



**AGENDA
CITY COUNCIL MEETING
TUESDAY, MARCH 12, 2024
1371 WEST FM 550 - McLENDON-CHISHOLM, TEXAS 75032
6:30 PM**

	Page
1. CALL TO ORDER	
2. INVOCATION AND PLEDGE OF ALLEGIANCE TO U.S. AND TEXAS FLAGS	
3. RULES OF DECORUM	
4. CITIZEN COMMENTS	
5. CONSENT AGENDA	
5.1. Consider approval of the minutes of the February 27, 2024, City Council Meeting Minutes of February 27, 2024	5 - 14
5.2. Consider approval of an ordinance of the City of McLendon-Chisholm, Texas, amending the comprehensive zoning ordinance and zoning map of the City of McLendon-Chisholm, Texas, as heretofore amended, by granting a change in zoning district from PD Triple Creek to PD Planned Development Zoning District Legacy Park Estates, providing for 328 Single-Family lots and a community park on a 148.15 acre tract of land located generally around three sides of 1371 West FM 550 [McLendon-Chisholm City Hall], McLendon-Chisholm, Texas, more particularly described herein in Exhibit A, in the City of McLendon-Chisholm, Rockwall County, Texas, providing a repealing clause; providing a savings clause; providing a severability clause; providing for a penalty or fine not to exceed the sum of two thousand (\$2,000) dollars for each offense; and providing for an effective date. Ordinance	15 - 21
6. ITEMS FOR CONSIDERATION AND ACTION	
6.1. Review and action regarding approval of a resolution of the City Council of the City of McLendon-Chisholm, Texas, consenting to the addition of certain land into River Rock Trails Municipal Utility District No. 2; and providing an effective date. Petition for Consent to Addition of Land - 40.82 acres Consent Resolution - Annex 40.82 Acres Development Agreement (RRT - MC)	22 - 98

- 6.2. Discussion and action for a resolution of the City of McLendon-Chisholm, Texas authorizing the City Administrator to negotiate terms beneficial to the City for an agreement for the single-certification and purchase of facilities and property within the City limits of the City pursuant to Texas Water Code § 13.255; authorizing the Mayor to execute said agreement; authorizing City Administrator to provide a notice of intent to provide service within the incorporated and annexed areas of the City to RCH Water Supply Corporation and High Point Special Utility District; authorizing the City Administrator to prepare and execute a single certification application under Texas Water Code § 13.255 and file such application with the Public Utility Commission of Texas; and providing an effective date. [Requested by Mayor Pro Tem Balkum] 99 - 101
[Resolution](#)
- 6.3. Consider and approval of an ordinance altering the prima facie speed limits established for vehicles under the provisions of Transportation Code, Section 545.356 upon Highway 205 or parts thereof, within the incorporate limits of the City of McLendon-Chisholm, Texas, as set out in this ordinance; and providing a penalty of a fine not to exceed \$200.00 for the violation of this ordinance. 102 - 105
[Speed Zone Ordinance](#)
[Staff Report](#)
- 6.4. Discuss and act on revoking that portion of Resolution No. 2023-06 Section 4 i-kk wherein the City Administrator and Mayor are provided authorities as described in Section 4 i-ii. [Requested by Council Member Tucker] 106 - 154
[Resolution No. 2023-06](#)
- 6.5. Discuss and act on instructing City Administrator and Mayor to implement Section 4 i-ii (revised version) with final authority for review and approval delegated to City Council. [Requested by Council Member Tucker]
- 6.6. Discuss and approve assigning second Council member to Water Committee. Assigned Council member to have equal standing and all rights and privileges regarding access to any and all information made available to the Committee, Mayor and City Administrator and legal counsel. [Requested by Council Member Tucker]
- 6.7. Discuss and act on having a standing City Council member besides Mayoral designated appointee be included in all actions and receive all correspondence i.e. e-mails, texts, formal/informal scripts, writings, surveys, etc. and participate in all live interactions to include meetings via zoom, phone, computer video, etc. in regards to developers wishing to do business with MC. Also, said Council member would be included and apprised of any and all actions to include contractual negotiations, discussions, both preliminary and final agreements etc. and that final contracts/agreements between said parties will be reviewed by Council prior to any approval. [Requested by Council Member Tucker]

- 6.8. Discussion and action on road repairs staff presentation of costs for City Council to consider a priority list, funding options and/or budget amendments. [Requested by Mayor Pro Tem Balkum]
- 6.9. Update on all water related issues [Requested by Mayor Pro Tem Balkum]
- 6.10. Review/Action - Performance Appraisal - City Secretary [Requested by Mayor Pro Tem Balkum]

7. EXECUTIVE SESSION

- 7.1. Adjourn into Executive Session (Closed Meeting) in accordance with Texas Government Code: Section 551.074(a)(1) Personnel matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee: City Administrator, City Secretary.
- 7.2. Adjourn into Executive Session (Closed Meeting) in accordance with Texas Government Code: Section 551.071 Consultation with Attorney: Discuss the status of the City's current PUC application as it relates to RCH, it's system, and any other PUC application related issues.
- 7.3. Reconvene Regular Meeting
- 7.4. Executive Session Action

8. UPDATES, DISCUSSION AND DIRECTION TO STAFF

9. COUNCIL MEMBER REPORTS AND ANNOUNCEMENTS

The City Council will have an opportunity to address items of community interest including: expressions of thanks, congratulations, or condolence; information regarding holiday schedules; an honorary or salutary recognition of a public official, public employee, or other citizen; a reminder about an upcoming event organized or sponsored by the City of McLendon-Chisholm; information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the City of McLendon-Chisholm that was attended or is scheduled to be attended by a member of the City Council or an official or employee of the City of McLendon-Chisholm; and announcements involving an imminent threat to the public health and safety of people in the City of McLendon-Chisholm that has arisen after posting the agenda.

- 9.1. Mayor Short
- 9.2. Mayor Pro Tem Balkum
- 9.3. Council Member Tucker
- 9.4. Council Member Day
- 9.5. Council Member McLendon
- 9.6. Council Member McNeal

10. ADJOURN

The City Council for the City of McLendon-Chisholm, Texas, reserves the right to convene into executive session at any time during the course of this meeting to discuss any of the matters listed, as authorized by Texas Government Code, Chapter 551, including but not limited to §551.961 - Consultation with Attorney; §551.072 - Real Property; §551.073 - Prospective Gifts; §551.074 - Personnel Matters; §551.076 - Security Devices; §551.086 - Utility Competitive Matters; and, §551.087 - Economic Development Negotiation.

I, Rochelle Green, do hereby certify that the above Notice of Meeting of the City Council of McLendon-Chisholm, Texas was posted or before 5:00 p.m., March 8, 2024, on the outside bulletin board at City Hall, a place convenient and readily accessible to the public at all times.



**CITY COUNCIL MEETING
CITY OF McLENDON-CHISHOLM, TEXAS
MEETING MINUTES
FEBRUARY 27, 2024**

The City Council of the City of McLendon-Chisholm convened in Regular Session on Tuesday, February 27, 2024, at City Hall, 1371 West FM 550, McLendon-Chisholm, Texas, with the following members present:

ATTENDING:	Keith Short	Mayor (Arrived at 7:20 p.m)
	Adrienne Balkum	Mayor Pro Tem
	Paul Day	Council Member
	Floyd McLendon, Jr.	Council Member
	Daniel Tucker	Council Member
	Bryan McNeal	Council Member
Staff Present:	Konrad Hildebrandt	City Administrator
	Shelly Green	City Secretary
	Asa Woodberry	City Planner
	Jeff White	Management Analyst
	Michael Halla	City Attorney

1. CALL TO ORDER

Mayor Pro Tem Balkum called the meeting to order at 6:30 p.m.

2. INVOCATION AND PLEDGE OF ALLEGIANCE TO U.S. AND TEXAS FLAGS

Council Member Tucker delivered the invocation and Council Member McLendon led the pledge of allegiance to the U.S. and Texas Flags.

3. RULES OF DECORUM

Mayor Pro Tem Balkum announced the Rules of Decorum are in effect and are to be observed throughout the meeting.

4. CITIZEN COMMENTS

Anthony J. Crawford, 104 Lavender Pl., McLendon-Chisholm. Thank you for the opportunity to address you tonight. I am here to make one simple request. That you as a governing body follow the desires of the people of this community and maintain growth outlined by the Comprehensive Plan approved by the city council on September 29, 2021. The main desire of the citizens of McLendon-Chisholm was to maintain a country estate feel to our city.

This document specifically talks about the Heritage Center and states Maximum Density of one dwelling per acre for residential use. Conceptual plans of what the Heritage Center will look like are currently being developed. The comprehensive plan defines the Heritage Center as:

- This Future Lane Use Designation is located on land with the new City Hall and Fire Station, in addition to private and School District-owned land and is intended to be a node of development that showcases the City's Rural Heritage, Green Spaces, and Natural Areas in a Country Living Activity Center.
- Anticipated Land Uses:
 - Institutional uses associated with the city, County, and/or School District;
 - Mixed-use development (combinations of residential, office, restaurant/retail, entertainment, and arts/culture) with a rural/country feel;
 - Uses relating to McLendon-Chisholm's heritage and/or history or arts and culture; and/or
- Desired Development Characteristics:
 - Maximum density of one dwelling unit per acre for residential uses, exclusive of floodplains and rights-of-way. Drainage areas and waterways should be within HOA-maintained common areas and not included on individual lots where applicable.
 - Conservation development that groups buildings/structures and provides beautiful green/natural areas which showcase McLendon-Chisholm's Country Feel.
- Development that Diversifies the Tax Base and provides areas for people to enjoy Grassroots Community Events or entertainment.
- Extensive, shaded, lighted, and landscaped trail system to connect the County Living Activity Center
- One story typical with two stories maximum.

There has been some on city staff that would like to describe the word "DESIRED" in such a way that somehow minimizes the impact of the comprehensive plan. What this minimization attempt basically does is discount the wishes and desires of the citizens who moved here for that rural feel. The P&Z recognized that by unanimously voting against this project because it is too high density. Taking 60-foot lots out has done nothing to minimize that density.

The word desire is defined as a "strong feeling of wanting to have something or wishing for something to happen." Used a few ways would be "I desire to have a good job. Or I desire to live in a community who listens to its citizens, or I desire to maintain a rural country feel to the community I live in or last but certainly not least, I desire to cast my vote for a candidate who has my best interest at heart.

You have an opportunity to slow down and at least get the city back to the negotiating table to make this neighborhood what it could be. A reflection of the country rural feel we all desire. 335 rooftops do not reflect that. It may not be totally one acre lots. Certainly, half-acre lots with 110-foot frontage and considerable setbacks would look a lot better in the Heritage Center. The current 20-foot setbacks and five on each side scream nothing but high density.

So, it is my desire that you vote no this evening and let everyone start over.

Andy Clark, 3 Granite Ridge Dr., Rockwall. I am Andy Clark and my wife Susan, and I live at 3 Granite Ridge Drive just down the road. I've been a resident of McLendon-Chisholm since 2021 when we moved here to be close to our youngest daughter, two grandchildren, and her husband. At the time we were looking for a home, there weren't a whole lot available. The housing market had gone crazy and if you didn't bring a whole lot of cash, you weren't going to close on a house. Fortunately, we had sold our house, we had sold our house in Prosper before we even found this house, so we were in good shape there. Just to give you a little history, I sent an email to each Council Member in December, December 18, 2023. After the council, with the exception of Mr. Tucker, voted to ignore the city's comprehensive plan and recommendations of the planning & zoning committee regarding the high-density housing projects planned here. Again, we moved from Prosper, a master plan community. I don't know if any of y'all are really familiar with it, but it is 32 square miles, so it was master planned by, I understand, the same company that master planned out South Lake. Because they are limited in their space, they planned it out to be able to accommodate a population around 70,000. We moved there in 2009, there were 4500. Now they have three big high schools, and I don't know how many thousands, but it will not grow to above 70,000 because they did a master plan and they stuck to it unlike what has happened here.

We keep up with our friends in Prosper and they are very happy with their city council, the mayor, and all the city officials who have adhered to that plan because they put it in place for good reason. They wanted to preserve some feel of small town in the middle of a metroplex that was encroaching all around them and they had no place to expand.

So, like I said, we moved here to be closest to our daughter whose family had moved to Heath, and we moved from Prosper, found a house, didn't want an acre and ½ but that's what we got. But the main reason we liked it was, in Prosper we had neighbors that were a little closer than we like. I grew up in Marshall, Texas, we lived for 30 years in Longview, Texas. I'm a physician, I practiced there for 30 years, we had a one-acre lot. We had a creek in our backyard and cows. In Prosper we had sheep in our backyard. We like the Open Spaces, and I don't like to go out to my pool and look at people through windows in their yards. So, we moved here because it was close to my daughter. We looked all around here, drove our realtor crazy and finally found this house, and we'd closed our house and were able to close on this one, and get a lot that was bigger than we wanted but a nice yard with a country living sort of feel. And our realtor just screened out all the houses that didn't meet our demands. That was what we wanted, and the market was really tight trying to find a house then. The biggest thing was to avoid the crowds and people in our backyards and get the kind of country feel and get away from traffic. So, every time we left Prosper we had to face DFW traffic. We have a home on a lake out in east Texas and it was just one hour to get out of the metroplex to get there. Now it takes me two hours and five minutes, so we like that. But little did we know when we moved here, we had a co-op municipal water or a co-op water company that was little more than a mom-and-pop store. They had no idea what they were doing.

Thanks to Adrienne and others, that was all brought to light and things have changed, but had we know that and I'm sure other people who are looking to move here now know that. It probably hurts a little bit the real estate market. So, the water was the problem when the water got turned off it was a big problem. I put in \$90,000 in landscaping, when that happened. We lost a bunch, we saved a bunch, and I was out there in the middle of the night trying to hand water. We did have rolling black outs from time to time during storms. But we got away from all that to come here to find no water system that's reliable. That's getting better. I have opinions on that and what the city's trying to do about that too, but I'm not going to get into that. Now we have increasing traffic congestion, as you all know who live here, to get to town. You have two choices and both of them, as you know, 205. I've never had to drive because you never knew the best way to get there so you didn't get stuck in traffic. Now I have to do that every time we go, so that you know as 205 gets more and more congested, as 550 gets more congested, we're kind of isolated. I might as well go to Terrell to shop. I can get there quicker. So more congestion, water problems and now developers. I assume these people here want to come in and put houses on lots that they live in, lots are probably smaller than their houses. There is something wrong with that. I don't mind people having big houses, I've had big houses, I've had smaller houses, I have sort of a medium sized house now. I don't begrudge anybody that, but I don't need to drive by nothing but rooftops. The first time I used to run Urgent Care clinics all over the metroplex, the first time I every drove out to our clinic in Flower Mound, I'm driving along 121, I thought I was seeing, it was late in the day, I thought I was seeing hills, it was rooftops. All asphalt. It took me a while to realize that's all it was. A bunch of homes crammed together. So, with 205 eventually widened, 550 is going to have to be widened, how you, city council, I recognize not all of you were here then. (Mayor Pro Tem Balkum advised Mr. Clark he is out of town and to wrap it up.) The City Council ignored the planning and zoning committee. I was here for those meetings and he recommendations were clear, it was totally ignored. So as I said, I sent out emails to every one of you. Mr. Tucker, he responded, no one else did. I guess it went into your spam or trash folder pretty quickly because you got thousands of them probably. But I just do not understand how elected representatives can sit up here and ignore the will of the people who elected you. So, I am asking that you put a moratorium on this or at least stop this for now and sit back and study things a little bit more and listen to the people that voted for you. Some of you won't be here probably, some others will be here, but failing that I really fear that many citizens are going to just assume that your votes the city council, who voted in December, was influenced strongly by the developers and not by the people who elected you. Prove me wrong. Thank you.

5. CONSENT AGENDA

- 5.1. Consider approval of the minutes of the February 13, 2024, City Council Meeting
- 5.2. Financial Report – January 2024
- 5.3. Fire Rescue Report – December & January 2024
- 5.4. Building Official Report – January 2024
- 5.5. CWD Report – January
- 5.6. Sheriff's Report – January 2024

5.7. Code Compliance Report, January 2024

5.8. Animal Control Report, January 2024

MOTION: APPROVE THE CONSENT AGENDA AS PRESENTED

MADE BY: Council Member Tucker

SECONDED BY: Councilmember Day

APPROVAL: Unanimous

6. ITEMS FOR CONSIDERATION AND ACTION

6.1. Review and Action regarding the Audited Financial Statements, September 30, 2023

City Administrator Hildebrandt introduced Kyle Caperton, one of the principals of Murrey, Paschall & Caperton, our auditing firm, and our finance person, Ray Smith, who works closely with Kyle and me in the development of this audit. As you know, it's something that is required by every city annually. They have worked for months doing this since we ended our fiscal year on September 30, 2023. These are the audited financials for the period ending September 30, 2023. State law gives them 180 days to get it done. They have been done for a while; it's just trying to find time to make it to city council. He hopes the council will listen to Kyle tonight and what they need to do is accept the financial documents.

Kyle Caperton introduced himself as the audit partner at Murrey, Paschall & Caperton, which offices in Forney. He grew up in Forney in the 90s, went to A&M in the early 2000s, and has been doing your audit for about ten years now. Obviously anytime we are doing a presentation like this, I want to give you guys a chance to ask questions you want to. You should have the audit in front of you, it's a miniature little novel. It's got plenty of information and more than like, if you end up with questions, you're going to feel more comfortable just calling me at my office or shooting me an email. I just want to throw that out there, if there's something that you see and I don't talk about it and you have a question definitely feel free to call me, I'll come over here and meet you for lunch, whatever you want to do, I'll talk you through anything and so I just want you guys to feel comfortable doing that.

Your financial audit year end is September 30th, 2023. So, if you just dive into this a couple of pages into it is our audit opinion letter. This is the opinion letter that you want it to be. It's short, it's sweet, it has all the required paragraphs, and it has no audit findings. That's what you're hoping for, it's just a clean audit opinion. That's right there at the beginning, just to get that out of the way. He highlighted a few things that he thinks are important for them to look at.

He discussed Page 9, which compares 2022 versus 2023. It is high level balance sheet across the top, income statement across the bottom.

He pointed out that towards the back starting on about page 20, you have notes. A few of the important notes talk about your debt, talk about your capital assets. You do have a couple of notes

talking about the PID. We do just include a few disclosures in there about the PID and the amount of money that the PID has and the debt that the PID has.

We also have a note about your ARPA Grant, you have about \$850,000 in that ARPA money.

Then, in the very back, you have some high-level budget versus actual. But as all of you guys know, if you have any specific questions about your budget, I know Ray can run the reports you need. This is just high level looking at summary level information, not all the specifics.

Mayor Pro Tem Balkum stated she wants to make sure that we have on record about what is the city hall debt and what's remaining. Mr. Caperton pointed Mayor Pro Tem Balkum to page 28. On page 28, you can see your principal and interest payments for the next four years plus whatever is outstanding after those next four years. On page 28, he is looking at long-term obligations, new city hall bonds, and that goes back to 2015, \$2M and then you can see right there for 2024 you've got \$95,000 in principal and that you're about to pay interest of \$50,000. So, your total outstanding debt as of September 30, 2023, was \$1.4 million dollars with expected interest of \$356,000. So total payments of about \$1.7 million.

Mayor Pro Tem Balkum's second question is do you plan on bringing up to our attention if there's any needs for TMRS, anything that's like related to retirement or any type of insurance. Is that something that you're prepared to share in the future budget workshops or is there anything in here that we need to know that there's been some changes in interest rates or any issues with that with the retirement or insurance policies. Mr. Caperton responded there is a lot in here about TMRS in the pension plan and honestly, it's probably overkill. I think it's like ten or 15 pages that are required to be put in. But I'm not really following you of what you would like me to address about that. Mayor Pro Tem Balkum stated that years ago they ended up having to change or put more money into it, and she wants to make sure that we're staying consistent and we're putting in what we need to and not coming back later and we need to put \$60,000 more in because we were short. Mr. Caperton asked Ray to jump in on this one.

Mr. Smith addressed Mayor Pro Tem Balkum that what she is referring to about that adjustment that was years back, it was a decision that was made to bring the funding up for some employees who were getting ready to retire, to bring their funding level up, for lack of a better word, prior years of service elsewhere. That was a big adjustment, but it was something that was discussed and agreed upon. Over the last, I'm going to say four or five years, what governs all of this is the governmental accounting standard along with the actuarial computations done by the TMRS actuaries. As Kyle referred to, there's about ten pages in the audit report that goes into what all of the required reserves are for the retirement plan. We actually get reports now from the TMRS that tell us exactly what the liability, the funding requirements for that liability is. You don't see those in the budget, they're on the balance sheet of the city's financials, but it's very detailed. There are future outflows, future inflows, there's all of these numbers but at the end of the day, we know exactly what the funding requirement is based upon the demographics at the point in time that that calculation was made. The unfunded liability is not a big number, and it will get funded over time based upon the mix of employees, their ages, their compensation. But to your point, it's not an unknown, we know exactly what that number is, and it's reflected in the city's financials.

MOTION: ACCEPT THE AUDITED FINANCIAL STATEMENT, SEPTEMBER 30, 2023, AS PRESENTED.

MADE BY: Council Member Tucker
SECONDED: Council Member McNeal
APPROVAL: Unanimous

- 6.2. Presentation and action regarding the request to purchase the Operational Budgeting Module from ClearGov for the purpose of providing clarity and transparency during the budget process. It will also help the city create a streamlined process for the creation of our digital budget book as we submit for a GFOA Distinguished Budget Award.

City Management Analyst Jeff White presented this item:

We are currently working with a company named ClearGov to create a Digital Budget Book with the goal of submitting it for a GROA Distinguished Budget Award. This award would represent a significant achievement for the City of McLendon-Chisholm. It reflects our commitment to meeting the highest principles of governmental budgeting. In order to receive the budget award, we have to satisfy nationally recognized guidelines for effective budget presentation.

I would like to present to you a module that ClearGov offers that would bring additional **clarity** and **transparency** to the Council and our residents. It is called the Operational Budgeting module.

Some of the Key Features of the Operational Budgeting module include:

1. A **dashboard** to quickly see and share the status as the budget is being developed. It automatically aggregates all budget requests in one place making the process much more simple.
2. A **AI Driven Forecasting** that enables unlimited forecasts in which we can easily modify assumptions and instantly see the impact of our potential decisions.
3. A **custom report builder** that will enable us to share our budget easily with internal and external stakeholders and that will filter straight into our digital budget book, once adopted.
4. And my **personal favorite feature**, a **centralized location** for all requests, comments, and documentation for all budget requests to streamline the budget review and communication process.

The process starts by building a dashboard that mimics our Chart of Accounts. I will then be able to send an invite to individuals who can submit budget requests and upload needed comments and documentation all in one place.

We will then be able to create unlimited budgets to plan for multiple scenarios and/or to forecast for long-term planning. Finally, we will be able to publish the adopted version directly to our digital budget book and have a beautiful, well-organized budget as part of our submission for the GFOA Distinguished Budget Award.

The cost for the remainder of this fiscal year, including the prorated annual costs and the initial setup fee, is just under \$6000. I would like to thank you for your time this evening and request that someone please make a motion to approve this request.

Thank you.

MOTION: APPROVE THE REQUEST TO PURCHASE THE OPERATIONAL BUDGETING MODULE FROM CLEAR GOV FOR THE PURPOSE OF PROVIDING CLARITY AND TRANSPARENCY DURING THE BUDGET PROCESS.

MADE BY: Council Member Tucker

SECONDED BY: Council Member Day

APPROVAL: Unanimous

- 6.3. Discussion and action for Application Changes by the City Staff for the planning department to add language on applications stating that developers must be able to provide potable water sufficient to meet our fire code standards for fighting fires.

Background: Currently the City of McLendon-Chisholm does not provide retail water services within the city limits or in the ETJ (Extraterritorial Jurisdiction) area. At the present, there are 3 retail water services providers that hold CCNs (Certificate of Convenience and Necessity) to provide water to residential and commercial developments within the city limits and the ETJ (Extra Territorial Jurisdiction) area that meet the City of McLendon-Chisholm potable water and fire code standards.

The following action have been taken as part of updating the City of McLendon-Chisholm's preliminary plan application:

- #2 Item E – “proposed water supply” has been updated to read “proposed water service plan.”
- #15 – addition of new item. Item #15 will read “An approved water service plan from a municipal water supply, rural water supply corporation, Municipal Utility District (MUD), individually owned wells, or privately owned water systems SHALL be furnished to the City at the time of application filing.”

The review and potential action on these items will allow the City Council, Planning and Zoning Commission, and City Staff to examine and validate water service plans for both residential and commercial developments within the City of McLendon-Chisholm and its ETJ area as the city works to become a retail water provider.

MOTION: APPROVE APPLICATION CHANGES BY THE CITY STAFF FOR THE PLANNING DEPARTMENT TO ADD LANGUAGE ON APPLICATIONS STATING THAT DEVELOPERS MUST BE ABLE TO PROVIDE POTABLE WATER SUFFICIENT TO MEET OUR FIRE CODE STANDARDS FOR FIGHTING FIRES.

MADE BY: Mayor Pro Tem Balkum
SECONDED BY: Council Member McNeal
APPROVAL: Unanimous

- 6.4. Consider approval of an Ordinance amending the Comprehensive Zoning Ordinance and zoning map by granting a change in zoning district from AG Agriculture to a PD Planned Development Zoning District.

No Action

- 6.5. Update on all issues related to water issues.

Mayor Short reported they had discussed papers they had received from the Public Utility Commission saying we were deficient on the application but that we could still refile.

No Action

- 6.6. Review/Action – Performance Appraisal – City Secretary

No Action

- 6.7. Review/Action – Performance Appraisal – City Administrator

No Action

7. Executive Session

- 7.1. Adjourn into Executive Session (Closed Meeting) in accordance with Texas Government Code: Section 551.004(a)(1) Personnel Matters to deliberate the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee: City Administrator; City Secretary
- 7.2. Adjourn into Executive Session (Closed Meeting) in accordance with Texas Government Code: Section 551.071 Consultation with Attorney: Discuss the status of the City's current PUC application as it relates to RCH, it's system, and any other PUC application-related issue.

Mayor Short adjourned the meeting into Executive Session at 7:29 p.m.

- 8.3. Reconvene Regular Meeting

Mayor Short reconvened the regular meeting at 9:31 p.m.

- 8.4. Executive Session Action

No Action

9. UPDATES, DISCUSSION AND DIRECTION TO STAFF

No updates, discussion, or direction to staff.

10. COUNCIL MEMBER REPORTS AND ANNOUNCEMENTS

10.1. Mayor Short – Reminded everyone to be cognizant that spring break is about to hit and we'll have a bunch of kiddos out running around mid-March, so just be conscious of that.

10.2. Mayor Pro Tem Balkum – She attended the Rockwall Facilities meeting and we broke out into different groups. It still looks like we're still taking input from everybody, all the stakeholders in regard to the facilities and the types of programs. So, we're to lead into potential presentations through the Rockwall ISD Board of Trustees to consider possible bond programs that will be on the election ballot.

10.3. Council Member Tucker - None

10.4. Council Member Day - None

10.5. Council Member McLendon – None

10.6. Council Member McNeal - None

11. ADJOURN

There being no further business to discuss, Mayor Short adjourned the meeting at 9:34 p.m.

APPROVED:

Mayor Keith Short

ATTEST:

Rochelle Green, City Secretary

Ordinance No. 2024-

AN ORDINANCE OF THE CITY OF MCLENDON-CHISHOLM, TEXAS, AMENDING THE COMPREHENSIVE ZONING ORDINANCE AND ZONING MAP OF THE CITY OF MCLENDON-CHISHOLM, TEXAS, AS HERETOFORE AMENDED, BY GRANTING A CHANGE IN ZONING DISTRICT FROM PD TRIPLE CREEK TO PD PLANNED DEVELOPMENT ZONING DISTRICT LEGACY PARK ESTATES, PROVIDING FOR 328 SINGLE-FAMILY LOTS AND A COMMUNITY PARK ON A 148.15 ACRE TRACT OF LAND LOCATED GENERALLY AROUND THREE SIDES OF 1371 WEST FM 550 [MCLENDON-CHISHOLM CITY HALL] MCLENDON-CHISHOLM, TEXAS, MORE PARTICULARLY DESCRIBED HEREIN IN EXHIBIT A, IN THE CITY OF MCLENDON-CHISHOLM, ROCKWALL COUNTY, TEXAS, PROVIDING A REPEALING CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING FOR A PENALTY OR FINE NOT TO EXCEED THE SUM OF TWO THOUSAND (\$2,000) DOLLARS FOR EACH OFFENSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Planning and Zoning Commission of the City of McLendon-Chisholm and the governing body of the City of McLendon-Chisholm, in compliance with state laws and with reference to amending the Comprehensive Zoning Ordinance and Zoning Map, have given the requisite notice by publication and otherwise, and after holding required public hearings and affording a full and fair hearing to all property owners and interested persons generally, the governing body of the City of McLendon-Chisholm is of the opinion that said Comprehensive Zoning Ordinance and Map should be amended as provided herein. Now therefore:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MCLENDON-CHISHOLM, TEXAS:

SECTION 1. That the Comprehensive Zoning Ordinance and Zoning Map of the City of McLendon-Chisholm, Texas, heretofore duly passed by the governing body of the City of McLendon-Chisholm, as heretofore amended, be hereby amended by changing the Zoning District designation on the 148.15-acre tract of land more particularly described in Exhibit "A", attached hereto and incorporated herein, and herein referred to as the "Property" from PD Triple Creek to a Planned Development District "Legacy Park Estates". Development of the property shall conform to the Concept Plan as described in EXHIBIT B, and as described in Exhibit "C" Planned Development District Development Standards and amending the Official Zoning Map to reflect the approved change in zoning district.

SECTION 2. That all provisions of the ordinances of the City of McLendon-Chisholm in conflict with the provisions of this ordinance as applicable to the Property are hereby

repealed and all other provisions of the ordinances of the City of McLendon-Chisholm not in conflict with the provisions of this ordinance shall remain in full force and effect.

SECTION 3. That should any sentence, paragraph, subdivision, clause, phrase, or section of this ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this ordinance as a whole or any part or provision hereof other than the part so decided to be invalid, illegal, or unconstitutional, and shall not affect the validity of the Comprehensive Zoning Ordinance or Map as a whole.

SECTION 4. This ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law in such cases provides.

DULY PASSED by the City Council of the City of McLendon-Chisholm, Texas on day of _____ 2024.

APPROVED:

MAYOR

ATTEST:

CITY SECRETARY

APPROVED AS TO FORM.

