

Agenda Section	Reading of Ordinances
Section Number	VII.B
Subject	Consider, discuss and act upon the first and only reading of Ordinance #O-2020-0908-002 adopting the FY 2020-2021 tax appraisal roll.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	O-2020-0908-002
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action

**CITY OF FARMERSVILLE
ORDINANCE #O-2020-0908-002**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, ADOPTING THE FISCAL YEAR 2020 – 2021 TAX APPRAISAL ROLL FOR THE CITY OF FARMERSVILLE, TEXAS; PROVIDING FOR SEVERABILITY; REPEALING ALL PRIOR ORDINANCES AND ACTIONS IN CONFLICT HERewith; PROVIDING FOR ENGROSSMENT AND ENROLLMENT; PROVIDING A SAVINGS CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, in accordance with Section 26.09 of the Texas Tax Code it is necessary that the Fiscal Year 2020 – 2021 Appraisal Roll which constitutes the Fiscal Year 2020 – 2021 Tax Roll for the City of Farmersville is adopted by the City;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS AS FOLLOWS:

SECTION 1. TAX ROLL ADOPTED

The City Council of the City of Farmersville, Collin County, Texas, hereby accepts and approves the Fiscal Year 2020 – 2021 Appraisal Roll as submitted by the Collin County Tax Assessor Collector which 2020 – 2021 Appraisal Roll constitutes the Fiscal Year 2020 – 2021 Tax Roll for the City of Farmersville.

SECTION 2. SEVERABILITY

It is hereby declared to be the intention of the City Council that the several provisions of this Ordinance are severable, and if any court of competent jurisdiction shall judge any provisions of this Ordinance to be illegal, invalid, or unenforceable, such judgment shall not affect any other provisions of this Ordinance which are not specifically designated as being illegal, invalid or unenforceable.

SECTION 3. REPEALER

This Ordinance shall be cumulative of all other Ordinances, resolutions, and/or policies of the City, whether written or otherwise, and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those ordinances are in direct conflict with the provisions of this Ordinance. Any and all ordinances, resolutions, and/or policies of the City, whether written or otherwise, which are in any manner in conflict with or inconsistent with this Ordinance shall be and are hereby repealed to the extent of such conflict and/or inconsistency.

SECTION 4. ENGROSSMENT AND ENROLLMENT

The City Secretary of the City of Farmersville is hereby directed to engross and enroll this Ordinance by copying the exact Caption and the Effective Date clause in the minutes of

the City Council of the City of Farmersville and by filing this Ordinance in the Ordinance records of the City.

SECTION 5. SAVINGS

All rights and remedies of the City of Farmersville are expressly saved as to any and all violations of the provisions of any Ordinances which have accrued at the time of the effective date of this Ordinance; and, as to such accrued violations and all pending litigation, both civil and criminal, whether pending in court or not, under such Ordinances, same shall not be affected by this Ordinance but may be prosecuted until final disposition by the courts.

SECTION 6. EFFECTIVE DATE

This Ordinance shall take effect immediately upon its passage and approval and publication in accordance with and as provided by Texas law.

PASSED on first and only reading on the 8th day of September, 2020, as an ordinance related to the adoption of the City's annual budget and the setting of the tax rate at a properly scheduled meeting of the City Council of the City of Farmersville, Texas, there being a quorum present, and approved by the Mayor on the date set out below.

APPROVED this the 8th day of September, 2020.

Bryon Wiebold, Mayor

ATTEST:

Sandra Green, City Secretary

Agenda Section	Reading of Ordinances
Section Number	VII.C
Subject	Consider, discuss and act upon the first and only reading Ordinance #O-2020-0908-003 adopting the tax rate for FY 2020-2021.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	O-2020-0908-003
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action

**CITY OF FARMERSVILLE
ORDINANCE #O-2020-0908-003**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, ADOPTING A TAX RATE AND FIXING AND LEVYING MUNICIPAL AD VALOREM TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF FARMERSVILLE, TEXAS, AND PROVIDING FOR THE INTEREST AND SINKING FUND FOR THE TAX YEAR 2020 (FISCAL YEAR BEGINNING ON OCTOBER 1, 2020 TO AND INCLUDING SEPTEMBER 30, 2021); APPORTIONING EACH LEVY FOR THE SPECIFIC PURPOSES; REPEALING CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council finds that the tax for the tax year 2020 hereinafter levied for the current expenses and general improvements of the City and its property must be levied to provide the revenue requirements of the budget for the ensuing year; and

WHEREAS, the City Council further finds that the taxes for the tax year 2020 hereinafter levied, therefore, are necessary to pay interest and to provide a sinking fund on outstanding bonds maturing in the ensuing year; and

WHEREAS, the City Council held one public hearing noticed in accordance with Texas law on September 8, 2020, regarding the proposed tax rate increase at which proponents and opponents of the tax rate increase were allowed to present their views; and

WHEREAS, the City Council has approved by a separate Ordinance the budget for the tax year 2020; and

WHEREAS, all statutory and constitutional requirements concerning the adoption of the tax rate and the levying and assessing of ad valorem taxes have been completed in due and correct time.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, THAT:

SECTION 1. FINDINGS INCORPORATED.

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

SECTION 2. LEVYING TAXES FOR THE USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF FARMERSVILLE, TEXAS, AND PROVIDING FOR AN INTEREST AND SINKING FUND FOR THE TAX YEAR 2020.

There is hereby levied and ordered to be assessed and collected for the use and support of the municipal government of the City of Farmersville, Texas, and there shall be provided an interest and sinking fund for the tax year 2020, same being from October 1, 2020 to and including September 30, 2021, and for each tax year thereafter until otherwise provided, upon all taxable property including real, personal and mixed situated within the corporate limits of the City of Farmersville, Texas, and not exempt by the Constitution of the State and valid state laws, a tax of **\$0.712044** on each one hundred dollars (\$100) assessed value of said property, said tax being so levied and apportioned to the specific purposes herein set forth as follows:

(A) For the current expenditures of the City of Farmersville, Texas, and for the general government, use and support of the City and its property, there is hereby levied and ordered to be assessed and collected for the tax year 2020 on all property situated within the limits of the City, and not exempt from taxation by valid laws, an ad valorem tax at the rate of **\$0.479241** on each one hundred dollars (\$100) assessed value of all taxable property within the City.

(B) For the purpose of creating an interest and sinking fund to pay the interest and principal of all outstanding debt obligations of the City, not otherwise provided for, a tax rate of **\$0.232803** on each one hundred dollars (\$100) of assessed value of all taxable property within the City.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE. THE TAX RATE WILL EFFECTIVELY BE RAISED BY 8.00% AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$65.

SECTION 3. LATE PAYMENT.

(A) **PENALTY AND INTEREST.** That the ad valorem taxes levied shall become due on October 1, 2020 and may be paid up to and including the following January 31, 2020 without penalty, but if not so paid, such taxes shall become delinquent on the following day, February 1, 2021, and the penalty and interest designated herein shall be collected for each month or portion of the month that the delinquent taxes remain unpaid.

<u>MONTH</u>	<u>PENALTY</u>	<u>INTEREST RATE</u>
February 1	6%	1%
March 1	7%	2%
April 1	8%	3%
May 1	9%	4%
June 1	10%	5%
July 1	12%	6%
August 1	12%	7%

The rate of interest to be collected on delinquent taxes shall be 1% per month for each month they remain unpaid. On August 1, 2021, the total penalty incurred on delinquent taxes shall be 12% without regard to the number of months the tax is delinquent. Accrual of interest at 1% per month for each month taxes remain unpaid shall continue until said taxes are paid.

(B) ADOPTION BY REFERENCE. The general laws of Texas, and particularly all the provisions of Article 7336, and of Title 122 of the Revised Civil Statutes of Texas, and all amendments thereto, relating to the date of delinquent taxes, insofar as such provisions may be applicable in connection with the collection of all taxes assessed and levied by the City of Farmersville, Texas, are hereby referred to and adopted.

SECTION 4. ADDITIONAL PENALTY FOR COLLECTION COSTS.

Pursuant to Section 33.07 of the Texas Tax Code, taxes that remain delinquent incur an additional penalty to defray costs of collection in an amount not to exceed twenty percent (20%) of the amount of taxes, penalty and interest due.

SECTION 5. ESTABLISHING LIEN AGAINST THE PROPERTY.

The taxes herein levied shall be a first and prior lien against the property upon which they are assessed and the said first lien shall be superior and prior to all other liens, charges and encumbrances, and this lien shall attach to personal property to the same extent and priorities as to real estate. The liens provided herein shall attach as of January 1, 2021.

SECTION 6. REPEALER CLAUSE.

Any and all ordinances, resolutions, rules, regulations, policies, or provisions in conflict with the provisions of this Ordinance are hereby repealed and rescinded to the extent of the conflict herewith.

SECTION 7. SEVERABILITY CLAUSE.

Should any section, subsection, sentence, provision, clause or phrase be held to be invalid for any reason, such holding shall not render invalid any other section, subsection,

sentence, provision, clause or phrase of this Ordinance and same are deemed severable for this purpose.

SECTION 8. EFFECTIVE DATE.

This Ordinance shall take effect immediately upon its passage and approval and publication in accordance with and as provided by Texas law.

PASSED on first and only reading on the 8th day of September, 2020, as an ordinance related to the adoption of the City's annual budget and the setting of the tax rate at a properly scheduled meeting of the City Council of the City of Farmersville, Texas, there being a quorum present, and approved by the Mayor on the date set out below.

APPROVED this the 8th day of September, 2020.

Bryon Wiebold, Mayor

ATTEST:

Sandra Green, City Secretary

Agenda Section	Reading of Ordinances
Section Number	VII.D
Subject	Consider, discuss and act upon the first and only reading of Ordinance #O-2020-0908-004 adopting the General Obligation Bond Series 2012 annual budget for FY 2020-2021.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	O-2020-0908-004
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action

**CITY OF FARMERSVILLE
ORDINANCE #O-2020-0908-004**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, ADOPTING THE GENERAL OBLIGATION BOND SERIES 2012 ANNUAL BUDGET FOR THE CITY OF FARMERSVILLE, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021; PROVIDING FOR INTRA-DEPARTMENTAL TRANSFERS; REPEALING CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Manager has prepared and submitted a budget for the General Obligation Bond Series 2012 for filing with the City Secretary for the fiscal year beginning on October 1, 2020 and ending September 30, 2021 ("Proposed Budget") in accordance with Texas law; and

WHEREAS, the Proposed Budget has been made available for public review and discussion, and has been the subject of public hearings which were established, noticed and held as required by Texas law; and

WHEREAS, the City Council of the City of Farmersville after the public notices and public hearings required by law and upon due deliberation and consideration of the recommendation of the testimony and information submitted during said public hearings, has determined that, in the public's best interest and in support of the health, safety, morals, and general welfare of the citizens of the City, the Budget for the General Obligation Bond Series 2012 for the fiscal year beginning on October 1, 2020 and ending September 30, 2021 should be adopted;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS AS FOLLOWS:

SECTION 1. FINDINGS INCORPORATED.

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

SECTION 2. BUDGET FOR THE GENERAL OBLIGATION BOND SERIES 2012 APPROVED AND ADOPTED.

The attached Budget for the General Obligation Bond Series 2012, as presented by the City Manager and as amended at the City Council Budget Workshop, be approved and adopted for the fiscal year 2020-2021.

SECTION 3. 2020-2021 ANNUAL BUDGET APPROPRIATIONS.

The 2020-2021 Annual Budget for the General Obligation Bond Series 2012 is appropriated as follows:

EXPENDITURES

<u>PROJECTS</u>	<u>\$ 445,700</u>
TOTAL	\$ 445,700

SECTION 4. 2019-2020 ANNUAL BUDGET APPROPRIATIONS REVISED.

The Revised 2019-2020 Annual Budget for the General Obligation Bond Series 2012 is appropriated as follows:

EXPENDITURES

<u>PROJECTS</u>	<u>\$ 697,811</u>
TOTAL	\$ 697,811

SECTION 5. CITY MANAGER AUTHORIZED TO INVEST CERTAIN FUNDS.

The City Manager is hereby authorized to invest any funds not needed for current use, whether operating or bond, in accordance with the City's Investment Policy.

SECTION 6. CITY MANAGER AUTHORIZED TO MAKE FUND TRANSFERS.

The City Manager is hereby authorized to make intra-departmental transfers during the fiscal year as become necessary in order to avoid over-expenditure of particular accounts.

SECTION 7. REPEALER CLAUSE.

Any and all ordinances, resolutions, rules, regulations, policies, or provisions in conflict with the provisions of this Ordinance are hereby repealed and rescinded to the extent of the conflict herewith.

SECTION 8. SEVERABILITY CLAUSE.

Should any section, subsection, sentence, provision, clause or phrase be held to be invalid for any reason, such holding shall not render invalid any other section, subsection, sentence, provision, clause or phrase of this Ordinance and same are deemed severable for this purpose.

SECTION 9. EFFECTIVE DATE.

This Ordinance shall take effect immediately upon its passage and approval and publication in accordance with and as provided by Texas law.

PASSED on first and only reading on the 8th day of September, 2020, as an ordinance related to the adoption of the City's annual budget and the setting of the tax rate at a properly scheduled meeting of the City Council of the City of Farmersville, Texas, there being a quorum present, and approved by the Mayor on the date set out below.

APPROVED this the 8th day of September, 2020.

Bryon Wiebold, Mayor

ATTEST:

Sandra Green, City Secretary

Agenda Section	Reading of Ordinances
Section Number	VII.E
Subject	Consider, discuss and act upon the first and only reading of Ordinance #O-2020-0908-005 adopting the General Obligation Bond Series 2017 annual budget for FY 2020-2021.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	O-2020-0908-005
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action

**CITY OF FARMERSVILLE
ORDINANCE #O-2020-0908-005**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, ADOPTING THE GENERAL OBLIGATION BOND SERIES 2017 ANNUAL BUDGET FOR THE CITY OF FARMERSVILLE, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021; PROVIDING FOR INTRA-DEPARTMENTAL TRANSFERS; REPEALING CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Manager has prepared and submitted a budget for the General Obligation Bond Series 2017 for filing with the City Secretary for the fiscal year beginning on October 1, 2020 and ending September 30, 2021 ("Proposed Budget") in accordance with Texas law; and

WHEREAS, the Proposed Budget has been made available for public review and discussion, and has been the subject of public hearings which were established, noticed and held as required by Texas law; and

WHEREAS, the City Council of the City of Farmersville after the public notices and public hearings required by law and upon due deliberation and consideration of the recommendation of the testimony and information submitted during said public hearings, has determined that, in the public's best interest and in support of the health, safety, morals, and general welfare of the citizens of the City, the Budget for the General Obligation Bond Series 2017 for the fiscal year beginning on October 1, 2020 and ending September 30, 2021 should be adopted;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS AS FOLLOWS:

SECTION 1. FINDINGS INCORPORATED.

