



KENNEDALE CITY COUNCIL AGENDA
REGULAR MEETING | AUGUST 20, 2024 AT 5:30 PM
CITY COUNCIL CHAMBERS | 405 MUNICIPAL DR, KENNEDALE, TX 76060

I. CALL TO ORDER

A. ROLL CALL

B. 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."

II. PRESENTATIONS

A. Brinson Benefits update on the 2024-2025 Employee Benefit Package

III. PUBLIC COMMENT

The Kennedale City Council welcomes comments from the public. Those wishing to speak must sign in prior to the start of the meeting. Speakers may speak on any topic, whether on the agenda or not. The Kennedale City Council cannot act upon, discuss issues raised or make any decisions at this time. Speakers under citizens' comments shall observe a three-minute time limit. Inquiries regarding matters not listed on this agenda may be referred to staff for research and/or possible future action by the board.

IV. PUBLIC HEARINGS

- A. To receive public comment on the proposed Comprehensive Plan for the City of Kennedale.
- B. To receive public comment on the fiscal year 2024-2025, City of Kennedale Budget.
- C. To receive public comment on a tax rate of \$0.706190 per \$100 valuation proposed by the governing body of the City of Kennedale, with a maintenance and operation rate of \$0.510974, and an Interest and Sinking Rate (debt rate) of \$0.195216.

V. REGULAR SESSION

A. 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 the City of Kennedale Mayor and City Council.
- 2. Updates from the City of Kennedale City Manager.

3. Financial Reports for the City and/or the EDC.

B. 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. July 8, 2024, City Council Special Meeting and Budget Workshop Minutes.
2. July 15, 2024, City Council Special Meeting Minutes.
3. 2024/2025 Interlocal Agreement (ILA) renewal with the City of Ft. Worth for rabies control and use of the City of Ft. Worth Animal Shelter.
4. An ordinance of the City Council of the City of Kennedale, Texas, approving a negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the company's 2024 rate review mechanism filing.
5. Amended and Restated Interlocal Agreement for Water and Wastewater Operations and Maintenance between the City of Arlington and the City of Kennedale.

C. ITEMS FOR INDIVIDUAL CONSIDERATION, DISCUSSION AND/OR ACTION

1. Discuss and take action on an ordinance authorizing the issuance, sale and delivery of up to \$11,000,000 in principal amount of "combination tax and revenue certificates of obligation, series 2024"; securing the payment thereof by authorizing the levy of an annual ad valorem tax and a pledge of certain surplus revenues of the city's municipal waterworks and sewer system; and approving and authorizing all other instruments and procedures related thereto
2. Discuss and take action on an ordinance authorizing the issuance of up to \$3,000,000 in principal amount of "general obligation bonds, series 2024," levying a continuing direct annual ad valorem tax for the payment of the bonds; prescribing the form, terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the bonds; and enacting other provisions incident and related to the subject and purpose of the ordinance
3. Discussion on a proposed Comprehensive Plan for the City of Kennedale as recommended by the Planning and Zoning Commission.
4. Discuss and take action on the Mayor's Veto received on July 22, 2024, Vetoing action taken by the City Council on July 15, 2024, authorizing the City Manager to move forward with the Little School Rd. Extension Project Design and to approve the Design Project of Kennedale Sublett Rd.
5. Discussion on the City of Kennedale Commercial Business Licenses process.

6. Discuss and take action on approval of the Oak Hill Addition Channel Cleaning.
7. Discuss and take action on a Resolution of the City Council of the City of Kennedale, Texas, adopting rules governing public comments and public hearing comments at all City Council, Board, Commission, and Committee Meetings.
8. Discuss and hold a Roll Call Vote to take action on an ordinance of the city of Kennedale, Texas, adopting the budget for the fiscal year beginning October 1, 2024, and ending September 30, 2025; appropriating resources for each department, project, operation, activity, purchase, account and other expenditures; providing for emergency expenditures and expenditures as allowed by applicable state law; providing for the filing and posting of the budget as required by state law; providing a severability clause; and providing an effective date.
9. Discuss and take action on the ratification of the property tax for Fiscal Year 2024.
10. Discuss and hold a Roll Call Vote to take action on an ordinance of the city of Kennedale, Texas, levying municipal ad valorem taxes for use and support of the municipal government of the city of Kennedale, Texas, for the 2024-2025 fiscal year at the rate of \$0.706190 per one hundred dollars (\$100.00), and for each year thereafter until otherwise provided, on all taxable property within the corporate limits of the city of Kennedale; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid; approving the tax rolls; providing a severability clause; repealing conflicting ordinances; providing a savings clause; and providing an effective date.

VI. EXECUTIVE SESSION

IN ACCORDANCE WITH CHAPTER 551 OF THE TEXAS GOVERNMENT CODE. If, during the course of the meeting and discussion of any items covered by this notice, the Kennedale City Council determines that a Closed or Executive session of the Board is required, then such closed meeting will be held as authorized by Texas Government Code, Chapter 551, Section 551.071 consultation with counsel on legal matters; Section 551.074 personnel matters (1) to deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or (2) to hear a complaint or charge against an officer or employee. (b) Subsection (a) does not apply if the officer or employee who is the subject of the deliberation or hearing requests a public hearing. Section 551.072 - deliberation regarding purchase, exchange, lease or value of real property; Section 551.073 - deliberation regarding a prospective gift; Section 551.087 - deliberation regarding economic development negotiation; Section 551.089 - deliberation regarding security devices or security audits, and/or other matters as authorized under the Texas Government Code. If a Closed or Executive Session is held in accordance with the Texas Government Code as set out above, the Kennedale City Council will reconvene in Open Session in order to take action, if necessary, on the items addressed during Executive Session.

- A. Pursuant to the Open Meetings Act, Chapter 551, Section 551.071 of the Texas Government Code, the Council may convene into executive session at any time during the meeting if a need rises for the City Council to seek advice from the City Attorney concerning any item on this agenda, to discuss pending and contemplated litigation, or a settlement offer, or to discuss a matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of

Professional Conduct of the State Board of Texas clearly conflicts with Chapter 551.

1. Review of Complaint
2. City Council, Boards and Commissions Social Media Policies
3. 400 N. Little School Rd. – Sewer Backup

VII. RECONVENE INTO OPEN SESSION, AND TAKE ANY ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION

VIII. ADJOURNMENT



BOBBIE JO TAYLOR,
CITY SECRETARY

CERTIFICATION: I DO HEREBY CERTIFY THAT THE AUGUST 20, 2024 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.

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.

A QUORUM OF THE KENNEDALE EDC, THE KENNEDALE PLANNING AND ZONING COMMISSION, BOARD OF ADJUSTMENT, KEEP KENNEDALE BEAUTIFUL COMMISSION, PARKS AND RECREATION BOARD, BUILDING BOARD OF APPEALS, TOWNCENTER DEVELOPMENT DISTRICT, OR TAX INCREMENT REINVESTMENT DISTRICT MAY BE PRESENT. NO ACTION WILL BE TAKEN BY THE ABOVE-LISTED BOARDS.

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: II A

SUBJECT
PRESENTATIONS.

A. Brinson Benefits update on the 2024-2025 Employee Benefit Package.

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: IV.

SUBJECT

PUBLIC HEARINGS.

- A. To receive public comment on the proposed Comprehensive Plan for the City of Kennedale.
- B. To receive public comment on the fiscal year 2024-2025, City of Kennedale Budget.
- C. To receive public comment on a tax rate of \$0.706190 per \$100 valuation proposed by the governing body of the City of Kennedale, with a maintenance and operation rate of \$0.510974, and an Interest and Sinking Rate (debt rate) of \$0.195216

STAFF REPORT
TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM V.A.

SUBJECT
REPORTS AND ANNOUNCEMENTS

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM V.A.2.

SUBJECT

Updates from the City of Kennedale City Manager.

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS

STAFF REPORT
TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: REPORTS AND ANNOUNCEMENTS ITEM V.A.3.

SUBJECT
Financial Reports for the City and/or the EDC.

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS

1.	10 July 2024 Overview and Detail	10 July 2024 Overview and Detail.pdf
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**CITY OF KENNEDALE
MONTHLY FINANCIAL REPORT
Month Ended July 31, 2024
EXECUTIVE OVERVIEW**

TO Mayor and Members of City Council
Darrell Hull, City Manager

FROM Jon Horton, Finance Director

DATE August 20, 2024

SUBJECT Monthly Financial Report for July 2024

Below is an overview of the monthly financial results for the current fiscal year through July. Detail schedules for each fund are attached for your review.

Results through July represent 83.33% of the fiscal year.

GENERAL FUND (01)

- ♦ Property tax revenues received year-to-date \$6,085,186; 101.7% of total budget; prior year receipts through July were 99.4% of total
- ♦ Sales tax revenues received year-to-date \$1,461,186; 73.4% of total budget; receipts from the State are two months delayed; i.e. October sales taxes are received in December; November in January, etc.
- ♦ Prior year Sales Tax receipts through July were \$1,409,061; 63.5% of receipts
- ♦ General Fund expenditures year-to-date \$8,058,601 ; 77.6% of total budget
- ♦ Fund Balance year-to-date is \$4,806,876; 166 days of total budgeted expenditures and transfers out; revenues are ahead of spending for the fiscal year therefore fund balance is more than the projected fund balance for year-end of \$3,024,332 or 104 days of total budgeted expenditures and transfers out

WATER/SEWER FUND (10)

- ♦ Water service sales year-to-date \$2,224,459; 77.4% of budget
- ♦ Sewer service sales year-to-date \$1,437,393; 83.9% of budget
- ♦ Utility Billing and Operations expenditures year-to-date \$3,600,626; 99.4% of total budget
- ♦ Working Capital year-to-date is \$ 17,584,573; 494 days of total budgeted expenditures and transfers out; budgeted Days of Working Capital at year-end is 266 days

STORMWATER FUND (07)

- ♦ Drainage fees year-to-date \$231,511; 85.7% of budget
- ♦ Stormwater Fund expenditures year-to-date \$190,214; 88.2% of total budget
- ♦ Working Capital year-to-date is \$838,959; 1,420 days of total budgeted expenditures and transfers out; budgeted Days of Working Capital at year-end is 1,399 days

EDC FUND (15)

- ♦ Sales tax revenues received year-to-date \$486,780; 79.3% of total budget; receipts from the State are two months delayed; i.e. October sales taxes are received in December; November in January, etc.
- ♦ Prior year Sales Tax receipts through July were \$441,240; 71.9% of total receipts
- ♦ Rental fees for the Shopping Center year-to-date \$275,116; 88.5% of total budget
- ♦ EDC Operations expenditures year-to-date \$634,223; 88.8% of total budget; includes \$19,969 for annual Christmas event
- ♦ EDC Town Shopping Center expenditures year-to-date \$147,864; 43.7% of total budget
- ♦ Fund Balance year-to-date is \$2,212,347; 567 days of total budgeted expenditures and transfers out; budgeted Fund Balance at year-end is 478 days

CITY OF KENNEDALE MONTHLY FINANCIAL REPORT
Month Ended July 31, 2024

GENERAL FUND (01)									
Fund / Description	PRIOR YEAR FY2023				CURRENT YEAR FY2024				
	Actual for Year	Current Month	Year To Date	% Received/ Expended YTD	Approved Budget	Current Month	Year To Date	% Received/ Expended YTD	Remaining Budget
GENERAL FUND REVENUES									
Property Taxes	\$ 5,777,979	\$ 50,326	\$ 5,741,541	99.4%	\$ 5,980,866	\$ 57,611	\$ 6,085,186	101.7%	\$ (104,320)
Sales Taxes	2,218,382	172,989	1,409,061	63.5%	1,991,717	167,645	1,461,189	73.4%	530,528
Grants and Contributions	135,199	35,231	106,930	79.1%	-	-	-	0.0%	-
Licenses and Permits	281,185	34,423	242,628	86.3%	449,884	34,415	317,887	70.7%	131,997
Fines and Fees	232,568	24,089	184,837	79.5%	215,000	47,390	302,319	140.6%	(87,319)
Charges for Services	251,275	22,896	186,704	74.3%	225,000	51,933	255,356	113.5%	(30,356)
Intergovernmental	220,794	12,500	113,170	51.3%	165,000	16,113	108,253	65.6%	56,747
All Other Revenues	256,078	18,938	161,846	63.2%	154,999	30,135	288,446	186.1%	(133,447)
Total General Fund Revenues	9,373,461	371,393	8,146,718	86.9%	9,182,466	405,241	8,818,637	96.0%	363,829
GENERAL FUND EXPENDITURES									
City Manager - Dept 01	330,992	24,390	262,629	79.3%	366,952	22,504	270,361	73.7%	96,591
Mayor/Council - Dept 02	151,730	24,100	104,184	68.7%	187,100	812	150,798	80.6%	36,302
City Secretary - Dept 03	162,093	13,123	111,448	68.8%	194,147	18,194	118,615	61.1%	75,532
Municipal Court - Dept 04	181,028	25,220	147,536	81.5%	242,974	21,512	180,841	74.4%	62,133
Human Resources - Dept 05	163,243	13,694	131,146	80.3%	224,532	19,251	151,008	67.3%	73,524
Finance - Dept 07	466,574	37,778	378,710	81.2%	606,846	40,310	434,630	71.6%	172,216
Police - Dept 09	3,472,227	333,934	2,750,645	79.2%	3,606,007	348,991	2,980,518	82.7%	625,489
Fire - Dept 10	2,673,744	201,664	2,143,116	80.2%	2,961,998	215,366	2,230,267	75.3%	731,731
Community Development - Dept 12	617,476	42,045	456,154	73.9%	687,928	27,923	455,270	66.2%	232,658
Senior Citizen Center - Dept 16	48,584	3,785	34,684	71.4%	53,172	6,562	35,840	67.4%	17,332
Library - Dept 17	393,462	31,271	304,780	77.5%	501,153	30,818	344,293	68.7%	156,860
Communications - Dept 18	-	-	-	0.0%	26,100	234	2,509	9.6%	23,591
Non Departmental - Dept 90	544,203	38,438	492,785	90.6%	725,194	30,621	703,650	97.0%	21,544
Total General Fund Expenditures	9,205,355	789,441	7,317,816	79.5%	10,384,103	783,099	8,058,601	77.6%	2,325,502
Revenues Over (Under) Expenditures	168,105	(418,048)	828,901		(1,201,637)	(377,858)	760,036		
Transfers In	1,193,374	99,448	994,478	83.3%	1,263,732	105,311	1,053,110	83.3%	210,622
Transfers (Out)	(391,090)	(10,000)	(257,883)	65.9%	(188,958)	(15,747)	(157,465)	83.3%	(31,493)
Net Change in Fund Balance	970,389	(328,600)	1,565,497		(126,863)	(288,293)	1,655,681		
Beginning Fund Balance - October 1	2,180,806		2,180,806		3,151,195		3,151,195		
Ending Fund Balance - year-to-date	\$ 3,151,195		\$ 3,746,303		\$ 3,024,332		\$ 4,806,876		
Average Daily Annual Expenditures	\$ 26,292				\$ 28,967				
Days of Fund Balance	120		142		104		166		

CITY OF KENNEDALE MONTHLY FINANCIAL REPORT
Month Ended July 31, 2024

UTILITY FUNDS									
Fund / Description	PRIOR YEAR FY2023				CURRENT YEAR FY2024				
	Actual for Year	Current Month	Year To Date	% Received/ Expended YTD	Approved Budget	Current Month	Year To Date	% Received/ Expended YTD	Remaining Budget
Stormwater Utility Fund (07)									
Stormwater Utility Fund Revenues	\$ 315,324	\$ 25,637	\$ 252,450	80.1%	\$ 272,850	\$ 27,516	\$ 259,769	95.2%	\$ 13,081
Stormwater Utility Fund Expenditures	222,314	15,727	168,561	75.8%	215,655	24,540	190,214	88.2%	25,441
Revenues Over (Under) Expenditures	93,010	9,911	83,890		57,195	2,976	69,555		
Beginning Fund Balance - October 1	676,394		676,394		769,404		769,404		
Ending Fund Balance - year-to-date	<u>\$ 769,404</u>		<u>\$ 760,284</u>		<u>\$ 826,599</u>		<u>\$ 838,959</u>		
Average Daily Annual Expenditures	\$ 609				\$ 591				
Days of Fund Balance	1263		1248		1399		1420		
Water/Sewer Fund (10)									
W/S Fund Revenues and Bond Funds	\$ 20,409,510	\$ 597,245	\$ 4,148,959	20.3%	\$ 5,022,628	\$ 735,076	\$ 4,776,162	95.1%	\$ 246,466
Water/Sewer Fund Expenditures									
Utility Billing - Dept 01	2,073,319	500,782	1,438,953	69.4%	1,450,700	387,247	1,762,993	121.5%	(312,293)
Operations - Dept 02	1,756,471	163,801	1,701,601	96.9%	2,172,320	183,296	1,837,633	84.6%	334,687
Debt Service - Dept 03	466,301	17,687	293,930	63.0%	295,312	-	283,012	95.8%	12,300
Capital Projects - Dept 04	-	105,764	246,613	100.0%	8,315,000	-	124,072	1.5%	8,190,928
Non Departmental - Dept 90	1,363,044	56,867	645,598	47.4%	757,450	58,210	602,334	79.5%	155,116
Total Water/Sewer Fund Expenditures	5,659,136	844,900	4,326,694	76.5%	12,990,782	628,752	4,610,043	35.5%	8,380,739
Revenues Over (Under) Expenditures	14,750,375	(247,655)	(177,736)		(7,968,154)	106,323	166,119		
Transfers In	187,525	15,627	156,271	83.3%	187,525	15,627	156,271	83.3%	31,254
Net Change in Fund Balance	14,937,900	(232,028)	(21,465)		(7,780,629)	121,950	322,390		
Beginning Fund Balance - October 1	2,324,284		2,324,284		17,262,184		17,262,184		
Ending Fund Balance - year-to-date	<u>\$ 17,262,184</u>		<u>\$ 2,302,819</u>		<u>\$ 9,481,555</u>		<u>\$ 17,584,573</u>		
Average Daily Annual Expenditures	\$ 15,504				\$ 35,591				
Days of Fund Balance	1113		149		266		494		
Water Impact Fee Fund (61)									
Water Impact Fund Revenues	\$ 18,848	\$ 424	\$ 15,700	83.3%	\$ 58,752	\$ 1,849	\$ 17,648	30.0%	\$ 41,104
Water Impact Fund Expenditures	0	-	-	0.0%	-	-	-	0.0%	-
Revenues Over (Under) Expenditures	18,848	424	15,700		58,752	1,849	17,648		
Transfers (Out)	(30,000)	(2,500)	(25,000)	83.3%	(30,000)	(2,500)	(25,000)	83.3%	(5,000)
Net Change in Fund Balance	(11,152)	(2,076)	(9,300)		28,752	(651)	(7,352)		
Beginning Fund Balance - October 1	109,672		109,672		98,520		98,520		
Ending Fund Balance - year-to-date	<u>\$ 98,520</u>		<u>\$ 100,372</u>		<u>\$ 127,272</u>		<u>\$ 91,168</u>		
Sewer Impact Fee Fund (62)									
Fund 62 Sewer Impact Fund Revenues	\$ 19,289	\$ 636	\$ 14,945	77.5%	\$ 111,348	\$ 2,466	\$ 21,468	19.3%	\$ 89,880
Fund 62 Sewer Impact Fund Expenditures	-	-	-	0.0%	-	-	-	0.0%	-
Revenues Over (Under) Expenditures	19,289	636	14,945		111,348	2,466	21,468		
Transfers (Out)	(60,000)	(5,000)	(50,000)	83.3%	(60,000)	(5,000)	(50,000)	83.3%	(10,000)
Net Change in Fund Balance	(40,712)	(4,364)	(35,055)		51,348	(2,534)	(28,532)		
Beginning Fund Balance - October 1	184,924		184,924		144,213		144,213		
Ending Fund Balance - year-to-date	<u>\$ 144,213</u>		<u>\$ 149,869</u>		<u>\$ 195,561</u>		<u>\$ 115,681</u>		

CITY OF KENNEDALE MONTHLY FINANCIAL REPORT
Month Ended July 31, 2024

DEBT SERVICE FUND (02)									
Fund / Description	PRIOR YEAR FY2023				CURRENT YEAR FY2024				
	Actual for Year	Current Month	Year To Date	% Received/ Expended YTD	Approved Budget	Current Month	Year To Date	% Received/ Expended YTD	Remaining Budget
Debt Service Fund Revenues	\$ 1,723,284	\$ 14,784	\$ 1,407,458	81.7%	\$ 2,683,268	\$ 26,788	\$ 2,487,658	92.7%	\$ 195,610
Debt Service Fund Expenditures	1,863,100	109,725	1,671,772	89.7%	2,564,324	457,251	2,556,503	99.7%	7,821
Revenues Over (Under) Expenditures	(139,815)	(94,941)	(264,314)		118,944	(430,463)	(68,846)		
Beginning Fund Balance - October 1	838,142		838,142		698,327		698,327		
Ending Fund Balance - year-to-date	698,327		573,828		817,271		629,481		

CITY OF KENNEDALE MONTHLY FINANCIAL REPORT
Month Ended July 31, 2024

CAPITAL PROJECT FUNDS									
Fund / Description	PRIOR YEAR FY2023				CURRENT YEAR FY2024				
	Actual for Year	Current Month	Year To Date	% Received/ Expended YTD	Approved Budget	Current Month	Year To Date	% Received/ Expended YTD	Remaining Budget
Capital Projects Fund (04)									
Capital Projects Fund Revenues	\$ 120,531	\$ 990	\$ 62,633	52.0%	\$ 95,700	\$ 29,192	\$ 118,084	123.4%	\$ (22,384)
Capital Projects Fund Expenditures	-	-	-	0.0%	-	-	-	0.0%	-
Revenues Over (Under) Expenditures	120,531	990	62,633		95,700	29,192	118,084		
Transfers (Out)	(104,800)	-	-	0.0%	(108,055)	-	(104,475)	96.7%	(3,580)
Net Change in Fund Balance	15,731	990	62,633		(12,355)	29,192	13,609		
Beginning Fund Balance - October 1	174,591		174,591		190,322		190,322		
Ending Fund Balance - year-to-date	<u>\$ 190,322</u>		<u>\$ 237,224</u>		<u>\$ 177,967</u>		<u>\$ 203,932</u>		
Capital Bond Fund (13)									
Capital Bond Fund Revenues	\$ 2,806,125	\$ 26,577	\$ 178,599	6.4%	\$ 173,250	\$ 40,554	\$ 310,773	179.4%	\$ (137,523)
Capital Bond Fund Expenditures	2,059,022	133,127	1,922,173	93.4%	6,768,295	79,164	1,585,670	23.4%	5,182,625
Revenues Over (Under) Expenditures	747,104	(106,549)	(1,743,574)		(6,595,045)	(38,610)	(1,274,897)		
Beginning Fund Balance - October 1	8,057,939		8,057,939		8,805,043		8,805,043		
Ending Fund Balance - year-to-date	<u>\$ 8,805,043</u>		<u>\$ 6,314,365</u>		<u>\$ 2,209,998</u>		<u>\$ 7,530,145</u>		
Park Dedication Fund (14)									
Park Dedication Fund Revenues	\$ 36,806	\$ 4,167	\$ 28,533	77.5%	\$ 27,000	\$ 2,740	\$ 29,783	110.3%	\$ (2,783)
Park Dedication Fund Expenditures	177,820	33,666	33,666	18.9%	45,000	-	301,083	669.1%	(256,083)
Revenues Over (Under) Expenditures	(141,014)	(29,498)	(5,132)		(18,000)	2,740	(271,300)		
Beginning Fund Balance - October 1	699,736		699,736		558,722		558,722		
Ending Fund Balance - year-to-date	<u>\$ 558,722</u>		<u>\$ 694,604</u>		<u>\$ 540,722</u>		<u>\$ 287,422</u>		
Library Building Fund (32)									
Library Building Fund Revenues	\$ 215	\$ 21	\$ 209	97.2%	\$ 202	\$ 50	\$ 382	189.2%	\$ (180)
Library Building Fund Expenditures	0	-	-	0.0%	0	-	-	0.0%	0
Revenues Over (Under) Expenditures	215	21	209		202	50	382		
Beginning Fund Balance - October 1	(1,868)		(1,868)		(1,653)		(1,653)		
Ending Fund Balance - year-to-date	<u>\$ (1,653)</u>		<u>\$ (1,659)</u>		<u>\$ (1,451)</u>		<u>\$ (1,271)</u>		
Roadway Impact Fee Fund (45)									
Roadway Impact Fee Fund Revenues	\$ 53,675	\$ 3,871	\$ 45,783	85.3%	\$ 141,695	\$ 89,834	\$ 125,719	88.7%	\$ 15,976
Roadway Impact Fee Fund Exp	-	-	-	0.0%	-	-	192,723	0.0%	(192,723)
Revenues Over (Under) Expenditures	53,675	3,871	45,783		141,695	89,834	(67,004)		
Transfers (Out)	(107,525)	(8,960)	(89,604)	83.3%	(107,525)	(8,960)	(89,604)	83.3%	(17,921)
Net Change in Fund Balance	(53,850)	(5,090)	(43,821)		34,170	80,874	(156,608)		
Beginning Fund Balance - October 1	623,604		623,604		569,754		569,754		
Ending Fund Balance - year-to-date	<u>\$ 569,754</u>		<u>\$ 579,783</u>		<u>\$ 603,924</u>		<u>\$ 413,146</u>		

CITY OF KENNEDALE MONTHLY FINANCIAL REPORT
Month Ended July 31, 2024

SPECIAL REVENUE FUNDS									
Fund / Description	PRIOR YEAR FY2023				CURRENT YEAR FY2024				
	Actual for Year	Current Month	Year To Date	% Received/ Expended YTD	Approved Budget	Current Month	Year To Date	% Received/ Expended YTD	Remaining Budget
TIF #1 New Hope Fund (21)									
TIF #1 New Hope Fund Revenues	\$ 79,265	\$ 36,123	\$ 38,369	48.4%	\$ 72,406	\$ 83,185	\$ 90,831	125.4%	\$ (18,425)
TIF #1 New Hope Fund Expenditures	48,848	17,762	29,654	0.0%	378,229	2,715	94,084	0.0%	284,145
Revenues Over (Under) Expenditures	\$ 30,417	18,361	\$ 8,715		\$ (305,823)	80,470	\$ (3,253)		
Transfers In	167,883	833	166,216	99.0%	170,000	833	201,048	118.3%	(31,048)
Net Change in Fund Balance	198,300	19,194	174,931		(135,823)	81,303	197,795		
Beginning Fund Balance - October 1	(21,022)		(21,022)		177,278		177,278		
Ending Fund Balance - year-to-date	\$ 177,278		\$ 153,909		\$ 41,455		\$ 375,073		
Hotel/Motel Tax Fund (30)									
Hotel/Motel Tax Fund Revenues	\$ 38,749	\$ 7,478	\$ 27,425	70.8%	\$ 25,000	\$ 17,111	\$ 31,954	127.8%	\$ (6,954)
Hotel/Motel Tax Fund Expenditures	13,258	3,414	14,274	107.7%	12,000	10,758	16,863	140.5%	(4,863)
Revenues Over (Under) Expenditures	\$ 25,491	4,065	\$ 13,151		\$ 13,000	6,353	\$ 15,090		
Beginning Fund Balance - October 1	41,927		41,927		67,418		67,418		
Ending Fund Balance - year-to-date	\$ 67,418		\$ 55,078		\$ 80,418		\$ 82,508		
Police Seizure Fund (31)									
Police Seizure Fund Revenues	\$ 125	\$ 16	\$ 92	73.3%	\$ 80	\$ 21	\$ 142	177.5%	\$ (62)
Police Seizure Fund Expenditures	-	-	-	0.0%	3,810	-	-	0.0%	3,810
Revenues Over (Under) Expenditures	\$ 125	16	\$ 92		\$ (3,730)	21	\$ 142		
Beginning Fund Balance - October 1	3,650		3,650		3,775		3,775		
Ending Fund Balance - year-to-date	\$ 3,775		\$ 3,742		\$ 45		\$ 3,917		
LEOSE Fund (34)									
LEOSE Fund Revenues	\$ 1,438	\$ 4	\$ 1,431	99.5%	\$ 1,421	\$ 23	\$ 3,791	266.8%	\$ (2,370)
LEOSE Fund Expenditures	1,590	-	1,590	100.0%	1,500	-	410	27.3%	1,090
Revenues Over (Under) Expenditures	\$ (152)	4	\$ (159)		\$ (79)	23	\$ 3,381		
Beginning Fund Balance - October 1	1,002		1,002		850		850		
Ending Fund Balance - year-to-date	\$ 850		\$ 843		\$ 771		\$ 4,231		
Disaster Recovery Fund (35)									
Disaster Recovery Fund Revenues	\$ 254,371	\$ 7,841	\$ 47,116	18.5%	\$ 1,991,000	\$ 10,264	\$ 70,165	3.5%	\$ 1,920,835
Disaster Recovery Fund Expenditures	191,642	6,355	191,642	100.0%	2,039,300	(6,941)	40,820	2.0%	1,998,480
Revenues Over (Under) Expenditures	\$ 62,729	1,486	\$ (144,527)		\$ (48,300)	17,205	\$ 29,345		
Beginning Fund Balance - October 1	7,300		7,300		70,029		70,029		
Ending Fund Balance - year-to-date	\$ 70,029		\$ (137,227)		\$ 21,729		\$ 99,374		

CITY OF KENNEDALE MONTHLY FINANCIAL REPORT
Month Ended July 31, 2024

OTHER FUNDS									
Fund / Description	PRIOR YEAR FY2023				CURRENT YEAR FY2024				
	Actual for Year	Current Month	Year To Date	% Received/ Expended YTD	Approved Budget	Current Month	Year To Date	% Received/ Expended YTD	Remaining Budget
Capital Replacement Fund (05)									
Capital Replacement Fund Revenues	\$ 361,296	\$ 13,748	\$ 199,161	55.1%	\$ 166,850	\$ 30,543	\$ 178,083	106.7%	\$ (11,233)
Capital Replacement Fund Expenditures	261,511	20,452	108,543	41.5%	97,103	6,960	81,681	84.1%	15,422
Revenues Over (Under) Expenditures	99,784	(6,705)	90,617		69,747	23,582	96,402		
Beginning Fund Balance - October 1	(399,257)		(399,257)		(299,473)		(299,473)		
Ending Fund Balance - year-to-date	<u>\$ (299,473)</u>		<u>\$ (308,640)</u>		<u>\$ (229,726)</u>		<u>\$ (203,071)</u>		
Court Security Fund (12)									
Court Security Fund Revenues	\$ 5,398	\$ 699	\$ 3,781	70.0%	\$ 3,850	\$ 1,213	\$ 8,314	215.9%	\$ (4,464)
Court Security Fund Expenditures	5,092	-	4,494	0.0%	10,000	-	245	2.5%	9,755
Revenues Over (Under) Expenditures	305	699	(713)		(6,150)	1,213	8,069		
Beginning Fund Balance - October 1	29,358		29,358		29,663		29,663		
Ending Fund Balance - year-to-date	<u>\$ 29,663</u>		<u>\$ 28,645</u>		<u>\$ 23,513</u>		<u>\$ 37,732</u>		
Court Technology Fund (16)									
Court Technology Fund Revenues	\$ 5,185	\$ 569	\$ 4,092	78.9%	\$ 4,050	\$ 923	\$ 6,391	157.8%	\$ (2,341)
Court Technology Fund Expenditures	8,828	-	107	1.2%	10,000	-	2,431	24.3%	7,569
Revenues Over (Under) Expenditures	(3,643)	569	3,985		(5,950)	923	3,960		
Beginning Fund Balance - October 1	17,769		17,769		14,126		14,126		
Ending Fund Balance - year-to-date	<u>\$ 14,126</u>		<u>\$ 21,754</u>		<u>\$ 8,176</u>		<u>\$ 18,086</u>		
Street Improvement Fund (17)									
Street Improvement Fund Revenues	\$ 815,474	\$ -	\$ 637,440	78.2%	\$ 857,010	\$ 28,682	\$ 574,395	67.0%	\$ 282,615
Street Improvement Fund Expenditures	847,876	-	580,081	68.4%	1,186,498	98,757.37	858,572	72.4%	327,926
Revenues Over (Under) Expenditures	(32,402)	-	57,359		(329,488)	(70,075)	(284,177)		
Transfers In	112,248	-	84,186	75.0%	191,998	16,000	159,998	83.3%	32,000
Transfers (Out)	(151,797)	-	(113,848)	75.0%	(155,235)	(12,936)	(129,363)	83.3%	(25,873)
Net Change in Fund Balance	(71,951)	-	27,697		(292,725)	(67,011)	(253,541)		
Beginning Fund Balance - October 1	384,656		384,656		312,705		312,705		
Ending Fund Balance - year-to-date	<u>\$ 312,705</u>		<u>\$ 412,353</u>		<u>\$ 19,980</u>		<u>\$ 59,164</u>		
Local Youth Diversion Fund (18)									
Juvenile Case Manager Fund Revenues	\$ 560	\$ 55	\$ 473	84.6%	\$ 490	\$ 55	\$ 413	84.3%	\$ 77
Juvenile Case Manager Fund Exp	-	-	-	0.0%	7,000	-	-	0.0%	7,000
Revenues Over (Under) Expenditures	560	55	473		(6,510)	55	413		
Beginning Fund Balance - October 1	8,623		8,623		9,183		9,183		
Ending Fund Balance - year-to-date	<u>\$ 9,183</u>		<u>\$ 9,096</u>		<u>\$ 2,673</u>		<u>\$ 9,596</u>		
Park Recovery/Donation Fund (41)									
Park Rec/Donation Fund Revenues	\$ 5,336	\$ 4,237	\$ 4,851	90.9%	\$ 5,625	\$ 247	\$ 36,291	645.2%	\$ (30,666)
Park Rec/Donation Fund Expenditures	7,604	(439)	(81)	-1.1%	7,853	-	7,752	98.7%	101
Revenues Over (Under) Expenditures	(2,268)	4,676	4,931		(2,228)	247	28,539		
Beginning Fund Balance - October 1	(67)		(67)		(2,335)		(2,335)		
Ending Fund Balance - year-to-date	<u>\$ (2,335)</u>		<u>\$ 4,864</u>		<u>\$ (4,563)</u>		<u>\$ 26,204</u>		

CITY OF KENNEDALE MONTHLY FINANCIAL REPORT
Month Ended July 31, 2024

OTHER FUNDS - <i>continued</i>									
Fund / Description	PRIOR YEAR FY2023				CURRENT YEAR FY2024				
	Actual for Year	Current Month	Year To Date	% Received/ Expended YTD	Approved Budget	Current Month	Year To Date	% Received/ Expended YTD	Remaining Budget
Grant Fund Fund (40)									
Grant Fund Revenues				N/A	\$ 675,000	\$ 1,000	\$ 55,958	8.3%	\$ 619,042
Grant Fund Expenditures				N/A	675,000	80,380	625,490	92.7%	49,510
Revenues Over (Under) Expenditures	-	-	-		-	(79,380)	(569,532)		
Beginning Fund Balance - October 1	-		-		-		-		
Ending Fund Balance - <i>year-to-date</i>	<u>\$ -</u>		<u>\$ -</u>		<u>\$ -</u>		<u>\$ (569,532)</u>		
Tree Restoration Fund (83)									
Tree Restoration Fund Revenues	\$ 7,429	\$ 298	\$ 6,796	91.5%	\$ 6,550	\$ 438	\$ 2,727	41.6%	\$ 3,823
Tree Restoration Fund Expenditures	-	-	-	0.0%	-	-	-	0.0%	-
Revenues Over (Under) Expenditures	7,429	298	6,796		6,550	438	2,727		
Beginning Fund Balance - October 1	71,535		71,535		78,964		78,964		
Ending Fund Balance - <i>year-to-date</i>	<u>\$ 78,964</u>		<u>\$ 78,331</u>		<u>\$ 85,514</u>		<u>\$ 81,691</u>		
Unclaimed Property Fund (85)									
Unclaimed Property Fund Revenues	\$ 18	\$ -	\$ 18	100.0%	\$ 20	\$ -	\$ -	0.0%	\$ 20
Unclaimed Property Fund Expenditures	-	-	-	0.0%	-	-	-	0.0%	-
Revenues Over (Under) Expenditures	18	-	18		20	-	-		
Transfers (Out)	0	-	-	0.0%	0	-	-	0.0%	0
Net Change in Fund Balance	18	-	18		20	-	-		
Beginning Fund Balance - October 1	316		316		334		334		
Ending Fund Balance - <i>year-to-date</i>	<u>\$ 334</u>		<u>\$ 334</u>		<u>\$ 354</u>		<u>\$ 334</u>		

CITY OF KENNEDALE MONTHLY FINANCIAL REPORT
Month Ended July 31, 2024

EDC FUNDS									
Fund / Description	PRIOR YEAR FY2023				CURRENT YEAR FY2024				
	Actual for Year	Current Month	Year To Date	% Received/ Expended YTD	Approved Budget	Current Month	Year To Date	% Received/ Expended YTD	Remaining Budget
EDC Fund (15)									
EDC Fund Revenues	\$ 1,178,119	\$ 90,998	\$ 776,557	65.9%	\$ 1,093,807	\$ 95,055	\$ 1,155,045	105.6%	\$ (61,238)
EDC Fund Expenditures									
Operations Expenditures	560,637	34,846	423,532	75.5%	714,406	71,732	634,223	88.8%	80,183
Debt Service Expenditures	301,233	5,139	292,570	97.1%	309,200	5,160	301,898	97.6%	7,302
Town Shopping Center Expenditures	73,091	4,865	62,223	85.1%	338,461	7,813	147,864	43.7%	190,597
Total EDC Fund Expenditures	934,961	44,849	778,325	83.2%	1,362,067	84,704	1,083,985	79.6%	278,082
Revenues Over (Under) Expenditures	243,158	46,149	(1,768)		(268,260)	10,351	71,060		
Transfers (Out)	(56,124)	(4,677)	(46,770)	83.3%	(61,520)	(5,127)	(51,267)	83.3%	(10,253)
Net Change in Fund Balance	187,034	41,472	(48,538)		(329,780)	5,224	19,793		
Beginning Fund Balance - October 1	2,005,520		2,005,520		2,192,554		2,192,554		
Ending Fund Balance - year-to-date	\$ 2,192,554		\$ 1,956,982		\$ 1,862,774		\$ 2,212,347		
Average Daily Annual Expenditures	\$ 2,715				\$ 3,900				
Days of Fund Balance	807		721		478		567		
EDC Bond Reserve Fund (95)									
EDC Bond Reserve Fund Revenues	\$ 4,350	\$ 542	\$ 3,194	73.4%	\$ 2,800	\$ 729	\$ 4,924	175.9%	\$ (2,124)
EDC Bond Reserve Fund Expenditures	0	-	-	0.0%	0	-	-	0.0%	0
Revenues Over (Under) Expenditures	4,350	542	3,194		2,800	729	4,924		
Beginning Fund Balance - October 1	126,575		126,575		130,925		130,925		
Ending Fund Balance - year-to-date	\$ 130,925		\$ 129,769		\$ 133,725		\$ 135,849		

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM V. B.

SUBJECT

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. July 8, 2024, City Council Special Meeting and Budget Workshop Minutes.
2. July 15, 2024, City Council Special Meeting Minutes.
3. 2024/2025 Interlocal Agreement (ILA) renewal with the City of Ft. Worth for rabies control and use of the City of Ft. Worth Animal Shelter.
4. An ordinance of the City Council of the City of Kennedale, Texas, approving a negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the company's 2024 rate review mechanism filing.
5. Amended and Restated Interlocal Agreement for Water and Wastewater Operations and Maintenance between the City of Arlington and the City of Kennedale.

ORIGINATED BY

City Staff

SUMMARY

The consent agenda requires little or no deliberation. The Council may choose to remove an item from the consent agenda listing to a discussion item.

RECOMMENDATION

Approval of the consent agenda.

KENNEDALE CITY COUNCIL MINUTES

SPECIAL MEETING | JULY 8, 2024 AT 5:30 PM

CITY HALL COUNCIL CHAMBERS | 405 MUNICIPAL DRIVE, KENNEDALE, TX 76060

I. CALL TO ORDER

Mayor Horton called the meeting to order at 5:30 p.m.

A. ROLL CALL

Mayor Horton, Mayor Pro Tem Michels, Place 1 Glover, Place 2 Kobeck, Place 4 Gary, and Place 5 Nevarez were in attendance, thus constituting a quorum.

The City Manager, City Secretary, department directors, and various other staff were also present.

B. 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."

Place 5 Nevarez led the invocation, followed by the reciting of the American and Texas flags led by Mayor Pro Tem Michels

II. PUBLIC COMMENT

The Kennedale City Council welcomes comments from the public. Those wishing to speak must sign in prior to the start of the meeting. Speakers may speak on any topic, whether on the agenda or not. The Kennedale City Council cannot act upon, discuss issues raised or make any decisions at this time. Speakers under citizens' comments shall observe a three-minute time limit. Inquiries regarding matters not listed on this agenda may be referred to staff for research and/or possible future action by the board.

Daniel Bennett, Tarrant Appraisal Review Board, addressed the Council at this time to explain the review board appointments and challenged the Council to nominate three people to serve on the board.

III. WORKSHOP

A. Review of the Preliminary Fiscal Year 2024-2025 Budget.

City Manager Hull began the discussions on the preliminary budget requesting that the Council understand that the certified property appraisals had not been received and are not expected until the week of the 25th, which is the deadline for the county to certify the rolls per state law.

Finance Director Horton began an overview of the preliminary budget which included updates of all departments as well as holding discussion with staff and the City Council. Mr. Horton explained that the staff was planning to recommend adoption of the De Minimis Tax Rate. Mr. Horton advised that all numbers in the presented preliminary budget are dependent on the certified tax roll and are subject to changes until the roll has been certified by the county. The Council proceeded

with discussions reviewing each individual department.

I. General Fund

- A. City Manager Budget - The Council discussed potentially adding a Economic Development Director. Mr. Horton explained that this employee would be 100% funded by the Economic Development Corporation.
- B. Mayor and Council Budget - No comments from the Council
- C. City Secretary Budget - No comments from the Council
- D. Municipal Court Budget - Municipal Court Administrator Bertha Vindel advised that activity in the court has increased and requested that an additional court clerk be added to the court staff. Ms. Vindel requested that the employee start April 1, 2025. The consensus of the Council was that the clerk is needed as soon as practical and suggested that the start date be changed to October 1, 2024.
- E. Human Resources Budget - No comments from the Council
- F. Finance Budget - Mr. Horton explained the increase in services in audit funds, appraisal district charges, and Tarrant County tax collection costs. Mr. Horton requested that the City Council consider hiring a Grant Writer which will focus on public works infrastructure and playground equipment.
- G. Police Department Budget - Finance Director Horton explained the step increase salary incentive that is being presented in the preliminary budget. The Police Department has also requested that the Animal Control truck be replaced. Chief Holguin explained that he did not expect any delays on the truck compared to the delays that are currently happening on Police and Fire Vehicles. Discussion regarding the Drone that was donated to the department was held by the Council. Chief Holguin explained that the department will follow drone permitting licensing as well as FAA Policies.
- H. Fire Department Budget - Finance Director Horton explained the step increase salary incentive being proposed for the Fire Department. Interim Fire Chief Brian King requested that a new employee position be added to the Fire Department Budget for a Fire Captain.
- I. Community Development Budget -Community Development Director Nathan Gonzales requested a Code Enforcement Officer be added as a new position. Mr. Gonzales advised that the department would be able to split duties between building inspections and code enforcement, which would be a cost savings to the city.
- J. Senior Center Budget - Director Horton explained the need of \$45,000.00 as a capital request for replacement of the floor and painting the interior of the building.
- K. Library Budget - Library and Communications Director Elizabeth Partridge explained the request to convert one part-time employee to a full-time employee. Ms. Partridge also addressed moving staff offices into the community room and thereby creating more space for the rest of the building to be used for library purposes. Ms. Partridge explained a shelving upgrade in which the library has been invited to submit the costs of the shelving project to be paid for by grant funding.
- L. Communications Budget - No comments from the Council.

- M. Public Works Budget - Mr. Horton advised that moving forward the fund would be shown and categorized the same as the rest of the departments of the city. The Council discussed franchise fees, and infrastructure fees.
- N. Non-Departmental Budget - Director Horton advised that staff is requesting \$15,000.00 to bring off-site storage of records back to city hall which would then be converted into digital records.

II. Utility Funds

- A. Director Horton advised that administrative charges have increased.
- B. Director of Public Works Kristian Sugrim reviewed projects with the Council including a project to upsize the sewer line in the Hillside Addition. Mr. Sugrim advised that the upsize of the line would correct the existing bottleneck and constant backups in the addition. Mr. Sugrim continued discussions with the Council which included expansion of storage in the public works area to be able to shelter materials. Mr. Sugrim advised that the slab for the cover is currently in place. The Council and Mr. Sugrim discussed the need to replace the existing 3 ton HVAC unit in the Public Works Service Center followed by the requested funding for roadway improvements.

City Manager Hull gave an update to the City Council regarding the bond projects including the Little School Rd project, and the Sublett Rd. realignment. Mr. Hull explained that he would be coming to the City Council at the next regular meeting to receive direction from the regarding potential street infrastructure projects. The Council continued discussions with Mr. Hull speaking on potential projects in which could possibly be funded by bond projects.

IV. EXECUTIVE SESSION

IN ACCORDANCE WITH CHAPTER 551 OF THE TEXAS GOVERNMENT CODE. If, during the course of the meeting and discussion of any items covered by this notice, the Kennedale City Council determines that a Closed or Executive session of the Board is required, then such closed meeting will be held as authorized by Texas Government Code, Chapter 551, Section 551.071 consultation with counsel on legal matters; Section 551.072 - deliberation regarding purchase, exchange, lease or value of real property; Section 551.073 - deliberation regarding a prospective gift; Section 551.087 - deliberation regarding economic development negotiation; Section 551.089 - deliberation regarding security devices or security audits, and/or other matters as authorized under the Texas Government Code. If a Closed or Executive Session is held in accordance with the Texas Government Code as set out above, the Kennedale City Council will reconvene in Open Session in order to take action, if necessary, on the items addressed during Executive Session.

No Executive Session was held at this meeting.

V. RECONVENE INTO OPEN SESSION, AND TAKE ANY ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION

VI. ADJOURNMENT

Place 4 Gary motioned to adjourn the meeting.

Place 2 Kobeck seconded the motion.

There being no further business, the Mayor adjourned the meeting at 9:31 p.m.

APPROVED:

ATTEST:

MAYOR BRAD HORTON

CITY SECRETARY BOBBIE JO TAYLOR

KENNEDALE CITY COUNCIL MINUTES

SPECIAL MEETING | JULY 15, 2024 AT 5:30 PM

CITY HALL COUNCIL CHAMBERS | 405 MUNICIPAL DRIVE, KENNEDALE, TX 76060

I. CALL TO ORDER

Mayor Horton called the meeting to order at 5:28 p.m.

A. ROLL CALL

Mayor Horton, Mayor Pro Tem Michels, Place 1 Glover, Place 2 Kobeck, Place 4 Gary, and Place 5 Nevarez were in attendance, thus constituting a quorum.

The City Manager, City Secretary, department directors, and various other staff were also present.

B. 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."

Place 5 Nevarez led the invocation, followed by the reciting of the American and Texas flags led by Mayor Pro Tem Michels.

II. PRESENTATIONS

A. Proclamation and Resolution honoring Mr. Evan Krum for receiving the Presidential Volunteer Gold Award for Community Service.

Daryle Perez, representing State Representative David Cook's office, and Mayor Horton, presented a Proclamation and Resolution honoring Mr. Evan Krum for receiving the Presidential Volunteer Gold Award for Community Service.

B. Proclamation and Resolution honoring Mr. Joshua Dees for receiving the Presidential Volunteer Bronze Award for Community Service.

Daryle Perez, representing State Representative David Cook's office, and Mayor Horton, presented a Proclamation and Resolution honoring Mr. Joshua Dees for receiving the Presidential Volunteer Bronze Award for Community Service.

C. Joe Don Bobbitt, Chief Appraiser and Executive Director of Tarrant Appraisal District, introduction to City Council.

Mr. Joe Don Bobbitt, Chief Appraiser and Executive Director of Tarrant Appraisal District introduced himself to the City Council and gave an overview of the role of the appraisal district and the upcoming certification of the appraisal roll due to the

city on July 25th.

III. PUBLIC COMMENT

The Kennedale City Council welcomes comments from the public. Those wishing to speak must sign in prior to the start of the meeting. Speakers may speak on any topic, whether on the agenda or not. The Kennedale City Council cannot act upon, discuss issues raised or make any decisions at this time. Speakers under citizens' comments shall observe a three-minute time limit. Inquiries regarding matters not listed on this agenda may be referred to staff for research and/or possible future action by the board.

No comments at this time.

IV. REGULAR SESSION

A. 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 the City of Kennedale Mayor and City Council

The City Council and Mayor gave updates on items of public interest, including the BBQ Showdown, Coffee with the Mayor, the Meet and Greet with Council and Citizens, Library Summer Reading Events, and training that was attended during the month of June.

2. Updates from the City of Kennedale City Manager

No comments were made.

3. Financial Reports for the City and/or the EDC

Finance Director Jonathan Horton reviewed City financials with the Council.

a. Quarterly Investment Report

Finance Director Horton presented and reviewed with the Council the Quarterly Investment Report.

B. CONSENT AGENDA

1. June 18, 2024, City Council Meeting Minutes
2. June 25, 2024, City Council Special Meeting Minutes
3. Appointment of Dustin Verona to Place 5 of the Economic Development Corporation.
4. Appointment of Linda Rhodes to Place 4 of the Board of Adjustment.
5. Appointment of Pat Vader to Chair of the Board of Adjustment.

Mayor Pro Tem Michels motioned to approve all consent agenda items.

Place 5 Nevarez seconded the motion.

No oppositions, No abstentions

Vote: The motion carried unanimously: 5-0

C. **ITEMS FOR INDIVIDUAL CONSIDERATION, DISCUSSION AND/OR ACTION**

1. Discuss and consider action to approve proposed new water and wastewater rates as presented in the 2024 Water and Wastewater Rate Study and Financial Forecast.

Jason Grey with Willdan, a consultant group who studied and reviewed the water and wastewater rates, presented the City Council with a Water and Wastewater Study and Financial Forecast. Mr. Grey noted that currently the General Fund is subsidizing the water and wastewater funds as the rates which are being charged by the city do not cover the maintenance and operations of the utility departments. Mr. Grey recommended that the City Council adopt the water rates as presented in the study.

Place 1 Glover motioned to approve the 2024 Water and Wastewater Rates as presented.

Place 5 Nevarez seconded the motion.

Place 2 Kobeck and Place 4 Gary opposed, No abstentions

Vote: The motion carried: 3-2

2. Discussion and update regarding Business Occupation Licenses.

Community Development Director Nathan Gonzales updated the status of the Business Occupation Licenses to the City Council. Mr. Gonzales advised that a business permit is required in the city under the Code of Ordinances, and that the permit is essentially the same as a business license that requires annual registration and the payment of a fee listed on the adopted fee schedule. Mr. Gonzales stated that staff had reviewed the existing ordinance and has found that a repeal would not negatively impact the department, city, or the ordinances.

The Council discussed the possibility of repealing the ordinance requiring a permit for the occupation licenses. The consensus of the Council was that Mr. Gonzales brings back options for approval at the next Regular Scheduled City Council Meeting.

3. Discussion and update on an Analysis of Kennedale Streets.

Director of Public Works Kristian Sugrim presented the Council with an analysis of Kennedale Streets and a log of the street condition which were included within the City Council packet. Mr. Sugrim advised that, based on our recent street network survey, roughly 13% of the network is in poor condition. Mr. Sugrim stated that the

staff is recommending rehabilitation of Swiney Hiatt Rd. within the limits of Mansfield Cardinal Rd. and Joplin Rd., Eden Rd. from Kennedale Parkway to Hudson Village Creek Rd., and New Hope Rd. from the Rail Road tracks to Hudson Village Creek Rd.

The Council was concerned that Peggy Lane was not listed as poor on the street log and requested that rankings of the streets be made with a set of criteria so that they could better review the most needed repairs in Kennedale. The City Council asked that the City Manager resend the documentation in email format, analyzing all the details so that the item could be revisited in the future.

4. Update and Discussion on the 2023 Bond Issuance progress of Basin B sewer line, ground storage tank, generators, and street infrastructure.

Director of Public Works Kristian Sugrim gave an overview of the 2023 Bond Issuance progress. Mr. Sugrim advised On June 6, 2023, the Kennedale City Council approved an engineering services agreement with Freese and Nichols, Inc. for the design of the northwest sector (Basin B) sanitary sewer interceptor project. It was noted that this upgrade will help alleviate collection system capacity issues, and that the project would satisfy system upgrade obligations with the City of Arlington.

Mr. Sugrim continued by updating the Council on the ground storage water tank, located at 751 Caruthers Ln. to a 0.75MG tank. He advised that a request for proposals had been advertised, received, reviewed, and a selection was made. Mr. Sugrim added that in June 2024, an official letter of intent was provided to Texas Aquastore and that he anticipates the tank being in operation by early summer 2025.

5. Update and Discussion on the 2024 Bond Issuance for the remodeling of public safety buildings, parks and recreation facilities, and water/sewer, streets, or other utility infrastructure projects.

City Manager Darrell Hull updated the Council on the 2024 Bond Issuance. Mr. Hull advised that the Public Safety, and Park and Recreation Facilities portion of the bond funding has been allocated. Mr. Hull requested direction from the City Council for 2.6 million of potential funding remaining on the voter approved bond.

The City Council and Mr. Hull discussed potential options including funding the Little School Rd. project. Mr. Hull recommended using bond funding to complete the engineering and design portion of the project costing an estimated 1 million, of which Tarrant County would reimburse at 50%. The engineering design phase of the Kennedale Sublett redesign was also recommended as a project by the City Manager. Mr. Hull advised the design of this project is 100% reimbursed by Tarrant County.

6. Discuss and consider action on the Tarrant County 2021 Transportation Bond Program Countywide Initiative to include Kennedale Sublett Rd. Improvements.

City Manager Hull and the City Council continued discussing the bond options that were placed on the agenda. The Council was advised that the funding from the Tarrant County 2021 Transportation Bond Program would require City Council action prior to September 2024.

The Council continued discussion with city staff relating to the expense of the projects, reimbursement of the projects, timelines, and design.

Place 1 Glover motioned to authorize the City Manager to move forward with the Little Rd. Extension Project Design and to approve the Design Project of Kennedale Sublett Rd.

Place 5 Nevarez seconded the motion.

Place 2 Kobeck and Place 4 Gary opposed, No abstentions

Vote: The motion carried: 3-2

7. Discuss and consider a lease agreement with the YMCA for 205 W. Kennedale Parkway.

City Manager Darrell Hull presented a lease agreement to the City Council for the YMCA. Mr. Hull advised that City Management and Legal Staff have reviewed the proposed Lease agreement, which is a standard agreement in which the YMCA will pay \$400.00 per month over a period of three (3) years. Mr. Hull stated that the YMCA will provide property insurance and will have all utilities in their name of business.

Mayor Pro Tem Michels motioned to approve the lease agreement for the YMCA.

Place 1 Glover seconded the motion.

No oppositions, No abstentions

Vote: The motion carried unanimously: 5-0

V. EXECUTIVE SESSION

No Executive Session was held at this meeting.

VI. RECONVENE INTO OPEN SESSION, AND TAKE ANY ACTION NECESSARY PURSUANT TO EXECUTIVE SESSION

VII. ADJOURNMENT

Mayor Pro Tem Michels motioned to adjourn the meeting.

Place 5 Nevarez seconded the motion.

There being no further business the Mayor adjourned the meeting at 8:48 p.m.

APPROVED:

ATTEST:

MAYOR BRAD HORTON

CITY SECRETARY BOBBIE JO TAYLOR

STAFF REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM V.B.3.

SUBJECT

2024/2025 Interlocal Agreement (ILA) renewal with the City of Ft. Worth for rabies control and use of the City of Ft. Worth Animal Shelter.

ORIGINATED BY

Mike Hogue

SUMMARY

The City of Kennedale currently contracts with the City of Fort Worth for animal control services reference Chapter 791 of the Texas Government Code and Chapter 826 of the Texas Health and Safety Code- The Rabies Control Act of 1981.

Costs charged to the City are included in the contract renewal (not to exceed \$510.08 per animal for impoundment; and not to exceed \$250.00 for rabies specimens). The renewal term begins on October 1, 2024, and ends on September 30, 2025, but can be canceled with 30 days' written notice by either party.

This is a scheduled and agreed upon service fee increase per the original ILA for Rabies Control signed on September 19, 2023 (also attached- CSC No. 60226).

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

RECOMMENDATION

Approve

ATTACHMENTS

1.	Contract Renewal Notice FTW Rabies Control ILA FY24-25 and Copy of CSC-60226	Contract Renewal Notice FTW Rabies Control ILA FY24-25 and Copy of CSC-60226.pdf
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**CITY OF FORT WORTH
CONTRACT RENEWAL NOTICE**

July 17, 2024

City of Kennedale
Attn: Chief Mike Holguin
401 Municipal Dr.
Kennedale, Texas 76060

Re: Contract Renewal Notice

Contract No. CSC No. 60226 (the "Contract")

Renewal Term No. R1: October 1, 2024 to September 30, 2025

The above referenced Contract with the City of Fort Worth expires on September 30, 2024 (the "Expiration Date"). Pursuant to Section 3 of the Contract, contract renewals are at the mutual agreement of the parties. This letter is to inform you that the City is requesting to renew the Contract for an additional one (1) year period, which will begin immediately after the Expiration Date and which will expire on September 30, 2025. All other terms and conditions of the Contract remain unchanged. As a reminder, per the Schedule of Fees, the flat rate of animal service calls will increase from \$495.22 to \$510.08 during the first renewal term.

To agree to renew the Contract for an additional one (1) year period, please sign and return this request to exercise renewal option, along with a copy of your current insurance certificate, to address set forth below.

Please log onto PeopleSoft Purchasing at <http://fortworthtexas.gov/purchasing> to insure that your company information is correct and up-to-date.

If you have any questions concerning this Contract Renewal Notice, please contact me at the telephone number listed below.

Sincerely,

Christopher Lirette
5000 Martin Luther King Blvd.
Fort Worth, Texas 76119
PH# 817-392-7084

ACCEPTED AND AGREED:

CITY OF FORT WORTH By: _____ Name: Valerie R. Washington Title: Assistant City Manager APPROVAL RECOMMENDED: By: _____ Name: Christopher McAllister Title: Asst. Code Compliance Director ATTEST: By: _____ Name: Jannette Goodall Title: City Secretary	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: Superintendent Code Compliance APPROVED AS TO FORM AND LEGALITY: By: _____ Name: Samuel Angel Title: Assistant City Attorney CONTRACT AUTHORIZATION: M&C: 23-0483 Date Approved: June 13, 2023 Form 1295 Certification No.: ____N/A____
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Date: _____, ____
By: _____ Name: Brad Horton Title: Mayor

STATE OF TEXAS

§

COUNTY OF TARRANT

§

§

**INTERLOCAL AGREEMENT FOR RABIES CONTROL
CITY OF KENNEDALE**

THIS AGREEMENT is made and entered into by and between the City of Fort Worth, a home-rule municipal corporation situated in Tarrant, Denton, Parker, Johnson and Wise Counties, Texas, acting by and through its duly authorized Assistant City Manager (hereinafter referred to as "City"), and the City of Kennedale, Texas, a home rule city located in Tarrant County, Texas, acting by and through its duly authorized Mayor (hereinafter referred to as "Kennedale").

WHEREAS, Chapter 791 of the Texas Government Code authorizes the formulation of interlocal cooperation agreements between and among municipalities and counties for the performance of governmental functions; and

WHEREAS, Chapter 826 of the Texas Health and Safety Code, also known as the Rabies Control Act of 1981 (hereinafter referred to as the "Act"), requires governing bodies of each municipality to designate a local rabies control authority to enforce the Act and minimum standards for rabies control adopted by the Texas Department of State Health Services; and

WHEREAS, Section 826.016 of said Act authorizes a municipality to enter into agreements with public entities to carry out activities required or authorized under the Act; and

WHEREAS, Kennedale wishes to participate in an interlocal agreement with City for the purpose of limited rabies control in the City of Kennedale; and

WHEREAS, Kennedale and City mutually desire to be subject to the provisions of Chapter 791 of the Texas Government Code, also known as the Interlocal Cooperation Act.

NOW, THEREFORE, it is agreed as follows:

1.

PURPOSE

The purpose of this Interlocal Agreement is to enter into an Agreement between City and Kennedale whereby, subject to the terms and conditions hereinafter set forth and consideration specified below, City agrees to provide Kennedale with limited rabies control services in the City of Kennedale, and City agrees to provide impoundment for dogs and quarantine facilities for animals pursuant to this Agreement for the benefit of Kennedale.

2.
DEFINITIONS

For the purposes of this Agreement, the following definitions shall apply:

ACT shall mean the Rabies Control Act of 1981, codified as Chapter 826 of the Texas Health and Safety Code.

ANIMAL shall mean any living, vertebrate creature, domestic or wild, other than homo sapiens.

ANIMAL CARE AND CONTROL CENTER shall mean a facility located in Fort Worth, Texas, which is operated by the City for the purpose of impounding and caring for animals as prescribed by law.

BITE shall mean a bite or scratch capable of transmitting rabies, which is inflicted by an animal on a human.

CAT shall mean a commonly domesticated member of the Felidae (feline) family, other than a lion, tiger, bobcat, jaguar, panther, leopard, cougar, or other prohibited animal.

DANGEROUS DOG shall mean a dog that makes an unprovoked attack on a person that causes bodily injury and occurs in a place other than an enclosure in which the dog is being kept and that was reasonably certain to prevent the dog from leaving the enclosure on its own; or commits unprovoked acts in a place other than an enclosure in which the dog was being kept and that was reasonably certain to prevent the dog from leaving the enclosure on its own and those acts cause a person to reasonably believe that the dog will attack and cause bodily injury to that person.

DAY shall mean a calendar day or any part thereof.

DOG shall mean canis familiaris.

QUARANTINE shall mean the strict confinement of a biting animal, in accordance with the Act and the Rules.

RABIES shall mean an acute viral disease of man and animal affecting the central nervous system and usually transmitted by an animal bite.

RULES shall mean the rules adopted by the Texas Department of State Health Services for rabies control and eradication under 25 TAC § 169.21 et seq.

STRAY shall mean roaming with no physical restraint beyond the premises of an animal's owner or keeper.

3.
TERM

Unless terminated pursuant to the terms herein, this Agreement shall be for a term of one year, beginning on October 1, 2023 and ending on September 30, 2024. In addition, the term may be extended by mutual written agreement of the parties, for up to four additional one-year terms.

4.
SERVICES BY CITY

- A. Hours
City agrees to perform the services described herein for Kennedale in the City of Kennedale, between the hours of 8:00 a.m. and 4:00 p.m. weekdays and weekends, excluding holidays, with no after hours service provided.
- B. Service Calls and Rabies Response
In the manner and to the extent that it deems appropriate and in accordance with the Rules and the Act, bite animals which are delivered by Kennedale officials to the City will be handled by the City.
- C. Impoundment of Dogs
City will board dogs delivered to the City's Animal Care and Control Center by Kennedale officials pursuant to Section 6.

5.
DUTIES OF KENNEDALE

- A. Kennedale agrees that it will retain all responsibility for enforcement of all aspects of the Act not covered in Section 4 of this Agreement, including criminal enforcement.
- B. Kennedale agrees that it will pursue, at its discretion, the issuance and execution of warrants or other court orders necessary for the seizure of animals requiring quarantine or testing under Section 4 of this Agreement, whose owners have failed or refused to place them for quarantine or testing. Kennedale further agrees that City is not required to pursue the issuance and execution of such warrants.

6.
IMPOUNDMENT AND DISPOSITION OF ANIMALS

- A. A live, stray dog impounded by Kennedale and delivered to the City under this Agreement shall be held for a period of not less than ninety-six (96) hours, unless released earlier to its owner ("Animal Owner") or as described in subsection 6.D. below. A quarantined animal impounded by Kennedale and delivered to the City shall be held or presented for testing according to the Act and the Rules. Kennedale shall provide in writing to the City the date of the bite incident and the animal's date of release from

quarantine. Kennedale shall pay charges for impounded dogs, and quarantined animals, as specified in Exhibit "A."

- B. Prior to the expiration of the impoundment period, the City may destroy an impounded dog if the Animal Services Administrator or Animal Control Manager of the City or the Animal Care and Controls veterinarian recommends and approves such action.
- C. Impounded animals will be released to their owners upon:
 - (1) Proof of identification;
 - (2) Payment of Exhibit "B" fees;
 - (3) The animal is vaccinated against rabies at the owner's expense if the animal is a dog or a cat over 12 weeks of age and the owner does not have an unexpired rabies vaccination certificate for the animal.
- D. The ownership of impounded or quarantined animals that have not been released to their owners on the expiration of the impoundment or quarantine period, or submitted for rabies testing, shall lie with Kennedale, and Kennedale authorizes the City to place the animals for adoption, to transfer them to other animal welfare organizations, or to be euthanized, at the sole discretion of the City.
- E. All quarantined animals from Kennedale not reclaimed by their owner will be disposed of pursuant to Section 6.D. above, and Kennedale will be billed for the cost in accordance with the fee schedule attached to this Agreement as Exhibit B.
- F. Kennedale will be billed for all impounded dogs and quarantined animals delivered by the Kennedale.
- G. The City will impound and hold dogs from Kennedale which have been seized by Kennedale only under Chapters 821 or 822 of the Texas Health and Safety Code. Kennedale agrees to request, pursuant to Chapters 821 and 822, an Appeals Bond to cover the fees estimated to be charged to the Animal Owner under Exhibit "B" and Kennedale agrees to pay the City all fees which would have been charged the Animal Owner in the event the court does not require the Animal Owner to pay the fees or where the Animal Owner is ordered by the court to pay and fails to pay.

7.

EXCLUSIONS

- A. Nothing in this Agreement shall be deemed as designating the City or an officer or employee of the City as the "local health authority" or "local rabies control authority" of Kennedale those terms are defined or used in Title 10 of the Texas Health and Safety Code, Vernon's Texas Codes Annotated.
- B. Nothing in this Agreement shall be deemed as requiring the City to investigate reports of dangerous dogs, to register dangerous dogs, or otherwise regulate dangerous dogs in the

City of Kennedale under the authority of Chapter 822 Subchapter D. of the Texas Health and Safety Code, Vernon's Texas Codes Annotated.

- C. Nothing in this Agreement shall be deemed as requiring the City to quarantine or present for testing domestic animals that have been bitten by or directly exposed by physical contact to a rabid animal or its fresh tissues.
- D. City shall not impound stray animals if Kennedale fails to enact and maintain rules or ordinances pursuant to Sections 826.015 and 826.033 of the Texas Health and Safety Code that require animals to be restrained at all times.

8.

RESPONSIBILITY FOR EMPLOYEES

City employees who provide services under this Agreement are deemed to be City employees when providing such services. City will exercise complete control over the hiring, training, supervision, and conduct of such employees. City will be responsible for all wages and applicable payroll deductions, unemployment taxes, workers' compensation insurance, vacations, holidays, and fringe benefits for such employees and for all uniforms, vehicles, and equipment used by such employees for providing services under this Agreement. Kennedale shall have no direct supervisory authority over such employees except in emergency situations where the exercise of supervision by Kennedale becomes necessary for resolution of the emergency. Regarding workers' compensation insurance, the City shall not waive its right to subrogate against Kennedale for losses incurred in the course of City's services rendered to Kennedale under this Agreement.

9.

COMPENSATION

- A. As fair compensation for the services rendered Kennedale agrees to pay City for its services based on the schedule attached hereto as Exhibit "A", as pertinent, which is hereby incorporated as a part of this Agreement as if it were set forth at length. City may adjust any fee listed in Exhibit "A" during the term of this Agreement by giving Kennedale 120 days' written notice.
- B. Head and shipment preparation fees shall be as described in Exhibit "A".
- C. Kennedale will not pay City more than **\$55,000.00**, in total per contract year, for services rendered during the term of this Agreement. This amount shall herein constitute a **not to exceed** limitation placed upon this Agreement, and when such amount is reached, City will cease providing such services. City agrees to provide Kennedale with an itemized monthly bill. Kennedale agrees to promptly pay such bills upon presentation by the City, such payments to be made from current revenues available to Kennedale, within thirty (30) days of receipt. In the event of the termination of this Agreement, City shall bill Kennedale for any outstanding balance, regardless of the amount, and Kennedale agrees to promptly pay such bill, within thirty (30) days of receipt.

- D. Pursuant to the requirements of Section 791.011(d)(3) of the Texas Government Code, the amount due City shall be paid from revenues available to Kennedale in that current fiscal year.

10.

FEEES CHARGED ANIMAL OWNERS

Kennedale hereby agrees that City may charge, or cause to be charged, the fees set out in Exhibit "B" to the owners of animals that have been impounded or quarantined. Exhibit "B" is hereby incorporated as a part of this Agreement as if it were set forth at length. City is hereby authorized to increase said fees during the terms of this Agreement by giving Kennedale 120 days' notice. Notwithstanding the fees charged to animal owners, Kennedale shall remain responsible to the City for the fees set out in Exhibit "A."

11.

LIABILITIES

- A. To the extent permitted by law, Kennedale shall be responsible for all work-related deaths, injuries or diseases of Kennedale employees, and for property damage, personal injury or death caused by such employees, relating to work provided pursuant to this Agreement.
- B. To the extent permitted by law, City shall be responsible for all work-related deaths, injuries or diseases of City employees, and for property damage, personal injury or death caused by City employees or volunteers relating to work provided pursuant to this Agreement.
- C. Kennedale shall be responsible for all property damages, personal injuries and death caused by the use of City and Kennedale equipment and vehicles caused by Kennedale employees or volunteers pursuant to this Agreement. Furthermore, Kennedale shall be responsible for the repair or replacement of all such equipment and vehicles damaged, destroyed, lost or stolen by Kennedale employees or volunteers during the provision of services hereunder.
- D. City shall be responsible for all property damages, personal injuries and death caused by the use of City equipment and vehicles caused by City employees or volunteers pursuant to this Agreement. Furthermore, City shall be responsible for the repair or replacement of all such equipment and vehicles damaged, destroyed, lost or stolen caused by City employees or volunteers during the provision of services hereunder.

12.

IMMUNITY & THIRD PARTIES

- A. Kennedale expressly waives its right to assert immunity from suit for a claim forming the basis of a suit between the City and Kennedale alleging a breach of this Agreement. Kennedale does this as consideration for the City's offer to enter into this Contract with Kennedale. No third party may use this waiver in any way and no waiver of immunity in favor of a third party is intended by this Agreement.
- B. Nothing in this Agreement shall be construed to expand the liability of City or Kennedale beyond the scope of Chapter 101 of the Texas Civil Practice and Remedies Code unless specifically stated herein.

13.
TERMINATION

It is further agreed by and between City and Kennedale that City and Kennedale shall each have the right to terminate this Agreement upon thirty (30) days written notice to the other party.

14.
ENTIRETY

This Agreement contains all commitments and agreements of the parties hereto, and no other oral or written commitments shall have any force or effect if not contained herein.

15.
MODIFICATION

This Agreement may be modified by the mutual agreement of the parties, if the modification is in writing and signed by City and Kennedale.

16.
SEVERABILITY

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provisions had never been contained herein.

17.
AUTHORITY

This Agreement is made for City and Kennedale as an Interlocal Agreement pursuant to VTCA, Government Code, Chapter 791.

18.
AUTHORIZATION

The undersigned officer and/or agents of the parties hereto are properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions extending such authority have been duly passed and are now in full force and effect.

19.

FORCE MAJEURE

It is expressly understood and agreed by the parties to this Agreement that if the performance of any obligations hereunder is delayed by reason of war; civil commotion; acts of God; inclement weather; governmental restrictions, regulations, or interferences; fires; strikes; lockouts, national disasters; riots; material or labor restrictions; transportation problems; or any other circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated or not, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the time period applicable to such design or construction requirement shall be extended for a period of time equal to the period such party was delayed.

20.

FISCAL FUNDING LIMITATION

If for any reason, at any time during any term of this Agreement, either city fails to appropriate funds sufficient for the City to fulfill its obligations under this Agreement, that City may terminate this Agreement to be effective on the later of (i) thirty (30) days following delivery of written notice of the city's intention to terminate or (ii) the last date for which funding has been appropriated by the City Council for the purposes set forth in this Agreement.

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**SIGNATURE PAGE
INTERLOCAL AGREEMENT FOR RABIES CONTROL
CITY OF FORT WORTH AND CITY OF KENNEDALE**

CITY OF FORT WORTH


Valerie Washington (Oct 6, 2023 16:01 CDT)
Valerie Washington
Assistant City Manager
Date: Oct 6, 2023

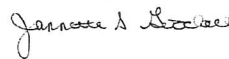
RECOMMENDED


Christopher McAllister
Asst. Code Compliance Director

**APPROVED AS TO FORM
AND LEGALITY**


Christopher K. Austria
Assistant City Attorney

ATTEST:

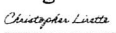

Jannette Goodall
City Secretary

M&C: 23-0483
1295: N/A

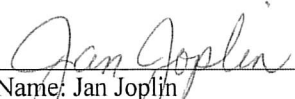


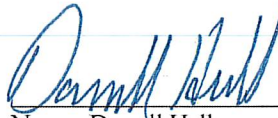
CONTRACT COMPLIANCE MANAGER:

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

CITY OF KENNEDALE


Name: Jan Joplin
Title: Mayor
Date: 9-19-23


Name: Darrell Hall
City Manager

**APPROVED AS TO FORM
AND LEGALITY**


Name: Carvan E. Akins
City Attorney

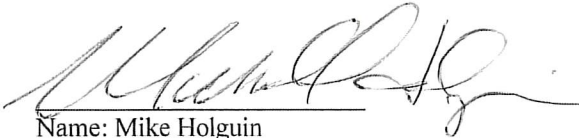

Name: Mike Holguin
Chief Of Police

EXHIBIT A

SCHEDULE OF FEES PAID BY CITY OF KENNEDALE

Impoundment/Boarding Fee:

City of Kennedale shall pay the City a flat fee of \$495.22 per dog or quarantine animal impounded by the City from City of Kennedale during the term of this agreement.

