



**AGENDA FOR
WORK SESSION - 6:00 PM
REGULAR CITY COUNCIL MEETING – 6:30 PM
MONDAY, DECEMBER 15, 2025
CITY HALL COUNCIL CHAMBERS
209 S. WASHINGTON STREET
KAUFMAN, TEXAS 75142**

CALL WORK SESSION TO ORDER Mayor calls the Work Session to order, states the date and time, states Councilmembers present, and declares a quorum present.**

WORK SESSION A Work Session is used to explore matters of interest to one or more City Council Members or the City Manager for the purpose of giving staff direction on whether or not such matters should be placed on a future regular or special meeting of the Council for citizen's input, City Council deliberation and formal City action. Although Work Sessions are public meetings, and citizens have a legal right to attend, they are not public hearings, so citizens are not allowed to participate in the session.

1. Discussion and review regarding an update to the City of Kaufman's Personnel Policy.
2. Discussion regarding items on the Regular Session Agenda, including the consideration of Executive Session items

WORK SESSION ADJOURNMENT

PLEDGE OF ALLEGIANCE

CALL MEETING TO ORDER Mayor calls the Meeting to order, states the date and time, states Councilmembers present, and declares a quorum present.**

CITIZENS COMMENTS / REQUEST TO SPEAK ON AGENDA ITEMS (5 MINUTES) Comments about any of the Council agenda items may be taken into consideration at this time or during the agenda item. Comments are limited to five (5) minutes per individual unless additional time is otherwise required by law for translation. Speaking time is not transferable. Citizens may address the City Council on any subject but must first complete a Request to Speak Form so that the Mayor may call your name to speak at the appropriate time on the Agenda. Comments must be directed to the Council as a whole. **When addressing the Council, please step forward to the speaker's podium, state your name and address, and direct your comments to the Mayor and City Council.**

RECOGNITION

3. Business of the Month - Especially for You Tea Room
4. Texas Municipal Human Resources Association Certified Professional — Sharna Ellis
5. Bachelor of Applied Arts and Sciences in Public Administration and City Planning — Jessie Hanks

CONSENT AGENDA

6. Consider and take appropriate action on the minutes from the November 17, 2025, Work Session and Regular City Council Meeting.
7. Consider and take appropriate action on a purchase order from Texas Materials Group, Inc. for street repair on Dallas Street and 6th Street through an Interlocal Cooperative Purchasing Agreement with Ellis County for pavement rehabilitation and resurfacing services for an amount not to exceed \$210,382.40; and authorize the City Manager or his designee to execute necessary documents.
8. Consider and take appropriate action on a purchase order from Texas Materials Group, Inc. for street repair on Adams Lane through an Interlocal Cooperative Purchasing Agreement with Ellis County for pavement rehabilitation and resurfacing services for an amount not to exceed \$252,095.74; and authorize the City Manager or his designee to execute necessary documents.

END OF CONSENT AGENDA

DISCUSSION/ACTION ITEMS

9. Consider and take appropriate action on Resolution R-35-25, a resolution of the City of Kaufman, accepting Public Improvements for Phase I of the Enclave at Kings Fort Development; establishing the date for a two (2) year warranty period for all Phase I Improvements; approving the Enclave at Kings Fort Phase I Maintenance Agreement between the City and The Enclave at Kings Fort Inc., LLC, for the maintenance of sewer public improvements and facilities serving Phase I but located within future Phase II of the development; and authorizing the Mayor or designee to execute necessary documents. (Enclave at Kings Fort)
10. Consider and take appropriate action on Resolution R-36-25, a resolution of the City Council of the City of Kaufman, Texas, accepting the preliminary service and assessment plan for authorized improvements within the Kaufman Public Improvement District No. 6; setting a date for a public hearing on the proposed levy of assessments; authorizing notice; and enacting other provisions relating thereto. (Enclave at Kings Fort)
11. Consider and take appropriate action on an economic development agreement between the City and Georgetown KF, Ltd. for grant reimbursement pursuant to development agreements between the City of Kaufman, Texas, and Georgetown KF related to the Georgetown at Kings Fort development; and authorize the Mayor to execute necessary documents.

ANNOUNCEMENTS AND REPORTS FROM CITY MANAGER

12. Receive an update and discussion regarding the following:
 - a. Kings Fort Park Update
 - b. Employee Christmas Luncheon - December 17
 - c. Kaufman Volunteer Fire Banquet - December 18
 - d. Discussion Items Report (DIR)

- e. STAR Transit Ridership Report – November 2025
- f. Careflite Compliance Report – November 2025
- g. Fire Department Monthly Report – November 2025
- h. Police Department Monthly Report – November 2025
- i. Development Services Monthly Report – November 2025
- j. Monthly Calendars Attached

ADJOURNMENT

I, JESSIE HANKS, CITY SECRETARY, DO HEREBY CERTIFY THAT THIS NOTICE OF MEETING WAS POSTED ON THE WINDOW AT KAUFMAN MUNICIPAL COMPLEX, 209 S. WASHINGTON, KAUFMAN, TEXAS, A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AT ALL TIMES AND SAID NOTICE WAS POSTED AT THE KAUFMAN MUNICIPAL COMPLEX, 209 S. WASHINGTON, KAUFMAN, TEXAS AT 5:00 P.M. ON TUESDAY, DECEMBER 9, 2025, AND REMAINED SO POSTED CONTINUOUSLY FOR AT LEAST THREE (3) BUSINESS DAYS PRECEDING THE SCHEDULE TIME OF SAID MEETING.



JESSIE HANKS
CITY SECRETARY



THE CITY COUNCIL RESERVES THE RIGHT TO ADJOURN INTO EXECUTIVE SESSION AT ANY TIME DURING THE COURSE OF THIS MEETING TO DISCUSS ANY OF THE MATTERS LISTED ABOVE, AS AUTHORIZED BY THE TEXAS GOVERNMENT CODE. SECTION 551.071 (CONSULTATION WITH ATTORNEY).

THE BUILDING IN WHICH THE ABOVE MEETING WILL BE CONDUCTED IS WHEELCHAIR ACCESSIBLE AND PARKING SPACES FOR THE MOBILITY IMPAIRED ARE AVAILABLE. PERSONS WITH DISABILITIES WHO PLAN TO ATTEND THIS MEETING AND WHO MAY NEED AUXILIARY AIDS OR SERVICES SUCH AS INTERPRETERS FOR PERSONS WHO ARE DEAF OR HEARING IMPAIRED, READERS, OR LARGE PRINT ARE REQUESTED TO CONTACT THE CITY SECRETARY'S OFFICE AT 972-932-2216 AT LEAST TWO (2) WORKING DAYS PRIOR TO THE TIME OF THE MEETING SO THAT APPROPRIATE ARRANGEMENTS CAN BE MADE.



Meeting
Date: 12/15/2025

Date: 12/02/2025

Item #: 6.

Dept.: Administration

Consent Agenda

SUBJECT:

Consider and take appropriate action on the minutes from the November 17, 2025, Work Session and Regular City Council Meeting.

BACKGROUND:

See the attached minutes.

Author:
Jessie Hanks, City Secretary

Reviewed:
Mike Holder, City Manager

Cost: **Funds Available:** **Source:**

Recommendation: Staff recommends approval of the minutes from the November 17, 2025, Work Session and Regular City Council Meeting.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



**MINUTES OF THE
WORK SESSION - 6:00 PM
REGULAR CITY COUNCIL MEETING – 6:30 PM
MONDAY, NOVEMBER 17, 2025
CITY HALL COUNCIL CHAMBERS
209 S. WASHINGTON STREET
KAUFMAN, TEXAS 75142**

CALL WORK SESSION TO ORDER Mayor calls the Work Session to order, states the date and time, states Councilmembers present, and declares a quorum present.**

Mayor Jordan called the work session to order at 6:00 p.m. Councilmembers present were Jeff Jordan, Charles Gillenwater, Ashlea Longenecker, Lisa Parker, Matt Phillips, and Jason Nelson. Councilmember Quattro Borders was absent. Mayor Jordan declared a quorum present. Also present were City Manager Mike Holder, Assistant City Manager Rachel Balthrop Mendoza, City Attorney M. Ann Montgomery, City Secretary Jessie Hanks, Public Works Director Tim Hopwood, and Fire Chief Cooper.

EXECUTIVE SESSION

Mayor Jordan recessed into executive session at 6:01 p.m.

1. The City Council will recess into Executive Session pursuant to Texas Government Code for an executive session regarding the following:
 - a. Section 551.071. Consultation with Attorney (1) to seek advice from the City Attorney regarding: (A) pending or contemplated litigation; (B) a settlement offer; or (2) on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act: development agreements, contractual obligations, and ordinances; Enclave development

RECONVENE INTO OPEN SESSION In accordance with Texas Government Code, Chapter 551, the City Council will reconvene into Regular Session.

Mayor Jordan reconvened into open session at 6:42 p.m.

2. Consider and take appropriate action, if any, on matters discussed in Executive Session.

There was no action to take on items discussed in executive session.

WORK SESSION A Work Session is used to explore matters of interest to one or more City Council Members or the City Manager for the purpose of giving staff direction on whether or not such matters should be placed on a future regular or special meeting of the Council for citizen's input, City Council deliberation and formal City action. Although Work Sessions are public meetings, and citizens have a legal right to attend, they are not public hearings, so citizens are not allowed to participate in the session.

3. Discussion regarding items on the Regular Session Agenda, including the consideration of Executive Session items

There was no discussion on items on the Regular Session Agenda.

WORK SESSION ADJOURNMENT

There being no further business, Mayor Jordan adjourned the work session at 6:42 p.m.

PLEDGE OF ALLEGIANCE

CALL MEETING TO ORDER Mayor calls the Meeting to order, states the date and time, states Councilmembers present, and declares a quorum present.**

Mayor Jordan called the City Council meeting to order at 6:42 p.m. Councilmembers present were Jeff Jordan, Matt Phillips, Lisa Parker, Charles Gillenwater, Ashlea Longenecker, and Jason Nelson. Councilmember Quattro Borders was absent. Mayor Jordan declared a quorum present. Also present were City Manager Mike Holder, Assistant City Manager Rachel Balthrop Mendoza, City Attorney M. Ann Montgomery, City Secretary Jessie Hanks, Public Works Director Tim Hopwood, Economic Development Director Stewart McGregor, Development Services Director Johnny Bray, Senior Planner Martin Mares, Fire Chief Rhea Cooper, Police Sergeant Jason Stastny, and Police Chief Les Edwards.

CITIZENS COMMENTS / REQUEST TO SPEAK ON AGENDA ITEMS (5 MINUTES) Comments about any of the Council agenda items may be taken into consideration at this time or during the agenda item. Comments are limited to five (5) minutes per individual unless additional time is otherwise required by law for translation. Speaking time is not transferable. Citizens may address the City Council on any subject but must first complete a Request to Speak Form so that the Mayor may call your name to speak at the appropriate time on the Agenda. Comments must be directed to the Council as a whole. **When addressing the Council, please step forward to the speaker's podium, state your name and address, and direct your comments to the Mayor and City Council.**

Olivo Bustamante, 1104 Melody Circle, Kaufman, Texas 75142, informed the Council that he is a Master's student at East Texas A&M University where he studies Social Services. He presented his project he completed on the growth in the City of Kaufman, including three potential interventions that could improve the way in which growth is occurring.

RECOGNITION

4. Business of the Month - Lone Star Credit Union

Mayor Jordan and Mr. McGregor recognized Lone Start Credit Union as the business of the month.

CONSENT AGENDA

5. Consider and take appropriate action on the minutes from the October 27, 2025, Work Session and Regular City Council Meeting.

6. Consider and take appropriate action on amendment no. 1 and task order #DR-DR-4485-0098-01 for the grant administrative services contract between the City of Kaufman and Grantworks, Inc. for the 2022 Texas Hazard Mitigation Assistance Grant application and project implementation; and providing an effective date.
7. Consider and take appropriate action on Resolution R-39-25, a resolution of the City Council of the City of Kaufman, Texas, regarding Civil Rights Policies for the City of Kaufman, as Related to the Texas General Land Office Community Development Block Grant-Mitigation (CDBG-MIT) Resilient Community Program Under Contract Number 23-160-093-F090, and reaffirming the following policies:
 - a. Citizens Participation Plan
 - b. Excessive Force Policy
 - c. Section 504 Policy and Grievance Procedures
 - d. Section 3 Policy
 - e. Fair Housing Policy Form
 - f. Limited English Proficiency Plan
 - g. Code of Conduct Policy

Councilmember Parker made a motion to approve consent agenda items 5 through 7 as presented. The motion was seconded by Councilmember Gillenwater and passed 6/0.

END OF CONSENT AGENDA

PUBLIC HEARING

8. Conduct a public hearing, consider and take appropriate action on Ordinance O-36-25, an ordinance of the City Council of the City of Kaufman, Texas, an amendment to Exhibit 9A, "Zoning Ordinance" of Chapter 9, Planning and Development Regulations" of the Code of Ordinances (the "Zoning Ordinance"), to amend Section 9A-11, "Certificates of Occupancy, Life Safety Inspections and Compliance" of the Zoning Ordinance in order to repeal provisions requiring certificates of occupancy and related inspections for certain residential buildings and providing that the provisions of the City's adopted Building Codes relating to certificates of occupancy take priority over conflicting provisions in the Zoning Ordinance; providing a penalty of a fine not to exceed \$2,000.00 for each violation of this Ordinance, and each and every day such offense continues shall be deemed to constitute a separate offense; and providing for publication and an effective date. (Case No. Z-10-25)
 - a. Presentation

Mr. Bray informed the Council regarding the conflict of the City of Kaufman's Zoning Ordinance and the Building Codes regarding the requirement of residential certificates of occupancy. This ordinance would remove the requirement for these in the City's Zoning Ordinance and align with the adopted building codes.

- b. Public Hearing

Mayor Jordan opened the public hearing at 6:56 p.m. There being no speakers present, Mayor Jordan closed the public hearing at 6:57 p.m.

- c. Consider and take appropriate action on Ordinance O-36-25

Councilmember Gillenwater made a motion to approve Ordinance O-36-25 as presented. The motion was seconded by Councilmember Nelson and passed 6/0.

9. Conduct a public hearing, consider, and take appropriate action on Ordinance O-37-25, an ordinance of the City of Kaufman, Texas, amending Exhibit 9A, "Zoning Ordinance" of the City of Kaufman Code of Ordinances, and the official Zoning Map approving a Specific Use Permit authorizing a kiosk to provide ice/water on an approximate 1.162 acre tract of land, located at 1801 South Washington Street, being Lot 1, Block 1 of the Kaufman Retail Partners Center, City of Kaufman, Kaufman County, Texas ("SUP-60") (Parcel ID 191050). (Case No. Z-09-25)

- a. Presentation

Mr. Mares informed the Council about the proposed SUP applied for regarding the development of an ice machine kiosk. He reviewed the property location and history. He presented the proposed site plan and landscape plan.

Rick Kelly, 3616 Conflans Road, Irving, Texas 75061, stated he represents Watermill Express, the applicant for this SUP. He gave a presentation to the Council outlining the company's history, mission, and the proposed development. He outlined the improvements the company plans to make to the property. He addressed a few concerns that were discussed throughout the process, including whether this would be the highest and best use for the property, and the competition located in proximity to the proposed property.

- b. Public Hearing

Mayor Jordan opened the public hearing at 7:07 p.m.

Mr. Mares covered the determinations for considering a specific use permit. He outlined the potential actions the Council could take on the item. He reviewed the staff and Planning and Zoning recommendations for this request.

There were discussions regarding the filtration process, the tax revenue, the landscape plan.

There being no other speakers present, Mayor Jordan closed the public hearing at 7:15 p.m.

- c. Consider and take appropriate action on Ordinance O-37-25

Councilmember Nelson made a motion to approve Ordinance O-37-25, approving case Z-09-25, a Specific Use Permit (SUP-60) for a kiosk to provide ice and water at 1801 South Washington Street, with the following conditions:

1. The property, including all buildings, premises, and land used pursuant to this SUP, shall not be enlarged, modified, structurally altered, added to, or otherwise significantly changed in size or layout from the approved Site Plan and associated exhibits unless an amendment to SUP-60 is first approved by the City Council specifically authorizing such changes.

2. The property owner shall obtain TxDOT approval for the two driveway connections along South Washington Street prior to the issuance of a Certificate of Occupancy.

The motion was seconded by Councilmember Longenecker and passed 6/0.

DISCUSSION/ACTION ITEMS

10. Consider and take appropriate action on Resolution R-35-25, a resolution of the City of Kaufman, accepting Public Improvements for Phase I of the Enclave at Kings Fort Development; establishing the date for a two (2) year warranty period for all Phase I Improvements; approving the Enclave at Kings Fort Phase I Maintenance Agreement between the City and The Enclave at Kings Fort Inc., LLC, for the maintenance of sewer public improvements and facilities serving Phase I but located within future Phase II of the development; and authorizing the Mayor or designee to execute necessary documents. (Enclave at Kings Fort)

Mr. Holder outlined that this Resolution would accept the public improvements for Phase I of the Enclave at Kings Fort Development. He stated that in coordination with City staff, the Developer has elected to utilize a Roadway and Access Easement rather than a maintenance agreement to ensure the City's ability to access certain sewer improvements constructed in Phase I but located within the future Phase II area. This easement grants the City the necessary access rights and requires the Developer to construct and maintain a temporary roadway sufficient for City personnel and contractors to reach and service these public improvements as needed. There were discussions regarding access to the sewer manhole in Phase II.

Mayor Jordan made a motion to table the item to a date certain of the next meeting on December 15, 2025. The motion was seconded by Councilmember Gillenwater and passed 6/0.

11. Consider and take appropriate action on Resolution R-36-25, a resolution of the City Council of the City of Kaufman, Texas, accepting the preliminary service and assessment plan for authorized improvements within the Kaufman Public Improvement District No. 6; setting a date for a public hearing on the proposed levy of assessments; authorizing notice; and enacting other provisions relating thereto. (Enclave at Kings Fort)

Mayor Jordan made a motion to table the item to a date certain of the next meeting on December 15, 2025. The motion was seconded by Mayor Pro-Tem Phillips and passed 6/0.

12. Consider and take appropriate action on Resolution R-37-25, a resolution of the City Council of the City of Kaufman, Texas, approving a tax abatement for Agile Cold Dallas, LLC, for a project in a reinvestment zone in the City of Kaufman, Texas, located at 269 SH 34 Bypass, and authorizing the City Manager to sign the Tax Abatement Agreement.

Mr. McGregor presented the Agile Cold Tax Abatement and the terms associated with the agreement.

Councilmember Parker made a motion to approve Resolution R-37-25, approving a tax abatement for Agile Cold Dallas, LLC, for a project in a reinvestment zone in the City of Kaufman, Texas, located at 269 SH 34 Bypass, and authorizing the City Manager to sign the Tax Abatement

Agreement. The motion was seconded by Mayor Pro-Tem Phillips and passed 6/0.

13. Consider and take appropriate action on Resolution R-40-25, a resolution of the City Council of the City of Kaufman, Texas, accepting Public Improvements for Agile Cold Storage and establishing the date for a two (2) year warranty period.

Ms. Balthrop Mendoza briefed the council on the public improvements made to the Agile Development and outlined the process for accepting the improvements.

Councilmember Gillenwater made a motion to approve Resolution R-40-25, a resolution of the City Council of the City of Kaufman, Texas, accepting Public Improvements for Agile Cold Storage and establishing the date for a two (2) year warranty period. The motion was seconded by Councilmember Longenecker and passed 6/0.

14. Consider and take appropriate action to accept a Special Warranty and Dedication Deed from Georgetown KF, Ltd., conveying Block G, Lot 2X of Georgetown at Kings Fort, Phase Two A, subdivision to the City for use as a public park; and authorize the Mayor to execute necessary documents.

Ms. Balthrop Mendoza informed the Council that the conveyance of the property to be utilized for Kings Fort Park was approved in the Development Agreement for Georgetown and through the creation of TIRZ #2. She explained the acceptance of the property is a necessary component of being able to pursue the Texas Parks and Wildlife Department's grant and potential award, along with the installation of the Fitness Court awarded through a grant from the National Fitness Campaign.

Councilmember Longenecker made a motion to accept a Special Warranty and Dedication Deed from Georgetown KF, Ltd., conveying Block G, Lot 2X of Georgetown at Kings Fort, Phase Two A, subdivision to the City for use as a public park; and authorize the Mayor to execute necessary documents. The motion was seconded by Mayor Pro-Tem Phillips and passed 6/0.

15. Consider and take appropriate action on Resolution R-38-25, a resolution of the City Council of the City of Kaufman, Texas, casting its vote for a member of the Board of Directors of the Kaufman Central Appraisal District; and providing an effective date.

Ms. Hanks reviewed the Kaufman CAD Board of Directors voting process and the candidates under consideration.

Mayor Pro-Tem made a motion to approve Resolution R-38-25, casting its 29 votes, allocating 15 votes to Bruce Wood and 14 votes to Danny Kirbie, for the Board of Directors of the Kaufman Central Appraisal District. The motion was seconded by Councilmember Nelson and passed 6/0.

16. Discuss and provide direction to Staff regarding waiving late fees related to utility billing and delaying water service disconnections due to non-payment through the end of the calendar year.

Mr. Holder explained the staff's original plan for this item, but informed the Council that the need has changed. He stated that the city would postpone water shut-offs around the holidays as normal.

ANNOUNCEMENTS AND REPORTS FROM CITY MANAGER

17. Receive an update and discussion regarding the following:
- a. Employee Thanksgiving Luncheon - November 19
 - b. Christmas on the Square - December 6
 - c. Employee Christmas Luncheon - December 17
 - d. Kaufman Volunteer Fire Banquet - December 18
 - e. Discussion Items Report (DIR)
 - f. STAR Transit Ridership Report - October 2025
 - g. Careflite Compliance Report - October 2025
 - h. Fire Department Monthly Report - October 2025
 - i. Police Department Monthly Report - October 2025
 - j. Development Services Monthly Report - October 2025
 - k. Monthly Calendars Attached

Mr. Holder gave the council an update on the above-stated items.

ADJOURNMENT

There being no further business, Mayor Jordan adjourned the meeting at 7:36 p.m.

ATTEST:

**JEFF JORDAN
MAYOR**

**JESSIE HANKS
CITY SECRETARY**



Meeting
Date: 12/15/2025

Date: 12/08/2025

Item #: 7.

Dept.: Public Works

Consent Agenda

SUBJECT:

Consider and take appropriate action on a purchase order from Texas Materials Group, Inc. for street repair on Dallas Street and 6th Street through an Interlocal Cooperative Purchasing Agreement with Ellis County for pavement rehabilitation and resurfacing services for an amount not to exceed \$210,382.40; and authorize the City Manager or his designee to execute necessary documents.

BACKGROUND:

The scope of work provides for the pavement rehabilitation and resurfacing services for the intersection of Dallas St. & 6th Street. Project details include the following: pulverizing existing roadway, hauling off excess material, cement stabilizing, performing the overlay, and providing traffic control for all operations. The procurement is made through an interlocal agreement entitled Ellis County Pavement Rehabilitation and Resurfacing Services - RFB No 2024-010.

Author:
Tim Hopwood, Public Works Director

Reviewed:
Mike Holder, City Manager

Cost: \$210,382.40 **Funds Available:** 306,600.00 **Source:** 14-5353-000

Recommendation: Staff recommends approval of a purchase order from Texas Materials Group, Inc. for street repair on Dallas Street and 6th Street through an Interlocal Cooperative Purchasing Agreement with Ellis County for pavement rehabilitation and resurfacing services for an amount not to exceed \$210,382.40; and authorize the City Manager or his designee to execute necessary documents.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



A CRH COMPANY

Texas Materials Group, Inc.
420 Decker Drive, Suite 200
Irving, TX 75062
Phone: (214) 741-3531

PROPOSAL AND CONTRACT

(Ellis County Pavement Rehabilitation and Resurfacing Services - RFB NO 2024-010)

To: City of Kaufman

Effective Date: December 4, 2025

Texas Materials Group, Inc., offers to furnish all material, labor and equipment required for the performance of the following described work subject to the terms and conditions of the annual bid "Ellis County Pavement Rehabilitation and Resurfacing Services - RFB NO 2024-010".

Description of Work: Pulverize existing roadway, haul off excess material, cement stabilize 24 lbs/SY, overlay and provide traffic control for all operations.

<u>Location</u>	<u>Limits</u>	<u>Description</u>	<u>Units</u>	<u>Unit Price</u>	<u>Approx. Total</u>
E 6th St	See Attached Sheet	Mobilization	1	\$3,000.00	\$3,000.00
E 6th St	See Attached Sheet	Cement Stabilization - 24 lbs per SY	4,580	\$9.88	\$45,250.40
E 6th St	See Attached Sheet	Overlay Balanced Mix Design	4,580	\$29.10	\$133,278.00
E 6th St	See Attached Sheet	3" Haul Off	4,580	\$6.30	\$28,854.00
					\$210,382.40

*"See Attached Sheet"

Unless the words "Lump Sum" appear next to an item of work, it is understood and agreed that the quantities referred to above are estimates only and that payment shall be made at the state unit prices for actual quantities of work performed by Texas Materials Group, Inc

This estimate expires 30 days from the date of the estimate.

ACCEPTED: City of Kaufman

W. L. Warner
Account Manager
214-926-9072
William.Warner@Texasbit.com

Date

Date

12/4/2025

TEXASBIT ESTIMATE ONLY

City of Kaufman

Tons: 791

Revised

December 4, 2025

Location/Street	Limits	Length	Width	Haul Off Inches	Paving SY	Stabilization SY	Inches	#/s/ SY	Depth's/y	HMA Tons	Ty-Mix	Cost Per SY Furnish and Install 3"	Cost Per Inch Haul Off	Cost Per SY Stabilization	Backfill Price Per LF	Total Haul Off Cost	Total HMA Cost	Cement Stabilization	Mob Charge	Total Street Cost
E 6th St	Madison St to Phillips Ln	1250	26	3	3612	3612	3	115	345	624	TY - D	\$ 29.10	\$ 2.10	\$ 9.88	\$ 2.00	\$ 22,755.60	\$105,109.20	\$ 35,686.56	\$3,000.00	\$ 166,551.36
Dallas St	50 ft North of 6th to 7th St	335	26	3	968	968	3	115	345	167	TY - D	\$ 29.10	\$ 2.10	\$ 9.88	\$ 2.00	\$ 6,098.40	\$ 28,168.80	\$ 9,563.84		\$ 43,831.04

\$ 210,382.40

THE STATE OF TEXAS

§
§
§

COUNTY OF ELLIS

PAVEMENT REHABILITATION AND RESURFACING SERVICES

BETWEEN ELLIS COUNTY, TX and TEXAS MATERIALS GROUP, INC. - RFB NO. 2024-010

This Agreement ("Agreement") is made and entered into by and between Ellis County, Texas, ("County") a political subdivision of the State of Texas acting by and through the Ellis County Commissioners Court and TEXAS MATERIALS GROUP, INC. ("Contractor") with a place of business at 420 Decker Drive, Suite 200, Irving, TX 75062. Both County and Contractor may be referred to as "Party", or collectively as "Parties."

WHERE, County issued RFB No. 2024-010-Pavement Rehabilitation and Resurfacing Services ("RFB").

WHERE, Contractor responded to RFB; and

WHERE, Contractor responded and represented that its proposed services shall meet or exceed the requirements and specifications of the RFB; and

WHERE, Contractor represents that it has the experience and holds all necessary permits, licenses and certificates to practice and perform the services and desires to perform the services covered in this Agreement; and

WHERE, County desires to retain a qualified and experienced Contractor to provide Pavement Rehabilitation and Resurfacing Services, and

WHERE, County has selected Contractor as the firm for County RFB No. 2024- 010 as the Lowest and Best bid to provide value to the County.

THEREFORE, in consideration of the promises contained in this Agreement, and of other good and valuable consideration, intending to be legally bound, the parties agree as follows:

1. INCORPORATED DOCUMENTS

The following documents are incorporated by reference as if fully reproduced herein:

Exhibit A: Specifications for Pavement Rehabilitation and Resurfacing Services.

2. ORDER OF PRECEDENCE

In the event of any conflict or inconsistency between or among the provisions of this Agreement between the County and Contractor or any incorporated or referenced document or any exhibit, attachment, or associated document, such conflict or inconsistency shall be resolved in the following order of precedence: (1) This Agreement; (2) Exhibit A.

3. CONTRACT TERM

The initial term of this Agreement shall be for one (1) year, commencing upon the date of execution by the Ellis County Commissioners Court ("Effective Date"), unless terminated earlier under any provision of this agreement. Ellis County reserves the right to exercise an option to automatically renew the contract of the Respondent for four (4) additional one (1) year periods.

If Ellis County exercises the right to renew the contract in writing, the Vendor must update and submit any documents required during the initial solicitation by no later than thirty (30) calendar days prior to the commencement of the option period. These required documents must be in force for the full period of the option. If the updated documents are not submitted by the Vendor in complete form within the time specified, Ellis County may rescind its option and seek a new solicitation.

Upon expiration of the Term of this Agreement or any period of renewal, Contractor agrees to hold over the terms and conditions of this Agreement for such a period of time as may be reasonably necessary, but not to exceed 120 days, to renew this Agreement or allow the County to re-solicit this Agreement through a competitive solicitation process.

4. DESCRIPTION OF PROJECT

County and Contractor agree the Project is to establish an indefinite delivery/indefinite quantity contract to provide Pavement Rehabilitation and Resurfacing Services.

5. SCOPE OF SERVICES AND WORK

Contractor shall provide Pavement Rehabilitation and Resurfacing Services in accordance with the Specifications in Exhibit A: Specifications for Pavement Rehabilitation and Resurfacing Services.

6. PAYMENTS AND PRICING

6.1 PRICING AND WARRANTY PERIOD

DESCRIPTION	PRICE	MINIMUM QUANTITY	WARRANTY
Pulverize and Stabilize 24 lbs. per square yard and 2" Overlay	\$29.28/SY	½ mile or 500 tons annually	12 months
2" Overlay - Only	\$19.40/SY	½ mile or 500 tons annually	12 months
Cement Stabilization – 24 lbs. per square yard - Only	\$9.88/SY	½ mile or 500 tons annually	12 months
Lime instead of cement 24 lbs. per square yard	\$13.21/SY	½ mile	12 months
Backfill with onsite Material	\$2/LF	½ mile	N/A
Backfill with offsite Material	\$7/LF	½ mile	N/A
Grade Roadway Ditch	\$7/LF	½ mile	N/A
Haul off Excess Material	\$2.10/SY per inch	½ mile	N/A
Additional Base Material	\$5.15/SY per inch	½ mile	N/A
One Course Seal Coat	\$6/SY per course	½ mile	N/A
4" Sidewalk	\$15.50/SF	500 SF	12 months
Curb and Gutter	\$150/SY	50 LF	12 months
ASPPM or CPR Patching Material-FOB Plant	\$140/ton	N/A	N/A
2" Overlay Balanced Mix Design	\$19.40/SY	½ mile	18 months

- (a) Minimum quantities are per location/street. If minimum quantity is not met per item Texas Materials Group, Inc reserves right to charge a \$3,000 mobilization fee.
- (b) Warranty is limited to the depth and scope of our work. Anything damaged by other parties will not be covered under warranty.
- (c) 2 Inch Overlay Price can be prorated for additional depth. For example, 3" HMA Price would be \$29.10/SY.
- (d) Pricing includes equipment, labor and materials for all precinct locations.
- (e) All traffic control to be included.

6.2 Contractor will remit all invoices to Accounts Payable at the following email address:
Accounts.Payable@co.ellis.tx.us.

6.3 Prices for all goods and/or services shall remain firm for the first year of this agreement. Prices shall be all inclusive and guaranteed for the entire contract period. If applicable, a price redetermination may be considered by Ellis County only at the yearly anniversary date of the contract. The price redetermination may be considered by Ellis County for the subsequent renewal option and shall be substantiated in writing and shall not exceed the increase in the Producer Price Index as published by the United States Department of Labor, Bureau of Labor and Statistics, for the most current data representing a 12-month period at the time of consideration to renew. The bidder's past history of honoring contracts

at the bid price will be an important consideration in the evaluation of the lowest and best bid. Ellis County reserves the right to accept or reject any/all of the price redetermination as it deems to be in the best interest of the County. Price increases and decreases may be allowed on renewal terms but shall remain firm for the entire redetermination period.

6.4 Right to Audit: The Contractor shall agree that County shall, until the expiration of twelve (12) months after final payment under this agreement, have access to and the right to examine at reasonable times any directly pertinent books, documents, papers and records (hard copy, as well as computer generated data) of the Contractor involving those transactions related to this solicitation. Contractor agrees that County shall have access during normal working hours to all necessary facilities, staff and workspace in order to conduct audits. County shall provide the Contractor with reasonable advance notice of intended audits. The Contractor shall provide records within ten (10) business days or a mutually agreed upon timeline.

7. ASSURANCES

7.1 Contractor agrees to establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain.

7.2 Contractor assures that neither it nor its employees, volunteers, agents or officers shall receive personal benefits, commission, consideration, or gains in performance of the work or services outlined in this Agreement. Furthermore, Contractor agrees to disclose prior to commencement of a particular assignment any material or financial interests that it or a third party may have in the work, or services required under this Agreement.

7.3 Contractor assures that funds received pursuant to this Agreement will not be used for lobbying the Texas legislature or any governmental agency in connection with a particular contract.

7.4 Contractor shall pay all subcontractors and consultant in a timely manner. County shall have no liability to any subcontractors in the event Contractor does not pay or delays payment to any subcontractors. At termination or expiration of this Agreement, Contractor shall deliver to County an affidavit of all bills paid. Final payment shall be contingent upon receipt of such affidavits as resolution of all accounting for which County is or may be liable under this Agreement.

7.5 Under Section 231.006, Texas Family Code, Contractor certifies to County that the owner(s) of at least a 25% interest in the organization is not delinquent in any child support obligation that renders him/her ineligible to receive payment under the terms of this Agreement. Contractor hereby acknowledges that this Agreement may be terminated, and payment may be withheld if this Certification is inaccurate.

7.6 Contractor certifies that neither it nor any of its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this Agreement by any Federal department or agency.

- 7.7 Contractor shall use its best efforts to complete each assigned task in as economical a manner as possible and to minimize any charges incurred in connection therewith to the maximum extent possible, consistent with Contractor's other obligations under this Agreement.
- 7.8 Failure to comply with any of these assurances or any other requirements specified within this Agreement will put Contractor in default and material breach of this Agreement and may result, at the sole discretion of County, in the disallowance of funds and the withholding of future awards, in addition to any other remedies permitted by law.
- 7.9 **Governmental Consent:** Contractor warrants that no consent, approval, or withholding of objection is required from any governmental authority with respect to the entering into or the performance of this Agreement.
- 7.10 **Corporate Good Standing:** Contractor represents and warrants that it: (i) is a corporation duly incorporated, validly existing and in good standing; (ii) has all requisite corporate power and authority to execute, deliver and perform its obligations hereunder; (iii) is duly licensed, authorized or qualified to do business and is in good standing in every jurisdiction in which a license, authorization or qualification is required for the ownership or leasing of its assets or the transaction of business of the character transacted by it except when the failure to be so licensed, authorized or qualified would not have a material adverse effect on Contractor's ability to fulfill its obligations hereunder.
- 7.11 Items supplied under this contract shall be subject to approval by Ellis County. Item(s) found to be defective or not meeting specifications shall be picked up and replaced by the successful Respondent within one (1) week after notification, at no expense to Ellis County. Failure to pick up item(s) within one week will constitute a donation to Ellis County for disposition as deemed appropriate.

8. CONTRACTOR'S PROFESSIONAL WARRANTIES

- 8.1 **No Actions, Suits, or Proceedings:** Contractor warrants that there are no actions, suits, or proceedings, pending or threatened, that will have a material adverse effect on Contractor's ability to fulfill its obligations under this Agreement. Contractor further warrants that it will notify County immediately if Contractor becomes aware of any action, suit, or proceeding, pending or threatened, which will have a material adverse effect on Contractor's ability to fulfill the obligations under this Agreement.
- 8.2 **Warranty of Contractor's Capability:** Contractor warrants that it is financially capable of fulfilling all requirements of this Agreement and has the authority to enter into this Contract. Contractor warrants that it is not prohibited by any loan, contract, financing arrangement, trade covenant, or similar restriction from entering into this Agreement.
- 8.3 **Professional Quality:** Contractor warrants to County that all materials, work, and services will be of professional quality conforming to generally accepted practices, and that all work and services provided under this Agreement will be performed in a manner consistent with that degree of care, qualification and skill ordinarily exercised by members of the same profession

currently practicing under similar circumstances. If there are no applicable or recognized professional standards in the applicable area or areas of expertise required to perform such work or services, then Contractor will perform all services in a good and professional manner that meets County's goals and objectives as stated herein as well as otherwise adds value to or improves the performance of County's expectations, objectives, and purposes as stated in this Agreement. Any work that is determined by County to be less than professional quality will be corrected without charge. This warranty extends for ninety (90) business days past termination or expiration of this Agreement. This warranty is limited to rework of the unsatisfactory service or product without change to the original specifications and without regard to the amount of the effort expended on the original service or work product.

8.4 Collusion: Contractor expressly warrants and certifies that neither the Contractor nor its employees or associates has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competition in conjunction with the competitive bidding process for this Agreement or this Agreement itself.

9. REPORTING

9.1 Reporting: Contractor agrees to submit all required documentation and reports in a timely manner and in accordance with the specified time frames pursuant to this Agreement. Penalties for delinquent reporting may include withholding of payments until such time all reports are received or the cancellation or termination of this Agreement with no obligation to pay for undocumented work or services, or both.

9.2 Access to Records: Contractor agrees that County, or any of its duly authorized representatives, has the right of timely and unrestricted access to any books, documents, papers, reports, or other records of Contractor that are pertinent to the fulfillment of the requirements of this Agreement. This right also includes timely and reasonable access to Contractor's personnel for the purpose of reviewing, interviewing, evaluating, and monitoring related to such documents. All such items shall be furnished to the requesting party in Ellis County, Texas within a reasonable time.

9.3 Ownership: The contractor agrees that all information, findings, reports, data, and supporting documentation that relates to the work or services provided hereunder shall remain the property of County.

9.4 Adequacy of Records: If the Contractor's books, records, and other documents relevant to this Agreement are not sufficient to support and document that allowable work or services were provided to County, Contractor shall reimburse County for any inadequate services or work that is not properly supported and documented. If any audit reveals any material deviation from this Agreement and specification requirements, any misrepresentation, or any overcharge to the County, the County will be entitled to recover damages, as well as the cost of the audit.

