

## KENNEDALE CITY COUNCIL AGENDA

REGULAR MEETING | OCTOBER 18, 2022 AT 5:30 PM  
CITY HALL COUNCIL CHAMBERS | 405 MUNICIPAL DRIVE, KENNEDALE, TX 76060

MEMBERS OF THE PUBLIC MAY JOIN IN PERSON OR  
ACCESS A LIVE FEED AT [WWW.CITYOFKENNEDEALE.COM/VIDEOS](http://WWW.CITYOFKENNEDEALE.COM/VIDEOS)  
THE VIRTUAL OPTION DOES NOT ALLOW FOR PUBLIC COMMENT

### I. CALL TO ORDER

To address the Kennedale City Council regarding an agenda 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 Kennedale City Council as a whole, rather than individual members or staff. Pursuant to Texas Government Code §551.071, the Kennedale City Council reserves the right to adjourn into Executive (Closed) Session at any time during the meeting to seek legal advice from the City Attorney on any item posted on the agenda.

#### A. ROLL CALL

### II. EXECUTIVE SESSION

The Kennedale City Council reserves the right to meet in Executive (Closed) Session at any time during the 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:

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 Council Place 2 Interviews

### III. RECONVENE INTO OPEN SESSION, AND TAKE ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION, IF NEEDED

### IV. WORK SESSION

#### A. WORK SESSION REPORTS

#### B. DISCUSSION AND/OR REQUESTS FOR CLARIFICATION OF ITEMS LISTED ON THE AGENDA

### V. REGULAR SESSION

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

"Honor the Texas Flag; I Pledge Allegiance to Thee, Texas, One State under God; One and Indivisible."

## **B. REPORTS AND ANNOUNCEMENTS**

*In addition to any items below, the Kennedale City Council, the presiding officer, and/or staff 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 members of the Kennedale City Council
2. Updates from the Mayor
  - Arbor Day Proclamation
  - Native American Heritage Month Proclamation
3. Updates from the City Manager
4. Financial Reports for the City

## **C. VISITOR AND CITIZEN FORUM**

*At this time, any person may address the Kennedale City Council about items not on the agenda. Rules and procedures for addressing the Kennedale City Council are included under "I. CALL TO ORDER". Neither formal action nor discussion may occur at this time. Those wishing, instead, to speak on an agenda item should indicate their desire to speak as the Kennedale City Council considers that item.*

## **D. CONSENT AGENDA**

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

1. Consider approval of the Interlocal Agreement amendment between Kennedale and the City of Fort Worth for Animal/Rabies Control
2. Consider approval and authorize the City Manager to enter into a contract with Meals on Wheels Activity Center Agreement for Congregate Meal Partnership
3. Consider an Amendment to the ILA between the City of Arlington and Kennedale Water and Wastewater Service Agreement to service specific addresses within either city
4. Consider and authorize the City Manager to proceed with an employment offer for the City Secretary position
5. Consider approval of the 46th CDBG agreement with Change Order #1.
6. Consider approval of the Resolution to move forward with the Texas Water Developments Board's Flood Infrastructure Fund and committed funding for improvements along Valley Lane.

## **E. ITEMS FOR INDIVIDUAL CONSIDERATION**

1. Consider approval of the 2023 ERCOT Membership
2. Consider approval and take final action on Oncor's rate case
3. Consider approval and authorize the City Manager to enter into a contract with GHA Barnett, LLC and Kennedale for an Oil and Gas Lease.
4. Consider approval of a bid in the amount of \$37,798.12, submitted by Municipal Emergency Services for the purchase of four Self Contained Breathing Apparatus (SCBA).

5. Consider approval of the use of \$371,175.00 Tarrant County Emergency Services District grant funds for the purchase of a new ambulance from Southwest Ambulance
6. **PZ #22-12** to consider action on a request by KD Hammack Creek Development, LLC for a final plat of approximately 8.02 acres located at 337 Kennedale Sublett Rd.
  - A. Staff Presentation
  - B. Applicant
  - C. Action

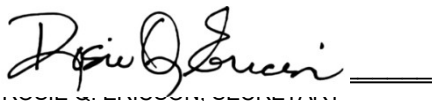
#### F. PUBLIC HEARINGS

1. **PZ #22-13** to conduct a public hearing and consider a request Kimley-Horn & Associates for a Replat of approximately 10.593 acres located at 5312 Kennedale Sublett Rd.
  - A. Staff Presentation
  - B. Applicant
  - C. Public Hearing
  - D. Action
2. **PZ #22-11** Conduct a public hearing and, consider a zoning change from PD Planned Development Tiny Homes to Planned Development TH Townhouse for approximately 6.18 acres being Lot 1R Block 1 of the Harris Hill Estate, located at 439 Mansfield Cardinal Road, City of Kennedale, Tarrant County, Texas
  - A. Staff Presentation
  - B. Applicant
  - C. Public Hearing
  - D. Action

#### VI. ADJOURNMENT

##### CERTIFICATION

*I DO HEREBY CERTIFY THAT THE OCTOBER 18, 2022 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.*

  
DAVID J. GREEN, 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:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** EXECUTIVE SESSION ITEM II.B.1.

**SUBJECT**

City Council Place 2 Interviews

**ORIGINATED BY**

**SUMMARY**

**RECOMMENDATION**

**ATTACHMENTS**





**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** WORK SESSION ITEM IV.A.

**SUBJECT**

WORK SESSION REPORTS

**ORIGINATED BY**

**SUMMARY**

**RECOMMENDATION**

**ATTACHMENTS**



**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** WORK SESSION ITEM IV.B.

**SUBJECT**

DISCUSSION AND/OR REQUESTS FOR CLARIFICATION OF ITEMS LISTED ON THE AGENDA

**ORIGINATED BY**

**SUMMARY**

**RECOMMENDATION**

**ATTACHMENTS**



**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** REPORTS AND ANNOUNCEMENTS ITEM V.B.

**SUBJECT**

**REPORTS AND ANNOUNCEMENTS**

*In addition to any items below, the Kennedale City Council, the presiding officer, and/or staff 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.*

**ORIGINATED BY**

**SUMMARY**

**RECOMMENDATION**

**ATTACHMENTS**



**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** REPORTS AND ANNOUNCEMENTS ITEM V.B.1.

**SUBJECT**

Updates from members of the Kennedale City Council

**ORIGINATED BY**

**SUMMARY**

**RECOMMENDATION**

**ATTACHMENTS**

# PROCLAMATION

## CITY OF KENNEDALE, TEXAS

**WHEREAS**, in the state of Texas, February 1889 was the first Arbor Day celebration; and

**WHEREAS**, trees play an important role in the ecosystem in which we live by reducing the erosion of our precious topsoil by wind and water, cleaning the air we breathe and the water we drink, producing oxygen, providing habitat for birds and wildlife, and reducing heating and cooling costs by moderating temperature; and

**WHEREAS**, trees in our city increase property values, enhance the economic vitality of business areas and beautify our community; and

**WHEREAS**, trees, wherever they are planted are a source of joy and urban and community forestry is an essential component of a healthy future for the City of Kennedale; and

**WHEREAS**, the city of Kennedale and the Keep Kennedale Beautiful (KKB) Commission have partnered together to plant a tree at Sonora Park in support of the Arbor Day Foundation and Tree City USA programs; and

**NOW THEREFORE, I, JAN JOPLIN, MAYOR PRO TEM OF THE CITY OF KENNEDALE, TARRANT COUNTY, TEXAS**, do hereby proclaim Saturday, November 5, 2022 as:

### ***ARBOR DAY***

and invite all residents to attend the tree planting hosted by KKB at 10:00 a.m. at Sonora Park; and call on the community to support efforts to protect our trees and to plant and care for trees to promote the well-being of this and future generations.

**IN TESTIMONY, WHEREOF**, I have hereunto set my hand and caused the Seal of the City of Kennedale, Texas to be affixed this the 5<sup>th</sup> day of November 2022.

\_\_\_\_\_  
MAYOR PRO TEM JAN JOPLIN

ATTEST:

\_\_\_\_\_  
INTERIM CITY SECRETARY, CAROLINE GREEN

# PROCLAMATION

## *Declaring November 2022 as Native American Heritage Month in the City of Kennedale* November 2022

**WHEREAS**, Native Americans are descendants of the original, indigenous inhabitants of what is now the United States whose roots are deeply embedded in this land; and

**WHEREAS**, their customs and traditions are respected and celebrated as part of a rich legacy throughout Texas and the United States, keeping their ancestors' memories, traditions, cultures, and languages alive; and

**WHEREAS**, the City of Kennedale affirms its commitment to working toward a society that fosters a deeper understanding and appreciation for the diversity of culture and history of the 574 federally recognized American Indian and Alaska Native nations in our country, three of which are located in Texas; and

**WHEREAS**, Native American contributions and values have shaped the social, political, environmental, and economic fabric of our nation, while also enhancing freedom, prosperity, and cultural diversity; and

**WHEREAS**, during the month of November, we honor our native peoples and recognize their continued contributions in strengthening the diversity of our community and society.

**NOW, THEREFORE, I, JAN JOPLIN, MAYOR PRO TEM OF THE CITY OF KENNEDALE, TARRANT COUNTY, TEXAS, do hereby proclaim November 2022 as:**

*~ Native American Heritage Month ~*

**IN TESTIMONY, WHEREOF**, I have hereunto set my hand and caused the Seal of the City of Kennedale, Texas to be affixed this 18 day of October 2022.

\_\_\_\_\_  
MAYOR PRO TEM, JAN JOPLIN

Attest;

\_\_\_\_\_  
INTERIM CITY SECRETARY, CAROLINE GREEN



**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** REPORTS AND ANNOUNCEMENTS ITEM V.B.3.

**SUBJECT**

Updates from the City Manager

**ORIGINATED BY**

**SUMMARY**

**RECOMMENDATION**

**ATTACHMENTS**



**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** REPORTS AND ANNOUNCEMENTS ITEM V.B.4.

**SUBJECT:** Financial Reports for the City

**ORIGINATED BY:** Tanisha Sherman

**SUMMARY:** Financials were not available at publication time. You will receive them before Tuesday's meeting or on the Dais that evening.

**RECOMMENDATION**

**ATTACHMENTS**





**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** CONSENT AGENDA ITEM IV.D.1.

**SUBJECT**

Consider approval of the Interlocal Agreement amendment between Kennedale and the City of Fort Worth for Animal/Rabies Control

**ORIGINATED BY:** Mike Holguin, Police Chief

**SUMMARY**

The City currently contracts with Fort Worth for animal control services as a secondary option when the City of Everman is not able to accept and or assist with rabies control or animal shelter services.

Because The City of Everman's fees are lower for the same or similar services, this ILA will become the secondary source for animal control, with Everman serving as the primary source option based on availability. Costs charged to the City are included in Exhibit A (not to exceed \$480.80/animal for impoundment; and not to exceed \$200.00 for rabies specimen). The contract also outlines a maximum annual cost to the City of \$55,000 for all services. This ILA term ends September 30, 2023, but can be canceled with 30 days' written notice by either party.

**NEW INFORMATION:**

Under the terms of the previous ILA with the City of Fort Worth, the cost of impoundment per animal has increased from \$400.00 to \$480.80. The cost for a rabies specimen has not changed.

Staff appreciates the Council's consideration and will be available to answer questions.

**RECOMMENDATION**

Approve

**FIRST AMENDMENT AND SECOND RENEWAL TO  
CITY SECRETARY CONTRACT NUMBER 54667  
BETWEEN THE CITY OF FORT WORTH AND THE CITY OF KENNEDALE**

This **FIRST AMENDMENT AND SECOND RENEWAL TO CITY SECRETARY CONTRACT NUMBER 54667** ("First Amendment and Second Renewal") is made and entered into by and between the City of Fort Worth ("City"), a home-rule municipal corporation of the State of Texas, acting by and through **Valerie Washington**, its duly authorized Assistant City Manager, and the **CITY OF KENNEDALE** ("Kennedale"), acting by and through **Jan Joplin**, its duly authorized Mayor Pro Tem.

**RECITALS**

**WHEREAS**, on October 1, 2020, the City and Kennedale entered into an interlocal agreement for rabies control services, City Secretary Contract Number 54667, as renewed by the Parties ("Agreement"); and

**WHEREAS**, the Parties desire to renew the Agreement from October 1, 2022 to September 30, 2023; and

**WHEREAS**, the Parties desire to amend the Agreement to establish a new schedule of fees to be paid by Kennedale;

**NOW THEREFORE**, the City and Kennedale do hereby agree to amend and renew the Agreement as follows:

**I.**

The Agreement is renewed for a second term, from October 1, 2022 to September 30, 2023.

**II.**

Exhibit A of the Agreement is amended in its entirety to be and read as follows:

**EXHIBIT A**

**SCHEDULE OF FEES PAID BY CITY OF KENNEDALE**

Impoundment/Boarding Fee:

Kennedale shall pay the City a flat fee of \$480.80 per each animal Kennedale delivers to the City for impoundment during the term of this Agreement.

**SPECIMEN HEAD PREPARATION AND SHIPMENT**

Per Animal Head Specimen

\$200.00 per specimen

**IN TESTIMONY WHEREOF**, the City and Kennedale have executed this First Amendment and Second Renewal to be effective on October 1, 2022.

**CITY OF FORT WORTH**

**CITY OF KENNEDALE**

\_\_\_\_\_  
Valerie Washington  
Assistant City Manager

\_\_\_\_\_  
Jan Joplin  
Mayor Pro Tem

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**RECOMMENDED**

\_\_\_\_\_  
Darrell Hall  
City Manager

\_\_\_\_\_  
Dr. Timothy Morton  
Asst. Code Compliance Director

APPROVED AS TO FORM  
AND LEGALITY

**APPROVED AS TO FORM  
AND LEGALITY**

\_\_\_\_\_  
Name: Carvan E. Akins  
City Attorney

\_\_\_\_\_  
J. Joel Tovanche  
Assistant City Attorney

**ATTEST:**

\_\_\_\_\_  
Jannette Goodall  
City Secretary

M&C: 20-0595  
1295: N/A

**CONTRACT COMPLIANCE MANAGER:**

By signing I acknowledge that I am the person responsible for the monitoring and administration of this contract, including ensuring all performance and reporting requirements.

By: \_\_\_\_\_  
Name: Christopher Lirette  
Title: Code Compliance Superintendent



**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** CONSENT AGENDA ITEM III.D.6.

**SUBJECT**

Consider approval and authorize the City Manager to enter into a contract with Meals on Wheels providing program services and meals for the Senior Citizens Center

**ORIGINATED BY:** Elizabeth Partridge

**SUMMARY:**

The Kennedale Senior Citizens Center will contract the services of Meals on Wheels of Tarrant County to provide lunch at the center Monday through Friday, provide breakfast for those who request it, and provide a program director to coordinate and provide daily activities to include education, entertainment, special events, field trips, and fellowship opportunities every day from 10:00 am to 3:00 pm. Meals on Wheels will provide all necessary training to their director, including all health and safety requirements, observe all City requests and requirements, and report all usage information and statistics to the City. This contract will be in effect for 12 months.

**RECOMMENDATION**

Approve the Meals on Wheels Adult Activity Center Agreement for Congregate Meal Partnership  
**ATTACHMENTS** Contract



## ADULT ACTIVITY CENTER AGREEMENT FOR CONGREGATE MEAL PARTNERSHIP

This agreement is made by and between the **CITY OF KENNEDALE** whose principal address is located at 405 Municipal Drive, Kennedale, TX 76060 and **MEALS ON WHEELS, INC. OF TARRANT COUNTY**, hereinafter referred to as **MEALS ON WHEELS**, whose principal place of business is 5740 Airport Freeway, Fort Worth, TX 76117, Tarrant County, Texas. The **CITY OF KENNEDALE** and **MEALS ON WHEELS, INC. OF TARRANT COUNTY** may be identified as the “Parties.”

The purpose of this agreement is to provide a Congregate Meal Program for persons age 60 years or older and their spouse. This program will be considered a joint and cooperative program of the **CITY OF KENNEDALE**, and **MEALS ON WHEELS**. It is further agreed by the parties that all parties will comply with Texas Department of Health and Human Services (HHSC) and Administration for Community Living (ACL) Title 111-C and Title III-B Service Standards for sub-contractors.

This agreement shall be for a period of one year, commencing on the **1st day of November, 2022**, and shall continue through the **31st day of October 2023**. The agreement will remain in force until it has been terminated by either party by giving thirty days written notice to the other party. Further, this agreement is entered into in the County of Tarrant, Texas.

In consideration for this Agreement between the parties, IT IS AGREED that the **CITY OF KENNEDALE** shall pay **MEALS ON WHEELS** at an annual rate of **\$20,000.00 beginning November 1, 2022**; to be billed monthly at the rate of **\$1,666.67** per month to provide management services for the operation of the Kennedale Adult Activity Center, 405 Municipal Drive, Kennedale, Texas (the “Center”). The amount of this contract will increase by three percent (3%) each October 1. The Center’s daily operations are outlined in **Section I** below.

### **I. MEALS ON WHEELS, INC. OF TARRANT COUNTY:**

1. Provide lunch at the Kennedale Adult Activity Center on Monday through Friday, with the exception of inclement weather/emergency closure days and the following holidays: **New Year’s Day, Martin Luther King, Jr. Day, Good Friday, Memorial Day, Juneteenth, Independence Day, Labor Day, Thanksgiving Day, the day following Thanksgiving Day, Christmas Eve, and Christmas Day**. Additional holidays may be identified through mutual written agreement by the Parties. **A minimum number of 12 meals will be required to participate in the Congregate Meal Program.**
2. Provide a Center Director who is responsible for the operation of the Congregate Meals Program and Adult Activity Center programming such as table games, health and wellness education,

special trips, birthday parties, open house celebrations, guest speakers, karaoke, exercise class, book clubs and bible study. Center participants may also recommend classes, programs or presentations for consideration.

3. Require the Center Director, Center staff, and volunteers receive current First Aid and CPR training for the operation of the Congregate Meal and Adult Activity Center Program.
4. Ensure upon hiring, that the Center Director attends **MEALS ON WHEELS Center Operations' Policy and Procedure Training** and **Texas Health and Human Services Commission (HHSC) Adult Activity Center and Congregate Meal State Standards Training**. Training to be provided by **MEALS ON WHEELS**.
5. Provide training for the Center Director, Center staff and volunteers on food handling procedures as required by state and local health departments. Food Handlers Training Certificates shall be provided for posting in kitchen/dining area as required by the Tarrant County Health Department.
6. Comply with all applicable Federal and State Guidelines for Congregate Nutrition Services as funded by the Older Americans Act of Congress, Title 111-C1 and USDA with regard to meals served by **MEALS ON WHEELS**. Meals shall contain at least one-third of the current recommended dietary allowance established by the Food and Nutrition Board of the National Academy of Sciences, National Research Council.
7. Provide management, training and technical assistance related to Congregate Meal Program operations. Provide copies of health inspection standards for food service sites, all health and safety codes, and other applicable regulations pertaining to the physical condition and maintenance of the facility relating to the congregate meal program.
8. Provide annual Operations and Food Service Sanitation Compliance site visits.
9. Ensure all nutrition and health education information supplied by **MEALS ON WHEELS** is available to all participants at the Center.
10. Use the established, in-place, envelope system as outlined in the **MEALS ON WHEELS Center Operations Policy and Procedures Manual** for eligible participants to make voluntary contributions if they so choose. All funds must be forwarded to **MEALS ON WHEELS** in accordance with guidelines provided by funding sources.
11. Require all non-eligible visitors and staff served to pay the posted rate, (currently \$7.00 per meal).
12. Provide training and ongoing support related to the use of the online meal reservations and consumed platform.
13. Prepare and provide all forms, reports, statements, and documentation required as stated in the **MEALS ON WHEELS Center Operations Policy and Procedures Manual**.

14. Solicit participant representation from the **Center** to serve on the area wide **MEALS ON WHEELS** Agency Advisory Council.
15. **MEALS ON WHEELS** agrees to include the **City of Kennedale** as a named insured on its general liability insurance policy. A copy of the certificate of insurance shall be provided to the City as part of this Agreement.

**II. CITY OF KENNEDALE will:**

1. Provide, at no cost to **MEALS ON WHEELS**, space within the **CITY OF KENNEDALE Adult Activity Center**, Monday through Friday, large enough to comfortably facilitate the program while giving consideration to equipment store needs and social distancing for participants. Delivery dates and serving times to be mutually agreed upon.
2. Provide, at no cost to **MEALS ON WHEELS**, the following equipment to support the Congregate Meal Program, first aid kit, locking file cabinet, refrigerator, oven, tables, chairs, and secured storage for food service supplies.

NOTE: *In response to COVID-19, meals will be individually pre-plated and sealed in the MEALS ON WHEELS food production facility.*

3. Provide, at no cost to **MEALS ON WHEELS**, maintenance, and utilities, and internet service to support the Congregate Meal Program.
4. Comply with city/county/state health inspection standards for food service sites, all health and safety codes, and other applicable regulations pertaining to the physical condition and maintenance of the Center.
5. Ensure designated staff attend **MEALS ON WHEELS** Center Staff and Partners meetings **monthly**.
6. Provide a designated participant representative from the **CITY OF KENNEDALE center** to serve on the area wide **MEALS ON WHEELS** Agency Advisory Council for the Congregate Meal Program.
7. Comply with city/county/state health inspection standards for food service sites, all health and safety codes, and other applicable regulations pertaining to the physical condition and maintenance of the facility.
8. Provide access to facilities, records, and personnel for on-site evaluation and compliance monitoring of the Congregate Meal program by the staff of **MEALS ON WHEELS, the TARRANT COUNTY AREA AGENCY ON AGING, and HUD.**

9. Provide a copy of a Certificate of Insurance or letter of self-insurance and name of excess liability carrier to **MEALS ON WHEELS**, covering the facility and equipment.
10. Permit the established, in-place, envelope system (as outlined in the **MEALS ON WHEELS** Center Operations Policy and Procedures Manual) for eligible participants to make voluntary contributions toward the cost of meals and transportation services. Service cannot be denied based on a participant's inability or unwillingness to contribute. Daily cash collection and reports will be submitted to **MEALS ON WHEELS**, along with all other required paperwork using the red pouch system. This will be handled by the Meals On Wheels or designated City of Kennedale staff.
11. Ensure all community information supplied by **MEALS ON WHEELS** is available to all participants at the **CITY OF KENNEDALE** center.
12. Ensure all public notices are posted in a visible manner to ensure requirements are met with the federally funded meal program.
13. Complete and submit Area Agency on Aging Acknowledgement of Responsibility form 1020 to **MEALS ON WHEELS** annually on all paid and or volunteer intake staff to meet the guidelines of the federally funded meal program. Form 1020 is included as **ATTACHMENT A**.
14. Share within 48 hours accident and incident reports relative to the meal program.

**III.** It is further agreed between the parties that the designated representative of **MEALS ON WHEELS**, will meet with the designated representative of the **CITY OF KENNEDALE** to review current operations and any necessary amendments when called upon. Any amendment or modification to this agreement must be agreed upon in writing between the Parties.

**IV.** It is further agreed that the **MEALS ON WHEELS** shall indemnify, and hold harmless **THE CITY OF KENNEDALE**, its officers, servants, agents, contractors, volunteers, representatives, and employees harmless from any and all liability, demands, claims, actions, losses, interests, costs of defense and expenses, including reasonable attorney fees, expert fees, and court costs arising from and in connection with the performance of this agreement if such liability, demands, claims, actions, losses, interests, cost of defense and expenses, including reasonable attorney fees, expert fees, and court costs are founded in whole or in part upon the negligence of **MEALS ON WHEELS**, its officers, servants, agents, contractors, volunteers, representatives, and employees.

Further, to the extent allowed by law, the **CITY OF KENNEDALE** shall indemnify, and hold harmless **MEALS ON WHEELS**, its officers, servants, agents, contractors, volunteers, representatives, and employees harmless from any and all liability, demands, claims, actions, losses, interests, costs of



defense and expenses, including reasonable attorney fees, expert fees, and court costs arising from and in connection with the performance of this agreement if such liability, demands, claims, actions, losses, interests, cost of defense and expenses, including reasonable attorney fees, expert fees, and court costs are founded in whole or in part upon the negligence of the **CITY OF KENNEDALE**, its officers, servants, agents, contractors, volunteers, representatives, and employees.

**V. Exclusive Agreement.** This Agreement contains the entire understanding and agreement between the Parties with respect to the matters settled herein, no representations, warranties or other statements or promises have been made by any Party to any other Party in connection with this Agreement that are not fully expressed herein, and this Agreement supersedes any and all prior understandings and agreements between the Parties with respect to the subject matter of this Agreement.

