, as may be amended, and/or this Development Agreement, to recognize Developer's reasonable investment-backed expectations in said development, as may be amended, and as more fully described herein.

NOW, THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Parties to this Agreement agree as follows:

1. Development Standards. For any structure built on the Property following the Effective Date, it shall comply with the requirements contained in Exhibit B, "Building Materials," attached hereto and incorporated herein. The Parties agree and acknowledge that the provisions of this Paragraph shall apply to any structure constructed subsequent to the execution of this Agreement. Nothing in this Agreement shall be deemed to modify or otherwise amend any zoning regulation duly adopted by the Town, previously or in the future.

2. Covenant Running with the Land. The terms, conditions, rights, obligations, benefits, covenants and restrictions of the provisions of this Agreement shall be deemed covenants running with the land, and shall be binding upon and inure to the benefit of the Developer and its heirs, representatives, successors and assigns. This Agreement shall be deemed to be incorporated into each deed and conveyance of the Property or any portion thereof hereafter made by any other Developers of the Property, regardless of whether this Agreement is expressly referenced therein.

3. Maintenance of Landscape Areas.

A. Developer agrees to maintain all Landscape Areas (including all vegetation) on the Property, as referenced and/or depicted in the applicable zoning ordinance, as amended, free of weeds, tall grass, rubbish, brush and other objectionable, unsightly or unsanitary matter, as defined in Article 6.03 of Chapter 6 of the Town's Code of Ordinances, as amended. Further, Developer agrees that landscape maintenance obligations referenced herein include mulching of Landscape Areas, prompt replacement of dead or dying vegetation with new vegetation, mowing of Landscape Areas, where required, and other routine and regular maintenance of plants and other vegetation.

B. In the event that any Landscape Area or plants or vegetation is/are not properly maintained in accordance with this Agreement, the Town may give written notice to Developer of such failure to maintain and Developer shall promptly address such failure, taking into account the type(s) and species of such plants and vegetation and applicable planting cycles of same. After such notice, and Developer's failure to address same, Developer agrees and acknowledges that the Town shall have the right to go onto Developer's property and replace, replant or otherwise address such failure to maintain any Landscape Area or plants or vegetation, with an invoice of costs incurred by the Town being promptly provided by the Town to Developer. In the event Developer does not pay such invoice within thirty (30) days of receipt by Developer, the Town may file a lien on the Property for the costs it incurred for the work done, including a reasonable administrative fee. Any failure to maintain any Landscape Area, plants or vegetation shall not be considered a default in accordance with Paragraph 7 of this Agreement, and any obligations referenced in said Paragraph shall not be applicable to this Paragraph 2.

C. Notwithstanding any provision in this Paragraph to the contrary, the Town specifically reserves the right to take enforcement action and/or file a complaint against Developer in the Town's municipal court (or other appropriate forum) relative to weeds, tall grass, rubbish, brush and other objectionable, unsightly or unsanitary matter on the Property, in accordance with Article 6.03 of Chapter 6 of the Town's Code of Ordinances, as amended.

4. Periodic Review of the Property's Zoning by the Town Council. The Town Council reserves the right to periodically review the progress and/or scope of development of the Property pursuant to the terms of any zoning regulations applicable to the Property, and in the event any amendment(s) or revision(s) to said zoning regulations are deemed reasonably appropriate and have the written approval of the Developer, the Town may provide appropriate notices for Town consideration of same, pursuant to the provisions of Chapter 211 of the Texas Local Government Code, as amended, and the Town's Zoning Ordinance, as amended.

5. Certain Business Establishments Prohibited. Developer agrees and acknowledges that it will not lease, sell or otherwise permit or authorize on the Property any of the following business establishments: (1) credit access businesses, as defined in Texas Finance Code § 393.601, as amended, including but not limited to payday lending businesses, “cash for title” lenders, and credit services businesses, as defined in Texas Finance Code § 393.001, as amended); (2) body art facilities; (3) smoke or vape shops; (4) any business entity that sells drug paraphernalia; (5) any business establishment offering gaming or slot machines; (6) sex shops, including but not limited to business entities whose primary purpose is the sale of lewd merchandise; (7) pawn shops; and (8) business entities which primarily utilize outdoor storage or displays. Additionally, Developer agrees and acknowledges that it will not lease, sell or otherwise permit or authorize on the Property a package liquor store, which for purposes of this Agreement is defined as any business entity that is required to obtain a Package Store Permit (P) from the Texas Alcoholic Beverage Commission for the off-premises consumption of alcohol.

6. Applicability of Town Ordinances. Developer shall develop the Property, and construct all structures on the Property, in accordance with all applicable Town ordinances and building/construction codes.

7. Default. No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time determined based on the nature of the alleged failure, but in no event less than thirty (30) days after written notice of the alleged failure has been given). In addition, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured. If either Party is in default under this Agreement, the other Party shall have the right to enforce the Agreement in accordance with applicable law, provided, however, in no event shall any Party be liable for consequential or punitive damages

8. Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Collin County, Texas. Exclusive venue for any action arising under this Agreement shall lie in Collin County, Texas.

9. Notice. Any notices required or permitted to be given hereunder (each, a “Notice”) shall be given by certified or registered mail, return receipt requested, to the addresses set forth below or to such other single address as either party hereto shall notify the other:

If to the Town: The Town of Prosper
 250 W. First Street
 Prosper, Texas 75078
 Attention: Town Manager

If to Developer: Grace Hage Trust
 Grace Hage
 3208 Caruth Boulevard
 Dallas, TX 75225

10. Prevailing Party. In the event any person initiates or defends any legal action or proceeding to enforce or interpret any of the terms of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its reasonable costs and attorney's fees (including its reasonable costs and attorney's fees on any appeal).

11. Entire Agreement. This Agreement contains the entire agreement between the Parties hereto with respect to development of the Property and supersedes all prior agreements, oral or written, with respect to the subject matter hereof. The provisions of this Agreement shall be construed as a whole and not strictly for or against any Party.

12. Savings/Severability. In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, the Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof.

13. Binding Agreement. A telecopied facsimile of a duly executed counterpart of this Agreement shall be sufficient to evidence the binding agreement of each party to the terms herein, including without limitation a scanned copy sent via electronic mail by either Party.

14. Authority to Execute. This Agreement shall become a binding obligation on the Parties upon execution by all Parties hereto. The Town warrants and represents that the individual executing this Agreement on behalf of the Town has full authority to execute this Agreement and bind the Town to the same. Developer warrants and represents that the individual executing this Agreement on behalf of Developer has full authority to execute this Agreement and bind Developer to the same. The Town Council hereby authorizes the Town Manager of the Town to execute this Agreement on behalf of the Town.

15. Filing in Deed Records. This Agreement, and any and all subsequent amendments to this Agreement, shall be filed in the deed records of Collin County, Texas.

16. Mediation. In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to submit such disagreement to nonbinding mediation.

17. Notification of Sale or Transfer; Assignment of Agreement. Developer shall notify the Town in writing of any sale or transfer of all or any portion of the Property, within ten (10) business days of such sale or transfer. Developer has the right (from time to time without the consent of the Town, but upon written notice to the Town) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of Developer under this Agreement, to any person or entity (an "Assignee") that is or will become a Developer of any portion of the Property or that is an entity that is controlled by or under common control with Developer. Each assignment shall be in writing executed by Developer and the Assignee and shall obligate the Assignee to be bound by this Agreement. A copy of each assignment shall be provided to the Town within ten (10) business days after execution. Provided that the successor Developer assumes the liabilities, responsibilities, and obligations of the assignor under this Agreement, the assigning party will be released from any rights and obligations under this Agreement as to the Property that is the subject of such assignment, effective upon receipt of the assignment by the Town. No assignment by Developer shall release Developer from any liability that resulted from an act or omission by Developer that occurred prior to the effective date of the assignment. Developer shall maintain true and correct copies of all assignments made by Developer to Assignees, including a copy of each executed assignment and the Assignee's Notice information.

18. Sovereign Immunity. The Parties agree that the Town has not waived its sovereign immunity from suit by entering into and performing its obligations under this Agreement.

19. Effect of Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the Town Council; and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

20. Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

21. Counterparts. This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. A facsimile signature will also be deemed to constitute an original.

22. Amendment. This Agreement shall not be modified or amended except in writing signed by the Parties. A copy of each amendment to this Agreement, when fully executed and recorded, shall be provided to each Party, Assignee and successor Developer of all or any part of the Property; however, the failure to provide such copies shall not affect the validity of any amendment.

23. Miscellaneous Drafting Provisions. This Agreement shall be deemed drafted equally by all Parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any Party shall not apply.

24. Waiver of Texas Government Code § 3000.001 et seq. With respect to any and all Structures to be constructed on the Property pursuant to this Agreement, Developer hereby waives any right, requirement or enforcement of Texas Government Code §§ 3000.001-3000.005, as amended.

25. Third-Party Beneficiaries. Nothing in this Agreement shall be construed to create any right in any Third-Party not a signatory to this Agreement, and the Parties do not intend to create any third-party beneficiaries by entering into this Agreement.

26. Rough Proportionality. Developer hereby agrees that any land or property donated and/or dedicated pursuant to this Agreement, whether in fee simple or otherwise, to the Town relative to any development on the Property is roughly proportional to the need for such land and Developer hereby waives any claim therefor that it may have. Developer further acknowledges and agrees that all prerequisites to such a determination of rough proportionality have been met, and that any costs incurred relative to said donation are related both in nature and extent to the impact of the development referenced herein. Both Developer and the Town further agree to waive and release all claims one may have against the other related to any and all rough proportionality and individual determination requirements mandated by the United States Supreme Court in *Dolan v. City of Tigard*, 512 U.S. 374 (1994), and its progeny, as well as any other requirements of a nexus between development conditions and the provision of roadway services to the Property.

27. Exactions/Infrastructure Costs. Developer has been represented by legal counsel in the negotiation of this Agreement and been advised or has had the opportunity to have legal counsel review this Agreement and advise Developer, regarding Developer's rights under Texas and federal law. Developer hereby waives any requirement that the Town retain a professional engineer, licensed pursuant to Chapter 1001 of the Texas Occupations Code, to review and determine that the exactions required by the Town are roughly proportional or roughly proportionate to the proposed development's anticipated impact. Developer specifically reserves its right to appeal the apportionment of municipal infrastructure costs in accordance with § 212.904 of the Texas Local Government Code; however, notwithstanding the foregoing, Developer hereby releases the Town from any and all liability under § 212.904 of the Texas Local Government Code, as amended, regarding or related to the cost of those municipal infrastructure requirements imposed by this Agreement.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the parties hereto have caused this document to be executed as of the date referenced herein.

TOWN:

THE TOWN OF PROSPER, TEXAS

By: _____
Name: Mario Canizares
Title: Town Manager, Town of Prosper

STATE OF TEXAS)

COUNTY OF COLLIN)

This instrument was acknowledged before me on the ____ day of _____, 2026, by Mario Canizares, Town Manager of the Town of Prosper, Texas, on behalf of the Town of Prosper, Texas.