For each renewal year, the total compensation not to exceed amount will increase by 3%. Payment for the initial term and each renewal term are as follows:

Year	Flat Rate Animal Service Call
Fiscal Year 2024 (<i>Initial Term</i>)	\$495.22
Fiscal Year 2025 (<i>Renewal Term</i>)	\$510.08
Fiscal Year 2026 (<i>Renewal Term</i>)	\$525.38
Fiscal Year 2027 (<i>Renewal Term</i>)	\$541.14
Fiscal Year 2028 (<i>Renewal Term</i>)	\$557.38

SPECIMEN HEAD PREPARATION AND SHIPMENT

Per Animal Head Specimen

\$250.00 per specimen

EXHIBIT B

SCHEDULE OF FEES TO BE PAID TO CITY
BY OWNERS RECLAIMING ANIMALS

Rabies vaccination fee	\$ 9.00 per reclaimed dog or cat
Spay or neuter fee	\$50.00 per cat \$80.00 per dog
Microchip Fee	\$12.00 per reclaimed dog or cat
Daily board fees:	
Kenneling (dog, cat, small animal)	\$30.00 per day
Kenneling (other than dogs, cats or small animal)	\$30.00 per day
Quarantined animals and dangerous dogs	\$50.00 per day

CITY COUNCIL AGENDA



[Create New From This M&C](#)

DATE: 6/13/2023 **REFERENCE NO.:** **M&C 23-0483 **LOG NAME:** 23RABIES CONTROL ILA - VARIOUS MUNICIPALITIES FY24

CODE: C **TYPE:** CONSENT **PUBLIC HEARING:** NO

SUBJECT: (ALL) Authorize Execution of Interlocal Agreements with Tarrant County and the Cities of Benbrook, Kennedale, and Pantego for the Purpose of Providing Limited Animal and Rabies Control Services and Rabies Specimen Shipments During Fiscal Year 2024 with Up to Four One-Year Renewal Terms

RECOMMENDATION:

It is recommended that the City Council authorize the execution of Interlocal Agreements with Tarrant County and the cities of Benbrook, Kennedale, and Pantego for the purpose of providing limited animal and rabies control services and rabies specimen shipments through September 30, 2024 with up to four one-year renewal terms.

DISCUSSION:

The Code Compliance Department, Animal Care and Control Division, has historically assisted Tarrant County and various municipalities within the county by providing limited animal control services and processing and shipping of specimens to the Bureau of Laboratories in Austin for testing related to rabies control. Services associated with processing specimens include the kenneling of impounded animals, euthanasia, disposal services, and specimen shipping.

Section 791.011 of the Texas Government Code provides that a local government may contract with another local government to perform "governmental functions and services," which includes functions and services related to public health and welfare. Under this provision, the City of Fort Worth (City) may enter into an Interlocal Agreement so that the Animal Care and Control Division may provide animal control, animal impoundment, boarding, quarantine, euthanasia, and disposal services to a municipality.

Approval of the above recommendation will authorize Interlocal Agreements for Fiscal Year 2024. In addition, the term may be extended by mutual written agreement of the parties for up to four additional one-year terms. Renewals do not require City Council approval. The City would provide the specified services to following entities:

The City of Benbrook is contracting for specimen shipment services only;

The City of Kennedale and City of Pantego are contracting for boarding, quarantine, specimen shipping, euthanasia, animal care and disposal services;

Tarrant County is contracting for the services listed above plus periodic routine animal control services and education services by request.

The following fee schedules comprises the Fiscal Year 2024 fees:

During the initial term of this agreement Tarrant County shall pay the City a total compensation not to exceed **\$148,566.00** for up to 300 animals impounded by the City from unincorporated Tarrant County. For each renewal year, the total compensation not-to-exceed amount will increase by 3%. Payment for the initial term and each renewal term are as follows:

Year	Total Compensation	Monthly Payment
Fiscal 2024 (<i>Initial Term</i>)	\$148,566.00 yearly	\$12,380.50
Fiscal 2025 (<i>Renewal Term</i>)	\$153,024.00 yearly	\$12,752.00

Fiscal 2026 (<i>Renewal Term</i>)	\$157,614.00 yearly	\$13,134.50
Fiscal 2027 (<i>Renewal Term</i>)	\$162,342.00 yearly	\$13,528.50
Fiscal 2028 (<i>Renewal Term</i>)	\$167,214.00 yearly	\$13,934.50

For all service calls where an animal is impounded, the service call fee is waived and a flat rate charge per animal is assessed. These rates are included in the yearly rate for each renewal year, the flat rate charge shall increase by 3%. The flat rate charged per animal the initial term and each renewal term are as follows:

Year	Flat Rate per Animal Service Call
Fiscal Year 2024 (<i>Initial Term</i>)	\$495.22
Fiscal Year 2025 (<i>Renewal Term</i>)	\$510.08
Fiscal Year 2026 (<i>Renewal Term</i>)	\$525.38
Fiscal Year 2027 (<i>Renewal Term</i>)	\$541.14
Fiscal Year 2027 (<i>Renewal Term</i>)	\$557.38

Beyond the first 300 animals, the County shall pay the City a flat fee of \$4,000.00 for each additional full or partial increment of up to 10 additional animals impounded from unincorporated Tarrant County.

SCHEDULE OF FEES PAID BY BENBROOK:

SPECIMEN HEAD PREPARATION AND SHIPMENT

Per Animal Head Specimen - \$250.00 per specimen

SCHEDULE OF FEES PAID BY CITY OF KENNEDALE AND CITY OF PANTEGO:

Impoundment/Boarding Fee:

City of Kennedale and City of Pantego shall pay the City a flat fee of \$495.22 per dog or quarantine animal impounded by the City from City of Kennedale and City of Pantego during the term of this agreement.

For each renewal year, the total compensation not to exceed amount will increase by 3%. Payment for the initial term and each renewal term are as follows:

Year	Flat Rate per Animal Service Call
Fiscal Year 2024 (<i>Initial Term</i>)	\$495.22
Fiscal Year 2025 (<i>Renewal Term</i>)	\$510.08

Fiscal Year 2026 (<i>Renewal Term</i>)	\$525.38
Fiscal Year 2027 (<i>Renewal Term</i>)	\$541.14
Fiscal Year 2028 (<i>Renewal Term</i>)	\$557.38

SPECIMEN HEAD PREPARATION AND SHIPMENT

Per Animal Head Specimen - \$250.00 per specimen

In addition to the above fees, Animal Care and Control will also collect fees from owners from Tarrant County and these various municipalities, as follows:

SERVICE	FISCAL YEAR 2024 FEE PER RECLAIMED ANIMAL
Rabies Vaccination Fee	\$9.00
Spay or Neuter Fee	
Per Cat	\$50.00
Per Dog	\$80.00
Microchip Fee	\$12.00
Daily Board Fees	
Kenneling (dog, cat, small, animal)	\$30.00 per day
Kenneling (other than dogs, cats or small animals)	\$30.00 per day
Quarantined Animals	\$50.00 per day

This contract will be with a governmental entity, state agency or public institution of higher education: Tarrant County, City of Benbrook, City of Kennedale, City of Pantego.

FISCAL INFORMATION/CERTIFICATION:

The Director of Finance certifies that upon approval of the above recommendation and execution of the agreements, funds will be deposited into the General Fund. The Code Compliance Department (and Financial Management Services) is responsible for the collection and deposit of funds due to the City.

TO

Fund	Department ID	Account	Project ID	Program	Activity	Budget Year	Reference # (Chartfield 2)	Amount
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FROM

Fund	Department ID	Account	Project ID	Program	Activity	Budget Year	Reference # (Chartfield 2)	Amount
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Submitted for City Manager's Office by:

Valerie Washington (6199)

Originating Department Head:

Brandon Bennett (6322)

Additional Information Contact:

David B. Carson (6336)

ATTACHMENTS

[23RABIES CONTROL ILA - VARIOUS MUNICIPALITIES FY24 Updated FID table.xlsx](#) (CFW Internal)

STAFF REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM V.B.4.

SUBJECT

An ordinance of the City Council of the City of Kennedale, Texas, approving a negotiated settlement between the Atmos Cities Steering Committee and Atmos Energy Corp., Mid-Tex Division regarding the company's 2024 rate review mechanism filing.

ORIGINATED BY

SUMMARY

The City, along with 181 other Mid-Texas cities served by Atmos Energy Corporation, Mid-Tex Division ("Atmos Mid-Tex" or "Company"), is a member of the Atmos Cities Steering Committee ("ACSC"). In 2007, ACSC and Atmos Mid-Tex settled a rate application filed by the Company pursuant to Section 104.301 of the Texas Utilities Code for an interim rate adjustment commonly referred to as a GRIP filing (arising out of the Gas Reliability Infrastructure Program legislation). That settlement created a substitute rate review process, referred to as Rate Review Mechanism ("RRM"), as a substitute for future filings under the GRIP statute.

Since 2007, there have been several modifications to the original RRM Tariff. The most recent iteration of an RRM Tariff was reflected in an ordinance adopted by ACSC members in 2018. On or about April 1, 2024, the Company filed a rate request pursuant to the RRM Tariff adopted by ACSC members. The Company claimed that its cost-of-service in a test year ending December 31, 2023, entitled it to additional system-wide revenues of \$196.8 million.

Application of the standards set forth in ACSC's RRM Tariff reduces the Company's request to \$182.5 million, \$132.6 million of which would be applicable to ACSC members. After reviewing the filing and conducting discovery, ACSC's consultants concluded that the system-wide deficiency under the RRM regime should be \$149.6 million instead of the claimed \$182.5 million.

After several settlement meetings, the parties have agreed to settle the case for \$164.7 million. This is a reduction of \$32.1 million to the Company's initial request. This includes payment of ACSC's expenses. The Effective Date for new rates is October 1, 2024. ACSC members should take action approving the Resolution/Ordinance before September 30, 2024.

RECOMMENDATION

ATTACHMENTS

1.	Atmos Mid-Tex 2024 RRM Ordinance	Atmos Mid-Tex 2024 RRM Ordinance.docx
2.	Attachment 1_ CY23 MTX RRM - Tariffs	Attachment 1_ CY23 MTX RRM - Tariffs.pdf
3.	Attachment 2_ CY23 MTX RRM - Pension Benchmark	Attachment 2_ CY23 MTX RRM - Pension Benchmark.pdf
4.	CY23 MTX RRM - Average Bill	CY23 MTX RRM - Average Bill.pdf

ORDINANCE NO. 770

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, APPROVING A NEGOTIATED SETTLEMENT BETWEEN THE ATMOS CITIES STEERING COMMITTEE (“ACSC”) AND ATMOS ENERGY CORP., MID-TEX DIVISION REGARDING THE COMPANY’S 2024 RATE REVIEW MECHANISM FILING; DECLARING EXISTING RATES TO BE UNREASONABLE; ADOPTING TARIFFS THAT REFLECT RATE ADJUSTMENTS CONSISTENT WITH THE NEGOTIATED SETTLEMENT; FINDING THE RATES TO BE SET BY THE ATTACHED SETTLEMENT TARIFFS TO BE JUST AND REASONABLE AND IN THE PUBLIC INTEREST; APPROVING AN ATTACHMENT ESTABLISHING A BENCHMARK FOR PENSIONS AND RETIREE MEDICAL BENEFITS; REQUIRING THE COMPANY TO REIMBURSE ACSC’S REASONABLE RATEMAKING EXPENSES; DETERMINING THAT THIS ORDINANCE WAS PASSED IN ACCORDANCE WITH THE REQUIREMENTS OF THE TEXAS OPEN MEETINGS ACT; ADOPTING A SAVINGS CLAUSE; DECLARING AN EFFECTIVE DATE; AND REQUIRING DELIVERY OF THIS ORDINANCE TO THE COMPANY AND THE ACSC’S LEGAL COUNSEL.

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

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

WHEREAS, ACSC and the Company worked collaboratively to develop a Rate Review Mechanism (“RRM”) tariff that allows for an expedited rate review process by ACSC Cities as a substitute to the Gas Reliability Infrastructure Program (“GRIP”) process instituted by the

Legislature, and that will establish rates for the ACSC Cities based on the system-wide cost of serving the Atmos Mid-Tex Division; and

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

WHEREAS, on about April 1, 2024 Atmos Mid-Tex filed its 2024 RRM rate request with ACSC Cities based on a test year ending December 31, 2023; and

WHEREAS, ACSC coordinated its review of the Atmos Mid-Tex 2024 RRM filing through its Executive Committee, assisted by ACSC's attorneys and consultants, to resolve issues identified in the Company's RRM filing; and

WHEREAS, the Executive Committee, as well as ACSC's counsel and consultants, recommend that ACSC Cities approve an increase in base rates for Atmos Mid-Tex of \$164.7 million on a system-wide basis with an Effective Date of October 1, 2024; and

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

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

WHEREAS, the attached tariffs (Attachment 1) implementing new rates are consistent with the recommendation of the ACSC Executive Committee, are agreed to by the Company, and are just, reasonable, and in the public interest; and

WHEREAS, the settlement agreement sets a new benchmark for pensions and retiree medical benefits (Attachment 2); and

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

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

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

Section 2. That, without prejudice to future litigation of any issue identified by ACSC, the City Council finds that the settled amount of an increase in revenues of \$164.7 million on a system-wide basis represents a comprehensive settlement of gas utility rate issues affecting the rates, operations, and services offered by Atmos Mid-Tex within the municipal limits arising from Atmos Mid-Tex's 2024 RRM filing, is in the public interest, and is consistent with the City's authority under Section 103.001 of the Texas Utilities Code.

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

Section 4. That the existing rates for natural gas service provided by Atmos Mid-Tex are unreasonable. The new tariffs attached hereto and incorporated herein as Attachment 1, are just and reasonable, and are designed to allow Atmos Mid-Tex to recover annually an additional \$164.7 million on a system-wide basis, over the amount allowed under currently approved rates. Such tariffs are hereby adopted.

Section 5. That the ratemaking treatment for pensions and retiree medical benefits in Atmos Mid-Tex's next RRM filing shall be as set forth on Attachment 2, attached hereto and incorporated herein.

Section 6. That Atmos Mid-Tex shall reimburse the reasonable ratemaking expenses of ACSC in processing the Company's 2024 RRM filing.

Section 7. That to the extent any resolution or ordinance previously adopted by the Council is inconsistent with this Ordinance, it is hereby repealed.

Section 8. That the meeting at which this Ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Section 9. That if any one or more sections or clauses of this Ordinance is adjudged to be unconstitutional or invalid, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance, and the remaining provisions of the Ordinance shall be interpreted as if the offending section or clause never existed.

Section 10. That consistent with the City Ordinance that established the RRM process, this Ordinance shall become effective from and after its passage with rates authorized by attached tariffs to be effective for bills rendered on or after October 1, 2024.

Section 11. That a copy of this Ordinance shall be sent to Atmos Mid-Tex, care of Chris Felan, Vice President of Rates and Regulatory Affairs Mid-Tex Division, Atmos Energy Corporation, 5420 LBJ Freeway, Suite 1862, Dallas, Texas 75240, and to Thomas Brocato, General Counsel to ACSC, at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, BY A VOTE OF ____ TO ____, ON THIS THE 20TH DAY OF AUGUST, 2024.

Mayor BRAD HORTON

ATTEST:

City Secretary BOBBIE JO TAYLOR

APPROVED AS TO FORM:

City Attorney CARVAN E. ADKINS

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	R – RESIDENTIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 22.95 per month
Rider CEE Surcharge	\$ 0.05 per month ¹
Total Customer Charge	\$ 23.00 per month
Commodity Charge – All <u>Ccf</u>	\$0.58974 per Ccf

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

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

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

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

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

Agreement

An Agreement for Gas Service may be required.

Notice

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

¹Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2024.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	C – COMMERCIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Bill	\$ 81.75 per month
Rider CEE Surcharge	\$ 0.00 per month ¹
Total Customer Charge	\$ 81.75 per month
Commodity Charge – All Ccf	\$ 0.19033 per Ccf

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

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

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

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

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

Agreement

An Agreement for Gas Service may be required.

Notice

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

Presumption of Plant Protection Level

For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

¹ Reference Rider CEE - Conservation and Energy Efficiency as approved in GUD 10170. Surcharge billing effective July 1, 2024.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

Application

Applicable to Industrial Customers with a maximum daily usage (MDU) of less than 200 MMBtu per day for all natural gas provided at one Point of Delivery and measured through one meter. Service for Industrial Customers with an MDU equal to or greater than 200 MMBtu per day will be provided at Company's sole option and will require special contract arrangements between Company and Customer.

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 1,587.75 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.6553 per MMBtu
Next 3,500 MMBtu	\$ 0.4799 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.1029 per MMBtu

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

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

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

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

Curtailment Overpull Fee

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

Replacement Index

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	I – INDUSTRIAL SALES	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

Agreement

An Agreement for Gas Service may be required.

Notice

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

Special Conditions

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

Presumption of Plant Protection Level

For service under this Rate Schedule, plant protection volumes are presumed to be 10% of normal, regular, historical usage as reasonably calculated by the Company in its sole discretion. If a customer believes it needs to be modeled at an alternative plant protection volume, it should contact the company at mdtx-div-plantprotection@atmosenergy.com.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

Application

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

Type of Service

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

Monthly Rate

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

Charge	Amount
Customer Charge per Meter	\$ 1,587.75 per month
First 0 MMBtu to 1,500 MMBtu	\$ 0.6553 per MMBtu
Next 3,500 MMBtu	\$ 0.4799 per MMBtu
All MMBtu over 5,000 MMBtu	\$ 0.1029 per MMBtu

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

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

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

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

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

Imbalance Fees

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

Monthly Imbalance Fees

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RATE SCHEDULE:	T – TRANSPORTATION	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

Curtailment Overpull Fee

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

Replacement Index

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

Agreement

A transportation agreement is required.

Notice

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

Special Conditions

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

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

Provisions for Adjustment

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

Computation of Weather Normalization Adjustment

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

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

Where

i = any particular Rate Schedule or billing classification within any such particular Rate Schedule that contains more than one billing classification

$WNAF_i$ = Weather Normalization Adjustment Factor for the i^{th} rate schedule or classification expressed in cents per Ccf

R_i = Commodity Charge rate of temperature sensitive sales for the i^{th} schedule or classification.

HSF_i = heat sensitive factor for the i^{th} schedule or classification divided by the average bill count in that class

NDD = billing cycle normal heating degree days calculated as the simple ten-year average of actual heating degree days.

ADD = billing cycle actual heating degree days.

BL_i = base load sales for the i^{th} schedule or classification divided by the average bill count in that class

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

$$WNA_i = WNAF_i \times q_{ij}$$

Where q_{ij} is the relevant sales quantity for the j th customer in i th rate schedule.

**MID-TEX DIVISION
ATMOS ENERGY CORPORATION**

RIDER:	WNA – WEATHER NORMALIZATION ADJUSTMENT	
APPLICABLE TO:	ALL CUSTOMERS IN THE MID-TEX DIVISION UNDER THE RRM TARIFF	
EFFECTIVE DATE:	Bills Rendered on or after 10/01/2024	

Base Use/Heat Use Factors

Weather Station	<u>Residential</u>		<u>Commercial</u>	
	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>	Base use <u>Ccf</u>	Heat use <u>Ccf/HDD</u>
Abilene	9.52	0.1526	88.98	0.7485
Austin	8.87	0.1343	213.30	0.9142
Dallas	12.38	0.2024	185.59	1.0974
Waco	8.71	0.1219	130.62	0.7190
Wichita Falls	10.20	0.1394	117.78	0.6435

Weather Normalization Adjustment (WNA) Report

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

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
PENSIONS AND RETIREE MEDICAL BENEFITS FOR CITIES APPROVAL
TEST YEAR ENDING DECEMBER 31, 2023

Line No.	Description	Shared Services		Mid-Tex Direct			Adjustment Total
		Pension Account Plan	Post-Employment Benefit Plan	Pension Account Plan	Post-Employment Benefit Plan	Supplemental Executive Benefit Plan	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	Proposed Benefits Benchmark -						
	Fiscal Year 2024 Willis Towers Watson Report as adjusted	\$ 1,402,365	\$ (1,146,665)	\$ 2,186,549	\$ (4,070,086)	\$ 278,107	
2	Allocation Factor	45.93%	45.93%	82.00%	82.00%	100.00%	
3	Proposed Benefits Benchmark Costs Allocated to Mid-Tex (Ln 1 x Ln 2)	\$ 644,172	\$ (526,717)	\$ 1,792,929	\$ (3,337,394)	\$ 278,107	
4	O&M and Capital Allocation Factor	100.00%	100.00%	100.00%	100.00%	100.00%	
5	Proposed Benefits Benchmark Costs to Approve (Ln 3 x Ln 4)	\$ 644,172	\$ (526,717)	\$ 1,792,929	\$ (3,337,394)	\$ 278,107	\$ (1,148,903)
6							
7	O&M Expense Factor (WP_F-2.3, Ln 2)	81.70%	81.70%	38.85%	38.85%	11.24%	
8							
9	Summary of Costs to Approve:						
10	Total Pension Account Plan	\$ 526,315		\$ 696,536			\$ 1,222,851
11	Total Post-Employment Benefit Plan		\$ (430,349)		\$ (1,296,547)		(1,726,896)
12	Total Supplemental Executive Benefit Plan					\$ 31,256	31,256
13	Total (Ln 10 + Ln 11 + Ln 12)	\$ 526,315	\$ (430,349)	\$ 696,536	\$ (1,296,547)	\$ 31,256	\$ (472,789)

**ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023**

Line No.	Description	Current	Proposed	Change	
				Amount	Percent
	(a)	(b)	(c)	(d)	(e)
1	<u>Rate R @ 42.8 Ccf</u>				
2	Customer charge	\$ 22.25			
3	Consumption charge 42.8 CCF X \$ 0.48567 =	20.79			
4	Rider GCR Part A 42.8 CCF X \$ 0.27958 =	11.97			
5	Rider GCR Part B 42.8 CCF X \$ 0.47494 =	20.33			
6	Subtotal	\$ 75.34			
7	Rider FF & Rider TAX \$ 75.34 X 0.07196 =	5.42			
8	Total	<u>\$ 80.76</u>			
9					
10	Customer charge		\$ 22.95		
11	Consumption charge 42.8 CCF X \$ 0.58974 =		25.24		
12	Rider GCR Part A 42.8 CCF X \$ 0.27958 =		11.97		
13	Rider GCR Part B 42.8 CCF X \$ 0.47494 =		20.33		
14	Subtotal		\$ 80.49		
15	Rider FF & Rider TAX \$ 80.49 X 0.07196 =		5.79		
16	Total		<u>\$ 86.28</u>	\$ 5.52	6.84%
17					

**ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023**

Line No.	Description	Current	Proposed	Change	
				Amount	Percent
	(a)	(b)	(c)	(d)	(e)
18	<u>Rate C @ 363.6 Ccf</u>				
19	Customer charge	\$ 72.00			
20	Consumption charge 363.6 CCF X \$ 0.18280 =	66.47			
21	Rider GCR Part A 363.6 CCF X \$ 0.27958 =	101.67			
22	Rider GCR Part B 363.6 CCF X \$ 0.33806 =	122.93			
23	Subtotal	\$ 363.07			
24	Rider FF & Rider TAX \$ 363.07 X 0.07196 =	26.13			
25	Total	<u>\$ 389.20</u>			
26					
27	Customer charge		\$ 81.75		
28	Consumption charge 363.6 CCF X \$ 0.19033 =		69.21		
29	Rider GCR Part A 363.6 CCF X \$ 0.27958 =		101.67		
30	Rider GCR Part B 363.6 CCF X \$ 0.33806 =		122.93		
31	Subtotal		\$ 375.56		
32	Rider FF & Rider TAX \$ 375.56 X 0.07196 =		27.03		
33	Total		<u>\$ 402.59</u>	\$ 13.39	3.44%
34					

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023

Line No.	Description	Current	Proposed	Change	
				Amount	Percent
	(a)	(b)	(c)	(d)	(e)
35	<u>Rate I @ 1335 MMBTU</u>				
36	Customer charge	\$ 1,382.00			
37	Consumption charge 1,335 MMBTU X \$ 0.7484 =	998.94			
38	Consumption charge 0 MMBTU X \$ 0.5963 =	-			
39	Consumption charge 0 MMBTU X \$ 0.2693 =	-			
40	Rider GCR Part A 1,335 MMBTU X \$ 2.7303 =	3,644.33			
41	Rider GCR Part B 1,335 MMBTU X \$ 0.7337 =	979.37			
42	Subtotal	\$ 7,004.64			
43	Rider FF & Rider TAX \$ 7,004.64 X 0.07196 =	504.08			
44	Total	<u>\$ 7,508.72</u>			
45					
46	Customer charge		\$ 1,587.75		
47	Consumption charge 1,335 MMBTU X \$ 0.6553 =		874.67		
48	Consumption charge 0 MMBTU X \$ 0.4799 =		-		
49	Consumption charge 0 MMBTU X \$ 0.1029 =		-		
50	Rider GCR Part A 1,335 MMBTU X \$ 2.7303 =		3,644.33		
51	Rider GCR Part B 1,335 MMBTU X \$ 0.7337 =		979.37		
52	Subtotal		\$ 7,086.12		
53	Rider FF & Rider TAX \$ 7,086.12 X 0.07196 =		509.94		
54	Total		<u>\$ 7,596.06</u>	\$ 87.34	1.16%
55					

ATMOS ENERGY CORP., MID-TEX DIVISION
MID-TEX RATE REVIEW MECHANISM
AVERAGE BILL COMPARISON - BASE RATES
TEST YEAR ENDING DECEMBER 31, 2023

Line No.	Description							Current	Proposed	Change	
										Amount	Percent
	(a)							(b)	(c)	(d)	(e)
56	<u>Rate T @ 4645 MMBTU</u>										
57	Customer charge							\$ 1,382.00			
58	Consumption charge	1,500	MMBTU	X	\$	0.5684	=	852.60			
59	Consumption charge	3,145	MMBTU	X	\$	0.4163	=	1,309.08			
60	Consumption charge	0	MMBTU	X	\$	0.0893	=	-			
61	Rider GCR Part B	4,645	MMBTU	X	\$	0.7337	=	3,407.90			
62	Subtotal							\$ 6,951.58			
63	Rider FF & Rider TAX		\$ 6,951.58	X		0.07196	=	500.26			
64	Total							<u>\$ 7,451.84</u>			
65											
66	Customer charge								\$ 1,587.75		
67	Consumption charge	1,500	MMBTU	X	\$	0.6553	=	982.95			
68	Consumption charge	3,145	MMBTU	X	\$	0.4799	=	1,509.08			
69	Consumption charge	0	MMBTU	X	\$	0.1029	=	-			
70	Rider GCR Part B	4,645	MMBTU	X	\$	0.7337	=	3,407.90			
71	Subtotal							\$ 7,487.68			
72	Rider FF & Rider TAX		\$ 7,487.68	X		0.07196	=	538.84			
73	Total							<u>\$ 8,026.52</u>	<u>\$ 574.68</u>		7.71%



STAFF REPORT
TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: CONSENT AGENDA ITEM V.B.5.

SUBJECT
Amended and Restated Interlocal Agreement for Water and WasteWater Operations and Maintenance between the City of Arlington and the City of Kennedale.

ORIGINATED BY

SUMMARY

RECOMMENDATION
Approve

ATTACHMENTS		
1.	Amended Interlocal Agreement For Water and Wastewater Operation and Maintenance	Amended Interlocal Agreement For Water and Wastewater Operation and Maintenance.pdf
2.	Exhibit F - Kennedale Water Distribution (Arlington West Pressure Plane)	Exhibit F - Kennedale Water Distribution (Arlington West Pressure Plane).pdf

**AMENDED AND RESTATED
INTERLOCAL AGREEMENT
FOR WATER AND WASTEWATER
OPERATION AND MAINTENANCE**

Between

CITY OF ARLINGTON, TX

and

CITY OF KENNEDALE, TX

(October 1, 2024)

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Exhibit A	Examples of Non-Routine Maintenance or Repair Cost Escalators
Exhibit B	Description of Facilities
Exhibit C	Municipality's Environmental Permits
Exhibit D	Meter Reading and Customer Care Cost Calculation
Exhibit E	Senate Bill 3 Compensation Calculation
Exhibit F	Kennedale Water Distribution (Arlington West Pressure Plane)

AMENDED AND RESTATED INTERLOCAL AGREEMENT FOR WATER AND WASTEWATER OPERATION AND MAINTENANCE

THIS AMENDED AND RESTATED INTERLOCAL AGREEMENT FOR WATER AND WASTEWATER OPERATION AND MAINTENANCE (hereinafter, this "Agreement") is made and entered into as of October 1, 2024, by and between the City of Kennedale, a municipal corporation organized under the laws of the State of Texas (hereinafter "Municipality"), and the City of Arlington, a municipal corporation organized under the laws of the State of Texas (hereinafter "Operator"). Municipality and Operator are collectively referred to herein as "the Parties."

WHEREAS, Operator owns, operates and maintains water distribution facilities and sewer collection and treatment facilities; and

WHEREAS, Municipality owns, operates and maintains a water supply and distribution utility and a sewer collection utility that serves customers in the city limits of Municipality and adjacent areas in Tarrant County; and

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, on March 29, 2019, Operator and Municipality entered into an Interlocal Agreement for Water and Wastewater Operation and Maintenance (hereinafter the "Original Agreement") whereby Operator would manage, operate, and maintain Municipality's water distribution facilities and sewer collection facilities, as authorized by Operator's City Council through Resolution No. 19-078, and pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, as amended; and

WHEREAS, on March 26, 2024, Operator and Municipality entered into a First Amendment to the Original Agreement, extending the initial term of the Original Agreement through September 30, 2024, as authorized by Operator's City Council through Resolution No. 24-074 (hereafter the Original Agreement and the First Amendment shall be referred to as the "Amended Original Agreement"); and

WHEREAS, Operator and Municipality desire to modify the terms of the Amended Original Agreement and restate it; and

WHEREAS, Operator and Municipality desire to have this Agreement supersede and replace the Amended Original Agreement; and

WHEREAS, the governing bodies of each Party find that the undertaking is necessary for the benefit of the public, is in the common interest of both Parties and that each Party has the legal authority to provide such service; and

WHEREAS, the covenants and promises set forth in this Agreement constitute adequate consideration to each Party; and

WHEREAS, the Parties, in paying for the performance of governmental functions or in performing such governmental functions pursuant to this Agreement shall make payments therefor only from current revenues legally available to such Party.

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein, Operator and Municipality, their successors and assigns, agree as follows:

Article 1 DEFINITIONS

"Additional Services" shall mean services performed by Operator that are outside of Operator's scope of Services as set forth in Article 4 of this Agreement.

"Adjustment Date" shall mean each and every anniversary of the Commencement Date.

"Affiliate" shall mean "related parties" to Operator and Municipality within the meaning of Section 144(a) (3) of the Internal Revenue Code.

"Agreement" is defined in the Preamble to this Agreement.

"Agreement Year" is defined as any consecutive twelve (12) month period during the term of this Agreement (including the renewal options) that begins on the Commencement Date and subsequently ends on each anniversary of that date.

"Annual Maintenance Expenditures" is defined as the total of all expenses incurred annually by Operator in connection with the discharge of its maintenance, operation, and other responsibilities as provided by Article 4 of this Agreement, excluding sections 4.5 Non-Routine Repairs and Replacement, 4.10 Emergency Response, 4.15 Meter Operations and Maintenance, and 4.16 Meter Reading & Customer Care. The Annual Maintenance Expenditures shall specifically include Direct Cost, Indirect Cost, and Carrying Cost. As stated in Section 4.5 hereunder, any individual expenditure for the repair and/or replacement of Facilities' equipment or structure whose unit cost (as to any single event or function) exceeds twenty-five thousand dollars (\$25,000) shall be subject to Municipality's prior approval. The cost of such approved expenditures shall be included in the Annual Maintenance Expenditures.

"Annual Repair and Maintenance Limit" is defined as the total of all non-routine repairs and maintenance costs (not included as Annual Maintenance Expenditures) to be performed by Operator in an amount up to a maximum of one hundred thousand dollars (\$100,000) for each year of this Agreement. By way of example, the items set forth in Exhibit A attached hereto are considered non-routine repair and maintenance costs that are subject to the Annual Repair and Maintenance Limit. The Annual Repair and Maintenance Limit shall specifically include Direct Cost, Indirect Cost, and Carrying Cost.

"Applicable Law" is defined as those laws, rules, regulations, codes, administrative and judicial orders, directives, guidelines, judgments, rulings, interpretations or similar requirements or actions of any federal, state, local government, agency or executive or administrative body of any of the foregoing, including CERCLA, SDWA and RCRA, in each case that pertain to the (a) Parties' respective responsibilities under this Agreement; (b) operation or maintenance of the Facilities; (c) health and welfare of individuals working at or visiting the Facilities; and (d) the collection, delivery, treatment and disposal of Municipality's raw and finished water, wastewater, and/or related wastes. This definition specifically includes the terms, conditions, requirements or schedules of any administrative or judicial settlement or enforcement related, in any way, to the Facilities, to the collection, delivery, pretreatment, or treatment of Municipality's raw and finished water and/or wastewater, and to each of Municipality's Environmental Permits issued for the Facilities.

"Authorized Representative" is defined in Section 10.1 of this Agreement.

"Base Compensation" is defined in Section 6.1 of this Agreement.

"Baseline Power Rate(s)" shall mean the electric rates established by Municipality's electric provider in effect as of the Commencement Date for the water distribution system and the sanitary sewer collection system. The Base Compensation may be adjusted to reflect changes to the Baseline Power Rate(s) on each Adjustment Date or earlier if the Baseline Power Rates are increased by the electric provider during any Agreement Year. Operator shall provide the basis for such adjustment to Municipality for review and approval, which shall not be unreasonably withheld.

"Capital Improvement(s)" shall mean changes, modifications, additions, or upgrades to the Facilities.

"Carrying Cost" shall mean costs incurred by the Operator to administer the contract, such as managerial services, fiscal services, human resources services, legal services, and other costs mutually agreed to by the Parties. Carrying Costs shall be equal to fifteen percent (15%) of Direct Costs incurred by Operator.

"CERCLA" is defined as the federal Comprehensive Environmental Response Compensation and Liability Act, as same may be amended from time to time, 42 USC §9601 et seq.

"Change of Law" is defined as the occurrence of any of the events listed in (i) through (iv) below, which results or can reasonably be expected to result in (a) the need to make a Capital Improvement at or to the Facilities in order for Operator to operate the Facilities in accordance with this Agreement and Applicable Law; or (b) an increase or decrease to the cost of managing, operating or maintaining the Facilities in accordance with this Agreement and Applicable Law; or (c) a material and adverse effect on the scope of Operator's liabilities or obligations under this Agreement:

- (i) there is passed or promulgated any federal, state, or other local law, statute, ordinance, rule or regulation different from those existing on the date this Agreement is executed; or
- (ii) there is passed or promulgated any amendment to, or change in, any federal, state, or other local law, statute, ordinance, rule or regulation (including any applicable sales tax regulation) following the date of this Agreement; or
- (iii) following the execution of this Agreement, there comes into existence an order or judgment of any federal, state, or local court, administrative agency or other governmental body containing interpretations of any Applicable Law relating to the operation or maintenance of the Facilities or the health and safety of Operator's employees that is inconsistent with generally accepted interpretations in effect on the date this Agreement is executed; or
- (iv) after the Commencement Date of this Agreement, any change occurs which affects the issuance or renewal, or causes a suspension, termination, interruption, revocation, denial or failure of renewal (for reasons other than Operator fault or failure by Operator to comply with the terms of this Agreement) of any official permit, license or necessary approval by the USEPA, the Occupational Safety and Health Administration or the State Environmental Agency.

"Commencement Date" shall mean the date designated by the parties hereunder for the commencement of their respective obligations. The parties agree that the Commencement Date shall be October 1, 2024.

"Direct Costs" shall include direct labor (salaries and benefits), cost of groundwater well operations, equipment costs, materials and supply costs, and other costs mutually agreed to by the Parties.

"Extended Power Outage" is defined as a power outage lasting more than 24 hours.

"Facilities" or "Municipality's Facilities" is defined as the water distribution system and sanitary sewer collection system and all associated facilities owned by Municipality as described in Exhibit B to this Agreement.

"Force Majeure" is defined as any act, event, or condition to the extent that it adversely impacts the cost of performance of, or adversely affects the ability of, either Party to perform any obligation under this Agreement (except for payment obligations) if such act, event or condition, in light of any circumstances that should have been known or reasonably believed to have existed at the time, is beyond the reasonable control and is not a result of the willful or negligent act, error, omission or failure to exercise reasonable diligence on the part of the Party relying thereon; provided, however, that the contesting Party in good faith or failure in good faith to contest such action or inaction shall not be construed as a willful or negligent act, error, omission or lack of reasonable diligence of either Party.

- (a) Inclusions subject to the foregoing, such acts, events or conditions may include, but shall not be limited to, the following:
- (i) an act of God, landslide, earthquake, fire, explosion, flood, hurricane, tornado, sabotage, or similar occurrence, acts of a public enemy, terrorism, extortion, war, blockade, insurrection, riot or civil disturbance;
 - (ii) the failure of any appropriate governmental agency or private utility to provide and maintain utilities;
 - (iii) any failure of title to the Facilities or any placement or enforcement of any lien, charge or encumbrance on the Facilities or on any improvements thereon that is not consented to in writing by, or arising out of any action or agreement entered into by, either Party to the Agreement;
 - (iv) the inability of Operator and its subcontractors, after exercising all reasonable effort, to gain and maintain access to all areas of the Facilities and/or adjoining the Facilities where Operator is required to provide services or perform any work hereunder;
 - (v) the preemption, confiscation, diversion, destruction, or other interference by, on behalf, or with authority of a governmental body in connection with a declared or asserted public emergency or any condemnation or other taking by eminent domain or similar action, in the possession of property, equipment or materials located at the Facilities, or in the performance of the Services to be performed by Operator hereunder;
 - (vi) strikes, work stoppages, or labor disputes affecting Operator and any subcontractor (excluding material suppliers) of Operator;
 - (vii) with respect to Operator, the presence at the Facilities of (i) subsurface structures, materials or conditions having historical, geological, archeological, religious or similar significance; (ii) any habitat of an endangered or protected species; or (iii) functioning subsurface structures used by utilities on, underneath, near or adjacent to the Facilities;
 - (viii) with respect to Operator, (i) the presence anywhere in, on or under the Facilities on the Commencement Date of underground storage tanks; (ii) the presence of hazardous materials or regulated substances in environmental media anywhere in, on or under the Facilities as of the Commencement Date; (iii) the off-site migration of pollutants and/or off-site contamination, including any migration of pollutants that is not caused by the negligence of Operator; or (iv) contamination of the Facilities from groundwater, soil or airborne hazardous materials or regulated substances migrating from sources outside the Facilities to the extent not caused by Operator's negligence;

- (ix) with respect to Operator, damage to the Facilities caused by third parties not related to or under the control of Operator including, but not limited to, other contractors and subcontractors for Municipality;
 - (x) the failure of any subcontractor or supplier to furnish services, materials, chemicals or equipment on the dates agreed to, but only if such failure is the result of an event that would constitute Force Majeure if it affected Operator directly, and Operator is not able after exercising all reasonable efforts to timely obtain substitutes; and
 - (xi) the breach of this Agreement by one of the Parties to the extent that it adversely impacts the non-breaching Party's cost of performance under this Agreement or adversely affects the ability of the non-breaching Party to perform any obligation under this Agreement,
- (b) Exclusions. None of the following acts, events or conditions shall constitute an event of Force Majeure:
- (i) general economic conditions, interest or inflation rate fluctuations, commodity prices or changes in process, or currency or exchange rate fluctuations;
 - (ii) changes in the financial condition of Municipality, Operator, or any of their Affiliates or subcontractors;
 - (iii) union work rules which increase Operator's operating cost for the Facilities;
 - (iv) any impact of prevailing wage laws on Operator's costs, provided however that such requirements or demands may constitute a Change of Law entitling Operator to additional compensation;
 - (v) the consequence of Operator error, including any errors of Operator Affiliates or subcontractors; and/or
 - (vi) litigation against Municipality and/or Operator.

"Indirect Costs" shall include dispatch services, warehousing services, forecasting and inventory services, meter data management, meter testing services, fleet (repairs, parts, and supply inflation), purchasing and contracting markup on materials and services, software licensing fees (Cartegraph, ArcMap, Workday, Milestone Security System, Office 365 Suite), laptop lease costs, and other costs mutually agreed to by the Parties. Indirect Costs incurred by Operator shall be equal to twenty percent (20%) of Direct Costs incurred by Operator.

"Municipality" is defined in the Preamble to this Agreement.

"Municipality's Environmental Permit(s)" or "Environmental Permit(s)" shall refer to permits and licenses issued to Municipality and required for the supply of finished water from the Facilities and/or the collection of wastewater from the Facilities. Copies of all Environmental Permits are attached as Exhibit C to this Agreement.

"Operator" is defined in the Preamble to this Agreement.

"RCRA" is defined as the Resource Conservation Recovery Act, as same may be amended from time to time, 42 USC §8921 et seq.

"SDWA" is defined as the Safe Drinking Water Act, as same may be amended from time to time, 42 USC §300f et seq.

"Services" is defined in Section 4.1.

"Sewer Use Ordinance" is defined as Municipality's ordinance, order, regulation or policy which establishes the requirements for persons discharging wastewater into Municipality's sewer system, as same may be amended from time to time.

"Shutdown" is defined as the cessation or substantial interruption of normal operations at the Facilities due to the failure of operating equipment or interruption of the processes of the Facilities for reasons other than the negligence of Operator or its employees, agents or subcontractors.

"TCEQ" refers to the Texas Commission on Environmental Quality.

"USEPA" refers to the United States Environmental Protection Agency.

Article 2 PURPOSE

Commencing on the Commencement Date and during the term of this Agreement, Municipality agrees to engage Operator as an independent contractor to operate and maintain the Facilities, and Operator agrees to operate, and maintain the Facilities in accordance with the terms and conditions of this Agreement, Applicable Law, and all permits, licenses, manufacturer's protocols, and specifications applicable to the operation and maintenance of the Facilities. Each Party hereto agrees that it will cooperate in good faith with the other and its agents, employees, representatives, officers, contractors, and subcontractors to facilitate the performance of the mutual obligations set forth in this Agreement.

Article 3 REPRESENTATIONS AND WARRANTIES OF THE PARTIES

Section 3.1 Representations and Warranties of Municipality

Municipality hereby represents and warrants that, as of the date hereof:

- (a) It is a municipal corporation of the State of Texas duly organized, validly existing and in good standing under the laws of the State, with all legal right, power and authority to enter

into this Agreement, to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, and to enter into and perform its obligations under this Agreement.

- (b) This Agreement, Municipality's execution and delivery of this Agreement and Municipality's performance of its obligations hereunder, have been duly and validly authorized. This Agreement has been validly executed and delivered by Municipality and constitutes a legal, valid, and binding obligation of Municipality, enforceable in accordance with its terms.
- (c) Municipality's execution, delivery, and performance of this Agreement will not conflict with, or result in any violation of, or constitute a default or a condition which upon notice or lapse of time, or both, would constitute a default under any judgment, order, writ, injunction, decree, rule, regulation, permit, license, bonds, debt instruments, note, agreement, mortgage, deed, contract or other instruments that apply to, or which bind Municipality or any of its assets and properties.
- (d) There are no actions, suits, proceedings or governmental investigations pending, or, to its best knowledge, threatened against it or its assets or properties, and no judgments, decrees, orders, rulings, writs or injunctions outstanding against it or its assets or properties, that would in any case have a material adverse effect upon Municipality's ability to execute this Agreement or otherwise to consummate and perform its obligations hereunder.
- (e) Municipality and its representatives are fully familiar with this Agreement and the obligations set forth herein, including all the exhibits and schedules attached to this Agreement, if any, and Municipality is fully capable of performing and complying with the same.

Section 3.2 Representations and Warranties of Operator

Operator hereby represents and warrants to Municipality that, as of the date hereof:

- (a) It is a municipal corporation of the State of Texas duly organized, validly existing and in good standing under the laws of the State, with all legal right, power and authority to enter into this Agreement, to own and operate its properties, to carry on its business as now conducted and as proposed to be conducted, and to enter into and perform its obligations under this Agreement.
- (b) This Agreement, Operator's execution and delivery of this Agreement, and Operator's performance of its obligations hereunder, have been duly and validly authorized by Operator by all necessary action. This Agreement has been validly executed and delivered by Operator and constitutes a legal, valid and binding obligation of Operator, enforceable in accordance with its terms.
- (c) Operator's execution, delivery and performance of this Agreement will not conflict with, or result in any violation of, or constitute a default or a condition which upon notice of

lapse of time, or both, would constitute a default, under the organizational documents of Operator nor under any judgment, order, writ, injunction, decree, rule, regulation, permit, license, bonds, debt instruments, note, agreement, mortgage, deed, contract or other instruments that apply to, or which bind, Operator or any of its assets or properties.

- (d) There are no actions, suits, proceedings or governmental investigations pending, or, to its best knowledge, threatened against it or its assets or properties, and no judgments, decrees, orders, rulings, writs or injunctions outstanding against it or its assets or properties, that would in any case have a material adverse effect upon Operator's ability to execute this Agreement or otherwise to consummate and perform its obligations hereunder.
- (e) Operator is fully familiar with this Agreement and the obligations set forth herein, including all exhibits and schedules attached to this Agreement, if any, and Operator is capable of performing and complying with same.

Section 3.3 Disclosure of Information

Municipality and Operator each represent and warrant to the other that each has disclosed, and will in the future disclose, any and all information it now has, or may have in the future, relating to the Facilities that may be relevant to the other in performing its duties and obligations. Such information shall include, but shall not be limited to, the appropriate sections of any vulnerability or security assessment performed (including any vulnerability assessments performed in accordance with 42 USCS §300i-2 or any other similar statute), environmental audits, prior permit violations and/or dealings with regulatory agencies.

Article 4 SCOPE OF SERVICES AND OPERATOR'S RESPONSIBILITIES

Section 4.1 General

Subject to the terms and conditions provided herein, Operator shall provide labor, tools, utilities and materials, including an on-site routine stock of chemicals necessary for the operation and maintenance of the Facilities to the extent specifically set forth in this Article 4 (hereinafter the "Services"). The Services include: (a) the distribution of treated water as reasonably necessary to meet the demand for water by Municipality's customers, as well as using reasonable efforts to maintain full water storage capacity levels in all water storage facilities in the distribution system; (b) the operation, maintenance and repair of Municipality's wastewater collection system as reasonably necessary to meet the demand for wastewater collection by Municipality's customers and conveying such wastewater to an appropriate treatment facility for the treatment of domestic wastewater; (c) routine preventive maintenance of the Facilities; (d) laboratory testing and analysis; and (e) preparation and prompt delivery of all applicable and required filings, including discharge reports, to Municipality and to regulatory agencies as prescribed by Applicable Law.

Section 4.2 Standard of Care

The Services provided under this Agreement are of a professional nature and shall be performed in accordance with the degree of skill and care ordinarily exercised by members of Operator's profession in the geographic region of the Facilities.

Section 4.3 Process Control

- (a) Operator shall operate and maintain the Facilities and all equipment and processes contained therein in accordance with relevant operation and maintenance manuals for the Facilities, Applicable Law, and the Environmental Permits.
- (b) During any Municipality-approved construction or other modification of the Facilities, Municipality and Operator will work together to maintain Operator's access to the Facilities and to minimize disruption and outages to the Facilities' existing equipment and components. Municipality and Operator will jointly develop a plan of action that will address protection to the Facilities' equipment and processes during any such construction and/or other rehabilitation period while providing for the continued operation of the Facilities to the extent reasonably possible.

Section 4.4 Routine Maintenance of the Facilities and Equipment

Subject to the limitations set forth in Section 4.5 and Section 6.4 below, Operator shall (i) perform routine preventive maintenance in accordance with manufacturers' specifications and approved operating and maintenance procedures developed for equipment and processes of the Facilities; (ii) repair and/or replace equipment; (iii) clean and lubricate equipment; (iv) make equipment inspections and needed adjustments; (v) perform predictive maintenance as appropriate; (vi) perform plumbing and electrical maintenance; and (vii) maintain all of the Facilities' instrumentation, including instrumentation provided to Operator by Municipality pursuant to this Agreement. Operator shall schedule and track all preventive, corrective, and predictive maintenance and perform spare parts inventory control in accordance with standard industry practice.

Section 4.5 Non-Routine Repairs and Replacement

- (a) Operator shall be responsible for all non-routine repairs and maintenance for the Facilities. Each year of the Agreement, Operator's responsibility for repairs and maintenance shall not exceed the Annual Repair and Maintenance Limit (which Annual Repair and Maintenance Limit shall be included in the Base Compensation). Any and all costs in excess of the Annual Repair and Maintenance Limit shall be the responsibility of Municipality and shall be paid directly by Municipality or reimbursed to Operator in accordance with Section 6.5.
- (b) Operator shall not incur any single maintenance related expenditure whose unit cost exceeds twenty-five thousand dollars (\$25,000) without the prior written approval of Municipality, except in the case of emergencies threatening the immediate Shutdown of, or the substantial reduction in the operational capacity of any of the Facilities, or the life, health or property of Municipality and/or Operator, their employees and/or agents or others (for purposes of this Section 4.5 only, all such emergencies shall be referred to collectively

and individually as an "Emergency"). When Operator determines that a condition constitutes an Emergency, Operator may begin taking the necessary abatement action, including all necessary equipment repairs, immediately without Municipality's prior approval. Any cost incurred during the Emergency for non-routine repairs and maintenance costs shall be counted toward the Annual Repair and Maintenance Limit, subject to Municipality's subsequent review and approval. Any such cost unnecessarily incurred in an Emergency shall be borne by Operator without reimbursement by Municipality, but only to the extent it is subsequently determined that Operator's actions in incurring such cost were not consistent with good and prudent industry practice given the information available to Operator at the time the decision to incur such cost was made.

- (c) Municipality shall be responsible for procuring any non-emergency single maintenance related expenditure that exceeds \$49,000. Operator shall not be liable for completing any maintenance, repairs, or operations if Municipality fails to procure the necessary goods or services which exceed \$49,000. Operator shall not be liable for any system failure or damage to the Facilities if the Municipality fails to approve the needed repairs or procure the necessary goods or services under this section.

Section 4.6 Staffing

Operator shall provide qualified and, where required, certified staffing for the operation and maintenance of the Facilities in accordance with TCEQ **rules and regulations**.

Section 4.7 Testing and Laboratory Analysis

- (a) Operator shall perform or shall contract with a laboratory certified by the State to perform all sampling and laboratory analysis required by Municipality's Environmental Permits as of the Commencement Date. Laboratory procedures and analysis shall conform to the then current edition of Standard Methods for the Examination of Water and Wastewater.
- (b) Operator shall only be responsible for the following test and analysis:
 - (i) Maintain the Water System Monitoring Plan.
 - (ii) Conduct Coliform monitoring and analysis.
 - (iii) Perform Lead and Copper testing.
 - (iv) Collect and test samples for the Water Quality Parameters for the Lead and Copper Rule.
 - (v) Monitor and follow the Nitrification Action Plan that is in the Monitoring Plan
- (c) Kennedale customers that experience water quality issues shall contact the Operators water quality phone number.

Section 4.8 Communications

- (a) To keep Municipality informed about the status of the Facilities, Operator shall provide a written monthly report to Municipality on the operational status and maintenance of the Facilities.
- (b) Operator shall interface with TCEQ in matters related to compliance to potable water and wastewater rules and regulations. Operator shall, as soon as practicable and in reasonable detail, inform Municipality of the subject matter of such communications with regulatory agencies. All other communications with regulatory agencies, the media, or community groups may occur only upon Municipality's request or with Municipality's prior approval.

Section 4.9 Reports

- (a) Operator shall maintain computerized and other necessary records of operations, maintenance, repair, and improvement activities undertaken at the Facilities.
- (b) Operator shall provide a quarterly financial analysis report to Municipality.
- (c) Operator shall collect the data for the permit monitoring and operating reports per subsection (d) and shall deliver the required monitoring and operating reports to Municipality and to the appropriate regulatory agencies having competent jurisdiction over same. Municipality, however, shall at all times be responsible for maintaining all required permits for the ownership and operation of the Facilities.
- (d) All records and data pertaining to the Facilities, including but not limited to operation reports, laboratory reports and monitoring documentation, but excluding Operator's budgetary and financial information, are the property of Municipality and Municipality will be responsible for retaining such records per state law.
- (e) Operator shall submit the following reports: Disinfection Level Quarterly Operation Report (DL QOR), Water Production Report, Tier II Report, and Revised Total Coliform Rule Report for Microbial Monitoring Results.

Section 4.10 Emergency Response

- (a) Operator shall provide emergency response when required. Emergencies include situations in which, absent Operator's action, there is a risk of: (i) the Facilities' noncompliance with Applicable Law; (ii) failure of the Facilities to operate; (iii) circumstances affecting the safety of persons or property; (iv) adverse impact of snow and other extreme weather conditions and other natural or man-made disasters; and (v) the occurrence of an event of Force Majeure or Shutdown.
- (b) Operator shall provide said emergency response on a similar level and management practice that Operator performs for its own retail customers.

- (c) Operator shall notify Municipality of emergency conditions and emergency response actions as quickly as possible.
- (d) All costs incurred by Operator in responding to emergencies shall be part of the Annual Repair and Maintenance Limit and shall be borne by Municipality only to the extent that the Annual Repair and Maintenance Limit is exceeded, except where specifically provided otherwise, or where such emergency, production stoppage or failure of the Facilities to operate is a direct result of Operator's failure to operate and maintain the Facilities in accordance with the terms of this Agreement.
- (e) In the event of sudden damage or destruction of any portion of the Facilities, or in the event of an emergency which in the reasonable judgment of Operator is likely to result in material loss or damage to any portion of the Facilities, or constitute a threat to human health or safety, Operator may suspend operations of those portions of the Facilities which are reasonably determined to be affected by the emergency and may make such emergency repairs as are necessary to mitigate or reduce such loss, damage or threat. Operator shall provide prompt notice to Municipality of any such damage, destruction or threat and of any emergency repairs that have or will be taken. Municipality and Operator shall cooperate in good faith in pursuing reasonable measures to mitigate any threats to human health or safety, or the environment.
- (f) Notwithstanding anything in this Agreement to the contrary, Operator cannot and does not guarantee compliance with Senate Bill 3, as enacted by the 87th Texas legislature, Regular Session, relating to preparing for, preventing, and responding to weather emergencies and power outages or compliance with Texas Water Code Section 13.1394, except that Operator shall guarantee compliance with Texas Water Code, Section 13.1394 (b) throughout the service area of the Municipality's distribution system which lies within the City of Arlington West Pressure Plane as shown in Exhibit F attached hereto and incorporated herein by reference as if written word for word. Operator shall guarantee this area a minimum distribution pressure of 20 psi during an Extended Power Outage. In the event of contract termination between Operator and Municipality, the Senate Bill 3 requirements as described above revert to Municipality.
- (g) Notwithstanding anything in this Agreement to the contrary, Operator shall not guarantee compliance with Texas Water Code, Section 13.1394 (b) throughout the service area of the City of Kennedale's distribution system which does not lie within the City of Arlington West Pressure Plane as shown in Exhibit F.

Section 4.11 Accounting Records

Operator shall maintain up-to-date financial and accounting records as they apply to the Annual Maintenance Expenditures. The records shall be kept in accordance with Operator's standard accounting practices and made available to Municipality within thirty (30) working days of Municipality's written request.

Section 4.12 Manufacturers' Warranties

Operator shall be responsible for maintaining warranties on new equipment acquired while Operator is operating the Facilities. In addition, Operator shall assist Municipality in enforcing the warranties and guarantees provided to Operator by Municipality, if any, for existing equipment used in connection with the operation of the Facilities. Under no circumstances shall Operator's obligations hereunder include any express or implied warranties with respect to all Facilities equipment.

Section 4.13 Water Distribution System

Operator shall operate, maintain and repair Municipality's water distribution system in accordance with generally accepted industry standards, environmental regulations, and Operator's standards and practices for its own retail customers.

Section 4.14 Wastewater Collection System

Operator shall operate, maintain and repair Municipality's wastewater collection system, in accordance with generally accepted industry standards, environmental regulations, and Operator's standards and practices for its own retail customers. The scope of services provided for in this Agreement do not include treating wastewater to applicable standards under Applicable Laws or Environmental Permits.

Section 4.15 Meter Operations and Maintenance

- (a) Operator will install, operate, maintain, and/or replace as needed all water meters utilized in connection with the operation of the Facilities and the cost of this shall be included in the Annual Repair and Maintenance Limit.
- (b) Operator shall repair or replace such meters that are inoperable or damaged within fifteen (15) days of detection of the same by Operator or notice to Operator by Municipality and the costs of all meters, equipment, spare parts and supplies shall be included in the Annual Repair and Maintenance Limit.

Section 4.16 Meter Reading and Customer Care

- (a) Operator shall have staff at Kennedale City Hall to allow Kennedale residents to pay utility bills. Municipality shall provide reasonable space and facilities at Kennedale City Hall for this purpose. Operator and Municipality agree that Operator residents will be allowed to pay Operator utility bills at Municipality's City Hall and Municipality's residents shall be allowed to pay utility bills at any Operator bill payment location.
- (b) Meter Reading and Customer Care Cost Calculations are detailed in Exhibit D.

Section 4.17 Capital Improvements Plan

Municipality shall be responsible for planning and implementation of Municipality's Capital Improvement Plan. Operator will provide input regarding condition assessment based on data collected by Operator during its regular course of operation and maintenance of the water and wastewater systems.

Article 5 MUNICIPALITY'S RESPONSIBILITIES

Section 5.1 Permits

Operator shall be responsible for payment of groundwater productions fees to the Northern Trinity Groundwater Conservation District as part of Base Compensation. Municipality shall be responsible for obtaining, maintaining and directly paying for all other state, federal, and local permits and licenses required for ownership, operation and maintenance of the Facilities, including without limitation, Municipality's Environmental Permits. Municipality shall also be responsible for the payment of all other regulatory and governmental fees associated with ownership and operation of the Facilities and Municipality's equipment used in connection with the operation and maintenance of the Facilities. Operator shall provide reasonable assistance to Municipality in obtaining and maintaining all required state, federal, and local permits and licenses associated with the ownership, operation and maintenance of the Facilities. Municipality shall also create and maintain the Water Conservation Plan that is submitted to the Texas Water Development Board. Municipality shall submit the following Texas Water Development Board Reports: Water Use Survey, Water Loss Audit, and Water Conservation Annual Report. When the Municipality receives communication from TCEQ, the Municipality shall forward that information to the Operator within three (3) business days.

Section 5.2 Utilities

- (a) Except as otherwise provided herein, Municipality shall assume all responsibility and cost for arranging for the delivery of utility services to the Facilities, including water, electricity, natural gas services, phone and high-speed internet service and shall be responsible for maintaining water service to the Facilities at its sole cost and expense.
- (b) Operator shall assume all costs related to the consumption of electric power at the Well, Pump, and Metering Facilities.

Section 5.3 Compliance with Laws

- (a) Municipality will comply with Applicable Law pertaining to the management, ownership, operation, maintenance, repair and replacement of the Facilities to the extent that the responsibility of complying with those laws is not specifically assumed by Operator under the terms of this Agreement. Operator shall not be responsible for Municipality's failure to comply with any provision of Applicable Law that is not otherwise specifically assumed by Operator hereunder. Except as otherwise provided herein, Municipality, and not Operator, is responsible for compliance with Senate Bill 3, as enacted by the 87th Texas legislature, Regular Session, relating to preparing for, preventing, and responding to weather emergencies and power outages and with Texas Water Code Section 13.1394.

- (b) Municipality is responsible for the implementation of necessary programs to protect water and wastewater quality which includes Industrial Pretreatment per requirements of 40CFR Part 403, Liquid Waste per requirements of Municipalities Ordinance Chapter 23 Article IV, Backflow Prevention Programs per requirements of 30TAC 290.44(h), 30TAC 290.47(f) and Customer Service Inspections per requirements of 30TAC 290.46(j).
- (c) Municipality is responsible for any new requirements in the Lead and Copper Rule (40CFR 141.80) that are in effect after October 1, 2024. This includes developing a lead service line inventory, lead service line replacement plan, and identifying the schools and day cares that require that lead and copper testing be performed. Municipality shall inform the Operator which homes were identified that require testing for lead and copper as part of the Lead and Copper Rule.
- (d) Municipality is responsible for any new regulations that are in effect after October 1, 2024.
- (e) Municipality will notify TCEQ (Drinking Water Inventory & Protection Team) about any changes for the Public Water System (PWS) TX2200017 concerning the points of contacts, facility updates, status updates, and any other information required for the drinking water watch database.
- (f) Municipality shall be responsible for plugging or inspection of abandoned water wells per 30TAC290.46(u).

Section 5.4 License to Use the Facilities

Municipality hereby grants Operator, without charge, a license during the term of this Agreement for Operator's use of the Facilities, including all rights of way, easements, rights of entry, equipment, structures, facilities and vehicles under Municipality's ownership or control and which have been assigned by Municipality to the Facilities including, but not limited to, those items listed in Exhibit B. Notwithstanding the above, Operator will be responsible for all maintenance and repairs on the Facilities, except as otherwise provided in this Agreement and subject to the Annual Repair and Maintenance Limit.

Section 5.5 Notice of Litigation

In the event that Municipality receives notice of or undertakes the defense or the prosecution of any action, claim, suit, administrative or arbitration proceeding or investigation in connection with the ownership, operation and/or maintenance of the Facilities and/or this Agreement, Municipality shall give Operator prompt notice of such proceedings and shall inform Operator in advance of all hearings regarding such action, claim, suit, proceeding, or investigation. In the event Operator receives notice of any action, claim, suit, administrative or arbitration proceeding or investigation in connection with the ownership, operation and/or maintenance of the Facilities and/or this Agreement, Operator shall give Municipality prompt notice of such proceedings.

Section 5.6 Access

Municipality shall have full and unrestricted access to any and all parts of the Facilities at any and all times to review the performance of Operator and inspect the Facilities during normal business hours. If notice is not provided prior to any such visit or inspection, such visit or inspection must be announced immediately upon the arrival of Municipality's representative at the Facilities. In connection with such visits and inspections, Municipality agrees on behalf of itself, and further agrees to require its agents, licensees, or invitees, to comply with all reasonable safety rules and regulations adopted by Operator and/or promulgated by any governmental authority that regulates work place safety. Storage of Municipality material at the Facilities will need to have prior written approval from the Operator. The Operator may limit the amount of material the Municipality can store at the Facilities.

Section 5.7 Sanitary Sewer Overflow and Infiltration and Inflow

Municipality shall be responsible for complying with applicable sanitary sewer overflow regulations under local, state and federal laws except for overflows directly caused by the actions of Operator in operating or maintaining the sewer Facilities. In order to facilitate compliance, Operator shall notify Municipality and required federal and state agencies immediately of any sanitary sewer overflows and shall provide timely information on the volume of overflows and whether overflows reach waters of the state. Operator shall not be responsible for any such noncompliance or resulting penalties or fines resulting from overflows not caused by the actions of Operator. Municipality shall by ordinance, regulation, and/or service conditions require all users of Municipality's wastewater collection system to comply with Operator's ordinances, rules and regulations regarding utilization of the facilities including, but not limited to Operator's pretreatment ordinances, rules and regulations.

Section 5.8 Approval or Disapproval of Proposed Costs

In the event that Operator provides written notice to Municipality in accordance with Section 4.5(b) that it proposes to incur an expenditure requiring Municipality's approval, Municipality shall provide Operator with approval or disapproval of the proposed action within twenty-four (24) hours of receipt of such notice, unless the expenditure requires approval by Municipality's governing body. Except as provided below, in the event that Operator does not receive notice of approval or disapproval within twenty-four (24) hours, Municipality will be deemed to have approved of the proposed action. If the expenditure requires approval by Municipality's governing body, Municipality shall provide Operator with approval or disapproval of the proposed action within 24 hours following the next available City Council meeting.

Section 5.9 Capital Improvements

Municipality shall design and construct the capital improvements identified in the Freese and Nichols, Inc. May 21, 2020, technical memorandum regarding the Operator providing wholesale water to Municipality. Operator shall include Municipality in the planning, design, and construction phases. All improvements shall be approved by TCEQ and in service no later than April 1, 2027, at which time, Operator and Municipality will enter into an interlocal agreement for

Operator to fully provide wholesale water to Municipality minus the minimum contracted value required by the wholesale water supply contract between Forth Worth and Municipality. The following is a summary of those improvements:

- (a) Municipality continues to contract with Operator to operate Municipality's distribution system which lies within the Arlington West Pressure Plane as defined in Exhibit F and as provided in Section 4.10(f) and Section 6.2.
- (b) Municipality constructs improvements at the Trinity Well #4 (T4) Site. These improvements include but are not limited to a new ground water storage tank, pump improvements, wholesale meter connection, vault, piping, backflow, electrical, and SCADA.
- (c) Municipality constructs an additional wholesale water interconnect at Mansfield Cardinal Road and Swiney Heitt Road which provides the Operator a redundant water connection to serve the Municipality. These improvements include but are not limited to a wholesale meter connection, vault, piping, backflow, electrical, and SCADA.
- (d) Decommission all ground water wells. Municipality shall be responsible for plugging or regular inspection of abandoned water wells per 30TAC290.46(u).

Section 5.10 General Authority

Municipality shall perform all duties and discharge all responsibilities and obligations relating to the operation and maintenance of the Facilities not expressly assumed by Operator pursuant to the terms of this Agreement. A representative list of these responsibilities includes, but is not limited to:

- (a) Receive and communicate line locate request to Operator.
- (b) Process all damage claims.
- (c) Perform or contract for all street repairs.
- (d) Inspect the construction of all public water and sanitary sewer infrastructure.

Section 5.11 Authority for Water Supply

Municipality currently receives water from three sources: the City of Fort Worth; Municipality's groundwater wells; and the Operator to the service area of the Municipality's distribution system which lies within the City of Arlington West Pressure Plane as shown in Exhibit F. Municipality hereby agrees that from and after the Commencement Date of this Agreement, Municipality shall construct the capital improvements and decommission all ground water wells as described in Section 5.9 and place in service those improvements no later than April 1, 2027. Once the improvements are operational, Operator will provide wholesale water to Municipality per the Agreement for the Sale and Delivery of Treated Water – Wholesale Customer between Arlington

and Kennedale, as may be amended from time to time. The remaining wholesale water will be provided by Fort Worth per the wholesale water supply contract between Fort Worth and Municipality. The City of Fort Worth contract and groundwater well management will be administered by Operator to achieve maximum cost efficiency for Municipality.

Article 6 COMPENSATION

Section 6.1 Base Compensation

- (a) The Base Compensation shall be equal to the Annual Maintenance Expenditures plus the Annual Repair and Maintenance Limit plus payment of groundwater production fees to the Northern Trinity Groundwater Conservation District pursuant to Section 5.1. On or before June 1 each year, Operator will furnish Municipality with a budget for the operations of the System for the ensuing contract year. The annual budget may be adjusted mid-year after formal notification by Operator to Municipality of the reason and the amount of the adjustment. The amount shall be due and payable in equal monthly installments, in advance, on or before the first business day of each month during the year.
- (b) Notwithstanding the amount of Base Compensation agreed to be paid by Municipality in any year of this Agreement, Municipality agrees to pay for costs that are incurred by Operator from operations of the System that are in excess of the Base Compensation paid for that year. At the close of each fiscal year, ending annually on September 30, after the Operator's financial records are finalized, Operator shall determine the actual costs of the operations of the System. The difference between the budgeted amounts collected monthly from Municipality and the amounts due to Operator hereunder shall be applied as a credit or debit to Municipality and shall be credited against or included in the Municipality's next monthly payment. Upon the termination or expiration of the Agreement, the difference between the budgeted amounts collected from Municipality and the amounts due to Operator during the fiscal year preceding the expiration or termination of the Agreement shall be paid to the Party owed the difference within thirty (30) days after Operator notifies Municipality of the amounts due from or to Municipality.
- (c) The Base Compensation shall be determined by mutual agreement on each renewal of this Agreement described in Section 7.1(b). If agreement on adjusted Base Compensation cannot be reached by six (6) months prior to the expiration of the then current term, either Party may give notice of the intent to allow the agreement to expire at the end of the current term.

Section 6.2 Senate Bill 3 Compensation

In consideration for the additional services being performed by Operator as provided in Section 4.10(f), Municipality agrees to pay Operator \$26,864 annually on the first day of the contract each year for the duration of this Agreement. The Senate Bill 3 compensation calculation is defined in Exhibit E to this Agreement.

At the end of each 5-year contract term, all new capital expenses and operation and maintenance expenses that occurred within the previous 5-year contract term which relate to the Diesel Generators at John F. Kubala Treatment Plant, Tierre Verde Elevated Storage Tank, West Pressure Plane High Service Pump Station, and distribution water mains that convey flow and pressure to the area as defined in Exhibit E shall be added to the Senate Bill 3 Compensation Amount. If this agreement is not renewed, then all responsibilities regarding Senate Bill 3 revert to the Municipality.

Section 6.3 Meter Reading & Customer Care Compensation

Municipality shall pay to Operator the cost of meter reading and customer care. The calculations for such costs are included in Exhibit D, attached hereto and incorporated herein by reference. The monthly cost per account shall be adjusted annually based upon expected costs to provide meter reading and customer care services to the Municipality. On or before June 1 each year, Operator will furnish the total monthly cost per account for the ensuing contract year. The annual budget may be adjusted mid-year after formal notification by Operator to Municipality of the reason and the amount of the adjustment. The amount shall be due and payable in equal monthly installments, in advance, on or before the first business day of each month during the year.

Section 6.4 Annual Repair and Maintenance Limit

Operator will track non-routine repairs and maintenance costs incurred each year against the Annual Repair and Maintenance Limit. If, at any point during the Agreement Year, the amount of non-routine repairs and maintenance costs incurred to that point exceed the Annual Repair and Maintenance Limit, Operator will invoice Municipality for the excess costs in accordance with Section 6.5 and will continue to invoice any additional excess costs on a monthly basis thereafter.

Section 6.5 Additional Services

Except in connection with an Emergency or Shutdown, the Parties shall agree upon a price for any Additional Services to be provided by Operator prior to the delivery of such Additional Services. By way of example, the following items are considered to be Additional Services, but is not intended to signify an exclusive list:

- (a) Expenses resulting from a change in the scope of Services or physical change(s) to the Facilities in accordance with Section 6.6;
- (b) Expenses resulting from a Change of Law in accordance with Section 6.6;
- (c) All repairs necessitated by the occurrence of a disabling event qualifying under the definition of Force Majeure or Shutdown hereunder;
- (d) Special, additional or extraordinary expenses incurred by Operator in providing an emergency response following the occurrence of a disabling event qualifying under the definition of Force Majeure or Shutdown hereunder;

- (e) Water or sewage use fees associated with and/or equated to domestic water usage and/or wastewater discharge including all sewer service charges and volume charges levied under the Sewer Use Ordinance;
- (f) Expenses related to municipal or private surveillance and alarm monitoring by third party vendors;
- (g) Fire protection;
- (h) Professional engineering fees;
- (i) All costs attributable to the consumption of electric power at rates above the Baseline Power Rate(s) (as adjusted in the manner set forth in the definition of such term);
- (j) Capital Improvements approved by Municipality;
- (k) Taxes as provided in Section 6.7 below;
- (l) All expenses necessitated by the repair and/or replacement of equipment or structure damages by Parties unrelated to and not under the supervision of Operator;
- (m) Any and all non-routine repairs and maintenance costs in excess of the Annual Repair and Maintenance Limit; and
- (n) Any cost for each and every other obligation assumed by Municipality pursuant to this Agreement, even if not specifically delineated in Section 6.5.

Section 6.6 Change in Scope

In the event of a change in scope or Change of Law which results in the necessity for either an increase or decrease of ten percent (10%) or more in Operator's cost of providing the Services hereunder, one Party may provide notice to the other Party in accordance with Section 10.9 and the Parties shall negotiate in good faith to adjust the Base Compensation to account for such change in Operator's costs. If the Parties are unable to reach a negotiated agreement within thirty (30) days of the date of notice, then this Agreement may be terminated upon a six month notice by either Party.

Section 6.7 Taxes

If any, Municipality shall pay all property, ad valorem, franchise, sales, use, excise, gross receipts, transaction privilege or other taxes associated with the Services and the ownership, operation and maintenance of the Facilities, other than taxes imposed on Operator's net income or payroll. Municipality shall pay directly or reimburse Operator for any such taxes that Operator may be required to pay under Applicable Law, including without limitation, any and all sales, use, gross receipts and/or transaction privilege taxes due in connection with or as a result of Operator's

purchase, consumption, or use, in performing the Services hereunder, of tangible personal property and/or subcontracted services.

Section 6.8 Accrual of Interest on Late Payments

If Municipality is late in the payment of any charge or fee due and payable to Operator under this Agreement, any and all late payments due shall accrue interest at the rate set by the Texas Prompt Payment Act (Tex. Local Gov't Code 2251.025) from the original due date and until payment is received.

Article 7 TERM AND TERMINATION

Section 7.1 Term

- (a) This Agreement shall remain in full force and effect for five (5) years from the Commencement Date unless terminated for cause as provided in Section 7.2 below.
- (b) Thereafter, this Agreement shall be automatically renewed for successive five (5) year periods unless cancelled in writing by either Party at least six (6) months prior to the expiration of the then current term or unless agreement on adjusted Base Compensation cannot be reached, as described in Section 6.1. Modifications to the Base Compensation shall be made pursuant to Section 6.1 of this Agreement. During the six (6) month cancellation period, Operator will train Municipality in the operation of the system.

Section 7.2 Termination

- (a) The failure of either Party to comply with any of the material terms of this Agreement shall constitute a default. Upon default by one Party, the other Party shall send written Notice of Termination. Such notice shall clearly specify the nature of the default and provide the defaulting Party forty-five (45) days to cure the default, except for non-payment which cure period shall be fifteen (15) days. If the default is capable of being cured within forty-five (45) days but is not cured within forty-five (45) days, this Agreement shall terminate at midnight of the forty-fifth (45th) day following receipt of the Notice. In the case of default that cannot be cured within forty-five (45) days, this Agreement shall not terminate so long as the defaulting Party has given written notice of the extension to the other Party and the defaulting Party has commenced and is diligently pursuing a cure. Evidence of such cure and its diligent pursuit shall be provided from the Party determined to be in default to the satisfaction of the other Party. For non-payment of amounts due under this Agreement, if the default is not cured within fifteen (15) days, this Agreement shall terminate at midnight of the fifteenth (15th) day following receipt of the Notice. In no case shall the cure period for non-payment be extended beyond the initial fifteen (15) day cure period.
- (b) In the event of the termination of this Agreement under paragraph (a) of this Section, Municipality shall pay Operator for the Services provided and invoiced by Operator up to the effective date of termination plus the unamortized balance of Capital Improvements

that are financed or paid for by Operator as reflected on Operator's financial statements. Payment shall be made within forty-five (45) days of the date of termination.

- (c) In the event of termination of this Agreement under paragraph (a) of this Section, Operator will train Municipality in the operation of the system for a six-month period. Operator will be compensated at the previous year's monthly rate during this six-month period.