**VI. Amendment.** This Agreement may only be amended or modified by written agreement signed by the Parties, or their respective counsel, if authorized.

**VII. Partial Invalidity.** If any part of this Agreement is held by a court, or other forum of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the Agreement will remain in full force and effect and will in no way be affected, impaired, or invalidated.

**VIII. Applicable Law.** This Agreement will be construed and enforced in accordance with and governed by the laws of the State of Texas without respect to the conflict of laws provisions thereof. Exclusive venue for any lawsuits or actions of law or in equity arising here under shall be in Tarrant County, Texas.

**IX. Counterparts.** This Agreement may be executed in any number of counterparts (including by facsimile or other electronic means) with the same effect as if all signing parties had signed the same document. All counterparts shall be construed together and constitute the same instrument.

**X. Authority and Capacity.** Each Party signing this Agreement represents it is fully authorized to execute this Agreement and that no further actions by other parties are needed to make this Agreement binding and effective according to its terms and conditions.

EXECUTED this \_\_\_\_\_ day of \_\_\_\_\_, 2022

**MEALS ON WHEELS, INC.  
OF TARRANT COUNTY**

**CITY OF KENNEDALE**

BY \_\_\_\_\_  
CARLA JUTSON, PRESIDENT & CEO

BY \_\_\_\_\_  
DARRELL HULL, CITY MANAGER

DATE \_\_\_\_\_

DATE \_\_\_\_\_



**Acknowledgement of Responsibility for  
Reporting Abuse, Neglect and Exploitation and Reasonable Suspicion of Crime**

*(Form must be completed by the employee, contract employee or volunteer with the original kept at the facility.)*

**A. Reporting Abuse, Neglect and Exploitation**

All state supported living center employees, contract employees and volunteers must immediately, if possible, but in no case more than one hour, notify the facility director and the Texas Department of Family and Protective Services if there is suspicion of abuse, neglect, or exploitation.

Abuse, neglect, and exploitation include, but are not limited to:

1. sexual contact between an individual receiving services and an employee, contractor, or volunteer.
2. sexual contact between an individual receiving services and someone who has an ongoing relationship with the individual receiving services, such as a family member or guardian.
3. permitting an obscene or pornographic photograph, videotape or other depiction of an individual receiving services.
4. any intentional or reckless act or failure to act that causes or may have caused physical injury to an individual receiving services.
5. any act of inappropriate or excessive force or corporal punishment inflicted on an individual receiving services regardless of whether it results in physical injury.
6. verbally or non-verbally cursing, vilifying, degrading, or threatening physical or emotional harm to an individual receiving services.
7. any act or omission by an employee, contractor or volunteer that places an individual receiving services at risk of physical or emotional injury.
8. using an individual receiving services, or that individual's resources, for monetary or personal benefit, profit, or gain.

The proper use of restraints and techniques to manage aggressive behavior are not considered abuse or neglect if used according to facility procedures.

I acknowledge my responsibility as an employee, contract employee or volunteer of the state supported living centers to report abuse, neglect, and exploitation. I understand that I should report any incident that I suspect may be abuse, neglect or exploitation even if I am not sure. I realize I may be criminally liable for failing to report abuse, neglect, or exploitation.

**B. Reporting Reasonable Suspicion of Crime Against an Individual**

All state supported living center employees, contract employees and volunteers must immediately notify the facility director/ designee and the Consumer Rights and Services section at 1-800-458-9858 and the local law enforcement agency if they have a reasonable suspicion a crime against an individual has occurred. Reporting must occur within two hours if the individual sustained a serious physical injury or within 24 hours if the individual did not sustain a serious physical injury.

I acknowledge my responsibility as an employee, contract employee or volunteer of the state supported living centers to report reasonable suspicion of a crime against an individual. I understand that I should report any incident that I suspect may be a crime even if I am not sure. I realize that if I fail to report as required, I may be subject to civil money penalties and/or barred from participation in any federal health care program.

\_\_\_\_\_  
Employee, Contract Employee or Volunteer Name (printed)

\_\_\_\_\_  
Employee ID No., if applicable

\_\_\_\_\_  
State Supported Living Center Location

\_\_\_\_\_  
Signature – Employee, Contract Employee of Volunteer

\_\_\_\_\_  
Date



**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** INDIVIDUAL CONSIDERATION ITEM IV.D.3.

**SUBJECT**

Consider an Amendment to the ILA between the City of Arlington and Kennedale Water and Wastewater Service Agreement

**ORIGINATED BY:**Max Aransen, Shield Engineering

**SUMMARY**

This Interlocal Agreement will amend the current interlocal agreement with Arlington, which allows Arlington to provide water and sewer service to identified addresses where Kennedale does not have current infrastructure to provide these necessary services. The new agreement expands the number of identified addresses to cover new developments in need of these services as well as properties which will need such services if redeveloped. City staff recommends the approval of this Interlocal Agreement with Arlington.

AMENDMENT TO THE INTERLOCAL AGREEMENT  
BETWEEN THE CITY OF ARLINGTON  
AND THE CITY OF KENNEDALE  
WATER AND WASTEWATER SERVICE AGREEMENT

THE STATE OF TEXAS   §  
                                          §  
COUNTY OF TARRANT §

THIS AMENDMENT TO THE INTERLOCAL AGREEMENT (hereinafter “Amendment”) is entered into on this the \_\_\_\_ day of \_\_\_\_\_, 2022, by and between the **CITY OF ARLINGTON, TEXAS**, a municipal corporation (hereinafter referred to as “ARLINGTON”); and the **CITY OF KENNEDALE, TEXAS**, a municipal corporation (hereinafter referred to as “KENNEDEALE”);

WHEREAS, on March 8, 2012, Arlington and Kennedale entered into an Interlocal Agreement (hereinafter “Original Agreement”) for Water and Wastewater Service;

WHEREAS, the Texas State Legislature has authorized the formulation of Interlocal Cooperation Agreements between and among governmental entities pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, as amended; and

WHEREAS, the governing bodies of each entity desires to amend the Original Agreement and believe that this Agreement is necessary for the benefit of the public and that each party had the legal authority to provide governmental function which is the subject of the Interlocal Agreement; and

WHEREAS, the parties, in paying for the performance of governmental functions or in performing such governmental functions either pursuant to the Interlocal Agreement shall make payments therefore only from revenues currently and legally available to such party;

NOW THEREFORE, the Original Agreement is incorporated herein as if written word for word. Except as provided below, all other terms and conditions of the Original Agreement shall remain unchanged and shall remain in full force and effect. In the event of any conflict or inconsistency between the provisions set forth in this Amendment and the Original Agreement, this Amendment shall govern and control. In consideration of the foregoing, and for other good and valuable consideration, the parties hereby agree to amend the Original Agreement as follows:

I.

**ARTICLE I. TERMS OF AGREEMENT** shall be amended so that it reads as follows:

- A. There are currently within KENNENDALE areas which can be served more efficiently by the ARLINGTON water and wastewater system. Those areas are listed and more fully described in Attachment "1" and Attachment "3". There are currently within ARLINGTON areas which can be served more efficiently by the KENNENDALE water system. Those areas are listed and more fully described in Attachment "2" and Attachment "3". ARLINGTON agrees to provide the water and wastewater services to those properties as identified on Attachment "1" and Attachment "3" and KENNENDALE agrees to provide the water and wastewater services to those properties as identified on Attachment "2" and Attachment "3". Attachments "1" and "2" and "3" are described herein and referenced herein as written word for word.
- B. Each City agrees to operate and maintain their respective wastewater collection system in accordance with accepted good business and engineering practices and the requirements of the Federal Clean Water Act, as amended, and as said Act may be amended in the future, and any rules and regulations issued and to be issued by appropriate agencies in the administration of said Act. The Cities agree that their obligations hereunder shall include compliance with the requirements made under said Act, and any rules and regulations issued pursuant thereto, including all industrial pretreatment regulations.
- C. Kennedale agrees that Arlington may enter, use or utilize Kennedale's existing or acquired right of way or easements as reasonably necessary to install, maintain, repair or replace the portions of Arlington's water and/or wastewater systems lying within Kennedale as described in Attachment 1 and Attachment 3. Further, Arlington agrees that Kennedale may enter, use or utilize Arlington's existing or acquired right of way or easements as reasonably necessary to install, maintain, repair or replace the portions of Kennedale's water and/or wastewater systems lying within Arlington as described in Attachment 2 and Attachment 3. Each City agrees to notify the other, in advance, of any extraordinary maintenance or repair contemplated on the water and wastewater collection system lines affected by this Agreement, and notify the other within twenty-four (24) hours after completion. In the event of an emergency, such notice of maintenance or repair shall be given the other within twenty-four (24) hours.

II.

Attachments 1, 2, and 3 to the Original Agreement are hereby replaced in their entirety by Attachments 1, 2, and 3 attached to this Amendment and incorporated herein by reference as though written word for word.

III.

This Amendment shall be effective on the date first written above.

This AMENDMENT, to the extent of any conflict with the original Interlocal Agreement, shall supersede the terms and provisions of the original Interlocal Agreement. However, it is the express intention of the PARTIES that this AMENDMENT and the original Interlocal Agreement shall be completely integrated and be construed in harmony and congruity as a single instrument to the greatest extent permitted by law.

**IN WITNESS WHEREOF**, the PARTIES acting under authority of their respective governing bodies have caused this AMENDMENT to be duly executed in several counterparts, each of which is deemed to be an original, as of the day and date first written above.

**CITY OF KENNEDALE, TEXAS**

BY: \_\_\_\_\_

Date: \_\_\_\_\_

**CITY OF ARLINGTON, TEXAS**

BY: \_\_\_\_\_

Date: \_\_\_\_\_

Craig M. Cummings

Director of Water Utilities

ATTEST:

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Alex Busken, City Secretary

APPROVED AS TO FORM

Molly Shortall, City Attorney

By: \_\_\_\_\_

:

**ATTACHMENT - 1**  
KENNEDALE PROPERTIES SERVED BY ARLINGTON

| Premise Address         | Service Provided     |
|-------------------------|----------------------|
| 5600 EDEN RD E          | Water                |
| 5604 EDEN RD E          | Water                |
| 5620 EDEN RD E          | Water and Wastewater |
| 5746 EDEN RD E          | Water                |
| 5782 EDEN RD E          | Water                |
| 5810 EDEN RD E          | Water                |
| 5836 EDEN RD E          | Water                |
| 5869 EDEN RD E          | Water                |
| 5900 EDEN RD E          | Water                |
| 5910 EDEN RD E          | Water                |
| 5915 EDEN RD E          | Water                |
| 4010 EDEN RD S          | Water                |
| 4040 EDEN RD S          | Water                |
| 4048 EDEN RD S          | Water                |
| 4080 EDEN RD S          | Water                |
| 4110 EDEN RD S          | Water                |
| 4130 EDEN RD S          | Water                |
| 4310 EDEN RD S          | Water                |
| 4314 EDEN RD S          | Water                |
| 4382 EDEN RD S          | Water                |
| 7900 EDEN RD S          | Water                |
| 6902 EDEN TAP RD        | Water and Wastewater |
| 6910 EDEN TAP RD        | Water and Wastewater |
| 6951 EDEN TAP RD        | Water                |
| 7505 HUDSON CEMETERY RD | Water                |
| 7521 HUDSON CEMETERY RD | Water                |
| 7551 HUDSON CEMETERY RD | Water                |
| 7601 HUDSON CEMETERY RD | Water                |
| 7605 HUDSON CEMETERY RD | Water                |
| 1401 J R HAWKINS RD     | Water                |
| 1411 J R HAWKINS RD     | Water                |
| 1421 J R HAWKINS RD     | Water                |
| 1441 J R HAWKINS RD     | Water                |
| 5304 J R HAWKINS RD     | Water                |
| 3224 JOPLIN RD          | Water                |
| 109 JOPLIN RD N         | Water                |
| 117 JOPLIN RD N         | Water                |
| 125 JOPLIN RD N         | Water                |
| 133 JOPLIN RD N         | Water                |
| 201 JOPLIN RD N         | Water                |
| 205 JOPLIN RD N         | Water                |
| 209 JOPLIN RD N         | Water                |
| 217 JOPLIN RD N         | Water                |
| 225 JOPLIN RD N         | Water                |



**ATTACHMENT - 1**  
KENNEDALE PROPERTIES SERVED BY ARLINGTON

| Premise Address            | Service Provided     |
|----------------------------|----------------------|
| 110 JOPLIN RD S            | Water                |
| 120 JOPLIN RD S            | Water                |
| 124 JOPLIN RD S            | Water                |
| 132 JOPLIN RD S            | Water                |
| 140 JOPLIN RD S            | Water and Wastewater |
| 148 JOPLIN RD S            | Water                |
| 7257 KENNEDALE PWY         | Water                |
| 1101 LITTLE SCHOOL RD      | Water and Wastewater |
| 5100 LITTLE SCHOOL RD      | Water and Wastewater |
| 1201 LITTLE SCHOOL RD N    | Water and Wastewater |
| 6867 MANSFIELD CARDINAL RD | Water                |
| 6875 MANSFIELD CARDINAL RD | Water                |
| 6895 MANSFIELD CARDINAL RD | Water                |
| 6901 MANSFIELD CARDINAL RD | Water                |
| 6910 MANSFIELD CARDINAL RD | Water                |
| 6911 MANSFIELD CARDINAL RD | Water                |
| 6920 MANSFIELD CARDINAL RD | Water                |
| 6927 MANSFIELD CARDINAL RD | Water                |
| 6938 MANSFIELD CARDINAL RD | Water                |
| 7004 MANSFIELD CARDINAL RD | Water                |
| 7008 MANSFIELD CARDINAL RD | Water                |
| 7010 MANSFIELD CARDINAL RD | Water                |
| 7204 MANSFIELD CARDINAL RD | Water and Wastewater |
| 7316 MANSFIELD CARDINAL RD | Water                |
| 1075 N LITTLE SCHOOL RD    | Water and Wastewater |
| 808 POTOMAC PWY            | Water                |
| 1217 SWINEY HIETT RD       | Water                |
| 1225 SWINEY HIETT RD       | Water                |
| 1233 SWINEY HIETT RD       | Water                |
| 1241 SWINEY HIETT RD       | Water                |
| 1249 SWINEY HIETT RD       | Water                |
| 1309 SWINEY HIETT RD       | Water                |
| 1406 SWINEY HIETT RD       | Water                |
| 1410 SWINEY HIETT RD       | Water                |
| 1411 SWINEY HIETT RD       | Water                |
| 1416 SWINEY HIETT RD       | Water                |
| 1417 SWINEY HIETT RD       | Water                |
| 1422 SWINEY HIETT RD       | Water                |
| 1425 SWINEY HIETT RD       | Water                |
| 1426 SWINEY HIETT RD       | Water                |
| 1433 SWINEY HIETT RD       | Water                |
| 1434 SWINEY HIETT RD       | Water                |
| 1437 SWINEY HIETT RD       | Water                |
| 1442 SWINEY HIETT RD       | Water                |

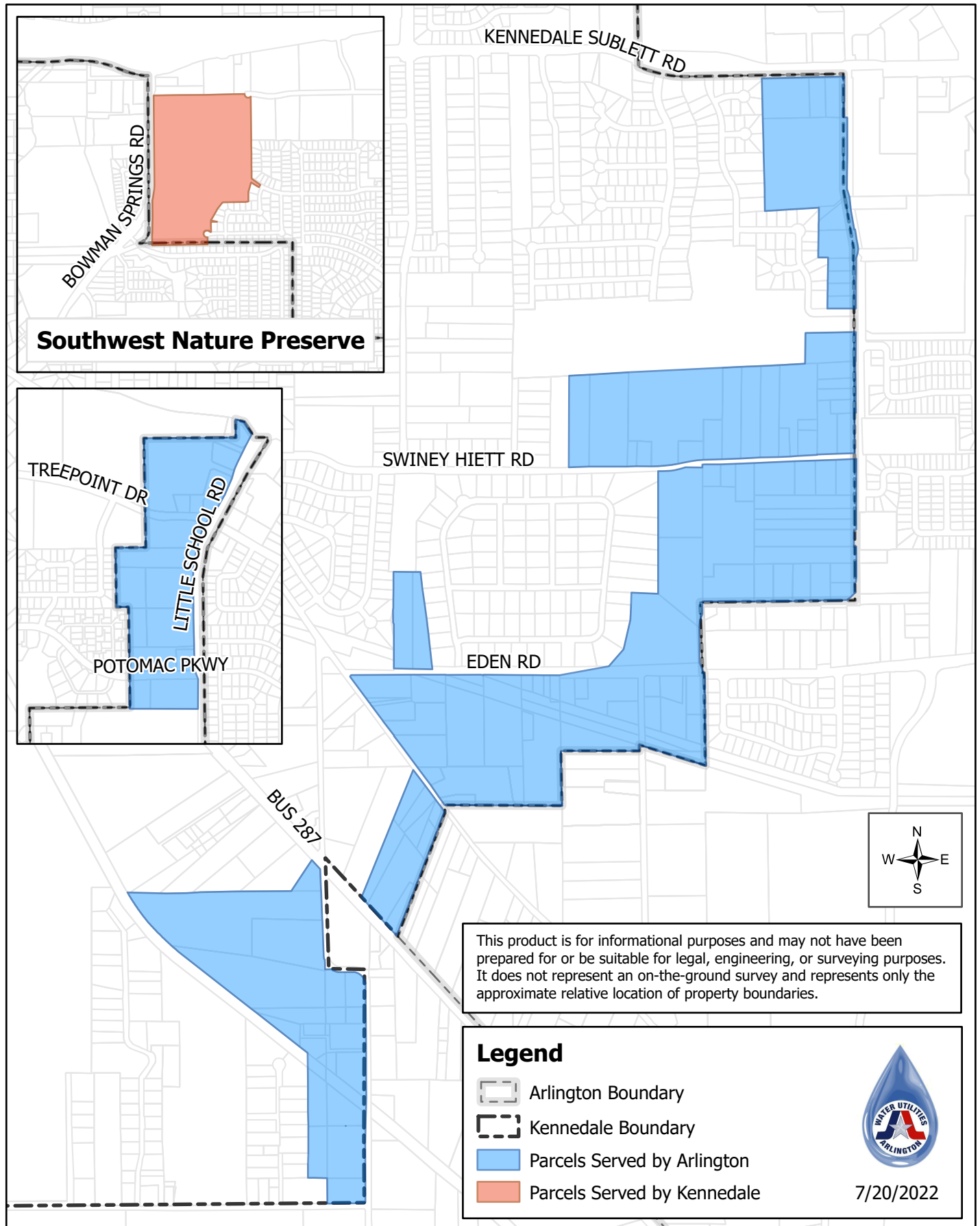
**ATTACHMENT - 1**  
KENNEDALE PROPERTIES SERVED BY ARLINGTON

| Premise Address      | Service Provided     |
|----------------------|----------------------|
| 1447 SWINEY HIETT RD | Water                |
| 1448 SWINEY HIETT RD | Water                |
| 1449 SWINEY HIETT RD | Water                |
| 1451 SWINEY HIETT RD | Water                |
| 1454 SWINEY HIETT RD | Water                |
| 6300 TREEPOINT DR    | Water                |
| 6310 TREEPOINT DR    | Water                |
| 6312 TREEPOINT DR    | Water                |
| 6314 TREEPOINT DR    | Water and Wastewater |
| 6317 TREEPOINT DR    | Water and Wastewater |
| 7001 US 287 BUS HWY  | Water                |
| 7089 US 287 Bus Hwy  | Water                |
| 3812 Eden Rd S       | Water                |

**ATTACHMENT-2**  
ARLINGTON PROPERTIES SERVED BY KENNEDALE

| Premise Address        | Service Provided |
|------------------------|------------------|
| 5251 Bowman Springs Rd | Water            |
|                        |                  |
|                        |                  |
|                        |                  |
|                        |                  |
|                        |                  |

# Attachment 3 - Water and Wastewater Service





**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** CONSENT AGENDA ITEM V.D.4.

**SUBJECT**

Consider and authorize the City Manager to proceed with an employment offer for the City Secretary position

**ORIGINATED BY**

**SUMMARY**

**RECOMMENDATION**

**ATTACHMENTS**

**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** CONSENT AGENDA ITEM IV.D.6.

**SUBJECT**

Consider approval of the 2020 CBDG 3<sup>rd</sup> Street Change Order

**ORIGINATED BY:** Max Aransen, Shield Engineering

**SUMMARY**

This change order to the original contract was necessary to complete the project due to unforeseen circumstances in the field. This change order covers additional water valves and asphalt pavement needed to complete the project, as directed by city staff in the field during construction.

**RECOMMENDATION:** City staff recommends the approval of this change order.

## **RESOLUTION NO. 614**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, APPROVING AND AUTHORIZING THE EXECUTION OF CHANGE ORDER NO. 1 FOR THE 46<sup>TH</sup> YEAR COMMUNITY DEVELOPMENT BLOCK GRANT PROJECT FOR WATERLINE IMPROVEMENTS IN THE 400 TO 600 BLOCKS OF THIRD STREET IN THE CITY OF KENNEDALE, TEXAS; APPROVING FUNDING PARTICIPATION; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, during the City Council meeting of April 21, 2020, the City Council of the City of Kennedale held a public hearing and approved the 46<sup>th</sup> Year Community Development Block Grant (CDBG) Project to replace 1,374 linear feet of 12" asbestos-cement waterline and 1,256 linear feet of 2" galvanized waterline with 12" PVC waterline in the 400 to 600 blocks of Third Street, in the City of Kennedale, Texas (the Project); and

**WHEREAS**, the original contract amount for the Project approved on April 21, 2020, was for the amount of \$409,064.00; and

**WHEREAS**, the original Project contract was entered into with Excel 4 Construction, LLC (the Contractor); and

**WHEREAS**, additional work by the Contractor on the Project was requested and approved by the City; and

**WHEREAS**, such additional work has been performed by the Contractor and accepted by the City as complete; and

**WHEREAS**, the Contractor has submitted for approval by the City Change Order No. 1 to cover the costs of the additional work performed by the Contractor in the net amount of \$31,443.20 for a revised contract amount of \$440,507.20; and

**WHEREAS**, The City Council desires to approve Change Order No. 1 as submitted and authorize the City Manager to execute same on behalf of the City.

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

**SECTION 1.** That all matters stated in the preamble of this resolution are true and correct and are incorporated herein as if copied in their entirety.

**SECTION 2.** That the City of Kennedale hereby approves Change Order No. 1 to the Project and agrees to pay the additional net amount of \$31,443.20 for a revised contract amount of \$440,507.20 and authorizes the City Manager to execute Change Order No. 1 on behalf of the City in substantially the same form as is attached hereto as Exhibit "A".

**SECTION 3.** That this Resolution shall be effective upon its passage.

**PASSED, ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY  
OF KENNEDALE, TEXAS, THIS THE \_\_\_\_ DAY OF October 2022.**

**APPROVED:**

\_\_\_\_\_  
**MAYOR PRO TEM, JAN JOPLIN**

[CITY SEAL]

**ATTEST:**

\_\_\_\_\_  
**INTERIEM CITY SECRETARY, CAROLINE GREEN**





**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** CONSENT AGENDA ITEM IV.D.7.

**SUBJECT**

Consider approval of the Resolution to move forward with the Texas Water Developments Board's Flood Infrastructure Fund and committed funding for improvements along Valley Lane.

**ORIGINATED BY:** Max Aransen, Shield Engineering

**SUMMARY**

Resolution No. 615 will allow the City of Kennedale to move forward with the Texas Water Development Board's Flood Infrastructure Fund and their committed funding towards drainage improvements along Valley Lane. Thank you,

**RECOMMENDATION** City staff recommends the approval of this resolution.

**ATTACHMENTS**

## **RESOLUTION NO.615**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS (THE "CITY") AUTHORIZING THE CITY TO EXECUTE A GRANT AGREEMENT (THE "GRANT AGREEMENT") WITH THE TEXAS WATER DEVELOPMENT BOARD (THE "TWDB") IN CONNECTION WITH THE RECEIPT OF GRANT FUNDS FROM THE TWDB TO FINANCE A CERTAIN FLOOD CONTROL PROJECT, APPROVING OTHER MATTERS RELATED THERETO, AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the TWDB has made a commitment to provide financial assistance to the City in the amount of \$432,285.00 in the form of a grant as described in Commitment No. G1001517 (the "Commitment") to finance a water/wastewater system project identified as Project No. 40187, Valley Lane Streambank Stabilization (the "Project"); and

**WHEREAS**, during the City Council meeting of Tuesday, August 16, 2022, the City met and reviewed the TWDB's Grant Commitment and the associated Escrow Agreement; and

**WHEREAS**, the terms and conditions of the financial assistance between the TWDB and the City is acceptable to the City, the City approves of same, and the City desires to authorize its City Manager to execute such documents as may be required to enter into the Grant Agreement on behalf of the City.