Notary Public, State of Texas
My Commission Expires:

DEVELOPER:

GRACE HAGE TRUST

By: _____

Name: Grace Hage

Title: _____

STATE OF TEXAS)

)

COUNTY OF _____)

This instrument was acknowledged before me on the ____ day of _____, 2026, by Grace Hage on behalf of Grace Hage Trust, known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the act of Developer.

Notary Public, State of Texas

My Commission Expires:

EXHIBIT A

(Property Description & Depiction)

EXHIBIT "A-1"

ZONE-26-0006

BEING a tract of land situated in the Edward Bradley Survey, Abstract No. 86, Town of Prosper, Collin County, Texas, and being a portion a called 41.166-gross acre tract of land, described in a deed from Carol Tsai, L.P. to Carol Tsai (21.206% interest), Chao-Lun Tsai (39.397% interest), Grace Tsai Hage (0.333% interest), and Grace Tsai Hage Trust (39.064% interest), recorded in Instrument No. 20121129001521660, that tract of land described in a deed from Carol Tsai to Grace Tsai Hage Trust (21.206% interest), recorded in Instrument No. 20121217001602890, that tract of land described in a deed from Chao-Lun Tsai to Chao-Lun Tsai (a/k/a/ Roland Tsai), as Trustee of the Roland Tsai Trust, U/A/D April 11, 2017 (39.397% interest), recorded in Instrument No. 20170630000859500, that tract of land described in a deed from Chao-Lun Tsai (a/k/a/ Roland Tsai), as Trustee of the Roland Tsai Trust, U/A/D April 11, 2017 to Chris LLC (39.397% interest), recorded in Instrument No. 20181220001544550, corrected in Instrument No. 20190208000136680, further corrected in Instrument No. 201902110001041320, all of the Official Public Records of Collin County, Texas, and being the current north half of E. University Drive (U. S. Highway 380) and the east half of Lovers Lane, and being more particularly described as follows:

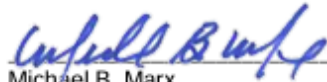
BEGINNING at a 1/2-inch iron rod found for the northeast corner of said 41.166-gross acre tract, same being the northwest corner of Lot 3R, Block B of La Cima Crossing, an addition to the Town of Prosper, according to the Plat recorded in Volume 2021, Page 166 of the Plat Records of Collin County, Texas, same being on the south line of Willow Ridge Phase Three, an addition to the Town of Prosper, according to the Plat recorded in Cabinet Q, Page 618 of the Plat Records of Collin County, Texas;

THENCE South 00°47'44" East, along the east line of said 41.166-gross acre tract, the west line of said Lot 3R, Block B, passing at a distance of 617.29 feet, a 5/8-inch iron rod with a yellow plastic cap, stamped "DUNAWAY ASSOC LP" found for the southwest corner of said Lot 3R and the north corner of the west terminus of Richland Boulevard, a 90' wide right of way as dedicated in aforesaid Volume 2017, Page 490, Plat Records, Collin County, Texas, passing at a distance of 712.34 feet a 1/2-inch iron rod with a yellow plastic cap, stamped "DAA" found for the south corner of said Richland Boulevard and the northwest corner of Lot 4, Block A of La Cima Crossing, an addition to the Town of Prosper, according to the plat recorded in Volume 2017, Page 490 of the Plat Record of Collin County, Texas, continuing along the west line of said Lot 4, passing at distance of 1,044.37 feet, an aluminum TXDOT right of way disk found on the east line of said 41.166-gross acre tract, for the southwest corner of said Lot 4, Block A, same being on the north right of way line of E. University Drive (U. S. Highway 380), a variable width right of way, described in a 0.6980-acre deed to the State of Texas, recorded in Volume 3299, Page 107 of the Land Records of Collin County, Texas, continuing a cross said E. University Drive (U. S. Highway 380), a total distance of 1,130.91 feet to the center of existing E. University Drive (U. S. Highway 380), same being the south town limit line of the Town of Prosper and the north city limit line of the City of Frisco;

THENCE South 89°33'11" West, along the current centerline of E. University Drive (U. S. Highway 380), and the common boundaries of the Town of Prosper and the City of Frisco, a distance of 1,687.91 feet to the intersection of said line with the centerline of Lovers Lane;

THENCE North 00°05'38" West, along the centerline of said Lovers Lane, a distance of 1,129.48 feet to a point for corner;

THENCE North 89°30'15" East, departing the centerline of said Lovers Lane, crossing said Lovers Lane, passing a 1/2-inch iron rod with a plastic cap, stamped "DAA" found for the southwest corner of Block B, Lot 68 of Willow Ridge Phase Four A, an addition to the Town of Prosper, according to the Plat recorded in Volume 2009, Page 124 of the Plat Records of Collin County, Texas, passing the northwest corner of aforesaid 41.166-gross acre tract, continuing along the north line of said 41.166-gross acre tract, the south line of said Willow Ridge Phase Four A and the south line of aforesaid Willow Ridge Phase Three, a total distance of 1,674.07 feet to the **POINT OF BEGINNING** and containing 43.61 acres of land, more or less.



Michael B. Marx
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Michael B. Marx