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

SECTION 2. BUDGET FOR THE GENERAL OBLIGATION BOND APPROVED AND ADOPTED.

The attached Budget for the General Obligation Bond, as presented by the City Manager and as amended at the City Council Budget Workshop, be approved and adopted for the fiscal year 2020-2021.

SECTION 3. 2020-2021 ANNUAL BUDGET APPROPRIATIONS.

The 2020-2021 Annual Budget for the General Obligation Bond is appropriated as follows:

EXPENDITURES

PROJECTS	\$1,060,448
TOTAL	\$1,060,448

SECTION 4. 2019-2020 ANNUAL BUDGET APPROPRIATIONS REVISED.

The Revised 2019-2020 Annual Budget for the General Obligation Bond is appropriated as follows:

EXPENDITURES

PROJECTS	\$ 1,094,594
TOTAL	\$ 1,094,594

SECTION 5. CITY MANAGER AUTHORIZED TO INVEST CERTAIN FUNDS.

The City Manager is hereby authorized to invest any funds not needed for current use, whether operating or bond, in accordance with the City's Investment Policy.

SECTION 6. CITY MANAGER AUTHORIZED TO MAKE FUND TRANSFERS.

The City Manager is hereby authorized to make intra-departmental transfers during the fiscal year as become necessary in order to avoid over-expenditure of particular accounts.

SECTION 7. REPEALER CLAUSE.

Any and all ordinances, resolutions, rules, regulations, policies, or provisions in conflict with the provisions of this Ordinance are hereby repealed and rescinded to the extent of the conflict herewith.

SECTION 8. SEVERABILITY CLAUSE.

Should any section, subsection, sentence, provision, clause or phrase be held to be invalid for any reason, such holding shall not render invalid any other section, subsection, sentence, provision, clause or phrase of this Ordinance and same are deemed severable for this purpose.

SECTION 9. EFFECTIVE DATE.

This Ordinance shall take effect immediately upon its passage and approval and publication in accordance with and as provided by Texas law.

PASSED on first and only reading on the 8th day of September, 2020, as an ordinance related to the adoption of the City's annual budget and the setting of the tax rate at a properly scheduled meeting of the City Council of the City of Farmersville, Texas, there being a quorum present, and approved by the Mayor on the date set out below.

APPROVED this the 8th day of September, 2020.

Bryon Wiebold, Mayor

ATTEST:

Sandra Green, City Secretary

Agenda Section	Reading of Ordinances
Section Number	VII.F
Subject	Consider, discuss and act upon the first and only reading of Ordinance #O-2020-0908-006 adopting the General Obligation Bond Series 2019 annual budget for FY 2020-2021.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	O-2020-0908-006
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action

**CITY OF FARMERSVILLE
ORDINANCE #O-2020-0908-006**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, ADOPTING THE GENERAL OBLIGATION BOND SERIES 2019 ANNUAL BUDGET FOR THE CITY OF FARMERSVILLE, TEXAS FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2020 AND ENDING SEPTEMBER 30, 2021; PROVIDING FOR INTRA-DEPARTMENTAL TRANSFERS; REPEALING CONFLICTING ORDINANCES; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Manager has prepared and submitted a budget for the General Obligation Bond Series 2019 for filing with the City Secretary for the fiscal year beginning on October 1, 2020 and ending September 30, 2021 ("Proposed Budget") in accordance with Texas law; and

WHEREAS, the Proposed Budget has been made available for public review and discussion, and has been the subject of public hearings which were established, noticed and held as required by Texas law; and

WHEREAS, the City Council of the City of Farmersville after the public notices and public hearings required by law and upon due deliberation and consideration of the recommendation of the testimony and information submitted during said public hearings, has determined that, in the public's best interest and in support of the health, safety, morals, and general welfare of the citizens of the City, the Budget for the General Obligation Bond Series 2019 for the fiscal year beginning on October 1, 2020 and ending September 30, 2021 should be adopted;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS AS FOLLOWS:

SECTION 1. FINDINGS INCORPORATED.

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

SECTION 2. BUDGET FOR THE GENERAL OBLIGATION BOND APPROVED AND ADOPTED.

The attached Budget for the General Obligation Bond, as presented by the City Manager and as amended at the City Council Budget Workshop, be approved and adopted for the fiscal year 2020-2021.

SECTION 3. 2020-2021 ANNUAL BUDGET APPROPRIATIONS.

The 2020-2021 Annual Budget for the General Obligation Bond is appropriated as follows:

EXPENDITURES

PROJECTS	\$ 1,663,054
TOTAL	\$ 1,663,054

SECTION 4. 2019-2020 ANNUAL BUDGET APPROPRIATIONS REVISED.

The Revised 2019-2020 Annual Budget for the General Obligation Bond is appropriated as follows:

EXPENDITURES

PROJECTS	\$ 123,182
TOTAL	\$ 123,182

SECTION 5. CITY MANAGER AUTHORIZED TO INVEST CERTAIN FUNDS.

The City Manager is hereby authorized to invest any funds not needed for current use, whether operating or bond, in accordance with the City's Investment Policy.

SECTION 6. CITY MANAGER AUTHORIZED TO MAKE FUND TRANSFERS.

The City Manager is hereby authorized to make intra-departmental transfers during the fiscal year as become necessary in order to avoid over-expenditure of particular accounts.

SECTION 7. REPEALER CLAUSE.

Any and all ordinances, resolutions, rules, regulations, policies, or provisions in conflict with the provisions of this Ordinance are hereby repealed and rescinded to the extent of the conflict herewith.

SECTION 8. SEVERABILITY CLAUSE.

Should any section, subsection, sentence, provision, clause or phrase be held to be invalid for any reason, such holding shall not render invalid any other section, subsection, sentence, provision, clause or phrase of this Ordinance and same are deemed severable for this purpose.

SECTION 9. EFFECTIVE DATE.

This Ordinance shall take effect immediately upon its passage and approval and publication in accordance with and as provided by Texas law.

PASSED on first and only reading on the 8th day of September, 2020, as an ordinance related to the adoption of the City's annual budget and the setting of the tax rate at a properly scheduled meeting of the City Council of the City of Farmersville, Texas, there being a quorum present, and approved by the Mayor on the date set out below.

APPROVED this the 8th day of September, 2020.

Bryon Wiebold, Mayor

ATTEST:

Sandra Green, City Secretary

Agenda Section	Reading of Ordinances
Section Number	VII.G
Subject	Consider, discuss, and act upon Ordinance #O-2020-0908-007 regarding Lakehaven Farmersville, LLC's petition requesting inclusion of land into the City of Farmersville's Extra Territorial Jurisdiction (ETJ).
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	O-2020-0908-007
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action

**CITY OF FARMERSVILLE
ORDINANCE # O-2020-0908-007**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS ACCEPTING A PETITION FOR THE INCLUSION OF CERTAIN CONTIGUOUS LAND INTO THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF FARMERSVILLE; PROVIDING FOR TERMS AND CONDITIONS REGARDING ACCEPTING SAID LAND INTO THE EXTRATERRITORIAL JURISDICTION OF THE CITY OF FARMERSVILLE; PROVIDING FOR THE FILING OF THIS ORDINANCE WITH THE COLLIN COUNTY CLERK AND THE UPDATING OF THE CITY'S OFFICIAL MAP TO REFLECT THE INCLUSION OF SAID LAND IN THE CITY OF FARMERSVILLE'S EXTRATERRITORIAL JURISDICTION; PROVIDING FOR A REPEALER CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; AND SETTING AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Lakehaven Farmersville, LLC. owns tracts of land containing a total amount of approximately 471.086 acres of land located in the Elijah B. Reed Survey, Abstract A-739 (collectively the "Lakehaven Property"); and

WHEREAS, the Lakehaven Property is contiguous to the extraterritorial jurisdiction ("ETJ") of the City of Farmersville, Texas ("City") with some areas of the Lakehaven Property being located within the City's ETJ and some areas of the Lakehaven Property being situated outside the City's ETJ; and

WHEREAS, Lakehaven Farmersville, LLC ("Owner"), desires to plat the entirety of the Lakehaven Property in accordance with the City's Subdivision Regulations; and

WHEREAS, the City of Farmersville, Texas ("City") has received a petition from the Owner of the Lakehaven Property that is attached hereto as Exhibit 1 and incorporated herein by reference for all purposes allowed by law executed on or about August 28, 2020 ("Petition"), requesting that the City include the entirety of the Lakehaven Property within the City's ETJ; and

WHEREAS, the City Council of the City of Farmersville, Texas ("City Council"), has reviewed the Petition, along with the condition set forth in the Petition that the City will agree not to annex the Lakehaven Property into the City's corporate limits for a period of five (5) years from the date that the Lakehaven Property is included in the City's ETJ, unless the Owner gives written consent for the City to annex the Lakehaven Property; and

WHEREAS, the City Council of the City of Farmersville, Texas finds that it is in the best interest of the public health, safety and welfare to annex the Lakehaven Property into the City's ETJ;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS THAT:

SECTION 1. INCORPORATION OF FINDINGS

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

SECTION 2. EXPANSION OF EXTRATERRITORIAL JURISDICTION

Pursuant to Texas Local Government Code Section 42.022(b), the City hereby accepts and incorporates the Lakehaven Property that is comprised of approximately 471.086 acres of land with the tracts being located in the Elijah B. Reed Survey, Abstract A-739, Collin County, Texas, as such tracts of land are more particularly described in that certain Warranty Deed with Vendor's Lien ("Deed") recorded at Clerk's Document No. 20190719000850840 in the Deed Records of Collin County, Texas, and which Deed is attached as Exhibit A to the Petition that is attached hereto as Exhibit 1, into and as part of the City's ETJ. The Lakehaven Property being annexed into the City's ETJ is also depicted in Exhibit 2 that is attached hereto and incorporated herein by reference for all purposes allowed by law.

SECTION 3. FIVE-YEAR LIMITATION ON ANNEXATION

Pursuant to Texas Local Government Code Section 212.172, the City hereby agrees that it will not annex the Lakehaven Property into the City's corporate limits for a period of five (5) years from the date that the Lakehaven Property is included in the City's ETJ, unless the owner of the Lakehaven Property gives written consent to the City to annex the Lakehaven Property into the City's corporate limits.

SECTION 4. FILING WITH THE COUNTY; MAP UPDATE

The City Secretary is hereby directed to file a certified copy of this Ordinance with the County Clerk of Collin County, Texas, together with a copy of the Petition, as required by Texas Local Government Code Section 212.172. City staff is also directed to update the official map of the City to reflect the expansion of the City's ETJ resulting from this Ordinance, as required by Texas Local Government Code Section 41.001(c).

SECTION 5. SEVERABILITY CLAUSE

It is not the intent of the City to include any territory within the City's ETJ that the City has no legal right to include, but to include only such additional territory as may be legally included within the City's ETJ and as described in the Petition. Should any part of the Lakehaven Property described in the Petition not be subject to the City's power to include said part of the Lakehaven Property within the City's ETJ, the City nevertheless expressly indicates its intent to include those portions of the Lakehaven Property within the City's ETJ for which the City has the legal authority. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance

shall remain in full force and effect. The City hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

SECTION 6. REPEALER CLAUSE

All ordinances of the City of Farmersville, Texas, in conflict with the provisions of this Ordinance shall be, and the same are hereby, repealed.

SECTION 7: EFFECTIVE DATE

This Ordinance shall take effect immediately from and after its passage and publication of the caption as required by law.

PASSED on the first and only reading of this Ordinance on the 8th day of September, 2020 at a properly noticed meeting of the City Council of the City of Farmersville, Texas, there being a quorum present, and approved by the Mayor on the date set out below.

APPROVED THIS 8th DAY OF SEPTEMBER, 2020.

APPROVED:

BY: _____
Bryon Wiebold, Mayor

ATTEST:

Sandra Green, City Secretary

EXHIBIT 1

**PETITION REQUESTING INCLUSION OF LAND INTO
THE CITY OF FARMERSVILLE'S EXTRATERRITORIAL JURISDICTION**

TO THE MAYOR AND CITY COUNCIL OF FARMERSVILLE, TEXAS:

I, Tommy N. Cansler, in my capacity as Owner of Lakehaven Farmersville, LLC, the owner of the real property conveyed to us in the Special Warranty Deed recorded on July and 19th of 2020, in the Collin County Real Property Records as Clerk's Document Number 20190719000850840, a true and correct copy of which is attached hereto as Exhibit A (hereinafter referred to as the ("Lakehaven Property"), which land is adjacent to and contiguous to the City of Farmersville's extraterritorial jurisdiction ("Farmersville's ETJ"), hereby submits this unconditional and irrevocable petition requesting, and consenting to, the inclusion of the Lakehaven Property into Farmersville's ETJ, as authorized by Texas Local Government Code Section 42.022(b) provided that the City agrees it will not annex the Lakehaven Property for a period of five (5) years from the date that the Lakehaven Property is included in Farmersville's ETJ, unless I or my successor-in-interest as owner of the Lakehaven Property gives written consent to the City of Farmersville to annex the Lakehaven Property.

I hereby certify that the Lakehaven Property is contiguous and adjacent to the City of Farmersville, Texas, and that this Petition Requesting Inclusion of Land into the City of Farmersville's Extraterritorial Jurisdiction is signed and duly acknowledged by each and every person having an interest in said land.

By: _____

Tommy N. Cansler
Property Owner

THE STATE OF TEXAS)(
COUNTY OF DALLAS)(

BEFORE ME, the undersigned authority, on this day personally appeared Tommy N. Cansler, in his capacity as Owner of Lakehaven Property, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purposes and consideration therein expressed.

Given under my hand and seal of office, this 28th day of August, 2020.



Notary Public in and for
Dallas County, Texas.

EXHIBIT A

Special Warranty Deed with Vendor's Lien
Recorded on July 19, 2019, in the
Collin County Real Property Records as Clerk's Document Number 20190719000850840

(Consisting of the following 14 pages.)