Article 8 RISK MANAGEMENT

Section 8.1 Operator's Insurance

- (a) Operator shall provide and maintain the following levels of insurance or risk pool coverage at all times during the term of this Agreement:
 - (i) Commercial General Liability Insurance, including contractual liability, with a limit of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) aggregate; and
 - (ii) Workers Compensation Insurance in compliance with the statutes of the State of Texas for Operator's employees engaged in the performance of Services hereunder, to the required statutory amount; and
 - (iii) Automobile Liability Insurance with a combined single limit in the amount of one million dollars (\$1,000,000).
- (b) Operator will furnish Municipality with certificates of insurance which evidence that policies providing the required coverage and limits are in full force and effect. Operator agrees to provide Municipality with thirty (30) days' notice prior to cancellation of any policy hereunder.

Section 8.2 Municipality Insurance

Municipality will maintain all risk property insurance for the full replacement value of the Facilities, including coverage for flood and losses resulting from certified and non-certified acts of terrorism.

Section 8.3 Pending Claims against Municipality

Operator is not acquiring any claims pending against Municipality, including but not limited to lawsuits, administrative actions, complaints or investigations.

Article 9 DISPUTE RESOLUTION

Section 9.1 Applicability

To affect a timely and efficient resolution of disputes that may arise during the term of this Agreement, the Parties hereto agree that all claims, controversies and disputes, shall be resolved pursuant to Section 9.2.

Section 9.2 Disputes

Each Party agrees that prior to filing a lawsuit or an administrative complaint with a regulatory agency on an issue related to the terms of this Agreement or otherwise related to water supply in lieu of this Agreement, the Party will submit the dispute to non-binding mediation. This provision survives termination of this Agreement.

Section 9.3 Covenant to Continue Work

During resolution of any dispute under this Article, Operator and Municipality shall each continue to perform all of their respective obligations under this Agreement without interruption or delay.

Article 10 MISCELLANEOUS

Section 10.1 Municipality's and Operator's Representatives

On or before the Commencement Date, Municipality and Operator shall each designate one or more authorized representatives (each an "Authorized Representative") to administer this Agreement. Either Party to this Agreement shall provide written notice to the other Party of any change to the Authorized Representatives no less than fifteen (15) days prior to said change.

Section 10.2 Relationship

The relationship of Operator to Municipality is that of independent contractor for all purposes under this Agreement, including for the purposes of applicable wage, tax, fringe benefit and workers compensation laws. This Agreement is not intended to create, and shall not be construed as creating, between Operator and Municipality, the relationship of principal and agent, joint venturers, co-partners or any other similar relationship, the existence of which is hereby expressly denied.

Section 10.3 Construction

In construing this Agreement, the following principles shall be followed: (i) no consideration shall be given to the captions of the articles, sections, paragraphs or clauses, which are inserted for convenience in locating the provisions of this Agreement and not as an aid in construction; (ii) no consideration shall be given to the fact or presumption that any of the Parties had a greater or lesser hand in drafting this Agreement; (iii) examples shall not be construed to limit, expressly or by implication, the matter they illustrate; (iv) the word "includes" and its syntactic variants mean "includes, but is not limited to" and corresponding syntactic variant expressions; (v) the plural shall be deemed to include the singular, and vice versa; (vi) each gender shall be deemed to include the other genders; (vii) each exhibit, appendix, attachment and schedule to this Agreement is a part

of this Agreement; and (viii) any reference herein or in any schedule hereto to any agreements entered into prior to the date hereof shall include any amendments or supplements made thereto.

Section 10.4 Entire Agreement; Amendments

This Agreement contains the entire agreement between Municipality and Operator pertaining to the operation and maintenance of Municipality's Facilities and supersedes all prior or contemporaneous communications, representations, understandings or agreements. This Agreement may be modified only by a written amendment signed by both Parties.

Section 10.5 Waiver

The failure on the part of either Party to enforce its rights as to any provision of this Agreement shall not be construed as a waiver of its rights to enforce such provisions in the future.

Section 10.6 Assignment

This Agreement shall be binding upon the successors and assigns of each of the Parties, but neither party shall assign this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld. Municipality may assign this Agreement to a new owner of the Facilities if Municipality sells the Facilities, provided, however, that such assignee expressly and in writing assumes all obligations of Municipality under this Agreement. Nothing contained in this Section 10.6 shall be construed to release either Party for the acts performed by such Party prior to assignment in the event of an assignment of either Party's interest.

Section 10.7 Force Majeure

A Party's performance of any obligation under this Agreement shall be excused if, and to the extent that, the Party is unable to perform because of any event of Force Majeure. In any such event, the Party unable to perform shall be required to resume performance of its obligations under this Agreement upon the termination of the event or cause that excused performance hereunder.

Section 10.8 Governing Law and Venue

The Agreement shall be governed by and construed in accordance with the laws of the State of Texas. The Parties agree that the venue of any action arising from this Agreement shall be in the appropriate State court having competent jurisdiction located in the judicial district in which Operator is located.

Section 10.9 Notices

Except as provided below, all notices will be in writing and shall be deemed given when mailed by first class mail or delivered in person.

Notices required to be given to Operator will be addressed to:

Trey Yelverton, City Manager
City of Arlington
101 W Abram St
Arlington, Texas 76010
Phone: (817) 459-6101
Email: trey.yelverton@arlingtontx.gov

With a copy to:

Alex Whiteway, Director of Water Utilities
City of Arlington
101 W Abram St
Arlington, Texas 76010
Phone: (817) 459-6601
Email: alex.whiteway@arlingtontx.gov

Molly Shortall, City Attorney
City of Arlington
101 S. Mesquite Street, Suite 300
Arlington, Texas 76010
Phone: (817) 459-6878
Fax: (817) 459-6897
Email: molly.shortall@arlingtontx.gov

Notices required to be given to Municipality will be addressed to:

City Manager
City of Kennedale
405 Municipal Drive
Kennedale, Texas 76060

With a copy to:

Carvan Adkins
Taylor, Olson, Adkins, Sralla, Elam, LLP
6000 Western Place, Suite 200
Fort Worth, Texas 76107
Phone: 817-332-2580
Email: wolson@toase.com

Notices of Emergency repairs as provided in Section 4.5(b) and responses thereto may be given to the authorized representative.

Further, notices and communications of a routine nature (e.g. day-to-day interaction between employees of Operator and Municipality, including responses to questions) may be sent via email to the appropriate person.

Section 10.10 Severability

Should any part of this Agreement for any reason be declared invalid or void, such declaration will not affect the remaining parts of this Agreement, which will remain in full force and effect as if this Agreement had been executed with the invalid portion eliminated.

Section 10.11 Counterparts

This Agreement may be executed in more than one counterpart, each of which shall be deemed an original.

Section 10.12 Modification of Agreement

No change in or modification, termination or discharge of this Agreement, in any form whatsoever, shall be valid or enforceable unless it is in writing and signed by the Party to be charged therewith or its duly Authorized Representative, provided, however, that any change in or modification, termination or discharge of this Agreement expressly provided for in this Agreement shall be effective as so provided.

Section 10.13 Survival

Termination or expiration of this Agreement shall not release either Party from any liabilities or obligations set forth in this Agreement which (i) the Parties have expressly agreed shall survive any such termination or expiration; or (ii) remain to be performed or by their nature would be intended to be applicable following such termination or expiration.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement effective as of the date first set forth above.

[SIGNATURES ON THE FOLLOWING PAGE]

MUNICIPALITY:

By: _____
Darrel Hull, City Manager

Date: _____

ATTEST:

Bobbie Jo Taylor, City Secretary

APPROVED AS TO FORM

Carvan Adkins, City Attorney

OPERATOR:

By: _____
Alex Whiteway, Director of Water Utilities

Date: _____

ATTEST:

Martha Garcia, Acting City Secretary

APPROVED AS TO FORM
Molly Shortall, City Attorney

By: _____

EXHIBIT A

EXAMPLES OF NON-ROUTINE MAINTENANCE OR REPAIR COST ESCALATORS

Examples of Non-Routine Maintenance or Repair Cost Escalators	
1	Rental of large or specialized equipment that is not organic to the AWU equipment inventory that provides service beyond our current capabilities such as combination sewer/vacuum truck and track hoes.
2	Relocation of franchise utility infrastructure in order to facilitate a repair.
3	Bypass pumping to facilitate a sanitary sewer repair to infrastructure.
4	Discovery and relocation of services when they are incorrectly connected to the main infrastructure {tied in}.
5	Contracting temporary water services in order to complete repairs on infrastructure while maintaining services to affected customers. This will happen if the outage exceeds our current temporary water capability or is of such magnitude or emergency that we have to contract out the service.
6	Concrete Repair caused by water main blowout.
7	Large diameter valve repair or replacement
8	Contractor caused damage in which the operator or municipality must apply for the subrogation
9	New gateway for AMI metering that will allow signal to reach the outer limits of the system.
10	New Services that require main line extension (extending both water and sewer)
11	Well pump maintenance and/or replacement
12	Standpipe/tower rehab or failure
13	Modifications to Municipal Infrastructure to comply with Operator standard details such as angle stop removals which may be considered unsafe devices for on-call personnel
14	Meter Change out program for meters found to be at the end of their useful life focusing on those models that are faded, stopped operating or have exceeded expected life as defined by the original equipment manufacturer.
15	Catastrophic failure of water/sewer lines.
16	Sanitary Sewer Overflow resulting in containment through sandbagging in creeks and the re-capture and return of an unauthorized discharge to the sanitary sewer system.
17	Water/Sewer Repairs near or under retaining walls, railroad tracks or under state highways.
18	Water or Sewer Line Repairs requiring pipe replacement.
19	Malfunctioning meter replacements that exceed the Municipality's annual average number of meter replacements at the inception of the agreement.
The task listed in this document represent a sample of non-routine maintenance items. It is not intended to signify an exclusive list of items that may qualify as non-routine maintenance.	

EXHIBIT B

DESCRIPTION OF FACILITIES

I. Water Distribution Infrastructure

Category	Size (in)	Quantity/Units
Mains	<2	3,037 LF
Mains	2	17,767 LF
Mains	3	121 LF
Mains	4	2,025 LF
Mains	6	90,673 LF
Mains	8	132,513 LF
Mains	10	8,831 LF
Mains	12	52,317 LF
Mains	16	35,321 LF
Mains	18	514 LF
Mains	20	106 LF
Mains	24	301 LF
Hydrants	-	528
Valves	-	1,052
Meters	-	6,817

II. Wastewater Collection Infrastructure

Category	Size (in)	Quantity/Units
Mains	6	125,351 LF
Mains	8	95,887 LF
Mains	10	4,038 LF
Mains	12	36,826 LF
Mains	18	3,076 LF
Mains	20	103 LF
Mains	21	505 LF
Manholes	-	787

III. Other Facilities

Name	Storage Tank	Well Production	Booster Pump Station
T-1 Site	0.75 MG GST	310 GPM, 137 GPM	(2) 500 GPM Pumps
T-2 Site	0.72 MG Standpipe	330 GPM	-
T-3 Site	1.0 MG EST, 0.35 MG GST	340 GPM	(2) 2,800 GPM Pumps
T-4 Site	0.50 MG GST	380 GPM	(2) 750 GPM Pumps

EXHIBIT C
MUNICIPALITY'S ENVIRONMENTAL PERMITS

NONE

EXHIBIT D

METER READING AND CUSTOMER CARE COST CALCULATION

The monthly cost per account shall be adjusted annually based upon expected costs to provide meter reading and customer care services to the Municipality. On or before June 1 each year, Operator will furnish the total monthly cost per account for the ensuing contract year. The annual budget may be adjusted mid-year after formal notification by Operator to Municipality of the reason and the amount of the adjustment. The amount shall be due and payable in equal monthly installments, in advance, on or before the first business day of each month during the year.

Customer Service Cost to Kennedale	
	AWU
Billing	\$ 1.76
Information Technology (IT) Support	\$ 0.90
Advanced Metering Infrastructure (AMI)	\$ 0.43
Call Center	\$ 0.65
Customer Service	\$ 6.18
Franchise Fee	\$ 0.58
Total Monthly Cost per Account	\$ 10.50

EXHIBIT E

SENATE BILL 3 COMPENSATION CALCULATION

Arlington Water Utilities Original Asset Cost

Generators at John F. Kubala Water Treatment Plant (50%)	\$744,125.00
Tierre Verde Elevated Storage Tank (EST)	\$3,583,799.96
West Pressure Plane (WPP) High Service Pump	\$389,679.00
Original Asset Cost =	\$4,717,603.96

West Pressure Plane (WPP) Connections (as of March 2024)

City of Arlington (ARL) Connections *	5,493
City of Kennedale (KEN) Connections *	706
WPP Connections =	6,199

Municipality's Senate Bill 3 Compensation Equation: Original Asset Cost

Municipality Share of Original Asset Cost

$$= (\text{Original Asset Cost}) \times \left(\frac{\text{KEN Connections}}{\text{WPP Connections}} \right) = (\$4,717,603.96) \times \left(\frac{706}{6199} \right) = \mathbf{\$537,284.78}$$

Municipality Share of Original Asset Cost Over 20 Years

$$= \left(\frac{\text{Municipality Share of Original Asset Cost}}{20 \text{ Years}} \right) = \left(\frac{\$537,284.78}{20 \text{ Years}} \right) = \mathbf{\$26,864 \text{ Per Year}}$$

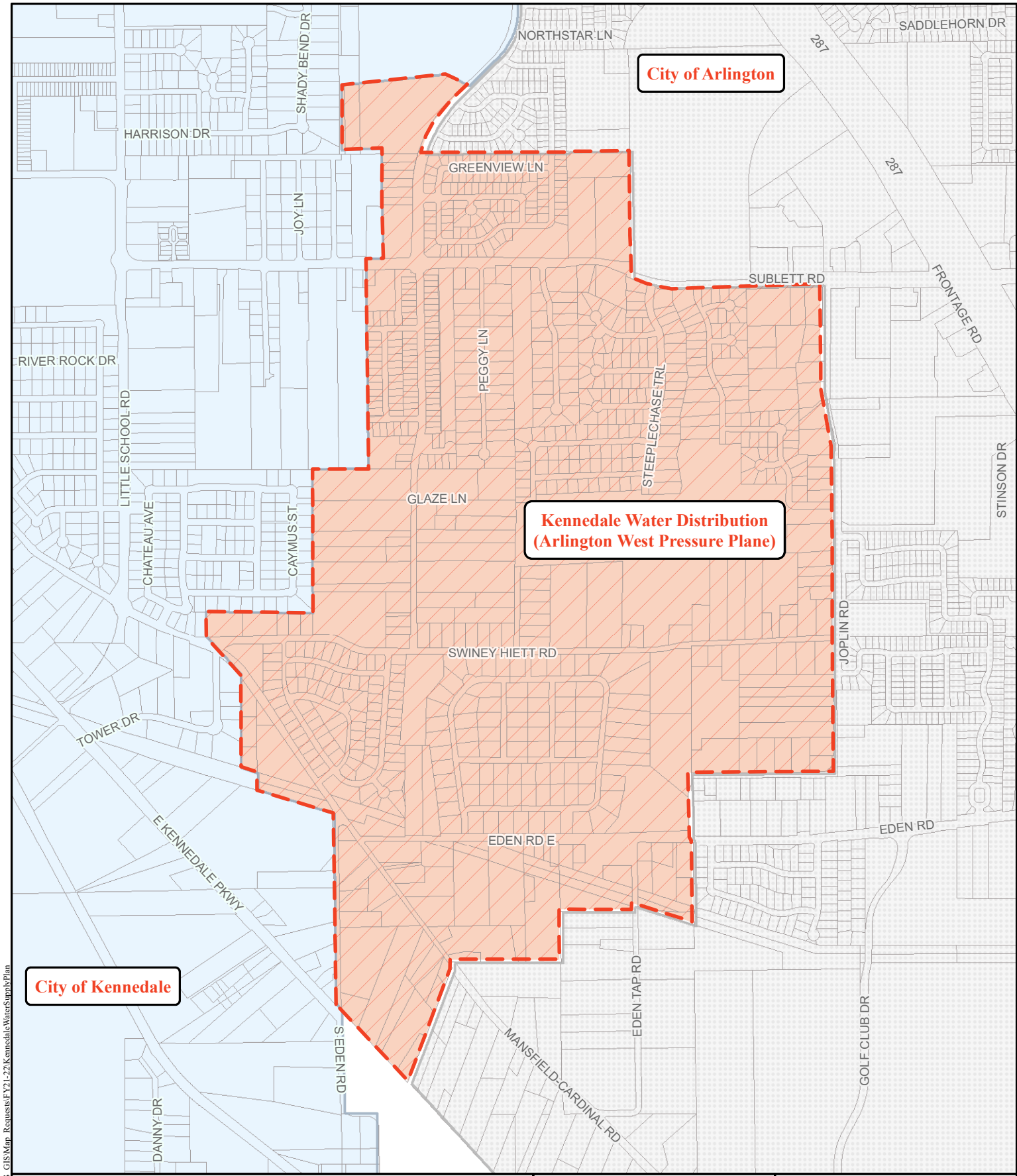
Municipality's Senate Bill 3 Compensation Equation: At End of Each 5 Year Agreement

$$= (\$26,864 \text{ Per Year}) + \left\{ \left(\frac{\text{** New Capital Cost}}{20 \text{ Years}} \right) + \left(\frac{\text{** New O\&M Cost}}{5 \text{ Years}} \right) \right\} \times \left(\frac{\text{KEN Connections}}{\text{WPP Connections}} \right)$$

* Connections are defined as the number of domestic meters serving single-family and commercial properties, plus the number of living units associated with multi-family properties (Formula: Total Meters - Irrigation Meters - Fireline Meters - Construction Meters - Deduct Meters – Multifamily Meters + Equivalent Living Units on Multifamily Accounts).

** At the end of each 5-year contract term, all new capital expenses and operation and maintenance expenses that occurred within the previous 5-year contract term which relate to the Diesel Generators at John F. Kubala Treatment Plant, Tierre Verde EST, WPP High Service Pump Station, and distribution water mains that convey flow and pressure to the area as defined in Exhibit E shall be added to the Senate Bill 3 Compensation Amount. The distribution water mains are generally the Water Mains that transfer water from the WPP Pump Station to the Tierre Verde EST and to all three ARL to KEN meter connections. defined as:

- Tierre Verde EST Water Main: 8,060 LF of 20", 24", & 30" Water Main along Eden Rd (WPP Pump Station to Golf Club Dr) and Golf Club Dr (Eden Rd to Tierre Verde EST).
- Eden Rd ARL to KEN Meter: 2,760 LF of 8", 12", & 20" Water Main along Eden Rd (Golf Club Dr to Meter)
- Swiney Height Rd ARL to KEN Meter: 5,150 LF of 10" & 12" Water Main along Joplin Rd (Golf Club Dr to Meter)
- Sublett Rd ARL to KEN Meter: 7,540 LF of 12", 16" & 20" Water Main along HWY 287 (Eden Rd to Sublett Rd) and Sublett Rd (HWY 287 to Meter)



Map Document: X:\GIS\GISCOM\MRES GIS\Map Requests\FY21-22 Kennedale Water Supply Plan



EXHIBIT - F **KENNEDALE WATER DISTRIBUTION** **(ARLINGTON WEST PRESSURE PLANE)**

Prepared by Arlington Water Utilities
 Planning & Asset Management
 This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.

LEGEND

- Parcels
- Arlington City Limits
- Kennedale City Limits
- Kennedale Water Distribution**
 - (Arlington West Pressure Plane)

North Arrow

Scale: 0 275 550 1,100 1,650 Ft

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: INDIVIDUAL CONSIDERATION ITEM V.C.

SUBJECT

ITEMS FOR INDIVIDUAL CONSIDERATION, DISCUSSION AND/OR ACTION

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS



STAFF REPORT
TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: INDIVIDUAL CONSIDERATION ITEM V.C.1.

SUBJECT

Discuss and take action on an ordinance authorizing the issuance, sale and delivery of up to \$11,000,000 in principal amount of "combination tax and revenue certificates of obligation, series 2024"; securing the payment thereof by authorizing the levy of an annual ad valorem tax and a pledge of certain surplus revenues of the city's municipal waterworks and sewer system; and approving and authorizing all other instruments and procedures related thereto

ORIGINATED BY

Jonathan Horton

SUMMARY

Upon approval, this ordinance will authorize the selling of up to \$11,000,000 in certificates of obligation. Of the total amount, approximately \$8.4MM will be used for remodeling of our two public safety facilities. The remaining approximately \$2.6MM will be used for street repair/improvement projects, or to meet other infrastructure needs.

RECOMMENDATION

Approve

ATTACHMENTS

1.	CO Ordinance - Kennedale 2024	CO Ordinance - Kennedale 2024.pdf
----	-------------------------------	-----------------------------------

ORDINANCE NO. 771

ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF \$_____ IN AGGREGATE PRINCIPAL AMOUNT OF “CITY OF KENNEDALE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024”; SECURING THE PAYMENT THEREOF BY AUTHORIZING THE LEVY OF AN ANNUAL AD VALOREM TAX AND A PLEDGE OF CERTAIN SURPLUS REVENUES OF THE CITY’S MUNICIPAL WATERWORKS AND SEWER SYSTEM; AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, AN OFFICIAL STATEMENT AND ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO

DATE OF APPROVAL: AUGUST 20, 2024

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Signatures

Paying Agent/Registrar Agreement Exhibit A

Written Procedures Relating to Continuing Compliance with Federal Tax Covenants ... Exhibit B

Description of Annual Financial Information..... Exhibit C

ORDINANCE NO. 749

ORDINANCE AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF \$_____ IN AGGREGATE PRINCIPAL AMOUNT OF “CITY OF KENNEDALE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024”; SECURING THE PAYMENT THEREOF BY AUTHORIZING THE LEVY OF AN ANNUAL AD VALOREM TAX AND A PLEDGE OF CERTAIN SURPLUS REVENUES OF THE CITY’S MUNICIPAL WATERWORKS AND SEWER SYSTEM; AND APPROVING AND AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT, AN OFFICIAL STATEMENT AND ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO

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

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

WHEREAS, the City Council of the City hereby determines that it is necessary and desirable to (i) acquire, construct and equip street, sidewalk and drainage improvements at various locations in the City, together with utility relocation and other improvements incidental thereto and (ii) acquire, construct, renovate, equip, and improve the City’s public safety facilities (collectively, the “**Projects**”); and

WHEREAS, the City Council of the City intends to finance the Projects from proceeds derived from the sale of Combination Tax and Revenue Certificates of Obligation issued by the City pursuant to Sections 271.041 - 271.064, Texas Local Government Code, as amended (the “**Act**”); and

WHEREAS, the City Council hereby determines that the Projects to be financed with the proceeds of the Certificates of Obligation being issued pursuant to this Ordinance consist of (a) vehicles and equipment and (b) “designated infrastructure” as such term is defined in Section 26.012(9) of the Texas Tax Code (specifically within clauses (A) and (D) thereof); consequently, such Certificates of Obligation shall constitute “Debt” within the meaning of Section 26.012(7) of the Texas Tax Code; and

WHEREAS, none of the Projects being financed with the Certificates of Obligation being issued pursuant to this Ordinance were included in a bond proposition to authorize the issuance of bonds for the same purpose that was submitted to the voters of the City during the preceding three years and failed to be approved; and

WHEREAS, on June 18, 2024, the City Council adopted a resolution authorizing and directing the City Secretary to give notice of intention to issue Certificates of Obligation in the principal amount not to exceed \$11,000,000 to finance the Projects; and

WHEREAS, the principal amount of the Certificates of Obligation authorized by this Ordinance plus the [net] original issue premium generated from the pricing of the Certificates of Obligation which is allocated to be used to pay costs of the Projects, as further described in Section 16 of this Ordinance, does not exceed the maximum amount of \$11,000,000 set forth in the notice of intention described in the preceding recital; and

WHEREAS, the Notice with respect to the Projects was duly: (i) published in the *Fort Worth Star-Telegram*, which is a newspaper of general circulation in the City, in its issues of June 24, 2024 and July 1, 2024, in satisfaction of Section 271.049(a)(1) of the Act, and (ii) posted continuously on the City's website from June 20, 2024, through the date of passage of this Ordinance in satisfaction of Section 271.049(a)(2) of the Act; and

WHEREAS, the Notice published in the *Fort Worth Star-Telegram* stated that the City Council would consider the approval of this Ordinance at a Regular Meeting to be held on August 20, 2024; and

WHEREAS, the City received no petition signed by at least five percent of the qualified electors of the City protesting the issuance of Certificates of Obligation prior to the approval of this Ordinance; and

WHEREAS, it is considered to be in the best interest of the City that said interest bearing Certificates of Obligation be issued; and

WHEREAS, the Certificates of Obligation authorized by this Ordinance are being issued by in the City in accordance with the provisions of the Act, Chapter 1201, Texas Government Code, and other applicable laws of the State of Texas; and

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

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

SECTION 1. AMOUNT AND PURPOSE OF THE CERTIFICATES OF OBLIGATION. The certificate of obligation or certificates of obligation of the City further described in Section 2 of this Ordinance and referred to herein as the "Certificates of Obligation" are hereby authorized to be issued and delivered in the aggregate principal amount of \$_____ **FOR THE PURPOSE OF PAYING, IN WHOLE OR IN PART, CONTRACTUAL OBLIGATIONS TO BE INCURRED TO (I) ACQUIRE, CONSTRUCT AND EQUIP STREET,**

SIDEWALK AND DRAINAGE IMPROVEMENTS AT VARIOUS LOCATIONS IN THE CITY, TOGETHER WITH UTILITY RELOCATION AND OTHER IMPROVEMENTS INCIDENTAL THERETO AND (II) ACQUIRE, CONSTRUCT, RENOVATE, EQUIP, AND IMPROVE THE CITY'S PUBLIC SAFETY FACILITIES, AND PAYING ALL OR A PORTION OF THE LEGAL, FISCAL, AND ENGINEERING FEES IN CONNECTION WITH SUCH PROJECTS AND COSTS OF ISSUANCE RELATED TO SUCH CERTIFICATES.

SECTION 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS AND MATURITIES OF THE CERTIFICATES OF OBLIGATION. Each certificate of obligation issued pursuant to and for the purpose described in Section 1 of this Ordinance shall be designated **CITY OF KENNEDALE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024**, and initially there shall be issued, sold and delivered hereunder one fully registered certificate of obligation, without interest coupons, dated August 1, 2024, in the aggregate principal amount of \$_____, numbered T-1 (the ***“Initial Certificate of Obligation”***), with certificates of obligation issued in replacement thereof being in the denomination of \$5,000 or any integral multiple thereof and numbered consecutively from R-1 upward, all payable to the initial registered owner thereof (with the Initial Certificate of Obligation being payable to the initial purchaser designated in Section 16 hereof), or to the registered assignee or assignees of said certificates of obligation or any portion or portions thereof (in each case, the ***“Registered Owner”***), and the certificates of obligation shall mature and be payable serially on ***February 1*** in each of the years and in the principal amounts, respectively, as set forth in the following schedule:

YEAR OF MATURITY	PRINCIPAL AMOUNT (\$)	YEAR OF MATURITY	PRINCIPAL AMOUNT (\$)	YEAR OF MATURITY	PRINCIPAL AMOUNT (\$)
2025		2032		2039	
2026		2033		2040	
2027		2034		2041	
2028		2035		2042	
2029		2036		2043	
2030		2037		2044	
2031		2038		***	***

The term ***“Certificates of Obligation”*** as used in this Ordinance shall mean and include the Certificates of Obligation initially issued and delivered pursuant to this Ordinance and all substitute certificates of obligation exchanged therefor, as well as all other substitute certificates of obligation and replacement certificates of obligation issued pursuant hereto, and the term ***“Certificate of Obligation”*** shall mean any of the Certificates of Obligation.

SECTION 3. INTEREST. The Certificates of Obligation shall bear interest calculated on the basis of a 360-day year composed of twelve 30-day months from the dates specified in the

FORM CERTIFICATE OF OBLIGATION set forth in this Ordinance to their respective dates of maturity or prior redemption at the following rates per annum:

YEAR OF MATURITY	INTEREST RATE (%)	YEAR OF MATURITY	INTEREST RATE (%)	YEAR OF MATURITY	INTEREST RATE (%)
2025		2032		2039	
2026		2033		2040	
2027		2034		2041	
2028		2035		2042	
2029		2036		2043	
2030		2037		2044	
2031		2038		***	***

Said interest shall be payable in the manner provided and on the dates stated in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance.

SECTION 4. CHARACTERISTICS OF THE CERTIFICATES OF OBLIGATION; APPROVAL OF PAYING AGENT/REGISTRAR AGREEMENT.

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

The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Certificate of Obligation to which payments with respect to the Certificates of Obligation shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. To the extent possible and under reasonable circumstances, all transfers of Certificates of Obligation shall be made within three business days after request and presentation thereof. The City shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any

other entity. The Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, exchange and delivery of a substitute Certificate of Obligation or Certificates of Obligation shall be paid as provided in the FORM CERTIFICATE OF OBLIGATION set forth in this Ordinance. Registration of assignments, transfers and exchanges of Certificates of Obligation shall be made in the manner provided and with the effect stated in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance. Each substitute Certificate of Obligation shall bear a letter and/or number to distinguish it from each other Certificate of Obligation.

Except as provided in (c) below, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Certificate of Obligation, date and manually sign the Paying Agent/Registrar's Authentication Certificate, and no such Certificate of Obligation shall be deemed to be issued or outstanding unless such Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all paid Certificates of Obligation and Certificates of Obligation surrendered for transfer and exchange. No additional ordinances, orders, or resolutions need be passed or adopted by the governing body of the City or any other body or person so as to accomplish the foregoing transfer and exchange of any Certificate of Obligation or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Certificates of Obligation in the manner prescribed herein, and said Certificates of Obligation shall be of type composition printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Chapter 1201, Texas Government Code, and particularly Subchapter D and Section 1201.067 thereof, the duty of transfer and exchange of Certificates of Obligation as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of said Certificate, the transferred and exchanged Certificate of Obligation shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Certificates of Obligation which initially were issued and delivered pursuant to this Ordinance, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of Certificates of Obligation and Interest. The City hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Certificates of Obligation, all as provided in this Ordinance. The Paying Agent/Registrar shall keep proper records of all payments made by the City and the Paying Agent/Registrar with respect to the Certificates of Obligation.

(c) In General. The Certificates of Obligation (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Certificates of Obligation to be payable only to the registered owners thereof, (ii) may be redeemed prior to their scheduled maturities (notice of which shall be given to the Paying Agent/Registrar by the City at least 50 days prior to any such redemption date), (iii) may be transferred and assigned, (iv) may be exchanged for other Certificates of Obligation, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) shall be payable as to principal and interest, and (viii) shall be administered and the Paying Agent/Registrar and the City shall have certain duties and responsibilities with respect to the Certificates of Obligation, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF CERTIFICATE OF OBLIGATION set forth in this Ordinance. The Initial Certificate of Obligation is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Certificate of Obligation

issued in exchange for the Initial Certificate of Obligation issued under this Ordinance the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF CERTIFICATE OF OBLIGATION. In lieu of the executed Paying Agent/Registrar's Authentication Certificate described above, the Initial Certificate of Obligation delivered on the closing date (as further described in subparagraph (i) below) shall have attached thereto the Comptroller's Registration Certificate substantially in the form set forth in the FORM OF CERTIFICATE OF OBLIGATION below, manually executed by the Comptroller of Public Accounts of the State of Texas or by her duly authorized agent, which certificate shall be evidence that the Initial Certificate of Obligation has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the City, and has been registered by the Comptroller.

(d) Substitute Paying Agent/Registrar. The City covenants with the registered owners of the Certificates of Obligation that at all times while the Certificates of Obligation are outstanding the City will provide a competent and legally qualified bank, trust company, financial institution, or other entity to act as and perform the services of Paying Agent/Registrar for the Certificates of Obligation under this Ordinance. The City reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 120 days written notice to the Paying Agent/Registrar, to be effective not later than 60 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the City covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Ordinance. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Certificates of Obligation, to the new Paying Agent/Registrar designated and appointed by the City. Upon any change in the Paying Agent/Registrar, the City promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Certificates of Obligation, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Ordinance, and a certified copy of this Ordinance shall be delivered to each Paying Agent/Registrar.

(e) Book-Entry Only System for Certificates of Obligation. The Certificates of Obligation issued in exchange for the Certificates of Obligation initially issued to the purchaser specified in Section 16 herein shall be initially issued in the form of a separate single fully registered Certificate of Obligation for each of the maturities thereof. Upon initial issuance, the ownership of each such Certificate of Obligation shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("**DTC**"), and except as provided in subsection (i) hereof, all of the outstanding Certificates of Obligation shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Certificates of Obligation registered in the name of Cede & Co., as nominee of DTC, the City and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created (“**DTC Participant**”) to hold securities to facilitate the clearance and settlement of securities transaction among DTC Participants or to any person on behalf of whom such a DTC Participant holds an interest in the Certificates of Obligation. Without limiting the immediately preceding sentence, the City and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Certificates of Obligation, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of the Certificates of Obligation, as shown on the Registration Books, of any notice with respect to the Certificates of Obligation, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of Certificates of Obligation, as shown in the Registration Books of any amount with respect to principal of or interest on the Certificates of Obligation. Notwithstanding any other provision of this Ordinance to the contrary, the City and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Certificate of Obligation is registered in the Registration Books as the absolute owner of such Certificate of Obligation for the purpose of payment of principal and interest with respect to such Certificate of Obligation, for the purpose of registering transfers with respect to such Certificate of Obligation, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of and interest on the Certificates of Obligation only to or upon the order of the registered owners, as shown in the Registration Books as provided in this Ordinance, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City’s obligations with respect to payment of principal of and interest on the Certificates of Obligation to the extent of the sum or sums so paid. No person other than a registered owner, as shown in the Registration Books, shall receive a Certificate of Obligation certificate evidencing the obligation of the City to make payments of principal and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks being mailed to the registered owner at the close of business on the Record Date, the words “Cede & Co.” in this Ordinance shall refer to such new nominee of DTC.

(f) Successor Securities Depository; Transfers Outside Book-Entry Only Systems. In the event that the City determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the City to DTC or that it is in the best interest of the beneficial owners of the Certificates of Obligation that they be able to obtain certificated Certificates of Obligation, the City shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants of the appointment of such successor securities depository and transfer one or more separate Certificates of Obligation to such successor securities depository or (ii) notify DTC and DTC Participants of the availability through DTC of Certificates of Obligation and transfer one or more separate Certificates of Obligation to DTC Participants having Certificates of Obligation credited to their DTC accounts. In such event, the Certificates of Obligation shall no longer be restricted to being registered in the Registration Books in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its

nominee, or in whatever name or names registered owners transferring or exchanging Certificates of Obligation shall designate, in accordance with the provisions of this Ordinance.

(g) Payments to Cede & Co. Notwithstanding any other provision of this Ordinance to the contrary, so long as any Certificate of Obligation is registered in the name of Cede & Co., as nominee for DTC, all payments with respect to principal of and interest on such Certificate of Obligation and all notices with respect to such Certificate of Obligation shall be made and given, respectively, in the manner provided in the representation letter of the City to DTC.

(h) DTC Letter of Representation. The officers of the City are herein authorized for and on behalf of the City and as officers of the City to enter into one or more Letters of Representation with DTC establishing the book-entry only system with respect to the Certificates of Obligation.

(i) Delivery of Initial Certificate of Obligation. On the closing date, one Initial Certificate of Obligation representing the entire principal amount of the series of Certificates of Obligation, payable in stated installments to the initial registered owner named in Section 16 of this Ordinance or its designee, executed by manual or facsimile signature of the Mayor or Mayor Pro-Tem and City Secretary of the City, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to the initial purchaser or its designee. Upon payment for the Initial Certificate of Obligation, the Paying Agent/Registrar shall cancel the Initial Certificate of Obligation and deliver to the initial registered owner or its designee one registered definitive Certificate of Obligation for each year of maturity of the Certificates of Obligation, in the aggregate principal amount of all of the Certificates of Obligation for such maturity.

SECTION 5. FORM OF CERTIFICATE OF OBLIGATION. The form of the Certificates of Obligation, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas (to be attached only to the Certificates of Obligation initially issued and delivered pursuant to this Ordinance), shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Ordinance.

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FORM OF CERTIFICATE OF OBLIGATION

R-	UNITED STATES OF AMERICA STATE OF TEXAS COUNTY OF TARRANT CITY OF KENNEDALE, TEXAS COMBINATION TAX AND REVENUE CERTIFICATES OF OBLIGATION, SERIES 2024	PRINCIPAL AMOUNT \$ _____
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INTEREST RATE	MATURITY DATE	DATE OF SERIES	CUSIP NO.
_____%	February 1, 20__	August 1, 2024	489332 ____

REGISTERED OWNER:

PRINCIPAL AMOUNT: **DOLLARS**

ON THE MATURITY DATE specified above, the **CITY OF KENNEDALE, TEXAS** (the “**City**”), being a political subdivision and home-rule municipality of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the “**Registered Owner**”), the Principal Amount specified above, and to pay interest thereon (calculated on the basis of a 360-day year of twelve 30-day months) from August 1, 2024 (the “**Dated Date**”) of this Certificate of Obligation, as shown on the records of the Paying Agent/Registrar (defined below), at the Interest Rate per annum specified above, payable on February 1, 2025, and semiannually on each February 1 and August 1 thereafter to the Maturity Date specified above; or the date of redemption prior to maturity, except that if this Certificate of Obligation is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such Principal Amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Certificate of Obligation or Certificates of Obligation, if any, for which this Certificate of Obligation is being exchanged is due but has not been paid, then this Certificate of Obligation shall bear interest from the date to which such interest has been paid in full.

THE PRINCIPAL OF AND INTEREST ON this Certificate of Obligation are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Certificate of Obligation shall be paid to the Registered Owner hereof upon presentation and surrender of this Certificate of Obligation at maturity or upon the date fixed for redemption prior to maturity, at the designated corporate trust or commercial banking office of **BOKF, NA**, Dallas, Texas, which is the “**Paying Agent/Registrar**” for this Certificate of Obligation. The payment of interest on this Certificate of Obligation shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check, dated as

of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the City required by the Ordinance authorizing the issuance of this Certificate of Obligation (the “**Ordinance**”) to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the fifteenth day of the month next preceding each such date (the “**Record Date**”) on the Registration Books kept by the Paying Agent/Registrar, as hereinafter described. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a “**Special Record Date**”) will be established by the Paying Agent/Registrar if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the “**Special Payment Date**” which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Registered Owner appearing on the Registration Books of the Paying Agent/Registrar at the close of business on the last business day next preceding the date of mailing of such notice. Any accrued interest due upon the redemption of this Certificate of Obligation prior to maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Certificate of Obligation for redemption and payment at the designated corporate trust office of the Paying Agent/Registrar (unless the redemption date is a regularly scheduled interest payment date, in which case accrued interest on such redeemed Certificates of Obligation shall be payable in the regular manner described above). The City covenants with the Registered Owner of this Certificate of Obligation that on or before each principal payment date, interest payment date and accrued interest payment date for this Certificate of Obligation it will make available to the Paying Agent/Registrar, from the “Interest and Sinking Fund” created by the Ordinance, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Certificates of Obligation, when due.

IF THE DATE for the payment of the principal of or interest on this Certificate of Obligation shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Paying Agent/Registrar is located are authorized by law or executive order to close, or the United States Postal Service is not open for business, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close, or the United States Postal Service is not open for business; and payment on such date shall have the same force and effect as if made on the original date payment was due.

THIS CERTIFICATE OF OBLIGATION is one of a series of Certificates of Obligation dated as of August 1, 2024, authorized in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$_____ **FOR THE PURPOSE OF PAYING, IN WHOLE OR IN PART, CONTRACTUAL OBLIGATIONS TO BE INCURRED TO (I) ACQUIRE, CONSTRUCT AND EQUIP STREET, SIDEWALK AND DRAINAGE IMPROVEMENTS AT VARIOUS LOCATIONS IN THE CITY, TOGETHER WITH UTILITY RELOCATION AND OTHER IMPROVEMENTS INCIDENTAL THERETO AND (II) ACQUIRE, CONSTRUCT, RENOVATE, EQUIP, AND IMPROVE THE CITY’S PUBLIC SAFETY FACILITIES, AND PAYING ALL OR A PORTION OF THE LEGAL, FISCAL,**

AND ENGINEERING FEES IN CONNECTION WITH SUCH PROJECTS AND COSTS OF ISSUANCE RELATED TO SUCH CERTIFICATES.

ON FEBRUARY 1, 20___, or on any date thereafter, the Certificates of Obligation of this Series maturing on and after February 1, 20___, may be redeemed prior to their scheduled maturities, at the option of the City, with funds derived from any available and lawful source, as a whole, or in part (provided that a portion of a Certificate of Obligation may be redeemed only in an integral multiple of \$5,000), at the redemption price of the principal amount of Certificates of Obligation called for redemption, plus accrued interest thereon to the date fixed for redemption. The City shall determine the maturity or maturities, and the principal amount of Certificates of Obligation within each maturity, to be redeemed. If less than all Certificates of Obligation of a maturity are to be redeemed, the particular Certificates of Obligation to be redeemed shall be selected by the Paying Agent/Registrar at random and by lot.

AT LEAST 30 DAYS prior to the date fixed for any redemption of Certificates of Obligation or portions thereof prior to maturity, a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid to the Registered Owner of each Certificate of Obligation to be redeemed at its address as it appeared on the Registration Books maintained by the Paying Agent/Registrar on the day such notice of redemption is mailed. Any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Registered Owner. The notice with respect to an optional redemption of Certificates of Obligation may state (1) that it is conditioned upon the deposit of moneys, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar no later than the redemption date, or (2) that the City retains the right to rescind such notice at any time prior to the scheduled redemption date if the City delivers a certificate of an authorized representative to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is so rescinded. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Certificates of Obligation or portions thereof which are to be so redeemed. If such written notice of redemption is mailed (and not rescinded), and if due provision for such payment is made, all as provided above, the Certificates of Obligation or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Certificate of Obligation shall be redeemed a substitute Certificate of Obligation or Certificates of Obligation having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the Registered Owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the City, all as provided in the Ordinance.

ALL CERTIFICATES OF OBLIGATION OF THIS SERIES are issuable solely as fully registered Certificates of Obligation, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Ordinance, this Certificate of Obligation, may, at the

request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred and exchanged for a like aggregate principal amount of fully registered Certificates of Obligation, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Certificate of Obligation to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Ordinance. Among other requirements for such assignment and transfer, this Certificate of Obligation must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Certificate of Obligation or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Certificate of Obligation or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Certificate of Obligation may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Certificate of Obligation or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for transferring and exchanging any Certificate of Obligation or portion thereof shall be paid by the City, but any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer or exchange as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer or exchange during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

WHENEVER THE BENEFICIAL OWNERSHIP of this Certificate of Obligation is determined by a book entry at a securities depository for the Certificates of Obligation, the foregoing requirements of holding, delivering or transferring this Certificate of Obligation shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

IN THE EVENT any Paying Agent/Registrar for the Certificates of Obligation is changed by the City, resigns, or otherwise ceases to act as such, the City has covenanted in the Ordinance that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Certificates of Obligation.

IT IS HEREBY certified, recited, and covenanted that this Certificate of Obligation has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Certificate of Obligation have been performed, existed, and been done in accordance with law; that this Certificate of Obligation is a general obligation of the City, issued on the full faith and credit thereof; and that ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Certificate of Obligation, as such interest comes due, and as such principal matures, have been levied and ordered to be levied against all taxable

property in the City, and have been pledged for such payment, within the limits prescribed by law and that this Certificate of Obligation is additionally secured by a lien on and pledge of Surplus Revenues received by the City from the ownership and operation of the City's Municipal Waterworks and Sewer System, all as provided in the Ordinance authorizing the Certificates of Obligation.

THE CITY also has reserved the right to amend the Ordinance as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the registered owners of a majority in aggregate principal amount of the outstanding Certificates of Obligation.

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

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

Countersigned:

(facsimile signature)
City Secretary
City of Kennedale, Texas

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

(CITY SEAL)

**FORM OF REGISTRATION CERTIFICATE
OF THE COMPTROLLER OF PUBLIC ACCOUNTS:**

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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

Witness my signature and seal this _____.

(COMPTROLLER'S SEAL)

Comptroller of Public Accounts
of the State of Texas

FORM OF PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
*(To be executed if this Certificate of Obligation is not accompanied by an executed
Registration Certificate of the Comptroller of Public Accounts of the State of Texas)*

It is hereby certified that this Certificate of Obligation has been issued under the provisions of the Ordinance described in the text of this Certificate of Obligation; and that this Certificate of Obligation has been issued in exchange for a certificate of obligation or certificates of obligation, or a portion of a certificate of obligation or certificates of obligation of a series which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated

BOKF, NA, DALLAS, TEXAS
Paying Agent/Registrar

By _____
Authorized Representative

FORM OF ASSIGNMENT:

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned Registered Owner of this Certificate of Obligation, or duly authorized representative or attorney thereof, hereby sells, assigns and transfers this Certificate of Obligation and all rights hereunder unto _____

/ _____/

(Assignee's Social Security or
Taxpayer Identification Number)

(Please print or typewrite Assignee's name and address,
including zip code)

and hereby irrevocably constitutes and appoints _____
attorney to transfer the registration of this Certificate of Obligation on the Paying
Agent/Registrar's Registration Books with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed
by a member firm of the New York Stock
Exchange or a commercial bank or trust
company.

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

INITIAL CERTIFICATE OF OBLIGATION INSERTIONS

The Initial Certificate of Obligation shall be in the form set forth above except that:

- (A) Immediately under the name of the Certificate of Obligation, the headings "INTEREST RATE" and "MATURITY DATE" shall be completed with the words "As shown below" and "CUSIP NO. ____" shall be deleted.
- (B) The first paragraph shall be deleted and the following shall be inserted:

“ON THE RESPECTIVE MATURITY DATES specified below, the **CITY OF KENNEDALE, TEXAS** (the “**City**”), being a political subdivision and home-rule municipality of the State of Texas, hereby promises to pay to the Registered Owner specified above, or registered assigns (hereinafter called the “**Registered Owner**”), the respective Principal Installments specified below, and to pay interest thereon (calculated on the basis of a 360-day year composed of twelve 30-day months) from August 1, 2024 (the “**Dated Date**”) of this Certificate of Obligation, as shown on the records of the Paying Agent/Registrar (defined below), at the respective Interest Rates per annum specified below, payable on February 1, 2024, and semiannually on each February 1 and August 1 thereafter to the respective Maturity Dates specified below, or the date of redemption prior to maturity. The respective Maturity Dates, Principal Installments and Interest Rates for this Certificate of Obligation are set forth in the following schedule:

MATURITY DATE (FEBRUARY 1)	PRINCIPAL INSTALLMENT (\$)	INTEREST RATE (%)
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[Insert information from Sections 2 and 3 above]

(C) The Initial Certificate of Obligation shall be numbered “T-1.”

SECTION 6. INTEREST AND SINKING FUND; TAX LEVY; SECURITY INTEREST.

(a) Interest and Sinking Fund; Tax Levy. A special Interest and Sinking Fund for the Certificates of Obligation (the “**Interest and Sinking Fund**”) is hereby created solely for the benefit of the Certificates of Obligation, and the Interest and Sinking Fund shall be established and maintained by the City at an official depository bank of the City. The Interest and Sinking Fund shall be kept separate and apart from all other funds and accounts of the City, and shall be used only for paying the interest on and principal of the Certificates of Obligation. All ad valorem taxes levied and collected for and on account of the Certificates of Obligation shall be deposited, as collected, to the credit of the Interest and Sinking Fund. During each year while any of the Certificates of Obligation or interest thereon are outstanding and unpaid, the City shall compute and ascertain a rate and amount of ad valorem tax which, together with “Surplus Revenues” with respect to the Certificates of Obligation (as described in Section 7 below) budgeted to pay principal and interest coming due during such fiscal year, will be sufficient to raise and produce the money required to pay the interest on the Certificates of Obligation as such interest comes due, and to provide and maintain a sinking fund adequate to pay the principal of its Certificates of Obligation as such principal matures (but never less than 2% of the original principal amount of the Certificates of Obligation as a sinking fund each year); and said tax shall be based on the latest approved tax rolls of the City, with full allowance being made for tax delinquencies and the cost of tax collection. Said rate and amount of ad valorem tax is hereby levied, and is hereby ordered

to be levied, against all taxable property in the City for each year while any of the Certificates of Obligation or interest thereon are outstanding and unpaid; and said tax shall be assessed and collected each such year and deposited to the credit of the respective Interest and Sinking Fund. Said ad valorem taxes sufficient to provide for the payment of the interest on and principal of the Certificates of Obligation, as such interest comes due and such principal matures, are hereby pledged for such payment, within the limit prescribed by law.

(b) Security Interest. Chapter 1208, Texas Government Code, applies to the issuance of the Certificates of Obligation and the pledge of the ad valorem taxes and Surplus Revenues granted by the City under Section 6(a) and Section 7, respectively, of this Ordinance, and is therefore valid, effective, and perfected. If Texas law is amended at any time while the Certificates of Obligation are outstanding and unpaid such that the pledge of the ad valorem taxes or Surplus Revenues granted by the City under Section 6(a) and Section 7 of this Ordinance is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Certificates of Obligation the perfection of the security interest in said pledge, the City agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code, and enable a filing to perfect the security interest in said pledge to occur.

SECTION 7. SURPLUS REVENUES. Pursuant to Section 271.052 of the Act and Chapter 1502, Texas Government Code, as amended, the Certificates of Obligation additionally shall be payable from and secured by surplus revenues derived by the City from the City's Municipal Waterworks and Sewer System remaining after (a) payment of all amounts constituting operation and maintenance expenses of said Municipal Waterworks and Sewer System, and (b) payment of all debt service, reserve, and other requirements and amounts required to be paid under all ordinances heretofore or hereafter authorizing (i) all bonds and (ii) all other obligations not on a parity with the Certificates of Obligation, which are payable from and secured by any Municipal Waterworks and Sewer System revenues, and (c) payment of all amounts payable from any Municipal Waterworks and Sewer System revenues pursuant to contracts heretofore or hereafter entered into by the City in accordance with law (the "**Surplus Revenues**"). If for any reason the City fails to deposit ad valorem taxes levied pursuant to Section 6 hereof to the credit of the Interest and Sinking Fund in an amount sufficient to pay, when due, the principal of and interest on the Certificates of Obligations, then Surplus Revenues may be deposited to the credit of the Interest and Sinking Fund and used to pay such principal and/or interest. The City reserves, and shall have, the right to issue bonds and other obligations not on a parity with the Certificates of Obligation, and to enter into contracts, in accordance with applicable laws, to be payable from and secured by any Municipal Waterworks and Sewer System revenues.

SECTION 8. CONSTRUCTION FUND. There is hereby created and established in the depository of the City, a fund to be called the *City of Kennedale, Texas Combination Tax and Revenue Certificates of Obligation (Series 2024) Construction Fund* (herein called the "**Construction Fund**"). Proceeds from the sale and delivery of the Certificates of Obligation (other than proceeds representing accrued interest on the Certificates of Obligation, if any, and any premium on the Certificates of Obligation that is not used by the City to pay costs of issuance or

costs related to the purpose for which the Certificates of Obligation have been issued in accordance with the provisions of Section 1201.042(d)(3) and (4), Texas Government Code, as amended, which shall be deposited in the Interest and Sinking Fund) shall be deposited in the Construction Fund. Money in the Construction Fund shall be subject to disbursements by the City for payment of all costs incurred in carrying out the purpose for which the Certificates of Obligation are issued, including but not limited to costs for construction, engineering, architecture, financing, financial consultants and legal services related to the projects being financed with proceeds of the Certificates of Obligation and the issuance of the Certificates of Obligation. All funds remaining on deposit in the Construction Fund upon completion of the projects being financed with the proceeds from the Certificates of Obligation, if any, shall be transferred to the Interest and Sinking Fund.

SECTION 9. INVESTMENTS. Funds on deposit in the Interest and Sinking Fund and the Construction Fund shall be secured by the depository bank of the City in the manner and to the extent required by law to secure other public funds of the City and may be invested from time to time in any investment authorized by applicable law, including but not limited to the Public Funds Investment Act (Chapter 2256, Texas Government Code), and the City's investment policy adopted in accordance with the provisions of the Public Funds Investment Act; provided, however, that investments purchased for and held in the Interest and Sinking Fund shall have a final maturity no later than the next principal or interest payment date for which such funds are required, and investments purchased for and held in the Construction Fund shall have a final maturity of not later than the date the City reasonably expects the funds from such investments will be required to pay costs of the projects for which the Certificates of Obligation were issued. Income and profits from such investments shall be deposited in the respective Fund which holds such investments; however, any such income and profits from investments in the Construction Fund may be withdrawn by the City and deposited in the Interest and Sinking Fund to pay all or a portion of the interest next coming due on the Certificates of Obligation. It is further provided, however, that any interest earnings on Certificate of Obligation proceeds which are required to be rebated to the United States of America pursuant to Section 14 hereof in order to prevent the Certificates of Obligation from being arbitrage bonds shall be so rebated and not considered as interest earnings for the purposes of this Section.

SECTION 10. EMPOWERED. The City Manager and the Director of Finance of the City are hereby ordered to do any and all things necessary to accomplish the transfer of monies to the Interest and Sinking Fund of this issue in ample time to pay such items of principal and interest.

SECTION 11. DEFEASANCE OF THE CERTIFICATES OF OBLIGATION.

(a) Defeasance. Any Certificate of Obligation and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "***Defeased Certificate of Obligation***") within the meaning of this Ordinance, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Certificate of Obligation, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the

Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the “**Future Escrow Agreement**”) for such payment (1) lawful money of the United States of America sufficient to make such payment and/or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the City with the Paying Agent/Registrar for the payment of its services until all Defeased Certificates of Obligation shall have become due and payable. Thereafter, the City will have no further responsibility with respect to amounts available to the Paying Agent/Registrar for the payment of such Defeased Certificate of Obligation, including any insufficiency therein caused by the failure of the escrow agent under such Future Escrow Agreement to receive payment when due on the Defeasance Securities. At such time as a Certificate of Obligation shall be deemed to be a Defeased Certificate of Obligation hereunder, as aforesaid, such Certificate of Obligation and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the ad valorem taxes or revenues herein levied and pledged as provided in this Ordinance, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem Defeased Certificates of Obligation that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the City expressly reserves the right to call the Defeased Certificates of Obligation for redemption; (2) gives notice of the reservation of that right to the owners of the Defeased Certificates of Obligation immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

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

(c) Definition of Defeasance Securities. The term “**Defeasance Securities**” means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof are rated as to investment quality by a nationally recognized investment rating

firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date on the date the governing body of the City adopts or approves the proceedings authorizing the financial arrangements are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable state law that may be used to defease obligations such as the Certificates of Obligation.

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

(e) Selection of Certificates of Obligation to be Defeased. In the event that the City elects to defease less than all of the principal amount of Certificates of Obligation of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Certificates of Obligation by such random method as it deems fair and appropriate.

SECTION 12. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED CERTIFICATES OF OBLIGATION.

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

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

(c) No Default Occurred. Notwithstanding the foregoing provisions of this Section, in the event any such Certificate of Obligation shall have matured, and no default has occurred which is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Certificate of Obligation, the City may authorize the payment of the same (without surrender

thereof except in the case of a damaged or mutilated Certificate of Obligation) instead of issuing a replacement Certificate of Obligation, provided security or indemnity is furnished as above provided in this Section.

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

(e) Authority for Issuing Replacement Certificates of Obligation. In accordance with Chapter 1201, Texas Government Code, as amended, this Section of this Ordinance shall constitute authority for the issuance of any such replacement certificate of obligation without necessity of further action by the governing body of the City or any other body or person, and the duty of the replacement of such certificates of obligations is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Certificates of Obligation in the form and manner and with the effect, as provided in Section 4(a) of this Ordinance for Certificates of Obligation issued in exchange for other Certificates of Obligation.

SECTION 13. CUSTODY, APPROVAL, AND REGISTRATION OF THE CERTIFICATES OF OBLIGATION; BOND COUNSEL'S OPINION, BOND INSURANCE, AND CUSIP NUMBERS. The Mayor or Mayor Pro-Tem of the City is hereby authorized to have control of the Certificates of Obligation initially issued and delivered hereunder and all necessary records and proceedings pertaining to the Certificates of Obligation pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Certificates of Obligation said Comptroller of Public Accounts (or a deputy designated in writing to act for said Comptroller) shall manually sign the Comptroller's Registration Certificate attached to such Certificates of Obligation, and the seal of said Comptroller shall be impressed, or placed in facsimile, on such Certificate. The approving legal opinion of the City's Bond Counsel (with an appropriate certificate pertaining thereto executed by facsimile signature of the City Secretary of the City), a statement regarding the issuance of a municipal bond insurance policy to secure payment of debt service on the Certificates of Obligation, if any, and the assigned CUSIP numbers may, at the option of the City, be printed on the Certificates of Obligation issued and delivered under this Ordinance, but neither shall have any legal effect, and shall be solely for the convenience and information of the registered owners of the Certificates of Obligation.

SECTION 14. COVENANTS REGARDING TAX-EXEMPTION OF INTEREST ON THE CERTIFICATES OF OBLIGATION.

(a) Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Certificates of Obligation as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the “*Code*”), the interest on which is not includable in the “gross income” of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Certificates of Obligation or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any “private business use,” as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds of the Certificates of Obligation or the projects financed therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Certificates of Obligation, in contravention of section 141(b)(2) of the Code;

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

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

(4) to refrain from taking any action which would otherwise result in the Certificates of Obligation being treated as “private activity bonds” within the meaning of section 141(b) of the Code;

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

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

(A) proceeds of the Certificates of Obligation invested for a reasonable temporary period of three years or less or, in the case of a refunding bond, for a period of 90 days or less until such proceeds are needed for the purpose for which the Certificates of Obligation are issued,

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

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

(7) to otherwise restrict the use of the proceeds of the Certificates of Obligation or amounts treated as proceeds of the Certificates of Obligation, as may be necessary, so that the Certificates of Obligation do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage); and

(8) to refrain from using the proceeds of the Certificates of Obligation or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Certificates of Obligation in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

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

(b) Rebate Fund. In order to facilitate compliance with the above covenant (9), a “**Rebate Fund**” is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the holders of the Certificates of Obligation. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The City understands that the term “proceeds” includes “disposition proceeds” as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Certificates of Obligation. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Certificates of Obligation, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the

Certificates of Obligation under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Certificates of Obligation, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Certificates of Obligation under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs the Mayor, the City Manager and the Director of Finance of the City to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Certificates of Obligation.

(d) Allocation of, and Limitation on, Expenditures for the Projects. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Ordinance (collectively referred to in this Section as the “**Projects**”) on its books and records in accordance with the requirements of the Internal Revenue Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the Projects are completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the City recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Certificates of Obligation, or (2) the date the Certificates of Obligation are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Certificates of Obligation. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

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

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

(g) Reimbursement. This Ordinance is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

SECTION 15. CONTINUING DISCLOSURE UNDERTAKING.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

“**EMMA**” means the Electronic Municipal Market Access system established and maintained by the MSRB.

“**Financial Obligation**” means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“**MSRB**” means the Municipal Securities Rulemaking Board.

“**Rule**” means SEC Rule 15c2-12, as amended from time to time.

“**SEC**” means the United States Securities and Exchange Commission.

(b) Annual Reports. The City shall provide annually to the MSRB through EMMA financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by this Ordinance, being the information described in Exhibit C hereto. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in Exhibit C hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide (1) unaudited financial statements for such fiscal year within such required time, and (2) audited financial statements for the applicable fiscal year to the MSRB through EMMA when and if the audit report on such statements become available.

If the City changes its fiscal year, it will notify the MSRB through EMMA of the date of the new fiscal year end prior to the next date by which the City otherwise would be required to provide financial information and operating data pursuant to this paragraph (b).

The financial information and operating data to be provided pursuant to this paragraph (b) may be set forth in full in one or more documents or may be included by specific reference to any

document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB through EMMA or filed with the SEC.

(c) Event Notices.

The City shall file notice of the following events with respect to the Certificates of Obligation to the MSRB through EMMA in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Certificates of Obligation, or other material events affecting the tax status of the Certificates of Obligation;
7. Modifications to rights of the holders of the Certificates of Obligation, if material;
8. Certificate of Obligation calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Certificates of Obligation, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the City;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph 12 is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the City in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City, and (b) the City intends the words used in the immediately preceding paragraphs 15 and 16 and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as provided by SEC Release No. 34-83885, dated August 20, 2018.

The City shall file notice with the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with subsection (b) of this Section by the time required by such subsection.

(d) Limitations, Disclaimers, and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the City remains an “obligated person” with respect to the Certificates of Obligation within the meaning of the Rule, except that the City in any event will give notice of any deposit made in accordance with Section 11 of this Ordinance that causes Certificates of Obligation no longer to be outstanding.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Certificates of Obligation, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly

provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Certificates of Obligation at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CITY BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY CERTIFICATE OF OBLIGATION OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CITY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the City in observing or performing its obligations under this Section shall comprise a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the City under federal and state securities laws.

The provisions of this Section may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Certificates of Obligation in the primary offering of the Certificates of Obligation in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the outstanding Certificates of Obligation consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the holders and beneficial owners of the Certificates of Obligation. The City may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Certificates of Obligation in the primary offering of the Certificates of Obligation. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with paragraph (b) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided.

(e) Format, Identifying Information, and Incorporation by Reference. All financial information, operating data, financial statements, and notices required by this Section to be

provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB.

Financial information and operating data to be provided pursuant to subsection (b) of this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public on the MSRB's Internet Web site or filed with the SEC.

SECTION 16. SALE AND DELIVERY OF THE CERTIFICATES OF OBLIGATION. The Certificates of Obligation are hereby initially sold and shall be delivered to _____ (the "**Purchaser**") at a price of \$_____, which amount is equal to par value thereof, plus a [net] original issue premium of \$_____, and less Purchaser's discount of \$_____, and accrued interest to the date of delivery. \$_____ of such premium on the Certificates of Obligation shall be deposited into the Construction Fund to be used for the purposes for which the Certificates of Obligation are being issued and shall be counted against the amount noted in the Notice of Intention described in the sixth recital of this Ordinance; and \$_____ of such premium shall be used by the City to pay costs of issuance (including the Purchaser's discount described above) in accordance with the provisions of Section 1201.042(d), Texas Government Code, as amended. The City will deliver to the Purchaser an Initial Certificate in the aggregate principal amount of \$_____ payable in principal installments on the dates and in the principal amounts shown in Section 2 hereof, and bearing interest at the rates for each respective maturity as shown in Section 3 hereof. The Initial Certificate shall be registered in the name of _____. It is hereby officially found, determined, and declared that the Purchaser is the highest bidder for the Certificates of Obligation as a result of invitations for competitive bids. It is further officially found, determined, and declared that the Certificates of Obligation have been sold at public sale to the bidder offering the lowest interest cost, after receiving sealed bids pursuant to an Official Notice of Sale and Bidding Instructions and the Preliminary Official Statement, dated August 13, 2024, prepared and distributed in connection with the sale of the Certificates of Obligation. In satisfaction of Section 1201.022(a)(3), Texas Government Code, and upon consultation with the City's Financial Advisor, the City Council hereby determines that the final terms of the Certificates of Obligation as set forth in this Ordinance and resulting from the receipt of such competitive bids are in the City's best interest.

SECTION 17. APPROVAL OF OFFICIAL STATEMENT. The City hereby approves the form and content of the Official Statement relating to the Certificates of Obligation and any addenda, supplement, or amendment thereto, and approves the distribution of the Official Statement in the reoffering of the Certificates of Obligation by the Purchaser in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement for the Certificates of Obligation, dated August 13, 2024, prior to the date hereof is hereby ratified and confirmed. The City Council finds and determines that the Preliminary Official Statement and the Official Statement were and are "deemed final" as of each of their respective dates within the meaning, and for the purpose, of Rule 15c2-12 promulgated under authority granted by the Federal Securities and Exchange Act of 1934.

SECTION 18. AUTHORITY FOR OFFICERS TO EXECUTE DOCUMENTS AND APPROVE CHANGES. The Mayor, Mayor Pro-Tem, City Secretary, City Manager and the Director of Finance of the City shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the Certificates of Obligation, the sale of the Certificates of Obligation, the Official Statement, and the Paying Agent/Registrar Agreement, and all actions related to the issuance of the Certificates of Obligation which have previously been taken by such officials are hereby ratified and approved. In addition, prior to the initial delivery of the Certificates of Obligation, the Mayor, Mayor Pro-Tem, City Secretary, City Manager, Director of Finance, City Attorney and Bond Counsel are hereby authorized and directed to approve any technical changes or correction to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies or satisfy any requirements of the provider of a municipal bond insurance policy, if any, or (iii) obtain the approval of the Certificates of Obligation by the Attorney General's office. In case any officer whose signature shall appear on any Certificate of Obligation shall cease to be such officer before the delivery of such Certificate of Obligation, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. The Director of Finance of the City is further authorized to pay to the Attorney General of Texas prior to the delivery of the Certificates of Obligation, for the Attorney General's review of the transcript of proceedings related to the Certificates of Obligation, the amount required pursuant to Section 1202.004, Texas Government Code, as amended.

SECTION 19. ORDINANCE A CONTRACT; AMENDMENTS. This Ordinance shall constitute a contract with the Registered Owners of the Certificates of Obligation, binding on the City and its successors and assigns, and shall not be amended or repealed by the City as long as any Certificate of Obligation remains outstanding except as permitted in this Section. The City may, without the consent of or notice to any Registered Owners, amend, change, or modify this Ordinance as may be required (i) by the provisions hereof, (ii) for the purpose of curing any ambiguity, inconsistency, or formal defect or omission herein, or (iii) in connection with any other change which is not to the prejudice of the Registered Owners. The City may, with the written consent of the Registered Owners of a majority in aggregate principal amount of the Certificates of Obligation then outstanding affected thereby, amend, change, modify, or rescind any provisions of this Ordinance; provided that without the consent of all of the Registered Owners affected, no such amendment, change, modification, or rescission shall (i) extend the time or times of payment of the principal of and interest on the Certificates of Obligation, reduce the principal amount thereof or the rate of interest thereon, (ii) give any preference to any Certificate of Obligation over any other Certificate of Obligation, (iii) extend any waiver of default to subsequent defaults, or (iv) reduce the aggregate principal amount of Certificates of Obligation required for consent to any such amendment, change, modification, or rescission. Whenever the City shall desire to make any amendment or addition to or rescission of this Ordinance requiring consent of the Registered Owners, the City shall cause notice of the amendment, addition, or rescission to be sent

by first class mail, postage prepaid, to the Registered Owners at the respective addresses shown on the Registration Books. Whenever at any time within one year after the date of the giving of such notice, the City shall receive an instrument or instruments in writing executed by the Registered Owners of a majority in aggregate principal amount of the Certificates of Obligation then outstanding affected by any such amendment, addition, or rescission requiring the consent of the Registered Owners, which instrument or instruments shall refer to the proposed amendment, addition, or rescission described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the City may adopt such amendment, addition, or rescission in substantially such form, except as herein provided. No Registered Owner may thereafter object to the adoption of such amendment, addition, or rescission, or to any of the provisions thereof, and such amendment, addition, or rescission shall be fully effective for all purposes.

SECTION 20. REMEDIES IN EVENT OF DEFAULT. In addition to all the rights and remedies provided by the laws of the State of Texas, it is specifically covenanted and agreed particularly that in the event the City (i) defaults in the payment of the principal, premium, if any, or interest on the Certificates of Obligation, (ii) defaults in the deposits and credits required to be made to the Interest and Sinking Fund, or (iii) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance and the continuation thereof for 30 days after the City has received written notice of such defaults, the Holders of any of the Certificates of Obligation shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the governing body of the City and other officers of the City to observe and perform any covenant, condition or obligation prescribed in this Ordinance.

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

SECTION 21. INTERESTED PARTIES. Nothing in this Ordinance expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the City, the Purchaser and the registered owners of the Certificates of Obligation, any right, remedy or claim under or by reason of this Ordinance or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Ordinance contained by and on behalf of the City shall be for the sole and exclusive benefit of the City, the Purchaser and the registered owners of the Certificates of Obligation.

SECTION 22. INCORPORATION OF RECITALS. The City hereby finds that the statements set forth in the recitals of this Ordinance are true and correct, and the City hereby incorporates such recitals as a part of this Ordinance.

SECTION 23. SEVERABILITY. If any provision of this Ordinance or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 24. EFFECTIVE DATE. Pursuant to the provisions of Section 1201.028, Texas Government Code, this Ordinance shall become effective immediately after its adoption by the City Council.

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PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS AT A REGULAR MEETING ON AUGUST 20, 2024 AT WHICH MEETING A QUORUM WAS PRESENT.

Mayor, City of Kennedale, Texas

ATTEST:

City Secretary, City of Kennedale, Texas

(City Seal)

** ** ** ** **

EXHIBIT A

FORM OF PAYING AGENT/REGISTRAR AGREEMENT

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

EXHIBIT B

WRITTEN PROCEDURES RELATING TO CONTINUING COMPLIANCE WITH FEDERAL TAX COVENANTS

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Certificates, the City's chief financial officer (the "**Responsible Person**"), which is currently the Director of Finance will:

- (i) instruct the appropriate person or persons that the construction, renovation or acquisition of the facilities financed with the Certificates must proceed with due diligence and that binding contracts for the expenditure of at least 5% of the proceeds of the Certificates will be entered into within six (6) months of the date of delivery of the Certificates (the "**Issue Date**");
- (ii) monitor that at least 85% of the proceeds of the Certificates to be used for the construction, renovation or acquisition of any facilities are expended within three (3) years of the Issue Date;
- (iii) restrict the yield of the investments to the yield on the Certificates after three (3) years of the Issue Date;
- (iv) monitor all amounts deposited into a sinking fund or funds (e.g., the Interest and Sinking Fund), to assure that the maximum amount invested at a yield higher than the yield on the Certificates does not exceed an amount equal to the debt service on the Certificates in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Certificates for the immediately preceding 12-month period;
- (v) ensure that no more than 50% of the proceeds of the Certificates are invested in an investment with a guaranteed yield for four years or more;
- (vi) maintain any official action of the City (such as a reimbursement resolution) stating its intent to reimburse with the proceeds of the Certificates any amount expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;
- (vii) ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS; and
- (viii) assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (A) at least every 5 years after the Issue Date and (B) within 30 days after the date the Certificates are retired.

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

- (i) monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;
- (ii) monitor whether, at any time the Certificates are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- (iii) monitor whether, at any time the Certificates are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
- (iv) monitor whether, at any time the Certificates are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
- (v) determine whether, at any time the Certificates are outstanding, any person, other than the City, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- (vi) determine whether, at any time the Certificates are outstanding, the facilities are sold or otherwise disposed of; and
- (vii) take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Ordinance related to the public use of the facilities.

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

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

EXHIBIT C

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 15 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. Within six months after the end of any fiscal year, commencing with the fiscal year ending in 2024, all quantitative financial information and operating data with respect to the City of the general type included in the Official Statement in Table 1, and under Tables 1 through 14 of Appendix A.

2. Within six months after the end of any fiscal year, commencing with the fiscal year ending in 2024, the annual audited financial statements of the City or the unaudited financial statements of the City in the event audited financial statements are not completed within twelve months after the end of any fiscal year.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 2 above.



STAFF REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: INDIVIDUAL CONSIDERATION ITEM V.C.2.

SUBJECT

Discuss and take action on an ordinance authorizing the issuance of up to \$3,000,000 in principal amount of “general obligation bonds, series 2024,” levying a continuing direct annual ad valorem tax for the payment of the bonds; prescribing the form, terms, conditions, and resolving other matters incident and related to the issuance, sale, and delivery of the bonds; and enacting other provisions incident and related to the subject and purpose of the ordinance

ORIGINATED BY

Jonathan Horton

SUMMARY

Upon approval, this ordinance will authorize the selling of up to \$3,000,000 in general obligation bonds.

In November 2023, the Citizens of Kennedale voted to authorize the City to “sell one of more series of general obligation bonds of the City in the aggregate principal amount of not more than \$3,000,000 for the purpose of designing, acquiring, constructing, renovating, improving, and equipping City park, recreation (including sports and athletics), and open space improvements, making park, recreation, and open space additions, acquiring lands and rights-of-way necessary thereto...”

This ordinance will allow the City to honor the election results.

RECOMMENDATION

Approve

ATTACHMENTS

1.	GO Ordinance - Kennedale GO 2024	GO Ordinance - Kennedale GO 2024.pdf
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ORDINANCE NO. 772

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS AUTHORIZING THE ISSUANCE OF \$_____ “CITY OF KENNEDALE, TEXAS GENERAL OBLIGATION BONDS, SERIES 2024,” LEVYING A CONTINUING DIRECT ANNUAL AD VALOREM TAX FOR THE PAYMENT OF THE BONDS; PRESCRIBING THE FORM, TERMS, CONDITIONS, AND RESOLVING OTHER MATTERS INCIDENT AND RELATED TO THE ISSUANCE, SALE, AND DELIVERY OF THE BONDS, INCLUDING THE APPROVAL AND DISTRIBUTION OF AN OFFICIAL STATEMENT PERTAINING THERETO; AUTHORIZING THE EXECUTION OF A PAYING AGENT/REGISTRAR AGREEMENT AND AN OFFICIAL BID FORM; COMPLYING WITH THE PROVISIONS OF THE DEPOSITORY TRUST COMPANY’S LETTER OF REPRESENTATIONS; ENACTING OTHER PROVISIONS INCIDENT AND RELATED TO THE SUBJECT AND PURPOSE OF THIS ORDINANCE; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the City Council (the *Governing Body*) of the City of Kennedale, Texas (the *Issuer* or the *City*) hereby finds and determines that new money general obligation bonds of the Issuer in the total principal amount of \$_____ (plus the allocation of a portion of the [net] reoffering premium in the amount of \$_____, to aggregate \$_____) of the hereinafter-described voter authorization should be issued and sold at this time, being the first and final installment of general obligation bonds approved and authorized to be issued at an election held on November 7, 2023 (the *Election*), the respective authorized purposes and amounts authorized to be issued therefor, amounts previously issued, amounts being issued pursuant to this ordinance, and amounts remaining to be issued from such voted authorizations subsequent to the date hereof being as follows:

Date Voted	Purpose	Amount Authorized	Previously Issued Bonds	Bonds Issued Herein	Premium Allocated to Bonds	Amount Unissued
11-07-2023	Parks and Recreation	\$3,000,000	-	\$_____	\$_____	\$_____

WHEREAS, the Governing Body intends to issue an aggregate principal of \$_____ in general obligation bonds the proceeds of which will be utilized for the purpose of: designing, acquiring, constructing, renovating, improving, and equipping City park, recreation (including sports and athletics), and open space improvements, making park, recreation, and open space additions, acquiring lands and rights-of-way necessary thereto, and paying all or a portion of the legal, fiscal, and engineering fees in connection with said projects and costs of issuance related to the Bonds; and

WHEREAS, the Governing Body has determined that the issuance of general obligation bonds is in the best interest of the City and its residents; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE THAT:

SECTION 1: Authorization – Designation – Principal Amount – Purpose. General obligation bonds of the Issuer shall be and are hereby authorized to be issued in the aggregate principal amount of _____ AND NO/100 DOLLARS (\$_____) to be designated and bear the

title “CITY OF KENNEDALE, TEXAS GENERAL OBLIGATION BONDS, SERIES 2024” (the *Bonds*), for the purpose of designing, acquiring, constructing, renovating, improving, and equipping City park, recreation (including sports and athletics), and open space improvements, making park, recreation, and open space additions, acquiring lands and rights-of-way necessary thereto, and paying all or a portion of the legal, fiscal, and engineering fees in connection with said projects and costs of issuance related to the Bonds, in conformity with the laws of the State of Texas, particularly Chapters 1251 and 1331, as amended, Texas Government Code, this ordinance adopted by the Governing Body on August 20, 2024, and the Election referenced in the preamble to this Ordinance.