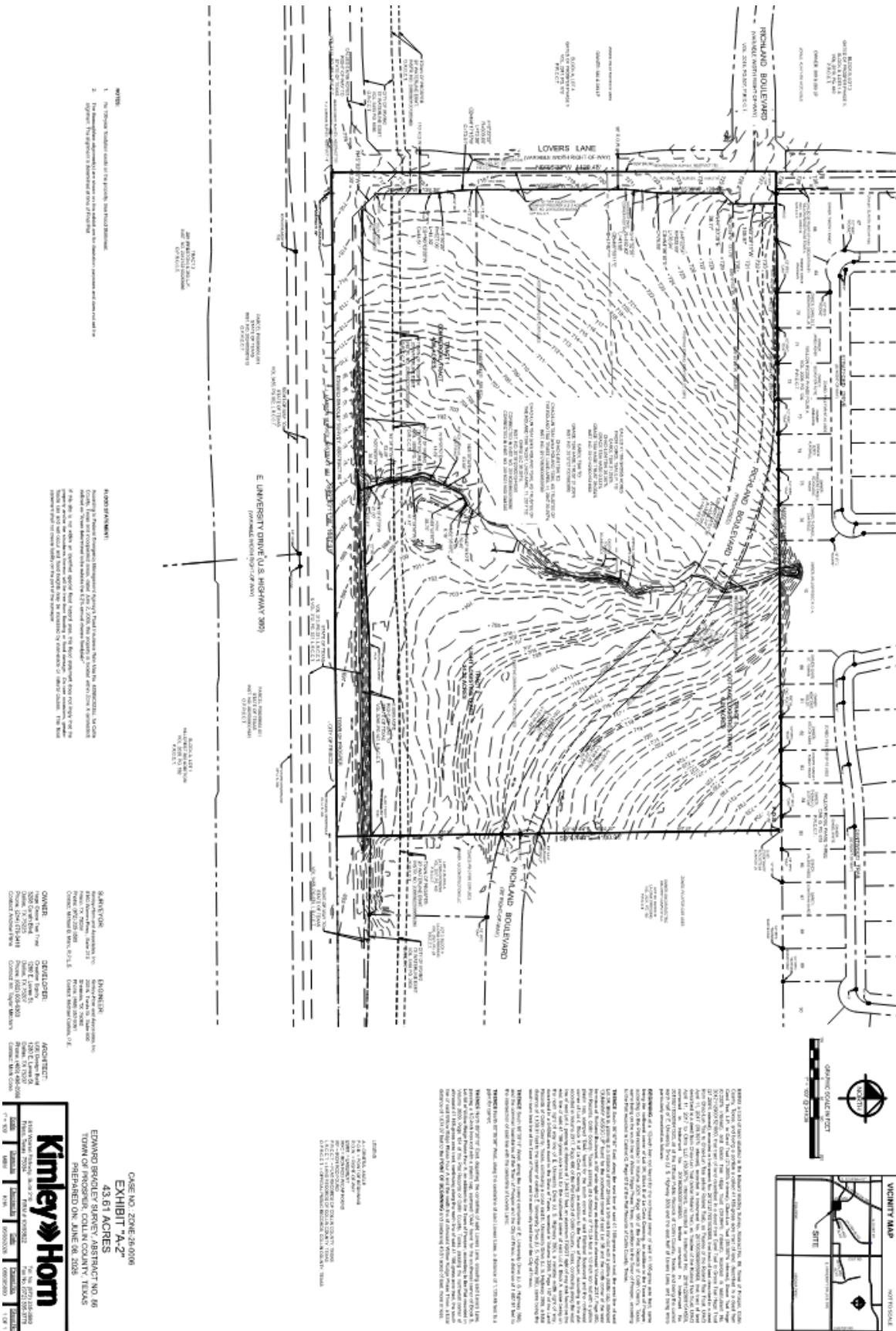


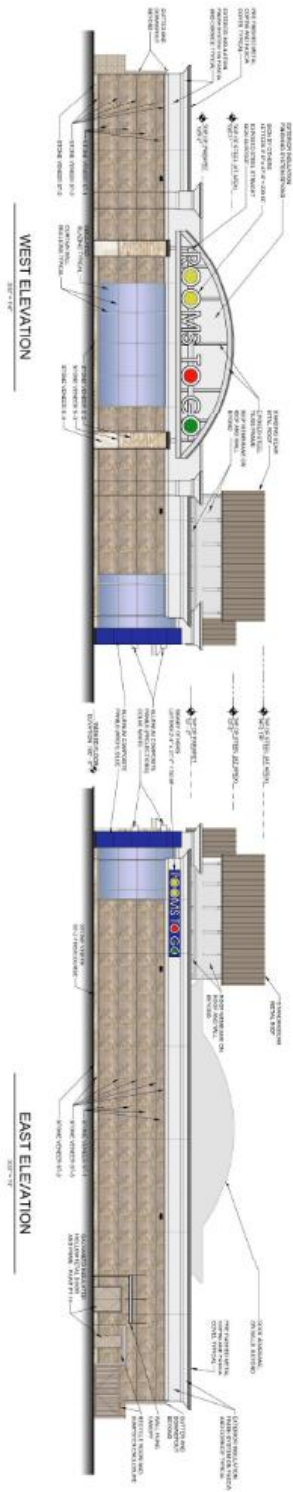
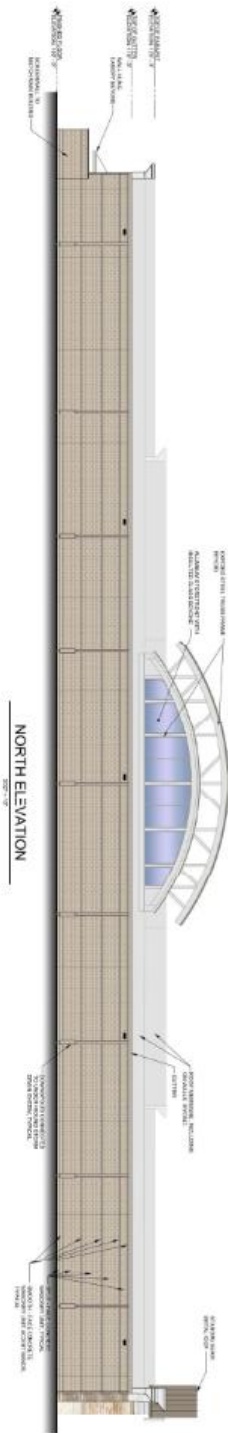
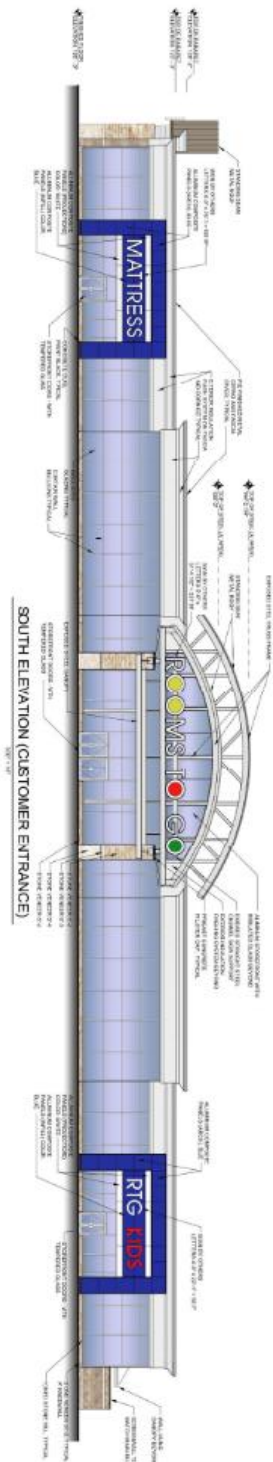
EXHIBIT B
(Building Design and Materials)

EXTERIOR APPEARANCE OF BUILDINGS:

A. Architectural Standards

1. The architectural style requirements for Tract 1 are to be provided in accordance with the Design Standards for Office, Retail, Restaurant, Service, Automobile, Commercial, and Mixed-Use Development of the Town of Prosper's Unified Development Code, Article 2, Section 2.15.C as it exists or may be amended. The architectural style requirements in Tracts 2 and 3 are to be provided in accordance with the Design Standards for Industrial, Wholesale, and Institutional Development of the Town of Prosper's Unified Development Code, Article 2, Section 2.15.D as it exists or may be amended. All three tracts are to be in accordance with the building material requirements below:
 - a. Primary materials shall comprise a minimum of 80% of a building and are defined as clay fired brick, concrete masonry unit, concrete tilt-wall, and natural or manufactured stone.
 - b. Secondary materials shall comprise a maximum of 20% of a building and are defined as formliner, steel, and timber.

TRACT 1: COMMERCIAL
(FURNITURE STORE)



EXTERIOR MATERIAL SCHEDULE			
MATERIAL	FINISHES	MATERIAL	FINISHES
1. EXTERIOR WALLS: 12" CMU BLOCK, 8" CMU BLOCK, 4" CMU BLOCK, 2" CMU BLOCK, 1" CMU BLOCK, 1/2" CMU BLOCK, 1/4" CMU BLOCK, 1/8" CMU BLOCK, 1/16" CMU BLOCK, 1/32" CMU BLOCK, 1/64" CMU BLOCK, 1/128" CMU BLOCK, 1/256" CMU BLOCK, 1/512" CMU BLOCK, 1/1024" CMU BLOCK, 1/2048" CMU BLOCK, 1/4096" CMU BLOCK, 1/8192" CMU BLOCK, 1/16384" CMU BLOCK, 1/32768" CMU BLOCK, 1/65536" CMU BLOCK, 1/131072" CMU BLOCK, 1/262144" CMU BLOCK, 1/524288" CMU BLOCK, 1/1048576" CMU BLOCK, 1/2097152" CMU BLOCK, 1/4194304" CMU BLOCK, 1/8388608" CMU BLOCK, 1/16777216" CMU BLOCK, 1/33554432" CMU BLOCK, 1/67108864" CMU BLOCK, 1/134217728" CMU BLOCK, 1/268435456" CMU BLOCK, 1/536870912" CMU BLOCK, 1/1073741824" CMU BLOCK, 1/2147483648" CMU BLOCK, 1/4294967296" CMU BLOCK, 1/8589934592" CMU BLOCK, 1/17179869184" CMU BLOCK, 1/34359738368" CMU BLOCK, 1/68719476736" CMU BLOCK, 1/137438953472" CMU BLOCK, 1/274877906944" CMU BLOCK, 1/549755813888" CMU BLOCK, 1/1099511627776" CMU BLOCK, 1/2199023255552" CMU BLOCK, 1/4398046511104" 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TRACT 2: LIGHT INDUSTRIAL
(OFFICE/WAREHOUSE)



CORNER ENTRY



CENTER ENTRY

LGE | DESIGNBUILD **CREATION** 

ZONE-26-0006

EXHIBIT F: CONCEPTUAL RENDERINGS

5/6/2026

TRACT 2: LIGHT INDUSTRIAL
(OFFICEWAREHOUSE)



820 EXCHANGE
INDUSTRIAL PARK
COMPLETED 2021

THE LOOP BUSINESS PARK
SPRINGFIELD, IL
IN PROGRESS

LGE | DESIGNBUILD CREATION **PI**

PRECEDENT IMAGES

5/6/2026

TRACT 2: LIGHT INDUSTRIAL
(OFFICE/WAREHOUSE)



TRACT 2
HALTOM CITY, TX
COMPLETED 2006

LGE | DESIGNBUILD **CREATION** 

PRECEDENT IMAGES

5/6/2026







**DEVELOPMENT SERVICES
DEPARTMENT**
250 W. First Street
Prosper, TX 75078
Phone: 972-346-3502

REPLY FORM

SUBJECT:

A request to rezone Planned Development-27 to a Planned Development for Cottage Logistics, Office/Warehouse, and Retail uses on Ed Bradley Survey, Abstract 86, Tract 5, on 39.2± acres. (ZONE-26-0006)

LOCATION OF SUBJECT PROPERTY:

The property is located on the northeast corner of Lovers Lane and University Drive.

- ☐ I **OPPOSE** the request as described in the notice. If in opposition, please provide a reason for opposition.
☐ I **DO NOT OPPOSE** the request as described in the notice.

COMMENTS (ATTACH ADDITIONAL SHEETS IF NECESSARY):

See attached with comments.

David + Linda St. Romain
Name (please print)

David St. Romain
Signature

700 Dentwood Trail
Address

7-14-26
Date

Prosper, Tx 75078
City, State, and Zip Code

[REDACTED]
E-mail Address

[REDACTED]
Phone Number

RE: Town of Prosper, Texas, Notice of Public Hearing, July 21, 2026

Request to rezone Planned Development-27 to a Planned Development for Cottage Logistics, Office/Warehouse, and Retail uses on Ed Bradley Survey, Abstract 86, Tract 5, on 39.2 +/- acres. The property is located on the northeast corner of Lovers Lane and University Drive. (ZONE-26-0006).

To Whom It May Concern:

We are not representing a position of "oppose, or not oppose". We do not have information that would support either of these positions. However we do have concerns that all parties should be aware of, and hopefully take into consideration when developing the above mentioned property.

1. **Drainage Easement** leaving the Willow Ridge neighborhood onto the Cottage Logistics property. Rain runoff from the majority of Willow Ridge exits through existing drainage in Willow Ridge to Pond 3 and onto Cottage Logistics property then towards Hwy. 380. There have been rain events that have generated a tremendous amount of water!
2. **Green Space** area just north of Cottage Logistics Property and bordered by Drexel/Stratford/Hawthorne/Dentwood Trail in Willow Ridge. The existing fence separating Willow Ridge from Cottage Logistics is barbed wire and in disrepair. The proximity of Richland Rd to this neighborhood presents a real concern regarding potential crime in Willow Ridge. A permanent barrier fence tall enough to prevent ingress/egress between the two properties would need to be installed.
3. **Lighting** on Cottage Logistics property. We hope that consideration will be given to how lighting will affect residents that live on the border between the two properties.

The below may be of no consequence to council members and the Town of Prosper, however these do have meaning to area residents.

4. **Property Value** of residents living in Willow Ridge. There is no way to quantify how property values will be affected, but do believe area residents would be concerned about their property value going down.
5. **Wildlife** that depends on the natural springs in Willow Ridge. There are geese, ducks, herons, hawks, woodpeckers and even river otters that migrate through or make their permanent home around the ponds adjacent to and/on the Cottage Logistics property.



RE: [*EXTERNAL*] - Notice of Meeting on July 21, 2026 - Comments to Rezone Planned Development-27

From Robert Holbrook <bob@holbrookmortgage.com>

Date Tue 7/14/2026 8:06 PM

To Dakari Hill <Dhill@prospertx.gov>; David St. Romain [REDACTED]

Good evening, Mr. Hill,

I only recently became aware of this proposed action.

As a homeowner and HOA Board member, I share Mr. and Mrs. St. Romain's detailed concerns and ask the Town of Prosper to take careful consideration of these issues and the impact on the 507 homeowner's of our community.

Please let me know if this email is sufficient to include by the deadline tomorrow or if you require me to submit a separate REPLY FORM.

Best regards,

Robert (Bob) Holbrook

Willow Ridge Resident at: 901 Blue Ridge Dr.
[REDACTED]

President, Willow Ridge at Prosper HOA Board of Directors

From: Dakari Hill <Dhill@prospertx.gov>

Sent: Tuesday, July 14, 2026 6:09 PM

To: David St. Romain [REDACTED]

Cc: Robert Holbrook <bob@holbrookmortgage.com>

Subject: Re: [*EXTERNAL*] - Notice of Meeting on July 21, 2026 - Comments to Rezone Planned Development-27

Hey David,

Thank you for sending this in. We will make sure the Commission and Council see your response form. Also, the agenda packet with more detail on this case will be published on our website tomorrow by 5PM. Please let me know if you have any additional questions regarding this project.

Best,



Dakari Hill

Senior Planner

250 W. First Street

Prosper, Texas 75078

T: 972,569,1133

dhill@prospertx.govprospertx.gov

From: David St. Romain [REDACTED]
Sent: Tuesday, July 14, 2026 5:36 PM
To: Dakari Hill <DHill@prospertx.gov>
Cc: Robert Holbrook <bob@holbrookmortgage.com>; David St. Romain [REDACTED]
Subject: [*EXTERNAL*] - Notice of Meeting on July 21, 2026 - Comments to Rezone Planned Development-27

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Mr. Hill,

Thank you for taking time to talk with me about the upcoming planning and zoning meeting with regard to Planned Development-27. I have attached the Reply Form with comments on a separate page (1 page).