9.5 Availability and Retention of Records: All financial books, records, statistical and management books and records pertaining to the work or services delivered and all financial books,

records, statistical and management books and records shall be available for examination and audit by County, Federal, State or the County's duly authorized representatives for a period of not less than four (4) years after final payment of the Contractor's fee expenses under the Agreement or until all pending County, State, and Federal audits are completed, whichever is later. All records related to this Agreement must be kept in a single location, either at the Contractor's principle place of business or its place of business where the work or services are performed.

10. TESTING

If necessary, Ellis County, Texas reserves the right to request samples for testing. Any failure of a sample test may be considered sufficient reason to terminate this agreement.

11. CONFIDENTIALITY AND OPEN RECORDS ACT

11.1 Contractor shall not disclose privileged or confidential communications or information acquired in the course of the performance of the work or services under this Agreement, unless authorized by law. Contractor agrees to adhere to all confidentiality requirements, as applicable, for the work and services performed for County under this Agreement.

11.2 **Public Information Act:** The Parties acknowledge and agree that County is subject, as a matter of law, to TEX. GOV'T CODE ANN. § 552 (Vernon 1994), also known as the "Texas Public Information Act" (hereinafter "Public Information Act"). Notwithstanding any other provision, the Parties agree that in the event that any provision of this Agreement, or other documents related to this Agreement, including, but not limited to, any exhibit, attachment, amendment, addendum, or other incorporated document, is in conflict with the Public Information Act, such provision shall be of no force or effect. Furthermore, it is expressly acknowledged and agreed that the County, County Commissioners Court, County Judge, Elected County Officials, County Department Heads and County Employees (hereinafter "County Requestors") may request advice, decisions and opinions of the Attorney General of the State of Texas in regard to the application of the Public Information Act to any software, hardware, firmware, or any part thereof, or other equipment or item, data or information, or any other thing or item furnished to or in the possession or knowledge of County. It is further acknowledged and agreed that the County Requestors have the right and obligation by law to rely on the advice, decisions, and opinions of the Texas Attorney General. Contractor hereby releases the County Requestors from any and all liability or obligation of any type, kind or nature regarding any disclosure of any software, hardware, firmware, or any part thereof, or other equipment or item, data or information, or any other thing or item furnished by Contractor or in the possession or knowledge of the County that is determined by County or in reliance on any advice, decision or opinion of the Texas Attorney General to be available to the public or any persons.

11.3 To the extent permitted by the Public Information Act, the Parties agree to keep confidential (and store in a secure area with limited access) and will not copy, publish, sell, exchange, disclose, or provide to others or use any information, documents or data, provided to or disclosed to the other party, or any information related to this Agreement, other than performing each party's obligations under this Agreement. However, this the Parties expressly

agree that this Agreement and all its incorporated attachments and exhibits shall be public information.

11.4 Confidential or Proprietary Marking: Any information or documents Contractor uses in the performance of the work or services provided under this Agreement that Contractor considers confidential or proprietary or that contains trade secrets must be clearly marked accordingly. This marking must be explicit as to the designated information. The designation, however, may not necessarily guarantee the non-release of the documents or information under the Texas Public Information Act or otherwise required by law.

12. INDEMNIFICATION

12.1. TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND COUNTY, AND ALL OF ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES, FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS FEES, ARISING OUT OF OR RESULTING FROM BODILY INJURY OR DEATH OF ANY PERSON, OR PROPERTY DAMAGE, INCLUDING LOSS OF USE OF PROPERTY, ARISING OR ALLEGED TO ARISE OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR CONTRACTOR'S PERFORMANCE OF THE WORK OR OTHER ACTIVITIES OF CONTRACTOR, BUT ONLY TO THE EXTENT CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT OR OMISSION OF CONTRACTOR OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY CONTRACTOR OR ANYONE FOR WHOSE ACTS CONTRACTOR MAY BE LIABLE. NOTWITHSTANDING THE FOREGOING, TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND COUNTY, AND ALL OF ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES (THE "INDEMNITEES "), FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS FEES, ARISING OUT OF OR RESULTING FROM BODILY INJURY TO, OR SICKNESS, DISEASE OR DEATH OF, ANY EMPLOYEE, AGENT OR REPRESENTATIVE OF CONTRACTOR OR ANY OF ITS SUBCONTRACTORS, REGARDLESS OF WHETHER SUCH CLAIM, DAMAGE, LOSS OR EXPENSE IS CAUSED, OR IS ALLEGED TO BE CAUSED, IN WHOLE OR IN PART BY THE NEGLIGENCE OF ANY INDEMNITEE, IT BEING THE EXPRESSED INTENT OF OWNER AND CONTRACTOR THAT IN SUCH EVENT THE CONTRACTOR IS TO INDEMNIFY, HOLD HARMLESS AND DEFEND THE INDEMNITEES FROM THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, WHETHER IT IS OR IS ALLEGED TO BE THE SOLE OR CONCURRING CAUSE OF THE BODILY INJURY, SICKNESS, DISEASE OR DEATH OF CONTRACTOR'S EMPLOYEE OR THE EMPLOYEE OF ANY OF ITS SUBCONTRACTORS. THE INDEMNIFICATION OBLIGATIONS UNDER THIS PARAGRAPH SHALL NOT BE LIMITED BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE BY OR FOR CONTRACTOR UNDER WORKERS COMPENSATION ACTS, DISABILITY BENEFIT ACTS OR OTHER EMPLOYEE BENEFIT ACTS.

12.2. IT IS MUTUALLY UNDERSTOOD AND AGREED THAT THE ASSUMPTION OF LIABILITIES AND INDEMNIFICATION PROVIDED FOR IN THIS AGREEMENT SHALL INDEFINITELY SURVIVE ANY EXPIRATION, COMPLETION OR TERMINATION OF THIS AGREEMENT. IN THE EVENT CONTRACTOR AND OWNER ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY WILL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE STATE UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

12.3. Approval and acceptance of Contractor's services by County shall not constitute nor be deemed a release of the responsibility and liability of Contractor for the accuracy and competency of their services; nor shall such approval and acceptance be deemed to be an assumption of such responsibility by County for any defect, error or omission in the services performed by Contractor in this regard. The contractor shall defend, hold harmless and indemnify County for damages resulting from such defects, errors or omissions.

12.4. No Indemnification by County: Contractor acknowledges and agrees that County does not have the ability under Article XI, Section 7 of the Texas Constitution to indemnify Contractor or any other third party for damages arising under this Agreement.

12.5. Survival: These provisions shall survive completion, suspension, termination, expiration and/or cancellation of this Agreement, or any determination that this Agreement or any portion hereof is void, voidable, invalid or unenforceable.

13. INSURANCE

13.1 Without limiting any of the other obligations or liabilities, Contractor at its own expense shall purchase and maintain the minimum insurance and limits and shall likewise ensure that all of its consultants, subcontractors and their sub-subcontractors (collectively known as "Contractor") purchase and maintain such insurance, as will protect them from claims set forth below which may arise out of or result from the Contractor's operations under this Agreement, whether such operations are carried out by the Contractor, by any consultant, subcontractor, or by anyone directly or indirectly employed by Contractor or any subcontractor, or by anyone for whose acts any of them may be liable. The contractor is solely responsible for payment of all deductibles and retentions associated with the claims filed. Contractor agrees that the insurance requirements specified herein do not reduce the liability Contractor has assumed in any indemnification or hold harmless section of this Agreement.

13.2 As a condition precedent to commencement of any work or services, within ten (10) calendar days after the Effective Date of the Agreement, Contractor shall furnish, to the Ellis County Purchasing Agent (at the same address given below under this Insurance heading) the

following minimum insurance coverage that show County as the certificate holder and covers the period of the Term of this Agreement and any renewals:

13.3 Prior to execution of the contract, the successful Respondent shall take out, pay for and maintain at all times during the execution of the work under the contract, the following forms of insurance, in carriers acceptable to and approved by Ellis County:

- (a) Workers' Compensation – statutory (see TWCC rule 110.110)
 - (1) Employer's liability - \$500,000
- (b) Comprehensive Commercial General Liability:
 - (1) Bodily, Injury/Personal, & Injury - \$1,000,000 per occurrence \$2,000,000 aggregate
 - (2) Property Damage - \$1,000,000 aggregate
- (c) Automobile liability
 - (1) Bodily injury - \$100,000 per accident or \$500,000 aggregate
 - (2) Property damage - \$100,000 each occurrence
- (d) Contractual liability - same limits as above
- (e) All Risk Cargo Insurance - \$2,000,000 aggregate
- (f) Crime Coverage - \$ 1,000,000 per occurrence

13.4 The County reserves the right to review the insurance requirements of this section during the effective period of the contract and to require adjustment of insurance coverage and their limits when deemed necessary and prudent by the County based upon changes in statutory law, court decisions, or the claims history of the industry as well as the respondent.

13.5 Required Provisions: As to all applicable coverage, certificates shall name Ellis County and its officers, employees, and elected representatives as an additional insured. All copies of the certificates of insurance shall reference the project name and bid number for which the insurance is being supplied. The contractor agrees to waive subrogation against Ellis County, its officers, employees, and elected representatives for injuries, including death, property damage, or any other loss to the extent same may be covered by the proceeds of insurance. The contractor is responsible for making sure any sub-contractor(s) performing work under this agreement has the required insurance coverage(s) and supplies Ellis County with the proper documents verifying the coverage. Each insurance policy to be furnished by successful offeror shall include, by endorsement to the policy, a statement that a policy, a statement that a notice shall be given to Ellis County by certified mail thirty (30) days prior to cancellation or upon any material change in coverage.

13.6 Contractor agrees that the insurance requirements specified herein do not reduce the liability vendor/contractor has assumed in any indemnification/hold harmless section of the contract. Vendors and/or their freight contractors must be prepared to show coverage verification prior to entering upon Ellis County premises.

13.7 Failure to comply with lawful requirements or adequate liability requirements may result in

delay of payments, subject to the orders of the Commissioners Court, not to exceed a period of up to two years from the termination of this Agreement, or cancellation of this Agreement or both.

13.8 **Insurance Certificates:** The certificates of insurance shall list County as the certificate holder. All copies of Certificates of Insurance shall reference any applicable Request for Proposal number, Commissioners Court Order Number, or contract number for which the insurance is being supplied. All insurance policies or duly executed certificates for the same required to be carried by Contractor under this Agreement, together with satisfactory evidence of the payment of the premium thereof, shall be delivered to the: **Ellis County Purchasing Agent located at 302 N. Monroe Street, Suite 307, Waxahachie, Texas 75165** within ten (10) calendar days of execution or renewal of this Agreement and upon renewals or material changes of such policies, but not less than fifteen (15) calendar days prior to the expiration of the term of such coverage, or such non-delivery shall constitute a default of this Agreement subject to immediate termination at County's sole discretion.

13.9 All insurance required to be carried by Contractor or subcontractors under this Agreement shall be acceptable to the County in form and content, in its sole discretion. All policies shall be issued by an insurance company acceptable and satisfactory to County and authorized to do business in the State of Texas. Acceptance of or the verification of insurance by the County shall not relieve or decrease the liability of the Contractor.

13.10 Minimum insurance is a condition precedent to any work, or services performed under this Agreement and for the entire Term of this Agreement, including any renewal or extension. In addition to any and all other remedies County may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, or such insurance lapses, is reduced below minimum requirements or is prematurely terminated for any reason, County shall have the right to:

- (a) Order Contractor to stop work hereunder, which shall not constitute a Suspension of Work and Services.
- (b) Withhold any payment(s) which become due to Contractor until Contractor demonstrates compliance with the requirements and assurance and proof acceptable to County that there is no liability to County for failure to provide such required insurance.
- (c) At its sole discretion, declare a material breach of this Agreement, which, at County's discretion, may result in:
 - (1) Termination of this Agreement
 - (2) Demand on any bond, as applicable.
 - (3) The right of the County to complete this Agreement by contracting with the "next low proposal." Contractor will be fully liable for the difference between the original Agreement price and the actual price paid, which amount is payable to County by Contractor on demand;
or
 - (4) Obtain such insurance and deduct from the payments to Contractor the expense of obtaining such insurance and the cost of insurance premiums. However, neither Contractor nor any third party shall have any recourse against the County for payment of any premiums or assessment for any deductibles, or payment of any amount that would have been payable by any such insurance, as all such liability, cost, expense, premiums and deductibles are the sole responsibility and risk of Contractor; and Any combination of the above in Section 13.11.

- 13.11 The contractor shall promptly advise County in writing of any claim or demand against County or Contractor, known to Contractor related to or arising out of Contractor's activities under this Agreement.
- 13.12 Approval, disapproval or failure to act by the County regarding any insurance supplied by Contractor shall not relieve Contractor of full responsibility or liability for damages and accidents as set forth herein. Neither shall bankruptcy, insolvency or denial of liability by any insurance company exonerate the Contractor from liability.
- 13.13 Acceptance of the work or services, or failure to act by County shall not constitute nor be deemed a release of the responsibility and liability of Contractor, its employees, associates, agents or subcontractors for the accuracy and competency of their work or services; nor shall such acceptance be deemed an assumption of responsibility or liability by County for any defect in the work or services performed by Contractor, its employees, subcontractors, and agents.
- 13.14 Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work or services covered under this Agreement.
- 13.15 **Survival:** The provisions of this Section shall survive completion, suspension, termination or expiration of this Agreement, or any determination that this Agreement or any portion hereof is void, voidable, invalid or unenforceable.
- 13.16 **Insurance Lapse:** In the event Contractor fails to maintain insurance as required by this Agreement, Contractor shall immediately cure such lapse in insurance coverage at Contractor's sole expense, and pay County in full for all costs and expenses incurred by County under this Agreement as a result of such failure to maintain insurance by Contractor, including costs and reasonable attorney's fees relating to County's attempt to cure such lapse in insurance coverage. Such costs and attorney's fees, not to exceed One Thousand Five Hundred Dollars and 00/100 dollars (\$1,500.00), shall be automatically deducted from monies or payments owed to Contractor by County. Moreover, the County shall retain five percent (5%) of the value of the Agreement that shall be placed into an account from monies or payments owed to Contractor by County to cover County's potential exposure to liability during the period of such lapse. The retainage shall be held by County until six (6) months after the Term of the Agreement has ended or has otherwise been terminated, cancelled, or expired and shall be released if no claims are received or lawsuits filed against County for any matter that should have been covered by the required insurance.

13.17 CONTRACTOR FURTHER AGREES TO INDEMNIFY COUNTY FOR ANY PENALTIES, FINES, JURY AWARDS, COURT COSTS, LITIGATION EXPENSES, AND

ATTORNEYS' FEES INCURRED BY COUNTY DUE TO CONTRACTOR'S FAILURE TO MAINTAIN THE REQUIRED INSURANCE AT ALL TIMES DURING THE TERM OF THE AGREEMENT.

13.18 Contractor, after proper notice, at its own expense with legal counsel of County's choice, will defend and hold County harmless in any claim or action against County that occurred as a direct or indirect result of Contractor's failure to maintain insurance at all times during the Term of the Agreement. Without waiving any rights under Sovereign Immunity, the County shall cooperate with and may monitor Contractor in the defense of any claim, action, or proceeding and will, if appropriate, make employees available as Contractor may reasonably request with regard to such defense, subject to the reimbursement by Contractor of all costs and expenses accrued by the County's cooperation in such defense. Contractor agrees not to settle any such claim without the County's consent, which consent will not be unreasonably withheld or delayed.

14. TERMINATION

The County may terminate this Agreement for the following:

14.1 Termination for Convenience:

County may terminate the Agreement for convenience after the first anniversary of the execution of this Agreement. County shall exercise its termination option by delivering to Contractor written notice of such termination identifying the termination date which shall be at least thirty (30) days after the date of such notice. In connection with any such termination, County shall have no liability to Contractor for amounts in excess of the normal charges through the date of termination. After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall: (i) stop work under this Agreement not less than forty-five (45) days from the date of the County's notice of termination to the extent specified in such notice, and (ii) complete performance of such part of the work and services not terminated by such notice.

If County determines that Contractor's actions contribute to the curtailment of an essential service or pose an immediate threat to life, health or property, County may terminate this Agreement immediately without penalty upon issuing either oral or written notice to Contractor and without opportunity to cure. In no event shall the County be liable for costs incurred by the Contractor as a result of the termination or any loss of profits on the resulting order or portion thereof so terminated.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and other materials (collectively referred to as "materials") prepared by Contractor for use by County under this Agreement shall become the property of County and shall be promptly delivered to County within ten (10) days.

Such notice of termination shall be by registered or certified mail, return receipt requested, and will be deemed given upon receipt of such notice by the other party.

14.2 Termination for Insolvency:

County shall have the option to terminate this Agreement in its entirety if Contractor: (i) becomes insolvent or is unable to meet its debts as they mature; (ii) files a voluntary petition in bankruptcy or seeks reorganization or to effect a plan or other arrangement with creditors; (iii) files an answer or other pleading admitting, or fails to deny or contest, the material allegations of an involuntary petition filed against it pursuant to any applicable statute relating to bankruptcy or reorganization; (iv) is adjudicated bankrupt or shall make an assignment for the benefit of its creditors generally; (v) applies for, consents to or acquiesces in the appointment of any receiver or trustee for all or a substantial part of its property any such receiver or trustee appointed is not discharged within thirty (30) days after date of such appointment.

14.3 Termination for Default or Non-Performance:

County shall have the option to terminate this Agreement, for cause: (i) for a material breach or non-performance of this Agreement by Contractor that is not cured by Contractor within ten (10) days of the date on which County provides written notice of breach; (ii) for a material breach of this Agreement by Contractor that is not reasonably subject to cure within ten (10) days after its occurrence; or (iii) if it is determined by County, that there exists a plurality of non-material breaches by Contractor that have a material adverse impact on the work or services provided under this Agreement. In the event that County terminates this Agreement in whole or in part as provided herein, the County may procure, upon such terms and in such manner as County may deem appropriate, goods and services similar to those so terminated. The contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by County, for such similar goods and services. If a failure described in this Section is not cured to the County's satisfaction within ten (10) days from the time of receipt of such notice as described in Section 15, the County shall have the right to terminate immediately without the requirement of further notice. If, after notice of termination under the provisions of this clause, it is determined for any reason that the Contractor was not in default under these provisions of this clause, the County has the option to make its notice of termination pursuant to the Termination for Convenience clause in Section 14.1 above and the rights and obligations of the Parties would be in accordance with that provision.

14.4 In the event this Agreement is prematurely terminated due to breach, non-performance or withdrawal by the Contractor, the County reserves the right to seek monetary restitution (to include but not limited to withholding of monies owed) from the Contractor to cover costs for interim services or to cover the difference of a higher cost (difference between termination Contractor's rate and new company's rate) beginning from the date of Contractor's termination through the Agreement expiration date. In the event a civil suit is filed to enforce this provision, the County will seek its attorney's fees and cost of suit from the Contractor.

14.5 **Notice and Right to Cure:** If the Contractor breaches the Agreement, and the County in its sole discretion determines that the breach is curable, then the County will provide the Contractor with written notice of the breach and a time period (not less than 10 days) to cure the Breach. The notice of breach and opportunity to cure is inapplicable for successive or repeated breaches or if the County

determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage, or destruction of any real or tangible personal property.

14.6 Termination for Lack of Funding: If funds, in whole or in part, are not available to begin or to continue this Agreement at the level of services specified, the County may immediately terminate or amend this Agreement. The County shall not be obligated to pay for any services rendered after the Contractor has received written notice of termination pursuant to this section.

15. NOTICES

All notices, correspondence, request demands, and other communications contemplated, called for, permitted, or required to be given under this Agreement shall be in writing, except through the course of the Parties' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four (4) calendar days after being mailed by U.S. certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of the mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated below or other addresses as the Parties may designate by written notice in compliance with this Section.

Contractor:

Texas Materials Group, Inc.
420 Decker Drive, Suite 200
Irving, TX 75062

Ellis County:

Ellis County Purchasing Agent
302 N. Monroe Street, Suite 307
Waxahachie, TX 75165

16. SEVERABILITY

If any provision of this Agreement is construed to be illegal or invalid, this will not affect the legality or validity of any of the other provisions in this Agreement. The illegal or invalid provision will be deemed stricken and deleted, but all other provisions shall continue and be given effect as if the illegal or invalid provisions had never been incorporated.

17. SOVEREIGN IMMUNITY

This Agreement is expressly made subject to County's Sovereign Immunity, Title 5 of the Texas Civil Practices and Remedies Code, and all applicable federal and state law. The parties expressly agree that no provision of this Agreement is in any way intended to constitute a waiver of any immunities from suit or from liability that the County has by operation of law. Nothing in this Agreement is intended to benefit any third-party beneficiary.

18. AMENDMENTS

No modification, amendment, novation, renewal or other alteration of this Agreement shall be effective unless mutually agreed upon in writing and executed by the Parties hereto and approved by Ellis County Commissioners Court.

19. GOVERNING LAW AND VENUE

The validity and interpretation of this Agreement, and the rights and obligations of the Parties hereunder, shall be governed by and construed in accordance with the laws of the State of Texas. This Agreement is performable and enforceable in Ellis County, Texas. The Contractor agrees that any dispute arising from the terms of this Agreement shall be subject to the exclusive jurisdiction and venue of the District or County Courts in Ellis County, Texas. The Contractor hereby consents to waive any objections that such jurisdiction or venue is improper.

20. COMPLIANCE WITH LAWS

In providing work and services required by this Agreement, Contractor must observe and comply with all applicable federal, State, and local statutes, ordinances, rules, regulations, licenses, legal certifications, or inspections required for the work or services, facilities, equipment, or materials, and all applicable federal, state, and local statutes, ordinances, rules, and regulations.

21. CHANGE IN THE LAW

Any alteration, addition or deletion to the terms of this Agreement which are required by changes in federal or state law are automatically incorporated herein without written amendment to this Agreement and shall be effective on the date designated by said law.

22. PERMITS AND LICENSES

Contractor shall secure and pay for all fees for all necessary statutory and regulatory authorizations, permits, approvals, certifications, licenses, and insurance required by the laws of Federal, State, County, and municipal laws, ordinances, rules and regulations that are required in order to perform the work or services stated in Agreement. Contractor shall maintain these licenses and permits in effect for the Term of this Agreement and any renewals. The contractor will notify the County immediately of loss or suspension of any such licenses and permits. Failure to maintain a required license or permit may result in immediate termination

of this Agreement.

23. WAIVER

Failure of any party, at any time, to enforce a provision of this Agreement, shall in no way constitute a waiver of that provision, nor in any way affect the validity of this Agreement, any part hereof, or the right of the party thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived, or breach excused unless the waiver shall be in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other, different or subsequent breach.

24. DEFAULT, CUMULATIVE RIGHTS, AND MITIGATION

It is not a waiver of default if the non-defaulting Party fails to immediately declare a default or delays in taking any action.

The rights and remedies provided by this Agreement are cumulative, and either Party's use of any right or remedy will not preclude or waive its right to use any other remedy at law or in equity. These rights and remedies are in addition to any other rights the Parties may have by law, statute, ordinance or otherwise. **Parties have a duty to mitigate damages.**

25. INDEPENDENT CONTRACTOR

Contractor, including its agents or employees, agree Contractor is an independent contractor and not an agent, servant, joint enterpriser, joint venture or employee of the County, and is responsible for its own acts, forbearance, negligence and deeds, and for those of its agents or employees in conjunction with the performance of work and services covered under this Agreement.

26. SUBCONTRACTING

Contractor may not enter into agreements with subcontractors or consultants for delivery of the designated work and services outlined in this Agreement without prior written consent of the County, which consent shall not be unreasonably withheld. The costs of all subcontracted services are included in the fees paid herein. Subcontracts or Consulting agreements, if any, entered into by the Contractor will be in writing and subject to all requirements herein. Contractor agrees that Contractor is solely responsible to County for the performance of this Agreement. Contractor shall pay all subcontractors and consultants in a timely manner. County shall have the right to prohibit Contractor from using any subcontractor or consultant with written notice.

27. ASSIGNMENT

Contractor assures that it will not transfer or assign its interest in this Agreement without prior written consent of County. Contractor understands that in the event that all or substantially all of Contractor's assets are acquired by another entity, Contractor is still obligated to fulfill the terms and conditions of this Agreement. County approval to transfer or assign Contractor's interest in this Agreement to an entity that acquires all or substantially all of Contractor's assets is subject to formal approval by the Ellis County Commissioners Court.

28. THIRD PARTIES

The obligations of each Party to this Agreement shall inure solely to the benefit of the other Party, and no other person or entity shall be a third-party beneficiary of this Agreement or have any right to enforce any obligation created or established under this Agreement.

29. CONFLICT OF INTEREST

No County official or employee shall have any financial interest, direct or indirect, in any contract with the County or be financially interested, directly or indirectly, in the sale to the County of any land, materials, supplies or services, except on behalf of the County as an official or employee. Any violation of this Section, with knowledge, expresses or implied, of the person or corporation contracting with the County shall render this Agreement involved voidable by the Commissioners Court of Ellis County. It is the responsibility of the Contractor during all phases of this Agreement to notify the County in writing of any potential conflict of interest. Contractor covenants that neither it nor any member of its corporation presently has any interest or shall acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of this Agreement. Contractor further covenants that in the performance of this Agreement no person having such interest shall be employed or appointed by Contractor.

30. ANTI-KICKBACK

Contractor hereby certifies that it will comply with all applicable "Anti-Kickback" Laws (including (18 USC 874) as supplemented in Department of Labor regulations (29 CFR, Part 3), and shall insert appropriate provisions in all subcontracts covering work under this Agreement.

31. FORCE MAJEURE

Neither Party hereto shall be held responsible for any loss or damage or for any delays or failure to perform due to causes beyond its reasonable control including acts of God, strikes, epidemics, war, riots, flood, fire, sabotage, or any other circumstances of like character ("force majeure occurrence"). Contractor shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement.

32. FAIR LABOR STANDARDS: CONTRACTOR SHALL COMPLY WITH ALL

APPLICABLE PROVISIONS OF THE FEDERAL FAIR LABOR STANDARDS ACT AND SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE COUNTY AND ITS AGENTS, OFFICERS, AND EMPLOYEES FROM ANY AND ALL LIABILITY, INCLUDING, BUT NOT LIMITED TO, WAGES, OVERTIME PAY, LIQUIDATED DAMAGES, PENALTIES, COURT COSTS, AND ATTORNEYS' FEES ARISING UNDER ANY WAGE AND HOUR LAW, INCLUDING, BUT NOT LIMITED TO, THE FEDERAL FAIR LABOR STANDARDS ACT, FOR WORK PERFORMED BY CONTRACTOR'S EMPLOYEES FOR WHICH THE COUNTY MAY BE FOUND JOINTLY OR SOLELY LIABLE.

33. TAXES

The County, as a county of the State of Texas, is exempt from the payment of Texas state and local sales, excise, and use taxes pursuant to Texas Tax Code § 151.309 and shall therefore not be liable or responsible to Contractor for the payment of such taxes under this Agreement. The fees paid to Contractor pursuant to this Agreement are inclusive of any applicable sales, use, personal property or other taxes attributable to periods on or after the applicable Effective Date of this Agreement and based upon or measured by Contractor's cost in acquiring or providing products or services and related materials and supplies furnished or used by Contractor in performing its obligations hereunder, including all personal property and use taxes, if any, due on equipment or software owned by Contractor. Contractor accepts full and exclusive liability for the payment of any and all contributions or taxes for Social Security, Workers' Compensation Insurance, Unemployment Insurance, or Retirement Benefits, Pensions, or annuities now or hereafter imposed under any state or federal laws which are measured by the wages, salaries, or other remuneration pay to persons employed by Contractor for work performed under the terms of this Agreement **AND AGREES TO INDEMNIFY AND SAVE HARMLESS THE COUNTY FROM ANY SUCH CONTRIBUTION OR TAXES OR LIABILITY.**

34. AUTHORITY TO TRANSACT BUSINESS IN THE STATE OF TEXAS

The contractor agrees, represents, and warrants it currently has the legal authority to transact business in the State of Texas as a domestic corporation. Contractor shall maintain the legal authority to transact business in the State of Texas for the Term of this Agreement. Contractor shall provide proof of Contractor's current registration status from the Texas Secretary of State and the Comptroller for the State of Texas.

35. FISCAL FUNDING/NON-APPROPRIATION CLAUSE

Notwithstanding any provisions contained herein, the obligations of the County under this Agreement are expressly contingent upon the availability of funding for each item and obligation contained herein for the Term of the Agreement and any extensions thereto. Contractor shall have no right of action against County in the event County is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding or non-appropriation for any item or obligation from any source utilized to fund this Agreement or failure to budget or authorize funding for this

Agreement during the current or future fiscal years. In the event that County is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding, non-appropriation or if funds become unavailable, County, at its sole discretion, may provide funds from a separate source or may terminate this Agreement by written notice to Contractor at the earliest possible time pursuant to Section 15 above.

36. OWNERSHIP OF DOCUMENTS

Contractor agrees that all findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Contractor or any of its subcontractors for use by County in the course of performance of this Agreement, shall be and remain the sole property of County without restriction, reservation or qualification. The contractor agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of County. Contractor shall deliver to County any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other project related items as requested by County or its authorized representative, at no additional cost to the County. Contractor may retain copies necessary for record keeping, documentation and all such other business purposes related to the Agreement.

37. USE OF AGREEMENT BY OTHER POLITICAL JURISDICTIONS

In accordance with Article 791.025 of the Texas Government Code, governmental agencies (local, state) may request to utilize the County's contract by executing an interlocal agreement with County to do so. Contractor agrees this Agreement may be extended, with the authorization of the Contractor, to others. If any other jurisdiction or political jurisdictions is authorized, their ordering of services or goods shall be at the prices, terms and conditions as this Agreement. The Contractor must deal directly with that jurisdiction or political subdivision concerning the placement of orders, services, issuance of purchase orders, contractual disputes, invoicing and payment. The County acts only as the "Contracting Agent" for these jurisdictions and political subdivisions. Failure to extend a contract to any jurisdiction will have no effect on this Agreement. Each participating jurisdiction and political subdivision have the option of executing a separate contract with the Contractor. If, when preparing such a contract, the general terms and conditions of a jurisdiction are unacceptable to the Contractor, the Contractor may withdraw its extension of the award to that jurisdiction.

38. PROHIBITION ON CONTRACTS WITH COMPANIES BOYCOTTING ISRAEL

38.1 Pursuant to Section 2270.002 of the Texas Government Code, Contractor verifies that it:

- (a) Does not boycott Israel; and
- (b) Will not boycott Israel during the term of this Agreement.

39. PROHIBITION ON CONTRACTS WITH COMPANIES BOYCOTTING CERTAIN

ENERGY COMPANIES

39.1 Pursuant to Section 2276.002 of the Texas Government Code, Contractor verifies that it:

- (a) It does not boycott energy companies; and
- (b) Will not boycott energy companies during the term of the contract.

40. PROHIBITION ON CONTRACTS WITH COMPANIES THAT DISCRIMINATE AGAINST FIREARM AND AMMUNITION INDUSTRIES

40.1 Pursuant to Section 2274.002 of the Texas Government Code, Contractor verifies that it:

- (a) It does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
- (b) Will not discriminate during the term of the contract against a firearm entity or firearm trade association.

41. VERBAL AGREEMENT

No verbal agreement or conversation with any officer, agent or employee of County either before, during or after the execution of this Agreement, shall affect or modify any of the terms of obligations herein contained, nor shall such verbal agreement or conversation entitle Contractor to any additional payment whatsoever under the terms of this Agreement. All changes to this shall be in writing and the form of a change order in supplemental amendment to the agreement, approved by the Ellis County Commissioners Court.

42. ENTIRE AGREEMENT

This Agreement supersedes all prior agreements, written or oral, between Contractor and County and will constitute the entire agreement and understanding between the Parties with respect to the subject matter of this Agreement. This Agreement and each of its provisions and Exhibits will be binding upon the Parties and may not be waived, modified, amended, or altered except by a writing signed by both Contractor and County with formal approval by the Ellis County Commissioners Court.

43. BINDING EFFECT

This Agreement and the respective rights and obligations of the Parties hereto shall inure to the benefit and be binding upon the successors and assigns of the Parties hereto, as well as the Parties themselves.

44. SIGNATORY WARRANTY

The person or persons signing and executing this Agreement on behalf of Contractor or representing themselves as signing and executing this Agreement on behalf of Contractor, do

hereby warrant and guarantee that he, she, or they have been duly authorized by Contractor to execute this Agreement on behalf of Contractor and to validly and legally bind Contractor to all terms, conditions and provisions herein set forth.

45. ACCEPTANCES

By their signatures below, the duly authorized representatives of the County and Contractor accept the terms of this Agreement in full.

EXECUTED THIS 1st DAY OF October, 2024.

ELLIS COUNTY

TEXAS MATERIALS GROUP, INC.

By: *Todd Little*
Todd Little
Ellis County Judge

By: *JAC*
Title: *Estimating Manager*

ATTEST

By: *Krystal Valdez*
Krystal Valdez
Ellis County Clerk



EXHIBIT A

SPECIFICATIONS FOR

PAVEMENT REHABILITATION AND RESURFACING SERVICES

Scarifying and Processing Requirements: Roadways identified for rehabilitation shall be scarified and pulverized to the full depth of the existing base material or eight (8) inches, whichever is less.

The existing asphalt pavement shall be scarified and pulverized until a minimum of fifty-five (55) percent of the asphalt pavement passes the No. 4 sieve. The largest pieces in the pulverized mixture shall not exceed two (2) inches in size.

After the existing asphalt surface has been scarified and pulverized, the existing base material shall be scarified to the full depth of the existing base material or eight (8) inches, whichever is lesser.

The resulting mixture of asphalt and base materials shall be pulverized and thoroughly mixed so that at the completion of moist-mixing 100 percent by dry weight passes a one (1) inch sieve and a minimum of 80 percent passes a No. 4 sieve, exclusive of gravel or stone retained on these sieves. Old bituminous wearing surfaces shall be pulverized so that 100 percent pass a two (2) inch sieve.

Compaction and Finishing: The mixed material shall be compacted to at least 95 percent of Modified Proctor, ASTM D 1557 at or above optimum moisture content. At the start of compaction, the percentage of moisture in the mixture shall not be below or more than two (2) percentage points above the optimum moisture content. In no case shall the addition of water be such that the mixture becomes unstable during compaction and finishing. If the uncompacted pavement/base (stabilized) mixture is wetted by rain so that the average moisture content exceeds the tolerance given at the time of final compaction, the entire section shall be reconstructed in accordance with this specification at the sole expense of the Contractor.

Prior to the beginning of compaction, the mixture shall be in a loose condition for its full depth. The loose mixture shall then be uniformly compacted to the specified density within two (2) hours. After the mixture is compacted, water shall be uniformly applied as needed and thoroughly mixed in with a spike tooth harrow or equal. The surface shall then be reshaped to the required lines, grades, and cross-section and then lightly scarified to loosen any imprint left by the compacting or shaping equipment.

The resulting surface shall be rolled with a pneumatic roller and "tight-bladed" by a motor grader to a depth of approximately ¼ inch, moving all loosened mixture from the section. The surface shall then be thoroughly compacted with the pneumatic roller, adding moisture as needed. Surface finishing methods may vary from the above-described procedure, provided a dense uniform surface, free of loose material, is maintained at its specified optimum moisture during all finishing operations. Surface compaction and finishing operations shall proceed in such a manner as to produce, in not more than two (2) hours, a smooth, closely knit surface – free of cracks, ridges, or loose material, and conforming to the required pavement cross-section. A rough or "washboard" finished surface shall not be accepted.

The finished surface shall be at the width as designated by the County. For stabilized roadways, the stabilized material shall extend at least one (1) foot beyond the required pavement edge to aid

EXHIBIT A

in reducing pavement movements and cracking along the edge line due to seasonal moisture variations after construction.

Stabilization Process: If stabilization utilizing a Portland cement slurry is determined to be necessary by the County, the material shall be spread uniformly on the asphalt and base mixture at a minimum rate 28 pounds per square yard. This cement slurry shall be applied only to such an area that all operations can be continuous and completed in daylight and within six (6) hours of such application. The percentage of moisture in the base at the time of stabilization application shall not be in excess of that which will permit uniform and intimate mixture of pavement/base and stabilization material during dry-mixing operations, and it shall not exceed the specified optimum moisture content for the pavement/base mixture.

After the material has been applied, it shall be dry mixed with the pavement/base mixture. Mixing shall continue until the material has been sufficiently blended with the pavement/base mixture to prevent the formation of any clumps or “balls” when water is applied. Any mixture that has not been compacted and finished shall not remain undisturbed for more than 30 minutes. Immediately after the dry mixing is complete, water as necessary shall be uniformly applied and incorporated into the mixture. The pressurized equipment and the supply provided shall be adequate to ensure continuous application of the required amount of water to sections being processed within three (3) hours of the time of application of the Portland cement slurry. Proper care shall be exercised to always ensure proper moisture distribution. After the last increment of water has been added, mixing shall continue until a thorough and uniform mix has been obtained.

After a thorough and uniform mix has been obtained, refer to ***Compaction and Finishing*** section above.

Asphalt Emulsion Curing Membrane: After the roadway has been finished as specified above, it shall immediately be protected against rapid drying or curing by the application of 0.20 gallons per square yard (SY) of SS-1 type asphalt, which shall comply in all respects to Item 302.3.4 of the North Central Texas Council of Government (NCTCOG) Standards. Immediately prior to the application of the asphalt emulsion, the roadway section shall be wetted using pressure water distributors so that all voids in the roadway surface are filled with water but without free water standing on the surface. The asphalt emulsion cure shall be applied while this moisture condition exists so that undue asphalt penetration of the roadway surface shall be prevented while aiding in complete coverage by the application.

After a short curing stage (one to three days) and in order to help reduce the risk of shrinkage cracks forming in the cement-treated base materials, microcracking shall be performed through the application of several vibratory roller passes.

Should it be necessary for construction equipment or local traffic to pass over the section before the asphalt emulsion has dried enough to prevent pick-up, it shall be the responsibility of the Contractor to dust or sand the surface. The Contractor shall maintain the curing cover for a seven (7) day period after the initial application to insure a complete cure of the roadway.

If approved by the County, the use of other asphaltic emulsions may be used in lieu of the SS-1; however, a complete asphalt membrane cover must be obtained.

