

KENNEDALE CITY COUNCIL AGENDA
REGULAR MEETING | JANUARY 21, 2020
CITY HALL COUNCIL CHAMBERS
405 MUNICIPAL DRIVE, KENNEDALE, TX 76060
WORK SESSION AT 6:30 PM | REGULAR SESSION AT 7:00 PM

I. CALL TO ORDER

To address the City Council regarding a Work Session item, submit a 'Request to Speak' form before the meeting begins. Speakers are allotted three (3) minutes, must limit their comments to the subject indicated on the form, and should address the Council as a whole, rather than individual Councilmembers or staff.

II. WORK SESSION

A. WORK SESSION REPORTS

B. REQUESTS FOR CLARIFICATION OF ITEMS LISTED ON THE AGENDA

III. EXECUTIVE SESSION

The City Council reserves the right to meet in Executive Session at any time during this meeting pursuant to the below cited sections of the Texas Government Code:

A. **PURSUANT TO §551.071** — *Consultation with the City Attorney pertaining to any matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct may conflict with the Open Meetings Act, including discussion of any item posted on the agenda, legal issues regarding the Open Meetings Act, and the following:*

1. Discussion with the City Attorney regarding salvage yards, including A&A Pickup & Van, Inc., Apache, Abs 1 Auto Parts, and special exception/special use permits
2. Discussion with the City Attorney regarding transition of utility billing customer service from Global Water Management, LLC

IV. REGULAR SESSION

A. ROLL CALL

B. INVOCATION AND PLEDGES OF ALLEGIANCE TO THE U.S. AND TEXAS FLAGS

C. VISITOR AND CITIZEN FORUM

At this time, any person may address the City Council, provided that a 'Request to Speak' form is submitted before the meeting begins. Speakers are allotted three (3) minutes, must limit their comments to the subject indicated on the form, and should address the Council as a whole rather than individual Councilmembers or staff. Neither formal action nor discussion may occur at this time. Those wishing to speak on an agenda item should indicate as much on the form, and will be called upon to speak when the Council considers that item.

D. REPORTS AND ANNOUNCEMENTS

In addition to any items below, the Mayor and Council may give or receive reports regarding items of community interest, including, but not limited to, recognition of officials, citizens, staff, or departments; information regarding holiday schedules; and upcoming or attended events.

1. Updates from the City Council
2. Updates from the Mayor
3. Updates from the City Manager
4. Financial Reports for the City
5. Schedule of Investment Activity for quarter ending December 31, 2019

E. CONSENT AGENDA

These matters have appeared on previous agendas, require little or no deliberation, or are considered routine. If discussion is desired, items may be removed for separate consideration.

1. Approval of the minutes from the December 17, 2019 regular meeting
2. Approval of Resolution 564 calling the General Election for May 2, 2020
3. Approval of Ordinance 688, adopting the 2019 updates to the City of Kennedale Drought Contingency and Emergency Water Management Plan
4. Approval of Ordinance 689, adopting the 2019 City of Kennedale Water Conservation Plan
5. Approval of Resolution 565, adopting the Tarrant County Hazard Mitigation Action Plan (HazMAP), ver. January 2020
6. Receive the 2019 Racial Profiling Report from the Police Department

F. ITEMS FOR INDIVIDUAL CONSIDERATION

1. Consider authorizing the City Manager to enter into a contract with SAFEbuilt for provision of building inspection services
2. Consider adoption of Ordinance 690, amending the Kennedale Municipal Code, by amending Exhibit A "Schedule of Fees" of Section 2-3, "Fees for licenses, inspections, permits, etc." to adjust minimum permitting and inspection fees
3. Consider approval of Ordinance 691, authorizing the issuance, sale and delivery of approximately \$1,255,000 in aggregate principal amount of City of Kennedale, Texas General Obligation Refunding Bond, Series 2020; securing the payment thereof by authorizing the levy of an annual ad valorem tax; and approving and authorizing the execution of all instruments and procedures related thereto including a deposit agreement, a paying agent/registrar agreement and a purchase contract and investment letter

G. PUBLIC HEARINGS

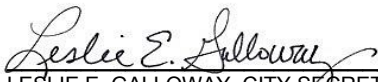
H. TAKE ACTION NECESSARY, PURSUANT TO EXECUTIVE SESSION, IF NEEDED

1. Take any action deemed necessary as a result of the Executive Session

V. ADJOURNMENT

CERTIFICATION

I DO HEREBY CERTIFY THAT THE JANUARY 21, 2020 KENNEDALE CITY COUNCIL AGENDA WAS POSTED INSIDE THE MAIN ENTRANCE OF CITY HALL (405 MUNICIPAL DRIVE), IN A PLACE CONVENIENT AND READILY ACCESSIBLE TO THE GENERAL PUBLIC AT ALL TIMES; AND THAT SAID AGENDA WAS POSTED AT LEAST SEVENTY-TWO (72) HOURS PRECEDING THE SCHEDULED TIME OF SAID MEETING, IN ACCORDANCE WITH CHAPTER 551 OF THE TEXAS GOVERNMENT CODE.


LESLIE E. GALLOWAY, CITY SECRETARY

In compliance with the Americans with Disabilities Act (ADA), the City of Kennedale will provide for reasonable accommodations for persons attending meetings. This facility is wheelchair accessible and accessible parking spaces are available. Requests for sign interpreter services must be made forty-eight (48) hours prior to the meeting by calling 817-985-2104 or (TTY) 1-800-735-2989.

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: WORK SESSION ITEM II.B.

SUBJECT

REQUESTS FOR CLARIFICATION OF ITEMS LISTED ON THE AGENDA

ORIGINATED BY

SUMMARY

At this time, any member of the Council may request discussion or clarification from staff or consultants regarding any item listed on the agenda.

RECOMMENDATION

ATTACHMENTS

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: EXECUTIVE SESSION ITEM III.A.1.

SUBJECT

Discussion with the City Attorney regarding salvage yards, including A&A Pickup & Van, Inc., Apache, Abs 1 Auto Parts, and special exception/special use permits

ORIGINATED BY

George Campbell, City Manager

SUMMARY

RECOMMENDATION

ATTACHMENTS

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: EXECUTIVE SESSION ITEM III.A.2.

SUBJECT

Discussion with the City Attorney regarding transition of utility billing customer service from Global Water Management, LLC

ORIGINATED BY

George Campbell, City Manager

SUMMARY

RECOMMENDATION

ATTACHMENTS

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM IV.D.1.

SUBJECT

Updates from the City Council

ORIGINATED BY

George Campbell, City Manager

SUMMARY

Updates and information from each of the Councilmembers, if any.

RECOMMENDATION

ATTACHMENTS

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM IV.D.2.

SUBJECT

Updates from the Mayor

ORIGINATED BY

George Campbell, City Manager

SUMMARY

Updates and information from Mayor Brian Johnson, if any.

RECOMMENDATION

ATTACHMENTS

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM IV.D.3.

SUBJECT

Updates from the City Manager

ORIGINATED BY

George Campbell, City Manager

SUMMARY

Updates and information from City Manager George Campbell, if any.

RECOMMENDATION

ATTACHMENTS

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM IV.D.4.

SUBJECT

Financial Reports for the City

ORIGINATED BY

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY

Please see the attached financial reports for the City (for the month ending 12/31/2019).

RECOMMENDATION

ATTACHMENTS

1.	Monthly Financials _ City _ 2019 _ 12	Monthly Financials _ City _ 2019 _ 12.pdf
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Revenues & Expenditures - Budget & Actual Summary

FOR THE MONTH ENDED DECEMBER 31, 2019

GENERAL FUND REVENUES			
Budget	AMENDED	Actual	Actual Budget %
\$ 6,919,577		\$ 3,145,332	45.5%

GENERAL FUND EXPENDITURES			
Budget	AMENDED	Actual	Actual Budget %
\$ 7,782,522		\$ 1,674,508	21.5%

STREETS FUND REVENUES			
Budget	AMENDED	Actual	Actual Budget %
\$ 838,926		\$ 161,952	19.3%

STREETS FUND EXPENDITURES			
Budget	AMENDED	Actual	Actual Budget %
\$ 1,052,153		\$ 169,741	16.1%

WATER/SEWER FUND REVENUES			
Budget	AMENDED	Actual	Actual Budget %
\$ 4,028,331		\$ 1,059,789	26.3%

WATER/SEWER FUND EXPENDITURES			
Budget	AMENDED	Actual	Actual Budget %
\$ 4,350,939		\$ 1,158,471	26.6%

STORMWATER FUND REVENUES			
Budget	AMENDED	Actual	Actual Budget %
\$ 300,900		\$ 64,703	21.5%

STORMWAER FUND EXPENDITURES			
Budget	AMENDED	Actual	Actual Budget %
\$ 585,316		\$ 23,362	4.0%

GENERAL FUND
REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2019-20 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED DECEMBER 31, 2019

25.0%

	CURRENT FISCAL YEAR								PRIOR FISCAL YEAR				
	BUDGET		ACTUAL			PROJECTED			BUDGET		FY ACTUAL		
	FY 2019-2020		M-T-D	Y-T-D	Y-T-D	FY 2019-2020			FY 2018-2019		FY 2018-2019		
	Adopted Budget	Amended Budget	Dec-19	Dec-19	% Budget	Dec-19	% Budget		Original Budget	Amended Budget	M-T-D Dec-18	Y-T-D Dec-18	Y-T-D % Budget
Revenues:													
Property Taxes	\$ 4,210,532		\$ 2,238,805	\$ 2,678,514	63.6%	\$ 1,052,633	25.0%		\$ 3,832,433	\$ 3,832,433	\$ 2,002,547	\$ 2,442,751	63.7%
Sales / Beverage Tax	1,402,458		145,948	147,058	10.5%	\$ 350,615	25.0%		1,275,794	1,275,794	128,013	129,553	10.2%
Grants / Contributions	85,100		-	22,654	26.6%	\$ 21,275	25.0%		76,327	76,327	10,355	10,747	14.1%
Licenses / Permits	175,070		19,019	97,280	55.6%	\$ 43,768	25.0%		225,370	225,370	6,935	51,947	23.0%
Fines / Fees	179,700		8,351	26,733	14.9%	\$ 44,925	25.0%		179,700	179,700	13,450	46,195	25.7%
Charge for Services	181,225		12,095	42,963	23.7%	\$ 45,306	25.0%		190,950	190,950	16,997	47,346	24.8%
Investment Earnings	24,017		2,754	6,799	28.3%	\$ 6,004	25.0%		10,000	10,000	5,564	14,532	145.3%
Miscellaneous Income	5,500		643	1,200	21.8%	\$ 1,375	25.0%		106,070	106,070	1,878	6,283	5.9%
Intergovernmental	652,475		40,618	121,868	18.7%	\$ 163,119	25.0%		604,715	614,960	1,025	35,568	5.9%
Surplus / Sales Rentals	3,500		168	263	7.5%	\$ 875	25.0%		3,400	3,400	290	1,170	34.4%
Total Revenues	\$ 6,919,577	\$ -	\$ 2,468,401	\$ 3,145,332	45.5%	\$ 1,729,894	25.0%		\$ 6,504,759	\$ 6,515,004	\$ 2,187,054	\$ 2,786,092	42.8%
Expenditures:													
City Manager	\$ 323,076		\$ 27,407	\$ 71,831	22.2%	\$ 80,769.00	25.0%		\$ 365,464	\$ 365,464	\$ 30,239	\$ 67,158	18.4%
Mayor and City Council	186,444		14,963	31,972	17.1%	\$ 46,611.00	25.0%		127,323	177,323	29,636	52,972	29.9%
City Secretary	179,811		9,757	36,879	20.5%	\$ 44,952.75	25.0%		164,073	164,073	10,302	38,289	23.3%
Municipal Court	112,701		9,483	26,492	23.5%	\$ 28,175.25	25.0%		108,147	108,148	8,168	24,459	22.6%
Human Resources	132,128		9,024	22,303	16.9%	\$ 33,032.00	25.0%		104,908	104,909	7,022	17,739	16.9%
Finance	393,017		21,076	57,148	14.5%	\$ 98,254.25	25.0%		358,365	358,365	17,186	45,733	12.8%
Police	2,563,035		162,432	568,571	22.2%	\$ 640,758.75	25.0%		2,531,118	2,604,764	152,855	535,284	20.6%
Police SRO	156,513		13,940	38,685	24.7%	\$ 39,128.25	25.0%		155,077	155,077	11,555	33,823	21.8%
Fire	2,386,910		150,576	419,368	17.6%	\$ 596,727.50	25.0%		1,902,500	1,907,680	127,670	331,494	17.4%
Community Development	465,735		35,387	101,476	21.8%	\$ 116,433.75	25.0%		371,589	371,590	32,471	76,181	20.5%
Senior Citizen Center	63,376		3,911	11,221	17.7%	\$ 15,844.00	25.0%		54,528	54,528	4,798	9,586	17.6%
Library	305,042		22,409	60,931	20.0%	\$ 76,260.50	25.0%		268,261	268,259	31,337	84,100	31.4%
Non-Departmental	514,734		20,623	227,631	44.2%	\$ 128,683.50	25.0%		511,749	511,749	2,455	191,415	37.4%
Total Expenditures	\$ 7,782,522	\$ -	\$ 500,988	\$ 1,674,508	21.5%	\$ 1,945,631	25.0%		\$ 7,023,102	\$ 7,151,929	\$ 465,694	\$ 1,508,233	21.1%
Total Revenues Over (Under) Exp	\$ (862,944)	\$ -	\$ 1,967,413	\$ 1,470,824		\$ (215,736)			\$ (518,342)	\$ (636,925)	\$ 1,721,360	\$ 1,277,859	
Other Financing Sources (Uses):													
Non-cash Transactions:	-	-	-	-		-			-	-	-	-	
Capital lease proceeds	-	-	-	-		-			-	-	-	-	
Capital expenditures	-	-	-	-		-			-	-	-	-	
Transfers In (Out):	-	-	-	-		-			-	-	-	-	
Net Change in Fund Balance	\$ (862,944)	\$ -		\$ 1,470,824					\$ (518,342)	\$ (636,925)			
Total Unassigned Fund Balance - BOY	1,480,503	-		1,480,503						1,746,714			
Ending Fund Balance Sept. 30	\$ 617,559	\$ -		\$ 2,951,327						\$ 1,109,789			
Less: Commitments for Specific Use	-	-		-									
Less: Assigned for Specific Use	-	-		-									
Ending Fund Balance - Unassigned	\$ 617,559	\$ -		\$ 2,951,327						\$ 1,109,789			
AVERAGE DAILY EXPENDITURES	21,322	-		4,588						19,594			
NUMBER OF DAYS IN RESERVE	29			643						57			
FUND BALANCE AS A % OF EXPENDITURES	7.94%			176.25%						15.52%			

STREETS FUND
REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2019-20 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED DECEMBER 31, 2019
25.0%

	CURRENT FISCAL YEAR							PRIOR FISCAL YEAR				
	BUDGET		ACTUAL			PROJECTED		BUDGET		FY ACTUAL		
	FY 2019-2020		M-T-D	Y-T-D	Y-T-D	FY 2019-2020		FY 2018-2019		FY 2018-2019		
	Original Budget	Amended Budget	Dec-19	Dec-19	% Budget	Dec-19	% Budget	Original Budget	Amended Budget	M-T-D Dec-18	Y-T-D Dec-18	Y-T-D % Budget
Revenues:												
Franchise Fees Telephone	\$ 36,622		\$ 200	\$ 600	1.6%	\$ 9,155.50	25.0%	\$ 40,000	\$ 40,000	\$ 12,676	\$ 20,470	51%
Franchise Fees Garbage	69,300		9,909	12,353	17.8%	17325	25.0%	70,000	70,000	16,358	30,501	44%
Franchise Fees Gas	65,120					16280	25.0%	53,000	53,000			0%
Franchise Fees Electricity	315,583		78,899	80,527	25.5%	78896	25.0%	295,000	295,000	76,211	76,211	26%
Franchise Fees Cable	54,450		-	-		13613	25.0%	50,000	50,000	7,170	7,170	14%
Franchise Fees Water Sew	267,106		22,259	66,776	25.0%	66777	25.0%	189,869	189,869	-	-	0%
Investment Income	7,000		421	1,456	20.8%	1750	25.0%	2,000	2,000	55	1,446	72%
TexDot Connecting Kennedale											41,555	
Misc. Income										-	10	
Admin Charge - Strm Water	19,995					4999	25.0%	19,995	19,995			0%
Park Pavilion Rental	3,700		-	240	6.5%	925	25.0%	4,500	4,500	-	15	0%
Ballfield Rental	50					13	25.0%	350	350			0%
Sale of Parts/Assets												
Transfer In Park Dedication								35,000	35,000			0%
Transfer In TIF Fund												
Transfer In Donation Fund												
Total Revenues	\$ 838,926	\$ -	\$ 111,688	\$ 161,952	19.3%	\$ 209,732	25.0%	\$ 759,714	\$ 759,714	\$ 112,470	\$ 177,378	23%
Expenditures:												
Street Maintenance	\$ 850,176		\$ 54,567	\$ 159,725	18.8%	\$ 212,544.00	25.0%	\$ 740,910	\$ 740,910	\$ 45,306	\$ 120,246	16%
Park Maintenance	122,920		5,097	10,016	8.1%	\$ 30,730.00	25.0%	125,920	125,920	10,546	15,139	12%
Capital Projects	79,057		-	-	0.0%	\$ 19,764.25	25.0%	79,058	79,058	-	-	0%
Total Expenditures	\$ 1,052,153	\$ -	\$ 59,664	\$ 169,741	16.1%	\$ 263,038	25.0%	\$ 945,888	\$ 945,888	\$ 55,852	\$ 135,385	14%
Total Revenues Over (Under) Exp	\$ (213,227)	\$ -	\$ 52,024	\$ (7,789)		\$ (53,307)		\$ (186,174)	\$ (186,174)	\$ 56,618	\$ 41,993	
Other Funding Sources (Uses):												
Non-cash transactions:												
Capital lease proceeds	-											
Capital expenditures	-											
Transfers In (Out):												
Debt Service Payments	-											
Net Change in Fund Balance	\$ (213,227)	\$ -		\$ (7,789)				\$ (186,174)	\$ (186,174)			
Total Unassigned Fund Balance - BOY	345,652			345,652					436,091			
Ending Fund Balance Sept. 30	\$ 132,425	\$ -		\$ 337,863				\$ 249,917				
Less: Commitments for Specific Use				-							-	
Less: Assigned for Specific Use				-							-	
Ending Fund Balance - Unassigned	\$ 132,425	\$ -		\$ 337,863				\$ 249,917				
AVERAGE DAILY EXPENDITURES	2,520	-		(461)				1,907				
NUMBER OF DAYS IN RESERVE	53			(734)				131				
FUND BALANCE AS A % OF EXPENDITURE	12.6%			199.0%				26.4%				

WATER & SEWER FUND
REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2019-20 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED DECEMBER 31, 2019

25.0%

	CURRENT FISCAL YEAR							PRIOR FISCAL YEAR				
	BUDGET		ACTUAL			PROJECTED		BUDGET		FY ACTUAL		
	FY 2019-2020		M-T-D	Y-T-D	Y-T-D	FY 2019-2020		FY 2018-2019		FY 2018-2019		
	Original Budget	Amended Budget	Dec-19	Dec-19	% Budget	Dec-19	% Budget	Original Budget	Amended Budget	M-T-D Dec-18	Y-T-D Dec-18	Y-T-D % Budget
Revenues:												
Water Service	\$ 1,941,782		\$ 130,430	\$ 519,076	26.7%	\$ 485,445.50	25.0%	\$ 2,179,284	\$ 2,179,284	\$ 133,299	\$ 475,623	22%
Sewer Service	1,669,203		138,983	412,887	24.7%	417301	25.0%	1,451,092	1,451,092	136,403	417,652	29%
Sewer Surcharge	11,978		-	1,990	16.6%	2995	25.0%	9,600	9,600	1,103	3,212	33%
Penalties	50,873		-	9,729	19.1%	12718	25.0%	66,000	66,000	4,016	13,344	20%
Administrative Fees	15,150		-	2,680	17.7%	3788	25.0%	15,000	15,000	1,020	3,820	25%
Water Tap Fees	5,050		525	1,575	31.2%	1263	25.0%	10,000	10,000	-	-	0%
Meter Purchase / Install	11,933		-	546	4.6%	2983	25.0%	20,000	20,000	122	5,585	28%
Sewer Tap Fees	5,050		875	875	17.3%	1263	25.0%	10,000	10,000	-	-	0%
Engineer Review Fees	6,924		2,500	2,500	36.1%	1731	25.0%	5,000	5,000	-	2,500	50%
Sanitation Billing Fees	16,798					4200	25.0%	14,400	14,400	-	1,605	11%
Other Fees Water/Sewer	10,423		-	1,445	13.9%	2606	25.0%	8,400	8,400	1,685	3,291	39%
Sales Tax	101		12	35	34.7%	25	25.0%	100	100	-	22	22%
Arlington Operator Cost			80,772	98,600								
Investment Income	37,814		2,212	7,851	20.8%	9454	25.0%	1,000	1,000	2,120	6,058	606%
Miscellaneous Income	31,718					7930	25.0%	7,500	7,500	-	32,530	434%
Cash Over/Under	-							-	-			
Sale of Parts/Assets	1,010					253	25.0%	1,000	1,000			
Transfer In - Water Impact Fund	152,524					38131	25.0%	152,525	152,525			
Transfer In - Sewer Impact Fund	60,000					15000	25.0%	60,000	60,000			
Total Revenues	\$ 4,028,331	\$ -	\$ 356,309	\$ 1,059,789	26.3%	\$ 1,007,083	25.0%	\$ 4,010,901	\$ 4,010,901	\$ 279,768	\$ 965,242	24%
Expenditures:												
Utility Billing	\$ 1,518,390		\$ 138,678	\$ 356,036	23.4%	\$ 379,597.50	25.0%	\$ 1,293,973	\$ 1,293,973	\$ 160,359	\$ 181,137	14%
Operations	1,385,155		125,674	524,000	37.8%	\$ 346,288.75	25.0%	1,576,197	1,576,197	68,070	\$ 193,176	12%
Debt Service	354,505		-	-		\$ 88,626.25	25.0%	509,680	509,680	152,813	\$ 152,813	30%
Capital Projects	415,000		1,981	103,042	24.8%	\$ 103,750.00	25.0%	654,796	654,796	-	-	0%
Non-Departmental	677,889		54,914	175,393	25.9%	\$ 169,472.25	25.0%	624,875	624,875	2,069	\$ 49,450	8%
Total Expenditures	\$ 4,350,939	\$ -	\$ 321,247	\$ 1,158,471	26.6%	\$ 1,087,735	25.0%	\$ 4,659,521	\$ 4,659,521	\$ 383,311	\$ 576,576	12%
Total Revenues Over (Under) Exp	\$ (322,608)	\$ -	\$ 35,062	\$ (98,682)		\$ (80,652)		\$ (648,620)	\$ (648,620)	\$ (103,543)	\$ 388,666	
Other Funding Sources (Uses):												
Debt service - bond payments												
Non-cash transactions:												
Capital lease proceeds												
Capital expenditures												
Net Change in Fund Balance	\$ (322,608)	\$ -		\$ (98,682)				\$ (648,620)	\$ (648,620)			
Total Unrestricted Fund Balance - BOY	1,682,545			1,682,545					1,990,605			
Total Fund Balance - EOY	\$ 1,359,937	\$ -		\$ 1,583,863		\$ -			\$ 1,341,985			
Less: Commitments for Specific Use				-		-						
Less: Assigned for Specific Use				-		-						
Ending Fund Balance - Unrestricted	\$ 1,359,937	\$ -		\$ 1,583,863		\$ -			\$ 1,341,985			
AVERAGE DAILY EXPENDITURES	884			270					1,777			
NUMBER OF DAYS IN RESERVE	1,539			5,858					755			
FUND BALANCE AS A % OF EXPENDITURE	31%			137%					29%			

STORMWATER FUND
REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FY 2019-20 WITH PRIOR YEAR COMPARISON
FOR THE MONTH ENDED DECEMBER 31, 2019

25.0%

	CURRENT FISCAL YEAR					
	BUDGET		ACTUAL			FY PROJECTED
	FY 2019-2020		M-T-D	Y-T-D	Y-T-D	FY 2019-2020
	Original Budget	Amended Budget	Dec-19	Dec-19	% Budget	Dec-19 % Budget
Revenues:						
Penalties	\$ 3,200		\$ -	\$ 401	12.5%	\$ 800 25.0%
Grant Revenue	-					
Drainage Fees	297,200		19,634	64,067	21.6%	74,300 25.0%
Investment Income	500		86	235	47.0%	125 25.0%
Miscellaneous Income	-					
Total Revenues	\$ 300,900	\$ -	\$ 19,720	\$ 64,703	21.5%	\$ 75,225 25.0%
Expenditures:						
Stormwater Utility	585,316		\$ 6,799	\$ 23,362	4.0%	\$ 146,329 25.0%
Total Expenditures	\$ 585,316	\$ -	\$ 6,799	\$ 23,362	4.0%	\$ 146,329 25.0%
Total Revenues Over (Under) Exp	\$ (284,416)	\$ -	\$ 12,921	\$ 41,341		\$ (71,104)
Other Financing Sources (Uses):						
Capital grant contributions	-	-	-	-		
Net Change in Fund Balance	\$ (284,416)	\$ -		\$ 41,341		
Total Unrestricted Fund Balance - BOY	1,221,677			1,224,677		
Total Fund Balance - EOY	\$ 937,261	\$ -		\$ 1,266,018		
Less: Commitments for Specific Use	-	-		-		-
Ending Fund Balance - Unrestricted	\$ 937,261	\$ -		\$ 1,266,018		

PRIOR FISCAL YEAR				
BUDGET		FY ACTUAL		
FY 2018-2019		FY 2018-2019		
Original Budget	Final Budget	M-T-D Dec-18	Y-T-D Dec-18	Y-T-D % Budget
\$ 2,500	\$ 2,500	\$ 227	\$ 750	30.0%
-	-			
252,000	252,000	21,852	65,861	26.1%
450	450	57	148	32.9%
-	-			
\$ 254,950	\$ 254,950	\$ 22,136	\$ 66,759	26%
\$ 139,764	\$ 139,764	\$ 15,655	\$ 22,257	15.9%
\$ 139,764	\$ 139,764	\$ 15,655	\$ 22,257	16%
\$ 115,186	\$ 115,186	\$ 6,481	\$ 44,502	
-	-	-	-	
\$ 115,186	\$ 115,186			
	\$ 1,159,638			
	\$ 1,274,824			
-	-			
\$ -	\$ 1,274,824			

OTHER FUNDS: MONTHLY FINANCIALS
REVENUES AND EXPENDITURES - BUDGET AND ACTUAL
FOR THE MONTH ENDED DECEMBER 31, 2019

		BUDGET				
FUND	FUND NAME	Revenues	Expenditures	Change in Fund Balances	Fund Balance Beginning of Year	Fund Balance End of Year

Y-T-D ACTUAL							
Revenues	% Budget	Expenditures	% Budget	Change in Fund Balances	% Budget	Fund Balance Beginning of Year	Y-T-D Fund Balance Projection

DEBT SERVICE FUND														
2	Debt Service Fund	\$ 1,750,253	\$ 1,487,977	\$ 262,276	\$ 309,119	\$ 571,395	\$ 938,631	54%	\$ 400	0%	\$ 938,231	357.7%	\$ 309,119	\$ 1,247,350

OTHER GENERAL FUNDS														
5	Capital Replacement Fund	\$ 185,732	\$ 185,732	\$ -	\$ 236,826	\$ 236,826	\$ 1,349	1%	\$ 45,772	25%	\$ (44,423)	0.0%	\$ 236,826	\$ 192,403
12	Court Security Fund	3,000	-	\$ 3,000	20,614	23,614	679	23%	-	0%	\$ 679	22.6%	\$ 20,614	21,293
16	Court Technology Fund	3,920	875	\$ 3,045	9,796	12,841	834	21%	-	0%	\$ 834	27.4%	\$ 9,796	10,630
18	Juvenile Case Manager Fund	5,650	13,873	(8,223)	6,079	(2,144)	1,158	0%	1,213	0%	\$ (55)	0.7%	\$ 6,079	6,024
21	TIF 1 (New Hope Rd) Fund	146,648	-	146,648	(656,862)	(510,214)	586	0%	-	0%	\$ 586	0.4%	\$ (656,862)	(656,276)
34	Leose Fund	1,767	1,650	117	1,895	2,012	8		-		\$ 8	6.8%	\$ 1,895	1,903
83	Tree Reforestation Fund	500	500	-	70,425	70,425	281	0%	-	25%	\$ 281	0.0%	\$ 70,425	70,706
		\$ 347,217	\$ 202,630	\$ 144,587	\$ (311,227)	\$ (166,640)	\$ 4,895		\$ 46,985		\$ (42,090)		\$ (311,227)	\$ (353,317)

CAPITAL FUNDS														
4	Capital Projects Fund	\$ 70,250	\$ 104,768	\$ (34,518)	\$ (24,182)	\$ (58,700)	\$ 8,537	12%	\$ -	0%	\$ 8,537	-24.7%	\$ (24,182)	\$ (15,645)
13	Capital Bond Fund	-	735,000	(735,000)	2,617,419	1,882,419	10,390		98,750	13%	\$ (88,360)	12.0%	\$ 2,617,419	\$ 2,529,059
14	Park Dedication Fund	800	30,170	(29,370)	96,825	67,455	369	46%	-	0%	\$ 369	-1.3%	\$ 96,825	\$ 97,194
32	Library Building Fund	2,270	2,000	270	(4,035)	(3,765)	715	31%	-	0%	\$ 715	264.8%	\$ (4,035)	\$ (3,320)
45	Roadway Impact Fee Fund	27,535	10,000	17,535	573,275	590,810	3,792	14%	-	0%	\$ 3,792	21.6%	\$ 573,275	\$ 577,067
61	Water Impact Fee Fund	35,146	152,525	(117,379)	12,325	(105,054)	1,546	0	-	-	1,546	(0)	12,325	13,871
62	Sewer Impact Fee Fund	17,201	60,000	(42,799)	77,190	34,391	1,399	0	-	-	1,399	(0)	77,190	78,589
		\$ 153,202	\$ 1,094,463	\$ (941,261)	\$ 3,348,817	\$ 2,407,556	\$ 18,927		\$ 98,750		\$ (79,823)		\$ 2,593,237	\$ 2,513,414

EDC 4B FUNDS														
15	EDC 4B Fund	\$ 700,728	\$ 572,598	\$ 128,130	\$ 306,146	\$ 434,276	\$ 113,243	16%	\$ 128,813	22%	\$ (15,570)	-12.2%	\$ 306,146	\$ 290,576
				-		-		0%	-		\$ -		\$ -	\$ -
		\$ 700,728	\$ 572,598	\$ 128,130	\$ 306,146	\$ 434,276	\$ 113,243		\$ 128,813		\$ (15,570)		\$ 306,146	\$ 290,576

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM IV.D.5.

SUBJECT

Schedule of Investment Activity for quarter ending December 31, 2019

ORIGINATED BY

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY

In accordance with Public Funds Investment Act (PFIA), investments are reported to the City Council quarterly. The attached report covers the first quarter of FY19–20. Staff will be available to answer questions.

RECOMMENDATION

ATTACHMENTS

1.	DECEMBER 2019 Investment Report	DECEMBER 2019 Investment Report.pdf
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CITY OF KENNEDALE, TEXAS
INVESTMENT REPORT
FOR QUARTER ENDING DECEMBER 30, 2019

The Quarterly Investment Report provides the City's investment portfolio position as of the report period indicated above. Funds are invested in accordance with the City of Kennedale Investment Policy, as originally adopted on September 13, 2001 and most recently reviewed and adopted in June of 2018.

SUMMARY OF INVESTMENTS FOR THE QUARTER

100% of the City of Kennedale's investments are owned by the Pooled Cash Fund. As of the reporting quarter, 93.88% of the City's investments are in investment pools, and 6.12% are invested in money market savings accounts.

INVESTMENT STRATEGIES

The City's main objectives in managing the portfolio are as follows: suitability, preservation & safety of principal, liquidity, marketability, diversification, and yield.