I have copied Bob Holbrook (President - Willow Ridge HOA) on this email. Bob is a resident of Willow Ridge.

Regards,
David St. Romain
700 Dentwood Trail
Prosper, TX 75078
[REDACTED]

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**DEVELOPMENT SERVICES
DEPARTMENT**
250 W. First Street
Prosper, TX 75078
Phone: 972-346-3502

REPLY FORM

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☒ I **DO NOT OPPOSE** the request as described in the notice.

COMMENTS (ATTACH ADDITIONAL SHEETS IF NECESSARY):

Please find a letter of support from the
owner of the property attached hereto

Grace Tsai Hage Trust, Chris LLC,
Grace Hage
~~Grace Hage~~
Name (please print)

3208 Caruth Blvd
Address

Dallas, TX. 75225
City, State, and Zip Code

Phone Number

Signature

Truster of Grace Tsai Hage Trust,
manager of Chris LLC and individually

Date

E-mail Address

Grace Hage
3208 Caruth Blvd. Dallas, TX 75225

July 15, 2026

City of Prosper Planning & Zoning Commission
250 W. 1st Street, Prosper, Texas

Re: **Creation Planned Development ZONE-26-0006**
Letter of Support

To Whom It May Concern:

As the current landowners, Grace Tsai Hage Trust, Chris LLC and Grace Hage are pleased to support the rezoning requested in Application ZONE-26-0006, Lovers Business Park.

The proposed Planned Development with associated zoning districts per tract is a great fit for the site. We find the planned uses to be highly compatible with the surrounding uses, community as a whole, and originally permitted uses within the existing PD.

It has been a pleasure working with Taylor Mitcham and the Creation team. We are confident they will be excellent stewards of this area for the City.

We are excited to see this project move forward and welcome the positive growth it will bring to the community.

Sincerely,

A handwritten signature in black ink, appearing to read 'Grace Hage', written in a cursive style.

Grace Hage (Trustee of Grace Tsai Hage Trust, Manager of Chris LLC and individually)

Request to rezone Planned Development-27 to a Planned Development for Cottage Logistics, Office/Warehouse, and Retail uses on Ed Bradley Survey, Abstract 86, Tract 5, on 39.2 +/- acres. The property is located on the northeast corner of Lovers Lane and University Drive. (ZONE-26-0006)

To Whom It May Concern:

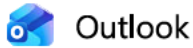
I oppose multiple components of the proposed zoning change. First, the proposal allows Wholesale Warehousing by right. This would allow semi-trucks and box trucks to use the property on a 24x7 basis. This use is incompatible with the residential zoning immediately adjacent to the proposed development. Such a use needs to be eliminated from the proposal, or at least restricted to daylight hours. Imagine the “beep, beep, beep” sound of trucks backing up 24 hours a day less than 200 feet from your back door.

Second, I strongly oppose the 50-foot maximum height in the Light Industrial zone due to the potential for light pollution into my property. I recommend a height reduction to 32 feet which is standard for light industrial. The 50-foot height is only required for whole sale warehousing which I oppose.

Lastly, the proposal does not provide a sufficient barrier between the rezoned area and the neighborhood park immediately adjacent to the proposed development. The lack of a barrier exposes the children using the neighborhood park to a potentially dangerous transient population using the cottages and the proposed trails as well as easy access for potential criminal activity. At a minimum, an 8-foot masonry wall should be required.

I hope the city engineers have reviewed the drainage plans so the proposed development does not cause flooding in the pond in the neighborhood.

Thanks,
Katie Chatfield



[*EXTERNAL*] - Rezoning of Abstract 86, Tract 5, on 39.2+ acres. (ZONE-26-0006)

From Sebastien Astie [REDACTED]
Date Mon 7/20/2026 7:54 PM
To Dakari Hill <DHill@prospertx.gov>

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Dear Dakan Hill,

I am writing to formally oppose the rezoning of Abstract 86, Tract 5, on 39.2+ acres. (ZONE-26-0006).

I live at 960 Stratford Dr, Prosper, TX 75078, a property adjacent t to the tract in question. This rezoning would cause undue noise, stress and degradation of quality of life associated with a logistics / warehouse environment given the current proposal.

Best regards,

Sebastien Astie
960 Stratford Dr, Prosper, TX 75078
[REDACTED]

Tyra Bremer
900 Whistler Lane
Prosper TX 75078

July 20, 2026

Subject: Comments Regarding Proposed Rezoning Request (ZONE-26-0006)

To the Planning & Zoning Commission and City Council:

I am writing as a Willow Ridge resident to respectfully express my concerns regarding the proposed rezoning of Planned Development-27 for Cottage Logistics, Office/Warehouse, and Retail uses at the northeast corner of Lovers Lane and University Drive.

Like many residents, I understand that Prosper will continue to grow, and I support thoughtful development that strengthens our community. However, I do not believe the current proposal strikes the right balance between economic development and the protection of the neighborhoods that already call this area home.

My greatest concern is the inclusion of logistics and warehouse uses that would permit heavy commercial truck traffic adjacent to a residential neighborhood. Continuous activity from semi-trucks, delivery vehicles, loading docks, and backup alarms is simply not compatible with homes located just a short distance away. The resulting noise, traffic, and disruption would significantly impact the peaceful environment that Willow Ridge families invested in when choosing this community. If these uses are approved, truck traffic should, at a minimum, be restricted to reasonable daytime operating hours.

I am also concerned about the proposed 50-foot building height within the light industrial portion of the development. Structures of this size are not consistent with the scale of the surrounding residential community. Taller buildings also require more extensive exterior lighting, increasing the likelihood of light pollution spilling into nearby homes and outdoor living spaces. Reducing the allowable building height would create a more appropriate transition between industrial uses and residential neighborhoods.

Another area that deserves careful consideration is the neighborhood park that borders the proposed development. This park is an important gathering place for Willow Ridge families and children. I believe a stronger physical buffer should be required between the development and the park, including an 8-foot masonry wall and substantial landscaping.

These improvements would provide greater privacy, enhance safety, and create a more appropriate separation between commercial activity and public recreation.

I also respectfully request that the City carefully evaluate the long-term drainage impacts of this development. Existing residents should have confidence that additional impervious surfaces will not increase runoff or create flooding concerns for the neighborhood pond or surrounding properties.

Beyond these individual concerns, I encourage the Commission to consider whether this proposal is truly compatible with the City's vision for this corridor. Existing homeowners purchased their properties with the expectation that adjacent development would complement—not diminish—the residential character of the area. Development decisions made today will shape Prosper for decades, and I believe it is important to ensure that new commercial growth is thoughtfully designed to protect the quality of life, safety, and property values of existing neighborhoods.

I appreciate the time and effort the Planning & Zoning Commission and City Council invest in evaluating these important decisions. I respectfully ask that you carefully consider modifications to this proposal that better protect neighboring residents while still allowing for responsible development.

Thank you for your time and consideration.

Sincerely,

Tyra Bremer

Willow Ridge Resident

**DEVELOPMENT SERVICES****DEPARTMENT**

250 W. First Street
Prosper, TX 75078
Phone: 972-346-3502

REPLY FORM**SUBJECT:**

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☐ I **DO NOT OPPOSE** the request as described in the notice.

COMMENTS (ATTACH ADDITIONAL SHEETS IF NECESSARY):

See Attached

Liliana Raney
Name (please print)

[Signature]
Signature

1140 Mystic Way
Address

July 21, 2026
Date

Prosper TX 75078
City, State, and Zip Code

Liliana & Tim Raney
 1140 Mystic Way
 Prosper Texas 75078

We strongly object to the proposed development at 27 Prosper due to the negative impact to the surrounding residential neighborhood, particularly with respect to increased noise, traffic, and air quality.

The proposed development includes the loading and unloading of 18-wheel tractor-trailers within approximately 500 feet of existing residential homes. These operations WILL generate significant noise from truck engines, backup alarms, trailers, loading activities, and other associated equipment. The Town's noise regulations recognize that loading and unloading operations may create a noise disturbance and prohibit the operation of power equipment in or near residential areas in a manner that causes a noise disturbance. These standards reflect the Town's commitment to protecting nearby residents from excessive operational noise.

<https://ecode360.com/44915495>



- (3) Vehicular sound amplification systems. Operating or controlling a motor vehicle in either a public or private place within the town and operating any sound device which is part of, or connected to, any radio, stereo receiver, compact disc player, cassette tape player, or other similar device in the motor vehicle, in such a manner that, when operated, it is audible at a distance of 30 feet, or when operated, causes a person to be aware of the vibration accompanying the sound at a distance of 30 feet from the source when such operation is done in a manner which causes a noise disturbance.
- (4) Yelling, shouting, etc. The yelling, shouting, crying, hooting, whistling or singing of peddlers, hawkers or any other person within the town in such a manner as to cause a noise disturbance.
- (5) Loading operations. The loading or unloading of any vehicle within the town in such a manner as to cause a noise disturbance.
- (6) Construction/maintenance work.
 - (A) Operating or permitting to be operated any equipment used in construction, maintenance, repair, alteration or demolition work on buildings, structures, streets, alleys, lawns, golf courses or appurtenances thereto and/or the erection, including excavation, demolition, alteration or repair of any building within a residential district or quiet zone, or within 500 feet of any residence or quiet zone, in such a manner as to cause a noise disturbance. A noise disturbance is not created by residential lawn maintenance or in the event emergency repairs are required on personal property.
 - (B) Operating or permitting to be operated any equipment used in construction, maintenance, repair, alteration or demolition work on buildings, structures, streets, alleys, lawns, golf courses or appurtenances thereto within a non-residential district in such a manner as to cause a noise disturbance.

The development is also expected to increase heavy truck traffic on local roads, creating additional congestion, safety concerns, and conflicts with residential uses. Frequent truck movements, deliveries, and staging are not compatible with the quiet character of the surrounding neighborhood.

Air quality impacts safety concerns. The loading and unloading of diesel-powered 18-wheelers within 500 feet of homes will increase diesel exhaust, particulate matter, and other vehicle emissions, particularly from trucks that are idling, maneuvering, backing into loading docks, or waiting to depart. These emissions have the potential to negatively affect the air quality experienced by nearby residents and diminish the health, comfort, and enjoyment of their properties.



Re: [*EXTERNAL*] - Planed Development for Prosper LGE - Lovers Business Park - Item No. 6 of July 21 2026 P&Z Commission Meeting)

From Chuck Hendrickson [REDACTED]
Date Tue 7/21/2026 4:16 PM
To Dakari Hill <DHill@prospertx.gov>

1 attachment (3 MB)

Hendrickson - Prosper P&Z Zoning Objections - Lovers Business Park.pdf;

Hello Mr. Hill,

As discussed, I will be conditionally opposing the re-zoning of the property proposed as Lovers Business Park pending amicable resolution of the noted items below.