EXHIBIT A

Pavement Milling Machine and Process: The cold-milling machine shall be self-propelled, specifically designed to fully or partially remove existing asphaltic pavement to the desired depth, profile, cross slope and surface texture. The machine shall be equipped with a conveyor capable of removing the millings from the pavement and loading them directly into a truck. In addition, the machine shall be equipped with a means to effectively and efficiently control the dust generated by the milling operation.

The machine shall make sufficient passes so that the designated area is milled to the grades and cross sections indicated by the County. The milling shall proceed with care and in depth increments that will not damage the pavement below the specified depth. The Contractor will repair or replace, as directed by the County, items damaged during milling operations at the Contractor's expense.

The milled pavement surface shall be properly cleaned by sweeping after the milling operations.

Hot Mix Asphaltic Concrete (HMAC) Pavement Material and Placement: The materials used in executing the work shall comply with the requirements of Item 302.3, "Bituminous Materials," and Item 302.9, "Hot-Mix Asphaltic Pavement," of the NCTCOG Standards. The hot mix asphaltic concrete pavement furnished shall contain Performance Graded asphalt binder, PG 70-22, and shall be the Type specified in the Bid Proposal.

The equipment and methods used in executing the work shall comply with the requirements of Items 302.9.4 and 302.9.6 of the NCTCOG Standards, respectively.

All cuts into existing asphalt or concrete shall be neat, straight and true and comply with the requirements of Item 402.3, "Sawing," of the NCTCOG Standards.

The tack coat shall comply in all respects to Item 302.9.2.2.3 of the NCTCOG Standards. The application of a tack coat shall apply to each layer of HMAC before the next layer is applied and to any exposed concrete edges that shall abut any HMAC.

For overlays of existing streets, the street surface shall be cleaned of grass and weeds and shall be swept prior to placing the tack coat.

Testing: The County shall have the authority to test materials, equipment and in-place construction to verify compliance with project specifications. The expense of tests shall be paid for by the County. The failure of the County to make any tests shall in no way relieve the Contractor of their responsibility to provide materials, equipment, and in-place construction which comply with project specifications. The Contractor shall provide such facilities as the County may require for collecting and forwarding samples and shall not, without specific written permission of the County, use the materials represented by the samples until tests have been made and materials approved for use. The Contractor will furnish adequate samples without charge to the County.

The contractor shall give the County designated inspector timely notice of readiness of the work for all required inspections, tests or approvals. The site must be ready for testing upon the Contractor's

EXHIBIT A

notification to the County representative. Should the site not be properly prepared for testing upon the arrival of the testing agent, any costs which are incurred will be borne solely by the Contractor.

Drainage: Contractor shall always maintain adequate drainage during construction. Changing of natural runoff flow locations or concentrating flows to a point of potential harm to adjacent properties shall not be permitted.

Storm Water Management: For projects in which the roadway is to be rehabilitated (i.e., scarified and pulverized) in which one (1) or more acres is disturbed, a Storm Water Pollution Prevention Plan (SWP3) is required by the Texas Commission on Environmental Quality (TCEQ) and shall be prepared by the Contractor. The plan shall show proposed measures to control pollutants in storm water discharges during and after construction activities. A section of the SWP3 shall contain a pollution/erosion control plan, signed and sealed by a Professional Engineer licensed in the State of Texas.

The SWP3 shall be kept at the job site for assessment by TCEQ inspectors at all times. The Contractor shall keep the SWP3 up-to-date and clearly indicate any and all changes made to the plan throughout construction activities. The SWP3 shall be submitted to the County for review and approval prior to the start of construction.

The SWP3 shall be implemented and maintained throughout the entire length of work. Should any pollution prevention measures fail, it shall be the responsibility of the Contractor to repair the failure immediately.

Traffic Control: All traffic control measures shall be in accordance with the most recent version of the Texas MUTCD. It shall be the Contractor's responsibility to ensure that proper safety practices and procedures are in place at all times during the work, including but not limited to the use of proper signage, barricades, cones, and flaggers. In addition, all vehicular equipment utilized in the work shall be equipped with proper flashers/lights/strobes that must be in operation during the work.

Due to the nature of this work, at no time can access along any roadways be restricted to adjacent residences or thru traffic. It shall be the contractor's responsibility to determine the means and methods of construction to address and adequately satisfy this requirement.

Construction Water: Construction water necessary to complete the work shall be provided by the Contractor. It shall be the Contractor's responsibility to complete a fire hydrant meter rental application and pay the required refundable deposit to the County prior to taking any water.

Protection of the Public: The Contractor shall at all times conduct the work in such a manner as to ensure the least possible obstruction to public traffic and protect the safety of the public. Public safety and convenience and provisions therefore made necessary by the work shall be the direct responsibility of the Contractor and shall be performed at their entire expense.

Materials placed on site or materials excavated and the construction materials or equipment used shall be located so as to cause as little obstruction to the public as possible.

EXHIBIT A

The County reserves the right to remedy any neglect on the part of the Contractor as regards public convenience and safety which may come to its attention. The cost of such work done, or material furnished by the County shall be deducted from monies due or to become due to the Contractor.

Protection of Existing Facilities: It shall be the Contractor's responsibility to repair to the satisfaction of the County any damage done to manholes, cleanouts, and valves, other public appurtenances located in the roadway or any structures or facilities adjacent to the roadway which are damaged by the Contractor during the construction process. No payment shall be made for these repairs.

Cleanup: It is the intent of these requirements that an adequate cleanup job be performed by the Contractor throughout the construction process. Before work is accepted by the County, all rocks, stones, asphalt, base material, and other construction debris shall be removed and properly disposed of by the Contractor.

Final Inspection: The County will make a final inspection of all work as soon as practicable after the work is completed and ready for acceptance. If the work is not acceptable at the time of such inspection, the Contractor will be informed by the County as to the particular defects to be remedied before final acceptance is made.

Services Warranty: Contractor warrants that:

- (a) Services will be performed in a timely, efficient, and professional manner; and,
- (b) all Contractor personnel assigned to perform Services will have the necessary skill and training; and
- (c) Services will be performed in a manner consistent with the standard of care in the industry ("Services Warranty").

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SERVICES CONTRACT

THIS SERVICES CONTRACT (the “CONTRACT”) is made by and between the **CITY OF KAUFMAN, TEXAS** (hereinafter referred to as the “CITY”), a Texas municipal corporation, and **TEXAS MATERIALS GROUP, INC.** (hereinafter referred to as “VENDOR”). VENDOR and the CITY are collectively referred to herein as the “Parties,” and individually as a “Party.”

WHEREAS, ELLIS COUNTY, TEXAS (hereinafter referred to as the “AWARDING ENTITY”) and CITY have entered an Interlocal Agreement (the “Contract”) pursuant to Chapter 791 of the Texas Government Code setting forth the terms and conditions upon which AWARDING ENTITY and CITY may purchase various goods and services commonly utilized by each entity; and,

WHEREAS, the VENDOR was awarded a contract pursuant to bid RFB No. 2024-010 with AWARDING ENTITY for Pavement Rehabilitation and Resurfacing Services, attached hereto and incorporated herein as Exhibit A; and,

WHEREAS, the CITY desires to enter into this CONTRACT with the VENDOR for the Pavement Rehabilitation and Resurfacing Services (the “Services”) set forth in Exhibit A;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants, and obligations as set forth herein, that;

1. The VENDOR agrees to provide the Services to the CITY in accordance with the terms and conditions this CONTRACT and Exhibit A.
2. This CONTRACT is for an initial term of one (1) year from the Effective Date (defined herein), unless terminated earlier in accordance with this CONTRACT. The CITY reserves the right to exercise the option to renew the CONTRACT for three (3) additional one (1)-year term(s). The Effective Date of this CONTRACT is November 26, 2024.
3. In consideration of the Services performed by the VENDOR, the CITY agrees to pay VENDOR for the Services in accordance with the pricing and warranty period set forth in Exhibit A; provided that the total amount for the Services under this CONTRACT for the initial term shall not exceed \$135,000 and the total amount for the Services shall not exceed \$450,000 for all renewal terms.
4. The VENDOR shall remit all invoices to the CITY. The CITY will be responsible for payments, as required under the Texas Prompt Payment Act, Texas Gov’t Code Ch. 2251, directly to VENDOR, and for VENDOR’S compliance with all conditions of delivery and quality of purchased items or services under the Contract.
5. **THE VENDOR WARRANTS THAT THE SERVICES IT PERFORMS FOR CITY WILL BE DONE IN A GOOD AND WORKMANLIKE MANNER, AND**

THAT ANY ITEMS DELIVERED TO THE CITY UNDER THIS CONTRACT WILL BE FIT FOR THE PARTICULAR PURPOSE FOR WHICH IT WAS FURNISHED. THE VENDOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY WHOLE AND HARMLESS AGAINST ANY AND ALL CLAIMS FOR DAMAGES, COSTS, AND EXPENSES TO PERSONS OR PROPERTY THAT MAY ARISE OUT OF, OR BE OCCASIONED BY, THE EXECUTION OR PERFORMANCE OF THIS CONTRACT OR ANY OF VENDOR'S ACTIVITIES OR ANY ACT OF COMMISSION OR OMISSION RELATED TO THIS CONTRACT OF ANY REPRESENTATIVE, AGENT, CUSTOMER, EMPLOYEE, SUB- VENDOR OR INVITEE OF VENDOR OR ANY REPRESENTATIVE, AGENT, EMPLOYEE, OR SERVANT OF THE CITY. IF AN ITEM IS COVERED BY A MANUFACTURER'S WARRANTY, IT IS THE RESPONSIBILITY OF THE VENDOR TO OBTAIN THE INFORMATION FOR THE CITY AND TO GET THE MANUFACTURER TO HONOR THE WARRANTY. THIS SECTION SURVIVES TERMINATION OF THIS CONTRACT.

6. The VENDOR shall obtain and shall continue to maintain at no cost to the CITY, in full force and effect during the term of this Contract, a comprehensive liability insurance policy with a company licensed to do business in the State of Texas and rated not less than "A" in the current Best Key Rating Guide, which shall include bodily injury, death, automobile liability, worker's compensation, and property damage coverage, in accordance with any CITY ordinance or Directive. The minimum limits for this coverage shall be \$1,000,000.00 per occurrence / \$2,000,000 aggregate for general liability and for property damage; \$1,000,000 combined single limit for automobile liability unless modified in accordance with any ordinance or directive;, and statutory workers' compensation and employers' liability insurance as required by state law. The CITY shall be named as an additional insured under such general liability and automobile policies, and a provision shall be incorporated in the policies whereby the CITY shall be given at least thirty (30) days prior notice of any material change in coverage or of cancellation of such policies. VENDOR shall provide a waiver of subrogation in favor of the CITY on all coverages. VENDOR shall furnish the CITY with original copies of said policies or certificates evidencing such coverage prior to commencement of any work under this CONTRACT. The VENDOR agrees that the insurance requirements specified herein do not reduce the liability of the VENDOR has assumed in the indemnification section of this CONTRACT.

7. All notices, communications and reports under this CONTRACT must be mailed or delivered to the respective Parties at the addresses shown below, unless either Party is otherwise notified in writing by the other Party:

CITY:
City of Kaufman
ATTN: Finance Department
209 S. Washington St.
Kaufman, Texas 75142

Phone | 972-932-2216
Email | mwennerstrom@kaufmantx.org

VENDOR:
Texas Materials Group, Inc.
ATTN: Matt Cooley
420 Decker Drive, Suite 200
Irving, Texas 75062
Phone | 214-741-3531
Email | matthew.cooley@texasmaterials.com

8. The CITY may terminate this CONTRACT:
 - a. for convenience, after a 60 day written notice to the VENDOR during the initial term or any renewal term;
 - b. if the VENDOR becomes insolvent or files a voluntary petition for bankruptcy;
 - c. if the VENDOR breaches this CONTRACT and said breach is not cured within 10 days of the date that the CITY provided a written notice of breach. If the failure is not cured to the CITY's satisfaction within 10 days of the written notice of breach, the CITY shall have the right to terminate immediately without the requirement of further notice; or
 - d. if funds are not budgeted or are not available for the CITY to purchase the Services.
9. The Parties to this CONTRACT covenant and agree that in any litigation relating to this CONTRACT, the terms and conditions of the Contract will be interpreted according to the laws of the State of Texas, and if legal action is necessary to enforce this CONTRACT, exclusive venue will lie in Kaufman County, Texas.
10. The exhibit attached hereto is incorporated herein and made a part hereof for all purposes.
11. This CONTRACT shall only be amended in writing signed by the Parties.
12. If any provision of this CONTRACT is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this CONTRACT; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the Parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this CONTRACT shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.
13. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this CONTRACT shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this CONTRACT. No provision of this CONTRACT may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this CONTRACT shall be deemed or construed to be a waiver of any other

term or condition or subsequent waiver of the same term or condition.

14. This CONTRACT may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.
15. If and to the extent this CONTRACT qualifies as a contract for goods and services under Chapter 2271 of the Texas Local Government Code, the VENDOR hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this CONTRACT is a contract for goods or services, will not boycott Israel during the term of this CONTRACT. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law.
16. If and to the extent this CONTRACT qualifies as a governmental contract under Section 2252.151 of the Texas Local Government Code, the VENDOR represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:
 - <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
 - <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
 - <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the VENDOR and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.
17. To the extent this CONTRACT constitutes a contract for goods or services for which a written verification is required under Section 2274.002 of the Texas Government Code, as amended, the VENDOR hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this CONTRACT.
18. To the extent this CONTRACT constitutes a contract for goods or services for which a written verification is required under Section 2274.002 of the Texas Government Code, as amended, the VENDOR hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this CONTRACT against a firearm entity or firearm trade association.
19. By signing below, you agree to extend the Contract, number contract number, with the CITY, and to abide by all pricing, terms, conditions, and specifications in the

CONTRACT.

EXECUTED this the 25 day of November, 2024.

CITY OF KAUFMAN, TEXAS

By: [Signature]
City Manager

TEXAS MATERIALS GROUP, INC.

By: [Signature]

Printed Name: Matthew Cooley

Title: Sales Manager

ATTEST:

[Signature]
Jessie Hanks, City Secretary

APPROVED AS TO FORM:

[Signature]
Patricia Adams, City Attorney

EXHIBIT A

**PAYMENT REHABILITATION AND RESURFACING SERVICES BETWEEN
ELLIS COUNTY AND TEXAS MATERIALS GROUP, INC.**

RFB NO. 2024-010



Meeting
Date: 12/15/2025

Date: 12/08/2025

Item #: 8.

Dept.: Public Works

Consent Agenda

SUBJECT:

Consider and take appropriate action on a purchase order from Texas Materials Group, Inc. for street repair on Adams Lane through an Interlocal Cooperative Purchasing Agreement with Ellis County for pavement rehabilitation and resurfacing services for an amount not to exceed \$252,095.74; and authorize the City Manager or his designee to execute necessary documents.

BACKGROUND:

The scope of work provides for the pavement rehabilitation and resurfacing services for the intersection of Adams Lane. Project details include the following: pulverizing existing roadway, hauling off excess material, cement stabilizing, performing the overlay, placing hot-mix asphalt paving, and providing traffic control for all operations. The procurement is made through an interlocal agreement entitled Ellis County Pavement Rehabilitation and Resurfacing Services — RFB No 2024-010.

Author:
Tim Hopwood, Public Works Director

Reviewed:
Mike Holder, City Manager

Cost: \$252,095.74

Funds Available: 2025 CO

Source: 21-5403-000

Recommendation: Staff recommends approval of a purchase order from Texas Materials Group, Inc. for street repair on Adams Lane through an Interlocal Cooperative Purchasing Agreement with Ellis County for pavement rehabilitation and resurfacing services for an amount not to exceed \$252,095.74; and authorize the City Manager or his designee to execute necessary documents.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



A CRH COMPANY

Texas Materials Group, Inc.
 420 Decker Drive, Suite 200
 Irving, TX 75062
 Phone: (214) 741-3531

PROPOSAL AND CONTRACT
 (Dallas and Ellis County Interlocal Agreements)

To: City of Kaufman

Effective Date: December 4, 2025

Texas Materials Group, Inc., offers to furnish all material, labor and equipment required for the performance of the following described work subject to the terms and conditions of the Dallas County Interlocal IFB-2022-046-6961 and Ellis County RFP-2024-010.

Description of Work and Price: Pulverize existing roadway, incorporate approximately 24 lbs/SY cement, and recompact and grade cement stabilized subgrade. Place hot mix asphalt paving @ approximately 460 lbs/SY

<u>Location</u>	<u>Limits</u>	<u>Description</u>	<u>Units</u>	<u>Unit Price</u>	<u>Approx. Total</u>
Adams St	See Attached Sheet	Mobilization	1	\$2,000.00	\$2,000.00
Adams St	See Attached Sheet	8" Stabilization	2,528	\$9.88	\$24,976.64
Adams St	See Attached Sheet	TY-D Asphalt	537	\$135.50	\$72,763.50
Adams St	See Attached Sheet	Traffic Control	1	\$1,500.00	\$1,500.00
Adams St	See Attached Sheet	Haul Off	2,334	\$8.40	\$19,605.60
Adams St	See Attached Sheet	Curb and Gutter	875	\$150.00	\$131,250.00
					\$252,095.74

*"See Attached Sheet"

Unless the words "Lump Sum" appear next to an item of work, it is understood and agreed that the quantities referred to above are estimates only and that payment shall be made at the state unit prices for actual quantities of work performed by TexasBit.

This estimate expires thirty (30) days from the above date.

TEXASBIT, INC.

ACCEPTED: City of Kaufman

W. L. Warner
 Account Manager
 214-926-9072
 William.Warner@Texasbit.com

 Date _____

THE STATE OF TEXAS
COUNTY OF ELLIS

§
§
§

PAVEMENT REHABILITATION AND RESURFACING SERVICES

BETWEEN ELLIS COUNTY, TX and TEXAS MATERIALS GROUP, INC. - RFB NO. 2024-010

This Agreement ("Agreement") is made and entered into by and between Ellis County, Texas, ("County") a political subdivision of the State of Texas acting by and through the Ellis County Commissioners Court and TEXAS MATERIALS GROUP, INC. ("Contractor") with a place of business at 420 Decker Drive, Suite 200, Irving, TX 75062. Both County and Contractor may be referred to as "Party", or collectively as "Parties."

WHERE, County issued RFB No. 2024-010-Pavement Rehabilitation and Resurfacing Services ("RFB").

WHERE, Contractor responded to RFB; and

WHERE, Contractor responded and represented that its proposed services shall meet or exceed the requirements and specifications of the RFB; and

WHERE, Contractor represents that it has the experience and holds all necessary permits, licenses and certificates to practice and perform the services and desires to perform the services covered in this Agreement; and

WHERE, County desires to retain a qualified and experienced Contractor to provide Pavement Rehabilitation and Resurfacing Services, and

WHERE, County has selected Contractor as the firm for County RFB No. 2024- 010 as the Lowest and Best bid to provide value to the County.

THEREFORE, in consideration of the promises contained in this Agreement, and of other good and valuable consideration, intending to be legally bound, the parties agree as follows:

1. INCORPORATED DOCUMENTS

The following documents are incorporated by reference as if fully reproduced herein:

Exhibit A: Specifications for Pavement Rehabilitation and Resurfacing Services.

2. ORDER OF PRECEDENCE

In the event of any conflict or inconsistency between or among the provisions of this Agreement between the County and Contractor or any incorporated or referenced document or any exhibit, attachment, or associated document, such conflict or inconsistency shall be resolved in the following order of precedence: (1) This Agreement; (2) Exhibit A.

3. CONTRACT TERM

The initial term of this Agreement shall be for one (1) year, commencing upon the date of execution by the Ellis County Commissioners Court ("Effective Date"), unless terminated earlier under any provision of this agreement. Ellis County reserves the right to exercise an option to automatically renew the contract of the Respondent for four (4) additional one (1) year periods.

If Ellis County exercises the right to renew the contract in writing, the Vendor must update and submit any documents required during the initial solicitation by no later than thirty (30) calendar days prior to the commencement of the option period. These required documents must be in force for the full period of the option. If the updated documents are not submitted by the Vendor in complete form within the time specified, Ellis County may rescind its option and seek a new solicitation.

Upon expiration of the Term of this Agreement or any period of renewal, Contractor agrees to hold over the terms and conditions of this Agreement for such a period of time as may be reasonably necessary, but not to exceed 120 days, to renew this Agreement or allow the County to re-solicit this Agreement through a competitive solicitation process.

4. DESCRIPTION OF PROJECT

County and Contractor agree the Project is to establish an indefinite delivery/indefinite quantity contract to provide Pavement Rehabilitation and Resurfacing Services.

5. SCOPE OF SERVICES AND WORK

Contractor shall provide Pavement Rehabilitation and Resurfacing Services in accordance with the Specifications in Exhibit A: Specifications for Pavement Rehabilitation and Resurfacing Services.

6. PAYMENTS AND PRICING

6.1 PRICING AND WARRANTY PERIOD

DESCRIPTION	PRICE	MINIMUM QUANTITY	WARRANTY
Pulverize and Stabilize 24 lbs. per square yard and 2" Overlay	\$29.28/SY	½ mile or 500 tons annually	12 months
2" Overlay - Only	\$19.40/SY	½ mile or 500 tons annually	12 months
Cement Stabilization – 24 lbs. per square yard - Only	\$9.88/SY	½ mile or 500 tons annually	12 months
Lime instead of cement 24 lbs. per square yard	\$13.21/SY	½ mile	12 months
Backfill with onsite Material	\$2/LF	½ mile	N/A
Backfill with offsite Material	\$7/LF	½ mile	N/A
Grade Roadway Ditch	\$7/LF	½ mile	N/A
Haul off Excess Material	\$2.10/SY per inch	½ mile	N/A
Additional Base Material	\$5.15/SY per inch	½ mile	N/A
One Course Seal Coat	\$6/SY per course	½ mile	N/A
4" Sidewalk	\$15.50/SF	500 SF	12 months
Curb and Gutter	\$150/SY	50 LF	12 months
ASPPM or CPR Patching Material-FOB Plant	\$140/ton	N/A	N/A
2" Overlay Balanced Mix Design	\$19.40/SY	½ mile	18 months

- (a) Minimum quantities are per location/street. If minimum quantity is not met per item Texas Materials Group, Inc reserves right to charge a \$3,000 mobilization fee.
- (b) Warranty is limited to the depth and scope of our work. Anything damaged by other parties will not be covered under warranty.
- (c) 2 Inch Overlay Price can be prorated for additional depth. For example, 3" HMA Price would be \$29.10/SY.
- (d) Pricing includes equipment, labor and materials for all precinct locations.
- (e) All traffic control to be included.

6.2 Contractor will remit all invoices to Accounts Payable at the following email address:
Accounts.Payable@co.ellis.tx.us.

6.3 Prices for all goods and/or services shall remain firm for the first year of this agreement. Prices shall be all inclusive and guaranteed for the entire contract period. If applicable, a price redetermination may be considered by Ellis County only at the yearly anniversary date of the contract. The price redetermination may be considered by Ellis County for the subsequent renewal option and shall be substantiated in writing and shall not exceed the increase in the Producer Price Index as published by the United States Department of Labor, Bureau of Labor and Statistics, for the most current data representing a 12-month period at the time of consideration to renew. The bidder's past history of honoring contracts

at the bid price will be an important consideration in the evaluation of the lowest and best bid. Ellis County reserves the right to accept or reject any/all of the price redetermination as it deems to be in the best interest of the County. Price increases and decreases may be allowed on renewal terms but shall remain firm for the entire redetermination period.

6.4 Right to Audit: The Contractor shall agree that County shall, until the expiration of twelve (12) months after final payment under this agreement, have access to and the right to examine at reasonable times any directly pertinent books, documents, papers and records (hard copy, as well as computer generated data) of the Contractor involving those transactions related to this solicitation. Contractor agrees that County shall have access during normal working hours to all necessary facilities, staff and workspace in order to conduct audits. County shall provide the Contractor with reasonable advance notice of intended audits. The Contractor shall provide records within ten (10) business days or a mutually agreed upon timeline.

7. ASSURANCES

7.1 Contractor agrees to establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest or personal gain.

7.2 Contractor assures that neither it nor its employees, volunteers, agents or officers shall receive personal benefits, commission, consideration, or gains in performance of the work or services outlined in this Agreement. Furthermore, Contractor agrees to disclose prior to commencement of a particular assignment any material or financial interests that it or a third party may have in the work, or services required under this Agreement.

7.3 Contractor assures that funds received pursuant to this Agreement will not be used for lobbying the Texas legislature or any governmental agency in connection with a particular contract.

7.4 Contractor shall pay all subcontractors and consultant in a timely manner. County shall have no liability to any subcontractors in the event Contractor does not pay or delays payment to any subcontractors. At termination or expiration of this Agreement, Contractor shall deliver to County an affidavit of all bills paid. Final payment shall be contingent upon receipt of such affidavits as resolution of all accounting for which County is or may be liable under this Agreement.

7.5 Under Section 231.006, Texas Family Code, Contractor certifies to County that the owner(s) of at least a 25% interest in the organization is not delinquent in any child support obligation that renders him/her ineligible to receive payment under the terms of this Agreement. Contractor hereby acknowledges that this Agreement may be terminated, and payment may be withheld if this Certification is inaccurate.

7.6 Contractor certifies that neither it nor any of its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in this Agreement by any Federal department or agency.

- 7.7 Contractor shall use its best efforts to complete each assigned task in as economical a manner as possible and to minimize any charges incurred in connection therewith to the maximum extent possible, consistent with Contractor's other obligations under this Agreement.
- 7.8 Failure to comply with any of these assurances or any other requirements specified within this Agreement will put Contractor in default and material breach of this Agreement and may result, at the sole discretion of County, in the disallowance of funds and the withholding of future awards, in addition to any other remedies permitted by law.
- 7.9 **Governmental Consent:** Contractor warrants that no consent, approval, or withholding of objection is required from any governmental authority with respect to the entering into or the performance of this Agreement.
- 7.10 **Corporate Good Standing:** Contractor represents and warrants that it: (i) is a corporation duly incorporated, validly existing and in good standing; (ii) has all requisite corporate power and authority to execute, deliver and perform its obligations hereunder; (iii) is duly licensed, authorized or qualified to do business and is in good standing in every jurisdiction in which a license, authorization or qualification is required for the ownership or leasing of its assets or the transaction of business of the character transacted by it except when the failure to be so licensed, authorized or qualified would not have a material adverse effect on Contractor's ability to fulfill its obligations hereunder.
- 7.11 Items supplied under this contract shall be subject to approval by Ellis County. Item(s) found to be defective or not meeting specifications shall be picked up and replaced by the successful Respondent within one (1) week after notification, at no expense to Ellis County. Failure to pick up item(s) within one week will constitute a donation to Ellis County for disposition as deemed appropriate.

8. CONTRACTOR'S PROFESSIONAL WARRANTIES

- 8.1 **No Actions, Suits, or Proceedings:** Contractor warrants that there are no actions, suits, or proceedings, pending or threatened, that will have a material adverse effect on Contractor's ability to fulfill its obligations under this Agreement. Contractor further warrants that it will notify County immediately if Contractor becomes aware of any action, suit, or proceeding, pending or threatened, which will have a material adverse effect on Contractor's ability to fulfill the obligations under this Agreement.
- 8.2 **Warranty of Contractor's Capability:** Contractor warrants that it is financially capable of fulfilling all requirements of this Agreement and has the authority to enter into this Contract. Contractor warrants that it is not prohibited by any loan, contract, financing arrangement, trade covenant, or similar restriction from entering into this Agreement.
- 8.3 **Professional Quality:** Contractor warrants to County that all materials, work, and services will be of professional quality conforming to generally accepted practices, and that all work and services provided under this Agreement will be performed in a manner consistent with that degree of care, qualification and skill ordinarily exercised by members of the same profession

currently practicing under similar circumstances. If there are no applicable or recognized professional standards in the applicable area or areas of expertise required to perform such work or services, then Contractor will perform all services in a good and professional manner that meets County's goals and objectives as stated herein as well as otherwise adds value to or improves the performance of County's expectations, objectives, and purposes as stated in this Agreement. Any work that is determined by County to be less than professional quality will be corrected without charge. This warranty extends for ninety (90) business days past termination or expiration of this Agreement. This warranty is limited to rework of the unsatisfactory service or product without change to the original specifications and without regard to the amount of the effort expended on the original service or work product.

8.4 Collusion: Contractor expressly warrants and certifies that neither the Contractor nor its employees or associates has directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competition in conjunction with the competitive bidding process for this Agreement or this Agreement itself.

9. REPORTING

9.1 Reporting: Contractor agrees to submit all required documentation and reports in a timely manner and in accordance with the specified time frames pursuant to this Agreement. Penalties for delinquent reporting may include withholding of payments until such time all reports are received or the cancellation or termination of this Agreement with no obligation to pay for undocumented work or services, or both.

9.2 Access to Records: Contractor agrees that County, or any of its duly authorized representatives, has the right of timely and unrestricted access to any books, documents, papers, reports, or other records of Contractor that are pertinent to the fulfillment of the requirements of this Agreement. This right also includes timely and reasonable access to Contractor's personnel for the purpose of reviewing, interviewing, evaluating, and monitoring related to such documents. All such items shall be furnished to the requesting party in Ellis County, Texas within a reasonable time.

9.3 Ownership: The contractor agrees that all information, findings, reports, data, and supporting documentation that relates to the work or services provided hereunder shall remain the property of County.

9.4 Adequacy of Records: If the Contractor's books, records, and other documents relevant to this Agreement are not sufficient to support and document that allowable work or services were provided to County, Contractor shall reimburse County for any inadequate services or work that is not properly supported and documented. If any audit reveals any material deviation from this Agreement and specification requirements, any misrepresentation, or any overcharge to the County, the County will be entitled to recover damages, as well as the cost of the audit.

9.5 Availability and Retention of Records: All financial books, records, statistical and management books and records pertaining to the work or services delivered and all financial books,

records, statistical and management books and records shall be available for examination and audit by County, Federal, State or the County's duly authorized representatives for a period of not less than four (4) years after final payment of the Contractor's fee expenses under the Agreement or until all pending County, State, and Federal audits are completed, whichever is later. All records related to this Agreement must be kept in a single location, either at the Contractor's principle place of business or its place of business where the work or services are performed.

10. TESTING

If necessary, Ellis County, Texas reserves the right to request samples for testing. Any failure of a sample test may be considered sufficient reason to terminate this agreement.

11. CONFIDENTIALITY AND OPEN RECORDS ACT

11.1 Contractor shall not disclose privileged or confidential communications or information acquired in the course of the performance of the work or services under this Agreement, unless authorized by law. Contractor agrees to adhere to all confidentiality requirements, as applicable, for the work and services performed for County under this Agreement.

11.2 **Public Information Act:** The Parties acknowledge and agree that County is subject, as a matter of law, to TEX. GOV'T CODE ANN. § 552 (Vernon 1994), also known as the "Texas Public Information Act" (hereinafter "Public Information Act"). Notwithstanding any other provision, the Parties agree that in the event that any provision of this Agreement, or other documents related to this Agreement, including, but not limited to, any exhibit, attachment, amendment, addendum, or other incorporated document, is in conflict with the Public Information Act, such provision shall be of no force or effect. Furthermore, it is expressly acknowledged and agreed that the County, County Commissioners Court, County Judge, Elected County Officials, County Department Heads and County Employees (hereinafter "County Requestors") may request advice, decisions and opinions of the Attorney General of the State of Texas in regard to the application of the Public Information Act to any software, hardware, firmware, or any part thereof, or other equipment or item, data or information, or any other thing or item furnished to or in the possession or knowledge of County. It is further acknowledged and agreed that the County Requestors have the right and obligation by law to rely on the advice, decisions, and opinions of the Texas Attorney General. Contractor hereby releases the County Requestors from any and all liability or obligation of any type, kind or nature regarding any disclosure of any software, hardware, firmware, or any part thereof, or other equipment or item, data or information, or any other thing or item furnished by Contractor or in the possession or knowledge of the County that is determined by County or in reliance on any advice, decision or opinion of the Texas Attorney General to be available to the public or any persons.

11.3 To the extent permitted by the Public Information Act, the Parties agree to keep confidential (and store in a secure area with limited access) and will not copy, publish, sell, exchange, disclose, or provide to others or use any information, documents or data, provided to or disclosed to the other party, or any information related to this Agreement, other than performing each party's obligations under this Agreement. However, this the Parties expressly

agree that this Agreement and all its incorporated attachments and exhibits shall be public information.

11.4 Confidential or Proprietary Marking: Any information or documents Contractor uses in the performance of the work or services provided under this Agreement that Contractor considers confidential or proprietary or that contains trade secrets must be clearly marked accordingly. This marking must be explicit as to the designated information. The designation, however, may not necessarily guarantee the non-release of the documents or information under the Texas Public Information Act or otherwise required by law.

12. INDEMNIFICATION

12.1. TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND COUNTY, AND ALL OF ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES, FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS FEES, ARISING OUT OF OR RESULTING FROM BODILY INJURY OR DEATH OF ANY PERSON, OR PROPERTY DAMAGE, INCLUDING LOSS OF USE OF PROPERTY, ARISING OR ALLEGED TO ARISE OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR CONTRACTOR'S PERFORMANCE OF THE WORK OR OTHER ACTIVITIES OF CONTRACTOR, BUT ONLY TO THE EXTENT CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT OR OMISSION OF CONTRACTOR OR ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY CONTRACTOR OR ANYONE FOR WHOSE ACTS CONTRACTOR MAY BE LIABLE. NOTWITHSTANDING THE FOREGOING, TO THE FULLEST EXTENT PERMITTED BY LAW, CONTRACTOR SHALL INDEMNIFY, HOLD HARMLESS AND DEFEND COUNTY, AND ALL OF ITS OFFICERS, DIRECTORS, AGENTS AND EMPLOYEES (THE "INDEMNITEES "), FROM AND AGAINST ALL CLAIMS, DAMAGES, LOSSES AND EXPENSES, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS FEES, ARISING OUT OF OR RESULTING FROM BODILY INJURY TO, OR SICKNESS, DISEASE OR DEATH OF, ANY EMPLOYEE, AGENT OR REPRESENTATIVE OF CONTRACTOR OR ANY OF ITS SUBCONTRACTORS, REGARDLESS OF WHETHER SUCH CLAIM, DAMAGE, LOSS OR EXPENSE IS CAUSED, OR IS ALLEGED TO BE CAUSED, IN WHOLE OR IN PART BY THE NEGLIGENCE OF ANY INDEMNITEE, IT BEING THE EXPRESSED INTENT OF OWNER AND CONTRACTOR THAT IN SUCH EVENT THE CONTRACTOR IS TO INDEMNIFY, HOLD HARMLESS AND DEFEND THE INDEMNITEES FROM THE CONSEQUENCES OF THEIR OWN NEGLIGENCE, WHETHER IT IS OR IS ALLEGED TO BE THE SOLE OR CONCURRING CAUSE OF THE BODILY INJURY, SICKNESS, DISEASE OR DEATH OF CONTRACTOR'S EMPLOYEE OR THE EMPLOYEE OF ANY OF ITS SUBCONTRACTORS. THE INDEMNIFICATION OBLIGATIONS UNDER THIS PARAGRAPH SHALL NOT BE LIMITED BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE BY OR FOR CONTRACTOR UNDER WORKERS COMPENSATION ACTS, DISABILITY BENEFIT ACTS OR OTHER EMPLOYEE BENEFIT ACTS.

12.2. IT IS MUTUALLY UNDERSTOOD AND AGREED THAT THE ASSUMPTION OF LIABILITIES AND INDEMNIFICATION PROVIDED FOR IN THIS AGREEMENT SHALL INDEFINITELY SURVIVE ANY EXPIRATION, COMPLETION OR TERMINATION OF THIS AGREEMENT. IN THE EVENT CONTRACTOR AND OWNER ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY WILL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE STATE UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.

12.3. Approval and acceptance of Contractor's services by County shall not constitute nor be deemed a release of the responsibility and liability of Contractor for the accuracy and competency of their services; nor shall such approval and acceptance be deemed to be an assumption of such responsibility by County for any defect, error or omission in the services performed by Contractor in this regard. The contractor shall defend, hold harmless and indemnify County for damages resulting from such defects, errors or omissions.

12.4. No Indemnification by County: Contractor acknowledges and agrees that County does not have the ability under Article XI, Section 7 of the Texas Constitution to indemnify Contractor or any other third party for damages arising under this Agreement.

12.5. Survival: These provisions shall survive completion, suspension, termination, expiration and/or cancellation of this Agreement, or any determination that this Agreement or any portion hereof is void, voidable, invalid or unenforceable.

13. INSURANCE

13.1 Without limiting any of the other obligations or liabilities, Contractor at its own expense shall purchase and maintain the minimum insurance and limits and shall likewise ensure that all of its consultants, subcontractors and their sub-subcontractors (collectively known as "Contractor") purchase and maintain such insurance, as will protect them from claims set forth below which may arise out of or result from the Contractor's operations under this Agreement, whether such operations are carried out by the Contractor, by any consultant, subcontractor, or by anyone directly or indirectly employed by Contractor or any subcontractor, or by anyone for whose acts any of them may be liable. The contractor is solely responsible for payment of all deductibles and retentions associated with the claims filed. Contractor agrees that the insurance requirements specified herein do not reduce the liability Contractor has assumed in any indemnification or hold harmless section of this Agreement.

13.2 As a condition precedent to commencement of any work or services, within ten (10) calendar days after the Effective Date of the Agreement, Contractor shall furnish, to the Ellis County Purchasing Agent (at the same address given below under this Insurance heading) the

following minimum insurance coverage that show County as the certificate holder and covers the period of the Term of this Agreement and any renewals:

13.3 Prior to execution of the contract, the successful Respondent shall take out, pay for and maintain at all times during the execution of the work under the contract, the following forms of insurance, in carriers acceptable to and approved by Ellis County:

- (a) Workers' Compensation – statutory (see TWCC rule 110.110)
 - (1) Employer's liability - \$500,000
- (b) Comprehensive Commercial General Liability:
 - (1) Bodily, Injury/Personal, & Injury - \$1,000,000 per occurrence \$2,000,000 aggregate
 - (2) Property Damage - \$1,000,000 aggregate
- (c) Automobile liability
 - (1) Bodily injury - \$100,000 per accident or \$500,000 aggregate
 - (2) Property damage - \$100,000 each occurrence
- (d) Contractual liability - same limits as above
- (e) All Risk Cargo Insurance - \$2,000,000 aggregate
- (f) Crime Coverage - \$ 1,000,000 per occurrence

13.4 The County reserves the right to review the insurance requirements of this section during the effective period of the contract and to require adjustment of insurance coverage and their limits when deemed necessary and prudent by the County based upon changes in statutory law, court decisions, or the claims history of the industry as well as the respondent.