INVESTMENT PORTFOLIO ALLOWABLE BREAKDOWN

Certificates of Deposit (50%), Investment Pools (100%)*, Money Market Mutual Funds (100%)*, Repurchase Agreements (50%)*, Government Obligations (25%), US Treasury & US Agency Callables (25%), US Government Agencies & Instrumentalities (100%), and US Treasury Notes/Bills (100%)

*(no more than 50% in any individual pool, fund, or repurchase agreement)

CASH BREAKDOWN BY FUND				
Fund	Oct-19	Nov-19	Dec-19	
01- General Fund	\$ 1,347,866.84	\$ 1,351,471.78	\$ 3,308,448.82	
02- Debt Service Fund	\$ 337,861.51	\$ 442,778.36	\$ 1,257,518.33	
04- Capital Project Fund	\$ (15,083.22)	\$ 934.77	\$ 935.88	
05- Capital Replacement Fund	\$ 148,625.01	\$ 119,462.87	\$ 106,393.66	
07- Storm Drainage Utility Fund	\$ 53,495.45	\$ 65,529.27	\$ 79,167.24	
10- Water/Sewer Fund	\$ 2,051,363.60	\$ 1,830,818.49	\$ 1,911,248.18	
12- Court Security Fund	\$ 21,103.79	\$ 21,318.87	\$ 21,542.77	
13-CIP Tax Note	\$ 2,651,793.18	\$ 2,551,709.51	\$ 2,530,472.63	
14- Park Dedication Fund	\$ 84,268.40	\$ 84,377.53	\$ 84,477.31	
15- Economic Development Fund	\$ 375,636.43	\$ 379,625.21	\$ 400,004.46	
16- Court Technology Fund	\$ 10,294.39	\$ 10,558.15	\$ 10,835.46	
17- Streets Improvement Fund	\$ 363,733.78	\$ 331,402.24	\$ 381,418.76	
18- Juvenile Case Manager Fund	\$ 6,274.74	\$ 6,097.19	\$ 6,438.01	
21- TIF #1 New Hope Fund	\$ 146,772.99	\$ 146,963.10	\$ 147,136.89	
31- Police Seizure	\$ 658.06	\$ 658.91	\$ 659.69	
32- Library Building Fund	\$ (3,462.93)	\$ (3,238.08)	\$ (3,171.19)	
34- LEOSE Fund	\$ 1,897.96	\$ 1,900.42	\$ 1,902.66	
41- Park Rec/Other Donation Fund	\$ 23,128.15	\$ 22,719.98	\$ 18,759.94	
45- Roadway Impact Fee Fund	\$ 280,826.62	\$ 281,190.37	\$ 281,522.88	
61- Water Impact Fee Fund	\$ 15,210.79	\$ 15,230.49	\$ 15,248.50	
62- Sewer Impact Fee Fund	\$ 80,192.22	\$ 80,296.10	\$ 80,391.05	
83- Tree Reforestation Fund	\$ 70,530.03	\$ 70,621.39	\$ 70,704.90	
85- Unclaimed Property Fund	\$ 1,990.24	\$ 1,990.24	\$ 1,990.24	
95- EDC Reserve Fund	\$ 124,796.39	\$ 124,958.05	\$ 125,105.82	
TOTAL ALL FUNDS	\$ 8,179,774.42	\$ 7,939,375.21	\$ 10,839,152.89	

WELLS FARGO ACCOUNTS RECONCILIATION														
Bank Account	Sept 30, 2019 GL Balance	September 30, 2019 Ending Bank Balance	Add: October Deposits	Less: October Withdrawals	Add: October Interest	Add: November Deposits	Less: November Withdrawals	Add: November Interest	Add: December Deposits	Less: December Withdrawals	Add: December Interest	December 31, 2019 Ending Bank Balance	Ending GL Balance	Unreconciled Difference
Consolidated Cash	\$ 607,283.67	\$ 607,283.67	\$ 1,782,004.36	\$ (1,570,441.37)		\$ 732,728.35	\$ (1,025,762.65)		\$ 1,390,926.42	\$ (1,381,279.03)		\$ 535,459.75	\$ 535,459.75	\$ -
Payroll Clearing	\$ 21.74	\$ 21.74	\$ 292,304.65	\$ (292,302.78)	\$ 1.87	\$ 304,288.49	\$ (304,287.35)	\$ 1.14	\$ 425,324.42	\$ (422,846.40)	\$ 0.58	\$ 2,502.77	\$ 2,502.77	\$ -
Section 125 Flex	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Health Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Health Benefit Trust	\$ 11.69	\$ 11.69	\$ 38,759.04	\$ (38,756.54)	\$ 14.19	\$ 41,463.51	\$ (5,192.66)	\$ 1.78	\$ 42,667.37	\$ (78,935.10)	\$ 1.31	\$ 17.31	\$ 17.31	\$ -
Economic Development Corp	\$ 29,920.65	\$ 29,920.65	\$ 403.95	\$ (246.88)	\$ -	\$ -	\$ (22.68)	\$ -	\$ -	\$ (30,055.04)	\$ -	\$ -	\$ -	\$ -
TOTAL WELLS FARGO ACCOUNTS	\$ 637,237.75	\$ 637,237.75										537,979.83	537,979.83	-

TEX TERM INVESTMENTS														
Bank Account	Sept 30, 2019 GL Balance	September 30, 2019 Ending Bank Balance	Add: October Deposits	Less: October Withdrawals	Add: October Interest	Add: November Deposits	Less: November Withdrawals	Add: November Interest	Add: December Deposits	Less: December Withdrawals	Add: December Interest	December 31, 2019 Ending Bank Balance	Ending GL Balance	Unreconciled Difference
Consolidated Cash	\$ 32,977.84	\$ 32,977.84	\$ -	\$ -	\$ 55.14		\$ (33,037.92)	\$ 4.94		\$ -		\$ (0.00)	\$ (0.00)	\$ -
TOTAL TEX DAILY ACCOUNTS	\$ 32,977.84	\$ 32,977.84										(0.00)	(0.00)	-

TEX STAR INVESTMENTS														
Bank Account	Sept 30, 2019 GL Balance	September 30, 2019 Ending Bank Balance	Add: October Deposits	Less: October Withdrawals	Add: October Interest	Add: November Deposits	Less: November Withdrawals	Add: November Interest	Add: December Deposits	Less: December Withdrawals	Add: December Interest	December 31, 2019 Ending Bank Balance	Ending GL Balance	Unreconciled Difference
Consolidated Cash	\$ 341,384.78	\$ 343,288.13			\$ 539.70	\$ -	\$ -	\$ 457.15	\$ -	\$ -	\$ 457.43	\$ 344,742.41	\$ 344,742.41	\$ -
TOTAL TEX STAR ACCOUNTS	\$ 341,384.78	\$ 343,288.13										344,742.41	344,742.41	-

TEX POOL INVESTMENTS														
Bank Account	Sept 30, 2019 GL Balance	September 30, 2019 Ending Bank Balance	Add: October Deposits	Less: October Withdrawals	Add: October Interest	Add: November Deposits	Less: November Withdrawals	Add: November Interest	Add: December Deposits	Less: December Withdrawals	Add: December Interest	December 31, 2019 Ending Bank Balance	Ending GL Balance	Unreconciled Difference
Consolidated Cash	\$ 7,639,270.35	\$ 7,639,270.35	\$ 337,401.32	\$ (1,010,833.73)	\$ 12,106.37	\$ 559,913.94	\$ (181,172.07)	\$ 9,981.10	\$ 2,965,649.36	\$ (776,792.65)	\$ 10,641.52	\$ 9,566,165.51	\$ 9,566,165.51	\$ -
TOTAL TEX POOL ACCOUNTS	\$ 7,639,270.35	\$ 7,639,270.35										9,566,165.51	9,566,165.51	-

	30-Sep-19	31-Dec-19
TOTAL INVESTMENT POOLS	\$ 8,013,632.97	9,910,907.92

APR %	
Wells Fargo Payroll Clearing	0.04%–0.05%
Wells Fargo Section 125 Flex	0.04%–0.05%

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM IV.E.1.

SUBJECT

Approval of the minutes from the December 17, 2019 regular meeting

ORIGINATED BY

Leslie E. Galloway, City Secretary & Communications Coordinator

SUMMARY

Please see the attached minutes for your approval.

RECOMMENDATION

ATTACHMENTS

1.	2019_12.17_Minutes_City Council Regular Meeting_DRAFT	2019_12.17_Minutes_City Council Regular Meeting_DRAFT.pdf
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KENNEDALE CITY COUNCIL MINUTES
REGULAR MEETING | DECEMBER 17, 2019
CITY HALL COUNCIL CHAMBERS, 405 MUNICIPAL DRIVE
WORK SESSION AT 5:30 PM | REGULAR SESSION AT 7:00 PM

I. CALL TO ORDER

Mayor Brian Johnson called the meeting to order at 5:31 p.m.

II. WORK SESSION

A. WORK SESSION REPORTS

1. Introduction of Animal Control Officer (ACO) JaDarius Graves

Police Chief Tommy Williams introduced Animal Control Officer JaDarius Graves.

B. REQUESTS FOR CLARIFICATION OF ITEMS LISTED ON THE AGENDA

There was no discussion at this time.

Mayor Brian Johnson recessed to Executive Session at 5:35 p.m.

III. EXECUTIVE SESSION

- A. *PURSUANT TO §551.071*** — *Consultation with the City Attorney pertaining to any matter in which the duty of the City Attorney under the Texas Disciplinary Rules of Professional Conduct may conflict with the Open Meetings Act, including discussion of any item posted on the agenda, legal issues regarding the Open Meetings Act, and the following:*

1. Discussion with the City Attorney regarding transition of utility billing customer service from Global Water Management, LLC (FATHOM)

- B. *PURSUANT TO §551.074*** — *Deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or to hear a complaint or charge against an officer or employee; and the following:*

1. City Manager's Annual Performance Evaluation

- C. *PURSUANT TO §551.087*** — *(1) Deliberation regarding commercial or financial information that the governmental body has received from a business prospect that the governmental body seeks to have locate, stay, or expand in or near the territory of the governmental body and with which the governmental body is conducting economic development negotiations; or (2) to deliberate the offer of a financial or other incentive to a business prospect described by Subdivision (1):*

1. Discussion regarding potential economic development incentive agreement with Quick Roofing

IV. REGULAR SESSION

Mayor Brian Johnson called the Regular Session to order at 7:00 p.m.

A. ROLL CALL

Present: Mayor Brian Johnson, Mayor Pro Tem Sandra Lee, Place 3; Josh Altom, Place 1; Chris Pugh, Place 2; Linda Rhodes, Place 4; Chad Wandel, Place 5; **Absent:** NONE. **Staff:** City Manager George Campbell, City Secretary and Communications Coordinator Leslie E. Galloway, Director of Planning and Economic Development Melissa Dailey, Director of Finance and Information Technology Lakeita Sutton, Director of Human Resources and Administrative Services, Public Works Director Larry Hoover, Fire Chief James Brown, Police Chief Tommy Williams, City Attorney Drew Larkin; Consultants: Mark McLiney, Senior Managing Director (San Antonio) of SAMCO Capital

B. INVOCATION AND PLEDGES OF ALLEGIANCE TO THE U.S. AND TEXAS FLAGS

Pastor Justice of Christ-Centered Missionary Baptist Church provided the invocation

C. VISITOR AND CITIZEN FORUM

- **Sara Johnson**, 700 Crestview Drive, spoke on behalf of Senior Outreach-Kennedale, regarding various programs and the remodeling of the Senior Center.
- **Nancy Neal**, 3715 New Hope Road, spoke on behalf of the Advisory Council, staff, and participants of the Senior Center and thanked Council and Thelma Kobeck and Sara Johnson of Senior Outreach Kennedale.

D. REPORTS AND ANNOUNCEMENTS

1. Updates from the City Council

- **CHAD WANDEL, Place 5**, announced that he attended the Tree Lighting and Senior Outreach-Kennedale events.
- **LINDA RHODES, Place 4**, announced that she attended the Tree Lighting where Councilmember Wandel was the emcee, sponsored bingo at the Senior Center, attended the Mayors' Council Banquet with Mayor Johnson and Mayor Pro Tem Lee, supported the Mayor's Salvation Army campaign, attended the FUMC Quarter Auction, and supported the KPFFA Angel Tree.
- **JOSH ALTOM, Place 1**, had no announcements at this time.
- **CHRIS PUGH, Place 2**, announced that he attended the Tree Lighting where Councilmember Wandel was the emcee, the FUMC Community Dinner, a Greenways Program meeting, and the Mayor's recent Facebook Live Q&A.
- **MAYOR PRO TEM SANDRA LEE, Place 3**, announced that she attended the Mayors' Council Banquet with Mayor Johnson and Councilmember Rhodes and the Tree Lighting; and thanked City Secretary Leslie Galloway.

2. Updates from the Mayor

Mayor Brian Johnson announced that he was a bell ringer for the Salvation Army along with Councilmember Altom, City Manager George Campbell, Superintendent Gee, and Laurie Sanders; attended the TRTC Meeting regarding Via ridesharing; attended the Dallas Chamber's Transport Summit; attended the 9-1-1 Emergency District Board meeting; would be serving as Chair of the CDBG Grant Proposal Committee; attended the NLC Conference in San Antonio; and recently began hosting Facebook Live Q&As.

Mayor Johnson and Councilmember Altom honored the 2019–20 KHS LadyKats Volleyball Team with a Proclamation for their appearance in the State Tournament.

3. Updates from the City Manager

City Manager stated that utility customers were recently notified that FATHOM had gone out of business, that the City had since contracted with MuniBilling, and that utility billing payment processes would be different for the coming months.

In response to a question from Mayor Johnson, Campbell stated that the City had applied for assistance through NCTCOG for a “complete street” design for Kennedale Parkway and had received a positive response.

4. November 2019 Financial Reports for the City and the EDC

Finance Director Lakeita Sutton noted that the November financials for the City and the October financials for the EDC were included in the packet and that she was available to answer questions. Mayor Johnson complimented the updated data and presentation. Sutton stated that staff was focused on realizing as much savings as possible to grow the fund balance, adding that the FY19 deficit would likely be less than was budgeted.

E. CONSENT AGENDA

1. Approval of the minutes from the November 19, 2019 regular meeting
2. Approval of the minutes from the December 3, 2019 special meeting

Motion Approve. **Action** Approve the Consent Agenda, with the correction to the December 3 Minutes, by striking the words “Work Session at 5:30 p.m.”. **Moved By** Rhodes. **Seconded By** Mayor Pro Tem Lee. **Motion passed unanimously.**

F. ITEMS FOR INDIVIDUAL CONSIDERATION

1. Consider authorizing City Staff and consultants to proceed with refunding, for debt service savings, the City’s outstanding Combination Tax and Revenue Certificates of Obligation, Series 2010

Finance Director Lakeita Sutton introduced Mark McLiney of SAMCO Capital and stated that staff was recommending approval of this refunding as any opportunity for savings.

McLiney presented projected annual savings that might be achieved by refinancing debt at a lower interest rate – an option that becomes available for this specific debt in May 2020. He added that if Council approved taking this refinancing to market, staff and SAMCO would plan to present refunding documents for consideration at the next regular meeting.

Motion Approve. **Action** Approve authorizing City Staff and consultants to proceed with refunding, for debt service savings, the City’s outstanding Combination Tax and Revenue Certificates of Obligation, Series 2010. **Moved By** Wandel. **Seconded By** Rhodes. **Motion passed unanimously.**

2. Consider appointment of a Chair of the Tax Increment Reinvestment Zone Board (TIRZ) #1 Board of Directors, pursuant to Ordinance 506, Section 3

Motion Approve. **Action** Approve naming Councilmember Chris Pugh as Chair of the Tax Increment Reinvestment Zone Board (TIRZ) #1 Board of Directors. **Moved By** Altom. **Seconded By** Rhodes. **Motion passed 4-0-1**, with Pugh abstaining.

3. Consider authorizing the City Manager to enter into a 1-year agreement with NetGenius for Information Technology (IT) services, at an annual cost of \$119,700

Finance Director Lakeita Sutton stated that staff was reviewing contracts to evaluate needs and costs. She added that Integritek had provided IT services for many years, but that following a Request for Proposals for IT services, staff was recommending contracting with NetGenius for enhanced services at an annual cost savings of about \$5,000.00.

There was some discussion of security risks including ransomware attacks.

Motion Approve. **Action** Approve authorize the City Attorney and City Manager to negotiate and finalize a 1-year agreement with NetGenius for Information Technology (IT) services. **Moved By** Wandel. **Seconded By** Pugh. **Motion passed unanimously.**

4. Consider adoption of Ordinance 687, amending the Kennedale Municipal Code, by amending Exhibit A “Schedule of Fees” of Section 2-3, “Fees for licenses, inspections, permits, etc.” to adjust fees associated with multifamily building permits, engineering plat and plan review, and construction inspection

Director of Planning and Economic Development Melissa Dailey stated that this amendment would allow the City to recover costs related to inspections and the review of plans and plats, noting that the City currently charges fairly nominal fees, but pays Shield Engineering significantly more for those services.

Motion Approve. **Action** Approve adoption of Ordinance 687, amending the Kennedale Municipal Code, by amending Exhibit A “Schedule of Fees” of Section 2-3, “Fees for licenses, inspections, permits, etc.” to adjust fees associated with multifamily building permits, engineering plat and plan review, and construction inspection. **Moved By** Pugh. **Seconded By** Wandel. **Motion passed unanimously.**

G. PUBLIC HEARINGS

1. **CASE# PZ 19-11** — Conduct a public hearing and consider Ordinance 685, regarding a request by Trifecta Homes, LLC for a rezoning from “R3” Residential to “R4” Residential for approximately 4 acres located at 962 Corry A Edwards Drive, Emerald Crest Estates, Block 1, Lot 6, 968 Corry A Edwards Drive, Emerald Crest Estates, Block 1, Lot 5R, 1022 N. Bowman Springs Road, Block 1, Lot 4R, 1028 N. Bowman Springs Road, Block 1, Lot 3R, 1034 N. Bowman Springs Road, Block 1, Lot 2R, and 1040 N. Bowman Springs Road, Block 1, Lot 1R, City of Kennedale, Tarrant County, Texas

Director of Planning and Economic Development Melissa Dailey gave a brief overview of the case including features of the proposed development, adjacent uses, and how the request aligned with the Future Land Use Plan and principles of the Comprehensive Plan. There was some discussion of setbacks, drainage, street design, and natural elevations.

J.D. Farmer of Metro Engineers discussed the natural slope of the property, what retaining walls, drainage easements, and detention ponds might be required.

Tejas Naik of Trifecta Homes, LLC, was available to answer questions from the Council.

Mayor Johnson opened the Public Hearing at 8:18 p.m.

- Julie Webb, 1027 Winding Creek Drive, spoke against the request.

Mayor Johnson closed the Public Hearing at 8:22 p.m.

Dailey stated that staff and the Planning and Zoning Commission – with a vote of 7 to 0 – both recommended approval.

There was some discussion of whether the current plat drawing met R-3 requirements.

Motion Deny. Action Deny adoption of Ordinance 685, regarding a request by Trifecta Homes, LLC for a rezoning from “R3” Residential to “R4” Residential for approximately 4 acres located at 962 Corry A Edwards Drive, Emerald Crest Estates, Block 1, Lot 6, 968 Corry A Edwards Drive, Emerald Crest Estates, Block 1, Lot 5R, 1022 N. Bowman Springs Road, Block 1, Lot 4R, 1028 N. Bowman Springs Road, Block 1, Lot 3R, 1034 N. Bowman Springs Road, Block 1, Lot 2R, and 1040 N. Bowman Springs Road, Block 1, Lot 1R, City of Kennedale, Tarrant County, Texas. **Moved By Rhodes. Seconded By Pugh. Motion to Deny passed unanimously.**

H. TAKE ACTION NECESSARY, PURSUANT TO EXECUTIVE SESSION, IF NEEDED

1. Consider approval of or amendments to an employment agreement with George Campbell to serve as City Manager

Motion Approve. Action Approve, pursuant to the discussion in Executive Session, the amendment to the employment agreement with George Campbell to serve as City Manager. **Moved By Pugh. Seconded By Wandel. Motion passed unanimously.**

2. Take any other action deemed necessary as a result of the Executive Session
There was neither discussion nor action at this time.

I. ADJOURNMENT

Motion Adjourn. Action Adjourn. Moved By Rhodes. Seconded By Wandel. Motion passed unanimously.

Mayor Johnson adjourned the meeting at 8:40 p.m.

APPROVED:

ATTEST:

BRIAN JOHNSON, MAYOR

LESLIE E. GALLOWAY, CITY SECRETARY

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM IV.E.2.

SUBJECT

Approval of Resolution 564 calling the General Election for May 2, 2020

ORIGINATED BY

Leslie E. Galloway, City Secretary & Communications Coordinator

SUMMARY

The attached Resolution 564 is an ordering of the General Election on Saturday, May 2, 2020 for the purposes of electing the offices of Mayor and City Council Places 2 and 4. The last date for a political subdivision to order an election for Saturday, May 2, 2020, is Friday, February 14, 2020.

Candidate Packets are available online (www.cityofkennedale.com/candidatepacket) and in the City Secretary's Office. The filing period is from 8:00 a.m. on Wednesday, January 15 through 5:00 p.m. on Friday, February 14, 2020, during regular office hours. More information is available at www.cityofkennedale.com/election.

The City of Kennedale contracts with Tarrant County Elections for election purposes. There have been no significant changes to the contract with Tarrant County since it was made in 2010. Dates of importance for the upcoming General Election include:

- **Wednesday, January 15:** First day to file an 'Application for a Place on Ballot'
- **Friday, February 14:** Deadline to file an 'Application for a Place on Ballot' (*must be received by 5:00 pm*); last day for the governing body of a municipality to order a General and/or Special Election
- **Thursday, February 20, 2020, at 4:30 p.m.:** Drawing to determine order of names on the ballot
- **April 2:** Last day to register to vote in the May 2, 2020 General Election
- **April 20-28:** Early Voting
- **May 2, 2020 - ELECTION DAY 7:00 am to 7:00 pm at the Kennedale Community Center (316 W 3rd Street)**
- **May 5-13, 2020:** Period for official canvass of returns (**SPECIAL MEETING WILL NEED TO BE CALLED**) and oaths of office of newly elected officers
- **Saturday, June 13, 2020:** Runoff Election, if necessary (date set by Tarrant County Elections)

A calendar of local dates is attached. The official election calendar published by the Texas Secretary of State is available at <https://www.sos.state.tx.us/elections/laws/advisory2019-31.shtml>.

RECOMMENDATION

Approve

ATTACHMENTS

1.	Local Election Calendar	Local Election Calendar.pdf
2.	R564 Calling 2020 General Election	R564 Calling 2020 General Election.pdf

MAY 2, 2020 ELECTION CALENDAR (LOCAL)

- 1/15/2020** First day to file an 'Application for Place on the Ballot' (PAGE 16 – 19, SOS Form 2-21). **NEW:** Need not be an official form. Can be any written application meeting these requirements: sos.texas.gov/elections/laws/candidacy.shtml
- 2/14** **5:00 p.m. DEADLINE** for filing an 'Application for Place on the Ballot' (PAGE 16 – 19, SOS Form 2-21)
The City Secretary's office is allotted five (5) days to review applications (Election Code [§141.032](#)). Candidates are encouraged to file at a time and date early enough to allow for this review and corrections or refile, if necessary.
- 2/20** Drawing to determine order of names on ballot: 4:30 p.m. in City Hall (405 Municipal Drive)
Candidates and/or their representatives are encouraged (but not required) to be present for the drawing.
- 2/21** Last day for candidate to withdraw (and have name omitted from ballot); Must be received in writing by 5:00 p.m.
- 4/2** **CAMPAIGN FINANCE**^{*}: FIRST REPORT of Campaign Contributions and Expenditures (PAGE 61 – 77, FORM C/OH) due by 5:00 p.m. in the City Secretary's Office (405 Municipal Drive, Kennedale, TX 76060)
- 4/2** Last day a person may register to vote in the Saturday, May 2, 2020 Election
- 4/20–28** **EARLY VOTING:** Hours shown below
- 4/24** **CAMPAIGN FINANCE**^{*}: SECOND REPORT (PAGE 61 – 77, FORM C/OH) due by 5:00 p.m. in the City Secretary's Office (405 Municipal Drive, Kennedale, TX 76060)
- 5/2** **ELECTION DAY:** Polls are open from 7:00 a.m. to 7:00 p.m.; **NEW:** Under the recently adopted 'Vote Center' model, voters in Tarrant County can now vote at any polling place within the County both during Early Voting and on Election Day. (cityofkennedale.com/vc). (In previous years, on Election Day, registered voters could only vote at their precinct polling location which is the Community Center in the Library (316 W 3rd St.) for Kennedale voters.) Voters can verify their current voter registration status at gisit.tarrantcounty.com/TCVL.
- 5/13** Last day for official canvass of returns by governing authority of political subdivision (City Council); By or on this date, winners will be declared and sworn into office for two-year terms (unless a runoff election is necessary)
- 6/13** Runoff election, if necessary.
NOTE: The City of Kennedale elects by majority. A candidate must receive more than 50% of the votes cast for that office.
- 7/15** **CAMPAIGN FINANCE**^{*}: SEMIANNUAL REPORT (PAGE 61 – 77, FORM C/OH) due by 5:00 p.m. in the City Secretary's Office (405 Municipal Drive, Kennedale, TX 76060)
- 1/15/2021** **CAMPAIGN FINANCE**^{*}: SEMIANNUAL REPORT (PAGE 61 – 77, FORM C/OH) due by 5:00 p.m. in the City Secretary's Office (405 Municipal Drive, Kennedale, TX 76060)

* Opposed candidates not filing under 'Modified Reporting' must file Form C/OH (ethics.state.tx.us/data/forms/coh/coh.pdf) both 30 days before and 8 days before the Election. A candidate who has elected (and remains eligible for) "Modified Reporting" (on form CTA) is not required to file these reports. If 'Modified Reporting' was not selected, these must be filed even if there is no activity to report for the period covered. **NEW:** Effective January 1, 2020, (ethics.state.tx.us/rules/adopted/2016-2020/adopted_Mar_2019.php), the threshold below which a candidate (or political committee) may avoid certain filing requirements (via 'Modified Reporting') increases to \$900.00 (from \$500.00).

* Semiannual Reports are generally required on January 15 and July 15 for all active candidates and officeholders, regardless of their 'Modified Reporting' status. If required, these reports must be filed even if there is no activity to report for the period covered.

MAY 2, 2020 GENERAL ELECTION

EARLY VOTING	
Monday, April 20 – Friday, April 24, 2020	8:00 a.m. – 5:00 p.m.
Saturday, April 25, 2020	7:00 a.m. – 7:00 p.m.
Sunday, April 26, 2020	11:00 a.m. – 4:00 p.m.
Monday April 27 – Tuesday, April 28, 2020	7:00 a.m. – 7:00 p.m.
ELECTION DAY	
Saturday, May 2, 2020	7:00 a.m. – 7:00 p.m.
NEW: Previously, you could vote at any Tarrant County polling place during Early Voting, but could only vote at your precinct polling location on Election Day. However, under the recently adopted 'Vote Center' model, Tarrant County voters can now <u>vote at any polling place</u> in the County both during Early Voting and on Election Day. Visit cityofkennedale.com/vc for details.	

CITY OF KENNEDALE

City Secretary Leslie E. Galloway 817-985-2104
citysecretary@cityofkennedale.com
www.cityofkennedale.com/citysec

TARRANT COUNTY

Tarrant County Elections 817-831-8683
access.tarrantcounty.com/en/elections.html
 Kennedale contracts with the County for election services.

STATE OF TEXAS

Secretary of State (SOS) 800-252-8683
sos.state.tx.us/elections/index.shtml
 Texas Ethics Commission (TEC) 512-463-5800
ethics.state.tx.us

RESOLUTION NO. 564

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, CALLING FOR A GENERAL ELECTION TO BE HELD ON MAY 2, 2020; APPROVING A JOINT ELECTION WITH TARRANT COUNTY; ESTABLISHING PROCEDURES FOR THAT ELECTION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale, Texas, (the "City") is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the regular election for City Council of the City of Kennedale is required to be held on May 2, 2020, at which time the voters will elect persons to fill the offices of Mayor and City Council Places 2 and 4; and

WHEREAS, the election will be held as a joint election, conducted under the authority of Chapter 271 of the Texas Election Code (the "Code"); and

WHEREAS, by this Resolution, it is the intention of the City Council to designate a polling place for the election, to appoint the necessary election officers, to establish and set forth procedures for conducting the election, and to authorize the Mayor to execute a contract with Tarrant County for conducting the election.

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

SECTION 1. GENERAL ELECTION CALLED.

An election is hereby called to elect the offices of Mayor and City Council Places 2 and 4 to serve from May of 2020 until May of 2022, or until their successors are duly elected and qualified. The election shall be held on Saturday, May 2, 2020, between the hours of 7:00 a.m. and 7:00 p.m. at Kennedale Community Center (in the Kennedale Public Library), 316 W. 3rd Street, Kennedale, Texas 76060.

SECTION 2. JOINT ELECTION AGREEMENT APPROVED.

The Mayor is authorized to execute a Joint Election Agreement (the "Agreement") with Tarrant County for the purpose of having Tarrant County furnish all or any portion of the election services and equipment needed to conduct the election. The Agreement and election services provided therein shall conform to Chapter 31, Subchapter D of the Code and other applicable statutes and laws. In the event of conflict between this resolution and the Agreement, the Agreement shall control.

SECTION 3. APPLICATION FOR PLACE ON BALLOT.

Qualified persons may file as candidates by filing applications in the office of the City Secretary from 8:00 a.m. to 5:00 p.m., Monday through Friday, from January 15, 2020 through February 14, 2020.

SECTION 4. EARLY VOTING.

- a. **Early voting by personal appearance.** Early voting by personal appearance

shall be conducted beginning April 20, 2020, and continue through April 28, 2020, at the Kennedale Community Center (in the Kennedale Public Library), 316 W. 3rd Street, Kennedale, Texas 76060, at the following times:

MONDAY, APRIL 20, 2020	8:00 A.M. – 5:00 P.M.
TUESDAY, APRIL 21, 2020	8:00 A.M. – 5:00 P.M.
WEDNESDAY, APRIL 22, 2020	8:00 A.M. – 5:00 P.M.
THURSDAY, APRIL 23, 2020	8:00 A.M. – 5:00 P.M.
FRIDAY, APRIL 24, 2020	8:00 A.M. – 5:00 P.M.
SATURDAY, APRIL 25, 2020	7:00 A.M. – 7:00 P.M.
SUNDAY, APRIL 26, 2020	11:00 A.M. – 4:00 P.M.
MONDAY, APRIL 27, 2020	7:00 A.M. – 7:00 P.M.
TUESDAY, APRIL 28, 2020	7:00 A.M. – 7:00 P.M.

Branch offices for early voting by personal appearance shall also be established as outlined in the Joint Election Agreement with Tarrant County.

- b. **Early Voting by Mail.** Heider Garcia, the Tarrant County Elections Administrator, or his successor, acting pursuant to Texas Government Code §601.002 (“Election Administrator”), is hereby designated as Early Voting Clerk for the election. Applications for early voting by mail may be delivered not later than the close of business on April 20, 2020 to the Election Administrator in any of the following ways: via mail to Early Voting Clerk, P.O. Box 961011, Fort Worth, Texas 76161-0011; via courier or hand delivery to Tarrant County Elections, 2700 Premier St., Fort Worth, Texas 76111-3011; via fax to 817-850-2344; or via email to votebymail@tarrantcounty.com.
- c. **Early Voting Ballot Board.** Early voting, both by personal appearance and by mail, shall be canvassed by the Early Voting Ballot Board established by Tarrant County under the terms of the Agreement.

SECTION 5. APPOINTMENT OF ELECTION JUDGE AND ALTERNATE ELECTION JUDGE. The Presiding Election Judge and Alternate Presiding Judge shall be appointed by Tarrant County as authorized by Chapter 271 of the Code.

SECTION 6. METHOD OF VOTING; COSTS.

The Joint Election Agreement shall provide (a) the type of electronic voting equipment to be used for early voting by personal appearance and on election day, (b) notification and training for election judges and clerks, (c) an estimate and final payment terms for the election services provided, (d) agreements for early voting equipment and voting machine rental, and (e) other procedures to conduct the election. All expenditures necessary for the conduct of the election, the purchase of materials therefor, and the employment of all election officials are hereby authorized, and shall be conducted in accordance with the Code.

SECTION 7. GOVERNING LAW AND QUALIFIED VOTERS.

The election shall be held in accordance with the Constitution of the State of Texas and the Code, and all resident qualified voters of the City shall be eligible to vote at the election.

SECTION 8. PUBLICATION AND POSTING OF NOTICE OF ELECTION.

Notice of the election shall be given as required by Chapter 4 of the Code.

SECTION 9. SUBMISSIONS TO THE UNITED STATES JUSTICE DEPARTMENT.

Tarrant County is authorized to make such submissions as are necessary to the United States Justice Department to seek pre-clearance for any changes in voting practices as authorized by the Voting Rights Act of 1965, as amended.

SECTION 10. NECESSARY ACTIONS.

The Mayor and the City Secretary, in consultation with the City Attorney, are hereby authorized and directed to take any and all actions necessary to comply with the provisions of federal and state law in carrying out and conducting the election, whether or not expressly authorized herein.

SECTION 11. RUNOFF ELECTION.

The Council hereby orders that, following the canvass of the May 2, 2020 election, any runoff election required shall be held in accordance with Section 2.025(a) of the Code, and on a date as agreed to between the City of Kennedale and Tarrant County Elections Administration.

SECTION 12. EFFECTIVE DATE.

This resolution shall be effective upon its adoption.

PASSED AND APPROVED THIS 21st DAY OF JANUARY, 2020.

APPROVED:

MAYOR, BRIAN JOHNSON

[CITY SEAL]

ATTEST:

CITY SECRETARY, LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

CITY ATTORNEY, DREW LARKIN

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM IV.E.3.

SUBJECT

Approval of Ordinance 688, adopting the 2019 updates to the City of Kennedale Drought Contingency and Emergency Water Management Plan

ORIGINATED BY

Larry Hoover, Public Works Director

SUMMARY

Retail public water suppliers are required by law to review, update, and file with the state a Drought Contingency and Emergency Water Management Plan at least every five years. Kennedale's plan was last updated in 2014.

Pursuant to the Water and Wastewater Operations and Maintenance Agreement, City of Arlington Water Utilities staff has reviewed and updated the document in accordance with current state guidelines and requirements. Assuming approval by the City Council – via adoption of Ordinance 688 (also attached) – this updated plan will be filed with the State and codified into the City's Code of Ordinances.

As stated in the document, the purpose of this plan is:

- To conserve the available water supply in times of drought and emergency
- To maintain supplies for domestic water use, sanitation, and fire protection
- To protect and preserve public health, welfare, and safety
- To minimize the adverse impacts of water supply shortages
- To minimize the adverse impacts of emergency water supply conditions.

City of Arlington Assistant Director of Water Utilities Darryl Westbrook will be available during the Work Session to answer Council's questions about this item as well as the Water Conservation Plan (item IV.E.4. on this agenda).

RECOMMENDATION

Approve

ATTACHMENTS

1.	O688 Adopting the 2019 Drought Contingency Plan	O688 Adopting the 2019 Drought Contingency Plan.pdf
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ORDINANCE NO. 688

AN ORDINANCE OF THE CITY OF KENNEDALE, TEXAS ADOPTING AN UPDATED DROUGHT CONTINGENCY AND EMERGENCY WATER MANAGEMENT PLAN; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale, Texas (the "City") is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5, of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the City is a party to wholesale water contracts with the cities of Fort Worth and Arlington; and

WHEREAS, by virtue of the wholesale contracts, the City is required to adopt an updated drought contingency and emergency water plan and institute the same rationing and water use restrictions on City customers as do the cities of Fort Worth and Arlington; and

WHEREAS, the City has drafted a "Drought Contingency and Emergency Water Management Plan" which complies with Chapter 288, Title 30 of the Texas Administrative Code.

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

SECTION 1.

That the Drought Contingency and Emergency Water Management Plan attached as Exhibit "A" is hereby adopted and incorporated herein for all purposes. The Drought Contingency and Emergency Water Management Plan hereby adopted shall replace any previous such plans adopted by the City.

SECTION 2. CUMULATIVE CLAUSE

That this ordinance shall be cumulative of all provisions of all existing ordinances of the City of Kennedale, and shall not repeal any of the provisions of such ordinances except in those instances where provisions of such ordinances are in direct conflict with the provisions of this ordinance.

SECTION 3. SEVERABILITY CLAUSE

That it is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such invalid or unconstitutional phrase, clause, sentence, paragraph or section.