SECTION 2: Fully Registered Obligations – Authorized Denominations – Stated Maturities – Interest Rates – Bond Date. The Bonds are issuable in fully registered form only; shall be dated August 1, 2024 (the *Bond Date*), shall be issued in denominations of \$5,000 or any integral multiple thereof (within a Stated Maturity), and shall be lettered “R” and numbered consecutively from One (1) upward. The Bonds shall become due and payable on February 1 in each of the years and in the amounts and bear interest at the rates per annum, in accordance with the following schedule:

<u>Years of Stated Maturity</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		
2043		
2044		

The Bonds shall bear interest on the unpaid principal amounts from August 1, 2024 (the *Dated Date*), or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for, to Stated Maturity or prior redemption, while Outstanding, at the rates per annum shown in the above schedule (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable on February 1 and August 1 in each year (each, an *Interest Payment Date*), commencing February 1, 2025, while the Bonds are Outstanding.

SECTION 3: Payment of Bonds – Paying Agent/Registrar. The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of Stated Maturity, redemption, or

otherwise, shall be payable to the Holder (hereinafter defined), appearing on the registration and transfer books maintained by the Paying Agent/Registrar (hereinafter defined), in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and such payment of principal of, premium, if any, and interest on the Bonds shall be without exchange or collection charges to the Holder of the Bonds.

The selection and appointment of BOKF, NA, Dallas, Texas, to serve as the initial Paying Agent/Registrar (the *Paying Agent/Registrar*) for the Bonds is hereby approved and confirmed, and the Issuer agrees and covenants to cause to be kept and maintained at the corporate trust office of the Paying Agent/Registrar books and records (the *Security Register*) for the registration, payment, and transfer of the Bonds, all as provided herein, in accordance with the terms and provisions of a Paying Agent/Registrar Agreement, attached hereto in substantially final form as Exhibit A, and such reasonable rules and regulations as the Paying Agent/Registrar and the Issuer may prescribe. The Issuer covenants to maintain and provide a Paying Agent/Registrar at all times while the Bonds are Outstanding, and any successor Paying Agent/Registrar shall be (i) a national or state banking institution, or (ii) an association or a corporation organized and doing business under the laws of the United States of America or of any state, authorized under such laws to exercise trust powers. Such Paying Agent/Registrar shall be subject to supervision or examination by federal or state authority and shall be authorized by law to serve as a Paying Agent/Registrar.

The Issuer reserves the right to appoint a successor Paying Agent/Registrar upon providing the previous Paying Agent/Registrar with a certified copy of a resolution or ordinance terminating such agency. Additionally, the Issuer agrees to promptly cause a written notice of this substitution to be sent to each Holder of the Bonds by United States mail, first-class postage prepaid, which notice shall also give the address of the corporate office of the successor Paying Agent/Registrar.

Principal of, premium, if any, and interest on the Bonds, due and payable by reason of Stated Maturity, redemption, or otherwise, shall be payable only to the registered owner of the Bonds (the *Holder* or *Holders*) appearing on the Security Register maintained on behalf of the Issuer by the Paying Agent/Registrar as hereinafter provided (i) on the Record Date (hereinafter defined) for purposes of paying interest thereon, (ii) on the date of surrender of the Bonds for purposes of receiving payment of principal thereof upon redemption of the Bonds or at the Bonds' Stated Maturity, and (iii) on any other date for any other purpose. The Issuer and the Paying Agent/Registrar, and any agent of either, shall treat the Holder as the owner of a Bond for purposes of receiving payment and all other purposes whatsoever, and neither the Issuer nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary.

Principal of and premium, if any, on the Bonds, shall be payable only upon presentation and surrender of the Bonds to the Paying Agent/Registrar at its corporate trust office. Interest on the Bonds shall be paid to the Holder whose name appears in the Security Register at the close of business on the fifteenth day of the month next preceding the Interest Payment Date for the Bonds (the *Record Date*) and shall be paid (i) by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, by the Paying Agent/Registrar, to the address of the Holder appearing in the Security Register, or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested in writing by the Holder at the Holder's risk and expense.

If the date for the payment of the principal of, premium, if any, or interest on the Bonds shall be a Saturday, a Sunday, a legal holiday, or a day on which banking institutions in the city where the corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive

order to close, then the date for such payment shall be the next succeeding day which is not such a day. The payment on such date shall have the same force and effect as if made on the original date any such payment on the Bonds was due.

In the event of a non-payment of interest on a scheduled Interest Payment Date, and for 30 days thereafter, a new record date for such interest payment (a *Special Record Date*) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the *Special Payment Date*--which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

SECTION 4: Redemption.

A. Optional Redemption of Bonds. The Bonds having Stated Maturities on and after February 1, 20__ shall be subject to redemption prior to Stated Maturity, at the option of the Issuer, on February 1, 20__ or on any date thereafter, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar) at the redemption price of par plus accrued interest to the date of redemption.

B. Exercise of Redemption Option. At least 45 days prior to a date set for the redemption of the Bonds (unless a shorter notification period shall be satisfactory to the Paying Agent/Registrar), the Issuer shall notify the Paying Agent/Registrar of its decision to exercise the right to redeem the Bonds, the principal amount of each Stated Maturity to be redeemed, and the date set for the redemption thereof. The decision of the Issuer to exercise the right to redeem the Bonds shall be entered in the minutes of the governing body of the Issuer.

C. Selection of Bonds for Redemption. If less than all Outstanding Bonds of the same Stated Maturity are to be redeemed on a redemption date, the Paying Agent/Registrar shall select at random and by lot the Bonds to be redeemed, provided that if less than the entire principal amount of a Bond is to be redeemed, the Paying Agent/Registrar shall treat such Bond then subject to redemption as representing the number of Bonds Outstanding which is obtained by dividing the principal amount of such Bond by \$5,000.

D. Notice of Redemption. Not less than 30 days prior to a redemption date for the Bonds, the Paying Agent/Registrar shall cause a notice of redemption to be sent by United States mail, first-class postage prepaid, in the name of the Issuer and at the Issuer's expense, to each Holder of a Bond to be redeemed in whole or in part at the address of the Holder appearing on the Security Register at the close of business on the business day next preceding the date of mailing such notice, and any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Holder. This notice may also be published once in a financial publication, journal, or reporter of general circulation among securities dealers in the City of New York, New York (including, but not limited to, *The Bond Buyer* and *The Wall Street Journal*), or in the State of Texas (including, but not limited to, *The Texas Bond Reporter*).

All notices of redemption shall (i) specify the date of redemption for the Bonds, (ii) identify the Bonds to be redeemed and, in the case of a portion of the principal amount to be redeemed, the principal amount thereof to be redeemed, (iii) state the redemption price, (iv) state that the Bonds,

or the portion of the principal amount thereof to be redeemed, shall become due and payable on the redemption date specified, and the interest thereon, or on the portion of the principal amount thereof to be redeemed, shall cease to accrue from and after the redemption date, and (v) specify that payment of the redemption price for the Bonds, or the principal amount thereof to be redeemed, shall be made at the corporate trust office of the Paying Agent/Registrar only upon presentation and surrender thereof by the Holder.

If a Bond is subject by its terms to redemption and has been called for redemption and notice of redemption thereof has been duly given or waived as hereinabove provided, such Bond (or the principal amount thereof to be redeemed) so called for redemption shall become due and payable, and if money sufficient for the payment of such Bonds (or of the principal amount thereof to be redeemed) at the then applicable redemption price is held for the purpose of such payment by the Paying Agent/Registrar, then on the redemption date designated in such notice, interest on the Bonds (or the principal amount thereof to be redeemed) called for redemption shall cease to accrue, and such Bonds shall not be deemed to be Outstanding.

E. Transfer/Exchange of Bonds. Neither the Issuer nor the Paying Agent/Registrar shall be required (i) to transfer or exchange any Bond during a period beginning 45 days prior to the date fixed for redemption of the Bonds or (ii) to transfer or exchange any Bond selected for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond which is subject to redemption in part.

SECTION 5: Execution – Registration. The Bonds shall be executed on behalf of the Issuer by its Mayor under the seal of the Issuer reproduced or impressed thereon and attested by its City Secretary. The signature of either of said officers on the Bonds may be manual, electronic or facsimile. Bonds bearing the manual, electronic or facsimile signatures of individuals who were, at the time of the Bond Date, the proper officers of the Issuer shall bind the Issuer, notwithstanding that such individuals or either of them shall cease to hold such offices prior to the delivery of the Bonds to the Purchasers, all as authorized and provided in Chapter 1201, as amended, Texas Government Code.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section 8B, executed by the Comptroller of Public Accounts of the State of Texas or his duly authorized agent by manual signature, or a certificate of registration substantially in the form provided in Section 8C, executed by the Paying Agent/Registrar by manual signature, and either such certificate upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified or registered and delivered.

SECTION 6: Registration – Transfer – Exchange of Bonds – Predecessor Bonds. A Security Register relating to the registration, payment, transfer, or exchange of the Bonds shall at all times be kept and maintained by the Issuer at the corporate trust office of the Paying Agent/Registrar, and the Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each Holder of the Bonds issued under and pursuant to the provisions of this Ordinance. Any Bond may, in accordance with its terms and the terms hereof, be transferred or exchanged for Bonds of other authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for transfer of any Bond at the corporate trust office of the Paying Agent/Registrar, the Paying Agent/Registrar shall register and deliver, in the name of the designated transferee or transferees, one or more new Bonds executed on behalf of, and furnished by, the Issuer of authorized denominations and having the same Stated Maturity and of a like interest rate and aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest, and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the corporate trust office of the Paying Agent/Registrar. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute and the Paying Agent/Registrar shall register and deliver new Bonds executed on behalf of, and furnished by, the Issuer to the Holder requesting the exchange.

All Bonds issued upon any transfer or exchange of Bonds shall be delivered at the corporate trust office of the Paying Agent/Registrar, or be sent by United States registered mail to the Holder at his request, risk, and expense and, upon the delivery thereof, the same shall be the valid and binding obligations of the Issuer, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Bonds surrendered upon such transfer or exchange.

All transfers or exchanges of Bonds pursuant to this Section shall be made without expense or service charge to the Holder, except as otherwise herein provided, and except that the Paying Agent/Registrar shall require payment by the Holder requesting such transfer or exchange of any tax or other governmental charges required to be paid with respect to such transfer or exchange.

Bonds canceled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Bonds", evidencing all or a portion, as the case may be, of the same debt evidenced by the new Bond or Bonds registered and delivered in the exchange or transfer therefor. Additionally, the term Predecessor Bonds shall include any Bond registered and delivered pursuant to Section 16 in lieu of a mutilated, lost, destroyed, or stolen Bond which shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Bond.

SECTION 7: Initial Bond. The Bonds herein authorized shall be issued initially either (i) as a fully registered Bond in the total principal amount of \$_____ with principal installments to become due and payable as provided in Section 2 and numbered T-1, or (ii) as one (1) fully registered Bond for each year of Stated Maturity in the applicable principal amount, interest rate, and denomination and to be numbered consecutively from T-1 and upward (the *Initial Bond*) and, in either case, the Initial Bond shall be registered in the name of the Purchasers or the designee thereof. The Initial Bond shall be the Bond submitted to the Office of the Attorney General of the State of Texas for approval and certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas. At any time after the delivery of the Initial Bond to the Purchasers, the Paying Agent/Registrar, upon written instructions from the Purchasers, or his or their designee, shall cancel the Initial Bond delivered hereunder and exchange therefor definitive Bonds of authorized denominations, Stated Maturities, principal amounts, and bearing applicable interest rates, and shall be lettered "R" and numbered consecutively from one (1) upward, for transfer and delivery to the Holders named and at the addresses identified therefor; all pursuant to and in accordance with and pursuant to such written instructions from the Purchasers, or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

SECTION 8: Forms Generally. The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Bonds shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends and any reproduction of an opinion of Bond Counsel) thereon as may, consistent herewith, be established by the Issuer or determined by the officers executing the Bonds as evidenced by their execution thereof. Any portion of the text of any Bond may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds shall be printed, lithographed, or engraved or produced in any other similar manner, all as determined by the officers executing the Bonds as evidenced by their execution thereof, but the Initial Bond submitted to the Attorney General of the State of Texas may be typewritten or photocopied or otherwise reproduced.

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A. Form of Definitive Bond.

REGISTERED
NO. ____

REGISTERED
PRINCIPAL AMOUNT
\$_____

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF TARRANT
CITY OF KENNEDALE, TEXAS
GENERAL OBLIGATION BONDS, SERIES 2024

Bond Date: August 1, 2024 Interest Rate: Stated Maturity: CUSIP No.:

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ DOLLARS

The City of Kennedale, Texas (the *Issuer*), a body corporate and municipal corporation located in the County of Tarrant, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above, the Principal Amount stated above (or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid Principal Amount hereof (computed on the basis of a 360-day year of twelve 30-day months) from August 1, 2024, or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided for, to the earlier of redemption or Stated Maturity, at the per annum rate specified above; such interest being payable on February 1 and August 1 of each year (each, an *Interest Payment Date*), commencing February 1, 2025.

Principal and premium, if any, of this Bond shall be payable to the Registered Owner hereof (the *Holder*), upon presentation and surrender, at the corporate trust office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor. Interest shall be payable to the Holder of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the fifteenth day of the month next preceding the Interest Payment Date. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by the Holder hereof at the Holder's risk and expense.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$_____ (the *Bonds*) pursuant to an ordinance adopted by the Governing Body of the Issuer (the *Ordinance*), for the purpose of designing, acquiring, constructing, renovating, improving, and equipping City park, recreation (including sports and athletics), and open space improvements, making park, recreation, and open space additions, acquiring lands and rights-of-way necessary thereto, and paying all or a portion of the legal, fiscal, and engineering fees in connection with said projects and costs of issuance related to the Bonds, in conformity with the laws of the State of Texas, particularly Chapters 1251 and 1331, as amended, Texas Government Code, this ordinance adopted by the Governing Body on August 20, 2024, and the Election referenced in the preamble to this Ordinance.

As stated in the Ordinance, the Bonds stated to mature on and after February 1, 20____ may be redeemed prior to their Stated Maturities, at the option of the Issuer, on February 1, 20____, or on any date thereafter, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity selected at random and by lot by the Paying Agent/Registrar) at the redemption price of par plus accrued interest to the date of redemption; provided, however, that at least 30 days' prior written notice shall be sent to the Holder of the Bonds to be redeemed by United States mail, first-class postage prepaid, and subject to the terms and provisions relating thereto contained in the Ordinance. If this Bond is subject to redemption prior to Stated Maturity and is in a denomination in excess of \$5,000, portions of the principal sum hereof in installments of \$5,000 or any integral multiple thereof may be redeemed, and, if less than all of the principal sum hereof is to be redeemed, there shall be issued, without charge therefor, to the Holder hereof, upon the surrender of this Bond to the Paying Agent/Registrar at its corporate trust office, a new Bond or Bonds of like Stated Maturity and interest rate in any authorized denominations provided in the Ordinance for the then unredeemed balance of the principal sum hereof.

If this Bond (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption has been duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and, if money for the payment of the redemption price and the interest accrued on the principal amount to be redeemed to the date of redemption is held for the purpose of such payment by the Paying Agent/Registrar, interest shall cease to accrue and be payable hereon from and after the redemption date on the principal amount hereof to be redeemed. If this Bond is called for redemption, in whole or in part, the Issuer or the Paying Agent/Registrar shall not be required to issue, transfer, or exchange this Bond within 45 days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the Holder of the unredeemed balance hereof in the event of its redemption in part.

The Bonds of this series are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property within the Issuer.

Reference is hereby made to the Ordinance, a copy of which is on file in the corporate trust office of the Paying Agent/Registrar, and to all of the provisions of which the Holder by his acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the Issuer and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be

redeemed or discharged at or prior to its Stated Maturity and deemed to be no longer Outstanding thereunder; and for the other terms and provisions thereof. Capitalized terms used herein without definition have the same meanings assigned in the Ordinance.

As provided in the Ordinance and subject to certain limitations contained therein, this Bond is transferable on the Security Register of the Issuer, upon surrender of this Bond for transfer at the corporate trust office of the Paying Agent/Registrar, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Holder hereof, or his duly authorized agent, and thereupon one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued to the designated transferee or transferees.

The Issuer and the Paying Agent/Registrar, and any agent of either, shall treat the Holder hereof whose name appears on the Security Register (i) on the Record Date as the owner hereof for purposes of receiving payment of interest hereon, (ii) on the date of surrender of this Bond as the owner hereof for purposes of receiving payment of principal hereof at its Stated Maturity or its redemption, in whole or in part, and (iii) on any other date as the owner hereof for all other purposes, and neither the Issuer nor the Paying Agent/Registrar, or any such agent of either, shall be affected by notice to the contrary. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a *Special Record Date*) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the *Special Payment Date* - which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Holder appearing on the Security Register at the close of business on the last business day next preceding the date of mailing of such notice.

It is hereby certified, covenanted, and represented that all acts, conditions, and things required to be performed, exist, and be done precedent to or in the issuance of this Bond in order to render the same a legal, valid, and binding obligation of the Issuer have been performed, exist, and have been done, in regular and due time, form, and manner, as required by the laws of the State of Texas and the Ordinance, and that the issuance of this Bond does not exceed any constitutional or statutory limitation; and that due provision has been made for the payment of the principal of, premium if any, and interest on the Bonds by the levy of a tax as aforesated. In case any provision in this Bond or any application thereof shall be deemed invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

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IN WITNESS WHEREOF, the Issuer has caused this Bond to be duly executed under its official seal.

CITY OF KENNEDALE, TEXAS

Mayor

ATTEST:

City Secretary

(CITY SEAL)

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B. *Form of Registration Certificate of Comptroller of Public Accounts to Appear on Initial Bond Only.

REGISTRATION CERTIFICATE OF COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER OF	§	
PUBLIC ACCOUNTS	§	
	§	REGISTER NO. _____
THE STATE OF TEXAS	§	

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

WITNESS my signature and seal of office this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

*NOTE TO PRINTER: Do Not Print on Definitive Bonds.

C. *Form of Registration Certificate of Paying Agent/Registrar to Appear on Definitive Bonds Only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

This Bond has been duly issued under the provisions of the within-mentioned Ordinance; the Bond or Bonds of the above-entitled and designated series originally delivered having been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts, as shown by the records of the Paying Agent/Registrar.

Registered this date: BOKF, NA, Dallas, Texas, as Paying
Agent/Registrar

_____ By: _____
Authorized Signature

*NOTE TO PRINTER: Print on Definitive Bonds.

D. Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto (Print or typewrite name, address, and zip code of transferee): _____

(Social Security or other identifying number): _____
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

NOTICE: The signature on this assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular.

Signature guaranteed:

[The remainder of this page intentionally left blank.]

E. Form of Initial Bond. The Initial Bond shall be in the form set forth in subsection B of this Section, except that the form of a single fully registered Initial Bond shall be modified as follows:

- (1) immediately under the name of the Bond the headings “Interest Rate ____” and “Stated Maturity ____” shall both be completed “as shown below”; and
- (2) the first 2 paragraphs shall read as follows:

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ DOLLARS

The City of Kennedale, Texas (the *Issuer*), a body corporate and municipal corporation located in the County of Tarrant, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner named above (the *Holder*), or the registered assigns thereof, on the first day of February in each of the years and in principal amounts and bearing interest at per annum rates in accordance with the following schedule:

<u>Year of Stated Maturity</u>	<u>Principal Amount (\$)</u>	<u>Interest Rate (%)</u>
--------------------------------	------------------------------	--------------------------

(Information to be inserted from schedule in Section 2 hereof).

(or so much thereof as shall not have been paid upon prior redemption) and to pay interest on the unpaid principal installments hereof from August 1, 2024, or from the most recent Interest Payment Date (hereinafter defined) to which interest has been paid or duly provided, to the earlier of redemption or Stated Maturity, at the per annum rates of interest specified above, computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 1 and August 1 of each year (each, an *Interest Payment Date*) commencing February 1, 2025.

Principal of this Bond shall be payable to the Holder hereof, upon presentation and surrender, to Stated Maturity or prior redemption, while Outstanding, at the corporate trust office of BOKF, NA, Dallas, Texas (the *Paying Agent/Registrar*). Interest shall be payable to the Holder of this Bond whose name appears on the Security Register maintained by the Paying Agent/Registrar at the close of business on the Record Date, which is the fifteenth day of the month next preceding the Interest Payment Date. All payments of principal of, premium, if any, and interest on this Bond shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. Interest shall be paid by the Paying Agent/Registrar by check sent on or prior to the appropriate date of payment by United States mail, first-class postage prepaid, to the Holder hereof at the address appearing in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by the Holder hereof at the Holder's risk and expense.

F. Insurance Legend. If bond insurance is obtained by the Issuer or the Purchasers (hereinafter defined), the definitive Bonds and the Initial Bond shall bear an appropriate legend as provided by the bond insurer to appear under the following header:

[BOND INSURANCE] or [STATEMENT OF INSURANCE]

SECTION 9: Definitions. For all purposes of this Ordinance (as defined below), except as otherwise expressly provided or unless the context otherwise requires: (i) the terms defined in this Section have the meanings assigned to them in this Section, certain terms used in Section 36 of this Ordinance have the meanings assigned to them in such Sections, and all such terms, include the plural as well as the singular; (ii) all references in this Ordinance to designated “Sections” and other subdivisions are to the designated Sections and other subdivisions of this Ordinance as originally adopted; and (iii) the words “herein”, “hereof”, and “hereunder” and other words of similar import refer to this Ordinance as a whole and not to any particular Section or other subdivision.

A. The term *Authorized Officials* shall mean the Mayor, Mayor Pro-Tem, City Secretary, City Manager, or Director of Finance (or any individual serving in an interim or acting capacity in the foregoing positions).

B. The term *Bond Fund* shall mean the special fund created and established by the provisions of Section 10 of this Ordinance.

C. The term *Bonds* shall mean the \$_____ “CITY OF KENNEDALE, TEXAS GENERAL OBLIGATION BONDS, SERIES 2024” authorized by this Ordinance.

D. The term *Closing Date* shall mean the date of physical delivery of the Initial Bond in exchange for the payment in full by the Purchasers.

E. The term *Debt Service Requirements* shall mean, as of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the Issuer as of such date or in such period for the payment of the principal of, premium, if any, and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations without a fixed numerical rate, that such obligations bear interest at the maximum rate permitted by the terms thereof and further assuming in the case of obligations required to be redeemed or prepaid as to principal prior to Stated Maturity, the principal amounts thereof will be redeemed prior to Stated Maturity in accordance with the mandatory redemption provisions applicable thereto.

F. The term *Depository* shall mean an official depository bank of the Issuer.

G. The term *Government Securities*, as used herein, shall mean: (i) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by, the United States of America; (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent; (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state

that have been refunded and that, on the date the governing body of the issuer adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent, or (iv) any additional securities and obligations hereafter authorized by the laws of the State of Texas as eligible for use to accomplish the discharge of obligations such as the Bonds.

H. The term *Holder* or *Holder*s shall mean the registered owner, whose name appears in the Security Register, for any Bond.

I. The term *Interest Payment Date* shall mean the date semiannual interest is payable on the Bonds, being August 1 and February 1 of each year, commencing February 1, 2025, while any of the Bonds remain Outstanding.

J. The term *Issuer* shall mean the City of Kennedale, Texas, located in the County of Tarrant, Texas and, where appropriate, the Governing Body of the Issuer.

K. The term *Ordinance* shall mean this ordinance adopted by the Governing Body of the Issuer on August 20, 2024.

L. The term *Outstanding* when used in this Ordinance with respect to Bonds shall mean, as of the date of determination, all Bonds issued and delivered under this Ordinance, except:

(1) those Bonds canceled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;

(2) those Bonds for which payment has been duly provided by the Issuer in accordance with the provisions of Section 18 of this Ordinance; and

(3) those Bonds that have been mutilated, destroyed, lost, or stolen and replacement Bonds have been registered and delivered in lieu thereof as provided in Section 16 of this Ordinance.

M. The term *Purchasers* shall mean the initial purchasers of the Bonds named in Section 20 of this Ordinance.

N. The term *Stated Maturity* shall mean the annual principal payments of the Bonds payable on February 1 of each year, as set forth in Section 2 of this Ordinance.

SECTION 10: Bond Fund – Investments. For the purpose of paying the interest on and to provide a sinking fund for the payment, redemption, and retirement of the Bonds, there shall be and is hereby created a special fund to be designated “CITY OF KENNEDALE, TEXAS GENERAL OBLIGATION BONDS, SERIES 2024, INTEREST AND SINKING FUND” (the *Bond Fund*), which fund shall be kept and maintained at the Depository, and money deposited in such fund shall be used for no other purpose and shall be maintained as provided in Section 17. Authorized Officials of the Issuer are hereby authorized and directed to make withdrawals from the Bond Fund sufficient to pay the principal of and interest on the Bonds as the same become due and payable and shall cause to be transferred to the Paying Agent/Registrar from money on deposit in the Bond Fund an amount sufficient to pay the amount of principal and/or interest stated to mature on the Bonds, such transfer

of funds to the Paying Agent/Registrar to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar on or before the last business day next preceding each interest and principal payment date for the Bonds.

Pending the transfer of funds to the Paying Agent/Registrar, money deposited in any fund established pursuant to the provisions of this Ordinance may, at the option of the Issuer, be placed in time deposits, certificates of deposit, guaranteed investment contracts, or similar contractual agreements as permitted by the provisions of the Public Funds Investment Act, as amended, Chapter 2256, Texas Government Code, secured (to the extent not insured by the Federal Deposit Insurance Corporation) by obligations of the type hereinafter described, or be invested, as authorized by any law, including investments held in book-entry form, in securities including, but not limited to, direct obligations of the United States of America, obligations guaranteed or insured by the United States of America, which, in the opinion of the Attorney General of the United States, are backed by its full faith and credit or represent its general obligations, or invested in indirect obligations of the United States of America, including, but not limited to, evidences of indebtedness issued, insured or guaranteed by such governmental agencies as the Federal Land Banks, Federal Intermediate Credit Banks, Banks for Cooperatives, Federal Home Loan Banks, Government National Mortgage Association, Small Business Administration, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, or Federal Housing Administration; provided that all such deposits and investments shall be made in such a manner that the money required to be expended from any fund will be available at the proper time or times. All interest and income derived from deposits and investments in such fund shall be credited to, and any losses debited to, such fund. All such investments shall be sold promptly when necessary to prevent any default in connection with the Bonds.

SECTION 11: Levy of Taxes – Surplus Bond Proceeds. To provide for the payment of the Debt Service Requirements on the Bonds being (i) the interest on the Bonds, and (ii) a sinking fund for their redemption at Stated Maturity or a sinking fund of two percent (2%) (whichever amount shall be the greater), there shall be and there is hereby levied for the fiscal year commencing October 1, 2024 and each succeeding year thereafter while the Bonds or any interest thereon shall remain Outstanding, a sufficient tax, within the limitations prescribed by law, on each \$100 valuation of taxable property in the Issuer, adequate to pay such Debt Service Requirements, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the Debt Service Requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Bond Fund and are thereafter pledged to the payment of the Bonds.

The Governing Body hereby declares its purpose and intent to provide and levy a tax legally and fully sufficient to pay the said Debt Service Requirements, it having been determined that the existing and available taxing authority of the Issuer for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding indebtedness.

Accrued interest, if any, received from the Purchasers of the Bonds shall be deposited to the Bond Fund and ad valorem taxes levied and collected for the benefit of the Bonds shall be deposited to the Bond Fund. Any surplus proceeds from the sale of the Bonds, including investment income thereon, not expended for authorized purposes shall be deposited in the Bond Fund, and such amounts so deposited shall reduce the sum otherwise required to be deposited in the Bond Fund from ad valorem taxes.

SECTION 12: Security for Funds. All money on deposit in the funds for which this Ordinance makes provision (except any portion thereof as may be at any time properly invested as provided herein) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of public funds, and money on deposit in such funds shall be used only for the purposes permitted by this Ordinance.

SECTION 13: Remedies in Event of Default. In addition to all the rights and remedies provided by the laws of the State of Texas, the Issuer covenants and agrees particularly that in the event the Issuer: (i) defaults in the payments to be made to the Bond Fund; or (ii) defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Ordinance, the Holders of any of the Bonds shall be entitled to seek a writ of mandamus issued by a court of proper jurisdiction compelling and requiring the Governing Body of the Issuer and other officers of the Issuer to observe and perform any covenant, condition, or obligation prescribed in this Ordinance.

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

SECTION 14: Notices to Holders – Waiver. Wherever this Ordinance provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and sent by United States mail, first-class postage prepaid, to the address of each Holder appearing in the Security Register at the close of business on the business day next preceding the mailing of such notice.

In any case where notice to Holders is given by mail, neither the failure to mail such notice to any particular Holders, nor any defect in any notice so mailed, shall affect the sufficiency of such notice with respect to all other Bonds or Holders. Where this Ordinance provides for notice in any manner, such notice may be waived in writing by the Holder entitled to receive such notice, either before or after the event with respect to which such notice is given, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Paying Agent/Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

SECTION 15: Cancellation. All Bonds surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly canceled by it and, if surrendered to the Issuer, shall be delivered to the Paying Agent/Registrar and, if not already canceled, shall be promptly canceled by the Paying Agent/Registrar. The Issuer may at any time deliver to the Paying Agent/Registrar for cancellation any Bonds previously certified or registered and delivered which the Issuer may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly canceled by the Paying Agent/Registrar. All canceled Bonds held by the Paying Agent/Registrar shall be destroyed as directed by the Issuer.

SECTION 16: Mutilated, Destroyed, Lost and Stolen Bonds. If: (i) any mutilated Bond is surrendered to the Paying Agent/Registrar, or the Issuer and the Paying Agent/Registrar receive evidence to their satisfaction of the destruction, loss, or theft of any Bond; and (ii) there is delivered to the Issuer and the Paying Agent/Registrar such security or indemnity as may be required to save

each of them harmless, then, in the absence of notice to the Issuer or the Paying Agent/Registrar that such Bond has been acquired by a bona fide purchaser, the Issuer shall execute and, upon the Issuer's request, the Paying Agent/Registrar shall register and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost, or stolen Bond, a new Bond of the same Stated Maturity and interest rate and of like tenor and principal amount, bearing a number not contemporaneously Outstanding.

In case any such mutilated, destroyed, lost, or stolen Bond has become or is about to become due and payable, the Issuer in its discretion may, instead of issuing a new Bond, pay such Bond. Upon the issuance of any new Bond, or payment in lieu thereof, under this Section, the Issuer may require payment by the Holder of a sum sufficient to cover any tax or other governmental charge imposed in relation thereto and any other expenses and charges (including attorney's fees and the fees and expenses of the Paying Agent/Registrar) connected therewith. Every new Bond issued pursuant to this Section in lieu of any mutilated, destroyed, lost, or stolen Bond shall constitute a replacement of the prior obligation of the Issuer, whether or not the mutilated, destroyed, lost, or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds. The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Bonds.

SECTION 17: Covenants Regarding Tax Exemption of Interest on the Bonds.

A. Covenants. The City covenants to take any action necessary to assure, or refrain from any action which would adversely affect, the treatment of the Bonds as obligations described in section 103 of the Internal Revenue Code of 1986, as amended (the *Code*), the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the City covenants as follows:

(1) To take any action to assure that no more than 10% of the proceeds of the Bonds or the projects financed or refinanced therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10% of the proceeds of the Bonds or the projects financed or refinanced therewith are so used, such amounts, whether or not received by the City, with respect to such private business use, do not, under the terms of this Ordinance or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10% of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

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

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

(4) To refrain from taking any action which would otherwise result in the Bonds being treated as “private activity bonds” within the meaning of section 141(b) of the Code;

(5) To refrain from taking any action that would result in the Bonds being “federally guaranteed” within the meaning of section 149(b) of the Code;

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

(A) proceeds of the Bonds invested for a reasonable temporary period of three years or less or, in the case of a refunding bond, for a period of 90 days or less until such proceeds are needed for the purpose for which the Bonds are issued,

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

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

(7) To otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage);

(8) Refrain from using the proceeds of the Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of the Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

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

B. Rebate Fund. In order to facilitate compliance with the above covenant (9), a *Rebate Fund* is hereby established by the City for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

C. Proceeds. The City understands that the term “proceeds” includes “disposition proceeds” as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded bonds expended prior to the date of issuance of the Bonds. It is the understanding of the City that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which

modify or expand provisions of the Code, as applicable to the Bonds, the City will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the City agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the City hereby authorizes and directs any Authorized Official to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the City, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

D. Allocation of, and Limitation on, Expenditures for the Project. The City covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 1 of this Ordinance on its books and records in accordance with the requirements of the Internal Revenue Code. The City recognizes that in order for the proceeds to be considered used for the reimbursement of costs, the proceeds must be allocated to expenditures within 18 months of the later of the date that (1) the expenditure is made, or (2) the project is completed; but in no event later than three years after the date on which the original expenditure is paid. The foregoing notwithstanding, the Issuer recognizes that in order for proceeds to be expended under the Internal Revenue Code, the sale proceeds or investment earnings must be expended no more than 60 days after the earlier of (1) the fifth anniversary of the delivery of the Bonds, or (2) the date the Bonds are retired. The City agrees to obtain the advice of nationally-recognized bond counsel if such expenditure fails to comply with the foregoing to assure that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes hereof, the City shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

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

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

G. Reimbursement. This Ordinance is intended to satisfy the official requirements set forth in section 1.150-2 of the Treasury Regulations.

SECTION 18: Satisfaction of Obligation of Issuer. If the Issuer shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the

Bonds, at the times and in the manner stipulated in this Ordinance, then the pledge of taxes levied and all covenants, agreements, and other obligations of the Issuer to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds, or any principal amount(s) thereof, shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof on or prior to Stated Maturity, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, and/or (ii) Government Obligations shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Obligations mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any money deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, at the Stated Maturity thereof. In the event of a defeasance of the Bonds, the Issuer shall deliver a certificate from its financial advisor, the Paying Agent/Registrar, an independent accounting firm, or another qualified third party concerning the deposit of cash and/or Government Obligations to pay, when due, the principal of, redemption premium (if any), and interest due on any defeased Bonds. As and to the extent applicable, if at all, the Issuer covenants that no deposit of money or Government Obligations will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as arbitrage bonds within the meaning of section 148 of the Code (as defined in Section 17 hereof).

Any money so deposited with the Paying Agent/Registrar, and all income from Government Securities held in trust by the Paying Agent/Registrar, or an authorized escrow agent, pursuant to this Section which is not required for the payment of the Bonds, or any principal amount(s) thereof, or interest thereon with respect to which such money has been so deposited shall be remitted to the Issuer or deposited as directed by the Issuer. Furthermore, any money held by the Paying Agent/Registrar for the payment of the principal of and interest on the Bonds and remaining unclaimed for a period of three (3) years after the Stated Maturity or applicable redemption date of the Bonds, such money was deposited and is held in trust to pay shall upon the request of the Issuer be remitted to the Issuer against a written receipt therefor, subject to the unclaimed property laws of the State of Texas.

Notwithstanding any other provision of this Ordinance to the contrary, it is hereby provided that any determination not to redeem defeased Bonds that is made in conjunction with the payment arrangements specified in clause (i) or (ii) above shall not be irrevocable, provided that: (1) in the proceedings providing for such defeasance, the Issuer expressly reserves the right to call the defeased Bonds for redemption; (2) gives notice of the reservation of that right to the owners of the defeased Bonds immediately following the defeasance; (3) directs that notice of the reservation be included in any redemption notices that it authorizes; and (4) at the time of the redemption, satisfies the conditions of clause (i) or (ii) above with respect to such defeased debt as though it was being defeased at the time of the exercise of the option to redeem the defeased Bonds, after taking the redemption into account in determining the sufficiency of the provisions made for the payment of the defeased Bonds.

SECTION 19: Ordinance a Contract – Amendments – Outstanding Bonds. The Issuer acknowledges that the covenants and obligations of the Issuer herein contained are a material inducement to the purchase of the Bonds. This Ordinance shall constitute a contract with the Holders from time to time, be binding on the Issuer, and its successors and assigns, and it shall not be

amended or repealed by the Issuer so long as any Bond remains Outstanding except as permitted in this Section. The Issuer may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the Issuer may, with the written consent of Holders holding a majority in aggregate principal amount of the Bonds then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided, however, that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall: (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds; (2) give any preference to any Bond over any other Bond; or (3) reduce the aggregate principal amount of Bonds required for consent to any such amendment, addition, or rescission.

SECTION 20: Sale of Bonds at a Competitive Sale – Authorization of Bid Form – Notice of Sale – Official Statement Approval – Use of Proceeds. The Bonds authorized by this Ordinance are hereby sold by the City to _____, at a competitive sale (the *Purchasers*, having all the rights, benefits, and obligations of a Holder), in accordance with the provisions of an Official Bid Form (the *Official Bid Form*), dated August 20, 2024, attached hereto as Exhibit B and incorporated herein by reference as a part of this Ordinance for all purposes. It is hereby officially found, determined, and declared that the Purchasers are the lowest bidder for the Bonds and as a result of invitations for competitive bids in compliance with applicable law. The pricing and terms of the sale of the Bonds are hereby found and determined to be the most advantageous reasonably obtainable by the Issuer. The Initial Bond shall be registered in the name of _____. Any Authorized Official is hereby authorized and directed to execute the Official Bid Form for and on behalf of the Issuer and as the act and deed of this Governing Body, and in regard to the approval and execution of the Official Bid Form, the Governing Body hereby finds, determines and declares that the representations, warranties, and agreements of the Issuer contained in the Official Bid Form are true and correct in all material respects and shall be honored and performed by the Issuer. Delivery of the Bonds to the Purchasers shall occur as soon as practicable after the adoption of this Ordinance, upon payment therefor in accordance with the terms of the Official Bid Form.

Furthermore, the Issuer hereby ratifies, confirms, and approves in all respects (i) the Issuer's prior determination that the Preliminary Official Statement was, as of its date, "deemed final" in accordance with the Rule (hereinafter defined), and (ii) the use and distribution of the Preliminary Official Statement by the Purchasers in connection with the public offering and sale of the Bonds. The final Official Statement, being a modification and amendment of the Preliminary Official Statement to reflect the terms of sale, referenced in the Official Bid Form (together with such changes approved by an Authorized Official), shall be and is hereby in all respects approved, and the Purchasers are hereby authorized to use and distribute the final Official Statement, dated August 20, 2024, in the reoffering, sale and delivery of the Bonds to the public. The Mayor, City Secretary, City Manager, and Director of Finance of the Issuer are further authorized and directed to manually or electronically execute and deliver for and on behalf of the Issuer copies of the Official Statement in final form as may be required by the Purchasers, and such final Official Statement in the form and content manually or electronically executed by said officials shall be deemed to be approved by the Governing Body and constitute the Official Statement authorized for distribution and use by the Purchasers. The proper officials of the Issuer are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

Proceeds from the sale of the Bonds shall be applied as follows:

- A. The Issuer received a [net] reoffering premium from the sale of the Bonds of \$_____, which is hereby allocated by the Issuer in the following manner: (i) \$_____ shall be used to pay costs of issuance; (ii) \$_____ shall be used to pay the Purchasers' discount; (iii) \$_____ shall be deposited to the Bond Fund as the rounding amount; and (iv) \$_____ shall be deposited to the special construction account as specified in Clause B below; and
- B. \$_____ (representing \$_____ of principal and \$_____ of the net reoffering premium allocated against the applicable voted authorization as specified in the table included in the preamble of this Ordinance) shall be deposited into the special construction account or accounts created for the projects to be constructed with the Bond proceeds. This special construction account shall be established and maintained at the Depository and shall be invested in accordance with the provisions of Section 10 of this Ordinance. Interest earned on the proceeds of the Bonds pending completion of the projects financed with such proceeds shall be accounted for, maintained, deposited, and expended as permitted by the provisions of Chapter 1201, as amended, Texas Government Code, or as required by any other applicable law. Thereafter, such amounts shall be expended in accordance with Section 11.

SECTION 21: Control and Custody of Bonds. The Mayor of the Issuer shall be and is hereby authorized to take and have charge of all necessary orders and records pending investigation by the Attorney General of the State of Texas including the printing and supply of definitive Bonds and shall take and have charge and control of the Initial Bond pending their approval by the Attorney General of the State of Texas, the registration thereof by the Comptroller of Public Accounts of the State of Texas and the delivery thereof to the Purchasers.

Furthermore, any Authorized Official, either individually or any combination of them, are hereby authorized and directed to furnish and execute such documents relating to the Issuer and its financial affairs as may be necessary for the issuance of the Bonds, the approval of the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas and, together with the Issuer's Financial Advisor, Bond Counsel, and the Paying Agent/Registrar, to make the necessary arrangements for the delivery of the Initial Bond to the Purchasers and, when requested in writing by the Purchasers, the initial exchange thereof for definitive Bonds.

SECTION 22: Printed Opinion. The Purchasers' obligation to accept delivery of the Bonds is subject to its being furnished a final opinion of McCall, Parkhurst & Horton L.L.P., as Bond Counsel, approving the Bonds as to their validity, said opinion to be dated and delivered as of the date of initial delivery and payment for the Bonds. Printing of a true and correct reproduction of said opinions on the reverse side of each of the Bonds is hereby approved and authorized.

SECTION 23: CUSIP Numbers. CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof, and neither the Issuer nor attorneys approving said Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

SECTION 24: Benefits of Ordinance. Nothing in this Ordinance, expressed or implied, is intended or shall be construed to confer upon any person other than the Issuer, the Paying Agent/Registrar, Bond Counsel, the Purchasers, and the Holders any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof, this Ordinance and all its provisions being intended to be and being for the sole and exclusive benefit of the Issuer, the Paying Agent/Registrar, Bond Counsel, the Purchasers, and the Holders.

SECTION 25: Inconsistent Provisions. All ordinances, orders, or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance are hereby repealed to the extent of such conflict and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

SECTION 26: Governing Law. This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 27: Effect of Headings. The Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 28: Severability. If any provision of this Ordinance or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Ordinance and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Governing Body hereby declares that this Ordinance would have been enacted without such invalid provision.

SECTION 29: Public Meeting. It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

SECTION 30: Authorization of Paying Agent/Registrar Agreement. The Governing Body of the Issuer hereby finds and determines that it is in the best interest of the Issuer to authorize the execution of a Paying Agent/Registrar Agreement pertaining to the registration, exchange, transferability, and payment of the Bonds. A copy of the Paying Agent/Registrar Agreement is attached hereto, in substantially final form, as Exhibit A and is incorporated herein by reference as fully as if recopied in its entirety in this Ordinance.

SECTION 31: Incorporation of Preamble Recitals. The recitals contained in the preamble to this Ordinance are hereby found to be true, and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Governing Body of the Issuer.

SECTION 32: Book-Entry-Only System. The Bonds shall initially be registered so as to participate in a securities depository system (the *DTC System*) with the Depository Trust Company, New York, New York, or any successor entity thereto (the *DTC*), as set forth herein. Each Stated Maturity of the Bonds shall be issued (following cancellation of the Initial Bond described in Section 7) in the form of a separate single definitive Bond. Upon issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as the nominee of DTC, and all of the Outstanding Bonds shall be registered in the name of Cede & Co., as the nominee of DTC. The Issuer and the Paying Agent/Registrar are authorized to execute, deliver, and take the actions set forth in such

letters to or agreements with DTC as shall be necessary to effectuate the DTC System, including the Letter of Representations attached hereto as Exhibit D (the *Representation Letter*).

With respect to the Bonds registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any broker-dealer, bank, or other financial institution for which DTC holds the Bonds from time to time as securities depository (a *Depository Participant*) or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds (an *Indirect Participant*). Without limiting the immediately preceding sentence, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation with respect to: (i) the accuracy of the records of DTC, Cede & Co., or any Depository Participant with respect to any ownership interest in the Bonds; (ii) the delivery to any Depository Participant or any other person, other than a registered owner of the Bonds, as shown on the Security Register, of any notice with respect to the Bonds, including any notice of redemption; or (iii) the delivery to any Depository Participant or any Indirect Participant or any other Person, other than a Holder of a Bond, of any amount with respect to principal of, premium, if any, or interest on the Bonds. While in the DTC System, no person other than Cede & Co., or any successor thereto, as nominee for DTC, shall receive a bond certificate evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest pursuant to this Ordinance. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Ordinance with respect to interest checks or drafts being mailed to the Holder, the word “Cede & Co.” in this Ordinance shall refer to such new nominee of DTC.

In the event that: (i) the Issuer determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter; (ii) the Representation Letter shall be terminated for any reason; or (iii) DTC or the Issuer determines that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the Issuer shall notify the Paying Agent/Registrar, DTC, and DTC Participants of the availability within a reasonable period of time through DTC of bond certificates, and the Bonds shall no longer be restricted to being registered in the name of Cede & Co., as nominee of DTC. At that time, the Issuer may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a securities depository system, as may be acceptable to the Issuer, or such depository’s agent or designee, and if the Issuer and the Paying Agent/Registrar do not select such alternate securities depository system then the Bonds may be registered in whatever name or names the Holders of Bonds transferring or exchanging the Bonds shall designate, in accordance with the provisions hereof.

Notwithstanding any other provision of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

SECTION 33: Construction of Terms. If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

SECTION 34: Unavailability of Authorized Publication. If, because of the temporary or permanent suspension of any newspaper, journal, or other publication, or, for any reason, publication

of notice cannot be made meeting any requirements herein established, any notice required to be published by the provisions of this Ordinance shall be given in such other manner and at such time or times as in the judgment of the Issuer or of the Paying Agent/Registrar shall most effectively approximate such required publication and the giving of such notice in such manner shall for all purposes of this Ordinance be deemed to be in compliance with the requirements for publication thereof.

SECTION 35: No Recourse Against Issuer Officials. No recourse shall be had for the payment of principal of, premium, if any, or interest on any Bond or for any claim based thereon or on this Ordinance against any official of the Issuer or any person executing any Bond.

SECTION 36: Continuing Disclosure Undertaking.

A. Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

EMMA means the MSRB's Electronic Municipal Market Access system, accessible by the general public, without charge, on the internet through the uniform resource locator (URL) <http://www.emma.msrb.org>.

Financial Obligation means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

MSRB means the Municipal Securities Rulemaking Board.

Rule means SEC Rule 15c2-12, as amended from time to time.

SEC means the United States Securities and Exchange Commission.

Undertaking means the Issuer's continuing disclosure undertaking, described in subsections B through F below, hereunder accepted and entered into by the Issuer for the purpose of compliance with the Rule.

B. Annual Reports. The City shall provide annually to the MSRB through EMMA financial information and operating data with respect to the City of the general type included in the final Official Statement authorized by this Ordinance, being the information described in Exhibit E-1 hereto. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in Exhibit E-1 hereto, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation, and (2) audited, if the City commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the City shall provide (1) unaudited financial statements for such fiscal year within such required time, and (2) audited financial statements for the applicable fiscal year to the MSRB through EMMA when and if the audit report on such statements become available

If the Issuer changes its fiscal year, it will file notice of such change (and of the date of the new fiscal year end) with the MSRB prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section.

C. Notice of Certain Events. The Issuer shall file notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. modifications to rights of Holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. release, substitution, or sale of property securing repayment of the Bonds, if material;
11. rating changes;
12. bankruptcy, insolvency, receivership, or similar event of the Issuer, which shall occur as described below;
13. the consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. appointment of a successor or additional paying agent/registrars or the change of name of a paying agent/registrars, if material;
15. incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a

Financial Obligation of the Issuer, any of which affect security holders, if material; and

16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer, and (b) the Issuer intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

The Issuer shall file notice with the MSRB, in a timely manner, of any failure by the Issuer to provide financial information or operating data in accordance with this Section by the time required by this Section.

D. Limitations, Disclaimers, and Amendments. The Issuer shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Issuer remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the Issuer in any event will give notice of any deposit that causes the Bonds to be no longer Outstanding.

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT OR WITH OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the Issuer in observing or performing its obligations under this Section shall constitute a breach of or default under this Ordinance for purposes of any other provision of this Ordinance.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal and state securities laws.

The provisions of this Section may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (i) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (ii) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The Issuer may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the Issuer also may amend the provisions of this Section in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds, giving effect to (i) such provisions as so amended, and (ii) any amendments or interpretations of the Rule. If the Issuer so amends the provisions of this Section, the Issuer shall include with any amended financial information or operating data next provided in accordance with this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

E. Information Format – Incorporation by Reference. The Issuer information required under this Section shall be filed with the MSRB through EMMA in such format and accompanied by such identifying information as may be specified from time to time thereby. Under the current rules of the MSRB, continuing disclosure documents submitted to EMMA must be in word-searchable portable document format (PDF) files that permit the document to be saved, viewed, printed, and retransmitted by electronic means and the series of obligations to which such continuing disclosure documents relate must be identified by CUSIP number or numbers.

Financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document) available to the public through EMMA or filed with the SEC.

F. General Policies and Procedures Concerning Compliance with the Rule. Because the issuance of the Bonds is subject to the provisions of the Rule and because the potential “underwriters” in a negotiated sale of the Bonds or the initial purchasers in a competitive sale of the Bonds may be subject to MSRB rules and regulations with respect to such sale (including certain due diligence and suitability requirements, among others), the Issuer hereby adopts the General Policies and Procedures Concerning Compliance with the Rule (the *Policies and Procedures*),

attached hereto as Exhibit E-2, with which the Issuer shall follow to assure compliance with the Undertaking. The Issuer has developed these Policies and Procedures for the purpose of meeting its requirements of the Undertaking and, in connection therewith, has sought the guidance from its internal staff charged with administering the Issuer's financial affairs, its co-municipal or financial advisor, its legal counsel (including its Bond Counsel), and its independent accountants (to the extent determined to be necessary or advisable). The Policies and Procedures can be amended at the sole discretion of the Issuer and any such amendment will not be deemed to be an amendment to the Undertaking. Each Authorized Official is hereby authorized to amend the Policies and Procedures as a result of a change in law, a future issuance of indebtedness subject to the Rule, or another purpose determined by the Authorized Official to be necessary or desirable for or with respect to future compliance with the Undertaking.

SECTION 37: Further Procedures. The officers and employees of the Issuer are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the Issuer all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance, the initial sale and delivery of the Bonds, the Agreement, the Paying Agent/Registrar Agreement, the Official Bid Form, and the Official Statement. In addition, prior to the initial delivery of the Bonds, any Authorized Official and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Ordinance or to any of the instruments authorized and approved by this Ordinance necessary in order to: (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Ordinance and as described in the Official Statement; (ii) obtain a rating from any of the national bond rating agencies; or (iii) obtain the approval of the Bonds by the Office of the Attorney General of the State of Texas. In case any officer of the Issuer whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

SECTION 38: City's Consent to Provide Information and Documentation to the Texas MAC. The Municipal Advisory Council of Texas (the *Texas MAC*), a non-profit membership corporation organized exclusively for non-profit purposes described in section 501(c)(6) of the Code and which serves as a comprehensive financial information repository regarding municipal debt issuers in Texas, requires provision of written documentation regarding the issuance of municipal debt by the issuers thereof. In support of the purpose of the Texas MAC and in compliance with applicable law, the City hereby consents to and authorizes any Authorized Official, the City's Bond Counsel, and/or the City's Financial Advisor to provide to the Texas MAC information and documentation requested by the Texas MAC relating to the Bonds; provided, however, that no such information and documentation shall be provided prior to the Closing Date. This consent and authorization relates only to information and documentation that is a part of the public record concerning the issuance of the Bonds.

SECTION 39: Effective Date. Pursuant to the provisions of Section 1201.028, Texas Government Code, this Ordinance shall become effective immediately after it is approved by the City Council.

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PASSED, APPROVED AND ADOPTED on the 20th day of August, 2024.

CITY OF KENNEDALE, TEXAS

Mayor

ATTEST:

City Secretary

(SEAL)

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Exhibit B – Written Procedures Relating to Continuing Compliance with Federal Tax Covenants

Exhibit C – Official Bid Form

Exhibit D – DTC Letter of Representations

Exhibit E-1 – Description of Annual Financial Information

Exhibit E-2 – General Policies and Procedures Concerning Compliance with the Rule

EXHIBIT A

PAYING AGENT/REGISTRAR AGREEMENT

See Tab No. ____

EXHIBIT B

WRITTEN PROCEDURES RELATING TO CONTINUING COMPLIANCE WITH FEDERAL TAX COVENANTS

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Bonds, the City Secretary, or its designee, (the *Responsible Person*) will:

(i) monitor all amounts deposited into a sinking fund or funds (e.g., the Interest and Sinking Fund), to assure that the maximum amount invested at a yield higher than the yield on the Bonds does not exceed an amount equal to the debt service on the Bonds in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Bonds for the immediately preceding 12-month period;

(ii) ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS; and

(iii) assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (A) at least every five (5) years after the date of delivery of the Bonds (the *Issue Date*), and (B) within 30 days after the date the Bonds are retired.

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

(i) monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;

(ii) monitor whether, at any time the Bonds are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;

(iii) monitor whether, at any time the Bonds are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);

(iv) monitor whether, at any time the Bonds are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;

(v) determine whether, at any time the Bonds are outstanding, any person, other than the City, has a naming right for the facilities or any other contractual right granting an intangible benefit;

(vi) determine whether, at any time the Bonds are outstanding, the facilities are sold or otherwise disposed of; and

(vii) take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Ordinance related to the public use of the facilities.

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

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

EXHIBIT C

OFFICIAL BID FORM

See Tab No. ____

EXHIBIT D

DTC LETTER OF REPRESENTATIONS

See Tab No. ____

EXHIBIT E-1

DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 36 of this Ordinance.

Annual Financial Statements and Operating Data

The financial information and operating data with respect to the City to be provided annually in accordance with such Section are as specified (and included in the Appendix or under the headings of the Official Statement referred to) below:

1. Within six months after the end of any fiscal year, commencing with the fiscal year ending in 2024, all quantitative financial information and operating data with respect to the City of the general type included in the Official Statement in Table 1, and under Tables 1 through 14 of Appendix A.
2. Within six months after the end of any fiscal year, commencing with the fiscal year ending in 2024, the annual audited financial statements of the City or the unaudited financial statements of the City in the event audited financial statements are not completed within twelve months after the end of any fiscal year.

Accounting Principles

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in paragraph 2 above.

EXHIBIT E-2

GENERAL POLICIES AND PROCEDURES CONCERNING COMPLIANCE WITH THE RULE

I. Capitalized terms used in this Exhibit have the meanings ascribed thereto in Section 36 of the Ordinance. *Bonds* refer to the Bonds that are the subject of the Ordinance to which this Exhibit is attached.

II. As a capital markets participant, the Issuer is aware of its continuing disclosure requirements and obligations existing under the Rule prior to February 27, 2019, the effective date of the most recent amendment to the Rule (the *Effective Date*), and has implemented and maintained internal policies, processes, and procedures to ensure compliance therewith. Adherence to these internal policies, processes, and procedures has enabled underwriters in non-exempt negotiated sales and initial purchasers in non-exempt competitive sales to comply with their obligations arising under various MSRB rules and regulations concerning due diligence and findings of suitability, among other matters, regarding the Issuer's compliance with the Rule.

III. The Issuer is aware that the Rule was amended as of the Effective Date (the *Rule Amendment*) and has accommodated this amendment by adding subparagraphs (15) and (16) to Section 36C of the Ordinance, which provisions are a part of the Undertaking.

IV. The Issuer is aware that "participating underwriters" (as such term is defined in the Rule) of the Bonds must make inquiry and reasonably believe that the Issuer is likely to comply with the Undertaking and that the standards for determining compliance have increased over time as a result of, among others, the United States Securities and Exchange Commission's Municipalities Continuing Disclosure Cooperation Initiative and regulatory commentary relating to the effectiveness of the Rule Amendment.

V. The Issuer now establishes the following general policies and procedures (the *Policies and Procedures*) for satisfying its obligations pursuant to the Undertaking, which policies and procedures have been developed based on the Issuer's informal policies, procedures, and processes utilized prior to the Effective Date for compliance with the Issuer's obligations under the Rule, the advice from and discussions with the Issuer's internal senior staff (including staff charged with administering the Issuer's financial affairs), its co-municipal or financial advisor, its legal counsel (including Bond Counsel), and its independent accountants, to the extent determined to be necessary or advisable (collectively, the *Compliance Team*):

1. The City Secretary (the *Compliance Officer*) shall be responsible for satisfying the Issuer's obligations pursuant to the Undertaking through adherence to these Policies and Procedures;

2. the Compliance Officer shall establish reminder or "tickler" systems to identify and timely report to the MSRB, in the format thereby prescribed from time to time, the Issuer's information of the type described in Section 36B of the Ordinance;

3. the Compliance Officer shall promptly determine the occurrence of any of the events described in Section 36C of the Ordinance;

4. the Compliance Officer shall work with external consultants of the Issuer, as and to the extent necessary, to timely prepare and file with the MSRB the annual information of the Issuer and notice of the occurrence of any of the events referenced in Clauses 2 and 3 above, respectively, the foregoing being required to satisfy the terms of the Undertaking;

5. the Compliance Officer shall establish a system for identifying and monitoring any Financial Obligations, whether now existing or hereafter entered into by the Issuer, and (upon identification) determining if such Financial Obligation has the potential to materially impact the security or source of repayment of the Bonds;

6. upon identification of any Financial Obligation meeting the materiality standard identified in Clause 5 above, the Compliance Officer shall establish a process for identifying and monitoring any Issuer agreement to covenants, events of default, remedies, priority rights, or other similar terms under such Financial Obligation;

7. the Compliance Officer shall establish a process for identifying the occurrence of any default, event of acceleration, termination event, modification of terms, or other similar events under the terms of any Financial Obligation, the occurrence of any of which reflect financial difficulties of the Issuer; and

8. the Compliance Officer shall annually review these Policies and Procedures with the remainder of the Compliance Team, make any modifications on an internal document retained by the Compliance Officer and available to any “participating underwriter” (as defined in the Rule), if requested, and on the basis of this annual review (to the extent determined to be necessary or desirable), seek additional training for herself or himself, as well as other members of the Issuer’s internal staff identified by the Compliance Officer to assist with the Issuer’s satisfaction of the terms and provisions of the Undertaking.

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: PUBLIC HEARING ITEM IV.A.

SUBJECT

To receive public comment on the proposed Comprehensive Plan for the City of Kennedale.

ORIGINATED BY NATHAN GONZALES

SUMMARY

The updated City of Kennedale Comprehensive Plan is complete after months of steering committee meetings, open houses, community surveys, and joint-session workshops. A public hearing was held before the Planning and Zoning Commission on July 25, 2024, and received a unanimous recommendation for approval. This draft now comes before the City Council for further review and vetting. This updated plan re-envisions the city's focus on future land use, parks, transportation, and infrastructure. Updated goals and objectives are also included. Once adopted, the staff will then work with Dunaway to update the city's development code to be more consistent with the Comprehensive Plan. Staff welcomes any additional feedback from the community and City Council before we return with the final draft for action.

RECOMMENDATION

This item will be returned in September for action by the City Council.

ATTACHMENTS



City of Kennedale **COMPREHENSIVE PLAN**

DRAFT July 8, 2024



TownCenter Park

Acknowledgments

The Citizens of the City of Kennedale

Kennedale Comprehensive Plan Steering Committee

The City Council of the City of Kennedale

Brad Horton

Mayor

David Glover

Place 1

Kenneth Michels

Place 3

Chris J. Gary

Place 4

Jeff Nevarez

Place 5

Former City Council Members

Jan Joplin

Former Mayor

Bryant Griffith

The Planning and Zoning Commission of the City of Kennedale

Andrew Malkowski

Vice Chair, Place 1

Michael Brown

Chair, Place 2

Kevin Guo

Place 3

Anita Favela

Place 4

Socorro Martinez

Place 5

City Staff

Darrell Hull

City Manager | EDC Executive Director

Nathan Gonzales

Director of Community Development

Bobbie Jo Taylor

City Secretary

Mike Holguin

Chief of Police

Brian King

Interim Fire Chief

Consultant Team

Dunaway Associates

Stephen Cook, AICP

Project Manager

Chance LeBlanc, AICP

Senior Planner

Aden Herrera

Planning Analyst

Ellen Soward, AICP

Planner

Barry Hudson, AICP, CNU-A

Planning Senior Discipline Lead

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Chapter 1:
**VISION &
INTRODUCTION TO PLAN**

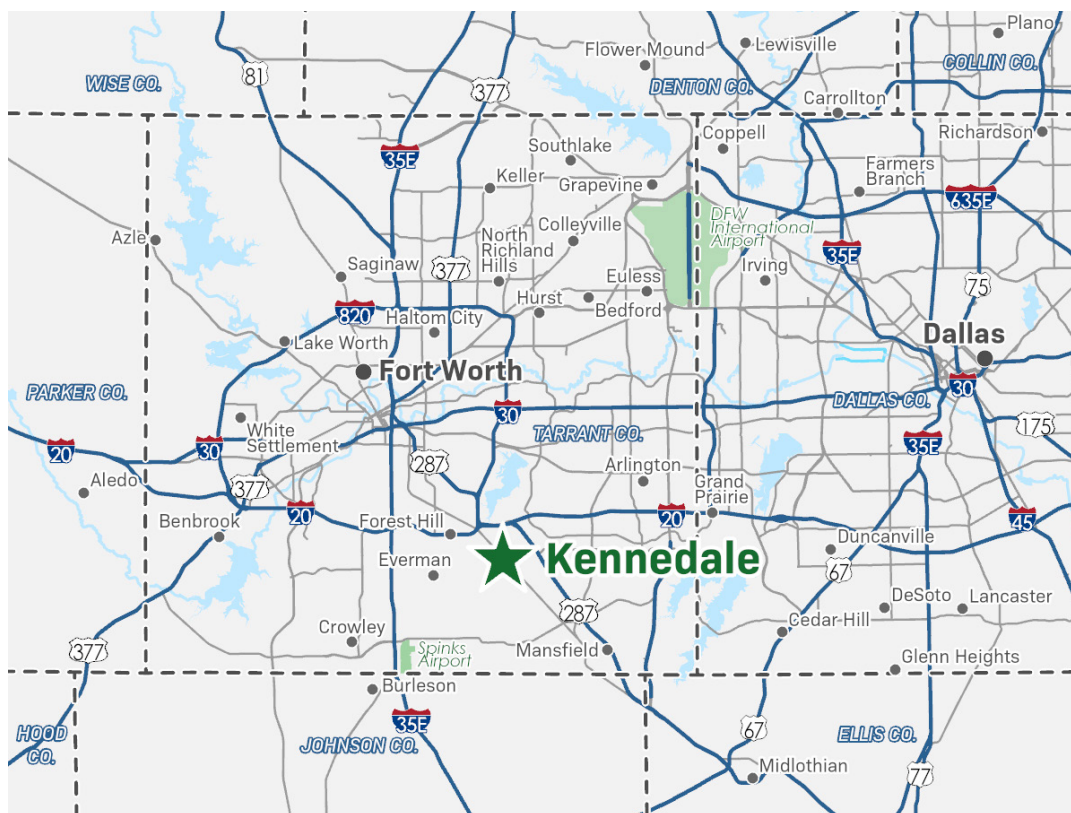


Public art in TownCenter Park

Kennedale is in the central southeast section of Tarrant County, ideally situated on major highways (Loop 820 and I-20) and State Highway 287, which forms a central crossroads for shipping and commerce in the southern heart of the Dallas-Fort Worth Metroplex. The city is conveniently located along Burleson Northern / Santa Fe (BNSF) rail with potential to develop transit-oriented development (TOD). Additionally, the city is located south of Arlington at the northern end of the prosperous Arlington-Mansfield corridor. Kennedale is 11 miles from the heart of Downtown Fort Worth and is provided with easy access to the rest of the region. It is the ideal location for families looking for a community with small town charm and values, while not having to sacrifice the amenities of the city such as arts, entertainment, and shopping offered in larger cities.

Figure 1:

Regional Location



For many years the large-scale suburban development has passed by Kennedale, in favor of other surrounding communities despite its proximity to employment centers and major highways. This slower pace of development has allowed the city to preserve its small town feel that the community loves. However, over the past decade, the population has grown by over 17%, driven by its strategic geographic location, regional accessibility via I-20, Loop 820, and Hwy 287, and its comparatively affordable cost of living. As more people move into the North Texas area, the population is expected to only increase. The City is in a position to understand how growth may occur in the community and to provide guidance as to how to manage that growth. In addition, as new development and redevelopment occurs, the City will need to ensure that this growth is in line with the community's values and desires.

A part of any comprehensive planning process is the creation of a vision and the involvement of community leaders and residents. The public involvement process is important in that the plan is ultimately defined by the residents and elected and appointed officials. The process allows input and feedback on past decisions regarding

zoning, land use, capital improvements, and growth. Gathering community feedback fosters the buy-in, from not only residents but also City staff and leadership, that is needed to successfully implement a Comprehensive Plan. The vision process helps shape an articulated basis in which future decisions can be made.

Development of the Vision

The City appointed an Advisory Committee consisting of community members with various experiences and roles including local leaders and elected and appointed officials. The Steering Committee attended many meetings throughout the duration of the planning process. Within their role, the Advisory Committee was tasked with the following:

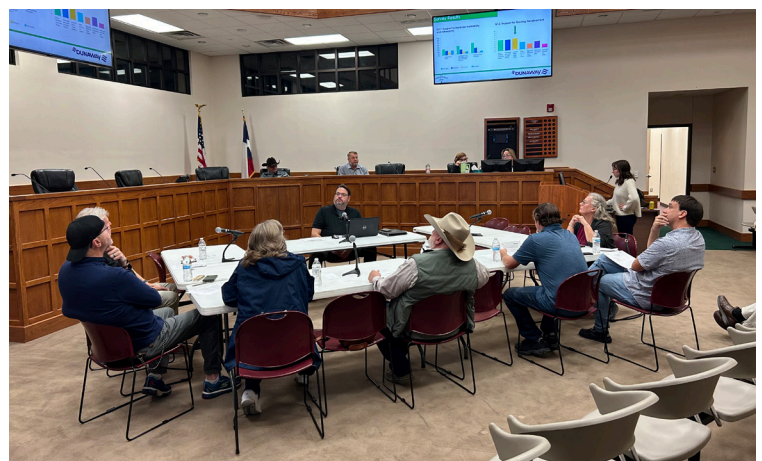
- Advise the planning team in reviewing data in addition to developing and reviewing goals, policies, and draft documents.
- Provide comments and input during all project phases and civic engagement meetings and components.
- Identify issues and concerns during the project development process, and for the project as a whole.
- Encourage community consensus and stakeholder participation and support the mission of the project.
- Act in an advisory capacity to the Planning and Zoning Commission and City Council.

On June 15, 2023, the Steering Committee along with City Staff assembled in the Kennedale Municipal Building to discuss the issues important for the management of positive growth of the city. Various visioning exercises were conducted with the attendees in order to formulate the vision of Kennedale. The objective of the meeting was to inform the assembled group of the planning process, explain the purpose of the Comprehensive Plan, gather feedback on the vision, and begin identifying ways to guide development through land uses. The mapping activity asked the committee to indicate what land uses were needed, and where they could go. The committee was also asked “What does Kennedale want to be?” A summary of the responses is below:

- Small town with amenities
- Family friendly and safe environment
- Welcoming and adaptive for all ages and abilities
- Innovative and business-oriented
- Employment center

On September 14, 2023, the committee met again to go over a potential vision statement and goals and objectives of the Plan. The meeting included a review of the initial draft Future Land Use Map and its categories. This effort resulted in a more concise vision statement and provided more direction for the Plan in its aims to guide desired development.

On November 13, 2023, the committee met to review the revised vision statement and strategies for the growth management, future land use, and transportation chapters. The meeting provided the committee with the chance to ensure that the plan



Steering Committee meeting on November 13, 2023.



Community Open House on January 30, 2024.

included implementation strategies that reflect the community's desires. It also helped identify future efforts to ensure funding and resources for each goal and objective. The discussion listed several types of land uses which should be encouraged in the community. These include Commercial within Town Center and along Kennedale Parkway, and an Industrial Employment Center. Following the discussion, a vision statement was drafted and then reworked by the Steering Committee to provide a clear phrase that represents the city now and what they hope to work toward. The Vision Statement for the City of Kennedale Comprehensive Plan is on the following page.

On January 30, 2024, community members, including Steering Committee members and City Staff, gathered for a public meeting at the Kennedale Municipal Building. Attendees were invited to discuss various aspects of the plan and review maps for accuracy. The planning team guided participants through different stations, offering insights into the Plan's development. This come-and-go meeting served as an opportunity for the public to share their visions for Kennedale's evolution, emphasizing the importance of preserving the cherished "small town feel." Attendees expressed their thoughts on preserving the community's history, with several providing valuable resources to integrate the city's story into the plan. Additionally, a rolling slideshow showcased the Plan's vision statement, goals, and objectives, aligning with the community's aspirations for Kennedale's growth. Following the meeting, the planning team integrated the community feedback into the Comprehensive Plan draft to provide context and refine strategies.

Following a March meeting with City Staff to gather their requests and priorities for updating the City's Unified Development Code, a joint workshop was held on April 1, 2024. Participants included several groups such as the Steering Committee, City Council, and Planning and Zoning Commission. The workshop aimed to review the updates to the Future Land Use Plan discussed during the January public hearing and determine how they should be incorporated into the development code update.

The meeting provided a final opportunity for the group to review and discuss the City's goals and vision, particularly concerning land use and development patterns. Key topics included preserving and redeveloping Old Town, developing Bowman Spring Road as a major corridor and catalyst site for a potential Entertainment District, identifying growth areas, and determining suitable locations for higher-density residential areas and Transit-Oriented Development (TOD). Participants were asked to mark-up feedback on the draft Future Land Use Map and offer individual comments. Staff recommendations and feasibility considerations were taken into account when creating the final version of the map, seen on page 61.

Vision

The City's Vision is an expression of its values. This vision guides all of the City's goals, objectives, and strategies and will be the basis on which decisions are made for the future. The Chapters of this Plan contain a broad set of topics that will achieve the community's Vision and solve real challenges. The vision statement is the backbone of this plan and the subsequent strategies utilized during growth to expand and maintain the place that so many call "home." The vision, however, is not a rebranding of the City but meant to iterate what is important to Kennedale and its residents as the City works toward the community's desired future.

VISION STATEMENT:
KENNEDALE is a HOMETOWN with a vision to improve the quality of life for present and future generations

Prior Planning Efforts

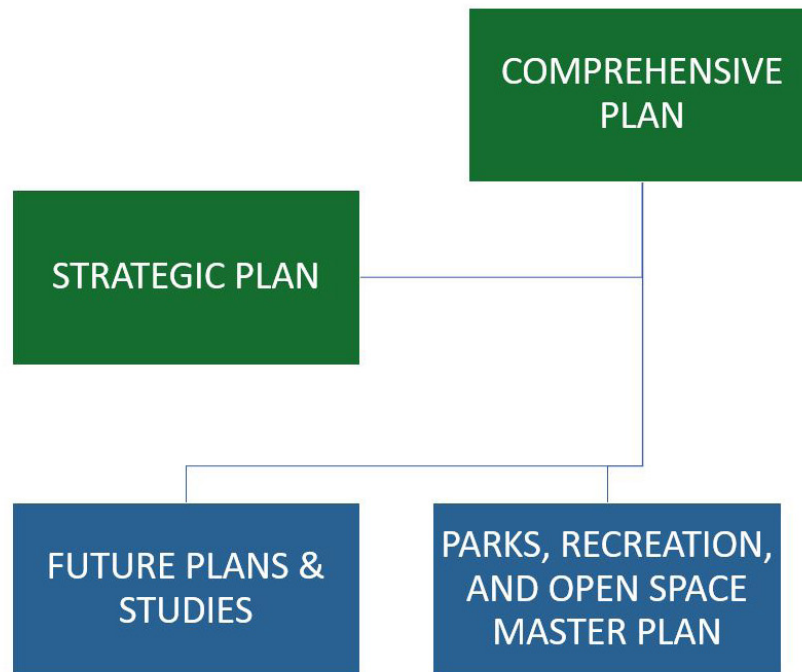
Kennedale has invested in several planning efforts since the last Comprehensive Plan was adopted in 2012 – such as its 2016 Parks, Recreation, and Open Space Master Plan, and the Imagine Kennedale 2015 Strategic Plan. These plans and other documents are used to help run the City; some build upon and work alongside other plans, while some are used congruently. (See Figure 2 on page 13.) However, the Comprehensive Plan is the primary policy document used to guide everyday decision of the City and provides direction for all other plans.

The City's Strategic Plan ensures that the staff and leadership work toward common goals and operate with purpose, intention, and shared focus. The Comprehensive Plan and Strategic Plan can work together to guide the future of Kennedale. These Plans provide a solid foundation upon which the other City plans and documents can build. All of Kennedale's plans are connected, but each may operate at different levels to direct policies and actions.

The Parks, Recreation, and Open Space Master Plan is an example of a document that is complementary to the Comprehensive Plan, built using the strategies and actions found within the Comprehensive Plan to provide additional detail on a specific topic. Future plans and studies can be developed under the umbrella of, and with the guidance contained in, the Comprehensive Plan.