SPECIAL WARRANTY DEED WITH VENDOR'S LIEN

IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

SPECIAL WARRANTY DEED WITH VENDOR'S LIEN

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

Farmersville Investors, LP, a Texas limited partnership (hereinafter called "Grantor"), in consideration of the sum of TEN AND NO/100 (\$10.00) DOLLARS and other good and valuable consideration in hand paid by Lakehaven Farmersville, LLC, a Texas limited liability company, whose address is 4556 Knoll Ridge Drive, Aledo, Texas 76008 (hereinafter called "Grantee"), the receipt and sufficiency of which are hereby acknowledged and confessed, and the further consideration of the execution and delivery by Grantee of that one certain Promissory Note dated July 18, 2019 (the "Promissory Note") in the principal sum of \$7,000,000, payable to the order of Happy State Bank, a Texas banking association (the "Lender"), as therein specified, the payment of which Promissory Note is secured by the vendor's lien herein retained, and is additionally secured by a Deed of Trust, Security Agreement, Financing Statement, and Assignment of Rents of even date herewith (the "Deed of Trust") to PLA Services, Inc. as the trustee named therein for the benefit of the Lender, has GRANTED, BARGAINED, SOLD AND CONVEYED, and by these presents does hereby GRANT, BARGAIN, SELL and CONVEY unto Grantee, the real property located in Collin County, Texas which is more particularly described on Exhibit A attached hereto (the "Land"), together with (i) all improvements located thereon; (ii) any strips or gores between the Land and abutting properties; (iii) all rights, privileges and appurtenances pertaining thereto, including all right, title and interest of Grantor in any roads, alleys, rights-of-way and easements adjacent to or serving the Land; and (iv) one hundred percent (100%) of any and all development rights, licenses, permits, approvals, powers, privileges, options or other benefits associated with the Land, including (without limitation) all of the rights, title and interests in and to the Lakehaven Municipal Utility District (the "Lakehaven MUD") and one hundred percent (100%) of any reimbursements available from such Lakehaven MUD or from any other governmental or quasi-governmental agency (all of the foregoing collectively called the "Property"), subject to the terms and conditions set forth in this Special Warranty Deed with Vendor's Lien.

Grantor hereby reserves, and the Property does not include, the oil, gas, hydrocarbons and other minerals that are in, on or under the Land and that may be produced from it (the "Mineral Interests"); provided, however, that Grantor hereby waives all rights of access, ingress and egress over the surface of any of the Property for the purpose of mining, drilling, exploring, exploiting, producing, processing, transporting, marketing or developing the Mineral Interests or for any other reason, including, without limitation, any right to construct houses, pits, tanks, pipelines, compressors or similar structures on the Property; provided further, however, nothing herein shall prevent Grantor or its successors or assigns from exploring for, developing, and/or producing the Mineral Interests in and under the Property by pooling or by directional drilling, which enters or bottoms at least 500 feet under the surface of the Property, from well sites located on other property so long as such production activities for the Mineral Interests do not impair the lateral or subjacent support of the surface of the Property or any improvements thereon. The Mineral Interests to be excepted and reserved from the Property is subject to any valid, recorded oil and gas and other mineral lease or leases which cover the Mineral Interests, but covers and includes all delay rentals and royalties, and any other rights and payments due or to become due or which have been or may hereafter

be payable or paid under the terms of said lease or leases to the lessor therein, its successors and assigns, insofar as said lease or leases cover all or any part of the Property to be conveyed pursuant to this Special Warranty Deed with Vendor's Lien. Upon termination of any and/or all of such leases as to any of the Property described herein, the interest of said lessee, its successors and assigns, shall revert to the applicable party comprising Grantor, its successors and assigns and be subject to the surface waiver set forth herein.

This conveyance is made and accepted subject to the foregoing mineral reservation and to all items on Exhibit B attached hereto, to the extent same are valid and affect the Property (such matters being referred to as 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, its successors and assigns FOREVER, subject to the Permitted Exceptions, and, subject to the Permitted Exceptions, Grantor does hereby bind itself and its successors and assigns to WARRANT AND FOREVER DEFEND all and singular the Property unto Grantee, its 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.

BUT IT IS EXPRESSLY AGREED THAT the vendor's lien retained herein as well as superior title in and to the Property are retained against the Property and assigned, without recourse, representation or warranty, to Lender until the Promissory Note, and all interest thereon, and all sums secured by the lien of the Deed of Trust are fully paid according to the face, tenor, effect and reading thereof, when this Deed shall become absolute.

EXCEPT FOR THE WARRANTY OF TITLE CONTAINED IN THIS DEED AND EXCEPT AS EXPRESSLY SET FORTH IN THE REAL ESTATE CONTRACT DATED MARCH 6, 2019, BETWEEN GRANTOR, AS SELLER, AND GRANTEE, AS PURCHASER, FOR THE SALE AND PURCHASE OF THE PROPERTY, (A) THE PROPERTY IS SOLD BY GRANTOR AND PURCHASED AND ACCEPTED BY GRANTEE ON AN "AS IS," "WHERE IS" AND "WITH ALL FAULTS" BASIS, SUBJECT TO ANY CONDITION WHICH MAY EXIST, AND WITHOUT THE EXISTENCE OF AND WITHOUT RELIANCE UPON ANY REPRESENTATION, WARRANTY, AGREEMENT, OR STATEMENT BY GRANTOR, OR ANYONE ACTING ON BEHALF OF GRANTOR INCLUDING, WITHOUT LIMITATION, ANY BROKER, ENGINEER, ARCHITECT, ATTORNEY, SURVEYOR, APPRAISER, OR ENVIRONMENTAL CONSULTANT; (B) GRANTEE HAS THOROUGHLY INSPECTED AND EXAMINED THE PROPERTY TO THE EXTENT DEEMED NECESSARY BY GRANTEE IN ORDER TO ENABLE GRANTEE TO EVALUATE THE PURCHASE OF THE PROPERTY ON THE FOREGOING BASIS; (C) GRANTEE IS RELYING SOLELY UPON SUCH INSPECTIONS, EXAMINATION, AND EVALUATION OF THE PROPERTY BY GRANTEE IN PURCHASING THE PROPERTY ON AN "AS IS," "WHERE IS" AND "WITH ALL FAULTS" BASIS, WITHOUT REPRESENTATION, WARRANTY, AGREEMENT OR STATEMENT BY GRANTOR OR ANYONE ACTING ON BEHALF OF GRANTOR, EXPRESS OR IMPLIED, OF ANY KIND OR NATURE, OTHER THAN THE WARRANTY OF TITLE CONTAINED IN THIS DEED.

Real property ad valorem taxes and assessments having been prorated to the date hereof, Grantee hereby assumes and agrees to pay when due all such ad valorem property taxes and assessments for the year 2019 and subsequent years.

If the Property has been assessed for ad valorem real estate tax purposes at such rates (by exemption or otherwise) as would result in additional taxes or assessments being due in connection with the change in ownership of the Property or a change in the use of the Property for time periods prior to or after the date of this Deed, Grantee agrees to pay all such taxes and assessments, and Grantee indemnifies and agrees to

defend and hold Grantor harmless from any claim, expense or liability relating to such taxes or assessments.

Executed effective as of July 18, 2019

GRANTOR:

Farmersville Investors, LP,
a Texas limited partnership

By: Clearview Crown Partners, LP,
its limited partner

By: CCP GP, LLC, its general partner

By: [Signature]
Mike Starcher, President

By: Farmersville Investors GP, LLC,
a Texas limited liability company,
its general partner

By: [Signature]
Julian Hawes, Jr., Vice President

STATE OF TEXAS

COUNTY OF DALLAS

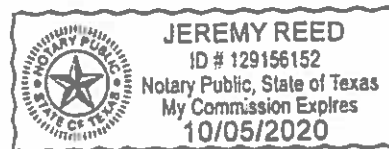
This instrument was acknowledged before me on the 18 day of July, 2019, by Mike Starcher, President of CCP GP, L.L.C, general partner of Clearview Crown Partners, L.P., limited partner of Farmersville Investors, LP, a Texas limited partnership, on behalf of said limited partnership.

[Signature]
Notary Public in and for the State of Texas

[SEAL]

STATE OF TEXAS

COUNTY OF DALLAS



This instrument was acknowledged before me on the 17 day of July, 2019, by Julian Hawes, Jr., Vice President of Farmersville Investors GP, LLC, a Texas limited liability company, general partner of Farmersville Investors, LP, a Texas limited partnership, on behalf of said limited partnership.

[Signature]
Notary Public in and for the State of Texas

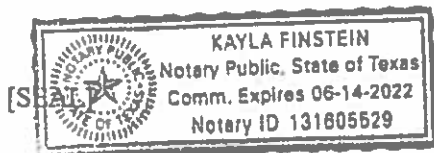


EXHIBIT A

PROPERTY

BEING 471.086 acres of land situated in the Elijah B. Reed Survey, Abstract No. 739, Collin County, Texas and being all of a called 471.016 acre tract of land described in a Deed to Farmersville Investors, LP, recorded as Instrument No. 20060324000384140 of the Deed Records of Collin County, Texas (DRCCT) and this tract being more particularly described as follows:

BEGINNING at a 3/8" iron rod found for corner at the northwest corner of said 471.016 acre tract common to the northeast corner of a called 7.483 acre tract of land described in a Deed to Owot E. Owot & wife, Inyang Owot, recorded as Instrument No. 201412030013173 (DRCCT) and the southeast corner of a called 17.326 acre tract of land described as Tract 1 in a Deed to James F. Holliman & Lellani Holliman, recorded in Volume 4623, Page 694 (DRCCT);

THENCE North 89°48'16" East, along the north line of said 471.016 acre tract, a distance of 3436.93 feet, to a point for corner at the northeast corner thereof and being in the west line of a called 6.727 acre tract described in a Deed to Jessica N. Sayre, recorded as Instrument No. 20180522000623970 (DRCCT), near the center of County Road 551, from which a 5/8" iron rod with a yellow cap, stamped "RPLS 3963" set for reference bears South 88°16'37" West a distance of 13.85 feet;

THENCE South 00°09'32" West, along a east line of said 471.016 acre tract and the west lines of said 6.727 acre tract, a called 79.862 acre tract described in a Deed to Cecilia M. Lafon, Trustee, a called 28.532 acre tract described in a Deed to Jack Hendricks, a 28.521 acre tract of land described in a Deed to Issa Ismail, and a tract of land described in a Deed to Ibrahim Alkam, recorded in Volume 5818, Page 1656 (DRCCT), Volume 2832, Page 917 (DRCCT), Volume 2832, 915 (DRCCT), and as Instrument No. 20140214000140310 (DRCCT), respectively, a distance of 2465.00 feet, to a 5/8" iron rod with a yellow cap found for an exterior ell corner of said 471.016 acre tract;

THENCE South 89°48'42" West, along a south line of said 471.016 acre tract common to a north line of said Alkam tract, a distance of 222.48 feet, to a 5/8" iron rod with a yellow cap found for at an interior ell corner of said 471.016 acre tract common to the northwest corner of said Alkam tract and being near the center of said County Road 551;

THENCE South 00°04'34" West, along and near a barbed wire fence and with an east line of said 471.016 acre tract common to the west lines of said Alkam tract and a called 33.183 acre tract described in a Deed to Frank H. Moore, Jr., recorded in Volume 5518, Page 3839 (DRCCT), a distance of 2193.72 feet, to a 1/2" iron rod found for corner at an interior ell corner of said 471.016 acre tract common to the southwest corner of said 33.183 acre tract;

THENCE North 87°58'19" East, along and near a barbed wire fence and with a north line of said 471.016 acre tract common to the south line of said 33.183 acre tract, a distance of 1897.42 feet, to a point for corner near the base of a 10" wooden fence post at the most eastern northeast corner of said 471.016 acre tract common to the northwest corner of a called 9.99 acre tract

described in a Deed to Frank H. Moore, Jr., recorded as Instrument No. 1997060400043989 (DRCCT);

THENCE South $01^{\circ}43'10''$ West, along the a east line of said 471.016 acre tract common to the west line of said 9.99 acre tract, a distance of 733.83 feet, to a $5/8''$ iron rod with a yellow cap, found for corner in the northwest right-of-way line of County Road 550 (a variable width right-of-way) at an exterior ell corner of said 471.016 acre tract common to the southwest corner of said 9.99 acre tract;

THENCE in a southwesterly direction along southeast lines of said 471.016 acre tract common to northwest right-of-way lines of said County Road 550, the following courses:

South $56^{\circ}44'16''$ West, a distance of 469.39 feet, to a $5/8''$ iron rod with a yellow cap, stamped "RPLS 3963" set for corner at the beginning of a non-tangent curve to the left, having a radius of 613.00 feet, and a chord which bears South $36^{\circ}40'45''$ West a distance of 371.46 feet;

In a southwesterly direction along said curve to the left, having a central angle of $35^{\circ}16'26''$, a distance of 377.39 feet, to a $5/8''$ iron rod with a yellow cap, stamped "RPLS 3963" set for corner;

South $18^{\circ}47'48''$ West, a distance of 408.47 feet, to a concrete monument with an aluminum disc found for corner at an exterior corner thereof common to the northeast corner of a called 13.17 acre tract of land described in a Deed to James A. Martin & Shirley J. Martin, recorded in Volume 1856, Page 567 (DRCCT);

THENCE along the common boundary lines of said 471.016 acre tract and said 13.17 acre tract, the following courses:

South $89^{\circ}35'38''$ West, a distance of 1000.06 feet, to a $5/8''$ iron rod found for corner;

North $21^{\circ}31'34''$ West, a distance of 400.47 feet, to a concrete monument with an aluminum disc found for corner;

South $01^{\circ}08'15''$ West, a distance of 500.06 feet, to a concrete monument with an aluminum disc found for corner;

South $50^{\circ}43'08''$ East, a distance of 1121.08 feet, to a $5/8''$ iron rod with a yellow cap found for corner at the most southern corner of said 13.17 acre tract;

THENCE South $69^{\circ}20'14''$ East, along a northeast line of said 471.016 acre tract, a distance of 9.91 feet, to a $5/8''$ iron rod with a yellow cap found for corner in the west right-of-way line of said County Road 550 at an exterior corner of said 471.016 acre tract;