**SECTION 4.
EFFECTIVE DATE CLAUSE**

This ordinance shall be in full force and effect from and after its passage and publication as required by law, and it is so ordained.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
KENNEDEALE, TEXAS, THIS THE 21ST DAY OF JANUARY, 2020.**

APPROVED:

MAYOR BRIAN JOHNSON

[CITY SEAL]

ATTEST:

CITY SECRETARY LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

EFFECTIVE DATE:

CITY ATTORNEY DREW LARKIN

EXHIBIT “A”

Drought Contingency and Emergency Water Management Plan



YOU'RE HERE  YOUR HOME

CITY OF KENNEDALE
405 MUNICIPAL DRIVE
KENNE DALE, TEXAS 76060
PWS #2200017

2019 DROUGHT CONTINGENCY AND EMERGENCY WATER MANAGEMENT PLAN

SUBMITTED JANUARY 2020

ADOPTED: _____

EFFECTIVE: _____

TABLE OF CONTENTS

SECTION 1	INTRODUCTION AND OBJECTIVES.....	3
SECTION 2	TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES.....	3
SECTION 3	WATER SYSTEM PROFILE.....	3
SECTION 4	DROUGHT CONTINGENCY AND EMERGENCY WATER MANAGEMENT PLAN....	4
4.1	PUBLIC INVOLVEMENT	4
4.2	PUBLIC EDUCATION	4
4.3	INITIATION AND TERMINATION OF DROUGHT AND EMERGENCY RESPONSE STAGES	4
4.4	MANDATORY YEAR ROUND WATERING RESTRICTIONS	4
4.5	INITIATION OF A DROUGHT/ EMERGENCY WATER MANAGEMENT STAGE	5
4.6	TERMINATION OF A DROUGHT STAGE	5
SECTION 5	DROUGHT AND EMERGENCY RESPONSE STAGES	6
STAGE 1 – WATER WATCH.....		6
5.1	TRIGGERING CONDITIONS FOR STAGE 1	6
5.2	TERMINATING CONDITIONS FOR STAGE 1	6
5.3	GOAL FOR USE REDUCTION FOR STAGE 1	6
5.4	ACTIONS AVAILABLE FOR STAGE 1	6
5.5	STAGE 1: ALL WATER USERS	6
5.6	STAGE 1: CITY AND LOCAL GOVERNMENTS	8
5.7	STAGE 1: COMMERCIAL OR INDUSTRIAL	9
STAGE 2 – WATER WARNING.....		9
5.8	TRIGGERING CONDITIONS FOR STAGE 2	9
5.9	TERMINATING CONDITIONS FOR STAGE 2	10
5.10	GOAL FOR USE REDUCTION FOR STAGE 2	10
5.11	ACTIONS AVAILABLE FOR STAGE 2	10
5.12	STAGE 2: ALL WATER USERS	10
5.13	STAGE 2: CITY AND LOCAL GOVERNMENTS	11
5.14	STAGE 2: COMMERCIAL OR INDUSTRIAL	11
STAGE 3 – EMERGENCY WATER USE.....		11
5.15	TRIGGERING CONDITIONS FOR STAGE 3	11
5.16	TERMINATING CONDITIONS FOR STAGE 3	12
5.17	GOALS FOR USE REDUCTION FOR STAGE 3	12
5.18	ACTIONS AVAILABLE FOR STAGE 3	12
5.19	STAGE 3: ALL WATER USERS	12
5.20	STAGE 3: CITY AND LOCAL GOVERNMENTS	13
5.21	STAGE 3: COMMERCIAL OR INDUSTRIAL	13
SECTION 6	PROCEDURES FOR GRANTING VARIANCES TO THE PLAN	13
6.1	GROUND FOR GRANTING A VARIANCE	14
6.2	INFORMATION REQUIRED FOR A VARIANCE REQUEST	14
6.3	REVOCATION OF A VARIANCE	14
SECTION 7	TERMS AND CONDITIONS	15
7.1	PROCEDURES FOR ENFORCING MANDATORY WATER USE MEASURES	15
7.2	COORDINATION WITH THE OTHER ENTITIES	15
7.3	REVIEW AND UPDATE OF DROUGHT CONTINGENCY PLAN	15
7.4	SEVERABILITY	15
7.5	DROUGHT CONTINGENCY PLAN DEFINITIONS	16

SECTION 1 INTRODUCTION AND OBJECTIVES

The purpose of this Drought Contingency and Emergency Water Management Plan (subsequently referred to as the Plan) is as follows:

- To conserve the available water supply in times of drought and emergency
- To maintain supplies for domestic water use, sanitation, and fire protection
- To protect and preserve public health, welfare, and safety
- To minimize the adverse impacts of water supply shortages
- To minimize the adverse impacts of emergency water supply conditions.

SECTION 2 TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES

TCEQ rule Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.1 (4) defines a drought contingency plan as “a strategy or combination of strategies for temporary supply and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies.”

TCEQ rules governing development of and minimum requirements for drought contingency plans for municipal water suppliers and wholesale water suppliers are contained in Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter B, Rule 288.20 and Rule 288.22, respectively.

SECTION 3 WATER SYSTEM PROFILE

Kennedale owns and operates five groundwater wells that pump water from the Trinity aquifer; these wells can reliably deliver up to 1.8 MGD. The City may also purchase up to 2.5 MGD of treated surface water from the City of Fort Worth. Fort Worth purchases raw surface water from the Tarrant Regional Water District (TRWD). The Fort Worth surface water supply sources are:

- West Fork of Trinity River: Lake Worth, Eagle Mountain Lake, and Lake Bridgeport; (A pipeline connecting Eagle Mountain Lake to the East Texas supply is under construction.)
- East Texas: Cedar Creek Reservoir, located approximately 75 miles southeast of Fort Worth; and Richland Chambers Reservoir, located approximately 75 miles southeast of Fort Worth; and
- Clear Fork of the Trinity River via Lake Benbrook. (A pipeline connects Lake Benbrook to the East Texas Supply.)

Kennedale has 3,277 active retail service connections.

In accordance with Section 2.3 of the wholesale water contract, the City of Kennedale is required to institute and apply the same rationing, conservation measures or restrictions to the use of water by their customers for so long as any part of their total water supply is being furnished by Fort Worth.

Kennedale maintains about 58 miles of distribution pipelines.

The water supply triggers defined in Section 4.4 were provided to Kennedale via Fort Worth and were developed by Tarrant Regional Water District. TRWD selected its triggers after hiring an outside consultant to evaluate where the triggers levels should be for the drought plan to achieve meaningful water savings.

SECTION 4 DROUGHT CONTINGENCY AND EMERGENCY WATER MANAGEMENT PLAN

4.1 PUBLIC INVOLVEMENT

The City will afford an opportunity for the public to provide input into the preparation and/or amendment of the Plan by scheduling and providing notice of a public meeting. Notices will be posted on the City website and in the vestibule of City Hall located at 405 Municipal Drive, Kennedale, Texas.

After the Plan is adopted, it will be available on the City's website in the Municode section (www.cityofkennedale.com/code). In addition, the Plan will be mailed to those who request a copy in writing. Written requests should be addressed to the Public Works Director, City of Kennedale, 405 Municipal Drive, Kennedale, Texas.

4.2 PUBLIC EDUCATION

The City will periodically provide the public with information about the Plan, including when a stage of the Plan has been initiated or terminated, information about the conditions under which each stage of the Plan is to be initiated or terminated and the drought response measures to be implemented in each stage. This information may be provided by publication in the local newspaper, press releases, utility bill inserts, and the City's newsletter and website.

4.3 INITIATION AND TERMINATION OF DROUGHT AND EMERGENCY RESPONSE STAGES

The provisions of this Plan shall apply to all persons, customers, and property utilizing potable water provided by the City of Kennedale. The terms "person" and "customer" as used in the Plan include individuals, corporations, partnerships, associations, and all other legal entities. The Plan does not apply to locations using treated wastewater effluent, private wells or possessing their own water rights in the Trinity River; however, any pond, impoundment, body of water, or other water source that is supplemented, or has the ability to supplement supply, with potable water shall adhere to the provisions of this plan.

The Plan may be applied to the entire city or geographic portions of the city as necessary. If the Plan is applied only to a limited sector, the boundaries will be defined in terms of roadways, creeks and other easily distinguishable features, such as city limits.

4.4 MANDATORY YEAR ROUND WATERING RESTRICTIONS

The following restrictions are year round mandatory water conservation strategies that will be enforced even when no Drought Stage has been initiated. The exceptions noted in Stage 1 Drought restrictions also apply to the year round mandatory restrictions.

- No outdoor watering with sprinklers or irrigation systems between 10 a.m. and 6 p.m.

- Limit landscape watering with sprinklers or irrigation systems at each service address to a twice per week schedule as outlined below. This includes landscape watering of parks, and sports fields.
 - Residential addresses ending in an even number (0, 2, 4, 6, or 8) may water on Wednesdays and Saturdays.
 - Residential addresses ending in an odd number (1, 3, 5, 7 or 9) may water on Thursdays and Sundays.
 - All non-residential locations (apartment complexes, businesses, industries, parks, medians, etc.) may water on Tuesdays and Fridays

4.5 INITIATION OF A DROUGHT/ EMERGENCY WATER MANAGEMENT STAGE

The City Manager or his/her duly appointed representative in consultation with the Arlington Director of Water Utilities will monitor water supply and City system demands on a daily basis and will determine when conditions warrant initiation or termination of each stage of the Plan. This information shall be provided to the public by some or all of the following methods: publication in the local newspaper, press releases, utility bill inserts, and/or the City's newsletter or website.

Although each stage of the Plan will generally be implemented sequentially, when specific "triggers" are reached, the City Manager or his/her duly appointed representative in consultation with the Arlington Director of Water Utilities may initiate the Plan beginning at any stage. Conversely, the City Manager or his/her duly appointed representative is not required to initiate the Plan simply because a "trigger" was reached.

Additional measures may be invoked whenever necessary, or if implementation of any stage of the Plan does not reduce demand enough to allow proper management of the system.

The City has a Wholesale Water Purchase Contract with the City of Fort Worth and is required to initiate water restrictions at least as stringent as those initiated by the City of Fort Worth.

Stages imposed by Tarrant Regional Water District (TRWD) action must be initiated by the City of Fort Worth and the City of Kennedale.

4.6 TERMINATION OF A DROUGHT STAGE

The City Manager or his/her official designee in consultation with the Arlington Director of Water Utilities may order the termination of a drought response or water emergency stage when the conditions for termination are met or at their discretion. The public will be notified through local media, newsletter and the City of Kennedale Web site.

The City Manager or his/her official designee in consultation with the Arlington Director of Water Utilities may decide not to order the termination of a drought response stage or water emergency even though the conditions for termination of the stage are met. The City Manager or his designee in consultation with the Arlington Director of Water Utilities may choose to implement a phased out approach when exiting various stages to protect the integrity of the system. Factors which could influence such a decision include, but are not limited to, the time of the year, weather conditions, or the anticipation of potential changed conditions that warrant the continuation of the drought stage. The reason for this decision should be documented.

STAGE 1 – WATER WATCH**5.1 TRIGGERING CONDITIONS FOR STAGE 1**

- Water demand reaches or exceeds 90% of reliable delivery capacity for three consecutive days. The delivery capacity could be citywide or in a specified portion of the system.
- Kennedale's water treatment or distribution system becomes contaminated.
- Kennedale's water demand for all or part of the delivery system approaches delivery capacity.
- Kennedale's water supply system is unable to deliver water due to the failure or damage of major water system components.
- TRWD initiated Stage 1 – Water Watch for one or more of the following reasons:
 - Total raw water supply in TRWD western and eastern division reservoirs drops below 75% (25% depleted) of conservation storage.
 - Water demand for all or part of the TRWD delivery system exceeds delivery capacity because delivery capacity is inadequate.
 - Water demand is projected to approach the limit of TRWD's permitted supply.
 - TRWD's supply source becomes contaminated.
 - TRWD's water supply system is unable to deliver water due to the failure or damage of major water system components.
 - The TRWD General Manager, with the concurrence of the TRWD Board of Directors, finds that conditions warrant the declaration of a Stage 1 drought.

5.2 TERMINATING CONDITIONS FOR STAGE 1

Stage 1 will terminate when the total combined raw water supply in TRWD western and eastern division reservoirs exceeds 95% of conservation storage capacity or remains at or above 85% for 90 consecutive days, whichever occurs first.

5.3 GOAL FOR USE REDUCTION FOR STAGE 1

The goal for water use reduction under Stage 1, Water Watch, is five percent. If circumstances warrant or if required by TRWD, the City Manager or his/her official designee in consultation with the Arlington Director of Water Utilities can set a goal for greater water use reduction.

5.4 ACTIONS AVAILABLE FOR STAGE 1

The City Manager or his/her official designee in consultation with the Arlington Director of Water Utilities may order the implementation of any of the actions listed below, as deemed necessary. The City Manager or his/her official designee in consultation with the Arlington Director of Water Utilities must implement any action(s) required by the Tarrant Regional Water District.

5.5 STAGE 1: ALL WATER USERS

Initiate mandatory restrictions to prohibit non-essential water use as follows:

- Discourage hosing of paved areas, such as sidewalks, driveways, parking lots, tennis courts, patios, or other impervious surfaces, except to alleviate an immediate health or safety hazard. This may include premises with raw or processed food, pharmaceutical or vaccine processing, storage or vending establishments including restaurants and grocery stores may be washed to the extent necessary for sanitary purposes. These areas may also include:
 - Trash and dumpster areas
 - Areas around fuel pumps
 - Store front cleaning of areas with accumulated bird droppings, feathers and debris
 - Localized spot cleaning of parking areas to remove oil, grease buildup that may pose a health and safety issue.
- Discourage hosing of buildings or other structures for purposes other than fire protection or surface preparation prior to painting.
- Prohibit using water in such a manner as to allow runoff or other waste, including:
 - failure to repair a controllable leak, including a broken sprinkler head, a leaking valve, leaking or broken pipes, or a leaking faucet;
 - operating a permanently installed irrigation system with: (a) a broken head; (b) a head that is out of adjustment and the arc of the spray head is over a street or parking lot; or (c) a head that is misting because of high water pressure; or
 - during irrigation, allowing water to (a) to run off a property and form a stream of water in a street for a distance of 50 feet or greater; or (b) to pond in a street or parking lot to a depth greater than one-quarter of an inch.
 - Allowing or causing an irrigation system or other lawn watering device to operate during any form of precipitation or when temperatures are at or below 32 degrees Fahrenheit.
- Prohibit outdoor watering with sprinklers or irrigation systems between 10:00 a.m. and 6:00 p.m.
- Limit landscape watering with sprinklers or irrigation systems at each service address to a twice per week schedule as outlined below. This includes landscape watering of parks, and sports fields.
 - Residential addresses ending in an even number (0, 2, 4, 6, or 8) may water on Wednesdays and Saturdays.
 - Residential addresses ending in an odd number (1, 3, 5, 7 or 9) may water on Thursdays and Sundays.
 - All non-residential locations (apartment complexes, businesses, industries, parks, medians, etc.) may water on Tuesdays and Fridays.

EXCEPTIONS:

- Lawns and landscaping may be watered on any day by handheld hose, drip irrigation, a soaker hose or tree bubbler.
- Water use necessary for the repair of an irrigation system, plumbing line, fountain, etc. in the presence of the person making the repair.
- Outdoor watering at service addresses with large multi-station irrigation systems may take place in accordance with a variance granted by the Public Works Director, if the Public Works Director determines that a property cannot be completely irrigated with an average of three-quarters of an inch of water in a single day, and that the property should be divided into sections to be irrigated

on different days. If approved, no station will be watered more than twice per week.

- Establishing new turf is discouraged. If hydro mulch, grass sod, or grass seed is installed for the purpose of establishing a new lawn, there are no watering restrictions for the first 30 days while it is being established. After that, the watering restrictions set forth in this stage apply. (This does not include over seeding with rye, or seasonal grasses, since turf already exist.)
 - Skinned areas of sports fields may be watered as needed for dust control.
 - Watering of athletic fields (fields only, does not include surrounding landscaped areas) used for organized sports practice, competition, or exhibition events may occur as necessary to protect the health and safety of the players, staff, or officials present for athletic events. Encouraged to reduce water use by five percent.
 - Public areas that are open to the public at-large and have a high impact from frequent use may be allowed additional watering, with a variance granted by the Public Works Director, if it is deemed to be beneficial to serve and protect the community amenity. Examples may include but are not limited to: outdoor amphitheaters, demonstration gardens, public art exhibitions, outdoor learning areas, arboretums, etc.
- All users are encouraged to reduce the frequency of draining and refilling swimming pools.
 - All users are encouraged to use native and adapted drought tolerant plants in landscaping.
 - Washing of any motor vehicle, motorbike, boat, trailer, airplane, or other vehicle shall be limited to the use of a hand-held bucket or a hand-held hose equipped with a positive-pressure shutoff nozzle for quick rinses. Vehicle washing may be done at any time on the premises of a commercial car wash or commercial service station. Companies with an automated on-site vehicle washing facility may wash its vehicles at any time. Further, such washing may be exempt from these requirements if the health, safety, and welfare of the public are contingent upon frequent vehicle cleansing, such as garbage trucks and vehicles used to transport food and perishables.
 - Discourage the filling, draining, or refilling of swimming pools, wading pools, hot tubs and Jacuzzi type pools except to maintain adequate water levels for structural integrity, proper operation and maintenance, and/or to alleviate an issue that poses a public safety risk.

5.6 STAGE 1: CITY AND LOCAL GOVERNMENTS

In addition to the actions listed above:

- Review conditions and problems that caused Stage 1. Take corrective action.
- Increase public education efforts on ways to reduce water use.
- Increase enforcement efforts.
- Intensify leak detection and repair efforts.
- Audit all city and local government irrigation systems to ensure proper condition, settings, and operation.
- Identify and encourage voluntary reduction measures by high-volume water users through water use audits.

- Reduce non-essential water use. As used herein, non-essential water uses are those that do not have any health or safety impact and are not needed to meet the core function of the agency.
- The Fort Worth Water Director or his/her designee will notify wholesale customers of actions being taken and require them to implement the same stage and measures. Such action is in accordance with Section 2.3 of the uniform wholesale water contract. Per the contract, wholesale customers are required to institute and apply the same rationing, conservation measures or restrictions to the use of water by their customers for so long as any part of their total water supply is being furnished by Fort Worth.

5.7 **STAGE 1: COMMERCIAL OR INDUSTRIAL**

- All actions listed above for all water users apply to commercial and industrial users.
- Stock at commercial plant nurseries is exempt from Stage 1 watering restrictions.
- Hotels, restaurants, and bars are encouraged to serve drinking water to patrons on an “on demand” basis.
- Hotels are encouraged to implement laundry conservation measures by encouraging patrons to reuse linens and towels.
- Car wash facilities must keep equipment in good working order, which should include regular inspections to be sure there are no leaks, broken or misdirected nozzles, and that all equipment is operating efficiently.
- All commercial and industrial customers are encouraged to audit irrigation systems

STAGE 2 – WATER WARNING

5.8 **TRIGGERING CONDITIONS FOR STAGE 2**

- Water demand reaches or exceeds 95% of reliable delivery capacity for three consecutive days. The delivery capacity could be citywide or in a specified portion of the system.
- Contamination of the water supply source(s) or water supply system.
- Demand for all or part of the delivery system equals or exceeds delivery capacity because delivery capacity is inadequate.
- Water supply system is unable to deliver water due to the failure or damage of major water system components.
- TRWD initiated Stage 2 – Water Warning for one or more of the following reasons:
 - Total raw water supply in TRWD western and eastern division reservoirs drops below 60% (40% depleted) of conservation storage.
 - Water demand for all or part of the TRWD delivery system exceeds delivery capacity because delivery capacity is inadequate.
 - Water demand is projected to approach the limit of TRWD’s permitted supply.
 - TRWD’s supply source becomes contaminated.
 - TRWD’s water supply system is unable to deliver water due to the failure or damage of major water system components.
 - The TRWD General Manager, with the concurrence of the TRWD Board of Directors, finds that conditions warrant the declaration of a Stage 2 drought.

5.9 TERMINATING CONDITIONS FOR STAGE 2

Stage 2 will terminate when the total combined raw water supply in TRWD western and eastern division reservoirs exceeds 75% of conservation storage capacity or remains at or above 70% for 30 consecutive days.

5.10 GOAL FOR USE REDUCTION FOR STAGE 2

The goal for water use reduction under Stage 2 – Water Warning is to decrease use by 10 percent. If circumstances warrant or if required by TRWD, the City Manager or his/her official designee in consultation with the Arlington Director of Water Utilities can set a goal for greater water use reduction.

5.11 ACTIONS AVAILABLE FOR STAGE 2

The City Manager or his/her official designee in consultation with the Arlington Director of Water Utilities may order the implementation of any of the actions listed below, as deemed necessary. The City Manager or his/her official designee in consultation with the Arlington Director of Water Utilities must implement any action(s) required by the Tarrant Regional Water District.

- Continue actions under Stage 1.
- Initiate engineering studies to evaluate water supply alternatives should conditions worsen.

5.12 STAGE 2: ALL WATER USERS

- Limit landscape watering with sprinklers or irrigation systems to a once per week schedule at each service address as determined by the Public Works Director. This includes landscape watering at parks, and sports fields.

EXCEPTIONS:

- Lawns and landscaping may be watered on any day, at any time, by handheld hose, drip irrigation, a soaker hose or tree bubbler.
- Outdoor watering at service addresses with large multi-station irrigation systems may take place in accordance with a variance granted by the director of utilities, if the director determines that a property cannot be completely irrigated with an average of three-quarters of an inch of water in a single day, and that the property should be divided into sections to be irrigated on different days. If approved, no station will be watered more than once per week.
- Watering of athletic fields (fields only, does not include surrounding landscaped areas) used for organized sports practice, competition, or exhibition events may occur as necessary to protect the health and safety of the players, staff, or officials present for athletic events. Encouraged to reduce water use by 10%.
- All users are encouraged to wait until the current drought or emergency situation has passed before establishing new landscaping and turf. Variances granted for establishing new turf grass or landscaping will be for a maximum of 30 days from the date of approval. After that, the watering restrictions set forth in this stage apply. (This does not include over seeding with rye since turf already exists.)

- Discourage the operation of ornamental fountains or ponds that use potable water except where necessary to support aquatic life or where such fountains or ponds are equipped with a recirculation system.
- Discourage the filling, draining, or refilling of swimming pools, wading pools, hot tubs and Jacuzzi type pools except to maintain adequate water levels for structural integrity, proper operation and maintenance, and/or to alleviate an issue that poses a public safety risk.
- Encourage the use of covers for all types of pools, hot tubs, and Jacuzzi type pools when not in use.

5.13 **STAGE 2: CITY AND LOCAL GOVERNMENTS**

- Review conditions or problems that caused Stage 2. Take corrective action.
- Increase frequency of media releases on water supply conditions.
- Further accelerate public education efforts on ways to reduce water use.
- Eliminate non-essential water use. As used herein, non-essential water uses are those that do not have any health or safety impact and are not needed to meet the core function of the agency.
- Prohibit wet street sweeping.
- The Fort Worth Water Director or his/her designee will notify wholesale customers of actions being taken and require them to implement the same stage and measures. Such action is in accordance with Section 2.3 of the uniform wholesale water contract. Per the contract, wholesale customers are required to institute and apply the same rationing, conservation measures or restrictions to the use of water by their customers for so long as any part of their total water supply is being furnished by Fort Worth.

5.14 **STAGE 2: COMMERCIAL OR INDUSTRIAL**

- All actions listed above for all water users apply to commercial and industrial users.
- Use of water from fire hydrants for any purpose other than firefighting related activities or other activities necessary to maintain public health, safety and welfare requires a variance issued by the Public Works Director.

STAGE 3 – EMERGENCY WATER USE

5.15 **TRIGGERING CONDITIONS FOR STAGE 3**

- Water demand has reaches or exceeds 98% of reliable delivery capacity for one day. The delivery capacity could be citywide or in a specified portion of the system.
- Contamination of the water supply source(s) or water supply system.
- Demand for all or part of the delivery system exceeds delivery capacity because delivery capacity is inadequate.
- Water supply system is unable to deliver water due to the failure or damage of major water system components.
- TRWD has initiated Stage 3 – Emergency Water Use, which may also be initiated by one or more of the following:
 - Total raw water supply in TRWD western and eastern division reservoirs drops below 45% (55% depleted) of conservation storage.
 - Water demand for all or part of the TRWD delivery system exceeds delivery capacity because delivery capacity is inadequate.
 - Water demand is projected to approach or exceed the limit of TRWD’s permitted supply.

- TRWD's supply source becomes contaminated.
- TRWD's water supply system is unable to deliver water due to the failure or damage of major water system components.
- The TRWD General Manager, with the concurrence of the TRWD Board of Directors, finds that conditions warrant the declaration of a Stage 3 drought.

5.16 TERMINATING CONDITIONS FOR STAGE 3

Stage 3 will terminate when the total combined raw water supply in TRWD western and eastern division reservoirs exceeds 60% of conservation storage capacity or remains at or above 55% for 30 consecutive days, whichever occurs first.

5.17 GOALS FOR USE REDUCTION FOR STAGE 3

The goal for water use reduction under Stage 3, Emergency Water Use, is to decrease use by 20 percent. If circumstances warrant or if required by TRWD, the City Manager or his/her official designee in consultation with the Arlington Director of Water Utilities can set a goal for a greater water use reduction.

5.18 ACTIONS AVAILABLE FOR STAGE 3

The City Manager or his/her official designee in consultation with the Arlington Director of Water Utilities may order the implementation of any of the actions listed below, as deemed necessary. The City Manager or his/her official designee in consultation with the Arlington Director of Water Utilities must implement any action(s) required by the Tarrant Regional Water District.

- Continue or initiate any actions available under Stages 1 and 2.

5.19 STAGE 3: ALL WATER USERS

- Prohibit landscape watering, including at parks and sports fields.

EXCEPTIONS

- Watering with hand-held hose, soaker hose or drip irrigation system may occur any day and any time. (The intent of this measure is to allow for the protection of structural foundations, trees, and other high value landscape materials).
- Watering of athletic fields (fields only, does not include surrounding landscaped areas) used for organized sports practice, competition, or exhibition events may occur as necessary to protect the health and safety of the players, staff, or officials present for athletic events may be allowed to water by variance. A water management plan must be submitted to the Public Works Director detailing how each area will comply with stage 3 drought measures.
- Prohibit establishment of new landscaping. Variances may be granted for those landscape projects started prior to the initiation of stage 3 drought restrictions.
- Vehicle washing restricted to commercial car wash, commercial service station or a private on-site vehicle washing facility and can only be done as necessary for health, sanitation, or safety reasons, including but not limited to the washing of garbage trucks and vehicles used to transport food and other perishables. All other vehicle washing is prohibited.
- Prohibit the operation of ornamental fountains or ponds that use potable water except where necessary to support aquatic life.

- Prohibit the draining, filling, or refilling of swimming pools, wading pools and Jacuzzi type pools. Existing private and public pools may add water to maintain pool levels; however they may not be refilled using automatic fill valves.
- Prohibit hosing of buildings or other structures for purposes other than fire protection or surface preparation prior to painting with high-pressure equipment. Must be performed by a professional power washing service utilizing high efficiency equipment and a vacuum recovery system where possible.

5.20 STAGE 3: CITY AND LOCAL GOVERNMENTS

In addition to actions listed above:

- Continue or initiate any actions available under Stages 1 and 2.
- Review conditions or problems that caused Stage 3. Take corrective action.
- Implement viable alternative water supply strategies.
- Increase frequency of media releases explaining emergency situation.
- Reduce city and local government water use to maximum extent possible.
- Prohibit the permitting of new swimming pools, Jacuzzi type pools, spas, ornamental ponds and fountain construction. Pools already permitted and under construction may be completely filled with water.
- The Fort Worth Water Director will notify wholesale customers of actions being taken and require them to implement the same stage and measures. Such action is in accordance with Section 2.3 of the uniform wholesale water contract. Per the contract, wholesale customers are required to institute and apply the same rationing, conservation measures or restrictions to the use of water by their customers for so long as any part of their total water supply is being furnished by Fort Worth.

5.21 STAGE 3: COMMERCIAL OR INDUSTRIAL

- All actions listed above for all water users apply to commercial and industrial users.
- Hotels, restaurants, and bars required to serve drinking water to patrons on an “on demand” basis.
- Hotels are required to implement laundry conservation measures by encouraging patrons to reuse linens and towels.
- Stock at commercial plant nursery may be watered only with a hand-held hose, hand-held watering can, or drip irrigation system.
- Commercial and industrial water users required to reduce water use by a set percentage determined by the Public Works Director.
- Use of water from hydrants for any purpose other than firefighting related activities or other activities necessary to maintain public health, safety and welfare requires a special permit issued by the Public Works Director. Fire hydrant use may be limited to only designated hydrants.

SECTION 6 PROCEDURES FOR GRANTING VARIANCES TO THE PLAN

Variations granted from any particular stage of the Plan will automatically expire when that particular stage is terminated and is no longer in effect.

A variance is not automatically renewable; a subsequent re-initiation of a stage from which an applicant was previously granted a variance will require a new application and a new variance.

A variance will not be re-issued to an applicant simply because that applicant had previously been granted that variance. Each application will be evaluated based on the conditions in place at the time that application is received, regardless of any previously granted variance.

No variance will be retroactive or otherwise exempt an applicant from a violation of the Plan occurring prior to the issuance of the variance.

6.1 GROUND FOR GRANTING A VARIANCE

The City Manager or his/her duly appointed representative in consultation with the Arlington Director of Water Utilities may grant temporary variances for water uses otherwise prohibited under this Plan only if all of the following conditions are met:

- 1) Granting the variance would not cause an immediate, significant reduction in the City's water supply;
- 2) Failure to approve the variance would result in an extreme hardship or need relating to health, safety or welfare of the applicant;
- 3) Granting the variance would not adversely affect the health, safety and welfare of other persons; and
- 4) The applicant signs a compliance agreement provided by the City Manager or his/her duly appointed representative in consultation with the Arlington Director of Water Utilities agreeing to use water only in the amount and manner approved by the variance.

6.2 INFORMATION REQUIRED FOR A VARIANCE REQUEST

Any application for variances must be in writing and must include the following information:

- 1) Name and address of applicant(s);
- 2) Purpose of water use and the amount of daily use;
- 3) Specific provisions from which relief is requested;
- 4) A detailed statement of the adverse effect of the provision from which relief is requested
- 5) A description of the relief requested;
- 6) The period of time for which the variance is sought;
- 7) Alternative measures that will be taken to reduce water use;
- 8) Methods of measurement and reporting to confirm water use reductions (if applicable); and
- 9) Any other pertinent information requested.

Requests for a variance may be directed to the following address:

City of Kennedale
405 Municipal Drive
Kennedale, Texas 76060

6.3 REVOCATION OF A VARIANCE

The City Manager or his/her duly appointed representative in consultation with the Arlington Water Utilities Director may revoke a variance when he or she determines that:

- The conditions set out in Grounds for Granting a Variance, above, are not being met or are no longer applicable;
- The terms of the compliance agreement have been violated; or

- Revocation is advisable to protect the health, safety, or welfare of the public or any person.

SECTION 7 TERMS AND CONDITIONS

7.1 PROCEDURES FOR ENFORCING MANDATORY WATER USE MEASURES

Mandatory water use restrictions are in place year round and additional restrictions may be imposed in Stages 1, 2, and 3. These mandatory water use restrictions will be enforced by warnings and penalties as follows:

- On the first violation, customers will be given a written warning that they have violated the mandatory water use restriction.
- On the second and subsequent violations, citations may be issued to customers, with minimum and maximum fines established by ordinance.
- After three violations have occurred, the utility may cut off water service to the customer.

7.2 COORDINATION WITH THE OTHER ENTITIES

The Texas Water Development Board established Regional Water Planning Groups pursuant to Senate Bill 1 (75th Texas Legislature) and made these groups responsible for the development of regional water management plans. The City has modeled this plan to be complimentary to the Fort Worth plan. The Fort Worth plan has been modeled to conform to TRWD requirements and also to be complimentary with other retail water suppliers in the region.

7.3 REVIEW AND UPDATE OF DROUGHT CONTINGENCY PLAN

The City will review the Plan at least every five years, as required by Texas Commission on Environmental Quality rules. The Plan, or its sections, may be amended, revised or updated anytime it is appropriate to include new information.

7.4 SEVERABILITY

It is hereby declared to be the intent of the City that the sections, paragraphs, sentences, clauses and phrases of this Plan are severable, and if any section, paragraph, sentence, clause or phrase of this Plan is declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining sections, paragraphs, sentences, clauses or phrases of this Plan, since the same would not have been enacted by the City without the incorporation into the Plan of any such unconstitutional section, paragraph, sentence, clause or phrase.

7.5 DROUGHT CONTINGENCY PLAN DEFINITIONS

TERM	DEFINITION
AESTHETIC WATER USE	Water used for ornamental or decorative features such as fountains, reflecting pools, and water gardens.
ALTERNATIVE WATER SOURCE	Means water produced by a source other than a water treatment plan and in not considered potable. These sources can include, but are not limited to: reclaimed/recycled water, collected rain water, collected grey water, private well water.
ATHLETIC FIELD	A sports playing field, the essential feature of which is turf grass, used primarily for organized sports for schools, professional sports, or sanctioned league play.
AUTOMATIC IRRIGATION SYSTEM	A site specific system of delivering water generally for landscaping via a system of pipes or other conduits installed below ground that automatically cycles water use through water emitters to a preset program, whether on a designated timer or through manual operation.
AQUATIC LIFE	A vertebrate organism dependent upon an aquatic environment to sustain its life.
CONSERVATION	Those practices, techniques, and technologies that reduce water consumption; reduce the loss or waste of water; improve the efficiency in water use; and increase the recycling and reuse of water so that supply is conserved and made available for other or future uses.
CUSTOMER	Any person, company, or organization using water supplied by TRWD or through an entity supplied by TRWD.
DRIP IRRIGATION	An irrigation system (drip, porous pipe, etc.) that applies water at a predetermined controlled low-flow levels directly to the roots of the plant
DROUGHT CONTINGENCY PLAN	A strategy or combination of strategies for temporary supply management and demand management responses to temporary or potentially recurring water supply shortages and other water supply emergencies.
FOUNTAIN	An artificially created jet, stream or flow of water, a structure, often decorative, from which a jet, stream or flow of water issues.
HAND-HELD HOSE	A hose physically held by one person, fitted with a manual or automatic shutoff nozzle.
HAND WATERING	The application of water for irrigation purposes through a hand-held watering hose, watering can, or bucket.
HOSE-END SPRINKLER	A device through which water flows from a hose to a sprinkler to water any lawn or landscape.
HOSING	To spray, water, or wash with a water hose.
INDUSTRIAL WATER USE	The use of water for or in connection with commercial or industrial activities, including but not limited to, manufacturing, bottling, brewing, food processing, scientific research and technology, recycling, production of concrete, asphalt, and cement, commercial uses of water for tourism, entertainment, and hotel or motel lodging, generation of power other than hydroelectric and other business activities.
IRRIGATION SYSTEM	A system of fixed pipes and water emitters that apply water to landscape plants or turf grass, including, but not limited to, in-ground and permanent irrigation systems.
LAKE, LAGOON, OR POND	Artificially created body of fresh or salt water.