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

**SECTION 1.** That all matters stated in the preamble of this resolution are true and correct and are incorporated herein as if copied in their entirety.

**SECTION 2.** That the City desires to enter into and approves the Grant Agreement in the amount of \$432,285.00 with the TWDB as described above.

**SECTION 3.** That the City Manager is authorized to execute any and all documents and agreements necessary to effectuate the terms of the Grant Agreement associated with TWDB Commitment No. G1001517 and Project No. 40187.

**SECTION 4.** That this resolution shall be effective upon its passage.

**PASSED, ADOPTED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, THIS THE \_\_\_\_\_ DAY OF October, 2022.**

**APPROVED:**

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**Mayor Pro Tem Jan Joplin**

**ATTEST:**

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**Caroline Green, Interim City Secretary**

**APPROVED AS TO FORM:**

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**Carvan E. Adkins, City Attorney**



**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** INDIVIDUAL CONSIDERATION ITEM V.E.

**SUBJECT**  
ITEMS FOR INDIVIDUAL CONSIDERATION

**ORIGINATED BY**

**SUMMARY**

**RECOMMENDATION**

**ATTACHMENTS**

**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** INDIVIDUAL CONSIDERATION ITEM V.E.1.

**SUBJECT**

Consider approval of the 2023 ERCOT Membership

**ORIGINATED BY:** Darrell Hull, City Manager

**SUMMARY** Consider approval of the 2023 ERCOT Membership

**RECOMMENDATION**

**ATTACHMENTS**

The purpose of this memorandum is to recommend that your city or other political subdivision renew its membership in the Electric Reliability Council of Texas ("ERCOT") for 2023. For the reasons we detail below, an ERCOT membership continues to be a straightforward and cost-effective way for your city to influence electric policy in Texas, and **we recommend that you submit your ERCOT membership renewal application and fee by Friday, November 18, 2022. The membership fee is \$100 per year.**

**WHAT IS ERCOT?**

ERCOT is the entity that is responsible for operating the electric grid in the deregulated portion of Texas. Furthermore, ERCOT maintains the set of complicated rules that frame the way that electricity is bought and sold in the deregulated wholesale market. Through a process of negotiation and deliberation within committees of interested parties, the ERCOT stakeholder process is constantly reviewing and revising these rules, known as the ERCOT protocols. Most of the issues addressed at ERCOT are addressed nowhere else—the Public Utility Commission has largely delegated these issues to the ERCOT stakeholder process.

**WHAT ROLE DO CITIES PLAY IN THE ERCOT PROCESS?**

Consumers, such as cities and other political subdivisions, have a voice in ERCOT's decision-making process. Each segment of the ERCOT market has a vote on issues before ERCOT, through its representatives on the Technical Advisory Committee ("TAC"), the Wholesale Market Subcommittee ("WMS"), and the Retail Market Subcommittee ("RMS").

TAC, WMS, and RMS are the bodies responsible for making the most important decisions about the detailed workings of the ERCOT market. These

decisions can have bottom-line impacts on electricity prices. A total of 137 cities and other political subdivisions joined ERCOT in 2022. With this membership strength, cities successfully elected two city representatives to TAC and one director to ERCOT's Board of Directors for 2022. A strong contingent of city members would make continuation of this strong presence likely for 2023.

As you know, consumers in ERCOT face constant efforts by power generators and power marketers to modify the electricity market in ways that would increase prices. In 2023, ERCOT and the PUC will continue their work on several major market redesign initiatives. As a result, Cities' presence in the ERCOT process as a voice for consumers continues to be important.

ERCOT Master List of Members – **Large** and Small Commercial  
Consumers (137 Total)

|                                         |                                        |                                         |
|-----------------------------------------|----------------------------------------|-----------------------------------------|
| 1. <b>Alamo</b>                         | 51. <b>Harlingen Housing Authority</b> | 101. <b>Robinson</b>                    |
| 2. <b>Allen</b>                         | 52. Haslet                             | 102. <b>Rockport</b>                    |
| 3. <b>Aquilla Water Supply District</b> | 53. Hewitt                             | 103. Rockwall                           |
| 4. Aransas County MUD No. 1             | 54. Highland Park                      | 104. Rotan                              |
| 5. <b>Arlington</b>                     | 55. Honey Grove                        | 105. <b>Rowlett</b>                     |
| 6. <b>Bedford</b>                       | 56. <b>Houston</b>                     | 106. Sachse                             |
| 7. <b>Bellmead</b>                      | 57. Howe                               | 107. Saginaw                            |
| 8. Benbrook                             | 58. <b>Hurst</b>                       | 108. <b>Seadrift</b>                    |
| 9. Beverly Hills                        | 59. Hutto                              | 109. Seagoville                         |
| 10. Big Spring                          | 60. Ingleside                          | 110. Sierra Club                        |
| 11. Breckenridge                        | 61. <b>Irving</b>                      | 111. Snyder                             |
| 12. <b>Brownwood</b>                    | 62. <b>Johnson Co. SUD</b>             | 112. <b>South Texas Water Authority</b> |
| 13. Buffalo                             | 63. Jolly                              | 113. <b>Spring Valley Village</b>       |
| 14. <b>Burkburnett</b>                  | 64. Josephine                          | 114. Springtown                         |
| 15. Caddo Mills                         | 65. Justin                             | 115. <b>Sugar Land</b>                  |
| 16. <b>Canton</b>                       | 66. Keller                             | 116. <b>Sulphur Springs</b>             |
| 17. <b>Carrollton</b>                   | 67. Kennedale                          | 117. Sunnyvale                          |
| 18. Cedar Hill                          | 68. Kerens                             | 118. <b>Sweetwater</b>                  |
| 19. Centerville                         | 69. <b>Killeen</b>                     | 119. <b>Taylor Lake Village</b>         |
| 20. Clear Lake Shores                   | 70. <b>Kingsville</b>                  | 120. <b>Temple</b>                      |
| 21. <b>Cleburne</b>                     | 71. La Feria                           | 121. Texas City                         |
| 22. Clyde                               | 72. Laguna Vista                       | 122. The Colony                         |
| 23. Colleyville                         | 73. Lake Worth                         | 123. Trophy Club                        |
| 24. <b>Coppell</b>                      | 74. Lakeside                           | 124. Venus                              |
| 25. <b>Copperas Cove</b>                | 75. Lancaster                          | 125. <b>Vernon</b>                      |
| 26. Corinth                             | 76. <b>Lewisville</b>                  | 126. <b>Victoria</b>                    |
| 27. <b>Corpus Christi</b>               | 77. Lorena                             | 127. <b>Waco</b>                        |
| 28. Crowley                             | 78. <b>McAllen</b>                     | 128. <b>Watauga</b>                     |
| 29. <b>Dallas</b>                       | 79. <b>McKinney</b>                    | 129. <b>Waxahachie</b>                  |
| 30. Dalworthington Gardens              | 80. <b>Mercedes</b>                    | 130. Webster                            |
| 31. <b>Decatur</b>                      | 81. <b>Mesquite</b>                    | 131. Weston Lakes                       |
| 32. <b>Denison</b>                      | 82. <b>Midlothian</b>                  | 132. Westover Hills                     |
| 33. Dilley                              | 83. <b>Mont Belvieu</b>                | 133. Wharton                            |
| 34. Early                               | 84. Morgan's Point                     | 134. White Settlement                   |
| 35. Eastland                            | 85. Murchison                          | 135. <b>Wichita Falls</b>               |
| 36. Ennis                               | 86. Nassau Bay                         | 136. Woodway                            |
| 37. <b>Eules</b>                        | 87. <b>North Richland Hills</b>        | 137. Wylie                              |
| 38. <b>Farmers Branch</b>               | 88. Northlake                          |                                         |
| 39. Fate                                | 89. O'Donnell                          |                                         |

40. **Flower Mound**
41. Forney
42. **Fort Worth**
43. Frisco
44. Fulton
45. Gainesville
46. Glenn Heights
47. **Grand Prairie**
48. **Grapevine**
49. Hamilton
50. Harker Heights
90. Oak Point
91. **Odessa**
92. Ovilla
93. Paris
94. Piney Point Village
95. **Plano**
96. Port Lavaca
97. Portland
98. Pottsboro
99. **Richland Hills**
100. River Oaks



**ELECTRIC RELIABILITY COUNCIL OF TEXAS, INC.  
MEMBERSHIP APPLICATION AND AGREEMENT FOR MEMBERSHIP YEAR 2023**

This Membership Application and Agreement for Membership Year 2023 (Agreement) is made and entered into by and between Electric Reliability Council of Texas, Inc. (ERCOT) and CITY OF KENNEDALE (Applicant). In consideration of the mutual covenants contained herein Applicant hereby submits its application for ERCOT Membership (Membership) and agrees to be bound by the obligations of Membership as further described herein and the ERCOT Bylaws. ERCOT will review this application and will provide Member services and benefits described herein, subject to the terms and conditions of this Agreement and the ERCOT Bylaws, provided that Applicant meets the requirements to become an ERCOT Member (Member). This Agreement shall be effective as of the date that ERCOT provides written notice approving this application for Membership Year 2023 (Effective Date). Please note that being registered as a Market Participant is independent from being a Member. Membership is completely optional and does not interfere with your Market Participant status.

Capitalized terms that are not defined in this Agreement shall have the meaning as defined in the ERCOT Bylaws, as amended from time to time.

**A. Membership Application Information.**

**1. Legal Name of Applicant.**

Provide full corporate name and, if applicable, assumed "doing business as" name, of Applicant applying for Membership.

CITY OF KENNEDALE  
405 MUNICIPAL DRIVE  
KENNEDALE, TX 76060

**2. Type of Membership.**

Select **ONE** of three available types of Membership below (that is, Corporate, Associate or Adjunct).

Members who are Affiliates (as defined in the ERCOT Bylaws) may hold only one Corporate Membership among such Members.

Other applicants applying for additional ERCOT Memberships, such as an Associate Membership, must use a separate Agreement for each Membership.

The applicable Annual Member Dues listed below for each Membership type provide Corporate Members with rights pursuant to the ERCOT Bylaws and entitle Members to services ERCOT provides such as hosting ERCOT meetings, providing Members with necessary information and such other Member services as ERCOT may from time-to-time offer.



☒ **Corporate.** Voting. \$2,000 per Membership Year (except Residential and Commercial Consumer Members' Annual Member Dues are \$100 per Membership Year). Corporate Membership includes the right to vote on matters submitted to the general Membership, such as election of Technical Advisory Committee (TAC) Representatives and TAC subcommittee representatives.

☐ **Associate.** Non-voting. \$500 per Membership Year (except Residential and Commercial Consumer Members' Annual Member Dues are \$50 per year). Associate Membership does not provide any voting rights for matters submitted to the general Membership. However, an Associate Member may be elected by Corporate Members to serve as a voting member of TAC or a TAC subcommittee.

☐ **Adjunct.** Non-voting. \$500 per Membership Year. Applicants not meeting the Segment requirements for Membership may join as Adjunct Members upon Board of Directors approval. Adjunct Membership does not provide any voting rights for matters submitted to the general Membership nor any right to be elected or appointed to TAC or a TAC subcommittee. Adjunct Members shall be bound by the same obligations as other Members.

### 3. **Payment of Annual Member Dues.**

The applicable Annual Member Dues must be paid and received by ERCOT by the Record Date, as determined pursuant to the ERCOT Bylaws and defined in Section B.3. below, in order for the Member to participate in the elections for the Membership Year 2023. **ERCOT has reduced staff available onsite to receive, distribute, and manage incoming postal mail, deliveries, faxes on a daily basis. As such, all Annual Member Dues shall be submitted by wire transfer. Please contact ERCOT at [membership@ercot.com](mailto:membership@ercot.com) for electronic funds transfer instructions.**

4. **Segment Eligibility.**

Check **ONE** Segment designation, as further described in the ERCOT Bylaws, for which Applicant believes in good faith that Applicant is eligible.

☒ **Consumer.** Any entity meeting the definition for Residential Consumers, Commercial Consumers or Industrial Consumers as set forth in the ERCOT Bylaws.

Check **ONE** Subsegment designation:

☒ **Residential Consumer.** The appointed Board Director representing residential consumer interests, an organization or agency representing the interests of residential consumers in the ERCOT Region, or the Residential Consumer TAC Representative.

☐ **Small Commercial Consumer.** A commercial consumer having a peak demand of 1000 KW or less (or an organization representing such consumers).

☐ **Large Commercial Consumer** A commercial consumer having a peak demand greater than 1000 KW.

☐ **Industrial Consumer.** An industrial consumer with at least one meter with average monthly demand greater than 1 megawatt consumed within the ERCOT Region engaged in an industrial process.

An entity applying for ERCOT membership as a Residential Consumer, Small Commercial Consumer or Large Commercial Consumer is ineligible if that entity has interests in the electric industry in any other capacity than as an end-use consumer or represents the interests of another entity that has interests in the electric industry in any other capacity than as an end-use consumer.

☐ **Cooperative.** An Entity operating in the ERCOT Region that is:

- (i) A corporation organized under Chapter 161 of the Texas Utilities Code or a predecessor statute to Chapter 161 and operating under that chapter;
- (ii) A corporation organized as an electric cooperative in a state other than Texas that has obtained a certificate of authority to conduct affairs in the State of Texas;
- (iii) A cooperative association organized under Chapter 251 of the Texas Business Organizations Code or a predecessor to that statute and operating under that statute; or
- (iv) A River Authority as defined in Tex. Water Code §30.003.

☐ **Independent Generator.** Any entity that is not a Transmission and Distribution Entity (T&D Entity) or an Affiliate of a T&D Entity and that (i) owns or controls generation of at least 10 MW in the ERCOT Region; or (ii) is preparing to operate and control generation of at least 10 MW in the ERCOT Region, and has approval of the appropriate governmental authority, has any necessary real property rights, has given the connecting transmission provider written authorization to proceed with construction and has provided security to the connecting transmission provider.

☐ If Applicant is a Member in the Independent Generator segment for the current Membership Year, check this box to confirm that as of the date of this Application, Applicant and/or one or more Affiliates is registered as a Power Generation Company (PGC) with the Public Utility Commission of Texas (PUCT) with respect to generation of at least 10 MW in the ERCOT Region.

If Applicant is **not** a Member in the Independent Generator segment for the current Membership Year, please include with this Application a copy of PGC registration(s) with the PUCT for Applicant and/or its Affiliates for generation of at least 10 MW in the ERCOT Region.

☐ **Independent Power Marketer.** Any entity that is not a T&D Entity or an Affiliate of a T&D Entity and is registered at the PUCT as a Power Marketer to serve in the ERCOT Region.

☐ **Independent Retail Electric Provider (REP).** Any entity that is certified by the PUCT to serve in the ERCOT Region as a Retail Electric Provider under PURA §39.352 and that is not an Affiliate of a T&D Entity.

☐ **Aggregator.** For purposes of Segment classification, an aggregator may register to participate in this Segment if unable to qualify in any other Segment.

☐ **Investor-Owned Utility.**

- (i) An investor-held, for-profit “electric utility” as defined in PURA §31.002(6) that:
  - (a) Operates within the ERCOT Region;
  - (b) Owns 345 kV interconnected transmission facilities in the ERCOT Region;
  - (c) Owns more than 500 pole miles of transmission facilities in the ERCOT Region; or
  - (d) Is an Affiliate of an entity described in (a), (b) or (c); or
- (ii) A public utility holding company of any such electric utility.

☐ **Municipal.** An entity operating in the ERCOT Region that owns or controls transmission or distribution facilities, owns or controls dispatchable generating facilities, or provides retail electric service and is either:

- (i) A municipally owned utility as defined in PURA §11.003 or
- (ii) A River Authority as defined in Tex. Water Code §30.003.

**5. Identification of Applicant's Designated Representative and Designated Representative Alternate.**

**a. Designated Representative.**

ERCOT requires Applicant to designate an official representative in order for ERCOT to conduct ERCOT's corporate business (that is, for ERCOT to provide notice to each of its Members and for Members to participate and/or vote at Membership meetings, as applicable). Applicant identifies its designated representative for required notices to ERCOT Members, participation in meetings of the Corporate Members and voting issues, as applicable, as follows:

Name: DARRELL HULL  
Title: CITY MANAGER  
Address: 405 MUNICIPAL DRIVE  
City, State, Zip: KENNEDALE, TX 76060  
Phone: 817-985-2105  
Email: DHULL@CITYOFKENNEDEALE.COM

**b. Designated Representative Alternate.**

In the event that ERCOT is unable to contact Applicant's designated representative for any reason after reasonable attempts, Applicant identifies a designated representative alternate to receive required notices to ERCOT Members and to participate in meetings of the Corporate Members and voting issues, as applicable, as follows:

Name: TANISHA SHERMAN  
Title: INTERIM FINANCE DIRECTOR  
Address: 405 MUNICIPAL DRIVE  
City, State, Zip: KENNEDALE, TX 76060  
Phone: 817-985-2114  
Email: TSHERMAN@CITYOFKENNEDEALE.

6. **Identification of Other Members who are Affiliates of Applicant.**

Applicant identifies other ERCOT Memberships held by Applicant or Affiliates of Applicant, if any (attach extra pages if necessary) as:

(a) Member name: \_\_\_\_\_  
Segment: \_\_\_\_\_

(b) Member name: \_\_\_\_\_  
Segment: \_\_\_\_\_

(c) Member name: \_\_\_\_\_  
Segment: \_\_\_\_\_

**B. Membership Agreement.**

1. **Membership.** Any entity that qualifies for any of the Segment definitions set forth in the ERCOT Bylaws is eligible for Membership. Members must be an organization that either operates in the ERCOT Region or represents consumers within the ERCOT Region as provided in the ERCOT Bylaws. Members may join as a Corporate, Associate or Adjunct Member subject to the criteria set forth in the ERCOT Bylaws. Applicants must apply for Membership through an authorized officer or agent.

2. **Term.** The Membership Year 2023 begins on January 1, 2023, and ends on December 31, 2023. The term of this Agreement begins on the Effective Date and ends on December 31, 2023.

3. **Record Date.** The record date for Membership Year 2023 is Friday, November 18, 2022 (Record Date). Only applicants who have been approved as Corporate Members for Membership Year 2023 as of the Record Date shall be provided notice of the Annual Membership Meeting on December 20, 2022.

4. **Membership Dues.** Annual Member Dues are provided in the ERCOT Bylaws. Any change in or waiver of Annual Member Dues must be approved pursuant to the procedures set forth in the ERCOT Bylaws. Any change in Member Dues for a particular category of Members shall automatically become effective as to all ERCOT Members without the necessity of amending this Agreement.

All Memberships must be renewed annually. Annual Member Dues renewals shall be due by the Record Date for the Annual Membership Meeting. Annual Member Dues will not be prorated.

Any Applicant may request that the Member's Annual Member Dues be waived for good cause shown.

5. **Application for Membership.** Applicant must submit the following items in order to apply for Membership:

- (i) Payment of the applicable Annual Member Dues;
- (ii) A copy of this Agreement, signed by an authorized representative of Applicant; and
- (iii) For Independent Generator segment applicants that are not Members in the Independent Generator segment for the current Membership Year, a copy of PGC registration(s) with the PUCT for Applicant and/or its Affiliates for generation of at least 10 MW in the ERCOT Region.

**For the reasons stated in Paragraph 3, all Annual Member Dues shall be submitted by wire transfer and all signed Applications for Membership shall be submitted by email to [membership@ercot.com](mailto:membership@ercot.com).**

Upon receipt of payment and a signed copy of this Agreement, ERCOT will promptly notify Applicant of Membership status in writing, whether approved or not.

6. **Change of Designated Representative or Designated Representative Alternate.** All ERCOT Members shall maintain current contact information on file with ERCOT for their designated representative and designated representative alternate. An ERCOT Member may change its designated representative or designated representative alternate at any time by written request of a duly authorized representative of the ERCOT Member submitted to the ERCOT Legal Department at [membership@ercot.com](mailto:membership@ercot.com).

7. **Changes in Affiliates.** All ERCOT Members are required to notify ERCOT of any changes in their Affiliates in accordance with the ERCOT Bylaws.

8. **Suspension and Expulsion.** All ERCOT Members shall abide by the ERCOT Bylaws, as they may be amended from time to time, and any other rule or regulation duly adopted by the Board of Directors. Any ERCOT Member who violates any provision of this Agreement, the ERCOT Bylaws, or any other rule or regulation duly adopted by the Board of Directors may be reprimanded, suspended, and/or expelled in accordance with procedures adopted by the Board of Directors or set forth in the ERCOT Bylaws. Such action will affect all entities deriving Membership privileges through such ERCOT Member. Suspension and expulsion are cumulative and non-exclusive remedies that may be pursued against Applicant or any other ERCOT Member in addition to any other remedy available under the Standard Form Market Participant Agreement, any other agreement executed by the ERCOT Member, or any other applicable statutes, laws, rules, or regulations.

9. **Amendment.** This Agreement may be amended, modified, superseded, canceled, renewed, or extended and the terms and conditions hereof may be

waived only by a written instrument executed by both parties hereto or, in the case of a waiver, by the party waiving compliance.

10. **Governing Law.** This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of Texas that apply to contracts executed in and performed entirely within the State of Texas, without reference to any rules of conflict of laws. Parties consent to the exclusive jurisdiction of Texas.

IN WITNESS WHEREOF, Applicant certifies that:

- (i) Applicant meets the requirements for ERCOT Membership in the Segment designated herein;
- (ii) All information provided herein is true and correct to the best of Applicant's knowledge;
- (iii) The signatory for Applicant is a representative authorized by Applicant with authority to bind Applicant contractually; and
- (iv) Through the signature of its authorized representative below, Applicant agrees to be bound by the terms of this Agreement, the ERCOT Bylaws, applicable ERCOT Protocols, and any other requirements duly adopted by the Board of Directors or required by the PUCT or applicable law.

**APPLICANT**

\_\_\_\_\_

By: \_\_\_\_\_

Printed Name: DARRELL HULL

Title: CITY MANAGER

Date: \_\_\_\_\_

**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** INDIVIDUAL CONSIDERATION ITEM III.E.2.

**SUBJECT** Consider approval and take final action on Oncor's rate case

**ORIGINATED BY:** Darrell Hull

### **SUMMARY**

### **BACKGROUND**

On or about May 13, 2022, Oncor Electric Delivery Company LLC ("Oncor" or "Company") filed a Statement of Intent to increase its revenues by approximately \$251 million, which equates to a net increase of approximately 4.5% in Oncor's overall revenue. Oncor proposes to implement its proposed increase in rates effective June 17, 2022.

Earlier, sometime in June, 2022, the City took its initial action on Oncor's application and suspended Oncor's proposed effective date to keep Oncor's proposed rates from going into effect.

**The City must now take its final action on Oncor's application to increase rates, and must do so no later than October 30, 2022.**

### **INTERVENTION AT THE PUBLIC UTILITY COMMISSION OF TEXAS**

Oncor filed its Statement of Intent to raise rates with the City and with the Public Utility Commission of Texas ("PUCT") on the same date, May 13, 2022. Because Oncor filed its application with the City and with the PUCT on the same date, the City, as part of the Alliance of Oncor Cities ("AOC") intervened in the proceedings before the PUCT.

During the suspension period, through AOC the City participated in the proceedings, including hearings, at the PUCT. AOC through its Special Counsel, Herrera Law & Associates, PLLC, engaged rate consultants to evaluate Oncor's proposal to increase rates and is participating in the hearings being held as directed by the PUCT. The hearings regarding Oncor's application to increase rates are expected to run through October 5, 2022, after which the administrative law judges' ("ALJs") will issue a proposal for decision ("PFD"). The ALJs' proposal for decision will be presented to the PUCT commissioners likely some time in February, 2023, for a final decision.

While there were numerous issues raised by Oncor's application to increase rates, AOC focused on several key issues that standing alone have the greater effect on Oncor's proposed increase: Oncor's rate of return, its depreciation expense, Oncor's funding for its self-insurance reserve and its incentive compensation for its employees including its executives, and Oncor's post Test Year adjustment to its payroll expense.



Regarding Oncor's rate of return, AOC's rate expert concluded that a rate of return of 6.31% was a reasonable return that would allow Oncor continued access to the capital markets to raise financing for its ongoing operations. By comparison, Oncor proposed a rate of return of 7.05%.