Kennedale's 2016 Comprehensive Plan created new city villages and neighborhoods that reflect Form-Based Code (FBC). These ideas are reflected in the City's current Unified Development Code. However, City Staff and the development community have faced difficulties when trying to implement it as the FBC only applies within certain areas of the city. Kennedale has changed in the years since the prior Comprehensive Plan. The goals and objectives need to be updated to better reflect the community's current and future aspirations. This Comprehensive Plan will provide Kennedale with a more user-friendly Future Land Use Plan that is customized to meet the needs of the community and clearly reflects desired development patterns. The new Future Land Use Plan can then be used to update the City's existing Development Code. This Comprehensive Plan provides Kennedale with a new roadmap for its future preservation, growth, development, and decisions as it evolves over time.

Figure 2:
Plan Hierarchy



Community Survey Results

As part of the public engagement process to develop a Comprehensive Plan for the City of Kennedale, an online survey, in both English and Spanish, was developed asking questions about the level of service, quality of life, and functionality of the City. Residents, property owners, and stakeholders were invited to complete the survey. The purpose of the survey was to gain an initial understanding of how Kennedale operates and what opportunities the City could offer.

The survey was live from October to November 2023. During that time, a total of 210 responses were received. Most of the responses received were from those living within the City of Kennedale.

The survey indicated that Kennedale is generally a good place to live and raise a family. The city could benefit from more family-oriented amenities, such as improvements to existing parks and open space, but overall, the survey respondents felt that Kennedale maintained a high quality of life.

The primary age bracket of survey respondents were those 35-44 years and tended to be predominantly female. Overall availability of library services and maintenance of City facilities/buildings scored well in the “very satisfied” or “satisfied” categories, while there appeared to be room for improvement regarding street maintenance and parks and recreation spaces.

The City might put forth effort to improve their existing parks and recreation areas by updating the quality of facilities such as playgrounds and adding amenities, including more space for outdoor athletics. Residents would also like to see an increase in the variety of single-family housing options. Regarding commercial development, full-service restaurants were identified as the most desired, followed by grocery stores and entertainment venues.

As will be reflected in this Plan, there is a strong desire from the survey respondents to focus upon the BUS 287 Commercial Area, overall street maintenance and transportation, and open space and parks. The results of the survey are attached to this Plan within the Appendix.

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Chapter 2:
**KENNEDALE
BACKGROUND**



Kennedale Train Depot, c. 1911
Source: Kennedale Historical Society

History

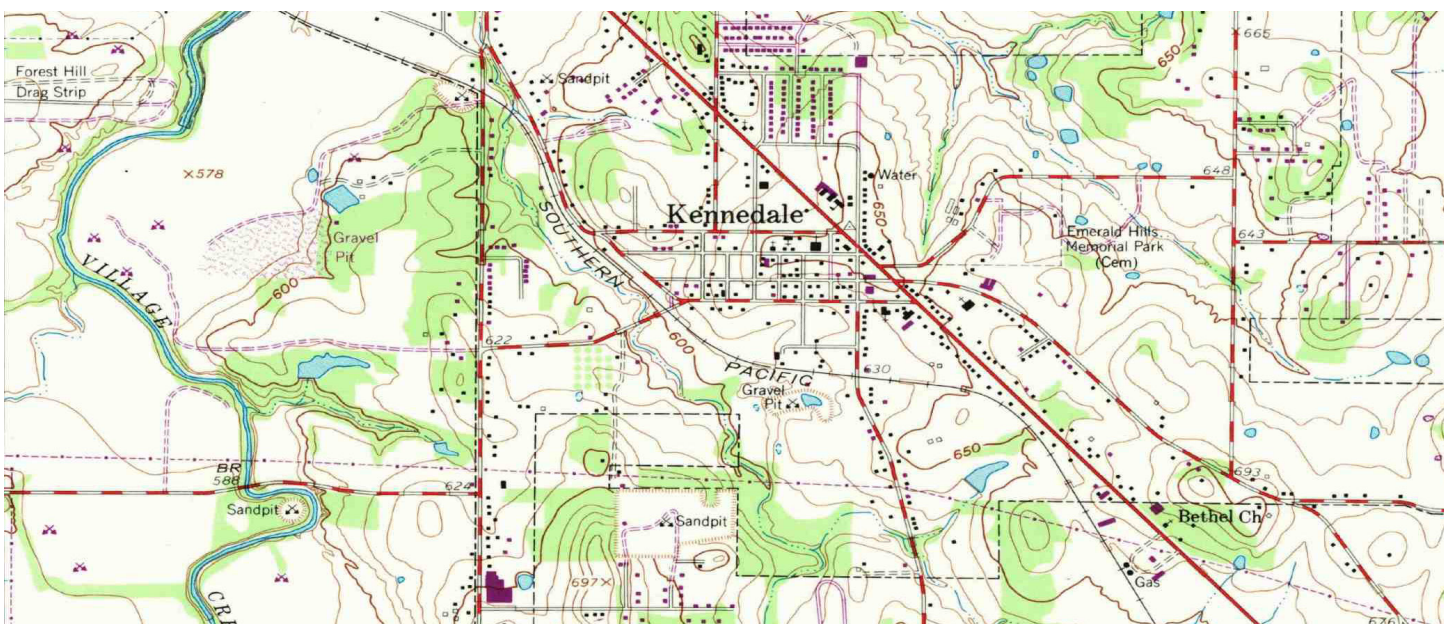
Native Americans were the first to hunt and fish along Village Creek near the present site of Kennedale. The Village Creek tribes and the Republic of Texas signed a treaty in 1843, and settlers began moving into the area. In the mid-1800s, there were early signs that Kennedale would become a transportation hub. Many wagon trails crossed at the site of the present-day city, in numbers that exceeded the trails through what was to become the City of Arlington. In 1882 John D. Hudson, along with C.B. Teague and O.S. Kennedy, purchased land and established the Town of Kennedale on the site of a mineral well.

By 1884, a local post office was established, and in 1886, the Town of Kennedale was platted and named for Kennedy. To attract a rail line to the community, Kennedy donated land to the railroad, and the Fort Worth & New Orleans Railway (FW&NO) Company built a line through Kennedale to Waxahachie. After acquiring the land and right-of-way, the FW&NO Railway began construction of a line through Kennedale, connecting Fort Worth to a junction with the Houston & Texas Central Railroad in Waxahachie; the line was operational by May 1886. Together, the two lines were advertised as the “Central Route,” the only all-steel rail line in the state, which provided a shorter route from Fort Worth to Galveston than any other in the state, and the quickest route to New Orleans. The FW&NO Railroad also built a depot and three section houses in Kennedale. These section houses were home to railroad employees responsible for the track running between the nearby communities of Brambleton to the northwest and Bisbee to the southeast.



U.S. Post Office, Kennedale, 1935.
Source: Kennedale Historical Society

The central business district that developed near the mineral well consisted of the train depot, hotel, general merchandise store, drug store, bank, post office, lumber company, and blacksmith. Kennedale had a public school by 1890 and formed a school district in 1909. A brickyard was established in 1888 at the location of the present-day



Kennedale shown in USGS map, 1969.
Source: US Geological Survey



Historical section house replica serves as the present-day home of the Kennedale Chamber of Commerce.

which after that was used as a private residence. This original section house was about 1,000 square feet and was clad with wood clapboard siding. It featured design details typical of homes of this period but had a unique style. The home had three gables, each with a sunburst ornamentation. The depot and other section houses were gone by the 1950s. In 2008, the remaining section house was severely damaged by fire, but the City salvaged materials from the original structure and used them to build a replica. The building now sits in the middle of the Kennedale TownCenter and is the home of the Kennedale Chamber of Commerce.

The area surrounding the town consisted largely of farms, and the town maintained a rural character well into the 20th century. As late as the 1940s, some homes did not have electricity. The first city water lines were installed in 1952, and sewer lines were installed in the early 1960s. In July 1947, with a population of 300, Kennedale voted to incorporate. At that time, the city limits followed the school district boundaries and encompassed 13.5 square miles. By 1950 the population had increased to 500, and the State of Texas approved changing the status of Kennedale from “Town” to “City.”

Education

The city and surrounding area are predominantly served by Kennedale Independent School District (ISD). (Portions of the city limits and extraterritorial jurisdiction (ETJ) also fall within the boundaries of Fort Worth ISD, Arlington ISD, and Mansfield ISD.) Kennedale ISD is an award-winning 4A district that serves 2,885 students across its five campuses. The District Improvement Plan states that the schools strive to provide a diverse, engaging, and safe environment where all stakeholders are responsible and



Kennedale High School, located along Wildcat Way.

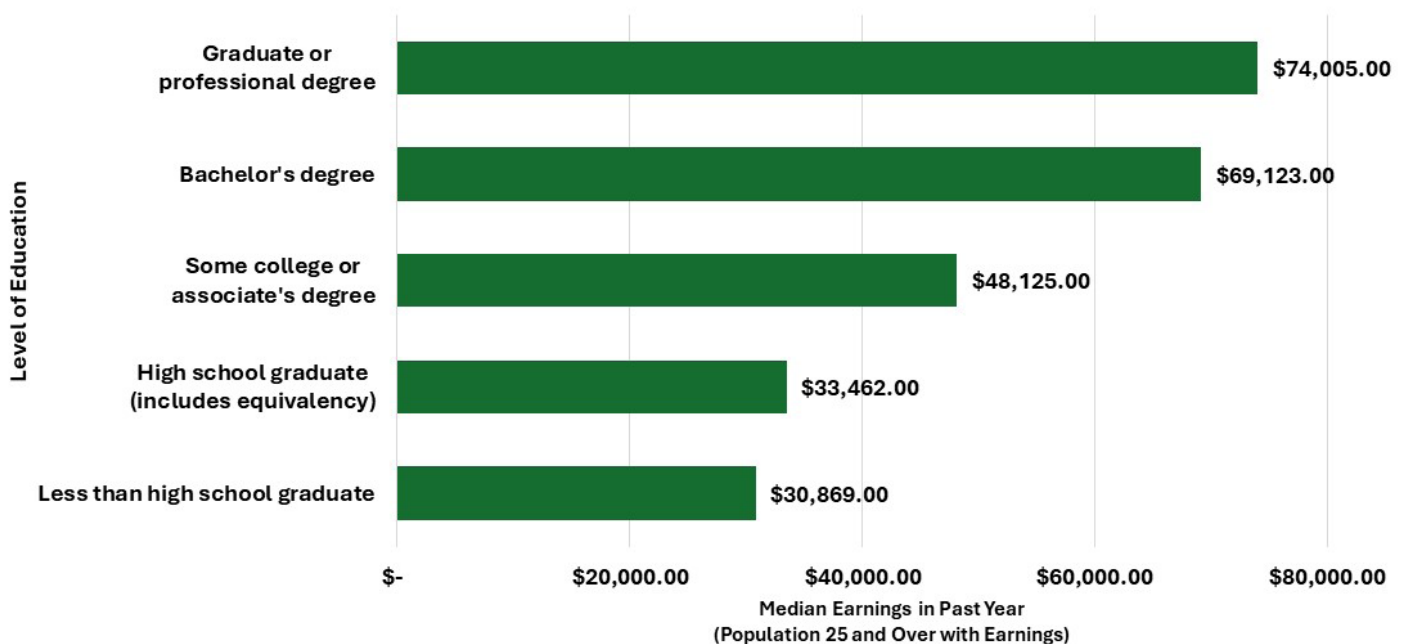
accountable for student success. Additionally, private school options can be found in the city. The Fellowship Academy is a Pre-K through 12th grade private school located in Kennedale and has a student body of approximately 355.

Kennedale is surrounded by several higher educational providers and is less than ten miles from Tarrant County College South Campus and the University of Texas at Arlington. Community leaders in the city and the surrounding area strive to provide a wide range of academic and technical programs to prepare residents for high skill, high demand jobs. Kennedale Public Library and Community Center offers resources and classes through Learning Express Library (EBSCO) for adults and students to improve skills required for academic and career success.

Kennedale is a well-educated community with employment opportunities for those of all levels of educational attainment. In its 2022 estimates, the US Census Bureau finds that 84.5% of Kennedale adults aged 25 and over have earned a high school diploma or higher and 31.7% have earned a bachelor's degree or higher. These rates are lower than the state average for those with a high school degree or higher (86.8%) and for those with a bachelor's degree or higher (34.9%). Levels of educational attainment appear to have a significant impact on median income (see Figure 3). However, it is also important to note that 51.5% of community survey respondents do not work within Kennedale. Many respondents reported commuting to surrounding cities, such as Fort Worth, for employment opportunities that require a higher educational degree.

Figure 3:

Kennedale Median Income by Education Level



Source: US Census Bureau 2021

Demographics

The population size of Kennedale steadily rose in the first decades after the townsite was surveyed in 1886. By the start of the 20th century the Fort Worth & New Orleans Railway Company had built a line through Kennedale, bringing with it more business and people. By 1904, the city had a population of 216, and the area continues to grow but maintained a rural character well into the 20th century. With the construction of State Highway 34 through the town and development of the defense industry in Fort Worth, the city reached a population of 325 by the late 1940s. In the 1950s, Kennedale's population had grown over 1,000 and large enough that the State of Texas approved changing the status from "Town to "City". By 1955, it had a population of 1,046 which would continue to increase into the 1970s. By 1975, more businesses were beginning to be established and the population had grown to 2,900. The population decreased significantly in the 1980s but by 1998 had grown to over 5,000 making the city eligible for Home Rule. During the 1990s and 2000s, Kennedale, along with most of Tarrant County, began becoming more suburban.

Texas Water Development Board forecasts an annual growth of 1.16% for Tarrant County through 2070 and an even faster growth of 1.75% annually through 2070 for Johnson County to the south. Development pressure is moving outwards from the urban core of Fort Worth and Dallas due to land prices, supply of buildable land, and other factors. As the Dallas-Fort Worth area grows, communities like Kennedale are positioned to absorb this growth. This expected growth will require new supporting infrastructure and will bring many challenges in providing and maintaining quality utilities, streets, parks and open spaces, emergency services, and other public services.

Figure 5 on page 21 illustrates Kennedale's population age characteristics compared with nearby cities, Tarrant County, and the State of Texas. Kennedale's median age is the highest in the peer group and has the lowest under-18 population. However, it should be noted that according to the US Census Bureau, the median age has been increasing nationally: Between 2021 and 2022, the national median age increased by 0.2 years to 38.9 years. With an increasingly aging population, it will be important for communities, such as Kennedale, to invest in housing and community amenities that allow residents to age in place.

As of 2021, the City of Kennedale had 4,252 males (53.6%) and 4,090 females (46.4%). The median age within Kennedale is above average at 43.9; however there is still a healthy number of economically active residents. Generation X (those born 1965 to 1980) make up the largest age cohort in the community, at 24.7%. This bulge within the population pyramid, as seen in Figure 6 on page 21, includes a portion of the working age population that is approaching retirement age; therefore, it could be attributed to economic migration. However, the small bulge may also represent children of Baby Boomers and is an "echo" of this older and larger Baby Boom generation (those born 1946 to 1964). In addition, there appears to be an outmigration once individuals reach retirement age with the maturity of the Baby Boom cohorts. The age of the resident population is important for planning purposes as cohorts desire different choices in retail and housing, as well as have different needs for services depending on their current life stage.

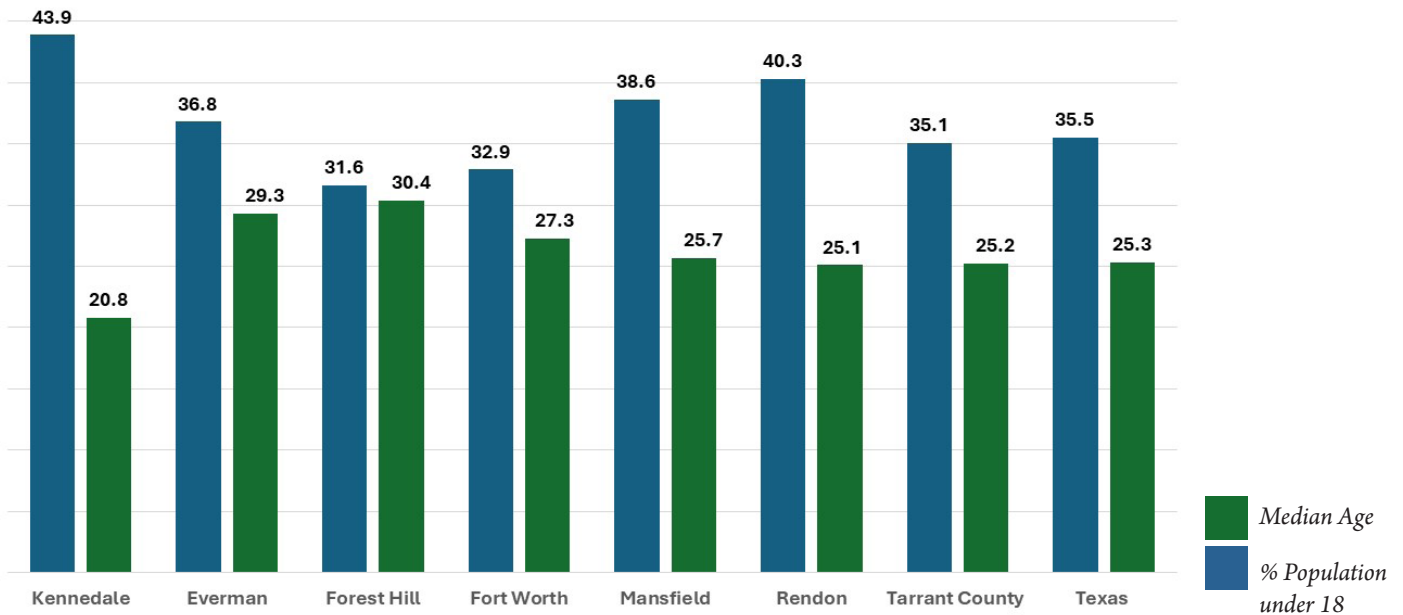
Figure 4:

City of Kennedale Population Growth

Year	Population	% Increase
1950	1,046	--
1960	1,521	45.4%
1970	3,076	102.2%
1980	2,594	-15.7%
1990	4,098	58.0%
2000	5,850	42.8%
2010	6,763	15.6%
2020	8,517	25.9%
2021	8,462	-0.6%
2022	9,329	10.2%

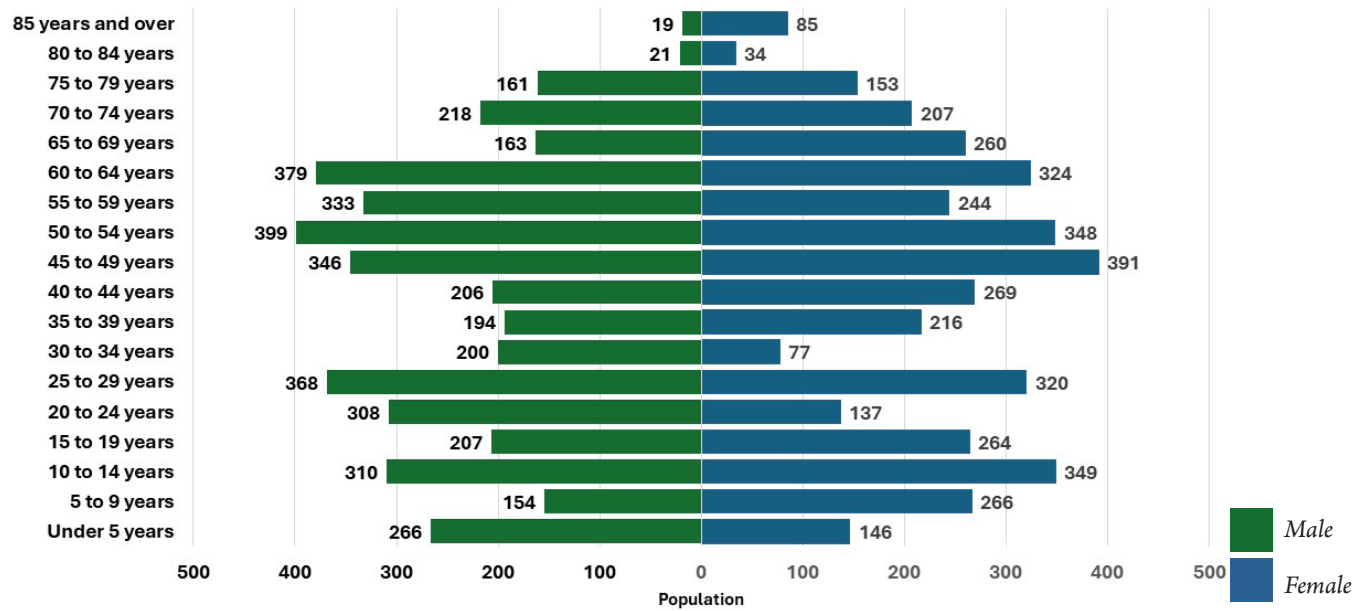
Source: US Census Bureau

Figure 5:
Age Characteristics of Kennedale and Surrounding Communities



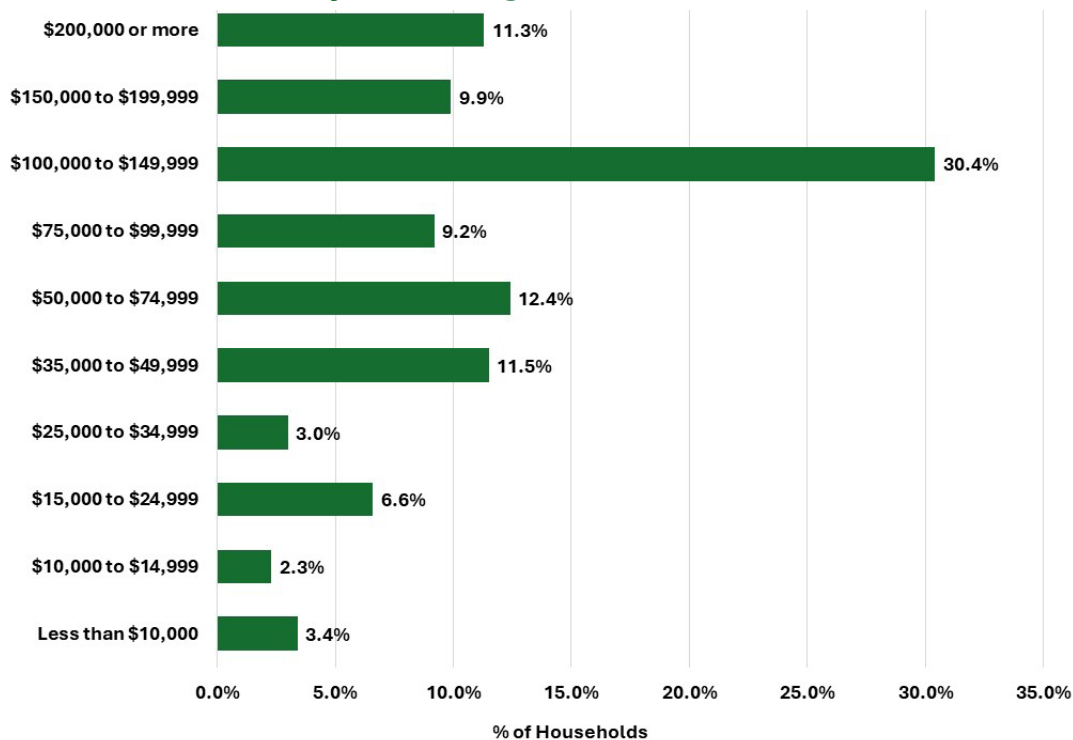
Source: US Census Bureau 2021

Figure 6:
Age Distribution within Kennedale



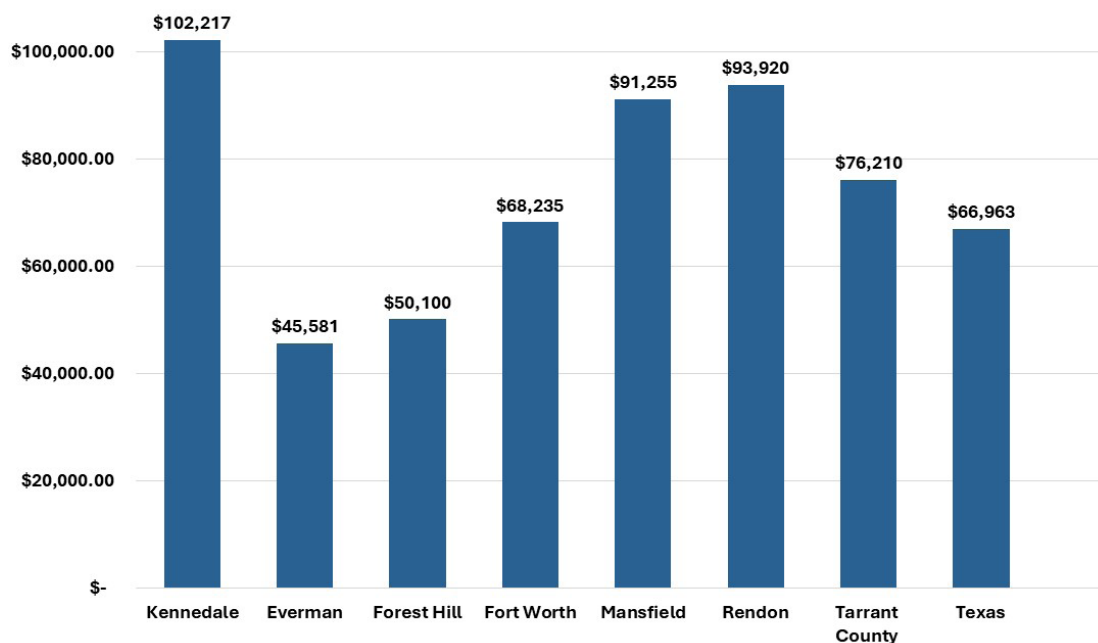
Source: US Census Bureau 2021

Figure 7:
Kennedale Income Levels by Percentage of Households



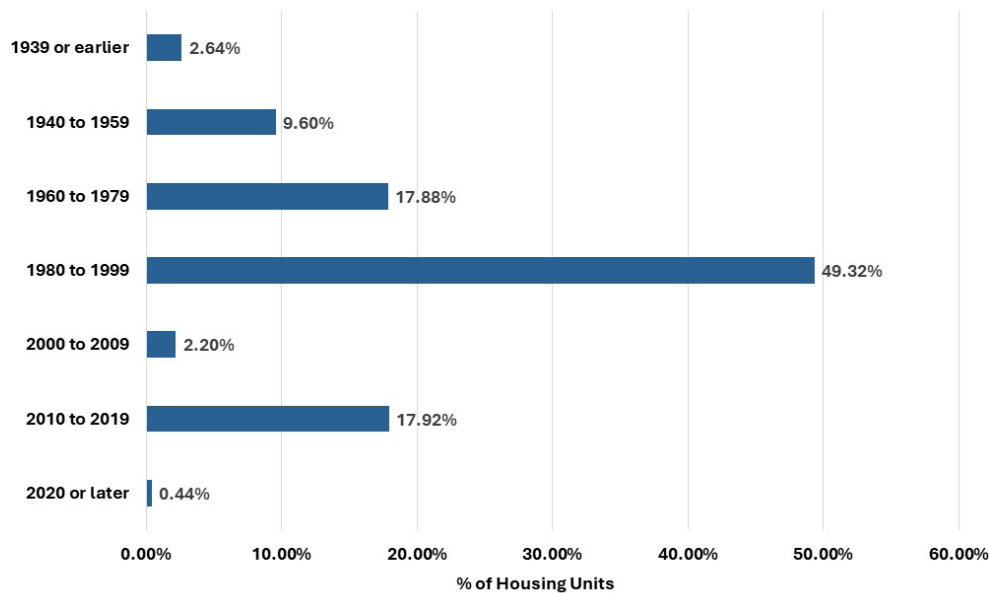
Source: US Census Bureau 2021

Figure 8:
Median Income of Kennedale and Surrounding Communities



Source: US Census Bureau 2021

Figure 9:
Year Built of Homes in Kennedale

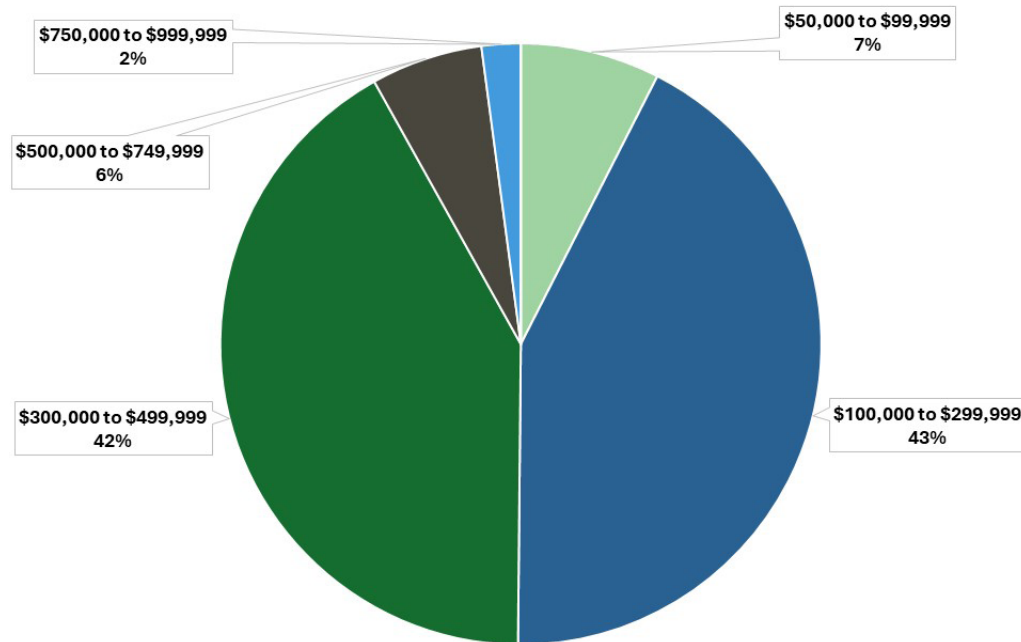


Source: US Census Bureau 2021

Figure 7 shows the distribution of Kennedale's household income while Figure 8 provides a comparison of median yearly incomes among surrounding communities, the county, and the state. This data indicates that Kennedale's income is higher than the surrounding communities. Kennedale also has a significantly higher median income level (\$102,217), than Tarrant County and the state, indicating that the community as a whole is financially well off. Income is an indicator of the ability of residents to spend on retail, entertainment, and food, resulting in an estimation of the commercial health of a market.

As shown in Figure 9, the majority (74.11%) of Kennedale's existing housing stock was built before 2000. Most of the homes were constructed between 1960 and 1999, the same years that Kennedale saw the largest increase in its population. Older housing can be an asset to a community and demonstrates residents' long-term commitment to a place. However, it also brings along the challenges of sustaining quality housing, as older structures require reinvestment and maintenance to remain within standards and attract new residents. Relatively fewer homes have been built in the last 20 years.

Figure 10:

Valuation of Owner-Occupied Homes in Kennedale

Source: US Census Bureau 2021

As seen in Figure 10, the housing valuation for owner-occupied homes within Kennedale is mostly over \$100,000. Per the US Census Bureau, the estimated median value for owner-occupied houses is \$299,600. This is slightly greater than that of Tarrant County's estimate median value (\$229,200) and other surrounding counties such as Johnson (\$216,300) and Ellis (\$239,000). Affordable housing prices allow current residents to age in place and new families to move to Kennedale. However, higher property values translate into more wealth for homeowners and bring in more property taxes that enable the community to invest in its infrastructure and services. Thus, the right balance of housing types and values are crucial. By attracting new housing construction and encouraging investment in existing homes, Kennedale can raise property values in the community. Additional new housing construction brings an increase in new residents and the population needed to attract more of the commercial development that the community desires, such as retail, restaurant, and entertainment.

Land Use

The Existing Land Use Map is provided at the end of this chapter on page 31. The map indicates the existing land use category for all parcels within Kennedale's city limits and Extraterritorial Jurisdiction (ETJ). It differs from the Future Land Use Map provided later in this Plan, as that map shows the desired land use as the parcel develops or redevelops. Land use categories were assigned through a windshield survey of Kennedale, followed by analysis via recent aerial imagery in combination with the 2012 Existing Land Use Plan and city data. In addition, City Staff and the Steering Committee provided valuable input on existing conditions within Kennedale. Figure 11 and Figure 12 break down the total acreage and percentage of existing land uses with the city limits and ETJ, respectively.

The three predominate land uses in the city currently are Industrial, Single Family, and Agricultural. There is also a significant amount of Vacant/Undeveloped land; this category along with Agricultural land are best suited for future development, including low- to medium-density single family residential and commercial development as desired by the community.

Figure 11:

Existing Land Uses within Kennedale City Limits

<i>Land Use</i>	<i>Acres</i>	<i>% of CL</i>
Single Family	1,389.62	32.88%
Manufactured Housing	76.01	1.80%
Multifamily	55.82	1.32%
Commercial	155.02	3.67%
Institutional	175.55	4.15%
Industrial	923.56	21.86%
Utilities	98.17	2.32%
Parks, Recreation, and Open Space	104.49	2.47%
Vacant/Undeveloped	626.98	14.84%
Agricultural	172.57	4.08%
Transportation*	448.03	10.60%
Total	4,225.82	100.00%

Figure 12:

Existing Land Uses within Kennedale ETJ

<i>Land Use</i>	<i>Acres</i>	<i>% of ETJ</i>
Single Family	292.34	17.63%
Manufactured Housing	169.85	10.24%
Multifamily	-	0.00%
Commercial	34.55	2.08%
Institutional	-	0.00%
Industrial	637.70	38.45%
Utilities	41.56	2.51%
Parks, Recreation, and Open Space	-	0.00%
Vacant/Undeveloped	217.77	13.13%
Agricultural	259.29	15.64%
Transportation*	5.34	0.32%
Total	1,658.41	100.00%

*Transportation includes road and railroad rights-of-way.

See Existing Land Use Map on page 31.

Growth Based on Existing Land Uses

A holding capacity model is a forecasting tool for evaluating vacant land's growth potential in light of current zoning and other development restrictions. The analysis is completed using Geographic Information System (GIS) data by intersecting layers of data (existing land use, city limits, zoning district boundaries, and floodplain boundaries). Vacant and agricultural land outside the 100-year floodplain is identified and considered as areas with development potential. Future total housing units are calculated based on the density allowed by each existing zoning district and its regulations. To estimate the total potential population capacity, the total housing units are multiplied by the average household size provided by the US Census Bureau.

It is important to understand the limitations of a holding capacity model. The analysis assumes city limits, zoning districts and regulations, and floodplain boundaries will remain the same as the city grows and develops. This is unlikely, as Kennedale boundaries may grow in size through voluntary annexation. Additionally, many cities choose to revise their zoning regulations as the needs of their community changes. Developers can also bring land out of the floodplain through engineering and stormwater improvements. Lastly, the analysis focuses on vacant or agricultural land (where the greatest development potential lies), but it is also possible – if allowed by zoning regulations – for residential parcels to be developed at greater density or for commercial properties to convert to residential over time.

Certain assumptions must be made based on the ultimate additional build out number:

- All future and existing residential properties are assumed to be 100% occupied. This means that subdivisions currently under development with vacant lots would be built out.
- Existing areas zoned residential will remain unchanged throughout build out.
- Large tract residential properties (one single family house with some agricultural uses) were labeled as Single Family residential and were not included for potential future subdivisions.
- All vacant and agricultural land potentially used for residential would build out at maximum density as currently zoned. These are properties which do not have a specific development plan but are zoned for future development.
- Areas labeled as vacant but had floodplain over 50% of the parcel were eliminated from the study.
- Potential population on build out is based on the average of 2.76 persons per household provided by the US Census's 2021 American Community Survey for the City of Kennedale.
- Property zones OT 1-4, NV, and UV (Form Based Code Districts) do not have a maximum or minimum dwelling unit as these areas are intended to be a relatively dense mix of uses.

Figure 13:

Holding Capacity Analysis within Current City Limits

Zoning	Vacant Acres	Vacant Acres within Floodplain	Developable Acres	Dwelling Units / Acre	Total Dwelling Units Allowed	Persons
AG	98.20	5.04	93.15	1.0	93.2	257.10
R-1	64.77	0.96	63.81	2.0	127.61	352.20
R-2	60.83	2.55	58.28	2.9	169.24	467.11
R-3	70.83	2.44	68.39	5.0	340.44	939.62
D	-	-	-	10.0	-	-
MF	-	-	-	16.0	-	-
MH	1.83	-	1.83	8.7	15.92	43.94
FBC Districts	48.17	-	48.17	-	-	-
				Total	730.45	2,016.04

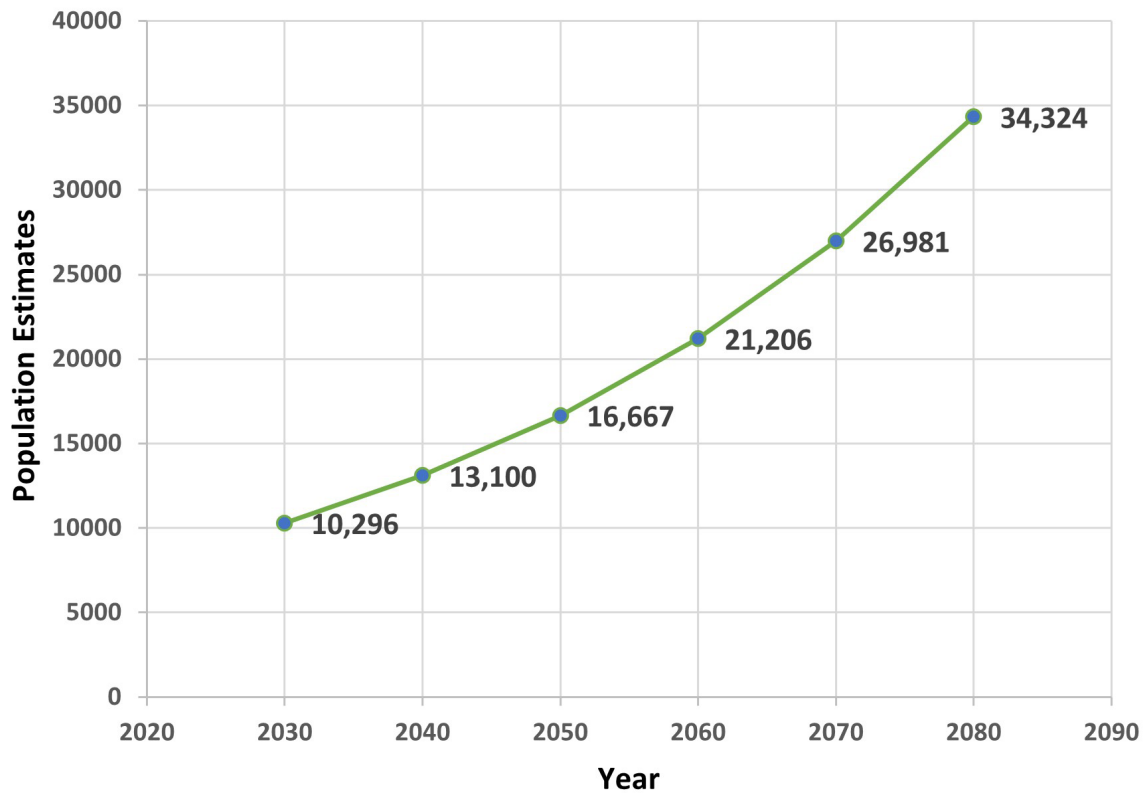
See Existing Zoning Districts Map on page 33.

Population Projections

The Texas Water Development Board is tasked with forecasting future water consumption demand as the population grows and shifts throughout the state. The agency creates county-by-county population projections through the cohort survival method. This method takes population by age group or cohort and “ages” them progressively year-by-year. It also factors in the birth and death rates of each individual county and then factors in the emigration rate (movement into and out of the county). Each individual subgroup of the county (cities and municipal utility districts) are then provided a “share-of-the-growth” of the county. The share each city or municipal utility district is assigned is usually based on the historical percentage of the county as a whole.

The population projections from the TWDB are conservative in nature and are only an estimate of the city’s potential population growth. To accommodate the level of population illustrated in Figure 14, as mentioned above, it will be important for Kennedale to maximize the use of the land within its city limits for residential development. An additional option is for Kennedale’s city limits to expand out into its current ETJ, through appropriate negotiation and agreements between private property owners and the City. However, it should be noted that the expansion potential for Kennedale city limits and ETJ are limited, due to surrounding jurisdictions’ boundaries, as visible in Figure 15 on page 29.

Figure 14:
Kennedale Population Projections



Source: Texas Water Development Board 2020

Development Constraints

All types of development can be constrained by various factors, whether it be characteristic of the land itself or a regulatory restriction placed on a property. Examples of natural constraints include steep topography, creeks, and floodplain. Regulatory constraints include zoning, conflicting rights-of-way, and political boundaries.

Part of the Cross Timbers and Prairies Ecological Region, Kennedale is surrounded by a mixture of naturally wooded areas and flat plains. The city also has several small bodies of water and lies within Lake Arlington-Village Creek watershed. Floodplain is located throughout the area: 16% of the land within city limits and 22% within the ETJ is covered by the 100- and 500-year floodplain, as defined by the Federal Emergency Management Agency (FEMA). Areas within the floodplain must meet FEMA standards and are thus more costly and time consuming to develop.



Source: Texas Parks & Wildlife

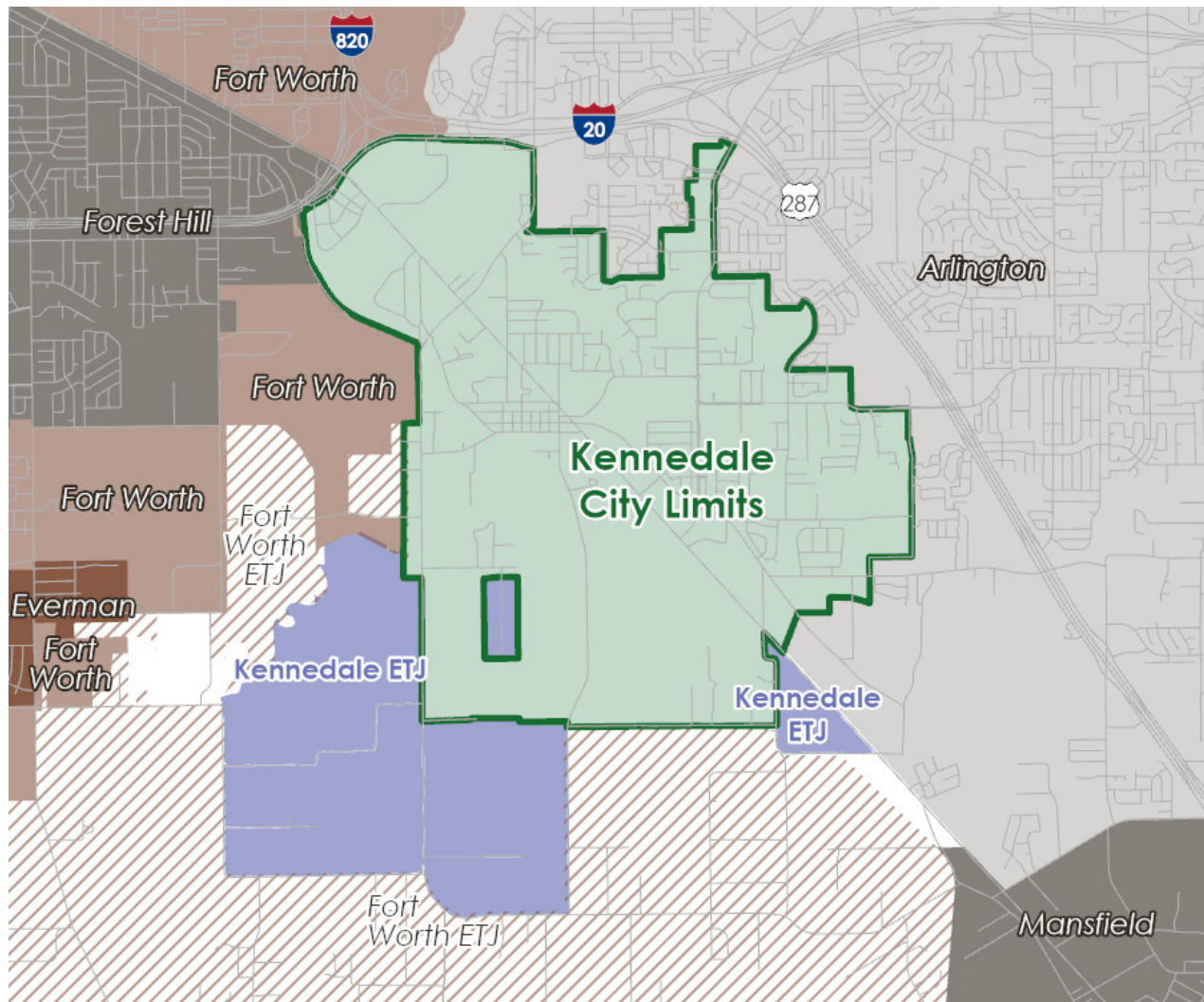
As another restricting factor to growth, the availability of infrastructure such as utilities and roads greatly affects the pace and nature of a city's development. Infrastructure updates and expansions help to maintain an adequate level of service for its residents while welcoming new development.

Political boundaries represent an additional constraint on managed growth. Texas municipalities are limited in their ability to annex property. However, it is possible through vol-

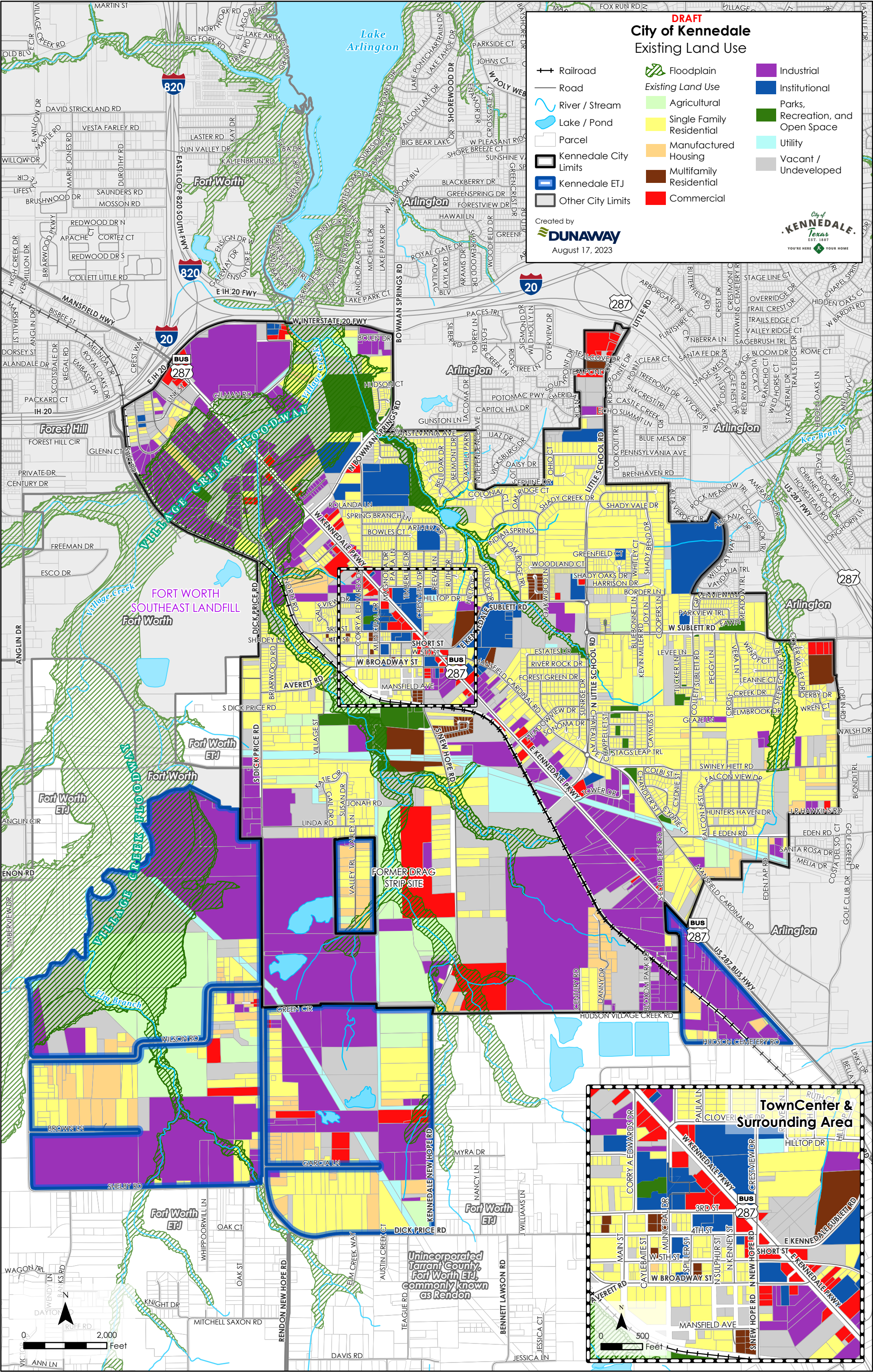
untary annexation, in which the City negotiates with property owners and developers to bring new tracts into the city limits. Cities also may only annex within their ETJ. Kennedale's ETJ includes unincorporated land within one mile of the corporate boundaries. How much territory is encompassed in the City's ETJ is based upon population size. Once the community reaches 25,000 inhabitants the City can consider extending the ETJ boundary.

See Development Constraints Map on page 35.

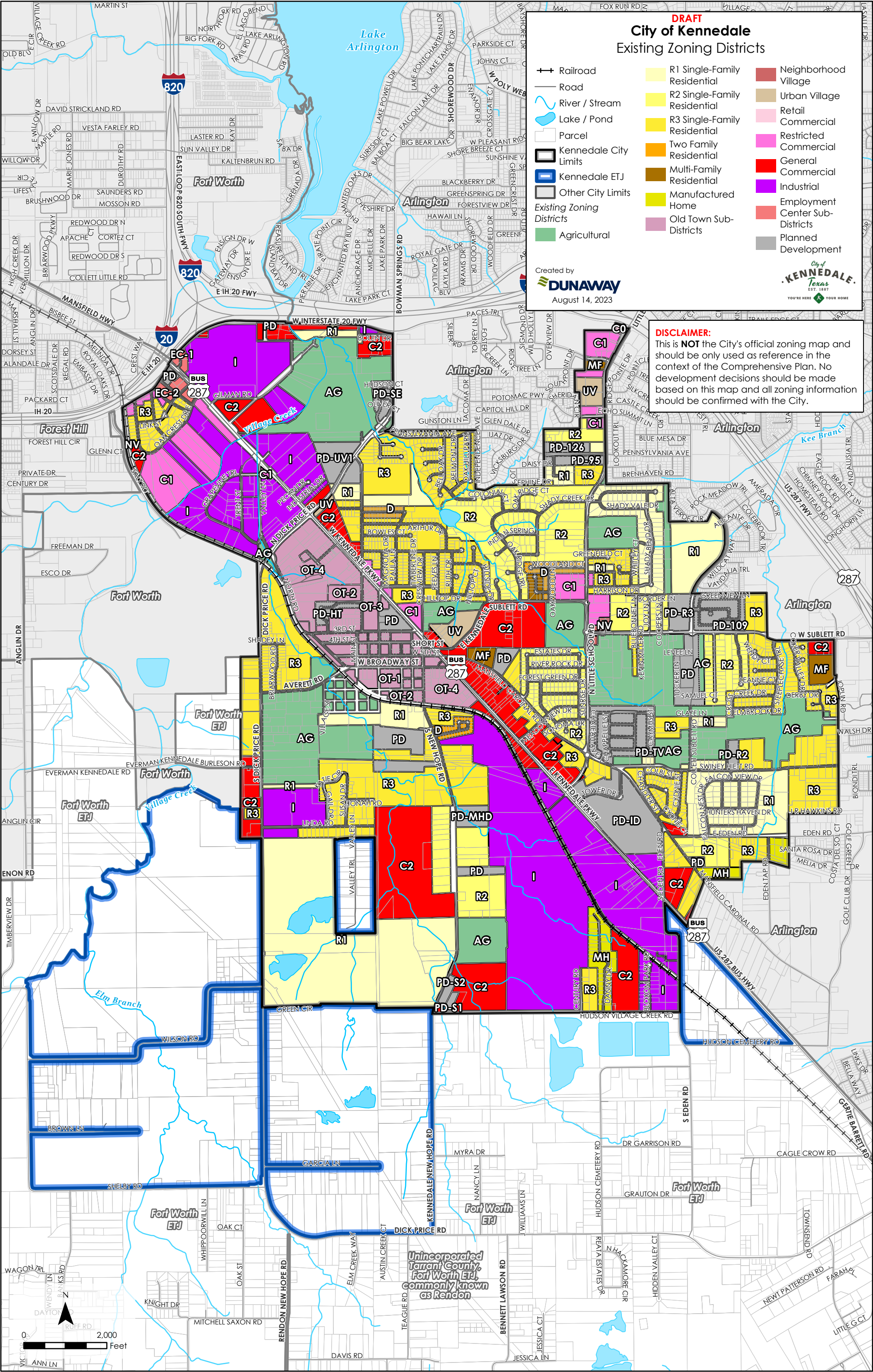
Figure 15:
Surrounding Jurisdictions around Kennedale



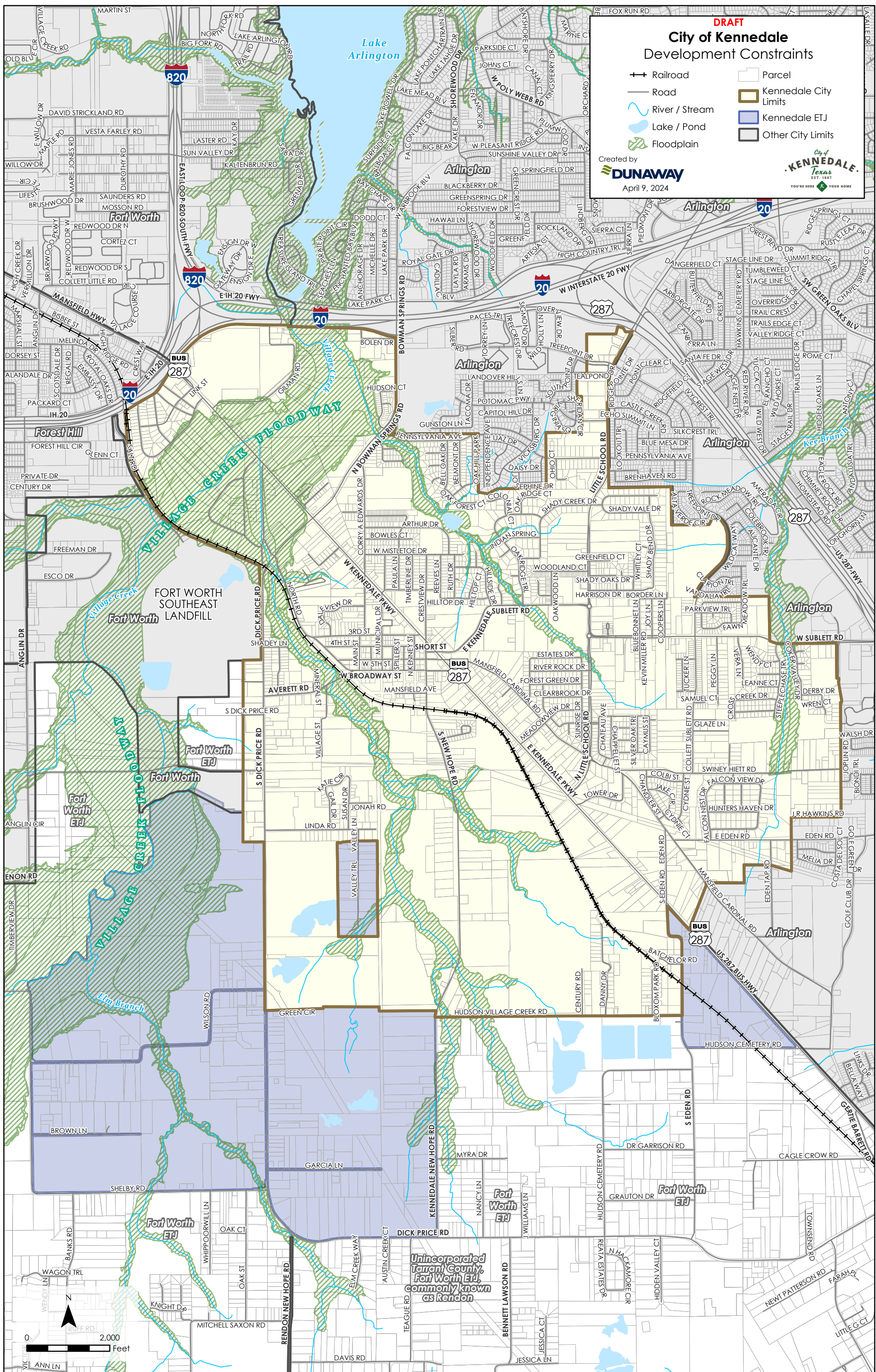
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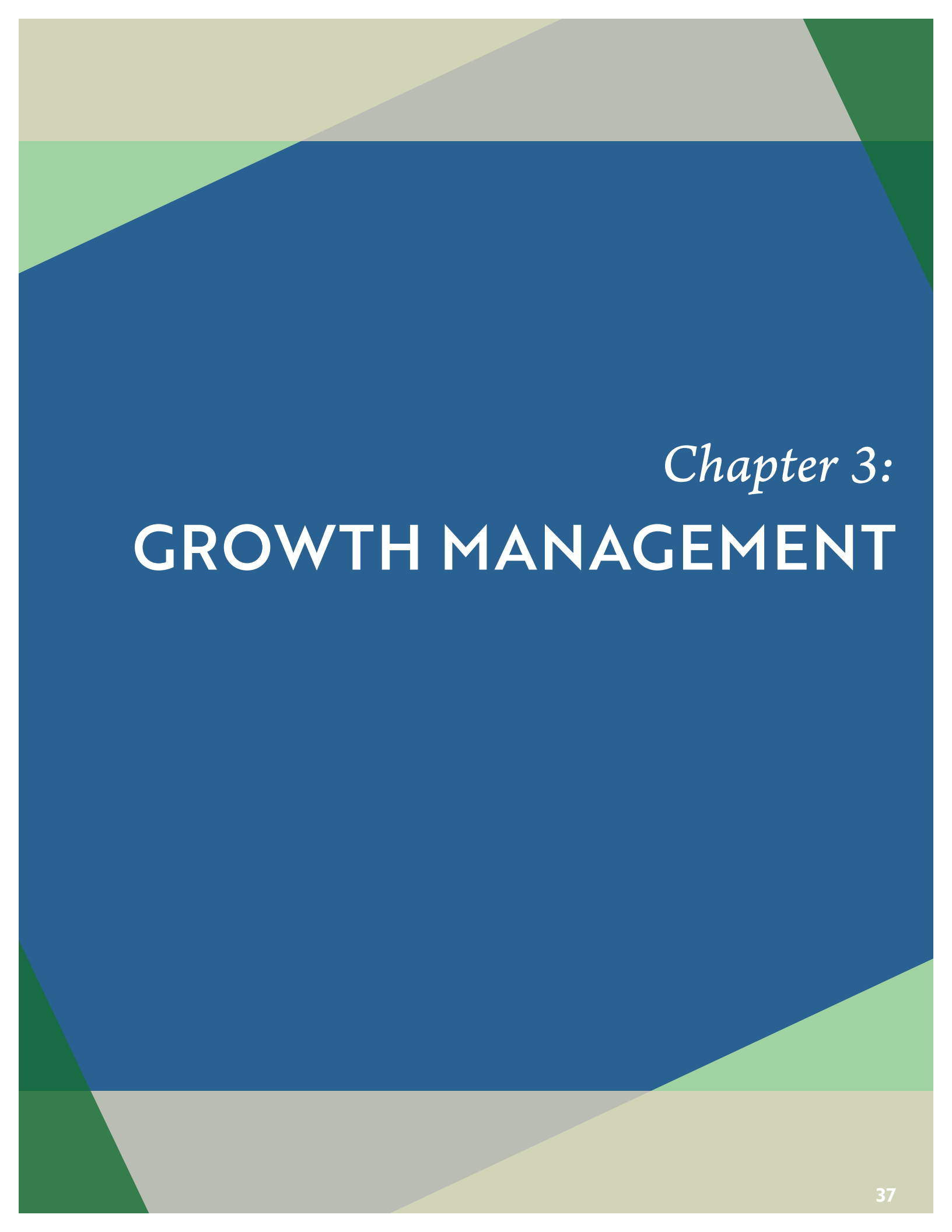
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Chapter 3: GROWTH MANAGEMENT



Current aerial in Kennedale, showing vacant land for future growth
Source: Esri, Maxar

As seen in Chapter 2, population growth in Kennedale has been steady. However, in the last decade the city has grown significantly with individuals and families seeking to take advantage of its easy access to the rest of the region and small town charm. As the Dallas-Fort Worth urban core expands, Kennedale will continue to see more growth in the coming years. Management and the understanding of growth are critical to the City and will be key to guiding the community's desired commercial and family-oriented development. Growth management practices and the land use policies covered in Chapter 4 work together to allow the City to control the intensity and design of growth within the city limits and prioritize desired development that is consistent with the Vision of the community.

In order to attract the community's desired commercial development, the City will need to plan to accommodate a larger residential population. Community feedback also indicated that residents would like to prioritize large lot residential and the "hometown feel" as the community grows. Moving forward, it is important for the Future Land Use Map and zoning regulations to align with the community's desires of increased commercial development while also maintaining its rural character. This can be achieved by encouraging growth within Old Town and more mixed-use zoning throughout the city. Mixed-use refers to a development style that creates areas which combine a mix of land uses within one defined zoning district. Focusing expansion and redevelopment efforts within Old Town will allow existing infrastructure to be utilized to its full potential, while increasing mixed-use zoning will encourage more commercial development along with higher-density uses. Both of these approaches could encourage higher density within appropriate areas that are already developed, to allow much of the remaining space for single family residential. Future population growth within Kennedale is among the most important factors to consider when developing the goals, objectives, and strategies within this Comprehensive Plan. With the anticipated increase in residential development, proactive planning is considered the preferable option and necessary approach, as it will define the rules by which growth will benefit the most people.

As Kennedale continues to grow, maintaining and foraging partnerships and relationships both within and outside of the community will be critical. The City and its institutional partners can further collaborative efforts and working relationships to meet the demand of future growth. Proactive planning requires preparation and an investment in resources for anticipated growth. Anticipation of the adverse impact of growth is a key element in proactive planning. In reactive planning, preparation is not necessary. Without proactive planning, growth is solely driven by consumer demand, and planning for governmental services and utility systems is done after the fact. The growth management goal contains objectives that keep Kennedale a step ahead. All other goals and objectives in the Comprehensive Plan must adhere to the growth management goals.

Figure 16:

City of Kennedale Population Growth



Source: US Census Bureau, Texas Water Development Board 2020

GROWTH MANAGEMENT GOAL: Kennedale will have residential, commercial, and employment growth while retaining its safe, community feel.

OBJECTIVE 1: Encourage a mix of single family residential units and appropriately located and designed medium- to higher-density units according to the Future Land Use Plan.

The Future Land Use Map is located further in this document on page 61. The map indicates the desired location for growth and identifies areas along the existing railroad that are ripe for Transit-Oriented Development (TOD). Infrastructure and zoning are vital to making sure that residential growth is in appropriate places in relationship to utility lines and roads.

The plan encourages residential development to occur in low densities of less than four (4) units to the acre or less. Some areas may develop at a medium density of five (5) units to the acre. Higher-density development such as townhomes, single family attached structures, and multifamily development should occur in mixed-use developments with adequate public facilities or in stand-alone developments close to open space amenities with access to higher capacity traffic patterns. These developments, in accordance with the City's current zoning tolerances, should be limited to a maximum of eight (8) units to the acre. Concentrating commercial and mixed-use development around the areas identified for TOD provides opportunities for employment

and multimodal transit/mobility options. It is recommended that a variety of housing options, such as multifamily residential, be located near the TOD areas to take advantage of the transit options and the additional concentration of mixed uses, with retail and/or office uses within walking distance.

Within mixed-use districts, residential, retail, restaurants, office, and public uses may be allowed within the same building, same lot, tract, or zoning district. By mixing uses, public infrastructure efficiency can be maximized, costing the City and developers less in construction and ongoing maintenance expenses. When designed correctly, mixed-use areas can increase pedestrian movement and minimize land consumption. These types of densities can be attractive for starter homes or for those who no longer wish to maintain a large yard but want to stay within a community and continue to participate in their social, religious, and community life.



In mixed-use areas, higher-density developments such as townhomes provide the necessarily density to support a pedestrian-friendly environment.

Strategies

- A** Modify the development code for clarity of design standards for all levels of housing density. Setback distances, street widths, and the transitional environment from industrial to commercial to residential will be prioritized.
- B** Enact City-initiated proactive zoning processes to encourage the development pattern as recognized in the Future Land Use Plan.
- C** Locate housing and office uses in and around transit-oriented areas to create a vibrant day and evening environment that supports the businesses and retail stores in the area.

OBJECTIVE 2: Increase the number of commercial and retail uses to provide more shopping opportunities for residents, visitors, and employees.

Commercial development is a significant part of the health of a community. Virtually all commercial uses provide employment, while retail and hotel uses also provide revenue for the City through sales and occupancy taxes which can be used to ensure high quality services to the community. Enough of these types of revenues can provide stability in the City's property tax rate. Commercial development growth should, like residential, be located where the infrastructure investment has been made by the City and in logical locations, such as where wastewater installation does not require new lift stations and where water systems can be maintained charged and looped.

Strategies

- A** Encourage greater selectivity in the type of non-residential uses that locate in Kennedale through the provision of design guidelines and the permitted use table of the development code.
- B** The non-residential development should emphasize locally-serving use types to include grocery, coffee shops, full-service restaurants, family friendly entertainment activities.
- C** Encourage the use of infill development through the potential relaxation of development fees or other associated costs in agreement with the specifically encouraged development.

OBJECTIVE 3: Manage industrial development in Kennedale through zoning and design regulations.

The City desires for there to be a balance among all land uses within Kennedale to increase the livability of the community and its economic growth. Kennedale has a large industrial economy but as the community has become more suburban, it has become evident that rezoning and additional standards may need to be provided in areas near residential development and along major streets and corridors. For example, automotive salvage yards are one the most visible and prevalent industries in the city and happen to be located along or the near primary route through the city, Kennedale Parkway (BUS 287). Additionally, the area is known for its racetracks, along New Hope Road and Hudson Village Creek Road. These industries and sites are now located near areas that are being redeveloped, such as Old Town. The Future Land Use Plan in Chapter 4 reflects Kennedale's desire to develop more of its land for commercial and residential uses. To recruit new development and investment within Kennedale, the City will need to improve the aesthetic of the community. The City can establish design standards

and screening requirements that will allow industrial uses to continue in a way that is complementary to a suburban environment. Updates will need to be made to Kennedale's Zoning Map along with the Unified Development Code for the City to guide industrial development and uses to be in line with the community's desired Vision.

Strategies

- A** Modify use types in the development code to focus on suburban friendly levels of nuisance and location.
- B** Hold necessary uses, such as auto-related uses, to a higher standard of design and operation, including requirements that all work to be interior to a building; no outside storage of vehicles under repair; and parts and accessories for sale will be stored at all times interior to the building.
- C** Additional screening for undesirable uses and parking areas should be required.

OBJECTIVE 4: Continue to foster strong relationships with Tarrant County, Kennedale ISD, neighboring cities, and the Texas Department of Transportation (TxDOT) in order to manage road networks within the city for the most efficient growth patterns.

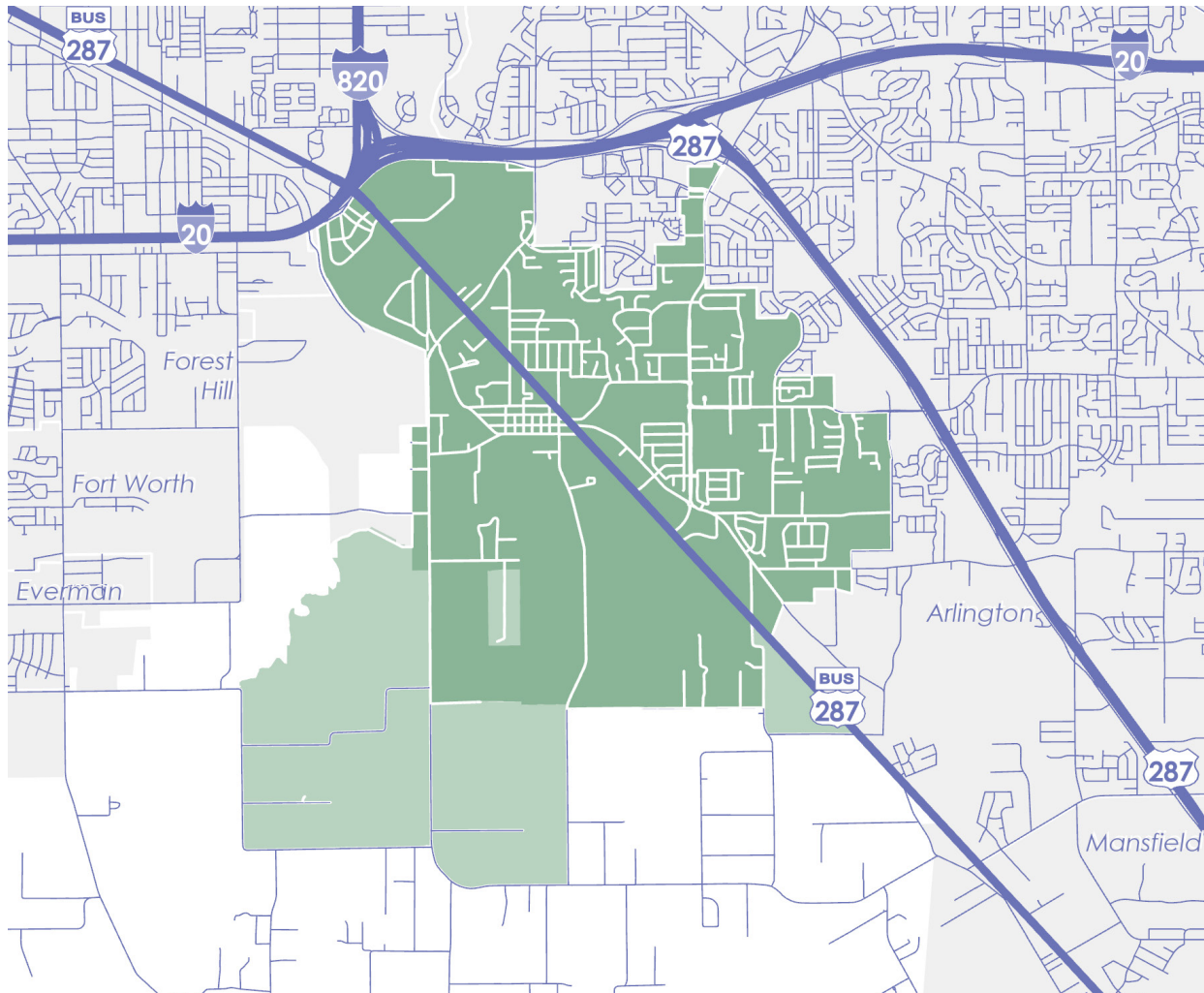
Partnerships, both within and outside of Kennedale, play a key role in the day-to-day operations of the city. The City recognizes that its growth not only impacts the community of Kennedale but also other surrounding communities such as Arlington. To mitigate the stress, and so that one community is not overly burdened by the impacts of growth, Kennedale hopes to build and grow existing relationships with the surrounding communities. As the region continues to grow, there is a greater need to develop further collaborative efforts and the relationships between Kennedale, Tarrant County, and other surrounding municipalities. Building these relationships will help ensure that all parties remain updated on current and future development and will allow for additional planning efforts as needed. Working together provides more resources and opportunities to better serve the community through increased funding, efficiency, information sharing, and teamwork – ultimately leading toward the best results for everyone.

Strategies

- A** Investigate funding sources to assist the City of Arlington to increase capacity in the Kennedale Collaborative effort on water delivery to the City of Kennedale.
- B** Work with TxDOT to prioritize additional sidewalk improvements on state-funded roadways.

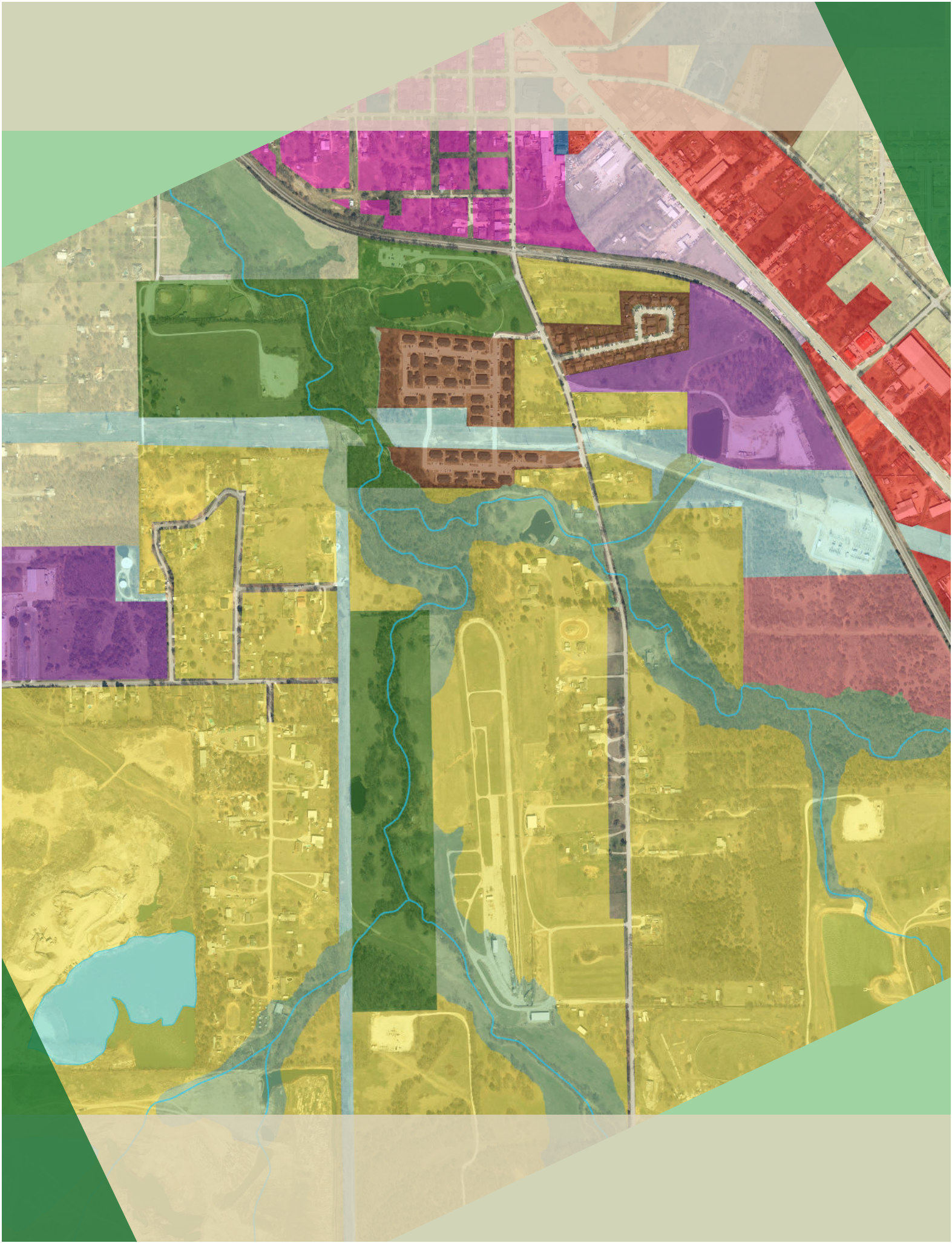
Figure 17:

Highway Network in and near Kennedale



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Chapter 4:
FUTURE LAND USE



Expectations for future land use of property are important for residents and businesses. Future land uses play an important role in infrastructure investment, guiding decisions on where to place additional utilities and streets. Most communities provide distinct places for residents to live that are separate from places where they shop and work. Historically, this has taken place to avoid conflicts of traffic, noise, and, in some cases, odors and vibrations. In recent years, value has been placed on finding ways to mix residential, retail, and office uses in a way that avoids conflict.