LANDSCAPE IRRIGATION USE	Water used for the irrigation and maintenance of landscaped areas, whether publicly or privately owned, including residential and commercial lawns, gardens, golf courses, parks, right-of-ways, medians and entry ways.
NEW LANDSCAPE	Vegetation (a) installed during construction of a new house, multi-family dwelling, or commercial building; (b) installed as part of a governmental entity's capital improvement project; or (c) which alters more than one-half the area of an existing landscape.
NON-ESSENTIAL WATER USE	Water uses that are not required for the protection of public health, safety and welfare, such as: a. Irrigating landscape areas, including parks, athletic fields, and golf courses, except as otherwise provided under this plan; b. Washing any sidewalks, walkways, driveways, parking lots, tennis courts, or other hard-surfaced areas; except to alleviate a public health and safety issue; c. Washing any automobile, motorbike, boat (and/or trailer), airplane, or other vehicle except where required by law for safety and sanitary purposes. d. Washing buildings or structures for purposes other than immediate fire protection, or other uses provided under this plan; e. Filling, refilling, or adding to any swimming pools or Jacuzzi-type pools, except to maintain safe operating levels; f. Filling or operation of a fountain or pond for aesthetic or scenic purposes except when necessary to support aquatic life; g. Failure to repair a controllable leak within a reasonable time period after being directed to do so by formal notice; and h. Drawing from hydrants for construction purposes or any other purpose other than firefighting or protection of public drinking water supplies.
PARK	Non-residential or multi-family tract of land, other than a golf course, maintained by a city, private organization, or individual, as a place of beauty or public recreation and available for use to the general public.
POWER/PRESSURE WASHER	Machine that uses water or a water-based product applied at high pressure to clean impervious surfaces.
PRESSURE WASHER (HIGH-EFFICIENCY)	Machine that uses water or a water-based product applied at 1500 pounds per square inch (PSI) or greater.
RECLAIMED WATER	Municipal wastewater effluent that is given additional treatment and distributed for reuse in certain applications. Also referred to as recycled water.
SOAKER HOSE	A flexible hose that is designed to slowly emit water across the entire length and connect directly to a flexible hose or spigot. Does not include hose that by design or use sends a fine spray in the air. It is not considered drip irrigation.
SPLASH PAD OR SPRAY PARK	An area for water play that has no standing water. Typically, they utilize various spray nozzles which spray water in multiple directions.
SWIMMING POOL	Any structure, basin, chamber, or tank (including hot tubs) containing an artificial body of water for swimming, diving, or recreational bathing, and having a depth of two (2) feet or more at any point.
VEGETABLE GARDEN	Any non-commercial vegetable garden planted primarily for household use; "non-commercial" includes incidental direct selling of produce from such a vegetable garden to the public.
WELL WATER	Water that has been, or is, obtained from the ground by digging, boring, or drilling to access an underground aquifer.

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM IV.E.4.

SUBJECT

Approval of Ordinance 689, adopting the 2019 City of Kennedale Water Conservation Plan

ORIGINATED BY

Larry Hoover, Public Works Director

SUMMARY

The attached Water Conservation Plan is similar to the previous item (in that it must be updated, adopted, and submitted to the State every five years), but is the first plan of its kind for the City of Kennedale, as it is only required of retail public water suppliers with 3,300 or more system connections, and Kennedale's utility system only recently exceeded that threshold.

The Texas Commission on Environmental Quality (TCEQ) rules define a Water Conservation Plan as "A strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water."

Pursuant to the Water and Wastewater Operations and Maintenance Agreement, City of Arlington Water Utilities staff created this document in accordance with current state guidelines and requirements. Assuming approval by the City Council – via adoption of Ordinance 689 (also attached) – this new plan will be filed with the Texas Water Development Board (TWDB) and codified into the City's Code of Ordinances.

City of Arlington Assistant Director of Water Utilities Darryl Westbrook will be available during the Work Session to answer Council's questions about this item as well as the previous item (the Drought Contingency and Emergency Water Management Plan).

RECOMMENDATION

Approve

ATTACHMENTS

1.	O689 Adopting the 2019 Water Conservation Plan	O689 Adopting the 2019 Water Conservation Plan.pdf
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ORDINANCE NO. 689

AN ORDINANCE OF THE CITY OF KENNEDALE, TEXAS ADOPTING A WATER CONSERVATION PLAN; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale, Texas (the "City") is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5, of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, per the Texas Administrative Code, retail public water suppliers shall review and update water conservation plans at least every five years; and

WHEREAS, the City of Kennedale Water Conservation Plan has been developed in conformance with state requirements.

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

SECTION 1.

That the City of Kennedale Water Conservation Plan attached hereto as Exhibit "A" is hereby adopted and incorporated herein for all purposes. The City of Kennedale Water Conservation Plan hereby adopted shall replace any previous such plans adopted by the City.

SECTION 2. CUMULATIVE CLAUSE

That this ordinance shall be cumulative of all provisions of all existing ordinances of the City of Kennedale, and shall not repeal any of the provisions of such ordinances except in those instances where provisions of such ordinances are in direct conflict with the provisions of this ordinance.

SECTION 3. SEVERABILITY CLAUSE

That it is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this ordinance shall be declared invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such invalid or unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 4. EFFECTIVE DATE CLAUSE

That this ordinance shall be in full force and effect from and after its passage and publication as required by law, and it is so ordained.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
KENNE DALE, TEXAS, THIS THE 21ST DAY OF JANUARY, 2020.

APPROVED:

MAYOR BRIAN JOHNSON

[CITY SEAL]

ATTEST:

CITY SECRETARY LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

EFFECTIVE DATE:

CITY ATTORNEY DREW LARKIN

EXHIBIT “A”

City of Kennedale Water Conservation Plan

City of Kennedale Water Conservation Plan

January 2020



TABLE OF CONTENTS

SECTION 1 – INTRODUCTION AND OBJECTIVE.....	1
SECTION 2 – TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES	1
SECTION 3 – WATER UTILITY PROFILE	2
SECTION 4 – RECORD MANAGEMENT SYSTEM AND WATER RATE STRUCTURE	2
<i>Table 4-1: City of Kennedale Water Rate Structure</i>	<i>2</i>
SECTION 5 – SPECIFICATION OF WATER CONSERVATION GOALS	3
<i>Table 5-1: Five and Ten Year Water Conservation Goals</i>	<i>3</i>
SECTION 6 – METERING.....	4
6.1 ACCURATE SOURCE WATER METERING.....	4
6.2 UNIVERSAL METERING	4
SECTION 7 – OTHER CONSERVATION MEASURES.....	4
7.1 DETERMINATION AND CONTROL OF WATER LOSS	4
<i>Table 7-1: Water Loss Goals (2019).....</i>	<i>4</i>
7.2 PUBLIC EDUCATION AND INFORMATION PROGRAM	4
7.3 LEAK DETECTION AND REPAIR.....	5
7.4 ORDINANCES, PLUMBING CODES, OR RULES ON WATER-CONSERVING FIXTURES.....	5
7.5 LANDSCAPE WATER MANAGEMENT REGULATIONS	5
SECTION 8 – PLAN UPDATE AND REVIEW	6

APPENDICES

- | | |
|-------------------|--|
| APPENDIX A | List of References |
| APPENDIX B | Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2 |
| APPENDIX C | City of Kennedale Water Utility Profile based on Texas Water Development Board (TWDB) format |
| APPENDIX D | Letter to Region C Water Planning Group |
| APPENDIX E | Landscape Water Management Regulations |
| APPENDIX F | Illegal Water Connections and Theft of Water <ul style="list-style-type: none">• Municipal Ordinance Pertaining to Illegal Water Connections and Theft of Water |
| APPENDIX G | Adoption of Water Conservation Plan <ul style="list-style-type: none">• Municipal Ordinance Adopting Water Conservation Plan |

Section 1 – Introduction and Objective

One of the key directives of a municipality is to manage the available water resources so that sufficient water will be available for current and future generations. Increasing population and periodic droughts have highlighted the importance of the efficient use of our water supplies.

The City of Kennedale has developed this water conservation plan in accordance with Texas Commission on Environmental Quality (TCEQ) guidelines and requirements. Numerous water conservation programs were reviewed to ensure that this plan is consistent with other plans in the North Texas area. The Texas Water Development Board (TWDB) template, guidelines and BMP's were all utilized in the creation of this plan.

The objectives of this water conservation plan are as follows:

- To reduce water consumption from the levels that would prevail without conservation efforts.
- To reduce the loss and waste of water.
- To improve efficiency in the use of water.
- Encourage efficient outdoor water use.
- To extend the life of current water supplies by reducing the rate of growth in demand.

Section 2 – Texas Commission on Environmental Quality Rules

The TCEQ rules governing development of water conservation plans for public water suppliers are contained in Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2 of the Texas Administrative Code, which is included in Appendix B. For the purpose of these rules, a water conservation plan is defined as “A strategy or combination of strategies for reducing the volume of water withdrawn from a water supply source, for reducing the loss or waste of water, for maintaining or improving the efficiency in the use of water, for increasing the recycling and reuse of water, and for preventing the pollution of water1.” The elements in the TCEQ water conservation rules covered in this conservation plan are listed below.

Minimum Conservation Plan Requirements

The minimum requirements in the Texas Administrative Code for Water Conservation Plans for Public Water Suppliers are covered in this report as follows:

- 288.2(a)(1)(A) – Utility Profile – Section 3 and Appendix C
- 288.2(a)(1)(B) – Record Management System – Section 4
- 288.2(a)(1)(C) – Specific, Quantified Goals – Section 5
- 288.2(a)(1)(D) – Accurate Metering – Section 6
- 288.2(a)(1)(E) – Universal Metering – Section 6
- 288.2(a)(1)(F) – Determination and Control of Water Loss – Section 7
- 288.2(a)(1)(G) – Public Education and Information Program – Section 7
- 288.2(a)(1)(H) – Non-Promotional Water Rate Structure – Section 4
- 288.2(a)(1)(I) – Reservoir System Operation Plan – Not applicable
- 288.2(a)(1)(J) – Means of Implementation and Enforcement – Ordinance number _____
- 288.2(a)(1)(K) – Coordination with Regional Water Planning Groups – Section 1
- 288.2(c) – Review and Update of Plan – Section 8

Conservation Additional Requirements (Population over 5,000)

The Texas Administrative Code includes additional requirements for water conservation plans for drinking water supplies serving a population over 5,000:

- 288.2(a)(2)(A) – Leak Detection, Repair, and Water Loss Accounting – Section 7

Section 3 – Water Utility Profile

The City of Kennedale currently provides retail water and wastewater collection services to approximately 7000 residents. The majority of the wastewater collected travels through the City of Arlington wastewater collection system to the Trinity River Authority wastewater treatment plant in Dallas, Texas. A small portion of the wastewater collected in the northwest part of Kennedale is sent to the Fort Worth wastewater treatment plant. The City of Kennedale owns 6 groundwater wells and also purchases treated water from the City of Fort Worth. Appendix C contains Kennedale's water utility profile based on the format developed by TWDB.

Section 4 – Record Management System and Water Rate Structure

As required by TAC Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2(a)(1)(B), the record management system for the City of Kennedale records water pumped, water delivered, and water sold; estimates water losses; and allows for the separation of water sales and uses into residential, commercial, public/institutional, and industrial categories. This information is included in all annual reports required by the TWDB and TCEQ. The City of Kennedale has conservation-oriented water rate structures in place. Each customer is first charged a flat rate based on meter size as outlined in the table below. Usage charges are then assessed according to an increasing block rate structure which is in place to encourage water conservation. The rates shown in the tables below were effective as of September 17, 2018 and are subject to change as the City continues to refine its rate structures to improve the impact on water conservation and manage the cost of service most effectively.

Table 4-1: City of Kennedale Water Rate Structure

City of Kennedale Water & Sewer Rates (EFFECTIVE September 17, 2018)					
Water Rates					
Service Within The City Limits					
Meter Size	Residential Base	Senior/Disabled Base*	Commercial Base	Industrial Base (NEW)	Multiple Res/Comm
3/4"	\$20.00	\$20.00	\$26.00	\$26.00	\$26.00 Per Unit
1"	\$43.34	\$43.34	\$43.34	\$43.34	\$26.00 Per Unit
1.5"	\$86.58	\$86.58	\$86.58	\$86.58	\$26.00 Per Unit
2"	\$138.58	\$138.58	\$138.58	\$138.58	\$26.00 Per Unit
3"	\$260.00	\$260.00	\$260.00	\$260.00	\$26.00 Per Unit
4"	\$433.42	\$433.42	\$433.42	\$433.42	\$26.00 Per Unit
Volume	Residential Rate	Senior/Disabled Rate	Commercial Rate	Commercial Rate	Multiple Res/Comm
0-5000 Gallons	\$2.75 Per 1000 Gallons	\$2.75 Per 1000 Gallons	\$2.75 Per 1000 Gallons	\$2.75 Per 1000 Gallons	N/A
5001-20000	\$5.36 Per 1000 Gallons	\$5.36 Per 1000 Gallons	\$5.36 Per 1000 Gallons	\$5.36 Per 1000 Gallons	N/A
20001-50000	\$6.70 Per 1000 Gallons	\$6.70 Per 1000 Gallons	\$6.70 Per 1000 Gallons***	\$6.70 Per 1000 Gallons***	N/A
50001+	\$6.70 Per 1000 Gallons	\$6.70 Per 1000 Gallons	\$8.38 Per 1000 Gallons***	\$8.38 Per 1000 Gallons***	N/A
*For senior/disabled rate, a credit of \$7.50 per month/billing cycle will apply towards the applicable meter size for water service. **For multiple residential units on a single meter, the volume charge shall be calculated on a per unit basis by dividing the total volume of water used by the number of residential units.					
Service Outside The City Limits					
Meter Size	Residential Base	Senior/Disabled Base	Commercial Base	Industrial Base (NEW)	Multiple Res/Comm
3/4"	\$39.00	N/A	\$39.00	\$39.00	\$39.00 Per Unit
1"	\$97.50	N/A	\$97.50	\$97.50	\$39.00 Per Unit
1.5"	\$195.00	N/A	\$195.00	\$195.00	\$39.00 Per Unit

2"	\$312.00	N/A	\$312.00	\$312.00	\$39.00 Per Unit
3"	\$624.00	N/A	\$624.00	\$624.00	\$39.00 Per Unit
4"	\$975.00	N/A	\$975.00	\$975.00	\$39.00 Per Unit
Volume	Residential Rate	Senior/Disabled Rate	Commercial Rate	Industrial Rate	Multiple Res/Comm
0-5000 Gallons	\$2.75 Per 1000 Gallons	\$2.75 Per 1000 Gallons	\$2.85 Per 1000 Gallons	\$2.85 Per 1000 Gallons	N/A
5001-20000	\$5.36 Per 1000 Gallons	\$5.36 Per 1000 Gallons	\$5.30 Per 1000 Gallons	\$5.30 Per 1000 Gallons	N/A
20001-50000	\$6.70 Per 1000 Gallons	\$6.70 Per 1000 Gallons	\$6.70 Per 1000 Gallons***	\$6.70 Per 1000 Gallons***	N/A
50001+	\$8.38 Per 1000 Gallons	\$8.38 Per 1000 Gallons	\$8.38 Per 1000 Gallons***	\$8.38 Per 1000 Gallons***	N/A
Note: Senior/disabled credit does not apply to service outside the city limits. *For multiple residential units on a single meter, the volume charge shall be calculated on a per unit basis by dividing the total volume of water used by the number of residential units.					
Gas Well Drilling					
Meter Size	Residential Base	Senior/Disabled Base	Commercial Base	Industrial Base (NEW)	Multiple Res/Comm
2"	\$249.16	N/A	\$249.16	\$249.16	N/A
3"	\$545.58	N/A	\$545.58	\$545.58	N/A
4"	\$981.82	N/A	\$981.82	\$981.82	N/A
Volume	Residential Rate	Senior/Disabled Rate	Commercial Rate	Industrial Rate	Multiple Res/Comm
0-5000 Gallons	\$7.24 Per 1000 Gallons	N/A	\$7.24 Per 1000 Gallons	\$7.24 Per 1000 Gallons	N/A
5001 + Gallons	\$7.24 Per 1000 Gallons	N/A	\$7.24 Per 1000 Gallons	\$7.24 Per 1000 Gallons	N/A

Section 5 – Specification of Water Conservation Goals

TCEQ rules require the adoption of specific water conservation goals for a water conservation plan. The goals for this water conservation plan include the following:

- Maintain the 5-year moving average total per capita water use below specified amount in Table 5-1.
- Continue to maintain a program of universal metering and meter replacement and repair as discussed in Section 6.2.
- Continue to maintain a program for pressure reduction in the distribution system.
- Raise public awareness of water conservation and encourage responsible public behavior by a public education and information program as discussed in Section 7.2.
- Maintain and continue developing the landscape water management program to increase efficient water usage and decrease waste in lawn irrigation as described in Section 7.5.

Kennedale has developed goals based on the recommendations of the Texas Water Conservation Implementation Task Force, which suggests a 1% reduction in gallons per capita per day per year. The current specific goals are outlined in Table 5-1. These goals were developed assuming a five-year average per capita, and therefore some (dry) years will see higher per capita usage than these five-year average goals. A series of dry years may lead to an average exceeding the goal.

Table 5-1: Five and Ten Year Water Conservation Goals

Description	Historic 5-year average	2025	2030
Total GPCD ^a	137	128	122
Residential GPCD ^b	100	93	88

a. Total GPCD = (Total Gallons in System ÷ Population) ÷ 365

b. Residential GPCD = (Gallons Used for Residential Use ÷ Population) ÷ 365

Section 6 – Metering

One of the key elements in water conservation is careful tracking of water use and control of losses.

6.1 Accurate Source Water Metering

- Water delivery from each of the 5 groundwater wells is individually metered by Kennedale using meters with accuracy of at least $\pm 5\%$. The meters are calibrated every three years and the accuracy of each meter is checked at least annually. Meters are replaced when they are reading more than $\pm 5\%$ off.
- Water delivery from Fort Worth is metered by Fort Worth using a meter with accuracy of at least $\pm 5\%$. Fort Worth can access the meter at all reasonable times, and the meter is calibrated at least annually to maintain the required accuracy.

6.2 Universal Metering

- The City of Kennedale meters all of the connections in the distribution system.
- All of the meters in the city were changed out to new, highly accurate, smart meters with an accuracy of $\pm 2\%$ in 2013.
- All meters will be maintained within acceptable operating accuracy range as defined by the manufacturer. Malfunctioning and inaccurate meters will be checked and replaced when found to be out of manufacturer specifications.

Section 7 – Other Conservation Measures

7.1 Determination and Control of Water Loss

There are many variables which influence the revenue and non-revenue components of the City's water system including meter inaccuracy, data discrepancies, unauthorized consumption, reported breaks and leaks and unreported losses. The TWDB water audit will be completed annually to monitor the total level of non-revenue water beginning with the year .

An audit of the water system connections in the billing system was performed in 2011 in conjunction with the storm water program. Numerous billing discrepancies and inaccurate meters were identified and addressed.

Goals for annual unaccounted for water loss reduction are shown in table 7-1.

Table 7-1: Water Loss Goals (2020)

Description	Units	2018	2025	2030
Water Loss GPCD ^a	GPCD	21	20	19
Water Loss Percentage ^b	%	13%	12%	11%

a. Water Loss GPCD = (Total Water Loss $\div$ Permanent Population) $\div$ 365

b. Water Loss Percentage = (Total Water Loss $\div$ Total Gallons in System) $\times$ 100; or (Water Loss GPCD $\div$ Total GPCD) $\times$ 100

7.2 Public Education and Information Program

- With the new billing system which began in 2013 customers can view and pay bills online, plus this website offers a wealth of information to assist customers in their conservation efforts. They can monitor their household water use, compare their water consumption with usage in their neighborhood, and read about other ways to save both water and money through conservation.
- Links to Texas Smartscape (<http://www.txsmartscape.com>) and other links offering conservation information are available on the City website.
- As part of the Tarrant Regional Water Districts customer base, Kennedale supports the Water Districts regional water conservation media campaign “Water is Awesome”.
- Kennedale will work to promote a new regional website (www.savetarrantwater.com) designed to centralize water conservation information for residents of North Texas. In addition, the website will also provide up-to-date information on water resources, sustainability and local events and workshops.
- Information about water conservation and current drought information will be included in the City newsletter and water bill inserts.

7.3 Leak Detection and Repair

Measures to control unaccounted water are part of the routine operations of the City of Kennedale by Arlington Water Utilities (AWU). In order to maintain water delivery service and reduce unaccounted water losses, Arlington Water Utilities and other city department crews report evidence of leaks and pipeline breaks within the distribution system. Once identified, leaks and breaks are quickly repaired. AWU Field Operations has an ongoing program for locating, repairing and operating all valves in the distribution system to minimize water loss due to inoperable or malfunctioning valves.

AWU has implemented a full-time leak detection program. The programs aim is to proactively detect and locate distribution system leaks to reduce unaccounted water. The entire distribution system of water lines is rated using a computer application that utilizes work order history, pipe material, age of pipe and soil condition. This allows AWU to identify waterlines most in need of replacement. This ranking system allows water lines in which numerous leaks and line breaks occur to be prioritized and scheduled for replacement as funds are available. Once the full-time leak detection program is fully implemented, the identification process for water line replacement will be updated accordingly as a result of any new information.

7.4 Ordinances, Plumbing Codes, or Rules on Water-Conserving Fixtures

The State of Texas has required water-conserving fixtures in new construction and renovations since 1992. The state standards call for flows of no more than 2.5 gallons per minute (gpm) for faucets, 3.0 gpm for showerheads, and 1.6 gallons per flush for toilets. Similar standards are now required nationally under federal law. These state and federal standards assure that all new construction and renovations will use water-conserving fixtures. The City requires all new development to follow the 2006 International Plumbing Code.

7.5 Landscape Water Management Regulations

The city’s landscaping regulations encourage the use of native and adapted, drought tolerant plants. Some planned development districts and other special districts require the use of native and adaptive plants and permit the use of rain cisterns. In addition to these measures the following regulations have been put in place to minimize waste in landscape irrigation.

- Prohibition of outdoor watering with sprinklers from 10:00 am to 6:00 pm year-round

(watering with hand-held hoses, soaker hoses, or dispensers is allowed).

- Requirement that all new irrigation systems include rain and freeze sensors.
- Year-round limitation of landscape watering with sprinklers or irrigation systems at each service address to a twice per week schedule as outlined below. This includes landscape watering of parks, and sports fields.
 - Residential addresses ending in an even number (0, 2, 4, 6, or 8) may water on Wednesdays and Saturdays.
 - Residential addresses ending in an odd number (1, 3, 5, 7 or 9) may water on Thursdays and Sundays.
 - All non-residential locations (apartment complexes, businesses, industries, parks, medians, etc.) may water on Tuesdays and Fridays

Section 8 – Plan Update and Review

The City will review this Plan at least every five years, as required by Texas Commission on Environmental Quality rules. The Plan, or its sections, may be amended, revised or updated anytime it is appropriate to include new information.

Appendix A

List of References

- (1) Title 30 of the Texas Administrative Code, Part 1, Chapter 288, Subchapter A, Rules 288.1 and 288.2, downloaded from <http://www.tceq.state.tx.us/assets/public/legal/rules/rules/pdf/lib/288a.pdf>, August 2014.
- (2) Texas Water Development Board website, municipal water conservation plan guidance, BMP's and checklists. <http://www.twdb.state.tx.us/conservation/municipal/plans/index.asp>.

The following conservation plans and related documents were utilized and reviewed in the development of this plan:

- Texas Water Development Board - Retail Utility Profile form (TWDB form – 1965R)
- Texas Water Development Board – Water Conservation Plan Checklist (TWDB form – 1968)
- Texas Water Development Board – Water Conservation Plan Template
- City of Burleson: “Water Conservation Plan,” April 2014.
- City of Fort Worth: “Draft Water Conservation Plan,” prepared by Freese and Nichols, Inc., March 2014.
- Tarrant Regional Water District: “Strategic Water Conservation Plan,” January 2013.
- City of Arlington: “Water Conservation Plan,” April 2009.
- City of Mansfield: “Water Conservation Plan,”

Appendix B

Texas Administrative Code Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2

Texas Administrative Code

TITLE 30

ENVIRONMENTAL QUALITY

PART 1

TEXAS COMMISSION ON ENVIRONMENTAL
QUALITY

CHAPTER 288

WATER CONSERVATION PLANS, DROUGHT
CONTINGENCY PLANS, GUIDELINES AND
REQUIREMENTS

SUBCHAPTER A

WATER CONSERVATION PLANS

RULE §288.2

**Water Conservation Plans for Municipal Uses
by Public Water Suppliers**

(a) A water conservation plan for municipal water use by public water suppliers must provide information in response to the following. If the plan does not provide information for each requirement, the public water supplier shall include in the plan an explanation of why the requirement is not applicable.

(1) Minimum requirements. All water conservation plans for municipal uses by public water suppliers must include the following elements:

(A) a utility profile in accordance with the Texas Water Use Methodology, including, but not limited to, information regarding population and customer data, water use data (including total gallons per capita per day (GPCD) and residential GPCD), water supply system data, and wastewater system data;

(B) a record management system which allows for the classification of water sales and uses into the most detailed level of water use data currently available to it, including, if possible, the sectors listed in clauses (i) - (vi) of this subparagraph. Any new billing system purchased by a public water supplier must be capable of reporting detailed water use data as described in clauses (i) - (vi) of this subparagraph:

(i) residential;

(I) single family;

(II) multi-family;

(ii) commercial;

(iii) institutional;

(iv) industrial;

(v) agricultural; and,

(vi) wholesale.

(C) specific, quantified five-year and ten-year targets for water savings to include goals for water loss programs and goals for municipal use in total GPCD and residential GPCD. The goals established by a public water supplier under this subparagraph are not enforceable;

(D) metering device(s), within an accuracy of plus or minus 5.0% in order to measure and account for the amount of water diverted from the source of supply;

(E) a program for universal metering of both customer and public uses of water, for meter testing and repair, and for periodic meter replacement;

(F) measures to determine and control water loss (for example, periodic visual inspections along distribution lines; annual or monthly audit of the water system to determine illegal connections; abandoned services; etc.);

(G) a program of continuing public education and information regarding water conservation;

(H) a water rate structure which is not "promotional," i.e., a rate structure which is cost-based and which does not encourage the excessive use of water;

(I) a reservoir systems operations plan, if applicable, providing for the coordinated operation of reservoirs owned by the applicant within a common watershed or river basin in order to optimize available water supplies; and

(J) a means of implementation and enforcement which shall be evidenced by:

(i) a copy of the ordinance, resolution, or tariff indicating official adoption of the water conservation plan by the water supplier; and

(ii) a description of the authority by which the water supplier will implement and enforce the conservation plan; and

(K) documentation of coordination with the regional water planning groups for the service area of the public water supplier in order to ensure consistency with the appropriate approved regional water plans.

(2) Additional content requirements. Water conservation plans for municipal uses by public drinking water suppliers serving a current population of 5,000 or more and/or a projected population of 5,000 or more within the next ten years subsequent to the effective date of the plan must include the following elements:

(A) a program of leak detection, repair, and water loss accounting for the water transmission, delivery, and distribution system;

(B) a requirement in every wholesale water supply contract entered into or renewed after official adoption of the plan (by either ordinance, resolution, or tariff), and including any contract extension, that each successive wholesale customer develop and implement a water conservation plan or water conservation measures using the applicable elements in this chapter. If the customer intends to resell the water, the contract between the initial supplier and customer must provide that the contract for the resale of the water must have water conservation requirements so that each successive customer in the resale of the water will be required to implement water conservation measures in accordance with the provisions of this chapter.

(3) Additional conservation strategies. Any combination of the following strategies shall be selected by the water supplier, in addition to the minimum requirements in paragraphs (1) and (2) of this subsection, if they are necessary to achieve the stated water conservation goals of the plan. The commission may require that any of the following strategies be implemented by the water supplier if the commission determines that the strategy is necessary to achieve the goals of the water conservation plan:

(A) conservation-oriented water rates and water rate structures such as uniform or increasing block rate schedules, and/or seasonal rates, but not flat rate or decreasing block rates;

(B) adoption of ordinances, plumbing codes, and/or rules requiring water-conserving plumbing fixtures to be installed in new structures and existing structures undergoing substantial modification or addition;

(C) a program for the replacement or retrofit of water-conserving plumbing fixtures in existing structures;

(D) reuse and/or recycling of wastewater and/or graywater;

(E) a program for pressure control and/or reduction in the distribution system and/or for customer connections;

(F) a program and/or ordinance(s) for landscape water management;

(G) a method for monitoring the effectiveness and efficiency of the water conservation plan; and

(H) any other water conservation practice, method, or technique which the water supplier shows to be appropriate for achieving the stated goal or goals of the water conservation plan.

(b) A water conservation plan prepared in accordance with 31 TAC §363.15 (relating to Required Water Conservation Plan) of the Texas Water Development Board and substantially meeting the requirements of this section and other applicable commission rules may be submitted to meet application requirements in accordance with a memorandum of understanding between the commission and the Texas Water Development Board.

(c) A public water supplier for municipal use shall review and update its water conservation plan, as appropriate, based on an assessment of previous five-year and ten-year targets and any other new or updated information. The public water supplier for municipal use shall review and update the next revision of its water conservation plan every five years to coincide with the regional water planning group.

Source Note: The provisions of this §288.2 adopted to be effective May 3, 1993, 18 TexReg 2558; amended to be effective February 21, 1999, 24 TexReg 949; amended to be effective April 27, 2000, 25 TexReg 3544; amended to be effective October 7, 2004, 29 TexReg 9384; amended to be effective December 6, 2012, 37 TexReg 9515.

Appendix C

UTILITY PROFILE FOR RETAIL WATER SUPPLIER

Fill out this form as completely as possible.
If a field does not apply to your entity, leave it blank.

CONTACT INFORMATION

Name of Utility: City of Kennedale
Public Water Supply Identification Number (PWS ID): 2200017
Certificate of Convenience and Necessity (CCN) Number: 10090
Surface Water Right ID Number: n/a
Wastewater ID Number: n/a
Completed By: Darryl Westbrook Title: Assistant Director
Address: 405 Municipal Drive City: Kennedale Zip Code: 76060
Email: Darryl.westbrook@arlingtontx.gov Telephone Number: 817-459-6601
Date: 01/XX/2020
Regional Water Planning Group: C [Map](#)
Groundwater Conservation District: Northern Trinity [Map](#)

Check all that apply:

- ☐ Received financial assistance of \$500,000 or more from TWDB
- ☒ Have 3,300 or more retail connections
- ☐ Have a surface water right with TCEQ

Section I: Utility Data

A. Population and Service Area Data

1. Current service area size in square miles: 6
(Attach or email a copy of the service area map.)
2. Provide historical service area population for the previous five years, starting with the most current year.

Year	Historical Population Served By	Historical Population Served By	Historical Population Served By
	Retail Water Service	Wholesale Water Service	Wastewater Service
2014	7,164	0	6,503
2015	7,130	0	6,488
2016	7,290	0	6,634
2017	7,420	0	6,752
2018	7,420	0	6,752

3. Provide the projected service area population for the following decades.

Year	Projected Population Served By	Projected Population Served By	Projected Population Served By
	Retail Water Service	Wholesale Water Service	Wastewater Service
2020	7,786		7,085
2030	9,289		8,543
2040	11,081		10,084
2050	13,219		12,029
2060	15,770		14,351

4. Describe the source(s)/method(s) for estimating current and projected populations.

Data extrapolated from 2019 North Center Texas Council of Governments Population Estimates Publication.

Provide system input data for the previous five years.

Year	Self-supplied Water in Gallons	Purchased/Imported Water in Gallons	Exported Water in Gallons	Total System Input	Total GPCD
2014	189,029,176	164,597,900	0	353,627,076	135
2015	192,992,900	174,133,100	0	367,126,000	141
2016	298,154,340	52,836,300	0	350,990,640	132
2017	295,861,722	61,989,000	0	357,850,722	132
2018	309,468,190	87,173,300	0	397,143,566	147
2019	257,101,266	108,145,920	0	365,247,186	137
Historic 5-year Average	257,101,266	108,145,920	0	365,330,865	137

1. Designed daily capacity of system 4,100,000 **gallons** per day.
2. Storage Capacity:
Elevated 1,145,000 **gallons**
Ground 2,175,000 **gallons**
3. List all current water supply sources in gallons.

Water Supply Source	Source Type*	Total Gallons
Trinity Aquifer	Ground	1,600,000
City of Fort Worth	Contract	2,500,000
	Choose One	
	Choose One	
	Choose One	
	Choose One	

4. If surface water is a source type, do you recycle backwash to the head of the plant?
☐ Yes estimated **gallons** per day

No

D. Projected Demands

1. Estimate the water supply requirements for the next ten years using population trends, historical water use, economic growth, etc.

Year	Population	Water Demands (gallons)
2020	7,786	383,000,000
2021	7,925	390,000,000
2022	8,066	390,000,000
2023	8,209	390,000,000
2024	8,356	390,000,000
2025	8,504	400,000,000
2026	8,656	400,000,000
2027	8,810	400,000,000
2028	8,967	410,000,000
2029	9,126	410,000,000
2030	9,289	410,000,000

2. Describe sources of data and how projected water demands were determined. Attach additional sheets if necessary.

Population data extrapolated from 2019 North Center Texas Council of Governments Population Estimates Publication, and 2018 water demand utilized to project out future water demands.

E. High Volume Customers

1. List the annual water use, in gallons, for the five highest volume **RETAIL customers**. Select one of the following water use categories to describe the customer; choose Residential, Industrial, Commercial, Institutional, or Agricultural.

Retail Customer	Water Use Category*	Annual Water Use	Treated or Raw
Kennedale ISD	Institutional	6,626,987	Treated
Speed Fab-Crete Corp	Industrial	5,796,523	Treated
Avalon MHP	Residential	4,493,145	Treated
Kennedale MHP LLC	Residential	2,899,384	Treated
Kennedale Seniors, LTD	Residential	2,833,753	Treated

*For definitions on recommended customer categories for classifying customer water use, refer to the online [Guidance and Methodology for Reporting on Water Conservation and Water Use](#).

2. If applicable, list the annual water use for the five highest volume **WHOLESALE customers**. Select one of the following water use categories to describe the customer; choose Municipal, Industrial, Commercial, Institutional, or Agricultural.

Wholesale Customer	Water Use Category*	Annual Water Use	Treated or Raw
	Choose One		Choose One
	Choose One		Choose One
	Choose One		Choose One
	Choose One		Choose One
	Choose One		Choose One

*For definitions on recommended customer categories for classifying customer water use, refer to the online [Guidance and Methodology for Reporting on Water Conservation and Water Use](#).

F. Utility Data Comment Section

Provide additional comments about utility data below.

High Volume Customer comments.

1. Avalon is a Multi family residential (mobile home park).
2. Kennedale MHP is residential (mobile home park).
3. Kennedale Seniors is a privately owned senior living neighborhood made up of fourplex structures .

Section II: System Data

A. Retail Connections

1. List the active retail connections by major water use category.

Water Use Category*	Active Retail Connections			
	Metered	Unmetered	Total Connections	Percent of Total Connections
Residential – Single Family	2,815	0	2,815	81%
Residential – Multi-family (units)	266	0	266	8%
Industrial	40	0	40	1%
Commercial	325	0	325	9%
Institutional	34	0	34	1%
Agricultural	0	0	0	0%
TOTAL	3,480	0	3,480	100%

*For definitions on recommended customer categories for classifying customer water use, refer to the online [Guidance and Methodology for Reporting on Water Conservation and Water Use](#).

2. List the net number of new retail connections by water use category for the previous five years.

Water Use Category*	Net Number of New Retail Connections				
	2014	2015	2016	2017	2018
Residential – Single Family	109	29	54	60	90
Residential – Multi- family (units)	2	23	0	0	0
Industrial	1	-2	0	1	0
Commercial	5	3	6	0	7
Institutional	2	0	0	0	0
Agricultural	0	0	0	0	0
TOTAL	119	53	60	61	97

*For definitions on recommended customer categories for classifying customer water use, refer to the online [Guidance and Methodology for Reporting on Water Conservation and Water Use](#).