AOC's rate expert's proposed rate of return is comprised of 57.20% long-term debt and 42.50% common equity; a cost of long-term debt of 4.39%; and a cost of equity (aka, return on equity) of 8.90%. By comparison, Oncor's rate of return is based on a capital structure of 55.00% long-term debt and 45.00% common equity; the same cost of long-term debt of 4.39%; and a cost of equity of 10.30%. The effect of AOC's expert's conclusion regarding Oncor's rate of return is a decrease of about \$177.8 million to Oncor's requested increase in rates.

With regard to Oncor's depreciation expense, Oncor's rate expert concluded that Oncor's depreciation expense should be decreased by about \$75.0 million.

Regarding Oncor's self-insurance reserve, though AOC's expert did not disagree with the amount of Oncor's funding for its self-insurance reserve, AOC's expert recommended amortization of 10 years (versus Oncor's proposed 5-year amortization). The effect of a longer amortization period is to reduce Oncor's request for self-insurance reserve is a decrease of \$58.9 million to Oncor's proposed increase.

With regard to Oncor's incentive compensation expense, AOC's expert recommended a decrease of \$29.8 million to Oncor's proposed amount for incentive compensation.

With regard to Oncor's proposed post Test Year adjustment to increase its payroll expense, AOC's expert recommended a decrease of \$9.2 million to Oncor's proposed increase.

Combined, AOC's experts' conclusions regarding Oncor's rate of return, depreciation expense, self-insurance reserves, incentive compensation, and payroll adjustment combined equate to a decrease of about \$211.7 million to Oncor's *proposed increase* of about \$251 million.

In addition to AOC's analysis, parties representing other municipalities in the proceeding before the PUCT also concluded that Oncor's requested increase was too high. Those parties proposed a decrease of about \$314 million to Oncor's proposed increase in rates. Added to AOC's findings, AOC and the other cities participating in the proceeding before the PUCT recommended that the PUCT reduce Oncor's proposed increase of \$251 million, by about \$525.7 million.

The effect of these recommendations is that AOC and the other cities participating in Oncor's rate case at the PUCT, recommended to the PUCT that Oncor's *present revenue* be decreased by about \$275 million.

### **CITY JURISDICTION TO SET ONCOR'S RATES:**

Municipalities have exclusive, original jurisdiction over an electric utility's rates, services, and operations within a city's boundaries. This means that for a utility like Oncor to change its rates it must seek approval to do so from the city in which it provides its service. Even if a city has ceded

its jurisdiction to the PUCT, a city nonetheless has the statutory right to participate in rate proceedings before the PUCT.

But, the PUCT has appellate jurisdiction over rate-setting decisions a city makes. This means that Oncor may appeal to the PUCT, a city's decision regarding rates. And to be clear: Oncor will appeal to the PUCT, the City's decision regarding rates.

### **PRIOR CITY ACTION**

The City previously acted to suspend the effective date of Oncor's requested rate increase by 90 days. Contemporaneously with the City's prior action to suspend the rate increase, the City also: (1) authorized intervention in proceedings related to Oncor's proposed rate increase as a member of the coalition of cities known as the Alliance of Oncor Cities; (2) directed Oncor to reimburse AOC's rate case expenses; and (3) retained the law firm of Herrera Law and Associates, PLLC with respect to rate proceedings involving Oncor before the Public Utility Commission of Texas and courts of law and to retain consultants to review Oncor's rate application subject to AOC's approval.

### **RATE CASE EXPENSES**

Cities, by statute, are entitled to recover their reasonable rate case expenses from the utility. The accompanying Resolution directs Oncor to continue to reimburse AOC's rate case expenses on a monthly basis based on presentation of approved invoices from the cities.

### **DENIAL**

The attached Resolution denies Oncor's proposed increase in revenue and changes in rates and directs Oncor to reimburse AOC's rate case expenses.

### **RECOMMENDATION: DENY ONCOR'S PROPOSED INCREASE**

AOC's Special Counsel and consultants' analyses found that Oncor's rates should be decreased. However, because: (1) the PUCT has appellate jurisdiction over the City's actions setting Oncor's rates; and (2) the rates the City sets would be in effect for only a short period, AOC's Special Counsel recommends that the City deny Oncor's proposed increase in rates.

Additionally, to do otherwise could cause significant confusion in the pricing of electricity by retail electric providers ("REPs"). The REPs are the entities that sell electricity service to end-use customers and have a direct relationship with the end-use customer. The REPs generally need from four to six weeks to change their billings to customers. Thus, requiring Oncor to change its rates consistent with Oncor's and the other cities' rate experts' findings pending Oncor's appeal to the PUCT, likely would not provide the REPs sufficient time to adjust their billings to end-use customers, and likely would require the REPs to change their billings twice: once to conform their billings to the City's decision and again to conform their billings to the PUCT's decision.

A denial of Oncor's proposed increase maintains the status quo until the PUCT issues its final order regarding Oncor's rates and provides the REPs adequate time for the REPs to change their billings to end-use customers.

**The City must take final action on Oncor's proposed increase by no later than October 30, 2022. If the City does not take action by October 30, 2020, Oncor's proposed rates will be deemed approved by operation of law.**

## **RESOLUTION NO. 613**

**A RESOLUTION OF THE CITY OF KENNEDALE, TEXAS FINDING THAT ONCOR ELECTRIC DELIVERY COMPANY LLC'S ("ONCOR" OR "COMPANY") APPLICATION TO CHANGE RATES WITHIN THE CITY SHOULD BE DENIED; FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY; FINDING THAT THE MEETING AT WHICH THIS RESOLUTION IS PASSED IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; REQUIRING NOTICE OF THIS RESOLUTION TO THE COMPANY AND LEGAL COUNSEL.**

**WHEREAS**, the City of Kennedale, Texas ("City") is an electric utility customer of Oncor Electric Delivery Company LLC ("Oncor" or "Company"), and a regulatory authority with an interest in the rates and charges of Oncor; and

**WHEREAS**, the City is a member of the Steering Committee of Cities Served by Oncor ("Steering Committee"), a coalition of similarly situated cities served by Oncor that have joined together to efficiently and cost effectively review and respond to electric issues affecting rates charged in Oncor's service area; and

**WHEREAS**, on or about May 13, 2022, Oncor filed with the City an application to increase system-wide transmission and distribution rates by \$251 million or approximately 4.5% over present revenues. The Company asks the City to approve an 11.2% increase in residential rates and a 1.6% increase in street lighting rates; and

**WHEREAS**, the Steering Committee is coordinating its review of Oncor's application and working with the designated attorneys and consultants to resolve issues in the Company's filing; and

**WHEREAS**, through review of the application, the Steering Committee's consultants determined that Oncor's proposed rates are excessive; and

**WHEREAS**, the Steering Committee's members and attorneys recommend that members deny the Application; and

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

**Section 1.** That the rates proposed by Oncor to be recovered through its electric rates charged to customers located within the City limits, are hereby found to be unreasonable and shall be denied.

**Section 2.** That the Company shall continue to charge its existing rates to customers within the City.

**Section 3.** That the City's reasonable rate case expenses shall be reimbursed in full by Oncor within 30 days of the adoption of this Resolution.

**Section 4.** That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

**Section 5.** That a copy of this Resolution shall be sent to Oncor, Care of Howard Fisher, Oncor Electric Delivery Company, LLC, 1616 Woodall Rodgers Freeway, Dallas, Texas 75202 and to Thomas Brocato, Counsel to the Steering Committee, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Ave., Suite 1900, Austin, TX 78701.

**DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.**

\_\_\_\_\_  
**Mayor Pro Tem, Jan Joplin**

**ATTEST:**

\_\_\_\_\_  
**Interim City Secretary, Caroline Green**

**APPROVED AS TO FORM:**

\_\_\_\_\_  
**City Attorney, Carvan E. Akins**



**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** INDIVIDUAL CONSIDERATION ITEM V.E.3.

**SUBJECT**

Consider approval and authorize the City Manager to enter into a contract with GHA Barnett, LLC and Kennedale for an Oil and Gas Lease.

**ORIGINATED BY**

**SUMMARY**

**RECOMMENDATION**

**ATTACHMENTS**

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

**OIL AND GAS LEASE**  
(City of Kennedale Lease)

This Oil and Gas Lease (this "Lease") is made on this 20th day of September, 2022, but is executed as of the date of acknowledgment of the respective parties between the CITY OF KENNEDALE (hereafter called "Lessor"), whose address is 405 Municipal Drive, Kennedale, Texas 76060 and GHA BARNETT, LLC, a/an Texas limited liability corporation, (hereafter called "Lessee"), whose address is 2800 Post Oak Blvd. Suite 5115 | Houston, TX 77056, (collectively, hereafter called the "Parties").

**1. Grant.** In consideration of Fifty Thousand Dollars (\$50,000.00) and other consideration in hand paid, Lessor grants and leases exclusively unto Lessee the land described in attached Exhibit "A" (the "Land") in Tarrant County, Texas, for the sole purpose of exploring, drilling, and producing oil and gas, and to produce, save and transport oil and gas and other products manufactured from oil and gas produced from the Land, but only as to the Barnett Shale formation or the stratigraphic equivalent thereof.

**2. Primary Term.** This Lease is for a term of one (1) year from this date (called "Primary Term") and so long thereafter as oil or gas is produced from the Land in paying quantities.

**3. Minerals Covered.** This Lease covers only oil and gas. The term "oil and gas" means oil, gas, and other liquid and gaseous hydrocarbons, as well as such other minerals or substances as may be produced incidental to and as a part of or mixed with oil, gas and other liquid or gaseous hydrocarbons, produced through a well bore. This Lease does not cover sand, gravel, uranium, fissionable materials, coal, lignite or any hard minerals or substances of any type which shall be produced from the Land separate and apart from, or independently of, oil, gas or other liquid and gaseous hydrocarbons.

**4. Royalty.**

(a) As royalties, Lessee agrees:

- (1) To deliver free of cost to Lessor at the wells or to the credit of Lessor at the pipeline to which the wells may be connected, twenty-five percent (25%) (the "Royalty Fraction") of all oil and other liquid hydrocarbons produced and saved from the Land. At Lessor's option, which may be exercised from time-to-time, Lessee shall pay to Lessor the same part of the market value at the well of oil and other liquid hydrocarbons of like grade and gravity prevailing on the day the oil and other liquid hydrocarbons are run from the Lease in the general area in which the Land is located.

(2) To pay to Lessor:

(i) On gas produced from the Land and sold by Lessee or used on or off the Land and to which the following subparagraphs (ii) and (iii) do not apply, the Royalty Fraction of the higher of the market value at the point of sale, use, or other disposition or the gross proceeds received by Lessee.

(ii) On gas produced from the Land that is processed in a processing plant in which Lessee or an affiliate of Lessee has a direct or indirect interest, the higher of the Royalty Fraction of the market value of the gas at the inlet to the processing plant, or the Royalty Fraction of the market value of all processed liquids saved from the gas at the plant plus the Royalty Fraction of the market value of all residue gas at the point of sale, use, or other disposition.

(iii) On gas produced from the Land that is processed in facilities other than a processing plant in which Lessee or an affiliate of Lessee has a direct or indirect interest, the Royalty Fraction of the higher of the market value or gross proceeds at the plant of all processed liquids credited to the account of Lessee and attributable to the gas plus the Royalty Fraction of the higher of the market value or gross proceeds of all residue gas at the point of sale, use, or other disposition.

(b) Subject to subparagraph "(c)" following this subparagraph, the market value of gas will be determined at the specified location by reference to the gross heating value (measured in British thermal units) and quality of the gas. The market value used in the calculation of oil and gas royalty will never be less than the total proceeds received by Lessee in connection with the sale, use, or other disposition the oil or gas produced or sold. For purposes of this paragraph, if Lessee receives from a purchaser of oil or gas any reimbursement for all or any part of severance or production taxes, or if Lessee realizes proceeds of production after deduction for any expense of production, gathering, dehydration, separation, compression, transportation, treatment, processing, storage, or marketing, then the reimbursement or the deductions will be added to the total proceeds received by Lessee. Royalty will be payable on oil and gas produced from the Land and consumed by Lessee on the Land for compression, dehydration, fuel, or other use.

(c) Notwithstanding any provisions to the contrary contained in this Lease, if gas produced from the Land is sold by Lessee at the point of first sale pursuant to an arms-length contract with a purchaser that is not an affiliate of Lessee, and for a term no longer than that which is usual and customary in the industry at the time the contract is made, then, then for purposes of this Lease, the "market value" of the gas sold pursuant to the contract shall be the total proceeds received by Lessee in the sale.

(d) Lessor shall be paid the Royalty Fraction of all payments and other benefits made under any oil or gas sales contract or other arrangement, including take-or-pay payments and payments received in settlement of disputes; provided that if Lessor receives a take-or-pay payment or similar payment for gas that has not been produced,



and if the gas is subsequently produced, Lessor will only receive its Royalty Fraction of any payments made for make-up gas taken pursuant to the take-or-pay provision or similar provision.

(e) Lessee must disburse or cause to be disbursed to Lessor its royalty on production from a particular well not later than ninety (90) days after completion of the well, in the case of an oil well, or after the pipeline connection, in the case of a gas well. Thereafter, Lessee must disburse or cause to be disbursed to Lessor its royalty on production by the last day of the second (2<sup>nd</sup>) month after the month of production. If not paid when due, Lessor's royalty will bear interest at the maximum lawful rate from due date until paid, which amount Lessee agrees to pay. Acceptance by Lessor of royalties that are past due will not act as a waiver or estoppel of its right to receive interest due thereon unless Lessor expressly so provides in writing signed by Lessor. The royalty payment obligations under this Lease shall not be affected by any division order or the provisions of the Section 91.402 of the Texas Natural Resources Code or any similar statute.

(f) As used in this Lease, "affiliate" means (i) a corporation, joint venture, partnership, or other entity that owns more than ten percent (10%) of the outstanding voting interest of Lessee or in which Lessee owns more than ten percent of the outstanding voting interest; or (ii) a corporation, joint venture, partnership, or other entity in which, together with Lessee, more than ten percent (10%) of the outstanding voting interests of both Lessee and the other corporation, joint venture, partnership, or other entity is owned or controlled by the same persons or group of persons.

(g) The receipt by Lessee from a purchaser or a pipeline company of proceeds of production for distribution to Lessor will not result in Lessee acquiring legal or equitable title to those proceeds, but Lessee will at all time hold the proceeds in trust for the benefit of Lessor. Notwithstanding the insolvency, bankruptcy, or other business failure of a purchaser of production from the Land or pipeline company transporting production from the Land, Lessee will remain liable for payment to Lessor for, and agrees to pay Lessor all royalties due Lessor together with interest if not timely paid.

(h) Lessor's royalty on products produced, saved and sold by Lessee under this Lease shall be paid based upon a price no lower than that actually realized by Lessee or its affiliate at the point of first sale. For the purpose of this Lease, the term "point of first sale" shall be defined as that point at which oil and/or gas or any other products produced by Lessee under this Lease are no longer owned or controlled by Lessee or its affiliate.

(i) Lessee will handle and market Lessor's royalty oil, gas and other hydrocarbons from the Land in the same manner as Lessee must handle Lessee's portion of same. It is further agreed that, up to the point of first sale, Lessor's royalty must never bear, either directly or indirectly, any part of the costs or expenses of producing or gathering the oil or gas from the Land, nor any part of the costs of construction, operation, or depreciation of any plant or other facilities or equipment for processing or marketing

said oil and/or gas produced from the Land. Nothing herein is intended to cause royalty to be calculated or paid "at the well;" accordingly no processing, marketing, transportation, or other post-wellhead costs will be borne by Lessor up to the point of first sale.

(j) Upon written request and reasonable notice by Lessor, Lessee shall make available to Lessor or Lessor's authorized representative for inspection and examination the books and accounts, receipts, well records, and all contracts and other records pertaining to the production, transportation, sale, and marketing of the oil and gas produced on the Land which relate to or have bearing on, in any manner, the royalty to be received by Lessor hereunder. Any inspection or examination shall be done at Lessee's principal place of business during normal working hours but not more frequently than once in a two (2) year period.

**5. Shut-in Royalty.** While there is a gas well on this Lease or on lands pooled with the Land capable of producing in paying quantities, but gas is not being sold, at the end of the Primary Term or any time thereafter, Lessee shall pay or tender in advance an annual shut-in royalty of FIVE HUNDRED AND NO/100 DOLLARS (\$500) for each well from which gas is not being sold. Payment with respect to a well will be due within sixty (60) days after the well is shut-in and shall not be proportionately reduced. While shut-in royalty payments are timely and properly paid, this Lease will be held as a producing lease. The right of Lessee to maintain this Lease in force by payment of shut-in gas royalty is limited to a period of two (2) cumulative years. The obligation of Lessee to pay shut-in royalty is a condition and not a covenant. The payment or tender of royalty under this paragraph may be made by the check of Lessee mailed or delivered to the parties entitled thereto on or before the due date.

**6. Continuous Development.** If, prior to the expiration of the Primary Term, oil or gas is not being produced from the Land, but Lessee has commenced the drilling of a well on the Land, the Lease will not terminate but will remain in effect for so long thereafter as operations are carried out with due diligence with no cessation of more than sixty (60) days, and if the operations result in the production of oil or gas, the Lease shall remain in force as otherwise provided herein. For the purposes of this Lease, the term "operations" is strictly defined as the period of time the well is spudded with appropriate equipment on site to drill to the depth indicated on the drilling permit to the time the drilling rig is released from the drill site.

**7. Pooling.** Lessee shall have the right, but not the obligation, to pool all of the Land and interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this Lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the Land, whether or not similar pooling authority exists with respect to such other lands or interests. The unit formed by such pooling for an oil well which is not a horizontal completion shall not exceed eighty (80) acres plus a maximum acreage tolerance of ten percent (10%), and for a gas well or a horizontal completion shall not exceed six-hundred forty (640) acres plus a maximum acreage tolerance of ten percent (10%); provided that a larger unit may be formed for an oil well or gas well or horizontal completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a



well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means a well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective date of pooling, which effective date may be retroactive. Production, drilling or reworking operations anywhere on a unit which includes all of the Land shall be treated as if it were production, drilling or reworking operations on the Land, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the total net acreage covered by this Lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder, for any reason, by expansion or contraction or both, either before or after commencement of production, and before or after the expiration of the primary term, including in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority; provided that no portion of the Land may be removed from the unit unless all of the Land is removed from unit. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision, which effective date may be retroactive. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.

Notwithstanding anything to the contrary contained herein, no portion of the Land may be included in a unit unless all of the Land is included in the unit and, if previously included, no portion of the Land may be excluded from a unit unless all of the Land is excluded from the unit.

**8. Curing Defaults.** Should Lessee at any time fail to comply with its obligations hereunder regarding construction, maintenance, or repair within thirty (30) days after written notice from Lessor, Lessor will have the right to do or have done whatever is necessary to fulfill the obligations to its satisfaction, and Lessee shall be liable to Lessor for the reasonable and necessary expenses thus incurred by Lessor, to be paid within ten (10) days after Lessor furnishes to Lessee an itemized written statement of the expenses.

**9. Offset Wells.** Lessee must completely protect the oil and gas in and under the Land, or such portions thereof as may be in force and effect from time-to-time, from drainage by wells on adjoining or adjacent lands or leases. Lessee must drill as many wells as are necessary and to the depth or depths necessary for complete protection against drainage from said adjacent land or leases. Lessee is obligated to protect the Land from drainage by wells drilled on other lands of Lessor to the same extent as though such draining wells were drilled on lands belonging to third parties. Neither the royalties nor shut-in gas well rentals paid or to be paid hereunder may relieve Lessee from the obligations herein expressed, nor shall the provisions of this Paragraph relieve Lessee of any implied duties or obligations arising under this Lease.

For purposes of this Lease, an "offsetting well" is a well that is producing oil or gas in paying quantities that is now or hereafter completed closer than three-hundred thirty feet (330 feet) of or draining the Land. Lessee must, within ninety (90) days after determining that a reasonable and prudent operator under the same or similar circumstances would drill an offset well with a reasonable expectation of receiving a profit, either (i) commence the drilling or recompletion of a well on the Land and shall make a good faith effort to establish commercial production in the sand or horizon from which the offset well is producing, or (ii) pay Lessor a monthly royalty equal to the royalty that would be payable under this Lease if the production from the offsetting well had come from the Land. If at the time the offset obligation accrues a well on contiguous acreage pooled with the Land can be demonstrated to a reasonable person to be completely protecting the Land then no offset well obligation will be due. If at the time such offset obligation accrues, Lessee is engaged in the drilling of another well on contiguous acreage pooled with the Land, then Lessee has not more than one hundred twenty (120) days after the date of completion of such other well drilled by Lessee within which to commence the drilling of the well to protect against the offset well.

**10. Secondary Recovery.** Lessee will not implement any repressuring, pressure maintenance, recycling, or secondary recovery operations without the prior written consent of Lessor.

**11. Surface Operations.**

(a) The Land is currently used for municipal purposes and NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS LEASE no oil, gas or other drilling, production or transportation operations of any kind, including but not limited to the drilling, placement, or casing of any well, meter, pipeline, road or other structure shall take place or be situated upon the surface or within five hundred feet (500 feet) of the surface of the Land. No seismic operations shall be conducted upon the Land whatsoever without express written consent of Lessor. Lessee shall not be permitted any use of the surface lands for any purpose without the written consent of Lessor and Lessee shall have no rights to ingress and egress upon the surface of the Land. Notwithstanding the foregoing, nothing contained in this provision shall prohibit Lessee from locating beneath the Land the lateral component of a horizontal or directionally drilled well located on lands pooled with the Land provided that such lateral component shall not penetrate the Land at a depth of less than five hundred feet (500 feet) below the surface.

(b) Lessee shall not have the privilege of using surface water from the Land. Water from Lessor's creeks, tanks, or wells may not be used by Lessee.

**12. Assignments.** No transfers by Lessee (including assignments, sales, subleases, overriding royalty conveyances, or production payment arrangements) shall be valid unless approved in advance by Lessor which such approval shall not be unreasonably withheld; provided that, and notwithstanding anything to the contrary, Lessor's approval shall not be required for the following:



- i. Any assignment of an overriding royalty interest that does not provide, by option or otherwise, for such overriding royalty interest to convert at any time to a working or leasehold estate interest;
- ii. Any assignment of a working or leasehold interest to wholly owned subsidiaries of GHA Barnett, LLC, or any successors and assigns of such;
- iii. Any assignment of a working interest to GHA Barnett, LLC and/or its successors and assigns (up to accumulative working or leasehold interest of twenty-five percent (25%);
- iv. Any assignment of a non-operating working or leasehold interest of ten percent (10%) or less, provided that GHA Barnett, LLC remains the Operator of the Lease.

However, the Lessor shall be given written notice of any such assignment. All such approved transfers must be recorded in the county where the Land is located, and the recorded transfer or a copy certified to by the County Clerk of the county where the transfer is recorded must be delivered to the Lessor within sixty (60) days of the execution date. Every transferee shall succeed to all rights and be subject to all obligations, liability, and penalties owed to the Lessor by the original Lessee or any prior transferee of the Lease, including any liabilities to the Lessor for unpaid royalties. No such transfer shall release the Lessee (or any subsequent transferor) from any obligation hereunder. Any cost incurred by the Lessor including without limitation, attorney fees or the cost of the time of Lessor's city attorneys due to a transfer by Lessee shall be reimbursed to Lessor thirty (30) days after invoice by Lessor.

**13. Force Majeure.** If, while this Lease is in force, at or after the expiration of the primary term, Lessee's drilling operations are delayed by reason of Lessee's inability to obtain fuel for operations or Lessee's inability to obtain the services of a drilling rig, or prohibition from entering the Land, then all provisions contained herein providing for the termination of this Lease, in whole or in part, upon cessation of continuous drilling operations shall be extended until thirty (30) days after the removal of such delaying cause; provided, however, that Lessee must give written notice to Lessor of the existence and cause of such delay within thirty (30) days thereafter. Other than the foregoing, no force majeure type provision is applicable to this Lease. This Lease and any obligation hereunder may not be extended by more than two (2) years in the cumulative by reason of Force Majeure.