THENCE in a southwesterly direction along southeast lines of said 471.016 acre tract common to northwest right-of-way lines of said County Road 550, the following courses:

South 18°45'13" West, a distance of 259.13 feet, to a 5/8" iron with a yellow cap, stamped "RPLS 3963" rod set for corner at the beginning of a non-tangent curve to the right, having a radius of 199.17 feet and a chord which bears South 54°34'56" West a distance of 232.53 feet;

In a southwesterly direction with said curve to the right, having a central angle of 71°25'45", an arc distance of 248.30 feet, to a 1/2" iron rod found for corner;

South 88°36'34" West, a distance of 99.99 feet, to a 5/8" iron with a yellow cap, stamped "RPLS 3963" rod set for corner;

South 84°27'33" West, a distance of 50.24 feet, to a 5/8" iron with a yellow cap, stamped "RPLS 3963" rod set for corner;

THENCE South 00°13'34" West, along an east line of said 471.016 acre tract, a distance of 25.00 feet, to a point for corner near the center of said County Road 550 at a lower exterior corner of said 471.016 acre tract;

THENCE North 89°31'26" West, along and near the center of said County Road 550 and with a south line of said 471.016 acre tract, a distance of 865.83 feet, to a P.K. Nail set for corner at the southwest corner of last mentioned tract common to the southeast corner of Elm Creek Estates Addition, an Addition to Collin County, Texas, recorded in Cabinet F, Page 580 of the Plat Records of Collin County, Texas (PRCCT);

THENCE North 01°13'37" West, along a west line of said 471.016 acre tract, a distance of 1957.32 feet, to a 1/2" iron rod found for corner at an angle point thereof;

THENCE North 02°52'33" West, along and near a barbed wire fence and with a west line of said 471.016 acre tract, a distance of 71.45 feet, to a point for corner at an interior ell corner of said 471.016 acre tract, from which a 1/2" iron rod found for reference at the northeast corner of said Elm Creek Estates Addition bears North 89°51'01" West a distance of 5.70 feet;

THENCE North 88°51'01" West, along and near a barbed wire fence and with a south line of said 471.016 acre tract and the north line of said Addition, a distance of 1067.24 feet, to a 1" iron pipe found inside a 2" iron pipe at an angle point thereof;

THENCE North 89°12'36" West, along and near a barbed wire fence and with a south line of said 471.016 acre tract common to the north line of said Elm Creek Estates and a tract of land described as Tract 4B in a Deed to Camille Reagan, recorded in Volume 5680, Page 2201 (DRCCT), a distance of 1093.04 feet, to a 5/8" iron rod with a yellow cap found for corner in an east line of a tract of land described in a Deed to James Reynolds Costabile, recorded as 20181116001419060 (DRCCT) at a southwest corner of said 471.016 acre tract;

THENCE North 00°14'57" East, along a west line of said 471.016 acre tract common to the east line of said Costabile tracts and a tract of land described as First Tract in a Deed to Patricia Jane Eaves, recorded in Volume 1483, Page 382 (DRCCT), a distance of 2980.76 feet, to a 3/8" iron

rod found at a common corner thereof near the center of said County Road 551;

THENCE South $89^{\circ}54'45''$ West, along and near the center of said County Road 551 and with a south line of said 471.016 acre tract common to the north line of said First Tract, a distance of 569.84 feet, to a $5/8''$ iron rod found for corner at an exterior ell corner of said 471.016 acre tract;

THENCE North $00^{\circ}02'50''$ West, along a west line of said 471.016 acre tract, a distance of 2464.53 feet, to THE POINT OF BEGINNING and containing 20,520,495 square feet, or 471.086 acres of land.

EXHIBIT B

PERMITTED EXCEPTIONS

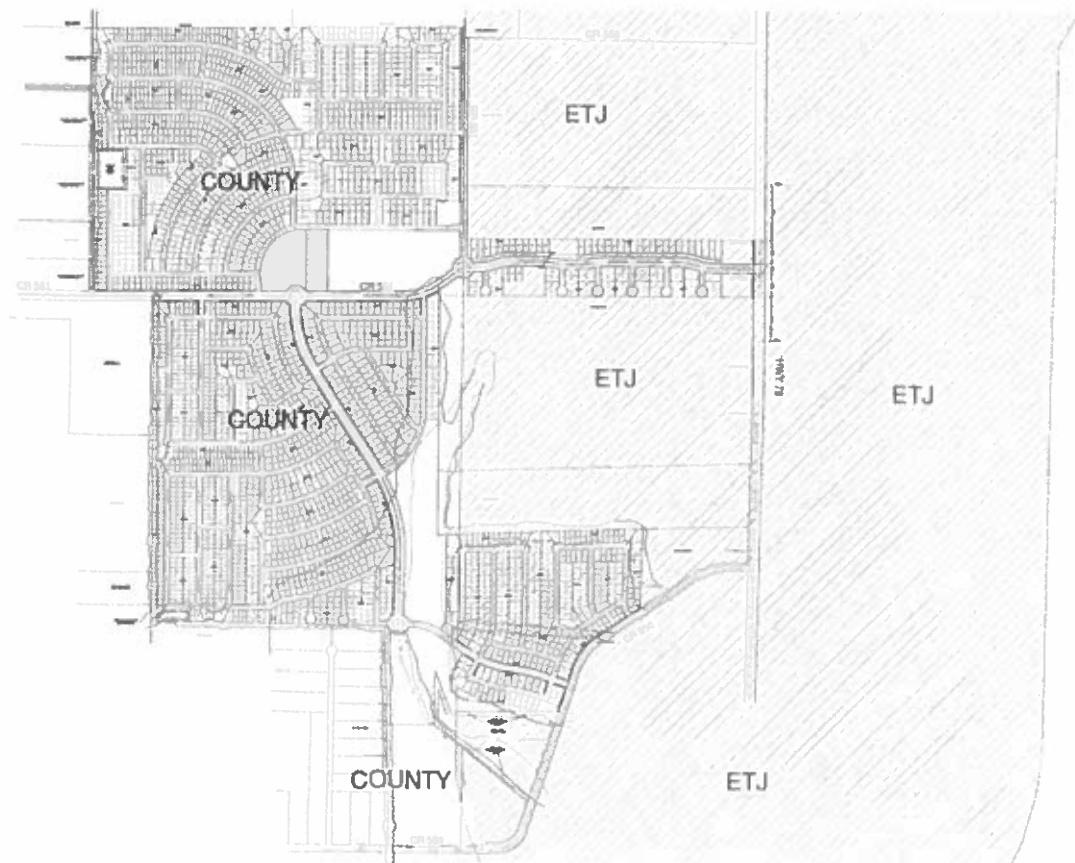
1. Terms, conditions, provisions, stipulations and obligations contained in Wastewater Regionalization Agreement, by and between North Texas Municipal Water District, the City of Farmersville, Texas and Farmersville Investors, LP, recorded April 3, 2009, as Clerk's File No. 20090403000388540, Real Property Records, Collin County, Texas.
2. Affidavit Regarding Certification of OSSF Requiring Maintenance recorded July 25, 2014, as Clerk's File No. 20140725000781630, Real Property Records, Collin County, Texas.
3. Terms, conditions, provisions, stipulations and obligations contained in Agreement Relating to Creation and Operation of Lakehaven Municipal Utility District, recorded October 17, 2013, as Clerks' File No. 20131017001430550, Real Property Records, Collin County, Texas.
4. Easement, right of way and or agreement by and between Farmersville Investors, LP, and Copeville Special Utility District, by Waterline Easement ad Right-Of-Way recorded October 6, 2014, as Clerks File No. 20141006001091760, Real Property Records, Collin County, Texas.
5. Caretaker Agreement dated July 1, 2017, by and between Farmersville Investors, LP and Robert Guinn.
6. Farming Lease Agreement dated January 1, 2009, by and between Farmersville Investors, LP and Raymon W. Montgomery.
7. Easement, right of way and or agreement by and between Farmersville Investors, L.P., and City of Farmersville, Texas, by Sanitary Sewer Easement recorded October 22, 2013, as Clerks' File No. 20131022001448090, Real Property Records, Collin County, Texas.
8. Easement, right of way and or agreement by and between Farmersville Investors, L.P., and City of Farmersville, Texas, by Right of Entry recorded October 22, 2013, as Clerks' File No. 20131022001448100, Real Property Records, Collin County, Texas.



Filed and Recorded
Official Public Records
Stacey Kemp, County Clerk
Collin County, TEXAS
07/19/2019 08:08:03 AM
\$54.00 DFOSTER
20190719000850840

Stacey Kemp

EXHIBIT 2



VIII. Regular Agenda

Agenda Section	Regular Agenda
Section Number	VIII.A
Subject	Consider, discuss and act upon Resolution #R-2020-0908-001 regarding a negotiated settlement between the Atmos Cities Steering Committee and the Atmos Energy Corp., Mid-Tex Division regarding the Company's 2020 rate review mechanism filing.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	<ol style="list-style-type: none"> 1. R-2020-0908-001 2. Model Staff Report 3. Model Staff Report Attachments
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	<ul style="list-style-type: none"> • City Council discussion as required
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action

**CITY OF FARMERSVILLE
RESOLUTION #R-2020-0908-001**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE ("ACSC") AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY'S 2020 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHED EXHIBIT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; APPROVING AN ATTACHED EXHIBIT REGARDING AMORTIZATION OF REGULATORY LIABILITY; REQUIRING THE COMPANY TO REIMBURSE ACSC'S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS RESOLUTION WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS RESOLUTION TO THE COMPANY AND THE ACSC'S LEGAL COUNSEL.

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

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

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

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

WHEREAS, on about March 31, 2020, Atmos Mid-Tex filed its 2020 RRM rate request with ACSC Cities based on a test year ending December 31, 2019; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2020 RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$90 million applicable to ACSC Cities with an Effective Date of December 1, 2020; and

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

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

WHEREAS, the two month delayed Effective Date from October 1 to December 1 will save ACSC ratepayers approximately \$9 million off new rates imposed by the attached tariffs (Exhibit A), the impact on ratepayers should approximate the reasonable value of the rate filing found by the ACSC Consultants' Report, which was \$81 million; and

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

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

WHEREAS, the settlement agreement establishes an amortization schedule for regulatory liability prepared by Atmos Mid-Tex (Exhibit C); and

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

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

Section 1. That the findings set forth in this Resolution are hereby in all things approved.

Section 2. That, without prejudice to future litigation of any issue identified by ACSC, the City Council finds that the settled amount of an increase in revenues of \$90 million for ACSC Cities represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2020 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

Section 3. That despite finding Atmos Mid-Tex's plant-in-service to be reasonable, ACSC is not foreclosed in future cases from evaluating the reasonableness of costs associated with incidents involving leaks of natural gas.

- Section 4.** That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Exhibit A, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$90 million from customers in ACSC Cities, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.
- Section 5.** That the ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Exhibit B, attached hereto and incorporated herein.
- Section 6.** That subject to any future settlement or decision regarding the balance of Excess Deferred Income Tax to be refunded to ratepayers, the amortization of regulatory liability shall be consistent with the schedule found in Exhibit C, attached hereto and incorporated herein.
- Section 7.** That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of the ACSC in processing the Company's 2020 RRM filing.
- Section 8.** That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Resolution, it is hereby repealed.
- Section 9.** That the meeting at which this Resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
- Section 10.** That if any one or more sections or clauses of this Resolution is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Resolution, and the remaining provisions of the Resolution shall be interpreted as if the offending section or clause never existed.
- Section 11.** That consistent with the City Ordinance that established the RRM process, this Resolution shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after December 1, 2020.
- Section 12.** That a copy of this Resolution shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Geoffrey Gay, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, ON THIS THE 8th DAY OF SEPTEMBER, 2020.

Bryon Wiebold, Mayor

ATTEST:

Sandra Green, City Secretary

APPROVED AS TO FORM:

Alan D. Lathrom, City Attorney

Exhibit A
to 2020 RRM Resolution

Mid-Tex Tariffs
Effective December 1, 2020

(Consisting of following 8 pages.)

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2020	PAGE:

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 20.25 per month
Rider CEE Surcharge	\$ 0.05 per month ¹
Total Customer Charge	\$ 20.30 per month
Commodity Charge – All Ccf	\$0.26651 per Ccf

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

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

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

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

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

Agreement

An Agreement for Gas Service may be required.

Notice

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

¹Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2020

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2020	PAGE:

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 54.50 per month
Rider CEE Surcharge	\$ 0.02 per month ¹
Total Customer Charge	\$ 54.52 per month
Commodity Charge – All Ccf	\$ 0.11728 per Ccf

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

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

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

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

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

Agreement

An Agreement for Gas Service may be required.

Notice

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

¹ Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2020.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2020	PAGE:

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 3,500 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 3,500 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 1,014.50 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.4157 per MMBtu
Next 3,500 MMBtu	\$ 0.3044 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0653 per MMBtu

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

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

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

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

Curtailment Overpull Fee

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

Replacement Index

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	I -- INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2020	PAGE:

Agreement

An Agreement for Gas Service may be required.

Notice

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

Special Conditions

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2020	PAGE:

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 1,014.50 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.4157 per MMBtu
Next 3,500 MMBtu	\$ 0.3044 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.0653 per MMBtu

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

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

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

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

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

Imbalance Fees

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

Monthly Imbalance Fees

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RRC Tariff No:

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2020	PAGE:

Curtailment Overpull Fee

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

Replacement Index

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

Agreement

A transportation agreement is required.

Notice

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

Special Conditions

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2020	PAGE:

Provisions for Adjustment

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

Computation of Weather Normalization Adjustment

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

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

Where

- i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification
- $WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf
- R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.
- HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class
- NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days
- ADD = billing cycle actual heating degree days.
- BL_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

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

$$WNA_j = WNAF_i \times q_i$$

Where q_i is the relevant sales quantity for the j th customer in i th rate schedule.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 12/01/2020	PAGE:

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	<u>Base use Ccf</u>	<u>Heat use Ccf/HDD</u>	<u>Base use Ccf</u>	<u>Heat use Ccf/HDD</u>
Abilene	10.73	0.1545	94.79	0.7284
Austin	9.53	0.1489	211.78	0.9405
Dallas	15.77	0.1792	199.74	0.9385
Waco	9.99	0.1341	145.27	0.7110
Wichita Falls	11.61	0.1402	120.34	0.5747

Weather Normalization Adjustment (WNA) Report

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

**Exhibit B
to 2020 RRM Resolution**

**Mid-Tex
2020 Benchmark for Pensions
And Retiree Benefits**

(Consisting of following 1 page.)