CITY ATTORNEY

EXHIBIT A

Legal Description for Zoning Change: LEGACY PARK ESTATES

All that certain lot, tract or parcel of land situated in the KING LATHAM SURVEY, ABSTRACT NO. 133, Rockwall County, Texas, and being a part of a 159.4006 acres tract of land as described in a Special Warranty deed from Tyrone E. Davenport and Cheryl Anne Davenport to The Chiefton 2X, LP, dated March 8, 2006 and being recorded in Volume 4464, Page 283 of the Official Public Records of Rockwall County, Texas, and being more particularly described as follows:

TRACT 1

BEGINNING at a 1/2" iron rod found for corner in the southeast right-of-way line of F.M. 550, said point being at the west corner of said 159.4006 acres tract of land;

THENCE N. 45 deg. 00 min. 00 sec. E. along said right-of-way line, a distance of 900.74 feet to a 1/2" iron rod with yellow plastic cap found for corner at the west corner of a 2.00 acres tract of land as described in a Deed from The Chiefton 2X, LP to The City of McLendon-Chisholm, Texas, as recorded in Volume 7229, Page 249 of the Official Public Records of Rockwall County, Texas;

THENCE S. 45 deg. 00 min. 00 sec. E. a distance of 960.00 feet to a 1/2" iron rod with yellow plastic cap found for corner at the south corner of a 10.00 acres tract of land as described in a Deed from The Chiefton 2X, LP to The City of McLendon-Chisholm, Texas, as recorded in Document no. 20130000499269 of the Official Public Records of Rockwall County, Texas;

THENCE N. 45 deg. 00 min. 00 sec. E. along the southeast line of said 10.00 acres tract, a distance of 681.00 feet to a 1/2" iron rod with yellow plastic cap found for corner at the east corner of same;
THENCE N. 45 deg. 00 min. 00 sec. W. along the northeast line of said 10.00 acres tract, a distance of 960.00 feet to a 1/2" iron rod with yellow plastic cap found for corner in the southeast right-of-way line of F.M. 550;

THENCE N. 45 deg. 00 min. 00 sec. E. along said right-of-way line, a distance of 840.00 feet to a 1/2" iron rod found for corner in an old road bed, at the north corner of said 159.4006 acres tract;

THENCE S. 45 deg. 25 min. 58 sec. E. along said old road bed and northeast boundary of said tract, a distance of 2983.44 feet to a 1/2" iron rod found for corner;

THENCE S. 45 deg. 15 min. 03 sec. W. along said old road bed and passing a 1" iron pipe at a turn in same at 784.39 feet and continuing for a total distance of 2243.27 feet to a 3/8" iron rod found for corner at base of 3" steel fence post in concrete at the south most corner of said 159.4006 acres tract of land;

THENCE N. 44 deg. 44 min. 43 sec. W. a distance of 1494.36 feet to a 1" iron pipe found for corner;

THENCE S. 45 deg. 05 min. 25 sec. W. a distance of 212.95 feet to a 1/2" iron rod found for corner;

THENCE N. 44 deg. 47 min. 44 sec. W. a distance of 1478.86 feet to the POINT OF BEGINNING and containing 144.41 acres of land.

TRACT 2

All that certain lot, tract or parcel of land situated in the KING LATHAM SURVEY, ABSTRACT NO. 133, Rockwall County, Texas, and being a part of a 10.00 acres tract of land as described in a Warranty deed from Richard B. Skibell to Tyrone E. Davenport and Cheryl Anne Davenport, dated October 20, 2004 and being recorded in Volume 3742, Page 268 of the Official Public Records of Rockwall County, Texas, and being more particularly described as follows:

BEGINNING at a 3/8" iron rod found at the base of a 3" steel fence post in concrete at the east corner of said 10.00 acres tract and at the south corner of a 159.4006 acres tract of land as described in a Special Warranty deed from Tyrone E. Davenport and Cheryl Anne Davenport to The Chiefton 2X, LP, dated March 8, 2006 and being recorded in Volume 4464, Page 283 of the Official Public Records of Rockwall County, Texas;

THENCE S. 45 deg. 27 min. 19 sec. W. along the southeast line of said 10.00 acres tract, a distance of 559.20 feet to a point in edge of water for corner;

THENCE N. 44 deg. 17 min. 46 sec. W. a distance of 300.60 feet to a point in edge of water for corner in the northwest boundary line of said 10.00 acres tract of land;

THENCE N. 45 deg. 35 min. 26 sec. E. along the northwest boundary line of said 10.00 acres tract of land, a distance of 556.85 feet to a 1/2" iron rod with yellow plastic cap found for corner;

THENCE S. 44 deg. 44 min. 43 sec. E. a distance of 299.28 feet to the POINT OF BEGINNING and containing 3.84 acres of land.

EXHIBIT B

Revised Concept Plan: October 2023



EXHIBIT C

LEGACY PARK ESTATES

PLANNED DEVELOPMENT DISTRICT DEVELOPMENT STANDARDS

For Approximately 148.15 Acres

City of McLendon-Chisholm, Rockwall County, Texas

1. Purpose and Intent

This Planned Development District (PD) provides the minimum development standards for a residential subdivision containing 328 single-family residential lots with a minimum lot size of eight thousand seven hundred fifty square feet of land with a minimum lot width of 70 feet and a city park. The city park may include temporary as well as permanent structures to include: detention facilities, a facility housing a heritage center, a heritage museum, a library, ponds, benches, grills, gazebos, trails, and playing fields. This development is approximately 148.15 acres of land generally located near the existing McLendon-Chisholm City Hall on FM 550 further described in EXHIBIT A attached to and made a part of this ordinance.

2. Special Provisions

This Exhibit C provides the PD Development Standards which is included and made a part of the ordinance adopting this Planned Development District.

- a. Minor amendments amendment to the PDD including approved Concept or Development plans must conform to the following process; " Changes of detail which do not alter the basic relationship of the proposed development to adjacent property and which do not alter the uses permitted or increase the density, building height, or coverage of the site and which do not decrease the off-street parking ratio, reduce the yards provided at the boundary of the site, or alter the landscape plans as indicated on the approved conceptual plan may be authorized by the mayor or his/her designee. If an agreement cannot be reached regarding whether or not a detail site plan conforms to the original concept plan, the city council shall determine the conformity." [Zoning Ordinance, Section 5-1, Planned Development District, subsection D. 1. (c)]
- b. Requests for minor amendments shall be made in writing and shall explain the reason or reasons for the requested amendment. Requests for minor amendments shall pay a fee as established by the City Council for the review and processing of a minor amendment request.

3. Development Plan

Prior to development of any portion of this planned development district, the City Council shall consider a development plan upon recommendation from the Planning and Zoning Commission. Any development plan shall conform to the Concept Plan that has been approved and made a part of this ordinance.

This development may be constructed in phases. However, if constructed in phases, each phase shall have a development plan reviewed and recommended by the Planning and Zoning Commission and reviewed and approved by the City Council prior to any construction in that phase.

4. Development Standards

Lot layout shall conform to the Concept Plan that has been adopted and is part of this ordinance.

- a. This is a single-family zoning district.
- b. Permitted uses. In this zoning district, no building or land shall be used, and no building shall be constructed, reconstructed, altered or enlarged, unless otherwise permitted in accordance with section 3-1. Use of land and buildings of the City of McLendon-Chisholm Zoning Ordinance as shown for the SF 1.5 Residential District.
- c. Area requirements. Minimum residential lot size 8,750 square feet.
- d. Setbacks.

Front yard	20 feet
Side yard	5 feet
Rear yard	20 feet

Front yard setbacks shall be consistent for the entire block face. Side yard setbacks shall be consistent for the entire block face.
- e. Lot width. Minimum lot width is 70 feet.
For lots fronting on a cul-de-sac or eyebrow, the minimum lot width shall be measured at the front setback line.
- f. Lot depth. 120 feet.
- g. Minimum Dwelling size. 1,800 square feet.
- h. Lot coverage. 70 percent.
- i. Maximum Height. 36 feet.
- j. Off-street parking. Shall conform to section 6-7, Off-street parking and loading requirements of the McLendon-Chisholm Zoning Ordinance.
- k. Accessory structures. Shall conform to the requirements of section 6-3 of the McLendon-Chisholm Zoning Ordinance.
- l. Landscaping shall be in accordance with landscaping and berming as shown on the Concept Plan. A detailed landscape plan shall accompany all applications for approval of detailed development plans [site plans] shall include a landscape plan that conforms to the requirements of Section 6-10 of the City of McLendon-Chisholm Zoning ordinance for residential developments.
- J. The park, as shown on the Concept Plan, shall be constructed as shown on the Concept Plan and requires the approval by the City Council upon recommendation from the Planning and Zoning Commission of a development plan for the construction and maintenance of the park.
 - 1. Park lighting shall be designed to limit light intrusion into neighboring residential areas.

PETITION FOR CONSENT TO ADDITION OF LAND
TO A MUNICIPAL UTILITY DISTRICT

THE STATE OF TEXAS §

COUNTY OF ROCKWALL §

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF MCLENDON-
CHISHOLM, TEXAS:

The undersigned, DMDS Land Company, LLC, a Texas limited liability company (the "Owner"), acting pursuant to the provisions of Chapters 49 and 54 of the Texas Water Code, and Section 42.0425 of the Texas Local Government Code, respectfully petitions the City of McLendon-Chisholm, Texas for its consent to the addition of land to River Rock Trails Municipal Utility District No. 2 (the "District"), and in support of this Petition would respectfully show the following:

I.

The approximately 40.82 acres sought to be added to the District (the "Tract") is described by metes and bounds in Exhibit "A," attached hereto and made a part hereof for all purposes.

II.

The Tract lies within Rockwall County, and not within the boundaries of any incorporated city or town. The Tract lies wholly within the exclusive extraterritorial jurisdiction of the City of McLendon-Chisholm, Texas, as such term is determined pursuant to Chapter 42 V.T.C.A. Local Government Code, and not within the corporate limits or extraterritorial jurisdiction of any other city, town or village.

III.

The Owner is the holder of title to the Tract as shown by the Rockwall County Tax Rolls and conveyances of record. There are no lienholders on the Tract.

IV.

Rockwall County Water Control and Improvement District No. 2 (the "Original District") was organized, created and established pursuant to an Order of the Texas Commission on Environmental Quality (the "Commission"), dated August 14, 2012, pursuant to the terms and provisions of Article XVI, Section 59 of the Texas Constitution and Chapters 49 and 51 of the Texas Water Code, as amended. By Order dated January 14, 2021, the Commission approved a request by the Original District to change its name and convert into a municipal utility district operating pursuant to Chapters 49 and 54, Texas Water Code, as amended, and the Commission approved the Original District's request to change its name to River Rock Trails Municipal

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Utility District No. 2 and convert into a municipal utility district operating pursuant to Chapters 49 and 54, Texas Water Code, as amended. The District generally is empowered and authorized to purchase, construct, acquire, own, operate, maintain, repair, improve, or extend inside and outside its boundaries any and all works, improvements, facilities, plants, equipment, and appliances necessary to accomplish the purposes of its creation.

V.

The general nature of the work to be done by and within the Tract at the present time is the construction, maintenance and operation of a waterworks system for residential purposes; the construction, maintenance and operation of a sanitary sewer collection system and sewage disposal plant; the control, abatement and amendment of the harmful excess of waters and the reclamation and drainage of overflowed lands within the lands to be included within the District; and the construction of roads and of such additional facilities, systems, plants and enterprises as shall be consonant with the purposes for which the District is organized.

VI.

There is a necessity for the improvements above described because the Tract is located within an area that is experiencing substantial and sustained residential growth, is urban in nature and is not supplied with adequate water, sanitary sewer and drainage facilities and roads. The health and welfare of the future inhabitants of the Tract requires the acquisition and installation of an adequate waterworks, sanitary sewer and storm drainage system and roads. The purchase, construction, extension, improvement, maintenance and operation of such waterworks system and storm and sanitary sewer collection and disposal systems and roads will conserve and preserve the natural resources of this State by promoting and protecting the purity and sanitary condition of the State's waters and will promote and protect the public health and welfare of the community; therefore, a public necessity exists for the inclusion of the Tract within the District.

VII.

Said proposed improvements are practicable and feasible, in that the terrain of the Tract is of such a nature that a waterworks system and sanitary and storm sewer systems and roads can be constructed at a reasonable cost; and said land will be rapidly developed for residential purposes.

VIII.

A preliminary investigation has been instituted to determine the cost of the project attributable to the Tract, and it is now estimated by the Owner, from such information as it has at this time, that the ultimate cost of the development contemplated will be approximately \$2,400,000.

WHEREFORE, the undersigned respectfully pray that this Petition be granted in all respects and that the City Council of the City of McLendon-Chisholm, Texas, adopt a resolution giving its written consent to the addition of the Tract to the District.

RESPECTFULLY SUBMITTED, this 20 day of February, 2024.

OWNER:

DMDS LAND COMPANY, LLC,
a Texas limited liability company

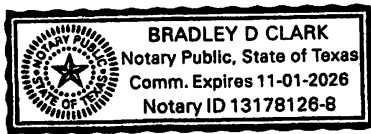
By: [Signature]
Name: Ryan Horton
Title: manager

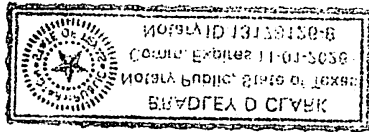
THE STATE OF TEXAS §
 §
COUNTY OF TARRANT §

This instrument was acknowledged before me on this 20 day of February, 2024, by Ryan, Horton of DMDS Land Company, LLC, a Texas limited liability company, on behalf of said limited liability company.

[Signature: Bradley D Clark]
Notary Public in and for the State of Texas

(NOTARY SEAL)





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EXHIBIT "A"

**LEGAL DESCRIPTION
(40.82 ACRES)**

BEING a parcel of land located in Rockwall County, Texas, a part of the Franklin Banguss Survey, Abstract Number 7, and being a part of that called 1,225.721 acre tract of land described in deed to DMDS LAND COMPANY LLC as recorded in Document Number 2020-3529, Official Public Records of Rockwall County, Texas, and being further described as follows:

BEGINNING at a point in the southwest line of said 1,225.721 acre tract, said point being in the southeast line of that called 641.6711 acre tract of land described in deed to DMDS LAND COMPANY LLC as recorded in Document Number 2020-30685, Official Public Records of Rockwall County, Texas;

THENCE North 46 degrees 01 minutes 37 seconds West, 940.82 feet along the southwest line of said 1,225.721 acre tract to a point for corner;

THENCE North 55 degrees 39 minutes 56 seconds East, 470.34 feet to a point for corner;

THENCE Northeasterly, 2,265.38 feet along a curve to the right, having a central angle of 43 degrees 15 minutes 56 seconds, a radius of 3,000 feet, a tangent of 1,189.77 feet and whose chord bears North 77 degrees 17 minutes 54 seconds East, 2,211.94 feet to a point for corner;

THENCE South 81 degrees 04 minutes 08 seconds East, 0.02 feet to a point for corner;

THENCE South 39 degrees 46 minutes 10 seconds West, 692.99 feet to a point for corner;

THENCE South 58 degrees 32 minutes 42 seconds West, 1,671.45 feet to the POINT OF BEGINNING and containing 1,778,130 square feet or 40.82 acres of land.

THIS DOCUMENT WAS PREPARED UNDER 22 TAC 663.23, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE BOUNDARY OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF McLendon-Chisholm, Texas Consenting to the Addition of Certain Land into River Rock Trails Municipal Utility District No. 2; and Providing an Effective Date.

WHEREAS, on _____, the City of McLendon-Chisholm, Texas (the "City") received a Petition for Consent to Addition of Land to a Municipal Utility District (the "Petition") executed by DMDS Land Company, LLC, a Texas limited liability company (the "Petitioner"), attached hereto as Exhibit "A"; and

WHEREAS, the Petition seeks to add that certain 40.82 acre tract of land described therein (the "Property") to River Rock Trails Municipal Utility District No. 2 (the "District"), the Property being located partially in the extraterritorial jurisdiction of the City and partially not within the extraterritorial jurisdiction or corporate limits of any city, town or village; and

WHEREAS, Texas Local Government Code, Section 42.0425, provides that land within the extraterritorial jurisdiction of a city, town or village may not be added to the District without the written consent of such city, town, or village; and

WHEREAS, the City Council of the City desires to adopt a Resolution for the purpose of consenting to the inclusion of the Property in the District.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF McLendon-Chisholm, Texas:

Section 1. That the facts set out in the preamble are true and correct and are incorporated herein for all purposes.

Section 2. That the City Council hereby gives written consent, pursuant to Section 42.0425, Texas Local Government Code, to the addition of the Property to the District.

Section 3. The City Council of the City officially finds, determines, recites, and declares that a sufficient written notice of the date, hour, place, and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall and on the official website of the City in the manner and for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting was open to the public as required by law at all times during which this Resolution and the subject matter thereof was discussed, considered, and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

Section 4. This Resolution shall take effect immediately from and after its passage, and it is, accordingly, so resolved.

PASSED AND APPROVED by the City Council of the City of McLendon-Chisholm,
Texas on the ____ day of __, 202__.

Keith Short, Mayor

ATTEST:

Shelly Green, City Secretary

(CITY SEAL)

Approved as to Form:

City Attorney

Exhibit “A”

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**DEVELOPMENT AGREEMENT
BY AND BETWEEN THE CITY OF MCLENDON-CHISHOLM, TEXAS,
AND DMDS LAND COMPANY, LLC**

This **DEVELOPMENT AGREEMENT** (this “Agreement”) is made this 9th day of January, 2024 (the “Effective Date”), by and between the **City of McLendon-Chisholm, Texas** (the “City”), a Type A general law city of the State of Texas, and **DMDS Land Company, LLC**, a Texas limited liability company (the “Owner”). The City and Owner are hereinafter sometimes referred to individually as a “Party” and, collectively, as the “Parties.”

RECITALS

WHEREAS, Owner is the owner of that certain tract of land containing approximately 1,867 acres located in Rockwall County (the “County”), being more particularly described on **Exhibit A** attached hereto and incorporated herein for all purposes (the “Property”); and

WHEREAS, approximately 783 acres of the Property are located within the extraterritorial jurisdiction (“ETJ”) of the City (the “ETJ Tract”), and the remaining approximately 1,084 acres of the Property are not located within the corporate limits or ETJ of any city, town or village (the “County Tract”); and

WHEREAS, Blackland Water Supply Corporation (“Blackland”) holds the certificate of convenience and necessity (the “CCN”) to exclusively provide retail water service to the Property and Owner intends for Blackland to provide retail water service to the Property; and

WHEREAS, no entity holds the CCN to exclusively provide retail wastewater service to the Property and Owner intends for MUD 1 (hereinafter defined) to provide retail wastewater service to the Property; and

WHEREAS, public roads, public water facilities, public sewer facilities and public drainage facilities (collectively, the “Public Infrastructure”) are not currently available to serve the Property; and

WHEREAS, due to the location and other natural features of the Property, the cost of the Public Infrastructure does not allow Owner to develop the Property in a market-competitive manner; and

WHEREAS, in order to facilitate Owner’s proposed development of the Property in a market-competitive manner, (i) Rockwall County Water Control and Improvement District No. 1 was created by an Order of the Texas Commission on Environmental Quality (the “TCEQ”) dated May 15, 2012, and by an Order of the TCEQ dated January 14, 2021 it was converted to a municipal utility district and renamed to River Rock Trails Municipal Utility District No. 1 (referred to herein as “MUD 1”), and (ii) Rockwall County Water Control and Improvement District No. 2 was created by an Order of the TCEQ dated August 7, 2012 and by an Order of the TCEQ dated January 14, 2021 it was converted to a municipal utility district and renamed to River Rock Trails Municipal Utility District No. 2 (referred to herein as “MUD 2” and, collectively with MUD 1, the “MUDs”); and

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WHEREAS, in order to facilitate Owner's proposed development of the Property in a market-competitive manner, Owner desires to realign the boundaries of MUD 1 and MUD 2 by excluding approximately 40.825 acres (the "40 Acre Tract") of the Property, a portion of which is within the ETJ Tract and a portion of which is within the County Tract, from MUD 1 and annexing it into MUD 2; and

WHEREAS, in order to accomplish the realignment of the boundaries of MUD 1 and MUD 2, Owner has submitted to the City a written petition requesting the City's consent to annex the 40 Acre Tract into MUD 2; and

WHEREAS, the City supports the realignment of the boundaries of MUD 1 and MUD 2 under appropriate parameters, as set forth herein; and

WHEREAS, as evidence of the City's consent to the realignment of the boundaries of MUD 1 and MUD 2, Owner requests that the City adopt, on even date herewith, a Consent Resolution (the "Consent Resolution") in the form attached hereto as **Exhibit B** demonstrating the City's consent, pursuant to Section 42.0425 of the Texas Local Government Code and Section 54.016 of the Texas Water Code, to the inclusion of the 40 Acre Tract in MUD 2; and

WHEREAS, Owner intends to submit to the City a written petition requesting the City to expand its ETJ to include the County Tract; and

WHEREAS, pursuant to the terms of this Agreement, the City intends to expand its ETJ to include the County Tract, which is not currently located in the City's ETJ, and Owner supports such expansion; and

WHEREAS, the Parties have the authority to enter into this Agreement pursuant to Section 212.171, *et seq.*, of the Texas Local Government Code; and

WHEREAS, the Parties intend that this Agreement be a development agreement as provided for by Section 212.172 of the Texas Local Government Code.

NOW, THEREFORE, for and in consideration of the mutual covenants of the Parties set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed by the Parties, the Parties agree as follows:

ARTICLE I CONSENT TO CREATION OF THE DISTRICT

1.1 Consent to Annexation. Owner has submitted to the City a petition requesting the City's consent to the inclusion of the 40 Acre Tract in MUD 2 (the "Petition"). Simultaneously with the approval of this Agreement, the City intends to adopt the Consent Resolution in the form attached hereto as **Exhibit B** demonstrating the City's consent, pursuant to Section 42.0425 of the Texas Local Government Code and Section 54.016 of the Texas Water Code, to the inclusion of the 40 Acre Tract in MUD 2. This Agreement and the Consent Resolution constitute the irrevocable and unconditional consent of the City to the inclusion of the 40 Acre Tract in MUD 2.

1.2 Full Satisfaction. The consents contained in this Agreement and in the Consent Resolution (the "District Consents") are given by the City: (a) in full satisfaction of any

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requirements for district consents contained in any statute or otherwise required by law, rule, regulation or policy including, without limitation, consents required by the Texas Water Code, as amended, the Texas Local Government Code, as amended, any rules, regulations, or policies of the TCEQ, or any rules, regulations, or policies of the Texas Attorney General; (b) with the understanding that the District Consents are irrevocable and cannot be withdrawn or modified in any way by the City or by any action of the city Council without the prior written approval of Owner; (c) with the understanding that Owner has relied on the District Consents to Owner's material detriment and but for the District Consents Owner would not have entered into this Agreement; and (d) with the understanding that the District Consents shall not be affected by: (1) any default under this Agreement, whether by Owner or any other person or entity that is or hereafter becomes bound by this Agreement, (2) any other act or omission by Owner or any other person or entity, whether or not related to this Agreement or the Property, or (3) any act or omission by the MUDs, whether or not related to this Agreement or the Property.

1.3 Consent Ordinances; Other Documents. The City agrees to adopt such further resolutions and execute such further documents as may reasonably be requested by Owner, the MUDs, or any governmental agency or political subdivision having jurisdiction over the MUDs, to evidence the City's consents as set forth in this Agreement and in the Consent Resolution.

1.4 No Limitation of Powers. Nothing herein is intended to limit, impair or conflict with the authority of or powers granted to the MUDs by the Texas Constitution, Texas Water Code, Texas Local Government Code, or any other current or future statute applicable to such districts.

ARTICLE II ETJ EXPANSION AND ANNEXATION

2.1 Expansion of City ETJ. Owner agrees that within thirty (30) days after the City and County either (i) approve an amendment to the County ILA (hereinafter defined) to Owner's satisfaction, or (ii) approve a separate agreement expressly stating that the County ILA shall not apply to the Property and that development of the Property shall be governed exclusively by the terms of this Agreement, in accordance with Section 4.4 herein, Owner shall submit to the City a petition requesting that the City expand its ETJ, pursuant to Section 42.022(b) of the Texas Local Government Code, to include the County Tract; provided, however, that the City shall not annex any portion of the Property into its corporate limits for full purposes except as expressly authorized by this Agreement and a strategic partnership agreement between the City and the MUDs. In all matters requiring the interpretation of this Agreement, including but not limited to the addition of the County Tract into the ETJ of the City, Owner irrevocably declares that all of the Property shall be bound by the terms of this Agreement as if being at all pertinent times within the contiguous ETJ of the City for purposes of Texas Local Government Code Section 212.172 and provisions citing that statute. Each Party agrees that it will not contest the validity of this Agreement on the basis that the County Tract was not in the City's ETJ on the Effective Date.

2.2 Immunity From Full Purpose Annexation. Except as provided in a strategic partnership agreement with each of the MUDs, and after the County Tract is included in the ETJ of the City as provided for in Section 2.1, the Property shall remain in the ETJ of the City and be immune from full purpose annexation by the City until such time that Owner has received from the MUDs one hundred percent (100%) of all reimbursables due to Owner by the MUDs. Owner hereby consents to the full purpose annexation of the Property by the City upon the occurrence of Owner's receipt of one hundred percent (100%) of all reimbursables due to Owner by the MUDs.

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2.3 Consent to Annexation. **SUBJECT TO SECTION 2.2 OF THIS AGREEMENT, OWNER AND ALL FUTURE OWNERS OF THE PROPERTY (INCLUDING END-BUYERS) AND FUTURE DEVELOPERS OF THE PROPERTY IRREVOCABLY AND UNCONDITIONALLY CONSENT TO THE FULL PURPOSE ANNEXATION OF THE PROPERTY INTO THE CORPORATE LIMITS OF THE CITY IN ACCORDANCE WITH THIS AGREEMENT AND WAIVE ALL OBJECTIONS, ELECTIONS AND PROTESTS TO SUCH ANNEXATION. THIS AGREEMENT SHALL SERVE AS THE PETITION OF OWNER AND ALL FUTURE OWNERS AND FUTURE DEVELOPERS FOR FULL PURPOSE ANNEXATION OF THE PROPERTY IN ACCORDANCE WITH THIS AGREEMENT AND SPECIFICALLY THE RESTRICTIONS SET FORTH IN SECTION 2.2 OF THIS AGREEMENT.**

2.4 Limited Purpose Annexation. Owner agrees that the City shall have the right to annex those areas of the Property that are intended for commercial development for the sole and limited purpose of allowing the City to impose sales and use taxes within the boundaries of such commercial and/or retail areas to the extent permitted by State law, and to split such sales and use tax with the District on a 50/50 basis. The terms and conditions upon which such limited purpose annexation may occur shall be set forth in the SPA pursuant to Section 43.0751 of the Texas Local Government Code. No limited purpose annexation pursuant to a strategic partnership agreement shall affect, in any way, the ETJ status of the Property, and, notwithstanding any limited purpose annexation, the areas annexed, as well as the remainder of the Property, shall continue to be located within the ETJ for the purposes of this Agreement.

ARTICLE III

WATER AND WASTEWATER SERVICE AND PUBLIC INFRASTRUCTURE

3.1 Water Service. Blackland shall be the retail provider of water service to the customers located within the Property pursuant to a Non-Standard Water Service Agreement between MUD 1 and Blackland and a Non-Standard Water Service Agreement between MUD 2 and Blackland (collectively, the “NSSAs”).

3.2 Wastewater Service. The Parties agree that MUD 1 shall be the exclusive retail provider of wastewater service to the MUDs and to customers located within the Property and the MUDs. Such retail wastewater service will be provided to the Property via a wastewater treatment plant (“WWTP”) to be owned and operated by MUD 1 within the Property. The Parties agree that the TCEQ will be the sole permitting and regulatory authority for the WWTP. The City hereby agrees to support any applications filed with the TCEQ by MUD 1, or Owner on behalf of MUD 1, to renew, amend, or expand the Texas Pollutant Discharge Elimination System Permit No. WQ0015882001 (a “TPDES Permit”) that is currently held by MUD 2, intended to subsequently be assigned to MUD 1, relating to the WWTP. The City further agrees not to file anything with the TCEQ to protest or otherwise interfere with MUD 1’s renewal, amendment, or expansion of the TPDES Permit. The City acknowledges that MUD 1 intends to enter into a Regionalization Agreement with North Texas Municipal Water District (“NTMWD”) to examine the feasibility of regionalization through NTMWD’s regional wastewater system, and the City agreed not to interfere with the MUD 1’s ability to work with NTMWD to regionalize.

3.3 Roadway and Storm Drainage. All roadways and storm drainage Public Infrastructure shall be designed, constructed and installed by Owner at Owner’s expense. The

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MUDs shall own and maintain the roadways and storm drainage Public Infrastructure until such time as the developed property is annexed into the corporate limits of City for full purposes in accordance with Article II herein. The City hereby agrees that the Texas Department of Transportation (“TxDOT”) shall have the sole authority to approve any improvements to TxDOT owned roadways recommended in the Traffic Impact Analysis previously obtained by Owner (the “TIA”), and the County shall have the sole authority to approve any improvements to County roads recommended in the TIA. The City further agrees to support Owner’s preferred alignment of the future Rockwall County Outer Loop, as shown on Exhibit C attached hereto.

ARTICLE IV DEVELOPMENT OF THE PROPERTY; OTHER PROVISIONS

4.1 Development of the Property. Development of the Property shall be governed by the City’s subdivision ordinance that is applicable to property in the City’s ETJ, as modified to include certain deviations from the subdivision ordinance as it exists on the Effective Date of this Agreement, as detailed in Exhibit D attached hereto. Development of the Property shall also be governed by approved final plats for all or any portion of the Property and all applicable federal, state and local regulations. The Parties hereby agree that development within the Property shall occur in phases as the market will support and will consist of various lot sizes as dictated by market demand at the time of construction. The City further agrees that nothing in the City’s subdivision ordinance, as applicable to developments in the City’s ETJ, regarding land use and lot sizes, whether existing now or in the future, shall apply to the Property. The Parties further agree that development of the Property shall be in compliance with the building codes adopted by the applicable jurisdiction having authority that are in effect as of the Effective Date of this Agreement. In exchange for Owner’s performance of the obligations under this Agreement to develop the Property in accordance with certain standards and to provide the overall quality of development described in this Agreement, the City agrees that it will not impose or attempt to impose any moratorium on building or development within the Property, regardless of whether or not the City imposes or attempts to impose such a moratorium on other developments.

4.2 Permits, Inspections & Fees. Except as otherwise provided in Section 4.5, Owner, or any subsequent owner of any portion of the Property, as appropriate, shall request and obtain a building permit and home inspection from the City for every structure that is constructed on the Property. The City agrees that it will have sufficient personnel to timely issue building permits and conduct home inspections in accordance with Owner’s pace of development of the Property. The City further agrees that it will contract with a third-party inspector, as needed and at the City’s sole cost and expense, to assist with the building permit and home inspection process. All fees charged to Owner, or any subsequent owner of any portion of the Property, for building permits and home inspections shall be the fees that the City charges for building permits and home inspections inside the corporate boundaries of the City pursuant to its lawfully adopted fee schedule. The City agrees that any fees charged pursuant to this Section 4.2 shall not include any impact fees charged by the City. The City further agrees that no impact fees, including, but not limited to, capital recovery fees, pro rata fees and/or the like for water, wastewater, roadways, parks, tree removal and other fees shall be charged against the Property.

4.3 Review Fees. Owner hereby agrees that the City shall have the right, but not the obligation, to review engineering and development plans for the wastewater, drainage and roadway Public Improvements, but not the water Public Improvements. The City and Owner agree that the engineering and development plans for the water Public Improvements shall be reviewed by

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Blackland in accordance with the NSSAs. If the City chooses to review the engineering and development plans for the wastewater, drainage or roadway Public Improvements, the City may charge reasonable development review fees for the City's review of engineering and development plans at the same rates charged by the City to developments within the City's corporate limits. The City's review of plans shall be conducted within a reasonable period of time. Notwithstanding the foregoing or anything herein to the contrary, inspections of water, wastewater, drainage and road infrastructure will be arranged by Owner with the MUDs. The City acknowledges and agrees that it will not own any of the water, wastewater, drainage or road infrastructure, will not conduct any inspections of such infrastructure, and will not charge any development inspection fees relating to such infrastructure. Upon the City's request, Owner agrees to provide the City with inspection reports and testing reports for the City's records.

4.4 Interlocal Cooperation Agreement with the County. The City agrees to work with the County in good faith to either (i) amend the existing Interlocal Cooperation Agreement between Rockwall County and the City of McLendon-Chisholm, dated November 12, 2013 (the "County ILA") for the purpose of clarifying which jurisdiction's development standards apply to the Property and which party has jurisdiction over various aspects of development of the Property (the "County ILA Amendment"), or (ii) approve a separate agreement expressly stating that the County ILA shall not apply to the Property and that development of the Property shall be governed exclusively by the terms of this Agreement (the "County Separate Agreement"). The City agrees that either the County ILA Amendment or the County Separate Agreement shall be completed within three (3) months of the Effective Date of this Agreement, unless additional time, not to exceed an additional three (3) months, is approved in writing by Owner. Should the City fail to enter into the County ILA Amendment or the County Separate Agreement within the timeframe contemplated hereunder, the City agrees that this Agreement shall automatically terminate, be *void ab initio*, shall be of no further force or effect, and the City shall immediately take action to remove all of the ETJ Tract from its ETJ in accordance with Section 42.023 of the Texas Local Government Code. The City further agrees that if it successfully completes the County ILA Amendment within the timeframe contemplated hereunder, (i) Owner shall have the right to unilaterally terminate this Agreement by providing the City with written notice of such termination if Owner determines that the County ILA Amendment is not to Owner's satisfaction, and (ii) if such notice of termination is provided by Owner to the City, the City shall immediately, at its earliest available meeting pursuant to the Texas Open Meetings Act, consider the adoption of an ordinance or resolution to reduce its ETJ in regards to all of the ETJ Tract. If the City Council votes to enact said ordinance or resolution to reduce its ETJ, and Owner provides such notice of termination, the City and Owner agree to execute any additional documentation reasonably required to effectuate the termination of this Agreement and the removal of the ETJ Tract from the City's ETJ.