B. Accounting Data

For the previous five years, enter the number of gallons of RETAIL water provided in each major water use category.

Water Use Category*	Total Gallons of Retail Water				
	2014	2015	2016	2017	2018
Residential – Single Family	255,608,167	254,267,211	236,869,850	231,757,551	269,194,350
Residential – Multi- family (units)	13,850,808	14,052,854	15,358,447	15,678,613	15,888,112
Industrial	7,164,420	5,538,682	5,843,564	7,075,740	9,858,114
Commercial	33,180,827	34,973,532	29,549,894	30,810,261	25,951,193
Institutional	12,050,276	11,842,205	10,349,926	10,426,248	11,228,601
Agricultural	0	0	0	0	0
TOTAL	321,854,498	320,674,484	297,971,681	295,748,413	332,120,370

*For definitions on recommended customer categories for classifying customer water use, refer to the online [Guidance and Methodology for Reporting on Water Conservation and Water Use](#).

C. Residential Water Use

For the previous five years, enter the residential GPCD for single family and multi-family units.

Water Use Category*	Residential GPCD				
	2014	2015	2016	2017	2018
Residential – Single Family	110	110	101	96	112
Residential – Multi- family (units)	47	48	50	52	52

D. Annual and Seasonal Water Use

- For the previous five years, enter the gallons of treated water provided to RETAIL customers.

Water Use Category*	Total Gallons of Treated Retail Water				
	2014	2015	2016	2017	2018
January	20,225,300	18,312,100	19,541,700	21,618,400	23,421,554
February	18,860,700	17,163,600	20,230,600	19,526,700	18,830,465
March	23,222,000	19,352,700	21,820,700	24,546,700	26,992,864
April	24,595,500	21,405,400	21,917,500	25,999,034	24,862,534
May	32,674,900	21,628,800	25,255,300	32,540,900	40,696,799
June	34,296,586	32,264,600	34,338,800	30,957,700	54,026,830
July	43,797,324	54,192,600	47,295,200	41,618,788	63,385,088
August	46,838,666	59,592,200	41,434,600	33,882,526	52,218,871
September	38,091,500	44,827,400	38,423,400	40,582,256	30,032,060
October	31,187,300	36,845,600	32,162,340	38,408,170	23,447,807
November	20,661,700	21,459,500	25,684,800	25,045,948	20,464,795
December	19,175,600	20,081,500	22,885,700	23,123,600	18,261,823
TOTAL	353,627,076	367,126,000	350,990,640	357,850,722	396,641,490

2. For the previous five years, enter the gallons of raw water provided to RETAIL customers.

Water Use Category*	Total Gallons of Raw Retail Water				
	2014	2015	2016	2017	2018
January	0	0	0	0	0
February	0	0	0	0	0
March	0	0	0	0	0
April	0	0	0	0	0
May	0	0	0	0	0
June	0	0	0	0	0
July	0	0	0	0	0
August	0	0	0	0	0
September	0	0	0	0	0
October	0	0	0	0	0
November	0	0	0	0	0
December	0	0	0	0	0
TOTAL	0	0	0	0	0

3. Summary of seasonal and annual water use.

Water Use	Seasonal and Annual Water Use					5 Year Average in Gallons
	2014	2015	2016	2017	2018	
Summer Retail (Treated + Raw)	124,932,576	146,049,400	123,068,600	106,459,014	169,630,789	134,028,076
TOTAL Retail (Treated + Raw)	353,627,076	367,126,000	350,990,640	357,850,722	396,641,490	365,247,186

E. Water Loss

Provide Water Loss data for the previous five years.

Water Loss GPCD = [Total Water Loss in Gallons ÷ Permanent Population Served] ÷ 365 Water Loss

Percentage = [Total Water Loss ÷ Total System Input] x 100

Year	Total Water Loss in Gallons	Water Loss in GPCD	Water Loss as a Percentage
2014	17,608,578	7	5%
2015	30,018,313	12	8%
2016	38,753,932	15	11%
2017	34,041,359	13	10%
2018	52,895,693	21	13%
5-year average	34,663,575	14	9%

F. Peak Water Use

Provide the Average Daily Water Use and Peak Day Water Use for the previous five years.

Year	Average Daily Use (gal)	Peak Day Use (gal)	Ratio (peak/avg)
2014	968,841	2,135,272	2.20
2015	1,005,825	2,471,500	2.46
2016	958,991	2,021,800	2.11
2017	980,413	1,884,040	1.92
2018	1,088,065	2,449,850	2.25

G. Summary of Historic Water Use

Water Use Category	Historic 5-year Average	Percent of Connections	Percent of Water Use
Residential SF	249,539,426	81%	80%
Residential MF	14,965,767	8%	5%
Industrial	7,096,104	1%	3%
Commercial	30,893,141	9%	10%
Institutional	11,179,451	1%	2%
Agricultural	0	0%	0%

H. System Data Comment Section

Provide additional comments about system data below.

APPENDIX D
Letter to Region C Water Planning Group

January XX, 2020

Mr. Kevin Ward
Chair, Region C Water Planning Group
Trinity River Authority
P.O. Box 60
Arlington, TX 76004

Dear Mr. Ward,

A copy of the 2019 Water Conservation Plan for customers of the City of Kennedale is enclosed. I am submitting a copy of this plan to the Region C Water Planning Group in accordance with the Texas Water Development Board and Texas Commission on Environmental Quality rules.

Sincerely,

George Campbell
City Manager
City of Kennedale

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM IV.E.5.

SUBJECT

Approval of Resolution 565, adopting the Tarrant County Hazard Mitigation Action Plan (HazMAP), ver. January 2020

ORIGINATED BY

James Brown, Fire Chief

SUMMARY

A HazMAP (or Hazard Mitigation Action Plan) identifies natural hazards – such as tornadoes and flooding – that could impact the jurisdiction and identifies actions to mitigate those impacts.

The City Council adopted the Tarrant County HazMAP (ver. June 2015) on July 20, 2015. On Tuesday, February 6, 2018, the North Central Texas Council of Governments (NCTCOG) hosted a public meeting to discuss potential updates to the HazMAP. The plan has now been updated and the amended version is being presented for adoption by each of the jurisdictions.

The full plan is a very large document (2,200+ pages), but is available for Council's review at www.cityofkennedale.com/hazmap (PDF). The Kennedale portion of the plan is at www.cityofkennedale.com/kennhazmap (PDF).

RECOMMENDATION

Approve

ATTACHMENTS

1.	R565 Adopting Updated TC HazMAP Plan, 2020	R565 Adopting Updated TC HazMAP Plan, 2020.pdf
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RESOLUTION NO. 565

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, ADOPTING THE TARRANT COUNTY HAZARD MITIGATION ACTION PLAN, JANUARY 2020.

WHEREAS, the City of Kennedale, Texas, recognizes the threat that natural hazards pose to people and property within Tarrant County; and

WHEREAS, the County of Tarrant has prepared a multi-hazard mitigation plan, hereby known as Tarrant County Hazard Mitigation Action Plan (HazMAP), January 2020 in accordance with the Disaster Mitigation Act of 2000; and

WHEREAS, Tarrant County Hazard Mitigation Action Plan, January 2020 identifies mitigation goals and actions to reduce or eliminate long-term risk to people and property in the City of Kennedale from the impacts of future hazards and disasters; and

WHEREAS, adoption by the City of Kennedale demonstrates a commitment to hazard mitigation and achieving the goals outlined in the Tarrant County Hazard Mitigation Action Plan, January 2020.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, that the City of Kennedale, Texas, adopts the Tarrant County Hazard Mitigation Action Plan, January 2020.

PASSED, ADOPTED, AND APPROVED THIS 21st DAY OF JANUARY, 2020.

APPROVED:

MAYOR, BRIAN JOHNSON

[CITY SEAL]

ATTEST:

CITY SECRETARY, LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

CITY ATTORNEY, DREW LARKIN

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM IV.E.6.

SUBJECT

Receive the 2019 Racial Profiling Report from the Police Department

ORIGINATED BY

Tommy Williams, Police Chief

SUMMARY

As required by State Senate Bill 1074 (77th Texas Legislative Session), this report is being presented to Council for review. The report must be presented to Council no later than March 1 of each year and then uploaded to the TCOLE web site for public access. Council can review the 2019 Racial Profiling Report for the Police Department at www.cityofkennedale.com/RPR (PDF).

This year's report conforms to the Sandra Bland Act requirements. This act explicitly outlaws the practice of pretext stops and raises the burden of proof needed to both stop and search vehicles in Texas.

Our report was completed by Dr. Alex del Carmen of Del Carmen and Associates. Dr. del Carmen is a leading expert on the subject matter of police racial profiling and reporting requirements.

RECOMMENDATION

No specific action is required by the City Council other than to receive the report.

ATTACHMENTS

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: INDIVIDUAL CONSIDERATION ITEM IV.F.1.

SUBJECT

Consider authorizing the City Manager to enter into a contract with SAFEbuilt for provision of building inspection services

ORIGINATED BY

Melissa Dailey, Director of Planning & Economic Development

SUMMARY

Recently the City's Building Inspector resigned. Staff has engaged SAFEbuilt for an interim period to perform inspections and plan review that was performed by the building inspector. SAFEbuilt is a national company that has performed a wide variety of community development services, including building inspections and plan review, for over 25 years.

Their staff, based in Fort Worth, has worked successfully with City staff over the last few weeks to transition smoothly to provide quality services. Staff is recommending utilizing SAFEbuilt's services for the foreseeable future to coordinate with staff in providing plan review and inspection services. The proposed contract is attached and includes their fee schedule.

The contract is for a 12-month period and is renewable for another 12 months with an option of non-renewal with 30-day notice.

Staff recommends approval and will be available to answer questions.

RECOMMENDATION

Approve

ATTACHMENTS

1.	Kennedale TX (City) Long-Term PSA DRAFT 01.07.20VR1 01.13.20VR2 DAL final (3)	Kennedale TX (City) Long-Term PSA DRAFT 01.07.20VR1 01.13.20VR2 DAL final (3).pdf
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**PROFESSIONAL SERVICES AGREEMENT
BETWEEN CITY OF KENNEDALE, TEXAS
AND SAFEbuilt TEXAS, LLC**

This Professional Services Agreement ("Agreement") is made and entered into by and between City of Kennedale, Texas, ("Municipality") and SAFEbuilt Texas, LLC, a whole subsidiary of SAFEbuilt, LLC, ("Consultant"). Municipality and Consultant shall be jointly referred to as "Parties".

RECITALS

WHEREAS, Municipality is seeking a consultant to perform the services listed in Exhibit A – List of Services, ("Services"); and

WHEREAS, Consultant is ready, willing, and able to perform Services.

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, Municipality and Consultant agree as follows:

1. SCOPE OF SERVICES

Consultant will perform Services in accordance with codes, amendments and ordinances adopted by the elected body of Municipality. The qualified professionals employed by Consultant will maintain current certifications, certificates, licenses as required for Services that they provide to Municipality. Consultant is not obligated to perform services beyond what is contemplated by this Agreement.

Unless otherwise provided in Exhibit C, Consultant shall provide the Services using hardware and Consultant's standard software package. In the event that Municipality requires that consultant utilize hardware or software specified by or provided by Municipality, Municipality shall provide the information specified in Exhibit C. Consultant shall use reasonable commercial efforts to comply with the requirements of Exhibit C and Municipality, at its sole expense, shall provide such technical support, equipment or other facilities as Consultant may reasonably request to permit Consultant to comply with the requirements of Exhibit C.

2. CHANGES TO SCOPE OF SERVICES

Any changes to Services between Municipality and Consultant shall be made in writing. Both Parties shall determine a mutually agreed upon solution to alter Services levels and a transitional timeframe that is mutually beneficial to both Parties. No changes shall be binding absent a written Agreement or Amendment executed by both Parties.

3. FEE STRUCTURE

In consideration of Consultant providing services, Municipality shall pay Consultant for Services performed in accordance with Exhibit B – Fee Schedule for Services.

4. INVOICE & PAYMENT STRUCTURE

Consultant will invoice Municipality as SAFEbuilt, LLC, on a monthly basis and provide all necessary supporting documentation. All payments are due to Consultant within 30 days of Consultant's invoice date. Payments owed to Consultant but not made within sixty (60) days of invoice date shall bear simple interest at the rate of one and one-half percent (1.5%) per month. If payment is not received within ninety (90) days of invoice date, Services will be discontinued until all invoices and interest are paid in full. Municipality may request, and Consultant shall provide, additional information before approving the invoice. When additional information is requested, Municipality will identify specific disputed item(s) and give specific reasons for any request. Undisputed portions of any invoice shall be due within 30 days of Consultants invoice date, if additional information is requested, Municipality will submit payment within thirty (30) days of resolution of the dispute.

5. TERM

The initial term of this Agreement shall be twelve (12) months, subsequently, Agreement shall automatically renew for twelve (12) month terms; unless prior notification is delivered to either Party thirty (30) days in advance of the renewal date of this Agreement. In the absence of written documentation, this Agreement will continue in force until such time as either Party notifies the other of their desire to terminate this Agreement.

6. TERMINATION

Either Party may terminate this Agreement, or any part of this Agreement upon ninety (90) days written notice, with or without cause and with no penalty. In case of such termination, Consultant shall only be entitled to receive payment for work completed up to and including the date of termination within thirty (30) days of the termination.

All structures that have been permitted, a fee collected, and not yet expired at the time of termination may be completed through final inspection by Consultant if approved by Municipality. Consultant's obligation is met upon completion of final inspection or permit expiration, provided that the time period to reach such completion and finalization does not exceed ninety (90) days. Alternately, Municipality may exercise the option to negotiate a refund for permits where a fee has been collected but inspections have not been completed. The refund will be prorated according to percent of completed construction as determined by Consultant and mutually agreed upon by all Parties. No refund will be given for completed work.

7. FISCAL NON-APPROPRIATION CLAUSE

Financial obligations of Municipality payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available in accordance with the rules, regulations, and resolutions of Municipality, and other applicable law. Upon the failure to appropriate such funds, this Agreement shall be terminated.

8. MUNICIPALITY OBLIGATIONS

Municipality shall timely provide all data information, plans, specifications and other documentation reasonably required by Consultant to perform Services. Municipality grants Consultant full privilege, non-exclusive, non-transferable license to use all such materials as reasonably required to perform Service.

9. PERFORMANCE STANDARDS

Consultant shall perform the Services using that degree of care, skill, and professionalism ordinarily exercised under similar circumstances by members of the same profession practicing or performing the substantially same or similar services. Consultant represents to Municipality that Consultant retains employees that possess the skills, knowledge, and abilities to competently, timely, and professionally perform Services in accordance with this Agreement. Municipality's sole remedy and Consultant's sole obligation in the event of failure to perform Services in accordance with the terms of this Section shall be re-performance of the Services by Consultant.

10. INDEPENDENT CONTRACTOR

Consultant is an independent contractor, and neither Consultant, nor any employee or agent thereof, shall be deemed for any reason to be an employee or agent of Municipality. As Consultant is an independent contractor, Municipality shall have no liability or responsibility for any direct payment of any salaries, wages, payroll taxes, or any and all other forms or types of compensation or benefits to any personnel performing services for Municipality under this Agreement. Consultant shall be solely responsible for all compensation, benefits, insurance and employment-related rights of any person providing Services hereunder during the course of or arising or accruing as a result of any employment, whether past or present, with Consultant, as well as all legal costs including attorney's fees incurred in the defense of any conflict or legal action resulting from such employment or related to the corporate amenities of such employment.

Consultant and Municipality agree that Consultant will be free to contract for similar service to be performed for other employers while under contract with Municipality. Consultant is not an agent or employee of Municipality and is not entitled to participate in any pension plan, insurance, bonus or similar benefits Municipality provides for its employees. Consultant shall determine all conditions of employment including hours, wages, working conditions, discipline, hiring and discharge or any other condition of employment. Consultant employees are not subject to the direction and control of Municipality. Any provision in this Agreement that may appear to give Municipality the right to direct Consultant as to the details of doing the work or to exercise a measure of control over the work means that Consultant will follow the direction of the Municipality as to end results of the work only.

11. ASSIGNMENT

Neither party shall assign all or part of its rights, duties, obligations, responsibilities, nor benefits set forth in this Agreement to another entity without the written approval of both Parties; consent shall not be unreasonably withheld. Notwithstanding the preceding, Consultant may assign this Agreement to its parent, subsidiaries or sister companies (Affiliates) without notice to Municipality. Consultant may subcontract any or all of the services to its Affiliates without notice to Municipality. Consultant may subcontract any or all of the services to other third parties provided that Consultant gives Municipality prior written notice of the persons or entities with which Consultant has subcontracted. Consultant remains responsible for any Affiliate's or subcontractor's performance or failure to perform. Affiliates and subcontractors will be subject to the same performance criteria expected of Consultant. Performances clauses will be included in agreements with all subcontractors to assure quality levels and agreed upon schedules are met.

12. INDEMNIFICATION

To the fullest extent permitted by law, Consultant shall indemnify and hold harmless Municipality, its elected and appointed officials, employees and volunteers and others working on behalf of Municipality, from and against any and all third-party claims, demands, suits, costs (including reasonable attorney's fees, costs of court, and other legal costs), expenses, and liabilities ("Claims") alleging personal injury, including bodily injury or death, or property damage, but only to the extent that any such Claims are caused by the negligence of Consultant or any officer, employee, representative, or agent of Consultant. Consultant shall have no obligations under this Section to the extent that any Claim arises as a result of Consultants compliance with law, ordinances, rules, regulations, resolution, executive orders or other instructions received from Municipality.

To the fullest extent permitted by law and without waiver of sovereign immunity, Municipality shall indemnify and hold harmless Consultant, its officers, employees, representatives, and agents, from and against any and all Claims alleging personal injury, including bodily injury or death, or property damage, but only to the extent that such Claims are caused by (a) the negligence of, or material breach of any obligation under this Agreement by, Municipality or any officer, employee, representative, or agent of Municipality or (b) Consultant's compliance with law, ordinances, rules, regulations, resolutions, executive orders or other instructions received from Municipality. If either Party becomes aware of any incident likely to give rise to a Claim under the above indemnities, it shall notify the other and both Parties shall cooperate fully in investigating the incident.

13. LIMITS OF LIABILITY

EXCEPT ONLY AS MAY BE EXPRESSLY SET FORTH HEREIN, CONSULTANT EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES OR ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, ERROR-FREE OPERATION, PERFORMANCE, ACCURACY, OR INFRINGEMENT. IN NO EVENT SHALL CONSULTANT OR MUNICIPALITY BE LIABLE TO ONE ANOTHER FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, RELIANCE, EXEMPLARY, OR SPECIAL DAMAGES INCLUDING WITHOUT LIMITATION, DAMAGES FOR LOST PROFITS, LOST REVENUES. LOST DATA OR OTHER INFORMATION, OR LOST BUSINESS OPPORTUNITY, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, INDEMNITY, NEGLIGENCE,

WARRANTY, STRICT LIABILITY, OR TORT, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY REMEDY OTHER THAN WITH RESPECT TO PAYMENT OF OBLIGATIONS FOR SERVICES. IN NO EVENT SHALL THE LIABILITY OF MUNICIPALITY OR CONSULTANT UNDER THIS AGREEMENT FROM ANY CAUSE OF ACTION WHATSOEVER (REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, TORT OR UNDER ANY OTHER LEGAL THEORY, AND WHETHER ARISING BY NEGLIGENCE, INTENDED CONDUCT, OR OTHERWISE) EXCEED THE LESSOR OF THE AMOUNT OF FEES PAID TO CONSULTANT PURSUANT TO THIS AGREEMENT, OR THE AVAILABLE LIMITS OF INSURANCE UNDER THE POLICIES OF INSURANCE SPECIFIED IN THIS AGREEMENT.

14. INSURANCE

- A. Consultant shall procure and maintain and shall cause any subcontractor of Consultant to procure and maintain throughout the term of this Agreement, the minimum insurance coverages listed below. Such coverages shall be procured and maintained with forms and insurers acceptable to Municipality. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.
- B. Worker's compensation insurance to cover obligations imposed by applicable law for any employee engaged in the performance of work under this Agreement, and Employer's Liability insurance with minimum limits of one million dollars (\$1,000,000) bodily injury each accident, one million dollars (\$1,000,000) bodily injury by disease – policy limit, and one million dollars (\$1,000,000) bodily injury by disease – each employee.
- C. Commercial general liability insurance with minimum combined single limits of one million dollars (\$1,000,000) each occurrence and two million dollars (\$2,000,000) general aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage, personal injury (including coverage for contractual and employee acts), blanket contractual, independent Consultant's, and products. The policy shall contain a severability of interest provision and shall be endorsed to include Municipality and Municipality's officers, employees, and consultants as additional insureds.
- D. Professional liability insurance with minimum limits of five million dollars (\$5,000,000) each claim and five million dollars (\$5,000,000) general aggregate.
- E. Automobile Liability: If performance of this Agreement requires use of motor vehicles licensed for highway use, Automobile Liability Coverage is required that shall cover all owned, non-owned, and hired automobiles with a limit of not less than \$1,000,000 combined single limit each accident.
- F. Municipality shall be named as an additional insured on Consultant's insurance coverage.
- G. Prior to commencement of Services, Consultant shall submit certificates of insurance or other proof of insurance acceptable to Municipality.

15. THIRD PARTY RELIANCE

This Agreement is intended for the mutual benefit of Parties hereto and no third-party rights are intended or implied.

16. OWNERSHIP OF DOCUMENTS

Except as expressly provided in this Agreement, Municipality shall retain ownership of all work product and deliverables created by Consultant pursuant to this Agreement and all records, documents, notes, data and other materials required for or resulting from the performance of Services hereunder shall not be used by Consultant for any purpose other than the performance of Services hereunder without the express prior written consent of Municipality. All such records, documents, notes, data and other materials shall become the exclusive property of Municipality when Consultant has been compensated for the same as set forth herein, and Municipality shall thereafter retain sole and exclusive rights to receive and use such materials in such manner and for such purposes as determined by it. Notwithstanding the preceding, Consultant may use the work product, deliverables, applications, records, documents and other materials required for or resulting from the Services, all solely in anonymized form, for purposes of (i) benchmarking of Municipality's and others performance relative to that of other groups of customers served by Consultant; (ii) sales and

marketing of existing and future Consultant services; (iii) monitoring Service performance and making improvements to the Services. For the avoidance of doubt, Municipality data will be provided to third parties only on an anonymized basis and only as part of a larger body of anonymized data. If this Agreement expires or is terminated for any reason, all records, documents, notes, data and other materials maintained or stored in Consultant's secure proprietary software pertaining to Municipality will, within 30 days of termination, be exported into a CSV file by Consultant and become property of Municipality. Notwithstanding the preceding, Consultant shall own all rights and title to any Consultant provided software and any improvements or derivative works thereof.

Upon reasonable prior written notice, Municipality and its duly authorized representatives shall have access to any books, documents, papers and records of Consultant that are related to this Agreement for the purposes of audit or examination, other than Consultant's financial records, and may make excerpts and transcriptions of the same at the cost and expense of Municipality.

17. CONSULTANT ACCESS TO RECORDS

Parties acknowledge that Consultant requires access to records in order for Consultant to perform its obligations under this Agreement. Accordingly, Municipality will either provide to Consultant on a daily basis such data from the records as Consultant may reasonably request (in an agreed electronic format) or grant Consultant access to its records and record management systems so that Consultant may download such data. Data provided to or downloaded by Consultant pursuant to this Section shall be used by Consultant solely in accordance with the terms of this Agreement.

18. CONFIDENTIALITY

Consultant shall not disclose, directly or indirectly, any confidential information or trade secrets of Municipality without the prior written consent of Municipality or pursuant to a lawful court order directing such disclosure.

19. CONSULTANT PERSONNEL

Consultant shall employ a sufficient number of experienced and knowledgeable employees to perform Services in a timely, polite, courteous and prompt manner. Consultant shall determine appropriate staffing levels and shall promptly inform Municipality of any reasonably anticipated or known employment-related actions which may affect the performance of Services. Additional staffing resources shall be made available to Municipality when assigned employee(s) is unavailable.

20. DISCRIMINATION & ADA COMPLIANCE

Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, age, sex, disability, national origin or any other category protected by applicable federal or state law. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notice to be provided by an agency of the federal government, setting forth the provisions of Equal Opportunity laws. Consultant shall comply with the appropriate provisions of the Americans with Disabilities Act (the "ADA"), as enacted and as from time to time amended, and any other applicable federal regulations. A signed certificate confirming compliance with the ADA may be requested by Municipality at any time during the term of this Agreement.

21. PROHIBITION AGAINST EMPLOYING ILLEGAL ALIENS

Consultant is registered with and is authorized to use and uses the federal work authorization program commonly known as E-Verify. Consultant shall not knowingly employ or contract with an illegal alien to perform work under this Agreement and will verify immigration status to confirm employment eligibility. Consultant shall not enter into an agreement with a subcontractor that fails to certify to Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this

Agreement. Consultant is prohibited from using the E-Verify program procedures to undertake pre-employment screening of job applicants while this Agreement is being performed.

22. NOTICES

Any notice under this Agreement shall be in writing and shall be deemed delivered when presented in person, or sent, pre-paid, certified mail, return receipt requested, or delivered by electronic mail to the following addresses:

If to Municipality:	If to Consultant:
Melissa Dailey, Development Services Director City of Kennedale 405 Municipal Drive Kennedale, Texas 76060-2249 Email: mdailey@cityofkennedale.com	Joe DeRosa, CRO SAFEbuilt, LLC 3755 Precision Drive, Suite 140 Loveland, CO 80538 Email: jderosa@safebuilt.com

23. FORCE MAJEURE

Any delay or nonperformance of any provision of this Agreement by either Party (with the exception of payment obligations) which is caused by events beyond the reasonable control of such party, shall not constitute a breach of this Agreement, and the time for performance of such provision, if any, shall be deemed to be extended for a period equal to the duration of the conditions preventing such performance.

24. DISPUTE RESOLUTION

In the event a dispute arises out of or relates to this Agreement, or the breach thereof, and if said dispute cannot be settled through negotiation, Parties agree first to try in good faith to settle the dispute by mediation, before resorting to litigation or some other dispute resolution procedure. The cost thereof shall be borne equally by each Party. Any mediation must be held in Tarrant County, Texas.

25. ATTORNEY'S FEES

If it becomes necessary to take legal action to interpret or enforce the terms of this Agreement, the prevailing party in such action shall be entitled to recover from the non-prevailing party, the prevailing party's reasonable attorney's fees and costs of court.

26. AUTHORITY TO EXECUTE

The person or persons executing this Agreement represent and warrant that they are fully authorized to sign and so execute this Agreement and to bind their respective entities to the performance of its obligations hereunder.

27. TEXAS GOVERNMENT CODE/PROHIBITION OF BOYCOTT ISRAEL

Consultant verifies that it does not Boycott Israel and agrees that during the term of this Agreement will not Boycott Israel as that term is defined in Texas Government Code Section 808.001/2271.001, as amended.

28. GOVERNING LAW AND VENUE

The substantive laws of the State of Texas (and not its conflicts of law principles) govern all matters arising out of, or relating to, this Agreement and all of the transactions it contemplates, including without limitation its validity, interpretation, construction, performance and enforcement. Mandatory and exclusive venue for any action concerning this Agreement shall be in a court of competent jurisdiction in Tarrant County, Texas.

29. COUNTERPARTS

This Agreement and any amendments may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument. For purposes of executing this Agreement, scanned signatures shall be as valid as the original.

30. ELECTRONIC REPRESENTATIONS AND RECORDS

Parties hereby agree to regard electronic representations of original signatures as legally sufficient for executing this Agreement and scanned signatures emailed by PDF or otherwise shall be as valid as the original. Parties agree not to deny the legal effect or enforceability of the Agreement solely because it is in electronic form or because an electronic record was used in its formation. Parties agree not to object to the admissibility of the Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

31. WAIVER

Failure to enforce any provision of this Agreement shall not be deemed a waiver of that provision. Waiver of any right or power arising out of this Agreement shall not be deemed waiver of any other right or power.

32. ENTIRE AGREEMENT

This Agreement, along with attached exhibits, constitutes the complete, entire and final agreement of the Parties hereto with respect to the subject matter hereof, and shall supersede any and all previous communications, representations, whether oral or written, with respect to the subject matter hereof. Invalidation of any of the provisions of this Agreement or any paragraph sentence, clause, phrase, or word herein or the application thereof in any given circumstance shall not affect the validity of any other provision of this Agreement.

IN WITNESS HEREOF, the undersigned have caused this Agreement to be executed in their respective names on the dates hereinafter enumerated.

Thomas P. Wilkas, CFO
SAFEbuilt Texas, LLC

Date

Signature
City of Kennedale, Texas

Date

Name and Title
City of Kennedale, Texas

EXHIBIT A – LIST OF SERVICES

1. LIST OF SERVICES

Building, Electrical, Plumbing, and Mechanical Inspection Services

- ✓ Consultant utilizes an educational, informative approach to improve the customer's experience.
- ✓ Perform code compliant inspections to determine that construction complies with approved plans
- ✓ Meet or exceed agreed upon performance metrics regarding inspections
- ✓ Provide onsite inspection consultations to citizens and contractors while performing inspections
- ✓ Return calls and emails from permit holders in reference to code and inspection concerns
- ✓ Identify and document any areas of non-compliance
- ✓ Leave a copy of the inspection ticket and discuss inspection results with site personnel

Plan Review Services

- ✓ Provide plan review services electronically or in the traditional paper format
- ✓ Review plans for compliance with adopted building codes, local amendments or ordinances
- ✓ Be available for pre-submittal meetings by appointment
- ✓ Coordinate plan review tracking, reporting, and interaction with applicable departments
- ✓ Provide feedback to keep plan review process on schedule
- ✓ Communicate plan review findings and recommendations in writing
- ✓ Return a set of finalized plans and all supporting documentation
- ✓ Provide review of plan revisions and remain available to applicant after the review is complete

Reporting Services

- ✓ Consultant will work with Municipality to develop a mutually agreeable reporting schedule and format

2. MUNICIPAL OBLIGATIONS

- ✓ Municipality will issue permits and collect all fees
- ✓ Municipality will provide Consultant with a list of requested inspections and supporting documents
- ✓ Municipality will intake plans and related documents for pick up by Consultant or submit electronically

3. TIME OF PERFORMANCE

- ✓ Perform Services during normal business hours excluding Municipal holidays
- ✓ Inspectors will be dispatched daily or as-needed
- ✓ Consultants representative(s) will be available by cell phone and email

Deliverables			
INSPECTION SERVICES	Perform inspections received from the Municipality prior to 4:00 pm next business day		
PRE-SUBMITTAL MEETINGS	Provide pre-submittal meetings to applicants by appointment		
PLAN REVIEW TURNAROUND TIMES	Provide comments within the following timeframes: Day 1 = first full business day after receipt of plans and all supporting documents		
	<u>Project Type:</u>	<u>First Comments</u>	<u>Second Comments</u>
	✓ Single-family within	5 business days	5 business days or less
	✓ Multi-family within	10 business days	5 business days or less
	✓ Small commercial within (under \$2M in valuation)	10 business days	5 business days or less
	✓ Large commercial within	20 business days	10 business days or less

EXHIBIT B – FEE SCHEDULE FOR SERVICES

1. FEE SCHEDULE

✓ Consultant fees for Services provided pursuant to this Agreement will be as follows:

Commercial Construction Plan Review	
Project Valuation	Fee
\$1.00 to \$10,000	\$40.00
\$10,001 to \$25,000	\$61.63 for the first \$10,000 plus \$4.76 for each additional \$1,000; or fraction thereof, to and including \$25,000
\$25,001 to \$50,000	\$133.03 for the first \$25,000 plus \$3.43 for each additional \$1,000; or fraction thereof, to and including \$50,000
\$50,001 to \$100,000	\$218.88 for the first \$50,000 plus \$2.38 for each additional \$1,000; or fraction thereof, to and including \$100,000
\$100,001 to \$500,000	\$337.88 for the first \$100,000 plus \$1.90 for each additional \$1,000; or fraction thereof, to and including \$500,000
\$500,001 to \$1,000,000	\$1,099.46 for the first \$500,000 plus \$1.62 for each additional \$1,000; or fraction thereof, to and including \$1,000,000
\$1,000,001 and up	\$1,906.98 for the first \$1,000,000 plus \$1.07 for each additional \$1,000; or fraction thereof
Commercial Construction Inspection	
Project Valuation	Fee
\$1.00 to \$10,000	\$70.00
\$10,001 to \$25,000	\$99.67 for the first \$10,000 plus \$7.70 for each additional \$1,000; or fraction thereof, to and including \$25,000
\$25,001 to \$50,000	\$215.19 for the first \$25,000 plus \$5.56 for each additional \$1,000; or fraction thereof, to and including \$50,000
\$50,001 to \$100,000	\$354.06 for the first \$50,000 plus \$3.85 for each additional \$1,000; or fraction thereof, to and including \$100,000
\$100,001 to \$500,000	\$546.56 for the first \$100,000 plus \$3.03 for each additional \$1,000; or fraction thereof, to and including \$500,000
\$500,001 to \$1,000,000	\$1,778.56 for the first \$500,000 plus \$2.61 for each additional \$1,000; or fraction thereof, to and including \$1,000,000
\$1,000,001 and up	\$3,084.81 for the first \$1,000,000 plus \$1.73 for each additional \$1,000; or fraction thereof
One & Two Family Residential Construction Plan Review and Inspection	
Square Footage	Fee
0 to 1500 square feet	\$750.00
1501 to 10,000 square feet	\$750.00 for the first 1500 square feet plus \$0.33 for each additional square foot up to and including 10,000 square feet
Over 10,000 square feet	\$3,700.00 for the first 10,000 square feet plus \$0.13 for each additional square foot over 10,000 square feet
Multi-Family Construction Plan Review and Inspection	
75% of Municipal Permit Fee	
Swimming Pool Plan Review and Inspection	
\$350.00 per pool	
Trade Permit Inspection	
Service Description	Fee
Trade Permits	\$70.00 per stop (address, building or unit)

EXHIBIT C – MUNICIPAL SPECIFIED OR PROVIDED SOFTWARE

1. Consultant shall provide Services pursuant to this Agreement using hardware and Consultant's standard software package, unless otherwise provided below. In the event that Municipality requires that Consultant utilize hardware and/or software specified by and provided by Municipality, Consultant shall use reasonable commercial efforts to comply with Municipal requirements.
2. When Municipality requires that Consultant utilize hardware and/or software specified by and provided by Municipality. Municipality, at its sole expense, shall provide such technical support, equipment or other facilities as Consultant may reasonably request to permit Consultant to comply with Municipal requirements.

Municipality will provide the following information to Consultant.

- ✓ Municipal technology point of contact information including name, title, email and phone number
- ✓ List of technology services, devices and software that the Municipality will provide may include:
 - Client network access
 - Internet access
 - Proprietary or commercial software and access
 - Computer workstations/laptops
 - Mobile devices
 - Printers/printing services
 - Data access
 - List of reports and outputs

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MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: INDIVIDUAL CONSIDERATION ITEM IV.F.2.