**14. No Warranties.** Lessor makes no warranty of any kind with respect to title to the Land. By acceptance of this Lease, Lessee acknowledges that it has been given full opportunity to investigate and has conducted sufficient investigation to satisfy itself as to the title to the Land, and Lessee assumes all risk of title failures. If Lessor owns an interest in the Land less than the entire fee simple estate, then the royalties payable hereunder will be reduced proportionately. If there are royalty interests in oil and gas in the Land now owned by parties other than Lessor, Lessor makes no warranty or representation that this Lease grants the Lessee the power or authority to pool such royalty interests, but in the event that pooling is permitted hereunder Lessor's royalty on production from the pooled unit shall be calculated as if Lessee had the power, and had exercised the power, to pool such royalty interests, whether or not Lessee in fact has such authority. In the event Lessee pays Lessor any bonus, royalties, or any other consideration (collectively, the "Consideration") and the Lessor ultimately does not own the Land or owns less than the interest thought to be owned by Lessor

at the time of payment of the Consideration, or any portion thereof, Lessor shall not be obligated to return the Consideration, or any portion thereof, under any circumstance.

**15. Notices.** All notices will be deemed given and reports will be deemed delivered if sent by certified letter, return receipt requested, properly addressed and deposited in the United States Postal Service, postage prepaid, to Lessor and Lessee at the addresses shown above. Either party may designate a new address by written notice to the other party.

**16. Attorney's Fees.** In the event that Lessor is required to employ legal counsel for the enforcement of any provision of this Lease and prevails, Lessor will be entitled to recover from Lessee reasonable attorney's fees and expenses incurred by Lessor.

**17. Insurance.** Lessee, at its own expense, shall maintain a general liability insurance policy including contractual liability (covering both bodily injury and property damage) in an amount of at least FIVE MILLION DOLLARS (\$5,000,000) combined single limit. Lessee shall also, at its own expense, carry worker's compensation insurance as required by law. Said policies shall (i) name Lessor as an additional insured (except for the worker's compensation policy, which instead shall include a waiver of subrogation endorsement in favor of Lessor), (ii) be issued by an insurance company which is reasonably acceptable to Lessor, and (iii) provide that said insurance shall not be canceled unless thirty (30) days prior written notice shall have been given to Lessor. In addition, such insurance provided by Lessee shall be primary coverage for Lessor when any policy issued to Lessor is similar or duplicate in coverage, and Lessor's policy shall be excess over Lessee's policies. Upon request, certificates of insurance shall be delivered to Lessor by Lessee upon commencement of the Lease and upon each renewal of said insurance. All insurance coverage requirements above may be met by a combination of self-insurance, primary and excess insurance policies.

**18. Indemnity.** Lessee herein shall be solely responsible for full compliance with all rules and regulations of the Railroad Commission of Texas, or any other governmental agency, in its operations on the Land and especially including the proper plugging of any well that is to be abandoned on the Land, and does hereby indemnify and agree to hold Lessor harmless against any such rules and regulations. **OTHER THAN LESSOR'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT, LESSEE SHALL INDEMNIFY, DEFEND AND HOLD HARMLESS THE INDEMNIFIED PARTIES (AS HEREINAFTER DEFINED) FROM ANY AND ALL LIABILITY, LIENS, DEMANDS, JUDGMENTS, SUITS AND CLAIMS OF ANY KIND OR CHARACTER ARISING OUT OF, IN CONNECTION WITH, OR RELATING TO ANY OPERATION OR ACTIVITY CONDUCTED BY LESSEE, OR ITS AGENTS, CONTRACTORS, EMPLOYEES, LICENSEES OR INVITEES, ON OR UNDER THE LAND INCLUDING BUT NOT LIMITED TO CLAIMS FOR INJURY OR DEATH OF ANY PERSONS OR DAMAGE, LOSS OR DESTRUCTION OF ANY PROPERTY, REAL OR PERSONAL, UNDER ANY THEORY OF TORT, CONTRACT, STRICT LIABILITY OR OTHERWISE. LESSEE FURTHER COVENANTS AND AGREES TO DEFEND ANY SUITS BROUGHT AGAINST ANY OF THE INDEMNIFIED PARTIES ON ACCOUNT OF SAID CLAIMS AND TO PAY ANY JUDGMENTS AGAINST ANY OR ALL OF THE INDEMNIFIED PARTIES RESULTING FROM ANY SUCH SUIT OR SUITS, TOGETHER WITH ALL COSTS AND EXPENSES RELATIVE TO ANY SUCH CLAIMS, INCLUDING BUT NOT LIMITED TO, ATTORNEY'S FEES, EXPERT FEES, AND COURT COSTS. EACH OF THE**



**INDEMNIFIED PARTIES SHALL HAVE THE RIGHT TO PARTICIPATE IN THE DEFENSE OF ANY SUIT OR CLAIM IN WHICH THEY (OR ANY OF THEM) MAY BE A PARTY WITHOUT RELIEVING LESSEE OF ITS OBLIGATIONS HEREUNDER. THE FOREGOING INDEMNITY AND ALL OTHER INDEMNITIES OF LESSEE CONTAINED IN THIS LEASE SHALL SURVIVE ANY TERMINATION OF THIS LEASE AND SHALL INURE TO THE BENEFIT OF LESSOR AND EACH OF THE INDEMNIFIED PARTIES. AS USED IN THIS LEASE, THE TERM "INDEMNIFIED PARTIES" REFERS TO LESSOR AND ANY AND ALL OFFICERS, EMPLOYEES, AGENTS, TENANTS, AND INVITEES OF LESSOR. AS USED IN THIS PARAGRAPH, THE TERM "LAND" INCLUDES THE LAND COVERED BY THIS LEASE. LESSEE'S INDEMNITY OBLIGATIONS SURVIVE THE TERMINATION OF THIS LEASE.**

**19. Miscellaneous Provisions.**

(a) In the event this Lease terminates for any reason as to all or any part of the Land, Lessee shall, within sixty (60) days thereafter, deliver to Lessor a recordable release covering all of the Land or that portion of the Land as to which this Lease terminated.

(b) Nothing in this Lease negates the implied covenants imposed upon Lessee under applicable law.

(c) Upon written request by Lessor, Lessee will give Lessor at least ten (10) days prior notice in writing before conducting drilling, recompletion, or reworking operations on acreage pooled with the Land. Upon written request of Lessor, Lessee shall furnish to a representative designated by Lessor copies of applications to drill, daily drilling reports, well tests, completion reports, plugging records, and production reports.

(d) Lessee will conduct all operations hereunder in compliance with the rules of the Railroad Commission of Texas and federal and state environmental laws and regulations and municipal ordinances.

(e) The term "production" means production in paying quantities. No obligation of Lessee to pay money under this Lease will be excused or delayed by reason of Force Majeure. Lessee's obligations to pay money under this Lease are to be performed in Tarrant County, Texas. Paragraph headings are used in this Lease for convenience only and are not to be considered in the interpretation or construction of this Lease. The execution or ratification by Lessor of any division order, gas contract, or any other document will not alter any provision of this Lease unless the intent to do so is expressly stated in the document. Under no circumstances may Lessee, its agents, employees, or contractors bring firearms or dogs or other animals on the Land or hunt or fish on the Land.

(f) Any compressors used in connection with this Lease or lands pooled herewith shall be equipped with the latest technology in noise suppression and muffling devices.

(g) Lessor shall have the right to inspect, during normal business hours, all records of Lessee relating to this Lease, operations conducted on the Lease, the sale and marketing of production from the Lease, and the payment of royalties, including the right to audit Lessee's books insofar as they relate to the foregoing.

(h) No seismic or other geophysical operations may be conducted by Lessee without Lessor's prior written approval.

(i) Should Lessor not own all of the minerals underlying the Land, Lessee agrees that it will not drill, conduct operations or participate in drilling or operations on the Land which are not in compliance with the terms and requirements of this Lease by claiming authority under the lease or leases covering the outstanding interest.

(j) Jurisdiction and venue for any legal dispute between Lessor and Lessee related in any way to this Lease shall be in the court(s) of competent jurisdiction located in Tarrant County, Texas.

(k) Notwithstanding the requirements of this Lease, Lessee covenants and agrees to comply with the minimum rules and regulations of the City of Kennedale, including, but not limited to, Section \_\_\_\_\_ "Gas Well Drilling and Production" (Ordinance No. \_\_\_\_\_), of the Kennedale Zoning Ordinance, as amended (collectively the "Regulations"). In addition, Lessee acknowledges and agrees that this Lease does not constitute, and shall not contractually obligate the City Council of the City of Kennedale to grant a waiver of any requirements set forth in the Regulations or to approve any application submitted thereunder.

(l) Environmental Safeguards. Lessee represents, warrants, and covenants that, at all times during its possession of the Land or of any easements or areas retained under this Lease:

(1) The Land must never be used by Lessee for the generation, storage, or disposal of Hazardous Substances or as a landfill or other waste disposal site.

(2) There must be no underground fuel storage tanks on the Land.

(3) None of the equipment owned or used by Lessee on the Land may contain any polychlorinated biphenyls.

(4) No Hazardous Substances or wastes exist in, on, or under the Land as a result of Lessee's operations to the best of Lessee's knowledge.

(5) The Land is in full compliance with all Applicable Laws, as defined below, to the best of Lessee's knowledge.

(6) There are no actions, suits, claims, or proceedings seeking money damages, injunctive relief, remedial action, or other remedy pending or threatened relating to (a) a violation or noncompliance with any Applicable Laws; (b) the disposal, discharge, or release of Hazardous Substances; or (c) exposure to Hazardous Substances or any other solid wastes, pollutants,



chemical substances, noises, or vibrations to the extent the same will arise from any condition related to Lessee's ownership or use of the Land.

(7) All necessary plans for development, applications, inspection reports, certificates, and other instruments required under any Applicable Law to be filed by Lessee in connection with the conduct of Lessee's use of the Land have been filed with the appropriate federal, state, and local governmental bodies, authorities, and agencies, and all permits, licenses, or other authorizations necessary for the lawful conduct of Lessee's use of the Land in compliance with all Applicable Laws have been obtained.

(8) If violations of Applicable Laws with respect to the Land or Lessee's operations on the Land are found to exist, Lessor has the right and authority to notify any relevant public or governmental agency of the existence of such violations of Applicable Laws.

(9) Lessee will not engage in and will not permit any other party to engage in any activity on the Land which would cause the Land to become a hazardous waste treatment, storage, or disposal facility within the meaning of, or otherwise bring the Land within the ambit of, the Resource Conservation and Recovery Act of 1976, as amended, or any similar state law or local ordinance or other environmental law.

(10) Except for Hazardous Substances originating from the subsurface of the Land (e.g. H<sub>2</sub>S, naturally occurring radioactive materials, and CO<sub>2</sub>), Lessee will not engage in and will not permit any other party to engage in any activity on the Land which would cause a release or threatened release of a Hazardous Substance from or to the Land within the meaning of, or otherwise bring the Land within the ambit of, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended.

(11) Lessee will not engage in and will not permit any other party to engage in any activity on the Land which would cause the discharge of pollutants or effluents into any water source or system, or the discharge into the air of any emissions, which would require a permit under the Federal Water Pollution Control Act or the Clean Air Act, or any similar state law or local ordinance or any other environmental law.

(12) Lessee will not permit any substance or conditions in or on the Land which might support a claim or cause of action under RCRA, CERCLA, or any other federal, state or local environmental statute, regulation, ordinance or other environmental regulatory requirement.

(13) If Lessee determines that a threat to the environment, including but not limited to a release, discharge, spill, or deposit of a hazardous substance has occurred or is occurring which affects or threatens to affect the Land, or persons, structures, equipment, or other property adjacent thereto, Lessee must immediately verbally notify: (1) Lessor, and (2) all emergency response centers and environmental or regulatory agencies, as required by law or

regulation. Lessee must provide the City Manager and the Fire Chief of the City of Kennedale with written confirmation of the verbal report within seventy-two (72) hours. Lessee agrees to cooperate fully with Lessee in promptly responding to, reporting, and remedying a threat to the environment, including the drainage systems, soils, groundwater, waters, or atmosphere, in accordance with applicable law or as authorized or approved by any federal, state, or local agency having authority over environmental matters.

“Applicable Laws” shall mean and include any and all existing or future laws, statutes, rules, regulations, and judicial interpretations thereof of the United States, of any state in which the Land, or any portion thereof, is located, and of any other governmental or quasi-governmental authority having jurisdiction, that relate to the prevention, abatement, and/or elimination of pollution and/or protection of the environment, including, but not limited to, the federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation or Recovery Act, the Clean Water Act, the Safe Drinking Water Act, the Toxic Substances Control Act, and the Hazardous Materials Transportation Act, together with all state statutes serving any similar or related purpose.

“Hazardous Substance” shall mean any substance regulated or covered by an Applicable Law except those necessary for oil and gas operations, which are subsequently removed from the Land within a reasonable period of time after necessary use in oil and gas operations.

(m) Groundwater Protection. Any oil or gas wells drilled by Lessee shall be drilled in compliance with the surface casing requirements imposed by the State of Texas for groundwater protection and Lessee shall install such surface casing in the required manner in order to insure the protection of all fresh water bearing formations in and under the Land.

**20. Binding on Successors and Assigns.** This Lease shall be binding on the parties hereto and their successors, assigns, heirs and legal representatives. Lessor represents and warrants that this Lease and Exhibits thereto have been approved and duly adopted by the City of Kennedale in accordance with all applicable public meeting and public notice requirements (including, but not limited to, notices required by the Texas Open Meetings Act) and that the individual executing this Lease with the attached Exhibits on behalf of Lessor has been authorized to do so. Lessee represents and warrants that this Lease and Exhibits thereto have been approved by appropriate action of Lessee and that the individual executing this Agreement on behalf of Lessee has been authorized to do so.

**21. Subsurface Easement.** For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the Land for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the Land or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Lessee agrees that this subsurface easement shall commence at and continue at all depths below five hundred feet (500 feet) from the surface of the earth.

Executed on the date first written above.

LESSOR: CITY OF KENNEDALE, TEXAS

By: \_\_\_\_\_  
Darrell Hull, City Manager

THE STATE OF TEXAS                   §  
COUNTY OF TARRANT                 §

This document was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2022, by Darrell Hull, City Manager of the City of Kennedale, Texas.

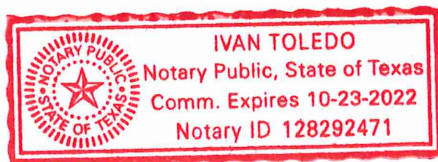
Notary Public, State of Texas

LESSEE: GHA BARNETT, LLC

By: Mark Bengtson  
Mark Bengtson, Asset Manager  
GHA Barnett, LLC

THE STATE OF TEXAS               §  
COUNTY OF TARRANT          §

This document was acknowledged before me on the 20th day of September 2022, by Mark Bengtson, Asset Manager, on behalf of said GHA Barnett, LLC.



  
\_\_\_\_\_  
Notary Public, State of Texas



EXHIBIT "A"

ATTACHED TO AND MADE PART OF THAT CERTAIN OIL AND GAS LEASE BY AND  
BETWEEN THE CITY OF KENNEDALE, AS LESSOR AND GHA BARNETT, LLC, AS  
LESSEE

LEGAL DESCRIPTION:

8.2103 acres of land, more or less, located in the City of Kennedale, Tarrant County, Texas and  
being further described below in six (6) tracts to wit:

TRACT 1: 0.976 acres, more or less, being Block 12, Lot 1R3, Oak Crest addition, City of Kennedale, Tarrant County, Texas.

(N1073)

Situs: 851 Valley Ln  
Kennedale, 76060

TRACT 2: 0.57 acres, more or less, being lot 3R4, Oak Crest addition, City of Kennedale, Tarrant County, Texas, and being more particularly described by metes and bounds in that certain Plat, Cabinet B, Slide 1195, Plat records, Tarrant County, Texas.

(N1078)

Situs: 851 Valley Ln  
Kennedale, 76060

TRACT 3: 0.574 acres, more or less, being lot 4-R3, Block 12, Oak Crest addition, City of Kennedale, Tarrant County, Texas, and being more particularly described by metes and bounds in that certain Plat, Vol. 388-193, Pg. 73, Plat records, Tarrant County, Texas.

(N1081A)

Situs: 851 Valley Ln  
Kennedale, 76060

TRACT 4: 0.28 acres, more or less, being Lots 3 & 4, Block 44 of City of Kennedale, an addition to the City of Kennedale, Tarrant County, Texas, according to the plat thereof recorded in Vol. 46, Pg. 222, Plat Records, Tarrant County, Texas.

(N1081B)

Situs: 201 N New Hope Rd  
Kennedale, TX 76060

TRACT 5: 5.0713 acres, more or less, being more particularly described in that certain Warranty Deed, from Kim Brimer, as Grantor to City of Kennedale, as Grantee, recorded in Vol. 9076, Pg. 1159, Deed Records, Tarrant County, Texas.

(N4100)

Situs: 405 Municipal Dr  
Kennedale, 76060

TRACT 6: 0.739 acres, more or less, being located in the Canzada Rose Survey, A-1285, Tarrant County, Texas, and being more particularly described by metes and bounds in that certain Quitclaim Deed, Instrument No. D210166399, Deed Records, Tarrant County, Texas.

(N4101)

Situs: 115 W Kennedale Pkwy  
Kennedale, 76060

## ADDENDUM

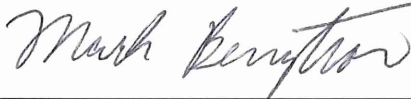
THIS ADDENDUM IS ATTACHED TO AND MADE A PART OF THAT CERTAIN PAID UP OIL AND GAS LEASE DATED SEPTEMBER 20th, 2022 BY AND BETWEEN THE CITY OF KENNEDALE, AS "LESSOR", AND GHA BARNETT, LLC, AS "LESSEE."

Memorandum of Oil and Gas Lease. Contemporaneously with the execution of the Lease, Lessor and Lessee have executed a Memorandum of Oil and Gas Lease, and Lessor and Lessee agree that such Memorandum of Oil and Gas Lease, which makes reference to the Lease, will be recorded in the appropriate records of the counties in which the Leased Premises is located in lieu of the recording of the Lease in its entirety.

SIGNED FOR IDENTIFICATION BY LESSOR:

---

SIGNED FOR IDENTIFICATION BY LESSEE:



---

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

**MEMORANDUM OF OIL AND GAS LEASE**

THE STATE OF TEXAS           §  
                                              §  
COUNTY OF TARRANT       §

That **THE CITY OF KENNEDALE**, whose address is 405 Municipal Drive, Kennedale, Texas 76060, as Lessor, and **GHA BARNETT, LLC**, whose address is 2800 Post Oak Blvd., Suite 5115, Houston, TX 77056, as Lessee, executed an Oil and Gas Lease dated the 20th day of September, 2022 (hereinafter referred to as “Oil and Gas Lease”), executed copies of which are in the possession of Lessor and Lessee, covering the following described lands (hereinafter referred to as the “Leased Premises”):

8.2103 acres of land, more or less, located in the City of Kennedale, Tarrant County, Texas and being further described below in six (6) tracts to wit:

TRACT 1: 0.976 acres, more or less, being Block 12, Lot 1R3, Oak Crest addition, City of Kennedale, Tarrant County, Texas.  
(N1073)

Situs: 851 Valley Ln  
Kennedale, 76060

TRACT 2: 0.57 acres, more or less, being lot 3R4, Oak Crest addition, City of Kennedale, Tarrant County, Texas, and being more particularly described by metes and bounds in that certain Plat, Cabinet B, Slide 1195, Plat records, Tarrant County, Texas.  
(N1078)

Situs: 851 Valley Ln  
Kennedale, 76060

TRACT 3: 0.574 acres, more or less, being lot 4-R3, Block 12, Oak Crest addition, City of Kennedale, Tarrant County, Texas, and being more particularly described by metes and bounds in that certain Plat, Vol. 388-193, Pg. 73, Plat records, Tarrant County, Texas.  
(N1081A)

Situs: 851 Valley Ln  
Kennedale, 76060

TRACT 4: 0.28 acres, more or less, being Lots 3 & 4, Block 44 of City of Kennedale, an addition to the City of Kennedale, Tarrant County, Texas, according to the plat thereof recorded in Vol. 46, Pg. 222, Plat Records, Tarrant County, Texas.  
(N1081B)

Situs: 201 N New Hope Rd  
Kennedale, TX 76060

TRACT 5: 5.0713 acres, more or less, being more particularly described in that certain Warranty Deed, from Kim Brimer, as Grantor to City of Kennedale, as Grantee, recorded in Vol. 9076, Pg. 1159, Deed Records, Tarrant County, Texas.  
(N4100)

Situs: 405 Municipal Dr  
Kennedale, 76060

TRACT 6: 0.739 acres, more or less, being located in the Canzada Rose Survey, A-1285, Tarrant County, Texas, and being more particularly described by metes and bounds in that certain Quitclaim Deed, Instrument No. D210166399, Deed Records, Tarrant County, Texas.  
(N4101)

Situs: 115 W Kennedale Pkwy  
Kennedale, 76060



The Oil and Gas Lease is granted unto Lessee, its successors and assigns, for the exclusive right and privilege of producing oil and gas from the Leased Premises, as therein provided.

The Oil and Gas Lease shall have a primary term of **One (1)** year from the above date and so long thereafter as therein provided in the Oil and Gas Lease.

This Memorandum of Oil and Gas Lease shall serve as notice to the public of the existence of the Oil and Gas Lease covering the Leased Premises and of the rights and privileges of the Lessee associated therewith. It is specifically agreed, as between Lessor and Lessee, their respective heirs, successors and assigns, that the Oil and Gas Lease shall supersede this Memorandum of Oil and Gas Lease and govern the rights of the Lessor and Lessee in the event any provisions of this Memorandum of Oil and Gas Lease are determined to be in conflict with the provisions of the Oil and Gas Lease.

IN WITNESS WHEREOF, this instrument is executed as of the 20<sup>th</sup> day of September, 2022.

LESSOR: CITY OF KENNEDALE, TEXAS

By: \_\_\_\_\_  
Darrell Hull, City Manager

THE STATE OF TEXAS           §  
COUNTY OF TARRANT       §

This document was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2022, by Darrell Hull, City Manager of the City of Kennedale, Texas.

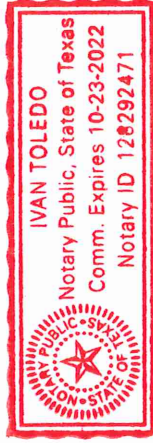
\_\_\_\_\_  
Notary Public, State of Texas

LESSEE: GHA BARNETT, LLC

By: \_\_\_\_\_  
*Mark Bengtson*  
Mark Bengtson, Asset Manager  
GHA Barnett, LLC

THE STATE OF TEXAS           §  
COUNTY OF TARRANT       §

This document was acknowledged before me on the 20th day of September 2022, by Mark Bengtson, Asset Manager, on behalf of said GHA Barnett, LLC.



\_\_\_\_\_  
Notary Public, State of Texas

**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** INDIVIDUAL CONSIDERATION ITEM IV.E.4.

**SUBJECT:**

Consider approval of a bid in the amount of \$37,798.12, submitted by Municipal Emergency Services for the purchase of four Self Contained Breathing Apparatus (SCBA).

**ORIGINATED BY:** James Brown, Fire Chief

**SUMMARY**

We have received a grant through the Tarrant County Emergency Services District for the purchase of Personal Protective Equipment. The grant will fund two of the SCBA's and the other two will be funded from the departments line item budget. Council approved the contract for this grant at the council meeting on June 21, 2022.

Staff is now respectfully requesting the Council's approval of a bid (attached) in the amount of \$37,798.12, submitted by Municipal Emergency Services.

Staff will be available to answer any questions from the Council.

**RECOMMENDATION**

Approve





MES - Texas  
600 Century Plaza Dr.  
Suite C-160  
Houston, TX 77073

## Quote

Quote # QT1625602  
Date 10/06/2022  
Expires 10/21/2022  
Sales Rep Cousins, Grant  
Shipping Method FedEx Ground  
Customer KENNEDALE FIRE DEPARTMENT  
Customer # C32325

**Bill To**

KENNEDALE FIRE DEPARTMENT  
405 MUNICIPAL DRIVE  
KENNEDEALE TX 76060  
United States

**Ship To**

KENNEDALE FIRE DEPARTMENT  
405 MUNICIPAL DRIVE  
KENNEDEALE TX 76060  
United States

| Item           | Alt. Item # | Units | Description                                                                                                                                                                                                                                                                                                                                      | QTY | Unit Price | Amount      |
|----------------|-------------|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|------------|-------------|
| X8814025305304 |             |       | Air-Pak X3 Pro SCBA (2018 Edition) with CGA Cylinder Connection, 4.5, Standard Harness with Parachute Buckles, Standard Belt with No Escape Rope, E-Z Flo Regulator with Quick Connect Hose (Rectus fittings), Universal EBSS Accessory Hose, No Airline Connection, No Spare Harness Kit, Pak-Tracker, No Case, Packaged 2 SCBA Per Box (Black) | 4   | \$6,756.04 | \$27,024.16 |
| 804722-01      |             |       | CYL&VLV ASSY,CARB,45MIN,4500                                                                                                                                                                                                                                                                                                                     | 8   | \$1,188.68 | \$9,509.44  |
| 201215-29      |             |       | SCOTT NEW AV3000HT 4 POINT - KEVLAR - RT BRKT - SIZE LARGE                                                                                                                                                                                                                                                                                       | 4   | \$316.13   | \$1,264.52  |

Chief James Brown  
jbrown@cityofkennedale.com  
817-985-2151

Buyboard Contract 603-20

Subtotal \$37,798.12  
Shipping Cost \$0.00  
Tax Total \$0.00  
Total \$37,798.12

This Quotation is subject to any applicable sales tax and shipping & handling charges that may apply. Tax and shipping charges are considered estimated and will be recalculated at the time of shipment to ensure they take into account the most current information.