Traffic, noise, and air quality concerns

- Current focus on ingress/egress for light industrial warehousing/logistics facilities via Richland Road will generate excessive start-stop heavy truck traffic immediately behind homes of Willow Ridge. Being a logistics facility, long-haul/short-haul trucks will operate at all hours.
- Accounting for the planned expansion of US380 into a 6 lane highway with service roads, this will put excessive stress on uncontrolled intersection of Richland and LaCima road crossing as well as (future) uncontrolled intersection of Lovers Lane and the Westbound service road of US-380. This will have additional impacts on traffic exiting or entering US380 to and from TX-289/Preston Road which is a major thoroughfare for Prosper, Celina, and North Frisco.

Landscaping

- Many of the existing trees along the North property line are a farmer's windbreak / barbwire fence. Roots are damaged / cut on north side as a result of the retaining wall built on Willow Ridge properties and largely made up of undesirable species which frequently die/uproot and fall due to winds during spring storms. The retention of the existing trees will not be a viable option in the landscaping plan
- Maintaining the security/separation of Willow Ridge community park from commercial/industrial area raises need for re-evaluation of how the properties will be separated.

Efforts should be made to re-evaluate the traffic flows for the site and evaluate better options for ingress and egress to the facilities without heavy use of Richland Blvd. This will likely allay pollution concerns while keeping the streets safe.

With regards to the landscaping, I am aware that this point of objection will likely remain regardless of the future zoning or developer and will rely heavily on the Council's support in the planning phases.

I have attached a brief presentation that outlines my concerns in more detail with accompanying graphics. I will print these out for the P&Z Commissioners meeting tonight in case there is no way to have this projected. Of course, I am happy for the file to be included in the Town Council meeting if and when this issue comes before them.

Thanks and Regards,
Chuck Hendrickson

From: Dakari Hill <DHill@prospertx.gov>

Sent: Monday, July 20, 2026 9:16 AM

To: Chuck Hendrickson [REDACTED]

Subject: Re: [*EXTERNAL*] - Planed Development for Prosper LGE - Lovers Business Park - Item No. 6 of July 21 2026 P&Z Commission Meeting)

Hello Chuck,

Thank you for reaching out. First, I want to clarify that there was only a deadline in terms of responses being included in our agenda packet that goes out to the Commission. You and other members of your neighborhood can still submit emails, letters, reply forms, etc. all the way up to the meeting. Should the case be heard at Town Council next month, responses can be sent in until the day of that meeting as well. We accept citizen response until the item has been officially ruled on by Town Council or withdrawn. Second, I appreciate your feedback on the proposal and the concerns you have articulated. I will be available this afternoon at 1PM to discuss these items with you as well as Town Staff's position and the process going forward. Please let me know if you have any additional questions prior to then; otherwise, I look forward to talking with you later today.

Best,



Dakari Hill

Senior Planner

250 W. First Street
Prosper, Texas 75078
T: 972.569.1133
dhill@prospertx.gov
prospertx.gov

From: Chuck Hendrickson [REDACTED]

Sent: Monday, July 20, 2026 2:03 AM

To: Dakari Hill <DHill@prospertx.gov>

Subject: [*EXTERNAL*] - Planed Development for Prosper LGE - Lovers Business Park - Item No. 6 of July 21 2026 P&Z Commission Meeting)

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Hello Dakari,

I am the homeowner of record, Charles E. Hendrickson Jr., of the residence on 920 Stratford Drive in the Willow Ridge development , a property adjacent to the northern edge of the proposed Lovers Business Park. I have lived at this residence for 15 years since completion of construction in February of 2011.

On Friday July 17, I received a letter from Prosper Development Services notifying me of the upcoming meeting of the Planning and Zoning Committee regarding the planned re-zoning of the property at the North East corner of US-380 and Lovers Lane in Prosper. This is particularly concerning as I can see the letters were mailed/postmarked on the 11th of July, apparently the US Postal Service can no longer be trusted with timely delivery as I, and more than one of my neighbors, only received the notification after the cut-off date for submitting comments or objections for the upcoming meeting. Regardless, I still intend to attend the council meeting on Tuesday evening and have my concerns and position on the zoning added to the record.

Suffice to say I have an immense amount of interest in the future use of the commercial property behind my home. I have done a non-trivial amount of research this weekend looking at the proposal, the facilities proposed in each of the three tracts in question, and naturally have a number of questions and concerns. I honestly do not have any objections to the proposed use cases for Tract 1 and Tract 3, however, the impact of the 300,000 square foot of cumulative warehouse space with over 90 docking bays proposed in Tract 2 gives me a great deal of concern.

At a high level, my concerns focus on the volume of large truck traffic and the corresponding pollution (noise and chemical) that will enter my home as a result of this development as proposed. Of greater importance to the broader population of Prosper, I have significant concerns with the traffic flow, ingress and egress to the property, and how the transformation of US-380 to a 6-lane highway will re-shape traffic patterns in that area.

I will also strongly suggest re-evaluating the plan for the landscaping along the northern edge of the property, but that may or may not be a discussion for zoning, rather fall into the actual planning/platting phase of approvals. Regardless of the future developer, the existing tree-line that is little more than an antiquated windbreak left over from a farmer's field full of undesirable trees, poison ivy varieties, and a barbwire fence and certainly would not be permitted as a border to any other city street.

While I am still assembling my thoughts into a presentable format, I am curious if you would have time to discuss the town's stance on the proposal, review my concerns, and help me understand how this process will move forward. I am available any time Monday and Tuesday from 8 AM to 6 PM if you wish to suggest a time, otherwise I will give you a ring on Monday afternoon at around 1:00 PM.

Thanks and Regards,

Chuck Hendrickson

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Agenda Item

Conduct a Public Hearing and consider and act upon a request for a rezoning from Planned Development-27 to a Planned Development for Cottage Logistics, Office/Warehouse, and Retail uses on Edward Bradley Survey, Abstract 86, Tract 5, on 39.2± acres, located on the northeast corner of Lovers Lane and University Drive. (ZONE-26-0006)

Proposal

Purpose:

- Rezone the property from Planned Development-27 to a Planned Development allowing for cottage logistics, office/warehouse, and retail uses.

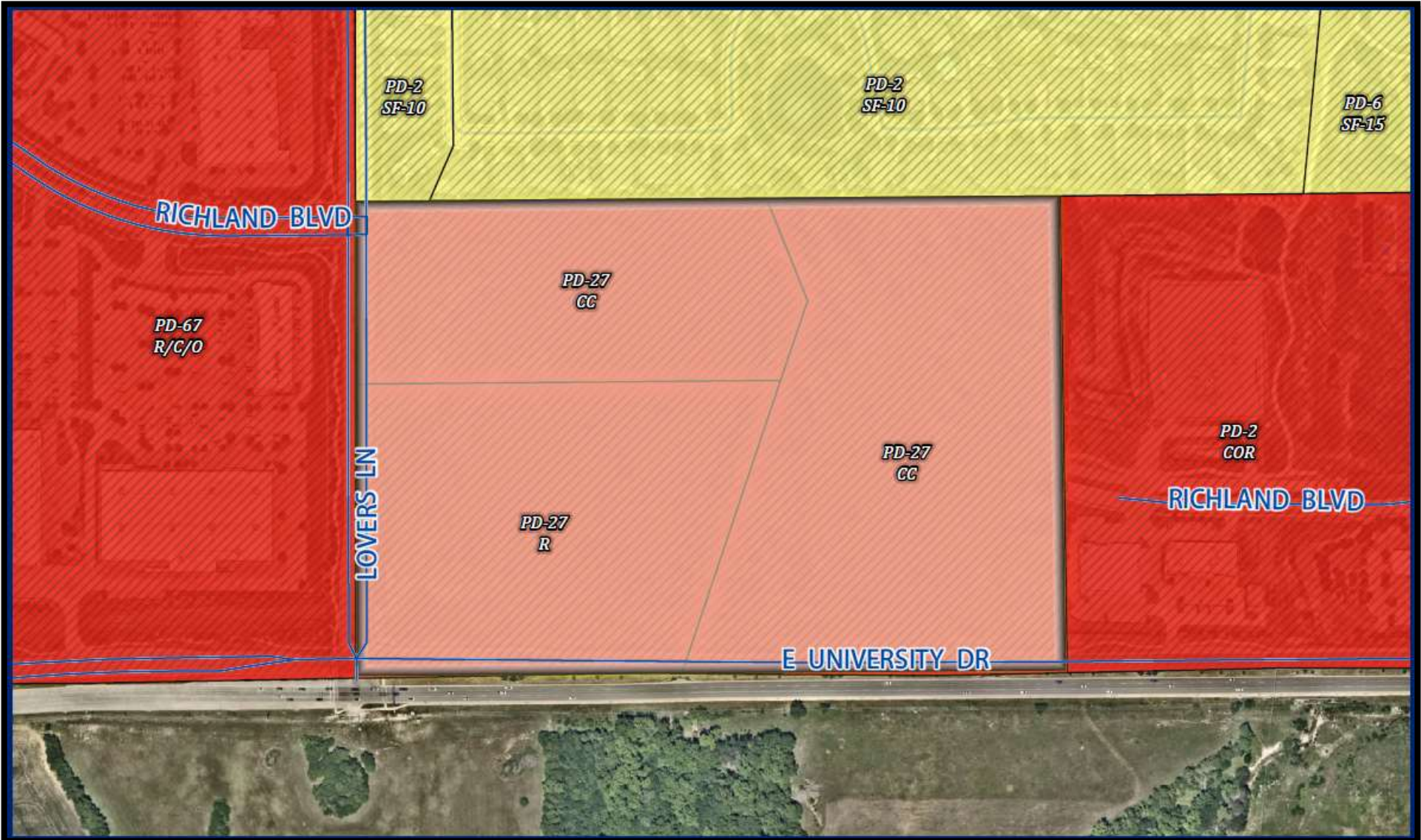
Breakdown:

- Tract One: Retail
- Tract Two: Office/Warehouse
- Tract Three: Cottage Logistics