4.5 Provisions for Administration of District.

(a) Manufactured Homes. Only one (1) manufactured home shall be permitted within each of the MUDs at any time as necessary to satisfy on-site voter requirements of the TCEQ. No approved plat, building permit, certificate of occupancy, or other permit shall be required to establish such residence.

(b) Director Qualifying Lots. Notwithstanding any other provision of this Agreement to the contrary, the conveyance, from time to time, by metes and bounds or otherwise of any portion of the Property to any person for the purpose of qualifying such person to be a member of the board of directors of the MUDs shall not be considered a subdivision of land requiring a plat or otherwise

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requiring the approval of the City; provided, however, no structure, other than manufactured housing authorized by Section 4.5(a), shall be constructed on any property conveyed for such purpose unless and until a plat of such portion has been approved by the City in accordance with this Agreement.

4.6 HOA. Owner shall create a sustainable and mandatory homeowners' association ("HOA") that requires membership by all owners of a residential lot within the Property. The HOA or the MUDs shall own and be responsible for the consistent maintenance of any private facilities, appurtenances, and open spaces/common areas, trails, parks, and related facilities within the Property.

4.7 Parkland and Open Space. Owner agrees to create an open space and trail system within the Property, which may be located in the flood plain and shall be cared for and maintained by the HOA or the MUDs (the "Trail System"), as shown on Exhibit E attached hereto. Owner further agrees to reasonably work with the City for connectivity of the Trail System to the City's existing trails, to the extent such connectivity is feasible.

4.8 Trash and Recycling Collection Services. The City agrees to provide trash and recycling collection services to the customers located within the Property at the same level of service and in a manner consistent with such service as provided by the City within the City's corporate limits. The residents located within the Property shall be charged the same rates for trash and recycling collection services as the City charges its customers located within the City's corporate limits.

4.9 Animal Control Services. The City agrees to provide animal control services to the customers located within the Property at the same level of service and in a manner consistent with such service as provided by the City within the City's corporate limits. The residents located within the Property shall be charged the same rates for animal control services as the City charges its customers located within the City's corporate limits.

4.10 Conflicts. In the event of any conflict between this Agreement and any ordinance, rule, regulation, standard, policy, order, guideline or other City-adopted or City-enforced requirement, whether existing on the Effective Date or hereafter adopted, this Agreement shall control.

ARTICLE V TERM & TERMINATION

The term of this Agreement (the "Term") shall be the later of (i) forty-five (45) years from the Effective Date, or (ii) until Owner has received from the MUDs one hundred percent (100%) of all reimbursables due to Owner by the MUDs for Public Infrastructure. Notwithstanding the foregoing or anything herein to the contrary, this Agreement shall automatically terminate, be *void ab initio*, shall be of no further force or effect, and the City shall immediately take action to remove all of the ETJ Property from its ETJ pursuant to Section 42.023 of the Texas Local Government Code, if the City has not finalized either the County ILA Amendment or the County Separate Agreement to Owner's satisfaction within six (6) months of the Effective Date of this Agreement in accordance with Section 4.4 herein. The City and Owner further agree that Owner shall have the right to unilaterally terminate this Agreement following the process detailed in Section 4.4 herein if

the City successfully completes the County ILA Amendment within the timeframe contemplated under Section 4.4 herein, but such County ILA Amendment is not to Owner's satisfaction.

ARTICLE VI EVENTS OF DEFAULT; REMEDIES

6.1 Events of Default. No Party shall be in default under this Agreement until written notice of such Party's alleged failure to perform has been given to all Parties to this Agreement (including a detailed description of the alleged failure) and until such Party has had a reasonable opportunity to cure the alleged failure (taking into consideration the nature and extent of the alleged failure, but in no event less than thirty (30) days after the notice is given). Notwithstanding the foregoing, 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 and within such 30-day period gives written notice to the non-defaulting Party of the details of why the cure will take longer than 30 days with a statement of how many days are needed to cure.

6.2 Remedies. If a Party is in default under this Agreement, the non-defaulting Party may, at its option and without prejudice to any other right or remedy under this Agreement, seek any relief available at law or in equity, including, but not limited to, an action under the Uniform Declaratory Judgment Act or actions for specific performance, mandamus, or injunctive relief. NOTWITHSTANDING THE FOREGOING, HOWEVER, NO DEFAULT UNDER THIS AGREEMENT SHALL ENTITLE THE NON-DEFAULTING PARTY TO TERMINATE THIS AGREEMENT OR LIMIT THE TERM OF THIS AGREEMENT, EXCEPT AS PROVIDED IN SECTION 4.4 AND ARTICLE V REGARDING THE AUTOMATIC TERMINATION OF THIS AGREEMENT IN THE EVENT THE CITY DOES NOT COMPLY WITH SECTION 4.4 OF THIS AGREEMENT AND IS OBLIGATED TO REMOVE THE ETJ TRACT FROM THE CITY'S ETJ PURSUANT TO SECTION 42.023 OF THE TEXAS LOCAL GOVERNMENT CODE.

ARTICLE VII AMENDMENT, ASSIGNMENT AND ENCUMBRANCE

7.1 Assignment by Owner to Successor Owner.

(a) Owner has the right (from time to time without the consent of the City, but upon prior written notice to the City) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of Owner under this Agreement, to any person or entity (an "Owner Assignee") that (i) is or will become an owner of any portion of the Property or (ii) is controlled by or under common control by Owner, provided that Owner is not in breach of this Agreement at the time of such assignment. An Owner Assignee is considered the "Owner" and a "Party," and under this Agreement for purposes of the obligations, rights, title, and interest assigned to the Owner Assignee. Notice of each proposed assignment to an Owner Assignee shall be provided to the City at least fifteen (15) days prior to the effective date of the assignment, which notice shall include a copy of the proposed assignment document together with the name, address, telephone number, and e-mail address (if available) of a contact person representing the Owner Assignee.

(b) Each assignment shall be in writing executed by Owner and the Owner Assignee and shall obligate the Owner Assignee to be bound by this Agreement to the extent this Agreement

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applies or relates to the obligations, rights, title, or interests being assigned. A copy of each fully executed assignment to an Owner Assignee shall be provided to all Parties within fifteen (15) days after execution. From and after such assignment, the City agrees to look solely to the Owner Assignee for the performance of all obligations assigned to the Owner Assignee and agrees that Owner shall be released from subsequently performing the assigned obligations and from any liability that results from the Owner Assignee's failure to perform the assigned obligations; provided, however, if a copy of the assignment is not received by the City within 15 days after execution, Owner shall not be released until the City receives such copy of the assignment.

(c) No assignment by Owner shall release Owner from any liability that resulted from an act or omission by Owner that occurred prior to the effective date of the assignment unless the City approves the release in writing.

(d) Owner shall maintain written records of all assignments made by Owner to Owner Assignees, including a copy of each executed assignment and the Owner Assignee's Notice information as required by this Agreement, and, upon written request from another Party, shall provide a copy of such records to the requesting person or entity.

7.2 Encumbrance by Owner and Assignees. Owner and Owner Assignees have the right, from time to time, to collaterally assign, pledge, grant a lien or security interest in, or otherwise encumber any of their respective rights, title, or interest under this Agreement for the benefit of their respective lenders without the consent of, but with prompt written Notice to, the City. The collateral assignment, pledge, grant of lien or security interest, or other encumbrance shall not, however, obligate any lender to perform any obligations or incur any liability under this Agreement unless the lender agrees in writing to perform such obligations or incur such liability. Provided the City has been given a copy of the documents creating the lender's interest, including Notice (hereinafter defined) information for the lender, then that lender shall have the right, but not the obligation, to cure any default under this Agreement and shall be given a reasonable time to do so in addition to the cure periods otherwise provided to the defaulting Party by this Agreement; and the City agrees to accept a cure offered by the lender as if offered by the defaulting Party. A lender is not a Party to this Agreement unless this Agreement is amended, with the consent of the lender, to add the lender as a Party. Notwithstanding the foregoing, however, this Agreement shall continue to bind the Property and shall survive any transfer, conveyance, or assignment occasioned by the exercise of foreclosure or other rights by a lender, whether judicial or non-judicial. Any purchaser from or successor owner through a lender of any portion of the Property shall be bound by this Agreement and shall not be entitled to the rights and benefits of this Agreement with respect to the acquired portion of the Property until all defaults under this Agreement with respect to the acquired portion of the Property have been cured.

7.3 Assignees as Parties. An assignee authorized in accordance with this Agreement and for which notice of assignment has been provided in accordance with this Agreement shall be considered a "Party" for the purposes of this Agreement. With the exception of the End-Buyer of a lot within the Property, any person or entity upon becoming an owner of land or upon obtaining an ownership interest in any part of the Property shall be deemed to be an "Owner" and have all of the obligations of the Owner as set forth in this Agreement and all related documents to the extent of said ownership or ownership interest.

ARTICLE VIII RECORDATION AND ESTOPPEL CERTIFICATES

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8.1 Binding Obligations. This Agreement and all amendments hereto and assignments hereof shall be recorded in the deed records of the County. This Agreement binds and constitutes a covenant running with the Property. Upon the Effective Date, this Agreement shall be binding upon the Parties and their successors and assigns permitted by this Agreement and forms a part of any other requirements for development within the Property. This Agreement, when recorded, shall be binding upon the Parties and their successors and assigns as permitted by this Agreement and upon the Property; however, this Agreement shall not be binding upon, and shall not constitute any encumbrance to title as to, any end-buyer/homebuyer of a fully developed and improved lot (an "End-Buyer") and shall not negate the End-Buyer's obligation to comply with the City's Regulations, including but not limited to zoning ordinances, as they currently exist or may be amended.

8.2 Estoppel Certificates. From time to time upon written request of Owner, if needed to facilitate a sale of all or a portion of the Property or a loan secured by all or a portion of the Property, the City will execute a written estoppel certificate in a form and substance satisfactory to the City, to its reasonable knowledge and belief, identifying any obligations of Owner under this Agreement that are in default.

ARTICLE IX ADDITIONAL PROVISIONS

9.1 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 City Council of the City; 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.

8.2 Notices. All notices required or contemplated by this Agreement (or otherwise given in connection with this Agreement) (a "Notice") shall be in writing, shall be signed by or on behalf of the Party giving the Notice and shall be effective as follows: (a) on or after the 3rd business day after being deposited with the United States mail service, Certified Mail, Return Receipt Requested with a confirming copy sent by facsimile transmission; (b) on the day delivered by a private delivery or private messenger service (such as FedEx or UPS) as evidenced by a receipt signed by any person at the delivery address (whether or not such person is the person to whom the Notice is addressed); or (c) otherwise on the day actually received by the person to whom the Notice is addressed, including, but not limited to, delivery in person and delivery by regular mail or by electronic transmission (with a confirming copy sent by facsimile transmission). Notices given pursuant to this section shall be addressed as follows:

CITY: City of McLendon-Chisholm
 Attn: City Secretary
 1371 West FM 550
 McLendon-Chisholm, Texas 75032

With a copy to:

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The Halla Law Firm, PLLC
Attn: Michael B. Halla
187 Rolling Ct.
Lancaster, Texas 75146
Email: mhalla@hallalawfirm.com

OWNER: DMDS Land Company, LLC
Attn: Reagan Horton
1501 Alta Drive
Fort Worth, Texas 76107

With a copy to:

Coats Rose, P.C.
16000 North Dallas Parkway, Suite 350
Dallas, Texas 75248
Attention: Mindy L. Koehne
Email: mkoehne@coatsrose.com

The parties shall have the right from time to time to change their respective addresses by giving at least fifteen (15) days' written notice of such change to the other parties.

9.3 Interpretation. In all clauses of this Agreement, a designation of a party by proper name or a defined term (e.g., "Party", "City", "Owner", etc.) is intended to be and shall be construed as inclusive of all employees, officials, officers, owners, agents, heirs, successors in interest, assigns, and other authorized representatives that are implicated in the duties to act or to refrain from action relating to its subject matter. The Parties acknowledge that each of them has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for or against any Party, regardless of which Party originally drafted the provision or the Party's respective contributions to the editing process.

9.4 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is required.

9.5 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by ordinance duly adopted by the City Council of the City in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been duly authorized to do so. Owner represents and warrants that this Agreement has been approved by appropriate action of Owner, that the individual(s) executing this Agreement on behalf of Owner have been duly authorized to do so on behalf of their respective principal(s). Owner further represents and warrants that its undersigned representatives collectively represent each and every owner of the Property as of the date of its execution. Each Party acknowledges and agrees that this Agreement is binding upon such Party and enforceable against such Party in accordance with its

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terms and conditions and that the performance by the Parties under this Agreement is authorized by Section 212.172 *et. seq.* of the Texas Local Government Code.

9.6 Entire Agreement. This Agreement, including all Exhibits hereto, constitutes the entire agreement between the Parties and supersedes all prior agreements, whether oral or written, covering the subject matter of this Agreement. This Agreement shall not be modified or amended except in writing signed by the Parties.

9.7 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

9.8 Applicable Law; Venue. This Agreement is entered into under and pursuant to, and is to be construed and enforceable in accordance with, the laws of the State of Texas, and all obligations of the parties are performable in the County. Venue for any action to enforce or construe this agreement shall be the County.

9.9 No Waiver. Any failure by a Party to insist upon strict performance by another Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

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

9.11 Further Documents. Each Party shall, upon request of the other Party, execute and deliver such further documents and perform such further acts as may reasonably be requested to effectuate the terms of this Agreement and achieve the intent of the Parties.

9.12 Governmental Powers; Waivers of Immunity. By its execution of this Agreement, the City does not waive or surrender any of its respective governmental powers, immunities, or rights, except as provided for in this section. The Parties acknowledge that the City waives its sovereign immunity as to suit solely for the purpose of adjudicating a claim under this Agreement. This is an agreement for the provision of goods or services to the City under Section 271.151 *et. seq.* of the Texas Local Government Code.

9.13 Force Majeure. Each Party shall use good faith, due diligence and reasonable care in the performance of its respective obligations under this Agreement, and time shall be of the essence in such performance; however, in the event a Party is unable, due to force majeure, to perform its obligations under this Agreement, then the obligations affected by the force majeure shall be temporarily suspended. Within three business days after the occurrence of a force majeure, the Party claiming the right to temporarily suspend its performance, shall give notice to all the Parties,

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including a detailed explanation of the force majeure and a description of the action that will be taken to remedy the force majeure and resume full performance at the earliest possible time. The term "force majeure" shall include events or circumstances that are not within the reasonable control of Party whose performance is suspended and that could not have been avoided by such Party with the good faith exercise of good faith, due diligence and reasonable care.

9.14 Amendments. This Agreement cannot be modified, amended, or otherwise varied, except in writing signed by the City and Owner expressly amending the terms of this Agreement.

9.15 Consideration. This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

9.16 City Acknowledgment of Receipt of 1295 Form. Pursuant to Texas Government Code Section 2252.908, the City hereby acknowledges that Owner has delivered to the City signed and completed Texas Ethics Form 1295 and certifications of filing with the Texas Ethics Commission.

9.17 Certifications. Owner certifies:

- (a) Pursuant to Texas Government Code Chapter 2271, as amended, Owner verifies that at the time of execution and delivery of this Agreement and for the term of this Agreement, neither Owner, its parent companies, nor its common-control affiliates currently boycott or will boycott Israel. The term "boycott Israel" as used in this paragraph has the meaning assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended; and
- (b) Pursuant to Texas Government Code, Chapter 2252, as amended, Owner represents and verifies that at the time of execution and delivery of this Agreement and for the term of this Agreement, neither Owner, its parent companies, nor its common-control affiliates (i) engage in business with Iran, Sudan, or any foreign terrorist organization as described in Chapters 806 or 807 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) is a company listed by the Texas Comptroller of Public Accounts under Sections 806.051, 807.051, or 2252.153 of the Texas Government Code.
- (c) Pursuant to Chapter 2274 of the Texas Government Code (as added by Senate Bill 13, 87th Texas Legislature, Regular Session), Owner certifies that it is not a Company that boycotts energy companies and agrees it will not boycott energy companies during the term of this Agreement. The terms "boycotts energy companies" and "boycott energy companies" have the meaning assigned to the term "boycott energy company" in Section 809.001, Texas Government Code. For purposes of this paragraph, "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit, but does not include a sole proprietorship.

- (d) Pursuant to Chapter 2274 of the Texas Government Code (as added by Senate Bill 19, 87th Texas Legislature, Regular Session, "SB 19"), Owner certifies that it is not a Company that has a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and agrees it will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. The terms "discriminates against a firearm entity or firearm trade association" and "discriminate against a firearm entity or firearm trade association" have the meaning assigned to the term "discriminate against a firearm entity or firearm trade association" in Section 2274.001(3), Texas Government Code (as added by SB 19). For purposes of this paragraph, "Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit, but does not mean a sole proprietorship.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in multiple copies, each of equal dignity, as of the date and year set forth in the first page hereof.

CITY OF MCLENDON-CHISHOLM, TEXAS

By: _____
Mayor

Date: _____

ATTEST:

By: _____
City Secretary

APPROVED AS TO FORM

By: _____
City Attorney

STATE OF TEXAS §

COUNTY OF ROCKWALL §

This instrument was acknowledged before me, the undersigned notary, on the ____ day of _____, 2024, by _____, Mayor, and _____, City Secretary, of the City of McLendon-Chisholm, Texas, on behalf of said city.

Notary Public in and for the State of Texas

(SEAL)

OWNER:

DMDS LAND COMPANY, LLC,
a Texas limited liability company

By: _____

Name: _____

Title: _____

STATE OF TEXAS §

 §

COUNTY OF _____ §

 This instrument was acknowledged before me this ____ day of _____, 2024, by
_____, _____ of DMDS Land Company, LLC, a Texas limited liability
company, on behalf of said limited liability company.

Notary Public in and for the State of Texas

(SEAL)

EXHIBIT "A"
Property Description

**LEGAL DESCRIPTION
(1,867.594 ACRES)**

BEING a parcel of land located in Rockwall County, Texas, a part of the Franklin Banguss Survey, Abstract Number 7, and being all of that called 1,225.721 acre tract of land described in deed to DMDS Land Company, LLC. as recorded in Document Number 2020-3529, Official Public Records of Rockwall County, Texas, and also being all of that called 641.6711 acre tract of land described in deed to DMDS Land Company, LLC. as recorded in Document Number 2020-30685, Official Public Records of Rockwall County, Texas, and being further described as follows:

BEGINNING at a 5/8 inch iron rod in concrete found at the south corner of said 1,225.721 acre tract, said point being the most easterly northeast corner of that tract of land described by deed to Tate Hereford Farms, Ltd, recorded in Volume 1787, Page 143, Official Public Records of Rockwall County, Texas, said point also being in the northwest right-of-way line of Farm-To-Market 548 (a called 80 foot wide right-of-way);

THENCE along the southwest line of said 1,225.721 acre tract and along the northeast line of said Tate Hereford Farms tract as follows:

North 46 degrees 02 minutes 47 seconds West, 1,143.20 feet to a point for corner, from which a metal post bears South 52 degrees 29 minutes 00 seconds West, 3.6 feet;

North 43 degrees 37 minutes 39 seconds East, 2,180.92 feet to an 8 inch metal post found for corner;

North 69 degrees 24 minutes 48 seconds West, 1,158.63 feet to an 8 inch wood post found for corner;

North 64 degrees 29 minutes 24 seconds West, 896.96 feet to an 8 inch metal post found for corner;

North 33 degrees 56 minutes 08 seconds West, 255.35 feet to a five-eighths inch iron rod with cap stamped "Peloton" found for corner;

North 71 degrees 23 minutes 40 seconds West, 190.98 feet to a five-eighths inch iron rod with cap stamped "Peloton" found for corner;

North 58 degrees 05 minutes 36 seconds West, 338.88 feet to a five-eighths inch iron rod with cap stamped "Peloton" found for corner;

North 39 degrees 26 minutes 36 seconds West, 468.77 to a point for corner in a pond, said point being the north corner of said Tate Hereford Farms tract, said point also being in the southeast line of said 641.6711 acre tract;

THENCE along the southeast line of said 641.6711 acre tract as follows;

South 60 degrees 13 minutes 05 seconds West, 544.12 feet to a point for corner;

South 59 degrees 30 minutes 58 seconds West, 228.90 feet to a point for corner;

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South 68 degrees 38 minutes 55 seconds West, 2,950.50 feet to a point for corner, said point being the south corner of said 641.6711 acre tract, said point also being in the approximate centerline of Edwards Road;

THENCE along the southwest line of said 641.6711 acre tract and the approximate centerline of Edwards Road as follows:

North 45 degrees 51 minutes 52 seconds West, 3,052.43 feet to a point for corner;

North 45 degrees 46 minutes 39 seconds West, 1,818.97 feet to a point for corner;

North 45 degrees 47 minutes 06 seconds West, 1,161.60 feet to a point for corner, said point being the west corner of said 641.6711 acre tract, said point also being in the approximate centerline of Edwards Road;

THENCE along the northwest line of said 641.6711 acre tract as follows;

North 31 degrees 46 minutes 55 seconds East, 662.30 feet to a point for corner;

North 47 degrees 43 minutes 13 seconds East, 385.15 feet to a point for corner;

North 48 degrees 01 minutes 46 seconds East, 401.63 feet to a point for corner;

South 58 degrees 25 minutes 25 seconds East, 282.59 feet to a point for corner;

North 69 degrees 46 minutes 25 seconds East, 686.17 feet to a point for corner;

North 69 degrees 41 minutes 44 seconds East, 959.63 feet to a point for corner;

North 55 degrees 58 minutes 45 seconds East, 470.07 feet to a point for corner;

North 72 degrees 47 minutes 39 seconds East, 993.58 feet to a point for corner, said point being the north corner of said 641.6711 acre tract, said point also being in the southwest line of said 1,225.721 acre tract;

THENCE North 46 degrees 01 minutes 37 seconds West, along the southwest line of said 1,225.721 acre tract, at 2,542.73 feet passing a five-eighths inch iron rod with cap stamped "Peloton" found as called reference point, in all a total distance of 2,982.11 feet to a point for corner in a pond, said point being the south corner of that tract of land described in deed to Joshua Kahn as recorded in Document Number 2008-400605, Official Public Records of Rockwall County, Texas;

THENCE along the common lines of said 1,225.721 acre tract and said Joshua Kahn tract as follows:

North 44 degrees 00 minutes 28 seconds East, 638.42 feet to a point for corner in a pond;

North 07 degrees 22 minutes 43 seconds West, 131.81 feet to a point for corner in a pond;

South 73 degrees 38 minutes 35 seconds West, 829.49 feet to a point for corner in a pond;

THENCE North 46 degrees 01 minutes 37 seconds West, 638.15 feet to a one-half inch iron rod with cap stamped "Carter Burgess" found at the west corner of said 1,225.721 acre tract;

THENCE North 44 degrees 47 minutes 37 seconds East, 4,032.48 feet to a five-eighths inch iron rod found at the north corner of said 1,225.721 acre tract, said point being in the southwest line of that tract of land described in deed to 2270 Joint Venture as recorded in Document Number 20170000009325, Official Public Records of Rockwall County, Texas;

THENCE along the northeast line of said 1,225.721 acre tract and the southwest line of said 2270 Joint Venture tract as follows:

South 45 degrees 49 minutes 06 seconds East, 9,293.21 feet to a wood post found for corner;

South 43 degrees 44 minutes 19 seconds West, 1,639.10 feet to a wood post found for corner;

South 45 degrees 33 minutes 54 seconds East, 5,060.88 feet to a five-eighths inch iron rod with cap stamped "Peloton" found at the east corner of said 1,225.721 acre tract, said point being in the northwest right-of-way line of Farm-To-Market 548 (a called 80 foot wide right-of-way);

THENCE South 43 degrees 57 minutes 09 seconds West, 4,612.49 along the southeast line of said 1,225.721 acre tract and along the northwest right-of-way line of Farm-To-Market 548 to the POINT OF BEGINNING and containing 81,570,188 square feet or 1,872.594 acres of land.

BASIS OF BEARING: THE BASIS OF BEARING IS BASED ON THE COORDINATE SYSTEM (NORTH CENTRAL ZONE 4202 STATE PLANE COORDINATES, NAD83)

THIS DOCUMENT WAS PREPARED UNDER 22 TAC 663.23, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE BOUNDARY OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

**SAVE AND EXCEPT THE FOLLOWING TRACT:
(5.000 ACRES)**

BEING a parcel of land located in Rockwall County, Texas, a part of the Franklin Banguss Survey, Abstract Number 7, and being all of that called 5.000 acre tract of land described in deed to Joshua Kahn as recorded in as recorded in Document Number 2008-400584, Official Public Records of Rockwall County, Texas, and being further described as follows:

BEGINNING at the south corner of said 5.000 acre tract of land;

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THENCE along the southeast, northeast, and northwest lines of said 5.000 acre tract as follows:

North 44 degrees 23 minutes 14 seconds East, 406.00 feet to a point for corner;

North 45 degrees 36 minutes 46 seconds West, 72.98 feet to a point for corner;

North 44 degrees 23 minutes 14 seconds East, 332.50 feet to a point for corner;

North 45 degrees 36 minutes 46 seconds West, 213.74 feet to a point for corner;

South 44 degrees 23 minutes 14 seconds West, 332.50 feet to a point for corner;

North 45 degrees 36 minutes 46 seconds West, 74.73 feet to a point for corner;

South 44 degrees 23 minutes 14 seconds West, 406.00 feet to a point for corner, said point being the west corner of said 5.000 acre tract;

THENCE South 45 degrees 36 minutes 46 seconds East, 361.45 feet along the southwest line of said 5.000 acre tract to the POINT OF BEGINNING of this tract of land and containing 217,817 square feet or 5.000 acres of land.

BASIS OF BEARING: THE BASIS OF BEARING IS BASED ON THE COORDINATE SYSTEM (NORTH CENTRAL ZONE 4202 STATE PLANE COORDINATES, NAD83)

THIS DOCUMENT WAS PREPARED UNDER 22 TAC 663.23, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE BOUNDARY OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.

EXHIBIT B

Form of Consent Resolution

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF McLENDON-CHISHOLM, TEXAS CONSENTING TO THE ADDITION OF CERTAIN LAND INTO RIVER ROCK TRAILS MUNICIPAL UTILITY DISTRICT NO. 2; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on _____, the City of McLendon-Chisholm, Texas (the "City") received a Petition for Consent to Addition of Land to a Municipal Utility District (the "Petition") executed by _____, a _____ (the "Petitioner"), attached hereto as Exhibit "A"; and

WHEREAS, the Petition seeks to add that certain 40.825 acre tract of land described therein (the "Property") to River Rock Trails Municipal Utility District No. 2 (the "District"), the Property being located partially in the extraterritorial jurisdiction of the City and partially not within the extraterritorial jurisdiction or corporate limits of any city, town or village; and

WHEREAS, Texas Local Government Code, Section 42.0425, provides that land within the extraterritorial jurisdiction of a city, town or village may not be added to the District without the written consent of such city, town, or village; and

WHEREAS, the City Council of the City desires to adopt a Resolution for the purpose of consenting to the inclusion of the Property in the District.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF McLENDON-CHISHOLM, TEXAS:

Section 1. That the facts set out in the preamble are true and correct and are incorporated herein for all purposes.

Section 2. That the City Council hereby gives written consent, pursuant to Section 42.0425, Texas Local Government Code, to the addition of the Property to the District.

Section 3. The City Council of the City officially finds, determines, recites, and declares that a sufficient written notice of the date, hour, place, and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall and on the official website of the City in the manner and for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Texas Government Code, and that this meeting was open to the public as required by law at all times during which this Resolution and the subject matter thereof was discussed, considered, and formally acted upon. The City Council further ratifies, approves, and confirms such written notice and the contents and posting thereof.

Section 4. This Resolution shall take effect immediately from and after its passage, and it is, accordingly, so resolved.

PASSED AND APPROVED by the City Council of the City of McLendon-Chisholm, Texas
on the ____ day of __, 202__.

Keith Short, Mayor

ATTEST:

Shelly Green, City Secretary

(CITY SEAL)

Approved as to Form:

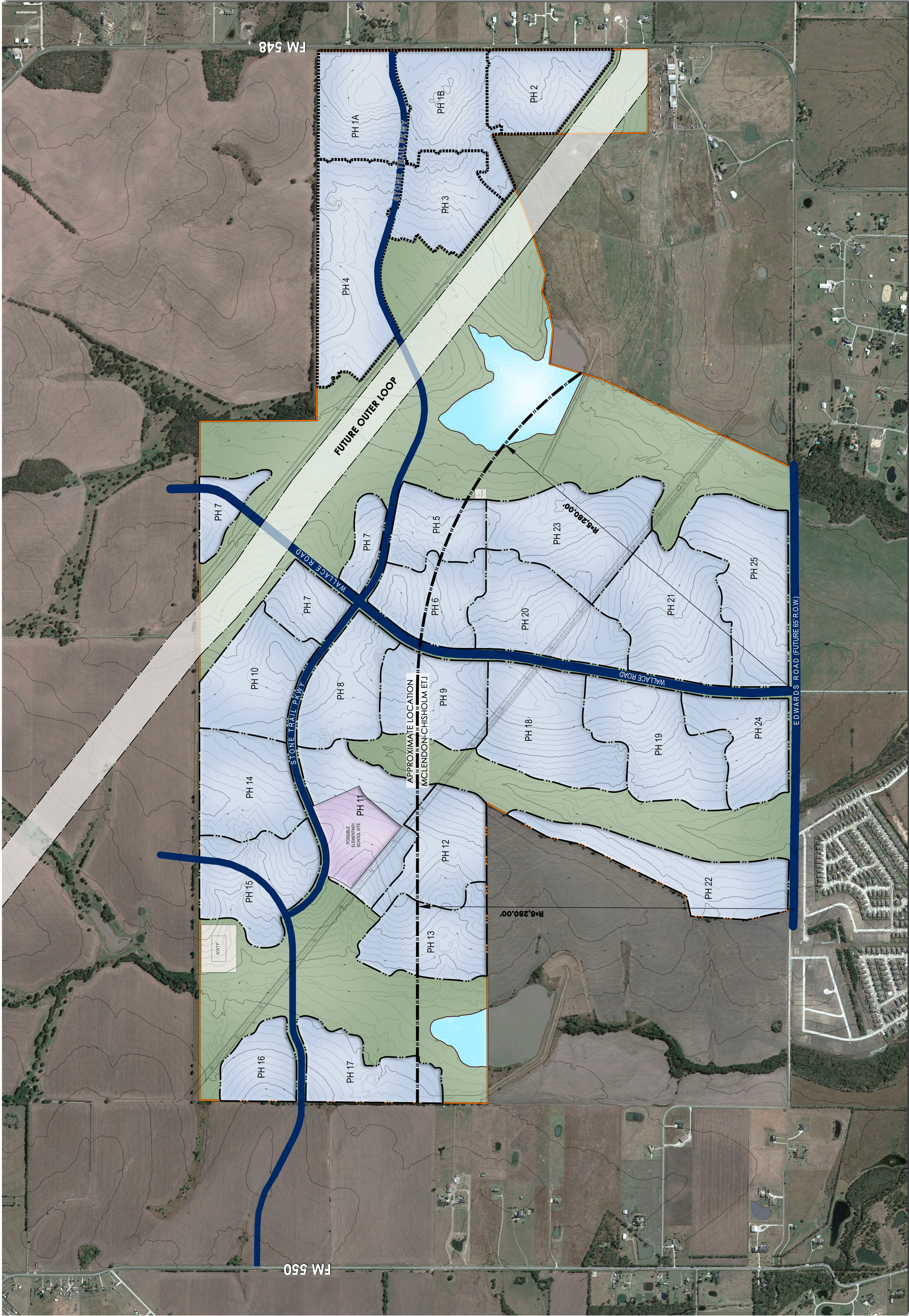
City Attorney

Exhibit "A" to Consent Resolution
Legal Description of 40.825 Acres

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EXHIBIT "C"
Preferred Rockwall County Outer Loop Alignment

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THIS PLAN IS AN ARTIST RENDERING AND MAY NOT DEPICT THE EXACT LOCATION OF THE SITE FEATURES. THE PLAN AND ALL IMPROVEMENTS NOTED ARE SUBJECT TO CHANGE.