13.5 Required Provisions: As to all applicable coverage, certificates shall name Ellis County and its officers, employees, and elected representatives as an additional insured. All copies of the certificates of insurance shall reference the project name and bid number for which the insurance is being supplied. The contractor agrees to waive subrogation against Ellis County, its officers, employees, and elected representatives for injuries, including death, property damage, or any other loss to the extent same may be covered by the proceeds of insurance. The contractor is responsible for making sure any sub-contractor(s) performing work under this agreement has the required insurance coverage(s) and supplies Ellis County with the proper documents verifying the coverage. Each insurance policy to be furnished by successful offeror shall include, by endorsement to the policy, a statement that a policy, a statement that a notice shall be given to Ellis County by certified mail thirty (30) days prior to cancellation or upon any material change in coverage.

13.6 Contractor agrees that the insurance requirements specified herein do not reduce the liability vendor/contractor has assumed in any indemnification/hold harmless section of the contract. Vendors and/or their freight contractors must be prepared to show coverage verification prior to entering upon Ellis County premises.

13.7 Failure to comply with lawful requirements or adequate liability requirements may result in

delay of payments, subject to the orders of the Commissioners Court, not to exceed a period of up to two years from the termination of this Agreement, or cancellation of this Agreement or both.

13.8 **Insurance Certificates:** The certificates of insurance shall list County as the certificate holder. All copies of Certificates of Insurance shall reference any applicable Request for Proposal number, Commissioners Court Order Number, or contract number for which the insurance is being supplied. All insurance policies or duly executed certificates for the same required to be carried by Contractor under this Agreement, together with satisfactory evidence of the payment of the premium thereof, shall be delivered to the: **Ellis County Purchasing Agent located at 302 N. Monroe Street, Suite 307, Waxahachie, Texas 75165** within ten (10) calendar days of execution or renewal of this Agreement and upon renewals or material changes of such policies, but not less than fifteen (15) calendar days prior to the expiration of the term of such coverage, or such non-delivery shall constitute a default of this Agreement subject to immediate termination at County's sole discretion.

13.9 All insurance required to be carried by Contractor or subcontractors under this Agreement shall be acceptable to the County in form and content, in its sole discretion. All policies shall be issued by an insurance company acceptable and satisfactory to County and authorized to do business in the State of Texas. Acceptance of or the verification of insurance by the County shall not relieve or decrease the liability of the Contractor.

13.10 Minimum insurance is a condition precedent to any work, or services performed under this Agreement and for the entire Term of this Agreement, including any renewal or extension. In addition to any and all other remedies County may have upon Contractor's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, or such insurance lapses, is reduced below minimum requirements or is prematurely terminated for any reason, County shall have the right to:

- (a) Order Contractor to stop work hereunder, which shall not constitute a Suspension of Work and Services.
- (b) Withhold any payment(s) which become due to Contractor until Contractor demonstrates compliance with the requirements and assurance and proof acceptable to County that there is no liability to County for failure to provide such required insurance.
- (c) At its sole discretion, declare a material breach of this Agreement, which, at County's discretion, may result in:
 - (1) Termination of this Agreement
 - (2) Demand on any bond, as applicable.
 - (3) The right of the County to complete this Agreement by contracting with the "next low proposal." Contractor will be fully liable for the difference between the original Agreement price and the actual price paid, which amount is payable to County by Contractor on demand;
or
 - (4) Obtain such insurance and deduct from the payments to Contractor the expense of obtaining such insurance and the cost of insurance premiums. However, neither Contractor nor any third party shall have any recourse against the County for payment of any premiums or assessment for any deductibles, or payment of any amount that would have been payable by any such insurance, as all such liability, cost, expense, premiums and deductibles are the sole responsibility and risk of Contractor; and Any combination of the above in Section 13.11.

- 13.11 The contractor shall promptly advise County in writing of any claim or demand against County or Contractor, known to Contractor related to or arising out of Contractor's activities under this Agreement.
- 13.12 Approval, disapproval or failure to act by the County regarding any insurance supplied by Contractor shall not relieve Contractor of full responsibility or liability for damages and accidents as set forth herein. Neither shall bankruptcy, insolvency or denial of liability by any insurance company exonerate the Contractor from liability.
- 13.13 Acceptance of the work or services, or failure to act by County shall not constitute nor be deemed a release of the responsibility and liability of Contractor, its employees, associates, agents or subcontractors for the accuracy and competency of their work or services; nor shall such acceptance be deemed an assumption of responsibility or liability by County for any defect in the work or services performed by Contractor, its employees, subcontractors, and agents.
- 13.14 Nothing herein contained shall be construed as limiting in any way the extent to which Contractor may be held responsible for payments of damages to persons or property resulting from Contractor's or its subcontractor's performance of the work or services covered under this Agreement.
- 13.15 **Survival:** The provisions of this Section shall survive completion, suspension, termination or expiration of this Agreement, or any determination that this Agreement or any portion hereof is void, voidable, invalid or unenforceable.
- 13.16 **Insurance Lapse:** In the event Contractor fails to maintain insurance as required by this Agreement, Contractor shall immediately cure such lapse in insurance coverage at Contractor's sole expense, and pay County in full for all costs and expenses incurred by County under this Agreement as a result of such failure to maintain insurance by Contractor, including costs and reasonable attorney's fees relating to County's attempt to cure such lapse in insurance coverage. Such costs and attorney's fees, not to exceed One Thousand Five Hundred Dollars and 00/100 dollars (\$1,500.00), shall be automatically deducted from monies or payments owed to Contractor by County. Moreover, the County shall retain five percent (5%) of the value of the Agreement that shall be placed into an account from monies or payments owed to Contractor by County to cover County's potential exposure to liability during the period of such lapse. The retainage shall be held by County until six (6) months after the Term of the Agreement has ended or has otherwise been terminated, cancelled, or expired and shall be released if no claims are received or lawsuits filed against County for any matter that should have been covered by the required insurance.

13.17 CONTRACTOR FURTHER AGREES TO INDEMNIFY COUNTY FOR ANY PENALTIES, FINES, JURY AWARDS, COURT COSTS, LITIGATION EXPENSES, AND

ATTORNEYS' FEES INCURRED BY COUNTY DUE TO CONTRACTOR'S FAILURE TO MAINTAIN THE REQUIRED INSURANCE AT ALL TIMES DURING THE TERM OF THE AGREEMENT.

13.18 Contractor, after proper notice, at its own expense with legal counsel of County's choice, will defend and hold County harmless in any claim or action against County that occurred as a direct or indirect result of Contractor's failure to maintain insurance at all times during the Term of the Agreement. Without waiving any rights under Sovereign Immunity, the County shall cooperate with and may monitor Contractor in the defense of any claim, action, or proceeding and will, if appropriate, make employees available as Contractor may reasonably request with regard to such defense, subject to the reimbursement by Contractor of all costs and expenses accrued by the County's cooperation in such defense. Contractor agrees not to settle any such claim without the County's consent, which consent will not be unreasonably withheld or delayed.

14. TERMINATION

The County may terminate this Agreement for the following:

14.1 Termination for Convenience:

County may terminate the Agreement for convenience after the first anniversary of the execution of this Agreement. County shall exercise its termination option by delivering to Contractor written notice of such termination identifying the termination date which shall be at least thirty (30) days after the date of such notice. In connection with any such termination, County shall have no liability to Contractor for amounts in excess of the normal charges through the date of termination. After receipt of a notice of termination and except as otherwise directed by the County, the Contractor shall: (i) stop work under this Agreement not less than forty-five (45) days from the date of the County's notice of termination to the extent specified in such notice, and (ii) complete performance of such part of the work and services not terminated by such notice.

If County determines that Contractor's actions contribute to the curtailment of an essential service or pose an immediate threat to life, health or property, County may terminate this Agreement immediately without penalty upon issuing either oral or written notice to Contractor and without opportunity to cure. In no event shall the County be liable for costs incurred by the Contractor as a result of the termination or any loss of profits on the resulting order or portion thereof so terminated.

In the event of termination, all finished or unfinished documents, data, studies, maps, photographs, reports, and other materials (collectively referred to as "materials") prepared by Contractor for use by County under this Agreement shall become the property of County and shall be promptly delivered to County within ten (10) days.

Such notice of termination shall be by registered or certified mail, return receipt requested, and will be deemed given upon receipt of such notice by the other party.

14.2 Termination for Insolvency:

County shall have the option to terminate this Agreement in its entirety if Contractor: (i) becomes insolvent or is unable to meet its debts as they mature; (ii) files a voluntary petition in bankruptcy or seeks reorganization or to effect a plan or other arrangement with creditors; (iii) files an answer or other pleading admitting, or fails to deny or contest, the material allegations of an involuntary petition filed against it pursuant to any applicable statute relating to bankruptcy or reorganization; (iv) is adjudicated bankrupt or shall make an assignment for the benefit of its creditors generally; (v) applies for, consents to or acquiesces in the appointment of any receiver or trustee for all or a substantial part of its property any such receiver or trustee appointed is not discharged within thirty (30) days after date of such appointment.

14.3 Termination for Default or Non-Performance:

County shall have the option to terminate this Agreement, for cause: (i) for a material breach or non-performance of this Agreement by Contractor that is not cured by Contractor within ten (10) days of the date on which County provides written notice of breach; (ii) for a material breach of this Agreement by Contractor that is not reasonably subject to cure within ten (10) days after its occurrence; or (iii) if it is determined by County, that there exists a plurality of non-material breaches by Contractor that have a material adverse impact on the work or services provided under this Agreement. In the event that County terminates this Agreement in whole or in part as provided herein, the County may procure, upon such terms and in such manner as County may deem appropriate, goods and services similar to those so terminated. The contractor shall be liable to the County for any and all excess costs incurred by the County, as determined by County, for such similar goods and services. If a failure described in this Section is not cured to the County's satisfaction within ten (10) days from the time of receipt of such notice as described in Section 15, the County shall have the right to terminate immediately without the requirement of further notice. If, after notice of termination under the provisions of this clause, it is determined for any reason that the Contractor was not in default under these provisions of this clause, the County has the option to make its notice of termination pursuant to the Termination for Convenience clause in Section 14.1 above and the rights and obligations of the Parties would be in accordance with that provision.

14.4 In the event this Agreement is prematurely terminated due to breach, non-performance or withdrawal by the Contractor, the County reserves the right to seek monetary restitution (to include but not limited to withholding of monies owed) from the Contractor to cover costs for interim services or to cover the difference of a higher cost (difference between termination Contractor's rate and new company's rate) beginning from the date of Contractor's termination through the Agreement expiration date. In the event a civil suit is filed to enforce this provision, the County will seek its attorney's fees and cost of suit from the Contractor.

14.5 **Notice and Right to Cure:** If the Contractor breaches the Agreement, and the County in its sole discretion determines that the breach is curable, then the County will provide the Contractor with written notice of the breach and a time period (not less than 10 days) to cure the Breach. The notice of breach and opportunity to cure is inapplicable for successive or repeated breaches or if the County

determines in its sole discretion that the breach poses a serious and imminent threat to the health or safety of any person or the imminent loss, damage, or destruction of any real or tangible personal property.

14.6 Termination for Lack of Funding: If funds, in whole or in part, are not available to begin or to continue this Agreement at the level of services specified, the County may immediately terminate or amend this Agreement. The County shall not be obligated to pay for any services rendered after the Contractor has received written notice of termination pursuant to this section.

15. NOTICES

All notices, correspondence, request demands, and other communications contemplated, called for, permitted, or required to be given under this Agreement shall be in writing, except through the course of the Parties' routine exchange of information and cooperation during the terms of the work and services. Any written communications shall be deemed to have been duly given upon actual in-person delivery, if delivery is by direct hand, or upon delivery on the actual day of receipt or no greater than four (4) calendar days after being mailed by U.S. certified or registered mail, return receipt requested, postage prepaid, whichever occurs first. The date of the mailing shall count as the first day. All communications shall be addressed to the appropriate party at the address stated below or other addresses as the Parties may designate by written notice in compliance with this Section.

Contractor:

Texas Materials Group, Inc.
420 Decker Drive, Suite 200
Irving, TX 75062

Ellis County:

Ellis County Purchasing Agent
302 N. Monroe Street, Suite 307
Waxahachie, TX 75165

16. SEVERABILITY

If any provision of this Agreement is construed to be illegal or invalid, this will not affect the legality or validity of any of the other provisions in this Agreement. The illegal or invalid provision will be deemed stricken and deleted, but all other provisions shall continue and be given effect as if the illegal or invalid provisions had never been incorporated.

17. SOVEREIGN IMMUNITY

This Agreement is expressly made subject to County's Sovereign Immunity, Title 5 of the Texas Civil Practices and Remedies Code, and all applicable federal and state law. The parties expressly agree that no provision of this Agreement is in any way intended to constitute a waiver of any immunities from suit or from liability that the County has by operation of law. Nothing in this Agreement is intended to benefit any third-party beneficiary.

18. AMENDMENTS

No modification, amendment, novation, renewal or other alteration of this Agreement shall be effective unless mutually agreed upon in writing and executed by the Parties hereto and approved by Ellis County Commissioners Court.

19. GOVERNING LAW AND VENUE

The validity and interpretation of this Agreement, and the rights and obligations of the Parties hereunder, shall be governed by and construed in accordance with the laws of the State of Texas. This Agreement is performable and enforceable in Ellis County, Texas. The Contractor agrees that any dispute arising from the terms of this Agreement shall be subject to the exclusive jurisdiction and venue of the District or County Courts in Ellis County, Texas. The Contractor hereby consents to waive any objections that such jurisdiction or venue is improper.

20. COMPLIANCE WITH LAWS

In providing work and services required by this Agreement, Contractor must observe and comply with all applicable federal, State, and local statutes, ordinances, rules, regulations, licenses, legal certifications, or inspections required for the work or services, facilities, equipment, or materials, and all applicable federal, state, and local statutes, ordinances, rules, and regulations.

21. CHANGE IN THE LAW

Any alteration, addition or deletion to the terms of this Agreement which are required by changes in federal or state law are automatically incorporated herein without written amendment to this Agreement and shall be effective on the date designated by said law.

22. PERMITS AND LICENSES

Contractor shall secure and pay for all fees for all necessary statutory and regulatory authorizations, permits, approvals, certifications, licenses, and insurance required by the laws of Federal, State, County, and municipal laws, ordinances, rules and regulations that are required in order to perform the work or services stated in Agreement. Contractor shall maintain these licenses and permits in effect for the Term of this Agreement and any renewals. The contractor will notify the County immediately of loss or suspension of any such licenses and permits. Failure to maintain a required license or permit may result in immediate termination

of this Agreement.

23. WAIVER

Failure of any party, at any time, to enforce a provision of this Agreement, shall in no way constitute a waiver of that provision, nor in any way affect the validity of this Agreement, any part hereof, or the right of the party thereafter to enforce each and every provision hereof. No term of this Agreement shall be deemed waived, or breach excused unless the waiver shall be in writing and signed by the party claimed to have waived. Furthermore, any consent to or waiver of a breach will not constitute consent to or waiver of or excuse of any other, different or subsequent breach.

24. DEFAULT, CUMULATIVE RIGHTS, AND MITIGATION

It is not a waiver of default if the non-defaulting Party fails to immediately declare a default or delays in taking any action.

The rights and remedies provided by this Agreement are cumulative, and either Party's use of any right or remedy will not preclude or waive its right to use any other remedy at law or in equity. These rights and remedies are in addition to any other rights the Parties may have by law, statute, ordinance or otherwise. **Parties have a duty to mitigate damages.**

25. INDEPENDENT CONTRACTOR

Contractor, including its agents or employees, agree Contractor is an independent contractor and not an agent, servant, joint enterpriser, joint venture or employee of the County, and is responsible for its own acts, forbearance, negligence and deeds, and for those of its agents or employees in conjunction with the performance of work and services covered under this Agreement.

26. SUBCONTRACTING

Contractor may not enter into agreements with subcontractors or consultants for delivery of the designated work and services outlined in this Agreement without prior written consent of the County, which consent shall not be unreasonably withheld. The costs of all subcontracted services are included in the fees paid herein. Subcontracts or Consulting agreements, if any, entered into by the Contractor will be in writing and subject to all requirements herein. Contractor agrees that Contractor is solely responsible to County for the performance of this Agreement. Contractor shall pay all subcontractors and consultants in a timely manner. County shall have the right to prohibit Contractor from using any subcontractor or consultant with written notice.

27. ASSIGNMENT

Contractor assures that it will not transfer or assign its interest in this Agreement without prior written consent of County. Contractor understands that in the event that all or substantially all of Contractor's assets are acquired by another entity, Contractor is still obligated to fulfill the terms and conditions of this Agreement. County approval to transfer or assign Contractor's interest in this Agreement to an entity that acquires all or substantially all of Contractor's assets is subject to formal approval by the Ellis County Commissioners Court.

28. THIRD PARTIES

The obligations of each Party to this Agreement shall inure solely to the benefit of the other Party, and no other person or entity shall be a third-party beneficiary of this Agreement or have any right to enforce any obligation created or established under this Agreement.

29. CONFLICT OF INTEREST

No County official or employee shall have any financial interest, direct or indirect, in any contract with the County or be financially interested, directly or indirectly, in the sale to the County of any land, materials, supplies or services, except on behalf of the County as an official or employee. Any violation of this Section, with knowledge, expresses or implied, of the person or corporation contracting with the County shall render this Agreement involved voidable by the Commissioners Court of Ellis County. It is the responsibility of the Contractor during all phases of this Agreement to notify the County in writing of any potential conflict of interest. Contractor covenants that neither it nor any member of its corporation presently has any interest or shall acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of this Agreement. Contractor further covenants that in the performance of this Agreement no person having such interest shall be employed or appointed by Contractor.

30. ANTI-KICKBACK

Contractor hereby certifies that it will comply with all applicable "Anti-Kickback" Laws (including (18 USC 874) as supplemented in Department of Labor regulations (29 CFR, Part 3), and shall insert appropriate provisions in all subcontracts covering work under this Agreement.

31. FORCE MAJEURE

Neither Party hereto shall be held responsible for any loss or damage or for any delays or failure to perform due to causes beyond its reasonable control including acts of God, strikes, epidemics, war, riots, flood, fire, sabotage, or any other circumstances of like character ("force majeure occurrence"). Contractor shall make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon the cessation of the cause, diligently pursue performance of its obligations under this Agreement.

32. FAIR LABOR STANDARDS: CONTRACTOR SHALL COMPLY WITH ALL

APPLICABLE PROVISIONS OF THE FEDERAL FAIR LABOR STANDARDS ACT AND SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE COUNTY AND ITS AGENTS, OFFICERS, AND EMPLOYEES FROM ANY AND ALL LIABILITY, INCLUDING, BUT NOT LIMITED TO, WAGES, OVERTIME PAY, LIQUIDATED DAMAGES, PENALTIES, COURT COSTS, AND ATTORNEYS' FEES ARISING UNDER ANY WAGE AND HOUR LAW, INCLUDING, BUT NOT LIMITED TO, THE FEDERAL FAIR LABOR STANDARDS ACT, FOR WORK PERFORMED BY CONTRACTOR'S EMPLOYEES FOR WHICH THE COUNTY MAY BE FOUND JOINTLY OR SOLELY LIABLE.

33. TAXES

The County, as a county of the State of Texas, is exempt from the payment of Texas state and local sales, excise, and use taxes pursuant to Texas Tax Code § 151.309 and shall therefore not be liable or responsible to Contractor for the payment of such taxes under this Agreement. The fees paid to Contractor pursuant to this Agreement are inclusive of any applicable sales, use, personal property or other taxes attributable to periods on or after the applicable Effective Date of this Agreement and based upon or measured by Contractor's cost in acquiring or providing products or services and related materials and supplies furnished or used by Contractor in performing its obligations hereunder, including all personal property and use taxes, if any, due on equipment or software owned by Contractor. Contractor accepts full and exclusive liability for the payment of any and all contributions or taxes for Social Security, Workers' Compensation Insurance, Unemployment Insurance, or Retirement Benefits, Pensions, or annuities now or hereafter imposed under any state or federal laws which are measured by the wages, salaries, or other remuneration pay to persons employed by Contractor for work performed under the terms of this Agreement **AND AGREES TO INDEMNIFY AND SAVE HARMLESS THE COUNTY FROM ANY SUCH CONTRIBUTION OR TAXES OR LIABILITY.**

34. AUTHORITY TO TRANSACT BUSINESS IN THE STATE OF TEXAS

The contractor agrees, represents, and warrants it currently has the legal authority to transact business in the State of Texas as a domestic corporation. Contractor shall maintain the legal authority to transact business in the State of Texas for the Term of this Agreement. Contractor shall provide proof of Contractor's current registration status from the Texas Secretary of State and the Comptroller for the State of Texas.

35. FISCAL FUNDING/NON-APPROPRIATION CLAUSE

Notwithstanding any provisions contained herein, the obligations of the County under this Agreement are expressly contingent upon the availability of funding for each item and obligation contained herein for the Term of the Agreement and any extensions thereto. Contractor shall have no right of action against County in the event County is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding or non-appropriation for any item or obligation from any source utilized to fund this Agreement or failure to budget or authorize funding for this

Agreement during the current or future fiscal years. In the event that County is unable to fulfill its obligations under this Agreement as a result of lack of sufficient funding, non-appropriation or if funds become unavailable, County, at its sole discretion, may provide funds from a separate source or may terminate this Agreement by written notice to Contractor at the earliest possible time pursuant to Section 15 above.

36. OWNERSHIP OF DOCUMENTS

Contractor agrees that all findings, reports, documents, information and data including, but not limited to, computer tapes or discs, files and tapes furnished or prepared by Contractor or any of its subcontractors for use by County in the course of performance of this Agreement, shall be and remain the sole property of County without restriction, reservation or qualification. The contractor agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of County. Contractor shall deliver to County any findings, reports, documents, information, data, in any form, including but not limited to, computer tapes, discs, files audio tapes or any other project related items as requested by County or its authorized representative, at no additional cost to the County. Contractor may retain copies necessary for record keeping, documentation and all such other business purposes related to the Agreement.

37. USE OF AGREEMENT BY OTHER POLITICAL JURISDICTIONS

In accordance with Article 791.025 of the Texas Government Code, governmental agencies (local, state) may request to utilize the County's contract by executing an interlocal agreement with County to do so. Contractor agrees this Agreement may be extended, with the authorization of the Contractor, to others. If any other jurisdiction or political jurisdictions is authorized, their ordering of services or goods shall be at the prices, terms and conditions as this Agreement. The Contractor must deal directly with that jurisdiction or political subdivision concerning the placement of orders, services, issuance of purchase orders, contractual disputes, invoicing and payment. The County acts only as the "Contracting Agent" for these jurisdictions and political subdivisions. Failure to extend a contract to any jurisdiction will have no effect on this Agreement. Each participating jurisdiction and political subdivision have the option of executing a separate contract with the Contractor. If, when preparing such a contract, the general terms and conditions of a jurisdiction are unacceptable to the Contractor, the Contractor may withdraw its extension of the award to that jurisdiction.

38. PROHIBITION ON CONTRACTS WITH COMPANIES BOYCOTTING ISRAEL

38.1 Pursuant to Section 2270.002 of the Texas Government Code, Contractor verifies that it:

- (a) Does not boycott Israel; and
- (b) Will not boycott Israel during the term of this Agreement.

39. PROHIBITION ON CONTRACTS WITH COMPANIES BOYCOTTING CERTAIN

ENERGY COMPANIES

39.1 Pursuant to Section 2276.002 of the Texas Government Code, Contractor verifies that it:

- (a) It does not boycott energy companies; and
- (b) Will not boycott energy companies during the term of the contract.

40. PROHIBITION ON CONTRACTS WITH COMPANIES THAT DISCRIMINATE AGAINST FIREARM AND AMMUNITION INDUSTRIES

40.1 Pursuant to Section 2274.002 of the Texas Government Code, Contractor verifies that it:

- (a) It does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
- (b) Will not discriminate during the term of the contract against a firearm entity or firearm trade association.

41. VERBAL AGREEMENT

No verbal agreement or conversation with any officer, agent or employee of County either before, during or after the execution of this Agreement, shall affect or modify any of the terms of obligations herein contained, nor shall such verbal agreement or conversation entitle Contractor to any additional payment whatsoever under the terms of this Agreement. All changes to this shall be in writing and the form of a change order in supplemental amendment to the agreement, approved by the Ellis County Commissioners Court.

42. ENTIRE AGREEMENT

This Agreement supersedes all prior agreements, written or oral, between Contractor and County and will constitute the entire agreement and understanding between the Parties with respect to the subject matter of this Agreement. This Agreement and each of its provisions and Exhibits will be binding upon the Parties and may not be waived, modified, amended, or altered except by a writing signed by both Contractor and County with formal approval by the Ellis County Commissioners Court.

43. BINDING EFFECT

This Agreement and the respective rights and obligations of the Parties hereto shall inure to the benefit and be binding upon the successors and assigns of the Parties hereto, as well as the Parties themselves.

44. SIGNATORY WARRANTY

The person or persons signing and executing this Agreement on behalf of Contractor or representing themselves as signing and executing this Agreement on behalf of Contractor, do

hereby warrant and guarantee that he, she, or they have been duly authorized by Contractor to execute this Agreement on behalf of Contractor and to validly and legally bind Contractor to all terms, conditions and provisions herein set forth.

45. ACCEPTANCES

By their signatures below, the duly authorized representatives of the County and Contractor accept the terms of this Agreement in full.

EXECUTED THIS 1st DAY OF October, 2024.

ELLIS COUNTY

TEXAS MATERIALS GROUP, INC.

By: *Todd Little*
Todd Little
Ellis County Judge

By: *JAC*
Title: *Estimating Manager*

ATTEST

By: *Krystal Valdez*
Krystal Valdez
Ellis County Clerk



EXHIBIT A

SPECIFICATIONS FOR

PAVEMENT REHABILITATION AND RESURFACING SERVICES

Scarifying and Processing Requirements: Roadways identified for rehabilitation shall be scarified and pulverized to the full depth of the existing base material or eight (8) inches, whichever is less.

The existing asphalt pavement shall be scarified and pulverized until a minimum of fifty-five (55) percent of the asphalt pavement passes the No. 4 sieve. The largest pieces in the pulverized mixture shall not exceed two (2) inches in size.

After the existing asphalt surface has been scarified and pulverized, the existing base material shall be scarified to the full depth of the existing base material or eight (8) inches, whichever is lesser.

The resulting mixture of asphalt and base materials shall be pulverized and thoroughly mixed so that at the completion of moist-mixing 100 percent by dry weight passes a one (1) inch sieve and a minimum of 80 percent passes a No. 4 sieve, exclusive of gravel or stone retained on these sieves. Old bituminous wearing surfaces shall be pulverized so that 100 percent pass a two (2) inch sieve.

Compaction and Finishing: The mixed material shall be compacted to at least 95 percent of Modified Proctor, ASTM D 1557 at or above optimum moisture content. At the start of compaction, the percentage of moisture in the mixture shall not be below or more than two (2) percentage points above the optimum moisture content. In no case shall the addition of water be such that the mixture becomes unstable during compaction and finishing. If the uncompacted pavement/base (stabilized) mixture is wetted by rain so that the average moisture content exceeds the tolerance given at the time of final compaction, the entire section shall be reconstructed in accordance with this specification at the sole expense of the Contractor.

Prior to the beginning of compaction, the mixture shall be in a loose condition for its full depth. The loose mixture shall then be uniformly compacted to the specified density within two (2) hours. After the mixture is compacted, water shall be uniformly applied as needed and thoroughly mixed in with a spike tooth harrow or equal. The surface shall then be reshaped to the required lines, grades, and cross-section and then lightly scarified to loosen any imprint left by the compacting or shaping equipment.

The resulting surface shall be rolled with a pneumatic roller and "tight-bladed" by a motor grader to a depth of approximately ¼ inch, moving all loosened mixture from the section. The surface shall then be thoroughly compacted with the pneumatic roller, adding moisture as needed. Surface finishing methods may vary from the above-described procedure, provided a dense uniform surface, free of loose material, is maintained at its specified optimum moisture during all finishing operations. Surface compaction and finishing operations shall proceed in such a manner as to produce, in not more than two (2) hours, a smooth, closely knit surface – free of cracks, ridges, or loose material, and conforming to the required pavement cross-section. A rough or "washboard" finished surface shall not be accepted.

The finished surface shall be at the width as designated by the County. For stabilized roadways, the stabilized material shall extend at least one (1) foot beyond the required pavement edge to aid

EXHIBIT A

in reducing pavement movements and cracking along the edge line due to seasonal moisture variations after construction.

Stabilization Process: If stabilization utilizing a Portland cement slurry is determined to be necessary by the County, the material shall be spread uniformly on the asphalt and base mixture at a minimum rate 28 pounds per square yard. This cement slurry shall be applied only to such an area that all operations can be continuous and completed in daylight and within six (6) hours of such application. The percentage of moisture in the base at the time of stabilization application shall not be in excess of that which will permit uniform and intimate mixture of pavement/base and stabilization material during dry-mixing operations, and it shall not exceed the specified optimum moisture content for the pavement/base mixture.

After the material has been applied, it shall be dry mixed with the pavement/base mixture. Mixing shall continue until the material has been sufficiently blended with the pavement/base mixture to prevent the formation of any clumps or “balls” when water is applied. Any mixture that has not been compacted and finished shall not remain undisturbed for more than 30 minutes. Immediately after the dry mixing is complete, water as necessary shall be uniformly applied and incorporated into the mixture. The pressurized equipment and the supply provided shall be adequate to ensure continuous application of the required amount of water to sections being processed within three (3) hours of the time of application of the Portland cement slurry. Proper care shall be exercised to always ensure proper moisture distribution. After the last increment of water has been added, mixing shall continue until a thorough and uniform mix has been obtained.

After a thorough and uniform mix has been obtained, refer to ***Compaction and Finishing*** section above.

Asphalt Emulsion Curing Membrane: After the roadway has been finished as specified above, it shall immediately be protected against rapid drying or curing by the application of 0.20 gallons per square yard (SY) of SS-1 type asphalt, which shall comply in all respects to Item 302.3.4 of the North Central Texas Council of Government (NCTCOG) Standards. Immediately prior to the application of the asphalt emulsion, the roadway section shall be wetted using pressure water distributors so that all voids in the roadway surface are filled with water but without free water standing on the surface. The asphalt emulsion cure shall be applied while this moisture condition exists so that undue asphalt penetration of the roadway surface shall be prevented while aiding in complete coverage by the application.

After a short curing stage (one to three days) and in order to help reduce the risk of shrinkage cracks forming in the cement-treated base materials, microcracking shall be performed through the application of several vibratory roller passes.

Should it be necessary for construction equipment or local traffic to pass over the section before the asphalt emulsion has dried enough to prevent pick-up, it shall be the responsibility of the Contractor to dust or sand the surface. The Contractor shall maintain the curing cover for a seven (7) day period after the initial application to insure a complete cure of the roadway.

If approved by the County, the use of other asphaltic emulsions may be used in lieu of the SS-1; however, a complete asphalt membrane cover must be obtained.

EXHIBIT A

Pavement Milling Machine and Process: The cold-milling machine shall be self-propelled, specifically designed to fully or partially remove existing asphaltic pavement to the desired depth, profile, cross slope and surface texture. The machine shall be equipped with a conveyor capable of removing the millings from the pavement and loading them directly into a truck. In addition, the machine shall be equipped with a means to effectively and efficiently control the dust generated by the milling operation.

The machine shall make sufficient passes so that the designated area is milled to the grades and cross sections indicated by the County. The milling shall proceed with care and in depth increments that will not damage the pavement below the specified depth. The Contractor will repair or replace, as directed by the County, items damaged during milling operations at the Contractor's expense.

The milled pavement surface shall be properly cleaned by sweeping after the milling operations.

Hot Mix Asphaltic Concrete (HMAC) Pavement Material and Placement: The materials used in executing the work shall comply with the requirements of Item 302.3, "Bituminous Materials," and Item 302.9, "Hot-Mix Asphaltic Pavement," of the NCTCOG Standards. The hot mix asphaltic concrete pavement furnished shall contain Performance Graded asphalt binder, PG 70-22, and shall be the Type specified in the Bid Proposal.

The equipment and methods used in executing the work shall comply with the requirements of Items 302.9.4 and 302.9.6 of the NCTCOG Standards, respectively.

All cuts into existing asphalt or concrete shall be neat, straight and true and comply with the requirements of Item 402.3, "Sawing," of the NCTCOG Standards.

The tack coat shall comply in all respects to Item 302.9.2.2.3 of the NCTCOG Standards. The application of a tack coat shall apply to each layer of HMAC before the next layer is applied and to any exposed concrete edges that shall abut any HMAC.

For overlays of existing streets, the street surface shall be cleaned of grass and weeds and shall be swept prior to placing the tack coat.

Testing: The County shall have the authority to test materials, equipment and in-place construction to verify compliance with project specifications. The expense of tests shall be paid for by the County. The failure of the County to make any tests shall in no way relieve the Contractor of their responsibility to provide materials, equipment, and in-place construction which comply with project specifications. The Contractor shall provide such facilities as the County may require for collecting and forwarding samples and shall not, without specific written permission of the County, use the materials represented by the samples until tests have been made and materials approved for use. The Contractor will furnish adequate samples without charge to the County.

The contractor shall give the County designated inspector timely notice of readiness of the work for all required inspections, tests or approvals. The site must be ready for testing upon the Contractor's

EXHIBIT A

notification to the County representative. Should the site not be properly prepared for testing upon the arrival of the testing agent, any costs which are incurred will be borne solely by the Contractor.

Drainage: Contractor shall always maintain adequate drainage during construction. Changing of natural runoff flow locations or concentrating flows to a point of potential harm to adjacent properties shall not be permitted.

Storm Water Management: For projects in which the roadway is to be rehabilitated (i.e., scarified and pulverized) in which one (1) or more acres is disturbed, a Storm Water Pollution Prevention Plan (SWP3) is required by the Texas Commission on Environmental Quality (TCEQ) and shall be prepared by the Contractor. The plan shall show proposed measures to control pollutants in storm water discharges during and after construction activities. A section of the SWP3 shall contain a pollution/erosion control plan, signed and sealed by a Professional Engineer licensed in the State of Texas.

The SWP3 shall be kept at the job site for assessment by TCEQ inspectors at all times. The Contractor shall keep the SWP3 up-to-date and clearly indicate any and all changes made to the plan throughout construction activities. The SWP3 shall be submitted to the County for review and approval prior to the start of construction.

The SWP3 shall be implemented and maintained throughout the entire length of work. Should any pollution prevention measures fail, it shall be the responsibility of the Contractor to repair the failure immediately.

Traffic Control: All traffic control measures shall be in accordance with the most recent version of the Texas MUTCD. It shall be the Contractor's responsibility to ensure that proper safety practices and procedures are in place at all times during the work, including but not limited to the use of proper signage, barricades, cones, and flaggers. In addition, all vehicular equipment utilized in the work shall be equipped with proper flashers/lights/strobes that must be in operation during the work.

Due to the nature of this work, at no time can access along any roadways be restricted to adjacent residences or thru traffic. It shall be the contractor's responsibility to determine the means and methods of construction to address and adequately satisfy this requirement.

Construction Water: Construction water necessary to complete the work shall be provided by the Contractor. It shall be the Contractor's responsibility to complete a fire hydrant meter rental application and pay the required refundable deposit to the County prior to taking any water.

Protection of the Public: The Contractor shall at all times conduct the work in such a manner as to ensure the least possible obstruction to public traffic and protect the safety of the public. Public safety and convenience and provisions therefore made necessary by the work shall be the direct responsibility of the Contractor and shall be performed at their entire expense.

Materials placed on site or materials excavated and the construction materials or equipment used shall be located so as to cause as little obstruction to the public as possible.

EXHIBIT A

The County reserves the right to remedy any neglect on the part of the Contractor as regards public convenience and safety which may come to its attention. The cost of such work done, or material furnished by the County shall be deducted from monies due or to become due to the Contractor.

Protection of Existing Facilities: It shall be the Contractor's responsibility to repair to the satisfaction of the County any damage done to manholes, cleanouts, and valves, other public appurtenances located in the roadway or any structures or facilities adjacent to the roadway which are damaged by the Contractor during the construction process. No payment shall be made for these repairs.

Cleanup: It is the intent of these requirements that an adequate cleanup job be performed by the Contractor throughout the construction process. Before work is accepted by the County, all rocks, stones, asphalt, base material, and other construction debris shall be removed and properly disposed of by the Contractor.

Final Inspection: The County will make a final inspection of all work as soon as practicable after the work is completed and ready for acceptance. If the work is not acceptable at the time of such inspection, the Contractor will be informed by the County as to the particular defects to be remedied before final acceptance is made.

Services Warranty: Contractor warrants that:

- (a) Services will be performed in a timely, efficient, and professional manner; and,
- (b) all Contractor personnel assigned to perform Services will have the necessary skill and training; and
- (c) Services will be performed in a manner consistent with the standard of care in the industry ("Services Warranty").

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SERVICES CONTRACT

THIS SERVICES CONTRACT (the “CONTRACT”) is made by and between the **CITY OF KAUFMAN, TEXAS** (hereinafter referred to as the “CITY”), a Texas municipal corporation, and **TEXAS MATERIALS GROUP, INC.** (hereinafter referred to as “VENDOR”). VENDOR and the CITY are collectively referred to herein as the “Parties,” and individually as a “Party.”