All returns must be processed within 30 days of receipt and require a return authorization number and are subject to a restocking fee.

Custom orders are not returnable. Effective tax rate will be applicable at the time of invoice.



QT1625602

**MEETING DATE:** OCTOBER 18, 2022

**AGENDA ITEM NUMBER:** INDIVIDUAL CONSIDERATION ITEM IV.D.5.

**SUBJECT:**

Consider approval of a bid in the amount of \$371,175.00, submitted by Southwest Ambulance for the purchase of a new ambulance.

**ORIGINATED BY:** James Brown, Fire Chief

**SUMMARY**

We have received a grant through the Tarrant County Emergency Services District for the purchase of a new ambulance and all assorted equipment. The grant will fund up to \$580,000 towards the purchase of a new ambulance and equipment. Council approved the contract for this grant at the council meeting on June 21, 2022.

Staff is now respectfully requesting the Council's approval of a bid (attached) in the amount of \$371,175.00, submitted by Southwest Ambulance for the purchase of a new ambulance.

Staff will be available to answer any questions from the Council.

**RECOMMENDATION**

Approve

|                       |                     |                                         |        |
|-----------------------|---------------------|-----------------------------------------|--------|
| <b>Delivery Date:</b> | <b>120-150 Days</b> | <b>G. Total Purchase Price (D+E+F):</b> | 371125 |
|-----------------------|---------------------|-----------------------------------------|--------|

|                                          |       |
|------------------------------------------|-------|
| Lonseal Loncoin Floor                    | 1030  |
| Power Door Locks                         | 1632  |
| Stainless Steel Wheel Simulators         | 500   |
| Running Boards                           | 1143  |
| LED Dome Lights (11)@ 180.00 each        | 1980  |
| Inverter                                 | 2180  |
| Hot weather Package AC                   | 3535  |
| Radio console with map pockets           | 613   |
| Air Horns                                | 2240  |
| Dometic Refrigerated Drawer              | 1525  |
| Liquid Springs Suspension                | 14870 |
| 30 Amp Auto Eject Shoreline              | 1225  |
| M9 LED Light Package                     | 4400  |
| LED Scene/Load Lights (6) @ \$459 each   | 2754  |
| Danhard Auxillary AC unde squad bench    | 7385  |
| Cabinets with CPR seat & 2nd Action Area | 938   |
| Crowned Roof                             | 9500  |
| Aluminum Cabinets                        | 9500  |
| Upgrade to diesel engine                 | 4700  |
| Flexible LED Compartment lights          | 420   |
| Dri Deck in exterior compartments        | 448   |
| 5" drop pan in #2 compartment            | 280   |
| LED break,tail & turn, back up lights    | 480   |
| TST-CDR-357 Battery Switch               | 485   |
| Back up camera, color monitor in cab     | 1650  |
| Paint Module & Chassis custom color      | 9800  |
| 2 Color Full rear chevrons               | 1680  |
|                                          | 86893 |

|                                            |       |
|--------------------------------------------|-------|
| Stryker Power Load System                  | 33675 |
| 2-SCBA Brackets                            | 2250  |
| Anti Theft Switch                          | 1700  |
| Graphics                                   | 10000 |
| UV Light in Return Air vent                | 1650  |
| Life Defender Latches on all cabinets      | 5150  |
| EVS PRO4 Seatbelts                         | 4575  |
| HDPE Shelves with 10 Dividers              | 914   |
| ITC 10mm LED Luna Strip Light              | 900   |
| Recessed LED Strip lights in 3 entry doors | 1855  |
| Upgrade Chassis to an F550                 | 4000  |
| KNOX Med Vault                             | 3200  |
|                                            | 69869 |

## STAFF REPORT TO THE PLANNING & ZONING COMMISSION

**Date:** October 13, 2022

**Agenda Item No:**

### I. SUBJECT

**CASE # PZ 22-12** to consider action on a request by KD Hammack Creek Development, LLC for a final plat of approximately 8.02 acres located at 337 Kennedale -Sublett Rd.

### II. SUMMARY

#### BACKGROUND AND OVERVIEW

|                                         |                                                                        |
|-----------------------------------------|------------------------------------------------------------------------|
| <b>Request</b>                          | Approval of final plat Block 1, Lot 1 Hammack Creek Apartment Addition |
| <b>Applicant</b>                        | KD Hammack Creek Development, LLC                                      |
| <b>Location</b>                         | 337 Kennedale Sublett Rd.                                              |
| <b>Surrounding Uses</b>                 | Single family residential, vacant/undeveloped, cemetery                |
| <b>Surrounding Zoning</b>               | AG Agricultural & C2 Commercial                                        |
| <b>Future Land Use Plan Designation</b> | Urban Village                                                          |
| <b>Staff Recommendation</b>             | Approve                                                                |

#### CURRENT STATUS OF PROPERTY

The multi-family development is in the final phase of completion.

#### SURROUNDING PROPERTIES & NEIGHBORHOOD

The adjacent property to the north is a single-family residence, to the east is the Emerald Hills cemetery, with the tracts to the south and west vacant.

#### BACKGROUND

The Planning & Commission unanimously approved the Preliminary Plat on August 13, 2020. Case Number PZ 20-07.

## STAFF REPORT TO THE PLANNING & ZONING COMMISSION

### STAFF REVIEW

**ZONING DISTRICT LOT REQUIREMENTS.** The proposed plat meets the City's current Unified Development Code regulations for Urban Village zoning district.

**TEXAS LOCAL GOVERNMENT CODE:**

***SEC. 212.005. APPROVAL BY MUNICIPALITY REQUIRED***

The municipal authority responsible for approving plats ***must approve*** a plat or replat that satisfies all applicable regulations.

### STAFF RECOMMENDATION

Based on the above analysis, staff recommends approval of the plat.

### ACTION BY THE PLANNING & ZONING COMMISSION

**Approval:** Based on the information presented, I find that the plat meets city requirements.

**Deny:** Based on the information presented, I find that the plat does not meet [list standards or requirements not met] and make a motion to deny the request.



| CURVE TABLE |        |        |            |                 |              |
|-------------|--------|--------|------------|-----------------|--------------|
| CURVE No.   | LENGTH | RADIUS | DELTA      | CHORD DIRECTION | CHORD LENGTH |
| C1          | 31.26  | 40.00  | 44°49'30"  | S67°38'45"W     | 30.47        |
| C2          | 193.76 | 470.50 | 23°35'43"  | S33°25'39"W     | 192.39       |
| C3          | 193.76 | 470.50 | 23°35'43"  | S33°25'39"W     | 192.39       |
| C4          | 74.16  | 37.00  | 114°50'23" | S35°47'24"E     | 62.36        |
| C5          | 48.90  | 43.00  | 85°09'37"  | N54°12'36"E     | 46.31        |
| C6          | 62.83  | 40.00  | 90°00'00"  | N23°22'12"W     | 56.57        |

| LINE TABLE |        |             |
|------------|--------|-------------|
| LINE No.   | LENGTH | BEARING     |
| L1         | 20.48  | N13°38'17"W |
| L2         | 20.48  | S72°28'39"W |
| L3         | 14.67  | N17°46'13"W |
| L4         | 14.67  | S78°36'33"W |
| L5         | 12.38  | S19°38'48"E |
| L6         | 14.55  | S68°17'12"W |
| L7         | 14.14  | S89°46'30"E |
| L8         | 14.14  | N00°13'30"E |
| L9         | 14.14  | N88°46'30"W |
| L10        | 14.14  | S00°13'30"W |
| L11        | 14.14  | S89°46'30"E |
| L12        | 14.14  | S00°13'30"W |
| L13        | 21.54  | S35°47'24"E |
| L14        | 6.00   | N44°46'30"W |

J.B. RENFRO SURVEY  
ABSTRACT NO. 1260  
TARRANT COUNTY, TEXAS

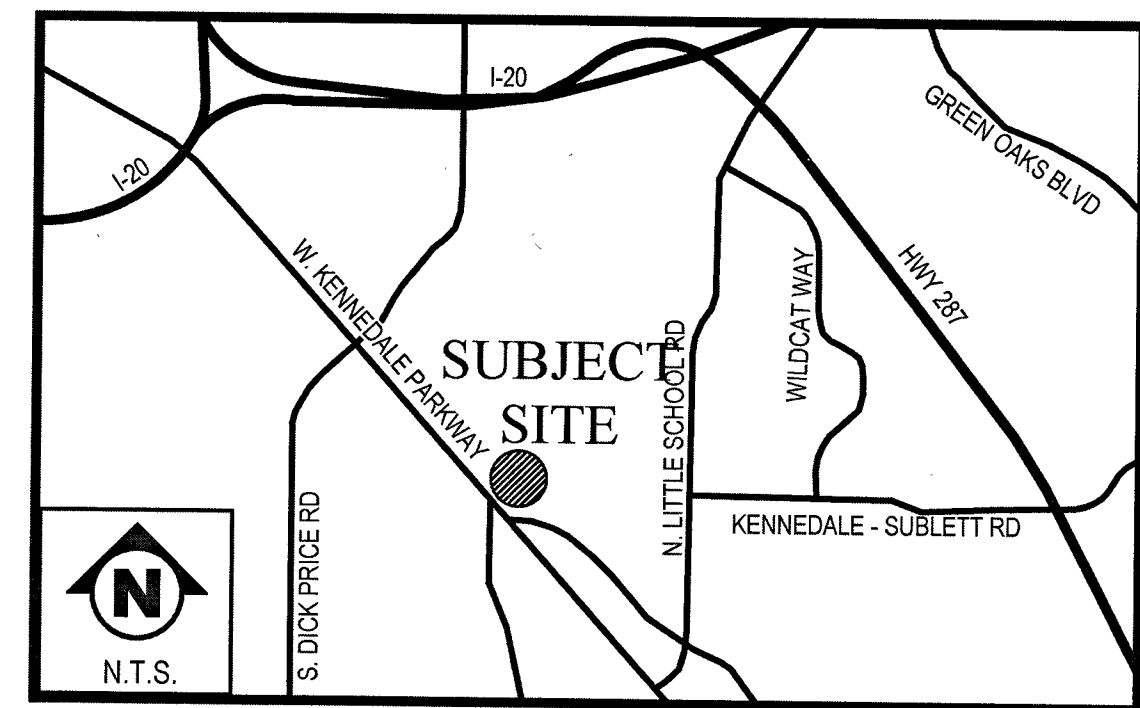
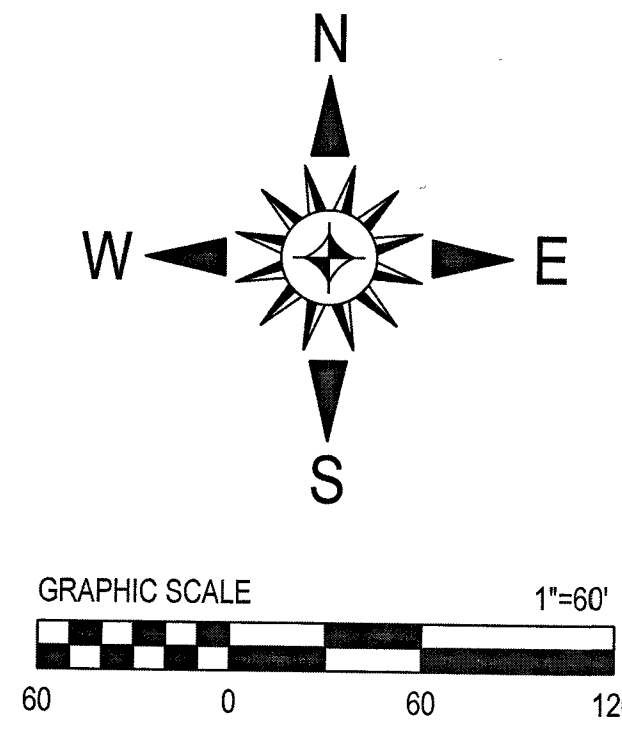
MARGARET S. USELTON  
TAD TRACT 3G03

MELVIN USELTON AND WIFE, MARGARET USELTON  
VOL. 5146, PG. 152  
D.R.T.C.T.

POINT OF  
BEGINNING  
N:6921225.377  
E:2362807.624  
NAD 83 ZONE 4202

PHILLIP ERIC ELAM AND WIFE,  
LINAD ELAM  
VOL. 11377, PG. 250  
D.R.T.C.T.

ZONED 'AG'



VICINITY MAP  
(NOT TO SCALE)

**DEDICATION**

State of Texas }  
County of Tarrant }

WHEREAS, KD Hammack Creek Housing, LP are the Owners of the herein described property to wit:

BEING 8.02 acres situated in the J.B. RENFRO SURVEY, ABSTRACT NO. 1260, City of Kennedale, Tarrant County, Texas, all of that certain Tract of land conveyed to KD Hammack Creek Housing, LP, recorded in Clerk's File Number D220333127, County Clerk's Records, Tarrant County Texas, said 8.02 acres being more particularly described as follows:

**BEGINNING** at a point at the northwest corner of subject property, in the approximate centerline of a creek, at the southwest corner of that certain tract of land described in deed to Phillip Eric Elam and wife, Linda Elam, recorded in Volume 11377, Page 250, Deed Records, Tarrant County, Texas, said point bears: (per deed call) S 61°48'24" E, a distance of 505.44 feet from the southeast corner of Lot 4-R, Block J, CRESTDALE ADDITION, an addition to the City of Kennedale, according to the plat recorded in Volume 388-12, Page 21, Plat Records, Tarrant County, Texas, from said Beginning Point from which a 3" galvanized fence corner post found bears S 86°47'25" W, a distance of 7.61 feet for reference;

**THENCE** N 86°47'25" E with the south line of said Elam tract, and with a wood fence, a distance of 615.33 feet to a point in the centerline of Kennedale-Sublett Road;

**THENCE** along the centerline of Kennedale-Sublett Road the following courses and distances;

S 21°37'48" W, a distance of 338.08 feet to a point at the beginning of a curve to the right whose radius is 630.00 feet and whose long chord bears S 33°25'39" W, a chord distance of 257.61 feet;

Along said curve in a southeasterly direction, through a central angle of 23°35'43", an arc distance of 259.44 feet to a set PK nail in asphalt;

S 45°13'30" W, a distance of 454.00 feet to a set PK nail in asphalt at the beginning of a curve to the right whose radius is 250.00 feet and whose long chord bears S 60°57'44" W, a chord distance of 135.61 feet;

Along said curve in a southeasterly direction, through a central angle of 31°28'28", an arc distance of 137.33 feet to a set PK nail in asphalt at the south corner of subject 8.02 acre tract;

**THENCE** along the west line of subject 8.02 acre tract, generally along a creek, as follows:

N 08°31'19" E, at a distance of 27.17 feet passing a 1/2" iron rod found in the north line of said Kennedale-Sublett Road, and continuing, in all, a distance of 269.99 feet to a point;

N 03°59'13" E, a distance of 205.82 feet to a point;

N 19°35'31" E, a distance of 101.29 feet to a point;

N 07°52'48" E, a distance of 145.25 feet to a point;

N 15°38'12" W, a distance of 79.82 feet to a point;

**THENCE** N 07°43'55" E a distance of 99.86 feet to the POINT OF BEGINNING and containing 8.02 acres, more or less.

**KNOW ALL MEN BY THESE PRESENTS:**

That I, Deepak P. Sulakhe hereby certify that I am the legal owner of the above described tract of land and do hereby convey to the public for public use: the streets, alleys, rights-of-way, easements, and any other public areas shown on this plat, and do hereby dedicate same to be known as Lot 1, Block 1, HAMMACK CREEK APARTMENT ADDITION, an addition to The City of Kennedale, Tarrant County, Texas.

Witness My Hand This 20<sup>th</sup> Day of AUGUST, 2022.

KD Hammack Creek Housing, LP  
by: KD Hammack Creek Development, LLC  
by: KD Hammack Creek Housing, LLC

Deepak P. Sulakhe  
Title: President/CEO

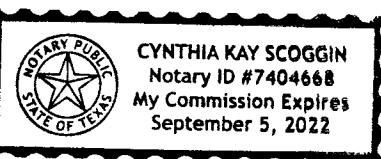
State of Texas }  
County of Tarrant }

Before me, the undersigned authority on this day personally appeared Deepak P. Sulakhe, known to me to be the person(s) whose name(s) is subscribed to the foregoing instruments, and acknowledged to me that he (she) executed the same for the purposes and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal on this 20<sup>th</sup> day of AUGUST, 2022.

Cynthia Kay Scoggin  
Notary Public in and for the State of Texas

My commission expires:  
09/05/2022



**KNOW ALL MEN BY THESE PRESENTS:**

That I, Charles F. Stark, a Registered Professional Land Surveyor licensed in the State of Texas, do hereby certify that this Plat is true and correct and was prepared from an actual survey made under my supervision on the ground.



Charles F. Stark, R.P.L.S.  
Texas Registration No. 5084

Charles F. Stark 8/25/22  
Date

USE OF THIS ELECTRONIC SEAL/SIGNATURE  
AUTHORIZED BY CHARLES F. STARK, R.P.L.S.  
TEXAS REGISTRATION NO. 5084

**FINAL PLAT**  
Lot 1, Block 1  
**HAMMACK CREEK APARTMENT ADDITION**  
An Addition to the City of Kennedale  
Tarrant County, Texas

Being 8.02 Acres Situated in the  
J.B. RENFRO SURVEY, Abstract No. 1260  
City of Kennedale, Tarrant County, Texas

APRIL 2022

FILED FOR RECORD  
TARRANT COUNTY, TEXAS PLAT RECORDS

COUNTY CLERK'S INSTRUMENT NO. \_\_\_\_\_

DATE \_\_\_\_\_

**CITY COUNCIL CERTIFICATE OF APPROVAL**

THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS VOTED AFFIRMATIVELY ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_, TO RECOMMEND APPROVAL OF THIS PLAT BY CITY COUNCIL.

MAYOR, CITY OF KENNEDALE \_\_\_\_\_

ATTEST: CITY SECRETARY \_\_\_\_\_

**CERTIFICATE OF APPROVAL**

THE PLANNING AND ZONING COMMISSION OF THE CITY OF KENNEDALE, TEXAS VOTED AFFIRMATIVELY ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 20\_\_\_\_, TO RECOMMEND APPROVAL OF THIS PLAT BY CITY COUNCIL.

CHAIRMAN, PLANNING AND ZONING COMMISSION \_\_\_\_\_

ATTEST: SECRETARY, PLANNING AND ZONING COMMISSION \_\_\_\_\_

**NOTES:**

1.) BEARINGS & COORDINATES SHOWN HEREON ARE REFERENCED TO THE TEXAS STATE PLANE COORDINATE SYSTEM, N.A.D. 83 DATUM (TEXAS NORTH CENTRAL ZONE 4202) DERIVED FROM RESOLVED OPUS SOLUTIONS.

2.) FLOODPLAIN NOTE:  
ACCORDING TO FLOOD INSURANCE RATE MAP (FIRM) MAP NO. 8439C0340K, DATED SEPTEMBER 25, 2009 PREPARED BY FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA) OR TARRANT COUNTY, TEXAS, THIS PROPERTY IS NOT WITHIN ZONE X.

3.) ALL PRIVATE OPEN SPACE LOTS SHALL BE OWNED AND MAINTAINED BY THE HOA.

4.) THE CITY OF KENNEDALE SHALL NOT BE HELD RESPONSIBLE FOR THE CONSTRUCTION, MAINTENANCE OR OPERATION OF ANY LOTS CONTAINING PRIVATE COMMON AREAS OR FACILITIES IDENTIFIED AS SUCH ON THIS PLAT. SAID AREAS SHALL INCLUDE, BUT NOT BE LIMITED TO: PRIVATE STREETS, EMERGENCY ACCESS EASEMENTS, AND GATED SECURITY ENTRANCES; RECREATION AREAS, LANDSCAPED AREAS AND OPEN SPACES; WATER AND WASTEWATER DISTRIBUTION SYSTEMS AND TREATMENT FACILITIES; AND RECREATION/CLUBHOUSE/EXERCISE/BUILDINGS AND FACILITIES. THE LAND OWNERS AND SUBSEQUENT OWNERS OF THE LOTS AND PARCELS IN THIS SUBDIVISION, ACTING JOINTLY AND SEVERALLY AS A LAND OWNERS ASSOCIATION, SHALL BE RESPONSIBLE FOR SUCH CONSTRUCTION, RECONSTRUCTION, MAINTENANCE AND OPERATION OF THE SUBDIVISION'S PRIVATE COMMON AREAS AND FACILITIES, AND SHALL AGREE TO INDEMNIFY AND HOLD HARMLESS THE CITY OF KENNEDALE, TEXAS, FROM ALL CLAIMS, DAMAGES AND LOSSES ARISING OUT OF, OR RESULTING FROM THE PERFORMANCE OF THE OBLIGATIONS OF SAID OWNERS ASSOCIATION, AS SET FORTH HEREIN.

Δ 31°28'28"  
R 250.00'  
L 137.33  
T 70.45  
Ch B S60°57'44"W  
Ch L 135.61'

ZONED 'C2'  
HILLS MEMORIAL PARK HOLDINGS, LLC  
CLERK'S FILE NO. D215199677

ZONED 'C2'  
BBOX LLC  
CLERK'S FILE NO. D218154967

EAST KENNEDALE  
PARKWAY

**SURVEYOR:**  
**BARRON STARK ENGINEERS, LP**  
**CHARLES F. STARK, RPLS # 5084**  
**6221 SOUTHWEST BLVD, #100**  
**FORT WORTH, TX 76132**  
**817-296-9550**

**B**  
**Barron-Stark**  
Engineers

6221 Southwest Boulevard, Suite 100  
Fort Worth, Texas 76132  
(O) 817.231.8100 (F) 817.231.8144  
Texas Registered Engineering Firm F-10998  
Texas Registered Survey Firm F-10158800  
www.barronstark.com

**OWNER:**  
**KD Hammack Creek**  
**Housing, LP**  
**Depak P. Sulakhe**  
**214-432-7610**

**DEVELOPER:**  
**KD Hammack Creek**  
**Development, LLC**  
**Depak P. Sulakhe**  
**214-432-7610**

## STAFF REPORT TO THE PLANNING & ZONING COMMISSION

**Date:** October 13, 2022

### **Agenda Item No: INDIVIDUAL CONSIDERATION ITEM III.A.4**

#### **I. SUBJECT**

**CASE # PZ 22-13** to conduct a public hearing and consider a request Kimley-Horn & Associate, Inc. for a replat of approximately 10.593 acres located at 5312 Kennedale Sublett Rd.

#### **II. SUMMARY**

##### **BACKGROUND AND OVERVIEW**

|                                         |                                                                                           |
|-----------------------------------------|-------------------------------------------------------------------------------------------|
| <b>Request</b>                          | The replat of Block 1 Lot 2R and tracts 1E, 1F, 1G, 1H, 1J, 1K & 1M into Lot 2R1, Block 1 |
| <b>Applicant</b>                        | Kimley-Horn & Associates                                                                  |
| <b>Location</b>                         | 5312 Kennedale Sublett Rd.                                                                |
| <b>Surrounding Uses</b>                 | Single family residential and commercial/retail                                           |
| <b>Surrounding Zoning</b>               | R3 Residential & C2 Commercial                                                            |
| <b>Future Land Use Plan Designation</b> | Urban Village                                                                             |
| <b>Staff Recommendation</b>             | Approve                                                                                   |

##### **CURRENT STATUS OF PROPERTY**

The multi-family development is in the final phase of completion.