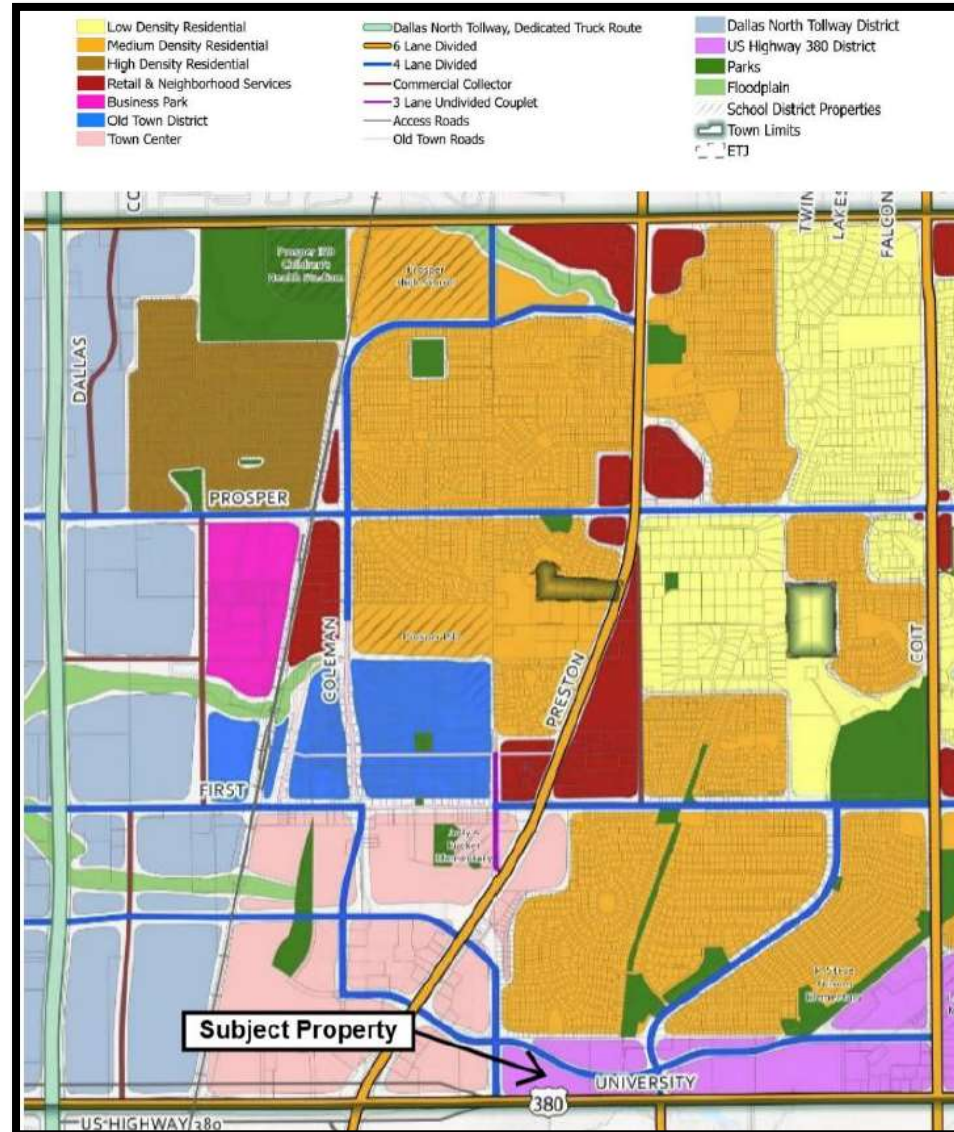


Surrounding Zoning

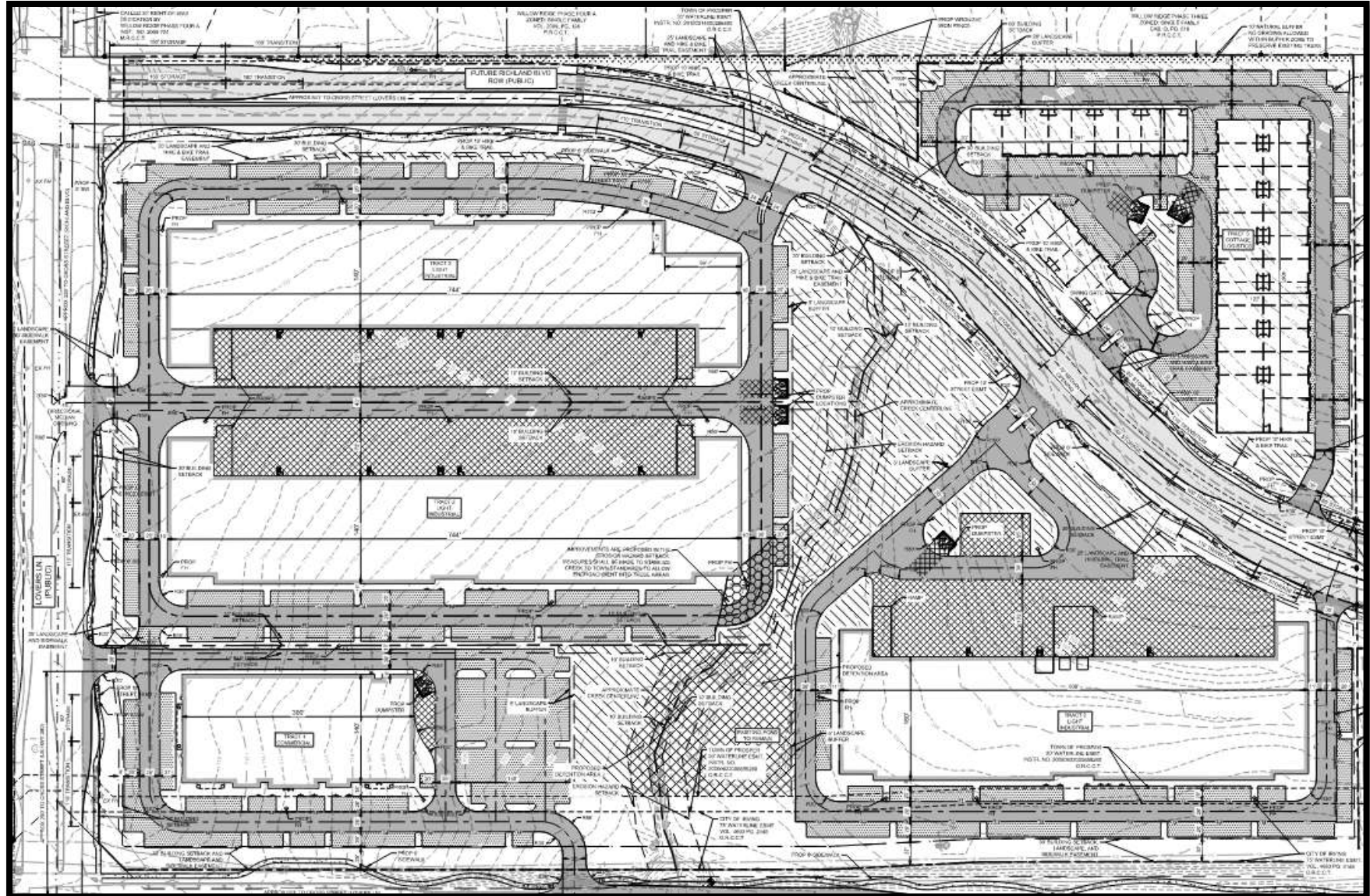
	Zoning	Current Land Use	Future Land Use Plan
Subject Property	Planned Development-27 (Commercial Corridor and Retail)	Vacant	US Highway 380 District
North	Planned Development-2 (Single Family-10)	Residential (Willow Ridge)	Medium Density Residential
East	Planned Development-2 (Commercial Corridor)	Utility (Oncor Substation)	US Highway 380 District
South	N/A (City of Frisco)	Vacant	N/A (City of Frisco)
West	Planned Development-67 (Retail)	Commercial (Dicks Sporting Goods)	Town Center



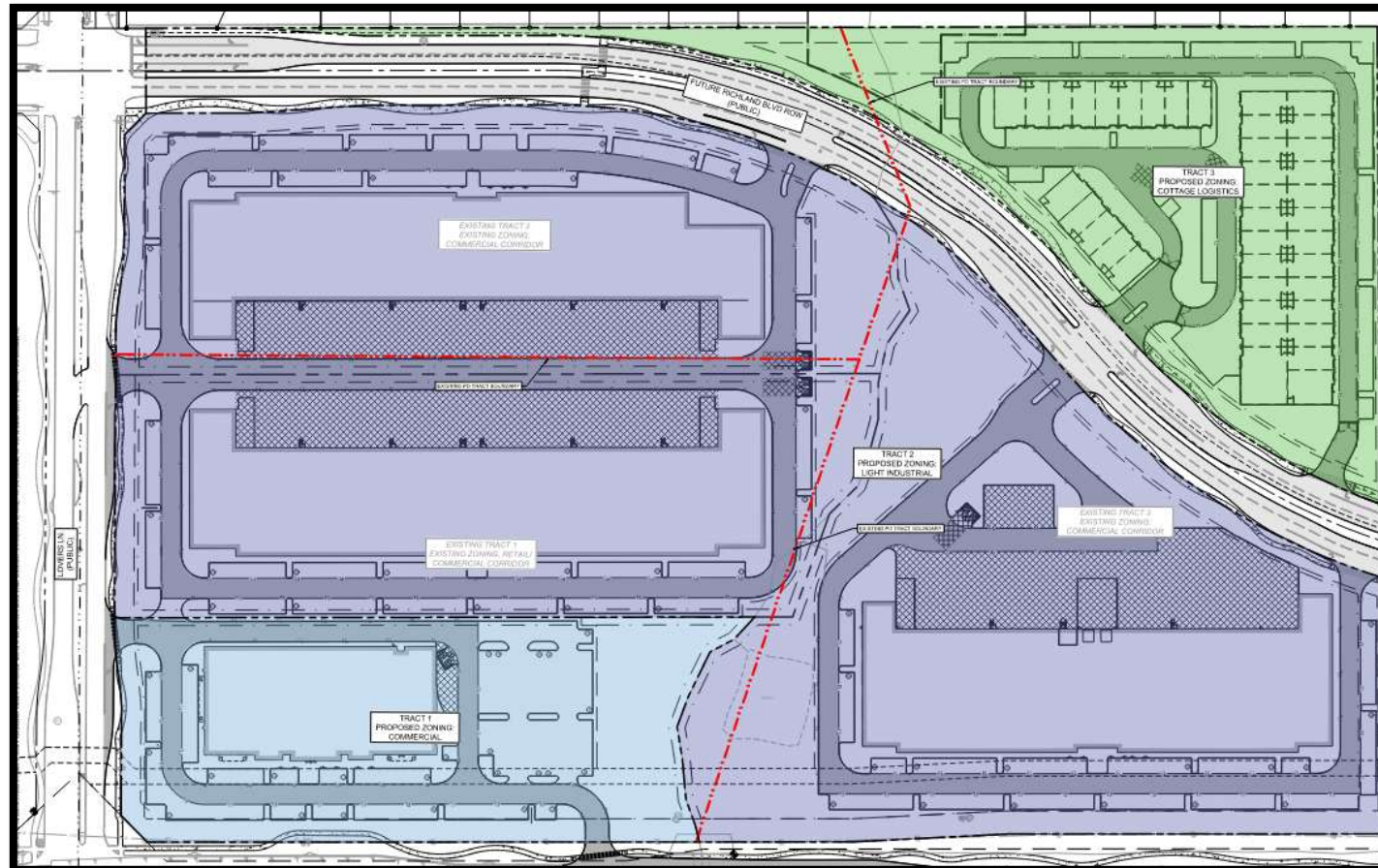
Future Land Use Plan



Conceptual Plan



Tract One – Retail (Blue)