WHEREAS, ELLIS COUNTY, TEXAS (hereinafter referred to as the “AWARDING ENTITY”) and CITY have entered an Interlocal Agreement (the “Contract”) pursuant to Chapter 791 of the Texas Government Code setting forth the terms and conditions upon which AWARDING ENTITY and CITY may purchase various goods and services commonly utilized by each entity; and,

WHEREAS, the VENDOR was awarded a contract pursuant to bid RFB No. 2024-010 with AWARDING ENTITY for Pavement Rehabilitation and Resurfacing Services, attached hereto and incorporated herein as Exhibit A; and,

WHEREAS, the CITY desires to enter into this CONTRACT with the VENDOR for the Pavement Rehabilitation and Resurfacing Services (the “Services”) set forth in Exhibit A;

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants, and obligations as set forth herein, that;

1. The VENDOR agrees to provide the Services to the CITY in accordance with the terms and conditions this CONTRACT and Exhibit A.
2. This CONTRACT is for an initial term of one (1) year from the Effective Date (defined herein), unless terminated earlier in accordance with this CONTRACT. The CITY reserves the right to exercise the option to renew the CONTRACT for three (3) additional one (1)-year term(s). The Effective Date of this CONTRACT is November 26, 2024.
3. In consideration of the Services performed by the VENDOR, the CITY agrees to pay VENDOR for the Services in accordance with the pricing and warranty period set forth in Exhibit A; provided that the total amount for the Services under this CONTRACT for the initial term shall not exceed \$135,000 and the total amount for the Services shall not exceed \$450,000 for all renewal terms.
4. The VENDOR shall remit all invoices to the CITY. The CITY will be responsible for payments, as required under the Texas Prompt Payment Act, Texas Gov’t Code Ch. 2251, directly to VENDOR, and for VENDOR’S compliance with all conditions of delivery and quality of purchased items or services under the Contract.
5. **THE VENDOR WARRANTS THAT THE SERVICES IT PERFORMS FOR CITY WILL BE DONE IN A GOOD AND WORKMANLIKE MANNER, AND**

THAT ANY ITEMS DELIVERED TO THE CITY UNDER THIS CONTRACT WILL BE FIT FOR THE PARTICULAR PURPOSE FOR WHICH IT WAS FURNISHED. THE VENDOR SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY WHOLE AND HARMLESS AGAINST ANY AND ALL CLAIMS FOR DAMAGES, COSTS, AND EXPENSES TO PERSONS OR PROPERTY THAT MAY ARISE OUT OF, OR BE OCCASIONED BY, THE EXECUTION OR PERFORMANCE OF THIS CONTRACT OR ANY OF VENDOR'S ACTIVITIES OR ANY ACT OF COMMISSION OR OMISSION RELATED TO THIS CONTRACT OF ANY REPRESENTATIVE, AGENT, CUSTOMER, EMPLOYEE, SUB- VENDOR OR INVITEE OF VENDOR OR ANY REPRESENTATIVE, AGENT, EMPLOYEE, OR SERVANT OF THE CITY. IF AN ITEM IS COVERED BY A MANUFACTURER'S WARRANTY, IT IS THE RESPONSIBILITY OF THE VENDOR TO OBTAIN THE INFORMATION FOR THE CITY AND TO GET THE MANUFACTURER TO HONOR THE WARRANTY. THIS SECTION SURVIVES TERMINATION OF THIS CONTRACT.

6. The VENDOR shall obtain and shall continue to maintain at no cost to the CITY, in full force and effect during the term of this Contract, a comprehensive liability insurance policy with a company licensed to do business in the State of Texas and rated not less than "A" in the current Best Key Rating Guide, which shall include bodily injury, death, automobile liability, worker's compensation, and property damage coverage, in accordance with any CITY ordinance or Directive. The minimum limits for this coverage shall be \$1,000,000.00 per occurrence / \$2,000,000 aggregate for general liability and for property damage; \$1,000,000 combined single limit for automobile liability unless modified in accordance with any ordinance or directive;, and statutory workers' compensation and employers' liability insurance as required by state law. The CITY shall be named as an additional insured under such general liability and automobile policies, and a provision shall be incorporated in the policies whereby the CITY shall be given at least thirty (30) days prior notice of any material change in coverage or of cancellation of such policies. VENDOR shall provide a waiver of subrogation in favor of the CITY on all coverages. VENDOR shall furnish the CITY with original copies of said policies or certificates evidencing such coverage prior to commencement of any work under this CONTRACT. The VENDOR agrees that the insurance requirements specified herein do not reduce the liability of the VENDOR has assumed in the indemnification section of this CONTRACT.

7. All notices, communications and reports under this CONTRACT must be mailed or delivered to the respective Parties at the addresses shown below, unless either Party is otherwise notified in writing by the other Party:

CITY:
City of Kaufman
ATTN: Finance Department
209 S. Washington St.
Kaufman, Texas 75142

Phone | 972-932-2216
Email | mwennerstrom@kaufmantx.org

VENDOR:
Texas Materials Group, Inc.
ATTN: Matt Cooley
420 Decker Drive, Suite 200
Irving, Texas 75062
Phone | 214-741-3531
Email | matthew.cooley@texasmaterials.com

8. The CITY may terminate this CONTRACT:
 - a. for convenience, after a 60 day written notice to the VENDOR during the initial term or any renewal term;
 - b. if the VENDOR becomes insolvent or files a voluntary petition for bankruptcy;
 - c. if the VENDOR breaches this CONTRACT and said breach is not cured within 10 days of the date that the CITY provided a written notice of breach. If the failure is not cured to the CITY's satisfaction within 10 days of the written notice of breach, the CITY shall have the right to terminate immediately without the requirement of further notice; or
 - d. if funds are not budgeted or are not available for the CITY to purchase the Services.
9. The Parties to this CONTRACT covenant and agree that in any litigation relating to this CONTRACT, the terms and conditions of the Contract will be interpreted according to the laws of the State of Texas, and if legal action is necessary to enforce this CONTRACT, exclusive venue will lie in Kaufman County, Texas.
10. The exhibit attached hereto is incorporated herein and made a part hereof for all purposes.
11. This CONTRACT shall only be amended in writing signed by the Parties.
12. If any provision of this CONTRACT is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this CONTRACT; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the Parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this CONTRACT shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.
13. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this CONTRACT shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this CONTRACT. No provision of this CONTRACT may be waived except by writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this CONTRACT shall be deemed or construed to be a waiver of any other

term or condition or subsequent waiver of the same term or condition.

14. This CONTRACT may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.
15. If and to the extent this CONTRACT qualifies as a contract for goods and services under Chapter 2271 of the Texas Local Government Code, the VENDOR hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this CONTRACT is a contract for goods or services, will not boycott Israel during the term of this CONTRACT. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, and to the extent such Section does not contravene applicable Federal law.
16. If and to the extent this CONTRACT qualifies as a governmental contract under Section 2252.151 of the Texas Local Government Code, the VENDOR represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website:
 - <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>,
 - <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or
 - <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>.The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such Section does not contravene applicable Federal law and excludes the VENDOR and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.
17. To the extent this CONTRACT constitutes a contract for goods or services for which a written verification is required under Section 2274.002 of the Texas Government Code, as amended, the VENDOR hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this CONTRACT.
18. To the extent this CONTRACT constitutes a contract for goods or services for which a written verification is required under Section 2274.002 of the Texas Government Code, as amended, the VENDOR hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of this CONTRACT against a firearm entity or firearm trade association.
19. By signing below, you agree to extend the Contract, number contract number, with the CITY, and to abide by all pricing, terms, conditions, and specifications in the

CONTRACT.

EXECUTED this the 25 day of November, 2024.

CITY OF KAUFMAN, TEXAS

By: [Signature]
City Manager

TEXAS MATERIALS GROUP, INC.

By: [Signature]

Printed Name: Matthew Cooley

Title: Sales Manager

ATTEST:

[Signature]
Jessie Hanks, City Secretary

APPROVED AS TO FORM:

[Signature]
Patricia Adams, City Attorney

EXHIBIT A

**PAYMENT REHABILITATION AND RESURFACING SERVICES BETWEEN
ELLIS COUNTY AND TEXAS MATERIALS GROUP, INC.**

RFB NO. 2024-010



Meeting
Date: 12/15/2025

Date: 12/02/2025

Item #: 9.

Dept.: Public Works

Action Item

SUBJECT:

Consider and take appropriate action on Resolution R-35-25, a resolution of the City of Kaufman, accepting Public Improvements for Phase I of the Enclave at Kings Fort Development; establishing the date for a two (2) year warranty period for all Phase I Improvements; approving the Enclave at Kings Fort Phase I Maintenance Agreement between the City and The Enclave at Kings Fort Inc., LLC, for the maintenance of sewer public improvements and facilities serving Phase I but located within future Phase II of the development; and authorizing the Mayor or designee to execute necessary documents. (Enclave at Kings Fort)

BACKGROUND:

This resolution authorizes the City’s final acceptance of all public utility improvements associated with the Enclave at Kings Fort Development, as documented in the attached resolution and acceptance letter. In coordination with City staff, the Developer has elected to utilize a Roadway and Access Easement rather than a maintenance agreement to ensure the City’s ability to access certain sewer improvements constructed in Phase I but located within the future Phase II area. This easement grants the City the necessary access rights and requires the Developer to construct and maintain a temporary roadway sufficient for City personnel and contractors to reach and service these public improvements as needed.

Author:
Tim Hopwood, Public Works Director

Reviewed:
Mike Holder, City Manager

Cost: N/A

Funds Available: N/A

Source: N/A

Recommendation: Staff recommends approval of Resolution R-35-25 as presented.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

November 14, 2025

Enclave at Kings Fort Inc.
Calibrex Development
Attn: Ashley Sud
1531 SE 36 Ave.
Ocala, FL 34471

Re: Final Acceptance for Enclave at Kings Fort, Phase 1

Dear Mr. Sud,

This is your letter of Final Acceptance for the above project. The final inspection by the City indicate that the work is complete, and is therefore accepted by the City of Kaufman.

In accordance with the contract documents, the maintenance bond shall be in effect for two (2) years from November 14, 2025.

If you have any questions, please do not hesitate to contact us.

Sincerely,

tnp
teague nall & perkins



Philip C. Varughese, P.E., CFM
Team Leader/Associate Principal

cc: Mike Holder, City Manager - City of Kaufman (via email)
Rachel Balthrop Mendoza, Assistant City Manager (via email)
Tim Hopwood, Director of Public Works (via email)
Joshua Trees, J&K Excavation, LLC (via email)
KAU 24005 File

RESOLUTION NO. R-35-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KAUFMAN, TEXAS, ACCEPTING PUBLIC IMPROVEMENTS FOR THE ENCLAVE AT KINGS FORT PHASE 1; PROVIDING FOR THE INCORPORATION OF PREMISES; ESTABLISHING THE WARRANTY PERIOD FOR THE PUBLIC IMPROVEMENTS; APPROVING A ROADWAY AND ACCESS EASEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City and The Enclave at Kings Fort Inc., LLC, a Delaware limited liability company, (“Developer”) entered into an agreement dated February 26, 2024, (the “Agreement”), pursuant to which Developer was to construct certain public improvements in The Enclave at Kings Fort Phase I (the “Public Improvements”); and

WHEREAS, Developer has constructed all required Public Improvements for the Enclave at Kings Fort Phase I, (the “Development”) and City Council accepts the actual quantities and construction of those Public Improvements pursuant to final estimate; and

WHEREAS, the City of Kaufman has inspected or caused the inspection of the Public Improvements and finds them to be acceptable for public use and maintenance pursuant to City regulations; and

WHEREAS, having accepted the Public Improvements via the adoption of this Resolution, the City Council hereby establishes that the two (2) year warranty period for the Public Improvements commences as of the date of this Resolution; and

WHEREAS, a two (2) year maintenance bond covering the Public Improvements has been received by the City; and

WHEREAS, the City Council of the City of Kaufman, Texas, has further determined that it is in the best interest of the City of Kaufman to accept a Roadway and Access Easement provided by the Developer and attached hereto as **Exhibit “A”**; and

WHEREAS, it is in the best interest of the City of Kaufman to formally accept the Public Improvements for Phase I of the for long-term public ownership and maintenance.

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

SECTION 1. Incorporation of Premises. That the foregoing recitals are true and correct and are incorporated herein.

SECTION 2. Acceptance of Improvements. That, effective as of the date of this Resolution, the City accepts the public improvements as approved by the final inspection of the City of Kaufman Public Works Department.

SECTION 3. Warranty Establishment. That the City establishes the warranty period to be in effect commencing on November 17, 2025, the effective date of this Resolution, and remaining in full force and effect until November 17, 2027, at 12:00 a.m., midnight (24 months from the effective date of this Resolution). Further, pursuant to the terms of the Agreement, the City has received a maintenance bond that shall remain in effect throughout the warranty period established herein and shall guarantee repairs to the Public Improvements occurring within the warranting period.

SECTION 4. Roadway and Access Easement. The City hereby accepts the Roadway and Access Easement provided by the Developer conveying to the City a right of access to and requiring Developer to construct and maintain a temporary roadway for the purpose of allowing City access to certain sewer public improvements and facilities constructed by Developer as part of the Public Improvements for Phase I accepted by City pursuant to this Resolution but that are located on future Phase II of the Development. The Roadway and Access Easement provides access and obligates Developer to construct a roadway sufficient to allow City and its contractors to access those Public Improvements for maintenance and repair. A copy of the Roadway and Access Easement is attached hereto and incorporated herein as **Exhibit "A,"** "Roadway and Access Easement" and incorporated herein.

SECTION 5. Effective Date. This Resolution becomes effective immediately upon its passage and approval.

PASSED AND APPROVED this 15th day of December 2025.

JEFF JORDAN
MAYOR

ATTEST:

JESSIE HANKS
CITY SECRETARY

APPROVED AS TO FORM:

M. ANN MONTGOMERY
CITY ATTORNEY

EXHIBIT "A"
ROADWAY AND ACCESS EASEMENT

ROADWAY AND ACCESS EASEMENT

STATE OF TEXAS §
 § **KNOW ALL PERSONS BY THESE PRESENTS:**
 §

COUNTY OF KAUFMAN

THAT, Enclave at Kings Fort, LLC, a Delaware Limited Liability Company, whose address is 1531 SE 36 Avenue, Ocala, FL, 34471 hereinafter referred to as "**Grantor**," in consideration of the sum of Ten DOLLARS (\$10.00) CASH and other good and valuable consideration to Grantor paid by the City of Kaufman, Texas (the "City"), its successors and/or assigns, hereinafter referred to as "**Grantee**," the receipt and sufficiency of which is hereby acknowledged, has **GRANTED, SOLD, AND CONVEYED** and does by these presents **GRANT, SELL, AND CONVEY** unto said Grantee, its successors and/or assigns, all or in part, the following easement located on, over, under and across certain land within a portion of those certain tracts of land owned by Grantor ("**Grantor's Property**") which easement is more particularly depicted in the attached **Exhibit "A"** (the "Roadway and Access Easement"), which is incorporated by reference for any and all purposes:

- A. A non-exclusive, unobstructed roadway access easement for vehicular access hereinafter referred to as the "Roadway and Access Easement," for the maintenance, operation, replacement, protection, repair, use, and removal of a Manhole and all associated infrastructure located as indicated in **Exhibit A (the "Manhole")**, by Grantee and its contractors.

- B. The Road in the Roadway and Access Easement shall be constructed of Caliche by Grantor, shall be comprised of sufficient materials and design to support the weight of equipment utilized by Grantee and its contractors to access the Manhole, and shall be constructed at the approximate width as shown on the attached **Exhibit A (the "Access Road")**;

- C. Grantor shall be responsible for the maintenance of the Access Road until the expiration of termination of this Roadway and Access Easement pursuant to it's terms.

The Easement granted shall be unobstructed and Grantor grants the following rights unto Grantee:

A. Grantee and its authorized contractors shall have full rights of ingress and egress along the Roadway and Access Easement;

B. Grantee and its authorized contractors, along with Grantor, shall have the right to remove all trees and shrubs from the Easement and to cut and trim all limbs of trees that intrude into the Easement from Grantor's Property immediately adjoining thereto; and further, to remove from the Easement any and all other obstructions which may interfere with Grantee's rights of ingress and egress or use of the Easement;

C. Grantee and its authorized contractors shall have the right to remove any obstructions that, in the sole opinion of the Grantee, interfere with Grantee's rights, including but not limited to, ingress, and egress, which otherwise would endanger or Interfere with the safe and efficient operation and maintenance of the Access Road and the Manhole.

D. Grantee and its authorized contractors shall have the right, but not the obligation, to maintain the Roadway and Access Easement with new aggregates. at Grantee's sole discretion; and

E. Grantor reserves the rights for any and all purposes and retains fee title and full enjoyment to the Easement to the extent Grantor does not restrict the rights conveyed herein.

THIS CONVEYANCE IS EXPRESSLY MADE AND ACCEPTED SUBJECT TO THE FOLLOWING, TO WIT:

This conveyance is made subject to all valid and subsisting easement, restrictions, rights of way, conditions, exceptions, reservations, and covenants and other encumbrances of whatsoever nature of record, if any, now in force and existing of record in the office of the County Clerk of Kaufman County, Texas, to which reference is here made for all purposes, and also the zoning laws and other restrictions, regulations, ordinances, and statutes of municipal or other governmental authorities applicable to and enforceable against the described property.

SAVE AND EXCEPT and reserved unto Grantor, Grantor's heirs, representatives, successors, and assigns, forever, all of Grantor's subsurface mineral interest and all of the subsurface oil, gas, and other minerals of which Grantor may own, if any.

REVERTER: If, in the discretion of the Grantee, the Manhole is no longer necessary for maintenance of the public improvements which serve the Enclave at Kaufman Public Improvement District No. 6, this Roadway and Access Easement shall terminate.

TO HAVE AND TO HOLD the above described premises, together with all and singular the rights and appurtenances thereto in anywise belonging unto Grantee and Grantee's successors and assigns, forever, and Grantor does hereby bind Grantor and Grantor's heirs,

successors, assigns, and legal representatives to warrant and forever defend against every person whomsoever *lawfully* claiming *or* to claim the same or any part thereof, by, through, or under Grantor, but none otherwise.

EXECUTED this _____ day of _____, 2025.

GRANTOR:

Enclave at Kings Fort, LLC

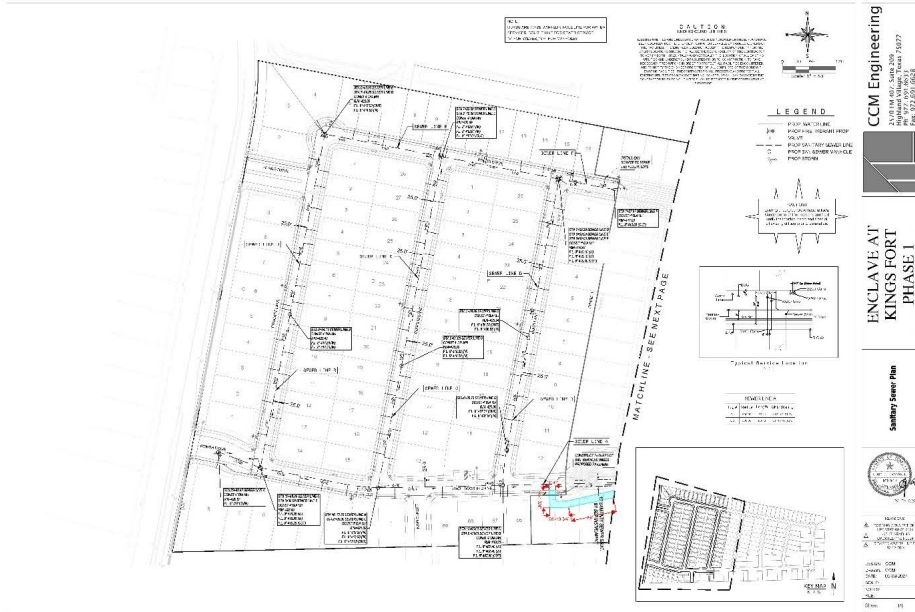
A Delaware limited liability company

Signature

Printed

Title/Authority

Exhibit "A"
"Roadway and Access Easement"







Meeting
Date: 12/15/2025

Date: 12/02/2025

Item #: 10.

Dept.: Administration

Resolution

SUBJECT:

Consider and take appropriate action on Resolution R-36-25, a resolution of the City Council of the City of Kaufman, Texas, accepting the preliminary service and assessment plan for authorized improvements within the Kaufman Public Improvement District No. 6; setting a date for a public hearing on the proposed levy of assessments; authorizing notice; and enacting other provisions relating thereto. (Enclave at Kings Fort)

BACKGROUND:

This Preliminary Service and Assessment Plan (PSAP) for consideration is for The Enclave at Kings Fort (Public Improvement District No. 6), as well as setting a public hearing for January 26, 2026, regarding the proposed levy of assessments. All stakeholders had the opportunity to review/edit this document to ensure compliance with statutes and the intent of the assessment levy.

Author:
Mike Holder, City Manager

Reviewed:
Mike Holder, City Manager

Cost:

Funds Available:

Source:

Recommendation: Staff recommends approval of Resolution R-36-25 as presented.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

RESOLUTION NO. R-36-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KAUFMAN, TEXAS, ACCEPTING THE PRELIMINARY SERVICE AND ASSESSMENT PLAN FOR AUTHORIZED IMPROVEMENTS WITHIN THE KAUFMAN PUBLIC IMPROVEMENT DISTRICT NO. 6; SETTING A DATE FOR PUBLIC HEARING ON THE PROPOSED LEVY OF ASSESSMENTS; AUTHORIZING THE PUBLICATION AND MAILING OF NOTICE; AND ENACTING OTHER PROVISIONS RELATING THERETO.

WHEREAS, the City of Kaufman, Texas (the "*City*"), is authorized under Chapter 372 of the Texas Local Government Code, as amended (the "*Act*"), to create a public improvement district; and

WHEREAS, the City received a petition from the owner of approximately 41 acres of land within the corporate limits of the City (the "*Petitioner*"), submitted and filed with the City Secretary of the City a petition (the "*Petition*") requesting the establishment of a public improvement district pursuant to the Act, such district to include the property described by metes and bounds in **Exhibit A** (the "*Property*"), each attached hereto and incorporated herein for all purposes; and

WHEREAS, on March 18, 2024, the City Council accepted the Petition and called a public hearing for April 22, 2024, on the creation of Kaufman Public Improvement District No. 6 (the "*District*") and the advisability of the improvements; and

WHEREAS, notice of the hearing was published in a newspaper of general circulation in the City and notice was also mailed to the property owners within the PID in accordance with the in Act; and

WHEREAS, the City Council opened and conducted such public hearing on the advisability of the improvements and the creation of the District, and closed such hearing on April 22, 2024; and

WHEREAS, the City Council approved the creation of the District by Resolution No. R-13-24, approved on April 22, 2024 (the "*Creation Resolution*") and such Resolution was filed in the real property records of Kaufman County; and

WHEREAS, pursuant to Sections 372.013, 372.014, and 372.016 of the Act, the City Council has directed the preparation of a Preliminary Service and Assessment Plan for certain public improvements within Phase #1 (the "*Authorized Improvements*") of the District (the "*Preliminary Plan*"), such Preliminary Plan attached hereto as **Exhibit B**, covers a period of at least five years and defines the annual indebtedness and the projected costs of the Authorized Improvements within the District; and

WHEREAS, the Preliminary Plan also includes assessment plans that apportion the cost of an Authorized Improvement to be assessed against property within Phase #1 of the District and such apportionment is made on the basis of special benefits accruing to the assessed property within Phase I of the District because of the Authorized Improvements; and

WHEREAS, the City Council also directed the preparation of an assessment roll for Phase #1 of the District that states the assessment against each parcel of land within the District (the "Assessment Roll") and such proposed Assessment Roll is attached to and a part of the Preliminary Plan; and

WHEREAS, after determining the total costs of the Authorized Improvements for Phase #1 of the District, the City Council notes that the Preliminary Plan and proposed Assessment Roll may be changed as the City Council deems appropriate before such Preliminary Plan and proposed Assessment Roll are adopted as final by the City Council; and

WHEREAS, the City has determined to call a public hearing regarding the proposed levy of assessments for Phase I pursuant to the Preliminary Plan and the proposed Assessment Roll on property within the District, pursuant to Section 372.016 of the Act; and

WHEREAS, the City desires to publish and mail notice of such public hearing in order to provide notice to all interested parties of the City's proposed levy of assessments against such property in the District for Phase 1, pursuant to Section 372.016 of the Act; and

WHEREAS, the City desires to file the Preliminary Plan and Assessment Roll with the City Secretary such that they are available for public inspection pursuant to Section 372.016 of the Act.

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

Section 1. Findings. The findings and determinations set forth in the preambles hereto are hereby incorporated by reference for all purposes.

Section 2. Calling Public Hearing. The City Council hereby calls a public hearing (the "Public Hearing") for 6:30 p.m. on January 26, 2026, at the regular meeting place of the City, the City Council Chamber at Kaufman City Hall, 209 S. Washington, Kaufman, Texas 75142, to consider approving the Preliminary Plan, with such changes and amendments as the City Council deems necessary, and the proposed Assessment Roll with such amendments to the assessments on any parcel as the City Council deems necessary, as the final Service and Assessment Plan (the "Final Plan") and final Assessment Roll (the "Final Roll") for the District. After all objections made at such hearing have been heard, the City Council may (i) levy the assessments as special assessments against each parcel of property in the District as set forth in the Final Plan, including the Final Roll; (ii) specify the method of payment of the assessments; and (iii) provide that assessments be paid in periodic installments. Notice of the Public Hearing setting out the matters required by Section 372.016 of the Act shall be given by publication at least eleven (11) days before the date of the hearing, in a newspaper of general circulation in the City. Notice of such hearing shall also be given by the City Secretary, by mailing a copy of the notice containing the information required by Section 372.016(b) of the Act to the last known address of each owner of property liable for an assessment in the proposed Final Roll as reflected on the tax rolls of the Kaufman

County Appraisal District. All residents and property owners within the District, and all other persons, are hereby invited to appear in person, or by their attorney, and contend for or contest the Preliminary Plan and the Final Roll, and the proposed assessments and offer testimony pertinent to any issue presented on the amount of the assessments, purpose of the assessments, special benefit of the assessments, and the costs of collection and the penalties and interest on delinquent assessments. At or on the adjournment of the hearing conducted pursuant to Section 372.016 on the proposed assessments, the City Council must hear and pass on any objection to a proposed assessment. The City Council may amend a proposed assessment on any parcel in the District. The failure of a property owner to receive notice does not invalidate the proceeding.

Section 3. Publication of Notice. The City Council hereby directs the City Secretary to cause the publication and mailing of notice of the Public Hearing substantially in the form attached as **Exhibit C**. Such publication shall occur before the 10th day before the date of the Public Hearing.

Section 4. Conduct of Public Hearing. The City Council shall convene at the location and at the time specified in the notice described above for the Public Hearing and shall conduct the Public Hearing in connection with its consideration of the Final Plan, including the Final Roll, for Phase I of the District and the levy of the proposed assessments, including costs of collection, penalties and interest on delinquent assessments. At the Public Hearing, the City Council will hear and pass on any objections to the Preliminary Service and Assessment Plan and the proposed Assessment Roll and the levy of the proposed assessments (which objections may be written or oral). At or on the adjournment of the Public Hearing, the City Council may amend a proposed assessment on any parcel in the District. After all objections, if any, have been heard and passed upon, the City may (i) levy the assessments as special assessments against each parcel of property in the District as set forth in the Final Plan and Final Roll for the District, (ii) specify the method of payment of the assessments, and (iii) provide that the assessments be paid in periodic installments.

Section 5. Filing of Proposed Assessment Roll. The proposed Final Roll shall be filed in the office of the City Secretary and be made available to any member of the public who wishes to inspect the same.

Section 6. Further Action. The City Secretary is hereby authorized and directed to take such other actions as are required, including providing notice of the Public Hearing as required by the Texas Open Meetings Act and placing the Public Hearing on the agenda for the January 26, 2026, meeting of the City Council.

[Signature Page Follows]

DULY RESOLVED by the City Council of the City of Kaufman, Texas, on the 15th day of December, 2025.

JEFF JORDAN
MAYOR

ATTEST:

JESSIE HANKS
CITY SECRETARY

APPROVED AS TO FORM:

M. ANN MONTGOMERY
CITY ATTORNEY

EXHIBIT A

PROPERTY DESCRIPTION

Metes and Bounds Description

41.00 ACRES

BEING a tract of land situated in the D. FALCON SURVEY, ABSTRACT NO. 151, of Kaufman County, Texas, and being a tract of land conveyed to Kaufman175 LLC, as recorded in Volume 5939, Page 257, of the Deed Records of Kaufman County, Texas, as shown on this survey, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 inch yellow-capped iron rod found for corner, being the Southeast corner of said Kaufman175 tract, and being the Southern most West corner of a tract of land conveyed to JWS Land LTD, Volume 4238, Page 325, of the Deed Records of Kaufman County, Texas, and being on the North line of a tract of land conveyed to Georgetown KF, LTD, as recorded in Volume 5852, Page 104, of the Deed Records of Kaufman County, Texas;

THENCE South 88 degrees 28 minutes 26 seconds West, a distance of 917.72 feet, and being on the South line of said Kaufman175 tract;

THENCE South 88 degrees 44 minutes 47 seconds West, a distance of 1130.70 feet, to a point for corner, being the Northwest corner of a tract of land conveyed to Georgetown KF LTD, as recorded in Volume 5852, Page 104, of the Deed Records of Kaufman County, Texas;

THENCE North 10 degrees 45 minutes 20 seconds East, a distance of 966.60 feet, to a point for corner, said point being in a curve to the left having a radius of 761.00 feet;

THENCE continuing along said curve, a chord bearing of North 04 degrees 49 minutes 02 seconds East, a distance of 163.96 feet, a central angle of 12 degrees 22 minutes 07 seconds, and an arc length of 164.28 feet, to a point for corner, being the Northwest corner of said Kaufman175 tract;

THENCE South 79 degrees 09 minutes 31 seconds East, a distance of 1912.70 feet, to a 1/2 inch yellow-capped iron rod found for corner being the Northeast corner of said Kaufman175 tract;

THENCE South 02 degrees 01 minutes 29 seconds West, a distance of 704.50 feet, to the PLACE OF BEGINNING and containing 41.00 acres of land.

EXHIBIT B
PRELIMINARY SERVICE AND ASSESSMENT PLAN

KAUFMAN PUBLIC IMPROVEMENT DISTRICT NO. 6

CITY OF KAUFMAN, TEXAS

PRELIMINARY SERVICE AND ASSESSMENT PLAN

November 17, 2025

PREPARED BY:

MUNICAP, INC.
— PUBLIC FINANCE —

KAUFMAN PUBLIC IMPROVEMENT DISTRICT No. 6

PRELIMINARY SERVICE AND ASSESSMENT PLAN

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APPENDIX G - PROPOSED PHASE #1 ASSESSMENT ROLL

I. PLAN DESCRIPTION AND DEFINED TERMS

A. INTRODUCTION

On April 22, 2024, the City Council of the City of Kaufman, Texas passed and approved Resolution No. R-13-24 approving and authorizing the creation of Kaufman Public Improvement District No. 6 (the “PID”) to finance the costs of certain public improvements for the benefit of property in such public improvement district, all of which was located within the City limits.

The property in the PID is proposed to be developed in multiple phases. Assessments will be imposed on the property that receives a special benefit from the public improvements to be financed.

Chapter 372 of the Texas Local Government Code, the “Public Improvement District Assessment Act” (as amended, the “PID Act”), governs the creation and operation of public improvement districts within the State of Texas. This Kaufman Public Improvement District No. 6 Service and Assessment Plan (the “Service and Assessment Plan”) has been prepared in accordance with the PID Act and specifically Sections 372.013, 372.014, 372.015 and 372.016, which address the requirements of a service and assessment plan and the assessment roll. According to Section 372.013 of the PID Act, a service plan “must (1) cover a period of at least five years; (2) define the annual indebtedness and the projected costs for improvements; and (3) include a copy of the notice form required by Section 5.014, Property Code.” Additionally, the PID Act requires that “the governing body of the municipality or county shall review and update the service plan annually for the purpose of determining the annual budget for improvements.” The service plan is described in Section IV of this Service and Assessment Plan. The copy of the notice form required by Section 5.014 of the Texas Property Code, as amended, is attached hereto as Appendix F.

Section 372.014 of the PID Act requires that “an assessment plan must be included in the annual service plan.” The assessment plan is described in Section V of this Service and Assessment Plan.

Section 372.015 of the PID Act requires that “the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district.” The method of assessing the costs of the Authorized Improvements and apportionment of such costs to the property in the PID is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act requires that “after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter. The Assessment Roll for the PID is included as Appendix G of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment and apportionment of costs described in Section V of this Service and Assessment Plan.

B. DEFINITIONS

Capitalized terms used herein shall have the meanings ascribed to them as follows:

“Actual Cost(s)” means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement. Actual Cost may include: (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor and construction management fees, if any, (b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, and taxes, (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and material men in connection with the acquisition, construction or implementation of the Authorized Improvements, and (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, permit fees, development fees), insurance premiums and miscellaneous expenses.

Actual Costs may include general contractor’s fees in an amount up to a percentage equal to the percentage of work completed and accepted by the City or construction management fees in an amount up to five percent of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated.

“Additional Interest” means the 0.50% additional interest rate charged on Assessments (if applicable) pursuant to Section 372.018 of the PID Act.

“Additional Interest Component” means the amount collected by application of the Additional Interest.

“Administrative Expenses” means the administrative, organization, maintenance and operation costs associated with, or incidental to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) creating and organizing the PID, including conducting hearings, preparing notices and petitions, and all costs incident thereto, including engineering fees, legal fees and consultant fees, (ii) the annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, maintenance, and operation of the PID and the Authorized Improvements, (iii) computing, levying, billing and collecting Assessments or the Annual Installments thereof, (iv) maintaining the record of installments of the Assessments and the system of registration and transfer of the bonds, (v) issuing, paying and redeeming the bonds, (vi) investing or depositing of monies, (vii) complying with the PID Act and other laws applicable to the bonds, (viii) the Trustee’s reasonable fees and expenses relating to the bonds, (ix) legal

counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (x) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on the bonds or any costs of issuance associated with the bonds . Administrative Expenses collected and not expended for actual Administrative Expenses shall be carried forward and may be applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of amounts to pay Administrative Expenses.

“Administrator” means the employee or designee of the City, identified in any indenture of trust relating to the bonds or in any other agreement approved by the City Council, who shall have the responsibilities provided for herein.

“Annual Installment” means, with respect to each Parcel, each annual payment of: (i) the Assessments including both principal and interest, as shown on the Assessment Roll attached hereto as Appendix G, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the Additional Interest Component designated for the Delinquency and Prepayment Reserve described in Section V of this Service and Assessment Plan, and (iii) the Administrative Expenses.

“Annual Service Plan Update” has the meaning set forth in the second paragraph of Section IV of this Service and Assessment Plan.

“Assessed Property” means all Parcels within the PID that benefits from the Authorized Improvements to be provided by the PID, on which Assessments have been imposed relating to the Authorized Improvements, as shown in the Assessment Roll, as the Assessment Roll is updated each year by the Annual Service Plan Update. Assessed Property includes Parcels within the PID other than Non-Benefited Property.

“Assessment” means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on any Assessment Roll, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act. An Assessment for a Parcel consists of the Annual Installments to be collected in all years including the portion of those Annual Installments collected to pay Administrative Expenses and interest on all Assessments.

“Assessment Ordinance” means an ordinance adopted by the City Council approving the Service and Assessment Plan (including amendments or supplements to the Service and Assessment Plan) and levying the Assessments.

“Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Assessed Property, or the Annual Installments thereof, for the Authorized Improvements.

“Authorized Improvements” mean those public improvements benefitting all Assessed Property in the PID described in Appendix B of this Service and Assessment Plan and Section 372.003 of

the PID Act, constructed and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments.

“**Bonds**” mean any bonds issued by the City in one or more series and secured in whole or in part by the Assessment Revenues

“**Budgeted Cost(s)**” means the amounts budgeted to construct the Authorized Improvements as used in the preparation of this Service and Assessment Plan.

“**Certification for Payment**” means the certificate to be provided by the Developer, or his designee, to substantiate the Actual Cost of one or more Authorized Improvements, which shall be in the form attached to the Trust Indenture pursuant to which the relates series of bonds is issued.

“**City**” means the City of Kaufman, Texas.

“**City Council**” means the duly elected governing body of the City.

“**County**” means Kaufman County, Texas.

“**Delinquent Collection Costs**” mean interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment in accordance with the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorney’s fees.

“**Developer**” means Enclave at Kings Fort, Inc., a Delaware corporation.

“**Development Agreement**” means that certain development agreement by and between the City and Enclave at Kings Fort, Inc., and related to the Property effective April 22, 2024, as amended from time to time.

“**Equivalent Units**” means, as to any Parcel the number of dwelling units by lot type expected to be built on the Parcel multiplied by the factors calculated and shown in Appendix E attached hereto.

“**Homeowner Association**” means a homeowner’s association or property owners’ association established for the benefit of property owners within the boundaries of the PID.

“**Homeowner Association Property**” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive use easement, a homeowner’s association.

“**Improvement Area**” means an area of development consisting of one or more Parcels within the PID that will be developed in the same general time period. The Parcels within an Improvement Area are being assessed and/or will be assessed in connection with the issuance of

bonds for Authorized Improvements designated herein or in an update to this Service and Assessment Plan that specifically benefit the Parcels within the Improvement Area.

“Lot” means a tract of land described as a “lot” in a subdivision plat recorded in the official public records of the County.

“Lot Type” means a classification of final building lots with similar characteristics (e.g. commercial, light industrial, multifamily residential, single family residential, etc.), as determined by the Administrator and confirmed by the City Council as described in Appendix E and shown in Appendix G. In the case of single family residential lots, the Lot Type shall be further defined by classifying the residential lots by the estimated average home value for each home at the time of Assessment Levy, considering factors such as density, lot size, proximity to amenities, view premiums, location, and any other factors that may impact the average home value on the lot, as determined by the Administrator and confirmed by the City Council.

“Maximum Assessment Per Unit” means an Assessment per unit relating to the Phase #1 Improvements for each applicable Lot Type as follows:

Lot Type 1 (60 Ft) - \$13,665.95

Lot Type 2 (50Ft) - \$11,479.40

“Non-Benefited Property” means Parcels that accrue no special benefit from the Authorized Improvements, including Homeowner Association Property, Public Property and easements that create an exclusive use for a public utility provider to the extent they accrue no special benefit. Property identified as Non-Benefited Property at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel, is not assessed. Assessed Property converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the provisions herein, remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI.C.

“Parcel” or **“Parcels”** means a parcel or parcels within the PID identified by either a tax map identification number assigned by the Kaufman Central Appraisal District for real property tax purposes or by lot and block number in a final subdivision plat recorded in the real property records of the County.

“Phase #1” means the Assessed Property identified as Phase #1 on the map attached as Appendix A.

“Phase #1 Assessed Property” means all Parcels within Phase #1 other than non-benefited Property and shown in the Phase #1 Assessment Roll against which an Assessment relating to the Phase #1 Improvements is levied.

“Phase #1 Assessment Revenues” mean the actual revenues received by or on behalf of the City from the collection of Assessments levied against Phase #1 Assessed Property, or the Annual Installments thereof, for the Phase #1 Improvements.