0 200 400 800
NOV 10, 2023
1"=400'

RIVER ROCK TRAILS

EXHIBIT C
PLAN FOR DEVELOPMENT
ROCKWALL COUNTY, TEXAS



EXHIBIT "D"
City Subdivision Ordinance, As Modified

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Chapter 10

SUBDIVISION REGULATION

ARTICLE 10.01 GENERAL PROVISIONS (RESERVED)

- § 10.02.014. Penalty.
- § 10.02.015. Severability.
- § 10.02.016. Effective date.

ARTICLE 10.02 SUBDIVISION ORDINANCE

- § 10.02.001. Purpose.
- § 10.02.002. General.
- § 10.02.003. Definitions.
- § 10.02.004. Purpose, authority and jurisdiction.
- § 10.02.005. Preliminary plans and final plats.
- § 10.02.006. General requirements and design standards.
- § 10.02.007. Improvements.
- § 10.02.008. Landscape buffers.
- § 10.02.009. Floodplains.
- § 10.02.010. Drainage requirements.
- § 10.02.011. Street, alley and drainage maintenance and repair.
- § 10.02.012. Reservations.
- § 10.02.013. Variances.

ARTICLE 10.03 STANDARD STREET SPECIFICATIONS AND CONSTRUCTION DETAILS IN SUBDIVISIONS

- § 10.03.001. Subdivider financial responsibility and duty.
- § 10.03.002. Street paving strength requirements.
- § 10.03.003. Stabilization of the subgrade.
- § 10.03.004. Paving width requirements.
- § 10.03.005. Pavement slopes (traverse).
- § 10.03.006. Sawed dummy joints; expansion joints.
- § 10.03.007. Street arrangement.
- § 10.03.008. Speed limits.
- § 10.03.009. Street names.

SUBDIVISION REGULATION

ARTICLE 10.01
GENERAL PROVISIONS (RESERVED)

ARTICLE 10.02
SUBDIVISION ORDINANCE

As Amended for River Rock
Trails Development

§ 10.02.001. Purpose.

- (a) Under the provisions of the Constitution and laws of the State of Texas, including particularly chapter 212 of the Texas Local Government Code, as heretofore or hereafter amended, hereafter every owner of any tract of land situated within the city or within the extraterritorial jurisdiction of the city, who may hereafter divide the same in two or more parts described by metes and bounds or otherwise for the purpose of laying out any subdivision of such tract of land or any addition to the city; or for laying out suburban, building or other lots, or to lay out streets, alleys, squares, parks, or other parts, are required to submit a plat of such subdivision or addition for approval by the governing body of the city. The rules and regulations of the city established by ordinance governing plats and subdivisions of land be and the same are hereby extended to and shall apply to all of the area under the extraterritorial jurisdiction of the city.
- (b) On and after the passage of this article, any person, firm or corporation seeking approval of any plat, plan or replat of any subdivision of land within the city, and its legally established extraterritorial jurisdiction shall be required to comply with the requirements of this article before such approval may be granted.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-1)

§ 10.02.002. General.

These regulations shall govern every person, firm, association or corporation owning any tract of land within the city limits who may hereafter divide the same into two or more parts for the purpose of laying out any subdivision of any tract of land or any addition to the city, or for laying out suburban, building or other lots, or for laying out any streets, alleys, squares, parks or other portions intended to be dedicated for public use, or other portions intended for public use, or the use of purchasers or owners of lots fronting on or adjacent to the streets, alleys, squares, parks or other parts.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-2)

§ 10.02.003. Definitions.

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

The word “shall” shall be deemed as mandatory. The word “may” shall be deemed as permissive.

Administrative officers. Any officers referred to by title, i.e., city manager, city attorney, city secretary, city engineer, director of public works, etc., and shall be the person so retained in this position by the city, or his duly authorized representative.

Alley. Minor way used primarily for vehicular service to the rear or side of properties otherwise abutting on a street.

Building line. A line beyond which any structure must be set back from the street or road right-of-way line or property line.

City or the city. The City of McLendon-Chisholm.

City council. The governing body of the city.

Codes. Any adopted set of regulations. All improvements within the city shall be in accordance with the codes adopted by the city.

Collector street. A street which is continuous through several residential districts and is intended as a connecting street between residential districts and thoroughfares, highways, or business districts.

Commission. The city planning and zoning commission, if active. If inactive, then commission shall refer to the city council as the authority for plat review, study and approval.

Cul-de-sac. A short residential street having but one vehicular access to another street and terminated by a vehicular turn-around.

Dead-end street. A street with only one outlet. There shall be no dead-end streets without a cul-de-sac turn-around.

Easement. An area on private property designated for some specific purpose, together with the uninhibited right of access and use of said area as long as this purpose is served.

Engineer. The city engineer, the city's consulting engineers, or their duly authorized representatives.

Final plat. Any plat or any lot, tract, or parcel of land that is to be recorded of record in the deed records of the county.

Master plan. The comprehensive plan of the city and adjoining areas as adopted by the city council, including all its revision. This plan indicates the general location recommended for ~~various land uses~~, transportation routes, public developments and improvements.

Land use
requirements
N/A

Owner, subdivider, or owner/subdivider. As used herein shall refer to the person or entity owning the property in fee simple or possessing the lawful authority to subdivide or convey the property. It shall also include the duly authorized agent or representative of the owner of the real estate or a person holding a lawful and valid power of attorney concerning the property.

Plat. A subdivision exhibit, legal description, plans and necessary signature blocks.

Preliminary plan. Any plat of any lot, tract, or parcel of land that is not to be recorded of record but is only a proposed division of land for review and study by the city.

A Preliminary Plan also
means a Preliminary Plat.

Replatting. The resubdivision of any part or all of any block or blocks of a previously platted subdivision, addition, lot or tract.

Residential street. A street which is intended primarily to serve traffic within a neighborhood or limited residential district and which is used primarily for access to abutting properties.

Resubdivision. The division of an existing subdivision, together [with] any change of lot size therein, or with the relocation of any street lines.

Street. A way for vehicular traffic whether designated a street, highway, thoroughfare, parkway, throughway, road, avenue, boulevard, lane, place or however otherwise designated.

Street right-of-way width. The shortest distance between the lines, which delineate the rights-of-way of a street.

Subdivision. The division of a tract or parcel of land into two or more parts or lots for the purpose, whether immediate or future, of sale, building, development, or transfer of ownership, and shall include resubdivision.

Thoroughfare. A principal traffic thoroughfare more or less continuous across the city which is intended to connect remote parts of the city, or areas adjacent thereto, and act as a principal connecting street with state and interstate highways.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-3)

§ 10.02.004. Purpose, authority and jurisdiction.

- (a) Under the authority of chapter 212 of the Texas Local Government Code, which is hereby made a part of these regulations, the city does hereby adopt the following regulations to hereafter control the subdivision of land within the corporate limits of the city and in the unincorporated areas lying within the extraterritorial jurisdiction of the city limits, in order to provide for the orderly development of the areas and to secure adequate provision for traffic, light, air, recreation, transportation, water, drainage, sewage, and other facilities.
- (b) Any owner of land located inside of or within the extraterritorial jurisdiction (i.e., within one ~~one half~~ mile) of the city wishing to subdivide such land shall submit to the city a plan of the proposed subdivision which shall conform to the minimum requirements set forth in these regulations. An owner subdividing his land into parcels of not less than five acres each for agricultural use and not involving new streets shall be exempt from these requirements.
- (c) An owner of land within the city or within its extraterritorial jurisdiction shall submit to the city a plan of the proposed subdivision which shall conform to the minimum requirements set forth in these regulations if, in addition to the conditions set forth in the foregoing subsection (b) of this section, the owner intends to lay out suburban, building or other lots, to lay out streets, alleys, squares, parks, or other parts to be dedicated to public use or for the use of purchasers or owners of lots fronting on or adjacent to said streets, alleys, squares, parks, or other parts. An owner who intends to build on or improve any unplatted tract of real property within the city or within its extraterritorial jurisdiction shall conform to the minimum requirements set forth in these regulations if the owner must dedicate, convey, transfer, create or otherwise set aside easements for public utilities.
- (d) No subdivision plat shall be filed or recorded, and no lot in a subdivision inside of or within one ~~one half~~ mile of the corporate limits of the city shall be improved or sold, until a plat thereof shall have been first approved by the city council. The city shall have the authority to prohibit the installation of public utilities in unapproved streets and to prohibit the issuance of building permits for structures on lots abutting on unapproved streets.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-4)

§ 10.02.005. Preliminary plans and final plats.

- (a) Procedure.
 - (1) A preliminary plan of any proposed subdivision shall first be filed by the property owner or his duly appointed representative with the city secretary and submitted to the planning and zoning commission for review, study, and recommendation to the city council before the owner proceeds with the final plat of record. Following recommendation by the commission, the preliminary plan shall be submitted to the city council commission for review, study, and approval. This preliminary plan shall be drawn to a scale not to exceed 200 feet to the inch.

(2) The preliminary plat shall contain the following information:

(A) Existing features inside subdivision.

- (i) The existing boundary lines of the land to be subdivided. Boundary lines shall be drawn in heavy [lines] for easy identification, complete with bearings and distances.
- (ii) The location of existing watercourses, railroads, and other similar drainage and transportation features.
- (iii) The location and width of existing streets, alleys, easements, pipelines, watercourses, location and site of any existing water or sewer mains.
- (iv) An accurate legal description of the land to be subdivided.

(B) Existing features outside subdivisions.

- (i) The name and property lines of adjoining property owners with legal file reference.
- (ii) The name and location of adjacent subdivisions, streets, easements, pipelines, watercourses, and location and site of any existing water or sewer mains.

(C) New features inside subdivision.

- (i) The proposed name of the subdivision.
- (ii) The location, right-of-way width and names of proposed streets.
- (iii) The approximate width and depth of all lots. If the side lines are not parallel, the approximate distance between them at the building line and at the narrowest point should be given.
- (iv) The location of building lines, alleys and easements.
- (v) The location and approximate size of sites for schools, churches, and parks and other special land uses, intended to be dedicated to public use or reserved for common use of owners in the subdivision.
- (vi) The approximate acreage of the property to be subdivided.
- (vii) A proposed utility ~~plant~~ ^{plan} should be included and where, unusual grade conditions exist, the city's engineer may require preliminary street grades.
- (viii) The proposed use of any land contained in the subdivision that is not within the boundaries of lots or street right-of-way.

(D) Key map. A key map showing relation of subdivision of well-known streets in all directions to a distance of at least one mile.(E) Title, etc. The date, scale, north point and title under which the plat is to be recorded, with the name of the owner and engineer platting the tract.(3) Submission. The city shall be furnished with ten legible prints of the preliminary plan

and with ten copies of a letter of transmittal stating briefly the type of street surfacing, drainage, results of site soil test reports, sanitary facilities, and water supply proposed, and the name and address of the owner or agent and engineer, together with a written application for approval on a form prescribed by the city. The prints, letters and application shall be filed with the city secretary at least ten but not more than 21 consecutive calendar days before the next available meeting of the planning and zoning commission at which such preliminary plan is to be considered. A preliminary plan application filed prior to the 21st day preceding the next succeeding regular meeting may be considered as having been filed on the 21st day preceding the meeting. A preliminary plan application filed within ten days of the next succeeding regular meeting shall be considered as having been filed on the 21st day preceding the second succeeding regular meeting. A plan application which is not accompanied with the prescribed filing fees will not be considered as having been filed.

- (4) Approval. The planning and zoning commission shall recommend that the preliminary plan be approved, conditionally approved or disapproved within 30 days of the date that the plan is considered to have been filed. The city council shall approve, conditionally approve or disapprove the preliminary plan within 30 days of the date that the commission makes its recommendation. Approval of the preliminary plan shall not constitute final acceptance of the final plat.

recording of a final plat for all or portion of the area within the preliminary plan, whichever is later,

Preliminary approval will expire ^{thirty-six}~~six~~ months after the approval by the city council of the preliminary plan or ~~final sections thereof~~, except that if the owner shall apply in writing prior to the end of such six-month period setting forth reasons for needing the extension, this period may be extended for another six months but not beyond a total of one year.

- (b) Final plat. After approval of a preliminary plan by the city council, a final plat, prepared by a registered engineer and bearing his seal, shall be submitted to the city council by filing in the office of the city secretary. Such plat shall have all changes and alterations made on it that were required on the previously submitted preliminary plan.

- (1) Sheet size and scale. All final plats shall be drawn ^{on}~~in India ink or comparable on tracing cloth or plastic tracing~~ sheets 24 inches by 30 inches and to a scale of one inch equals 100 feet or in accordance with the county final plat requirements. Where more than one sheet is required, an index sheet ~~of maximum size 18 inches by 27 inches~~ shall be filed showing the entire subdivision.

- (2) The final plat shall contain the following information.

(A) Existing features inside subdivision.

- (i) The existing boundary lines with accurate distances and bearings of the land to be subdivided. Boundary lines shall be drawn in heavy [lines] for easy identification.
- (ii) The location of existing watercourses, railroads, and other similar drainage and transportation features.
- (iii) True bearings and distances to the nearest established street lines, official monuments, or subdivision corners.

- (iv) The location and width of existing streets, alleys, easements, rights-of-way, buildings, and structures to be retained.
- (v) Topographical information with contour lines at one-foot intervals. to be shown on engineering drawings only, not final plat.
- (vi) An accurate location of the subdivision in reference to the deed records of the county which shall include the volume and page of the deed of the property to be subdivided.

(B) Existing features outside subdivision.

- (i) The name and property lines of adjoining subdivisions and of the adjoining property owners, together with the respective plat or deed references.
- (ii) The name and location of adjacent streets, alleys, driveways, easements, watercourses, etc.

All lines outside of subdivision boundaries shall be ~~dashed~~. lesser line weight.

(C) Streets, alleys, easements. Engineering construction standards for inspections are set forth in appendix 1.¹

The lines and names of all proposed streets or other ways or easements to be dedicated to public use shall be shown on the final plat with the following engineering data:

- (i) For streets. Complete curve data (delta, length, radius, tangent, point of curve, point of reverse curve, point of tangent) shown on the centerline on each side of street; length and bearings of all tangents; dimensions from all angle points and points of curve to an adjacent side lot line.
- (ii) For watercourses and easements. Drainage easements will be provided covering all land within the subdivision that is subject to inundation by a 100-year storm. Lots that are adjacent to a major watercourse will show minimum finish ~~flood~~ floor elevations two feet above the calculated 100-year flood elevation.

(D) Lots and blocks. The lines and numbers of all proposed lots and blocks with complete bearings and dimensions for front, rear and side lot lines, and area of each lot.

(E) Reservations. The use and property dimensions of all special reservations, including sites for schools, churches, and parks.

(F) Monuments and control points.

- (i) The description and location of all permanent survey monuments and control points.
- (ii) Suitable primary control points to which all dimension bearings and similar data shall be referred. Dimensions shall be shown in feet and decimals of a foot.

1. Editor's note—Appendix 1 is included as an attachment to this chapter.

- (iii) Reference to source of bearing for legal description.
- (iv) Reference to existence of any floodplain indication on FEMA map.
- (G) Key map. A key map showing relation of subdivision to well-known streets in all directions to a distance of at least one mile.
- (H) Title, etc. The date, scale, north point and subdivision title, name and address, and seal of engineer.
- (I) Dedications and certificates. Such dedications and certificates as are applicable.
 - (i) A certificate of dedication of all streets, public highways, alleys, parks, utility easements, and other land intended for public use forever, signed by the owner or owners and by all other parties who have a mortgage or lien interest in the property and acknowledged before a notary public. All deed restrictions that are to be filed with the final plat shall be shown or filed separately.
 - (ii) A waiver of claim for damages against the city occasioned by the establishment of grades or the alteration of the surface of any portion of existing streets and alleys to conform to the grades established in the subdivision.
 - (iii) Certification by a registered engineer or a licensed state land surveyor, duly licensed by the State of Texas, to the effect that the plan represents a survey made by him, and that all the necessary survey monuments are correctly shown therein.
 - (iv) The following certificates shall be placed on the final plat, in a manner that will allow the filling in of the certificate by the proper party:

“1. Approved:

Mayor

Date

2. Acknowledged:

This approval shall be invalid unless the approved Final Plat for such Addition is recorded in the office of the County Clerk of Rockwall County, Texas ~~within ninety (90) days from said date of final approval.~~

Witness my hand this ____ day of ____, 20____.

City Secretary, City of McLendon-Chisholm, Texas”

- (J) Special restrictions. Where restrictions of use of land, other than those given in these regulations, are to be imposed by the owner/subdivider, such restrictions shall be placed on the final plat or on a separate instrument filed with the plat.

upon completion of public improvements within the platted area, or a surety bond is provided for the future completion of the public improvements within the platted area.

(K) Tax certificates showing that all ad valorem taxes have been paid are to be submitted concurrent with the final plat.

(3) Submission. The city shall be furnished with ten legible prints and the original ~~tracing~~ ^{copies} of the final plat at least ten but not more than 21 consecutive calendar days before the next available meeting of the planning and zoning commission at which such final plat is to be considered. One additional copy of the final plat together with engineering plans shall be submitted to city staff for review at least ten days prior to the submission of the final plat to the city council. A final plat filed prior to the 21st day preceding the next succeeding regular meeting of the commission may be considered as having been filed on the 21st day preceding the meeting. A final plat filed within ten days of the next succeeding regular meeting shall be considered as having been filed on the 21st day preceding the second succeeding regular meeting. A plat which is not accompanied with the prescribed filing fees will not be considered as having been filed.

(4) Approval. Final approval will expire ^{18 months} ~~one year~~ after the city council action granting approval of any final plat unless that plat has been filed for record, except that if the owner/subdivider shall apply in writing prior to the end of such ~~one year~~ ^{18 month} period, stating reasons for needing the extension, this period may at the discretion of the city council be extended for another year but not beyond that period. The owner/subdivider may obtain approval of a portion or a section of a subdivision for which tentative or conditional approval was obtained on a preliminary plan provided he meets all the requirements of this article with reference to such portion or section in the same manner as is required for a complete addition. The final plat shall not be filed of record until the subdivision has been constructed and accepted by the city.

River Rock Trails MUD 1 or MUD 2, as applicable, or alternatively, a surety bond in the amount equal to the cost of any remaining public improvement work not completed as of the date of plat recordation is provided.

(5) The owner/subdivider may, at his option, elect to combine his preliminary plan and final plat of a subdivision whenever the tract of land:

- (A) Is to be resubdivided without a change of street locations, or is so situated that the pattern of streets in said tract is predetermined by streets of immediately adjacent adjoining recorded subdivisions;
- (B) The proposed development will be of the same use and of comparable density as adjacent existing or contemplated development; and
- (C) Is a minimum of two and one-half acres in total area.

(6) Administrative approval of amending plats. The mayor and city administrator may jointly approve and issue an amending plat, which may be recorded and is controlling over the preceding plat without vacation of that plat, if the amending plat is signed by the applicants only and is solely for one or more of the following purposes:

- (A) To correct an error in a course or distance shown on the preceding plat;
- (B) To add a course or distance that was omitted on the preceding plat;
- (C) To correct an error in a real property description shown on the preceding plat;
- (D) To indicate monuments set after the death, disability, or retirement from practice of the engineer or surveyor responsible for setting monuments;

- (E) To show the location or character of a monument that has been changed in location or character or that is shown incorrectly as to location or character on the preceding plat;
- (F) To correct any other type of scrivener or clerical error or omission previously approved by the city council, including lot numbers, acreage, street names, and identification of adjacent recorded plats;
- (G) To correct an error in courses and distances of lot lines between two adjacent lots if:
 - (i) Both lot owners join in the application for amending the plat;
 - (ii) Neither lot is abolished;
 - (iii) The amendment does not attempt to remove recorded covenants or restrictions; and
 - (iv) The amendment does not have a material adverse effect on the property rights of the other owners in the plat;
- (H) To relocate a lot line to eliminate an inadvertent encroachment of a building or other improvement on a lot line or easement;
- (I) To relocate one or more lot lines between one or more adjacent lots if:
 - (i) The owners of all those lots join in the application for amending the plat;
 - (ii) The amendment does not attempt to remove recorded covenants or restrictions; and
 - (iii) The amendment does not increase the number of lots;
- (J) To make necessary changes to the preceding plat to create six or fewer lots in the subdivision or a part of the subdivision covered by the preceding plat if:
 - (i) The changes do not affect applicable zoning and other regulations;
 - (ii) The changes do not attempt to amend or remove any covenants or restrictions; and
 - (iii) The area covered by the changes is located in an area that the city council has approved, after public hearing, as a residential improvement area; or
- (K) To replat one or more lots fronting on an existing street if:
 - (i) The owners of all those lots join in the application for amending the plat;
 - (ii) The amendment does not attempt to remove recorded covenants or restrictions;
 - (iii) The amendment does not increase the number of lots; and
 - (iv) The amendment does not create or require the creation of a new street or make necessary the extension of municipal facilities.

Notice, hearing, and the approval of other lot owners are not required for the approval and issuance of an amending plat.

- (c) Fees and charges. The schedule of fees and charges, as adopted and maintained in the offices of the city, shall be paid into the general fund of the city when any map, plan or plat is filed with the city secretary for city council review, study and approval, or is tendered to the city council. Each of the fees and charges set forth therein may be changed or modified by the city council as set forth in the city's master fee schedule. Each of the fees and charges provided therein shall be paid in advance and no action of the city council shall be valid until the fee shall have been paid. Unless otherwise exempted or waived, any map, plan or plat not accompanied with the required fee shall not be considered as filed. The city secretary shall calculate the fees and charges in accordance with the master fee schedule.
- (1) Any engineering fees and attorney's fees incurred by the city in the plat review process [shall be paid by the owner/subdivider]. Such charges and fees shall be paid by the owner/subdivider upon presentation of an invoice for said charges. Should the owner/subdivider fail to reimburse the city for such charges and fees, the city may withhold any future approvals and/or the issuance of any permits related to the subdivision or its development.
 - (2) These fees shall be charged on all plats, regardless of the action taken by the city council and whether the plat is approved or denied, unless otherwise waived or exempted by the city council.
 - (3) The owner/subdivider shall cause a cashier's check or certified check to be made payable to the city secretary to cover all recording fees involved in finishing the platting process and have this delivered to the city secretary 14 days prior to the submission for approval.
- (d) Maintenance bond. The owner/subdivider shall furnish a good and sufficient maintenance bond in an amount not to exceed ten percent of the total cost of all street and alley construction within the subdivision with a reputable and solvent corporate surety, in favor of the city, to indemnify the city or association of homeowners or property owners against any repairs which may become necessary to any part of the construction work performed in connection with the subdivision arising from defective workmanship or materials used therein, for a full period of two years from the date of final acceptance of the entire project. Final acceptance will be withheld until said maintenance bond is furnished to the city.

River Rock Trails MUD
1 or MUD 2, as
applicable,

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-5; Ordinance adopting Code)

§ 10.02.006. General requirements and design standards.

- (a) Streets.
- (1) Conformity to major street plan. The width and location of streets shall conform to such major street plan as the city council may have adopted, both as to horizontal and vertical alignment and right-of-way widths.
 - (2) Relation to adjoining street system. The proposed street system shall extend all existing major streets and such existing secondary and local-access streets as may be desirable for convenience of circulation. Where possible, the width and the

horizontal and vertical alignment of extended streets shall be preserved.

- (3) Street jogs. Where off-sets in street alignment are, in the opinion of the city council, unavoidable, such off-sets may be employed provided the distance between centerlines is not less than 125 feet.
- (4) Large-lot subdivisions. If the lots in the proposed subdivision are large enough to suggest resubdivision in the future, or if part of the tract is not subdivided, consideration must be given to possible future street openings and access to future lots which could result from such resubdivision.
- (5) Through traffic. Local residential streets shall be designed so as to discourage high-speed or through traffic.
- (6) Topography. The street system shall bear a logical relationship to the natural topography of the ground.
- (7) Street right-of-way widths. Street width and street right-of-way width shall be measured from front lot line to front lot line of opposite lots.
 - (A) Residential streets. Residential streets shall have a minimum right-of-way width 50' of ~~60~~ feet. Paving shall be not less than 24 feet in width with three-foot shoulders without curbs or not less than 27 feet with curbs. measured from back of curb
 - (B) Collector streets. Collector streets shall have a minimum right-of-way width of 60' ~~70~~ feet. Paving shall be not less than 24 feet in width with six-foot shoulders without curbs or not less than 37 feet with curbs. measured from back of curb
 - (C) Major thoroughfare. The width of major thoroughfares shall be determined by the city council or the city's master thoroughfare plan; however, this classification carries a minimum right-of-way of 100 feet and a maximum of 120 feet.
- (8) Street horizontal alignment. The maximum deflection in alignment permitted without use of curve shall not exceed one degree.
- (9) Major street curves. Curves along street centerlines shall conform to the following standards, with exceptions to these standards granted only by the city council:

Classification	Design Speed (MPH)	Centerline Radius (feet)	
		Desirable	Minimum
Major	55	1,000	800
Secondary	40	550	425
Local	30	300	200

- (10) Reverse curves. Reverse curves whenever possible shall be separated by a minimum tangent of 100 feet.
- (11) Vertical curves. Vertical curves shall be provided for all grade changes greater than one degree (see appendix 1).²

(12) Dead-end streets/culs-de-sac.

- (A) Turnarounds. Turnarounds are to have a minimum right-of-way radius of ~~60~~ ⁵⁰ feet and a pavement radius of ~~45~~ ⁴⁰ feet.
- (B) Maximum length. The maximum length of a dead-end street with a permanent turnaround or a cul-de-sac with a permanent turnaround shall be 600 feet.
- (C) Temporary turnaround. A temporary turnaround is to be provided at the end of streets more than 400 feet long that will be extended in the future. The following note should be placed on the plat: Cross-hatched area is temporary easement for turnaround until street is extended [give direction] in a recorded plat.

(13) Street intersections.

- (A) Angle of intersection. Except where existing conditions will not permit, all streets, major and minor, shall intersect at a 90-degree angle. Variations of more than ten degrees on minor streets and more than five degrees on major or secondary streets ~~must first be approved by the city council~~ ^{are allowed.}
- (B) Radius at acute corners. Acute angle intersections approved by the city council are to have 25 foot or greater radii at acute corners.
- (C) Centerline tie with existing streets. Each new street intersecting with or extending to meet an existing street shall be tied to the existing street on centerline with dimensions and bearings to show relationship.

- (14) Partial or half-streets. Partial or half-streets may be provided where the city council finds that a street should be located on a property line. The following note shall be used in all such dedications: "This _____ foot strip is dedicated as easement for all utility purposes including storm and sanitary sewers and shall automatically become dedicated for street purposes when and insofar as a _____ foot strip adjacent to it is so dedicated and the required improvements are installed."

- (15) Reserve strips. Provisional one foot reserves may be used along the side or end of streets that abut acreage tracts, accompanied by a note on the plat that states as follows: "One foot reserve to become automatically dedicated for street purposes when adjacent property is subdivided in a recorded plat."

- (16) Street names. New streets shall be named so as to provide continuity of name with existing streets and so as to prevent conflict with identical or similar names in other parts of the city.

- (17) Street and alley maintenance. The repair and maintenance of all streets and alleys shall be the responsibility of ~~the abutting property owners or a valid and functioning association of homeowners or property owners within the subdivision.~~ All applications for approval of any preliminary plan or final plat of a proposed residential subdivision in which the construction or placement of any streets or alleys is a component must be accompanied by ~~true and correct copies of~~ ^{acceptance documentation from River Rock Trails MUD 1 and MUD 2, as applicable.} ~~homeowner's association regulations or deed restrictions which require all street and~~

2. Editor's note—Appendix 1 is included as an attachment to this chapter.

~~alley maintenance to be the responsibility of a homeowner's association or abutting property owners.~~

(b) Lots.

- (1) Use. All lots shown on the plat will be for residential purposes unless otherwise noted. The standards that follow apply to residential lots.
- (2) Lot size. ~~The minimum area of all lots shall conform with the city's comprehensive zoning ordinance. The minimum area of all lots shall be at least the size prescribed in the zoning regulations applicable to that district.~~ Lot size not applicable
- (3) Minimum width. ~~Lots with radial side lines diverging toward the rear shall have a minimum of 200 feet width, 75 feet behind the front property line, and lots that have radial side lot lines convergent toward the rear shall have a minimum of 200 feet width, 250 feet behind the front property line.~~ lot width not applicable
- (4) Minimum depth. ~~No lot shall have a depth of less than 300 feet.~~ lot depth not applicable
- (5) Lots on drainage easements. Minimum usable lot depths for lots backing on natural drainage easements shall not be less than 100 feet measured between front lot line and drainage easement.
- (6) Lot width definition. The lot width is ^{measured at the front building line} ~~the average of front and rear lot dimensions.~~
- (7) Lot shape. Lots should be rectangular insofar as practicable. Sharp angles between lot lines should be avoided. ^{, or radial to a curved street,} ~~The ratio of depth to width should not ordinarily exceed two and one-half times.~~
- (8) Lot lines. Side lot lines should be perpendicular or radial to street frontage and the following note may be used in lieu of bearings: All side lot lines are either perpendicular or radial to street frontage unless otherwise noted.
- (9) Lot facing.
 - (A) Street frontage. Each lot shall be provided with adequate street access.
 - (B) Front facing. In general, an arrangement placing adjacent lots at right angles to each other should be avoided.
- (10) Lot numbering. All lots are to be numbered consecutively within each block. Lot numbering may be cumulative throughout the subdivision if the numbering continues from block to block in a uniform manner that has been approved on an overall preliminary plan.
- (11) Driveway restrictions. Rear and side driveway access to major thoroughfares shall be prohibited.

(c) Building lines.

- (1) Front street. ~~The front building lines shall not be less than 75 feet from the front property line.~~ front building lines shall be shown on their final plat.
- (2) Side, rear. ~~The side and rear building line setbacks shall be as set forth in the city's comprehensive zoning ordinance and the zoning regulations applicable to the district.~~

~~in which the property lies.~~ side, rear building lines shall be shown on the final plat.

(d) Alleys.

- (1) Alley width. Where provided, alley rights-of-way shall not be less than 20 feet.
- (2) Alley intersections. All alleys intersecting with another alley shall have a centerline radius of 40 feet, a property line radius of 30 feet, and shall conform to the standard details.
- (3) Dead-end alleys. Dead-end alleys will not be permitted. Alleys in new subdivisions shall connect to alleys in adjacent subdivisions wherever feasible.
- (4) Alleys required. Alleys shall be required in all business areas and in those portions of new residential subdivisions where partial blocks are needed to complete existing blocks with alleys.

(e) Easements.

- (1) Size. The size of easements for drainage shall be a minimum of 15 feet in width or as established by the city engineer.
- (2) Use. Where necessary, easements shall be retained for wires, conduits, storm sewers, sanitary sewers, water lines, open drains, gas lines or other utilities. Such easements may be required across parts of lots (including side lines), other than as described above, if in the opinion of the city council same is needed.
- (3) Underground utilities. All subdivisions shall place all utilities underground after the effective date of this article: except any 3 phase power, or larger transmission voltage lines, may be placed overhead
- (4) Major trees within utility easements. Every precaution shall be utilized to protect the natural environment of the subdivision, preserving prominent trees wherever possible, and the owner/subdivider shall advise the city council of the necessity of destroying an inordinate amount of trees, and the method of restoration of the area in keeping with the spirit of the city.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-6)

§ 10.02.007. Improvements.