##### **SURROUNDING PROPERTIES & NEIGHBORHOOD**

The property to the north is commercial lots currently under construction, south and west are single family residential (Steeple Chase Addition). To the east of the property is the commercial Sublet Center located in the city limits of Arlington.

##### **BACKGROUND**

The Planning & Commission unanimously approved the Preliminary Plat on March 11, 2021. Case Number PZ 21-06.

## STAFF REPORT TO THE PLANNING & ZONING COMMISSION

### STAFF REVIEW

**ZONING DISTRICT LOT REQUIREMENTS.** The proposed replat meets the City's current Unified Development Code regulations for MF Multi-Family zoning districts.

**TEXAS LOCAL GOVERNMENT CODE:**

***SEC. 212.005. APPROVAL BY MUNICIPALITY REQUIRED***

The municipal authority responsible for approving plats ***must approve*** a plat or replat that satisfies all applicable regulations.

### STAFF RECOMMENDATION

Based on the above analysis, staff recommends approval of the replat.

### ACTION BY THE PLANNING & ZONING COMMISSION

**Approval:** Based on the information presented, I find that the replat meets city requirements.

**Deny:** Based on the information presented, I find that the proposed use does not meet [list standards or requirements not met] and make a motion to deny the request.

| 201 Cherry Street, Unit # 2300<br>Fort Worth, Texas 76102                                                                                                                                                                                                                                                              | FIRM # 10150410        | Tel. No. (817) 351-8519<br>www.ashby-johnson.com |                        |                        |             |             |           |     |  |    |         |  |          |        |  |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------------------------------------|------------------------|------------------------|-------------|-------------|-----------|-----|--|----|---------|--|----------|--------|--|--|
| <table border="1"> <tr> <th>Article<br/>Description</th> <th>Quantity</th> <th>Contract<br/>Unit</th> <th>Contract<br/>Unit Price</th> <th>Date</th> <th>Project No.</th> <th>Sheet No.</th> </tr> <tr> <td>JB4</td> <td></td> <td>MB</td> <td>2343021</td> <td></td> <td>00770030</td> <td>1 OF 2</td> </tr> </table> | Article<br>Description | Quantity                                         | Contract<br>Unit       | Contract<br>Unit Price | Date        | Project No. | Sheet No. | JB4 |  | MB | 2343021 |  | 00770030 | 1 OF 2 |  |  |
| Article<br>Description                                                                                                                                                                                                                                                                                                 | Quantity               | Contract<br>Unit                                 | Contract<br>Unit Price | Date                   | Project No. | Sheet No.   |           |     |  |    |         |  |          |        |  |  |
| JB4                                                                                                                                                                                                                                                                                                                    |                        | MB                                               | 2343021                |                        | 00770030    | 1 OF 2      |           |     |  |    |         |  |          |        |  |  |





**MEETING DATE:** OCTOBER 18, 2022**AGENDA ITEM NUMBER:** INDIVIDUAL CONSIDERATION ITEM IV.E.7.**ORIGINATED BY:** Chance LeBlanc - Dunaway**SUMMARY**

**SUBJECT: CASE # PZ 22-11** Conduct a public hearing and consider a zoning change from PD Planned Development to TH Townhouse for approximately 6.18 acres being Lot 1R Block 1 of the Harris Hill Estate, located at 439 Mansfield Cardinal Road, City of Kennedale, Tarrant County, Texas

**I. SUMMARY**

| <b>BACKGROUND AND OVERVIEW</b>          |                                                                                                                                                   |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Request</b>                          | from PD Planned Development to TH Townhouse                                                                                                       |
| <b>Applicant</b>                        | Charles Williams                                                                                                                                  |
| <b>Location</b>                         | 439 Mansfield Cardinal Road                                                                                                                       |
| <b>Surrounding Uses</b>                 | Multi-Family, Single Family Residential, Light Industrial, Cemetery                                                                               |
| <b>Surrounding Zoning</b>               | North: "C2" Commercial (Emerald Hills Cemetery)<br>East: "R2" & "R3" Residential<br>South: "C2" Commercial<br>West: "MF" Multi-Family (Oak Crest) |
| <b>Future Land Use Plan Designation</b> | Residential                                                                                                                                       |
| <b>Staff Recommendation</b>             | Approve                                                                                                                                           |

**CURRENT STATUS OF PROPERTY**

The property is approximately 6.18 acres and is currently undeveloped.

**SURROUNDING PROPERTIES & NEIGHBORHOOD**

The property is surrounded by a mix of uses, including single family, a duplex/tri-plex development, a cemetery, a traditional single-family neighborhood (Brookstone), and a variety of commercial and light industrial uses along Kennedale Parkway and a few fronting Mansfield Cardinal.

## STAFF REVIEW

### LAND USE COMPATIBILITY

The proposed Townhouse community would act as a transition between the existing low density single-family residential to the east and the existing Oak Crest multi-family and therefore is compatible with the existing land uses.

The proposed zoning *is compatible* with the surrounding uses.

### COMPREHENSIVE PLAN CONSISTENCY

The 2012 Comprehensive Plan designates the subject property as Neighborhood Residential on the Future Land Use Map. Per the Comprehensive Plan, Townhouses are listed as type of residential development allowed in the areas designated as Neighborhood Residential.

Additionally, Mansfield Cardinal Road is identified on the City's Future Transportation Plan as an avenue with bike/pedestrian facilities. As per the plat of the property, the right-of-way has been dedicated to accommodating the future widening of Mansfield Cardinal Road.

The proposed zoning *is consistent* with the Comprehensive plan

### RELATED GOALS FROM THE COMPREHENSIVE LAND USE PLAN

Principle 2: Economic Prosperity. Promote Access to Housing.

Providing housing options for people of varying financial means and residential preferences.  
Provide the regulatory framework and developer support to provide quality housing for residents.  
Create job opportunities in Kennedale that help stabilize the local tax base and allow residents to work close to home.

### CITY COUNCIL ENDS STATEMENTS AND GOALS

- Kennedale has excellent neighborhoods and a wide range of home options.
- Well-planned community based on principles of connected city, economic prosperity, and a thriving community.



## SUMMARY

The development is compatible with the area, consistent with the Comprehensive Plan in the residential use and provides a variety of housing types.

The current zoning for this property, allows for the development of consisting of 46 single-family lots for seniors aged 55 years and older, with a minimum lot size of 25'x35' (1,200 sf) and a maximum density of 8 units per acre.

The proposed development consists of 38 townhouse units, with a minimum lot a size 35'x100' (3,000 sf), and a proposed density of 6 units per acre.

At their meeting on Thursday September 8, the Planning & Zoning Commission unanimously recommended approval of this request.

## STAFF RECOMMENDATION

|                                 |                                        |
|---------------------------------|----------------------------------------|
| Land Use Compatibility:         | Requested change <i>is compatible.</i> |
| Comprehensive Plan Consistency: | Requested change <i>is consistent</i>  |
| Staff Recommendation:           | Denial                                 |

## ACTION CITY COUNCIL

The City Council may approve or deny the request for a zoning change.

Approval: Based on the information presented, I find that the request meets city requirements and is in compliance with the comprehensive land use plan and make a motion to approve the request for rezoning.

Deny: Based on the information presented, I find that the proposed use does not meet the standards or requirements (list standards or requirements) and make a motion to deny the request.



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## **STAFF REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL**

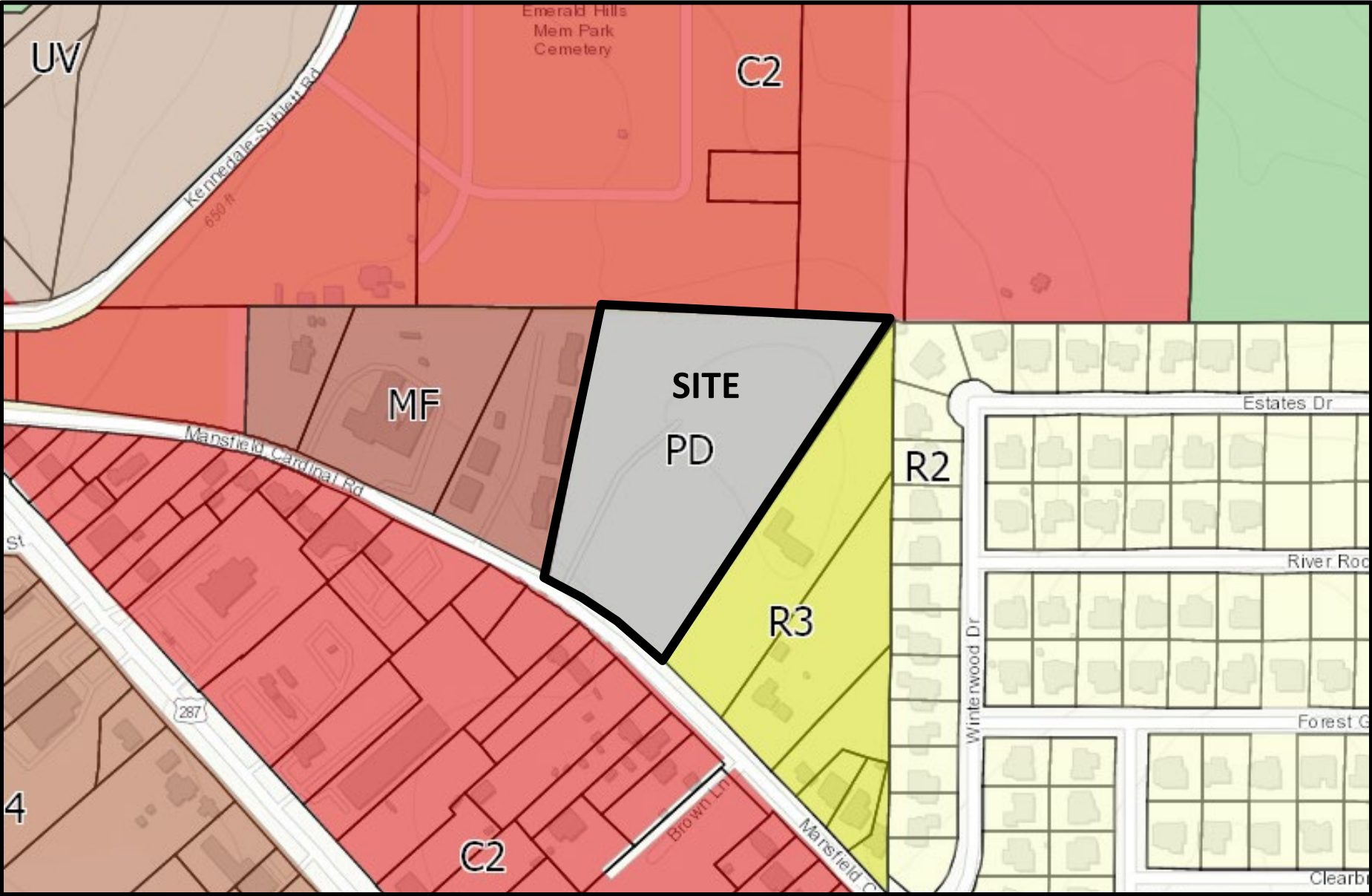
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## 439 MANSFIELD CARDINAL RD.

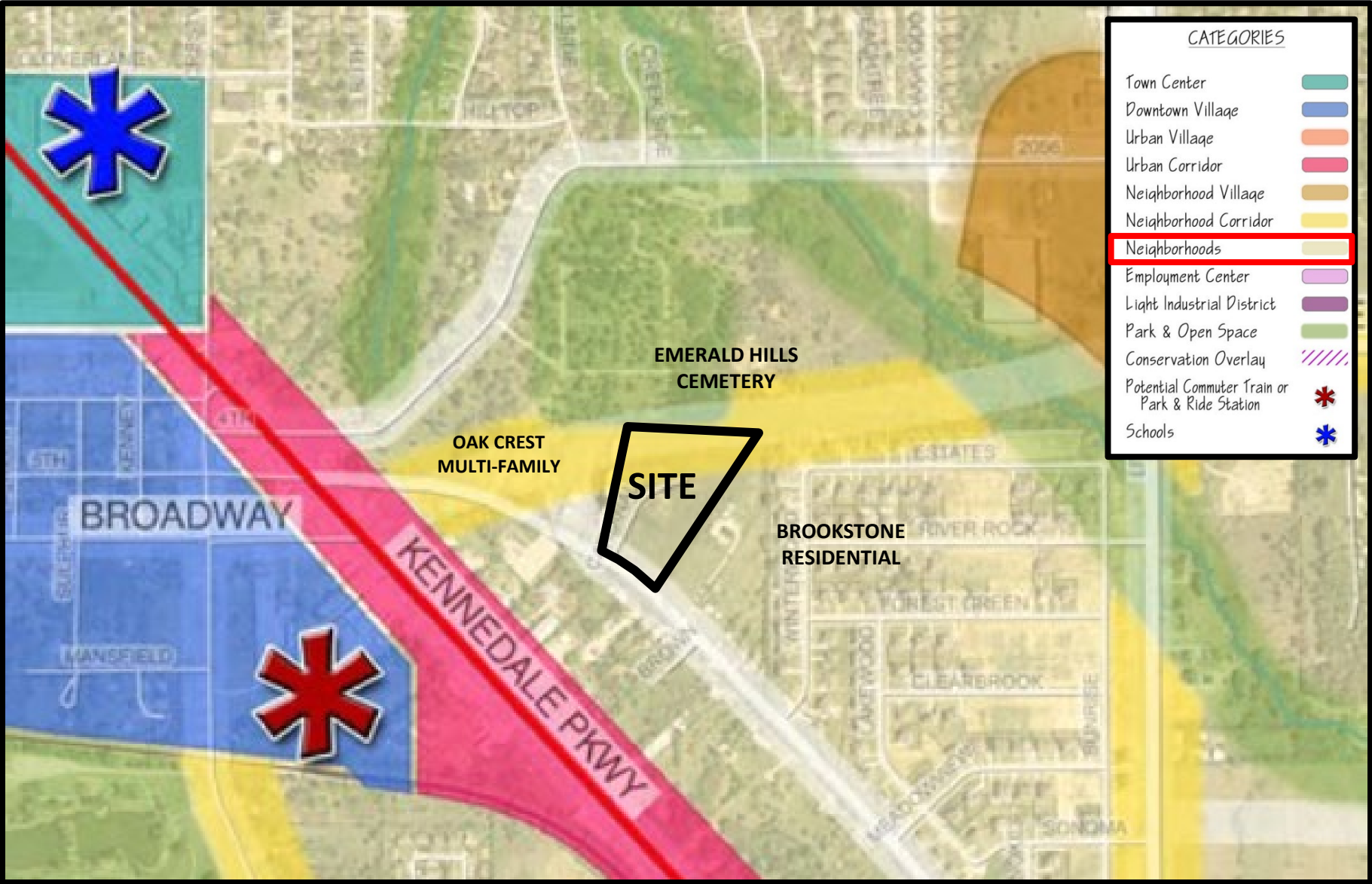




439 MANSFIELD CARDINAL RD.  
ZONING MAP



439 MANSFIELD CARDINAL RD.  
FUTURE LAND USE

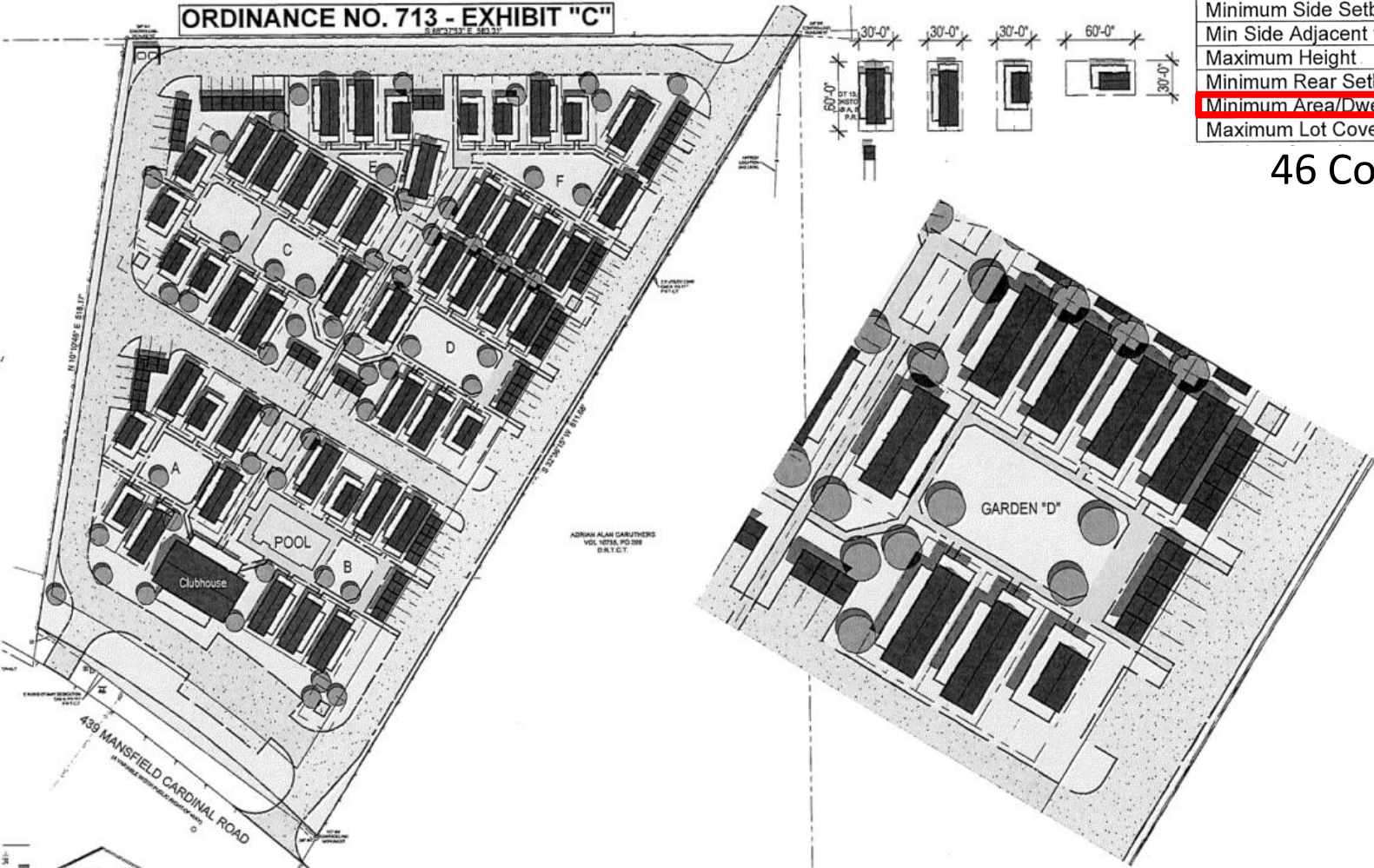




439 MANSFIELD CARDINAL RD.

| Lot Type                    | A     | B     |
|-----------------------------|-------|-------|
| Minimum Lot Width/Frontage  | 25    | 30    |
| Minimum Lot Depth           | 50    | 60    |
| Minimum Lot Area            | 1,200 | 1,800 |
| Minimum Front Setback       | 10    | 10    |
| Minimum Side Setback        | 5     | 5     |
| Min Side Adjacent to Street | 10    | 10    |
| Maximum Height              | 20    | 20    |
| Minimum Rear Setback        | 10    | 10    |
| Minimum Area/Dwelling       | 399   | 399   |
| Maximum Lot Coverage *      | 75%   | 75%   |

46 Cottage Units



439 MANSFIELD CARDINAL RD.



38 Townhouse Units

|                            |       |
|----------------------------|-------|
| Lots                       |       |
| Minimum Lot Width/Frontage | 35    |
| Minimum Lot Depth          | 100   |
| Minimum Lot Area           | 3,500 |



## STAFF RECOMMENDATION

Land Use Compatibility:

Requested change *is compatible*

Comprehensive Plan Consistency:

Requested change *is consistent*

Staff Recommendation:

Approve

September 8, 2022, Planning & Zoning Commission approved *Unanimously*



## ACTION BY THE CITY COUNCIL

### *Approval:*

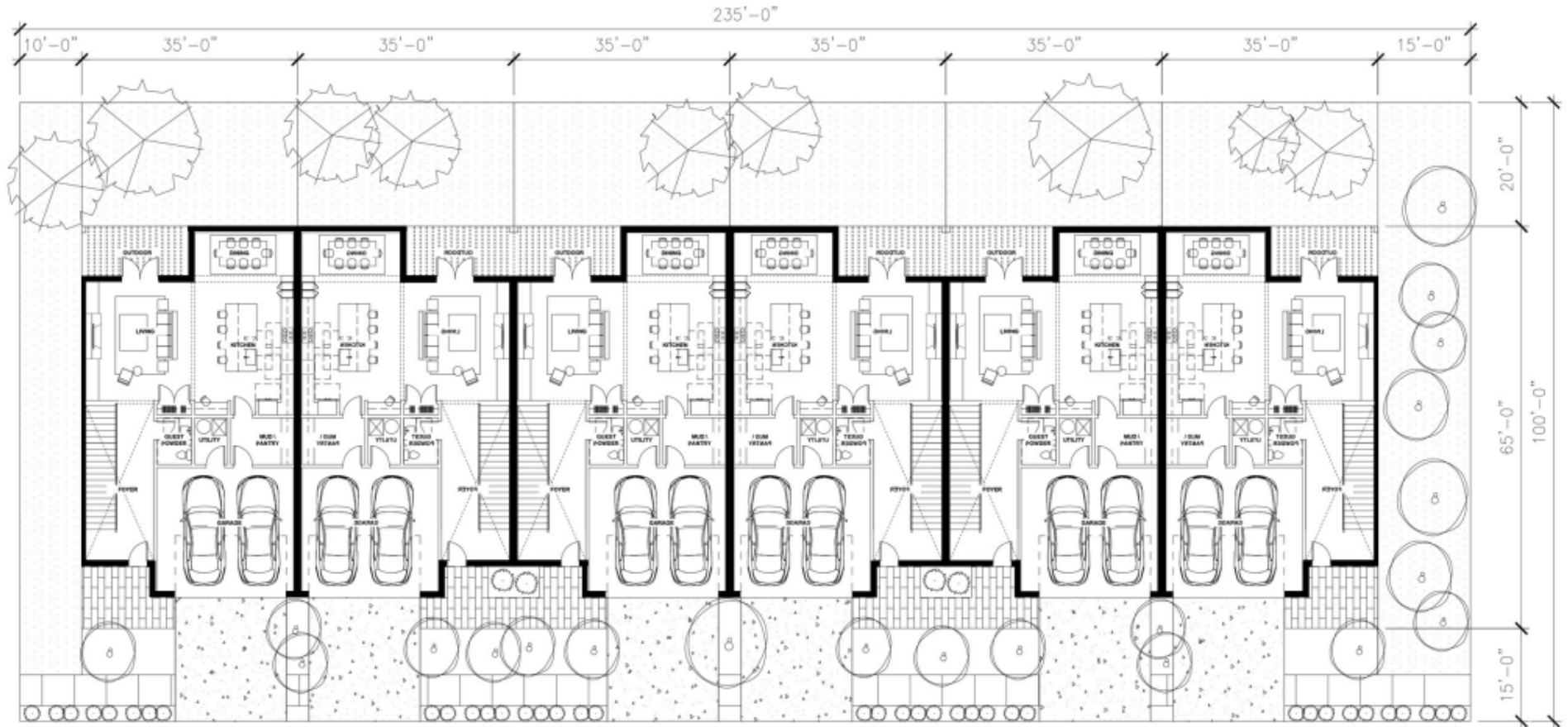
Based on the information presented, I find that the request meets city requirements and is in compliance with the comprehensive land use plan and make a motion to approve the request for rezoning.

### *Deny:*

Based on the information presented, I find that the proposed use does not meet the standards or requirements (list standards or requirements) and make a motion to deny the request.