The Future Land Use Plan is a guide. It does not establish any regulations. It is a best guess as to where future land uses should go and can provide the Planning and Zoning Commission and City Council information as to whether they should modify zoning and the arrangement of new development. The Future Land Use Plan has been developed through the City of Kennedale's Steering Committee and public input. It focuses on creating spaces for new commercial, retail, and employment growth; providing opportunities for the right kind of mixed uses of commercial, office, and higher density residential; creating a multimodal community through TOD; and preserving a large amount of land for low density residential uses.

The community's vision for future land use is depicted in the Future Land Use Map on page 61 and described further in this chapter.

In response to community feedback, the following general descriptions are provided for residential zoning districts "R-3," "R-2," and "R-1", to enhance public understanding of the land use terms referenced in the creation of the land use categories depicted in Figure X and the Future Land Use map on page X. These descriptors are intended as educational tools and do not directly reflect Kennedale's current zoning, Unified Development Code, or other updates. Rather, they aim to assist the public in comprehending potential city development patterns and are based on generalized standards commonly observed within the State of Texas.

The "R-3," "R-2," and "R-1" (residential single-family) zoning districts are designed to offer options for developing dwelling units catering to specialized housing markets, including starter homes, aging-in-place residences, and those seeking alternatives to apartments or single family homes. These districts designate areas for medium- to high-density, single family residential uses where adequate public facilities and services are available. They aim to prevent land overcrowding and facilitate the provision of transportation infrastructure.

Moreover, the "R-3," "R-2," and "R-1" (residential single family) zoning districts are typically situated in close proximity to schools, public parks, and open spaces to serve the residents of the area effectively.



R-1: 0 to 4 dwelling units/acres on average within Texas. The intent of this single family district is to accommodate traditional single family houses and subdivisions within appropriate locations throughout the city.



R-2: 0 to 9 dwelling units/acre on average within Texas. The intent of the Medium-Density Two-Family Residential zone is to accommodate single-family and duplex types of residential development, with appropriate amenities for the residents. The allowable density ranges from 0 to 9 dwelling units per acre.



R-3: 0 to 12 dwelling units/acre on average within Texas. The intent of the High-Density Multifamily zone is to accommodate and encourage multifamily residential uses consisting of low-rise (one to three stories in height) apartment, condominium, and townhouse style development, with appropriate amenities for the residents and common and private open spaces.

Icon Sources: Dave Gandy, Uniconlabs

Figure 18:

Future Land Use Categories

Residential (Low Density) – Single family detached residential structures are examples of low-density residential uses. Typically speaking, low-density residential land uses will include density of less than four (4) units to the acre. This category is equivalent to the City's existing single family R-1 zoning district and is considered estate style lots.



Residential (Medium Density) – The medium-density residential can support a variety of housing types, including small-lot single family detached and patio homes in a more compact network of streets that are easy to navigate. This category is equivalent to the City's existing single family R-2 and R-3 zoning districts in which there may be no more than one primary dwelling.



Residential (High Density) – This land use recognizes the need for housing at more affordable price points and to accommodate younger families and mature adults wishing to live in the community without the burden of maintaining a home and a yard. These units range from duplexes to apartment complexes. Densities should not exceed eight (8) units to the acre. This area is equivalent to the City's existing MF, MH, and TH zoning districts.



Old Town – This area is the confluence of the original community and has been in a state of transition for over 30 years. This area encompasses a blend of historical structures, residential, institutional, and commercial spaces. Potential lies in preserving, redeveloping, and expanding the original town, including its remaining undeveloped lots and establishing a distinctive gateway into Kennedale. As the area undergoes redevelopment, the emphasis should be on preserving its diverse mixture of uses, promoting walkability, and providing public gathering space.



Transit-Oriented Development (TOD) - The City has established two potential locations for a commuter train or park and ride station, one along Interstate 20 and US 287 in the area known as Oak Crest and a second near the center of the city off Kennedale Pkwy. TOD is a land use pattern and development style with unique characteristics based on the proximity and relationship of property to a transit facility. TOD is intended to be a pedestrian-friendly environment that encourages people to leave their cars at home and use transit. In order to change commuting habits, a variety of activities—shopping, entertainment, employment, and even residential—must be located conveniently to the transit facility. Prioritizing higher density, such as mixed-use buildings with commercial spaces on the ground floor and residential units above, along with enhancing walkability, can further support TOD principles in these areas.



TownCenter – This area is the civic center and the vibrant heart of the community. The area includes Kennedale’s primary institutional buildings, TownCenter Park, and the TownCenter shopping area and commercial space. The intention is for this area to evolve into a high-intensity mixed-use space. The envisioned development includes offices, specialized retail, family-friendly entertainment, and sit-down restaurants. The primary focus remains on creating and enhancing public spaces, fostering walkability, and strengthening connections to surrounding neighborhoods and destinations.



Local Commercial – These uses should be complementary to their surroundings and include local shops and services oriented to meeting the needs of the community, such as locally owned medical offices and dental practices and standalone businesses such as drug stores and small shopping centers. These uses should allow the community to shop, dine, and conduct personal business within the same vicinity.



Commercial - Primarily commercial and businesses on high speed, auto-oriented roadways. These uses are regionally oriented commercial development with high traffic and high employment. Businesses may include grocery stores, hotel/motels, big box retail, restaurants, and commercial services.



Entertainment District - The Entertainment District will include nonresidential areas along Bowman Spring Road. This area is envisioned as a vibrant gateway into Kennedale, dedicated to destination-oriented venues and family-friendly attractions, including sit-down restaurants. It offers the opportunity to further grow and build upon the existing recreational destinations, ensuring ample opportunities for residents and employees to engage in recreation, socializing, and entertainment. The balance of land uses and businesses for working, living, and shopping will aid in encouraging economic development and will play a pivotal role in shaping the city’s unique identity along this key corridor.



Institutional - Uses in this category includes county and city buildings, schools, community centers, or other public service types of uses. Places of worship are considered institutional even if they are located within residential areas due to the potential traffic impact they may have on the community.



Industrial - Industrial uses may be logistics or manufacturing businesses containing offices and light to heavy industrial processing uses which generate few objectionable conditions. Examples of light industrial uses include assembly, research and development, and warehousing and distribution. Focus should be on flex-industrial spaces which can be used for a variety of corporate functions, storage, and office spaces.



Utilities - Land used or dedicated for public and private utilities, including pipelines, utility lines, water and wastewater facilities, substations, and telephone facilities.



City Parks, Recreation, and Open Space - This category includes all City-owned public parks and proposed park areas within Kennedale and may include community ballparks, neighborhood parks with playgrounds, natural trails, and other open space areas.



Floodplain - Areas designated on the map that are within a federally identified floodplain. Portions of these areas may develop under the correct circumstances, but the majority of this area will remain open and provide opportunity for open spaces and trails.



Figure 19:

Future Land Use Areas within Kennedale City Limits

<i>Land Use</i>	<i>Acres</i>	<i>% of CL</i>
Residential (Low Density)	823.52	19.49%
Residential (Medium Density)	1,096.61	25.95%
Residential (High Density)	77.64	1.84%
Old Town	116.02	2.75%
Transit Oriented Development (TOD)	50.75	1.20%
TownCenter	25.29	0.60%
Local Commercial	46.92	1.11%
General Commercial	440.35	10.42%
Entertainment District	59.28	1.40%
Institutional	152.68	3.61%
Industrial	136.99	3.24%
Utilities	80.42	1.90%
City Parks, Recreation, and Open Space	120.45	2.85%
Floodplain	547.74	12.96%
Transportation*	451.16	10.68%
Total	4,225.82	100.00%

Figure 20:

Future Land Use Areas within Kennedale ETJ

<i>Land Use</i>	<i>Acres</i>	<i>% of ETJ</i>
Residential (Low Density)	952.53	57.44%
Residential (Medium Density)	45.32	2.73%
Residential (High Density)	-	0.00%
Local Commercial	10.61	0.64%
General Commercial	14.31	0.86%
Institutional	-	0.00%
Industrial	176.15	10.62%
Utilities	29.81	1.80%
City Parks, Recreation, and Open Space	117.46	7.08%
Floodplain	306.88	18.50%
Transportation*	5.34	0.32%
Total	1,658.41	100.00%

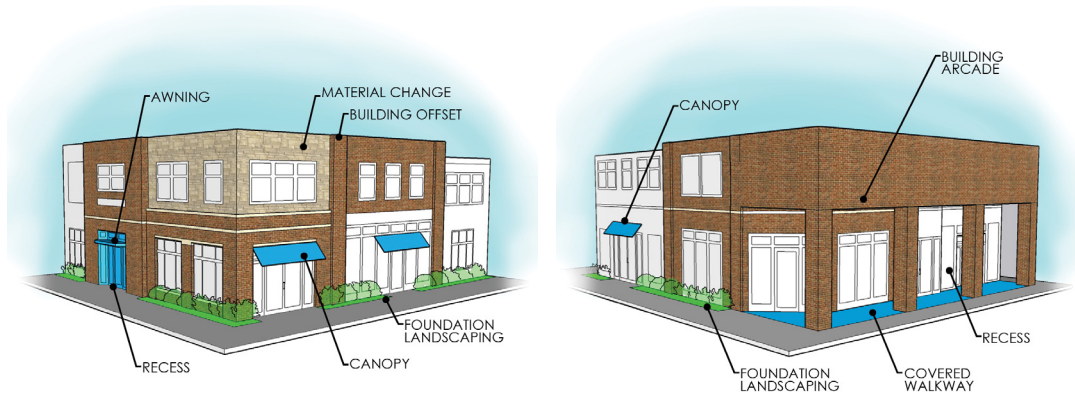
*Transportation includes road and railroad rights-of-way.

See Future Land Use Plan Map on page 61.

The Future Land Use Plan for the city indicates that the majority of land within the city limits and the ETJ will still be oriented to low- and medium-density residential. Within these residential areas, the City should strive to integrate a variety of housing option types from entry-level starter homes to larger custom home estate, in order to meet the diverse needs and preferences of residents, as identified in the Community Survey Results (see the Appendix). Other areas such as Old Town, TownCenter, and TOD areas will allow for a variety of high-density residential dwelling units (such as apartments, townhouses, and condominiums) intended to be integrated with retail, office, and entertainment uses and to function as a cohesive “live/work/socialize” space.

Urban Design in Future Land Uses

Urban design is a term used to define how a community manages the physical and visual character of its built environment. The design of new developments within the city and ETJ of Kennedale will become increasingly more important as new neighborhoods and the potential of commercial development increases. The design quality of the built environment can have a profound effect on the economic and social health of a city. The quality of the surroundings where people work, live, and play affects the city's image and attractiveness to developers searching for high quality business and residential locations. By contrast, a poorly designed urban environment can be a barrier to investment and economic development. Urban design should be included with the arrangement of land uses and is included in this plan with aims to substantially raise the quality of Kennedale's urban environment.



These graphics show examples of urban design elements that contribute to the quality of the built environment.

Urban design and future land use planning strategies need to acknowledge economic realities and functional necessities. Practical and reasonable expectations require that urban design efforts are concentrated on the “public environment,” referring specifically to areas that are either physically accessible or visually prominent to the members of the general public. Kennedale seeks to maximize both the public and private benefits by improving visual quality.

To improve the urban design of new developments, the City will strive to review the design context of residential, commercial, institutional, and industrial development. Site analysis will be considered an important aspect during the development, design, and construction proposals, and will include:

- Careful consideration of proportions, details, and context of the buildings in relationship to the property and adjacent properties. Relate the size and proportion of new buildings to the scale of adjacent buildings.
- *Mixed use and compatibility.* Mixed uses that meet pre-determined standards may be permitted within designated neighborhoods and provide a variety of housing for people in different stages of their lives. Buildings may have a variety of functions but must be compatible with one another in size and their relationship to the street. Uses may change within the buildings both horizontally and vertically. Neighborhood services should be accessible within a five-minute walk. Retail may be integrated with residential but should be specifically designed to enhance a neighborhood rather than detract from it.
- Public spaces should be integrated with new development. Buildings should be sited carefully to create defined public space. Build-to-lines should be utilized to establish a consistent series of building facades and to promote regular alignment. The street is an important form of public space that is shaped by design standards.

TownCenter

The TownCenter catalyst site represents a vibrant mixed-use hub comprising institutional, commercial, and recreational facilities. Positioned at the heart of the community, it serves as both a focal point for gatherings and a sought-after destination. The goal is to enhance TownCenter's public spaces, attract desired businesses, and offer engaging entertainment options. This catalyst area will remain a cornerstone for community interaction and visitor attraction, with potential for further activation through programming and additional retail ventures.

A key objective is to enhance walkability in the vicinity, fostering connectivity with surrounding neighborhoods and Old Town through well-designed sidewalks, trails, and pedestrian crossings. This catalyst site is envisioned as a versatile space for community events, City initiatives, and sustainable commercial growth. Continued investment in TownCenter is essential for nurturing the city's brand and fostering a strong community identity, vital for establishing a distinctive sense of place in Kennedale.



Guiding Policies

- Provide mixed-use developments that mitigate traffic impacts while supporting desired retail and shopping needs of the community.
- All development should be a mixture of shopping, restaurants, and entertainment as it establishes gathering space for the community and visitors.
- Provide connected sidewalks and trail to nearby destinations, such as Old Town and the surrounding neighborhoods.
- Provide entertainment and events that activate the TownCenter space.



Old Town

Old Town is the confluence of the original community and has been in transition for over 30 years. This catalyst site boasts a unique blend of historical structures and residential, institutional, and commercial spaces. The area holds the potential to preserve, redevelop, and expand the original townsite, including its remaining undeveloped or vacant lots. In addition, this catalyst site provides opportunities to explore cost-effective and sustainable approaches to revitalizing underutilized spaces and preserving Kennedale's history.

As redevelopment unfolds, the focus should be on preserving the area's diverse mixture of uses, promoting walkability, and creating public gathering spaces. Economic development is anticipated through infill and redevelopment of underutilized properties and adaptive reuse of existing buildings, contributing to ongoing revitalization efforts.



Given its historical significance, including landmarks like the First United Methodist Church of Kennedale, special care is necessary to protect community assets and preserve the area's character as the city grows.

Within this area, various building types operate differently and evolve over time. Commercial buildings are subject to market pressures and often experience changing tenants, while residential buildings undergo smaller adaptations rather than wholesale renovations. Meanwhile, institutional buildings represent stability and permanence and typically resist change. Adaptive reuse plays a crucial role in revitalizing the area by repurposing existing structures for new uses while preserving their original character and historical value. This sustainable practice reduces the demand for new construction and maintains Kennedale's heritage and community identity.

Guiding Policies

- Implement measures to protect and preserve historical structures, landmarks, and sites within the area, ensuring they remain integral to the community's identity.
- Encourage a mix of residential, commercial, institutional, and recreational uses to promote diversity, vibrancy, and economic resilience.
- Promote adaptive reuse of existing buildings and structures, incentivizing developers to repurpose them for new uses while retaining their original character and architectural integrity.
- Foster economic growth through infill development, adaptive reuse projects, and the attraction of businesses that complement the area's character and meet the needs of residents and visitors.
- Evaluate whether zoning ordinances and land use regulations align with the community's vision for the area, balancing preservation goals with the need for responsible growth and development.

Oakcrest Neighborhood (I-20 and BUS 287)

The area along I-20 and BUS 287 is ripe for redevelopment, a prime location for business headquarters and offices. With access to two major freeways and the potential for a park & ride station or commuter train, there is an emphasis for a mix of land uses focused on employment and transit-oriented development (TOD). This area is also intended to support higher density dwelling units with multifamily and live-work units to take advantage of the adjacency to transit. This area should be well integrated with retail, office, and entertainment uses in a more compact urban form with increased walkability. Within this area, residential, retail, and office uses will be within walking distance or even in the same building. These various land uses are compact and mutually beneficial due to their proximity.

As the City continues to pursue TOD within this area, and other identified locations, they should consider special regulations and plans to take advance of the development and redevelopment in the surrounding area. One of the top priorities of TOD is to create a pedestrian-friendly environment that encourages people to leave their car and use transit. To change commuting habits a variety of uses and activities - shopping, entertainment, employment, and residential - should be located conveniently to the transit facilities. This mix of uses is also intended to extend activities beyond the workday into the evening and weekends.

Guiding Policies

- Direct and perform land use plans, market analyses, and other special studies related to TOD.
- Develop, implement, and monitor zoning ordinances and development regulations targeted at encouraging TOD.
- Facilitate partnerships among landowners, developers, the local transit agency, and the City.
- Educate the public about the opportunities and benefits of TOD.



Entertainment District

The Entertainment District has been identified as a catalyst site to aid in transforming and branding Bowman Springs Road into a major corridor for Kennedale. By strategically capitalizing on its location and current recreational offerings, the site has the potential to attract investment and evolve into a family-friendly destination.

With a focus on expanding recreational opportunities, such as the golf course, the district aims to become a hub for family-oriented businesses and activities, catering to both locals and visitors. The envisioned future for the Bowman Spring Corridor is that it will become a vibrant gateway into the heart of Kennedale, where people can gather for recreation, socializing, and entertainment, enriching the quality of life for the community.

Guiding Policies

- Encourage a mix of residential, recreational, and commercial uses (including sit-down restaurants) to create a vibrant and diverse environment.
- Promote businesses and activities that cater to families and individuals of all ages, ensuring a welcoming and inclusive atmosphere.
- Prioritize walkability and bikeability within the district by implementing pedestrian-friendly infrastructure, such as sidewalks, bike lanes, and crossings, to enhance safety and convenience.
- Foster collaboration among stakeholders, including residents, businesses, developers, and the City, to ensure transparent decision-making processes and community engagement in shaping the district's development.



Family-friendly entertainment can include a wide range of attractions, including restaurants with outdoor seating and areas for recreation and events.

FUTURE LAND USE GOAL:

Kennedale will have safe and convenient places to live, work, worship, and play.

OBJECTIVE 1: Develop land in accordance with the Future Land Use Plan.

Throughout the planning process, Kennedale expressed strong preference for preserving existing neighborhoods and character while encouraging appropriate growth.

Strategies

- A** Work with property owners to encourage the consolidation and assembly of sites to allow site development that will meet the City's requirements for parking and stormwater management.
- B** When greenfield development is considered, it should be done in a way that does not dilute services or add to the City's resource challenges or infrastructure. The City should ask for a traffic impact analysis and adequate public facilities study prior to consideration of planned development zoning.

OBJECTIVE 2: Redevelop TownCenter and the surrounding areas including Old Town and property along Kennedale Parkway (BUS 287) to include more retail opportunities.

The TownCenter and Old Town are the heart of the Kennedale community and have been identified as a catalyst site. The area features both historic and new development and has been in transition for over 30 years. Redevelopment and revitalization by local enterprises and property owners could make this area a destination for both residents and visitors. Through zoning changes and development incentives, the City could further support and recruit commercial development and retail opportunities that reflect the community's vision. There will be some new development on some vacant properties within this area; however redevelopment and retrofitting will take place as well. Some structures may need to be renovated or properties could evolve into new buildings and uses.

Strategies

- A** Apply an infill or redevelopment overlay or other zoning districts to targeted revitalization areas. These often address dimensional and design requirements, adaptive reuse of existing buildings, demolition of existing structures, new development of individual buildings, and coordinated redevelopment or new development of multiple structures.
- B** Simplify and streamline permitting processes for these projects to further increase their attractiveness to developers.
- C** Offer a range of development incentives to encourage parcel consolidation. These incentives are usually offered within mixed use or planned development districts in exchange for lot consolidation or site assembly that creates a larger parcel.

OBJECTIVE 3: Redevelop the area south of the intersection of Interstate 20 and BUS 287 (Oakcrest Neighborhood) as an employment center coupled with transit-oriented design.

Oakcrest Neighborhood (Interstate 20 and BUS 287) has been selected as a catalyst site that will serve as an employment center surrounded by TOD and mixed-use development. The area has the potential for both high-density residential and nonresidential development to create a space to live, work, and socialize. The area will have a compact walkable design to attract commercial development and entertainment that is complementary to the surrounding uses. The successful development of this area will also heavily rely on facilitating partnerships amongst landowners, developers, regional organizations, the local transit agency, and the City.

Strategies

- A** Work with the salvage yard ownership for the redevelopment of the properties west of BUS 287, initiating programs for environmental clean-up and returning properties to usable floodplain.
- B** Continue to work with North Central Texas Council of Governments (NCTCOG) on development of a Transit-Oriented Development (TOD) adjacent to the railroad.
- C** Transition zoning to allow redevelopment of this area for transit density housing and employment.

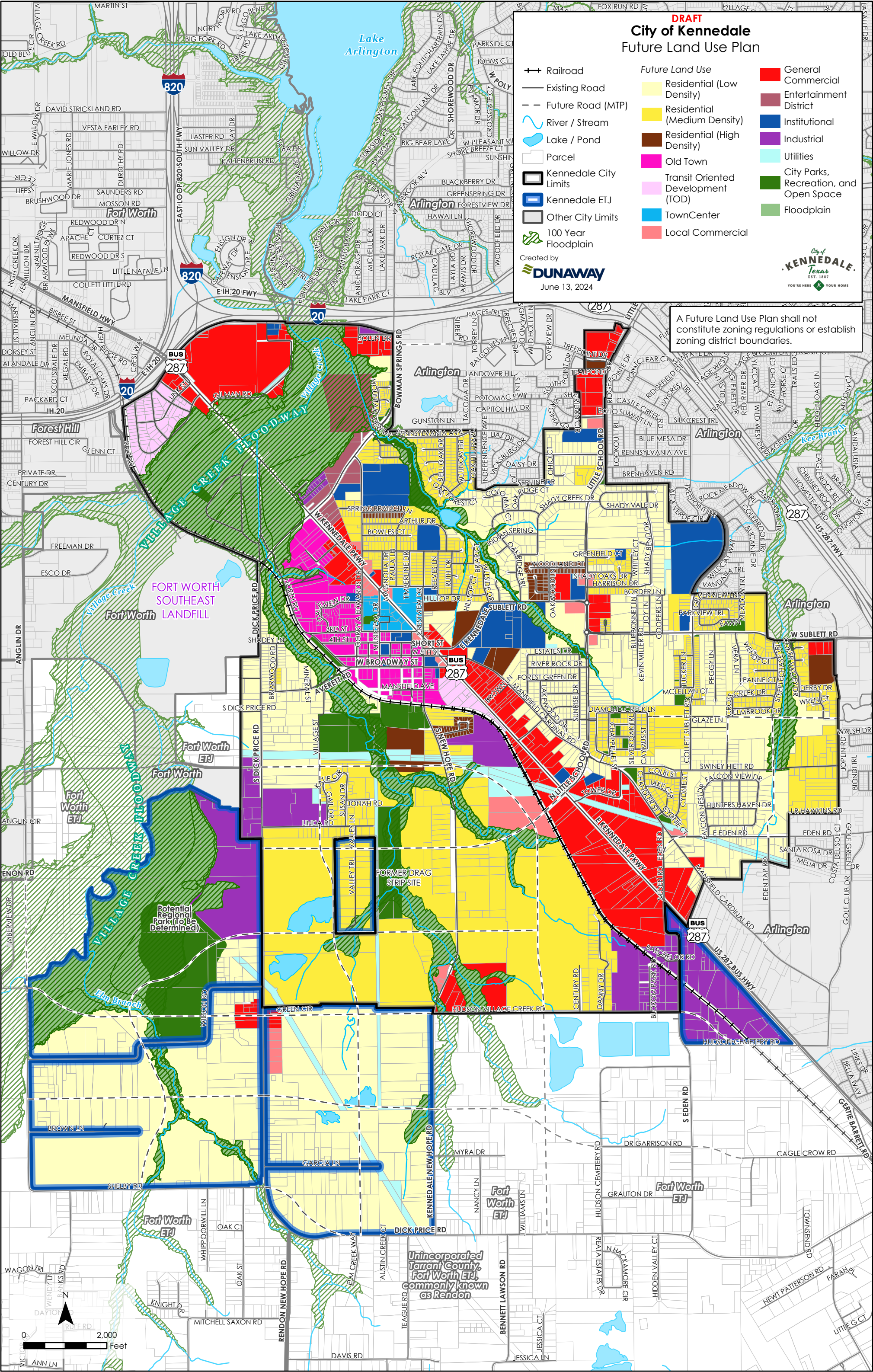
OBJECTIVE 4: Ensure all new development is compatible with existing neighborhoods through density gradients and design.

Strategies

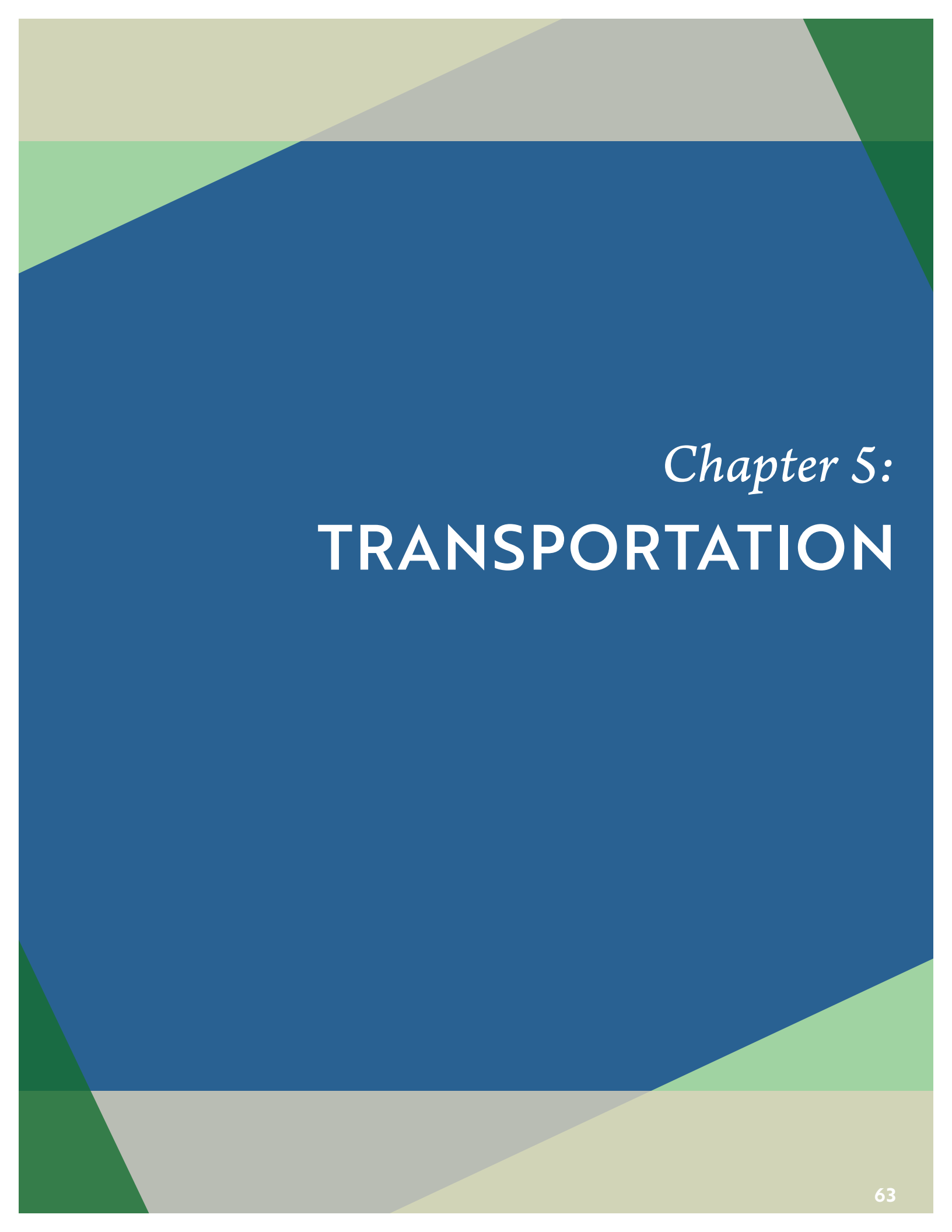
- A** New development should be based on standards intended to create community and connectivity. Higher development costs should be offset through corresponding economic development incentives or capital improvements such as water/wastewater or roadway capacity increases.
- B** Development regulations contained within the Unified Development Code should be revised to place a greater balance between the market and urban design.
These issues can include:
 - The relationship between different buildings – the urban village concept may not be appropriate throughout the community and should be focused on a city center or transit-oriented development.
 - The relationship between buildings and the street, parks, and other spaces which make up the public domain. Urban setback distances preclude estate housing and have difficulty blending into traditionally zoned residential property.
- C** Visual quality objectives and a healthy business environment should not be considered mutually exclusive. Urban design should be incorporated into private development plans early in the development process.
- D** The impact of public features such as signage, utility locations, valve boxes, utility risers, solid waste containers, sidewalks, landscaping, lighting, drainage, and topography should be recognized as important factors in affecting community appearance and effects on neighboring property.

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Chapter 5: **TRANSPORTATION**



Sidewalks and pedestrian-oriented site furnishings in TownCenter

Because roads do not stop at the city limits, coordination with neighboring cities, Tarrant County, and the Texas Department of Transportation (TxDOT) is vital to encourage connectivity between developments throughout the community as well as ensuring safe travel for cars, trucks, bicycles, and pedestrians. Over the last decade Kennedale has been transitioning from a rural community to a more suburban style community. It is dependent on primary and secondary arterial roads that are maintained by Tarrant County and TxDOT for much of the access to developed property throughout the community. Within Kennedale, highways and access roads, such as BUS 287, are maintained by the state. Streets within unincorporated Tarrant County are maintained by the county. Local roads and non-highway streets are primarily maintained by the City; however, some street repairs are completed through interlocal agreements with Tarrant County Precinct 2. Based upon the community survey, the condition of local streets is a main concern for residents; survey takers also indicated their support to initiate a street improvement program to increase repairs to existing streets. In addition to street improvements, residents desire to increase walkability within the community via sidewalks and crosswalks to community destinations, particularly near the city's schools to provide a safe route for students.

Traffic and Congestion

Two of the three common components of traffic congestion are based on the physical construction of the roadway (number of lanes and demand, known as capacity and volume). The function of a roadway is impacted by the number of cars traveling at any given time and the number of available lanes. The third aspect has to do with the potential hazards at key intersections and access points to private property, also known as driveways. Analysis of the existing and future road network revealed that Kennedale's roads will have challenges in both capacity and the volume needed for estimated future demand. The Master Thoroughfare Plan later in this chapter on page 77 identifies new roadways that can be built as demand and further development occur, as well as existing roadways expand or revitalized as needed depending on traffic and infrastructure conditions at the time. Roadways may be initially built with lower capacity, such as two lanes instead of four and expanded if and when traffic volumes necessitate the need for additional capacity.

The term Level of Service (LOS) is commonly used by transportation planners to study and make recommendations for the road network. Level of Service (also called Quality of Service or Service Quality) refers to the speed, convenience, comfort, and security of transportation facilities and services as experienced by users. LOS ratings, typically from A (best) to F (worst), are widely used to evaluate problems and potential solutions.

Such ratings systems can be used to identify problems, evaluate potential solutions, compare locations, and track trends. Current planning tends to evaluate transportation system performance based primarily on motor vehicle traffic speed and delay (also known as "traffic"). Note the focus on motor vehicle mobility, which contributes to continued automobile dependency. This plan also considers other forms of mobility as result of community input.

Level of Service (LOS)

The following travel flow characteristics (V/C Ratio) are used to determine needs and deficiencies during the planning process:

A	<i>Virtually free flow; completely unimpeded: Volume/Capacity ratio less than or equal to .60.</i>
B	<i>Stable flow with slight delays; reasonably unimpeded: Volume/capacity ratio .61 to .70.</i>
C	<i>Stable flow with delays, less freedom to maneuver: Volume/Capacity ratio .71 to .80.</i>
D	<i>High density but stable flow: Volume/Capacity ratio .81 to .90.</i>
E	<i>Operating conditions at or near capacity; unstable flow: Volume/Capacity ratio .91 to 1.00.</i>
F	<i>Forced flow, breakdown conditions: Volume/Capacity ratio greater than 1.00.</i>

TxDOT Proposed Improvements

1 Southeast Connector Project ROW Expansion

The project is intended to ease congestion and improve transportation in Tarrant County on a stretch of highway that sees about 200,000 vehicle trips a day and is expected to increase to 370,000 vehicles a day by 2045. I-820 is a loop around Fort Worth that passes through 11 cities - Benbrook, White Settlement, Lake Worth, Saginaw, Haltom City, North Richland Hills, Hurst, Richland Hills, Kennedale, Forest Hill, and Fort Worth. TxDOT has been developing and widening I-820 since 1949. As funding is identified, future widening is planned on the east loop from I-35W to I-20.

The project will expand roughly 11 miles of Interstate 20—through Fort Worth, Arlington, Forest Hill, and Kennedale. The widening will vary by location, a stretch from I-820 to US 287 will expand from eight to 10 lanes. This will nearly double the capacity of I-820, from four to eight lanes.

As part of the project, the I-20, I-820 and US 287 interchanges will be rebuilt, left exits and entrance ramps will be eliminated, and turnarounds will be added at all cross streets. TxDOT is studying the use of public-private partnerships to accelerate construction on I-820, SH 121/183, and portions of I-35W by combining express lanes and high occupancy vehicle lanes within a comprehensive development agreement. According to TxDOT, the improvements will facilitate trade, increase safety, and improve efficiency within Kennedale and throughout North Texas.

As a crucial component affecting Kennedale, the project includes moving the I-20 eastbound exit for BUS 287, to the west of Salt Road. This relocation will extend the amount of frontage road accessible within Kennedale, opening up the development potential in the Oakcrest Neighborhood southwest of the I-20 and BUS 287 interchange. This expanded access is critical for the growth identified in the Future Land Use Plan, including the Oakcrest transit-oriented development. The increased frontage road length has the potential to attract greater development within the area, which could provide the additional investment needed to achieve the City's long-term goals of creating a pedestrian-friendly, mixed-use community with easy access to public transit. Additionally, the newly accessible land has the potential to attract businesses such as sit-down restaurants and hotels, which – based on community feedback – aligns with residents' requests and the City's vision for a vibrant, mixed-use area.

2 I-20 Overlay from I-820 to Little Road

In addition to the larger widening project, a portion of I-20 from I-820 to Little Road in Arlington will undergo an overlay update to extend the lifetime of the road surface. The overlay process includes leveling up or surfacing a pavement course, or any combination composed of a compacted mixture of mineral aggregate and asphaltic material.

Other Planned Improvements

3 Sublett Road (Joplin Road to City Limits)

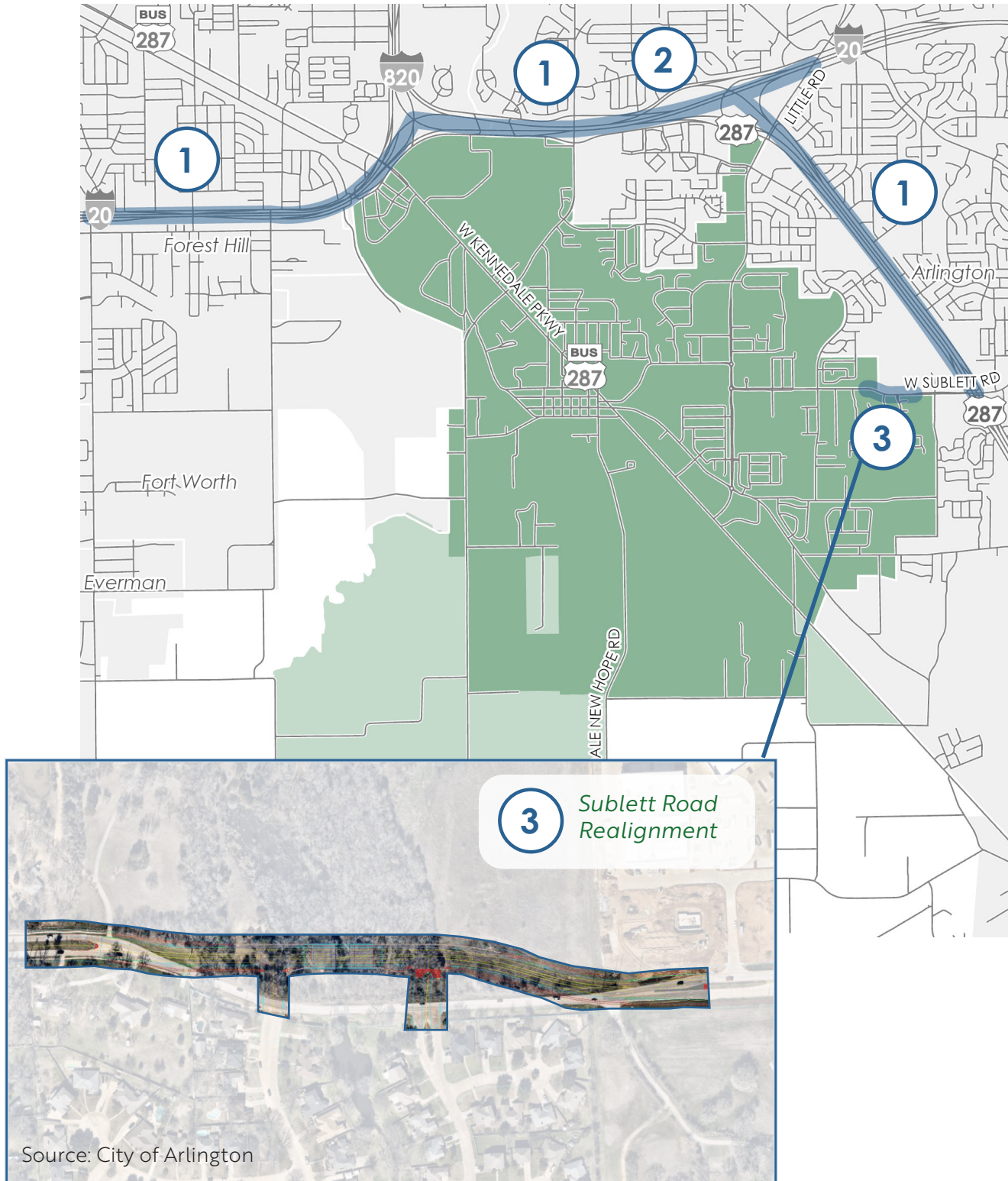
The project roadway is within Arlington's city boundary with the Kennedale city limits running along the south side of the street. The project site is shown in Figure 21. The Kennedale portion began in January 2023 and is currently under construction, as of spring 2024. The project will address not only street improvements but other infrastructure improvements as well, including:

- Rebuilding and realigning the two-lane asphalt roadway to a three-lane concrete roadway with on-street bike lanes and sidewalks on both sides of the roadway.
- Installation of a bridge and retaining walls to span over creek.
- Installation of new streetlights, new traffic signs, and new pavement markings.
- Installation of storm drainage infrastructure.
- Water and sanitary sewer infrastructure renewals.

The Kennedale City Council approved an interlocal agreement with the City of Arlington that listed responsibilities and necessary areas of cooperation. The project will be funded by the Street Board funds, Water & Sanitary Sewer Renewal funds, and Tarrant County.

Figure 21:

Planned Transportation Improvements



TRANSPORTATION GOAL: Kennedale will have a transportation network which meets basic needs for movement, access, safety, and reasonably rapid travel for people and goods through and within the city.

OBJECTIVE 1: Use concepts for Context Sensitive Design when improving existing streets and building new streets, interconnections, and sidewalks.

Build-to-lines should be utilized to establish a consistent series of building facades and to promote regular alignment along the street. The street is an important form of public space, and the buildings that define it should be expected to reinforce and enhance the streetscape corridor. Therefore, as new streets are designed and existing ones are increased in capacity, the design of the street should be reflective of the types of uses adjacent to that particular section.

In order to design for neighborhoods and pedestrian-oriented areas, decision makers must understand the key relationship between transportation and land use. In particular, flexibility may be needed in roadway design to accommodate a changing urban form within the community. Understanding key community objectives for land use within the community is also important in order to ensure that public infrastructure investments are in line with ultimate land use objectives. One way to do this is through context sensitive solutions.

Context sensitive solutions (CSS) is the practice of developing transportation projects that serve all users and meet the needs of the neighborhoods through which they pass. Developing solutions must be a collaborative process that involves all stakeholders in street designs that ultimately fit into the character of surrounding neighborhoods while maintaining safety and mobility. The key is making sure that elements of streets complement surrounding or adjacent development to generate a neighborhood or “roadway experience.”

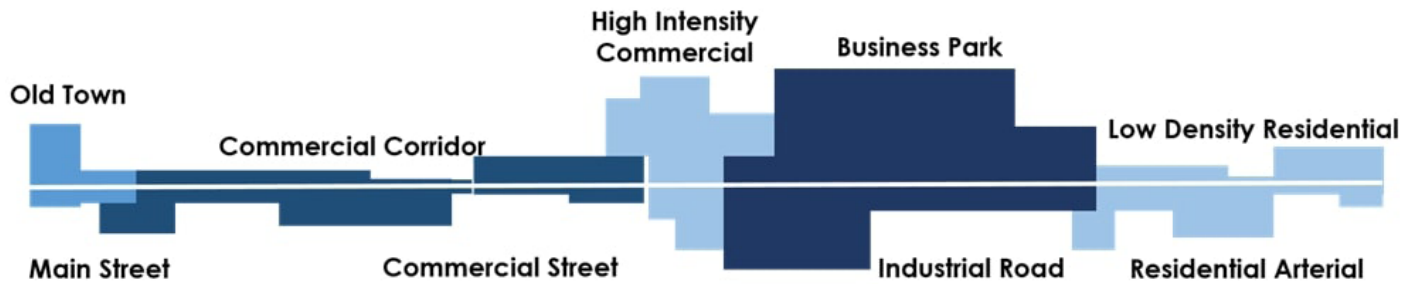
The process of designing CSS roadways is similar to the process of designing traditional thoroughfares: automobile traffic is considered through traffic counts, traffic demand, and level of service information-gathering efforts. The difference is that, in addition to automobile traffic, other elements – such as pedestrian traffic, built environment, and land use – are also carefully considered.



Context sensitive design creates pedestrian-scaled infrastructure to foster walkability where desired.

Figure 22:

Context Sensitive Corridor Example



The most notable publication and guidebook for CSS is *Designing Walkable Urban Thoroughfares: A Context Sensitive Approach* published by the Institute of Transportation Engineers (ITE). This publication includes information on balancing the transportation needs of the community with adjacent land uses. In particular, the CSS approach recommends designing thoroughfares based upon:

- Community objectives
- Functional classes
- Thoroughfare types
- Adjacent land use

New streets, sidewalks, and bikeways as well as street upgrades should be planned with the recommendations of CSS. Figure 22 shows how one road could be designed to have different capacity and profile based on the intensity of land uses abutting the road.

As a street winds through the city, its function and street section may change based on the surrounding land uses – rather than a one-size-fits-all pattern.

As Kennedale grows, a larger road network containing more lane miles will need to be maintained. Most of Kennedale's existing network contains asphalt surface materials which over time will deteriorate through use, heavy loads, edge encroachment by grass, and stresses through extreme temperature change. In addition, Kennedale's roads are greatly impacted by the heavy volume of truck traffic coming through the community. A Pavement Management System is an organized effort to index the surface and subsurface condition of all the City's roads and, based on a numerical grade on those conditions, provide an annual plan for crack repair, pothole repair, mill and overlay techniques, and eventual roadway and subsurface replacement. The Pavement Management System allows the community to move from a demand response model of road repair to a standardized, quantitative program of repair so that labor and material costs can be normalized, and repair activities can be focused on extending the lifetime of road surfaces. The system also allows communities to save capital expenses for future expansion and replacement.

Strategies

- A** Work with TxDOT and Kennedale ISD for a crosswalk solution across Kennedale Parkway at the TownCenter to increase safety and connectivity between city facilities, the elementary school, and adjacent properties.
- B** Reserve the required right-of-way for transportation corridors.
- C** Integrate all modes of transportation.
- D** Implement cross sections that reflect the adjacent land use context.

OBJECTIVE 2: Fund and build improvements to existing streets as shown on the Thoroughfare Plan.

The City has prioritized focusing on repairing and upgrading City-maintained streets since the issue was first identified as a residential concern in the Imagine Kennedale 2015 plan and continues to work toward funding more improvements. At the regional level, Kennedale leadership participates in the Tarrant Regional Transportation Coalition (TRTC), which advocates on behalf of the North Texas Region for increased funding for transportation. City Staff works with Tarrant County and North Central Texas Council of Governments (NCTCOG) to address larger regional issues and long-range planning.

See Master Thoroughfare Plan Map on page 77.

Strategies

- A** Continue to fund improvements through the City's Capital Improvement Program (CIP) and available grants and loans.
- B** Continue to utilize a pavement management system, which extends existing roadway life, and manage the CIP for roadway repair and replacement.
- C** Coordinate with TxDOT, Tarrant County, and NCTCOG to address long-range transportation needs.
- D** Organize an access management system for all new development on major arterials through the city. Access management should be designed to provide fewer drive approaches and consolidation of cross access to multiple properties to increase the efficiency of arterial capacity.

Figure 23:
Roadway Functional Classification System

Functional System	Proportion of Service	Service Provided
Arterial		Provides the highest level of service at the greatest speed for the longest uninterrupted distance with some degree of access control.
Collector		Provides a less highly developed level of service at a lower speed for shorter distances by collecting traffic from local roads and connecting them with arterials.
Local		Consists of all roads not defined as arterials or collectors; primarily providing access to land with little or no through movement.

Source: FHWA - Flexibility in Highway Design

Figure 24:

Master Thoroughfare Plan Class Conversion

Previous 2012 Future Transportation Plan Road Class*	New MTP Road Class (see page 77)
Parkway	Major Arterial
Boulevard	Minor Arterial
Avenue	Collector
Rural Road	Collector
Street	Local

*Reference: 2012 Kennedale Comprehensive Plan Update, Future Transportation Plan on pg. 67

OBJECTIVE 3: Require developers to dedicate right-of-way and construct collector and arterial streets as shown on the Master Thoroughfare Plan.

The Federal Highway Administration (FHWA) functional classification system of roadways is the predominant method for roadway classification used by transportation planners. This classification ranges from arterials that are streets meant for high-speed, long-distance travel, carrying large volumes, and not hindered by local access. And at the other end of the spectrum, a local street (meant to feed other streets) carries small volumes at low speeds. In between is a collector street that collects traffic from local streets, maybe has fronting commercial uses, and feeds the arterial system.

Figure 23 describes typical functional classifications for roadways, while the Master Thoroughfare Plan (MTP) on page 77 delineates where these roadway types may be assigned throughout Kennedale, both to current and future rights-of-way. Through the Capital Improvement Program budget, the City should consider how much of their network should be improved and at what time. New developments to the community may propose alternative street designs and capacities based on their traffic demand and density. Future roads on the map are suggested locations and connections. Specific engineering and land planning will determine the final location of the roadways.

This Plan uses different roadway classifications than those shown in the previous 2012 Comprehensive Plan Update, Future Transportation Plan. Figure 24 matches each MTP class with the most similar thoroughfare type from the 2012 Plan.

OBJECTIVE 4: Make important interconnections of streets to activity centers.

Activity centers, such as places of worship, schools, business, and industry, thrive when access is made easy. Street connections are important for residents and businesses alike. Dead-end streets impede movement, especially for school buses and emergency services.

Strategies

- A** Minimize use of cul-de-sacs in new neighborhoods so that emergency services can be provided as quickly as possible when needed.
- B** Design rights-of-way on new neighborhoods to provide a permeable but not strictly gridded network of streets. This allows a spreading of traffic for new neighborhoods and reduces congestion on pinch points on arterials and collectors.

Figure 25:
Pedestrian Improvements from 2017-2018 SRTS Project



Source: NCTCOG

OBJECTIVE 5: Improve existing sidewalks and construct new sidewalks for pedestrian access and citizen health.

Citizen health largely depends on access to food, medical support, and exercise. Sidewalks can improve citizen health by promoting walking, especially to schools, parks, and public transit stops. Individuals who cannot drive a car are especially helped by having sidewalks and safe routes to public transit stops within the community. In the heat of the summer, these sidewalks can still be used in the morning and evening.

The City has already begun to improve and expand existing sidewalks through the Safe Routes to School Program (SRTS). In 2017-2018, the City partnered with NCTCOG for improvements to the Crestdale area, with a focus on pedestrian connections to James F. Delaney Elementary and James A. Arthur Intermediate Schools. The project resulted in sidewalks, crosswalks, and other traffic calming measures being placed in the Crestdale neighborhood. Based upon community feedback, future SRTS projects should focus on improving pedestrian safety near the Kennedale High School campus along Wildcat Way. Current improvement are shown in Figure 25.



Sidewalks along Kennedale Parkway.

Active transportation, unlike driving and public transit, involves getting around in ways that are human-powered—walking, bicycling, using a wheelchair, skateboarding, and so on. Traditional communities built prior to the 1970s were structured to provide alternative modes with a grid network of streets. Depending on the location and regulatory environment, inclusion of sidewalks as an element of the mobility network has varied over time. Fluctuating gas prices, increased traffic and associated delays, environmental concerns, a more widespread focus on personal health and fitness, and the shifting lifestyle preferences of younger generations all point to a greater demand for walkable, bikeable communities. It is recommended that Kennedale incorporate active transportation as a key component of its future roadway design. Kennedale can become more active transportation-friendly by: committing to a more compact, multi-use pattern of development; investing in pedestrian facilities like sidewalks and multi-use paths; and designing streets as low-speed, people-first places. When walking or biking is more convenient for residents, they are far more likely to make these healthy activities a part of their daily lives.

Strategies

- A** Develop and implement a wayfinding strategy.
- B** Develop and implement an ADA (Americans with Disabilities Act) compliance transition plan.
- C** Fund and build sidewalks to help create an interconnected sidewalk system throughout the city.
- D** When designing new sidewalks along existing streets, recognize that right-of-way may not be sufficient for the ideal street cross-section shown in the typical street section examples. In these circumstances, provide the widest sidewalk possible for pedestrians.

OBJECTIVE 6: Evaluate flood plains for the construction of multi-purpose trails.

Kennedale's floodplains extend throughout the city but the largest covers much of the land near Village Creek within the northwest and southwest portions of the city limits. These floodplains, when preserved and protected, can ensure the protection of property from flooding and can provide natural connections between neighborhoods and areas of the city.



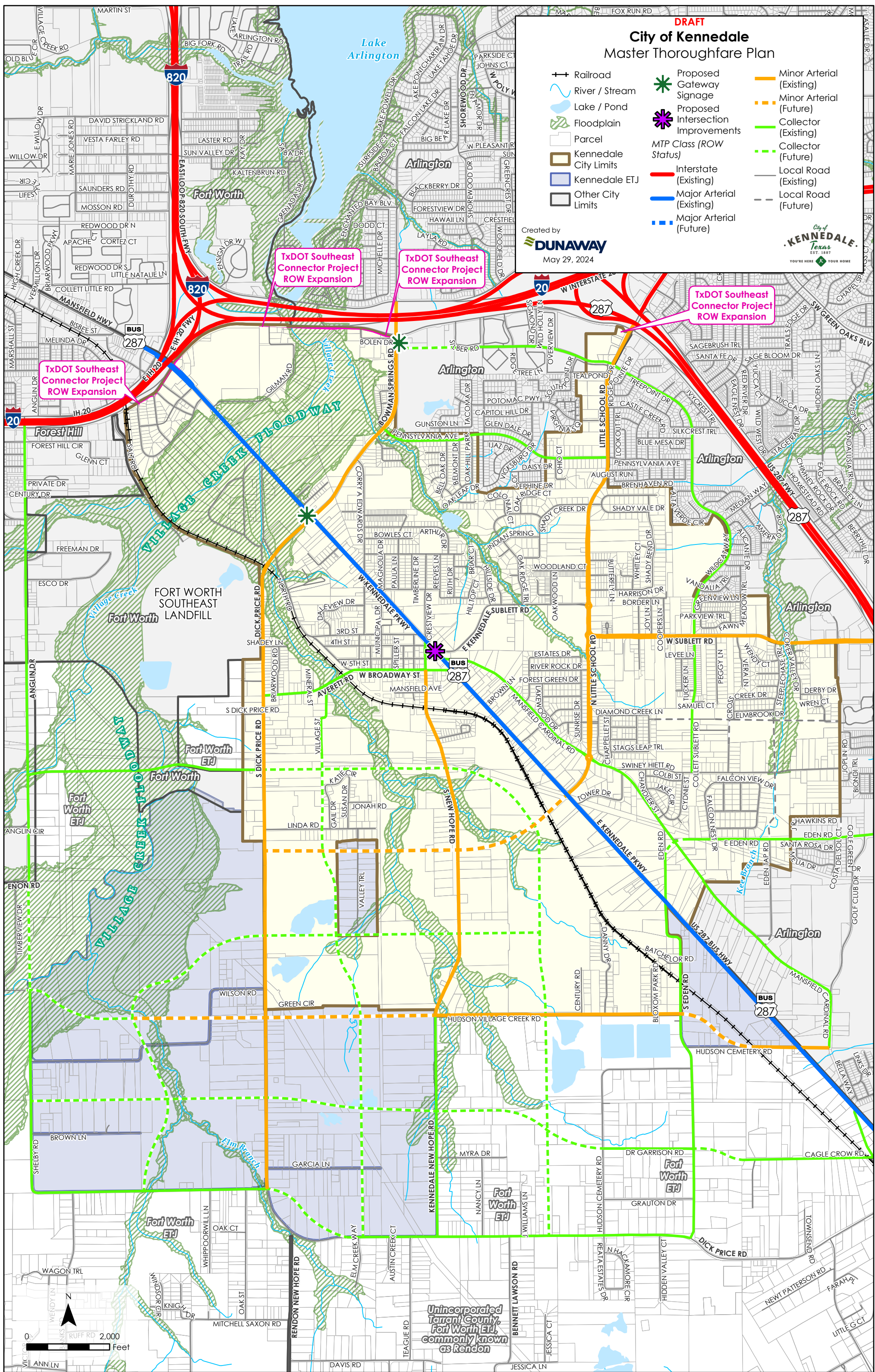
Locating trails within floodplains can provide important recreational opportunities in sensitive natural areas.

Strategies

- A** Discourage and/or prevent construction of permanent structures in the floodplain to help protect property and environmental quality.
 - If construction in existing floodplain is deemed necessary for any project, then measures should be taken to raise the land out of the floodplain and to amend the Flood Zone Map.
- B** Encourage the siting of trails based on natural topography of slope to ensure the lowest impact of the existing conditions by trail construction.
- C** Look at opportunities to construct trails within floodplain areas which are grade separated from high-capacity roads.
- D** Examine opportunities in new developments where natural connections can be made to trails through floodplain corridors connecting each neighborhood to another. Plan into the design of new neighborhoods trailhead connections to the citywide trail system.

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Chapter 6:
**ECONOMIC
DEVELOPMENT**



Kennedale Area Chamber of Commerce office

Kennedale has long been known for its great schools and hometown feel. However, most of its residents commute outside of the city to work, shop, and engage in other activities. The community desires a greater diversity of businesses and retail to continue to meet the community's needs and provide more employment opportunities. The city itself has a total area of 6.6 square miles, but because of its central location between I-20, Loop 820, and US 287, the Kennedale Area Chamber of Commerce notes that businesses in the area can reach 53,000 buyers in a three-mile radius and over 150,000 in a five-mile radius. The City's primary revenue stream comes from property taxes and sales taxes.

The City is most involved in economic development through the Kennedale Economic Development Corporation (KEDC) and the Kennedale Area Chamber of Commerce (KACC), which work together to actively recruit businesses and developers that align with the community's desires and needs. KEDC is a Texas Type B Economic Development organization authorized by the voters of the City of Kennedale and is committed to developing quality employment opportunities for local residents. KACC is a nonprofit membership organization that serves as a voice for the business community and a catalyst for increasing investment and employment in the community. The organization established itself as an essential resource to the Kennedale business community through regular events such as their Lunch and Learn series, Networking Luncheons, and Business After Hours. Through these events and other opportunities, the Kennedale businesses are able to network and further learn and develop as professionals.

Together, the two organizations strive to promote a business climate that propels Kennedale's transformation from a conventional residential enclave into a contemporary and forward-thinking city. The City is focused on being business-friendly and family-oriented, meaning it hopes to attract businesses that align and reflect the values of the community. Kennedale envisions itself as a "Progress Central—a cutting-edge and vibrant urban hub that exceeds the expectations of its residents while stimulating economic prosperity."



The wide variety of businesses around Kennedale benefit from the positive economic environment fostered by KEDC and KACC.

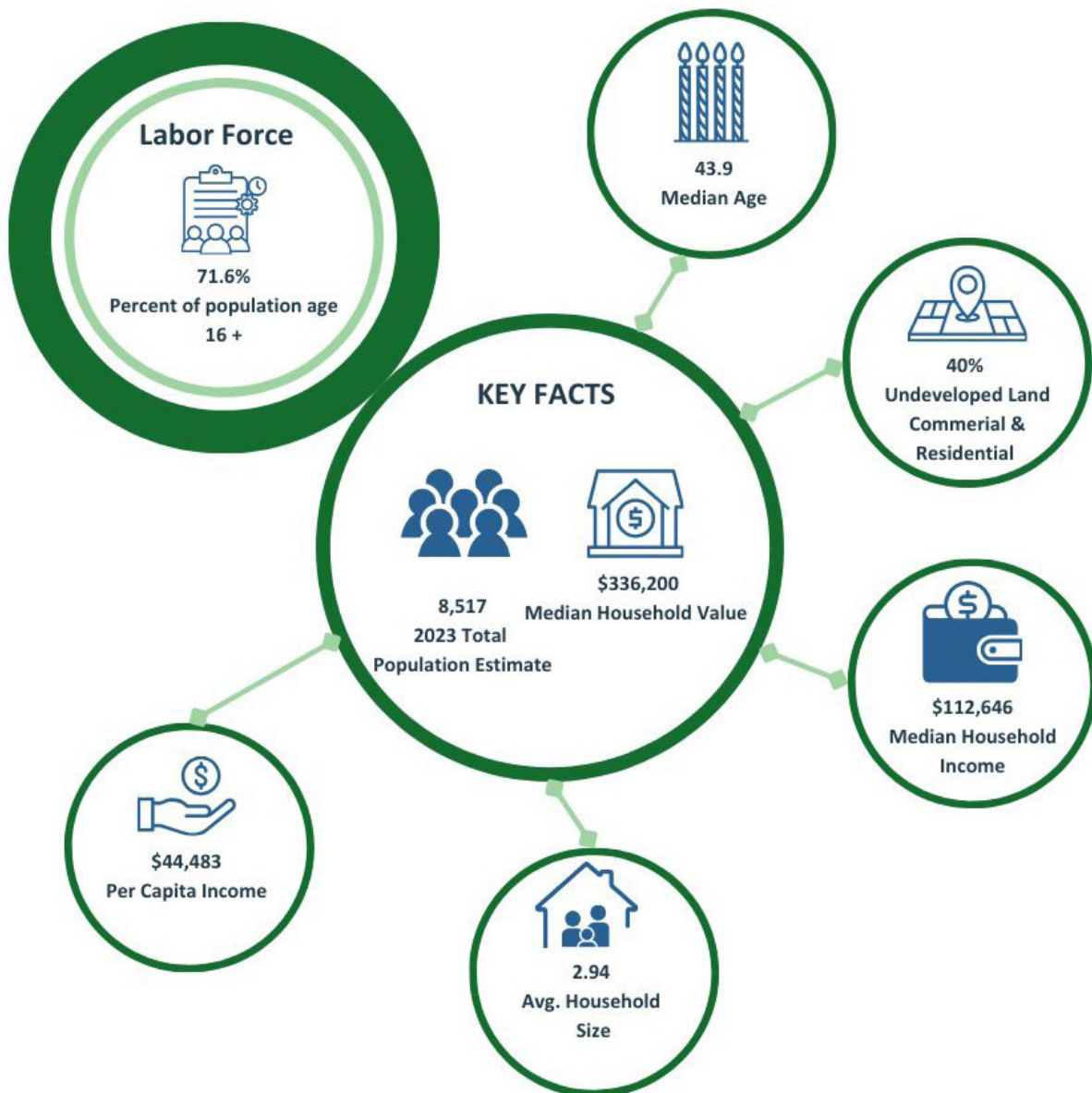
Separate Entity Boards

In addition to these economic organizations, Kennedale has Separate Entity Boards which serve as advisors to City Council but are separate legal entities from the City of Kennedale. Both TownCenter Development District Board and Tax Increment Reinvestment Zone Board oversee independent affiliate organizations.

TownCenter Development District Board

The TownCenter Development District (TDD) Board functions as the oversight board for the Kennedale Municipal Management District (MMD), which was created in 2009 by the Texas State Legislature to assist in the development of the Kennedale TownCenter. The District is referred to as both the MMD and TDD, and both are used interchangeably throughout the City's various documents and resources.

Figure 26:
Kennedale Economic and Demographic Facts



Source: US Census Bureau

Tax Increment Reinvestment Zone Board

The Tax Increment Reinvestment Zone (TIRZ) Board of Directors makes recommendations to the Council concerning the administration, management, and operation of the TIRZ. The board prepares and adopts a project plan and a reinvestment zone financing plan for the zone and submits such plans to the Council for its approval. The board performs all other duties imposed upon it by Chapter 311 of the Texas Tax Code and all other applicable laws.

Chapter 311 of the Texas Tax Code regulates the utilization of TIRZs, a financing mechanism employed by local governments to fund enhancements that attract private investment to specific areas, such as the catalyst sites identified in the Future Land Use Plan.

The Future Land Use Plan supports notable areas of key development, such as TownCenter, Old Town, Oakcrest Neighborhood, and the Entertainment District. These can be defined as catalyst sites to spur further economic development. These areas are intended to attract diverse development, along with opportunities to continue improving existing city assets and creating new spaces to serve the community and stimulate the economy. With these catalyst sites and beyond, building additional infrastructure provides room to bring in new development and businesses to help stimulate the local economy.

ECONOMIC DEVELOPMENT GOAL: Kennedale will have a strong and resilient economic base.

OBJECTIVE 1: Continue to capitalize on a strong industrial employment workforce to leverage demand for more destination-based retail and restaurant opportunities.

The workforce is a critical element to Kennedale's resiliency and economic health. Kennedale's employees serve as the lifeblood of the city's economic base. Creating programs and enhancing the quality of the Kennedale workforce will make the city more competitive and desirable to potential businesses. Additionally, leveraging the city's workforce will help provide more retail options, which can mitigate retail leakage into surrounding cities and provide great funding opportunities to make improvements to the city that are aligned with the community's vision. Embracing a robust industrial employment workforce, Kennedale is strategically positioned to capitalize on its strengths and stimulate further growth in the community. Central to the City's economic development strategy is the cultivation of strong partnerships with local stakeholders to attract new talent, foster business opportunities, and facilitate the exchange of valuable resources and knowledge.

To bolster economic prospects, capital improvements should be directed toward the catalyst sites identified within this document in Chapter 4, Future Land Use. Collaborative efforts with economic partners will spotlight local businesses, encouraging residents to support their own community. Additionally, to ensure that the city remains competitive in a crowded market of choices for business locations and development, they will continue to research and evaluate best practices for economic incentives. This strategic approach underscores Kennedale's dedication to fostering an environment conducive to both industrial and retail progress.

Strategies

- A** Kennedale will continue to develop relationships with local economic partners, including but not limited to local business owners and developers, Kennedale Economic Development Corporation, Kennedale Area Chamber of Commerce, and TownCenter Development District (TDD), through continued communication and coordination. This process should include the regular sharing of quarterly reports and statistics.
- B** Continue to focus capital improvements and community improvement funds on established catalyst sites, including the TownCenter and the two areas that have been identified by the community to support potential Transit-Oriented Development (TOD): one along Interstate 20 and US 287 known as the Oakcrest Neighborhood, and another between New Hope Road and Kennedale Parkway.
- C** Collaborate with local economic partners like the Kennedale Economic Development Corporation and the Kennedale Area Chamber of Commerce to shine a spotlight on various local businesses. By showcasing local talent and services, the City will encourage residents to patronize these establishments, fostering a thriving economy within the community and preventing its leakage to neighboring areas.
- D** Conduct an in-depth review of current business incentives. During the review process, analyze best practices from peer communities in Texas and make updates to Kennedale's incentive list if necessary.
- E** Create materials that can be advertised on the City's website or through physical handouts that clearly communicate processes and policies for economic development incentives to potential businesses and developers.
- F** Work to attract predominantly convenience-based Class A retail spaces along BUS 287 Commercial Area.
 - Design standards must remain focused on traffic movement and landscaping as this is the visual entry to the community from neighboring communities.
 - Destination retail and restaurants would enhance the quality of life for Kennedale's residents and employees while attracting new visitors.
 - Although convenience-based retail is easier to attract with demographics than destination-driven retail, the City can focus on the types of criteria that tenants would find appropriate and attractive. This includes reducing development permitting costs, creating potential tax incentives, and providing public infrastructure capital improvements.
 - Family-based retail needs traffic, land, infrastructure, and visibility to be sustainable. Providing these elements can bring restaurants, larger retail, and ancillary entertainment venues.

OBJECTIVE 2: Create a catalyst project at the TownCenter to assist in improving the core of the community.

Surrounding cities like Arlington, Fort Worth, and Mansfield have been growing rapidly for a number of years while Kennedale has been largely bypassed by developers who have sought what they perceived as more opportune prospects elsewhere. During this time, the City embarked on significant infrastructure projects, including the construction of a new City Hall, Police Department, Library, and Park. However, nearby, these developments were juxtaposed with an outdated retail center in dire need of revitalization. The eight-acre tract included neglected buildings from the 1950s and 1960s era.

Recognizing the need for revitalization, the KEDC initiated a search for private developers to partner with. Their efforts led them to a planned railroad-themed retail development in Cedar Park, Texas, which served as inspiration for Kennedale's own revitalization project. The vision incorporated historic and cultural elements, such as a replica of a 1890s railroad section house and a 9/11 Memorial Park, featuring a steel beam from the World Trade Center. Pedestrian trails and bridges were also integrated into the area, alongside a dual-purpose parking and plaza area that caters to both TownCenter visitors and event attendees.



9/11 Memorial at TownCenter.

Early on, it became evident that increasing foot traffic within the retail center was crucial for the success of tenants and the overall vibrancy of the area. With the support of the KEDC, TDD board, and private development partners, the TownCenter is now more regularly visited by those seeking shopping, dining, and various other services. As the area continues to develop, the overarching goal remains to ensure that all buildings have thriving tenants, and the community continues to benefit from the additional sales tax revenue.



Monument sign for businesses at Kennedale TownCenter.

As the TownCenter continues to evolve, the focus shifts toward maximizing its potential as both a retail destination and a community hub. This entails prioritizing initiatives to enhance walkability and pedestrian safety along Kennedale Parkway, as well as strengthening connections to other community destinations such as parks and Transit-Oriented Development (TOD) areas. Additionally, preserving and incorporating cultural and historic elements remains a priority to maintain Kennedale's charm and infuse the catalyst site with vibrancy and vitality. Continued collaboration between the public and private sectors will be instrumental in effectively pooling resources and expertise to realize the TownCenter's full potential and foster its ongoing growth and success.

Strategies

- A** Form a taskforce headed by the TownCenter Development District (TDD) Board, comprising of representatives from community organizations, businesses, and residents to identify focus areas of the catalyst project such as: improving infrastructure, enhancing public spaces, boosting economic activity, and expanding events and programming.
- B** Foster collaboration between public and private sectors to pool resources and expertise.
- C** Prioritize pedestrian/bike crossings along Kennedale Parkway and the designation of bike/pedestrian routes that connect TownCenter with the existing park system and the areas identified by the city for Transit- Oriented Development.
- D** Encourage the development of cultural and artistic initiatives as a part of the catalyst project, to continue to add vibrancy to the TownCenter.

OBJECTIVE 3: Consider how the branding of the City may bring economic development and improve wayfinding signs in the community.

Kennedale enjoys a prime location at the convergence of major interstate highways, including Loop 820, Interstate 20, and US 287, making it a pivotal hub for shipping and commerce within the bustling Dallas-Fort Worth Metroplex. To distinguish itself from neighboring communities along these busy thoroughfares, strategically placing Kennedale's logo at key locations can serve as a distinguishing identifier. Branding efforts extends beyond mere aesthetics and serve the following critical purposes:

- **Establishing a Common Vision:** By creating a unified vision for the future, the community can rally around shared goals and aspirations.
- **Consistent Representation:** A well-defined brand ensures that Kennedale is consistently represented across various platforms, reinforcing its identity.
- **Enhanced Awareness:** Through effective branding, Kennedale can boost its visibility and recognition locally, regionally, and even globally.
- **Facilitating Navigation:** Branding is not just about visuals; it also aids in navigation. By incorporating wayfinding elements into the brand, such as signage and markers, the City can guide both residents and visitors to key destinations and amenities.

As Kennedale evolves with new catalyst sites like the TOD locations and the Entertainment District, it will be important to update wayfinding and signage to reflect these developments. This includes strategically placed signage along major corridors and arterial roads to attract passing travelers and inform them of available retail opportunities.



Branding in TownCenter Park.

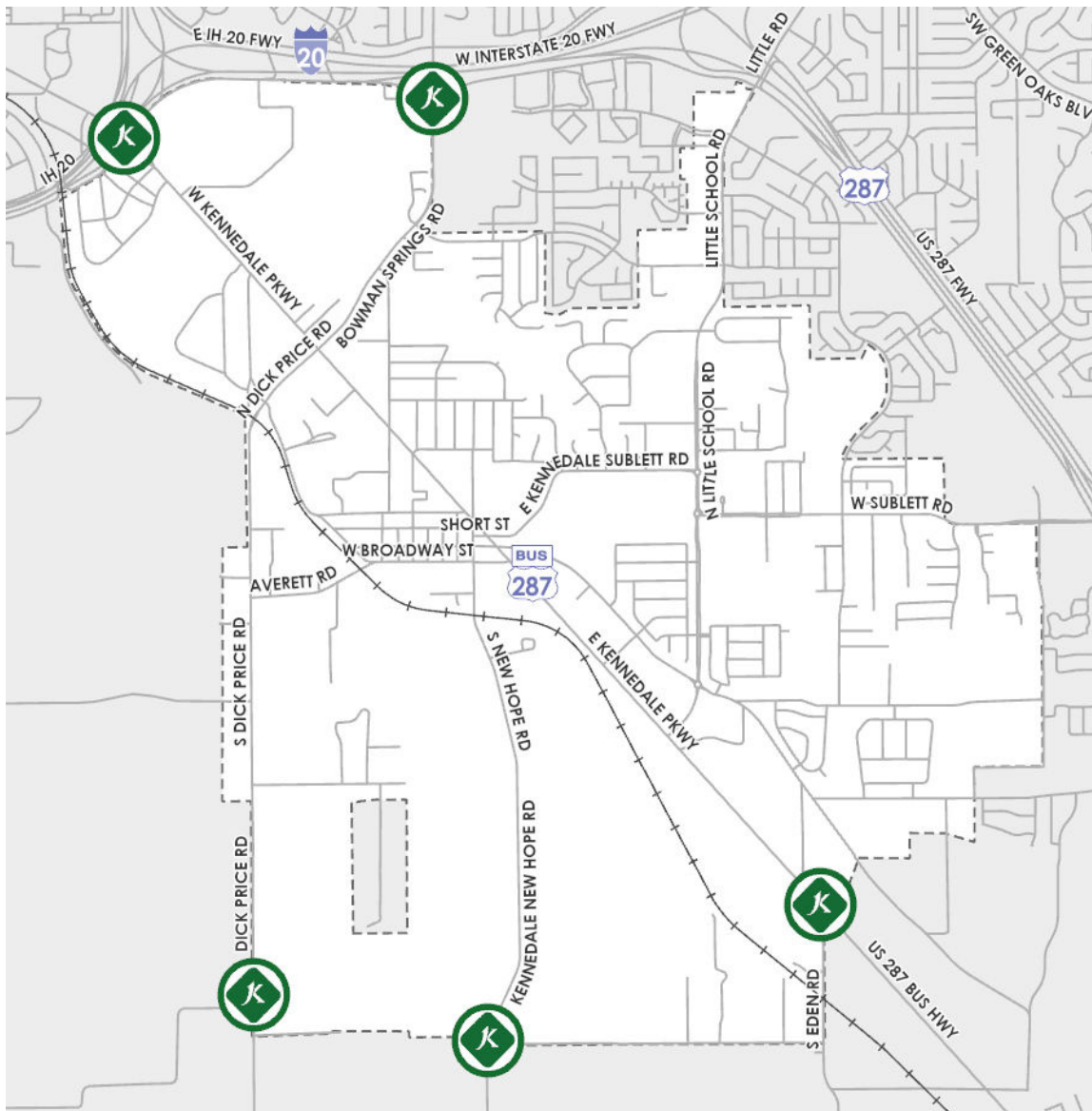
Given that unfamiliar visitors may struggle to locate businesses along highway corridors, enhancing wayfinding becomes particularly crucial. Monument markers and directional signage can highlight Kennedale's offerings and guide traffic toward community destinations. The gateway entrances serve as the city's first impression for pass-through traffic, making them prime locations for showcasing Kennedale's unique identity and attractions. By integrating the brand identifier into these entrances and providing informative signage, Kennedale can capture the interest of potential residents, workers, and visitors while underscoring its significance within the broader regional context.