District Regulations (Tract One)

	Proposed Regulations (Development Standards)	Commercial District (Unified Development Code)
Size of Yards	Front: 30' Side: 0' (Attached, Separate Lots) 10' (Adj. to Internal Lots) 25' (Adj. to Commercial) 30' (Adj. to Thoroughfare) 40' (1-Story Adj. to Residential) 60' (2-Story Adj. to Residential) Rear: 0' (Attached, Separate Lots) 10' (Adj. to Internal Lots) 25' (Adj. to Commercial) 40' (1-Story Adj. to Residential) 60' (2-Story Adj. to Residential)	Front: 30' Side: 0' (Attached, Separate Lots) 15' (Adj. to Commercial) 30' (Adj. to Thoroughfare) 40' (1-Story Adj. to Residential) 60' (2-Story Adj. to Residential) Rear: 0' (Attached, Separate Lots) 15' (Adj. to Commercial) 40' (1-Story Adj. to Residential) 60' (2-Story Adj. to Residential)
Size of Lots	Area: 10,000 SF Width: 100' Depth: 100'	Area: 10,000 SF Width: 100' Depth: 100'
Maximum Height	Height: 50'	Height: 40'
Lot Coverage	Maximum: 50%	Maximum: 50%
Floor Area Ratio	Maximum: 0.5:1	Maximum: 0.5:1

District Regulations (Tract One)

Deviations:

- Increase in Side Yard Setback (15' to **25'**)
- Increase in Building Height (40' to **50'**)

Permitted Uses (Tract One)

By Right:

- Administrative, Medical, or Professional Office
- Alcoholic Beverage Sales
- Antique Shop and Used Furniture
- Bank, Savings and Loan, or Credit Union
- Beauty Salon/Barber Shop
- Building Material and Hardware Sales, Minor
- Business Service
- Cabinet/Upholstery Shop
- Catering
- Commercial Amusement, Indoor
- Dry Cleaning, Minor
- Feed Store
- Furniture, Home Furnishings and Appliance Store
- Governmental Office
- Gymnastics/Dance Studio
- Health/Fitness Center
- Homebuilder Marketing Center
- Locksmith/Security System Company
- Massage Therapy, Licensed
- Meeting/Banquet/Reception Facility

Permitted Uses (Tract One)

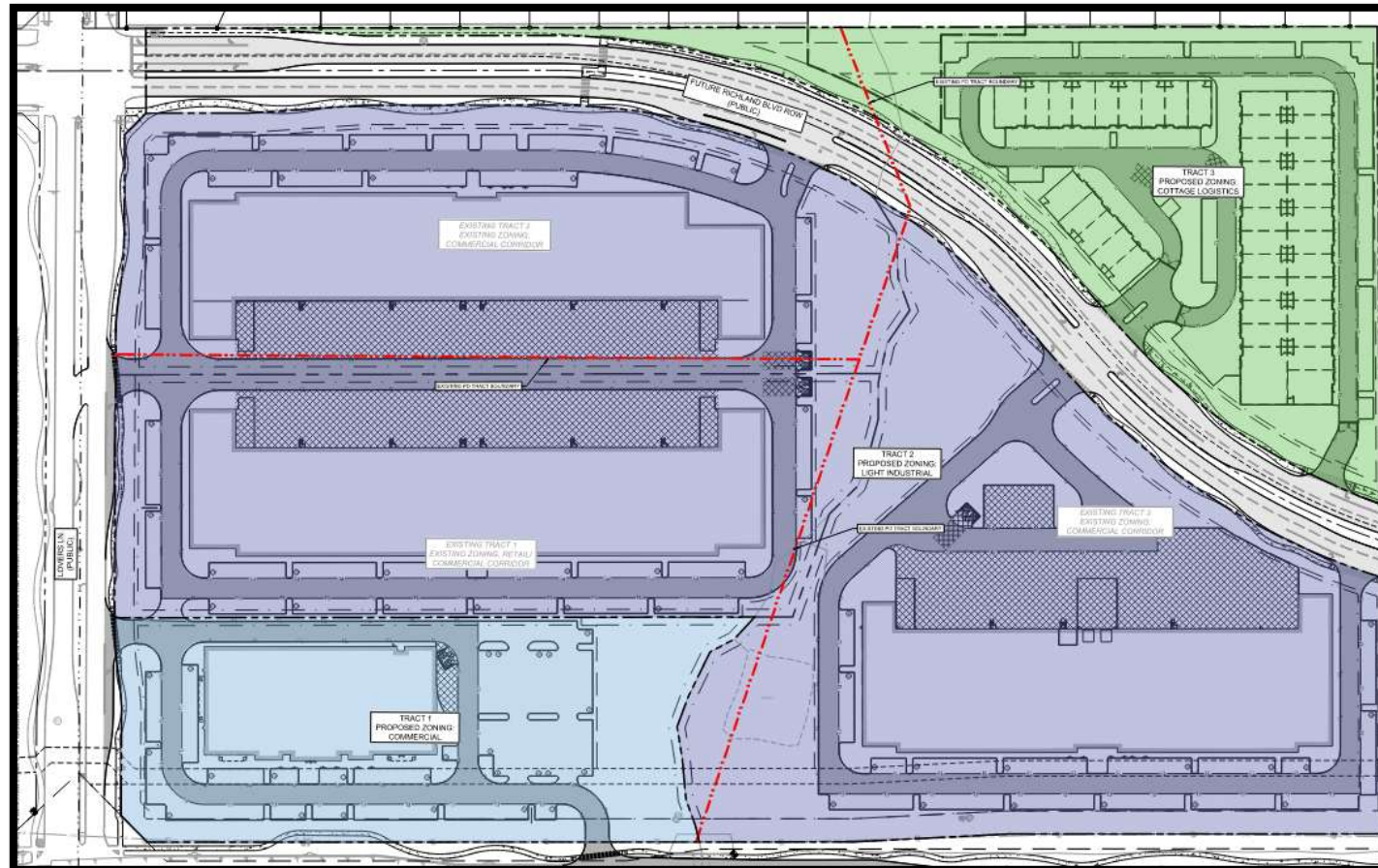
By Right:

- Municipal Uses Operated by the Town of Prosper
- Nursery, Minor
- Office/Showroom
- Private Utility, Other Than Listed
- Restaurant
- Retail/Service Incidental
- Retail Stores and Shops
- Theater, Neighborhood
- Theater, Regional

By Specific Use Permit:

- Child Care Center, Incidental
- Child Care Center, Licensed
- Office/Showroom
- Restaurant, Drive-In

Tract Two – Office/Warehouse (Purple)



District Regulations (Tract Two)

	Proposed Regulations (Development Standards)	Industrial District (Unified Development Code)
Size of Yards	Front: 30' Side: 0' (Attached, Separate Lots) 10' (Adj. to Internal Lots) 30' (Adj. to Commercial) 30' (Adj. to Thoroughfare) 60' (Adj. to Residential) Rear: 0' (Attached, Separate Lots) 10' (Adj. to Internal Lots) 30' (Adj. to Commercial) 60' (Adj. to Residential)	Front: 50' (35' on Arterial Street) Side: 30' (Adj. to Commercial) 50' (Adj. to Thoroughfare) 60' (Adj. to Residential) Rear: 30' (Adj. to Commercial) 60' (1-Story Adj. to Residential)
Size of Lots	Area: 15,000 SF Width: 100' Depth: 150'	Area: 15,000 SF Width: 100' Depth: 150'
Maximum Height	Height: 50'	Height: 100'
Lot Coverage	Maximum: 60%	Maximum: N/A
Floor Area Ratio	Maximum: 1:1	Maximum: 1:1

District Regulations (Tract Two)

Deviations:

- Decrease in Front Yard Setback (50' to **30'**)
- Decrease in Side Yard Setback Adj. to Thoroughfare (50' to **30'**)
- Decrease in Building Height (100' to **50'**)

Permitted Uses (Tract Two)

By Right:

- Administrative, Medical, or Professional Office
- Building Material and Hardware Sales, Minor
- Business Service
- Cabinet/Upholstery Shop
- Commercial Amusement, Indoor
- Furniture, Home Furnishings and Appliance Store
- Furniture Restoration
- Gymnastics/Dance Studio
- Health/Fitness Center
- Homebuilder Marketing Center
- Limited Assembly and Manufacturing Use Complying with Performance Standards
- Locksmith/Security System Company
- Municipal Uses Operated by the Town of Prosper
- Nursery, Minor
- Office/Showroom
- Office/Warehouse
- Print Shop, Minor
- Private Utility, Other Than Listed
- Repair Service, Indoor
- Research and Development Center

Permitted Uses (Tract Two)