SUBJECT

Consider adoption of Ordinance 690, amending the Kennedale Municipal Code, by amending Exhibit A "Schedule of Fees" of Section 2-3, "Fees for licenses, inspections, permits, etc." to adjust minimum permitting and inspection fees

ORIGINATED BY

Melissa Dailey, Director of Planning & Economic Development

SUMMARY

Staff has performed a review of existing permitting fees and compared them to fees in other area cities. In addition, staff has reviewed costs to the city associated with the various types of permits.

We have determined that many of the fees the city currently charges for permits, plan review and inspections do not cover costs incurred by staff time and fees paid to consultants to perform this work. Also, many existing fees are below that of other cities in the Metroplex.

Staff is proposing some changes to some of the existing permitting and plan review fees (the amending Ordinance, proposed schedule of fees, and existing schedule are attached) to cover costs associated with these tasks. The proposed changes also simplify some fees by changing them to flat fees rather than an addition of multiple types of fees for one permit.

Staff recommends approval of the proposed fee schedule changes and will be available to answer questions.

RECOMMENDATION

Approve

ATTACHMENTS

1.	O690 Amending Fee Schedule Minimum Permit and Inspection Fees	O690 Amending Fee Schedule Minimum Permit and Inspection Fees.pdf
2.	Existing Fee Schedule (2019)	Existing Fee Schedule (2019).pdf

ORDINANCE NO. 690

AN ORDINANCE AMENDING THE KENNEDALE CITY CODE, BY AMENDING EXHIBIT A "SCHEDULE OF FEES" OF SECTION 2-3, "FEES FOR LICENSES, INSPECTIONS, PERMITS, ETC." TO PROVIDE FOR REVISED MINIMUM PERMIT AND INSPECTION FEES; PROVIDING A CUMULATIVE CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kennedale, Texas is a home rule city acting under its Charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Local Government Code; and

WHEREAS, the City has previously adopted regulations for the collection of fees in connection with building permits and inspections; and

WHEREAS, the City desires to update and revise its current minimum building permit and inspection fees; and

WHEREAS, the City Council, after due and careful consideration, considers it desirable and in the best interest of the health, safety, morals and general welfare of the citizens to add the fees described herein.

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

SECTION 1.

The Schedule of Fees adopted in Section 2-3 "Fees for licenses, inspections, permits, etc." of the Kennedale City Code is hereby amended to update permit and inspection fees as shown on Exhibit "A" to this Ordinance.

SECTION 2.

This ordinance shall be cumulative of all provisions of all existing ordinances and of the Kennedale City Code (1991), as amended, and shall not repeal any of the provisions of such ordinances except in those instances where provisions of such ordinances are in direct conflict with the provisions of this ordinance. All fees in Exhibit A "Schedule of Fees" of Section 2-3 "Fees for licenses, inspections, permits, etc." that are not revised in Exhibit "A" to this Ordinance shall remain unchanged.

SECTION 3.

It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance are severable, and if any phrase, clause, sentence, paragraph, or section of this ordinance shall be declared invalid or unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this ordinance of any such invalid or unconstitutional phrase, clause, sentence, paragraph, or section.

SECTION 4.

This ordinance shall be in full force and effect from and after its passage and it is so ordained.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, THIS THE 21ST DAY OF JANUARY, 2020.

APPROVED:

MAYOR BRIAN JOHNSON

[CITY SEAL]

ATTEST:

CITY SECRETARY LESLIE E. GALLOWAY

APPROVED AS TO FORM AND LEGALITY:

EFFECTIVE DATE:

CITY ATTORNEY DREW LARKIN

EXHIBIT "A"
SCHEDULE OF FEES

ADMINISTRATIVE

SERVICE	COST	NOTES
CHECK AND CREDIT CARD TRANSACTIONS		
<i>Credit Card Payments</i>		
Municipal Court and Permitting	3.0%	When payment of any fee, fine, court cost, or other charge related to Kennedale Permitting is made by credit card via phone, online or in-person, a fee equaling three (3) percent per fee, fine, or other charge paid by credit card will be added to the fee, fine, or other charge paid.
Utility Billing	2.8%	When payment of any utility billing charge related to Kennedale Utility Billing is made by credit card via phone, mail, online or in-person to City of Kennedale or Fathom Global, a fee equaling 2.8 percent per fee, fine or other charge paid by credit card will be added to the charge paid.
Other Departments Not Listed	No Charge	When payment of any fee or other charge related to any other miscellaneous activity not listed department is made by credit card online, by phone (817-985-2120), or in-person, no fee will be required.
Returned Check/Declined Credit Transaction Fee (All Departments)	\$30.00	
CODE ENFORCEMENT		
Lien Assessment Fee	Actual Cost	Plus \$100.00 administrative fee
Mowing, Cleaning, and/or Boarding Property (By Contractor)	Actual Cost	Plus \$100.00 administrative fee
FACILITY RENTALS/RESERVATIONS		
<i>Ballfields (Village Street off of Averett Rd.; Subfacility of Sonora Park)</i>		
General Reservations (Residents and Non-Residents)	\$25.00	Per two (2) hour block
Kennedale Youth Association (KYA) Annual Lease Agreement		
<i>Community Center (316 W Third St.; in the Kennedale Public Library Building)</i>		
Deposit (applies to all Community Center rentals)	\$150.00	May be returned, dependent upon satisfactory inspection by staff
Non-Residents	\$40.00	Per hour, during library's normal hours; Minimum of \$100 charge per rental
	\$50.00	Per hour, during library's closed hours; Minimum of \$100 charge per rental
Residents	\$30.00	Per hour, during library's normal hours; Minimum of \$100 charge per rental
	\$40.00	Per hour, during library's closed hours; Minimum of \$100 charge per rental
<i>Pavilions (TownCenter Park at 405 Municipal Drive; Sonora Park at 263 S. New Hope Rd.)</i>		
Deposit (applies to all pavilion rentals)	\$50.00	May be returned, dependent upon satisfactory inspection by staff
Non-Residents	\$120.00	For 2 Hours, \$180 For 4 Hours, \$230 For 6 Hours, \$280 For 8 Hours
Residents	\$60.00	For 2 Hours, \$90 For 4 Hours, \$115 For 6 Hours, \$140 For 8 Hours
<i>Senior Center Banquet Room (420 Corry A. Edwards Dr.)</i>		
Deposit (Members)	\$75.00	May be returned, dependent upon satisfactory inspection by staff
Members	\$75.00	Per day
Deposit (Non-Members)	\$150.00	May be returned, dependent upon satisfactory inspection by staff
Non-Members	\$125.00	Per day
SERVICE LIBRARY		
Overdue Book	No Charge	
Photocopies From Copier (Only Black and White Available)	\$0.10	Per page
Printouts From Computer	\$0.25	Per page
Materials Lost or Damaged Beyond Repair	\$5.00	Processing fee + listed retail price
Repair of Inventory Material	Actual Cost	
Replace Lost or Damaged Audiobook Binder	\$5.00	

Replace Lost or Damaged CD Case	\$1.00	
Replace Lost or Damaged DVD Case	\$2.00	
Interlibrary Loan	No Charge	
Initial (New Account) Library Card for Residents	No Charge	For residents of the Cities of Kennedale, Arlington, and Mansfield
Annual Library Card for Non-Residents	\$35.00	Per year
Library Card Replacement (Residents and Non-Residents)	\$2.00	Per card
Repair of CD/DVD	\$1.00	
Transmittal Fax Only (Local)	\$1.00	First page, \$0.25 each additional page
Transmittal Fax Only (Long Distance)	\$2.00	First page, \$0.50 each additional page
POLICE DEPARTMENT		
Fingerprinting of Residents for Background Checks	\$7.50	Per Card
Vehicle Accident Report	\$6.00	Per copy
Offense or Arrest Report	\$1.50	Per report, plus \$0.10 per page for additional copies
PERMITS AND INSPECTIONS		
SERVICE	COST	NOTES
NOTE: Minimum Fee For Any Single Permit or Inspection, Listed or Unlisted, Regardless of Department.	\$90.00	Excluding signs
NOTE: In addition to all fees below, developers, property owners, or applicants must pay additional fees in an amount equal to the actual cost incurred by the City related to (i) third-party engineering review of plats, plans, and applications and (ii) third-party construction inspection.		
Building Permit for Residential Construction (single family, two family, multifamily, and townhome)	\$0.85	Per square foot
Building Permit for Non-Residential Construction Based on Total Valuation of Project (Used for Building Code Pricing Below)		
\$1.00 to \$10,000.00	\$120.00	
\$10,001.00 to \$25,000.00	\$181.50	For the first \$10,000.00, plus \$13.50 for each additional \$1000.00, or fraction thereof, up to and including \$25,000.00
\$25,001.00 to \$50,000.00	\$430.50	For the first \$25,000.00, plus \$10.00 for each additional \$1,000.00, or fraction thereof, up to and including \$50,000.00
\$50,001 to \$100,000.00	\$708.00	For the first \$50,000.00, plus \$6.50 for each additional \$1,000.00, or fraction thereof, up to and including \$100,000.00
\$100,001.00 to \$500,000.00	\$1,093.00	For the first \$100,000.00, plus \$4.95 for each additional \$1,000.00, or fraction thereof, up to and including \$500,000.00
\$500,001.00 to \$1,000,000.00	\$3,557.00	For the first \$500,000.00, plus \$4.50 for each additional \$1,000.00, or fraction thereof, up to and including \$1,000,000.00
\$1,000,001.00+	\$6,170.00	For the first \$1,000,000.00, plus \$2.90 for each additional \$1,000.00, or fraction thereof
SERVICE	COST	NOTES
BUILDING CODE PERMITS, INSPECTIONS AND PLAN REVIEWS		
Accessory Building (Min. 100 ft ²)	\$100.00	Consult Construction Table (above)
Alterations and Repairs To Existing Structures	Varies	Consult Construction Table (above)
Building Code Appeal	\$100.00	
Canopy - Larger than 400 ft ²	\$55.00	
Carnival or Temporary Amusement	\$55.00	
Carport	Varies	Consult Construction Table (above)
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	\$100.00	
Contractor Registration, Annual Renewal	\$50.00	If not renewed within 30 days of expiration, renewal fee is \$100.00.
Detached Garage	\$0.85 per sf	Consult Construction Table (above)

RED TEXT =
UPDATESGREY =
DELETIONS

Demolition	\$110.00	
Drive Approach	\$110.00	
Fence, single family residential	\$90.00	Consult Construction Table (above)
Fence, Retaining Wall, Screen Wall (non-residential/subdivision/multifamily)	\$150.00	
Fireplace	Varies	Consult Construction Table (above)
Moving Building into the City	\$100.00	
Patio Cover	Varies	Consult Construction Table (above)
Portable Building (Min. 175 ft ²)	Varies	Consult Construction Table (above)
Signs	Varies	Consult Construction Table (above)
Special Event Permit	\$150.00	
Swimming Pool and/or Hot Tub (Above Ground)	\$200.00	Consult Construction Table (above)
Swimming Pool and/or Hot Tub (In-Ground)	\$400.00	Consult Construction Table (above)
Tent (Commercial) - Larger Than 200 ft ²	\$90.00	
Tree Mitigation Fee	\$200.00	Per caliper inch
Underground Storage Tanks (Includes Gas Lines To Tank)	Varies	Consult Construction Table (above)
Reinspection Fee	\$90.00	
PLAN REVIEW		
All permits calculated by construction table above	35%	Of building permit fee
New, Addition, Remodel for Single or Two Family	\$55.00	
All Other Permits Requiring Plan Review	\$25.00	
Re-Review Fee	\$25.00	
SERVICE	COST	NOTES
ELECTRICAL CODE PERMITS AND INSPECTIONS		
Apartments, Condominiums, Triplex, Etc.	\$90.00	Per ft ² ; Minimum fee of \$55.00
Commercial/Industrial New Construction	\$90.00	Per ft ² ; Minimum fee of \$55.00
Single Family, Duplex, Townhouse, Etc.	\$90.00	Per ft ² ; Minimum fee of \$55.00
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	-	Not required for electricians
Contractor Registration, Annual Renewal	\$50.00	If not renewed within 30 days of expiration, renewal fee is \$100.00
Electric Generators Used By Carnival, Circuses, Traveling Shows, Exhibits	\$90.00	
Electrical Code Appeal	\$100.00	
Fixed Residential Appliances, Receptacle Outlets, Etc.	\$90.00	As Defined by City Code
Minimum For Any Single Permit	\$90.00	Except Temporary Construction Pole Reconnects
Swimming Pool, In-Ground, Residential	\$110.00	
Receptacles, Switch, Lighting or Other Outlet Holding Devices	\$90.00	
Reinspection Fee	\$90.00	
Services of 600 Volts or Less		
Less than 200 Amps	\$90.00	
600+ Volts or 1,000+ Amps	\$90.00	
Each Power Apparatus (As Defined By City Code)	\$2.00	
Rating in Horsepower, Etc.		
Up To And Including 1, Each	\$90.00	
Over 1, Up To And Including 10, Each	\$90.00	
Over 10, Up To And Including 50, Each	\$90.00	
Over 50, Up To And Including 100, Each	\$90.00	
Over 100, Each	\$90.00	

<i>Signs, Outline Lighting, or Marquees</i>		
One Branch Circuit, Each	\$90.00	
Additional Branch Outlets	\$90.00	
Temporary Power To Any Structure (Maximum Of Ninety (90) Days)	\$90.00	
SERVICE	COST	NOTES
MECHANICAL CODE PERMITS AND INSPECTIONS		
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	\$100.00	
Contractor Registration, Annual Renewal	\$50.00	If not renewed within 30 days of expiration, renewal fee is \$100.00.
HVAC (Heating/Cooling Systems)	\$110.00	\$55 Per air handling unit (e.g. inside unit + outside unit = \$110.00)
Replacement of Furnaces, Condensing Unit or Cooling/Heating System	\$90.00	
Vent-A-Hood (Commercial)	\$90.00	
Re-Inspection Fee	\$90.00	
Mechanical Code Appeal	\$100.00	
SERVICE	COST	NOTES
PLUMBING CODE PERMITS AND INSPECTIONS		
Apartments, Condominiums, Triplex, Etc.	\$90.00	Per ft ² ; Minimum fee of \$55.00
Commercial/Industrial New Construction	\$90.00	Per ft ² ; Minimum fee of \$55.00
Single Family, Duplex, Townhouse, Etc.	\$90.00	Per ft ² ; Minimum fee of \$55.00
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	-	Not required for plumbers.
<i>Unit Fee Schedule</i>		
Building Water Line	\$90.00	Each
Building Sewer Line	\$90.00	Each
Fireplace Piping and Valve	\$90.00	
Gas Fired Applicable W/Special Vent Pipe	\$90.00	
Gas Piping System (1-4 Outlets)	\$90.00	Each
Gas Piping System (5+ Outlets)	\$90.00	Each
Industrial Waste Pre-Treatment Interceptor	\$90.00	
Installation/Repair of Water Piping and/or Water Treatment Equipment	\$90.00	
Lawn Sprinkler System On Any One Meter, Including Backflow Protection	\$90.00	Each
Private Sewage Disposal System	\$90.00	
Repair of Existing Piping	\$90.00	
Repair or Alteration of Drainage or Vent Piping	\$90.00	
Gas Line Pressure Check	\$90.00	
Plumbing Fixture, Trap or Set Fixture, Etc.	\$90.00	Each
Yard Line Pressure Check	\$90.00	
Plumbing Code Appeal	\$100.00	
Reinspection Fee	\$90.00	
SERVICE	COST	NOTES
REGISTRATION AND MISCELLANEOUS PERMITS		
Business License	\$25.00	
Home Business License	\$25.00	
Certificate of Occupancy (CO)	\$150.00	
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	\$100.00	
Contractor Registration, Annual Renewal	\$50.00	If not renewed within 30 days of expiration, renewal fee is \$100.00
Garage Sale Permit	\$10.00	No more than three (3) garage sales per address per year

Gathering Station Inspection	\$1,000.00	
Itinerant Vendor License	\$100.00	Contact the Police Department Records Dept. at 817-985-2160, ext. 2219
Sub-Division Construction Inspection Fee	4%	Of construction cost
Tree Removal Permit	\$150.00	Per acre; \$150 minimum charge
SERVICE	COST	NOTES
SHORT TERM RENTAL		
Permit	\$100.00	per each permit and renewal permit
Inspection and Reinspection	\$75.00	Per each inspection or reinspection
SERVICE	COST	NOTES
OIL AND GAS WELLS		
Annual Air Sampling And Reporting Fee Per Low-To-Moderate Impact Pad Sites (As Determined By City Official(s))	\$12,000.00	
Annual Air Sampling And Reporting Fee Per High Impact Pad Site (As Determined By City Official(s))	\$45,000.00	May be paid in quarterly installments
Annual Air Sampling And Reporting Fee As Needed	\$12,000.00	Per instance of additional monitoring
Annual Inspection Per Well	\$2,000.00	\$300 per additional well on same pad site
Well Requested On Application for Pad Site	\$5,000.00	Per well
SERVICE	COST	NOTES
PLANNING AND DEVELOPMENT		
Annexation, Request for	\$200.00	
Commercial Site Plan Review	\$500.00	Engineering review fee; In addition to applicable permitting fees
Conditional Use Permit	\$500.00	
Easement or Right-Of-Way Abandonment, Request for	\$300.00	
Zoning		
Zoning Verification Letter	\$30.00	
Zoning Change or Amendment for Less Than 10 Acres, Request for	\$500.00	
Zoning Change or Amendment for 10+ Acres, Request for	\$1,500.00	
Rezone Less Than 10 Acres to Planned Development District (PD)	\$750.00	
Rezone 10+ Acres to Planned Development District (PD)	\$1,500.00	
Plats		
Minor Plat, Vacated Plat, Amended Plat	\$300.00	Plus \$10.00 per lot
Minor Plat Engineering Review Fee	\$200.00	
Preliminary Plat	\$300.00	Plus \$10.00 per lot
Preliminary Plat Engineering Review Fee	\$1,000.00	
Replat (0-10 Acres)	\$500.00	
Replat (10+ Acres)	\$1,500.00	
Final Plat	\$300.00	Plus \$10.00 per lot
Final Plat, Replat Engineering Review Fee	\$2,500.00	Placed in escrow; unused funds can be requested for return
Other		
Renotification	\$125.00	Cost to republish legally required notifications after a request for date change
Special Exception, Request for	\$250.00	
Variance, Request for	\$250.00	
Printouts/Copies From Plotter	\$1.00	Per Square Foot (ft ²)
SERVICE	COST	NOTES
UTILITY BILLING PUBLIC WORKS WATER AND WASTEWATER		

View monthly utility rate information at www.cityofkennedale.com/waterrates		
Deposits		
Residential Water (Owner Occupied)	\$60.00	If an account is finaled out for nonpayment, re-establishment of service requires a deposit of 2X the normal fee. Accounts are associated with the name of the responsible party (or parties); not the address.
Residential Sewer (Owner Occupied)	\$30.00	
Residential Water (Tenant Occupied)	\$90.00	
Residential Sewer (Tenant Occupied)	\$60.00	
Commercial/Industrial w/High Consumption	Varies	1/6 of annual consumption
Commercial Water	\$90.00	
Commercial Sewer	\$60.00	
Water for Cleanup (15 Day Temp Service)	\$30.00	Per day
Use of Bulk Water Meter (Fire Hydrant)	\$600.00	Plus \$50 service fee
Use of Bulk Water Meter (Gas Drilling)	\$1,000.00	Plus \$50 service fee
Use of Bulk Unmetered Water	Varies	(rate) X (estimated gallons)
Disconnect Service At The Main	Actual Cost	
Liquid Waste Permit	\$50.00	The Building Inspection and Public Works departments regulate the installation, maintenance, and the transportation of liquid wastes. Questions? Call 817-985-2170.
Liquid Waste Trip Ticket Book	\$20.00	
Move City Utilities	Actual Cost	
Private Water Well Permit And Inspection	\$75.00	
Water Administrative Fee	\$20.00	Assessed when account appears on cut-off list; In addition to any late fee
Water Transfer Fee	\$15.00	
Wrecker License/Permit	\$20.00	
Utility Equipment	Actual Cost	Meter, meter base, MTU, register, bullhead, and any other associated equipment installed for water/sewer metering
Water and Wastewater Fees		
Fire Hydrant Fee (Construction Meter)	\$79.50	Monthly base charge
Meter Calibration Fee (When Executed By City Staff)	\$45.00	Charges not incurred if meter is found to be inaccurate.
Meter Calibration Fee (When Executed By Independent Contractor)	\$125.00	
Meter Set Reinspection Fee	\$100.00	
Meter Tampering, Tampering With Lock, Or Cutting Lock On Meter	\$200.00	Per offense, plus actual cost of repair or replacement
Water Tap Fee (No Street Cut)		
¾" (.75")	\$475.00	Plus \$300 meter set fee; plus cost of meter
1"	\$525.00	Plus \$350 meter set fee; plus cost of meter
1½" (1.5")	\$950.00	Plus \$550 meter set fee; plus cost of meter
2"	\$1,075.00	Plus \$700 meter set fee; plus cost of meter
3" or Larger	Actual Cost	Plus actual cost of meter set fee; plus cost of meter
Water Tap Fee (With Street Cut or Bore)		
¾" (.75")	\$925.00	Plus \$300 meter set fee; plus cost of meter
1"	\$975.00	Plus \$350 meter set fee; plus cost of meter
1½" (1.5")	\$1,400.00	Plus \$550 meter set fee; plus cost of meter
2"	\$1,525.00	Plus \$700 meter set fee; plus cost of meter
3" or Larger	Varies	Plus actual cost of meter set fee; plus cost of meter
Sewer Tap Fee (No Street Cut)		
4"	\$425.00	
6"	\$600.00	
8" or Larger	Actual Cost	

<i>Sewer Tap Fee (With Street Cut or Bore)</i>		
4"	\$875.00	
6"	\$1,050.00	
8" or Larger	Actual Cost	
SERVICE	COST	NOTES
FIRE DEPARTMENT		
Ambulance Fees	Actual Cost	Established according to reasonable and customary reimbursement allowances of applicable insurance carriers; reviewed and approved quarterly by the City Manager
Building/Fire Plan Review	\$55.00	
EMS Report	\$15.00	
False Alarm (3 rd +)	\$55.00	Beginning with the 3 rd , the fee doubles for each subsequent false alarm
Fire Code Appeal	\$100.00	
<i>Fire Inspections</i>		
Annual, Bi-Annual of Certificate of Occupancy (CO)	No Charge	
Re-Inspection	No Charge	
2 nd Re-Inspection	\$55.00	
3 rd + Re-Inspection	Varies	Beginning with the 3 rd , the fee doubles for each subsequent re-inspection
Fire Suppression Systems	\$55.00	
Fire Report	\$15.00	
Site Plan Review	\$55.00	
<i>Standby</i>		
Brush Truck	\$75.00	Hourly
Engine	\$150.00	Hourly
Fire Marshall	\$40.00	Hourly
HazMat Squad	\$300.00	Hourly
Paramedic	\$30.00	Hourly
NOTE: Minimum Fee For Any Single Permit or Inspection, Listed or Unlisted, Regardless of Department.		
	\$ 90.00	Excluding signs
NOTE: In addition to all fees above developers, property owners, or applicants must pay additional fees in an amount equal to the actual cost incurred by the City related to (i) third-party engineering review of plats, plans, and applications and (ii) third-party construction inspection.		
SERVICE	COST	NOTES
REQUEST FOR PUBLIC INFORMATION/OPEN RECORDS REQUESTS/REQUESTS UNDER THE PUBLIC INFORMATION ACT (PIA)		
The City Secretary's Office encourages communication and transparency between the City of Kennedale and its residents by serving as the primary office responding to Public Information Requests. In an effort to save requestors time and money, frequently requested documents are available online, including:		
• Laserfiche: Ordinances, Resolutions, Agendas, Packets, Minutes, and Press Releases • MuniCode: Code of Ordinances and Copies of Individual Ordinances • Monthly Reports: Building Permits, Fires, and Substandard Buildings		
If what you need is not available online, you can make a Public information request. Requests are processed in the order they are received, and should be for existing documents or information. Staff may not ask why you want the information, but may ask for clarification if needed. please be aware that some records are exempt from disclosure or require redaction.		

RED TEXT =
UPDATES

Requests may incur a fee, and the City of Kennedale may require prepayment. Charges vary depending on the number of responsive documents and personnel time required. Vaguely-worded or broad requests return more results. The more specific your request, the quicker it can be fulfilled. Generally, the city will charge \$0.10 per page and \$15.00 an hour for labor. Requests for standard-sized documents that will be delivered via email usually do not incur charges, unless the request:

- is for more than fifty (50) pages,
- requires more than thirty (30) minutes of personnel time to locate, compile, manipulate data, and reproduce the information, or
- includes documents that are stored off-site.

If the estimated charges exceed \$40.00, the requestor must approve an itemized estimate before work begins. When estimated costs exceed \$100.00, the requestor is required to make a deposit (typically 100% of the estimate) before work begins. If a requestor (or their organization) has a balance exceeding \$100.00 for past requests, the City of Kennedale will not process additional requests until the account is paid in full. **You must approve any estimate of charges within ten (10) business days of the date the estimate is sent or the request will be considered withdrawn.**

CHARGES ASSOCIATED WITH A PUBLIC INFORMATION REQUEST VARY DEPENDING ON THE AMOUNT OF RESPONSIVE DOCUMENTS AND PERSONNEL TIME REQUIRED.

GENERAL CHARGES ARE OUTLINED BELOW.

Single Sided, Black & White, 8.5x11" Paper	\$0.10	Per paper copy
11x17" or Other Oversized Paper, Not Including Maps & Photographs	\$0.50	Per paper copy
Plat Page	\$3.00	Per plat page
Compact Disc (CD)	\$1.00	Per CD
Digital Video Disc (DVD)	\$3.00	Per DVD
Personnel Time for Locating, Compiling and Reproducing Records	\$15.00	
Mailing Expenses, Speciality Papers (including but not limited to mylar, blueprints, maps, and photos), Off-Site Storage Retrieval	Actual Cost	Off-site storage costs (currently \$16.00 truck charge + \$2.00/box) per retrieval and return

Charges not outlined here will be calculated according to the regulations and recommendations of the Texas State Library and Archives Commission, the Texas Attorney General, and the Texas Administrative Code

ADMINISTRATIVE

SERVICE	COST	NOTES
CHECK AND CREDIT CARD TRANSACTIONS		
<i>Credit Card Payments</i>		
Municipal Court and Permitting	3.0%	When payment of any fee, fine, court cost, or other charge related to Kennedale Permitting is made by credit card via phone, online or in-person, a fee equaling three (3) percent per fee, fine, or other charge paid by credit card will be added to the fee, fine, or other charge paid.
Utility Billing	2.8%	When payment of any utility billing charge related to Kennedale Utility Billing is made by credit card via phone, mail, online or in-person to City of Kennedale or any contracted entity, a fee equaling 2.8 percent per fee, fine or other charge paid by credit card will be added to the charge paid.
Other Departments Not Listed	No Charge	When payment of any fee or other charge related to any other miscellaneous activity not listed department is made by credit card online, by phone (817-985-2120), or in-person, no fee will be required.
Returned Check/Declined Credit Transaction Fee (All Departments)	\$30.00	
CODE ENFORCEMENT		
Lien Assessment Fee	Actual Cost	Plus \$100.00 administrative fee
Mowing, Cleaning, and/or Boarding Property (By Contractor)	Actual Cost	Plus \$100.00 administrative fee
FACILITY RENTALS/RESERVATIONS		
<i>Ballfields (Village Street off of Averett Rd.; Subfacility of Sonora Park)</i>		
General Reservations (Residents and Non-Residents)	\$25.00	Per two (2) hour block
Kennedale Youth Association (KYA) Annual Lease Agreement		
<i>Community Center (316 W Third St.; in the Kennedale Public Library Building)</i>		
Deposit (applies to all Community Center rentals)	\$150.00	May be returned, dependent upon satisfactory inspection by staff
Non-Residents	\$40.00	Per hour, during library's normal hours; Minimum of \$100 charge per rental
	\$50.00	Per hour, during library's closed hours; Minimum of \$100 charge per rental
Residents	\$30.00	Per hour, during library's normal hours; Minimum of \$100 charge per rental
	\$40.00	Per hour, during library's closed hours; Minimum of \$100 charge per rental
<i>Pavilions (TownCenter Park at 405 Municipal Drive; Sonora Park at 263 S. New Hope Rd.)</i>		
Deposit (applies to all pavilion rentals)	\$50.00	May be returned, dependent upon satisfactory inspection by staff
Non-Residents	\$120.00	For 2 Hours, \$180 For 4 Hours, \$230 For 6 Hours, \$280 For 8 Hours
Residents	\$60.00	For 2 Hours, \$90 For 4 Hours, \$115 For 6 Hours, \$140 For 8 Hours
<i>Senior Center Banquet Room (420 Corry A. Edwards Dr.)</i>		
Deposit (Members)	\$75.00	May be returned, dependent upon satisfactory inspection by staff
Members	\$75.00	Per day
Deposit (Non-Members)	\$150.00	May be returned, dependent upon satisfactory inspection by staff
Non-Members	\$125.00	Per day
SERVICE	COST	NOTES
LIBRARY		
Overdue Book	No Charge	
Photocopies From Copier (Only Black and White Available)	\$0.10	Per page
Printouts From Computer	\$0.25	Per page
Materials Lost or Damaged Beyond Repair	\$5.00	Processing fee + listed retail price

Repair of Inventory Material	Actual Cost	
Replace Lost or Damaged Audiobook Binder	\$5.00	
Replace Lost or Damaged CD Case	\$1.00	
Replace Lost or Damaged DVD Case	\$2.00	
Interlibrary Loan	No Charge	
Initial (New Account) Library Card for Residents	No Charge	For residents of the Cities of Kennedale, Arlington, and Mansfield
Annual Library Card for Non-Residents	\$35.00	Per year
Library Card Replacement (Residents and Non-Residents)	\$2.00	Per card
Repair of CD/DVD	\$1.00	
Transmittal Fax Only (Local)	\$1.00	First page, \$0.25 each additional page
Transmittal Fax Only (Long Distance)	\$2.00	First page, \$0.50 each additional page
POLICE DEPARTMENT		
Fingerprinting of Residents for Background Checks	\$7.50	Per Card
Vehicle Accident Report	\$6.00	Per copy
Offense or Arrest Report	\$1.50	Per report, plus \$0.10 per page for additional copies

PERMITS AND INSPECTIONS

SERVICE	COST	NOTES
NOTE: Minimum Fee For Any Single Permit or Inspection, Listed or Unlisted, Regardless of Department	\$ 55.00	Excluding signs
Building Permit for Residential Construction (single family, two family and townhome)	\$ 0.85	Per square foot
Building Permit for Non-Residential Construction Based on Total Valuation of Project (Used for Building Code Pricing Below)		
\$1.00 to \$500.00	\$23.50	
\$501.00 to \$2,000.00	\$23.50	For the first \$500.00, plus \$3.05 for each additional \$100.00, or fraction thereof, up to and including \$2,000.00
\$2,001.00 to \$25,000.00	\$69.25	For the first \$2,000.00, plus \$14.00 for each additional \$1,000.00, or fraction thereof, up to and including \$25,000.00
\$25,001.00 to 50,000.00	\$391.25	For the first \$25,000.00, plus \$10.10 for each additional \$1,000.00, or fraction thereof, up to and including \$50,000.00
\$50,001.00 to \$100,000.00	\$643.75	For the first \$50,000.00, plus \$7.00 for each additional \$1,000.00, or fraction thereof, up to and including \$100,000.00
\$100,001.00 to \$500,000.00	\$993.75	For the first \$100,000.00, plus \$5.60 for each additional \$1,000.00, or fraction thereof, up to and including \$500,000.00
\$500,001.00 to \$1,000,000.00	\$3,233.75	For the first \$500,000.00, plus \$4.75 for each additional \$1,000.00, or fraction thereof, up to and including \$1,000,000.00
\$1,000,001.00+	\$5,608.75	For the first \$1,000,000.00, plus \$3.65 for each additional \$1,000.00, or fraction thereof
SERVICE	COST	NOTES
BUILDING CODE PERMITS, INSPECTIONS AND PLAN REVIEWS		
Accessory Building (Min. 175 ft ²)	Varies	Consult Construction Table (above)
Alterations and Repairs To Existing Structures	Varies	Consult Construction Table (above)
Building Code Appeal	\$100.00	
Canopy - Larger than 400 ft ²	\$55.00	
Carnival or Temporary Amusement	\$55.00	
Carport	Varies	Consult Construction Table (above)

Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	\$100.00	
Contractor Registration, Annual Renewal	\$50.00	If not renewed within 30 days of expiration, renewal fee is \$100.00.
Detached Garage	Varies	Consult Construction Table (above)
Demolition	\$55.00	
Drive Approach	\$55.00	
Fence, Retaining Wall, Screen Wall	Varies	Consult Construction Table (above)
Fireplace	Varies	Consult Construction Table (above)
Moving Building into the City	\$100.00	
Patio Cover	Varies	Consult Construction Table (above)
Portable Building (Min. 175 ft ²)	Varies	Consult Construction Table (above)
Signs	Varies	Consult Construction Table (above)
Swimming Pool and/or Hot Tub (Above Ground)	Varies	Consult Construction Table (above)
Swimming Pool and/or Hot Tub (In-Ground)	Varies	Consult Construction Table (above)
Tent (Commercial) - Larger Than 200 ft ²	\$55.00	
Tree Mitigation Fee	\$200.00	Per caliper inch
Underground Storage Tanks (Includes Gas Lines To Tank)	Varies	Consult Construction Table (above)
Reinspection Fee	\$55.00	
Plan Review		
New, Addition, Remodel for Commercial, Industrial, and Multi-Family	20%	Of building permit fee
New, Addition, Remodel for Single or Two Family	\$55.00	
All Other Permits Requiring Plan Review	\$25.00	
Re-Review Fee	\$25.00	
SERVICE	COST	NOTES
ELECTRICAL CODE PERMITS AND INSPECTIONS		
Apartments, Condominiums, Triplex, Etc.	\$0.05	Per ft ² ; Minimum calculation of \$55.00
Commercial/Industrial New Construction	\$0.06	Per ft ² ; Minimum calculation of \$55.00
Single Family, Duplex, Townhouse, Etc.	\$0.06	Per ft ² ; Minimum calculation of \$55.00
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	\$100.00	
Contractor Registration, Annual Renewal	\$50.00	If not renewed within 30 days of expiration, renewal fee is \$100.00
Electric Generators Used By Carnival, Circuses, Traveling Shows, Exhibits	\$55.00	
Electrical Code Appeal	\$100.00	
Fixed Residential Appliances, Receptacle Outlets, Etc.	\$55.00	As Defined by City Code
Minimum For Any Single Permit	\$55.00	Except Temporary Construction Pole Reconnects
Swimming Pool, In-Ground, Residential	\$110.00	
Receptacles, Switch, Lighting or Other Outlet Holding Devices	\$55.00	
Reinspection Fee	\$55.00	
<i>Services of 600 Volts or Less</i>		
Less than 200 Amps	\$55.00	
600+ Volts or 1,000+ Amps	\$55.00	
Each Power Apparatus (As Defined By City Code)	\$2.00	
<i>Rating in Horsepower, Etc.</i>		
Up To And Including 1, Each	\$55.00	