“Phase #1 Assessments” means an assessment levied against a Parcel in Phase #1 as shown on the Phase #1 Assessment Roll attached hereto as Appendix G, subject to reallocation upon the subdivision of such Parcel or reduction according to the provisions herein and the PID Act.

“Phase #1 Assessment Roll” means the Assessment Roll included in this Service and Assessment Plan as Appendix G or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update, as each may be updated, modified, or amended from time to time in accordance with the procedures set forth in this Service and Assessment Plan and in the PID Act.

“Phase #1 Improvements” mean the Authorized Improvements which only benefit Phase #1 Assessed Property, and described in section III.B.

“PID” has the meaning set forth in Section I.A of this Service and Assessment Plan.

“PID Act” means Texas Local Government Code Chapter 372, Public Improvement District Assessment Act, Subchapter A, Public Improvement Districts, as amended.

“PID Assessment notice” means the homebuyer disclosure required under section 372.013 of the PID Act and is further described in Section IV and Appendix F of this Service and Assessment Plan.

“Prepayment Costs” mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the City as a result of any prepayment of an Assessment.

“Public Property” means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to the federal government, the State of Texas, the County, the City, a school district or any other public agency, whether in fee simple or through an exclusive use easement.

“Reimbursement Agreement” means that certain Kaufman Public Improvement District No. 6 Reimbursement Agreement dated as of February 24, 2025, as amended or restated, by and between the City and the Developer in which the Developer agrees to fund certain Actual Costs of the Authorized Improvements and the City agrees to reimburse the Developer with interested permitted by the PID Act solely from Assessment revenues and/or the net proceeds of the PID Bonds for a portion of such Actual Costs of the Authorized Improvements funded by the Developer for Authorized Improvements constructed and accepted by the City for the benefit of the Assessed Property

“Service and Assessment Plan” means this Service and Assessment Plan prepared for the PID pursuant to the PID Act, as the same may be amended from time to time.

“Trustee” means the fiscal agent or trustee as specified in the Trust Indenture, including a substitute fiscal agent or trustee.

“Trust Indenture” means an indenture of trust, ordinance or similar document setting forth the terms and other provisions relating to the bonds, as modified, amended, and/or supplemented from time to time.

(remainder of this page is intentionally left blank)

II. PROPERTY INCLUDED IN THE PID

A. PROPERTY INCLUDED IN THE PID

The PID is presently located within the City and contains approximately 41.00 acres of land. A map of the property within the PID is shown on Appendix A to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 215 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots and the classification of each lot are based upon the proposed development plan.

The property within the PID is proposed to be developed as follows:

Table II-A
Proposed Development – PID

Proposed Development	Quantity (Phase #1)	Quantity (Phase #2)	Total	Measurement
Lot Type 1	27	46	73	Units
Lot type 2	74	68	142	Units
Total	101	114	215	Units

At completion, Phase #1 is expected to consist of approximately 101 single family residential units, landscaping, and infrastructure necessary to provide roadways, drainage, and utilities to the PID. The estimated number of lots and the classification of each lot are based upon the proposed development plan.

The property within Phase #1 is proposed to be developed as follows:

Table II-A
Proposed Development - Phase #1

Proposed Development	Quantity	Measurement
Lot Type 1	27	Units
Lot type 2	74	Units
Total	101	Units

The estimated number of units at the build-out of the PID is based on the land use approvals for the property in the PID, the anticipated subdivision of property, and the Developer’s estimate of the highest and best use of the property within the PID.

III. DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS

A. AUTHORIZED IMPROVEMENT OVERVIEW

Section 372.003 of the PID Act defines the improvements that may be undertaken by a municipality or county through the establishment of a public improvement district, as follows:

372.003. Authorized Improvements

(a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.

(b) A public improvement may include:

- (i) landscaping;
- (ii) erection of fountains, distinctive lighting, and signs;
- (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
- (iv) construction or improvement of pedestrian malls;
- (v) acquisition and installation of pieces of art;
- (vi) acquisition, construction, or improvement of libraries;
- (vii) acquisition, construction, or improvement of off-street parking facilities;
- (viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;
- (ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
- (x) the establishment or improvement of parks;
- (xi) projects similar to those listed in Subdivisions (i)-(x);
- (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
- (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement;
- (xiv) payment of expenses incurred in the establishment, administration and operation of the district; and
- (xv) the development, rehabilitation, or expansion of affordable housing

After analyzing the public improvement projects authorized by the PID Act, the City has determined at this time to undertake only Authorized Improvements listed in Section III.B and shown in the opinion of probable costs included as Appendix B and on the diagrams included as Appendix D for the benefit of the Assessed Property. Any change to the list of Authorized Improvements will require the approval of the City and an update to this Service and Assessment Plan.

B. DESCRIPTIONS AND BUDGETED COSTS OF PHASE #1 IMPROVEMENTS

The Phase #1 Improvements benefit all the Assessed Property within Phase #1 of the PID, excluding Non-Benefited Property. The Costs of the Phase #1 Improvements are allocated proportionally throughout the entire Phase #1 Assessed Property, excluding Non-Benefitted Property, in a manner that anticipates planned development of the Phase #1 Property based on the anticipated number of Equivalent Units. Each Parcel of the Assessed Property will be proportionally allocated the costs of the Phase #1 Improvements, as shown in Table III-A.

The descriptions of the Phase #1 Improvements are presented below as provided by the project engineer. The Budgeted Costs of the Phase #1 Improvements are shown in table III-A. The costs shown in table III-A are estimates and may be revised in Annual Service Plan Updates, including such other improvements deemed necessary to further improve the properties within the PID.

A description of the Phase #1 Improvements are as follows:

Roadway Improvements:

The roadway improvements of the Phase #1 Improvements consist of subgrade stabilization, lime base, concrete pavement and reinforcing steel, concrete curb and gutters, materials testing and surveying, ADA ramps, sidewalks, signage, striping, supervision and general conditions, which benefit the Phase #1 Assessed Property. All related earthwork, excavation, erosion control and re-vegetation of all disturbed areas within the right-of way are included. The roadway improvements will be designed and constructed in accordance with City standards and specifications and will be owned and operated by the City.

Water Improvements:

The water improvements of the Phase #1 Improvements consist of trench excavation and embedment, trench safety, piping, valves, fire hydrant assemblies, service connections, material testing, surveying, related earthwork, erosion control, supervision, general conditions, and all necessary appurtenances, which benefit the Phase #1 Assessed Property. The water improvements will be designed and constructed in accordance with City standards and will be owned and operated by the City.

Sanitary Sewer Improvements:

The sanitary sewer collection system improvements of the Phase #1 Improvements consist trench excavation and embedment, trench safety, piping, manholes, service connections, material testing, surveying, related earthwork, excavation, and erosion control, supervision, general conditions and

all necessary appurtenances, which benefit the Phase #1 Assessed Property. The sanitary sewer collection system improvements will be designed and constructed in accordance with City standards and will be owned and operated by the City.

Storm Drainage Improvements:

The storm drainage collection system improvements of the Phase #1 Improvements consist of trench excavation and embedment, trench safety, piping, manholes, inlets, related earthwork, material testing, surveying and erosion control, supervision, general conditions, and all necessary appurtenances, which benefit the Phase #1 Assessed Property. The storm drainage collection system improvements will be constructed to City standards and will be owned and operated by the City.

Landscaping Improvements:

The landscaping improvements of the Phase #1 Improvements consist of park features with trail sidewalks that will connect with the City trails, sitting stations, benches, shaded structure, landscaping and irrigation, paved parking spaces and surveying, which benefit the Phase #1 Assessed Property. The landscaping improvements will be designed according to City standards and will be owned and operated by the City.

Other Soft and Miscellaneous Costs

The other soft and miscellaneous costs of the Phase #1 Improvements consist of costs related to designing, constructing, financing, and installing the Phase #1 Improvements including land planning and design, city fees, legal fees, district formation costs, appraisal fees, engineering, soil testing, survey, construction staking, construction management, and contingency, costs associated with financing the Authorized Improvements, and a portion of the costs incurred in the establishment, administration and operation of the PID.

**Table III-A
Budgeted Costs - Phase #1 Improvements**

Authorized Improvements	Total Phase #1 Improvements
Roadway Improvements	\$1,730,623
Water Improvements	\$569,209
Sanitary Sewer Improvements	\$608,546
Drainage Improvements	\$507,870
Landscaping	\$118,780
Other Soft and Miscellaneous Costs	\$2,166,036
Total Authorized Improvements	\$5,701,064

Note: Costs provided by CCM Engineering. The figures shown in Table III-A may be revised in Annual Service Plan Updates and may be reallocated between line items so long as the total Assessment related to the Authorized Improvements does not increase.

IV. SERVICE PLAN

A. PROJECTED SOURCES AND USES OF FUNDS

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during the five-year period. The Phase #1 Improvements were completed and will be accepted by the City in the fourth quarter of 2025.

The Budgeted Costs for the Phase #1 Improvements plus costs related to levying Phase #1 Assessments and operation of the PID are \$5,776,064 as shown in Table IV-A. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

Table IV-A on the following page shows the projected sources and uses of funds for the Authorized Improvements.

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Table IV-A
Sources and Uses

Sources of Funds	Total
Assessment Amount	\$1,218,456
Other Funding Sources	\$4,557,608
Total Sources	\$5,776,064
Uses of Funds	
<i>Authorized Improvements:</i>	
Roadway Improvements	\$1,730,623
Water Improvements	\$569,209
Sanitary Sewer Improvements	\$608,546
Drainage Improvements	\$507,870
Landscaping	\$118,780
Other Soft and Miscellaneous Costs	\$2,166,036
<i>Subtotal Authorized Improvements</i>	<i>\$5,701,064</i>
<i>Estimated Assessment Levy Related Costs:</i>	
First Year Administrative Expenses	\$25,000
Consulting Fees Related to Assessment Levy	\$50,000
<i>Subtotal Estimated Assessment Levy Fees</i>	<i>\$75,000</i>
Total Uses	\$5,776,064

¹Other funding sources are being funded by the Developer and are not anticipated to be reimbursed by the PID. Other funding sources include all sources of capital for use at the discretion of the Developer, except for proceeds from payment of the Phase #1 Assessments.

B. PROJECTED FIVE-YEAR SERVICE AND ASSESSMENT PLAN

The annual projected costs and annual projected indebtedness for Phase #1 are shown in Table IV-B on the following page. The annual projected costs and indebtedness are subject to revision, and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year.

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Table IV-B
Annual Projected Costs and Annual Projected Indebtedness – Phase #1

Year	Annual Projected Cost	Annual Projected Indebtedness	Other Funding Sources¹	Projected Annual Installments^{2,3}
2025	\$5,776,064	\$1,218,456	\$4,557,608	\$0
2026	\$0	\$0	\$0	\$121,200
2027	\$0	\$0	\$0	\$121,200
2028	\$0	\$0	\$0	\$121,200
2029	\$0	\$0	\$0	\$121,200
2030	\$0	\$0	\$0	\$121,200
2031	\$0	\$0	\$0	\$121,200
Total	\$5,776,064	\$1,218,456	\$4,557,608	\$727,198

¹ Other funding sources are being funded by the Developer and are not anticipated to be reimbursed by the PID.

² Administrative Expenses for the fiscal year 2026 are being funded by the Developer.

³ Includes amounts to be paid from Phase #1 Assessments related to the obligations under the Reimbursement Agreement.

The annual projected costs shown in Table IV-B are the annual expenditures relating to the Authorized Improvements shown in Table III-A, and the costs associated with setting up the PID and Assessment levy related costs are shown in Table IV-A. The difference between the total projected cost and the total projected indebtedness, if any, is the amount contributed by the Developer.

C. PID ASSESSMENT NOTICE

The PID Act requires that this Service and Assessment Plan, and each Annual Service Plan Update, include a copy of the Notice form required by Section 5.014 of the Texas Property Code (the, “PID Assessment Notice”). The PID Assessment Notice is attached hereto as Appendix F and may be updated in an Annual Service Plan Update.

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V. ASSESSMENT PLAN

A. INTRODUCTION

The PID Act requires the City Council to apportion the costs of the Authorized Improvements on the basis of special benefits conferred upon the property because of the Authorized Improvements. The PID Act provides that the costs of the Authorized Improvements may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

For purposes of this Service and Assessment Plan, the City Council has determined that the Budgeted Costs of the Phase #1 Improvements shall be allocated as described below:

1. The costs of the Phase #1 Improvements shall be allocated on the basis of Equivalent Units once such property is developed, and that such method of allocation will result in the imposition of equal shares of the costs of the Phase #1 Improvements to Parcels similarly benefited.
2. The City Council has concluded that larger more expensive homes are likely to be built on the larger lots, and that larger more expensive homes are likely to make greater use of and receive greater benefit from the Phase #1 Improvements. In determining the relative values of Parcels, the City Council has taken into consideration (i) the type of development (i.e., residential, commercial, etc.), (ii) single-family lot sizes and the size of homes likely to be built on lots of different sizes, (iii) current and projected home prices provided by the Developer, (iv) the Phase #1 Improvements to be provided and the estimated costs, and (v) the ability of different property types to utilize and benefit from the Phase #1 Improvements.
3. The Assessed Property is classified into different Lot Types as described in Appendix E based on the type and size of proposed development on each Parcel.
4. Equivalent Units are calculated for each Lot Type based on the relative value of each Lot Type.

This section of this Service and Assessment Plan currently (i) describes the special benefit received by each Parcel within the PID as a result of the Phase #1 Improvements, (ii) provides the basis and justification for the determination that this special benefit equals or exceeds the amount of the Phase #1 Assessments to be levied on the Phase #1 Assessed Property for such Phase #1 Improvements, and (iii) establishes the methodologies by which the City Council allocates and reallocates the special benefit of the Phase #1 Improvements to Parcels in a manner that results in

equal shares of the Actual Costs of the Phase #1 Improvements being apportioned to Parcels similarly benefited. The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

B. SPECIAL BENEFIT

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs of issuance and payment of costs incurred in the establishment of the PID shown in Table IV-A are authorized by the PID Act. These Authorized Improvements are provided specifically for the benefit of the Assessed Property.

Each owner of the Assessed Property has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and has consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. Each of the owners is acting in its interest in consenting to this apportionment and levying of the Assessments because the special benefit conferred upon the Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

The Authorized Improvements provide a special benefit to the Assessed Property as a result of the close proximity of these improvements to the Assessed Property and the specific purpose of these improvements of providing infrastructure for the Assessed Property. In other words, the Assessed Property could not be used in the manner proposed without the construction of the Authorized Improvements. The Authorized Improvements are being provided specifically to meet the needs of the Assessed Property as required for the proposed use of the property.

The Assessments are being levied to provide the Authorized Improvements that are required for the highest and best use of the Assessed Property (i.e., the use of the property that is most valuable, including any costs associated with that use). Highest and best use can be defined as “the reasonably probable and legal use of property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.” (*Dictionary of Real Estate Appraisal, Third Edition.*) The Authorized Improvements are expected to be required for the proposed use of the Assessed Property to be physically possible, appropriately supported, financially feasible, and maximally productive.

The Developer has evaluated the potential use of the property and has determined that the highest and best use of the property is the use intended and the legal use for the property as described in Section II of this Service and Assessment Plan. The use of the Assessed Property as described herein will require the construction of the Authorized Improvements.

Each owner of the Assessed Property will ratify, confirm, accept, agree to and approve: (i) the determinations and finding by the City Council as to the special benefits described in this Service

and Assessment Plan and the Assessment Ordinance; (ii) the Service and Assessment Plan and the Assessment Ordinance; and (iii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment Plan and as authorized by the PID Act requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs of the Authorized Improvements through the PID has been determined by the City Council to be the most beneficial means of doing so. This special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the City Council and reflected in Table VII-A.

In summary, the Authorized Improvements result in a special benefit to the Assessed Property for the following reasons:

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, are necessary for the proposed best use of the property and provide a special benefit to the Assessed Property as a result;
2. The Developer has consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition;
3. The highest and best use of the Assessed Property is the use of the Assessed Property that is most valuable (including any costs associated with the use of the Assessed Property);
4. Financing of the costs of the Authorized Improvements through the PID is determined to be the most beneficial means of providing for the Authorized Improvements; and

As a result, the special benefit to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

C. ASSESSMENT METHODOLOGY

The costs of the Phase #1 Improvements may be assessed by the City Council against the Phase #1 Assessed Property so long as the special benefit conferred upon the Phase #1 Assessed Property by the Phase #1 Improvements equals or exceeds the Assessments. The costs of the Phase #1 Improvements may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Phase #1 Assessed Property similarly benefited.

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1. Assessment Methodology for the Authorized Improvements

For purpose of this Service and Assessment Plan, the City Council has determined that the Budgeted Costs of the Phase #1 Improvements to be financed under the Reimbursement Agreement shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units anticipated to be developed on each Parcel.

Based on the Budgeted Costs of the Phase #1 Improvements, as set forth in Table III-A, the City Council has determined that the benefit to the Phase #1 Assessed Property of the Phase #1 Improvements is at least equal to the Assessments levied on the Phase #1 Assessed Property.

Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned on a pro-rata basis on the estimated Equivalent Units of each newly created Parcel. For residential Lots, when final residential building sites are platted, Assessments will be apportioned proportionately among each Parcel based on the ratio of the estimated Equivalent Units at the time residential Lots are platted to the total estimated Equivalent Units of all Lots in the platted Parcel, as calculated and shown in Appendix E using the types, number and average home value of Lots anticipated to be developed on each Parcel.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1 is shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan or the PID Act.

D. ASSESSMENTS

The Phase #1 Assessments are levied on each Parcel according to the Assessment Roll, attached hereto as Appendix G. The Annual Installments will be collected at the time and in the amounts shown on the Phase #1 Assessment Roll subject to any revisions made during an Annual Service Plan Update, if any. Non- Benefited Property will not be subject to any Assessments.

E. ADMINISTRATIVE EXPENSES

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of Assessment levied against the Parcel. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, attached as Appendix G, which may be revised based on Actual Costs incurred in Annual Service Plan Updates.

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VI. TERMS OF THE ASSESSMENTS

A. AMOUNT OF ASSESSMENTS AND ANNUAL INSTALLMENTS FOR PARCELS LOCATED WITHIN PHASE #1

The Phase #1 Assessment and Annual Installments for each Phase #1 Assessed Property is shown on the Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected from the Phase #1 Assessed Property in an amount sufficient to pay (i) principal and interest on the obligation related to the Phase #1 Improvements under the Reimbursement Agreement, and (ii) to pay Administrative Expenses related to the PID.

B. REALLOCATION OF ASSESSMENTS

1. Subdivision

Upon the subdivision of any Parcel, the Assessment for the Parcel prior to the subdivision shall be reallocated among the new subdivided Parcels according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

- A = the Assessment for each new subdivided Parcel
- B = the Assessment for the Parcel prior to subdivision
- C = the estimated total Equivalent Units to be built on each new subdivided Parcel
- D = the sum of the estimated total Equivalent Units to be built on all of the new subdivided Parcels

The calculation of the estimated Equivalent Units to be built on a Parcel shall be performed by the Administrator and confirmed by the City Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of Equivalent Units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

2. Consolidation

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the City Council.

C. MANDATORY PREPAYMENT OF ASSESSMENTS

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the City the full amount of the principal portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.
2. If at any time the Assessment per unit on a Parcel of the Phase #1 Assessed Property exceeds the applicable Maximum Assessment Per Unit shown in this Service and Assessment Plan as a result of any changes in land use, subdivision, consolidation or reallocation of the Assessment authorized by this Service and Assessment Plan and initiated by the owner of the Parcel, then such owner shall pay to the City prior to the recordation of the document subdividing the Parcel the amount calculated by the Administrator by which the Assessment per unit for the Parcel exceeds the applicable Maximum Assessment Per unit calculated in this Service and Assessment Plan. The City's approval of a final subdivision plat without payment of such amounts does not eliminate the obligation of the owner of the Parcel to pay each Assessment due, or alternately all of the Authorized Improvements are not completed, pursuant to this section.
3. The payments required above shall be treated the same as any Assessment that is due and owing under the PID Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the PID Act.

D. REDUCTION OF ASSESSMENTS

1. If after all Authorized Improvements to be funded under an obligation related to the Reimbursement Agreement, Actual Costs for such Authorized Improvements are less than the Budgeted Costs of the Authorized Improvements used to calculate the Assessments securing the related obligation under the Reimbursement Agreement, resulting in a need to reduce the obligations under the Reimbursement Agreement, those obligations may be reduced as provided in the terms of the Reimbursement Agreement, then the Assessment securing such obligation under the Reimbursement Agreement for each Parcel of Assessed Property shall be reduced by the City Council pro rata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the actual reduced Actual Costs. The Assessments shall not be reduced to an amount less than the related debt service on the outstanding amounts due under a related reimbursement agreement. If all of the Authorized Improvements are not

completed, the City may reduce the Assessments in any other method if it determines such method would better reflect the benefit received by the Parcels from the Authorized Improvements completed.

2. If all the Authorized Improvements are not undertaken, resulting in a need to reduce the obligations under the Reimbursement Agreement, then the Assessments and Annual Installments for each Parcel shall be appropriately reduced by the City Council to reflect only the amounts required to repay obligations under the Reimbursement Agreement, including interest and Administrative Expenses. The City Council may reduce the Phase #1 Assessments and the Annual Installment for each Parcel (i) in an amount that represents the Phase #1 Improvements provided for each Parcel or (ii) by an equal percentage calculated based on the number of units within the PID, if determined by the City Council to be the most fair and practical means of reducing the Assessment for each Parcel, such that the sum of the resulting reduced Assessments equals the amount required to repay the obligations related to the Reimbursement Agreement, including all interest and Administrative Expenses. The principal portion of the Assessment for each Parcel shall be reduced pro rata to the reduction in the Assessments such that the sum of the resulting reduced principal portion of the obligations under the Reimbursement Agreement allocable to each Parcel is equal to the total outstanding principal amount of the Reimbursement Agreement.

E. PAYMENT OF ASSESSMENTS

1. Payment in Full

- (a) The Assessment for any Parcel may be paid in full at any time. Such payment shall include all Prepayment Costs. If prepayment in full will result in redemption of bonds, the payment amount shall be reduced by the amount, if any, of interest from the date of prepayment through the date of redemption of bonds and reserve funds applied to the redemption under the Trust Indenture, net of any other costs applicable to the redemption of bonds.
- (b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable and shall be credited against the payment-in-full amount.
- (c) Upon payment in full of the Assessment and all Prepayment Costs, the City shall deposit the payment in accordance with the Trust Indenture, if applicable, or other relevant PID documents; whereupon, the Assessment shall be reduced to zero and the Assessment Roll revised accordingly, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate. The Administrator shall cause the revised Assessment Roll to be approved by the City Council as part of the next Annual Service Plan update. The City shall provide the owner with a recordable notice of the termination of the Assessment. The City Manager or their designee is hereby authorized to execute any such notice or other lien release documents.
- (d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the

obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

2. Payment in Annual Installments

Phase #1

The PID Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the PID Act authorizes the Assessment to be paid in installments and additionally allows the City to collect interest, administrative expenses and other authorized charges in installments. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown on the Phase #1 Assessment Roll, as updated as provided for herein, which include interest, and Administrative Expenses. Payment of the first Annual Installments shall be due January 31, 2027.

The interest on the unpaid portion of each Assessment shall be paid at a rate set not to exceed five hundred basis points above the highest average index rate for tax-exempt bonds reported in a daily or weekly bond index approved by the City and reported in the month prior to the establishment of the Assessment and continuing for a period of five years from such date, and (ii) not to exceed two hundred basis points above such bond index rate for the period beginning with the sixth year and shall continue until the Assessment is paid in full. The Assessment Roll sets forth for each year the Annual Installment for each Parcel based on an estimated interest rate of 6.00% for years 1 through 30. The index approved by the City is the Bond Buyer Index for which the highest average rate during the previous thirty days prior to the levy of Assessments was 5.07%. Furthermore, the Annual Installments may not exceed the amounts shown on the Phase #1 Assessment Roll. The Phase #1 Assessment Roll is shown as Appendix G.

The Annual Installments shall equal the Actual Costs of repaying the Phase #1 Assessments, and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

Bonds may be issued to refinance the obligations due pursuant to the Reimbursement Agreement. If such Bonds are issued, the interest rate for Phase #1 Assessments shall adjust to the interest rate on the Bonds plus Additional Interest. The Additional Interest Component of the Annual Installments may be allocated to fund a reserve to be used for paying interest associated with a prepayment and to offset any possible delinquency related costs as provided in the applicable Trust Indenture and in an update or amendment to this Service and Assessment Plan reflecting the issuance of such Bonds.

F. COLLECTION OF ANNUAL INSTALLMENTS

No less frequently than annually, the Administrator shall prepare, and the City Council shall consider, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated

among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under the applicable reimbursement agreement. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the City. The City Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the PID Act.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be updated annually. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year. Collection of the initial Annual Installments relating to the Authorized Improvements that benefit the Assessed Property will be due when billed and will be delinquent if not paid prior to February 1, 2027.

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VII. THE ASSESSMENT ROLL

A. THE ASSESSMENT ROLL

The City Council has evaluated each Parcel in the PID based on numerous factors such as the applicable zoning for developable area, the use of proposed Homeowner Association Property, the Public Property, the types of Authorized Improvements, and other development factors deemed relevant to determine the amount of Assessed Property within the PID.

The Phase #1 Assessed Property has been assessed for the special benefits conferred upon the property resulting from the Phase #1 Improvements. Table VII-A summarizes the \$5,776,064 in special benefit received by the Phase #1 Assessed Property from the Phase #1 Improvements. The Assessment levy amount is \$1,218,456, which is less than or equal to the benefit received by the Phase #1 Assessed Property. Accordingly, the total Assessment to be applied to all the Phase #1 Assessed Property is \$1,218,456 plus interest and annual Administrative Expenses. The Assessment for each Phase #1 Assessed Property is calculated based on the allocation methodologies described in Section V.C. The Assessment Roll is attached hereto as Appendix G.

Table VII-A
Special Benefit Summary

Special Benefit	Total Cost
Total Authorized Improvements ¹	\$5,701,064
<u>Estimated Assessment Levy Related Costs:</u>	
First Year Administrative Expenses	\$25,000
Consulting Fees Related to Assessment Levy	\$50,000
<i>Subtotal Assessment Levy Related Costs</i>	<i>\$75,000</i>
Total Special Benefit	\$5,776,064
<u>Special Benefit:</u>	
Total Special Benefit	\$5,776,064
Projected Assessment	\$1,218,456
Excess Benefit	\$4,557,608

¹See Table III-A for details.

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B. ANNUAL ASSESSMENT ROLL UPDATES

The Administrator shall prepare, and shall submit to the City Council for approval, annual updates to the Assessment Roll in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the City and permitted by the PID Act: (i) the identification of each Parcel; (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan and in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.E. of this Service and Assessment Plan.

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VIII. MISCELLANEOUS PROVISIONS

A. ADMINISTRATIVE REVIEW

The City may elect to designate a third party to serve as Administrator

To the extent consistent with the PID Act, an owner of an Assessed Property claiming that a calculation error has been made in the Assessment Roll(s), including the calculation of the Annual Installment, shall send a written notice describing the error to the City not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. If the owner fails to give such notice, such Owner shall be deemed to have accepted the calculation of the Assessment Roll (including the Annual Installments) and to have waived any objection to the calculation. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Property owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Property owner, such change or modification shall be presented to the City Council for approval to the extent permitted by the PID Act. A cash refund may not be made for any amount previously paid by the Assessed Property owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the City Council. Any amendments made to the Assessment Roll(s) pursuant to calculation errors shall be made pursuant to the PID Act.

The decision of the Administrator, or if such decision is appealed to the City Council, the decision of the City Council shall be conclusive. This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

B. TERMINATION OF ASSESSMENTS

Each Assessment shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the City shall provide the owner of the affected Parcel a recordable “Notice of the PID Assessment Termination”.

C. AMENDMENTS

Amendments to the Service and Assessment Plan can be made as permitted or required by the PID Act and under Texas law.

The City Council reserves the right to the extent permitted by the PID Act to amend this Service and Assessment Plan without notice under the PID Act and without notice to property owners of Parcels:

- (i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; and (iii) to provide procedures for the collection and enforcement of Assessments, Prepayment Costs, Collection Costs, and other charges imposed by the Service and Assessment Plan; and (iv) as may be required by the Attorney General of Texas in connection with the issuance of any series of Bonds.

D. ADMINISTRATION AND INTERPRETATION OF PROVISIONS

The City Council shall administer the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein or in the Trust Indenture, such determination shall be conclusive.

E. SEVERABILITY

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Property or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Service and Assessment Plan that no part hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

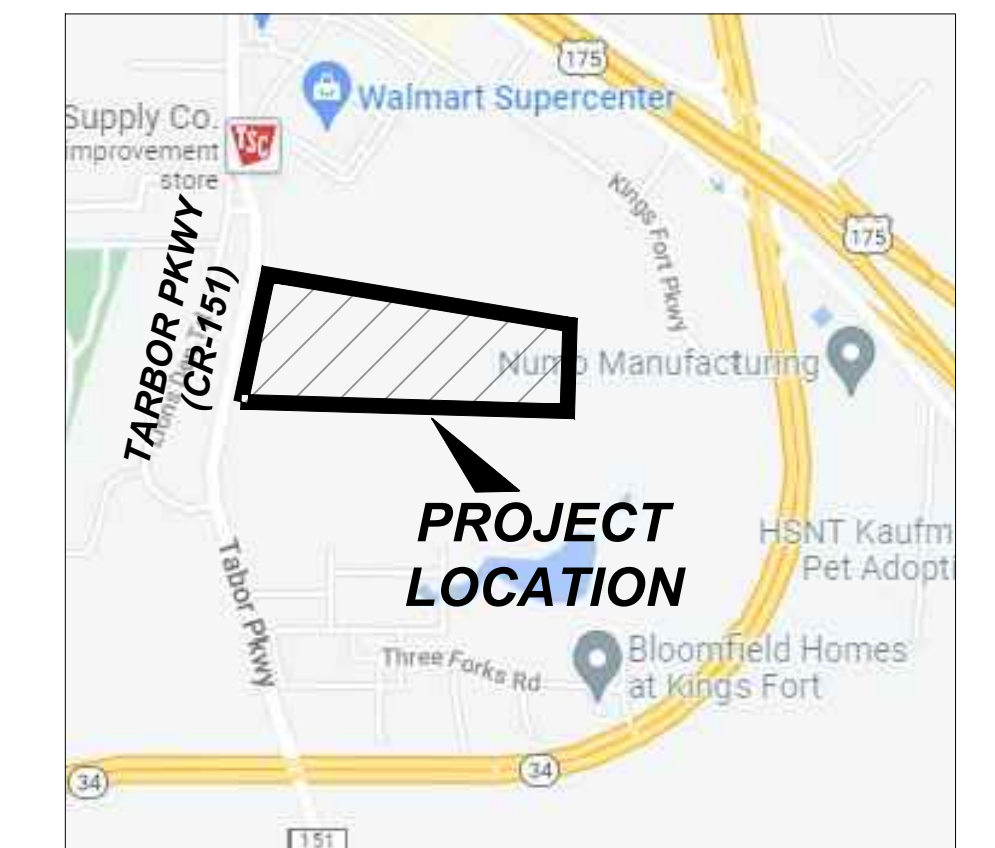
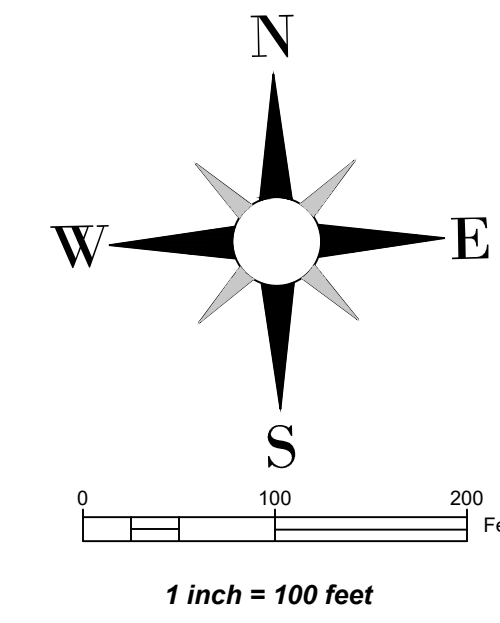
If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the City.

F. BUYER DISCLOSURE

Pursuant to Section 5.014 of the Texas Property Code, as amended, this Service and Assessment Plan, and any Annual Service Plan update shall include a form of the buyer disclosure, substantially in the form set forth in Appendix F, as described in Section IV.C.

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APPENDIX A
PID MAP



LEGEND

PHASE I

- 50' - 64 Lots
- 60' - 23 Lots
- 55' - 60' - 10 Lots
60' - 70' - 4 Lots
- Paving centerline = 3,917.22 feet

PHASE II BALANCE

- 50' - 62 Lots
- 60' - 35 Lots
- 55' to 60' - 6 Lots
60' to 70' - 11 lots
- Paving centerline = 4,167.37 feet

**ENCLAVE AT KINGS FORT
PHASE I**

CITY OF KAUFMAN, TEXAS
KAUFMAN COUNTY, TEXAS
101 SINGLE FAMILY LOTS, 1 COMMON AREA LOTS
NOVEMBER 2023

PREPARED BY :

CCM ENGINEERING
2570 JUSTIN ROAD #209
HIGHLAND VILLAGE, TX
CONTACT: CODY CRANNELL
EMAIL: CODY@CCM-ENG.COM
(972) 691-6633

APPENDIX B
ESTIMATED COSTS OF AUTHORIZED IMPROVEMENTS

ENCLAVE AT KING'S FORT - PHASE 1

CONSTRUCTION COST SUMMARY - PUBLIC COSTS

ITEM NO.	DESCRIPTION OF WORK	PHASE 1
		PUBLIC IMPROVEMENTS
01	GENERAL CONDITIONS	277,293.20
02.002	CONSTRUCTION SURVEYING	37,015.00
02.003	MATERIAL TESTING	49,613.00
03	CAST IN PLACE CONCRETE	1,023,088.00
03-001-1	CIP CONCRETE - MISC.	25,000.00
03-001-2	CONSTRUCTION STAKING/LAYOUT	7,500.00
03-001-3	SUPERVISION	5,000.00
03-001-4	PAYMENT & PERFORMANCE BONDS	16,000.00
03-001-5	6" CONCRETE PAVEMENT	720,440.00
03-001-6	6" LIME STABILIZATION	59,616.00
03-001-7	LIME MATERIAL (36 LBS/SY)	67,830.00
03-001-8	CONNECT TO EXISTING CONCRETE	3,600.00
03-001-9	5FT CONCRETE SIDEWALK (4" THICK)	7,938.00
03-001-10	BARRIER FREE RAMPS (STANDARD)	36,000.00
03-001-11	BARRIER FREE RAMPS (TYPE A)	9,600.00
03-001-12	SIGN ASSEMBLIES ON TXDOT POSTS	11,250.00
03-001-13	STOP BAR PAVEMENT MARKINGS	1,350.00
03-001-14	END OF ROAD GUARDRAILS	5,400.00
03-001-15	ADDITIONAL FLATWORK	5,814.00
03-001-16	CURB INLET THROATS	40,750.00
26.002	LIGHTING FIXTURES	18,988.00
31.001	EARTHWORK	411,253.90
31-001-1	SAW CUTTING & CONCRETE REMOVAL	5,067.34
31-001-2	CLEAR & GRUB TREES	58,540.96
31-001-3	STRIP SITE	9,104.12
31-001-4	ROUGH GRADE (CUT/FILL)	38,539.06
31-001-7	SCARIFY & RECOMPACT PAVEMENT SUBGRADE	27,870.15
31-001-8	STOCKPILE EXCESS MATERIAL ONSITE	103,514.46
31-001-9	GRADE PAVEMENT SUBGRADE TO +/- 0.10'	39,693.85
31-001-10	GRADE SITE TO +/- 0.20' & BACKFILL CURBS	61,395.84
31-001-11	EARTHWORK - STREETSWEeping	2,514.59
31-001-12	EARTHWORK - SURVEYING	8,496.00
31-001-13	EARTHWORK - PAYMENT & PERFORMANCE BONDS	18,352.10
31-001-14	EARTHWORK - MOBILIZATION	22,420.00
31-001-15	EARTHWORK - SUPERVISION	15,745.43
31.005	EROSION CONTROLS	55,000.00
32.004	LANDSCAPE & IRRIGATION	118,779.85
33	UTILITIES	1,793,069.00
33-001-1	STORM - 42" Class III RCP	43,978.06
33-001-2	STORM - 36" CLASS III RCP	127,658.10
33-001-3	STORM - 27" CLASS III RCP	32,921.76
33-001-4	STORM - 21" CLASS III RCP	9,743.69
33-001-5	STORM - 18" CLASS III RCP	69,672.85
33-001-6	STORM - 42" SLOPING HEADWALL	7,405.24
33-001-7	STORM - 36" SLOPING HEADWALL	6,722.87
33-001-8	STORM - 15' CURB INLET	77,582.52
33-001-9	STORM - 10' CURB INLET	54,249.29
33-001-10	STORM - 4X4 JUNCTION BOX	9,994.31
33-001-11	STORM - ROCK RIP RAP	12,941.27
33-001-12	SANITARY - 8" PVC	269,517.80
33-001-13	SANITARY - 4" SERVICE	134,903.88

ENCLAVE AT KING'S FORT - PHASE 1

CONSTRUCTION COST SUMMARY - PUBLIC COSTS

ITEM NO.	DESCRIPTION OF WORK	PHASE 1
		PUBLIC IMPROVEMENTS
33-001-14	SANITARY - 4' MANHOLE	152,928.24
33-001-15	SANITARY - 4' MANHOLE @ EXISTING	9,017.19
33-001-16	SANITARY - BORE 8" W/STEEL CASING	42,179.03
33-001-17	WATER - 12"X8" TEE & VALVE	20,784.67
33-001-18	WATER - 8"X1" DOMESTIC SERVICE	168,673.06
33-001-19	WATER - 8"X1" IRRIGATION SERVICE W/BACKFLOW PREVENTION	4,403.11
33-001-20	WATER - 8" PVC	211,702.27
33-001-21	WATER - 6" PVC	5,697.61
33-001-22	WATER - GATE VALVE ASSEMBLY - 8"	55,197.59
33-001-23	WATER - GATE VALVE ASSEMBLY - 6"	16,526.75
33-001-24	WATER - FIRE HYDRANT	47,293.45
33-001-25	WATER - 1" AUTOMATIC FLUSHING ASSEMBLY	6,980.74
33-001-26	WATER - CAST IRON FITTINGS	31,949.93
33-001-27	UTILITIES MISC. - SURVEYING	11,500.00
33-001-28	UTILITIES MISC. - MAINTENANCE BONDS	38,362.00
33-001-29	UTILITIES MISC. - MOBILIZATION	40,000.00
33-001-30	UTILITIES MISC. - SUPERVISION	51,362.73
33-001-31	UTILITIES MISC. - BONDS	21,218.99
91.004	GENERAL CONTRACTORS FEE	255,149.00
91.003	INSURANCE	88,439.01
91.007	OWNER CONTINGENCY	367,004.88
91.008	MATERIAL COST ESCALATION	-
<i>DIRECT PUBLIC IMPROVEMENT HARD COSTS</i>		<i>4,494,692.84</i>
	CONSTRUCTION MANAGEMENT (CM) FEES	352,850.00
	PROFESSIONAL/ENGINEERING FEES	210,000.00
	PID CONSULTANT***	35,000.00
	PID LEGAL FEES***	20,000.00
	CITY/INSPECTION FEES	177,853.00
	CONTINGENCY	410,668.00
<i>INDIRECT PUBLIC IMPROVEMENT HARD COSTS</i>		<i>1,206,371.00</i>
<i>TOTAL HARD COSTS</i>		<i>5,701,063.84</i>