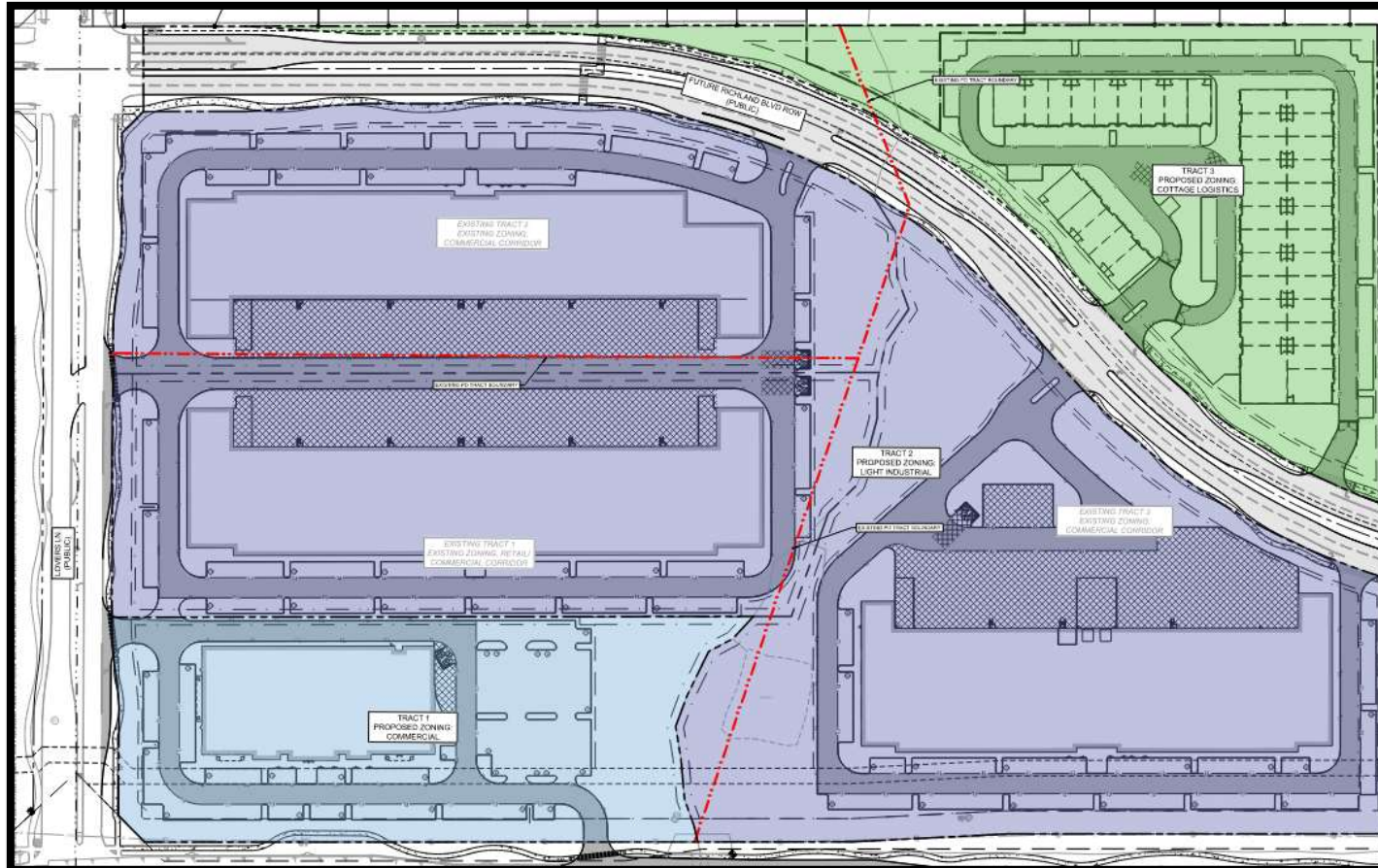
By Right:

- Retail/Service Incidental
- Retail Stores and Shops
- Storage or Wholesale Warehouse

By Specific Use Permit:

- Auto Parts Sales, Inside
- Equipment and Machinery Sales and Rental, Minor
- Wireless Communications and Support Structures

Tract Three – Cottage Logistics (Green)



District Regulations (Tract Three)

	Proposed Regulations (Development Standards)	Industrial District (Unified Development Code)
Size of Yards	Front: 30' Side: 10' (Adj. to Internal Lots) 30' (Adj. to Commercial) 30' (Adj. to Thoroughfare) 60' (Adj. to Residential) Rear: 10' (Adj. to Internal Lots) 30' (Adj. to Commercial) 60' (Adj. to Residential)	Front: 50' (35' on Arterial Street) Side: 30' (Adj. to Commercial) 50' (Adj. to Thoroughfare) 60' (Adj. to Residential) Rear: 30' (Adj. to Commercial) 60' (1-Story Adj. to Residential)
Size of Lots	Area: 15,000 SF Width: 100' Depth: 150'	Area: 15,000 SF Width: 100' Depth: 150'
Maximum Height	Height: 35'	Height: 100'
Lot Coverage	Maximum: 60%	Maximum: N/A
Floor Area Ratio	Maximum: 1:1	Maximum: 1:1

District Regulations (Tract Three)

Deviations:

- Decrease in Front Yard Setback (50' to **30'**)
- Decrease in Side Yard Setback Adj. to Thoroughfare (50' to **30'**)
- Decrease in Building Height (100' to **35'**)*

Permitted Uses (Tract Three)

By Right:

- Administrative, Medical, or Professional Office
- Artisan's Workshop
- Building Material and Hardware Sales, Minor
- Business Service
- Cabinet/Upholstery Shop
- Cottage Logistics *
- Furniture, Home Furnishings and Appliance Store
- Furniture Restoration
- Health/Fitness Center
- Homebuilder Marketing Center
- Limited Assembly and Manufacturing Use Complying with Performance Standards
- Locksmith/Security System Company
- Machine Shop
- Municipal Uses Operated by the Town of Prosper
- Nursery, Minor
- Office/Showroom
- Office/Warehouse
- Print Shop, Minor
- Private Utility, Other Than Listed
- Repair Service, Indoor

Permitted Uses (Tract Three)

By Right:

- Research and Development Center
- Retail/Service Incidental
- Retail Stores and Shops
- Small Engine Repair Shop
- Storage or Wholesale Warehouse

By Specific Use Permit:

- Auto Parts Sales, Inside
- Contractor's Shop and/or Storage Yard
- Equipment and Machinery Sales and Rental, Minor
- Wireless Communications and Support Structures

Cottage Logistics

Definition:

- An establishment or business where the primary purpose is small-scale and individualized (i.e., not mass produced) assembly and light manufacturing of commodities and is characterized by low to no external impact.
 - Furniture Making
 - Glassblowing
 - Metalworking and Fabrication
 - Pottery
 - Weapon Bluing

General Regulations (All Tracts)

Eliminated Uses (PD-27)

Currently Allowed:

- Alcoholic Beverage Establishment (S)
- Antenna, Non-Commercial
- Antenna, Stealth
- Assisted Care of Living Facility (S; Retail District)
- Automobile Paid Parking Lot/Garage
- Automobile Parking Lot/Garage
- Automobile Repair, Minor (S)
- Automobile Sales/Leasing, New (S)
- Automobile Sales/Leasing, Used (S)
- Athletic Stadium or Field, Private (S)
- Athletic Stadium or Field, Public
- Bed and Breakfast Inn
- Big Box (S)
- Building Material and Hardware Sales, Major (S; Retail District)
- Bus Terminal
- Car Wash
- Cemetery or Mausoleum (S)
- Child Care Center, Incidental (S)
- Child Care Center, Licensed (S)
- Civic/Convention Center

Eliminated Uses (PD-27)

Currently Allowed:

- College, University, Trade, or Private Boarding School
- Commercial Amusement, Outdoor (S)
- Commercial Drone Delivery Hub (S)
- Community Center
- Construction Yard and Field Office, Temporary
- Convenience Store without Gas Pumps
- Day Care Center, Adult
- Donation or Recycling Bin
- Equipment and Machinery Sales and Rental, Minor
- Fairgrounds/Exhibition Area (S)
- Farm, Ranch, Stable, Garden, or Orchard
- Farmer's Market
- Food Truck Park (S)
- Fraternal Organization, Lodge, Civic Club, Fraternity, or Sorority
- Funeral Home (S; On-Site Cremation Services)
- General Manufacturing/Industrial Use Complying with Performance Standards
- Golf Course and/or Country Club
- Helistop (S)
- Hospital
- Hotel, Full Service

Eliminated Uses (PD-27)

Currently Allowed:

- Hotel, Limited-Service (S)
- Hotel, Residence/Extended Stay (S)
- House of Worship
- Indoor Gun Range (S)
- Laundromat
- Mobile Food Vendor (S)
- Motorcycle Sales/Service (S)
- Museum/Art Gallery
- Nursery, Major (S)
- Open Storage
- Outdoor Merchandise Display, Incidental (S)
- Outdoor Merchandise Display, Temporary
- Outside Storage, Incidental (S)
- Park or Playground
- Pet Day Care
- Print Shop, Major
- Private Club (S)
- Private Recreation Center
- Recycling Center (S)
- Recycling Collection Point

Eliminated Uses (PD-27)

Currently Allowed:

- Rehabilitation Care Institution (S)
- School District Bus Yard
- School, Private or Parochial
- School, Public
- Sewage Treatment Plant/Pumping Station (S)
- Taxidermist
- Telephone Exchange
- Temporary Building (S)
- Transit Center
- Utility Distribution/Transmission Facility (S)
- Veterinarian Clinic and/or Kennel, Indoor or Outdoor
- Water Treatment Plant (S)
- Winery
- Wireless Communications and Support Structures (S)

Building Materials

Primary (Min. of 80%):

- Clay Fired Brick
- Concrete Tilt Wall
- Split-Faced Block
- Stone (Natural and Manufactured)

Secondary (Max. of 20%):

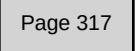
- Formliner
- Steel
- Stucco (Three-Step)
- Timber

* Maximum of 30% for Secondary Materials on Tract 1

Building Design

Enhancements:

- Building Entrances
- Pedestrian-Facing Façades
- Public-Facing Façades



TRACT 2: LIGHT INDUSTRIAL
(OFFICE/WAREHOUSE)





TRACT 2: LIGHT INDUSTRIAL
(OFFICE/WAREHOUSE)



TRACT 3: COTTAGE LOGISTICS



TRACT 3: COTTAGE LOGISTICS



Landscaping (Perimeter)

	Proposed Regulations (Development Standards)	Town Regulations (Unified Development Code)
Buffer / Easement	Width: 5' (Adj. to Commercial) 15' (Adj. to Residential) 25' (Adj. to Thoroughfare) 30' (University Drive)	Width: 5' (Adj. to Commercial) 15' (Adj. to Residential) 25' (Adj. to Thoroughfare) 30' (University Drive)
Trees	Adj. to Commercial: One Small Tree every 15 Feet Adj. to Residential: One 3" Caliper every 30 Feet Adj. to Thoroughfare: One 3" Caliper every 30 Feet	Adj. to Commercial: One Small Tree every 15 Feet Adj. to Residential: One 3" Caliper every 30 Feet Adj. to Thoroughfare: One 3" Caliper every 30 Feet
Shrubs	Adj. to Commercial: One 5-Gallon every 15 Feet Adj. to Residential: N/A Adj. to Thoroughfare: 15 5-Gallon every 30 Feet	Adj. to Commercial: One 5-Gallon every 15 Feet Adj. to Residential: N/A Adj. to Thoroughfare: 15 5-Gallon every 30 Feet

Landscape Plan



Open Space and Amenities

Open Space:

- Minimum of 12 Percent (Aggregate)

Amenities:

- Major Amenities (Three)
- Minor Amenities (Ten)

Major Amenities:

- Dog Park
- Fountain
- Hike and Bike Trail
- Shade Structure

Minor Amenities:

- Benches and Tables
- Bike Racks
- Dog Waste Station
- Pond Overlook

Screening and Roadway

Living Screen:

- Proposed in Lieu of Masonry Wall
- Existing Tree Line with Plantings Filling Gaps
- Wrought Iron Fence Adjacent to Common Area Lot (8')

Richland Boulevard:

- Current Section to Lovers Lane
- Berms and Hike and Bike Trail (10')

Recommendation

Noticing:

- Friday, August 7th
 - Eight Responses (Five in Opposition, Two Neutral, and One in Support)

Town Staff Recommendation:

- Approval

Planning and Zoning Recommendation:

- Approval (7-0) subject to no dumpsters on the northern boundary of Tract 3.