ATMOS ENERGY CORP., MID-TEX DIVISION
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2019

Line No.	Description	(a)		(b)		(c)		(d)		(e)		(f)		Adjustment Total (g)
		Shared Services		Mid-Tex Direct Supplemental		Post-Employment Benefit Plan		Pension Account Plan		Executive Benefit Plan		Post-Employment Benefit Plan		
		Pension Account Plan	Employment Benefit Plan	Pension Account Plan	Employment Benefit Plan	Pension Account Plan	Employment Benefit Plan	Pension Account Plan	Employment Benefit Plan	Pension Account Plan	Employment Benefit Plan	Pension Account Plan	Employment Benefit Plan	
1	Proposed Benefits Benchmark - Fiscal Year 2020 Willis Towers													
2	Watson Report as adjusted (1) (2) (3)													
3	Allocation to Mid-Tex	\$ 3,400,135	\$ 3,095,354	\$ 6,132,704	\$ 78.59%	\$ 280,578	\$ 100.00%	\$ 4,592,448	\$ 76.59%					
4	Proposed Benefits Benchmark Costs Allocated to Mid-Tex (Ln 1 x Ln 3)	\$ 1,487,774	\$ 1,590,605	\$ 4,697,072	\$ 100.00%	\$ 280,578	\$ 100.00%	\$ 3,823,744	\$ 100.00%					
5	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%		100.00%		100.00%						
6	Proposed Benefits Benchmark Costs to Approve (Ln 3 x Ln 4) (3)	\$ 1,487,774	\$ 1,590,605	\$ 4,697,072	\$ 100.00%	\$ 280,578	\$ 100.00%	\$ 3,823,744	\$ 100.00%					
7														
8	Summary of Costs to Approve (1):													
9														
10	O&M Expense Factor (WP_F-2.3, Ln 2)	70.55%	70.54%	37.83%		11.67%		37.83%						
11														
12														
13	Total Pension Account Plan	\$ 1,191,410	\$ 1,272,412	\$ 1,777,056		\$ 32,754	\$ 32,754	\$ 1,448,647	\$ 2,988,468					
14	Total Post-Employment Benefit Plan													
15	Total Supplemental Executive Benefit Plan													
16	Total (Ln 13 + Ln 14 + Ln 15)	\$ 1,191,410	\$ 1,272,412	\$ 1,777,056		\$ 32,754	\$ 32,754	\$ 1,448,647	\$ 2,719,000					

Exhibit C
to 2020 RRM Resolution

Mid-Tex 2020 Schedule for
Amortization for Regulatory Liability

(Consisting of following 1 page.)

**ATMOS ENERGY CORP., MID-TEX DIVISION
RATE BASE ADJUSTMENTS
TEST YEAR ENDING DECEMBER 31, 2019
AMORTIZATION OF REGULATORY LIABILITY**

Line No.	Year Ended Dec. 31	Beginning of Year Rate Base Adjustment Amount	Annual Amortization (1)	End of Year Rate Base Adjustment Amount (2)	Corrected Balance for December 31, 2017 (3)
	(a)	(b)	(c)	(d)	(e)
1	2017		\$ -	\$ 292,268,881	\$ 292,268,881
2	2018	292,268,881	12,075,562	280,193,319	
3	2019	280,193,319	12,085,185	268,108,155	
4	2020	268,108,155	11,171,173	256,936,982	
5	2021	256,936,982	11,171,173	245,765,809	
6	2022	245,765,809	11,171,173	234,594,635	
7	2023	234,594,635	11,171,173	223,423,462	
8	2024	223,423,462	11,171,173	212,252,289	
9	2025	212,252,289	11,171,173	201,081,116	
10	2026	201,081,116	11,171,173	189,909,943	
11	2027	189,909,943	11,171,173	178,738,770	
12	2028	178,738,770	11,171,173	167,567,597	
13	2029	167,567,597	11,171,173	156,396,424	
14	2030	156,396,424	11,171,173	145,225,251	
15	2031	145,225,251	11,171,173	134,054,077	
16	2032	134,054,077	11,171,173	122,882,904	
17	2033	122,882,904	11,171,173	111,711,731	
18	2034	111,711,731	11,171,173	100,540,558	
19	2035	100,540,558	11,171,173	89,369,385	
20	2036	89,369,385	11,171,173	78,198,212	
21	2037	78,198,212	11,171,173	67,027,039	
22	2038	67,027,039	11,171,173	55,855,866	
23	2039	55,855,866	11,171,173	44,684,692	
24	2040	44,684,692	11,171,173	33,513,519	
25	2041	33,513,519	11,171,173	22,342,346	
26	2042	22,342,346	11,171,173	11,171,173	
27	2043	11,171,173	11,171,173	(0)	
28					
29	Revenue Related Tax Factor		7.16%	See WP_F-5.1	
	Revenue Related Taxes on Annual			Amortization * Tax	
30	Amortization	\$	799,924	Factor	
31	Amortization Including Revenue	\$	11,971,097	Amortization + Taxes	
32					
33	Notes.				
34	1. The annual amortization of a 26 year recovery period is based on the				
35	Reverse South Georgia Method.				
36	2. The Regulatory Liability is recorded to FERC Account 253, Sub Account 27909.				
37	3. This is the final Mid-Tex liability balance filing the Fiscal Year 2018 tax return.				

August 17, 2020

MODEL STAFF REPORT

BACKGROUND AND SUMMARY

The City, along with 171 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division (“Atmos Mid-Tex” or “Company”), is a member of the Atmos Cities Steering Committee (“ACSC”). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism (“RRM”), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about March 31, 2020, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2019, entitled it to additional system-wide revenues of \$141.2 million. Application of the standards set forth in ACSC’s RRM Tariff required Atmos to reduce its request to \$136.3 million, \$98.7 million of which would be applicable to ACSC members. ACSC’s consultants concluded that the system-wide deficiency under the RRM regime should be \$111.5 million instead of the claimed \$136.3 million. The amount of the \$111.5 million deficiency applicable to ACSC members would be \$80.8 million.

After the Company reviewed ACSC’s consultants’ report, ACSC’s Executive Committee and the Company negotiated a settlement whereby the Company would receive an increase of \$90 million from ACSC Cities, but with a two-month delay in the Effective Date until December 1,

2020. This should save ratepayers approximately \$9 million such that the case is functionally equivalent to ACSC's consultants' recommendation of \$80.8 million.

The Executive Committee recommends a settlement at \$90 million. The Effective Date for new rates is December 1, 2020. ACSC members should take action approving the Resolution before November 1, 2020.

PROOF OF REVENUES

Atmos generated proof that the rate tariffs attached to the Resolution will generate \$90 million in additional revenues from ACSC Cities. That proof is attached as Attachment 1 to this Staff Report. ACSC consultants have agreed that Atmos' Proof of Revenues is accurate.

BILL IMPACT

The impact of the settlement on average residential rates is an increase of \$5.15 on a monthly basis, or 9.9 percent. The increase for average commercial usage will be \$15.48 or 6.56 percent. A bill impact comparison is attached as Attachment 2.

SUMMARY OF ACSC'S OBJECTION TO THE UTILITIES CODE SECTION 104.301 GRIP PROCESS

ACSC strongly opposed the GRIP process because it constitutes piecemeal ratemaking by ignoring declining expenses and increasing revenues while rewarding the Company for increasing capital investment on an annual basis. The GRIP process does not allow any review of the reasonableness of capital investment and does not allow cities to participate in the Railroad Commission's review of annual GRIP filings or allow recovery of Cities' rate case expenses. The Railroad Commission undertakes a mere administrative review of GRIP filings (instead of a full hearing) and rate increases go into effect without any material adjustments. In ACSC's view, the GRIP process unfairly raises customers' rates without any regulatory oversight. In contrast, the RRM process has allowed for a more comprehensive rate review and annual evaluation of expenses and revenues, as well as capital investment.

RRM SAVINGS OVER GRIP

While residents outside municipal limits must pay rates governed by GRIP, there are some cities served by Atmos Mid-Tex that chose to remain under GRIP rather than adopt RRM. Additionally, the City of Dallas adopted a variation of RRM which is referred to as DARR. When new rates become effective on December 1, 2020, ACSC residents will maintain a slight economic monthly advantage over GRIP and DARR rates. See Attachment 3.

EXPLANATION OF “BE IT RESOLVED” PARAGRAPHS:

1. This section approves all findings in the Resolution.
2. This section adopts the RRM rate tariffs and finds the adoption of the new rates to be just, reasonable, and in the public interest.
3. This section makes it clear that Cities may challenge future costs associated with gas leaks like the explosion in North Dallas or the evacuation in Georgetown.
4. This section finds that existing rates are unreasonable. Such finding is a necessary predicate to establishment of new rates. The new tariffs will permit Atmos Mid-Tex to recover an additional \$90 million from ACSC Cities.
5. This section approves an exhibit that establishes a benchmark for pensions and retiree medical benefits to be used in future rate cases or RRM filings.
6. This section approves an exhibit to be used in future rate cases or RRM filings regarding recovery of regulatory liabilities, such as excess deferred income taxes.
7. This section requires the Company to reimburse the City for expenses associated with review of the RRM filing, settlement discussions, and adoption of the Resolution approving new rate tariffs.
8. This section repeals any resolution or ordinance that is inconsistent with the Resolution.

9. This section finds that the meeting was conducted in compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.
10. This section is a savings clause, which provides that if any section is later found to be unconstitutional or invalid, that finding shall not affect, impair, or invalidate the remaining provisions of this Resolution. This section further directs that the remaining provisions of the Resolution are to be interpreted as if the offending section or clause never existed.
11. This section provides for an effective date upon passage. December 1, 2020 represents a two month delay in the Effective Date established by the RRM tariff.
12. This section directs that a copy of the signed Resolution be sent to a representative of the Company and legal counsel for ACSC.

CONCLUSION

The Legislature's GRIP process allowed gas utilities to receive annual rate increases associated with capital investments. The RRM process has proven to result in a more efficient and less costly (both from a consumer rate impact perspective and from a ratemaking perspective) than the GRIP process. Given Atmos Mid-Tex's claim that its historic cost of service should entitle it to recover \$141.2 million in additional system-wide revenues, the RRM settlement at \$90 million for ACSC Cities reflects substantial savings to ACSC Cities. ACSC's consultants produced a report indicating that Atmos had justified increased revenues for ACSC Cities of at least \$81 million. Settlement at \$90 million (equivalent to \$81 million with a two-month delay) is fair and reasonable. The ACSC Executive Committee consisting of city employees of 18 ACSC members urges all ACSC members to pass the Resolution before November 1, 2020. New rates become effective December 1, 2020.

**Attachment 1 to
Model Staff Report**

2020 RRM

Proof of Revenues

ATMOS ENERGY CORP., MID-TEX DIVISION
RRM CITIES RATE REVIEW MECHANISM
PROOF OF REVENUES - RRM CITIES
TEST YEAR ENDING DECEMBER 31, 2019

Line No.	Customer Class (a)	Current (b)	Proposed (c)	Bills (d)	Ctd/MmBlu (e)	Current Revenues (f)	Proposed Revenues (g)	Increase (h)
1	Residential							
2	Customer Charge	\$	19.55 \$	20.25	13,844,834	\$ 286,756,505	\$ 276,307,889	
3	Consumption Charge		0.17423	0.26551		106,017,561	162,189,202	
4	Revenue Related Taxes					26,692,882	31,397,617	
5	Total Class Revenue					\$ 399,466,948	\$ 469,874,708	\$ 70,407,760
6								
7	Commercial							
8	Customer Charge	\$	46.50 \$	54.50	1,115,081	\$ 51,851,267	\$ 60,771,915	
9	Consumption Charge		0.09924	0.11728		39,548,218	46,737,354	
10	Revenue Related Taxes					6,544,757	7,698,315	
11	Total Class Revenue					\$ 97,944,242	\$ 115,207,584	\$ 17,263,342
12								
13	Industrial & Transportation							
14	Customer Charge	\$	845.50 \$	1,014.50	7,272	\$ 6,148,476	\$ 7,377,444	
15	Consumption Charge Tier 1	\$	0.3572	0.4157		2,775,142	3,229,638	
16	Consumption Charge Tier 2	\$	0.2616	0.3044		2,267,050	2,637,959	
17	Consumption Charge Tier 3	\$	0.0561	0.0653		768,355	894,360	
18	Revenue Related Taxes					856,339	1,012,467	
19	Total Class Revenue					\$ 12,815,362	\$ 15,151,868	\$ 2,336,505
20								
21	Total Excluding Other Revenue							
22						\$ 510,226,552	\$ 600,234,159	\$ 90,007,608
23								
24	Revenue Related Tax Factor		71608%					

**Attachment 2
to 2020 RRM Staff Report**

Bill Impact

Line No.	Rate R @ 44.5 Ccf	Current	Proposed	Change
1	Customer charge	\$ 19.55		
2	Consumption charge	=		
3	Rider GCR Part A	=		
4	Rider GCR Part B	=		
5	Subtotal	\$ 48.53		
6	Rider FF & Rider TAX	=		
7	Total	\$ 52.01		
8				
9				
10	Customer charge		\$ 20.25	
11	Consumption charge		11.86	
12	Rider GCR Part A		7.90	
13	Rider GCR Part B		13.33	
14	Subtotal		\$ 53.34	
15	Rider FF & Rider TAX		3.82	
16	Total		\$ 57.16	\$ 5.15
17				9.90%
18				
19	Rate C @ 357.4 Ccf			
20	Customer charge	\$ 46.50		
21	Consumption charge	=		
22	Rider GCR Part A	=		
23	Rider GCR Part B	=		
24	Subtotal	\$ 220.30		
25	Rider FF & Rider TAX	=		
26	Total	\$ 15.77		
27				
28	Customer charge		\$ 54.50	
29	Consumption charge		41.91	
30	Rider GCR Part A		63.44	
31	Rider GCR Part B		74.89	
32	Subtotal		\$ 234.74	
33	Rider FF & Rider TAX		16.81	
34	Total		\$ 251.55	\$ 15.48
35				6.56%