Strategies

- A** Focus on signage at the key intersections of major arterial roads, such as Bowman Springs Road, Dick Price Road, and New Hope Road.
- B** Place gateway signs at the primary entry points to the city via BUS 287, such as the I-20 exit onto Kennedale Pkwy. Ideally these would be placed near the corners of the roadways but far enough to reduce the likelihood of being hit by errant traffic.
- C** Provide improved wayfinding directions to TownCenter. These signs should provide directional arrows.
- D** Develop a design plan for public lighting, median design, signage, and landscaping along the BUS 287 Corridor that can be implemented in focused areas over time.

Figure 27:

Potential Gateway and Directional Signage Locations



OBJECTIVE 4: Encourage the development of the community as a social center for recreation through marketing of events.

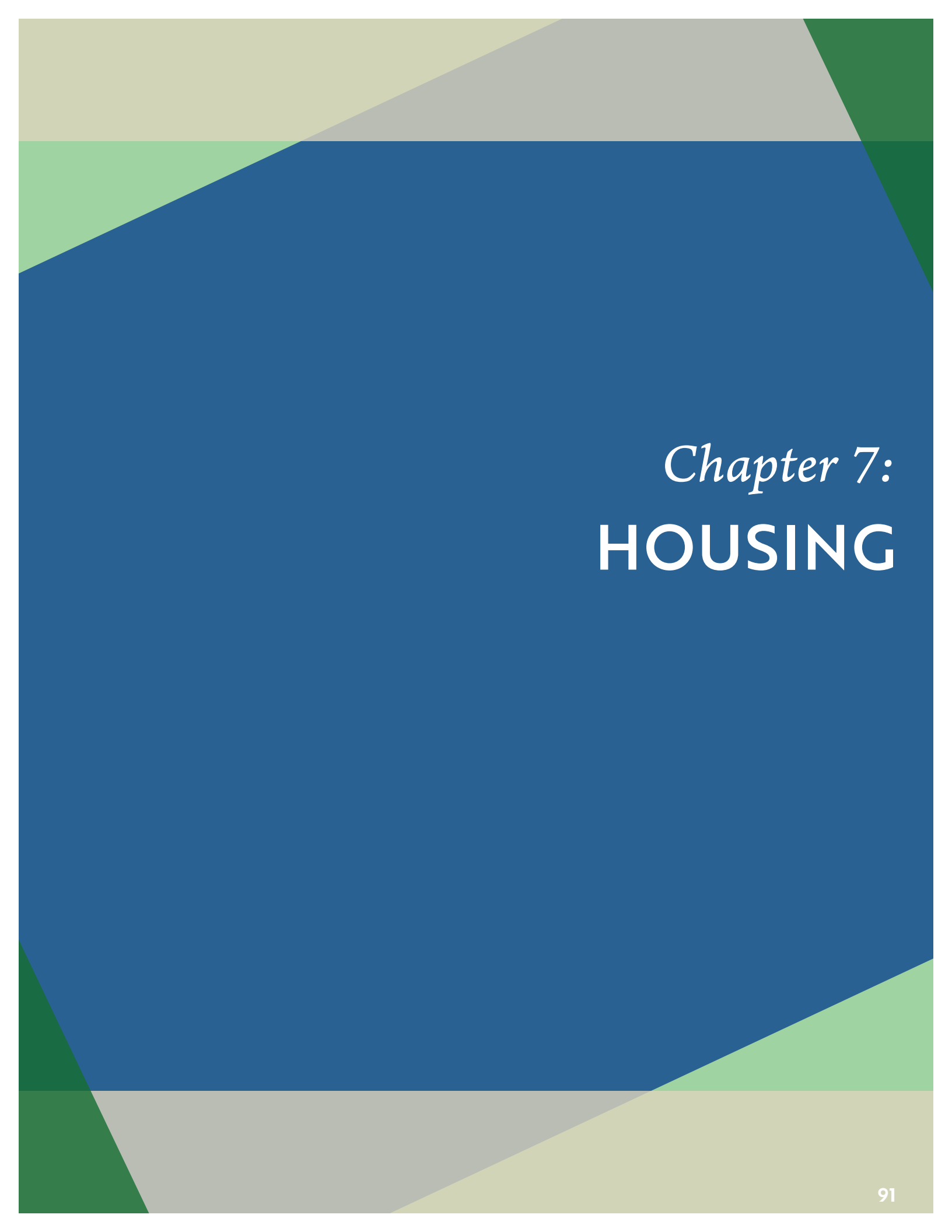
Community feedback underscores the importance of preserving Kennedale's cherished hometown feel even as the city undergoes growth and development. One of the most effective methods to maintain this sense of community is by fostering events and spaces that bring people together. To achieve this objective, a series of strategic initiatives have been identified. First, there will be an exploration into the feasibility of establishing a Parks and Recreation Coordinator position, aimed at bolstering the promotion and leadership of City events while expanding recreational programming within the community. Additionally, the City can rotate the location of seasonal recreational events among its parks and recreational facilities, ensuring a broad spectrum of opportunities for community engagement. Also, potential collaborations and partnerships with local recreational organizations can increase the community's awareness and involvement. Furthermore, as the Bowman Spring Road Corridor evolves into the envisioned lively family-oriented recreational destination, there will be greater opportunities to activate and market the community as a social center for recreation.

Strategies

- A** Explore the feasibility of creating a Parks and Recreation Coordinator position to promote and lead City events, and further recreational programming within the community.
- B** Host seasonal recreational events that rotate between the city's parks and recreational facilities.
- C** Partner with the community's recreational organizations, such as Kennedale Youth, to better promote community events and participation.
- D** Collaborate with the Kennedale Economic Development Corporation (KEDC) to actively engage developers and businesses in the transformation of the Bowman Spring Road Corridor into a vibrant, family-oriented recreational destination hub.

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Chapter 7: **HOUSING**



Kennedale's dominant housing type is single family detached dwellings, and based on upon community feedback, there is a desire for large style lots to continue to be the predominate housing type with the community. However, as shown in the community survey, there remains a desire for a greater variety of housing types, within appropriate locations, to support lifestyles of all ages and income levels. The Future Land Use Map within Chapter 4 identifies potential areas where various housing types may best be situated, and as a part of the Unified Development Code update, the City will further set standards and guidelines, such as lot size and the number of dwelling units per acre. Having a variety of housing types allows for residents to choose the type of home they can both afford and prefer. Housing needs are different throughout different stages of life. Providing all types of housing allows residents to gracefully age in place.

Elements of housing relates to three generalized areas – Affordability, Preservation, and Diversity of housing type:

- Affordability of housing refers to the overall housing costs and ensuring that a range of price options exist in the city. Home valuation in Kennedale has increased significantly with the housing boom of new homes within North Texas.
- Preservation refers to the ability to maintain and retain existing homes and neighborhoods of Kennedale, as well as ensuring the ability of residents to stay in their homes over time. Most of Kennedale's aging housing is within or near the original Old Town.
- Diversity of housing is related to affordability; it also refers to the needs of the household through different stages of life. Younger families have different housing needs than retirement age people wishing to spend less time and resources on maintenance of a structure or on a yard.

A variety of lot sizes results in a mix of housing options. Requiring minimum lot sizes sets the character of the neighborhood by determining the type of development intended for the neighborhood; however, it does not limit homes to being the same size and style. Regulations for new subdivisions should account for the existing character of the area. Policy considerations should be made to ensure that lot sizes are distributed among small, medium, and large estates within each neighborhood.

Kennedale's housing stock also includes older homes predominately within Old Town – some of which have historically lacked property maintenance with overgrown yards and planted materials, storage of debris, and some dilapidated structures, which can contribute to the degradation of the community's appearance and has a strong effect on self-image. For health, safety, and community pride, efforts to improve property maintenance are key to a successful future.



Kennedale's existing single family housing stock includes older and newer homes in a variety of styles.

Neighborhoods are important to the community. Creating strong neighborhoods with connections to the civic life of the city, to schools, and to recreation opportunities is vital to sustaining a healthy environment. The following are some common characteristics of neighborhoods which can enhance development in the city.



Allow a variety of housing types and sizes to accommodate different stages of life within Kennedale. Ensure that all housing types are built to the highest possible quality.



Encourage connected neighborhoods, emphasizing both internal and external connectivity. Neighborhoods should be linked to each other as well as to the community.



Continue to encourage and expand events at TownCenter, block parties, and other neighborhood events to promote social interaction among neighbors and to foster a sense of community.



Create parks to provide outdoor recreational opportunities for both neighborhoods and the community.



Consider minimum residential standards that reduce maintenance and preserve long-term appearance.



Incorporate neighborhood retail centers in those areas identified for local commercial in the Future Land Use Plan, which optimize convenience for adjacent neighborhoods. Encourage walkability and connectivity to adjacent neighborhoods.



In addition to parks and trails, neighborhoods should include open space to preserve some rural aspects of the city.



Delineate different neighborhoods through entrance features and signage.

HOUSING GOAL: Kennedale will have a variety of housing types available to all incomes. All housing will be safe and decent for residents.

OBJECTIVE 1: Promote development of housing types: single family detached units, townhouses, and apartments should be located where appropriate and designed well.

Kennedale predominantly features single family detached housing, yet to foster diversity in age, income, and affordability within the community, a range of housing options is essential. The Existing Land Use Map on page 31 shows where existing single family and multifamily developments are located, while the Future Land Use Plan on page 61 indicates areas suitable for increased housing density, particularly in Transit-Oriented Development (TOD) zones. Encouraging the construction of attached housing, townhouses, and mixed-use developments in locations with access to utilities, transportation, employment, and retail opportunities is pivotal, encompassing medium- to high-density zones or TOD areas. Additionally, integrating various housing types within larger neighborhoods facilitates inclusivity across age groups and income brackets. Furthermore, promoting lot replatting ensures adherence to minimum zoning standards, fostering cohesive city development. As the City updates their Unified Development Code, they should keep in mind these strategies and ensure that zoning is reflective of community desire and needs for housing.

Strategies

- A** Support development of new areas for attached housing, townhouses, and mixed-use housing where there is access to existing or planned utility services, transportation capacity, jobs, and retail. These can be found within medium-density, high-density, or TOD areas.
- B** To the extent possible, allow for a mixture of housing types within larger neighborhoods to support a variety of age groups and income levels.
- C** Promote the replatting of lots to make sure that housing meets minimum lot standards for zoning districts.

OBJECTIVE 2: Maintain and improve the existing housing stock.

As housing ages, maintenance needs increase. Housing and infrastructure improvements within Old Town and older neighborhoods are of particular focus for the City. However, not all property owners can afford to keep up with needed improvements, but assistance can be made available. The City currently offers the HOME Program in Partnership with Tarrant County Development to fund housing repair to Kennedale residents.

Strategies

- A** Expand programs to maintain the existing housing stock such as those offered by Habitat for Humanity and other organizations and agencies.
- B** Use the development review process to evaluate private projects and their contributions to urban design.
- C** Align zoning and future land use allocation to ensure housing is located where it can be served by infrastructure without creating a burden on city services.

OBJECTIVE 3: Develop greater opportunities for senior housing and age-restricted housing.

To enhance the community members' quality of life, it is imperative to establish specialized zoning land use categories and design standards tailored for age-restricted and assisted living developments within medium- and high-density zoning districts. This strategic approach ensures that the built environment caters to the specific needs of seniors and individuals with disabilities, fostering inclusive communities. Moreover, cultivating collaboration with nonprofit organizations is essential in bolstering housing opportunities for these demographic groups, thereby promoting social equity and well-being. By leveraging negotiation within development agreements and implementing planned developments, the City can effectively integrate diverse housing options, facilitating a more dynamic and inclusive urban landscape that caters to the evolving needs of its residents.



Age-restricted communities can help fulfill the desire for seniors who need specific accommodations but want to continue living in Kennedale.

Strategies

- A** Develop zoning land use categories and design standards for age-restricted and assisted living development within medium- and high-density zoning districts.
- B** Support the nonprofit community in creating housing opportunities for seniors and people with disabilities.
- C** Negotiation with developers through development agreements and the creation of planned developments can provide opportunities to include various housing options.

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Chapter 8:
**PARKS, RECREATION,
AND OPEN SPACE**



Community leaders in Kennedale have long acknowledged the importance of parks and recreation. Since the early 2000s, the City has been committed to long-range planning for its Parks System. The city adopted its first Parks, Recreation, and Open Space Plan in 2005. The most recent update in 2016 reflects the City's continued dedication to addressing area and economic growth to ensure the utilization of natural features and seize new opportunities for residents and visitors alike. The 2016-2026 Plan provides the framework for the creation and adoption of parks and green spaces in order to provide necessary amenities for the future. It was designed to be adaptive and build upon other plans as Kennedale's demands and needs change. An example includes the development of a sustainable plan for pathways, amenities, erosion prevention, and natural conservation for the local greenways. The City has worked in partnership with the National Park Service (NPS) and the Master of City and Regional Planning program at the University of Texas at Arlington. The City is still in the process of officially adopting the 2020 Kennedale Greenway Plan.

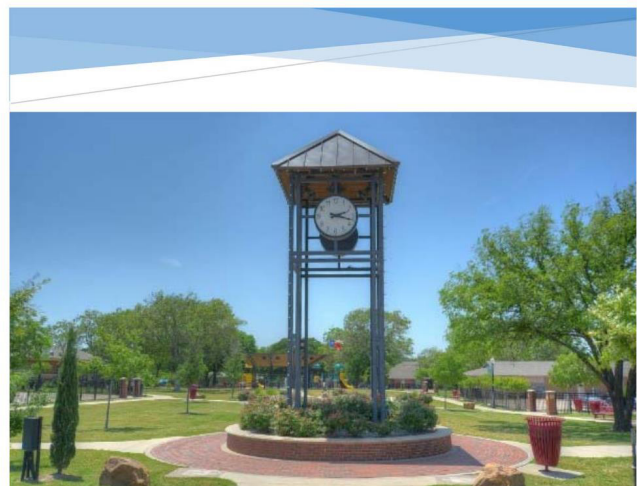
The Comprehensive Plan, in conjunction with the Parks, Recreation, and Open Space Master Plan, can facilitate the orderly development of Kennedale's parks system and guide policy decisions for future recreation amenities and parkland needs. The Parks Master Plan's main purpose was to define the needs and deficiencies in the system; establish goals and priorities for improving it; and work toward realizing the vision. In addition to its primary functions, the Plan also identified changing trends and residents' desires and continues to act as a valuable tool in securing funding opportunities for the City.

City of Kennedale Parks, Recreation, and Open Space Master Plan 2016-2026

Vision: "You're here, your home - a serene environment to engage the sense and build relations - to preserve, conserve, and inspire our community."

Core Principles:

- Protect Kennedale's natural and historic value
- Meet the community's current and future desires and needs for green space
- Better the quality of life for the City's residents and visitors alike
- Provide opportunities for passive and active recreation
- Establish an enhanced sense of community
- Increase accessibility throughout the City
- Promote health and wellness
- Promote recreational and leisure activities along the riparian corridors and floodplain of the Trinity River and its tributaries
- Integrate natural floodplain areas into the green space network
- Promote a sense of safety
- Establish green areas within neighborhoods
- Promote economic growth opportunities



CITY OF KENNEDALE
PARKS, RECREATION, AND OPEN SPACE
MASTER PLAN
2016-2026

In Kennedale, well-maintained public parks, open spaces, and recreation facilities are essential for maintaining the city's status as a regional destination and promoting community health. Strategically placed and equitably distributed parks and recreational facilities offer numerous opportunities for individual and community enrichment. Furthermore, parks and open spaces play a crucial role in conserving environmentally sensitive lands from the negative impacts of new development, while also preserving their recreational and transportation benefits.

These spaces serve as venues for recreation, relaxation, and social interaction within the community. They help define neighborhoods, serve as cultural hubs, and can enhance the economic value of nearby properties when properly designed and maintained. Linear open spaces connect neighborhoods with key city elements such as transit-oriented developments (TOD), schools, downtown areas, and commercial developments, while also acting as effective buffers between incompatible land uses.

Kennedale's Park system includes approximately 104 acres of park and recreational space. The City of Kennedale currently has three existing public recreational sites, including Rodgers Farm Park, TownCenter Park, and Sonora Park. In addition, the City owns Railroad Park which is still under the conceptual design phase. Each of the existing park's features and facilities are summarized on the following pages.

TownCenter Park

TownCenter Park is located between City Hall and the Kennedale Public Library. Parking is available in the TownCenter shopping area, at the library, or behind City Hall. The park has a play area with a swing set, baby swings, a merry-go-round, a multilevel play structure, and bouncy race cars. There is also a pavilion, picnic tables, a grassy area, and a walking path. The walking path is 850 feet, which is about a 1/6 of a mile.

Features & Asset Components

- 9/11 Memorial
- Veterans Memorial & Engraved Bricks
- Benches
- Clock Tower
- Pavilion / Covered Area(s)
- Picnic Tables and Area
- Playground Equipment
- Walking Trail or Path



Rodgers Farm Park

Rodgers Farm Park is a small park in the Rolling Hills Neighborhood that features tree-lined sidewalks and several picnic tables and benches along the quarter-mile walking trail. It also has a half-size basketball court, playground equipment, and a climbing feature.

Features & Asset Components:

- Playground Equipment
- Benches
- Picnic Tables and Area
- Basketball Court
- Concrete Trail
- Monument Plaques
- Sanitation Station



Source: City of Kennedale

Sonora Park

At 22 acres, Sonora Park is the largest and most popular park in Kennedale. It is located just south of TownCenter, and the pavilion overlooking the pond is the perfect place for birthday parties and picnics. There are picnic tables and benches throughout the park, barbecue grills, a bird habitat, wooded areas, grassy hills, waterfowl, a fishing pier, and paved pathways and nature trails. Sonora Park also houses the ballfields, a splash pad, a nine-hole disc golf course, horseshoe pits, and playground equipment. This park also has permanent restroom facilities. The Sonora Park splash pad is typically open May through September.

Features & Asset Components

- Baseball/Softball Fields
- BBQ Grills
- Disc Golf (nine-hole course)
- Pavilion / Covered Area
- Picnic Tables and Area
- Playground Equipment
- Public Restrooms
- Splash Pad



Source: City of Kennedale

Park Classification

The following park classification are used in the 2016-2026 Parks, Recreation, and Open Space Master Plan. A successful and sustainable parks system is made up of many different kinds of parks, which vary greatly in size and in function. It is important to be able to classify and inventory these different parks in order to assess whether community needs are being met. The following descriptions are based on an oft-cited report by the National Recreation and Park Association, “Park, Recreation, Open Space and Greenway Guidelines” (1995).

Mini Park

Mini parks are the smallest of all the types of parks, typically ranging in size from 2,500 square feet to one acre. These parks are located within a ¼ mile walking distance of the area they service and provide limited recreational needs. Due to their small size, they are usually nestled closely into developed areas with little buffering between uses.

Neighborhood Park

Neighborhood parks are the basic unit of the park system. They range in size from approximately 5 to 10 acres and serve a ¼ to ½ mile radius – still a walkable distance. Ideally, all residential areas within the city should fall within one of these radii. Neighborhood parks provide a range of activities of interest to multiple age groups. Although the park size is still somewhat small, the National Recreation and Park Association (NRPA) suggests keeping half of the site undisturbed to act as a buffer zone between the park and other uses.

Community Park

Community parks provide recreation activities for several neighborhoods or sections of the community. The range of facilities may even support tournament competitions as well as passive recreation. These parks usually range in size from approximately 20 to 50 acres and serve a radius of one to two miles. The NRPA suggests that half of the park site be developed for passive recreation, and this area doubles as a buffer mechanism around the park and between active site facilities. These parks should also have a varied topography and vegetation, some cleared spaces for active recreation, and preferably be located near a body of water such as a lake, river, or creek.



As a community park, Sonora Park serves all residents in Kennedale from multiple surrounding neighborhoods.

Regional Park

Regional parks are the largest park classification, ranging in size from approximately 50 to 1,000 acres. They can serve several communities or the entire county and are typically located on land chosen as nature preserves and where there are natural water features. There are therefore diverse land formations and a wide range of activities provided. The NRPA suggests that the majority of the park site be reserved for passive recreation.

Linear Park

Linear parks, or greenways, are areas developed for one or more modes of non-motorized, recreational travel, such as bicycling, walking, and hiking. Also known as greenways, linear parks should be at least 10 to 12 feet wide and may be constructed of paved or a more natural surface. These parks are generally left in a natural state, and usually follow built or natural corridors such as utility rights-of-way, roads, rail corridors, or rivers and streams. Ideally, linear parks should link other components of the park and recreation system, such as other parks, recreation centers, or public gathering spaces.

Greenway Trails

Greenway trails are to be the key feature of the trail network system. By utilizing the floodplain areas of local tributaries, the greenway trail system can act as a safe and scenic way to walk from nearly anywhere in the city to another. A key component of this trail network is to connect with other trail networks in the area, including Arlington's and possibly Fort Worth's. Several types of facility needs have been met, but the city still needs substantial increases in many facility types in order to meet current resident needs.

Park Standards and Needs

The 2016-2026 Parks, Recreation, and Open Space Master Plan included a Park Needs Assessment, comparing Kennedale's current park acreage against demand based on population. The analysis details the proposed standards for the City of Kennedale customized for local conditions, along with current demand (total resident demand) as well as current need (resident demand minus existing parkland or facilities). Per the 2016 Plan, the only park classification that met current demand (based on 2015 population) was community parkland, but all types of parkland would be needed by 2020 as the population grew. Using Kennedale's 2022 population (9,329), Figure 28 confirms this conclusion and presents updated calculations.

Figure 28:

Park Needs Assessment

Park Classification	Existing Acres	Kennedale Standards (acres per 1,000 residents)	Current Demand*	Current Need
Mini	0	0.25	2.3	2.3
Neighborhood	6.73	1.0	9.3	2.6
Community	26.3	3.0	28.0	1.7
Regional	0	3.0	28.0	28.0
Linear	0	3.0	28.0	28.0
Total	33.03	10.25	95.6	62.6

Based on Table 16 (p. 32) in 2016-2026 Parks, Recreation, and Open Space Master Plan.

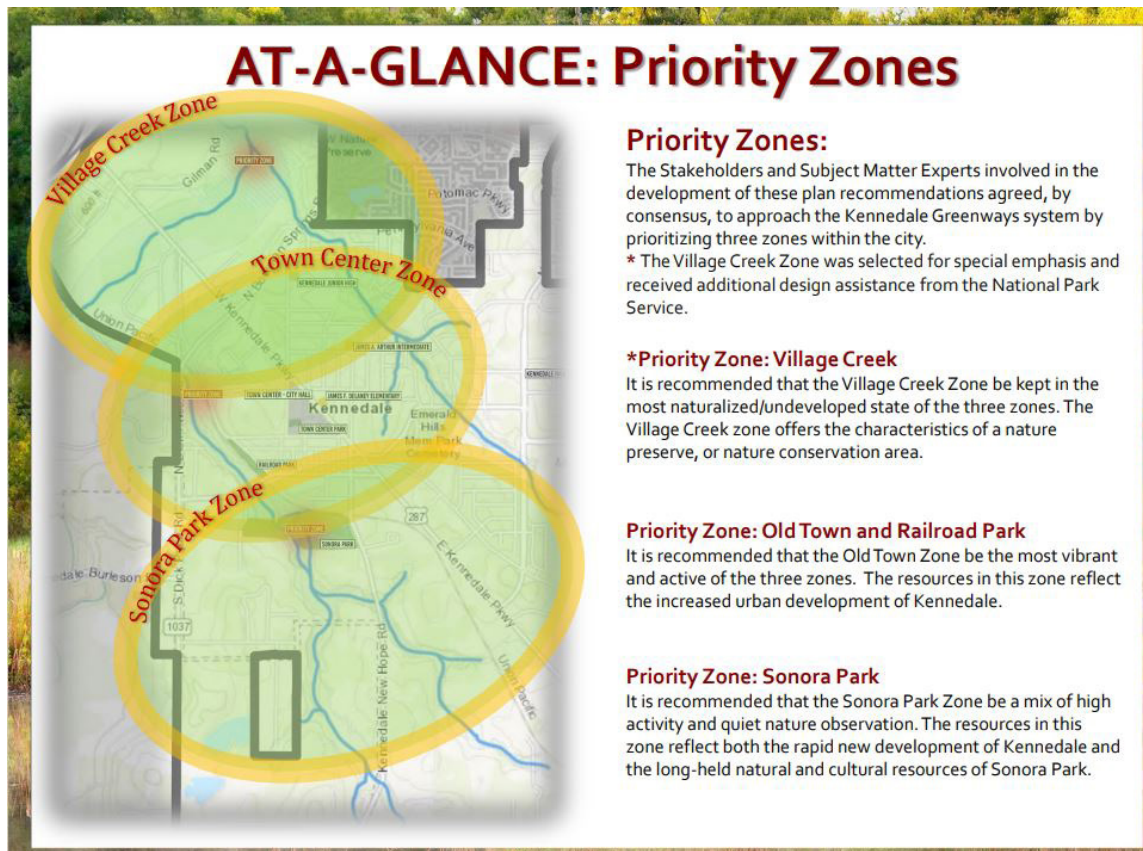
*Updated using 2022 population (9,329).

PARKS, RECREATION, AND OPEN SPACE GOAL: Kennedale will have excellent parks and recreational areas and preserve important natural resources.

OBJECTIVE 1: Assess the community needs and desires for improvement of existing passive and active parks in a tiered park system located throughout the community.

Using the tiered park system will continue to help the city move toward the identified vision, prioritize resources, and provide strategies for enhancements or additions within the parks and recreation system. As a part of growing the city's parks and trail system, the Kennedale Greenway Plan identifies safe connections between the various destinations within the City of Kennedale and at its boundaries with neighboring communities. The greenway project seeks to improve and bring into focus the entire Kennedale creek system including Kennedale Creek, Winding Creek, and Village Creek. Additionally, the plan recommended to approach the Kennedale Greenways system by prioritizing three zones within the city as shown in Figure 29.

Figure 29:
Greenway Priority Zones



Source: Kennedale Greenways Concepts & Recommendations 2020

Strategies

- A** In 2026, update the existing Parks, Recreation & Open Space Master Plan, and apply for a Texas Parks & Wildlife parks grant.
- B** Continue to work with the National Park Service (NPS) and UTA Masters of City and Regional Planning program to implement the Kennedale Greenways Plan.
- C** Parks and open spaces may be located in or adjacent to floodplains, where possible, to aid in floodplain conservation efforts and to enhance recreational opportunities. Such areas may be developed with recreation facilities or set aside as open space to preserve sensitive areas. Use of floodplains should be an amenity to the parks system and be considered as an option, not as the primary source of parkland.
- D** The City should acquire and develop parks in combination with other public facilities to provide the most cost-effective public services. Park property could be developed jointly with new schools, stormwater detention basins, drainage channels, or new city facilities. This strategy should not contradict the spatial distribution objective of parks and recreation facilities to be located throughout the community.

OBJECTIVE 2: Protect the floodplain for property preservation, water and environmental quality, and the inclusion of a trail system.

Preserving floodplains has great value for a community. Limiting development helps to protect lives and property. In addition, the floodplain can act as a filter for water entering creeks, streams, rivers, and lakes. It can also provide a location for passive recreation and trails and paths.

Strategies

- A** Discourage and/or prevent construction of permanent structures in the floodplain or reducing the size of natural floodplain by engineering and construction to help protect lives and property.
 - If construction in existing floodplain is deemed necessary for any project, then measures should be taken to raise the land out of the floodplain and to amend the flood zone map.
- B** Encourage planting of trees and shrubs in the floodplain (but not in floodway) to help improve water quality.



Locating trails within floodplains can provide important recreational opportunities in sensitive natural areas.

OBJECTIVE 3: Influence new development in providing public spaces in addition to private amenity centers.

Currently the City imposes a fee-in-lieu-of parkland dedication; however, the adoption of a new parkland dedication ordinance was recommended with the 2016-2026 Plan and would require developers to dedicate land from a development to be used for parks and park facilities that service the neighborhood and surrounding areas. This is a way to increase parkland for future Kennedale residents without costing current residents money to acquire new lands.

Strategies

- A** Develop multi-use trails to meet high demand for recreation and connectivity in the community.
- B** Develop additional nature areas, picnic/pavilion facilities, a community garden, and a dog park.
- C** Require parkland dedication in new subdivisions to expand access to publicly-owned parkland in more areas of the city..

OBJECTIVE 4: Locate and site an indoor recreation center which serves the greater community and provides programming for a variety of age groups and sports.

A proposed recreation center reflects the community's desire for indoor recreation opportunities and additional family-friendly amenities, as seen in the community survey results. These types of spaces are critical to the community and help provide an affordable and convenient place for people to work toward their health goals. It will also provide additional space for programming and events. In other communities, recreation centers have improved the health of the community while also impacting economic vitality through the increase in property values and creation of new jobs.

The benefits of a recreation center go far beyond improving the health of the community. They provide an additional space for all income levels to learn, de-stress, and organically connect. Following the isolation of the COVID-19 pandemic, there has been a national push for more community recreational spaces. The following summarizes the potential benefits that a recreation center could bring to the Kennedale community:

- In smaller communities, recreation centers often promote a healthy fitness culture and become the hub for community programming.
- They increase educational equality by providing low-cost learning, which is invaluable to all income brackets.
- They provide additional meeting and event spaces in communities with limited civic gathering space.
- They provide amenities for all age groups, particularly supporting the family and youth. Their programming often includes family-oriented programming – for example, child and parent fitness classes, picnics, and festivals. In addition, they can encourage youth engagement, allowing kids and teens to develop lifelong healthy habits.

Strategies

- A** Conduct a feasibility assessment that looks at the economic context and impact of an indoor recreation center.
- B** Assess the space requirements for the indoor recreation center, considering the types of sports and activities to be accommodated.
- C** Choose a central location that is easily accessible to a diverse range of residents while considering proximity to public transportation, major roads, and residential areas to maximize accessibility.
- D** Gather input on preferred activities, operating hours, and facility features to ensure community buy-in.

OBJECTIVE 5: Increase the number and quality of organized sports fields.

Based on feedback heard at the public meeting and through the community survey, there is a need and desire to improve existing sports fields, such as the ballfields on the west side of Sonora Park, along with developing additional fields to accommodate the growing demand. The City can begin this effort by assessing current demand through engagement with local stakeholders such as sports organizations, schools, and community groups to discern the specific needs and preferences for various sports activities. Strengthening connections with these stakeholders and other community leaders can facilitate collaboration on crucial aspects like land acquisition, funding, and ongoing maintenance efforts. Furthermore, considering the expansion or upgrade of existing recreational infrastructure can maximize resource utilization. Additionally, introducing multi-use fields would also optimize field capacity to accommodate diverse sporting activities. These incentives will aid in fostering athletic development and community engagement for Kennedale's youth along with the overall community.

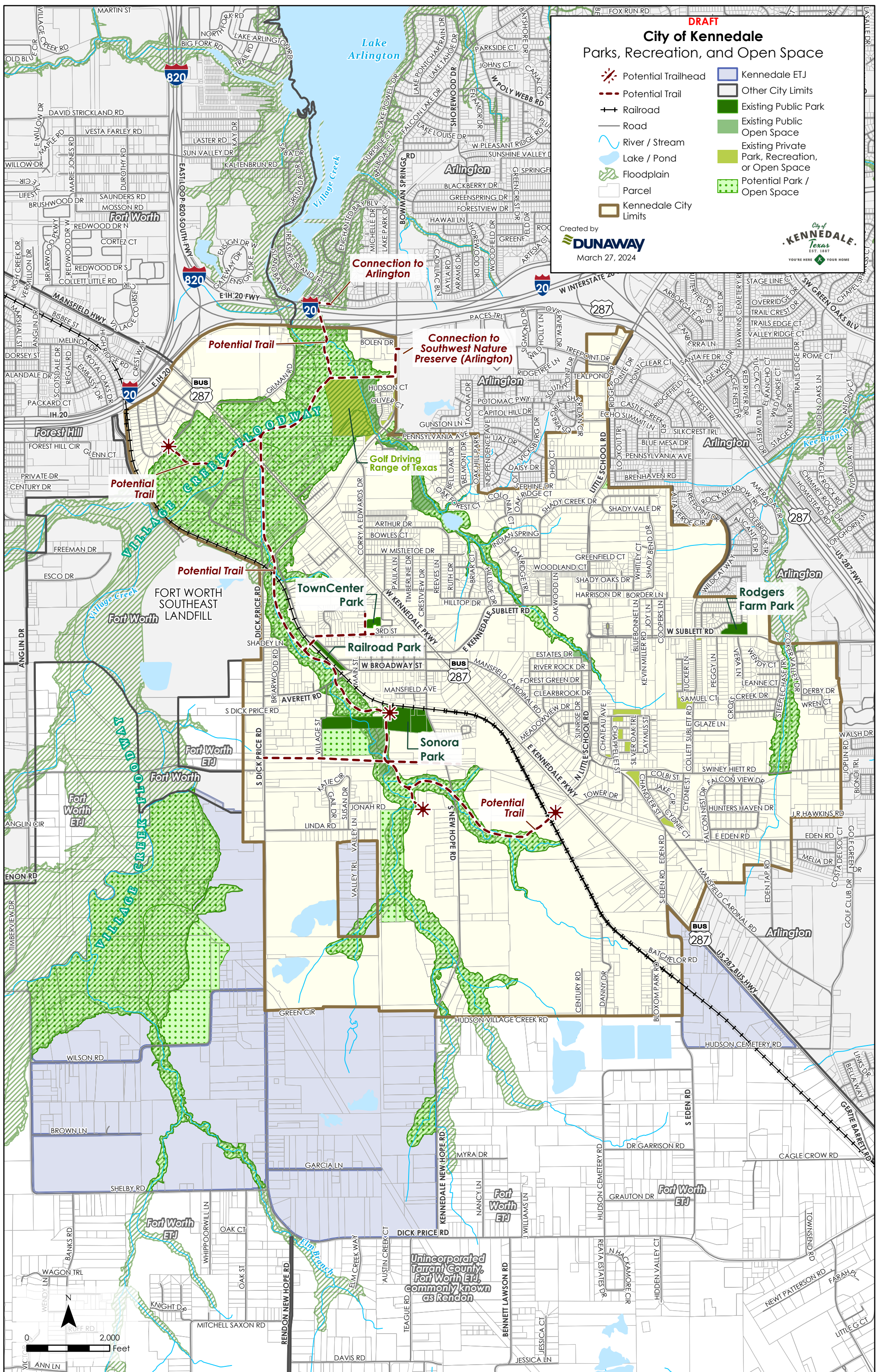


Baseball fields and other sports fields can be developed in conjunction with other public facilities, such as schools.

Strategies

- A** Assess the current demand for organized sports fields by working with local sports organizations, schools, and community groups and identify the types of sports in high demand and the specific requirements for each.
- B** Partner with the Kennedale ISD, sports organizations, and community leaders to collaborate on land acquisition, funding, and ongoing maintenance efforts.
- C** Identify available land or consider areas with existing recreational infrastructure that can be expanded or upgraded.
- D** Consider implementing multi-use fields that can accommodate various sports.
- E** Develop and enforce quality standards for sports field construction and maintenance to ensure longevity and safety.

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Chapter 9:
**UTILITIES,
INFRASTRUCTURE, AND
CITY SERVICES**



Kennedale Water Tower with City logo
Source: Kennedale Area Chamber of Commerce

City government exists to ensure that the needs of residents, property owners, businesses, and visitors are adequately addressed. These needs include public safety, streets, water and sewer facilities, libraries, and other services. The City of Kennedale has invested millions of dollars over the years to provide the highest quality services and facilities to its residents. This chapter on community facilities covers provision of water, wastewater treatment, stormwater management, solid waste management, libraries, and other services and facilities owned and managed by the City of Kennedale and their partners. These facilities and activities contribute in a large part to the quality of life for all residents, businesses, and visitors to Kennedale.

As Kennedale continues to evolve, strategic planning and collaborative partnerships with groups such as the City of Arlington, Tarrant Regional Water District (TRWD), and other regional municipalities and organizations will be critical to ensuring that the city's infrastructure evolves in tandem with new developments. Prioritizing investments in existing infrastructure, updating policies, and fostering collaborative relationships will also be essential steps for the City in the coming years. Kennedale aims to sustainably meet the needs of its growing population and economy by providing reliable infrastructure, utilities, and services that span across the city.

Prior Planning Efforts

Since the last update to the Comprehensive Plan in 2012, the City has made strides in ensuring that as Kennedale continues to grow, its valuable resources and level of service are maintained. Through various partnerships and plans, the City has worked to assess potential growth impacts and capacity maintenance in regard to utilities. The City of Kennedale is dedicated to meeting the diverse needs of its residents, property owners, businesses, and visitors by providing essential services and top-tier amenities. The City's commitment to comprehensive management is well documented within the five governance documents listed and summarized below.

Asset Management Plan (AMP)

The City of Kennedale's 2014 Asset Management Plan (AMP) was created through a partnership with Public Sector Digest and the University of Texas at Arlington School of Urban and Public Affairs. The purpose of an Asset Management Plan (AMP) is to better manage city facilities and equipment by defining a community's individual infrastructure needs and developing meaningful, intelligent strategies to meet them. This information shapes the annual budgeting process by defining current needs and anticipating repairs, acquisitions, and improvements that will be necessary in the coming years. Over the years, Kennedale has utilized the AMP to access available infrastructure data to develop financial strategies throughout the life cycle of the city's infrastructure. Secondly, the AMP has allowed the Public Works Department to make data-backed decisions to optimize available funding. The implementation of the AMP has involved increased communication and collaboration across departments, which has aided in important assets continuing to function at their established levels of service without significant interruptions.

NOTE: All of the plans mentioned here and on page 116 have been adopted since the 2012 Comprehensive Plan. However, it is important to note that some plans may need to be updated in the coming years, depending on when the plan was adopted and other factors. For instance, the continued relevance of information in some plans, such as the 2013 Water and Wastewater Master Plan, have also been impacted by the adoption of interlocal agreements with the City of Arlington.

Drought Contingency and Emergency Water Management Plan

The City of Kennedale adopted this plan in 2019 based upon local and regional water supply concerns. The plan was developed in accordance with Texas Commission on Environmental Quality (TCEQ) rules and requirements. TCEQ defines a drought contingency plan as “a strategy or combination of strategies for temporary supply and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies.” The primary purposes of the plan include:

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

Water and Wastewater Master Plan

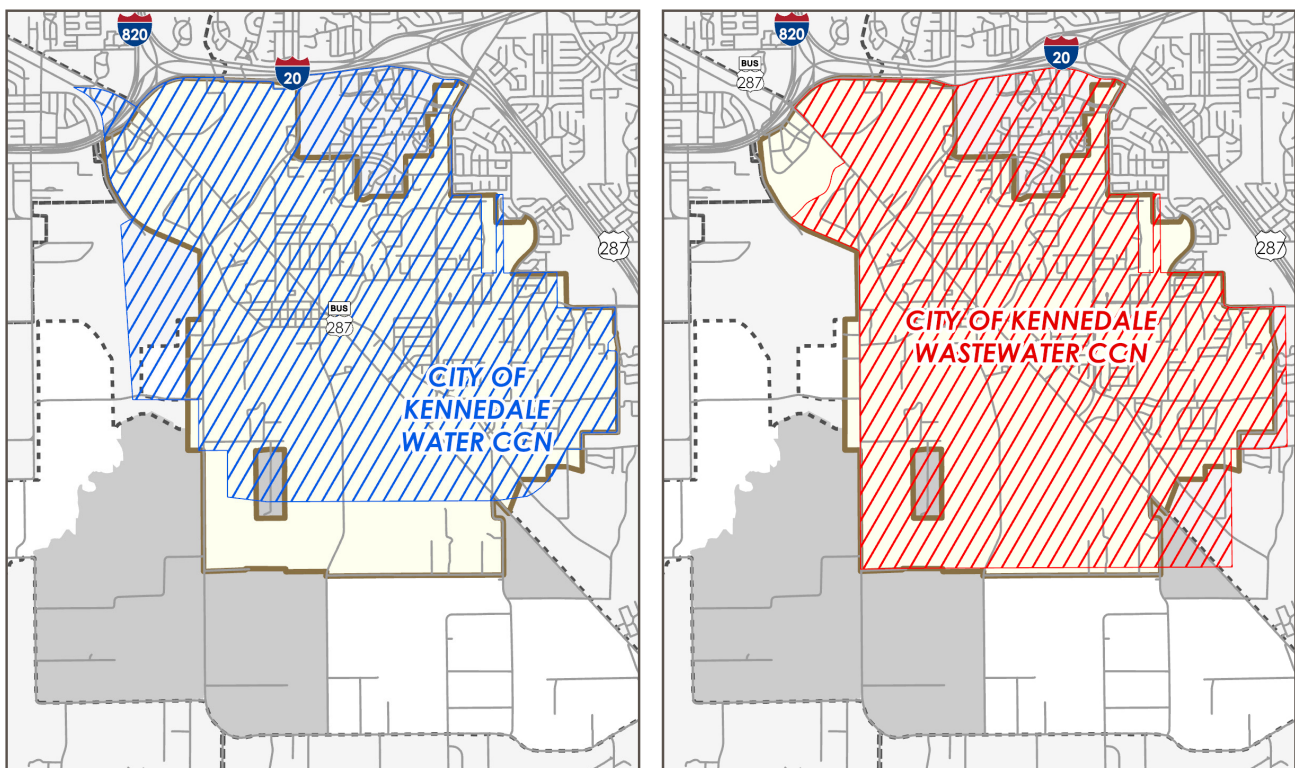
The City of Kennedale adopted a Water and Wastewater Master Plan in 2013. Since that time, the City has entered into an interlocal agreement with the City of Arlington to operate and maintain Kennedale’s water and wastewater system. Some of the information within this plan was impacted by the interlocal agreement. However, the plan still remains relevant in regards to meeting Kennedale’s water and wastewater service needs as a result of the projected population growth.

Water Conservation Plan

In 2020, the City of Kennedale adopted a Water Conservation Plan. One of the key directives of a municipality is to manage the available water resources so that sufficient water will be available for current and future generations. Increasing population and periodic droughts highlight the importance of the efficient use of water supplies. The City consulted TCEQ guidelines and reviewed numerous water conservation programs to ensure that the

Figure 30:

Kennedale Utility CCN Boundaries



plan is consistent with others in the North Texas area. The Texas Water Development Board (TWDB) template, guidelines, and best management practices (BMP) were all utilized in the creation of the plan. Objectives of the Water Conservation Plan are outlined below:

- Reduce water consumption from the levels that would prevail without conservation efforts
- Reduce the loss and waste of water
- Improve efficiency in the use of water
- Encourage efficient outdoor water use
- Extend the life of current water supplies by reducing the rate of growth in demand

Water and Wastewater

Since April 2019, Arlington Water Utilities has been operating and maintaining the City of Kennedale's water distribution and sanitary sewer collection system. This regional collaboration began with a recommendation in 2017 by the Utility & Infrastructure Board and City Staff for City Council to approve two contracts, the Water Purchase Agreement and the Operations and Maintenance Agreement. These contracts initiated the purchase of water from the City of Arlington as well as Arlington's taking responsibility for the operations and maintenance of the Kennedale water and wastewater utility systems. As a part of the Water Purchase Agreement, a connection between the two systems has been established. In addition, Arlington Water Utilities provides utility billing and customer service to all Kennedale customers. As a part of the Operations and Maintenance Agreement, Arlington is responsible for routine repairs, monitoring, and operations of the water and sewer system, including water wells owned by the City of Kennedale.

UTILITIES, INFRASTRUCTURE, AND CITY SERVICES
GOAL: Kennedale will have high quality infrastructure and service provision to support residents, businesses, and institutions in the city.

OBJECTIVE 1: Through Capital Improvement Project (CIP) planning, provide sufficient quantity and quality of water for the existing community and to promote new development and growth.

Strategic planning and information gathered utilizing the AMP will inform potential CIP projects. Future growth and usage should be calculated and utilized to develop a cost estimate for a 10- to 20-year Capital Improvement Plan that would allow the City to properly maintain its existing infrastructure and plan for the future in a cost-effective, efficient, and timely manner.

As Kennedale continues to grow, it will be important for the City to stay tuned-in on current Certificate of Convenience and Necessity (CCN) boundaries. A CCN grants the CCN owner (usually a municipality or special district) the exclusive right to provide retail water or sewer utility service to a specific geographic service area. Service area boundaries often follow features such as roads, rivers, streams, and political boundaries. Currently, most of the city limits and a small portion of the ETJ fall within the City of Kennedale's bounded service areas.

Strategies

- A** Examine all long-range agreements, such as the interlocal agreement with the City of Arlington, for the procurement of water. Make sure the quantity is scalable to meet future demand by new development growth.
- B** Utilize capital improvement programming to indicate appropriate new water system updates in partnership with Arlington for the promotion of new growth and land development.
- C** In partnership with Arlington, maintain active participation with the development of properties within and adjacent to the City's water CCN boundaries to anticipate new growth and negotiate development agreements, potential system tie-in, and construction of new mains.

OBJECTIVE 2: Through Capital Improvement Project (CIP) planning, provide wastewater collection and treatment to meet all state and federal standards.

As Kennedale's outer areas continue to develop, the service provider will depend on the location of the property and which CCN applies to that area. Therefore, as much as allowed, it may be necessary for the City to incentivize or control the location of future development since the State of Texas has begun to limit municipalities' abilities to expand their CCN boundaries.

Strategies

- A** Utilize capital improvement programming to indicate appropriate new wastewater system updates in partnership with Arlington for the promotion of new growth and land development.
- B** In partnership with Arlington, maintain active participation with the development of properties within and adjacent to the City's wastewater CCN boundaries to anticipate new growth and negotiate development agreements, potential system tie-in, and construction of new mains.

OBJECTIVE 3: Provide for stormwater management that prevents flooding and siltation of creeks and streams and meets all state and federal regulations.



Stormwater infrastructure on a residential street.

A Stormwater Management Plan is essential for safeguarding lives and properties from local and regional flood threats. FEMA continually updates floodplain data within Kennedale and Tarrant County, providing baseline riverine conditions crucial for crafting the plan. The Stormwater Management Plan typically involves assessing current drainage assets, analyzing their effectiveness, and proposing improvements. The plan could be city-wide, per drainage basin, or for particular areas.

Strategy

- A** Develop a stormwater management plan to ensure that flooding does not occur in the city.

OBJECTIVE 4: Continue to provide solid waste and recycling disposal service in the city.



Residential trash containers on pickup day.

The City of Kennedale currently contracts with Waste Connections to provide and manage trash and recycling services. Trash collection occurs twice a week, while recycling is collected only once. To reduce the cost for Kennedale residents disposing larger or numerous items and hazardous household waste, the City partners with the City of Fort Worth to allow one free landfill visit per year, along with a reduced cost for Kennedale residents for drop-offs at the Tarrant County Environmental Collection Center. Kennedale residents must show proof of residence (valid driver's license or current water bill) to utilize these services.

Strategies

- A** Monitor the needs of the community for solid waste disposal options and act in a timely fashion to meet these needs.
- B** Promote mulching and composting of green wastes, such as leaves, tree limbs, grass clippings, brush, etc., as part of the recycling and waste minimization efforts.

OBJECTIVE 5: Continue to provide police services and programs to create a safe environment for all citizens in Kennedale.

The Kennedale Police Department is officially recognized by the Texas Police Chiefs Association and is committed to providing for the safety residents in all law enforcement capacities. Crime prevention and the well-being of residents are the Department's top priorities. The Department is tasked with the following operations and/or the overseeing of:

- Animal Control
- Crime prevention
- Investigative support
- Municipal Jail
- Ensuring safety of Kennedale residents
- Police and Fire dispatch
- School Resource Officer (SRO) services



Source: City of Kennedale

The Police Department is dedicated to creating a high quality of life for all citizens, business owners, and visitors and strives for service delivery that meets or exceeds the criteria of the mission statement and core values detailed below.

Mission Statement

The Kennedale Police Department believes in community-oriented policing focusing on building TRUST, INTEGRITY, and PURPOSE with the intent to positively enhance the quality of life for our citizens, business owners, and visitors. Partnerships with our stakeholders will shape the priorities of our police agency.

Core Values

- We will treat everyone with dignity and respect
- We will be professional and progressive with a commitment to excellence
- We will be personally accountable for our actions at all times
- We will be role models for the community that we serve

Strategies

- A** Develop and maximize the use of human resources through effective management and training. These human resources include police personnel, other governmental agencies, the private sector, and the citizens of Kennedale.
- B** Evaluate the need for additional personnel and implement procedures to select only the most qualified personnel.
- C** Update and advance technology to meet increasing challenges and legal requirements.
- D** Monitor pay for police officers and adjust as needed to attract well-qualified personnel.

OBJECTIVE 6: Continue to provide professional Fire Department services.



Source: City of Kennedale

The Kennedale Fire Department is devoted to providing the highest quality fire rescue and emergency medical response, with an average response time of four minutes or less. The Department values and supports a strong fire, rescue, and emergency medical service (EMS) mutual-aid partnership with Mansfield, Arlington, Fort Worth, and all suburban cities in South Tarrant County. The Fire Department duties and responsibilities include:

- Emergency Medical Response
- Fire Emergencies
- Regional Hazardous Materials Response Team
- Emergency Notification System Administration
- Swift Water Rescue
- Motor Vehicle Crash Rescues

Mission Statement

Our fire department's mission is protecting the life and property of the citizens of Kennedale through public education, fire prevention code enforcement, and the response of highly trained professional emergency response personnel.

Vision

To be a progressive, innovative, and dynamic organization committed to excellence in delivering all its services.

Core Values

Professionalism, Respect, Integrity, Dedication, Excellence



Source: City of Kennedale

Strategies

- A** Assure relationships that ensure adequate fire protection facilities, equipment, and water pressure to respond to and fight a fire in any part of the community in a timely and efficient fashion.
- B** Monitor the need for additional personnel, equipment, and facilities to provide a timely response in all areas as the community increases in land area and population.
- C** Continue to upgrade the emergency medical services so as to provide the highest level of service possible to the residents of Kennedale and Tarrant County.
- D** Focus on education of the public in areas of fire prevention and accident prevention.

OBJECTIVE 7: Explore ways to provide additional library services to residents.

The Kennedale Public Library lies within the hub of TownCenter and provides the public access to numerous books, magazines, audiobooks, newspapers, DVDs, etc. Additionally, the library allows the community access to computers with internet and other common programs. The library provides a quiet space for the community to come and take advantage of databases and online resources with information on various topics and digital tools for learning new skills, workforce development, and college and adult education. Through its programming, the library provides opportunities for socializing and learning for community members of all ages with events such as Storytime, LEGO club, Babygarten, STEM Club, and Healthy Carbohydrates.



Source: City of Kennedale

Mission Statement

The Kennedale Public Library serves as a thriving community center that provides access to information and resources to educate, empower, enrich, and welcome our community.

Vision

The Kennedale Public Library connects the community with library services for personal enjoyment, growth, and enrichment through:

- diverse resources in multiple and accessible formats,
- innovative programs and technology that increase knowledge, awareness, and quality of life for all members of the community,
- support for local educational programs and self-directed, lifelong learning opportunities,
- community gathering spaces,
- and the preservation of local history.

Goals

- Provide superior customer service to all library users.
- Be the first choice for information needs.
- Anticipate and meet changing community needs.
- Guarantee equitable access to Library resources and services.
- Be a strong and effective partner in the community.

Strategies

- A** Consider expanding library programs and facility as the community continues to grow.
- B** Continue to explore growing the library's online resources and digital material.

OBJECTIVE 8: Explore ways to provide additional broadband fiber optic services to the community.

In today's digital world, high-speed fiber internet is now considered an essential part of infrastructure, for both the public and private sectors. Lack of internet is seen as a barrier to economic competitiveness and being able to fully participate in modern life. It has become popular to use private public partnerships to bring in technology, such as fiber infrastructure, which is often too expensive for local governments alone. Having high-speed fiber internet is crucial for economic growth, and investment in its expansion is beneficial to both the public and private sectors. Investment in fiber infrastructure benefits the community in multiple ways including job creation and tax revenues.

Strategies

- A** Identify areas that lack broadband fiber and pursue partnerships with developers and service providers to make needed upgrades to increase capacity.
- B** Coordinate amongst City departments to obtain the necessary regulatory documentation needed to construct new fiber or broadband infrastructure including franchises for fiber/ broadband providers, fiber optic right-of-way agreements, and land lease agreements.
- C** To encourage new fiber network investments, Kennedale should maximize new internet infrastructure by encouraging multiple fiber or broadband internet operators to be located on new infrastructure. The City should investigate what assets it may maintain that could increase the location of fiber deployment.

OBJECTIVE 9: Continue to provide City administrative services from City Hall.

Kennedale City Hall is located at 405 Municipal Drive within the heart of the community in TownCenter and is surrounded by other municipal buildings such as the Library, Senior Citizens Center, and Police Department. City Hall houses the majority of the City's departments and also includes sub facilities including conference rooms, Council/Court Chambers, and a jury room.



Source: City of Kennedale

Strategies

- A** Conduct a facilities demand study based on future human resource budget for operational office space needs.
- B** Keep the City Hall building in a good state of repair so that it continues to be an asset and an example of good stewardship for the community.

OBJECTIVE 10: Practice good stewardship of all City-owned properties.

The city owns several properties used for city functions and by the community. In order to provide for future use, maintenance is key. As new buildings and facilities are constructed some of the properties may become vacant or have no programmed use. Maintaining a bank of properties may be important to prevent the need to purchase new properties in the future.

Strategies

- A** Assure that City-owned property is adequately maintained and landscaped.
- B** Dispose of public property which has no foreseeable use or which other types of development could better utilize.

OBJECTIVE 11: Evaluate the feasibility of adopting a FEMA-approved local hazard mitigation plan that would make the City eligible for funding through the Texas Division of Emergency Management (TDEM) and other regional, state, and federal grants.

The occurrence of dangers and natural disasters are impossible to prevent, and often difficult to predict. They can cause destruction, monetary loss, and emotional distress to all those involved. The City of Kennedale can provide safety and reassurance to the community by executing strategic preventative measures and by having an established local plan for mitigating potential hazards and risks. Effective risk management is imperative for minimizing the impact of disasters and maximizing community resiliency. Risk factors change constantly and can create vulnerability to growing communities, so it is imperative to continually monitor and improve emergency response programs, facilities, staffing, and protocol.

The Hazard Mitigation Section of TDEM supports Texas communities as they reduce their risk and increase their resilience. The Section provides a comprehensive program to support local jurisdictions as they assess the risks they face, plan to mitigate them, and fund those plans to implement mitigation projects that reduce risk across the state. As Kennedale evaluates and undergoes the process of drafting their Mitigation Plan, TDEM can serve as a resource by reviewing the local documents and providing feedback to help ensure that the plans are ultimately approved by FEMA. A FEMA-approved Local Hazard Mitigation Plan is a requirement for eligibility under FEMA grants, including the Hazard Mitigation Grant Program (HMGP) and the Building Resilient Infrastructure and Communities (BRIC) grants program. (See Figure 31 for an overview of the HMGP grant process.) In addition, the City may be eligible for CDBG-MIT funds administered by the Department of Housing and Urban Development (HUD) and implemented through the Texas General Land Office. The Local Hazard Mitigation Plans Program (LHMPP) assists eligible entities through providing grants to develop or update local hazard mitigation plans, or to provide cost share for hazard mitigation planning activities funded through other federal sources.

The hazard mitigation plan can be developed in partnership with local organizations such as NCTCOG in coordination with City staff, and Tarrant County. The purpose of a local hazard mitigation Plan is to identify natural hazards that threaten life, property, and the economy, while proposing actions to mitigate these hazards. The City can enhance its safety and mitigation protocol by understanding concepts from the plan and implement mitigation action items prioritized based on the potential risks found during the planning process. Addressing high priority items can ensure the City is prepared and protected for high-risk hazards and the community is safe from potential threats and disasters.

Figure 31:

Hazard Mitigation Grant Program Funding Process

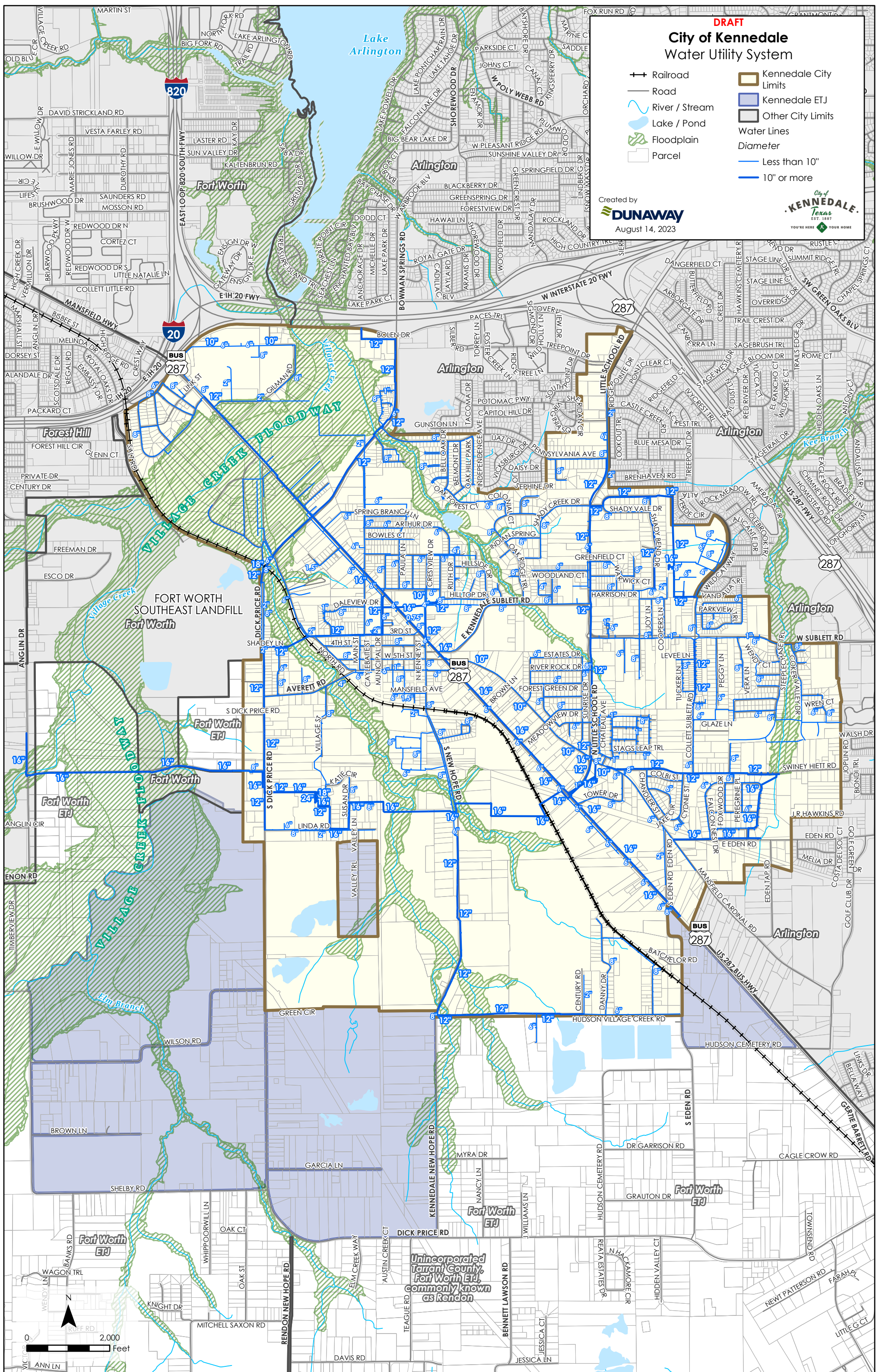


Source: Texas Division of Emergency Management

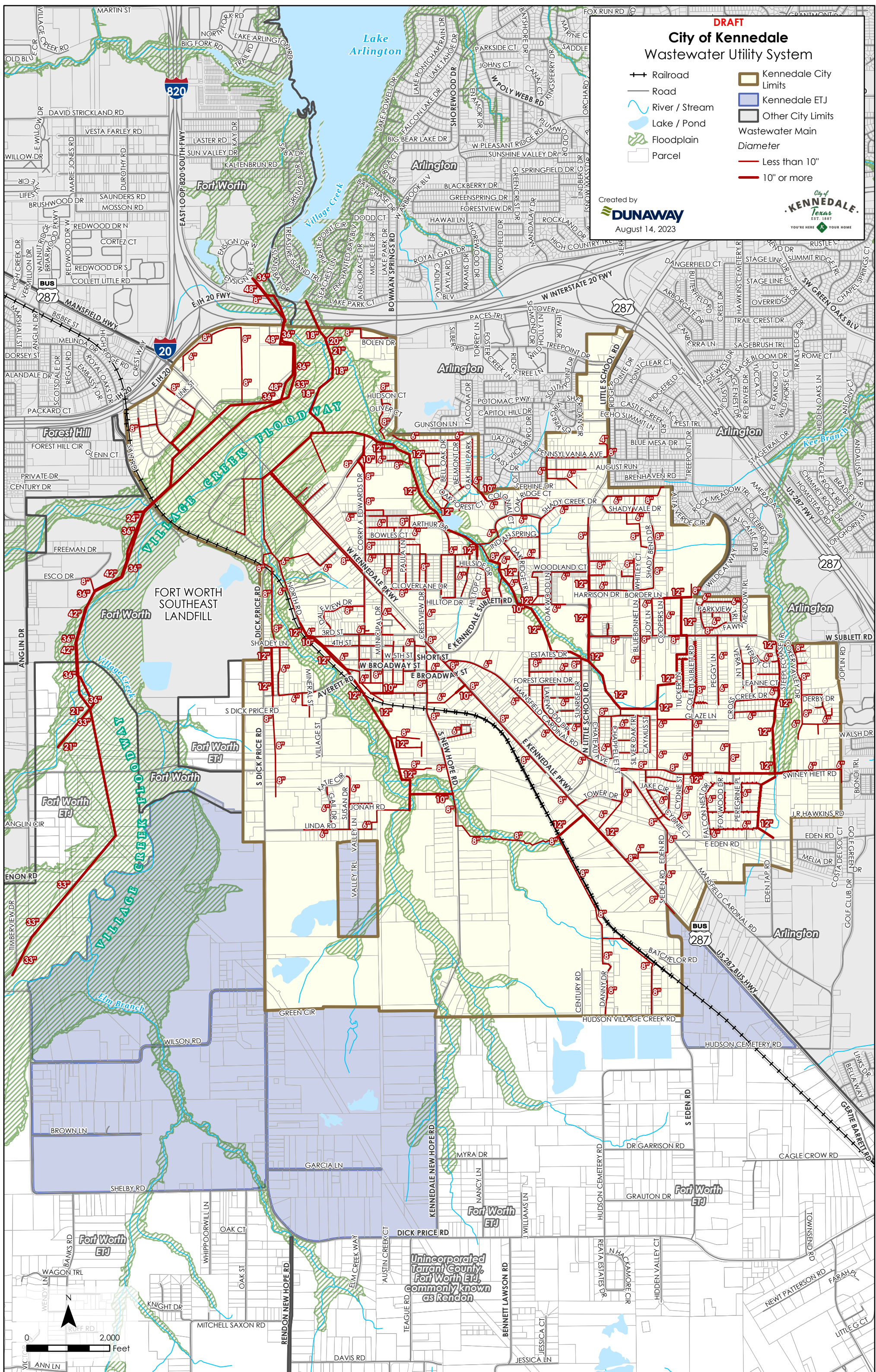
Strategies

- A** Work with the North Central Texas Council of Governments (NCTCOG), City staff, and Tarrant County to evaluate the feasibility of and recommended steps to developing a local hazard mitigation plan.
- B** Ensure that the City meets the eligibility criteria for the Local Hazard Mitigation Plans Program (LHMPP) and began the application process.
- C** Partner with the Texas Division of Emergency Management (TDEM) Regional Section Chief to request training and resources available through TDEM to support the City in its development of a high-quality local hazard mitigation plan.

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Chapter 10:
**IMPLEMENTATION
SUMMARY**



Art in the Park Festival, 2013
Source: City of Kennedale

The Kennedale Comprehensive Plan provides information about the city and a list of goals, objectives, and strategies to achieve its vision. Creating a plan can provide for the protection of private property and ensures future development occurs in a coordinated and organized manner consistent with the Plan. Based on this Plan, decisions will be made that will influence many aspects of the city's built and social environments. The Plan can provide a very important tool for City staff to communicate with property owners and new development in the community.

Implementation of plans and policies takes place in many ways. Voluntary measures, staffing, capital improvements, regulations, consistent application of policy, and overall budgetary support represent the ways most localities implement their plans. The strategies in each chapter of the Plan are recommendations which utilize different tools available to Texas cities. Each tool is described in more detail below.

Voluntary Measures

The largest role in implementation occurs by residents and property owners. They make conscious decisions related to where they live, what programs they financially support, which businesses they frequent, and what changes they make to land they own or on which they reside. They can develop habits such as recycling, water conservation, carpooling, and lower energy consumption that will ultimately have an effect on landfill costs and the environment. When residents support local businesses, local dollars go back into Kennedale's economy.

Land developers also play a part in the implementation of the City's Comprehensive Plan. For example, when developers adhere to best management practices for water quality, they help the environment. When developers make conscious decisions to respond to recommendations and requests by staff and property owners, they help to implement the Plan.

Through partnering with the City on several levels, various area organizations also help to implement the Comprehensive Plan. Through these partnerships, both parties complete work that helps to further individual goals. For instance, the City can partner with a local housing nonprofit on a new multifamily development by providing a portion of necessary funding, assisting with grant applications, or helping with placement of qualified residents. By working together, a considerable amount of work is lessened by shared responsibility and participation.

Regulatory Measures (Unified Development Code)

Implementation sometimes requires more than voluntary action and regulatory measures must be taken. Many of these regulatory measures have been in place for decades, such as state and local building codes and floodplain protection. Two key sets of measures are zoning and subdivision regulations, both found in Kennedale's Unified Development Code (UDC). The UDC is a comprehensive ordinance that is used as the primary guide for development and incorporates procedures, standards, and regulations for zoning, land use, review, and subdivision design and development.

Zoning Regulations

The use of zoning within the UDC is an implementation tool used to ensure that activities in a community are properly located in relation to each other. Zoning also attempts to provide for residential density where houses and residents can be adequately served by roads, schools, and utilities. The UDC places other controls on development to protect the health, safety, and general welfare of city residents. Zoning is intended to ensure light, air, and compatibility of uses and to provide regulations for land use, building use, building heights, and setbacks. It ensures safety and uniformity of site development. Zoning use and development regulations only apply to properties within the city limits. Future decisions about zoning changes to the UDC should be compatible with

the vision and goals of this Comprehensive Plan. However, a comprehensive plan does not constitute zoning regulations or establish zoning district boundaries. Zoning districts do not have to be identical to what is shown in the future land use map for a particular area.

Subdivision Regulations

Subdivision regulations within the UDC set the parameters for physical development, such as the creation of lots and blocks and dedication of public street right-of-way. Subdividing is the process of splitting a parcel of land into two or more parcels. This process is regulated to make sure the pattern of development recommended in the Comprehensive Plan actually occurs. During the subdivision process, streets and blocks are surveyed and designed to adequately support expected uses and forms of development. Lot size is largely determined by zoning, but the shape, location, ability to be served by utilities, drainage improvements such as storm sewers, and construction of sidewalks occur through application of subdivision regulations layout in the UDC. It is through the subdivision regulations that these infrastructure improvements are required to be constructed by a developer and dedicated to the City for public use and maintenance. It can also incorporate park dedication policies.



Subdivision regulations help ensure new developments have adequate infrastructure, such as sidewalks, to support expected uses.

As mentioned above, other measures include floodplain protection and building codes. State stormwater regulations, TxDOT road requirements, and other engineering requirements ensure safe and orderly development. Subdivision regulations apply to all properties within the Kennedale city limits and may be applied to the ETJ.

Consistent Application of Policies

Consistent application of City policies protects the integrity of the Comprehensive Plan. The Comprehensive Plan is like a muscle in the body – the more it is exercised, the stronger it becomes. Regular use of the Comprehensive Plan in decision making provides the City Council with strong legal backing. It also sends a message to residents and future developers that the vision for Kennedale is not a lofty thought, but an expected reality.

Funding

One of the most important ways the City implements its plan is through funding staff and programs, construction, and maintenance. City revenues come from property taxes, sales taxes, permits, fees and licenses, and funding from the state or federal government.

Capital Improvements Program

CIP is the way in which the City determines, schedules, and prioritizes major public facilities and services needed to implement the Comprehensive Plan. This program is critical to the success of implementing the Plan.

State and Federal Funds

While both state and federal governmental financial support for localities has diminished over time, these sources of funding still provide for programs. Through a wide variety of grant making programs, many governmental agencies assist the City in work related to achieving the Comprehensive Plan goals. For instance, the federal Department of Housing and Urban Development provides programs to help with housing and recreation for low-income facilities. However, federal and state funds are expected to continue diminishing over time.

Bonds

Many communities issue bonds to help fund infrastructure improvements. High bond ratings are important for cities to create more ease in issuing bonds for funding.

Grants

There are many non-governmental or semi-governmental grant programs for the enhancement of city facilities. An example is the Rails-to-Trails program. Independently funded through donations and a foundation, the program assists communities in small trail projects which can utilize excess railroad rights-of-way.

Maps and Mapping Tools

Maps are tools that can be used to help implement the Comprehensive Plan. The Federal Emergency Management Administration (FEMA) floodplain maps are used by most localities to help prevent flood damage to life and property. They are essential to helping property owners know when flood insurance is required. They also help the City identify where land development should and should not take place.



FEMA's National Flood Hazard Layer helps identify which properties fall within the floodplain.

Strategic Planning

Strategic planning is a tool that helps decision makers prioritize projects and spending. An update to the City's Strategic Plan is recommended upon the development of the Comprehensive Plan to make objectives and strategies a reality. Strategic plans provide a specific roadmap for implementation to occur during real time. An updated strategic plan for the City of Kennedale will ensure that progress is made in a regular and orderly fashion that can respond to changes in priorities and the funding environment.

The following pages include the Implementation Summary table, containing the goals, objectives, and strategies from earlier chapters of this Plan.