Over 1, Up To And Including 10, Each	\$55.00	
Over 10, Up To And Including 50, Each	\$55.00	
Over 50, Up To And Including 100, Each	\$55.00	
Over 100, Each	\$55.00	
<i>Signs, Outline Lighting, or Marquees</i>		
One Branch Circuit, Each	\$55.00	
Additional Branch Outlets	\$55.00	
Temporary Power To Any Structure (Maximum Of Ninety (90) Days)	\$55.00	
SERVICE	COST	NOTES
MECHANICAL CODE PERMITS AND INSPECTIONS		
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	\$100.00	
Contractor Registration, Annual Renewal	\$50.00	If not renewed within 30 days of expiration, renewal fee is \$100.00.
HVAC (Heating/Cooling Systems)	\$110.00	\$55 Per air handling unit (e.g. inside unit + outside unit = \$110.00)
Replacement of Furnaces, Condensing Unit or Cooling/Heating System	\$55.00	
Vent-A-Hood (Commercial)	\$55.00	
Re-Inspection Fee	\$55.00	
Mechanical Code Appeal	\$100.00	
SERVICE	COST	NOTES
PLUMBING CODE PERMITS AND INSPECTIONS		
Apartments, Condominiums, Triplex, Etc.	\$0.05	Per ft ² ; Minimum fee of \$55.00
Commercial/Industrial New Construction	\$0.06	Per ft ² ; Minimum fee of \$55.00
Single Family, Duplex, Townhouse, Etc.	\$0.06	Per ft ² ; Minimum fee of \$55.00
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	-	Not required for plumbers.
<i>Unit Fee Schedule</i>		
Building Water Line	\$55.00	Each
Building Sewer Line	\$55.00	Each
Fireplace Piping and Valve	\$55.00	
Gas Fired Applicable W/Special Vent Pipe	\$55.00	
Gas Piping System (1-4 Outlets)	\$55.00	Each
Gas Piping System (5+ Outlets)	\$55.00	Each
Industrial Waste Pre-Treatment Interceptor	\$55.00	
Installation/Repair of Water Piping and/or Water Treatment Equipment	\$55.00	
Lawn Sprinkler System On Any One Meter, Including Backflow Protection	\$55.00	Each
Private Sewage Disposal System	\$55.00	
Repair of Existing Piping	\$55.00	
Repair or Alteration of Drainage or Vent Piping	\$55.00	
Gas Line Pressure Check	\$55.00	
Plumbing Fixture, Trap or Set Fixture, Etc.	\$55.00	Each
Yard Line Pressure Check	\$55.00	
Plumbing Code Appeal	\$100.00	
Reinspection Fee	\$55.00	
SERVICE	COST	NOTES

REGISTRATION AND MISCELLANEOUS PERMITS		
Business License	\$25.00	
Home Business License	\$25.00	
Certificate of Occupancy (CO)	\$55.00	
Contractor Registration, Initial (Article XIII, Chapter 4 Of City Code)	\$100.00	
Contractor Registration, Annual Renewal	\$50.00	If not renewed within 30 days of expiration, renewal fee is \$100.00
Garage Sale Permit	\$10.00	No more than three (3) garage sales per address per year
Gathering Station Inspection	\$1,000.00	
Itinerant Vendor License	\$100.00	Contact the Police Department Records Dept. at 817-985-2160, ext. 2219
Sub-Division Construction Inspection Fee	4%	Of construction cost
Tree Removal Permit	\$150.00	Per acre; \$150 minimum charge
SERVICE	COST	NOTES
SHORT TERM RENTAL		
Permit	\$100.00	per each permit and renewal permit
Inspection and Reinspection	\$75.00	Per each inspection or reinspection
SERVICE	COST	NOTES
OIL AND GAS WELLS		
Annual Air Sampling And Reporting Fee Per Low-To-Moderate Impact Pad Sites (As Determined By City Official(s))	\$12,000.00	
Annual Air Sampling And Reporting Fee Per High Impact Pad Site (As Determined By City Official(s))	\$45,000.00	May be paid in quarterly installments
Annual Air Sampling And Reporting Fee As Needed	\$12,000.00	Per instance of additional monitoring
Annual Inspection Per Well	\$2,000.00	\$300 per additional well on same pad site
Well Requested On Application for Pad Site	\$5,000.00	Per well
SERVICE	COST	NOTES
PLANNING AND DEVELOPMENT		
Annexation, Request for	\$200.00	
Commercial Site Plan Review	\$500.00	Engineering review fee; In additional to applicable permitting fees
Conditional Use Permit	\$500.00	
Easement or Right-Of-Way Abandonment, Request for	\$300.00	
Zoning		
Zoning Verification Letter	\$30.00	
Zoning Change or Amendment for Less Than 10 Acres, Request for	\$500.00	
Zoning Change or Amendment for 10+ Acres, Request for	\$1,500.00	
Rezone Less Than 10 Acres to Planned Development District (PD)	\$750.00	
Rezone 10+ Acres to Planned Development District (PD)	\$1,500.00	
Plats		
Minor Plat, Vacated Plat, Amended Plat	\$300.00	Plus \$10.00 per lot
Minor Plat Engineering Review Fee	\$200.00	
Preliminary Plat	\$300.00	Plus \$10.00 per lot
Preliminary Plat Engineering Review Fee	\$1,000.00	
Replat (0-10 Acres)	\$500.00	
Replat (10+ Acres)	\$1,500.00	

Final Plat	\$300.00	Plus \$10.00 per lot
Final Plat, Replat Engineering Review Fee	\$2,500.00	Placed in escrow; unused funds can be requested for return
<i>Other</i>		
Renotification	\$125.00	Cost to republish legally required notifications after a request for date change
Special Exception, Request for	\$250.00	
Variance, Request for	\$250.00	
Printouts/Copies From Plotter	\$1.00	Per Square Foot (ft ²)
SERVICE	COST	NOTES
UTILITY BILLING PUBLIC WORKS WATER AND WASTEWATER		
View monthly utility rate information at www.cityofkennedale.com/waterrates		
<i>Deposits</i>		
Residential Water (Owner Occupied)	\$60.00	If an account is finaled out for nonpayment, re-establishment of service requires a deposit of 2X the normal fee. Accounts are associated with the name of the responsible party (or parties); not the address.
Residential Sewer (Owner Occupied)	\$30.00	
Residential Water (Tenant Occupied)	\$90.00	
Residential Sewer (Tenant Occupied)	\$60.00	
Commercial/Industrial w/High Consumption	Varies	1/6 of annual consumption
Commercial Water	\$90.00	
Commercial Sewer	\$60.00	
Water for Cleanup (15 Day Temp Service)	\$30.00	Per day
Use of Bulk Water Meter (Fire Hydrant)	\$600.00	Plus \$50 service fee
Use of Bulk Water Meter (Gas Drilling)	\$1,000.00	Plus \$50 service fee
Use of Bulk Unmetered Water	Varies	(rate) X (estimated gallons)
Disconnect Service At The Main	Actual Cost	
Liquid Waste Permit	\$50.00	The Building Inspection and Public Works departments regulate the installation, maintenance, and the transportation of liquid wastes. Questions? Call 817-985-2170.
Liquid Waste Trip Ticket Book	\$20.00	
Move City Utilities	Actual Cost	
Private Water Well Permit And Inspection	\$75.00	
Water Administrative Fee	\$20.00	Assessed when account appears on cut-off list; In addition to any late fee
Water Transfer Fee	\$15.00	
Wrecker License/Permit	\$20.00	
Utility Equipment	Actual Cost	Meter, meter base, MTU, register, bullhead, and any other associated equipment installed for water/sewer metering
<i>Water and Wastewater Fees</i>		
Fire Hydrant Fee (Construction Meter)	\$79.50	Monthly base charge
Meter Calibration Fee (When Executed By City Staff)	\$45.00	Charges not incurred if meter is found to be inaccurate.
Meter Calibration Fee (When Executed By Independent Contractor)	\$125.00	
Meter Set Reinspection Fee	\$100.00	
Meter Tampering, Tampering With Lock, Or Cutting Lock On Meter	\$200.00	Per offense, plus actual cost of repair or replacement
<i>Water Tap Fee (No Street Cut)</i>		
¾" (.75")	\$475.00	Plus \$300 meter set fee; plus cost of meter
1"	\$525.00	Plus \$350 meter set fee; plus cost of meter
1½" (1.5")	\$950.00	Plus \$550 meter set fee; plus cost of meter
2"	\$1,075.00	Plus \$700 meter set fee; plus cost of meter

3" or Larger	Actual Cost	Plus actual cost of meter set fee; plus cost of meter
<i>Water Tap Fee (With Street Cut or Bore)</i>		
¾" (.75")	\$925.00	Plus \$300 meter set fee; plus cost of meter
1"	\$975.00	Plus \$350 meter set fee; plus cost of meter
1½" (1.5")	\$1,400.00	Plus \$550 meter set fee; plus cost of meter
2"	\$1,525.00	Plus \$700 meter set fee; plus cost of meter
3" or Larger	Varies	Plus actual cost of meter set fee; plus cost of meter
<i>Sewer Tap Fee (No Street Cut)</i>		
4"	\$425.00	
6"	\$600.00	
8" or Larger	Actual Cost	
<i>Sewer Tap Fee (With Street Cut or Bore)</i>		
4"	\$875.00	
6"	\$1,050.00	
8" or Larger	Actual Cost	
SERVICE	COST	NOTES
FIRE DEPARTMENT		
Ambulance Fees	Actual Cost	Established according to reasonable and customary reimbursement allowances of applicable insurance carriers; reviewed and approved quarterly by the City Manager
Building/Fire Plan Review	\$55.00	
EMS Report	\$15.00	
False Alarm (3 rd +)	\$55.00	Beginning with the 3 rd , the fee doubles for each subsequent false alarm
Fire Code Appeal	\$100.00	
<i>Fire Inspections</i>		
Annual, Bi-Annual of Certificate of Occupancy (CO)	No Charge	
Re-Inspection	No Charge	
2 nd Re-Inspection	\$55.00	
3 rd + Re-Inspection	Varies	Beginning with the 3 rd , the fee doubles for each subsequent re-inspection
Fire Suppression Systems	\$55.00	
Fire Report	\$15.00	
Site Plan Review	\$55.00	
<i>Standby</i>		
Brush Truck	\$75.00	Hourly
Engine	\$150.00	Hourly
Fire Marshall	\$40.00	Hourly
HazMat Squad	\$300.00	Hourly
Paramedic	\$30.00	Hourly
NOTE: Minimum fee for any single permit or inspection, listed or unlisted, regardless of department	\$55.00	Excluding signs
SERVICE	COST	NOTES
REQUEST FOR PUBLIC INFORMATION/OPEN RECORDS REQUESTS/REQUESTS UNDER THE PUBLIC INFORMATION ACT (PIA)		

The City Secretary's Office encourages communication and transparency between the City of Kennedale and its residents by serving as the primary office responding to Public Information Requests. In an effort to save requestors time and money, frequently requested documents are available online, including:

- Laserfiche: Ordinances, Resolutions, Agendas, Packets, Minutes, and Press Releases
- MuniCode: Code of Ordinances and Copies of Individual Ordinances
- Monthly Reports: Building Permits, Fires, and Substandard Buildings

If what you need is not available online, you can make a Public information request. Requests are processed in the order they are received, and should be for existing documents or information. Staff may not ask why you want the information, but may ask for clarification if needed. please be aware that some records are exempt from disclosure or require redaction.

Requests may incur a fee, and the City of Kennedale may require prepayment. Charges vary depending on the number of responsive documents and personnel time required. Vaguely-worded or broad requests return more results. The more specific your request, the quicker it can be fulfilled. Generally, the city will charge \$0.10 per page and \$15.00 an hour for labor. Requests for standard-sized documents that will be delivered via email usually do not incur charges, unless the request:

- is for more than fifty (50) pages,
- requires more than thirty (30) minutes of personnel time to locate, compile, manipulate data, and reproduce the information, or
- includes documents that are stored off-site.

If the estimated charges exceed \$40.00, the requestor must approve an itemized estimate before work begins. When estimated costs exceed \$100.00, the requestor is required to make a deposit (typically 100% of the estimate) before work begins. If a requestor (or their organization) has a balance exceeding \$100.00 for past requests, the City of Kennedale will not process additional requests until the account is paid in full.

You must approve any estimate of charges within ten (10) business days of the date the estimate is sent or the request will be considered withdrawn.

CHARGES ASSOCIATED WITH A PUBLIC INFORMATION REQUEST VARY DEPENDING ON THE AMOUNT OF RESPONSIVE DOCUMENTS AND PERSONNEL TIME REQUIRED. GENERAL CHARGES ARE OUTLINED BELOW.

Single Sided, Black & White, 8.5x11" Paper	\$0.10	Per paper copy
11x17" or Other Oversized Paper, Not Including Maps & Photographs	\$0.50	Per paper copy
Plat Page	\$3.00	Per plat page
Compact Disc (CD)	\$1.00	Per CD
Digital Video Disc (DVD)	\$3.00	Per DVD
Personnel Time for Locating, Compiling and Reproducing Records	\$15.00	
Mailing Expenses, Speciality Papers (including but not limited to mylar, blueprints, maps, and photos), Off-Site Storage Retrieval	Actual Cost	Off-site storage costs (currently \$16.00 truck charge + \$2.00/box) per retrieval and return

Charges not outlined here will be calculated according to the regulations and recommendations of the Texas State Library and Archives Commission, the Texas Attorney General, and the Texas Administrative Code

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: INDIVIDUAL CONSIDERATION ITEM IV.F.3.

SUBJECT

Consider approval of Ordinance 691, authorizing the issuance, sale and delivery of approximately \$1,255,000 in aggregate principal amount of City of Kennedale, Texas General Obligation Refunding Bond, Series 2020; securing the payment thereof by authorizing the levy of an annual ad valorem tax; and approving and authorizing the execution of all instruments and procedures related thereto including a deposit agreement, a paying agent/registrar agreement and a purchase contract and investment letter

ORIGINATED BY

Lakeita Sutton, Director of Finance and Information Technology

SUMMARY

Due to recent amendments to the tax law, the City has an opportunity to refund its 2010 Certificates of Obligation (COs), saving up to \$126,000 over the next 10 years (assuming rates stay at or near their current levels). During the December 17 Council meeting, the City's Financial Advisors, SAMCO Capital, presented this opportunity for debt service savings on this outstanding bond, and the Council provided the approval to proceed with advertisement of the potential sale to gain insight into the success of such a sale.

Since that time, SAMCO Capital has obtained bids on the sale that would be advantageous to the City. Accordingly, the City of Kennedale, Texas General Obligation Refunding Bond, Series 2020 is being considered herein. The Debt savings presented will be realized in the City's EDC debt structure. The savings would reduce the debt service expenditure and result in a fund balance surplus for the EDC Fund.

This refunding opportunity accelerates the efforts the City is making to realize cash savings and maintain its credit rating. The private placement refunding method being recommended will minimize the time for the completion of the transaction as well as reduce the costs associated with other types of advancing bonds.

This agenda item allows the Council to review the bids from potential purchasers of the debt, review the City's potential savings, and thereby consider approval of Ordinance 691, authorizing the issuance of a Refunding Bond.

RECOMMENDATION

Approve

ATTACHMENTS

1.	Ordinance - 2020 City of Kennedale Refunding Bonds-2	Ordinance - 2020 City of Kennedale Refunding Bonds-2.pdf
2.	Paying Agent Ag - 2020 Kennedale GO Ref-2	Paying Agent Ag - 2020 Kennedale GO Ref-2.pdf

ORDINANCE NO. ____

**ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF
\$_____ IN AGGREGATE PRINCIPAL AMOUNT OF *CITY OF
KENNE DALE, TEXAS GENERAL OBLIGATION REFUNDING BOND,
SERIES 2020*; SECURING THE PAYMENT THEREOF BY AUTHORIZING
THE LEVY OF AN ANNUAL AD VALOREM TAX; AND APPROVING AND
AUTHORIZING THE EXECUTION OF ALL INSTRUMENTS AND
PROCEDURES RELATED THERETO INCLUDING A DEPOSIT
AGREEMENT, A PAYING AGENT/REGISTRAR AGREEMENT AND A
PURCHASE CONTRACT AND INVESTMENT LETTER**

DATE OF APPROVAL: JANUARY 21, 2020

TABLE OF CONTENTS

Recitals	1
Section 1. Amount and Purpose of the Bond	4
Section 2. Designation	4
Section 3. Date, Denominations, Numbers, Maturity, and Installment Payments of the Bond	4
Section 4. Interest	5
Section 5. Characteristics of the Bond	5
Section 6. Form of Bond	7
Section 7. Interest and Sinking Fund; Tax Levy; Security Interest	13
Section 8. Investments	13
Section 9. Defeasance of Bond	14
Section 10. Damaged, Mutilated, Lost, Stolen, or Destroyed Bond	15
Section 11. Custody, Approval, and Registration of Bond; Bond Counsel's Opinion; Cusip Numbers; and CUSIP Numbers	16
Section 12. Covenants Regarding Tax Exemption of Interest on the Bond	16
Section 13. Sale of Bond	19
Section 14. Approval of Deposit Agreement; Refunding of Refunded Obligations	19
Section 15. Notice of Defeasance and Redemption of Refunded Obligations	20
Section 16. Further Procedures	20
Section 17. Ordinance a Contract; Amendments	20
Section 18. Remedies in Event of Default	22
Section 19. No Rule 15c2-12 Undertaking; Annual Financial Statements	22
Section 20. Interested Parties	22

Section 21.	Incorporation of Recitals	22
Section 22.	Choice of Law	22
Section 23.	Effective Date	23

SIGNATURES

Exhibit A	Form of Paying Agent/Registrar Agreement
Exhibit B	Written Procedures Relating to Continuing Compliance with Federal Tax Covenants
Exhibit C	Form of Deposit Agreement
Exhibit D	Form of Notice of Redemption
Exhibit E	Form of Purchase Contract and Investment Letter

ORDINANCE NO. ____

ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF \$_____ IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF KENNEDALE, TEXAS GENERAL OBLIGATION REFUNDING BOND, SERIES 2020; SECURING THE PAYMENT THEREOF BY AUTHORIZING THE LEVY OF AN ANNUAL AD VALOREM TAX; AND APPROVING AND AUTHORIZING THE EXECUTION OF ALL INSTRUMENTS AND PROCEDURES RELATED THERETO INCLUDING A DEPOSIT AGREEMENT, A PAYING AGENT/REGISTRAR AGREEMENT AND A PURCHASE CONTRACT AND INVESTMENT LETTER

THE STATE OF TEXAS	§
COUNTY OF TARRANT	§
CITY OF KENNEDALE	§

WHEREAS, the CITY OF KENNEDALE, TEXAS (the "**City**") in Tarrant County, Texas, is a political subdivision of the State of Texas operating as a home-rule city pursuant to the Texas Local Government Code and its City Charter, which was originally approved by the qualified voters of the City on January 17, 1998, and which was most recently amended by the qualified voters of the City on May 4, 2019; and

WHEREAS, among numerous series of bonds and certificates of obligation of the City which are secured by the full faith and credit of the City and a pledge by the City to levy ad valorem taxes sufficient to pay principal of and interest on such bonds or certificates of obligations as they become due, there are specifically outstanding the *City of Kennedale, Texas Combination Tax and Revenue Certificates of Obligation, Series 2010*, dated January 1, 2010, maturing on May 1 in each of the years 2021, 2023, 2025, 2027 and 2030, and currently outstanding in the aggregate principal amount of \$1,275,000 (the "**Series 2010 Certificates**"); and

The remainder of this page intentionally left blank.

WHEREAS, the City now desires to refund all of the outstanding Series 2010 Certificates, which are referred to herein as the "**Refunded Obligations**" and are more specifically described as maturing in the years and in the respective principal amounts (aggregating \$1,275,000 in principal amount) and bearing interest as shown in the following table:

SERIES 2010 CERTIFICATES TO BE REFUNDED				
MATURITY (MAY 1)	PRINCIPAL AMOUNT MATURING IN YEAR (\$)	PRINCIPAL AMOUNT REFUNDED (\$)	STATED INTEREST RATE (%)	CUSIP No. 489332
2021	185,000	185,000	4.000	GK6
***	***	***	***	***
2023	205,000	205,000	5.000	GM2
***	***	***	***	***
2025	225,000	225,000	5.000	GP5
***	***	***	***	***
2027	245,000	245,000	5.000	GR1
***	***	***	***	***
2030	415,000	415,000	5.000	GU4
Totals	<u>1,275,000</u>	<u>1,275,000</u>		

WHEREAS, all of the Refunded Obligations mature or are subject to redemption prior to maturity within 20 years of the date of the bond hereinafter authorized; in particular, the Refunded Obligations and the ordinance which authorized the issuance of the Refunded Obligations provide that the Series 2010 Certificates maturing on and after May 1, 2021 may be called at the option of the City on May 1, 2020, or any date thereafter, at par; and

WHEREAS, Chapter 1207, Texas Government Code, as amended ("**Chapter 1207**"), authorizes the Issuer to issue refunding bonds and to deposit the proceeds from the sale thereof, and any other available funds or resources, directly with a place of payment (paying agent) for the Refunded Obligations, or with another trust company or commercial bank that does not act as a depository for the City, in an amount sufficient to provide for the payment and/or redemption of the Refunded Obligations, and such deposit, if made before such payment dates, shall constitute the making of firm banking and financial arrangements for the discharge and final payment or redemption of the Refunded Obligations; and

WHEREAS, Chapter 1207 (specifically Section 1207.062, Texas Government Code) further authorizes the City to enter into an escrow agreement with (i) any paying agent for the Refunded Obligations, or (ii) another trust company or commercial bank that does not act as a depository for the Board and is named in the proceedings authorizing such escrow agreement, with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon

such terms and conditions as the City and such paying agent, trust company or commercial bank may agree; provided that such deposits may be invested and reinvested in:

(i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by the United States,

(ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the City Council of the City adopts or approves this Ordinance, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and

(iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the City Council of the Issuer adopts or approves this Order, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent,

and all of which must mature and bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment or redemption of the Refunded Obligations; and

WHEREAS, WELLS FARGO BANK, NATIONAL ASSOCIATION currently serves as the paying agent for the Series 2010 Certificates, and the Deposit Agreement hereinafter authorized between the City and Wells Fargo Bank, National Association, constitutes an escrow agreement of the kind authorized and permitted by Chapter 1207; and

WHEREAS, the City Council of the City hereby finds and declares a public purpose and deems it advisable and in the best interests of the City to issue a bond (defined in Section 3 hereof as the "**Bond**"), the proceeds of which will be used to pay costs of issuance and refund the Refunded Obligations in order to achieve a gross debt service savings and a net present value debt service savings for the benefit of the taxpayers of the City; and

WHEREAS, such refunding of the Refunded Obligations will result in a gross debt service savings of \$_____ and a net present value debt service savings of \$_____ (i.e., _____% of the principal amount of the Refunded Obligations); and

WHEREAS, the Bond hereinafter authorized and designated is to be issued and delivered pursuant to Chapter 1207 and Chapter 1201, Texas Government Code; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS:

SECTION 1. AMOUNT AND PURPOSE OF THE BOND. The City's general obligation refunding bond (hereinafter sometimes called the "**Bond**") is hereby authorized to be issued in the aggregate principal amount of \$_____ **FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND A PORTION OF THE CITY'S GENERAL OBLIGATION INDEBTEDNESS AND PAY COSTS OF ISSUANCE.**

SECTION 2. DESIGNATION. The Bond authorized to be issued by this Ordinance shall be designated the **CITY OF KENNEDALE, TEXAS GENERAL OBLIGATION REFUNDING BOND, SERIES 2020.**

SECTION 3. DATE, DENOMINATIONS, NUMBERS, MATURITY, AND INSTALLMENT PAYMENTS OF THE BOND.

(a) Initially there shall be issued, sold, and delivered hereunder one fully registered Bond, without interest coupons, dated February 15, 2020, in the denomination and principal amount of \$_____, numbered R-1, with any bond issued in replacement thereof being in the denomination and principal amount hereinafter stated and numbered consecutively from R-2 upward, payable in installments to the registered owner thereof, or to the registered assignee of said bond (in each case, the "**Registered Owner**").

(b) Principal of the Bond shall mature and be payable in installments on the dates and in the principal installment amounts and shall bear interest at the per annum rate set forth in the following schedule:

Payment Date (February 15)	Principal Installment Amount (\$)	Interest Rate (%)
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
Total		***

The term "Bond" as used in this Ordinance shall mean and include collectively the bond initially issued and delivered pursuant to this Ordinance, as well as all other substitute bonds and replacement bonds issued pursuant hereto.

SECTION 4. INTEREST. The Bond shall bear interest from the dates specified in the FORM OF BOND set forth in this Ordinance to date of maturity at the rate per annum set forth above. Said interest shall be payable in the manner provided and on the dates stated in the FORM OF BOND set forth in this Ordinance.

SECTION 5. CHARACTERISTICS OF THE BOND.

(a) Registration and Transfer; Authentication. The City shall keep or cause to be kept at the designated corporate trust or commercial banking office (currently located in _____, Texas) of _____ (the "**Paying Agent/Registrar**"), books or records for the registration of the transfer of the Bond (the "**Registration Books**"), and the City hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers under such reasonable regulations as the City and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations and transfers as herein provided within three days of presentation in due and proper form. Attached hereto as Exhibit A is a copy of the Paying Agent/Registrar Agreement between the City and the Paying Agent/Registrar which is hereby approved in substantially final form, and the Mayor or Mayor Pro-Tem and the City Secretary of the City are hereby authorized to execute the Paying Agent/Registrar Agreement and approve any changes in the final form thereof.

The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Registered Owner of each Bond to which payments with respect to the Bond shall be mailed, as herein provided; but it shall be the duty of the Registered Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The City shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer and delivery of a substitute Bond or Bond. Registration of assignment and transfer of a Bond shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in this Ordinance. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

Except as provided in Section 5(c) hereof, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign said Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel the paid Bond or a Bond surrendered for transfer. No additional ordinances, orders or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing, and the Paying Agent/Registrar shall provide for the printing, execution and delivery of the substitute Bond in the manner prescribed herein. Pursuant to Subchapter D, Chapter 1201, Texas Government Code, the duty of transfer of the Bond as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Bond, the transferred Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bond which initially was issued and delivered pursuant to this

Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of Bond and Interest. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bond, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Bond, and of all transfers of the Bond, and all replacements of the Bond, as provided in this Ordinance. However, in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "**Special Record Date**") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of the Registered Owner appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice.

(c) In General. The Bond (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bond to be payable only to the Registered Owner thereof, (ii) may be transferred and assigned, (iii) shall have the characteristics, (iv) shall be signed, sealed, executed and authenticated, (v) the principal of and interest on the Bond shall be payable, and (vi) shall be administered, and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Bond, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in this Ordinance. The Bond initially issued and delivered pursuant to this Ordinance is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in transfer or replacement for any Bond issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF BOND.

(d) Substitute Paying Agent/Registrar. The City covenants with the registered Owner of the Bond that at all times while the Bond is outstanding the City will provide a competent and legally qualified bank, trust company, financial institution or other agency to act as and perform the services of Paying Agent/Registrar for the Bond under this Ordinance, and that the Paying Agent/Registrar will be one entity. The City reserves the right to, and may, at its option, but only with the prior written consent of the Registered Owner, change the Paying Agent/Registrar upon not less than 40 days written notice to the Paying Agent/Registrar, to be effective not later than 30 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint, but only upon the prior written consent of the Registered Owner, a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other

pertinent books and records relating to the Bond, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to the Registered Owner of the Bond, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to the Paying Agent/Registrar.

(e) On the closing date, one Initial Bond representing the entire principal amount of the Bond, payable in stated installments to the Purchaser, executed by manual or facsimile signature of the Mayor or Mayor Pro-Tem of the City and the City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the Purchaser or its designee. The Paying Agent/Registrar shall insert the date of delivery and deliver the Bond to the Purchaser.

SECTION 6. FORM OF BOND. The form of the Bond, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Bond initially issued and delivered pursuant to this Ordinance, shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

[The remainder of this page intentionally left blank]

(a) Form of Bond.

NO. R-1	UNITED STATES OF AMERICA STATE OF TEXAS COUNTY OF TARRANT CITY OF KENNEDALE, TEXAS GENERAL OBLIGATION REFUNDING BOND, SERIES 2020	PRINCIPAL AMOUNT \$_____
---------	---	--------------------------------

<u>Interest Rate</u>	<u>Delivery Date</u>	<u>Maturity Date</u>
As shown below	February __, 2020	As shown below

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ **DOLLARS**

THE CITY OF KENNEDALE, TEXAS (the "**City**"), being a political subdivision and home rule municipality of the State of Texas located in Tarrant County, Texas, for value received, hereby promises to pay, from the sources described herein, to the registered owner specified above, or registered assign (the "**Registered Owner**"), the principal amount from time to time unpaid and to pay interest thereon from the date of delivery of this Bond as specified above, at the rate per annum set forth in the table below, calculated on the basis of a 360-day year of twelve 30-day months. The principal of this Bond shall mature and be paid in installments on the dates and in the amounts set forth in the table below:

<u>Payment Date (February 15)</u>	<u>Principal Installment Amount (\$)</u>	<u>Interest Rate (%)</u>
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
Total		***

THE PRINCIPAL OF AND INTEREST ON THIS BOND are payable in lawful money of the United States of America, without exchange or collection charges. The City shall pay interest on the unpaid principal installments of this Bond on August 15, 2020, and on each February 15 and August 15 thereafter to the date of maturity thereof. The last principal installment of this Bond shall be paid to the Registered Owner hereof upon presentation and surrender of this Bond at maturity at the designated corporate trust or commercial banking office of _____ (currently located in _____, Texas), which is the "**Paying Agent/Registrar**" for this Bond. The payment of all other principal installments of and interest on this Bond shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each principal and interest payment date by check or draft, dated as of such principal and interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the ordinance authorizing the issuance of this Bond (the "**Ordinance**") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the last business day of the month next preceding each such date (the "**Record Date**") on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In addition, principal and interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner.

THE CITY COVENANTS WITH THE REGISTERED OWNER of this Bond that on or before each principal payment date and interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Interest and Sinking Fund" created by the Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bond, when due.

IF THE DATE FOR THE PAYMENT of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the designated corporate trust or commercial banking office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS BOND IS DATED AS OF FEBRUARY 15, 2020, and is authorized and issued pursuant to and in compliance with the Constitution and laws of the State of Texas in the original aggregate principal amount of \$_____ **FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND A PORTION OF THE CITY'S GENERAL OBLIGATION INDEBTEDNESS AND PAY COSTS OF ISSUANCE.**

THE PRINCIPAL INSTALLMENTS OF THIS BOND ARE NOT SUBJECT TO REDEMPTION PRIOR TO STATED MATURITY.

UPON THE PAYMENT OF ANY OUTSTANDING principal balance of this Bond, the Paying Agent/Registrar shall note in the Bond Registration Books the amount of such payment, the date said payment was made and the remaining unpaid principal balance of this Bond.

THIS BOND IS ISSUED AS A FULLY REGISTERED BOND, without interest coupons, in the denomination of the principal amount thereof. As provided in the Ordinance, this Bond may, at the request of the Registered Owner or the assignee hereof, be assigned or transferred for a like aggregate principal amount of a fully registered Bond in the denomination of the principal amount hereof, without interest coupons, payable to the Registered Owner or assignees as the case may be, having the same denomination, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond. The form of Assignment printed or endorsed on this Bond may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring or exchanging any Bond will be paid by the City. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment or transfer, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

IN THE EVENT ANY PAYING AGENT/REGISTRAR FOR THE BOND IS CHANGED by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owner of the Bond.

IT IS HEREBY CERTIFIED, RECITED, AND COVENANTED that this Bond has been duly and validly authorized, issued and delivered; that all acts, conditions and things required or proper to be performed, exist and be done precedent to or in the authorization, issuance and delivery of this Bond have been performed, existed and been done in accordance with law, and that this Bond does not exceed any constitutional or statutory limitation; that this Bond is an obligation of the City; and that ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due, and as such principal matures, have been levied and ordered to be levied against all taxable property in the City, and have been pledged for such payment, within the limits prescribed by law, all as provided in the Ordinance authorizing the Bond.

THE CITY HAS RESERVED THE RIGHT to amend the Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the Registered Owner of the Bond.

BY BECOMING THE REGISTERED OWNER OF THIS BOND, the Registered Owner thereby acknowledges all of the terms and provisions of the Ordinance, agrees to be bound by such terms and provisions, acknowledges that the Ordinance is duly recorded and available for inspection in the official minutes and records of the governing body of the City, and agrees that the terms and provisions of this Bond and the Ordinance constitute a contract between the Registered Owner hereof and the City.

IN WITNESS WHEREOF, the City has caused this Bond to be signed with the manual or facsimile signature of the Mayor or Mayor Pro-Tem of the City and countersigned with the manual or facsimile signature of the City Secretary of the City, and has caused the official seal of the City to be duly impressed, or placed in facsimile, on this Bond.

(signature)
City Secretary
City of Kennedale, Texas

(signature)
Mayor (Pro-Tem)
City of Kennedale, Texas

(SEAL)

(b) Form of Paying Agent/Registrar's Authentication Certificate.

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

(To be executed if this Bond is not accompanied by an executed Registration
Certificate of the Comptroller of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Ordinance described in the text of this Bond; and that this Bond has been issued in replacement of, or transferred for, a Bond of a Series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated:

Paying Agent/Registrar

By: _____
Authorized Representative

[The remainder of this page intentionally left blank]

(d) Form of Assignment.

ASSIGNMENT
(Please print or type clearly)

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

Transferee's Social Security or Taxpayer
Identification Number: _____

Transferee's name and address, including zip code: _____

_____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints
_____, attorney, to register the transfer of
the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____.

Signature Guaranteed: _____

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

NOTICE: The signature above must correspond with the name of the Registered Owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

(e) Form of Registration Certificate of the Comptroller of Public Accounts:

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

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

Witness my signature and seal this _____.

Comptroller of Public Accounts
of the State of Texas

(COMPTROLLER'S SEAL)

SECTION 7. INTEREST AND SINKING FUND; TAX LEVY; SECURITY INTEREST.