**Attachment 3
to 2020 RRM Staff Report**

RRM Monthly Savings Over CRIP and DARR Rates

**ATMOS ENERGY CORP., MID-TEX DIVISION
RESIDENTIAL AVERAGE RATE COMPARISON
TEST YEAR ENDING DECEMBER 31, 2019**

	ACSC Settled	DARR Filing	ATM Filing	Environs Filing
Cust Charge	\$20.25	\$23.75	\$26.40	\$24.60
Monthly Ccf	44.5	44.5	44.5	44.5
Cons Charge	\$0.26651	\$0.19336	\$0.14846	\$0.18653
Average Mo Bill	\$32.11	\$32.35	\$33.01	\$32.90
		-\$0.24	-\$0.90	-\$0.79

Agenda Section	Regular Agenda
Section Number	VIII.B
Subject	Consider, discuss and act upon Resolution #R-2020-0908-002 regarding the eminent domain for Collin Parkway.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	R-2020-0908-002
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action

**CITY OF FARMERSVILLE
RESOLUTION #R-2020-0908-002**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FARMERSVILLE, TEXAS, DECLARING THE PUBLIC NECESSITY TO ACQUIRE A TOTAL OF APPROXIMATELY 0.054 ACRES OF LAND, AS MORE PARTICULARLY DEPICTED IN EXHIBIT A AND DESCRIBED IN EXHIBIT B ATTACHED HERETO, LOCATED IN THE NORTHWEST CORNER OF AUDIE MURPHY PARKWAY AND COLLIN PARKWAY, IN THE CITY OF FARMERSVILLE, COLLIN COUNTY, TEXAS, FOR THE COLLIN AND FARMERSVILLE PARKWAY STREET IMPROVEMENTS PROJECT; APPOINTING AN APPRAISER AND NEGOTIATOR AS NECESSARY; AUTHORIZING THE CITY MANAGER OF THE CITY OF FARMERSVILLE, TEXAS, TO ESTABLISH JUST COMPENSATION FOR THE PROPERTY RIGHTS TO BE ACQUIRED; AND AUTHORIZING THE CITY MANAGER TO TAKE ALL STEPS NECESSARY TO ACQUIRE THE NEEDED PROPERTY RIGHTS IN COMPLIANCE WITH ALL APPLICABLE LAWS AND RESOLUTIONS AND AUTHORIZING CITY MANAGER AND STAFF TO MAKE A BONA FIDE WRITTEN OFFER TO ACQUIRE SAID PROPERTY; AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE

WHEREAS, the City Council of the City of Farmersville, Texas, has determined that a public need and necessity exists to acquire approximately 0.054 acres of land, in fee simple, as depicted on *Exhibit A* and described on *Exhibit B* (the "Property"), for the improvement of Collin Parkway and Farmersville Parkway (also known as CR 610 and CR 611) ("Project"), which Project will convert the existing 2-lane asphalt street into a 4-lane divided concrete roadway with medians and turn lanes; and

WHEREAS, the City Council desires to acquire the Property for this governmental and public use in conjunction with the Project; and

WHEREAS, the City Council desires that the City Manager, or his designee, take all necessary steps to acquire the Property including, but not limited to, the retention of appraisers, engineers, and other consultants and experts; and that the City Attorney, or his designee, negotiate the purchase of the Property and, if unsuccessful in purchasing the Property, to institute condemnation proceedings to acquire the Property.

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

SECTION 1. All of the above premises are true and correct legislative and factual findings of the City Council, and they are hereby approved, ratified and incorporated into the body of this resolution as if copied in their entirety.

SECTION 2. The City Council hereby finds and determines that a public purpose and necessity exists for the City of Farmersville to acquire the Property for the Project.

SECTION 3. The City Manager, or his designee, is authorized and directed to negotiate for and to acquire the Property for the City of Farmersville, and to acquire said rights in compliance with State and Federal law. The City Manager is specifically authorized and directed to do each and every act necessary to acquire the Property including, but not limited to, the authority to negotiate, give notices, make written offers to purchase, and to designate a qualified appraiser of the property to be acquired when such appraisal is necessary, as well as any other experts or consultants that he deems necessary for the acquisition process and, if necessary, to institute proceedings in eminent domain.

SECTION 4. The City Manager, or any individual he may so designate, is appointed as negotiator for the acquisition of Property and, as such, the City Manager is authorized and directed to do each and every act and deed hereinabove specified or authorized by reference, subject to the availability of funds appropriated by the City Council for such purpose. The City Manager is specifically authorized to establish the just compensation for the acquisition of Property. If the City Manager, or his designee, determines that an agreement as to damages or compensation cannot be reached, then the City Attorney or his designee is hereby authorized and directed to file or cause to be filed, against the owners and interested parties of the needed property interests, proceedings in eminent domain to acquire the Property.

SECTION 5. This Resolution shall take effective immediately upon its passage.

DULY PASSED AND APPROVED, by the City Council of the City of Farmersville, Texas on this 8th day of September, 2020.

APPROVED:

Bryon Wiebold, Mayor

ATTEST:

Sandra Green, City Secretary

Exhibit A

Depiction of the
Property to Be Acquired

EXHIBIT A

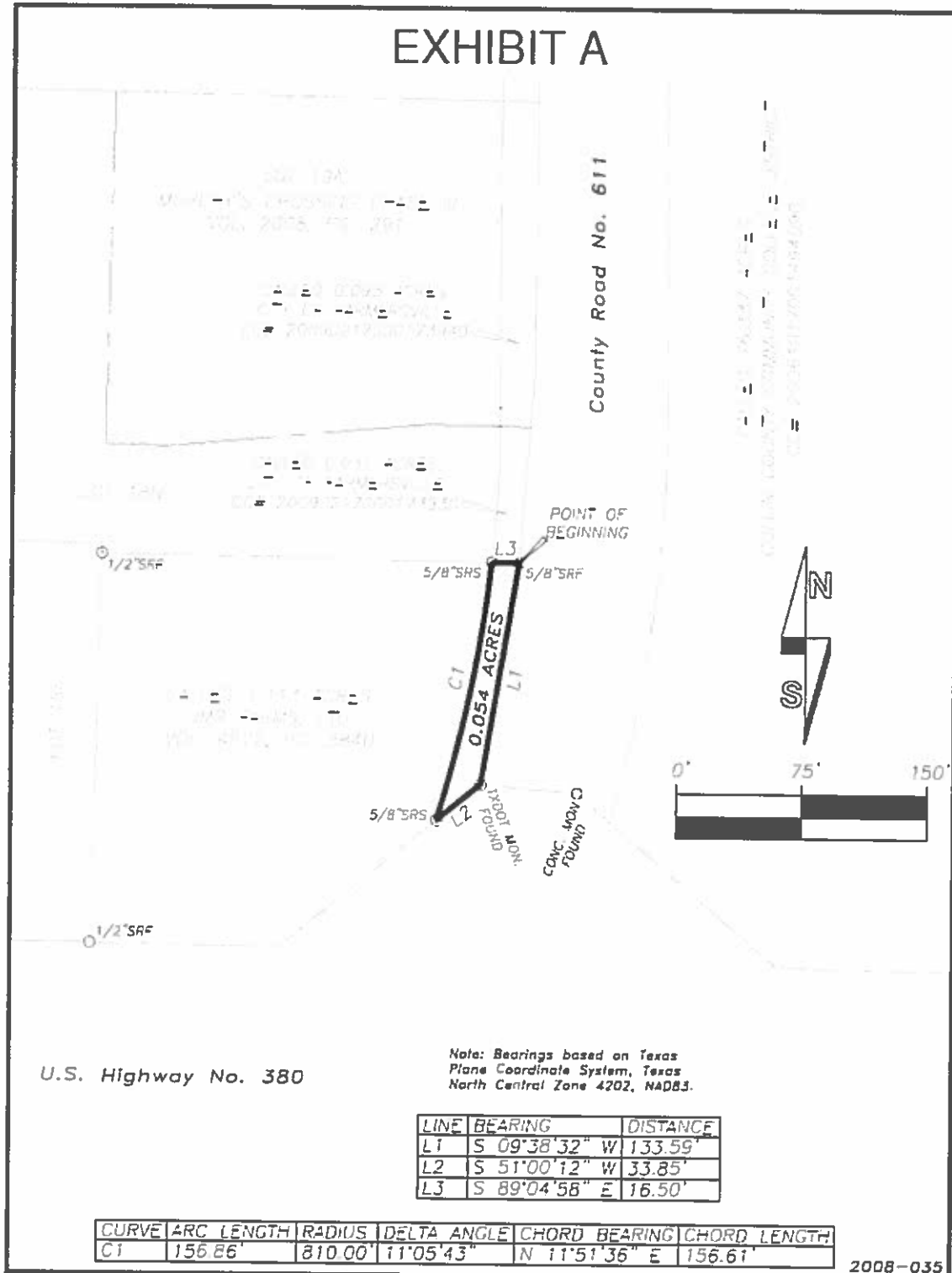


Exhibit B

Description of the Property to Be Acquired

EXHIBIT B

STATE OF TEXAS
COUNTY OF COLLIN

BEING all that tract of land in the City of Farmersville, Collin County, Texas, out of the W.B. Williams Survey, A-952, being part of that called 1.113 acres of land described in deed to JMR Farms, Ltd. as recorded in Volume 4572, Page 3840 of the Land Records of Collin County, Texas, and being further described as follows:

BEGINNING at a 5/8 inch steel rod found on the West line of County Road No. 611, at the Northeast corner of said 1.113 acres, and at the Southeast corner of that called 0.031 acres of land described in deed to the City of Farmersville as recorded under CC# 20090217000173930 of the Official Public Records of Collin County, Texas;

THENCE South 09 degrees 38 minutes 32 seconds West, 133.59 feet along the West line of said County Road No. 611 to a TxDot monument found at an angle point of a cutback on the North line of U.S. Highway No. 380;

THENCE South 51 degrees 00 minutes 12 seconds West, 33.85 feet along said cutback to a 5/8 inch steel rod set for corner, and at point of non-tangent curve;

THENCE Northeasterly, 156.86 feet along said curve to the left having a radius of 810.00 feet and a central angle of 11 degrees 05 minutes 43 seconds (Chord bears North 11 degrees 51 minutes 36 seconds East, 156.61 feet) to a 5/8 inch steel rod set on the North line of said 1.113 acres, and at the Southwest corner of said 0.031 acres;

THENCE South 89 degrees 04 minutes 58 seconds East, 16.50 feet along the South line of said 0.031 acres to the POINT OF BEGINNING, containing 0.054 acres of land.



Matthew Busby
Matthew Busby
R.P.L.S. No. 5751
September 2, 2020

2008-035

Agenda Section	Regular Agenda
Section Number	VIII.C
Subject	Consider, discuss and act upon approving the Economic Development Corporation proposed projects and budget for Fiscal Year 2020-2021.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	FEDC Budget
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to another agenda. _____ • No motion, no action

Farmersville Economic Development Corp 4A
"Exhibit A"

REVENUE	2019-2020 Budget	2019-2020 Revised Budget	2020-2021 Proposed Budget
Sales Tax	\$206,000.00	\$260,000.00	\$ 250,000.00
Interest Earned Independent Bank	\$100.00	\$100.00	\$ 100.00
Interest Earned Independent Bank CD	\$13,250.00	\$2,080.00	\$ 1,200.00
Loan Repayment		\$23,598.00	\$ 31,464.00
Interest Earned Texpool	\$24,000.00	\$10,050.00	\$ 1,200.00
Total Revenue:	\$243,350.00	\$295,828.00	\$283,964.00
Administration Expenses			
Administration	\$1,000.00	\$1,000.00	\$1,000.00
Meeting Expenses	\$1,000.00	\$1,000.00	\$1,000.00
Dues/School/Travel	\$5,200.00	\$5,200.00	\$5,200.00
Tex 21	\$2,500.00	\$2,500.00	\$2,500.00
Legal Services	\$2,500.00	\$2,500.00	\$2,500.00
Office Supplies	\$200.00	\$200.00	\$200.00
Total Administration Expenses	\$12,400.00	\$12,400.00	\$12,400.00
Marketing/Sponsorship/Adver.			
Marketing/Promotion Expenses/Adv	\$7,660.00	\$7,660.00	\$8,000.00
Website update	\$2,000.00	\$2,000.00	\$6,000.00
EDC Round Table	\$1,500.00	\$1,500.00	\$1,500.00
Chamber Sponsorship	\$1,000.00	\$1,000.00	\$1,000.00
Rotary Sponsorship	\$500.00	\$500.00	\$500.00
Collin College Sponsorship	\$7,500.00	\$7,500.00	\$7,500.00
Small Business Conference	\$500.00	\$500.00	\$500.00
Total Marketing Expenses:	\$20,660.00	\$20,660.00	\$25,000.00
Total Administration and Marketing Expenses	\$33,060.00	\$33,060.00	\$37,400.00
Development			
Collin College Project Electrical Dist (150k)	\$135,000.00	\$135,000.00	
Facade Grant Program	\$50,000.00	\$50,000.00	\$50,000.00
Electric Substation Loan (210k)	\$210,000.00	\$210,000.00	\$-
Planner Land Use Map/thoroughfare map	\$30,000.00	\$30,000.00	\$-
Impact Fee Study/Road improvement			
EDC Action Plan			\$20,000.00
Road for Collin College			\$244,000.00
Total Development Cost:	\$425,000.00	\$425,000.00	\$314,000.00
Business			
Life Line	\$5,000.00		
Total Business Cost:	\$5,000.00		
Total Expenditures	\$463,060.00	\$458,060.00	\$351,400.00
Revenue vs. Expenditures	\$(219,710.00)	\$(162,232.00)	\$(67,436.00)
From Reserves	\$219,710.00	\$162,232.00	\$ 67,436.00
Balance Budget			

Agenda Section	Regular Agenda
Section Number	VIII.D
Subject	Consider, discuss and act upon approving the Community Development Corporation proposed projects and budget for Fiscal Year 2020-2021.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	FCDC Budget
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action