- (a) Monuments. Concrete monuments eight inches in diameter and 15 inches long shall be placed at reasonable intervals at all corners of the boundary lines of a subdivision. The exact intersection point on the monument shall be marked by a reinforcing bar one-half inch in diameter and 12 inches long embedded in the concrete monument.

Intermediate property corners, curve points and angle points shall be marked with a piece of one-half inch round reinforcing rod driven flush with the finished ground level or lower if necessary in order to keep same from being disturbed.

- (b) Other required improvements, see engineering and construction standards.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-7)

§ 10.02.008. Landscape buffers.

- (a) Street buffer. ~~In all zoning districts,~~ a minimum 10-foot landscape edge or buffer must be provided

along the entire length of the perimeter of a lot or subdivision where the perimeter is adjacent to a public or private street, exclusive of driveways and alleys. The paved and unpaved portion of any ~~city~~ right-of-way shall not be included in this ~~20-foot~~ buffer.

- (b) Land Use ~~Zoning district buffer~~. Whenever a nonresidential use, mobile-home use, or multifamily use is adjacent to property used ~~or zoned~~ for single-family residential purposes, the more intensive land use shall provide a landscaped area edge of at least ten feet in width along the common property line.

- (c) Subdivision entryways.

These requirements are for entrances along thoroughfares. These regulations do not include minor entrances off of collectors within the overall development limits.

- (1) Entryways into and exits from subdivisions shall be landscaped. Both sides of streets, whether public or private, which serve as a means of ingress or egress from residential subdivisions that consist of at least ten lots shall be landscaped on both sides of the entry or exit way.
- (2) Each landscape area shall consist of not less than 25 feet of frontage along the entry and exit way and 25 feet of frontage along the adjacent street, and shall have a depth of at least 20 feet.
- (3) Subdivision entryway landscaping shall be designed so as to avoid an impairment of visibility of operators of motor vehicles entering and exiting the subdivision when the plant materials reach full maturity.
- (4) The developer and/or property owners of residential subdivisions that consist of ten or more lots shall have a homeowners' association that shall be responsible for the perpetual maintenance and upkeep of all landscape areas.

- (d) Plant materials.

(1) one shade tree (minimum 3" inches in caliper measured at breast high (DBH) and 16 feet in height at time of planting) for each 30 linear feet or portion thereof of adjacent exposure. Trees may be grouped or clustered to facilitate site design.

- (1) Landscape buffers and landscaped areas of subdivision entryways shall be planted with ~~at least one shade tree (minimum four inches in caliper measured at four feet above natural grade and 16 feet in height at time of planting) for each 20 linear feet or portion thereof of adjacent exposure.~~
- (2) When required to be planted, tree types should include trees identified in the "approved replacement tree list" of the city's Tree Preservation Code. Landscape buffers and areas shall also consist of shrubs, ornamental trees, ground cover, or sod. All plant materials shall conform to the requirements described in the most current edition of "American Standards for Nursery Stock" published by the American Association of Nurserymen.
- (3) No tree may be planted closer than five feet of the paved portion of any impermeable surface.
- (4) No plant material shall be planted or located in such a way that, at full maturity, the plant material may obstruct or impair the view of operators of motor vehicles on any public or private street or interfere with the use and maintenance of utility fixtures or equipment.
- (5) In the event that any plant materials shall die or be removed or destroyed within a period of one year after planting, the developer, property owner or homeowners' association shall replace the plant material with similar or suitable plantings.

(e) Waivers by city council.

- (1) The city council may reduce the width of the required landscape buffer when the reduction is required for public improvements.
- (2) The city council may waive or modify any of the requirements of this section upon application by the developer, property owner or homeowners' association, following recommendation by the planning and zoning commission, when deemed to be in the best interests of the public health, safety, morals or general welfare.

(f) Landscape plans.final plat

- (1) Prior to or simultaneously with the submission of an application for approval of a site plan or ~~preliminary plan~~, including replats of existing lots and subdivisions, a landscape plan must also be submitted.
- (2) The landscape plan must show the location, type and species of all plants and plant materials and must affirmatively show compliance with the requirements of this section.
- (3) Landscape plans shall make provisions for perpetual maintenance by the developer, property owner or homeowners' association.

- (g) Lot coverage for nonresidential property. For nonresidential and multifamily property, at least ~~15~~ percent of the gross lot or tract (exclusive of rights-of-way) shall be maintained as a landscaped area. All screening, parking perimeter, and interior parking landscaping shall be included in the overall ~~15~~ percent of gross site landscaping. No parking lot tree island may be less than ten feet wide in any dimension and shall not contain less than 100 square feet of continuous permeable land. 

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-7A)

§ 10.02.009. Floodplains.

No permanent structures shall be built within any floodplain at an elevation below the 100-year flood line. The finished floor ~~pad~~ shall be a minimum two feet above the 100-year flood level. No septic tanks or on-site septic systems shall be built, located or situated in areas designated as a floodplain.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-8)

§ 10.02.010. Drainage requirements.(a) General policy.

- (1) The commission shall not recommend for approval any plat, development plan, or subdivision which does not make adequate provision for stormwater or floodwater runoff channels or basins and the city council may not approve such plats, development plans, or subdivisions without such provisions. Drainage provisions shall ensure the health and safety of the public and property in times of flood and such drainage facilities shall not cause excessive increases in flood heights or velocities, particularly to adjacent and downstream properties. When calculations indicate that curb capacities are exceeded at a point, no further allowance shall be made for flow beyond that point, and basins shall be used to intercept flow at that point.

- (2) The owner/subdivider or applicant may be required by the planning and zoning commission or city council as a condition of preliminary plan and/or final plat approval to carry away by pipe or open ditch any spring or surface water that exists either previous to, or as a result of, the subdivision. Such drainage facilities shall be located in the road right-of-way where feasible, or in perpetual unobstructed easements of appropriate width, and shall be constructed in accordance with the construction standards and specifications of the town.
- (b) General design standards. For all subdivisions consisting of more than ten lots, the following requirements must be demonstrated as a condition for the approval of any preliminary plan or final plat, and must be shown on the face of the plan or plat or by separate document filed contemporaneously with the application for approval of the plan or plat:
- (1) Coordination with any comprehensive master drainage plan adopted by the city council is required and shall be demonstrated in the preliminary plan and/or final plat.
 - (2) The complete drainage system is composed of:
 - (A) The initial system, consisting of inlets, storm drains, and the associated appurtenances to convey the initial storm runoff (~~ten-year~~); and fifty-year
 - (B) The major system of the major runoff (100-year), which consists of swales, creeks, channels, floodways and emergency overflows to prevent water encroachment into residential and commercial facilities.
 - (3) Channels are to be concrete-lined at least to the ten-year frequency channel flow level with additional height to carry the 25-year flow. 100-year flow is to be contained within the building lines of the channel. Unlined channels will be considered and may be approved for quantities of floodwater larger than the equivalent flow of a 72-inch pipe.
 - (4) Utilization of retention ponds and dispersion areas and preservation of major floodplains, etc., shall be strongly encouraged and may be required if a proposed drainage improvement is found to create actual or potential upstream, adjacent or downstream property damage due to the creation of excessive flood velocities or heights.
 - (5) The city's major drainage floodplains that are still functioning in a natural or semi-natural state will require special drainage and other preservation considerations. To implement this policy of the natural 100-year floodplain for flooding areas draining one square mile or more, it may be recommended that these areas be zoned for planned development when zoning requests are made so that channel improvements and preservation efforts will be coordinated and defined on the site plan before detailed plans are submitted.
 - (6) Criteria for pipes.
 - (A) Minimum velocity with the pipe flowing full shall be three feet per second.
 - (B) The minimum storm drainpipe diameter shall be 15 inches.
 - (C) Pipe diameters shall not normally decrease downstream.

(D) Pipe crowns at change in sizes should be set at the same elevation.

- (7) Vertical curves in the conduit will not be permitted, and horizontal curves will be permitted only with the approval of the town engineer.
- (8) Inverted crown sections will be permitted only in alleys.
- (9) At streets with culverts or bridges, an emergency overflow shall be provided to contain the 100-year channel flow within the building lines.
- (10) Detention ponds may be used to control the increase in runoff between the development and undeveloped areas if approved by the city council.

(c) Off-site drainage.

- (1) The owner or developer of property to be developed shall be responsible for all storm drainage flowing on his property. This responsibility includes the drainage directed to that property by ultimate development as well as drainage naturally flowing through the property by reason of topography.
- (2) Adequate consideration shall be given by the owner in the development of property to determine how the discharge leaving the proposed development will affect adjacent and downstream property.
- (3) On lots or tracts of three acres or more where stormwater runoff has been collected or concentrated, it shall not be permitted to drain onto adjacent property except in existing creeks, channels or storm sewers unless proper drainage easements or notarized letters of permission from the affected property owners are provided. If necessary easements or letters of permission cannot be obtained, the city engineer will review the downstream damage potential and make recommendations to the commission and city council.
- (4) The owner/subdivider shall pay for the cost of all drainage improvements required for the development of the subdivision, including any necessary off-site channels or storm sewers and acquisition of the required easements.
- (5) Where it is anticipated that additional runoff incidental to the development of the subdivision will overload an existing downstream drainage facility, whether natural or manmade, the commission or city council may withhold approval of the subdivision, and the city may refuse to issue building, construction or development permits, until improvements including storm sewer systems, channel grading, driveway adjustments, culvert improvements, etc., are made.
- (6) In areas where downstream pipes or channels are adequate to handle proposed increased flows, the city as one alternative may consider accepting cash payment in lieu of actual drainage improvements. The developer must show that the proposed pipe system to handle the flow from his development would not function properly without substantial downstream improvements. Prior to permitting any development that will significantly increase flood heights downstream or upstream, a hearing before the planning and zoning commission is required with special notice to the adjacent property owners.

(d) Drainage easements.

- (1) Where topography or other conditions are such as to make impractical the inclusion of drainage facilities within road rights-of-way, perpetual unobstructed easements for such drainage facilities shall be provided across property outside the road lines and with satisfactory access to the road. Easements shall be indicated on the plat. Drainage easements shall be carried from the road to a natural watercourse or to other drainage facilities.
- (2) When a proposed drainage system will carry water across private land outside the subdivision, appropriate drainage rights must be secured and indicated on the plat or other instrument as approved by the city. In the case of clear public interest, the city may participate in easement acquisition by power of condemnation.
- (3) The owner/subdivider shall dedicate an appropriate drainage easement either in fee or by drainage easement or by conservation easement of land on both sides of existing watercourses to a distance to be determined by the planning and zoning commission or city council.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-9)

§ 10.02.011. Street, alley and drainage maintenance and repair.

River Rock Trails MUD 1 and MUD2, as applicable.

The construction, maintenance and repair of all streets, roadways, alleys, and drainage improvements shall be the responsibility of ~~the abutting property owners or a valid and functioning association of homeowners or property owners.~~ All preliminary plan or final plat applications involving subdivisions in which streets, roadways, alleys, or permanent drainage improvements are to be constructed shall be accompanied by documentation which imposes the obligation of maintenance or repair on ~~the abutting property owners or a homeowner's or property owner's association. In the event that an association of property owners or homeowner's is not active or becomes inactive, no further building or development permits shall be issued.~~

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-10)

§ 10.02.012. Reservations.

- (a) ~~Permitted purposes. No land contained in the proposed subdivision shall be reserved for any use other than a use permitted by the zoning ordinance for the district in which the land to be reserved is located.~~ land use restrictions not applicable
- (b) ~~Designated on plat.~~ The specific use for which each piece of land is to be reserved must be shown by appropriate label or description on the subdivision plat. Provision for future abandonment of a reservation as may be appropriate must likewise be shown on said plat.
- (c) ~~Parks and playgrounds.~~ The location and size of parks and ~~playgrounds~~ ^{open spaces} shall be in ~~accordance with the city park sites plan. Park sites when purchased by the city shall be purchased at the developer's acreage cost plus a prorated cost of improvements.~~ ^{shown on the final plat}
- (d) ~~Schools.~~ The location and size of schools shall be in accordance with the city school sites plan and with the requirements of the school district ~~and as acceptable to the owner/subdivider.~~

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-11)

§ 10.02.013. Variances.

When an owner/subdivider can show that a provision of these regulations would cause

unnecessary hardship if strictly adhered to and where, because of some condition peculiar to the site, in the opinion of the city council a departure may be made without destroying the intent of such provisions, the city council may authorize a variance.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-12)

§ 10.02.014. Penalty.

Any person violating this article or any portion thereof shall upon conviction be guilty of a misdemeanor and shall be assessed a fine of not less than one dollar nor more than \$2,000.00, and each day that such violation continues shall be considered a separate offense and punishable accordingly.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-13)

§ 10.02.015. Severability.

If any section, subsection, sentence, clause or phrase of this article is for any reason held to be unconstitutional, invalid, or unenforceable, the validity of the remaining portions of this article shall not be affected thereby, it being the intent of the city council in adopting this article that no portion thereof or provision or regulation contained herein shall become inoperative or fail by reason of the unconstitutionality or invalidity of any section, subsection, sentence, clause, phrase, or provision of this article.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-14)

§ 10.02.016. Effective date.

This article shall take effect immediately from and after its passage and the publication of the caption as the law in such cases provide.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, sec. 70-15; 2007 Code, ch. 70, app. 1, sec. 11)

ARTICLE 10.03
STANDARD STREET SPECIFICATIONS AND CONSTRUCTION DETAILS IN
SUBDIVISIONS

§ 10.03.001. Subdivider financial responsibility and duty.

Each subdivider shall, at his own expense and cost, pay for constructing all residential streets within his subdivision.

(Ordinance 91-1, adopted 1/13/92; 2007 Code, sec. 66-40)

§ 10.03.002. Street paving strength requirements.

A ~~seven~~^{six}-inch thickness of concrete pavement on a compacted subbase shall be required. The concrete must have a 28-day compressive strength of 3,000 pounds per square inch (psi). All steel reinforcing shall be deformed No. 3 bars on 18-inch centers both ways.

(Ordinance 91-1, sec. 1, adopted 1/13/92; 2007 Code, sec. 66-41)

Collector streets shall be 7-inch thickness.
Thoroughfare streets shall be 8-inch thickness.

§ 10.03.003. Stabilization of the subgrade.

Subgrade stabilization must be six inches thick with hydrated lime. This shall be spread uniformly and sprinkled to the proper moisture content. The soil, lime and water shall be mixed until a homogenous product is obtained that is free of clods and lumps. The mixture shall be immediately rolled and compacted to 95 percent of standard proctor density.

(Ordinance 91-1, sec. 2, adopted 1/13/92; 2007 Code, sec. 66-42)

§ 10.03.004. Paving width requirements.

The width of all residential streets shall be no less than 28 feet between both faces. The minimum right-of-way requirement shall be no less than 50 feet.

(Ordinance 91-1, sec. 3, 1/13/92; 2007 Code, sec. 66-43)

§ 10.03.005. Pavement slopes (traverse).

The traverse pavement slope shall consist of a parabolic curve from the pavement centerline to the curb. The crown of the curve shall be one-fourth-inch per one foot of street width above the curb level grade.

(Ordinance 91-1, sec. 4, adopted 1/13/92; 2007 Code, sec. 66-44)

§ 10.03.006. Sawed dummy joints; expansion joints.

- (a) Sawed dummy joints (traverse) shall be required and shall not be more than 20 feet apart.
- (b) Longitudinal sawed dummy joints shall be required when concrete is poured in a continuous width of 20 feet or more. The longitudinal dummy joints shall be located at the centerline of the total width.

- (c) Expansion joints shall be placed at distances no greater than 600 feet.

(Ordinance 91-1, sec. 5, adopted 1/13/92; 2007 Code, sec. 66-45)

§ 10.03.007. Street arrangement.

(a) All streets shall be laid out so that they intersect at right angles with a maximum tolerance of plus or minus ~~five percent~~ ten percent on residential streets and 5 percent on collector and thoroughfare streets.

(b) ~~Culs-de-sac shall not be longer than 2,000 feet from the nearest intersecting street, and shall provide a turnaround having an outside roadway diameter of at least 80 feet in areas zoned SF2 and SF3. Culs-de-sac shall not be longer than 3,000 feet in areas zoned SF1.~~ see section 10.02.006(12)
(Ordinance 91-1, sec. 6, adopted 1/13/92; 2007 Code, sec. 66-46)

§ 10.03.008. Speed limits.

on residential streets

and speed limits on collector and thoroughfare streets shall be according to street design criteria.

Speed limits ~~in subdivisions~~ shall be no more than 30 mph. The subdivider shall at his own expense provide and install speed limit signs. On street parking is prohibited.
(Ordinance 91-1, sec. 7, adopted 1/13/92; 2007 Code, sec. 66-47)

§ 10.03.009. Street names.

All streets must be named and the names must be approved by the city council.
(Ordinance 91-1, sec. 8, adopted 1/13/92; 2007 Code, sec. 66-48)

SUBDIVISION REGULATION

10 Attachment 1

APPENDIX 1 ENGINEERING AND CONSTRUCTION STANDARDS FOR STREETS AND DRAINAGE, WATER AND SEWER SYSTEMS

Section 1. Definitions pertaining to this section, Appendix 1, Engineering and construction standards

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

Building setback line. The line on a plat delineating the nearest point to which buildings may be located to a street line, alley line or building lot line.

City. The City of McLendon-Chisholm, Texas.

Dead-end street. A street, other than a cul-de-sac, with only one outlet.

Engineer. A person duly authorized under the provisions of the Texas Engineering Practice Act, as heretofore or hereafter amended, to practice the profession of engineering, and when reference is made to the city engineer, the designation means either an engineer directly employed by the city or the city's engineering consultants, as the case may be.

Inspector. A person duly authorized by the city who may be employed by the city or by the city's engineering consultants, as the case may be, and designated to inspect any portion or all of the construction performed in the subdivision either on a part-time or full-time basis. His duties shall consist of inspecting all work during construction and/or after completion to determine compliance with the plans, specifications and subdivision regulations, with authority to stop the work during construction for non-completion, if the work is defective.

Local residential or minor street. A public thoroughfare which is intended primarily to serve as access to residential property within a neighborhood interior or limited residential district and is not aligned or located to attract other than limited local traffic movements.

Lot. An undivided tract or parcel of land having frontage on a public street and which is, or in the future, may be offered for sale, conveyance, transfer or improvement as a building site; which is designated as a distinct and separate tract.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, ch. 70, app. 1, sec. 1)

Section 2. Policy

(a) *Approval of city.* It shall be unlawful for any owner of land to lay out, subdivide, plat or replat any land into lots, blocks and streets within the city, or within the extraterritorial jurisdiction of the city without the approval of the city council. It shall be unlawful for any such

MCLENDON-CHISHOLM CODE

owner or agent to offer for sale or sell property therein or thereby, which has not been laid out, subdivided, platted or replatted with the approval of the city council.

per development agreement between City and DMDS Land Comapny, LLC

(b) Design standards. Typical cross sections shall be shown on the plat of the type and width of paving proposed for the streets. Curbs and gutters, pavement types and drainage structure design standards of the city, in effect ~~at the time of submission of the plat~~, shall be used, subject to the approval of the city council and the city's engineer.

(c) Completion and inspection. Once the final plat has been approved by the city council, the filing of final plats will not be permitted until the streets have been completed and inspected by the city or a bond of an equivalent amount of money placed in escrow to cover the cost of the streets and utility installation. remaining

(d) Recording required. The final approval of a final plat of a subdivision shall be invalid unless such approved plat of such subdivision is recorded in the office of the county clerk ~~within 120 days after the date of its final approval by the city council.~~

(e) Building permits, utility connections. No building permit nor any water, sewer, plumbing or electrical connections shall be issued by the city to the owner or any other person with respect to any property in any subdivision covered by this article until:

- (1) Such time as the developer and/or owner has complied with the requirements of this article and the final plat regarding improvements with respect to the block facing the street and/or streets on which the property abuts, including the installation of streets with proper base and paving, curb and gutter, alleys, water and sewer services and drain facilities where necessary, all according to the specifications of the city; or
- (2) Until the developer and/or owner files a corporate surety bond with the city in a sum equal to the cost of such improvements for the designated area guaranteeing the installation thereof within the time stated in the bond, which time shall be fixed by the city.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, ch. 70, app. 1, sec. 2)

Section 3. Street improvements and oversizing

(a) When a proposed subdivision of land abuts on both sides of an existing standard road, or on one side of said road, being substandard according to the then-existing current Texas Department of Transportation Standard Specifications, the developer shall be required to improve the existing road, to bring the same to the Texas Department of Transportation Standards, or replace it with a standard city street at no cost to the city. If the proposed subdivision is located along only one side of a substandard road, and when in the city council's judgment, it is not feasible to reconstruct said substandard road at the time of the development of said subdivision, the city council may permit the developer to pay into escrow an amount equal to 115 percent of the cost of said improvements as a condition of the approval of the final plat of the subdivision. If the proposed subdivision is located along a state road, which is

SUBDIVISION REGULATION

considered substandard, the developer shall be required to escrow funds for the cost of improvements for curb and gutter and storm drainage. State roads shall include St. Hwy. 205, FM 550 and FM 1139. The amount of the escrow shall be determined by the city engineer and shall be payable prior to construction of the subdivision streets and utilities. When funds have been provided and placed in escrow with the city for the development of a substandard road, and the road is reconstructed by a party other than the escrowing developer and at no cost to the city, the escrowed funds and accrued interest, if any, shall be refunded to the developer after completion and acceptance of the improvements. Where in its judgment, the public convenience and welfare will be substantially served and the appropriate use of the neighboring property will not be substantially injured, the city council may, in specific cases, at a regular meeting of the city council, and subject to appropriate conditions and safeguards, authorize special exceptions to these regulations in order to permit reasonable development and improvement of property where the literal enforcement of these regulations would result in an unnecessary hardship.

(b) All new roads within proposed subdivisions shall, at minimum be built to a width and design which will adequately serve that subdivision. In addition, when required by the city in the interest of the community, the developer may be required to build larger streets to the width shown on the thoroughfare plan. Streets which dead-end at power lines, railroads, or similar right-of-way, which are intended for future extension across these rights-of-way, shall be constructed in right-of-way for half the distance across the rights-of-way. Where streets are adjacent to undeveloped land and the property line is normally the centerline of the street, the developer shall provide right-of-way of sufficient width and shall construct paving a minimum width of 27 street width feet, if deemed necessary by city engineer or traffic planner. In the event the street and/or railroad crossing has been constructed or is being constructed by others, the developer shall pay his pro-rata share of the improvements. Escrow or pro-rata shall be payable prior to construction of streets and utilities.

River Rock Trails MUD 1 and MUD 2, as applicable.

(c) The improvement, maintenance and repair of all streets and alleys within subdivisions shall be the perpetual responsibility of a homeowner's association. To ensure such obligation, the developer shall submit proposed homeowner's association regulations, bylaws and requirements which impose this street maintenance and repair obligation on the association.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, ch. 70, app. 1, sec. 3)

~~Section 4. Off-site access roadways~~

not applicable for River Rock Trails project

~~Dependent upon the circumstances of a particular subdivision where access is not deemed adequate by the city council, the council may require the developer to provide and construct off-site access roadways which conform to the street layout standards. If such access is provided, the developer and city shall enter into a facilities agreement prior to final plat approval, for the construction of such access roadway. Such agreement shall contain engineering cost estimates, the number of square feet in the proposed roadway, any pro rata schedules plus any other matter deemed appropriate by the parties. (Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, ch. 70, app. 1, sec. 4)~~

Section 5. Street lighting

MCLENDON-CHISHOLM CODE

Developer shall be required to provide streetlights in all new subdivisions. Lights will be the equivalent of 175-watt mercury vapor streetlights located at entrances, intersections and cul-de-sac with exceptions to be approved by the city council. All collector and thoroughfare, or commercial streets, shall have high-pressure sodium vapor fixtures with wattage of 250 to 400 watts as directed by the city. In some instances, greater wattage may be required by the city. The city reserves the right to inspect the street lighting construction. Initial cost of installation and cost of operation and maintenance shall be paid to the local utility company. Maintenance and operation costs shall be the responsibility of ~~the applicable homeowner's association. The regulations, bylaws and requirements of the association shall contain and impose this requirement.~~ (Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, ch. 70, app. 1, sec. 5)

Section 6. Street signs

River Rock Trails MUD 1 and
MUD 2, as applicable

The developer of a subdivision shall at his expense install street signs to the city specifications prior to any building permits being issued for this subdivision. (Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, ch. 70, app. 1, sec. 6)

Section 7. Inspection of construction by city personnel

MUD Engineer, or his representative, on behalf of River Rock Trails MUD 1 and MUD 2, as applicable.

All inspection of construction and verification of compliance to the plans and specifications shall be conducted by ~~the city's staff under the direction of the engineer.~~ Streets are included in this inspection requirement. The developer shall advise all of his construction contractors of this requirement. No development will be accepted ~~by the city~~ until all construction has been approved ~~by the city's staff.~~ The developer shall be responsible for any additional expense to the city, at a rate established by the city, at any time when inspection is done after normal business hours of the city, or when the improvements built will be privately owned. The developer will be responsible for furnishing to the city the original reproducible engineering drawings corrected to show "as-built" conditions before any utility improvements will be accepted. Building permits will not be issued until all public or required improvements are accepted by the city, unless in the opinion of the city engineer, issuance of building permits prior to completion will not be detrimental to the city. (Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, ch. 70, app. 1, sec. 7)

Section 8. Street system

(a) General. The street system, including the street layout, shall be in accordance with generally accepted engineering practices and in compliance with the comprehensive plan, the zoning ordinances, the subdivision regulations and other applicable regulations and ordinances. The plans and specifications, design computation, and other applicable data shall be submitted to the city for review. The subgrade materials will be tested in accordance to the standard specifications for construction, unless otherwise approved by the city. In general, the soils testing will include the testing of Atterburg limits. Lime stabilization of the subgrade will be required if the plasticity index (P.I.) is 15 or above. Lime stabilization or concrete stabilization may be required for soils showing a P.I. of 15 or less. Construction shall not commence prior to approval of the plans and specifications by the city. All changes during construction shall be submitted to the city engineer for approval prior to any construction modifications.

SUBDIVISION REGULATION

(b) Street arrangement. Unless otherwise approved by the city, provisions shall be made for the extension of existing major arterials, collector streets and those residential streets which may be necessary to provide circulation with adjacent areas. The street arrangements shall conform with the intent of the thoroughfare plan as adopted by the city. Adequate collector streets shall be provided for the circulation of traffic throughout the development. Residential streets shall be provided to accommodate local area use within the development. Off-center street intersections will not be approved except under unusual circumstances. A minimum distance of 150 feet shall be provided for off-center street intersections unless approved by the city engineer. On major arterial streets the city may require distances greater than 150 feet for off-street intersections. Curvilinear streets are permissible and encouraged in residential areas.

(c) Horizontal curve limitations. The minimum radii at the centerline of the street shall be in accordance with Table 8.1.

Table 8.1 Minimum Radii Requirements at the Centerline of Streets	
Type of Street	Minimum Radius in Feet
Residential Street	250

(d) Block lengths. In general, streets shall be provided at such intervals as to serve cross traffic adequately and to intersect with existing streets. Where no existing plats control, the blocks shall be not more than 1,600 feet in length or less than 300 feet in length except in unusual cases. Block arrangements must provide access to all lots, and in no case shall a block interfere with traffic circulation.

(e) Street intersections. More than two streets intersecting at one point shall be avoided except where it is otherwise impractical to secure a proper street system. Where several streets converge at one point, setback lines, special rounding or cut-off corners and/or a traffic circle may be required to ensure safety and to facilitate traffic movement. When possible, arterial and collector streets shall intersect other arterial and collector streets at an angle of 90 degrees. Arterial and collector street intersections shall have property line corner radii with a minimum tangent distance of 30 feet. Residential streets shall have as the property line corner the point of intersection of intersecting streets. In all cases the curb radii at intersections shall have a minimum radius of 20 feet as well as a minimum tangent distance of 20 feet measured from the face of the curb. In all cases of streets that intersect at angles other than 90 degrees, the city may require radii that in the city's judgment best serve the situation.

(f) Relation to adjoining streets. The system of streets designated for the development must, except in unusual cases, connect with streets already dedicated in adjacent developments. Where no adjacent connections are platted, the streets must be the reasonable projection of streets in the nearest subdivided tracts and must be continued to the boundaries of the tract development so that other developments may eventually connect with the proposed development. Strips of land controlling access to or egress from other property or any street having the effect of restricting or damaging the adjoining property for development or subdivision purposes or which will not be taxable or accessible for special improvements shall not be permitted in any development unless such reserve strips are conveyed to the city in fee simple. When such access is needed to maintain permanent city-owned utilities, the roadway will be an improved right-of-way. If the utilities are temporary, an improved easement may be approved.

MCLENDON-CHISHOLM CODE

(g) Dead-end streets, culs-de-sac. Culs-de-sac or courts or similar dead-end streets may be permitted where the form or contour of the land or the shape of the property make such street design appropriate. Such culs-de-sac, courts or places shall provide proper access to all lots and shall generally not exceed 600 feet in length, and a cul-de-sac shall be provided at the closed end with a minimum right-of-way radius of 50 feet. The minimum right-of-way for streets and culs-de-sac are as set forth in Table 8.2.

Table 8.2 Minimum Right-of-Way Requirements	
Type of Street	Minimum Right-of-Way in Feet
Residential	50
Culs-de-sac	50**

The required right-of-way for state highways and streets may exceed this minimum right-of-way standard.

** The right-of-way line in the cul-de-sac section shall be a minimum of 50 feet.

(h) Street grades. Thoroughfare streets may have a maximum grade of five percent, unless the natural topography is such as to require steeper grades, in which case a seven and one-half percent grade may be used for a maximum continuous distance of 200 feet. Collector streets may have a maximum grade of seven and one-half percent. Residential streets may have a maximum grade of ten percent, unless otherwise approved by the city where the natural topography is such as to require steeper grades. All streets must have a minimum grade of at least five-tenths of one percent. Centerline grade changes with an algebraic difference of more than one percent shall be connected with vertical curves in compliance with the minimum length requirements set forth in Table 8.1.

(i) Pavement design. ¹⁸ Pavement design shall be in accordance with good engineering practice. All streets shall be constructed from Class "C" concrete. Pavement shall be reinforced with No. 3 bars at ~~24~~ inch centers in both directions. Minimum concrete thickness of pavement shall be six inches for residential and minor collector streets which are not subject to heavy truck or equipment traffic. The design speed shall be in accordance with the following tables:

Table 8.3 Minimum Length of Vertical Curves—In Feet

Crest Vertical Curves			
Algebraic Difference In Grade – Percent	Design Speed		
	30 MPH	40 MPH	50 MPH
1.0	100	100	100
2.0	100	110	170
3.0	100	165	225
4.0	120	220	340
5.0	150	275	425
6.0	180	330	510
7.0	210	385	595
8.0	240	440	680

SUBDIVISION REGULATION

9.0	270	495	765
10.0	300	550	850

Sag Vertical Curves			
Algebraic Difference In Grade-Percent	Design Speed		
	30 MPH	40 MPH	50 MPH
1.0	100	100	100
2.0	100	110	150
3.0	105	165	225
4.0	140	220	300
5.0	175	275	375
6.0	210	330	450
7.0	245	385	525
8.0	280	440	600
9.0	315	495	675
10.0	350	550	750

Table 8.4 Maximum Design Speeds for Thoroughfares and Streets

Type of Street	Maximum Design Speed
Residential Streets	30 Miles Per Hour

The subgrades shall be compacted and finished to a smooth uniform surface. Subgrades of native material which have a Plasticity Index (P.I.) of 15 or more shall be lime stabilized to a minimum depth of six inches. The lime stabilization shall be used for the full width of the street, back of curb to back of curb, plus one foot on each side. The minimum lime content shall be six percent of the dry weight of the material.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, ch. 70, app. 1, sec. 8)

Section 9. Drainage and storm sewers

Adequate drainage shall be provided within the limits of the subdivisions and drainage design and improvements shall be shown on the plat. The protection of adjoining property and downstream properties shall be considered in the review of plans submitted. An application for approval of a preliminary plan or final plat may be denied if adequate provisions are not clearly displayed within the content of the application.