(a) Interest and Sinking Fund; Tax Levy. A special "*Interest and Sinking Fund*" is hereby created and shall be established and maintained by the City at an official depository bank of the City. Said Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying the interest on and the principal of the Bond. Immediately after the issuance and delivery of the Bond, all accrued interest on the Bond, if any, together with any premium on the Bond that is not used by the City to pay costs of issuance in accordance with the provisions of Section 1201.042(d), Texas Government Code, as amended, shall be deposited to the credit of the Interest and Sinking Fund. In addition, all ad valorem taxes levied and collected for and on account of the Bond shall be deposited, as collected, to the credit of said Interest and Sinking Fund. For each fiscal year while the Bond or interest thereon is outstanding and unpaid, the governing body of the City shall compute and ascertain a rate and amount of ad valorem tax which will be sufficient to raise and produce the money required to pay the interest on the Bond as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of the Bond as such principal matures (but never less than 2% of the original principal amount of the Bond as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of the City, with full allowance being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered to be levied, against all taxable property in the City for each year while the Bond or interest thereon is outstanding and unpaid; and said tax shall be assessed and collected each such year and deposited to the credit of the Interest and Sinking Fund created by this Ordinance. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Bond, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

(b) Security Interest. Chapter 1208, Texas Government Code, applies to the issuance of the Bond and the pledge of the ad valorem taxes granted by the City under Section 7(a) of this Ordinance, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bond is outstanding and unpaid such that the pledge of the ad valorem taxes granted by the City under Section 7(a) of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owner of the Bond the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 8. INVESTMENTS. Funds on deposit in the Interest and Sinking Fund shall be secured by the depository bank of the City in the manner and to the extent required by law to secure other public funds of the City and may be invested from time to time in any investment authorized in the Public Funds Investment Act (Chapter 2256, Texas Government Code) and the City's investment policy adopted in accordance with the provisions of the Public Funds Investment Act at the direction of the City Manager or Director of Finance of the City; provided, however, that investments purchased for and held in the Interest and Sinking Fund shall have a final maturity no later than the next principal or interest payment date for which such funds are required. Income and

profits from such investments shall be deposited in the Interest and Sinking Fund. It is further provided, however, that any interest earnings on Bond proceeds which are required to be rebated to the United States of America pursuant to Section 13 hereof in order to prevent the Bond from being an arbitrage bond shall be so rebated and not considered as interest earnings for the purposes of this Section.

SECTION 9. DEFEASANCE OF BOND. (a) The Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "**Defeased Bond**") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "**Future Escrow Agreement**") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment (which sufficiency shall be verified by a certified public accountant or a firm of certified public accountants), and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until the Defeased Bond shall have become due and payable. At such time as the Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, the Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem maintenance taxes herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding the foregoing, in the event the funds on deposit in the Future Escrow Agreement are deficient for any reason to pay debt service on the Defeased Bond when due, the City shall remain obligated to pay such deficiency from lawfully available and/or appropriated funds.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the City be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Bond and interest thereon, with respect to which such money has been so deposited, shall be turned over to the City, or deposited as directed in writing by the City. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of the Defeased Bond may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bond, with respect to which such money has been so deposited, shall be remitted to the City or deposited as directed in writing by the City.

(c) The term "***Defeasance Securities***" means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America., (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the City adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable state law that may be used to defease obligations such as the Bond.

(d) Until the Defeased Bond shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for the Defeased Bond the same as if they had not been defeased, and the City shall make proper arrangements to provide and pay for such services as required by this Ordinance.

SECTION 10. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BOND.

(a) Replacement Bond. In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new Bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bond. Application for replacement of a damaged, mutilated, lost, stolen, or destroyed Bond shall be made by the Registered Owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the Registered Owner applying for a replacement Bond shall furnish to the City and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the Registered Owner shall furnish to the City and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the Registered Owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on such Bond, the City may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) Charge for Issuing Replacement Bond. Prior to the issuance of any replacement Bond, the Paying Agent/Registrar shall charge the Registered Owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement Bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a Bond of the City whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and proportionately with any other Bond duly issued under this Ordinance.

(e) Authority for Issuing Replacement Bond. In accordance with Section 1201, Texas Government Code, this Section of this Ordinance shall constitute authority for the issuance of any such replacement Bond without necessity of further action by the City or any other body or person, and the duty of the replacement of such Bond is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such replacement Bond in the form and manner and with the effect, as provided in Section 5(a) of this Ordinance for Bond issued in conversion and exchange of a Bond.

SECTION 11. CUSTODY, APPROVAL, AND REGISTRATION OF BOND; BOND COUNSEL'S OPINION; AND CUSIP NUMBERS. The Mayor of the City is hereby authorized to have control of the Bond initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Bond pending its delivery and its investigation, examination, and approval by the Attorney General of the State of Texas, and its registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bond the Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Bond, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the City's Bond Counsel (with an appropriate certificate pertaining thereto executed by facsimile signature of the City Secretary of the City) and the assigned CUSIP numbers, if any, may, at the option of the City, be printed on the Bond issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the Registered Owner of the Bond. In addition, if bond insurance is obtained, the Bond may bear an appropriate legend as provided by the insurer.

SECTION 12. COVENANTS REGARDING TAX EXEMPTION OF INTEREST ON THE BOND. (a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bond as an obligation described in section 103 of the Internal Revenue Code of 1986, as amended (the "**Code**"), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bond or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do

not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bond, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bond or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bond (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Bond being treated as a "private activity bond" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Bond being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Bond, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bond, other than investment property acquired with –

(A) proceeds of the Bond invested for a reasonable temporary period of 90 days or less until such proceeds are needed for the purpose for which the Bond is issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bond;

(7) to otherwise restrict the use of the proceeds of the Bond or amounts treated as proceeds of the Bond, as may be necessary, so that the Bond does not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage) and, to the extent applicable, section 149(d) of the Code (relating to advance refundings); and

(8) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bond) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bond has been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (8), a "**Rebate Fund**" is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The City understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bond. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bond, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bond under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bond, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bond under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor, City Manager and Director of Finance of the City to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bond.

(d) Allocation of, and Limitation on, Expenditures for the Project. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Ordinance (the "**Project**") on its books and records in accordance with the requirements of the Internal Revenue Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Bond, or (2) the date the Bond is retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not

adversely affect the tax-exempt status of the Bond. For purposes hereof, the issuer shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(e) Disposition of Project. The City covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the City of cash or other compensation, unless the City obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bond. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

(f) Written Procedures. Unless superseded by another action of the City, to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate, the City Council hereby adopts and establishes the instructions attached hereto as Exhibit B as the City's written procedures.

(g) Designation as Qualified Tax-Exempt Obligation. The City hereby designates the Bond as a "qualified tax-exempt obligation" as defined in section 265(b)(3) of the Code. In furtherance of such designation, the City represents, covenants and warrants the following: (a) that during the calendar year in which the Bond is issued, the City (including any subordinate entities) has not designated nor will designate bonds, which when aggregated with the Bond, will result in more than \$10,000,000 of "qualified tax-exempt obligations" being issued; (b) that the City reasonably anticipates that the amount of tax-exempt obligations issued, during the calendar year in which the Bond is issued, by the City (or any subordinate entities) will not exceed \$10,000,000; and, (c) that the City will take such action or refrain from such action as necessary, and as more particularly set forth in this Section, in order that the Bond will not be considered a "private activity bonds" within the meaning of section 141 of the Code.

SECTION 13. SALE OF BOND. The Bond is hereby initially sold and shall be delivered to _____ (the "**Purchaser**") for cash for the par value thereof and no accrued interest, pursuant to the *Purchase Contract and Investment Letter*, attached hereto as Exhibit C, dated the date of the final passage of this Ordinance which the Mayor or Mayor Pro-Tem of the City is hereby authorized to execute and deliver. In satisfaction of Section 1201.022(a)(3), Texas Government Code, and upon consultation with the City's Financial Advisor, the City Council hereby determines that the final terms of the Bond as set forth in this Ordinance are in the City's best interests. The Bond initially shall be registered in the name of _____.

SECTION 14. APPROVAL OF DEPOSIT AGREEMENT; REFUNDING OF REFUNDED OBLIGATIONS. Concurrently with the initial delivery of the Bond the City shall deposit an amount from the proceeds from the sale of the Bond and other available funds of the City, if required, with **WELLS FARGO BANK, NATIONAL ASSOCIATION**, as "**Deposit Agent**," sufficient

to provide for the refunding of the Refunded Obligations, all in accordance with Chapter 1207. Attached hereto as *Exhibit D* is an Deposit Agreement between the City and the Deposit Agent, which is hereby approved in substantially final form, and the Mayor or Mayor Pro-Tem and City Secretary of the City are hereby authorized, for and on behalf of the City, to approve any changes in the Deposit Agreement from the form attached hereto and to execute the Escrow Agreement in final form.

SECTION 15. NOTICE OF DEFEASANCE AND REDEMPTION OF REFUNDED OBLIGATIONS. There is attached to this Ordinance as *Exhibit E* is a *NOTICE OF DEFEASANCE AND REDEMPTION* with respect to the Refunded Obligations. The Refunded Obligations are hereby called for redemption on the "Redemption Date" set forth in the *NOTICE OF DEFEASANCE AND REDEMPTION*. As soon as practicable after the adoption of this Ordinance, a copy of such *NOTICE OF DEFEASANCE AND REDEMPTION* shall be (i) posted with the MSRB through the EMMA system, and (ii) sent to all registered owners of the respective Refunded Obligations by first class mail postage prepaid, addressed to such registered owners at their respective addresses shown on the registration books of the paying agent/registrar for the Refunded Obligations.

SECTION 16. FURTHER PROCEDURES. The Mayor, Mayor Pro-Tem, City Manager, Director of Finance, and City Secretary of the City are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the City all other instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Bond, and the sale of the Bond. In case any officer whose signature shall appear on the Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 17. ORDINANCE A CONTRACT; AMENDMENTS. The Ordinance shall constitute a contract with the Registered Owner of the Bond, binding on the City and its successors and assigns, and shall not be amended or repealed by the City as long as any Bond remains outstanding except as permitted in this Section.

(a) The City may from time to time, without the consent of Registered Owner, except as otherwise required by paragraph (b) below, amend or supplement this Ordinance to (i) cure any ambiguity, defect or omission in this Ordinance that does not materially adversely affect the interests of the Registered Owner, (ii) grant additional rights or security for the benefit of the Registered Owner, (iii) add events of default as shall not be inconsistent with the provisions of this Ordinance and that shall not materially adversely affect the interests of the Registered Owner, (v) qualify this Ordinance under the Trust Indenture Act of 1939, as amended, or corresponding provisions of federal laws from time to time in effect, or (iv) make such other provisions in regard to matters or questions arising under this Ordinance as shall not be materially inconsistent with the provisions of this Ordinance and that shall not, in the opinion of nationally-recognized bond counsel, materially adversely affect the tax-exempt status of the Bond.

(b) Except as provided in paragraph (a) above, the Registered Owner of the Bond shall have the right from time to time to approve any amendment hereto that may be deemed necessary or desirable by the City; provided, however, that without the consent of the Registered Owner, nothing herein contained shall permit or be construed to permit amendment of the terms and conditions of this Ordinance or in any of the Bond so as to:

(1) Make any change in the maturity of the Bond;

(2) Reduce the rate of interest borne by the Bond;

(3) Reduce the amount of the principal of payable on the Bond; or

(4) Modify the terms of payment of principal of or interest on the Bond or impose any condition with respect to such payment.

(c) If at any time the City shall desire to amend this Ordinance under Section 16(a) or (b) above, the City shall send by U.S. mail to the Registered Owner of the Bond a copy of the proposed amendment prior to its effective date.

(d) Whenever at any time within one year from the date of mailing of such notice the City shall receive an instrument or instruments executed by the Registered Owner, which instrument or instruments shall refer to the proposed amendment and which shall specifically consent to and approve such amendment, the City may adopt the amendment in substantially the same form.

(e) Upon the adoption of any amendatory Ordinance pursuant to the provisions of this Section, this Ordinance shall be deemed to be modified and amended in accordance with such amendatory Ordinance, and the respective rights, duties, and obligations of the City and Registered Owner of the Bond shall thereafter be determined, exercised, and enforced, subject in all respects to such amendment.

(f) Any consent given by the Registered Owner of the Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the such consent and shall be conclusive and binding upon all future Registered Owners of the Bond during such period. Such consent may be revoked at any time after six months from the date of said consent by the Registered Owner who gave such consent, or by a successor in title, by filing notice with the City, but such revocation shall not be effective if the Registered Owner has, prior to the attempted revocation, consented to and approved the amendment.

(g) For the purposes of establishing ownership of the Bond, the City shall rely solely upon the registration of the ownership of such Bond on the Registration Books kept by the Paying Agent/Registrar.

SECTION 18. REMEDIES IN EVENT OF DEFAULT. In addition to all the rights and remedies provided by the laws of the State of Texas, it is specifically covenanted and agreed particularly that in the event the City (i) defaults in the payment of the principal, premium, if any, or interest on the Bond, (ii) defaults in the deposits and credits required to be made to the Interest and Sinking Fund, or (iii) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance, the Registered Owner of the Bond shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition or obligation prescribed in this Ordinance.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient. The specific remedy herein provided shall be cumulative of all other existing remedies, and the specification of such remedy shall not be deemed to be exclusive.

SECTION 19. NO RULE 15c2-12 UNDERTAKING; ANNUAL FINANCIAL STATEMENTS. The City has not made an undertaking in accordance with Rule 15c2-12 of the Securities and Exchange Commission (the "**Rule**") in connection with the issuance of the Bond inasmuch as the Purchaser is not acting as an "underwriter in a primary offering of municipal securities" within the meaning of the Rule. The City is not, therefore, obligated pursuant to the Rule to provide any on-going disclosure relating to the City or the Bond; however, as long as the Bond is outstanding, the City shall provide the following to the Registered Owner:

(a) Audited financial statements of the City, to be provided within six months after the close of each fiscal year ending on and after August 31, 2019; and

(b) A copy of the City's annual budget within not more than 30 days after it is adopted by the City's governing body.

SECTION 20. INTERESTED PARTIES. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City and the Registered Owners of the Bond, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City and the Registered Owners of the Bond.

SECTION 21. INCORPORATION OF RECITALS. The City hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City hereby incorporates such recitals as a part of this Ordinance.

SECTION 22. CHOICE OF LAW. This Ordinance shall be governed by and construed in accordance with the laws of the State of Texas.

SECTION 23. EFFECTIVE DATE. Pursuant to the provisions of Section 1201.028, Texas Government Code, this Ordinance shall become effective immediately after its adoption.

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***ADOPTED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS AT A
REGULAR MEETING HELD ON THE 21ST DAY OF JANUARY, 2020.***

Mayor, City of Kennedale, Texas

ATTEST:

City Secretary, City of Kennedale, Texas

(SEAL)

EXHIBIT A

THE PAYING AGENT/REGISTRAR AGREEMENT IS OMITTED AT THIS POINT
AS IT APPEARS IN EXECUTED FORM ELSEWHERE IN THIS TRANSCRIPT OF PROCEEDINGS

EXHIBIT B

WRITTEN PROCEDURES RELATING TO CONTINUING COMPLIANCE WITH FEDERAL TAX COVENANTS

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Bond, the City's Director of Finance (the "**Responsible Person**") will:

- (i) monitor all amounts deposited into a sinking fund or funds (e.g., the Interest and Sinking Fund), to assure that the maximum amount invested at a yield higher than the yield on the Bond does not exceed an amount equal to the debt service on the Bond in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Bond for the immediately preceding 12-month period;
- (ii) monitor the actions of the Escrow Agent to ensure compliance with the applicable provisions of the Escrow Agreement, including with respect to reinvestment of cash balances;
- (iii) ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS; and
- (iv) assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (A) at least every 5 years after the date of delivery of the Bond (the "**Issue Date**"), and (B) within 30 days after the date the Bond is retired.

B. Private Business Use. With respect to the use of the facilities financed or refinanced with the proceeds of the Bond the Responsible Person will:

- (i) monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;
- (ii) monitor whether, at any time the Bond is outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- (iii) monitor whether, at any time the Bond is outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);

- (iv) monitor whether, at any time the Bond is outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
- (v) determine whether, at any time the Bond is outstanding, any person, other than the City, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- (vi) determine whether, at any time the Bond is outstanding, the facilities are sold or otherwise disposed of; and
- (vii) take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Ordinance related to the public use of the facilities.

C. Record Retention. The Responsible Person will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Bond and the use of the facilities financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Bond. If any portion of the Bond is refunded with the proceeds of another series of tax-exempt obligations, such records shall be maintained until the three (3) years after the refunding obligations are completely extinguished. Such records can be maintained in paper or electronic format.

D. Responsible Person. The Responsible Person shall receive appropriate training regarding the City's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed or refinanced with the proceeds of the Bond. The foregoing notwithstanding, the Responsible Person is authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

EXHIBIT C

THE PURCHASE CONTRACT AND INVESTMENT LETTER IS OMITTED AT THIS POINT
AS IT APPEARS IN EXECUTED FORM ELSEWHERE IN THIS TRANSCRIPT OF PROCEEDINGS

EXHIBIT D

THE DEPOSIT AGREEMENT IS OMITTED AT THIS POINT
AS IT APPEARS IN EXECUTED FORM ELSEWHERE IN THIS TRANSCRIPT OF PROCEEDINGS

EXHIBIT E

NOTICE OF DEFEASANCE AND REDEMPTION

To the Holders of the
CITY OF KENNEDALE, TEXAS
COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2010
(Maturing on May 1 in the years 2021, 2023, 2025, 2027 and 2030)

NOTICE IS HEREBY GIVEN that the City of Kennedale, Texas (the "**City**"), in Tarrant County, Texas, has deposited cash and authorized investment securities, if any, into an irrevocable trust account in order to pay, and has legally defeased, the following maturities of the City's outstanding COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2010, dated January 1, 2010 (the "**Refunded Obligations**"):

CITY OF KENNEDALE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2010				
<u>MATURITY (MAY 1)</u>	<u>PRINCIPAL AMOUNT MATURING IN YEAR (\$)</u>	<u>PRINCIPAL AMOUNT REFUNDED (\$)</u>	<u>STATED INTEREST RATE (%)</u>	<u>CUSIP No. 489332</u>
2021	185,000	185,000	4.000	GK6
***	***	***	***	***
2023	205,000	205,000	5.000	GM2
***	***	***	***	***
2025	225,000	225,000	5.000	GP5
***	***	***	***	***
2027	245,000	245,000	5.000	GR1
***	***	***	***	***
2030	415,000	415,000	5.000	GU4
Totals	<u>1,275,000</u>	<u>1,275,000</u>		

NOTICE IS FURTHER GIVEN that all of the Refunded Obligations have been called for redemption on May 1, 2020 (the "**Redemption Date**") **at the Redemption Price equal to 100% of par plus accrued interest to the Redemption Date**. The Refunded Obligations shall be redeemed and shall become due and payable on the Redemption Date, and the interest thereon shall cease to accrue from and after the Redemption Date.

NOTICE IS FURTHER GIVEN THAT the Refunded Obligations will be payable at and should be submitted either in person or by certified mail to the following address:

Express Delivery
Wells Fargo Bank,
National Association
Corporate Trust Operations
N9309-121
6th & Marquette Avenue
Minneapolis, MN 555479

First Class/Registered/Certified Mail
Wells Fargo Bank,
National Association
Corporate Trust Operations
P.O. Box 1517
Minneapolis, MN 55480-1517

Hand Delivery
Wells Fargo Bank,
National Association
Northstar East Building
608 2nd Ave. So., 12th Floor
Minneapolis, MN 55479

To avoid a backup withholding tax required by Section 3406 of the Internal Revenue Code of 1986, holders must submit a properly completed IRS Form W-9.

* THE ABOVE REFERENCED CUSIP NUMBERS ARE PROVIDED FOR THE CONVENIENCE OF THE HOLDERS. NEITHER THE PAYING AGENT NOR THE CITY ARE RESPONSIBLE FOR ANY ERROR OF ANY NATURE RELATING TO THE CUSIP NUMBERS.

PAYING AGENT/REGISTRAR AGREEMENT

THIS PAYING AGENT/REGISTRAR AGREEMENT, dated as of February 15, 2020 (this "**Agreement**"), is by and between the **CITY OF KENNEDALE, TEXAS** (the "**Issuer**") and _____, _____, Texas (the "**Bank**"), a national bank duly organized and operating under the laws of the United States of America.

WHEREAS, the Issuer has duly authorized and provided for the issuance of its **CITY OF KENNEDALE, TEXAS GENERAL OBLIGATION REFUNDING BOND, SERIES 2020** (the "**Securities**"), such Securities to be issued in fully registered form only as to the payment of principal and interest thereon; and

WHEREAS, the Securities are scheduled to be delivered to the initial purchasers thereof on or about February 19, 2020; and

WHEREAS, the Issuer has selected the Bank to serve as Paying Agent/Registrar in connection with the payment of the principal of, premium, if any, and interest on the Securities and with respect to the registration, transfer, and exchange thereof by the registered owners thereof; and

WHEREAS, the Bank has agreed to serve in such capacities for and on behalf of the Issuer and has full power and authority to perform and serve as Paying Agent/Registrar for the Securities;

NOW, THEREFORE, it is mutually agreed as follows:

ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR

SECTION 1.01. APPOINTMENT. The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities. As Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof, all in accordance with this Agreement and the "Ordinance" (hereinafter defined).

The Issuer hereby appoints the Bank as Registrar with respect to the Securities. As Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Ordinance, a copy of which books and records shall be maintained at the office of the Bank located in the State of Texas or shall be available to be accessed from such office located in the State of Texas.

The Bank hereby accepts its appointment, and agrees to serve as the Paying Agent and Registrar for the Securities.

SECTION 1.02. COMPENSATION. As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in Schedule A attached hereto for the first year of this Agreement and thereafter the fees and amounts set forth in the Bank's current fee schedule then in effect for services as Paying Agent/Registrar for municipalities, which shall be supplied to the Issuer on or before 90 days prior to the close of the Fiscal Year of the Issuer, and shall be effective upon the first day of the following Fiscal Year.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

ARTICLE TWO DEFINITIONS

SECTION 2.01. DEFINITIONS. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

"Bank Office" means the corporate trust or commercial banking office of the Bank initially located at the following address:

Attention: _____

_____, Texas _____

The Bank will notify the Issuer in writing of any change in location of the Bank Office.

"Financial Advisor" means SAMCO Capital Markets, Inc.

"Fiscal Year" means the fiscal year of the Issuer, ending September 30.

"Holder" and **"Security Holder"** each means the Person in whose name a Security is registered in the Security Register.

"Legal Holiday" means a day on which the Bank is required or authorized to be closed.

"Ordinance" means the resolutions, orders or ordinances of the governing body of the Issuer pursuant to which the Securities are issued, certified by the Secretary or any other officer of the Issuer and delivered to the Bank, together with any pricing certificate executed pursuant thereto.

"Person" means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision of a government.

"Predecessor Securities" of any particular Security means every previous Security evidencing all or a portion of the same obligation as that evidenced by such particular Security (and, for the purposes of this definition, any mutilated, lost, destroyed, or stolen Security for which a replacement Security has been registered and delivered in lieu thereof pursuant to Section 4.06 hereof and the Ordinance).

"Redemption Date" when used with respect to any Security to be redeemed means the date fixed for such redemption pursuant to the terms of the Ordinance.

"Responsible Officer" when used with respect to the Bank means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Security Register" means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfer of the Securities.

"Stated Maturity" means the date specified in the Ordinance the principal of a Security is scheduled to be due and payable.

SECTION 2.02. OTHER DEFINITIONS. The terms "Bank," "Issuer," and "Securities" ("Security") have the meanings assigned to them in the recital paragraphs of this Agreement.

The term **"Paying Agent/Registrar"** refers to the Bank in the performance of the duties and functions of this Agreement.

ARTICLE THREE PAYING AGENT

SECTION 3.01. DUTIES OF PAYING AGENT. (a) Principal Payments. As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the principal of each Security at its Stated Maturity or Redemption Date, to the Holder upon surrender of the Security to the Bank at the Bank Office.

(b) Interest Payments. As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and preparing and sending checks by United States mail, first class postage prepaid, on each payment date, to the Holders of the Securities (or their Predecessor Securities) on the respective

Record Date, to the address appearing on the Security Register or by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder's risk and expense.

(c) **Federal Tax Information Reporting.** To the extent required by the Code and the Regulations it shall be the duty of the Bank to report to the owners of the Securities and the Internal Revenue Service (i) the amount of "reportable payments," if any, subject to back up withholding during each year and the amount of tax withheld, if any, with respect to the payments on the Securities, and (ii) the amount of interest or amount treated as interest, such as original issue discount, on the Securities required to be included in the gross income of the owners thereof for federal income tax purposes.

SECTION 3.02. PAYMENT DATES. The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Ordinance.

ARTICLE FOUR REGISTRAR

SECTION 4.01. SECURITY REGISTER - TRANSFERS AND EXCHANGES. The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the "***Security Register***") for recording the names and addresses of the Holders of the Securities, the transfer, exchange, and replacement of the Securities, and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. If the Bank Office is located outside the State of Texas, a copy of the Security Register shall be kept in the State of Texas. All transfers, exchanges, and replacement of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority, in form satisfactory to the Bank, duly executed by the Holder thereof or his agent duly authorized in writing.

The Bank may request any supporting documentation it feels necessary to effect a re-registration, transfer, or exchange of the Securities.

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

SECTION 4.02. SECURITIES. The Issuer shall provide an adequate inventory of printed Securities to facilitate transfers or exchanges thereof. The Bank covenants that the inventory of printed Securities will be kept in safekeeping pending their use, and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other political subdivisions or corporations for which it serves as registrar, or that is maintained for its own securities.

SECTION 4.03. FORM OF SECURITY REGISTER. The Bank, as Registrar, will maintain the Security Register relating to the registration, payment, transfer, and exchange of the Securities in accordance with the Bank's general practices and procedures in effect from time to time. The Bank shall not be obligated to maintain such Security Register in any form other than those which the Bank has currently available and currently utilizes at the time.

The Security Register may be maintained in written form or in any other form capable of being converted into written form within a reasonable time.

SECTION 4.04. LIST OF SECURITY HOLDERS. The Bank will provide the Issuer at any time requested by the Issuer, upon payment of the required fee, a copy of the information contained in the Security Register. The Issuer may also inspect the information contained in the Security Register at any time the Bank is customarily open for business, provided that reasonable time is allowed the Bank to provide an up-to-date listing or to convert the information into written form.

Unless required by law, the Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

SECTION 4.05. RETURN OF CANCELLED SECURITIES. The Bank will, at such reasonable intervals as it determines, surrender Securities to the Issuer in lieu of which or in exchange for which other Securities have been issued, or which have been paid, or will provide a certificate of destruction relating thereto.

SECTION 4.06. MUTILATED, DESTROYED, LOST, OR STOLEN SECURITIES. The Issuer hereby instructs the Bank, subject to the applicable provisions of the Ordinance, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an over issuance.

In case any Security shall be mutilated, or destroyed, lost, or stolen, the Bank, in its discretion, may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such destroyed, lost, or stolen Security, only after (i) the filing by the Holder thereof with the Bank of evidence satisfactory

to the Bank of the destruction, loss, or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution, and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, or destroyed, lost, or stolen.

SECTION 4.07. TRANSACTION INFORMATION TO ISSUER. The Bank will, within a reasonable time after receipt of written request from the Issuer, furnish the Issuer information as to the Securities it has paid pursuant to Section 3.01, Securities it has delivered upon the transfer or exchange of any Securities pursuant to Section 4.01, and Securities it has delivered in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities pursuant to Section 4.06.

ARTICLE FIVE THE BANK

SECTION 5.01. DUTIES OF BANK. The Bank undertakes to perform the duties set forth herein and in the Ordinance and agrees to use reasonable care in the performance thereof.

The Bank is also authorized to transfer funds relating to the closing and initial delivery of the Securities in the manner disclosed in the closing memorandum as prepared by the Issuer's Financial Advisor, bond counsel or other agent. The Bank may act on a facsimile or e-mail transmission of the closing memorandum acknowledged by the Financial Advisor or the Issuer as the final closing memorandum. The Bank shall not be liable for any losses, costs or expenses arising directly or indirectly from the Bank's reliance upon and compliance with such instructions.

SECTION 5.02. RELIANCE ON DOCUMENTS, ETC. (a) The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

(b) The Bank shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Bank was negligent in ascertaining the pertinent facts.

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting

upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security, or other paper or document supplied by the Issuer.

(e) The Bank may consult with counsel, and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection with respect to any action taken, suffered, or omitted by it hereunder in good faith and in reliance thereon.

(f) The Bank may exercise any of the powers hereunder and perform any duties hereunder either directly or by or through agents or attorneys of the Bank.

SECTION 5.03. RECITALS OF ISSUER. The recitals contained herein with respect to the Issuer and in the Securities shall be taken as the statements of the Issuer, and the Bank assumes no responsibility for their correctness.

The Bank shall in no event be liable to the Issuer, any Holder or Holders of any Security, or any other Person for any amount due on any Security from its own funds.

SECTION 5.04. MAY HOLD SECURITIES. The Bank, in its individual or any other capacity, may become the owner or pledgee of Securities and may otherwise deal with the Issuer with the same rights it would have if it were not the Paying Agent/Registrar, or any other agent.

SECTION 5.05. MONEY HELD BY BANK. The Bank shall deposit any moneys received from the Issuer into an account to be held in an agency capacity for the payment of the Securities, with such moneys in the account that exceed the deposit insurance, available to the Issuer, provided by the Federal Deposit Insurance Corporation to be fully collateralized with securities or obligations that are eligible under the laws of the State of Texas and to the extent practicable under the laws of the United States of America to secure and be pledged as collateral for trust accounts until the principal and interest on such securities have been presented for payment and paid to the owner thereof. Payments made from such trust account shall be made by check drawn on such trust account unless the owner of such Securities shall, at its own expense and risk, request such other medium of payment.

Funds held by the Bank hereunder need not be segregated from any other funds provided appropriate accounts are maintained in the name and for the benefit of the Issuer.

The Bank shall be under no liability for interest on any money received by it hereunder.

Any money deposited with the Bank for the payment on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Property Code (Unclaimed Property).

The Bank will comply with the reporting provisions of Chapter 74 of the Property Code with respect to property that is presumed abandoned under Chapter 72 or Chapter 75 of the Property Code or inactive under Chapter 73 of the Property Code.

SECTION 5.06. INDEMNIFICATION. To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

SECTION 5.07. INTERPLEADER. The Issuer and the Bank agree that the Bank may seek adjudication of any adverse claim, demand, or controversy over its person as well as funds on deposit, in either a Federal or State District Court located in the County in the State of Texas where either the Bank maintains an office or the administrative offices of the Issuer is located, and agree that service of process by certified or registered mail, return receipt requested, to the address referred to in Section 6.03 of this Agreement shall constitute adequate service. The Issuer and the Bank further agree that the Bank has the right to file a Bill of Interpleader in any court of competent jurisdiction located in the State of Texas to determine the rights of any Person claiming any interest herein.

SECTION 5.08. DEPOSITORY TRUST COMPANY SERVICES. It is hereby represented and warranted that, in the event the Securities are otherwise qualified and accepted for "Depository Trust Company" services or equivalent depository trust services by other organizations, the Bank has the capability and, to the extent within its control, will comply with the "Operational Arrangements," effective from time to time, which establishes requirements for securities to be eligible for such type depository trust services, including, but not limited to, requirements for the timeliness of payments and funds availability, transfer turnaround time, and notification of redemptions and calls.

SECTION 5.09. CERTIFICATE OF INTERESTED PARTIES FORM 1295. The Bank represents and warrants that it has submitted to the Issuer a notarized disclosure of interested parties form (the "**Disclosure Form**"), which was completed and filed with the Texas Ethics Commission (the "**TEC**") in accordance with the provisions of Section 2252.908, Texas Government Code, and the applicable rules adopted by the TEC (found at 1 Tex. Admin. Code § 46.1 - 46.5). The Bank and the Issuer understand that neither the Issuer nor its consultants have the ability to verify the information included in a Disclosure Form, and neither the Issuer nor its consultants have an obligation, nor have undertaken any responsibility, for advising the Bank with respect to the proper completion of the Disclosure Form other than, with respect to the Issuer, providing the identification number required for the completion of the Disclosure Form.

SECTION 5.10. NO BOYCOTT OF ISRAEL. The Bank 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 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, 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 Bank understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit

SECTION 5.11. NOT A LISTED COMPANY. The Bank 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/sudanlist.pdf>;
<https://comptroller.texas.gov/purchasing/docs/iran-list.pdf>; or
<https://comptroller.texas.gov/purchasing/docs/ftolist.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 Bank 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 Bank understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

ARTICLE SIX MISCELLANEOUS PROVISIONS

SECTION 6.01. AMENDMENT. This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

SECTION 6.02. ASSIGNMENT. This Agreement may not be assigned by either party without the prior written consent of the other.

SECTION 6.03. NOTICES. Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses set forth below:

Issuer: City of Kennedale, Texas
405 Municipal Drive
Kennedale, Texas 76060
Attention: Director of Finance

Bank: _____
Attention: _____

_____, Texas _____

SECTION 6.04. EFFECT OF HEADINGS. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 6.05. SUCCESSORS AND ASSIGNS; MERGER, CONVERSION, CONSOLIDATION OR SUCCESSION. All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

Any corporation into which the Bank may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor the Bank hereunder without the execution or filing of any paper or any further act on the part of either of the parties hereto. In case any Security shall have been registered, but not delivered, by the Bank then in office, any successor by merger, conversion, or consolidation to such authenticating Bank may adopt such registration and deliver the Security so registered with the same effect as if such successor Bank had itself registered such Security.

SECTION 6.06. SEVERABILITY. In case any provision herein shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 6.07. BENEFITS OF AGREEMENT. Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

SECTION 6.08. ENTIRE AGREEMENT. This Agreement and the Ordinance constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Ordinance, the Ordinance shall govern.

SECTION 6.09. COUNTERPARTS. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

SECTION 6.10. TERMINATION. This Agreement will terminate on the date of final payment of the principal of and interest on the Securities to the Holders thereof or may be earlier terminated by either party upon 60 days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted, and (b) notice has been given to the

Holders of the Securities of the appointment of a successor Paying Agent/Registrar. If the 60-day notice period expires and no successor has been appointed, the Bank, at the expense of the Issuer, has the right to petition a court of competent jurisdiction to appoint a successor under the Agreement. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

Upon an early termination of this Agreement, the Bank agrees to promptly transfer and deliver the Security Register (or a copy thereof), together with other pertinent books and records relating to the Securities, to the successor Paying Agent/Registrar designated and appointed by the Issuer.

The provisions of Section 1.02 and of Article Five shall survive and remain in full force and effect following the termination of this Agreement.

SECTION 6.11. GOVERNING LAW. This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

[The remainder of this page intentionally left blank]

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

By: _____
Title: _____

Attest:

Title: _____

CITY OF KENNEDALE, TEXAS

By: _____
Mayor

Attest:

City Secretary

SCHEDULE A

PAYING AGENT/REGISTRAR FEE SCHEDULE

\$_____

MEETING DATE: JANUARY 21, 2020

AGENDA ITEM NUMBER: PURSUANT TO EXECUTIVE SESSION ITEM IV.H.1.

SUBJECT

Take any action deemed necessary as a result of the Executive Session

ORIGINATED BY

George Campbell, City Manager

SUMMARY

RECOMMENDATION

ATTACHMENTS