**439 MANSFIELD CARDINAL RD.**



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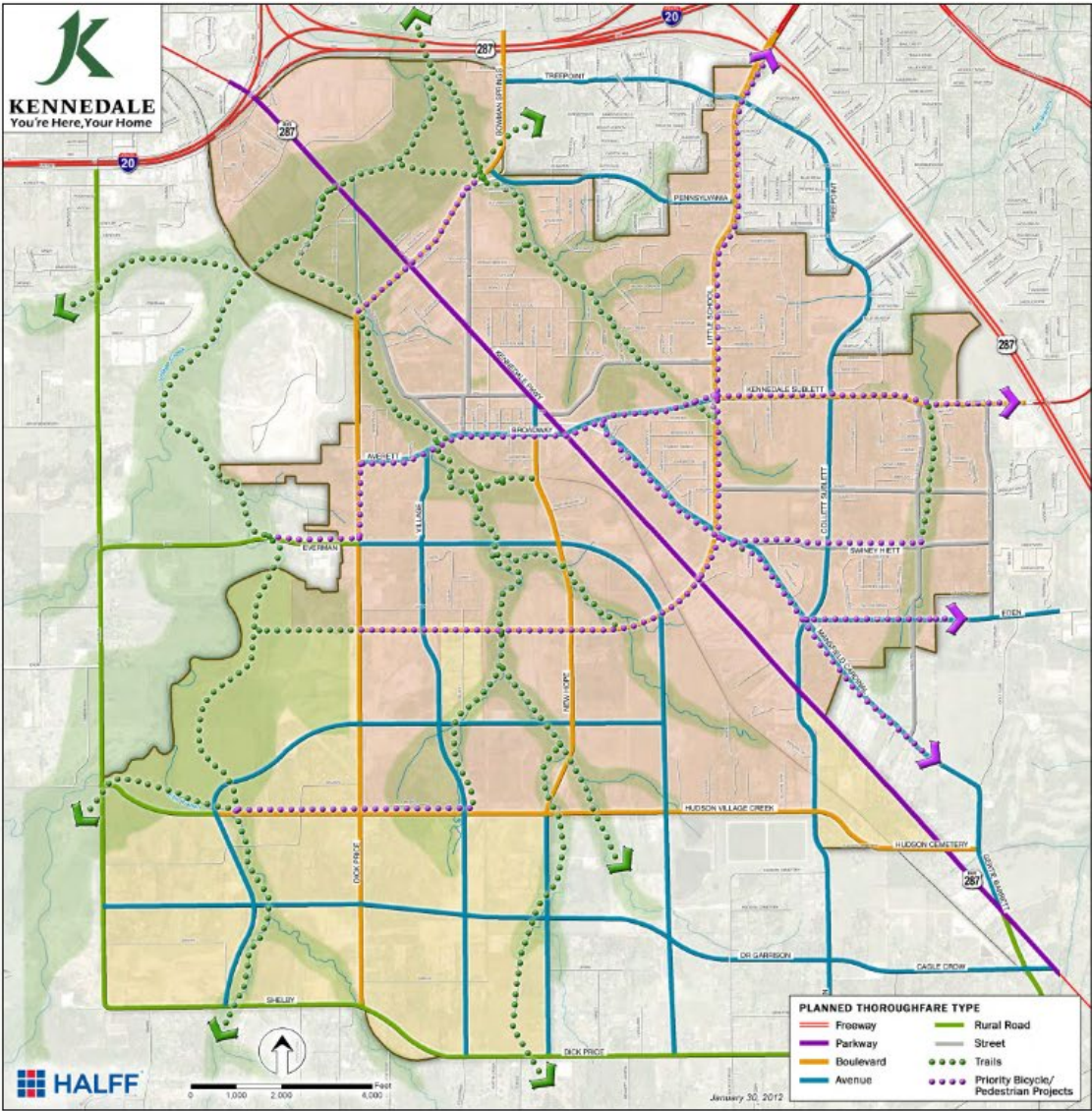
**439 MANSFIELD CARDINAL RD.**



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FUTURE TRANSPORTATION PLAN



2012  
COMPREHENSIVE  
PLAN UPDATE

FUTURE TRANSPORTATION PLAN

| Thoroughfare Type                                      | Parkway   | Multiway Parkway<br>Main lanes / Access lanes | Boulevard | Avenue            | Street               | Rural Road |
|--------------------------------------------------------|-----------|-----------------------------------------------|-----------|-------------------|----------------------|------------|
| Number of Through Lanes                                | 4         | 4 / 2                                         | 4         | 2 to 4            | 2                    | 2          |
| Desired Operating Speed (mph)                          | 40-45     | 40-45 / 30-35                                 | 35-40     | 30-35             | 25-30                | 35-40      |
| Median                                                 | 16'-18'   | 12'-18' / 6'-8'                               | 12'-18'   | 4'-16' (optional) | --                   | --         |
| Driveway Access                                        | Limited   | From access lanes                             | Limited   | Yes               | Yes                  | Yes        |
| Curb Parking                                           | No        | Yes (access lane)                             | Optional  | Yes               | Yes (not delineated) | No         |
| Pedestrian Facilities <sup>1</sup> (clear through-way) | 5'        | 5'-10' (access lanes)                         | 5'-10'    | 5'-10'            | 5'-8'                | 5'         |
| Bicycle Facilities <sup>2</sup>                        | SP or SH  | BL or SL                                      | BL or BBL | BL or SL          | SL                   | SL or SH   |
| Streetside Width <sup>3</sup>                          | 18'-25'   | 15'-20'                                       | 18'-22'   | 15'-20'           | 10'-16'              | 25'-30'    |
| Required ROW Width                                     | 100'-150' | 120'-160'                                     | 100'-130' | 60'-110'          | 50'-70'              | 80'-100'   |

NOTES:

<sup>1</sup> Proposed widths of pedestrian facilities should be applied to both sides of the street.

<sup>2</sup> SP - Side Path  
SH - Shoulder  
BL - Bike lane  
SL - Shared lane  
BBL - Buffered bike lane

<sup>3</sup> Streetside Width refers to the area between the street and building. It includes the edge, furnishings/planting strip, clear throughway, and frontage zones.

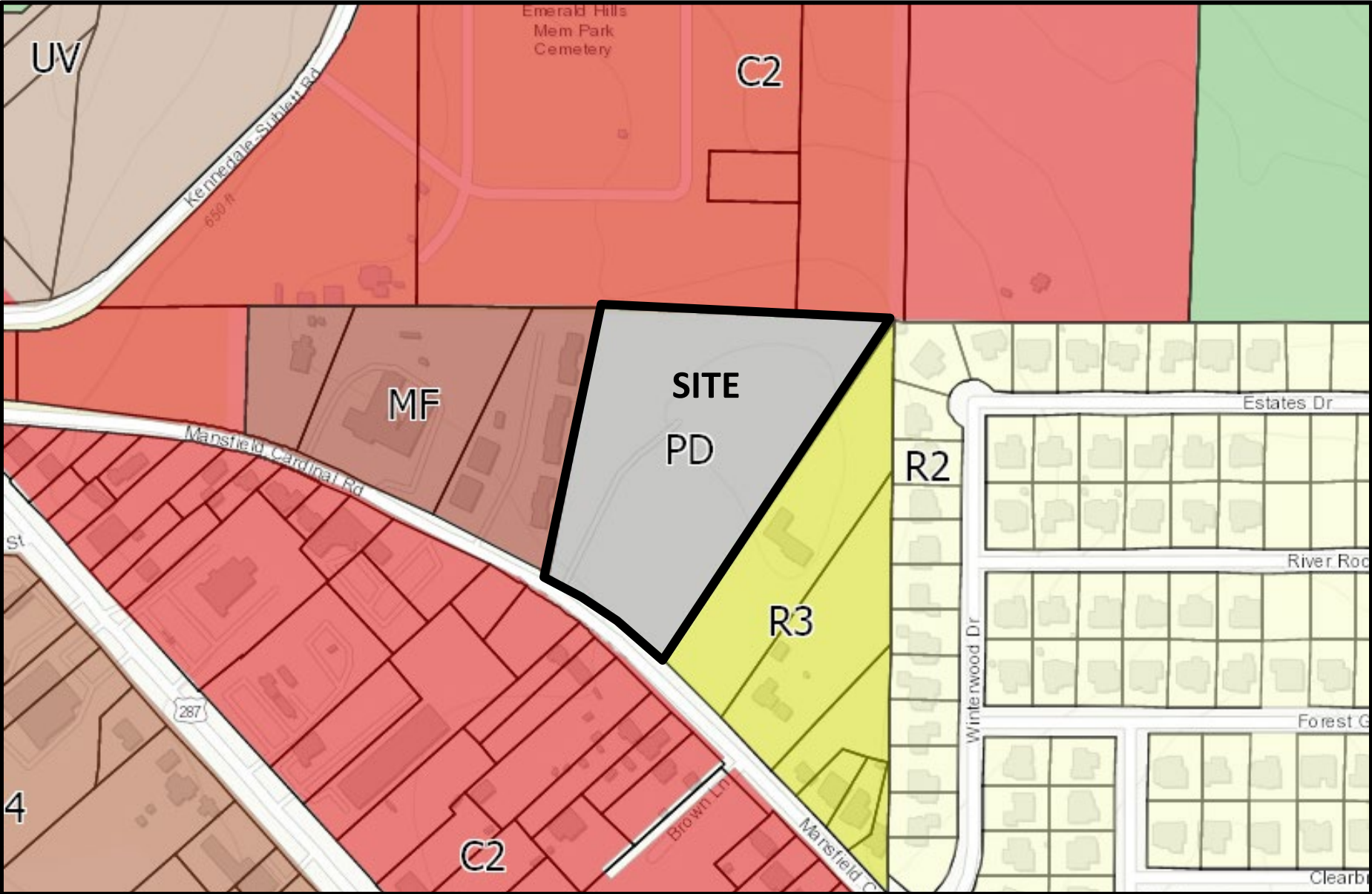


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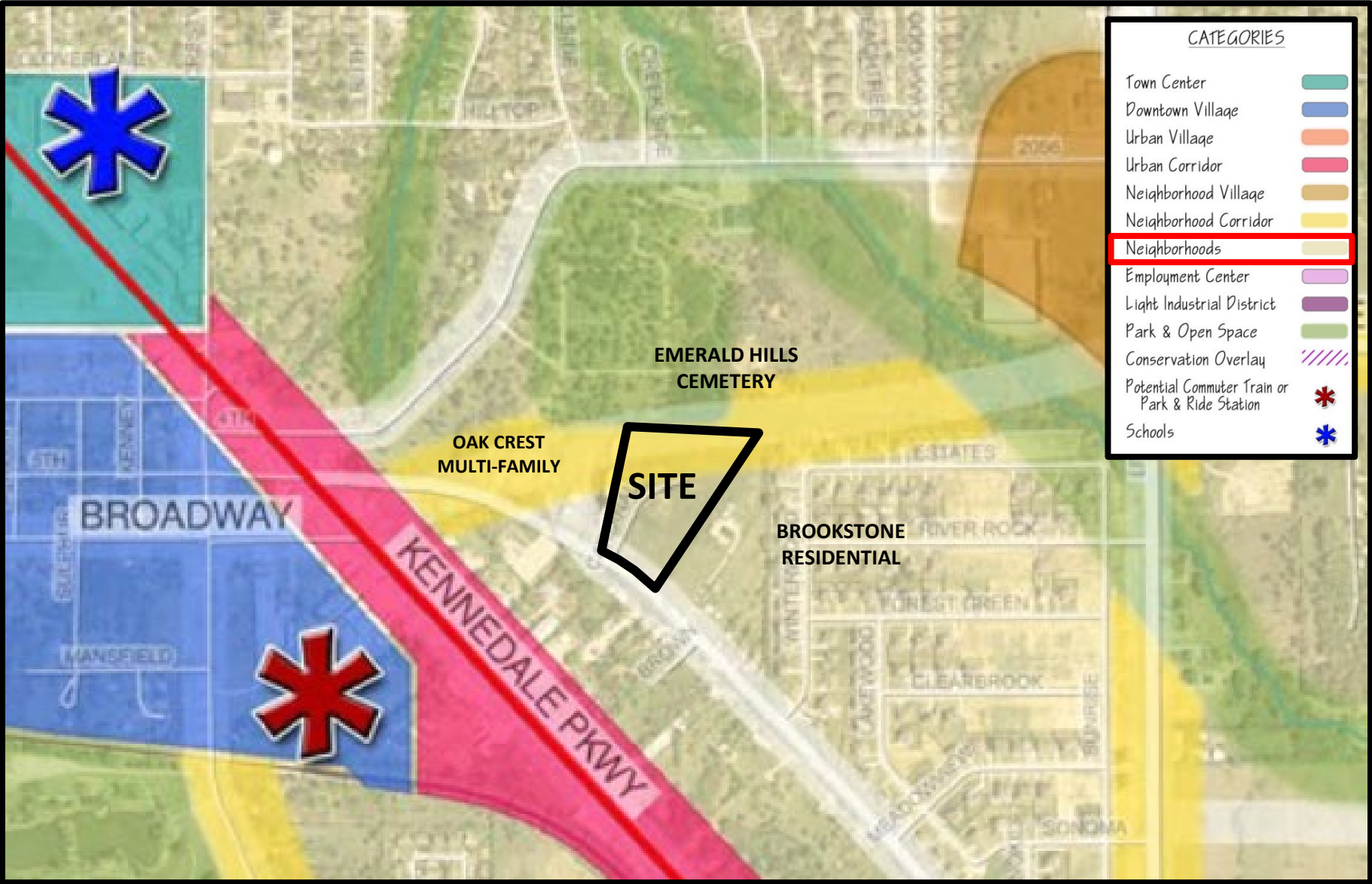


439 MANSFIELD CARDINAL RD.  
ZONING MAP





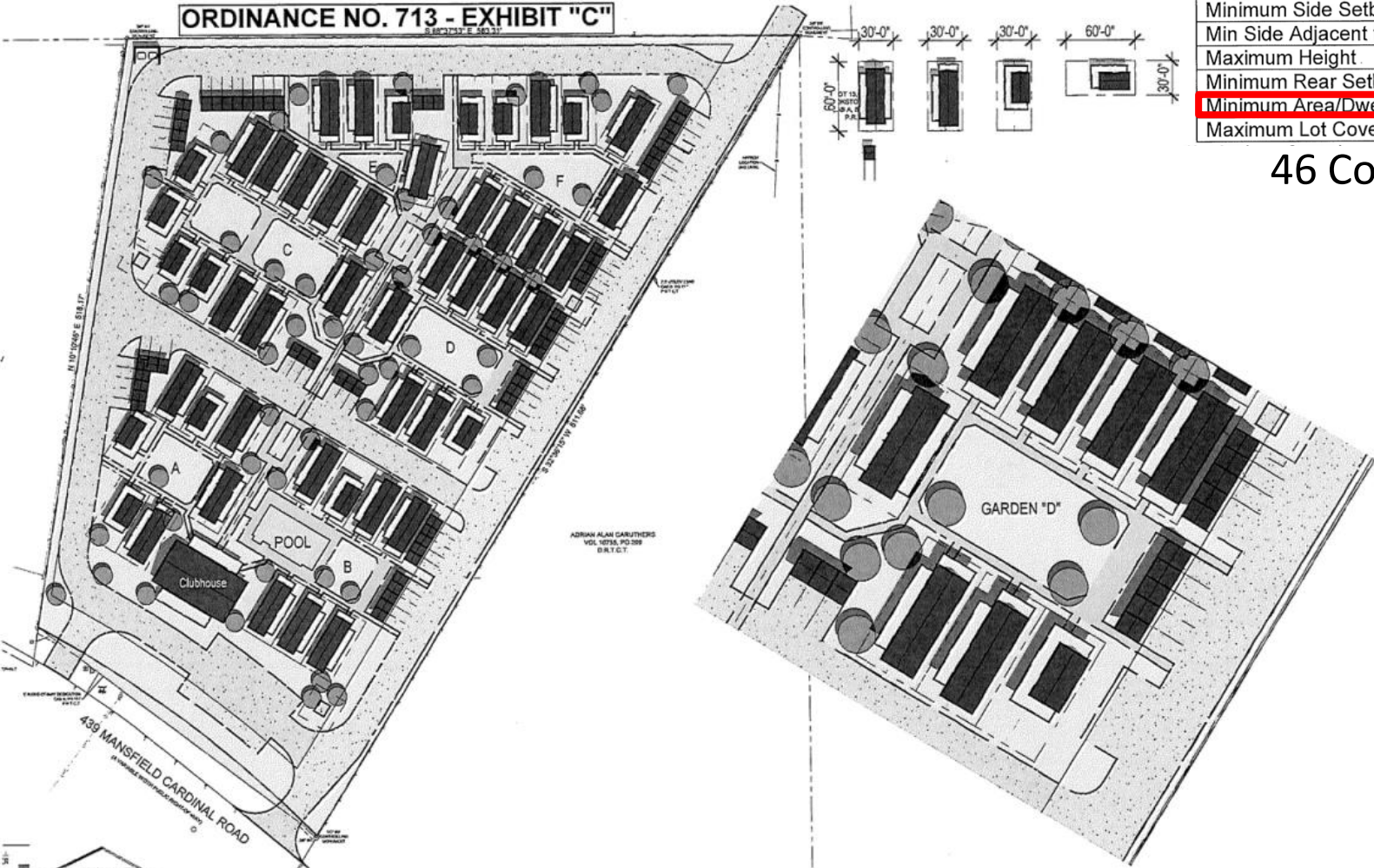
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439 MANSFIELD CARDINAL RD.



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Requested change *is compatible*

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Staff Recommendation:

Approve

September 8, 2022, Planning & Zoning Commission approved *Unanimously*



## ACTION BY THE CITY COUNCIL

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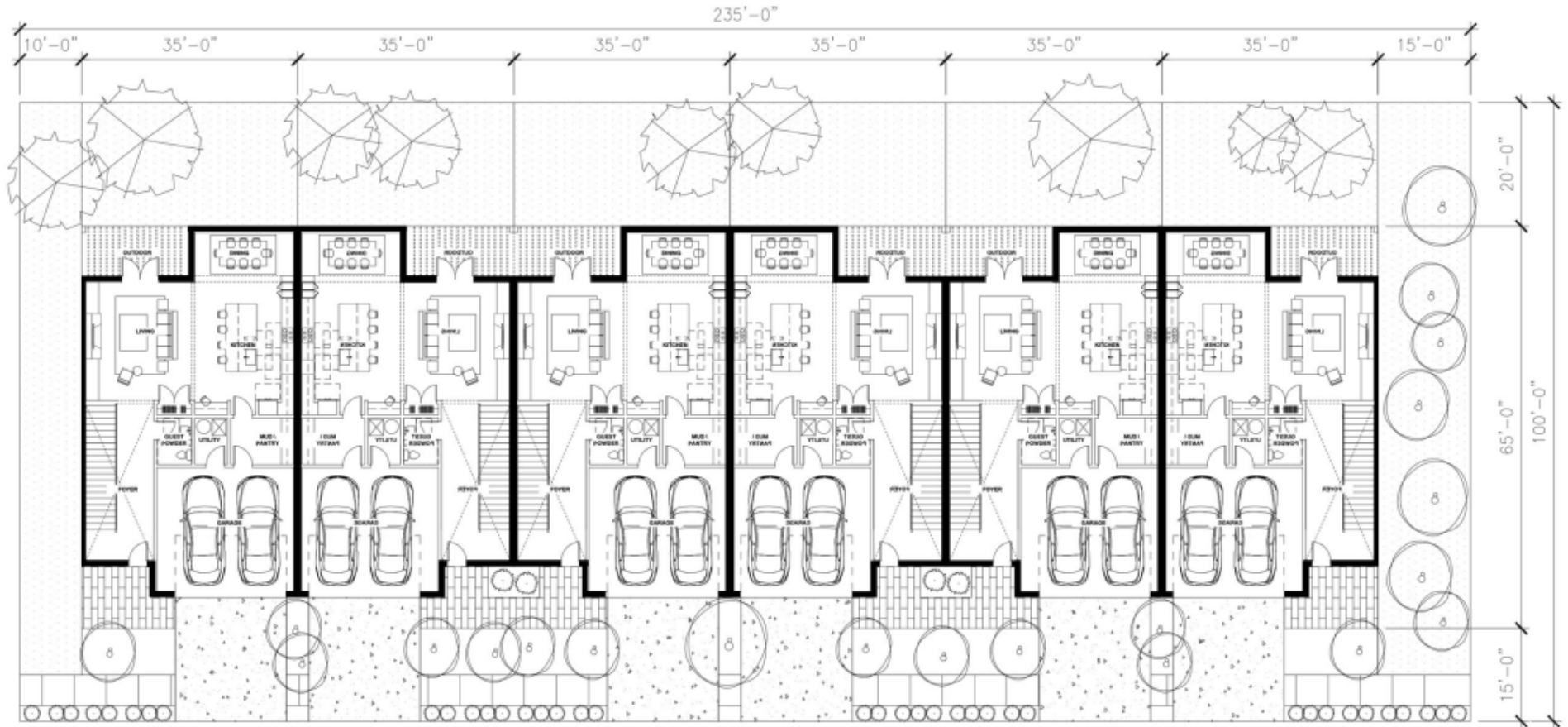
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**439 MANSFIELD CARDINAL RD.**



KENNEDALE

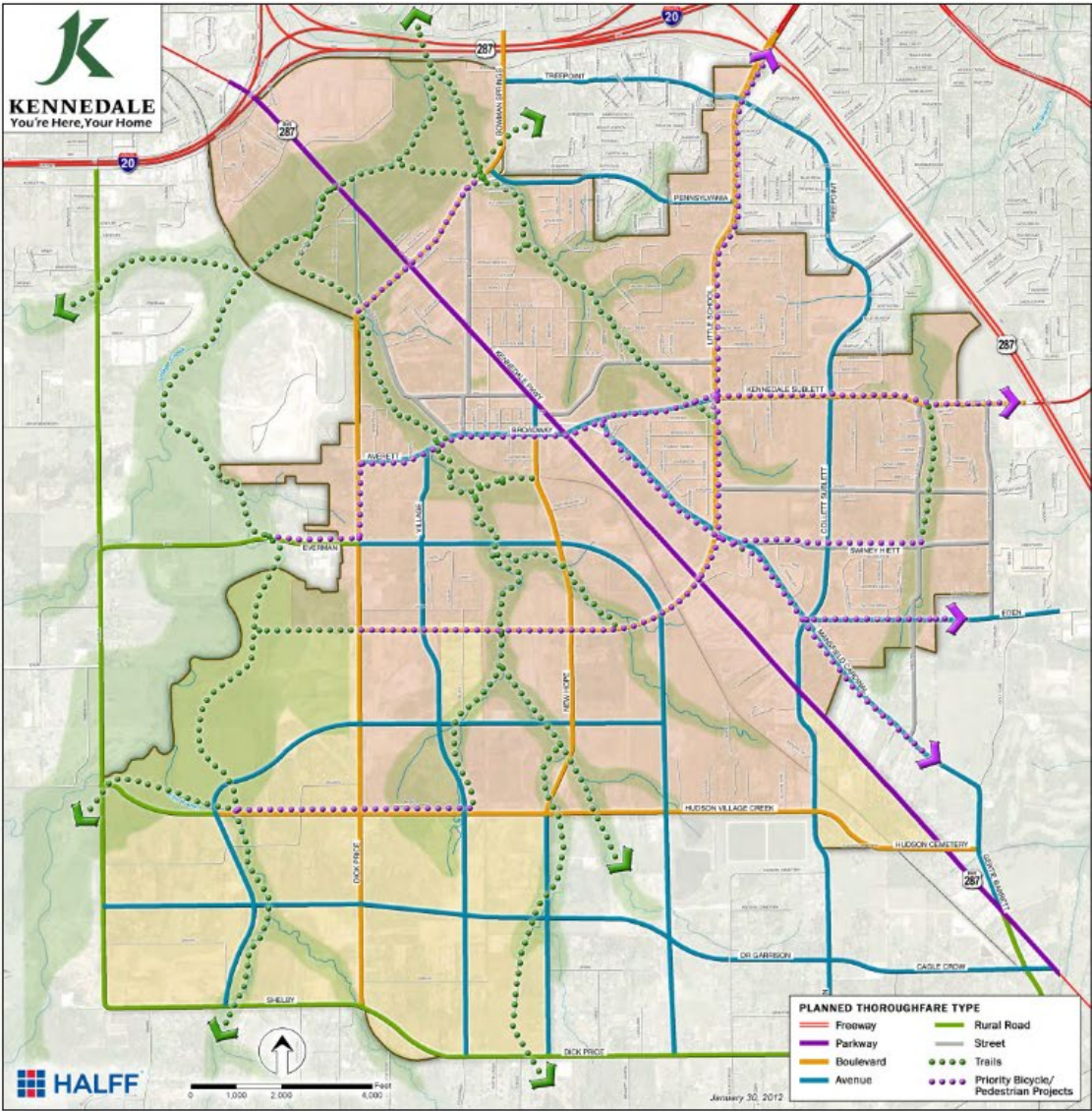
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# 439 MANSFIELD CARDINAL RD.



FUTURE TRANSPORTATION PLAN



2012  
COMPREHENSIVE  
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