*** Budget does not include District Formation Costs that are eligible to be funded with PID revenues

APPENDIX C
LEGAL DESCRIPTION

EXHIBIT A

Property Description

EXHIBIT A

Metes and Bounds Description

BEING a tract of land situated in the D. FALCON SURVEY, ABSTRACT NO. 151, of Kaufman County, Texas, and being a tract of land conveyed to Kaufman175 LLC, as recorded in Volume 5939, Page 257, of the Deed Records of Kaufman County, Texas, as shown on this survey, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2 Inch yellow-capped iron rod found for corner, being the Southeast corner of said Kaufman175 tract, and being the Southern most West corner of a tract of land conveyed to JWS Land LTD, Volume 4238, Page 325, of the Deed Records of Kaufman County, Texas, and being on the North line of a tract of land conveyed to Georgetown KF, LTD, as recorded in Volume 5852, Page 104, of the Deed Records of Kaufman County, Texas;

THENCE South 88 degrees 28 minutes 26 seconds West, a distance of 917.72 feet, and being on the South line of said Kaufman175 tract;

THENCE South 88 degrees 44 minutes 47 seconds West, a distance of 1130.70 feet, to a point for corner, being the Northwest corner of a tract of land conveyed to Georgetown KF LTD, as recorded in Volume 5852, Page 104, of the Deed Records of Kaufman County, Texas;

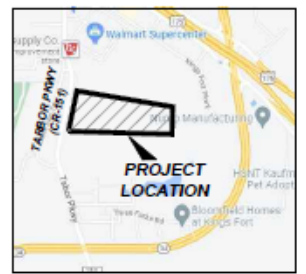
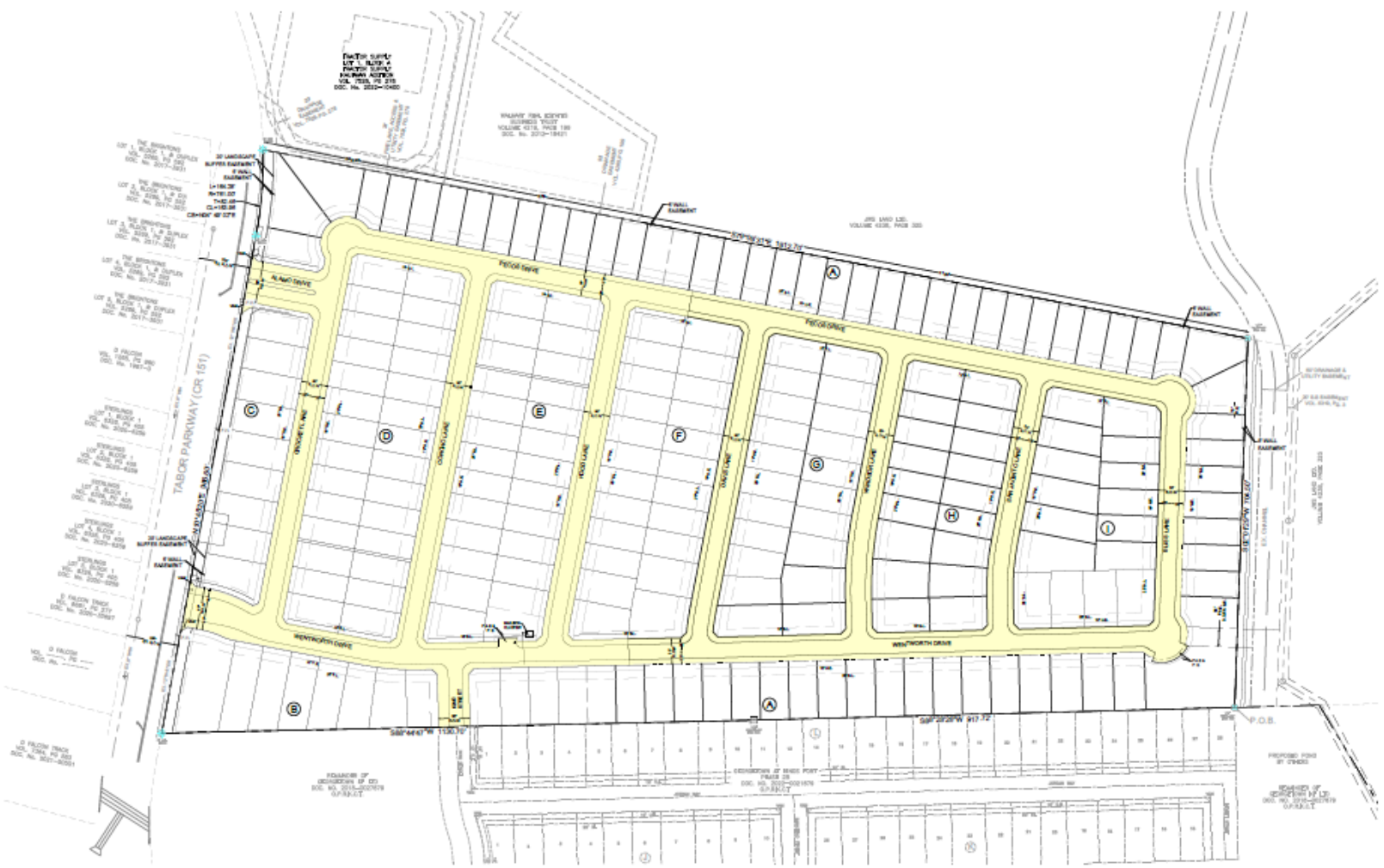
THENCE North 10 degrees 45 minutes 20 seconds East, a distance of 966.60 feet, to a point for corner, said point being in a curve to the left having a radius of 761.00 feet;

THENCE continuing along said curve, a chord bearing of North 04 degrees 49 minutes 02 seconds East, a distance of 163.96 feet, a central angle of 12 degrees 22 minutes 07 seconds, and an arc length of 164.28 feet, to a point for corner, being the Northwest corner of said Kaufman175 tract;

THENCE South 79 degrees 09 minutes 31 seconds East, a distance of 1912.70 feet, to a 1/2 inch yellow-capped iron rod found for corner being the Northeast corner of said Kaufman175 tract;

THENCE South 02 degrees 01 minutes 29 seconds West, a distance of 704.50 feet, to the PLACE OF BEGINNING and containing 41.00 acres of land.

APPENDIX D
DIAGRAMS OF THE AUTHORIZED IMPROVEMENTS



VICINITY MAP
K.T.S.

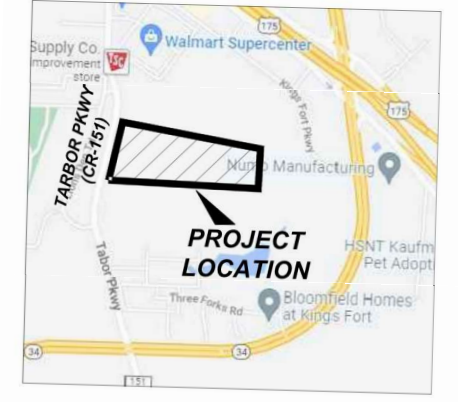
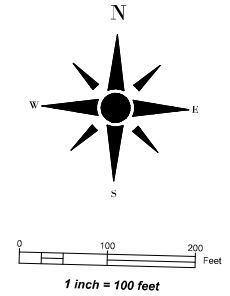
Legend

- STREET IMPROVEMENTS
- PROPERTY LINE

EXHIBIT A
STREET IMPROVEMENTS
ENCLAVE AT KINGS FORT
 41.00 ACRES
 SITUATED IN THE
 D. FALCON SURVEY, ABSTRACT NO. 151
 CITY OF KAUFMAN, TEXAS
 KAUFMAN COUNTY, TEXAS
 215 SINGLE FAMILY LOTS, 6 COMMON AREA LOTS

OWNER/DEVELOPER:
 THE ENCLAVE AT KINGS FORT INC.
 801 US HIGHWAY 1
 NORTH PALM BEACH, FL
 CONTACT: ASHLEY SUD
 EMAIL: ASHLEY@CALIBREX.CA
 (289) 716-0959

PREPARED BY:
 CCM ENGINEERING
 2570 JUSTIN ROAD #209
 HIGHLAND VILLAGE, TX
 CONTACT: CODY CRANNELL
 EMAIL: CODY@CCM-ENG.COM
 (972) 691-6633



VICINITY MAP
N.T.S.

Legend

- PROP. SANITARY SEWER
- PROP. SANITARY SEWER MANHOLE
- PROP. WATER LINE
- PROP. FIRE HYDRANT
- PROPERTY LINE

EXHIBIT B
WATER AND SEWER IMPROVEMENTS
ENCLAVE AT KINGS FORT
 41.00 ACRES
 SITUATED IN THE
 D. FALCON SURVEY, ABSTRACT NO. 151
 CITY OF KAUFMAN, TEXAS
 KAUFMAN COUNTY, TEXAS
 215 SINGLE FAMILY LOTS, 6 COMMON AREA LOTS

OWNER/DEVELOPER :
THE ENCLAVE AT KINGS FORT INC.
 801 US HIGHWAY 1
 NORTH PALM BEACH, FL
 CONTACT: ASHLEY SUD
 EMAIL: ASHLEY@CALIBREX.CA
 (289) 716-0959

PREPARED BY :
CCM ENGINEERING
 2570 JUSTIN ROAD #209
 HIGHLAND VILLAGE, TX
 CONTACT: CODY CRANNELL
 EMAIL: CODY@CCM-ENG.COM
 (972) 691-6633



VICINITY MAP
N.T.S.

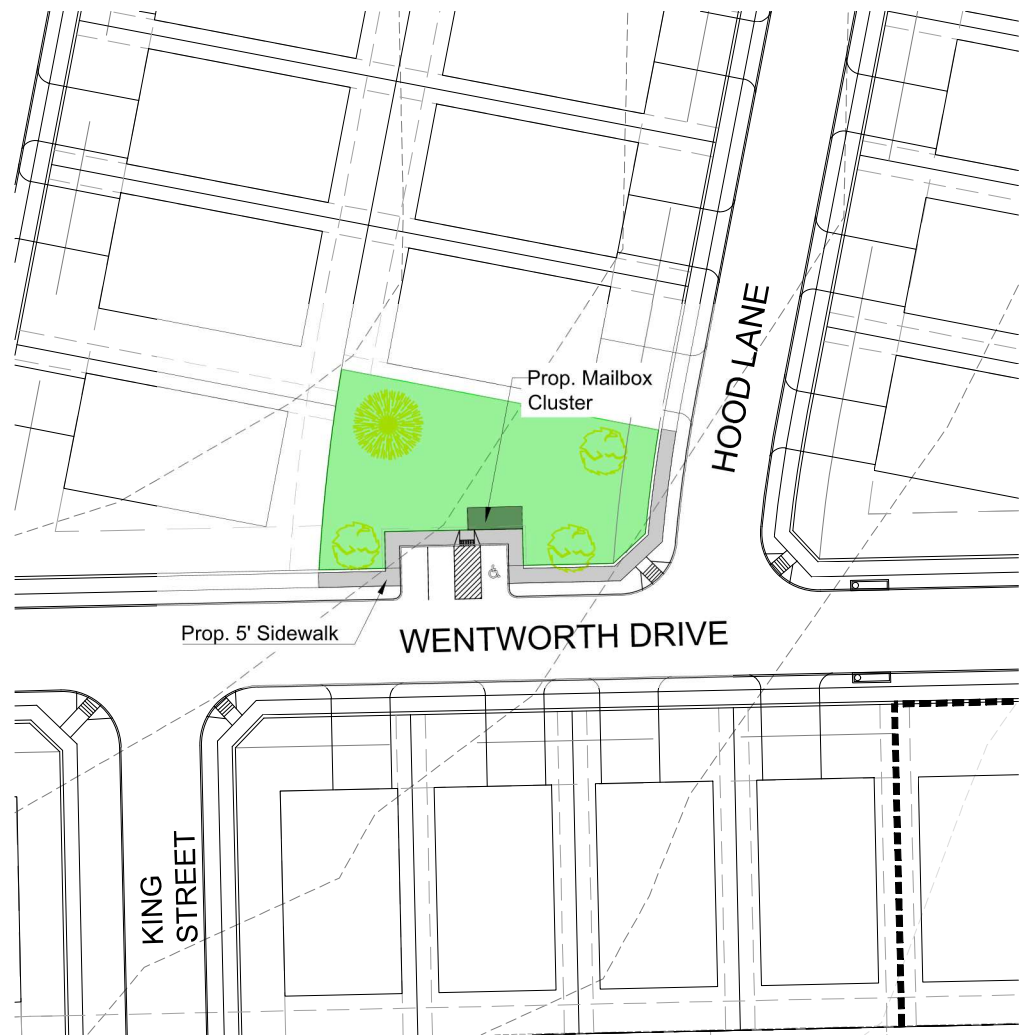
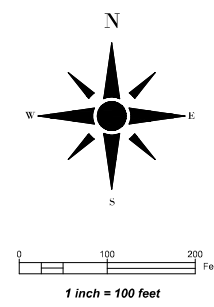
Legend

- - - - - PROPOSED STORM SYSTEM
- PROPERTY LINE

EXHIBIT C
STORM IMPROVEMENTS
ENCLAVE AT KINGS FORT
 41.00 ACRES
 SITUATED IN THE
 D. FALCON SURVEY, ABSTRACT NO. 151
 CITY OF KAUFMAN, TEXAS
 KAUFMAN COUNTY, TEXAS
 215 SINGLE FAMILY LOTS, 6 COMMON AREA LOTS

OWNER/DEVELOPER :
 THE ENCLAVE AT KINGS FORT INC.
 801 US HIGHWAY 1
 NORTH PALM BEACH, FL
 CONTACT: ASHLEY SUD
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 CONTACT: CODY CRANNELL
 EMAIL: CODY@CCM-ENG.COM
 (972) 691-6633



OPEN SPACE
LOT 14X - BLOCK E



OPEN SPACE
LOT 46X - BLOCK A

Legend

- OPEN SPACE
- PROP. TREES

EXHIBIT D
OPEN SPACE IMPROVEMENTS
ENCLAVE AT KINGS FORT
41.00 ACRES
SITUATED IN THE
D. FALCON SURVEY, ABSTRACT NO. 151
CITY OF KAUFMAN, TEXAS
KAUFMAN COUNTY, TEXAS
215 SINGLE FAMILY LOTS, 6 COMMON AREA LOTS

OWNER/DEVELOPER :
THE ENCLAVE AT KINGS FORT INC.
801 US HIGHWAY 1
NORTH PALM BEACH, FL
CONTACT: ASHLEY SUD
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PREPARED BY :
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2570 JUSTIN ROAD #209
HIGHLAND VILLAGE, TX
CONTACT: CODY CRANNELL
EMAIL: CODY@CCM-ENG.COM
(972) 691-6633

APPENDIX E
ASSESSMENT PER UNIT, PROJECTED LEVERAGE AND PROJECTED TAX RATE
EQUIVALENTS

Appendix E

For purposes of calculating and allocating the Assessments, the Assessed Property has been classified in one of two Lot Types.

“**Lot Type 1**” means lots identified as such on the Assessment Roll, being lots typically with a Lot width of 55 feet or greater.

“**Lot Type 2**” means lots identified as such on the Assessment Roll, being all Lots other than Lot Type 1.

A) Proposed Development

The following table shows the proposed residential units to be developed within Phase #1 of the PID.

Table E-1
Proposed Development – Phase #1

Description	Proposed Development	
Lot Type 1	27	Units
Lot type 2	74	Units
Total	101	Units

B) Calculation of Equivalent Units

As explained under Section V, for purpose of this Service and Assessment Plan, the City Council has determined that the Budgeted Costs of the Phase #1 Improvements to be financed with under obligations related to the Reimbursement Agreement shall be allocated to the Phase #1 Assessed Property by spreading the entire Assessment across the Parcels based on the estimated Equivalent Units.

For purposes of this Plan, the City Council has determined that the Assessments shall be allocated to the Assessed Property on the basis of the average home value of each Lot Type, and that such method of allocation will result in the imposition of equal shares of the Assessments on Parcels similarly benefited. In determining the average home value of each Lot Type, the City Council has taken into consideration (i) the type of lots (i.e., 60 Ft lots, 50 Ft lots, etc.); (ii) current and projected home prices; (iii) the costs of the Authorized Improvements; and (iv) the ability of different property types to utilize and benefit from the Authorized Improvements.

Having taken into consideration the matters described above, the City Council has determined that allocating the Assessments among Parcels based on average home value is best accomplished by creating classifications of benefited Parcels based on the “Lot Types” defined above. These classifications (from Lot Type 1) representing the highest value to Lot Type 2) representing the lowest value for residential lots are set forth in Table E-1. Assessments are allocated to each Lot Type on the basis of the average home value for each class of lots. This is accomplished by giving each Lot Type

an Equivalent Unit factor. Equivalent Units are the ratio of the average value of lots within each assessment class, setting the Equivalent Unit factor for Lot Type 1) to 1.0.

Table E-2
Equivalent Unit Factors

Lot Type	Estimated Average Home Value per Unit¹	Equivalent Unit Factor
Lot Type 1	\$427,500	1.00 per dwelling unit
Lot Type 2	\$359,990	0.84 per dwelling unit

¹As provided by the Developer.

The total Equivalent Units for the PID are shown in Table E-3 as calculated based on the Equivalent Unit factors shown in Table E-2, estimated Lot Types and number of units estimated to be built within the PID.

Table E-3
Equivalent Units – Phase #1

Description	Planned No. of Units	Equivalent Unit Factor	Total Equivalent Units
Lot Type 1	27	1.00	27.00
Lot Type 2	74	0.84	62.16
Total	101		89.16

C) Allocation of Assessments to Lots within Phase #1

The total amount of the Phase #1 Assessments, which represents the total Assessment to be allocated on all Parcels within Phase #1, is \$1,218,456. As shown above, there are a total of 89.16 equivalent units, resulting in an Assessment per Unit of \$13,665.95 (i.e. $\$1,218,456 \div 89.16 = \$13,665.95$).

Table E-4 on the following page sets forth the Assessment per dwelling unit within the PID.

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Table E-4
Assessment Per Unit – Phase #1

Description	Planned No. of Units	Assessment		Assessment per Unit	Total Assessments
		per Equivalent Unit	Equivalent Unit Factor		
Lot Type 1	27	\$13,665.95	1.00	\$13,665.95 per dwelling unit	\$368,981
Lot Type 2	74	\$13,665.95	0.84	\$11,479.40 per dwelling unit	\$849,475
Total	101				\$1,218,456

The projected leverage calculated based on the estimated land values, finished lot values and home values for each unit is shown in Table E-5 below.

Table E-5
Projected Leverage – Phase #1

Description	Planned No. of Units	Estimated Finished Lot Value per Unit ¹	Estimated Average Home Value per Unit ¹	Assessment per Unit	Leverage (Lot Value)	Leverage (Home Value)
Lot Type 2	74	\$80,000	\$360,000	\$11,479.40	6.97	31.36

¹As provided by the Appraisal Report prepared in connection with the obligations related to the Reimbursement Agreement. Represents the average of the per lot value of Phase #1 and Phase #2 within the PID.

The projected tax rate equivalent per unit based on the estimated finished lot values and home values for each unit is shown in Table E-6 below.

Table E-6
Estimated Tax Rate Equivalent per Unit – PID

Description	Planned No. of Units	Estimated Finished Lot Value per Unit ¹	Estimated Average Home Value per Unit ^{1,2}	Projected Average Annual Installment per unit	Tax Rate Equivalent (per \$100 Lot Value)	Tax Rate Equivalent (per \$100 Home Value)
Lot Type 2	74	\$80,000	\$360,000	\$1,141.85	\$1.43	\$0.32

¹As provided by the Appraisal Report prepared in connection with the obligations related to the Reimbursement Agreement. ²Represents the average of the per lot value of Phase #1 and Phase #2 within the PID.

The Assessment and Annual Installments for each Parcel or Lot located within Phase #1 is shown on the proposed Phase #1 Assessment Roll, attached as Appendix G, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

APPENDIX F
PID ASSESSMENT NOTICE

AFTER RECORDING RETURN TO:

_____]¹

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
CITY OF KAUFMAN, TEXAS
CONCERNING THE FOLLOWING PROPERTY

STREET ADDRESS

LOT TYPE _____ PRINCIPAL ASSESSMENT: \$ _____

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Kaufman, Texas (the "City"), for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within ***Kaufman Public Improvement District No. 6*** (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the County. The exact amount of each annual installment will be approved each year by the City Council in the annual service plan update for the district. More information about the assessments, including the amounts and due dates, may be obtained from the County.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Kaufman County.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF
PURCHASER

SIGNATURE OF
PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

COUNTY OF KAUFMAN

§

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Kaufman County.

APPENDIX G
PROPOSED PHASE #1 ASSESSMENT ROLL

**Appendix G-1
Proposed Phase #1 Assessment Roll**

**Parcel
Equivalent Units
Assessment**

**57208, 239092-239195
89.16
\$1,218,456**

Year¹	Principal	Interest²	Administrative Expenses³	Total Annual Installment
9/15/2027	\$23,000	\$73,107	\$25,092	\$121,200
9/15/2028	\$23,000	\$71,727	\$26,472	\$121,200
9/15/2029	\$24,000	\$70,347	\$26,852	\$121,200
9/15/2030	\$25,000	\$68,907	\$27,292	\$121,200
9/15/2031	\$26,000	\$67,407	\$27,792	\$121,200
9/15/2032	\$26,000	\$65,847	\$29,352	\$121,200
9/15/2033	\$27,000	\$64,287	\$29,912	\$121,200
9/15/2034	\$28,000	\$62,667	\$30,532	\$121,200
9/15/2035	\$29,000	\$60,987	\$31,212	\$121,200
9/15/2036	\$30,000	\$59,247	\$31,952	\$121,200
9/15/2037	\$31,000	\$57,447	\$32,752	\$121,200
9/15/2038	\$32,000	\$55,587	\$33,612	\$121,200
9/15/2039	\$34,000	\$53,667	\$33,532	\$121,200
9/15/2040	\$35,000	\$51,627	\$34,572	\$121,200
9/15/2041	\$36,000	\$49,527	\$35,672	\$121,200
9/15/2042	\$38,000	\$47,367	\$35,832	\$121,200
9/15/2043	\$39,000	\$45,087	\$37,112	\$121,200
9/15/2044	\$41,000	\$42,747	\$37,452	\$121,200
9/15/2045	\$43,000	\$40,287	\$37,912	\$121,200
9/15/2046	\$45,000	\$37,707	\$38,492	\$121,200
9/15/2047	\$47,000	\$35,007	\$39,192	\$121,200
9/15/2048	\$49,000	\$32,187	\$40,012	\$121,200
9/15/2049	\$51,000	\$29,247	\$40,952	\$121,200
9/15/2050	\$54,000	\$26,187	\$41,012	\$121,200
9/15/2051	\$56,000	\$22,947	\$42,252	\$121,200
9/15/2052	\$59,000	\$19,587	\$42,612	\$121,200
9/15/2053	\$62,000	\$16,047	\$43,152	\$121,200
9/15/2054	\$65,000	\$12,327	\$43,872	\$121,200
9/15/2055	\$68,000	\$8,427	\$44,772	\$121,200
9/15/2056	\$72,456	\$4,347	\$44,396	\$121,200
Total	\$1,218,456	\$1,351,901	\$1,065,632	\$3,635,989

¹The 9/15/XX dates represent the fiscal year end for the obligations related to the Phase #1 Assessments.

² The interest is calculated using an estimated 6.00% interest rate for years 1 through 30 to match the interest rate on the Phase #1 Assessments for the Phase #1 Improvements. If Bonds are issued, the interest rate on the Phase #1 Assessments shall adjust to the interest rate on the Bonds, plus Additional Interest.

³Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.

Appendix G-2
Proposed Phase #1 Assessment Roll by Lot Type

Parcel
Equivalent Units
Assessment

Lot Type 1 (60 Ft)
1.00
\$13,666

Year¹	Principal	Interest²	Administrative Expenses³	Total Annual Installment
9/15/2027	\$258	\$820	\$281	\$1,359
9/15/2028	\$258	\$804	\$297	\$1,359
9/15/2029	\$269	\$789	\$301	\$1,359
9/15/2030	\$280	\$773	\$306	\$1,359
9/15/2031	\$292	\$756	\$312	\$1,359
9/15/2032	\$292	\$739	\$329	\$1,359
9/15/2033	\$303	\$721	\$335	\$1,359
9/15/2034	\$314	\$703	\$342	\$1,359
9/15/2035	\$325	\$684	\$350	\$1,359
9/15/2036	\$336	\$665	\$358	\$1,359
9/15/2037	\$348	\$644	\$367	\$1,359
9/15/2038	\$359	\$623	\$377	\$1,359
9/15/2039	\$381	\$602	\$376	\$1,359
9/15/2040	\$393	\$579	\$388	\$1,359
9/15/2041	\$404	\$555	\$400	\$1,359
9/15/2042	\$426	\$531	\$402	\$1,359
9/15/2043	\$437	\$506	\$416	\$1,359
9/15/2044	\$460	\$479	\$420	\$1,359
9/15/2045	\$482	\$452	\$425	\$1,359
9/15/2046	\$505	\$423	\$432	\$1,359
9/15/2047	\$527	\$393	\$440	\$1,359
9/15/2048	\$550	\$361	\$449	\$1,359
9/15/2049	\$572	\$328	\$459	\$1,359
9/15/2050	\$606	\$294	\$460	\$1,359
9/15/2051	\$628	\$257	\$474	\$1,359
9/15/2052	\$662	\$220	\$478	\$1,359
9/15/2053	\$695	\$180	\$484	\$1,359
9/15/2054	\$729	\$138	\$492	\$1,359
9/15/2055	\$763	\$95	\$502	\$1,359
9/15/2056	\$813	\$49	\$498	\$1,359
Total	\$13,666	\$15,163	\$11,952	\$40,781

¹The 9/15/XX dates represent the fiscal year end for the obligations related to the Phase #1 Assessments.

² The interest is calculated using an estimated 6.00% interest rate for years 1 through 30 to match the interest rate on the Phase #1 Assessments for the Phase #1 Improvements. If Bonds are issued, the interest rate on the Phase #1 Assessments shall adjust to the interest rate on the Bonds, plus Additional Interest.

³Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.

¹The 9/15/XX dates represent the fiscal year end for the obligations related to the Phase #1 Assessments.

Appendix G-3
Proposed Phase #1 Assessment Roll by Lot Type

**Parcel
Equivalent Units
Assessment**

**Lot type 2 (50 ft)
0.84
\$9,663**

Year¹	Principal	Interest²	Administrative Expenses³	Total Annual Installment
9/15/2027	\$217	\$689	\$236	\$1,142
9/15/2028	\$217	\$676	\$249	\$1,142
9/15/2029	\$226	\$663	\$253	\$1,142
9/15/2030	\$236	\$649	\$257	\$1,142
9/15/2031	\$245	\$635	\$262	\$1,142
9/15/2032	\$245	\$620	\$277	\$1,142
9/15/2033	\$254	\$606	\$282	\$1,142
9/15/2034	\$264	\$590	\$288	\$1,142
9/15/2035	\$273	\$575	\$294	\$1,142
9/15/2036	\$283	\$558	\$301	\$1,142
9/15/2037	\$292	\$541	\$309	\$1,142
9/15/2038	\$301	\$524	\$317	\$1,142
9/15/2039	\$320	\$506	\$316	\$1,142
9/15/2040	\$330	\$486	\$326	\$1,142
9/15/2041	\$339	\$467	\$336	\$1,142
9/15/2042	\$358	\$446	\$338	\$1,142
9/15/2043	\$367	\$425	\$350	\$1,142
9/15/2044	\$386	\$403	\$353	\$1,142
9/15/2045	\$405	\$380	\$357	\$1,142
9/15/2046	\$424	\$355	\$363	\$1,142
9/15/2047	\$443	\$330	\$369	\$1,142
9/15/2048	\$462	\$303	\$377	\$1,142
9/15/2049	\$480	\$276	\$386	\$1,142
9/15/2050	\$509	\$247	\$386	\$1,142
9/15/2051	\$528	\$216	\$398	\$1,142
9/15/2052	\$556	\$185	\$401	\$1,142
9/15/2053	\$584	\$151	\$407	\$1,142
9/15/2054	\$612	\$116	\$413	\$1,142
9/15/2055	\$641	\$79	\$422	\$1,142
9/15/2056	\$683	\$41	\$418	\$1,142
Total	\$11,479	\$12,737	\$10,040	\$34,256

¹The 9/15/XX dates represent the fiscal year end for the obligations related to the Phase #1 Assessments.

² The interest is calculated using an estimated 6.00% interest rate for years 1 through 30 to match the interest rate on the Phase #1 Assessments for the Phase #1 Improvements. If Bonds are issued, the interest rate on the Phase #1 Assessments shall adjust to the interest rate on the Bonds, plus Additional Interest.

³Administrative Expenses are estimated and will be updated each year in the Annual Service Plan Updates.

¹The 9/15/XX dates represent the fiscal year end for the obligations related to the Phase #1 Assessments.

EXHIBIT C

CITY OF KAUFMAN NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of the City of Kaufman, Texas for 6:30 p.m. on January 26, 2026, at the regular meeting place of the City, the City Council Chamber at Kaufman City Hall, 209 S. Washington St., Kaufman, Texas 75142. The public hearing will be held to consider proposed assessments to be levied against certain assessable property in the Kaufman Public Improvement District No. 6 (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended (the "Act").

The general nature of the proposed public improvements (collectively, the "Authorized Improvements"): (i) street and roadway improvements, including related sidewalks, drainage, utility relocation, signalization, landscaping, lighting, signage, off-street parking and right-of-way; (ii) establishment or improvement of parks and open space, together with the design, construction and maintenance of any ancillary structures, features or amenities such as trails, playgrounds, walkways, lighting and any similar items located therein; (iii) sidewalks and landscaping, including entry monuments and features, fountains, lighting and signage; (iv) acquisition, construction and improvement of water, wastewater and drainage improvements and facilities (v) projects similar to those listed in subsections (i) - (iv) above authorized by the Act, including similar off-site projects that provide a benefit to the property within the District; (vi) special supplemental services for improvement and promotion of the District as approved by the City; (vii) payment of costs associated with operating and maintaining the public improvements listed in subparagraphs (i) - (vi) above; and (viii) payment of costs associated with developing and financing the public improvements listed in subparagraphs (i) - (vi) above, and costs of establishing, administering and operating the District. These Authorized Improvements shall promote the interests of the City and confer a special benefit upon the Property.

The estimated cost to design, acquire and construct the Authorized Improvements within the District, together with bond issuance costs, eligible legal and financial fees, eligible credit enhancement costs and eligible costs incurred in establishment, administration and operation of the District is approximately \$20,000,000. The estimated cost to design, acquire and construct the Authorized Improvements within the District, together with bond issuance costs, eligible legal and financial fees, eligible credit enhancement costs and eligible costs incurred in establishment, administration and operation of the District is approximately \$5,800,000. The City will pay no costs of the Authorized Improvements, supplemental services or operation and maintenance costs from funds other than assessments. The remaining costs of the proposed improvements will be paid from sources other than the City or assessments of property owners, including funds from a Tax Increment Financing Zone, if any.

Boundaries: Approximately 41 acres of land situated in the D. Falcon Survey, Abstract No. 151, Kaufman County, located in the corporate limits of the City of
R-36-25



Meeting
Date: 12/15/2025

Date: 12/02/2025

Item #: 11.

Dept.: Administration

Discussion Item

SUBJECT:

Consider and take appropriate action on an economic development agreement between the City and Georgetown KF, Ltd. for grant reimbursement pursuant to development agreements between the City of Kaufman, Texas, and Georgetown KF related to the Georgetown at Kings Fort development; and authorize the Mayor to execute necessary documents.

BACKGROUND:

The City of Kaufman and Georgetown KF, Ltd. are considering entering into an economic development agreement related to the Georgetown at Kings Fort development. Under this agreement, the developer may be reimbursed for certain infrastructure costs through economic development grants.

The grants will be funded by fees paid in connection with the development, including park and recreation fees and roadway, water, and wastewater impact fees collected within the TIRZ, in accordance with Texas law. These fees are deposited into a Fee Payment Credit Fund.

Money collected in the Fee Payment Credit Fund will be paid to the developer as grants to reimburse costs associated with the Main Road Improvements. Any reimbursement paid from this fund will reduce, dollar-for-dollar, the amount the developer is otherwise eligible to receive from TIRZ reimbursements for those same road improvements.

Author:
Mike Holder, City Manager

Reviewed:
Mike Holder, City Manager

Cost:

Funds Available:

Source:

Recommendation: Staff recommends approval of an economic development agreement between the City and Georgetown KF, Ltd. for grant reimbursement pursuant to development agreements between the City of Kaufman, Texas, and Georgetown KF related to the Georgetown at Kings Fort development; and authorize the Mayor to execute necessary documents.

Safe & Secure	Business Friendly/Economic Development	Partnership & Community Involvement	Healthy & Environmentally Cons. Comm.	Financial & OPS Stewardship
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

ECONOMIC DEVELOPMENT AGREEMENT

This Economic Development Agreement (the “Agreement”) is entered into as of the _____ day of _____ 2025 (the “Effective Date”), by and between the **CITY OF KAUFMAN**, Texas, a home-rule municipality situated in Kaufman County, Texas (the “City”), and **Georgetown KF, Ltd.**, a Texas limited partnership (the “Developer”). Each also referred to herein individually as a “Party” and collectively as the “Parties”.

RECITALS

WHEREAS, the City and the Developer, are sometimes collectively referenced in this Agreement as “Parties” or, each individually, as a “Party”; and

WHEREAS, the Parties entered into the Georgetown at Kings Fort Development Agreement on November 13, 2018 (the “Development Agreement”) and have subsequently amended the Development Agreement with a First Amendment, which amended Section 6.1 of the Development Agreement, on June 22, 2020 (collectively the “Development Agreement”); and

WHEREAS, the Georgetown at Kings Fort Development is an approximate 85.5 acre residential development, the boundaries of which are more specifically described in **Exhibit A** hereto and to the Development Agreement (the “Property”); and

WHEREAS, the Property is located within the boundaries of Reinvestment Zone Number One, City of Kaufman, Texas (the “TIRZ”) and certain authorized improvements within the Development are eligible for reimbursement through the TIRZ; and

WHEREAS, the City has adopted a capital improvement plan and impact fees for roadway, water and wastewater improvements in accordance with Chapter 395 of the Texas Local Government Code (“Chapter 395”), which impact fees are codified in Chapter 36, “Finance and Revenue; Taxation; Impact Fees” of the Code of Ordinances of the City (the “Impact Fees”); and

WHEREAS, pursuant to the Development Agreement, the Developer constructed certain Main Road Improvements defined therein and described and depicted in **Exhibit H** to the Development Agreement, incorporated herein by reference; and

WHEREAS, pursuant to the Development Agreement and the approved Project and Finance Plan for the TIRZ, the Main Road Improvements are authorized improvements for which the Developer is entitled to reimbursement pursuant to the Development Agreement and reimbursement agreements executed between the Developer, the TIRZ, and City; and

WHEREAS, pursuant to Section 11.2 of the Development Agreement, the Parties documented their future intent to enter into an Economic Development Agreement to provide a grants to the Developer as contemplated by the Development Agreement and as authorized by Chapter 380 of the Texas Local Government Code, as amended (“Chapter 380”) to be provided to Developer and intended to compensate Developer for infrastructure costs from a source other than

revenues generated by the TIRZ and to offset the impact on TIRZ funds available for projects (the “Grant(s)” or “Grant Payment”); and

WHEREAS, pursuant to Chapter 395 and Chapter 380, the Parties now desire to enter into this Agreement to provide for the terms by which the Developer will receive Grants funded by fees paid in accordance with the Development Agreement, including fees paid by any party for park, recreation, and open space facilities and purposes in connection with the development of the property within the TIRZ, and fees paid by any party for roadway, water, and wastewater Impact Fees in compliance with Chapter 395 of the Texas Local Government Code in connection with the development of the property in the TIRZ (“Fee Payments”); and

WHEREAS, in accordance with Section 11.2 of the Development Agreement, the Fee Payments were to be paid into a Fee Payment Credit Fund, and all monies collected in the Fee Payment Credit Fund shall be paid to Developer as an Economic Development Grant to reimburse the Developer for the costs of the Main Road Improvements (as defined in the Development Agreement); and

WHEREAS, the reimbursement to Developer from the Fee Payment Credit Fund shall reduce, on a dollar by dollar basis, the reimbursement amount of the TIRZ payment for the Main Road Improvements; and

WHEREAS, in accordance with Article III, Chapter 52-a of the Texas Constitution and Chapter 380 of the Texas Local Government Code (“Chapter 380”), the City recognizes the positive impact that the Development is bringing to the City, and that the Development will promote state and local economic development; stimulate business and commercial activity in the municipality; promote the development and diversification of the economy of the state; promote development and expansion of commerce in the state; and promote the elimination of unemployment or underemployment in the state; and

WHEREAS, the City hereby establishes this Agreement as a program in accordance with Article III, Chapter 52-a of the Texas Constitution and Chapter 380 of the Texas Local Government Code (“Chapter 380”) under which the City has the authority to make grants of public funds for the purposes of promoting local economic development and stimulating business and commercial activity within the City. To ensure that the benefits the City provides under this Agreement in the form of grants pursuant to Chapter 380 are consistent with Article III, Section 52-a of the Texas Constitution and Chapter 380, the Developer has agreed that certain performance standards must be satisfied as a condition to receiving the grant described in this Agreement, and as a result, the incentives will serve a legitimate public purpose and provide a clear public benefit in return; and

WHEREAS, capitalized terms used but not defined herein shall have the meanings given to them in the approved Project and Finance Plan and the Development Agreement.