FARMERSVILLE COMMUNITY DEVELOPMENT CORPORATION

Revenue	Adopted Budget FY 2019-2020	Revised 2019-2020	Proposed 2020-2021
Sales Tax Revenue	\$ 240,916	\$ 272,000	\$ 300,000
Interest	\$ 100	\$ 100	\$ 150
Total Revenues	\$ 241,016	\$ 272,100	\$ 300,150
Expenses			
Main Street Program			
Main Street Personnel & Supplies (PJ230)	\$ 89,364		
Personnel		\$ 42,827	\$ 85,000
Supplies/training/dues		\$ 3,500	\$ 10,000
Main Street Special Events (PJ260)*			\$ 500
Gazebo Restoration (PJ248)	\$ 10,000		\$ 10,000
Sounds System Monthly Subscription (PJ255)	\$ 7,000	\$ 7,000	\$ 500
Wayfaring Signs, AMP at Main (PJ247)*			
Best Center Fiber Optic (PJ229)			\$ 8,500
Benches and Trash Cans (PJ243)	\$ 10,000	\$ 10,000	
Total Main Street Program	\$ 116,364	\$ 63,327	\$ 114,500
Parks and Recreation			
Chaparral Trail Upgrade Project, MM 5.1 to MM 13.2 (PJ246)			\$ 100,000
Rambler Park Swing Sets (PJ249)	\$ 27,075	\$ 6,250	\$ 21,500
ADA Surfacing (PJJ244)			\$ 30,000
JW Spain Batting Cages (PJ250)	\$ 2,000	\$ -	\$ 2,000
Total Parks and Recreation	\$ 29,075	\$ 6,250	\$ 153,500
Museum			
Bain Honaker Gutter Covers and Window Repairs (PJ236)	\$ 5,300	\$ 5,300	\$ 5,100
Museum Repairs (PJ239)	\$ 10,000	\$ 10,000	\$ 10,000
FHM Annual Benefit (PJ240)	\$ 9,000	\$ 9,175	\$ 9,000
Total Museum	\$ 24,300	\$ 24,475	\$ 24,100
Civic Organizations			
CoC Events, Promotions, and Publications (PJ237)*	\$ 15,000	\$ 15,000	\$ 6,000
Coc Tourism, Infrastructure, and Job Retention (PJ259)			\$ 14,000
Rotary Club	\$ 4,031	\$ 4,031	
NETT Grant 2021 (PJ251)	\$ 5,000	\$ 5,000	\$ 5,000
IOOF Driveway (PJ256)			\$ 10,000
Quilt Guild	\$ 3,000		
Citizens Assisting Farmersville Police	\$ 260	\$ 100	
Total Civic Organizations	\$ 27,291	\$ 24,131	\$ 35,000

Revenue	Adopted Budget FY 2019-2020	Revised 2019-2020	Proposed 2020-2021
Special Events			
Sparks of Freedom (PJ238)*	\$ 6,500	\$ 6,500	\$ 3,250
Christmas Décor (PJ253)	\$ 10,000	\$ 8,755	\$ 15,000
Music in the Park 2021 (PJ245)*	\$ 3,000		\$ 3,000
National Night Out	\$ 1,177		\$ -
Cops & Rodders/National Night Out (PJ241)*	\$ 4,641		\$ 6,200
Total Special Events	\$ 25,318	\$ 15,255	\$ 27,450
FCDC Projects*			
Billboard Promotion (PJ252)*	\$ 10,000	\$ 12,300	\$ 8,400
Total FDCDC Projects	\$ 10,000	\$ 12,300	\$ 8,400
Maintenance/Professional Services/Marketing			
Reimburse City of Accounting Services	\$ 1,000	\$ 1,000	\$ 1,000
Legal Services		\$ 500	\$ 500
Mays building taxes	\$ 1,000	\$ 1,086	\$ 1,500
Total Maintenance/Prof. Svc./Marketing	\$ 2,000	\$ 2,586	\$ 3,000
Total Expenses	\$ 234,348	\$ 148,324	\$ 365,950
Revenue vs. Expenses	\$ 6,668	\$ 123,776	\$ (65,800)
(*) Promotional Items, proposed budget 2020-2021			

Total of Promotional/Marketing Items	\$ 27,350
Promotional/Marketing Items Percent of Budget	9.11

Agenda Section	Regular Agenda
Section Number	VIII.E
Subject	Consider, discuss and act upon approving the Tax Increment Refinancing Zone proposed projects and budget for Fiscal Year 2020-2021.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	TIRZ Budget
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action

TIRZ BOARD

REVENUE		2019-2020 Revised Budget			2020-2021 Proposed Budget		
Ad Valorem Tax Collection		\$345,000.00			\$425,043.00		
Interest Income cking		\$3,800.00			\$3,500.00		
Transfer to Texpool							
Transfer From Texpool							
Texpool Interest							
Total Revenue		\$348,800.00			\$428,543.00		
Expenses:							
Administration		\$2,000.00			\$2,000.00		
Meeting Expenses		\$2,000.00			\$2,000.00		
Dues/School/Travel		\$2,000.00			\$2,000.00		
Office Supplies							
Legal Service		\$7,500.00			\$7,500.00		
Debt Service							
Interest Payment		\$60,275.00			\$57,875.00		
Principal Payment		\$60,000.00			\$65,000.00		
Directive Business Incentives							
Waterline		\$207,159.00					
Texas A&M broadband study		\$12,500.00					
Welch Drive					\$225,000.00		
Transfer to General Fund (PJ261)					\$40,000.00		
Wayfair Signs (PJ247)		\$1,500.00					
Farmersville Parkway Project/with EDC					\$244,000.00		
Total Expenditures		\$354,934.00			\$645,375.00		
Revenue vs. Expenditures		\$(6,134.00)			\$(216,832.00)		
From Reserves		\$6,134.00			\$216,832.00		
Balance Budget		\$-					

TIF or TIRZ NAME	ENTITY CODE	2019 TIF or TIRZ Taxable Value, as of 7-24-2020, after Supp #23	Base Taxable Value to Exclude from TIF or TIRZ Captured Value	2019 Calculated TIF or TIRZ Captured Value	2020 Estimated Taxable Value (after allowing for protests)	Base TaxableValue to Exclude from TIF or TIRZ Captured Value, for 2020	2020 Estimated TIF or TIRZ Captured Value	2020 New Property Estimated Taxable Value (included in Taxable Value)
FARMERSVILLE TFC #1	TFC1	\$92,769,294	\$48,946,113	\$43,823,181	\$124,107,780	\$48,946,113	\$75,161,667	\$25,945,091

M&O Proposed rate $\$0.479241 \times 75,161,667 = \$36,020,552.45 / 100 = \$360,205$

County proposing a total tax rate of $\$0.172531 \times \$75,161,667 = \$12,967,717 / 100 = \$129,677. / 2 = \$64,838$

Agenda Section	Regular Agenda
Section Number	VIII.F
Subject	Consider, discuss and act upon a consulting agreement with Eddie Peacock, PLLC for financial management support.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	Contract
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action

City of Farmersville

Proposal to Provide Interim Support

July 18, 2020

Eddie Peacock, PLLC

Eddie Peacock, PLLC
102 Brookside Drive
Grapevine, Texas 76051

July 18, 2020

Daphne Hamlin
City of Farmersville

Dear Ms. Hamlin:

Thank you for inviting the firm of Eddie Peacock, PLLC to provide this proposal for professional services to the City of Farmersville. I have created the attached proposed scope of services based on the information you have provided and my understanding of your requirements.

This proposal serves as an engagement letter to clarify the scope of services and the responsibility of Edward B. Peacock in this effort.

You will note that my services extend only to providing interim staff support and training services, from financial information provided to me by the City of Farmersville. I do not provide any auditing on these amounts or any assurances or opinions on the financial information. I will rely on the City of Farmersville for the accuracy of information provided.

The attached proposal is submitted for your review.

Sincerely,

A handwritten signature in black ink that reads "Edward B. Peacock". The signature is written in a cursive style with a large, stylized 'E' and 'P'.

Edward B. Peacock, CPA
Fiscal Consultant

CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT is made and entered into as of this _____, 2020, by and between the City of Farmersville, Texas ("Client") and Eddie Peacock, PLLC, with offices at 102 Brookside Drive, Grapevine, Texas 76051.

WHEREAS, EDDIE PEACOCK, PLLC is in the business as a consultant to local government regarding financial management support, including fiscal, administrative, and technology matters;

WHEREAS, Client desires to engage EDDIE PEACOCK, PLLC for a project relating to the above mentioned and other areas of expertise;

NOW, THEREFORE, in consideration of the promises and mutual agreements herein, Client and EDDIE PEACOCK, PLLC agree as follows:

1. EDDIE PEACOCK, PLLC's Engagement

- (a) Client hereby engages EDDIE PEACOCK, PLLC and EDDIE PEACOCK, PLLC and Client agree that this engagement is fully described and will be carried out in accordance with the terms and conditions contained within Appendix "A" (attached), and hereby made a part of this document by reference.
- (b) EDDIE PEACOCK, PLLC shall undertake and accomplish the Engagement with standards acceptable to Client. In carrying out the Engagement, EDDIE PEACOCK, PLLC shall maintain liaison with the City Secretary or such other employee of Client as Client may designate.

2. Scope of Engagement and Fees

- (a) EDDIE PEACOCK, PLLC services will generally fall within those required to provide staff support and training. The productivity of the EDDIE PEACOCK, PLLC personnel will be reliant on Client staff's efficient use of resources and management of priorities and projects. On site days to be scheduled at the request of the Finance Director and subject to the availability of EDDIE PEACOCK, PLLC.
- (b) The work may be on site or in consultation via remote connection, phone, fax or email. At the conclusion of the term, EDDIE PEACOCK, PLLC will provide options for the City to extend or renew this agreement. The fees will be charged per the following schedule:

Eddie Peacock: \$120/ hour (6 hours minimum per on-site visit), plus round-trip mileage at the current IRS rate.

- (c) Clerical services provided by the firm of Edward B. Peacock CPA and not performed by Edward B. Peacock shall bill at the rate of Sixty-Five Dollars (\$65.00) per hour, plus round-trip mileage at the current IRS rate. Edward B. Peacock shall provide Client with an accurate accounting of time spent on the project, either on site or otherwise.

To meet the anticipated needs of the Client, Eddie Peacock, PLLC estimates to spend no more than the following time over the designated period:

Edward B. Peacock: 96 hours

The total compensation to EDDIE PEACOCK, PLLC is estimated not to exceed \$12,000, unless additional time is charged due to acts, requests, or demands by Client. Client shall pay to EDDIE PEACOCK, PLLC a fee based upon actual billed hours.

The City will be invoiced weekly for the hours worked; with payment terms due within ten (10) days of receipt.

3. Independent Contractor Status

EDDIE PEACOCK, PLLC shall be an independent contractor and EDDIE PEACOCK, PLLC acknowledges, and confirms to client, its status as that of an independent contractor. Nothing herein shall be deemed or construed to create a joint venture, partnership, agency or employee/employer relationship between the parties for any purpose, including but not limited to taxes or employee benefits. EDDIE PEACOCK, PLLC will be solely responsible for payment of any and all taxes and insurance. EDDIE PEACOCK, PLLC will submit to Client upon request, evidence of compliance with the provisions of this paragraph in a form and manner satisfactory to Client.

4. Power to Act on Behalf of Client

EDDIE PEACOCK, PLLC shall not have any right, power or authority to create any obligation, express or implied, or make representation on behalf of Client except as EDDIE PEACOCK, PLLC may be expressly authorized in advance in writing from time to time by Client and then only to the extent of such authorization.

5. Payment

Client shall pay to EDDIE PEACOCK, PLLC a fee based upon actual billed hours, unless otherwise specified in this document, based upon the rates identified in Section 2(b) above. EDDIE PEACOCK, PLLC will submit an invoice on a weekly basis. Payment is due no more than 10 days following the date the invoice is submitted by EDDIE PEACOCK, PLLC to Client.

6. Expenses

EDDIE PEACOCK, PLLC will be responsible for all out-of-pocket expenses, except for out of town travel (airfares, hotel, rental car, and meals), which will be reimbursed at actual cost, as provided by receipts and other evidence provided to Client by EDDIE PEACOCK, PLLC. EDDIE PEACOCK, PLLC shall not incur such expenses without the express approval, in advance, of Client.

7. EDDIE PEACOCK, PLLC's Covenants

EDDIE PEACOCK, PLLC covenants to Client as follows:

- (a) EDDIE PEACOCK, PLLC will comply at all times with all applicable laws and regulations of any jurisdiction in which EDDIE PEACOCK, PLLC acts;
- (b) EDDIE PEACOCK, PLLC will comply with all applicable policies and standards and shall carry out the Project in a manner consistent with the ethical and professional standards of Client;
- (c) EDDIE PEACOCK, PLLC will comply at all times with all security provisions in effect from time to time at Client's premises, with respect to access to premises, and all materials belonging to Client;
- (d) EDDIE PEACOCK, PLLC shall not use Client's name in any promotional materials or other communications with third parties without Client's prior consent; and
- (e) EDDIE PEACOCK, PLLC is legally authorized to engage in business in the United States and will provide Client satisfactory evidence of such authority upon request.

8. Confidentiality

During the course of carrying out the Project, EDDIE PEACOCK, PLLC may have access to Confidential Information that relates to Client's past, present, or future. In connection therewith, the following subsections shall apply:

- (a) The Confidential Information may be used by EDDIE PEACOCK, PLLC only to assist EDDIE PEACOCK, PLLC in connection with the Project;
- (b) EDDIE PEACOCK, PLLC will protect the confidentiality of the Confidential Information in the same manner that EDDIE PEACOCK, PLLC protects its own confidential information of like kind. Access to the Confidential Information shall be restricted to EDDIE PEACOCK, PLLC and Client's personnel and EDDIE PEACOCK, PLLC shall not disclose Confidential Information to any third party;
- (c) The Confidential Information may not be copied or reproduced without Client's prior written consent;

- (d) Unless otherwise expressly authorized in writing by Client, all Confidential Information made available to EDDIE PEACOCK, PLLC, including copies thereof, shall be returned to Client upon the first to occur of (i) termination of this Agreement or (ii) request by Client; and
- (e) Nothing in this Agreement shall prohibit or limit EDDIE PEACOCK, PLLC's use of information (including, but not limited to, ideas, concepts, know-how, techniques, and methodology) (i) previously known to it, (ii) independently developed by it, (iii) acquired by it from a third party which is not, to EDDIE PEACOCK, PLLC's knowledge, under an obligation to Client not to disclose such information, or (iv) which is or becomes publicly available through no breach by EDDIE PEACOCK, PLLC of this Agreement.
- (f) Due to the EDDIE PEACOCK, PLLC's access to Confidential Information, Client reserves the right to request a background report, should Client deem such report to be necessary.