- (1) Size. Sizing of inlets, storm sewers, out falls, culverts and drainage ditches will be based on the following:

Design storm. The design storm will be based on rainfall intensity-frequency data published by the U. S. Weather Bureau, Technical Paper 25. Pipe storm sewers and streets carrying storm will be designed with a combined capacity to carry the 50-year storm. Storm drainage systems with an emergency overflow will be designed to carry the 50-year storm. Bridges will be designed with a low point two feet above the 50-year storm line.

100

Storm drains with no emergency overflow will be designed to carry the 100-year.

MCLENDON-CHISHOLM CODE

Runoff computations. To determine the runoff rates for the various areas, the standard rational method will be used, utilizing the formula $Q=CIA$, where Q = rate of runoff in cubic feet per second, C = runoff coefficient, I = rainfall intensity for the particular duration in inches per hours, and A = the drainage area in acres.

Drainage areas will be arrived at by considering location of high and low points on street grades, drainage divides in the area, and general configuration of existing and finished grades.

Runoff coefficient. The runoff coefficient which considers the character of the land use and the imperviousness of the drainage area shall be determined from the zoning map or master plan for the city. The runoff coefficient for the appropriate land uses shall be as follows:

Commercial areas: 0.90

Industrial areas: 0.85

Residential areas: ~~0.45~~ 0.65

Apartment areas: 0.80

Park areas: 0.35

Paved areas: 0.90.

- (2) Time of concentration. The time of concentration will be calculated by determining the longest route the runoff will follow and dividing this length by the average velocity (FPS) of the water from the following chart:

Description of Watercourse	Slope in Percent			
	0- (ft./sec.)	4-7 (ft./sec.)	8-11 (ft./sec.)	12-15 (ft./sec.)
Woodlands	1.0	2.0	3.0	3.5
Pastures	1.5	3.0	4.0	4.5
Cultivated	2.0	4.0	5.0	6.0
Pavements	5.0	12.0	15.5	18.0

Minimum time of concentration for residential is 15 minutes.

- (3) Sizing of sewers. Sewers shall be sized to carry the discharge (Q) derived from the above formula. Capacity of storm sewers will be determined by the use of Manning's formula on the basis of hydraulic gradients rather than the physical slope of the pipe. Minimum size of the storm sewer shall be 18 inches or equivalent.
- (4) Sizing and spacing of inlets. Inlets shall be spaced so that maximum spread of water will provide one dry traveling lane on major and secondary thoroughfares,

SUBDIVISION REGULATION

and major and secondary streets. Inlets will be provided at all sag points in gutter gradient. On thoroughfares, all inlets shall be recessed a minimum of 18 inches from the face of curb, and curbs shall be tapered to the inlet. Inlets will be sized using an allowable capacity of one cubic foot per second of opening for a throat height of seven and one-half inches.

- (5) Manholes. Manholes (inlets or junction boxes) shall be provided at main sewer intersections, and at a maximum of 500 feet on straight lines. Design of manholes shall conform to city standards. Storm pipes can be designed using curves.
- (6) Inlets. Design of inlets shall conform to city standards.
- (7) Pipe. Pipe for storm drains shall be concrete pipe in sizes as shown on the approved plans. All pipe shall be reinforced concrete pipe (RCP), ASTM C76, Class 3. Where, in the opinion of the city building official or engineer, added strength of pipe is needed for traffic loads over minimum cover or for excessive height of backfill, concrete sewers may be used for storm sewers 36 inches and larger.
- (8) Ditches. Drainage ditches, where approved by the city council, may be used for outfalls to natural or major drainage channels. Ditches shall have a minimum grade of not less than one-tenth percent and side slopes not steeper than 2:1, unless side slopes are paved.
- (9) Out falls. Out falls from sewers and ditches into natural drainage ways shall enter at the grade of the natural drainage channel. If necessary, drop type outfall structures shall be used to prevent erosion.
- (10) Major drainage ways and structures. Design of major drainage ways through a subdivision and major structures, such as box culverts or bridges, across a major drainage channel, shall be coordinated with the county flood-control district, if such exists.

(Ordinance 2007-11, ex. A, adopted 7/23/07; 2007 Code, ch. 70, app. 1, sec. 9)

Section 10. Water service

An approved water service plan from a municipal water supply, rural water supply corporation, municipal utility district, or privately owned water system or individual wells shall be furnished. The location of all fire hydrants must be clearly shown. Fire hydrants shall only be placed on line of adequate size and pressure to provide fire water per state standards or city standards. Water sources to fill fire trucks may be required in the subdivision. Verification must be provided by letter from the applicable water supplier, accompanied by a copy of the minutes of the board and/or other corporate approval, which certifies that the water supply and proposed meter/water distribution system are sufficient in quality, quantity, and pressure to adequately meet the future needs of the inhabitants of the proposed subdivision. The minimum standards consist of six inch lines-looped.

MCLENDON-CHISHOLM CODE

- (1) Water lines. Water systems shall be of sufficient size to furnish adequate domestic water supply, to furnish fire protection to all lots, and to conform with any master water plan of the city. All water mains shall generally be constructed in street rights-of-way.
- (2) Pipe. ~~All water mains 12-inch and smaller shall be PVC or plastic pipe, with single rubber gasket joint, and a cement mortar lining of the "Enamaline" type, or other Class 150 equal, and shall have a minimum cover of 42 inches. Water mains one-inch and larger shall be reinforced concrete steel cylinder pipe, Class 150 minimum.~~

Pipe shall be in accordance with Blackland Water Supply Corp. requirements
- (3) Size. ~~A minimum of six-inch water line shall be specified except that four-inch lines may be allowed on short dead end streets when approved by the city's engineer.~~

Pipe size shall be in accordance with Blackland Water Supply Corp. requirements.
- (4) Fittings. ~~Fittings shall be PVC.~~

Fittings shall be in accordance with Blackland Water Supply Corp. requirements.
- (5) Fire hydrants. In general fire hydrants or risers shall be located so as to place all of every lot within a radius of 500 feet of a fire hydrant in residential areas and within a radius of 300 feet in commercial or industrial areas.
- (6) Embedment. ~~All water mains will be installed on a minimum of four inches of sand below bottom of pipe and backfilled to at least six inches over the top of the pipe with sand.~~

Embedment shall be in accordance with Blackland Water Supply Corp requirements.
- (7) Pressure test. ~~After the complete installation, the waterworks shall be tested to a hydraulic test pressure of not less than 150 pounds per square inch, maintained over a continuous period of not less than four hours. If the test indicates a leakage in excess of ten gallons per inch of nominal diameter of pipe per mile during the four-hour test period, then the leaks shall be found and repaired. All known leaks shall be stopped regardless of this requirement.~~

Pressure test shall be in accordance with Blackland Water Supply requirements.
- (8) Disinfection. ~~Prior to the acceptance and before any open connection to any existing water main is made, the waterworks shall be disinfected with a minimum of 50 parts per million of available chlorine in all parts of the waterworks. After chlorination and flushing, the developer shall fill the waterworks with water and the city shall take samples of water taken from several locations, not less than one per section, or two per mile, for bacteriological tests. In the event the bacteriological tests are positive (unsatisfactory), the developer shall drain the lines, and repeat the chlorination until the test results are negative, or satisfactory.~~

Disinfection shall be in accordance with Blackland Water Supply requirements.
- (9) Modeling analysis requirements.
 - (A) A water distribution modeling analysis shall be performed by the applicable water supplier and submitted to the city engineer for review and approval ~~prior to the submittal of the final plat.~~ In addition, once the fire hydrants are installed and pressurized, an independent testing laboratory shall field verify

with submittal of the engineering plans.

SUBDIVISION REGULATION

the residual pressure and flow required per the International Fire Code, as adopted by the city. The test results shall be submitted to the city engineer for review and comment as a part of the plat review process.

- (B) All subdivisions within the city and the city's extraterritorial jurisdiction shall require a water distribution modeling analysis from the applicable water supplier's engineer demonstrating the water supplier's ability to provide water in sufficient volume and pressure for domestic use and fire protection. The modeling analysis must, at a minimum, depict adding the proposed subdivision's normal water demand in addition to providing model runs of a ~~two (2) hour~~ fire flow and demonstrating how this will affect the operation and performance of the existing water distribution system. The modeling analysis shall be submitted concurrently with the engineering plan review to the city engineer for review and approval.

per IFC requirement one (1) hour (for buildings under 3,600 square feet)

(Ordinance 2007-11, ex. A, adopted 7/23/07; Ordinance 2009-07, sec. 1, adopted 10/27/09; 2007 Code, app. 1, sec. 10; Ordinance 2016-02 adopted 1/26/16)

Section 11. Sanitary sewers

The plan for sewage disposal must be shown; sanitary sewer facilities shall be provided to adequately service the subdivision and conform with the master sanitary sewer plan for the city and comply with the TCEQ rules and the city engineer or building official.

- (1) Pipe. All sewer pipe in sizes 30 inches and smaller shall be plastic sewer pipe. All sewer pipe in sizes 36 inches and larger shall be plastic pipe.
- (2) Size. A minimum of eight-inch sewer pipe shall be specified, except that six-inch lines will be acceptable only on short lines and in the location where so approved by the city engineer or building official.
- (3) Pipe joints. All sanitary sewer pipe joints shall be of the pre-molded type conforming to A.S.T.M. Designation C425.
- (4) Location. Wherever possible, sewers shall be located in street rights-of-way. Otherwise they shall be located in alleys or easements and ~~shall be five feet to six and one half feet deep to invert.~~
- (5) Grades. Grades and appurtenances of sanitary sewers shall conform to the requirements of TCEQ rules and the city. The following are the minimum slopes which should be provided; however, slopes greater than these are desirable:

shall generally be six feet to eight feet deep, or as needed for gravity flow.

Sewer Size	Minimum Slope In Feet (Per 100 Feet)
6 inch	0.60
8 inch	0.40
10 inch	0.28

MCLENDON-CHISHOLM CODE

Sewer Size	Minimum Slope In Feet (Per 100 Feet)
12 inch	0.22
15 inch	0.15
18 inch	0.12
21 inch	0.10
24 inch	0.08
27 inch	0.067
30 inch	0.058
36 inch	0.046

- (6) Manholes. Manholes shall be provided at all changes in grades, sewer intersections, and at a maximum of 500 feet on straight lines. Sewer mains are allowed to be curved per TCEQ requirements.
- (7) Infiltration. Prior to acceptance, sanitary sewers shall be subject to leakage tests. The outward or inward (exfiltration or infiltration) shall not exceed 300 gallons per inch of pipe diameter per mile per day for any section of the system. The use of a television camera or other visual methods for inspection prior to placing the sewer in service is recommended.
- (8) Lift stations. All lift stations shall be designed and constructed with two or more sewage pumps with total capacity of twice the design maximum flow. Detailed design data, plans and specifications of the pumps shall be submitted to the city engineer or building official prior to the purchase and installation of the pumps.
- (9) Force mains. All force mains shall be PVC or plastic pipe, Class 150, unless otherwise specified, with rubber gasket joint, and shall have a cement mortar lining of the "Enamaline" type or approved equal. At design average flow, a cleansing velocity of at least two feet per second shall be maintained. An automatic air relief valve shall be placed at high points in the force main to prevent air locking.
- (10) Septic tanks. Septic systems may be permitted to serve residences in the city until such time as the septic system fails and a sewage collection system is accessible to the residence or structure. Septic systems shall be installed according to TCEQ rules and specifications and shall be in compliance with such rules and specifications at all times.
- (11) ~~Water service. Water service lines shall be a minimum of one inch Type "K" copper and shall be provided with a corporation at the main and a curb stop located at least two feet outside of curb with cover not to exceed one and one-half feet. The service shall terminate in a meter box with a locked lid.~~ Water services shall be in accordance with Blackland Water Supply Corp requirements.
- (12) Sewer service. Sanitary sewer service lines shall be a minimum of four inch, shall meet the same requirements for sanitary sewers described above, shall be constructed from the main to the lot property line using wyes and necessary bends, and shall have a minimum cover at the property line of four feet, and a maximum depth of six feet.

SUBDIVISION REGULATION

**CITY OF MCLENDON-CHISHOLM
128 S. H. 205
ROCKWALL, TEXAS 75032
PRELIMINARY PLAT CHECKLIST**

Copies: 10 copies required plus Letter of Transmittal

Fees: _____

Filing: At least 10 but not more than 21 calendar days prior to P & Z Meeting

[Sufficient number of copies of Preliminary Plat, Letter of Transmittal, completed application form, and check in appropriate amount must be submitted at least 10 days prior to Planning and Zoning Commission meeting prior to placement on Planning and Zoning Commission agenda. If filed within 10 days, the application will be considered as having been filed on the 21st day preceding the next succeeding meeting of the Commission.]

1. _____ 10 legible prints furnished to City.
2. _____ Letter of Transmittal (10 copies) furnished with preliminary plat application stating:
 - a) _____ type of street surfacing shown on preliminary engineering plans
 - b) _____ drainage shown on preliminary engineering plans
 - c) N/A ~~soil test report results~~
 - d) _____ sanitary facilities shown on preliminary engineering plans
 - e) _____ proposed water supply shown on preliminary engineering plans
 - f) _____ name and address of property owner/agent and engineer
3. _____ Drawn to scale, 1" - 200'
4. _____ Scale, date, and north point shown
5. _____ Legal description
6. _____ Existing Features inside subdivision
 - a) _____ existing boundaries lines of land to be subdivided
 - b) _____ bearings and distances shown
 - c) _____ location of existing watercourses, railroads and drainage/transportation features
 - d) _____ location and width of existing streets, alleys, easements, pipelines, watercourses, existing water and sewer mains
7. _____ Existing Features outside subdivision
 - a) _____ names and property lines of adjoining property owners
 - b) _____ names and locations of adjacent subdivisions, streets, easements, pipelines, watercourses, and existing water and sewer mains
8. _____ New Features inside subdivision
 - a) _____ Proposed name of subdivision
 - b) _____ location, right-of-way width and names of proposed streets

MCLENDON-CHISHOLM CODE

- c) _____ width and depth of all lots
- d) _____ location of building lines, alleys and easements
- e) _____ location and size of sites for schools, churches, parks and special land uses
- f) _____ location and size of areas to be dedicated to public or reserved for common use by owners in subdivision
- g) _____ approximate acreage of property to be subdivided
- h) _____ any proposed utility plant
- i) _____ proposed use of any land/areas not within boundaries of lots or rights-of-way
- 9. _____ ~~Compliance with zoning regulations and/or proposed zoning (for subdivisions within City limits)~~ N/A
- a) N/A ~~proposed uses satisfy zoning use regulations~~
- b) N/A ~~all lots meet minimum lots size requirements~~
- c) N/A ~~all lots meet frontage, depth and width requirements~~
- d) N/A ~~building setback lines meet front, rear, and side yard setbacks~~
- e) N/A ~~meets minimum dwelling size requirements~~
- f) N/A ~~meets 15% lot coverage requirement~~
- g) N/A ~~meets off street and covered parking requirements~~
- 10. _____ Proposed streets and alleys conform to comprehensive, traffic and thoroughfare plan
- 11. _____ Typical cross-sections of streets and location and width of sidewalks shown on preliminary engineering plans
- 12. _____ Locations of floodplains shown
- 13. _____ Compliance with drainage requirements shown shown on preliminary engineering plans
- 14. _____ Approval block for Chairperson of Planning and Zoning, and for Mayor and City Secretary

*This list is reference material and does not supersede any city ordinance.

CITY OF MCLENDON-CHISHOLM **128 S. H. 205** **ROCKWALL, TEXAS 75032** **FINAL PLAT CHECKLIST**

Copies: 10 legible prints and the original tracing of final plat required (24" × 36"); if more than one sheet is required, an index sheet of maximum size of 18" × 27" shall be filed showing entire subdivision.

Fees: _____

Filing: At least 10 but not more than 21 calendar days prior to P & Z Meeting

SUBDIVISION REGULATION

[Sufficient number of copies of Final Plat, completed application form, and check in appropriate amount must be submitted at least 10 days prior to Planning and Zoning Commission meeting prior to placement on Planning and Zoning Commission agenda. If filed within 10 days, the application will be considered as having been filed on the 21st day preceding the next succeeding meeting of the Commission.]

1. 10 legible prints and original tracing with index sheet furnished to City
2. All items required on preliminary plat shown on final (final plat also to show compliance with all items required for preliminary plat, without change)
3. Plat prepared by registered surveyor, bears surveyor's seal
4. Drawn to scale, 1"=100'
5. Date, scale, north point, subdivision title, and name, address and seal of engineer shown
6. Legal description
7. Monuments and control points shown with description and location of all permanent survey monuments and control points. Suitable primary control points shall be referred. Dimensions to be shown in feet and decimals of a foot.
8. Key map showing relation of subdivision to well-known streets in all directions for at least one (1) mile
9. Dedications and certificates: certificate of dedication for all parks, public facilities and easements to be shown to the public use forever, signed by all owners and acknowledged before notary public.
10. ~~Copy of subdivision covenants and deed restrictions showing creation of permanent homeowner's association with perpetual responsibility for street maintenance and repair~~ Street improvements to be owned and maintained by River Rock Trails MUD 1 and MUD 2, as applicable,
11. ~~Waiver of claim for damages against City occasioned by establishment of grades or alteration of surface of existing streets and alleys~~ N/A
12. Existing Features inside subdivision
 - a) existing boundaries lines of land drawn in heavy
 - b) accurate bearings and distances shown
 - c) location of existing watercourses, railroads and drainage/transportation features
 - d) true bearings and distances to nearest established street lines, official monuments, or subdivision corners
 - e) location and width of existing streets, alleys, easements, rights-of-way, buildings and structures to be maintained
 - f) topographical information with contour lines at 5-foot intervals shown on engineering plans
 - g) accurate location of property/subdivision in reference to county deed records (volume and page of recorded instrument in county records)
13. Existing Features outside subdivision (all lines outside of subdivision)

MCLENDON-CHISHOLM CODE

- _____ boundaries to be dashed) or thinner line weight)
 - a) _____ names and property lines of adjoining subdivisions and property owners
 - b) _____ references to plat or deeds of adjoining properties
 - c) _____ names and locations of adjacent streets, alleys, easements, watercourses
 14. _____ Lines and names of all proposed streets, alleys and easements
 15. _____ Streets, alleys and easements comply with engineering and construction standards (Appendix 1, Subdivision Regulations)
 16. _____ Streets and alleys show complete curve data (Delta, Length, Radius, Tangent, Point of Curve, Point of Reverse Curve, Point of Tangent) shown on the centerline on each side of street; length and bearings of all tangents; dimensions from all angle points and points of curve to an adjacent side lot line
 17. _____ Streets to conform to major street plan (horizontal and vertical alignments and width, designed so as to discourage high-speed traffic)
 - a) _____ local street widths minimum of 50' measured from lot line to opposing lot line
 - b) _____ secondary/feeder street widths minimum of 60'
 - c) _____ major street widths in compliance with established criteria
 - d) _____ major thoroughfare widths in compliance with established criteria (minimum 100' and maximum of 120')
 - e) _____ street alignments (without curves) not more than 5 degrees deflection
 - f) _____ street curves (major, reverse, and verticals) conform to City standards
 - g) _____ dead-ends, culs-de-sac comply with length, radius and turnaround requirements
 - h) _____ street intersections widths in compliance with established criteria
 - i) _____ street reserves (for future dedications, etc.) shown
 - j) _____ street names comply with established criteria
 18. _____ Compliance with street plan in relation to adjoining street system shown and avoidance of street jogs shown.
 19. _____ For large-lot subdivisions, consideration given to future street openings and access to future lots
 20. _____ Location of all fire hydrants shown shown on engineering plans.
 21. ~~_____ Lot sizes conform to minimum sizes established in zoning regulations~~ N/A
_____ Proper shape, square footage, frontage, all setbacks, width and depth shown
 22. _____ All lots have street or right-of-way access
 23. _____ Lots are consecutively numbered within each block
 24. _____ Building lines meet setbacks to be shown.
 25. _____ Alleys conform to established requirements, re: width, intersections, no dead-ends, and are shown where required

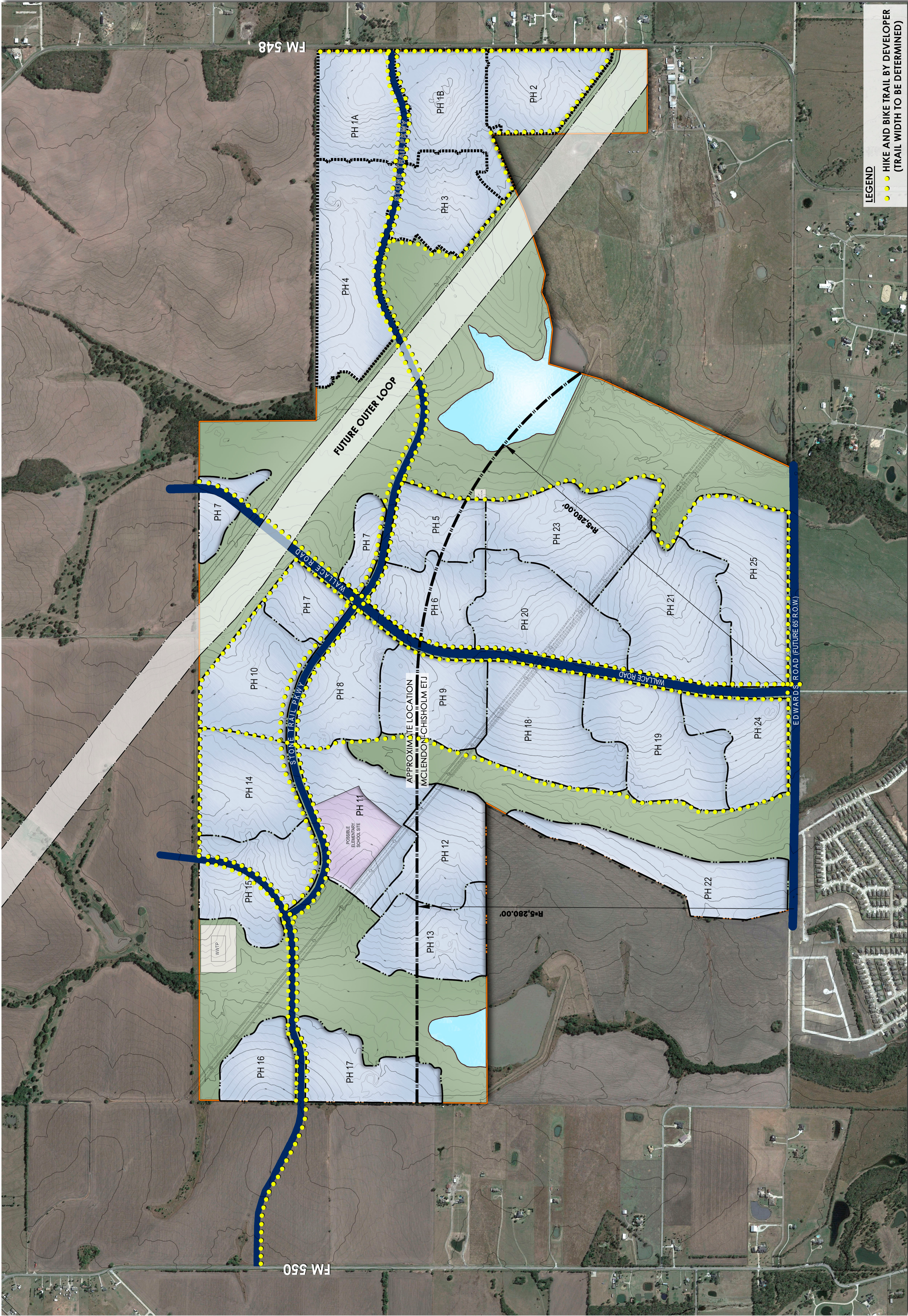
SUBDIVISION REGULATION

26. _____ Easements show compliance with established criteria (size location, use, utilities underground, ~~preservation of major trees shown~~) N/A
27. _____ Watercourses and Easements: drainage easements will be provided covering all land within the subdivision that is subject to inundation by a 50-year storm. Lots adjacent to a major watercourse must show minimum finish ~~flood~~ elevations two feet above the calculated 50-year flood elevation. floor 100
28. _____ Floodplains must be shown on plat and show that no structure or septic system is to be built below ~~50~~-year flood line
29. _____ Adequate provision for drainage of stormwater, rainfall runoff, and floodwater shown to be shown on engineering plans.
30. _____ Drainage facilities conform to design specifications and standards and are located in rights-of-way or perpetual unobstructed easements
31. _____ ~~Documentation furnished to show perpetual maintenance of drainage improvements on homeowner's association or adjacent property owners~~ Drainage improvements to be owned and maintained by River Rock Trails MUD 1 and MUD 2, as applicable.
32. _____ Proper certificate of Mayor and City Secretary shown
33. _____ Maintenance bond furnished of at least one percent (1%) of total street and alley construction costs Maintenance bond to the benefit of the MUDs
34. _____ Approval block for Chairperson of Planning and Zoning, and for Mayor and City Secretary

*This document is reference material and does not supersede any city ordinance.

EXHIBIT “E”
Trail System

016984.000000\4870-4509-3771.v7



THIS PLAN IS AN ARTIST RENDERING AND MAY NOT DEPICT THE EXACT LOCATION OF THE SITE FEATURES. THE PLAN AND ALL IMPROVEMENTS NOTED ARE SUBJECT TO CHANGE.

0 200 400 800
1"=400'
NOV 10, 2023
105341

RIVER ROCK TRAILS

EXHIBIT E

HIKE AND BIKE TRAIL PLAN
ROCKWALL COUNTY, TEXAS

JB
PARTNERS

RESOLUTION NO. 2024-

A RESOLUTION OF THE CITY OF MCLENDON-CHISHOLM, TEXAS AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE TERMS BENEFICIAL TO THE CITY FOR AN AGREEMENT FOR THE SINGLE-CERTIFICATION AND PURCHASE OF FACILITIES AND PROPERTY WITHIN THE CITY LIMITS OF THE CITY PURSUANT TO TEXAS WATER CODE § 13.255; AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT; AUTHORIZING CITY ADMINISTRATOR TO PROVIDE A NOTICE OF INTENT TO PROVIDE SERVICE WITHIN THE INCORPORATED AND ANNEXED AREAS OF THE CITY TO RCH WATER SUPPLY CORPORATION AND HIGH POINT SPECIAL UTILITY DISTRICT; AUTHORIZING THE CITY ADMINISTRATOR TO PREPARE AND EXECUTE A SINGLE CERTIFICATION APPLICATION UNDER TEXAS WATER CODE § 13.255 AND FILE SUCH APPLICATION WITH THE PUBLIC UTILITY COMMISSION OF TEXAS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, RCH Water Supply Corporation (“RCH”) is a retail public utility and currently provides water service under Certificate of Convenience and Necessity No. 10087 (CCN No. 10087) to certain areas within Rockwall County, Texas, including the City of McLendon-Chisholm (City); and

WHEREAS, a portion of RCH’s CCN No. 10087 and customers are located inside the city limits and extraterritorial jurisdiction of the City;

WHEREAS, High Point Special Utility District (“High Point”) is a retail public utility and currently provides water service under Certificate of Convenience and Necessity No. 10841 (CCN No. 10841) to certain areas within Rockwall County, Texas, including the City;

WHEREAS, RCH also provides water service within the City but (1) outside of RCH’s CCN No. 10087 and within High Point’s CCN No. 10841 or (2) in areas dually certificated to both RCH and High Point;

WHEREAS, in 2022 the RCH board approached the City requesting that the City work with RCH on the transfer of RCH’s water system and customer to the City;

WHEREAS, the City prepared an asset transfer agreement for RCH’s review;

WHEREAS, RCH never provided the City with any feedback on the proposed agreement, and in the spring of 2023 RCH discontinued negotiations with the City;

WHEREAS, the City desires the right to provide water service to the areas within the city limits, and desires to provide water service to areas within its extraterritorial jurisdiction, if RCH is willing to negotiate in good faith the transfer of its entire system;

WHEREAS, the City Council for the City believes entering into an agreement with RCH that would provide for the single certification of all of the areas certificated to RCH within the city limits and annexed areas of the City, and transfer of the facilities and property of RCH within the City's city limits and annexed areas is in the best interest of the City;

WHEREAS, the City Council for the City further believes entering into an agreement with High Point that would provide for the single certification of all of the areas certificated to High Point within the city limits and annexed areas of the City, but that are being served by RCH is in the best interest of the City; and

WHEREAS, if RCH and High Point refuse to enter into an agreement for the single certification of areas served by RCH, the City intends to file an application with the Public Utility Commission of Texas (PUC) under Texas Water Code § 13.255 for single-certification of the areas certified to or served by RCH within the city limits and annexed areas of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MCLENDON-CHISHOLM, TEXAS:

SECTION 1. The City Council hereby authorizes the City Administrator to provide a written notice of intent to RCH and High Point to provide water service in the City's incorporated and annexed areas. The City Council further authorizes the City Administrator to negotiate written agreements with RCH and High Point regarding service to the areas incorporated and annexed into the City and the transfer of facilities and properties of RCH, so that the City may provide water service within those areas and authorizes the Mayor to execute the same.

SECTION 2. The City Council hereby authorizes the City Administrator to file an application for single-certification under Texas Water Code § 13.255 with the PUC upon the execution of agreements with RCH or High Point, or both, or upon the passage of 180 days after the date of the notice of intent, whichever is sooner.

SECTION 3. The Recitals of this Resolution are incorporated herein by reference as if fully recited.

SECTION 4. This Resolution shall become effective immediately from and after its passage, and it is accordingly so resolved.

DULY PASSED by the City Council of the City of McLendon-Chisholm, Texas, on the 12th day of March 2024.

ATTEST:

APPROVED:

Rochelle Green, City Secretary

Keith Short, Mayor

NO. _____

SPEED ZONE ORDINANCE

AN ORDINANCE ALTERING THE PRIMA FACIE SPEED LIMITS ESTABLISHED FOR VEHICLES UNDER THE PROVISIONS OF TRANSPORTATION CODE, SECTION 545.356 UPON _____ HIGHWAY NO. _____ OR PARTS THEREOF, WITHIN THE INCORPORATE LIMITS OF THE CITY OF _____, AS SET OUT IN THIS ORDINANCE; AND PROVIDING A PENALTY OF A FINE NOT TO EXCEED \$200.00 FOR THE VIOLATION OF THIS ORDINANCE.

WHEREAS, Section 545.356 of the Texas Transportation Code, provides that whenever the governing body of the City shall determine upon the basis of an engineering and traffic investigation that any prima facie speed therein set forth is greater or less than is reasonable or safe under the conditions found to exist at any intersection or other place or upon any part of a street or highway within the City, taking into consideration the width and condition of the pavement and other circumstances on such portion of said street or highway, as well as the usual traffic thereon, said governing body may determine and declare a reasonable and safe prima facie speed limit thereat or thereon by the passage of an ordinance, which shall be effective when appropriate signs giving notice thereof are erected at such intersection or other place or part of the street or highway; NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF _____, TEXAS:

SECTION 1.

Upon the basis of an engineering and traffic investigation heretofore made as authorized by the provisions of Transportation Code, Section 545.356, the following prima facie speed limits hereafter indicated for vehicles on the attached Exhibit "A" (strip map) are hereby determined and declared to be reasonable and safe; and such speed limits are hereby fixed at the rate of speed indicated for vehicles traveling upon the named streets and highways, or parts thereof, described as follows:

A. BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF _____ TEXAS:

1. That from and after the date of the passage of this speed zone ordinance, no motor vehicle shall be operated along and upon _____ Highway No. _____ within the corporate limits of the City of _____ in excess of speeds now set forth in Exhibit "A".