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

ARTICLE I
GRANTS; FEE PAYMENT CREDIT FUND

Section 1.01. **Fee Payment Credit Fund.** Pursuant to Section 11.2 of the Development Agreement, the City has established the Fee Payment Credit Fund into which it has deposited both fees paid by for park, recreation, and open space facilities and purposes in connection with development of property within the TIRZ and fees paid by any party for the roadway, water, and wastewater Impact Fees in compliance with Chapter 395 in connection with development of property located within the boundaries of the TIRZ. The City has agreed to use funds deposited in the Fee Payment Credit Fund to provide Grants to the Developer. Pursuant to the Development Agreement and consistent with the TIRZ Project and Finance Plan, the City and TIRZ Board have agreed to pay Developer an amount up to the maximum of \$7,100,000 for actual eligible costs incurred by Developer for the Main Road Improvements (“Maximum Road Reimbursement”), which payments are intended to be made from TIRZ revenues legally available for such reimbursement pursuant to the Project and Finance Plan and Development Agreement and from Grants provided pursuant to Section 11.2 of the Development Agreement. Grants paid hereunder shall be paid to Developer with the understanding and agreement of the Parties that the amounts paid to Developer as Grants shall be a direct dollar-for-dollar offset to the Maximum Road Reimbursement paid with TIRZ revenues. The Maximum Road Reimbursement paid by City via Grants and from TIRZ revenues shall not collectively or individually exceed the Maximum Road Reimbursement.

Section 1.02. **Developer Obligations.** In order to be eligible to receive the Grant Payment, the Developer shall perform the following Developer obligations (the “Developer Obligations”):

- (i) file a written request to the City, substantially in the form attached as **Exhibit B** (the “Request for Payment”). The Request for Grant Payment shall include: the payees, and the wiring information for such payees; and
- (ii) Present documentation of actual Developer expenditures made for the Main Road Improvements as reasonably required by City to establish actual Developer costs for the Main Road Improvements.

Section 1.03 **City Payment Obligations.** The City shall make the Grant Payments for the Main Road Improvements from the Fee Payment Credit Fund up to the Maximum Road Reimbursement Amount, less amounts paid by the TIRZ from eligible TIRZ Funds collected by the City from the Property for the Main Road Improvements (the “Maximum Reimbursement Amount”). Such Grant Payments shall be paid to Developer not later than thirty (30) days after the Request for Payment is received and approved by the City.

Developer shall provide a Request for Payment on or before July 1st of any calendar year, the City will be afforded thirty (30) days from the date the Request for Payment is received by the City to pay the Grant Payment or to specifically identify the deficiencies in the request, including deficiencies in financial documentation provided by Developer. If Developer fails to provide and/or receive City approval of a Request for Payment before December 31st of any calendar year, the City agrees hold in escrow that year’s Grant Payment and such amount may be requested, pursuant to a Request for Grant Payment, the following year during the Term of this Agreement.

ARTICLE II
TERM

The term of this Agreement shall be effective from December 15, 2025 and shall remain in effect until its expiration on December 31, 2030 unless terminated earlier as provided herein. This Agreement shall automatically terminate when Developer has received reimbursement from Grants and TIRZ funds in the Maximum Reimbursement Amount.

ARTICLE III
DEFAULT

For purposes of this Article III, if the Developer fails to comply with any of its obligations set forth in this Agreement or the Development Agreement, and if the Developer fails to cure such default within the applicable cure period provided in this Agreement or the Development Agreement, as applicable, the City shall notify the Developer of such default. The Developer shall be given a reasonable time frame to remedy the default, to be not less than thirty (30) days, except in the event public safety is at risk. If such default is not remedied within the specified timeframe, the City, until such default is remedied, shall only be obligated to pay the portion of the Chapter 380 Grant that has been performed by the Developer up to and including the date of default. Upon the remedy of any default, the Developer shall be entitled to continue to receive the Chapter 380 Grants up to the Maximum Reimbursement Amount. Notwithstanding the foregoing, the City shall have no obligation to provide notice of default for Developer's failure to make a Request for Payment as set forth in Section 2.03(iii).

ARTICLE IV
MISCELLANEOUS PROVISIONS

Section 4.01. Term. This Agreement shall be in force until December 31, 2030, or until the Maximum Reimbursement Amount is paid in full, whichever event occurs first.

Section 4.02 Recitals. The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; and (c) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

Section 4.03 Successors and Assigns. All covenants and agreements contained in this Agreement shall bind its successors and assigns and shall inure to the benefit of the Developer and its successors and assigns. This Agreement may be assigned, from time to time and in whole or in part, by the Developer to any person or entity and collaterally assigned to any lender. The assignment must be in writing. A copy of the assignment shall be given to the City within thirty (30) days after such assignment; however, City consent to the assignment is not required. Upon

any such assignment and notice to the City, Developer shall not be released from performing the duties or obligations that are assigned and that arise after the effective date of the assignment or the date that the City receives notice of the assignment, whichever later occurs; further, the Developer is not released from any liabilities that arose prior to the effective date or date of notice to the City, whichever later occurs, unless the City and the Board agree. The Developer's rights under this Agreement are a personal obligation and do not constitute a covenant running with the land. Notwithstanding the foregoing, no assignment shall be effective until notice of the assignment with an executed assignment agreement is given to the City. The City may rely on assignment agreement received from the Developer without obligation to investigate or confirm the validity of the assignment. The Developer waives all rights or claims against the City for any funds paid to a third party as a result of an assignment for which the City received notice.

Section 4.04 Notices. Any notice, submittal, payment or instrument required or permitted by this Agreement to be given or delivered to any Party shall be deemed to have been received when personally delivered or 72 hours following deposit of the same in any United States Post Office, registered or certified mail, postage prepaid, addressed as follows:

To the City: City of Kaufman
 Attn: Mike Holder, City Manager
 209 S. Washington Street
 Kaufman, Texas 75142

With a copy to: Messer, Fort, PLLC
 Attn: Patricia Adams, City Attorney
 6371 Preston Road, Suite 200
 Frisco, Texas 75034

To the Developer: Georgetown KF, Ltd.
 Attn: _____

With a copy to: Robert Miklos
 Ferguson Braswell Fraser Kubasta, PC
 2500 Dallas Parkway, Suite 600
 Plano, Texas 75093

Any Party may change its address or addresses for delivery of notice by delivering written notice of such change of address to the other Party.

Section 4.05 Interpretation. The Parties acknowledge that each has been actively involved in negotiating this Agreement. Accordingly, the rule of construction that any ambiguities are to be resolved against the drafting Party will not apply to interpreting this Agreement. In the event of any dispute over the meaning or application of any provision of this Agreement, the provision will be interpreted fairly and reasonably and neither more strongly for nor against any Party, regardless of which Party originally drafted the provision.

Section 4.06 Time. In this Agreement, time is of the essence and compliance with the times for performance herein is necessary and required.

Section 4.07 Authority and Enforceability. The City represents and warrants that this Agreement has been approved by official action of the City Council in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the City has been and is duly authorized to do so. The Board represents and warrants that this Agreement has been approved by official action of the Board in accordance with all applicable public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Agreement on behalf of the Board has been and is duly authorized to do so. The Developer represents and warrants that this Agreement has been approved by appropriate action of the Developer, and that the individual executing this Agreement on behalf of the Developer has been and is duly authorized to do so. Each Party respectively acknowledges and agrees that this Agreement is binding upon such Party and is enforceable against such Party, in accordance with its terms and conditions and to the extent provided by law.

Section 4.08 Severability. This Agreement shall not be modified or amended except in writing signed by the Parties. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable for any reason, then: (a) such unenforceable provision shall be deleted from this Agreement; (b) the unenforceable provision shall, to the extent possible and upon mutual agreement of the Parties, be rewritten to be enforceable and to give effect to the intent of the Parties; and (c) the remainder of this Agreement shall remain in full force and effect and shall be interpreted to give effect to the intent of the Parties.

Section 4.09 Applicable Law; Venue. This Agreement is entered into pursuant to, and is to be construed and enforced in accordance with, the laws of the State of Texas, and all obligations of the Parties are performable in Kaufman County. Exclusive venue for any action related to, arising out of, or brought in connection with this Agreement shall be in the Kaufman County State District Court.

Section 4.10 Non-Waiver. Any failure by a Party to insist upon strict performance by the other Party of any material provision of this Agreement shall not be deemed a waiver thereof, and the Party shall have the right at any time thereafter to insist upon strict performance of any and all provisions of this Agreement. No provision of this Agreement may be waived except in writing signed by the Party waiving such provision. Any waiver shall be limited to the specific purposes for which it is given. No waiver by any Party of any term or condition of this Agreement shall be deemed or construed to be a waiver of any other term or condition or subsequent waiver of the same term or condition.

Section 4.11 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and constitute one and the same instrument.

Section 4.12 Complete Agreement. This Agreement embodies the entire Agreement between the Parties and cannot be varied or terminated except as set forth in this Agreement, or by written agreement of the City, the Board, and the Developer expressly amending the terms of this Agreement.

Section 4.13 Consideration. This Agreement is executed by the Parties without coercion or duress and for substantial consideration, the sufficiency of which is hereby acknowledged.

Section 4.14 Developer Indemnification. In the event of any litigation challenging the validity or enforceability of this Agreement, Developer agrees to indemnify the City or the Board, as applicable, for its reasonable attorneys' fees and costs spent on defending the validity or enforceability of the Agreement. Developer shall reimburse the City or the Board for any Chapter 380 Grant payments that are made by the City or the Board to the Developer, if such payments are deemed by a court with jurisdiction to be illegal or a violation of state or federal law.

Section 4.15 Anti-Boycott Verification. The Developer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this Agreement is construed to be a contract for goods or services, will not boycott Israel during the term of this Agreement. The foregoing verification is made solely to comply with Section 2271.002, Texas Government Code, but only to the extent such section is applicable, and to the extent such section does not contravene applicable Federal law. As used in the foregoing verification, 'boycott Israel' means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Developer understands 'affiliate' to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

Section 4.16 Iran, Sudan and Foreign Terrorist Organizations. The Developer represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on any of the following pages of such officer's internet website: <https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf>, <https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>, or <https://comptroller.texas.gov/purchasing/docs/fto-list.pdf>. The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and to the extent such section does not contravene applicable Federal law and excludes the Developer and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Developer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

Section 4.17 Verification Regarding Energy Company Boycotts. To the extent this Agreement constitutes a contract for goods or services for which a written verification statement

is required under Section 2274.002 (as added by Senate Bill 13 in the 87th Texas Legislative Session), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any, do not boycott energy companies and, will not boycott energy companies during the term of this Agreement. The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, “boycott energy companies” shall have the meaning assigned to the term “boycott energy company” in Section 809.001, Texas Government Code. The Developer understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

Section 4.18 Verification Regarding Discrimination Against Firearm Entity or Trade Association. To the extent this Agreement constitutes a contract for goods or services for which a written verification statement is required under Section 2274.002 (as added by Senate Bill 19 in the 87th Texas Legislative Session, “SB 19”), Texas Government Code, as amended, the Developer hereby verifies that it and its parent company, wholly- or majority- owned subsidiaries, and other affiliates, if any,

(1) do not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association; and

(2) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

The foregoing verification is made solely to comply with Section 2274.002, Texas Government Code, as amended, to the extent Section 2274.002, Texas Government Code does not contravene applicable Texas or federal law. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” shall have the meaning assigned to such term in Section 2274.001(3) (as added by SB 19), Texas Government Code. The Developer understands “affiliate” to mean an entity that controls, is controlled by, or is under common control with the Developer and exists to make a profit.

[SIGNATURE PAGES FOLLOW]

EXECUTED BY THE PARTIES TO BE EFFECTIVE ON THE EFFECTIVE DATE:

CITY OF KAUFMAN, TEXAS

By: _____
Jeff Jordan, Mayor

ATTEST:

By: _____
Jessie Hanks, City Secretary

DEVELOPER:

GEORGETOWN KF, LTD.
a Texas limited partnership

By: _____
Name/Title

STATE OF TEXAS §
 §
COUNTY OF _____ §

This instrument was acknowledged before me on the ____ day of _____, 2025,
by _____, _____ of Georgetown KF, Ltd., a Texas limited partnership on behalf of said
partnership.

Notary Public, State of Texas

EXHIBIT A
Property Description

EXHIBIT B
REQUEST FOR GRANT PAYMENT

The undersigned is an agent for **Georgetown KF, Ltd.**, a Texas limited partnership (the “Requestor”) and requests a Grant Payment from the City of Kaufman, Texas (the “City”) (the “Grant”). All capitalized terms not otherwise defined herein shall have the meaning given to such term in that certain Economic Development Agreement, entered into as of _____, 2025, by and between the City, and, **Georgetown KF, Ltd.**, a Texas limited partnership (the “TIRZ Agreement”).

In connection to the above referenced payment, the Requestor represents and warrants to the City as follows:

1. The undersigned is a duly authorized officer of the Requestor, is qualified to execute this Request for Payment on behalf of the Requestor and is knowledgeable as to the matters set forth herein.

2. The Grant requested by Developer has been determined to be an eligible expense for receipt of the Grant Payment by the City, and the amount of that Grant Payment has been documented and determined by the TIRZ Administrator to be an offset to payments due to Developer pursuant to the Project and Finance Plan.

3. The Grant Payment requested has not been the subject of any prior payment request submitted to the City for reimbursement from the PID or from the TIRZ or, if previously requested, no disbursement was made with respect thereto.

4. The City is hereby instructed to provide the Grant to the following payee(s) pursuant to the attached wiring instructions:

Payee: _____

[REQUESTOR SIGNATURE BLOCK]

By: _____

Name: _____

Title: _____

Date: _____

EMPLOYEE *Christmas* LUNCHEON

**WEDNESDAY, DECEMBER 17
NOON**



GIFTS • AWARDS • HOLIDAY FUN

THE CIVIC CENTER

DISCUSSION ITEMS REPORT (DIR)

Project Title	Department	Agenda Date	Entered Date	Status/Notes	Strategy Map
Thoroughfare Plan Update	Development Serv	TBD	10/23/2018	Comp Plan	2,5
Bldg Standards Commission Ordinance	Development Serv	9/1/2019	10/23/2018	BSC to review	4
City Lakes Emer Action Plan	Public Works	TBD	8/7/2019		5
Film Friendly Designation	Admin/KEDC	TBD	9/1/2023	Working w/ Chamber of Commerce	2,3
Washington Street Utility Relocation	Admin/PW	TBD	10/1/2019	SUE forwarded to TxDOT	2,5
TPW Grant for City Lake Park	Parks & Rec	TBD	12/10/2019	Construction Underway	4,5
Comprehensive Plan	Admin		8/26/2020	Grant Awarded	2,3,4,5
Street Maintenance Program	Public Works		1/29/2021	Budget Approved, Phase 1 & 2 complete. Start Phase 3.	2,4,5
Storm Drainage Projects	Public Works		1/29/2021	Phase 2 Under Construction	2,4,5
City Lakes Park/Lower Lake Improvements	Admin/PW		9/23/2021	Working on Cost Estimate and Scope	4
Kings Fort Park	PW/Admin		7/27/2022	On hold	3,4,5
Hike & Bike Trail	Admin		7/27/2022	Master Concept Plan & First Segment complete	3,4,5
Arts Council	Admin	TBD	3/15/2023	Public Private Partnership	3,4
Crestview/Royal Reconstruction	Public Works		9/1/2023	Construction Underway	5
Phillip's Drainage	Public Works		9/1/2023	Construction Underway	5
HWY 34 Property	Admin		1/30/2024	Need Demo Quote	4
Impact Fees	Admin		7/16/2024	In Progress	2,4,5
Public Works Facility	Admin		7/16/2024	Working on Site Plan	5
WWTP	PW/Admin		7/16/2024	Schneider IGA approved June 2024	2,4,5
TxDOT Property	Admin/EDC		1/30/2024	City closed on the property and working with developer	2,5
Heritage Park	Admin	TBD	1/23/2025	On Pause	2,3

Discussion Item Report (DIR)
Completed

DISCUSSION ITEMS REPORT (DIR)
COMPLETED

Project Title	Project Lead	Agenda Date	Entered Date	Status/Notes	
PID Creation Resolution	Dev Svc/Admin	11/13/2018	10/24/2018	Complete	
TIRZ Creation Ordinance Amendment	Dev Svc/Admin	11/13/2018	10/24/2018	Complete	
TIRZ Project Reprioritization Resolution	Dev Svc/Admin	11/13/2018	10/24/2018	Complete	
Home Improvement Incentive Program	Development Serv	11/13/2018	10/23/2018	Complete	
Budget Book Submission to GFOA	Finance		10/23/2018	Complete	
Interlocal Agreement w/County for PID	Finance		10/30/2018	PID Assessment for Georgetown in 2020	
WWTP Priority Project List	Public Works	11/13/2018	10/23/2018	Mark Hill - Consultant	
2600 Commerce Way Permit Ready	Development Serv	NA	11/6/2018	Complete Permit Issued 11/26/2018	
600 N Nash KC Street Barn Permit Issued	Development Serv	NA	11/6/2018	Complete Finaled 01/04/2019	
Rev Ch 22 & 46 7500SF F Sprinkler Req	Development Serv	01/28/2019 02/25/2019	1/21/2019	Complete 02/25/2019	
Realtor PID Training	Admin	NA		Complete 4/23/2019	
Fee Schedule Update	Development Serv		6/4/2019	Approved by Council	
Bureau Veritas Contract Update	Development Serv		6/4/2019	Approved by Council	
Park Master Plan Update	Parks &Rec	8/5/2019	10/23/2018	Approved by Council	
34/243 Signal Installation	Public Works		10/23/2018	Complete	
HR Coordinator	Admin		12/17/2018	Admin/HR Assistant Full-Time Sept. 30	
Agenda Software Installation/Training	Admin		10/23/2018	Complete	
5 Year CIP	Admin	11/25/2019	11/25/2019	Work Session 12/16/19	
Water & Street Impact Fee Update	Development Serv		6/10/2019	Council approved 12/16/19	
Intern Program	HR	TBD	12/10/2019	Policy to Council 3/30/20	3,5
WWTP Finance Application	Finance	11/13/2018	10/23/2018	GTUA Approval	5
PD/FD Safety Equipment Grant	Public Safety	TBD	3/3/2020	Application Submitted	1
Street Maintenance Priorities	PW/Admin		2/27/2019	List Presented to Council/Incorporated into 5 Year CIP	5
Traffic Signal 1388@34 ByPass	Admin		1/28/2020	Final Construction Underway	1
Solid Waste RFP	Admin	TBD	5/18/2020	Contract Finanlized and Approved	4,5
PD Body Camera Grant	PD	4/27/2020	5/19/2020	Grant not awarded	1,5
Civic Center	Admin	7/22/2019		Accepted 01/25/21	2,3
Phase II - Street Bond	Public Works	10/28/2019	10/23/2018	Accepted 01/25/21	5
TxDOT Turnback	Admin	12/17/2018	11/6/2018	Accepted 01/25/21	2,3,5
City Lakes Park Fence	Public Works		1/26/2021	Complete	
Building Official	Development Serv		12/10/2020	Hired	
54-Acre Development	Development Serv	5/18/2020	10/23/2018	PD to Council 05/18/2020	2,3,4
Building Code Update	Development Serv	10/28/2019	6/4/2019	Approved O-28-19	5
Park Dedication Ordinance	Development Serv	1/25/2021	10/23/2018	PH continued to 2/22/2021	4,5
Police Department Server	PD		1/29/2021	Ordered thru TSM	1,5
Tree Mitigation Ordinance	Development Serv		2/24/2021	Approved	4,5
Kaufman Lake	Admin/PW		1/8/2019	Sold April 2021	2,4,5
Downtown Parking	Admin		1/16/2019	2 Hour Parking Signs going up	2
Fire Engine Replacement	FD	1/25/2021	1/25/2021	Lease Approved	1,5
Greenlight City/EDC Marketing	Admin/EDC		6/16/2020	Greenlight Retainer	1,2

Discussion Item Report (DIR)
Completed

Kaufman Square Speakers	Admin/PW	TBD	10/22/2019	Installation Complete	2,3
Fire Department 5 Year Plan	FD		8/26/2020	Presented at Council Retreat 4/2021	2,5
TIRZ #2	Admin		8/6/2020	PPFP Approved 082420	2,3,4
Tabor Parkway Expansion	PW/Admin			Complete	2,3,5
IT Services RFP	Admin		1/6/2022	Contract award 2/28/22	1,5
Marlow Development	Development Serv	4/22/2019	10/23/2018	Construction Underway	2
Recodification of City Ordinances	Admin	11/13/2018	10/23/2018	Franklin Review	5
Kaufman Estates	PW/Admin	10/28/2019		No Action	5
Sports Complex Parking Lot Paving	PW/Admin	4/25/2022	4/26/2022	Completed	4
Digital Gateway Signage	Admin	TBD	8/17/2020	Could not get an approved site	2,3
Former Senior Center Demo	Development Serv		11/8/2021	Property sold and closed 12/29/22	4
Sports Complex Football Fields/Lighting/S	PW/Admin		9/23/2022	Complete	3,4
High Speed Internet	Admin			Suddenlink live/CIP installing	2,3,5
COVID - 19	Admin/Public Safety	TBD	3/11/2020	Action Plan in Place	4,5
Splash Pad	Parks &Rec	TBD	10/23/2018	Completed	2,3,4
Body Cameras	PD		2/2/2021	Completed	1,3,5
Shannon Park Updates	Admin/PW	4/26/2021	4/26/2021	Completed	3,4,5
AMI	Admin/PW		4/29/2021	Installation complete	4,5
Website Update	Admin		1/26/2021	Planning Phase- kick off meeting on 1/30/2023	2,3
City Hall Front Plaza	Admin	TBD	5/15/2023	CM Contingency	4,5
Subdivision Ordinance Update	Development Serv	1/27/2020	10/23/2018	Completed	5
North & South Water Tower Rehab	Public Works		1/29/2021	Completed	4,5
Becker-Jiba Water Contract	Admin		1/30/2024	Approved	3,5
Fire Department Facility Improvements	Admin/Public Safety			Drainage improvements completed/Doors Painted	1,2,5
E. 1st North	Public Works		9/1/2023	Complete	5
South Pointe	Development Serv		2/3/2021	City recovered the property	2,3,4
Connector Road	Admin		4/29/2021	County project underway	2,3,5
Northeast Utility Project	Admin/PW		9/17/2021	Phase 1 Constructed	1,2,3,4,5
City Hall Front Plaza	Admin	TBD	5/15/2023	CM Contingency	4,5



DATE: December 8, 2025
TO: Kaufman County
FROM: Teresa Elliott; Project Manager
RE: November 2025 Ridership Report

Demand Reponse	September	October	November	December	January	February	March	April	May	June	July	August	YTD
Total Trips	2,293	2,367	1,787										6,447
Days of Service	21	23	19										63
Avg. Daily Trips	109	103	94										102
Elderly & Disabled Trips	2,106	2,179	1,584										5,869
E&D Percentage	92%	92%	89%										91%

Trips By City	September	October	November	December	January	February	March	April	May	June	July	August	YTD
Crandall	42	57	24										123
Forney	565	585	322										1,472
Kaufman	266	292	165										723
Kemp	132	97	71										300
Mabank	14	9	3										26
Scurry	8	7	10										25
Terrell	733	800	542										2,075

STARNow	September	October	November	December	January	February	March	April	May	June	July	August	YTD
Total Trips	3,047	3,360	2,884										9,291
Days of Service	21	23	19										63
Avg. Daily Trips	145	146	152										147
Median Wait Time (mins)	17.46	16.38	16.98										16.94

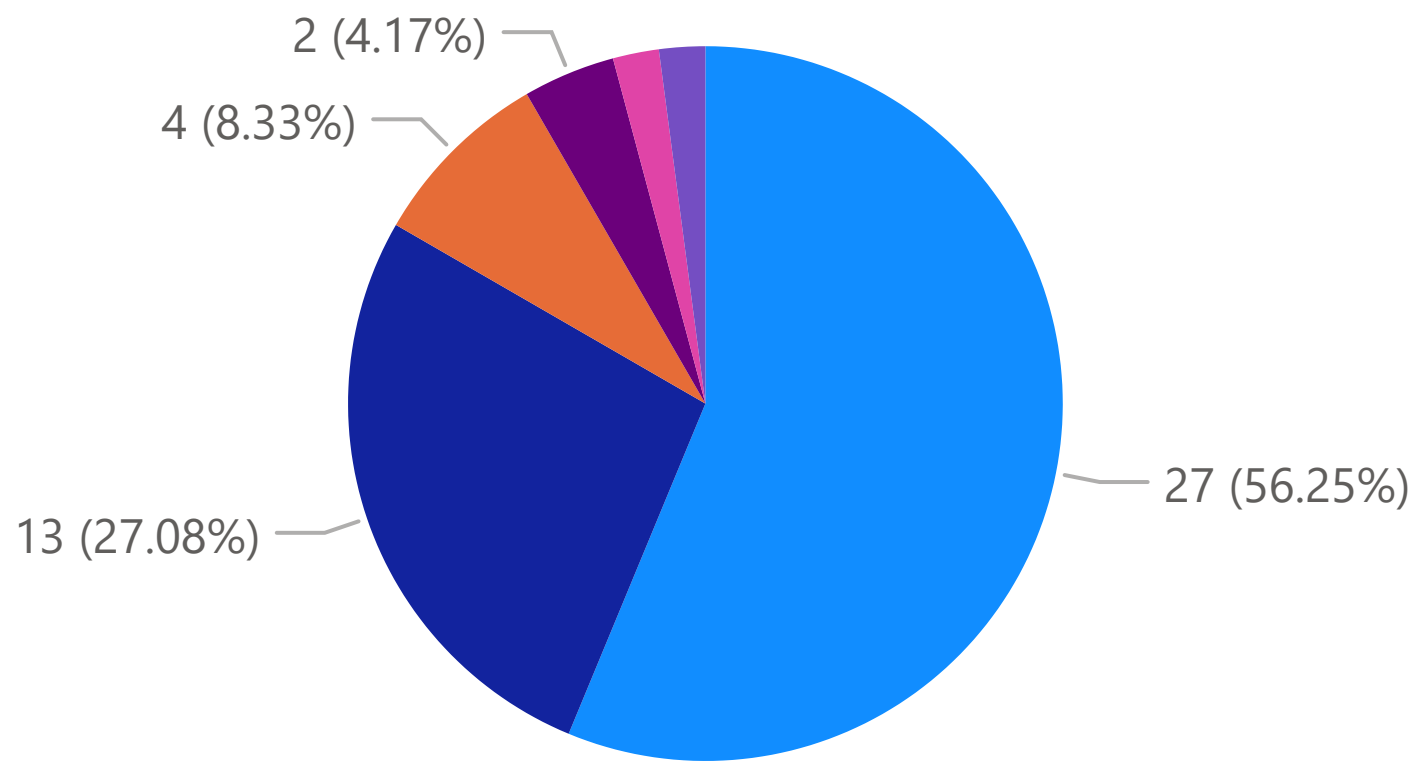
Total Requested Boardings	Completed Boardings	Avg. Boardings Per Service Hr.	Boarding Cancellations	Boarding Cancellations (No-Show)	Cancellation Percentage	Cancellation Percentage (No Show)	
3851	2884	1.92	943	119	24.64 %	3.11 %	
Total Requests	Completed Requests	No Drivers Available Requests	Request Cancellations	Request Cancellations (No Show)	Avg. # of Requests per Rider	Avg. Travel Duration	Avg. Travel Distance
3462	2581	23	858	109	8.9	14.85 min	4.86 mi
Mean Wait Time	Median Wait Time	Bookings from Admin Panel	Bookings from Rider Mobile App	Bookings from Rider Web	Flag Down Bookings	Bookings from IVR	Bookings from AI Voice
24.81 min	16.98 min	36.13 %	63.87 %	0 %	0 %	0 %	0 %

STARNow Trips By City	September	October	November	December	January	February	March	April	May	June	July	August	YTD
Kaufman	115	106	76										297
Forney	1,260	1,508	1,273										4,041
Terrell	1,672	1,746	1,535										4,953

City of Kaufman Compliance

Priority ▲	# of Requests	# of Transports	# of Exceptions	Compliance %	Capture Rate
City of Kaufman P1	24	17	3	88%	71%
City of Kaufman P2	86	46	3	97%	53%
City of Kaufman P3	15	7		100%	47%
Total	125	70	6	95%	56%

Cancel Reason



Cancel Reason

- AMA Refused Treatment or Transport
- Cancelled by FD - Prior to Arrival
- Cancelled by LE
- Cancelled by LE - Prior to Arrival
- Dead at Scene
- False Call/False Alarm

Dropoff Facilities

Dropoff Fac	Count of Transport	% of Destination ▼
Texas Health Kaufman (KAUF)	47	67%
Baylor Scott & White - Dallas (DBMC)	5	7%
Children's Medical Ctr (DCMC)	4	6%
Methodist Dallas Medical Center (DMMC)	3	4%
Dallas Regional Medical Center (MDR1)	2	3%
Non Facility	2	3%
Texas Health Dallas (DPMC)	2	3%
Texas Health Rockwall (RKPH)	2	3%
UT Health - Athens (ATHN)	2	3%
Christus Mother Frances - Canton	1	1%
Total	70	100%

Fractile

Fractile Bin	Count of Transport
1) <5 minutes	32
2) 5 to 10 Minutes	55
3) 10 to 20 minutes	17
4) 20 to 30 minutes	2
Total	125

Average Response Time

00:07:34

KAUFMAN FIRE DEPARTMENT

Monthly Report

November 2025



FIRE PREVENTION



2

Development Plans Reviewed



22

Fire Safety Inspections



5:59

Average Response Time



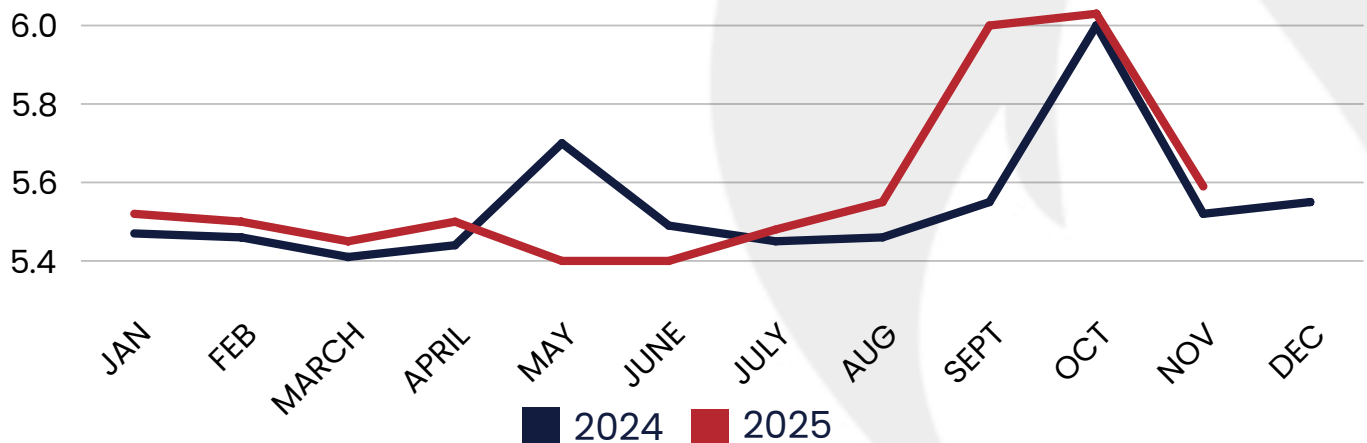
1300

KIDS AND CITIZENS RECEIVED FIRE PREVENTION PRESENTATIONS

TRAINING

- New Hose Lay training - Triple Lay
- Endocrine Emergencies

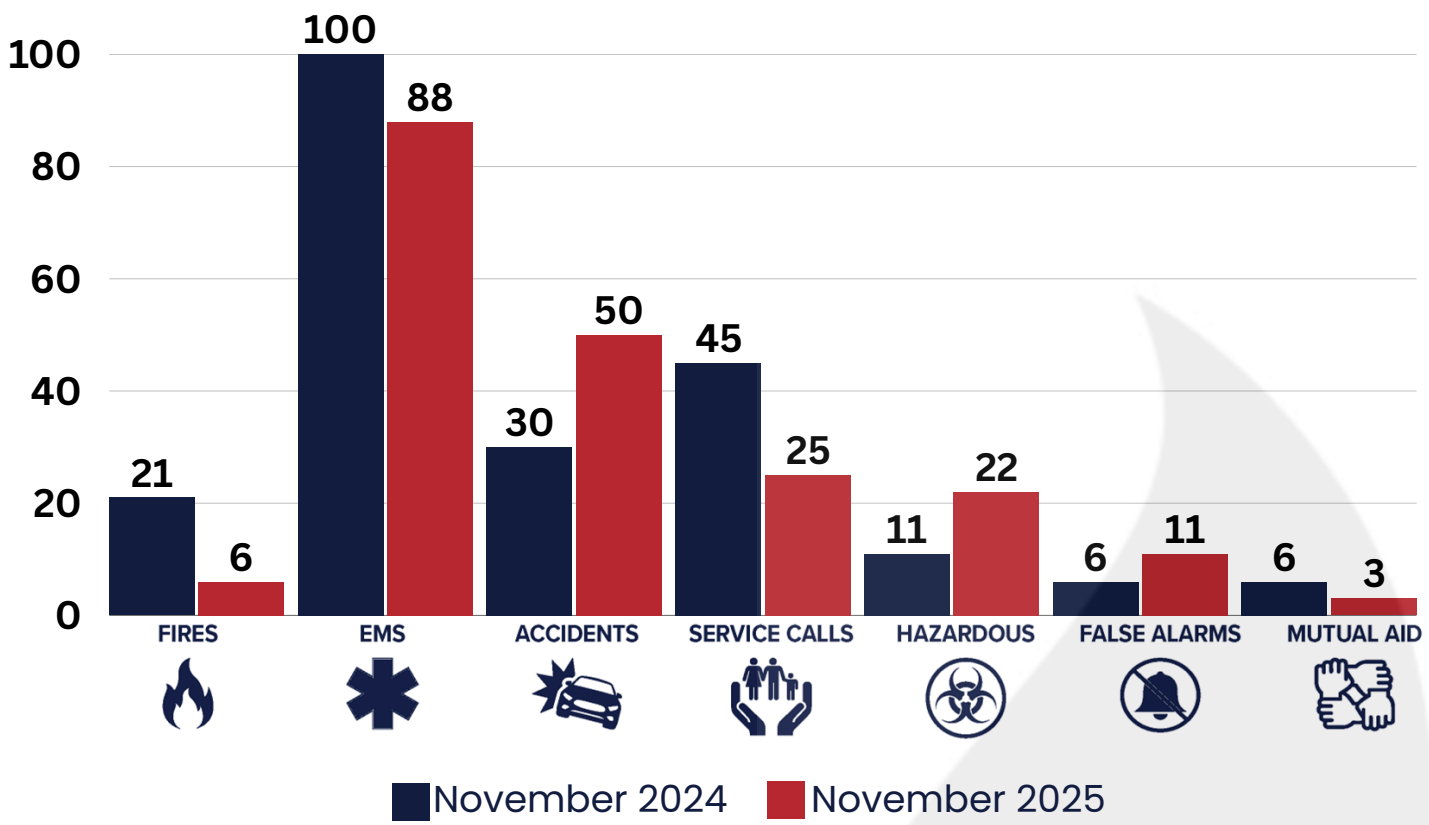
RESPONSE TIME TREND





Monthly Report

Call Volume by Major Category





**DEVELOPMENT SERVICES
MONTHLY BUILDING REPORT
NOVEMBER 2025**

	# PERMITS ISSUED	PERMIT FEES	CONSTRUCTION VALUATION
<u>NEW RESIDENTIAL</u>			
Single Family Dwelling			
Multi-Family			
<u>OTHER RESIDENTIAL</u>			
Residential Alteration / Remodel	9	\$3,089.00	\$170,554.00
Residential Addition			
Electrical	1	\$100.00	\$375.00
Mechanical			
Plumbing	9	\$900.00	\$21,100.00
Irrigation	2	\$200.00	\$6,154.00
Fence	6	\$600.00	\$21,200.00
Swimming Pool			
Accessory Structures			
Demolition	1	\$100.00	\$500.00
<u>NEW COMMERCIAL</u>			
New Commercial Building			
<u>OTHER COMMERCIAL</u>			
Commercial Alteration / Remodel	3	\$600.80	\$23,300.00
Commercial Addition	1	\$1,125.30	\$92,000.00
Signs	3	\$612.00	\$29,000.00
Electrical	1	\$200.00	\$1,000.00
Mechanical			
Plumbing	1	\$100.00	\$445.00
Irrigation	2	\$1,010.10	\$64,000.00
Demolition			
Swimming Pool			
Fence/Screening Wall	2	\$1,732.50	\$15,700.00
Certificate Of Occupancy			
Temporary Use Permit			
TOTALS	41	\$10,369.70	\$445,328.00

December 2025						
◀ November						January ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2 Planning & Zoning Meeting	3	4	5	6 Christmas on the Square
7	8	9 KEDC	10	11	12	13
14	15 Regular City Council Meeting	16 KKBB Meeting	17 Employee Christmas Banquet	18 Parks & Rec Meeting	19	20
21	22	23	24 City Hall Closed-Christmas	25 City Hall Closed-Christmas	26	27
28	29	30	31			

January 2026						
◀ December						February ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1 City Hall Closed- New Year's Day	2	3
4	5	6 Planning & Zoning Meeting	7	8	9	10
11	12	13 KEDC Meeting	14 First Day to File for Election	15 Parks & Rec Meeting	16	17
18	19 City Hall Closed- Martin Luther King Day	20 KKBB Meeting	21	22	23	24
25	26 Regular City Council Meeting	27	28	29	30	31

February 2026						
◀ January						March ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2	3 Planning & Zoning Meeting	4	5	6	7
8	9	10 KEDC Meeting	11	12	13 Last Day to File for Election	14
15	16 City Hall Closed- Presidents' Day	17 KKBB Meeting	18	19 Parks & Rec Meeting	20	21
22	23 Regular City Council Meeting	24	25	26	27	28