9. Ownership

All materials prepared by EDDIE PEACOCK, PLLC for Client pursuant to this Agreement shall be owned exclusively by Client and EDDIE PEACOCK, PLLC hereby assigns to Client all rights in such materials and copyrights therein

10. Indemnification

EDDIE PEACOCK, PLLC and Client, to the extent allowed by Texas law, shall indemnify and hold each other, their employees and agents, harmless from and against any claims, demands, loss, damage or expense (i) related to bodily injury or death of any person or damage to property resulting from the negligent or willful acts or omissions of each other, (ii) resulting from any claim that EDDIE PEACOCK, PLLC is not an independent contractor, (iii) incurred by Client based on any claim that any deliverable or other materials delivered under this Agreement or use thereof by Client infringes any copyright, trade secret or other proprietary right of any third party or (iv) resulting from a breach by EDDIE PEACOCK, PLLC of the covenants under Section 7.

11. Term

This Agreement shall be effective as of _____, 2020 and shall terminate on December 31, 2020, unless the term hereof is extended pursuant to express written agreement of the parties or unless previously terminated as provided in Section 12 below.

12. Termination

- (a) Client may, upon giving fourteen (14) days' written notice identifying specifically the basis for such notice, terminate this Agreement for breach of a material term or

condition of this Agreement, provided EDDIE PEACOCK, PLLC shall not have cured such breach within the fourteen (14) day period.

- (b) In the event unsatisfactory results to the inquiry referred to in paragraph (f) of Section 7 are received, Client may terminate this Agreement without notice.
- (c) Either party may at any time terminate this Agreement upon giving thirty (30) days' written notice to the other party.
- (d) In the event this Agreement is terminated, EDDIE PEACOCK, PLLC shall be entitled to payment of all fees, as provided in Sections 4 and 5 respectively, incurred prior to the effective date of such termination.
- (e) Upon termination of this Agreement for any reason, EDDIE PEACOCK, PLLC will cease all activity on the Engagement and shall promptly provide to Client, without cost to Client, all work product and files developed by EDDIE PEACOCK, PLLC under this Agreement and all materials provided to EDDIE PEACOCK, PLLC by Client in connection with this Agreement.

13. Priority of this Agreement

This Agreement sets forth the entire intent and understanding of the parties hereto on the subject matter hereof and supersedes any other agreements or understandings. It may be amended only by a writing duly signed by both of the parties hereto.

14. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

15. Conflict of Interest

CONSULTANT covenants and agrees that CONSULTANT and its associates and employees will have no interest, and will acquire no interest, either direct or indirect, which will conflict in any manner with the performance of the services called for under this Contract. All activities, investigations and other efforts made by CONSULTANT pursuant to this Contract will be conducted by employees, associates or subcontractors of CONSULTANT.

In addition, to the extent that this Contract (a) must be approved by the CITY's governing body before it may be signed or (b) has a value of \$1,000,000, or more, CONSULTANT shall comply with the requirements of Texas Government Code § 2252.908 by completing and submitting Form 1295 to the Texas Ethics Commission ("Commission") at the time CONSULTANT submits this signed Contract to CITY, and as follows:

Form 1295 Filing Process: The Commission has made available on its website a new filing application that must be used to file Form 1295. The CONSULTANT must use the application to enter the required information on Form 1295 and print a copy of the completed form, which will include a certification of filing that will contain a unique certification number. An authorized agent of the CONSULTANT must sign the printed copy of the form and complete the "unsworn declaration" which includes, among other things, the date of birth and address of the authorized representative signing the form. The completed Form 1295 with the certification of filing must be filed with the CITY.

The CITY must notify the Commission, using the Commission's filing application, of the receipt of the filed Form 1295 with the certification of filing not later than the 30th day after the date the Contract binds all parties to the Contract. The Commission will post the completed Form 1295 to its website within seven business days after receiving notice from the CITY.

Form 1295 Availability: Certificate of Interested Parties Form is available from the Texas Ethics Commission website at the following address:

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

For questions regarding and assistance in filling out Form 1295, please contact the Texas Ethics Commission at 512-463-5800.

16. No Boycotting of Israel

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

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first below written.

City of Farmersville, Texas

Eddie Peacock, PLLC

By: _____

By: *Eduard B. Peacock*

Date: _____

Date: August 1, 2020

Agenda Section	Regular Agenda
Section Number	VIII.G
Subject	Consider, discuss and act upon accepting the conveyance of approximately 8.1 miles of the Northeast Texas Trail extending in a northern direction from the current end of the City's Chaparral Trail.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	Quit Claim Deed
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action

AFTER RECORDING, RETURN TO:

City Manager
City of Farmersville
205 S. Main Street
Farmersville, Texas 75442

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM THIS INSTRUMENT BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER

QUITCLAIM DEED WITH RIGHT OF REVERTER

(Prepared without benefit of title examination)

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

KNOW ALL MEN BY THESE PRESENTS:

That the **CHAPARRAL RAILS TO TRAILS, INC.**, a Texas corporation ("Grantor"), whether one or more, for and in consideration of the sum of TEN AND NO/100 DOLLARS (\$10.00) cash in hand to Grantor paid by **CITY OF FARMERSVILLE**, a Texas municipal corporation ("Grantee"), the receipt of which is hereby acknowledged, has QUITCLAIMED, and by these presents does hereby QUITCLAIM unto the said Grantee all of Grantor's right, title, and interest in and to the following described real estate situated in Hunt County, Texas, being a variable width strip of land along either side of the centerline of the railroad right-of-way, ranging from approximately fifty-foot (50') wide to one hundred-foot (100') wide, deeded to it between the northern boundary line of the City of Farmersville, Texas, and the southern boundary line of the City of Celeste, Texas, as more particularly depicted on Sheets 12 through 15 of 31 to the A.T. & S.F. Ry. Co. Right Of Way and Track Map, Northern Division, Paris Subdivision, M.P. 94 to M.P. 106, attached hereto as Exhibits A through D, and incorporated herein by reference for all purposes allowed by law (the "Property").

That this conveyance is subject to: (i) any and all mineral reservations, restrictions, covenants, conditions and easements, if any, relating to the above-described property, but only to the extent that they are still in effect and shown of record in Hunt County, Texas; and (ii) all zoning law regulations and ordinances of municipal and/or other governmental authorities, if any, but only to the extent that they are still in effect and relate to the above-described Property; and (iii) the rights of reverter set forth in Exhibit E attached hereto and incorporated herein by reference.

That the Grantee shall HAVE AND HOLD all its right, title and interest to the above-described premises unto the said Grantee, Grantee's heirs, executors, administrators and assigns forever subject to Grantor's rights of reverter set out in Exhibit E.

WITNESS THE GRANTOR'S HAND **EFFECTIVE** as of the __ day of _____, 2020.

CHAPARRAL RAILS TO TRAILS, INC.,
a Texas corporation

By: _____
R. E. MUDIE
President

STATE OF TEXAS §
COUNTY OF COLLIN §

This instrument was acknowledged before me on the _____ day of _____, 2020, by R. E. MUDIE, as President of the **CHAPARRAL RAILS TO TRAILS, INC.**, a Texas corporation, on behalf of said corporation.

Notary Public, State of Texas

ACCEPTED:

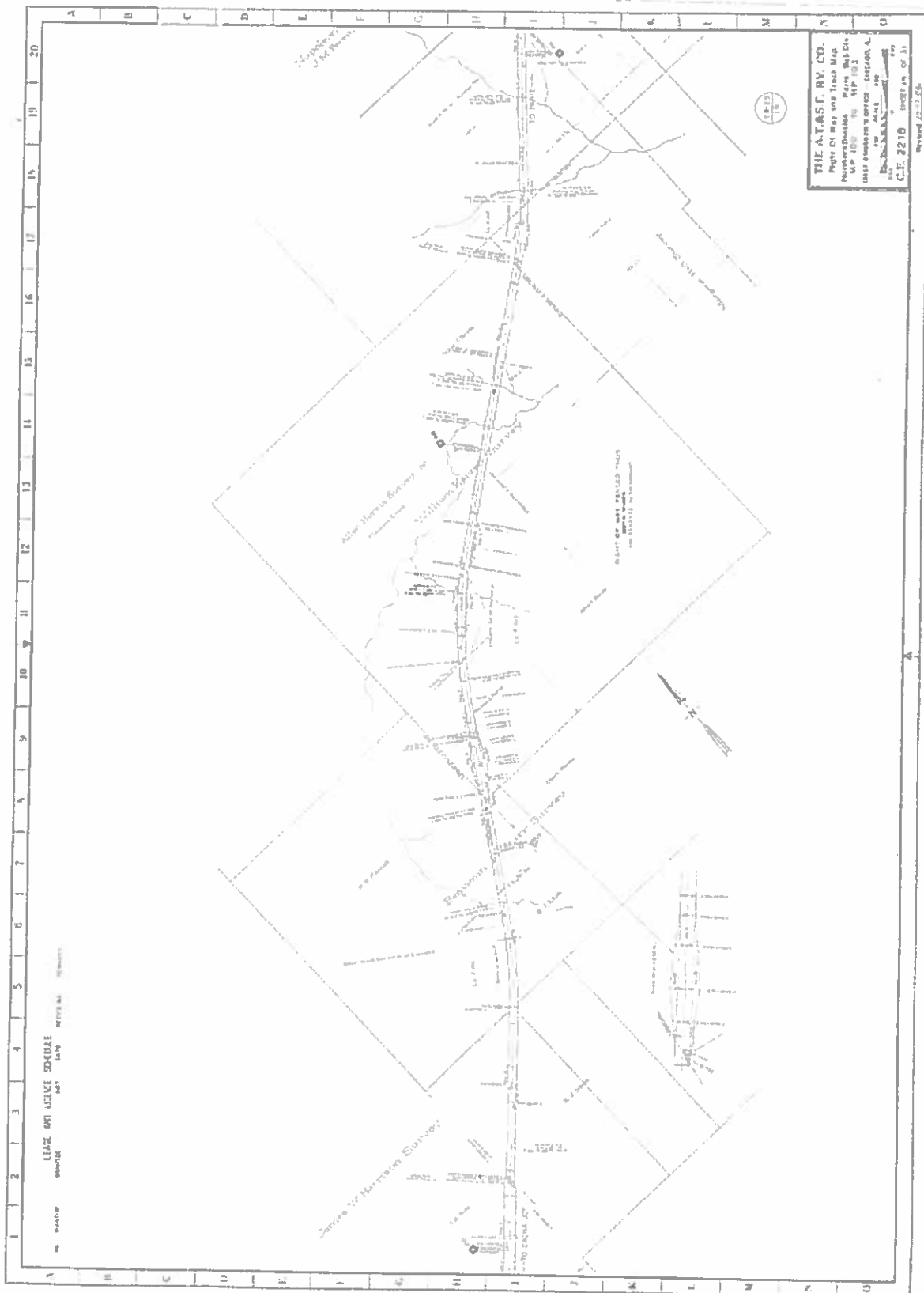
CITY OF FARMERSVILLE, TEXAS
a Texas municipal corporation

By: _____
BRYON WIEBOLD
Mayor

THE A.T.S.F. RY. CO.
 Map of West and Trest Map
 Northern Division
 Map No. 94
 One section 36 sq. miles
 C.L. 2218
 Sheet 16 of 2

[illegible]

EXHIBIT C



[illegible]

EXHIBIT E

1. The Property is subject to a restrictive covenant and right of reverter that obligates Grantee to commence and complete the installation of an approximately eight-foot (8') wide trail ("Trail") along and within the full length of the Property on or before the expiration of seven (7) years from the date of the Deed (the "Completion Date"). The Trail may be installed in sections of such length as may be determined in the sole discretion of the Grantee. The full width of each section of the Trail being so installed may be surfaced with either of the following materials:

- a. Decomposed granite, approximately four inches (4") thick with hardener; and/or,
- b. Concrete, approximately six inches (6") thick with a minimum strength of three thousand six hundred pounds per square inch (3,600 PSI) (collectively the "Surface Materials").

At such time as Grantee completes installing the Surface Materials upon and across the full width of a section of the Trail, Grantor's right of reverter as to that particular section of the Trail shall automatically terminate, and Grantor shall have no further claim or right of reverter as against that particular section of the Trail.

2. Grantee's failure to complete the installation of the full length of the Trail prior to the Completion Date, as such date is subject to extension for events of Force Majeure, shall cause those sections of the Trail on which the Surface Materials have not been installed to be subject to Grantor's right to require Grantee to reconvey the unimproved sections of the Trail to Grantor. Grantor's right of reverter, if not exercised by Grantor in writing delivered to Grantee within thirty (30) days of the Completion Date, shall automatically expire on the thirty-first day following the Completion Date and Grantor will execute a release thereof upon such automatic expiration. "Complete installation" of each section of the Trail shall be evidenced by the placement of the Surface Materials on such section of the Trail prior to the Completion Date and such certificates as may be issued with respect to such improvements to evidence completion. "Force Majeure" shall mean, with respect to the Grantee, any event or circumstance, regardless of whether it was foreseeable, that was not caused by Grantee and that prevents Grantee from completing construction (other than an obligation to pay money), on condition that Grantee uses reasonable efforts to comply, except that a force majeure event shall not include any weather delay. Should a Force Majeure event occur, the Grantee shall notify Grantor in writing of such event of Force Majeure within thirty (30) days of its occurrence.

Agenda Section	Regular Agenda
Section Number	VIII.H
Subject	Consider, discuss and act upon allowing restaurants/businesses to extend seating onto the walkway and street because of the 50% occupancy limit due to Covid-19.
To	Mayor and Council Members
From	Ben White, City Manager
Date	September 8, 2020
Attachment(s)	None
Related Link(s)	http://www.farmersvilletx.com/government/agendas_and_minutes/city_council_meetings.php
Consideration and Discussion	City Council discussion as required.
Action	<ul style="list-style-type: none"> • Motion/second/vote <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Approve with Updates <input type="checkbox"/> Disapprove • Motion/second/vote to continue to a later date. _____ <ul style="list-style-type: none"> <input type="checkbox"/> Approve <input type="checkbox"/> Disapprove • Move item to a future agenda. _____ • No motion, no action

IX. EXECUTIVE SESSION

X. RECONVENE FROM EXECUTIVE SESSION

XI. Requests to be Placed on Future Agendas

XII. Adjournment