SECTION 2:

The Mayor of _____ is hereby authorized to cause to be erected, appropriate signs indicating such speed zones.

SECTION 3:

Any person violating any of the provisions of this ordinance shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not to exceed Two Hundred Dollars (\$200.00).

PASSED AND APPROVED THIS ____ DAY OF _____, A.D., 20 ____.

Mayor

City of _____ Texas

Attest:

City Secretary

City of _____ Texas

APPROVED AS TO LEGAL FORM:

City Attorney

City of _____ Texas

APPROVED:

City Manager

City of _____ Texas

I, _____, City Secretary of the City of _____, Texas, hereby certify that the above and foregoing is a true and correct copy of Ordinance No. _____ adopted by the City Council of the City of _____, Texas, _____, A.D., 20 ____.

To certify which, witness my hand and seal of office this _____ day of _____, A.D., 20 ____.

City Secretary

City of _____ Texas



City of McLendon-Chisholm
Staff Report

Date: March 12, 2024

Agenda Item: AN ORDINANCE ALTERING THE PRIMA FACIE SPEED LIMITS ESTABLISHED FOR VEHICLES UNDER THE PROVISIONS OF TRANSPORTATION CODE, SECTION 545.356 UPON _____ HIGHWAY NO. SH205 OR PARTS THEREOF, WITHIN THE INCORPORATE LIMITS OF THE CITY OF McLendon Chisholm, Texas, AS SET OUT IN THIS ORDINANCE; AND PROVIDING A PENALTY OF A FINE NOT TO EXCEED \$200.00 FOR THE VIOLATION OF THIS ORDINANCE.

Fiscal Impact: NONE

Background: The city of MC,TX has a private school – Providence Academy that is located along the SH 205 within the city limits. The overall request for TXDOT is to provide a Speed Zone designation for this school seeking safety for kids, parents and school employees.

We are asking for 'school zone flashers' to be installed to slow down traffic in the school zone.

This item has been requested by current parents of children attending this school.

Staff Assigned: Konrad Hildebrandt, City Administrator

RESOLUTION NO. 2023-06

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCLENDON-CHISHOLM, TEXAS, APPROVING THE TERMS AND CONDITIONS IN GENERAL OF A WATER SYSTEM ASSET TRANSFER AGREEMENT FROM RCH WATER SUPPLY CORPORATION AND AUTHORIZING THE CITY ADMINISTRATOR TO NEGOTIATE TERMS BENEFICIAL TO THE CITY FOR SAID AGREEMENT AND AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, RCH Water Supply Corporation (“RCH”) is a retail public utility and currently provides water service under Certificate of Convenience and Necessity No. 10087 (“CCN No. 10087”) to certain areas within Rockwall County, Texas, including McLendon-Chisholm; and

WHEREAS, RCH’s customers are located in the city limits and extraterritorial jurisdiction of the City of McLendon-Chisholm, Texas (“McLendon-Chisholm”); and

WHEREAS, RCH obtains treated water from Rockwall pursuant to a Wholesale Water Contract, (the original contract, as amended, being hereinafter collectively referred to as the “Wholesale Contract”); and

WHEREAS, RCH no longer has any administrative employee, officer or agent to carry out its day-to-day operations and business affairs, including, but not limited to: repair and maintenance of its system, water meter reading, or water billing, and this has negatively impacted its ability to provide water service to the area and customers currently served by RCH; and

WHEREAS, McLendon-Chisholm desires the right to provide water service to the city limits and extraterritorial jurisdiction of McLendon-Chisholm (“Transfer Area”, which boundaries are attached as Exhibit “A”, and incorporated herein for all purposes); and

WHEREAS, until McLendon-Chisholm is ready, willing and able to design and construct facilities to extend and connect McLendon-Chisholm’s water system to RCH’s water system, McLendon-Chisholm will need to transport treated water from the North Texas Municipal Water District; and

WHEREAS, before the transfer of the RCH water system to McLendon-Chisholm may occur, the board members of RCH must vote to approve the transfer asset agreement and the Public Utility Commission of Texas (“PUC”) must approve the transfer of the system and customers to McLendon-Chisholm; and

WHEREAS, McLendon-Chisholm and RCH desire to define the expectations and responsibilities of both McLendon-Chisholm and RCH related to: (i) the acquisition by McLendon-Chisholm of the RCH water system and customers; and (ii) the division of the RCH water system; and

WHEREAS, the City Council for the City of McLendon-Chisholm believes this asset transfer agreement ("Agreement", attached hereto as Exhibit "B", and incorporated herein for all purposes by reference) is in the best interests of the citizens of the City and the extraterritorial jurisdiction of the City who are customers of RCH and approves the Agreement and authorizes the Mayor to execute said Agreement; and

WHEREAS, upon full review and consideration of the Agreement and all matters attendant and related thereto, the City Council finds that the acquisition by McLendon-Chisholm of the RCH water system and customers and the Agreement will accomplish a public purpose and is in the best interest of McLendon-Chisholm and its citizens; and

WHEREAS, RCH, in accordance with this Agreement desires to convey Assets, as hereafter defined, to McLendon-Chisholm, and McLendon-Chisholm desires to acquire the Assets and assume the Liabilities (as hereafter defined in the Agreement) of RCH; and

WHEREAS, McLendon-Chisholm is capable of providing continuous and adequate service to consumers under applicable codes and regulations without unreasonable or unduly burdensome financial impact on McLendon-Chisholm or McLendon-Chisholm's current and future customers; and

WHEREAS, RCH and McLendon-Chisholm acknowledge that, upon the Closing (herein defined), the customers of RCH will become the customers of McLendon-Chisholm; and

WHEREAS, RCH and McLendon-Chisholm acknowledge their intention to fully comply with the provisions of Chapter 13 of the Texas Water Code, as applicable, and the corresponding Texas Public Utility Commission ("PUC") regulations concerning the subject matter of this Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MCLENDON-CHISHOLM, TEXAS:

SECTION 1. The City Council approves in general and adopts the attached Exhibit "B", and further authorizes the Mayor to execute same and City Administrator to continue to negotiate terms of the attached Agreement for the betterment of the City and its citizens.

SECTION 2. The Recitals to this Resolution are incorporated herein by reference as if fully recited.

SECTION 3. This resolution shall become effective immediately from and after its passage, and it is accordingly so resolved.

SECTION 4. The City Council hereby approves the acquisition by McLendon-Chisholm of the RCH water system and customers, and authorizes the City Administrator to: (i) execute and file with the PUC a Sale, Transfer or Merger Application relating to the acquisition and transfer of the RCH water system and customers to McLendon-Chisholm; and (ii) take all other actions and execute all other documents necessary or requested to complete the acquisition and transfer of the RCH water system and customers to McLendon-Chisholm including, but not limited to, an Interim Management Agreement and Water System Asset Transfer Agreement with RCH and any other petition which may be filed as authorized by Chapter 13 of the Texas Water Code.

DULY PASSED by the City Council of the City of McLendon-Chisholm, Texas, on the 24th day of May 2023.

ATTEST:



Rochelle Green, City Secretary

APPROVED:



Keith Short, Mayor



EXHIBIT "B"

WATER SYSTEM ASSET TRANSFER AGREEMENT

THIS WATER SYSTEM ASSET TRANSFER AGREEMENT ("Agreement") is made and entered into by and between **RCH WATER SUPPLY CORPORATION**, a Texas non-profit water supply corporation ("RCH"), and **THE CITY OF MCLENDON-CHISHOLM**, a home rule municipality in the State of Texas ("McLendon-Chisholm").

RECITALS:

A. RCH is a retail public utility and currently provides water service under Certificate of Convenience and Necessity No. 10087 ("CCN No. 10087") to certain areas within Rockwall County, Texas, including McLendon-Chisholm;

B. RCH was incorporated in 1961 for the purposes of providing a reliable and safe source of drinking water to the rural community in Rockwall County;

C. Originally funded by loans from the Farmers Home Administration, RCH developed a water supply system that currently serves ___ customers, and operates and maintains that system as required by the Texas Commission on Environmental Quality ("TCEQ") and the Public Utility Commission of Texas ("PUC), fulfilling RCH's original purpose;

D. Rockwall County is currently experiencing substantial growth and development, including in McLendon-Chisholm and RCH's water service area, and this growth and development requires urban-type services, including water and wastewater services;

E. RCH and McLendon-Chisholm agree that having a single water and wastewater provider is in the best interest of the growing community, and that cities, like McLendon-Chisholm, are in a better position to meet the water and wastewater needs of the community;

F. On _____, RCH held an election of its members in accordance with the requirements of Texas Business Organizations Code Chapter 22 and Texas Water Code Chapter 67, and the members, by majority vote, approved the transfer of RCH's Assets to McLendon-Chisholm and the dissolution of RCH;

G. RCH, in accordance with this Agreement desires to convey Assets, as hereafter defined, to McLendon-Chisholm, and McLendon-Chisholm desires to acquire the Assets and assume the Liabilities (as hereafter defined) of RCH;

H. McLendon-Chisholm is capable of providing continuous and adequate service to consumers under applicable codes and regulations without unreasonable or unduly burdensome financial impact on McLendon-Chisholm or McLendon-Chisholm's current and future customers;

I. RCH and McLendon-Chisholm acknowledge that, upon the Closing (herein defined), the customers of RCH will become the customers of McLendon-Chisholm; and

J. RCH and McLendon-Chisholm acknowledge their intention to fully comply with the provisions of Chapter 13 of the Texas Water Code, as applicable, and the corresponding Texas Public Utility Commission ("PUC") regulations concerning the subject matter of this Agreement.

AGREEMENT:

NOW, THEREFORE, the foregoing recitals are incorporated herein and constitute material terms of this Agreement, and for good and valuable consideration and the mutual promises and covenants herein expressed, the receipt and sufficiency of which is hereby acknowledged, RCH and McLendon-Chisholm contract, covenant and agree as follows:

I

Assets to be Conveyed

RCH, in accordance with this Agreement, shall convey and McLendon-Chisholm shall acquire the following assets, hereafter collectively referred to as the "Assets":

1.1 **Utility System.** The retail public utility and water system (the "Utility System") designated by the Texas Commission on Environmental Quality ("TCEQ") as Public Water System I.D. No. 1990012 and the certificated service area defined by CCN No. 10087.

1.2 **Land.** All right, title and interest to the real property listed in Exhibit "A" attached hereto, including RCH's interest in any and all security agreements or deeds of trust and leases, hereafter collectively referred to as the "Land".

1.3 **Improvements.** All right, title and interest of RCH in and to the improvements affixed to and located on the Land which are owned by RCH, including, without limitation, (i) any buildings and other improvements, located on the Land, water wells, storage tanks, pressure tanks, pumps and controls connected to the storage tanks, and service lines and pipes located on the Land, and (ii) all those items specifically listed on Exhibit "B" attached hereto and made a part hereof (collectively, the "Improvements").

1.4 **Property Rights.** All right, title and interest of RCH in and to any land lying in the bed or right of way of any alley, street, road or access way, opened or proposed, in front of, at a side of or adjoining the Land to the centerline thereof ("Adjacent Property Rights").

1.5 **Easements and Appurtenances.** All rights, privileges, and easements, including public utility and pipeline easements, which are owned by or benefit RCH, whether obtained by formal grant, dedication or prescription, and any interest and rights of RCH in other easements, rights-of-way or appurtenances arising or used in connection with the Utility System, whether appurtenant to the Land or in gross, including but not limited to, RCH's rights and/or access easements used to access the water lines and meters on land owned by customers

of RCH, and any other such access rights and sanitary control easements in favor of RCH (the “Appurtenances”).

1.6 **Groundwater.** All right, title and interest of RCH in and to all of the underground water, percolating water, artesian water, and any other water from any and all reservoirs, formations, depths, and horizons beneath the surface of the earth, excluding underflow or flow in a defined subterranean channel (collectively, the “Groundwater”), now or in the future located in, on, or under the Land, together with all associated rights related to the Groundwater, including, without limitation, the right to capture, explore for, drill for, develop, withdraw, produce, transport, and/or otherwise beneficially use such Groundwater, and the right to use the surface of the Land for the exercise of such rights, including the right to ingress and egress, and all permits, licenses, or other governmental authorizations relating to any of the foregoing, including rights under any permit issued by any applicable groundwater conservation district, together with any leases, reservations, or other legal entitlements of RCH that allow the holder to produce Groundwater in Rockwall County for the purpose of supplying a public water system.

1.7 **Tangible Personal Property.** All of RCH’s right, title, and interest in and to items of furniture, fixtures, equipment, machinery, supplies, and other items of tangible personal property owned or leased, used or held for use by RCH and affixed, attached to, placed, or located on the Land or used by RCH in connection with the ownership, operation, and/or maintenance of the Utility System, including, without limitation, all facilities, water lines, distribution lines, tanks, pumps, pipes, fittings, treatment equipment, meters, ground and elevated storage, water in all facilities and in storage, tools, vehicles, trailers, fuel tanks, fences, fill dirt and clay, copies of records (which shall include, without limitation, bills, employment and customer files, operational records, and insurance records), permits, materials and supplies, and inventories (which shall include, without limitation, those items identified on Exhibit “C” attached hereto and made a part hereof) (collectively, the “Tangible Personal Property”).

1.8 **Intangibles.** With the exception of the Intangibles to be excluded that are listed on Exhibit “C”, and to the extent assignable, all of RCH’s rights, title, and interest in and to (i) all plans, drawings, specifications, surveys, engineering reports, and other materials related to the Land and/or the Utility System, which are conveyed without representation or warranty as to the information or conclusions set out therein; (ii) warranties and guaranties related to the Improvements and the Tangible Personal Property; (iii) licenses, permits, franchises, approvals, and any other development rights and benefits relating to the Land, including, without limitation, all correspondence, permits, CCN, and reports to or from the PUC related to the Utility System; and (iv) all software and intellectual property rights, as well as rights under any insurance policies, including, without limitation, automobile, property, or liability insurance, and all of RCH’s rights and interest under any claims, causes of action, and judgments (collectively, the “Intangibles”) which shall include, without limitation, those Intangibles also listed on Exhibit “C”.

1.9 **Deposits and Monies.** All of RCH’s right, title and interest on the Closing Date in monies and customer security deposits, if any, with accrued statutory interest, excluding the Membership Fee (herein so called) listed on Schedule “1” attached hereto, held by RCH or in

RCH accounts held at a bank or other financial institution (collectively, the "Deposits"). RCH shall be responsible for returning the Membership Fees to the appropriate members and McLendon-Chisholm shall have no responsibility or liability with regard to the Membership Fees. This provision, as it relates to the Membership Fees, shall survive Closing, as that term is hereafter defined.

1.10 **Contractual Rights**. All rights, obligations, and interests in RCH's contractual rights and liens, to the extent those rights and obligations are assigned to McLendon-Chisholm as provided by this Section 1.10.

1.10.1 RCH represents that Exhibit "D" contains a complete list of RCH's contracts relating to the ownership, operation, maintenance, repair and billing related to the Utility System, provided this Section 1.10 does not include contracts with customers for retail water service. RCH further represents that Exhibit "D" is true and correct list of all written contracts that may be described by this Section 1.10.

1.10.2. RCH and McLendon-Chisholm shall cooperate during the Review Period to determine which contracts, if any, listed in Exhibit "D" will be assigned to McLendon-Chisholm. To the extent any contracts listed in Exhibit "D" that are related to the Utility System and are terminable at will, or otherwise terminable without causing a breach by RCH, RCH shall, at McLendon-Chisholm's request, terminate any or all of such contracts simultaneously with the Closing. McLendon-Chisholm may, but is not obligated to, accept the assignment or partial assignment of any contracts listed in Exhibit "D" that are related to the Utility System not otherwise terminated (collectively, "Transferred Contracts").

II. **Consideration**

2.1. As consideration for the acquisition of the Assets, McLendon-Chisholm will assume all of RCH's liabilities and pay all debts of RCH (collectively, the "Liabilities"), perform all obligations of RCH, and will provide water service for the service area of RCH (collectively, the "Consideration"). The Liabilities are listed in Exhibit "E" of this Agreement. RCH hereby acknowledges and agrees the sufficiency of the Consideration and that the payment and assumption of Liabilities and assumption of service obligations for RCH's customers is a fair and equitable benefit received. This Section II shall survive Closing, as that term is hereafter defined.

III. **Representations, Warranties, and Covenants**

RCH and McLendon-Chisholm represent and warrant to the following, which representations and warranties shall be true and accurate as of the Effective Date (as hereafter defined):

3.1 **RCH's Representations and Warranties**. For purposes of inducing McLendon-Chisholm to enter into this Agreement and to accept conveyance of the Assets, and subject to all

other terms and conditions of this Agreement, RCH represents and warrants to McLendon-Chisholm the following, which representations and warranties shall be true and accurate as of the Effective Date through the Closing:

3.1.1 Except for the Transferred Contracts, RCH has not entered into any contract, license, or lease relating to the use or possession of the Utility System including the Assets, which will be binding on McLendon-Chisholm;

3.1.2 RCH has received no written notice of any pending or threatened litigation, condemnation or similar proceeding against RCH, or of any charge or special assessment affecting any of the Assets or any part thereof. RCH shall promptly advise McLendon-Chisholm of any litigation, condemnation or assessments affecting the Assets which is instituted or threatened after the Effective Date;

3.1.3 RCH has received no written notice from any insurance company which has issued a policy with respect to any portion of Land or any of the Assets, or from any Board of Fire Underwriters (or other body exercising similar functions) claiming any defects or deficiencies or requesting the performance of any repairs, replacements, alterations, or other work which have not been complied with. RCH shall promptly advise McLendon-Chisholm of any such notice received by RCH after the Effective Date;

3.1.4 RCH has received no written notices of any civil or criminal suits, or other judicial proceedings or judgments affecting the Assets and no civil or criminal suits, or other judicial proceedings or judgments affecting the Assets are pending. RCH has received no written notice of violations, or other administrative proceedings or judgments relating to the violation of any laws, ordinances, regulations, codes, orders or other requirements affecting the Assets, including but not limited to written notices from the TCEQ, the United States Environmental Protection Agency, or the PUC, for which the violations or other administrative proceedings remain unresolved. RCH shall promptly advise McLendon-Chisholm of any such notice, suits or other proceedings or judgments; or of any written notice from TCEQ, PUC, or any other third party that any violation, action, or proceeding is pending or threatened that questions the validity or enforceability of this Agreement or any action taken or to be taken pursuant hereto which come to RCH's knowledge after the Effective Date;

3.1.5 Except for any portions of the Utility System located in a public right-of-way and otherwise provided by this Section 3.1.5, RCH is the owner of, lessee, or licensee of all easements, rights-of-way, or appurtenances listed in Exhibit A of this Agreement;

3.1.6 RCH has all requisite power, authority, authorization and consents necessary to make, execute, deliver and perform this Agreement and all instruments and agreements contemplated hereby and obtain any and all required approvals to perform its obligations hereunder and to consummate the transactions contemplated hereby;

3.1.7 The execution, transaction, delivery and performance of this Agreement by RCH and the consummation by RCH of the transaction contemplated hereby has been duly authorized and approved by the governing board of directors of RCH and no other action on the

part of RCH is necessary to authorize the execution, delivery and performance of this Agreement by RCH or the consummation of this transaction contemplated hereby;

3.1.8 This Agreement has been duly executed and delivered by RCH and is a valid and binding obligation of RCH subject to applicable law;

3.1.9 The persons signing this Agreement on behalf of RCH are authorized to do so;

3.1.10 RCH has not knowingly stored, disposed of, or permitted the release or threatened release of any hazardous substances or hazardous wastes on, from, or under the Land in violation of law (for purposes of this Agreement, the terms "disposal," "release," "threatened release," "hazardous substances," and "hazardous wastes" shall have the definitions assigned thereto by the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601, et seq., as amended);

3.1.11 RCH has received no notice of a condition existing with respect to the Assets that violates any restrictive covenant, or any city, county, state or federal regulation, ordinance or statute, including the violation of any zoning ordinance or use restriction;

3.1.12 RCH is not aware of any underground storage tanks located on the Land or of any underground storage tanks previously located on the Land and subsequently removed and filled;

3.1.13 RCH has not conveyed to any person or entity other than McLendon-Chisholm any rights in, or any rights to acquire any interest in any of the Assets;

3.1.14 RCH is not aware of any previous use of the Land as a dump site or landfill;

3.1.15 There are no leases relating to the Land and there are no contracts relating to the Assets, including but not limited to, service, maintenance, supply and/or employment contracts, other than the Transferred Contracts and those contracts that will be canceled on or before Closing, and all sums due pursuant to any such contracts will be paid by RCH on or before Closing;

3.1.16 RCH shall convey to McLendon-Chisholm at Closing the Assets subject to the terms of this Agreement;

3.1.17 RCH has not defaulted under any promissory note, deed of trust, loan or other type of indebtedness or under any contract or committed any act that with the passage of time or giving of notice would result in a default under any indebtedness or contract;

3.1.18 RCH represents that there are no liens on the Assets or revenues of the Utility System; and

3.1.19 As of the date of Closing, Utility System is fully operational, is in full compliance with all regulatory requirements, and that it has provided McLendon-Chisholm with copies of all documentation related to the history of regulatory compliance of the Utility System.

By executing and delivering the documents listed in this Agreement, RCH shall be deemed to have made all of the foregoing representations and warranties as of the Closing Date. Should any of the foregoing representations and warranties be found to be incorrect on or prior to Closing, RCH shall notify McLendon-Chisholm and use all reasonable efforts to cure same by Closing; provided, however, in no event shall RCH be required to incur any costs or expenses in connection with its cure of same. If RCH is unable to cure same by Closing, at McLendon-Chisholm's option, Closing shall be postponed until five (5) business days following McLendon-Chisholm's receipt of proof satisfactory to McLendon-Chisholm that such matters have been cured. Provided, however, if RCH is unable despite reasonable efforts to cure same within ten (10) business days after the originally scheduled Closing Date, McLendon-Chisholm shall have the right to either waive same and proceed to Closing, or terminate this Agreement upon written notice to RCH.

3.2 **RCH's Covenants.** RCH covenants and agrees with McLendon-Chisholm that from and after the Effective Date through the Closing Date:

3.2.1 Upon obtaining knowledge of the institution of any proceedings for the condemnation of the Land or Assets or any associated easements, or any portion thereof, or any other proceedings arising out of injury or damage to the Land or Assets, or both, or any portion thereof, RCH will notify McLendon-Chisholm of the pendency of such proceedings as soon as reasonably possible thereafter;

3.2.2 Upon obtaining knowledge of the institution of any litigation, arbitration or administrative hearing concerning or affecting the Assets, RCH will notify McLendon-Chisholm of the pendency of such proceedings as soon as reasonably possible thereafter;

3.2.3 RCH will not encumber the Assets or allow any encumbrance upon title to the Assets that will not be released at or prior to Closing;

3.2.4 RCH will maintain the Assets, including the Land, the Improvements and Tangible Personal Property, in its current conditions reasonable wear, tear and casualty loss or condemnation loss excepted;

3.2.5 RCH will continue to operate its Utility System business, generally, in the manner it has operated its Utility System business in the past;

3.2.6 RCH will obtain all necessary approvals for the authority, authorization and consents necessary to make, execute, deliver and perform this Agreement and all instruments and agreements contemplated hereby;

3.2.7 RCH will not enter into any contracts with respect to the Assets or the Utility System which will obligate McLendon-Chisholm after Closing;

3.2.8 RCH will not intentionally take or omit to take any action that would have the effect of violating any of the representations, warranties, covenants and agreements of RCH contained in this Agreement;

3.2.9 RCH will maintain all casualty and liability as well as fire and extended property insurance policies currently covering the Assets or any part thereof in full force and effect;

3.2.10 Effective as of the Closing Date, RCH will terminate all leases and contracts, except the Transferred Contracts, relating to the Assets unless RCH and McLendon-Chisholm otherwise mutually agree in writing prior to the Closing Date that certain of such leases or contracts, if any, will not be so terminated; and

3.2.11 If any liens are placed on the Assets or revenues, RCH shall work to remove any liens on the Assets or revenues. To the extent RCH is not able to remove liens, McLendon-Chisholm, at its sole election, may (1) waive this requirement and proceed to Closing, or (2) terminate this Agreement.

3.3 McLendon-Chisholm's Representations and Warranties. McLendon-Chisholm represents and warrants to RCH the following, which representations and warranties shall be true and accurate as of the Effective Date:

3.3.1 McLendon-Chisholm is a municipal corporation;

3.3.2 McLendon-Chisholm has full power and authority to make, execute, deliver and perform this Agreement, to perform its obligations hereunder and to consummate the transactions contemplated hereby;

3.3.3 The execution, delivery and performance of this Agreement by McLendon-Chisholm and the consummation by it of the transaction contemplated hereby, has been duly authorized and approved by all required action of McLendon-Chisholm and no other action on the part of McLendon-Chisholm is necessary to authorize the execution, delivery and performance of this Agreement by McLendon-Chisholm and the consummation of the transaction contemplated hereby;

3.3.4 To McLendon-Chisholm's knowledge, neither the execution, delivery or performance of this Agreement by McLendon-Chisholm, nor compliance with the terms and provisions hereof, will result in any breach of the terms, conditions or provisions of, or conflict with or constitute a default under the terms of any note, agreement or other instrument by which McLendon-Chisholm is bound;

3.3.5 To McLendon-Chisholm's knowledge, McLendon-Chisholm has received no written notice that any action or proceeding is pending or threatened that questions the validity of this Agreement or any action taken or to be taken pursuant hereto; and

3.3.6 This Agreement has been duly executed and delivered by McLendon-Chisholm and is a valid and binding obligation of McLendon-Chisholm subject to applicable law.

3.4. The representations, warranties, and covenants in Section 3.1 shall survive Closing for a period of two (2) years from the date of Closing.

IV.

Review Period and Right to Inspect

4.1 **McLendon-Chisholm's Right to Inspect.** Within fourteen (14) days after the Effective Date, RCH shall make available for reasonable inspection and copying by McLendon-Chisholm, at RCH's office during regular business hours, the following, to the extent in RCH's control or possession and to the extent not already delivered to McLendon-Chisholm:

4.1.1 All environmental reports, structural reports, engineering reports, soils tests results, evaluations, maps, traffic studies, flood control plans, drainage plans, and any and all other reports, studies or the like relating to the Assets;

4.1.2 All notices from any governmental agencies affecting the Utility System or the Land;

4.1.3 All current licenses, permits and other governmental licenses or approvals relating to the Utility System;

4.1.4 All surveys, title records, title documents (including any title insurance policies), debt instruments, liens, insurance policies, contracts, easement documents, and deeds;

4.1.5 Any engineering reports and plans and specifications relating to the Assets; provided, however, all such reports are delivered without representation or warranty as to the content;

4.1.6 True copies of any leases and contracts relating to the Assets, including but not limited to the contracts listed in Exhibit "D", and copies, if any, of any documents or records related to any beneficial interests, including but not limited to, security agreements, deeds of trusts, promissory notes or leases held by RCH;

4.1.7 A list of all customers of RCH, the current accounts receivable for such customers, and the amount of each customer's deposit, if any, with accrued statutory interest, together with copies of statements for all deposit accounts held by RCH;

4.1.8 Copies of all insurance policies and financial instruments related to the Utility System, Assets, or RCH; and

4.1.9 Copies of all warranties and guaranties related to the Assets.

4.2 **Review Period.** At any time from and after the Effective Date, McLendon-Chisholm its agents, employees, consultants, or invitees shall have the right, at its sole cost, to order title work to obtain title policies insuring the title to the Land, to order surveys or inspections,

and enter upon the Land during normal business hours and upon reasonable advance notice to RCH to inspect the Land or to conduct feasibility studies regarding the Assets, and shall have the further right to access those portions of the Utility System located on property other than the Land, if any, (but only to the extent authorized by that landowner) to conduct feasibility studies. McLendon-Chisholm, its agents, employees, consultants and invitees shall have such right of entry only during normal business hours and upon reasonable advance notice to RCH for purposes of conducting all such studies, inspections, tests and examinations deemed necessary by McLendon-Chisholm. All said studies, tests, inspections and examinations (collectively, the "Reports") shall be at McLendon-Chisholm's expense. McLendon-Chisholm shall provide RCH a copy of the Reports but failure to provide such copies to RCH shall not be considered a default under this Agreement. As used herein, the "Review Period" shall mean the period commencing on the Effective Date and ending on the date McLendon-Chisholm files the Application, as that term is defined in Section 7.1, with the PUC. During the Review Period, and subject to approval of both parties, RCH or McLendon-Chisholm may substitute any of the exhibits listed in this Agreement.

4.3 McLendon-Chisholm's Right to Review Books. During the Review Period, RCH shall make available for reasonable inspection and copying by McLendon-Chisholm and McLendon-Chisholm's accountants and other representatives, at RCH's office during regular business hours, the books and records of RCH with respect to the operation of the Assets. All such copying costs shall be borne by McLendon-Chisholm.

4.4 McLendon-Chisholm's Title Commitment and Review. McLendon-Chisholm, within its sole discretion and at McLendon-Chisholm's sole expense, may procure within sixty (60) days after the Effective Date, a commitment for title insurance on any of the Assets that McLendon-Chisholm desires. RCH shall not be required to provide an owner's policy for title insurance for any portions of the Assets, but RCH shall otherwise cooperate with McLendon-Chisholm in the review by McLendon-Chisholm of any title commitment applied for, or obtained by, McLendon-Chisholm. McLendon-Chisholm will have twenty (20) days after the receipt of the title commitment with respect to any particular portion of the Assets to review such title commitment and to deliver to RCH written notice by hand delivery or overnight delivery, receipt requested, of any objections to the matters set forth in such title commitment. Any items to which McLendon-Chisholm does not object with during this 20-day period will be deemed to be "Permitted Exceptions." As to items in the title commitment to which McLendon-Chisholm timely makes objections to in writing to RCH, RCH shall have a period of ten (10) days during which it may, but shall have no obligation to cooperate with McLendon-Chisholm to attempt to effectuate the cure of such objections such that RCH's covenants or representations in this Agreement are not false or misleading. At the end of the twenty (20) day period (if no objections are made by McLendon-Chisholm), or the ten (10) day period (if objections are made by McLendon-Chisholm), McLendon-Chisholm shall have the right, as its sole and exclusive remedies, to either terminate this Agreement, or waive such title objections and proceed to Closing.

4.5 Termination by McLendon-Chisholm. Except as otherwise provided in this Agreement, McLendon-Chisholm shall have the right to terminate this Agreement for any reason prior to date of a Determination Notice (herein defined) by providing written notice to RCH, and all rights and obligations hereunder shall terminate, except those expressly providing otherwise.

V.
Remedies

5.1 RCH's Remedies. In the event McLendon-Chisholm (i) fails or refuses to consummate the acquisition of the Assets pursuant to this Agreement at the Closing, (ii) fails to perform any of McLendon-Chisholm's other obligations hereunder either prior to or at the Closing for any reason other than the breach of any of RCH's representations, warranties or covenants, or other failure by RCH to perform its obligations hereunder, or (iii) otherwise breaches this Agreement, RCH shall be entitled as its sole and exclusive remedy to: (a) terminate this Agreement by giving McLendon-Chisholm timely written notice of such election prior to Closing or (b) waive the default and close the transfer of the Assets pursuant to the terms hereof.

5.2 McLendon-Chisholm's Remedies. In the event RCH (i) fails or refuses to consummate the conveyance of the Assets pursuant to this Agreement at Closing, (ii) fails to perform any of RCH's other obligations hereunder either prior to or at the Closing for any reason other than the breach of any of McLendon-Chisholm's representations, warranties or covenants or McLendon-Chisholm's failure to perform its obligations hereunder, or (iii) otherwise breaches the Agreement, McLendon-Chisholm shall be entitled as its sole remedy to either: (a) terminate this Agreement by giving RCH timely written notice of such election prior to Closing or (b) waive the default and close the transfer of the Assets pursuant to the terms hereof.

VI.
Closing

6.1 Closing Date. The Closing (herein so called) shall be held at a location that may be mutually agreed upon by RCH and McLendon-Chisholm on the date ("Closing Date") which shall be no later than sixty (60) days following receipt of a Determination Notice (hereafter defined). RCH and McLendon-Chisholm acknowledge that the Closing cannot occur before 120 days from the date the application is declared administratively complete by the PUC pursuant to Texas Water Code § 13.301, unless approved by the PUC to close earlier.

6.2 Closing Matters.

6.2.1 At Closing, RCH shall:

- (a) Deliver all keys to the Assets to McLendon-Chisholm;
- (b) Deliver control of the Assets to McLendon-Chisholm;
- (c) Deliver control of the equipment or other Tangible Personal Property, if any, listed as part of the Tangible and Intangible Personal Property on Exhibit "C" to McLendon-Chisholm;
- (d) Deliver an updated list of all customers of RCH, the service address for each customer, a final meter reading for, or a meter reading associated with the last bill sent by RCH to, each customer, the accounts receivable for such customers, and the amount of each

customer's deposit, with accrued statutory interest, certified by RCH to be true and correct as of the day immediately preceding Closing;

(e) Deliver to McLendon-Chisholm evidence of payment of all bills by RCH;

(f) Grant to McLendon-Chisholm the authority to provide the necessary consents of RCH to PUC with respect to the proposed maps, certificates, and the recommendation for approval and issuance or decertification of the CCN, and authorize the PUC to effectuate the transfer of the Utility System upon receipt of McLendon-Chisholm's signed consent form without the further involvement of RCH, including without limitation executing all necessary consent documents on behalf of RCH; and

(g) Deliver consents to assignment and assignment of any Transferred Contract listed in Exhibit "D" to which McLendon-Chisholm has agreed to accept assignment.

6.2.2 At Closing, RCH shall execute, deliver, and acknowledge the following documents:

(a) A copy of an Affidavit of Closing, in substantially the form attached hereto as Exhibit "F", and any and all documents which McLendon-Chisholm may reasonably request after the Closing to evidence the consent and agreement of RCH for decertification of its service area and certification of the service area to McLendon-Chisholm. The agreement set forth in the preceding sentence shall survive the Closing. RCH shall file the Affidavit of Closing with the PUC in accordance with Section 7.1 of this Agreement;

(b) A Contract Closing Certification, in substantially the form attached hereto as Exhibit "G", which shall include the certification of records and the certification of correspondence, as well as the Engineering Certificate, attached hereto as Exhibit "F-1".

(c) A Special Warranty Deed and Assignment of Easements, conveying the Land, Appurtenances, easements, Adjacent Property Rights, and any Improvements, in substantially the form attached hereto as Exhibit "H"; and

(d) A Bill of Sale and Assignment of Easements, conveying Tangible Personal Property, Intangibles, Deposits, and Contractual Rights, in substantially the form attached hereto as Exhibit "I".

6.2.3 At Closing, McLendon-Chisholm shall:

(a) Deliver reasonable evidence of McLendon-Chisholm's capacity and authority for the Closing of this transaction;

(b) Provide written acknowledgement and acceptance, without conditions, of RCH's assignment of the Transferred Contracts; and

- (c) Execute any and all documents reasonably necessary.

6.2.4 At Closing, RCH shall:

- (a) Pay all special taxes or assessments, if any, assessed prior to the Closing Date;
- (b) Transfer all revenues for water utility services and Deposits to McLendon-Chisholm; and
- (c) Provide all copies of the last billing statement paid for each utility meter, copies of tax assessments (if any), and statements of any other recurring expenses of RCH.

6.3 Winding Up and Termination of RCH. RCH shall comply with all applicable winding-up procedures as provided for by the Corporate Documents and the Texas Business Organizations Code (“Code”), including but not limited to Section 11.051 of the Code. McLendon-Chisholm shall assist RCH with the termination of RCH as an entity, including the preparation and filing of the Certificate of Termination and any other documents necessary to transfer the Assets and dissolve RCH as an entity and to pay reasonable and necessary professional fees and costs incurred therewith. RCH acknowledges that, in accordance with Section 11.356 of the Code, after the Certificate of Termination is filed, RCH will continue to exist for settling affairs of RCH not completed before Closing and that, in accordance with Section 11.357, the persons currently governing RCH will continue to have powers necessary to complete any winding up of RCH not finalized at Closing. RCH and McLendon-Chisholm covenant and agree to work with each other with regard to all matters related to the winding up of RCH. RCH hereby appoints the President of RCH, or his designee, as a representative of RCH, who can be contacted at the address and telephone number set forth in Section 8.4 below to be the contact person for all matters arising after Closing. RCH agrees to start the process to windup RCH within thirty (30) days after the Closing and to file the Certificate of Termination and any other documents necessary to transfer the Assets and dissolve RCH as an entity within six (6) months after the Closing. This deadline may be extended upon written consent by McLendon-Chisholm, which shall not be unreasonably withheld. Notwithstanding any provision in this Agreement or any closing document to the contrary, these provisions of this Section 6.3 shall survive Closing.

VII.
Conditions Precedent

7.1 PUC Determination.

7.1.1 Notwithstanding anything in this Agreement to the contrary, the obligations of RCH and McLendon-Chisholm to consummate the transaction contemplated by this Agreement shall be subject to and specifically conditioned upon receipt of the written determination (“Determination Notice”) by the PUC that authorizes the transaction contemplated herein to close in accordance with this Agreement. RCH and McLendon-Chisholm each acknowledge that this purchase and sale transaction must comply with the requirements of Texas Water Code § 13.301

and, therefore, cannot be completed prior to the Determination Notice. McLendon-Chisholm agrees, at McLendon-Chisholm's expense, to file with the PUC an Application for Sale, Transfer or Merger of a Retail Public Utility ("Application") as soon as reasonably possible after the Effective Date of this Agreement, and RCH and McLendon-Chisholm agree to cooperate in connection with completing the Application and further agree to support the PUC approval of the Application. The Parties hereby acknowledge that McLendon-Chisholm will not file the Application with the PUC unless and until McLendon-Chisholm ____ [secured NTMWD's approval of an assignment of water supply contract] _____. In this regard, RCH acknowledges that after receipt of the Determination Notice and within 30 days after the Closing Date, McLendon-Chisholm must file with PUC documents evidencing that the purchase and sale transaction contemplated by this Agreement is final and that support the disposition of customer security deposits, if any. Following receipt by PUC of these documents evidencing completion of the transaction contemplated by this Agreement and disposition of customer security deposits, PUC will prepare a proposed map, certificate, and recommendation for both RCH and McLendon-Chisholm to review and consent to before submitting the map, certificate, and recommendation to the PUC for approval and issuance of the CCN. The consent must be received by PUC in order for the PUC to approve the CCN transfer. If the Parties have not received the Determination Notice within eighteen (18) months of the Effective Date, if the Application is contested, or if the PUC denies the Application and such decision is final and non-appealable, either RCH or McLendon-Chisholm may at any time terminate this Agreement upon ten (10) days' written notice of the other party and neither party shall thereafter have any further rights, liabilities, or obligations hereunder. If PUC requires a hearing and neither RCH nor McLendon-Chisholm terminate this Agreement, this condition precedent provided for herein shall not be satisfied until after PUC enters final, appealable order(s) necessary for the transaction contemplated herein.

VIII.

Miscellaneous

8.1 Entire Agreement. The Agreement together with the Contract Closing Certification constitute the entire agreement of the parties hereto as to the subject matter hereof and shall supersede any and all prior agreements and understandings of the parties hereto, whether oral or written. If there is any conflict between this Agreement and the Contract Closing Certification, this Agreement shall control. This Agreement can be amended or modified only by written agreement executed by RCH and McLendon-Chisholm.

8.2 Binding. This Agreement, and the terms, covenants, and conditions herein contained, shall inure to the benefit of and be binding upon the heirs, personal representatives, successors, and assigns of each of the parties hereto. Neither RCH nor McLendon-Chisholm may assign its respective rights under this Agreement without the other party's prior written consent.

8.3 Effective Date. The term "Effective Date" as used in this Agreement shall be the date on which this Agreement is executed by the last to sign of RCH and McLendon-Chisholm.

8.4 Notice. Any notice required or permitted hereunder shall be in writing and shall be deemed to be delivered on the date received if delivered by hand to the address shown below for RCH or McLendon-Chisholm, as appropriate, or such notice shall, if deposited in the mail, be

deemed to be delivered, whether actually received or not, on the third business day after having been deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed to RCH or McLendon-Chisholm, as appropriate, at the address shown below. The addresses for RCH and McLendon-Chisholm for all purposes under this Agreement shall be the following:

If to RCH:

RCH Water Supply Corporation
Attn: President

Mail Delivery

Hand Delivery

Phone:
FAX:

With simultaneous copy to:

If to McLendon-Chisholm:

City of McLendon-Chisholm, Texas
Attn: City Administrator

Phone:

And

City of McLendon-Chisholm, Texas
Attn: City Attorney
Phone:

With a simultaneous copy to: Bickerstaff Heath Delgado Acosta LLP

Attn: Emily W. Rogers
3711 S. MoPac Expressway
Building One, Suite 300
Austin, TX 78746
Phone: 512-472-8021
FAX: 512-320-5638

The parties hereto shall have the right from time to time to change their respective addresses, and each shall have the right to specify as its address any other address within the United States of America by at least five (5) days' written notice to the other party.

8.5 Time. Time is of the essence in all things pertaining to the performance of this Agreement.

8.6 Applicable Law; Venue. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas. Any action in law or equity brought to enforce or interpret any provision of this Agreement shall be brought in a court of competent jurisdiction with venue in Rockwall County, Texas.

8.7 Counterparts, Faxes and PDFs. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original and all of which shall constitute the same instrument. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart. A telecopied facsimile or portable document format copy of an executed counterpart of this Agreement shall be sufficient to evidence the binding agreement of each party to the terms hereof. However, each party agrees to promptly deliver to the other party an original, duly executed counterpart of this Agreement.

8.8 Section Headings. The section headings contained in this Agreement are for convenience only and shall in no way enlarge or limit the scope or meaning of the various and several sections hereof.

8.9 Business Days. In the event that any date or any period provided for in this Agreement shall end on a Saturday, Sunday or legal holiday, the applicable period shall be extended to the first business day following such Saturday, Sunday or legal holiday. As used herein, the term "legal holiday" means any state or federal holiday for which financial institutions or post offices are generally closed in the State of Texas.

8.10 Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any Constitution, statute, administrative rule, regulation or finding, rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatever.

8.11 Exhibits. All references to exhibits contained herein are references to exhibits attached hereto, all of which are made a part hereof. It is expressly understood that if any exhibit attached hereto which is to be executed and delivered at Closing contains blanks, the same shall be completed correctly and in accordance with the terms and provisions contained herein and as contemplated hereby prior to or at the time of execution and delivery thereof.

8.12 Negotiation by Counsel. The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement, and agree that the normal rule of construction, to the effect that any ambiguities are to be resolved against the drafting party, shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

8.13 Modification; Assignment; and Benefit. This Agreement shall be subject to change or modification at any time, but only with the mutual, written consent of all of the Parties hereto. This Agreement shall not be assignable by either party hereto without the prior written consent of the other party hereto, such consent to not be unreasonably withheld, conditioned or delayed. This Agreement shall be for the sole and exclusive benefit of the Parties and third-party beneficiaries, if any, are hereby expressly disclaimed.

8.14 No Waiver. No waiver or waivers of any breach or default (or any breaches or defaults) by either party hereto of any term, covenant, condition, or liability hereunder, or of performance by the other party of any duty or obligation hereunder, shall be deemed or construed to be a waiver of subsequent breaches or defaults of any kind.

8.15 Further Assurances. Each signatory party agrees to execute and deliver any additional documents and instruments and to perform any additional acts necessary or appropriate to perform the terms, provisions, and conditions of this Agreement and all transactions contemplated by this Agreement, including but not limited to, acquiring easements or rights-of-way necessary to operate the Utility System, and to complete the contemplated transaction.

8.16 Legal Construction. Whenever context requires, the singular will include the plural and neuter include the masculine or feminine gender, and vice versa. Article and section headings in this Agreement are for reference only and are not intended to restrict or define the text of any section. This Agreement will not be construed more or less favorably between the parties by reason of authorship or origin of language.

IN WITNESS WHEREOF, this Agreement has been duly executed in multiple counterparts (each of which is to be deemed original for all purposes) by the parties hereto on the date appearing opposite each party's signature.

[Signatures on next pages]

RCH WATER SUPPLY CORPORATION

Date: _____, 2023

By: _____
_____, President

STATE OF TEXAS

§

§

COUNTY OF ROCKWALL

§

BEFORE ME, the undersigned authority, on this day personally appeared _____, President of RCH Water Supply Corporation, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the RCH WATER SUPPLY CORPORATION, and that he executed the same as the President of the RCH WATER SUPPLY CORPORATION for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the ____ day of _____, 2023.

Notary Public
The State of Texas

CITY OF MCLENDON-CHISHOLM, TEXAS

Date: _____, 2023

By: _____
Keith Short, Mayor

APPROVED AS TO FORM:

Michael Halla, City Attorney
City of McLendon-Chisholm, Texas

STATE OF TEXAS §
 §
COUNTY OF DALLAS §

BEFORE ME, the undersigned authority, on this day personally appeared Keith Short, City Manager of the City of McLendon-Chisholm, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the same was the act of the CITY OF MCLENDON-CHISHOLM, and that he executed the same as the act of the CITY OF MCLENDON-CHISHOLM for the purposes and consideration therein expressed, and in the capacity therein stated.

GIVEN UNDER MY HAND AND SEAL OF OFFICE this the ____ day of _____, 2023.

Notary Public
The State of Texas

EXHIBIT "A"

LAND

EXHIBIT "B"
IMPROVEMENTS

EXHIBIT "C"

TANGIBLE PROPERTY AND INTANGIBLES

Tangible Property

[list vehicles and equipment][

Contents of _____ located at _____;
including all hand tools, pipes, fittings, clamps, dressers, shelving, cabinets, benches, etc.

Contents of Office located at _____;
including furniture, filing cabinets, shelving, tables, chairs, folding machine, printers, computers, server, office supplies, kitchen contents, etc. Customer files containing service agreements will also be included.

Contents of _____ located at _____;
including the chemical room and meter room, pipes, tools, etc. The LAS and Chlorine chemical bottles are rented from _____.

System Maps: All maps including as-builts and full system maps.

All documents and papers including corporate minute books, official records, and public information of any kind, whether in written or other form, member/customer lists, tariff, deeds and easements, usage reports, field operator reports, backflow reports, project files, purchase and sales records, personnel and independent contractor records, invoices, environmental control records, maintenance records, operating and management manuals, computer systems and software documentation, and forms.

Tangible property located on the three parcels of real estate owned by RCH Water Supply Corporation including all buildings, water storage tanks, generators, piping, equipment, etc. located in or on the property:

Entire water distribution system including water lines, pipes, clamps, fittings, meters, flush and fire hydrants, valves, and appurtenances.

All Deposits.

Intangible Property

Certificate of Convenience and Necessity (CCN) #10087 issued by the Public Utility Commission.

All right, title, and interest in and to all of the following assets owned by RCH Water Supply Corporation including the name "RCH Water Supply Corporation" and any variant of the name as well as all promotional designs, concepts, literature, advertising lay-outs, designs, and concepts.

All permits, licenses, franchises, consents, authorities, special authorities, and other similar acts of any government body (federal, state, local, or foreign) held by RCH Water Supply Corporation that may be lawfully assigned or transferred, subject to any action by such body that may be required in connection with such assignment or transfer.

Any all causes of action, uncollected receivables, refunds, customer security deposits, tax credits, franchise tax receipts, general intangibles and easements owned by RCH Water Supply Corporation.

SCADA Software
Software Serial #

Website:
Provider:
Domain name expires
Hosting contract expires

Federal Communications Commission (FCC) Registration #:

EXHIBIT "D"
CONTRACTUAL RIGHTS

EXHIBIT "E"

LIABILITIES

None

EXHIBIT "F"

AFFIDAVIT OF CLOSING

**TEXAS PUBLIC UTILITY COMMISSION
DOCKET NO. _____**

STATE OF TEXAS

COUNTY OF ROCKWALL

AFFIDAVIT OF CLOSING

BEFORE ME, the undersigned authority, on this day personally appeared _____, President of RCH Water Supply Corporation, a non-profit water supply corporation ("Seller"), personally known to me to be the person whose name is subscribed hereto and upon his/her oath deposed and stated that:

"I am a citizen of the United States, of legal age, and have never been known by any other name than set out below; I am _____, President of RCH Water Supply Corporation, authorized agent of Seller, and am authorized to make this affidavit on its behalf.

Seller and City of McLendon-Chisholm ("Buyer") entered into that certain Water System Asset Transfer Agreement dated effective as of _____ ("Contract"), which provided for the sale and transfer to Buyer of Seller's water supply system, consisting of real property rights, easements, pipelines and related infrastructure and personal property as more fully described in the Contract (collectively the "Assets"), located within or to serve the area designated by the Commission under Water CCN No. 10087 ("Transfer Area").

Pursuant to the terms of the Contract the Seller has agreed that upon closing it will decertify and transfer the Transfer Area within its CCN No. 10087 to Buyer so that the area may be certificated to the Buyer in accordance with Chapter 13 of the Texas Water Code.

The sale and transfer to the Buyer of Seller's water supply system, the decertification of Seller's CCN No. 10087, and the transfer of the Transfer Area to Buyer shall be collectively referred to as the "Transfer."

In addition, after the receipt by the Public Utility Commission ("PUC") of the applicable closing documents, Seller understands that PUC staff will prepare proposed maps, certificates, and recommendations for both the Seller and the Buyer to review and approve before their submittal to the PUC for approval of the Transfer; provided, however, that Seller understands that it has the right to grant the Buyer the right to consent to the proposed maps, certificates and recommendations on behalf of the Seller.

The Seller hereby certifies that (i) as of the date hereof all of the water supply system and the Assets have been sold to Buyer in accordance with the terms of the Contract, (ii) Seller concurs with the Transfer under the applicable provisions of Chapter 13 of the Texas Water Code, (iii) Seller agrees that the PUC may take action to decertify the Transfer Area from Seller and certificate the Transfer Area to the Purchaser; and (iv) Seller has granted Buyer the authority to provide the necessary Seller's consent to PUC with respect to the proposed maps, certificates and the recommendation for decertification, and approval and issuance of any CCN necessary to effectuate the Transfer, and hereby authorizes the PUC to effectuate the Transfer upon receipt of Buyer's signed consent form without the further involvement of Seller, including, but not limited to, executing all necessary consent documents on behalf of the Seller.

Executed this _____ day of _____, 20__."

Brian, Andrews, Affiant

SUBSCRIBED AND SWORN TO before me on _____, 20__ by
_____, President of RCH Water Supply Corporation, on behalf of said corporation.

SEAL

Print name: _____

Notary Public for the State of Texas
Commission expires: _____

EXHIBIT "G"

CONTRACT CLOSING CERTIFICATION

Date: _____, 20____ (the
"Closing Date")

BEFORE ME, the undersigned authority, on this day personally appeared _____, President of RCH Water Supply Corporation, a Texas non-profit corporation ("Seller"), personally known to me to be the person whose name is subscribed hereto and upon his/her oath depose and state that:

I am of legal age, and have never been known by any other name than set out below; I am _____, President of Seller, and am authorized to make this affidavit on its behalf.

1. Seller and the City of McLendon-Chisholm ("Buyer") entered into that certain Water System Asset Transfer Agreement dated effective as of _____ 2023 ("Agreement"), which provided for the sale and transfer of Seller's water supply system, consisting of real property rights, easements, pipelines and related infrastructure and personal property as more fully described in the Agreement (collectively the "Assets"), located within or for the purpose of serving the area designated by the Public Utility Commission of Texas under Water CCN No. 10087.
2. Seller has performed its disclosure obligations under the Agreement by providing the Buyer records and other documents as set out in Article 4 of the Agreement.
3. Seller is the owner of the Assets and has not granted any rights or interests in Assets during the pendency of the Agreement, and there are no leases, contracts of sale, parties in possession, or other contracts for the use or purchase of Assets.
4. Seller has no improvements to the Assets that have not been fully paid for or that could give rise to any mechanic's and materialman's liens or adverse claims.
5. There are no unpaid debts, judgments, taxes, liens, or obligations affecting the Assets.
6. Except as listed on Exhibit "A" hereto, to Seller's knowledge, Seller has not received notice of any condemnation proceeding, proceeding arising out of injury or damage to the Assets, litigation, arbitration, or administrative hearing, adverse claim, violation of applicable law, notice of default, or other proceeding that could adversely affect the Assets.
7. Seller has complied with Seller's Covenants in Section 3.2 of the Agreement.
8. Seller acknowledges that this affidavit is made to induce Buyer to purchase the Assets.

9. To Seller's knowledge, as of the Closing Date, the representations and warranties set out in the Agreement are still true and correct and have not been breached.

10. Seller's engineer has provided an Engineering Certificate, attached hereto as Exhibit "B" to this affidavit.

11. Seller's representations, warranties, covenants, and other agreements set forth in this Contract Closing Certification shall merge on the closing of the transactions contemplated by the Agreement and shall have no further force and effect thereafter.

_____, President
RCH Water Supply Corporation

STATE OF TEXAS §
 §
COUNTY OF ROCKWALL §

SWORN AND SUBSCRIBED TO under oath by _____, President of RCH Water Supply Corporation, before the undersigned notary public in witness of which I place my hand and seal on this ____ day of _____, 20____.

SEAL

Print name: _____
Notary Public for the State of Texas

Commission expires: _____

Exhibit “A” to Contract Closing Certification

Notice of Claims and Proceedings

Exhibit “B” to Contract Closing Certification

Engineer’s Certificate

EXHIBIT "F-1"

FORM OF ENGINEER'S CERTIFICATE

Engineer's Certificate

THE STATE OF TEXAS §
 §
COUNTY OF ROCKWALL §

I, the undersigned ("Engineer"), of the firm of _____, do hereby certify the following:

1. Engineer is familiar with the RCH Water Supply Corporation water utility system, including transmission pipelines, the distributions lines, the storage tanks, pressure tanks, and related appurtenances.

2. In the course of performing engineering services for the RCH Water Supply Corporation, Engineer is not aware of any information regarding the engineering design of such water utility system affecting the current condition and future needs of the water utility system that is not contained in the records of the RCH Water Supply Corporation, except for the following:

3. The word "certify" as used herein is an expression of professional opinion only and shall not be construed or understood to be a statement of fact, a warranty, or a guarantee of any kind, expressed or implied.

NAME OF ENGINEERING FIRM

By: _____

STATE OF TEXAS

§

§

COUNTY OF ROCKWALL

§

SWORN AND SUBSCRIBED TO under oath by _____ before the
undersigned notary public in witness of which I place my hand and seal on this ____ day of
_____, 20____.

SEAL

Print name: _____

Notary Public for the State of Texas

Commission expires: _____

EXHIBIT "H"

FORM OF SPECIAL WARRANTY DEED AND ASSIGNMENT OF EASEMENTS

THE STATE OF TEXAS	§	
	§	KNOW ALL BY THESE PRESENTS:
COUNTY OF ROCKWALL	§	

That RCH Water Supply Corporation (hereinafter called "Grantor"), for and in consideration of the sum of TEN and NO/100 DOLLARS (\$10.00) and other good and valuable consideration paid to Grantor by the City of McLendon-Chisholm (hereinafter called "Grantee"), the receipt and sufficiency of which are hereby acknowledged and for the payment of which no lien, express or implied, is retained, has GRANTED, SOLD AND CONVEYED, and by these presents does GRANT, SELL AND CONVEY to Grantee the real property situated in Rockwall County, Texas described in Exhibit "A" attached hereto and made a part hereof (the "Land"), together with (i) any and all improvements located thereon; (ii) all right, title and interest of Grantor, if any, in and to any land lying in the bed of any alley, street, road or access way, open or proposed, in front of, at a side of, or adjoining the Land to the centerline thereof; (iii) to the extent assignable, all rights, privileges, and easements whether appurtenant to the Land or in gross, which are owned by Grantor, including without limitation, those easements more particularly described in Exhibit "B" hereto, and, to the extent such are used by Grantor in connection with Grantor's water treatment and retail water system operated on the Land, the right to access the water lines and other appurtenances on lands owned by customers of the retail water system operated on the Land, all development rights relating to the Land and any other easements, rights-of-way, or appurtenances arising or used in connection with the beneficial use and enjoyment of the Land; and (iv) any and all reversionary interests of the Grantor in and to the Land (the Land and all of the related improvements, appurtenances, rights and interests referenced in items (i) through (iv) above are collectively referred to herein as the "Property"). This conveyance is made and accepted subject and subordinate to (i) any and all matters affecting the state of title to the Property and recorded in the appropriate public records or that would be apparent on a Land survey and (ii) all zoning, building and other laws, regulations and ordinances of any and all municipal, governmental and quasi-governmental bodies and agencies having jurisdiction over the Property or any part thereof (collectively, the "Permitted Exceptions").

TO HAVE AND TO HOLD the Property, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Grantee, and Grantee's successors and assigns forever; and Grantor does hereby bind Grantor and Grantor's successors to warrant and forever defend all and singular the Property unto Grantee, and Grantee's successors and assigns, against every person whomsoever lawfully claiming, or to claim the same, or any part thereof by, through or under Grantor, but not otherwise.

IN WITNESS WHEREOF, this Special Warranty Deed is executed by Grantor on the _____ day of _____, 2023.

_____, President
RCH Water Supply Corporation

THE STATE OF TEXAS §
 §
COUNTY OF ROCKWALL §

This instrument was acknowledged before me on this _____ day of _____, _____,
by _____, President of RCH Water Supply Corporation.

Notary Public, State of _____

EXHIBIT "A" TO DEED

LAND

**EXHIBIT "B" TO THE DEED
EASEMENTS**

EXHIBIT "I"

FORM OF CONVEYANCE, BILL OF SALE, AND ASSIGNMENT

This Conveyance, Bill of Sale and Assignment ("Assignment") is entered into by and between RCH Water Supply Corporation ("Grantor"), a Texas corporation, and the City of McLendon-Chisholm ("Grantee"), a municipal corporation of Texas.

RECITALS

A. Concurrently with the execution and delivery of this instrument, the Grantor is conveying to Grantee by Special Warranty Deed all of that certain parcel of real property, together with improvements thereon ("Improvements"), in Rockwall County, Texas (the "Property"), more particularly described in Exhibit "A" attached hereto and made a part hereof for all purposes.

B. It is the desire of the Grantor to bargain, sell, convey, transfer, set over and assign unto Grantee the following:

- (i) All of the Grantor's right, title and interest in items of furniture, fixtures, equipment, machinery, supplies and other items of tangible personal property presently owned, used or held for use by the Grantor and affixed, attached to, placed or located on the Property or used by the Grantor exclusively in connection with the ownership, operation and/or maintenance of the retail water system operated on the Property ("Utility System"), including without limitation, all facilities, wells, water lines, distribution lines, tanks, pumps, pipes, fittings, treatment equipment, meters, copies of records, permits, materials and supplies, inventories, and those items listed in Exhibit "B" attached hereto and made a part hereof (collectively, the "Tangible Personal Property");
- (ii) All of the Grantor's right, title and interest in Deposits, on the Closing Date;
- (iii) To the extent assignable, all of the Grantor's right, title and interest in and to (a) all plans, drawings, specifications, surveys, engineering reports, and other materials related to the Land and the Utility System, which are conveyed without representation or warranty as to the information or conclusions set out therein; (b) all warranties and guaranties related to the Improvements and the Tangible Personal Property; (c) all licenses, permits, franchises, approvals and any other development rights and benefits relating to the Property; and (d) all insurance policies, software and intellectual property rights, all contract rights, interest in any claims, causes of action or judgments (collectively, the "Intangible Property"); and
- (iv) All of the Grantor's rights under the agreements listed in Exhibit "C" attached hereto and made a part hereof.

C. The Tangible Personal Property, Deposits, and Intangible Property are hereinafter collectively referred to as the "Transferred Properties."

CONVEYANCE, ASSIGNMENT AND AGREEMENT

For and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Grantor does hereby BARGAIN, SELL, CONVEY, TRANSFER, SET-OVER AND ASSIGN unto Grantee, its successors and assigns, the Transferred Properties.

TO HAVE AND TO HOLD the Transferred Properties, together with all and singular the rights and appurtenances thereto in anywise belonging, unto Grantee and Grantee's successors and assigns forever, and the Grantor does hereby bind the Grantor and the Grantor's successors to warrant and forever defend all and singular the Transferred Properties unto Grantee, and Grantee's successors and assigns against any person whomsoever lawfully claiming, or to claim the same, or any part thereof, by, through or under the Grantor, but not otherwise.

This Assignment is given pursuant to that certain Closing Agreement dated effective _____ (the "Agreement") by and between the Grantor and Grantee concerning the Property and the Transferred Properties.

This Assignment shall be construed under and in accordance with the laws of the State of Texas and shall be performable in Rockwall County, Texas. This Assignment and the covenants, conditions and agreements herein shall inure to the benefit of and be binding upon the Grantor and Grantee, and their respective heirs, executors, administrators, successors and assigns.

EXECUTED the ____ day of _____, 2023.

RCH WATER SUPPLY CORPORATION:

By: _____
Name: _____
Title: President

THE STATE OF TEXAS §
 §
COUNTY OF ROCKWALL §

This instrument was acknowledged before me on the ____ day of _____, 2023 by
_____, President of RCH Water Supply Corporation.

Notary Public, State of Texas

CITY OF MCLENDON-CHISHOLM

By: _____
Name: Keith Short
Title: Mayor

THE STATE OF TEXAS §
 §
COUNTY OF DALLAS §

This instrument was acknowledged before me on the ____ day of _____, 2023 by
Keith Short, Mayor of the City of McLendon-Chisholm.

Notary Public, State of Texas

EXHIBIT "A" TO CONVEYANCE
IMPROVEMENT ON PROPERTY

EXHIBIT "B" TO CONVEYANCE

TANGIBLE PERSONAL PROPERTY AND INTANGIBLES

Tangible Property

[list vehicles and equipment][

Contents of _____ located at _____;
including all hand tools, pipes, fittings, clamps, dressers, shelving, cabinets, benches, etc.

Contents of Office located at _____;
including furniture, filing cabinets, shelving, tables, chairs, folding machine, printers, computers, server, office supplies, kitchen contents, etc. Customer files containing service agreements will also be included.

Contents of _____ located at _____;
including the chemical room and meter room, pipes, tools, etc. The LAS and Chlorine chemical bottles are rented from _____.

System Maps: All maps including as-builts and full system maps.

All documents and papers including corporate minute books, official records, and public information of any kind, whether in written or other form, member/customer lists, tariff, deeds and easements, usage reports, field operator reports, backflow reports, project files, purchase and sales records, personnel and independent contractor records, invoices, environmental control records, maintenance records, operating and management manuals, computer systems and software documentation, and forms.

Tangible property located on the three parcels of real estate owned by RCH Water Supply Corporation including all buildings, water storage tanks, generators, piping, equipment, etc. located in or on the property:

Entire water distribution system including water lines, pipes, clamps, fittings, meters, flush and fire hydrants, valves, and appurtenances.

All Deposits.

Intangible Property

Certificate of Convenience and Necessity (CCN) #10087 issued by the Public Utility Commission.

All right, title, and interest in and to all of the following assets owned by RCH Water Supply Corporation including the name "RCH Water Supply Corporation" and any variant of the name as well as all promotional designs, concepts, literature, advertising lay-outs, designs, and concepts.

All permits, licenses, franchises, consents, authorities, special authorities, and other similar acts of any government body (federal, state, local, or foreign) held by RCH Water Supply Corporation that may be lawfully assigned or transferred, subject to any action by such body that may be required in connection with such assignment or transfer.

Any all causes of action, uncollected receivables, refunds, customer security deposits, tax credits, franchise tax receipts, general intangibles and easements owned by RCH Water Supply Corporation.

SCADA Software
Software Serial #

Website:
Provider:
Domain name expires
Hosting contract expires

Federal Communications Commission (FCC) Registration #:

EXHIBIT "C" TO CONVEYANCE

ASSIGNED AGREEMENTS

Schedule 1
Membership Fees Schedule