Goal	Objective	Strategy	Timeframe	Responsibility*						
				City Staff	P&Z	CC	KEDC	Public Works	Other	
GROWTH MANAGEMENT GOAL: Kennedale will have residential, commercial, and employment growth while retaining its safe, community feel.	Objective 1: Encourage a mix of single family residential units and appropriately located and designed medium- to higher-density units according to the Future Land Use Plan. (p. 40)	a. Modify the development code for clarity of design standards for all levels of housing density. Setback distances, street widths, and the transitional environment from industrial to commercial to residential will be prioritized.	1-3 Years	•	•	•				
		b. Enact City-initiated proactive zoning processes to encourage the development pattern as recognized in the Future Land Use Plan.	1-3 Years	•	•	•				
		c. Locate housing and office uses in and around transit-oriented areas to create a vibrant day and evening environment that supports the businesses and retail stores in the area.	3-10 Years	•	•	•				
	Objective 2: Increase the number of commercial and retail uses to provide more shopping opportunities for residents, visitors, and employees. (p. 41)	a. Encourage greater selectivity in the type of non-residential uses that locate in Kennedale through the provision of design guidelines and the permitted use table of the development code.	1-3 Years	•	•	•				
		b. The non-residential development should emphasize locally-serving use types to include grocery, coffee shops, full-service restaurants, family friendly entertainment activities.	1-3 Years	•	•	•	•			
		c. Encourage the use of infill development through the potential relaxation of development fees or other associated costs in agreement with the specifically encouraged development.	3-5 Years	•	•	•	•			
	Objective 3: Manage industrial development in Kennedale through zoning and design regulations. (p. 41)	a. Modify use types in the development code to focus on suburban friendly levels of nuisance and location.	1-3 Years	•	•	•				
		b. Hold necessary uses, such as auto-related uses, to a higher standard of design and operation, including requirements that all work to be interior to a building; no outside storage of vehicles under repair; and parts and accessories for sale will be stored at all times interior to the building.	1-3 Years	•	•	•				
		c. Additional screening for undesirable uses and parking areas should be required.	1-3 Years	•	•	•				

* P&Z - Planning & Zoning Commission | CC - City Council | KEDC - Kennedale Economic Development Corporation

Goal	Objective	Strategy	Timeframe	Responsibility*						
				City Staff	P&Z	CC	KEDC	Public Works	Other	
GROWTH MANAGEMENT GOAL (continued)	Objective 4: Continue to foster strong relationships with Tarrant County, Kennedale ISD, neighboring cities, and the Texas Department of Transportation (TxDOT) in order to manage road networks within the city for the most efficient growth patterns. (p. 42)	a. Investigate funding sources to assist the City of Arlington to increase capacity in the Kennedale Collaborative effort on water delivery to the City of Kennedale.	3-5 Years	•	•	•		•	COAU,	
		b. Work with TxDOT to prioritize additional sidewalk improvements on state-funded roadways.	3-10 Years	•	•	•		•	TxDOT	
FUTURE LAND USE GOAL: Kennedale will have safe and convenient places to live, work, worship, and play.	Objective 1: Develop land in accordance with the Future Land Use Plan. (p. 57)	a. Work with property owners to encourage the consolidation and assembly of sites to allow site development that will meet the City’s requirements for parking and stormwater management.	3-10 Years	•	•	•		•	Property Owners	
		b. When greenfield development is considered, it should be done in a way that does not dilute services or add to the City’s resource challenges or infrastructure. The City should ask for a traffic impact analysis and adequate public facilities study prior to consideration of planned development zoning.	1-3 Years	•	•	•				
	Objective 2: Redevelop TownCenter and the surrounding areas including Old Town and property along Kennedale Parkway (BUS 287) to include more retail opportunities. (p. 57)	a. Apply an infill or redevelopment overlay or other zoning districts to targeted revitalization areas. These often address dimensional and design requirements, adaptative reuse of existing buildings, demolition of existing structures, new development of individual buildings, and coordinated redevelopment or new development of multiple structures.	3-5 Years	•	•	•			TDD	
		b. Simplify and streamline permitting processes for these projects to further increase their attractiveness to developers.	3-5 Years	•	•	•			TDD	
		c. Offer a range of development incentives to encourage parcel consolidation. These incentives are usually offered within mixed use or planned development districts in exchange for lot consolidation or site assembly that creates a larger parcel.	5-10 Years	•	•	•			TDD	

* P&Z - Planning & Zoning Commission | CC - City Council | KEDC - Kennedale Economic Development Corporation
 | TxDOT - Texas Department of Transportation | COAU - City of Arlington Utilities | TDD - TownCenter Development District

Goal	Objective	Strategy	Timeframe	Responsibility*					
				City Staff	P&Z	CC	KEDC	Public Works	Other
FUTURE LAND USE GOAL (continued)	Objective 3: Redevelop the area south of the intersection of Interstate 20 and BUS 287 (Oakcrest Neighborhood) as an employment center coupled with transit-oriented design. (p. 58)	a. Work with the salvage yard ownership for the redevelopment of the properties west of BUS 287, initiating programs for environmental clean-up and returning properties to usable floodplain.	5-10 Years	•	•	•			
		b. Continue to work with North Central Texas Council of Governments (NCTCOG) on development of a Transit-Oriented Development (TOD) adjacent to the railroad.	5-10 Years	•	•	•			NCTCOG
		c. Transition zoning to allow redevelopment of this area for transit density housing and employment.	3-5 Years	•	•	•			
	Objective 4: Ensure all new development is compatible with existing neighborhoods through density gradients and design. (p. 58)	a. New development should be based on standards intended to create community and connectivity. Higher development costs should be offset through corresponding economic development incentives or capital improvements such as water/wastewater or roadway capacity increases.	1-3 Years	•	•	•			
		b. Development regulations contained within the Unified Development Code should be revised to place a greater balance between the market and urban design.	1-3 Years	•	•	•			
		c. Visual quality objectives and a healthy business environment should not be considered mutually exclusive. Urban design should be incorporated into private development plans early in the development process.	1-3 Years	•	•	•			
		d. The impact of public features such as signage, utility locations, valve boxes, utility risers, solid waste containers, sidewalks, landscaping, lighting, drainage, and topography should be recognized as important factors in affecting community appearance and effects on neighboring property.	1-3 Years	•	•	•			

* P&Z - Planning & Zoning Commission | CC - City Council | KEDC - Kennedale Economic Development Corporation
 | NCTCOG- North Central Texas Council of Governments

Goal	Objective	Strategy	Timeframe	Responsibility*						
				City Staff	P&Z	CC	KEDC	Public Works	Other	
TRANSPORTATION GOAL: Kennedale will have a transportation network which meets basic needs for movement, access, safety, and reasonably rapid travel for people and goods through and within the city.	Objective 1: Use concepts for Context Sensitive Design when improving existing streets and building new streets, interconnections, and sidewalks. (p. 68)	a. Work with TxDOT and Kennedale ISD for a crosswalk solution across Kennedale Parkway at the TownCenter to increase safety and connectivity between city facilities, the elementary school, and adjacent properties.	3-5 Years	•	•	•		•	TxDOT, KISD	
		b. Reserve the required right-of-way for transportation corridors.	1-3 Years	•	•	•		•		
		c. Integrate all modes of transportation.	5-10 Years	•	•	•				
		d. Implement cross sections that reflect the adjacent land use context.	3-5 Years	•	•	•		•		
	Objective 2: Fund and build improvements to existing streets as shown on the Thoroughfare Plan. (p. 70)	a. Continue to fund improvements through the City's Capital Improvement Program (CIP) and available grants and loans.	1-3 Years	•				•		
		b. Continue to utilize a pavement management system, which extends existing roadway life, and manage the CIP for roadway repair and replacement.	5-10 Years	•				•		
		c. Coordinate with TxDOT, Tarrant County, and NCTCOG to address long-range transportation needs.	1-3 Years	•				•	TxDOT, NCTCOG, Tarrant County	
		d. Organize an access management system for all new development on major arterials through the city. Access management should be designed to provide fewer drive approaches and consolidation of cross access to multiple properties to increase the efficiency of arterial capacity.	1-3 Years	•				•		
	Objective 3: Require developers to dedicate right-of-way and construct collector and arterial streets as shown on the Master Thoroughfare Plan. (p. 71)		1- 3 Years	•				•	Devel- opers	

Goal	Objective	Strategy	Timeframe	Responsibility*					
				City Staff	P&Z	CC	KEDC	Public Works	Other
TRANSPORTATION GOAL (continued)	Objective 4: Make important interconnections of streets to activity centers. (p. 72)	a. Minimize use of cul-de-sacs in new neighborhoods so that emergency services can be provided as quickly as possible when needed.	1-3 Years	•					Devel- opers
		b. Design rights-of-way on new neighborhoods to provide a permeable but not strictly gridded network of streets. This allows a spreading of traffic for new neighborhoods and reduces congestion on pinch points on arterials and collectors.	1-3 Years					•	Devel- opers
	Objective 5: Improve existing sidewalks and construct new sidewalks for pedestrian access and citizen health. (p. 73)	a. Develop and implement a wayfinding strategy.	1-3 Years	•	•	•	•		
		b. Develop and implement an ADA (Americans with Disabilities Act) compliance transition plan.	5-10 Years	•				•	
		c. Fund and build sidewalks to help create an interconnected sidewalk system throughout the city.	5-7 Years	•				•	
		d. When designing new sidewalks along existing streets, recognize that right-of-way may not be sufficient for the ideal street cross-section shown in the typical street section examples. In these circumstances, provide the widest sidewalk possible for pedestrians.	1-3 Years	•				•	
	Objective 6: Evaluate flood plains for the construction of multi-purpose trails. (p. 74)	a. Discourage and/or prevent construction of permanent structures in the floodplain to help protect property and environmental quality.	1-3 Years	•					
		b. Encourage the siting of trails based on natural topography of slope to ensure the lowest impact of the existing conditions by trail construction.	1-3 Years	•					
		c. Look at opportunities to construct trails within floodplain areas which are grade separated from high-capacity roads.	5-7 Years	•					TxDOT, Tarrant County
		d. Examine opportunities in new developments where natural connections can be made to trails through floodplain corridors connecting each neighborhood to another. Plan into the design of new neighborhoods trailhead connections to the citywide trail system.	1-3 Years	•					Devel- opers

* P&Z - Planning & Zoning Commission | CC - City Council | KEDC - Kennedale Economic Development Corporation
| TxDOT- Texas Department of Transportation

Goal	Objective	Strategy	Timeframe	Responsibility*						
				City Staff	P&Z	CC	KEDC	Public Works	Other	
ECONOMIC DEVELOPMENT GOAL: Kennedale will have a strong and resilient economic base.	Objective 1: Continue to capitalize on a strong industrial employment workforce to leverage demand for more destination-based retail and restaurant opportunities. (p. 83)	a. Kennedale will continue to develop relationships with local economic partners, including but not limited to local business owners and developers, Kennedale Economic Development Corporation, Kennedale Area Chamber of Commerce, and TownCenter Development District (TDD), through continued communication and coordination. This process should include the regular sharing of quarterly reports and statistics.	1-3 Years	•			•		KACC TDD	
		b. Continue to focus capital improvements and community improvement funds on established catalyst sites, including the TownCenter and the two areas that have been identified by the community to support potential Transit-Oriented Development (TOD): one along Interstate 20 and US 287 known as the Oakcrest Neighborhood, and another between New Hope Road and Kennedale Parkway.	5-10 Years	•	•	•	•		TDD	
		c. Collaborate with local economic partners like the Kennedale Economic Development Corporation and the Kennedale Area Chamber of Commerce to shine a spotlight on varies local businesses. By showcasing local talent and services, the City will encourage residents to patronize these establishments, fostering a thriving economy within the community and preventing its leakage to neighboring areas.	1-3 Years	•			•		KACC TDD	
		d. Conduct an in-depth review of current business incentives. During the review process, analyze best practices from peer communities in Texas and make updates to Kennedale’s incentive list if necessary.	3-5 Years	•			•		KACC	
		e. Create materials that can be advertised on the City’s website or through physical handouts that clearly communicate processes and policies for economic development incentives to potential businesses and developers.	1-3 Years	•			•			
		f. Work to attract predominantly convenience-based Class A retail spaces along BUS 287 Commercial Area.	5-7 Years	•				•		

* P&Z - Planning & Zoning Commission | CC - City Council | KEDC - Kennedale Economic Development Corporation
| TDD - TownCenter Development District | KACC- Kennedale Area Chamber of Commerce

Goal	Objective	Strategy	Timeframe	Responsibility*					
				City Staff	P&Z	CC	KEDC	Public Works	Other
ECONOMIC DEVELOPMENT GOAL (continued)	Objective 2: Create a catalyst project at the TownCenter to assist in improving the core of the community. (p. 85)	a. Form a taskforce headed by the TownCenter Development District (TDD) Board, comprising of representatives from community organizations, businesses, and residents to identify focus areas of the catalyst project such as: improving infrastructure, enhancing public spaces, boosting economic activity, and expanding events and programming.	3-5 Years	•			•		TDD, KACC
		b. Foster collaboration between public and private sectors to pool resources and expertise.	3-5 Years	•			•		TDD, KACC
		c. Prioritize pedestrian/bike crossings along Kennedale Parkway and the designation of bike/pedestrian routes that connect TownCenter with the existing park system and the areas identified by the city for Transit-Oriented Development.	3-5 Years	•				•	TDD, TxDOT
		d. Encourage the development of cultural and artistic initiatives as a part of the catalyst project, to continue to add vibrancy to the TownCenter.	3-5 Years	•			•		KACC
	Objective 3: Consider how the branding of the City may bring economic development and improve wayfinding signs in the community. (p. 86)	a. Focus on signage at the key intersections of major arterial roads, such as Bowman Springs Road, Dick Price Road, and New Hope Road.	1-5 Years	•			•	•	TxDOT
		b. Place gateway signs at the primary entry points to the city via BUS 287, such as the I-20 exit onto Kennedale Pkwy. Ideally these would be placed near the corners of the roadways but far enough to reduce the likelihood of being hit by errant traffic.	5-7 Years	•			•	•	TxDOT
		c. Provide improved wayfinding directions to TownCenter. These signs should provide directional arrows.	3-5 Years	•			•		TDD
		d. Develop a design plan for public lighting, median design, signage, and landscaping along the BUS 287 Corridor that can be implemented in focused areas over time.	3-10 Years	•			•	•	

* P&Z - Planning & Zoning Commission | CC - City Council | KEDC - Kennedale Economic Development Corporation
 | KEDC - Kennedale Economic Development Corporation | TxDOT- Texas Department of Transportation |
 TDD -TownCenter Development District

Goal	Objective	Strategy	Timeframe	Responsibility*					
				City Staff	P&Z	CC	KEDC	Public Works	Other
ECONOMIC DEVELOPMENT GOAL (continued)	Objective 4: Encourage the development of the community as a social center for recreation through marketing of events. (p. 88)	a. Explore the feasibility of creating a Parks and Recreation Coordinator position to promote and lead City events, and further recreational programming within the community.	5-7 Years	•					P&RB
		b. Host seasonal recreational events that rotate between the city’s parks and recreational facilities.	1-3 Years	•					P&RD
		c. Partner with the community’s recreational organizations, such as Kennedale Youth, to better promote community events and participation.	1-3 Years	•					P&RD
		d. Collaborate with the Kennedale Economic Development Corporation (KEDC) to actively engage developers and businesses in the transformation of the Bowman Spring Road Corridor into a vibrant, family-oriented recreational destination hub.	3-10 Years	•		•			
HOUSING GOAL: Kennedale will have a variety of housing types available to all incomes. All housing will be safe and decent for residents.	Objective 1: Promote development of housing types: single family detached units, townhouses, and apartments should be located where appropriate and designed well. (p. 95)	a. Support development of new areas for attached housing, townhouses, and mixed-use housing where there is access to existing or planned utility services, transportation capacity, jobs, and retail. These can be found within medium-density, high-density, or TOD areas.	1-3 Years	•	•	•			
		b. To the extent possible, allow for a mixture of housing types within larger neighborhoods to support a variety of age groups and income levels.	1-3 Years	•	•	•			
		c. Promote the replatting of lots to make sure that housing meets minimum lot standards for zoning districts.	1-3 Years	•	•	•			

* P&Z - Planning & Zoning Commission | CC - City Council | KEDC - Kennedale Economic Development Corporation
| P&RB - Parks & Recreation Board

Goal	Objective	Strategy	Timeframe	Responsibility*						
				City Staff	P&Z	CC	KEDC	Public Works	Other	
HOUSING GOAL (continued)	Objective 2: Maintain and improve the existing housing stock. (p. 96)	a. Expand programs to maintain the existing housing stock such as those offered by Habitat for Humanity and other organizations and agencies.	1-3 Years	•	•	•				
		b. Use the development review process to evaluate private projects and their contributions to urban design.	1-3 Years	•	•	•				
		c. Align zoning and future land use allocation to ensure housing is located where it can be served by infrastructure without creating a burden on city services.	1-3 Years	•	•	•				
	Objective 3: Develop greater opportunities for senior housing and age-restricted housing. (p. 96)	a. Develop zoning land use categories and design standards for age-restricted and assisted living development within medium- and high-density zoning districts.	1-3 Years	•	•	•				
		b. Support the nonprofit community in creating housing opportunities for seniors and people with disabilities.	1-3 Years	•	•	•				
		c. Negotiation with developers through development agreements and the creation of planned developments can provide opportunities to include various housing options.	1-3 Years	•	•	•			Deve- lopers	
PARKS, RECREATION, AND OPEN SPACE GOAL	Objective 1: Assess the community needs and desires for improvement of existing passive and active parks in a tiered park system located throughout the community. (p. 106)	a. In 2026, update the existing Parks, Recreation & Open Space Master Plan, and apply for a Texas Parks & Wildlife parks grant.	1-3 Years	•	•	•			P&RB	
		b. Continue to work with the National Park Service (NPS) and UTA Masters of City and Regional Planning program to implement the Kennedale Greenways Plan.	3-10 Years	•	•	•			NPS, UTA	

* P&Z - Planning & Zoning Commission | CC - City Council | KEDC - Kennedale Economic Development Corporation
| P&RB- Parks & Recreation Board | NPS - National Park Service | UTA - University of Texas at Arlington

Goal	Objective	Strategy	Timeframe	Responsibility*						
				City Staff	P&Z	CC	KEDC	Public Works	Other	
PARKS, RECREATION, AND OPEN SPACE GOAL: Kennedale will have excellent parks and recreational areas and preserve important natural resources.	Objective 1: Assess the community needs and desires for improvement of existing passive and active parks in a tiered park system located throughout the community. (p. 106) (continued)	c. Parks and open spaces may be located in or adjacent to floodplains, where possible, to aid in floodplain conservation efforts and to enhance recreational opportunities. Such areas may be developed with recreation facilities or set aside as open space to preserve sensitive areas. Use of floodplains should be an amenity to the parks system and be considered as an option, not as the primary source of parkland.	5-7 Years	•	•	•				P&RB
		d. The City should acquire and develop parks in combination with other public facilities to provide the most cost-effective public services. Park property could be developed jointly with new schools, stormwater detention basins, drainage channels, or new city facilities. This strategy should not contradict the spatial distribution objective of parks and recreation facilities to be located throughout the community.	5-7 Years	•	•	•				P&RB
	Objective 2: Protect the floodplain for property preservation, water and environmental quality, and the inclusion of a trail system. (p. 107)	a. Discourage and/or prevent construction of permanent structures in the floodplain or reducing the size of natural floodplain by engineering and construction to help protect lives and property.	1-3 Years	•	•	•				
		b. Encourage planting of trees and shrubs in the floodplain (but not in floodway) to help improve water quality.	1-3 Years	•	•	•				
	Objective 3: Influence new development in providing public spaces in addition to private amenity centers. (p. 108)	a. Develop multi-use trails to meet high demand for recreation and connectivity in the community.	5-7 Years	•	•	•				P&RB
		b. Develop additional nature areas, picnic/pavilion facilities, a community garden, and a dog park.	5-7 Years	•	•	•				P&RB
		c. Require parkland dedication in new subdivisions to expand access to publicly-owned parkland in more areas of the city..	1-3 Years	•	•	•				P&RB

Goal	Objective	Strategy	Timeframe	Responsibility*						
				City Staff	P&Z	CC	KEDC	Public Works	Other	
PARKS, RECREATION, AND OPEN SPACE GOAL (continued)	Objective 4: Locate and site an indoor recreation center which serves the greater community and provides programming for a variety of age groups and sports. (p. 108)	a. Conduct a feasibility assessment that looks at the economic context and impact of an indoor recreation center.	3-5 Years	•	•	•			P&RB	
		b. Assess the space requirements for the indoor recreation center, considering the types of sports and activities to be accommodated.	5- 10 Years	•	•	•			P&RB	
		c. Choose a central location that is easily accessible to a diverse range of residents while considering proximity to public transportation, major roads, and residential areas to maximize accessibility.	5- 10 Year	•	•	•			P&RB	
		d. Gather input on preferred activities, operating hours, and facility features to ensure community buy-in.	5- 10 Year	•	•	•			P&RB	
	Objective 5: Increase the number and quality of organized sports fields. (p. 109)	a. Assess the current demand for organized sports fields by working with local sports organizations, schools, and community groups and identify the types of sports in high demand and the specific requirements for each.	3-5 Years	•	•	•			KISD, P&RB	
		b. Partner with the Kennedale ISD, sports organizations, and community leaders to collaborate on land acquisition, funding, and ongoing maintenance efforts.	5-10 Years	•	•	•			KISD, P&RB	
		c. Identify available land or consider areas with existing recreational infrastructure that can be expanded or upgraded.	5-10 Years	•	•	•			P&RB	
		d. Consider implementing multi-use fields that can accommodate various sports.	5-10 Years	•	•	•			P&RB	
		e. Develop and enforce quality standards for sports field construction and maintenance to ensure longevity and safety.	5-10 Years	•	•	•			P&RB	

* P&Z - Planning & Zoning Commission | CC - City Council | KEDC - Kennedale Economic Development Corporation
| KISD- Kennedale Independent School District| P&RB- Parks & Recreation Board

Goal	Objective	Strategy	Timeframe	Responsibility*						
				City Staff	P&Z	CC	KEDC	Public Works	Other	
UTILITIES, INFRASTRUCTURE, AND CITY SERVICES GOAL: Kennedale will have high quality infrastructure and service provision to support residents, businesses, and institutions in the city.	Objective 1: Through Capital Improvement Project (CIP) planning, provide sufficient quantity and quality of water for the existing community and to promote new development and growth. (p. 117)	a. Examine all long-range agreements, such as the interlocal agreement with the City of Arlington, for the procurement of water. Make sure the quantity is scalable to meet future demand by new development growth.	1-3 Years	•	•	•		•	COAU	
		b. Utilize capital improvement programming to indicate appropriate new water system updates in partnership with Arlington for the promotion of new growth and land development.	5-7 Years	•				•	COAU	
		c. In partnership with Arlington, maintain active participation with the development of properties within and adjacent to the City's water CCN boundaries to anticipate new growth and negotiate development agreements, potential system tie-in, and construction of new mains.	5-7 Years	•				•	COAU	
	Objective 2: Through Capital Improvement Project (CIP) planning, provide wastewater collection and treatment to meet all state and federal standards. (p. 118)	a. Utilize capital improvement programming to indicate appropriate new wastewater system updates in partnership with Arlington for the promotion of new growth and land development.	5-7 Years	•				•	COAU	
		b. In partnership with Arlington, maintain active participation with the development of properties within and adjacent to the City's wastewater CCN boundaries to anticipate new growth and negotiate development agreements, potential system tie-in, and construction of new mains.	5-7 Years	•				•	COAU	
	Objective 3: Provide for stormwater management that prevents flooding and siltation of creeks and streams and meets all state and federal regulations. (p. 118)	a. Develop a stormwater management plan to ensure that flooding does not occur in the city.	5-10 Years	•				•		

Goal	Objective	Strategy	Timeframe	Responsibility*						
				City Staff	P&Z	CC	KEDC	Public Works	Other	
UTILITIES, INFRASTRUCTURE, AND CITY SERVICES GOAL (continued)	Objective 4: Continue to provide solid waste and recycling disposal service in the city. (p. 119)	a. Monitor the needs of the community for solid waste disposal options and act in a timely fashion to meet these needs.	5-7 Years	•				•	COAU	
		b. Promote mulching and composting of green wastes, such as leaves, tree limbs, grass clippings, brush, etc., as part of the recycling and waste minimization efforts.	1-3 Years	•				•		
	Objective 5: Continue to provide police services and programs to create a safe environment for all citizens in Kennedale. (p. 119)	a. Develop and maximize the use of human resources through effective management and training. These human resources include police personnel, other governmental agencies, the private sector, and the citizens of Kennedale.	1-3 Year	•					KPD	
		b. Evaluate the need for additional personnel and implement procedures to select only the most qualified personnel.	1-3 Years						KPD	
		c. Update and advance technology to meet increasing challenges and legal requirements.	3-5 Years						KPD	
		d. Monitor pay for police officers and adjust as needed to attract well-qualified personnel.	1-3 Years	•					KPD	
	Objective 6: Continue to provide professional Fire Department services. (p. 120)	a. Assure relationships that ensure adequate fire protection facilities, equipment, and water pressure to respond to and fight a fire in any part of the community in a timely and efficient fashion.	1-3 Years	•					KFD	
		b. Monitor the need for additional personnel, equipment, and facilities to provide a timely response in all areas as the community increases in land area and population.	1-3 Years	•					KFD	
		c. Continue to upgrade the emergency medical services so as to provide the highest level of service possible to the residents of Kennedale and Tarrant County.	1-53Years	•					KFD	
		d. Focus on education of the public in areas of fire prevention and accident prevention.	1-3 Years	•					KFD	

* P&Z - Planning & Zoning Commission | CC - City Council | KEDC - Kennedale Economic Development Corporation
| KPD - Kennedale Police Department | KFD - Kennedale Fire Department

Goal	Objective	Strategy	Timeframe	Responsibility*						
				City Staff	P&Z	CC	KEDC	Public Works	Other	
UTILITIES, INFRASTRUCTURE, AND CITY SERVICES GOAL (continued)	Objective 7: Explore ways to provide additional library services to residents. (p. 121)	a. Consider expanding library programs and facility as the community continues to grow.	3-5 Years	•						
		b. Continue to explore growing the library's online resources and digital material.	3-5 Years	•						
	Objective 8: Explore ways to provide additional broadband fiber optic services to the community. (p. 122)	a. Identify areas that lack broadband fiber and pursue partnerships with developers and service providers to make needed upgrades to increase capacity.	3-5 Years	•					Deve- lopers	
		b. Coordinate amongst City departments to obtain the necessary regulatory documentation needed to construct new fiber or broadband infrastructure including franchises for fiber/ broadband providers, fiber optic right-of-way agreements, and land lease agreements.	3-5 Years	•						
		c. To encourage new fiber network investments, Kennedale should maximize new internet infrastructure by encouraging multiple fiber or broadband internet operators to be located on new infrastructure. The City should investigate what assets it may maintain that could increase the location of fiber deployment.	3-5 Years	•						
	Objective 9: Continue to provide City administrative services from City Hall. (p. 123)	a. Conduct a facilities demand study based on future human resource budget for operational office space needs.	5-10 Years	•						
		b. Keep the City Hall building in a good state of repair so that it continues to be an asset and an example of good stewardship for the community.	1-3 Years	•						
	Objective 10: Practice good stewardship of all City-owned properties. (p. 123)	a. Assure that City-owned property is adequately maintained and landscaped.	1-3 Years	•				•		
		b. Dispose of public property which has no foreseeable use or which other types of development could better utilize.	3-5 Years	•	•	•				

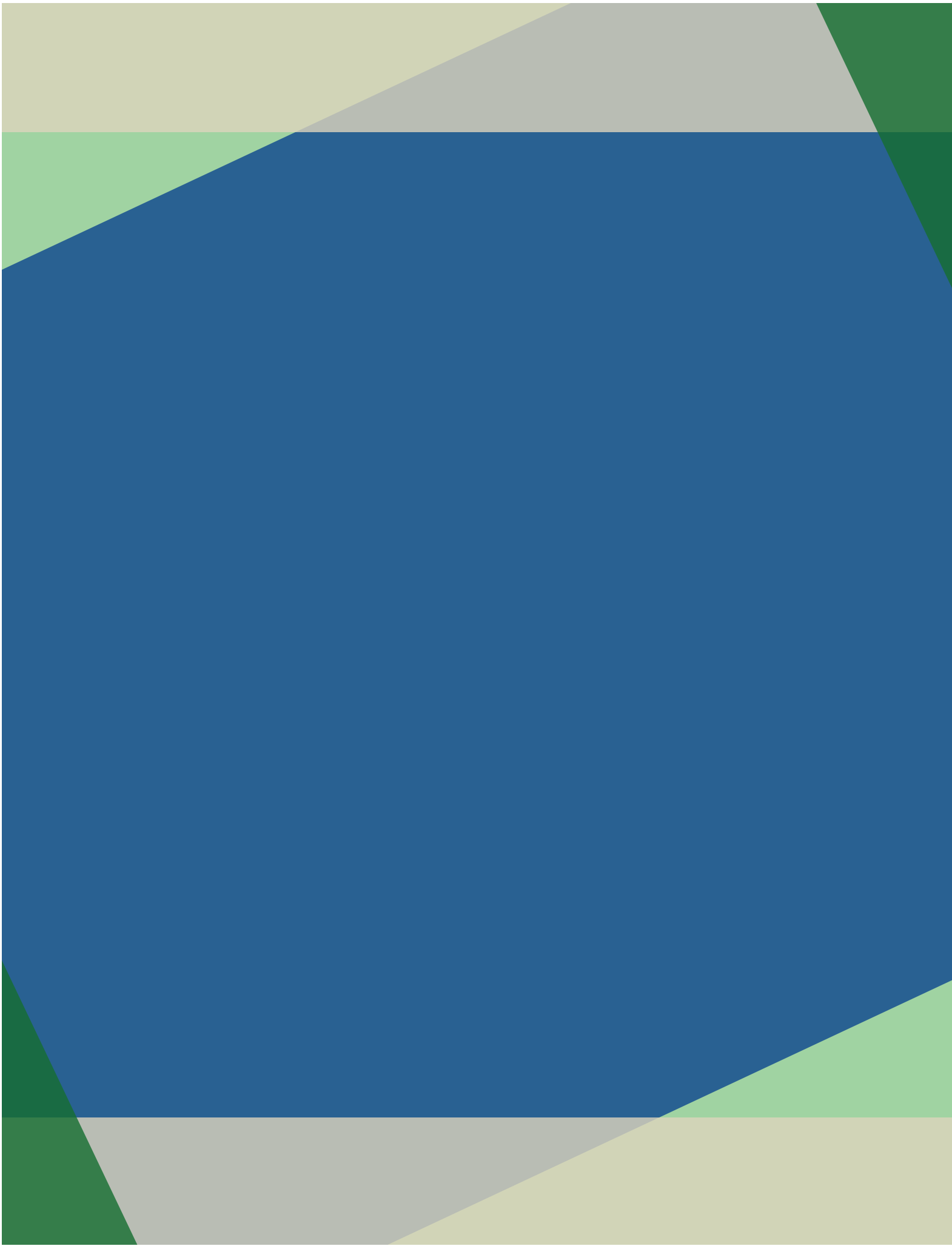
Goal	Objective	Strategy	Timeframe	Responsibility*					
				City Staff	P&Z	CC	KEDC	Public Works	Other
UTILITIES, INFRASTRUCTURE, AND CITY SERVICES GOAL (continued)	Objective 11: Evaluate the feasibility of adopting a FEMA-approved local hazard mitigation plan that would make the City eligible for funding through the Texas Division of Emergency Management (TDEM) and other regional, state, and federal grants. (p. 124)	a. Work with the North Central Texas Council of Governments (NCTCOG), City staff, and Tarrant County to evaluate the feasibility of and recommended steps to developing a local hazard mitigation plan.	1-3 Years	•	•	•			NCTCOG, Tarrant County
		b. Ensure that the City meets the eligibility criteria for the Local Hazard Mitigation Plans Program (LHMPP) and began the application process.	3-5 Years	•	•	•			
		c. Partner with the Texas Division of Emergency Management (TDEM) Regional Section Chief to request training and resources available through TDEM to support the City in its development of a high-quality local hazard mitigation plan.	3-5 Years	•	•	•			TDEM

* P&Z - Planning & Zoning Commission | CC - City Council | KEDC - Kennedale Economic Development Corporation
| NCTCOG - North Central Texas Council of Government | TDEM - Texas Division of Emergency Management

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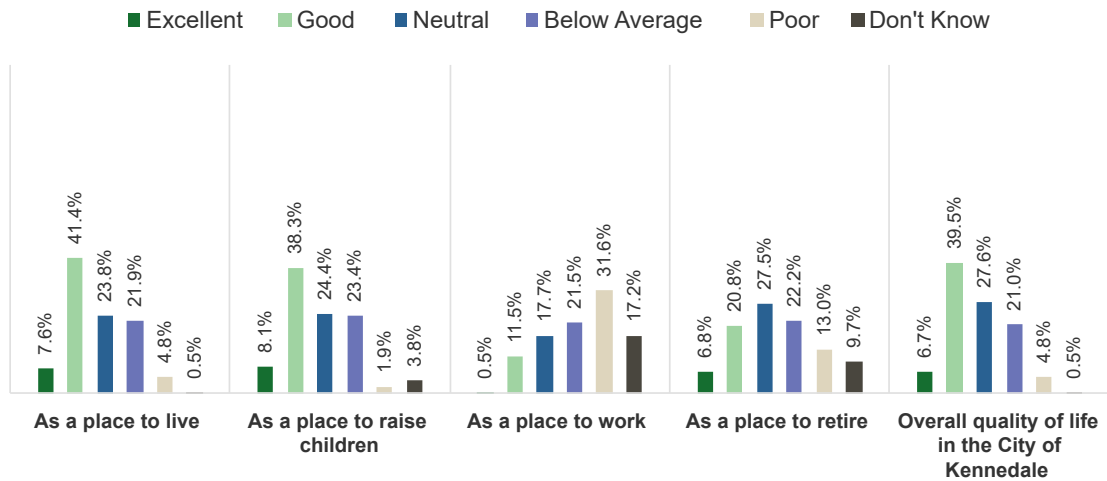
Appendix:
**COMMUNITY SURVEY
RESULTS**



Q1: Quality of Life in the City of Kennedale

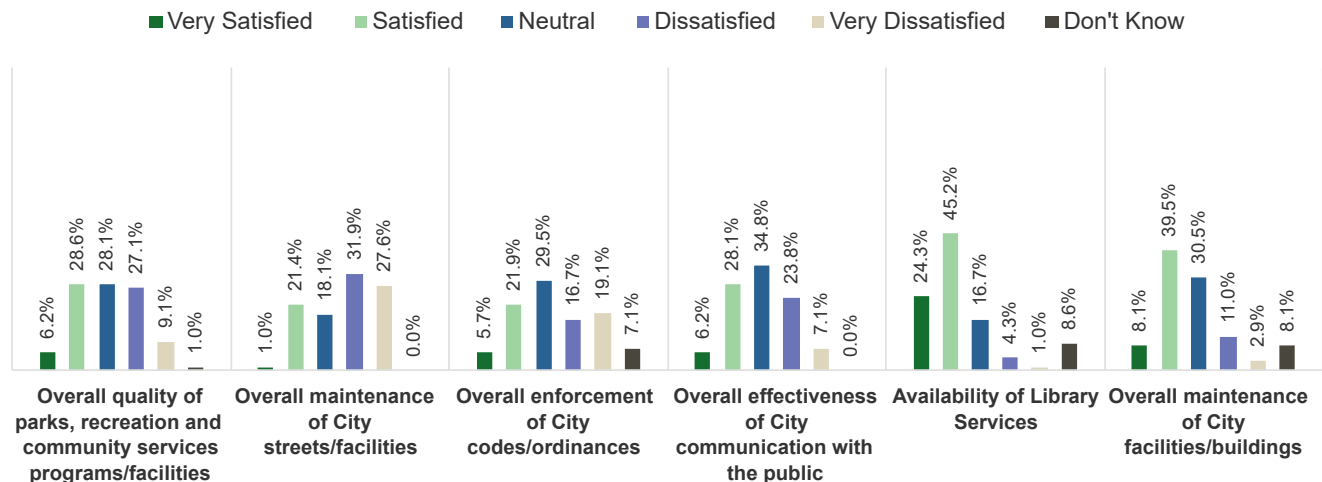
Please rate the City of Kennedale:

Answered: 210 Skipped: 0

**Q2: Overall Satisfaction with Major City Services**

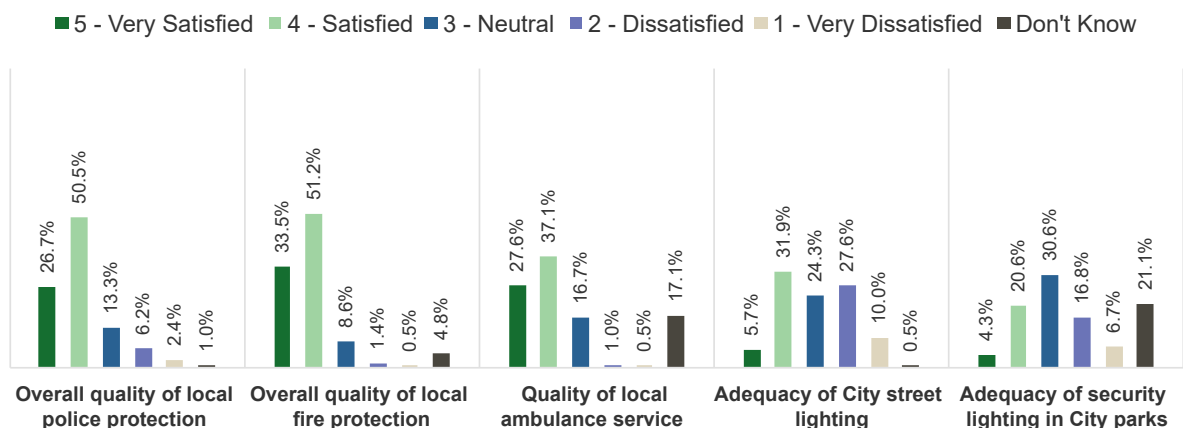
Please rate your satisfaction with the following:

Answered: 210 Skipped: 0

**Q3: Public Safety Services**

Please rate your satisfaction with the following:

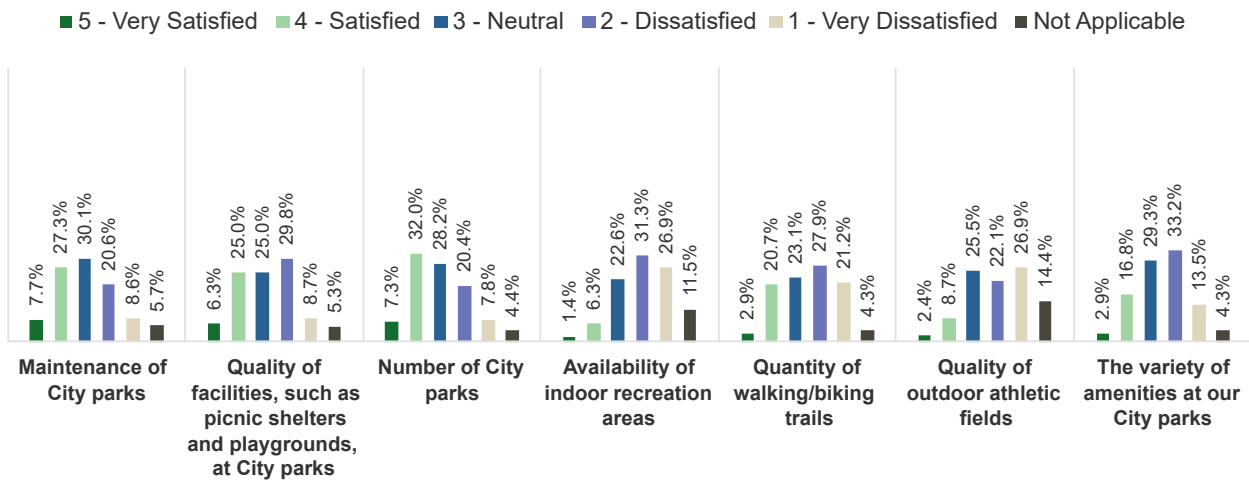
Answered: 210 Skipped: 0



Q4: Parks and Recreation Services

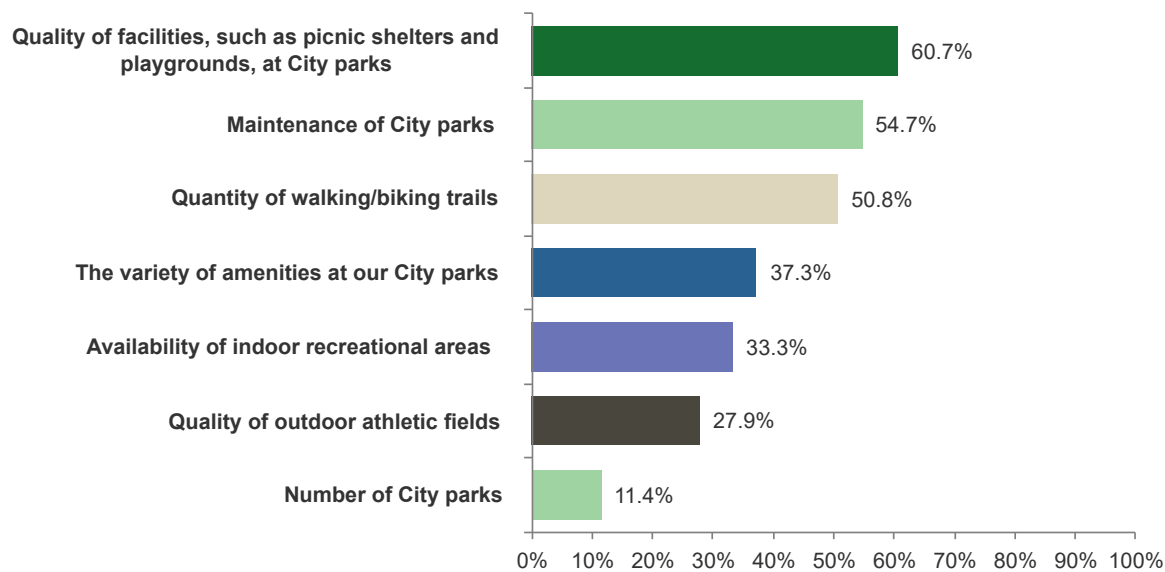
Please rate your satisfaction with the following:

Answered: 209 Skipped: 1



Q5: Which THREE of the parks and recreation services in Question #4 do you think are MOST IMPORTANT for the City to provide? Please only check three choices.

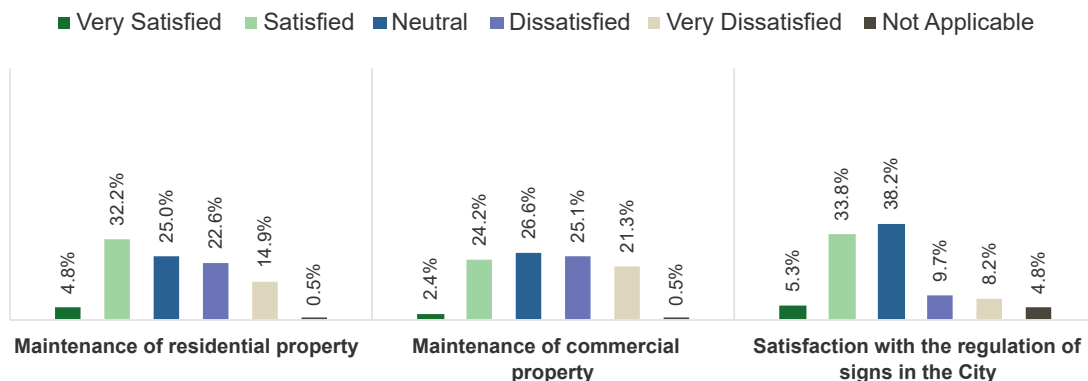
Answered: 201 Skipped: 9



Q6: Maintenance and Appearance of the City

Please rate your satisfaction with the following:

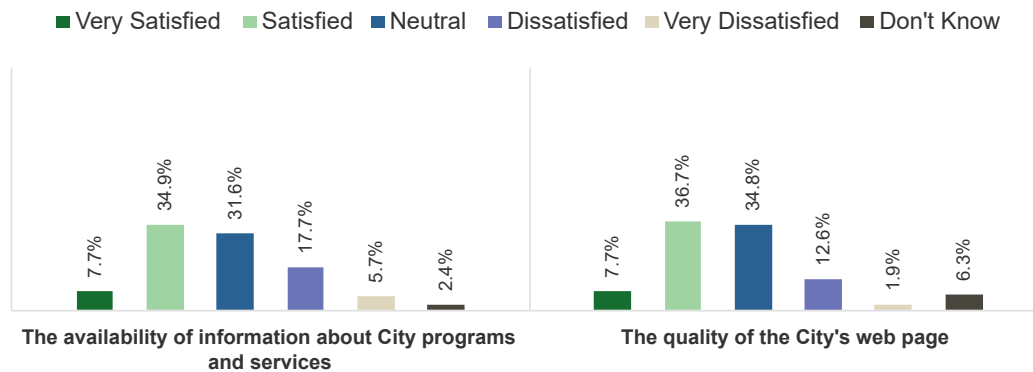
Answered: 208 Skipped: 2



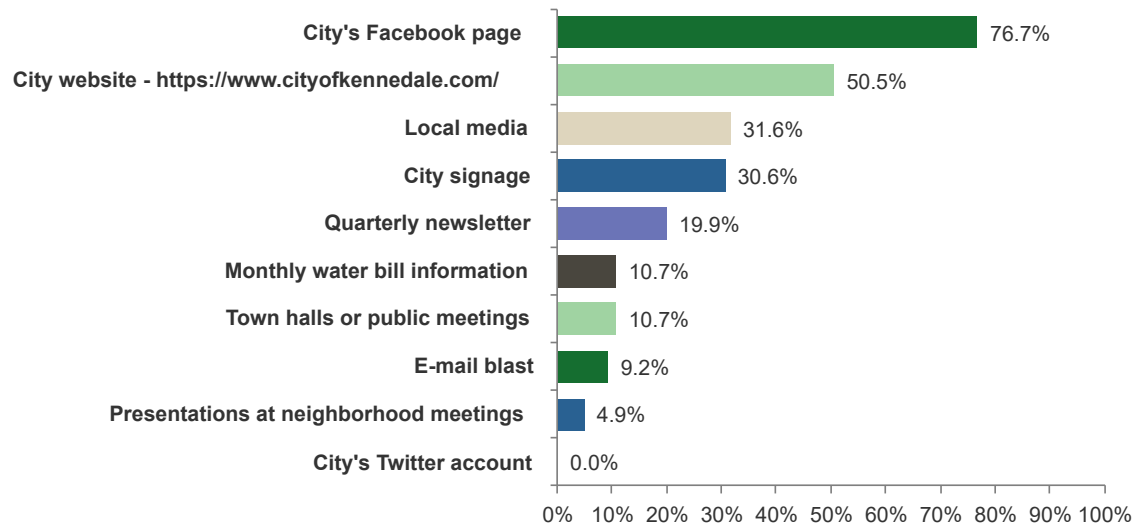
Q7: City Communication

Please rate your satisfaction with the following:

Answered: 209 Skipped: 1

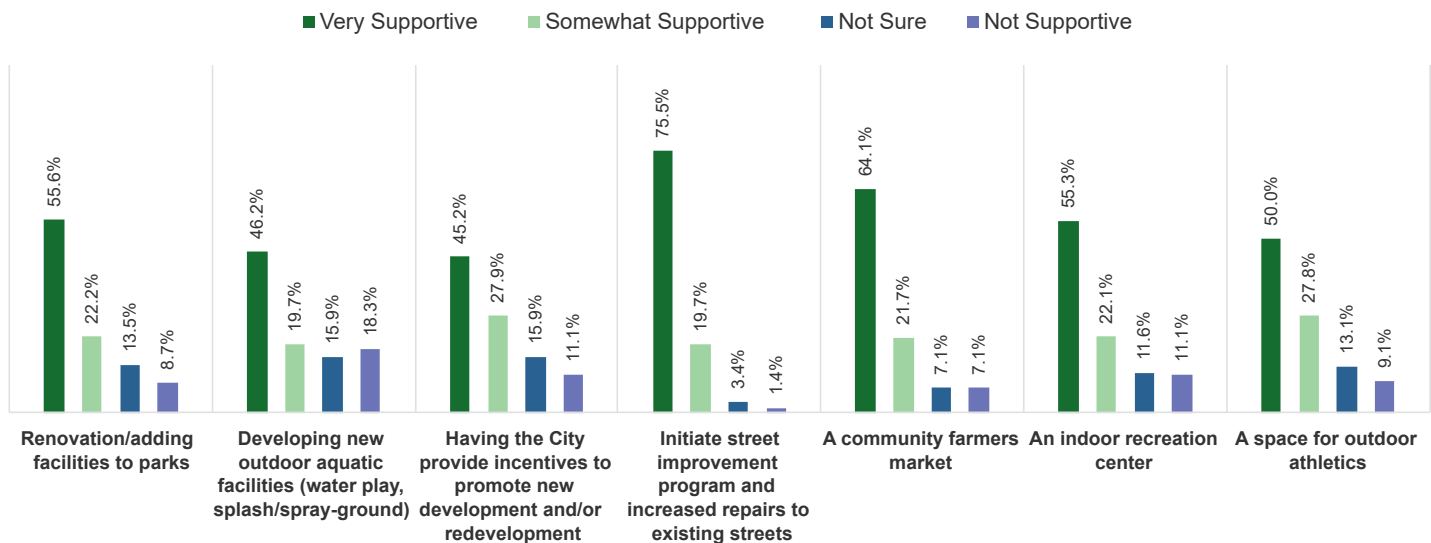
**Q8: From which of the following sources do you receive news and information about the City?**
Check all that apply.

Answered: 206 Skipped: 4

**Q9: Support for Various Initiatives**

Please indicate how supportive you would be of the following:

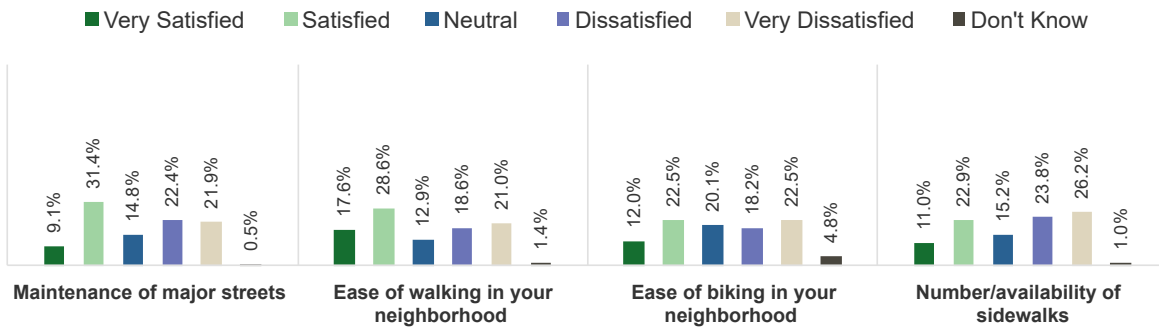
Answered: 209 Skipped: 1



Q10: Traffic & Transportation Services

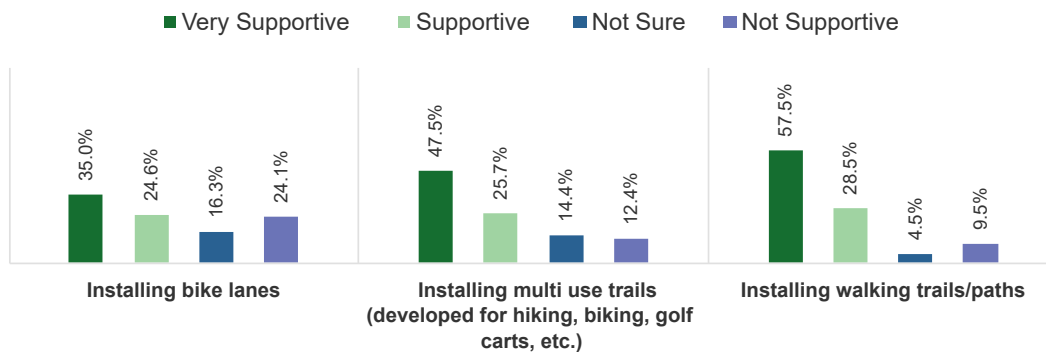
Please rate your satisfaction with the following facilities in the neighborhood where you live using scale of 1 to 5 where 5 means "Very Satisfied" and 1 means "Very Dissatisfied."

Answered: 210 Skipped: 0



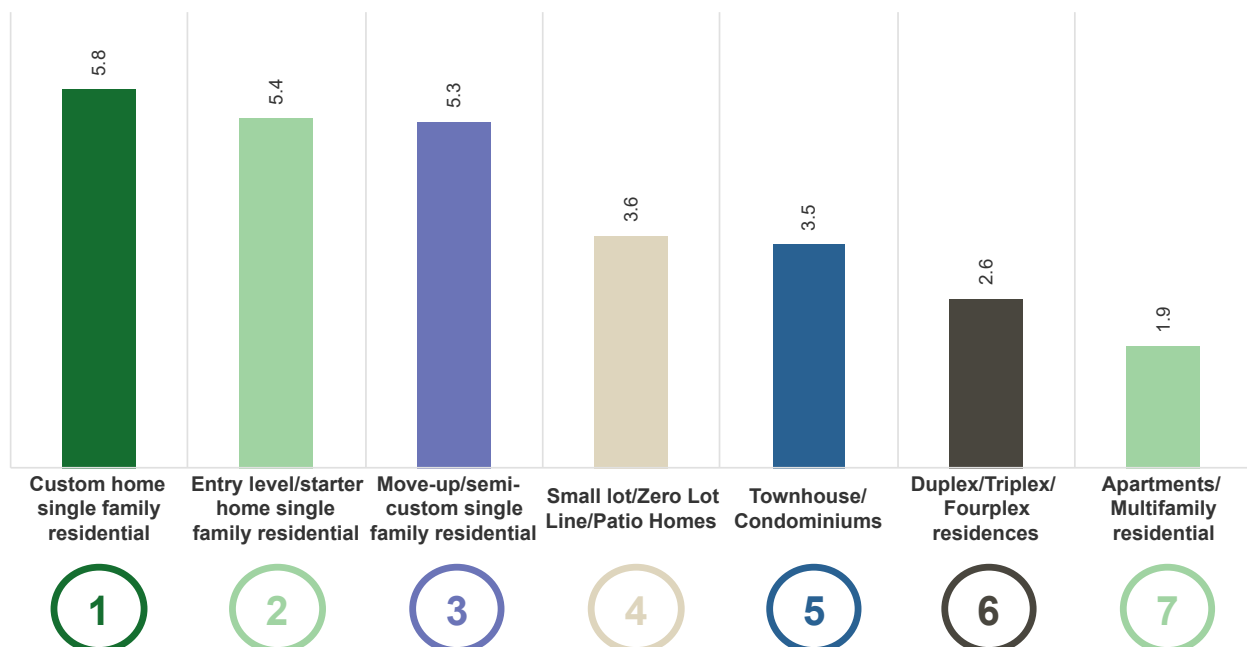
Q11: Please indicate how supportive you would be of the following initiatives to increase walkability and bikeability of the community?

Answered: 203 Skipped: 7



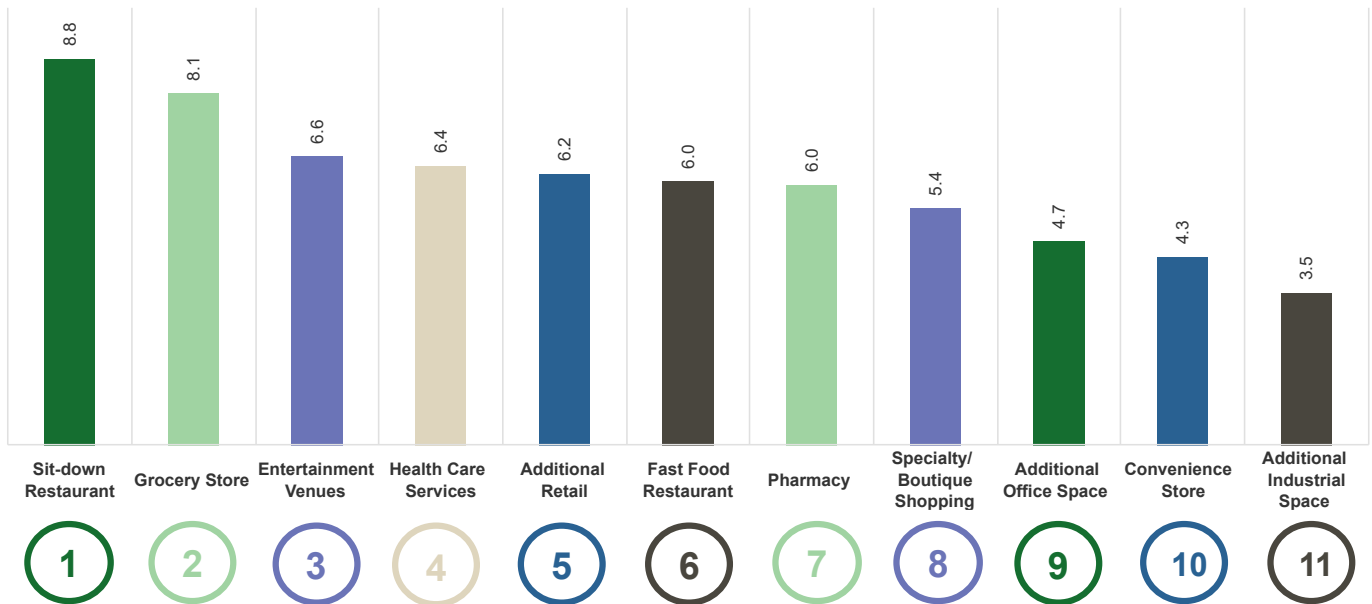
Q12: Please rank the top three Housing needs in the City of Kennedale, with 1 being the most needed, 2 being the second most needed, and 3 being the third most needed.

Answered: 209 Skipped: 1



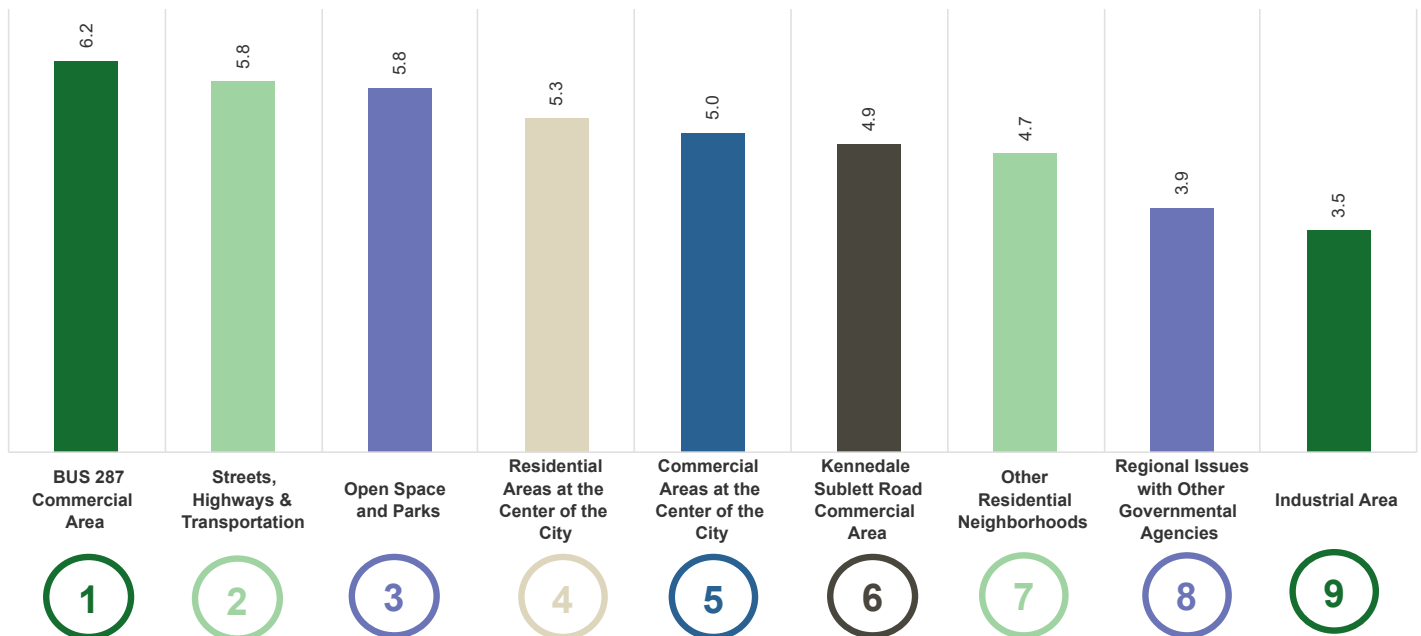
Q13: Please rank the top three Retail/Service/Employment needs in the City of Kennedale with 1 being the most needed, 2 being the second most needed, and 3 being the third most needed.

Answered: 209 Skipped: 1



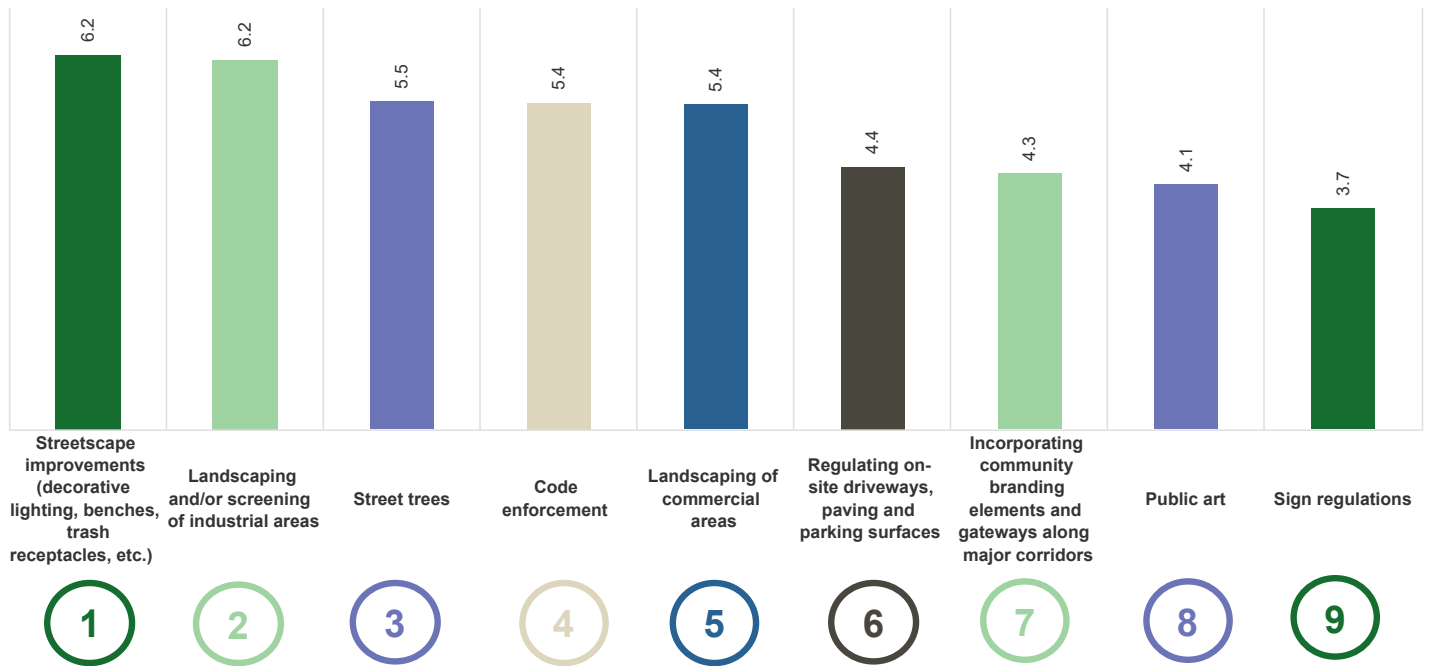
Q14: Please rank the top three areas in the City of Kennedale where the Comprehensive Plan should direct the most focus, with 1 being the most needed, 2 being the second most needed, and 3 being the third most needed.

Answered: 202 Skipped: 8



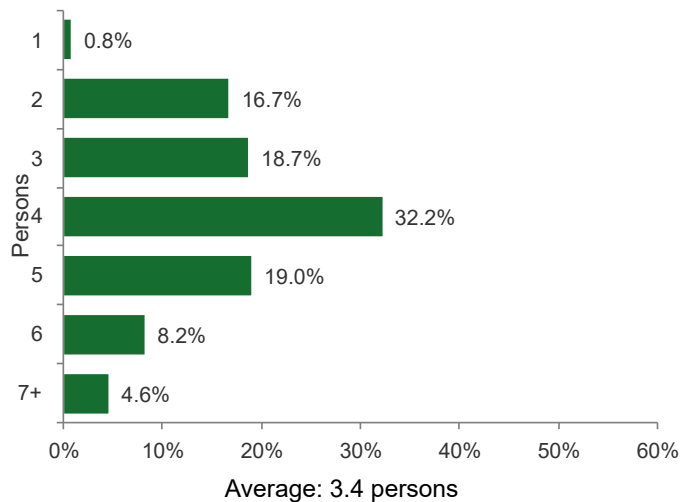
Q15: Please rank from 1 to 10 the importance of various aesthetic considerations in the City of Kennedale where the city should direct the most focus, with 1 being the most important and 10 being the least important.

Answered: 194 Skipped: 16



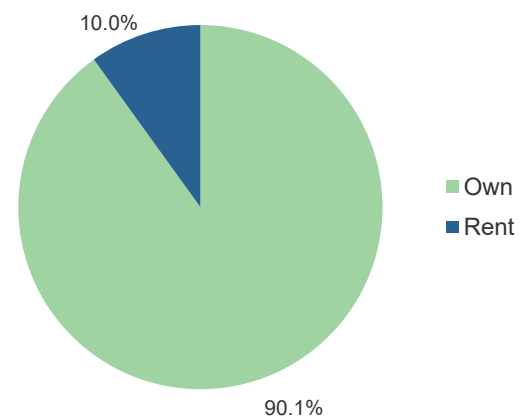
Q16: How many persons live in your household?

Answered: 192 Skipped: 18



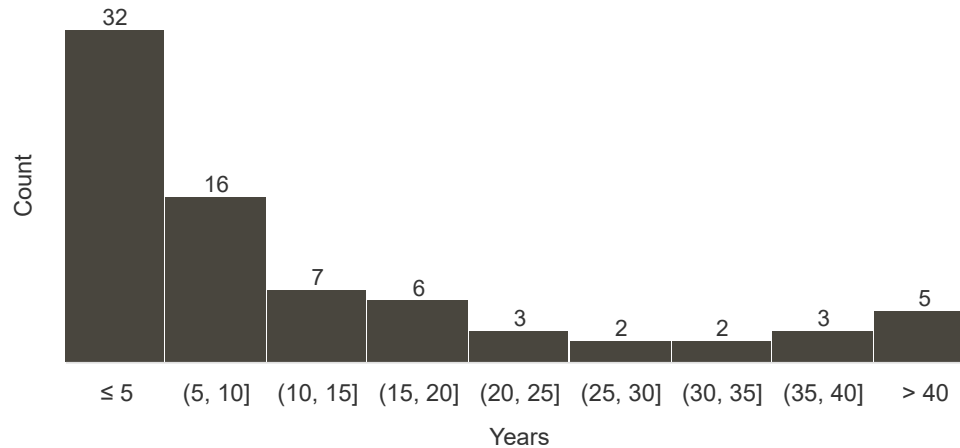
Q17: Do you own or rent your home?

Answered: 201 Skipped: 9



Q18: Approximately how many years have you lived in the City of Kennedale?

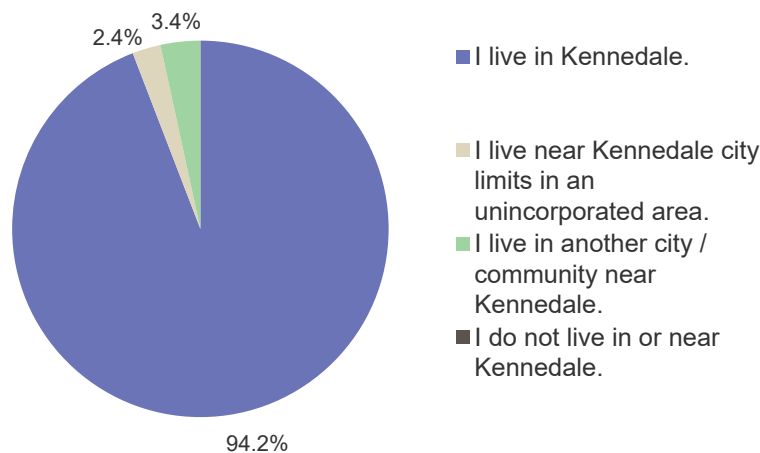
Answered: 196 Skipped: 14



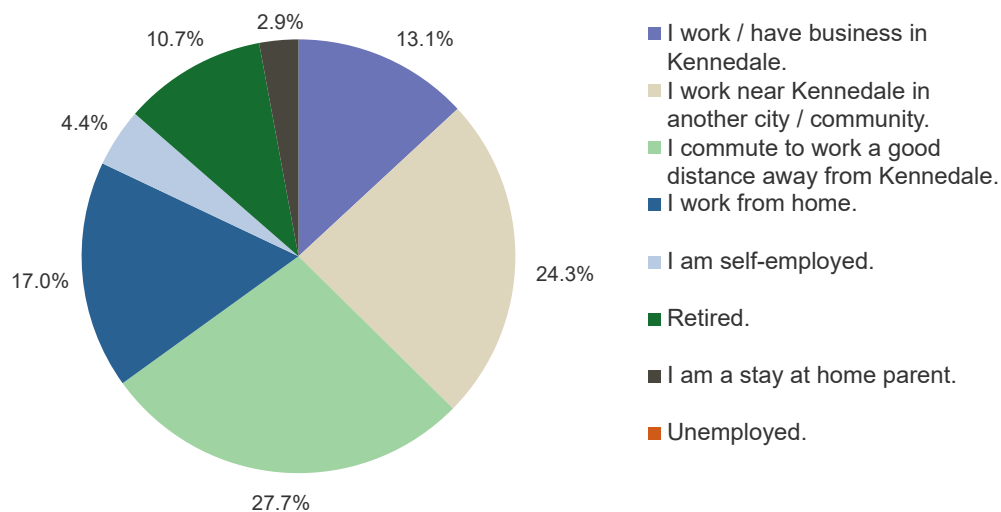
Average: 14.1 years

Q19: Choose the best description of where you live in relation to Kennedale.

Answered: 205 Skipped: 5

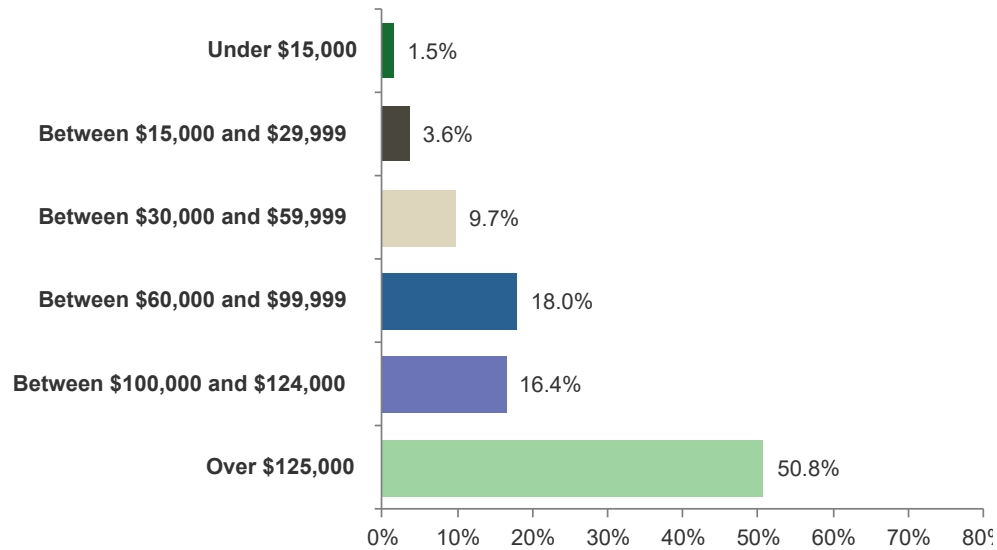
**Q20: Choose the best description of where you work in relation to Kennedale.**

Answered: 206 Skipped: 4



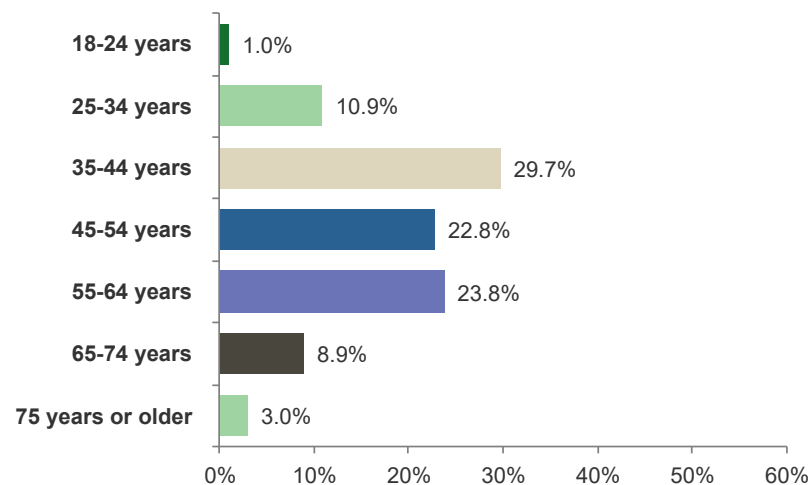
Q21: Which category is your total annual household income?

Answered: 195 Skipped: 15



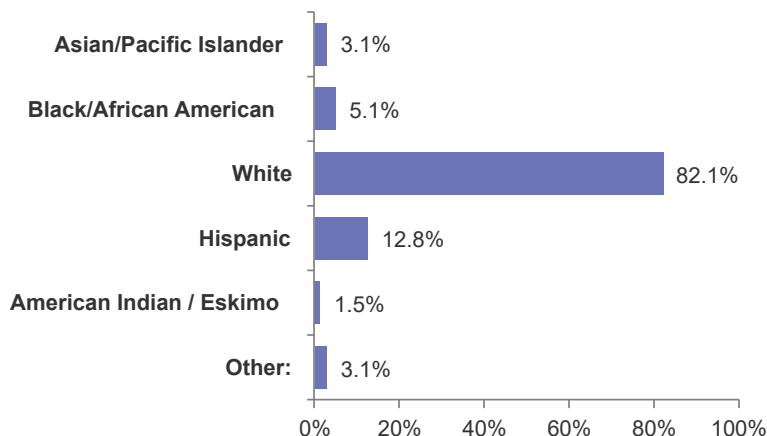
Q22: In which category is your age?

Answered: 202 Skipped: 8



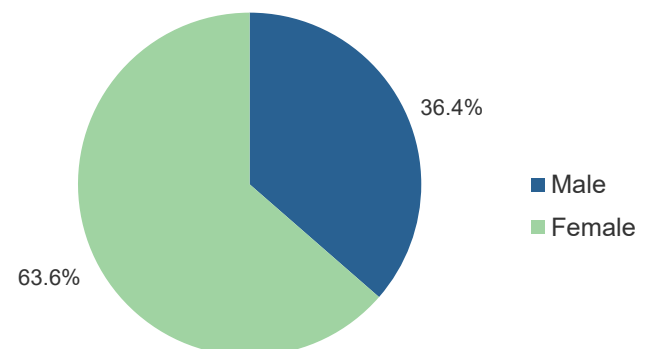
Q23: Which of the following best described your race/ethnicity? (Check all that apply)

Answered: 196 Skipped: 14



Q24: Your gender:

Answered: 195 Skipped: 15





STAFF REPORT
TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: REGULAR SESSION ITEM V.C.4.

SUBJECT
Discuss and take action on the Mayor's Veto received on July 22, 2024, Vetoing action taken by the City Council on July 15, 2024, authorizing the City Manager to move forward with the Little School Rd. Extension Project Design and to approve the Design Project of Kennedale Sublett Rd.

ORIGINATED BY

SUMMARY
The Veto was tabled by City Council action at the Special Meeting held on August 12th, 2024.

RECOMMENDATION

ATTACHMENTS		
1.	Veto Update	Veto Update.docx
2.	Veto	Veto.pdf



OFFICE OF THE MAYOR
405 MUNICIPAL DRIVE | KENNEDALE, TX 76060
OFFICE: 817-985-2105 | FAX: 817-478-7169

Dear Fellow Council Members,

Ultimately, I vetoed the council's vote to move forward with funding of the Little School Road Expansion and the Sublett-New Hope Realignment for the following:

- These issues were originally listed as items 4, 5, and 6 and were lumped together into one motion. I would request that each item be considered individually.
- I was hoping to have additional time to get clarification from Tarrant County on the exact amounts they were going to reimburse the City based on some confusion between what the ILA's state versus what Shield Engineering has told us.
- Also, I would like the Council to further discuss the design of the potential Sublett New Hope Road realignment projects based on several concerns. Should this project move forward, I would like to ensure that the cemetery is not disrupted and that businesses are not disrupted.

Respectfully,



Brad Horton
Mayor
City of Kennedale, Texas



DATE: July 20th, 2024

TO: Bobbie Jo Taylor, City Secretary - City of Kennedale

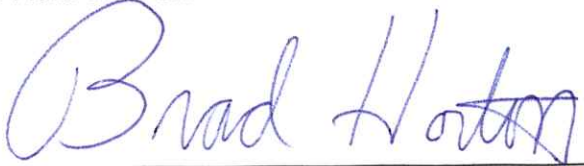
FROM: Brad Horton, Mayor - City of Kennedale

Madam Secretary,

Please accept this written notice to veto City Council action that was taken on July 15, 2024 at the Special City Council Meeting at 5:30 pm regarding Agenda Item 5 "Update and Discussion on the 2024 Bond Issuance for the remodeling of public safety buildings, parks and recreation facilities, and water/sewer, streets, or other utility infrastructure projects."

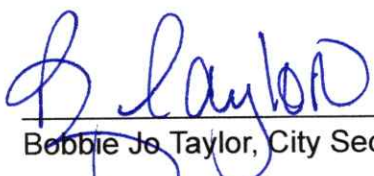
I do hereby veto the Council's action that passed 3-2 to move forward with the design of the Little School Road Expansion Project and the Sublett Rd - New Hope Rd Realignment Project. This notice is being submitted in compliance with Section 3.03 of the City of Kennedale Home Rule Charter.

Submitted By:

 7/20/2024

Brad Horton, Mayor, City of Kennedale

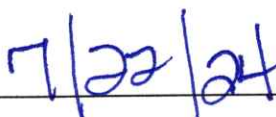
Received By:



Bobbie Jo Taylor, City Secretary, City of Kennedale



Date Received:



MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: REGULAR SESSION ITEM V.C.5.

SUBJECT

Discussion on the City of Kennedale Commercial Business Licenses process.

ORIGINATED BY

Nathan Gonzales, Community Development Director

SUMMARY

At the direction of the City Manager, the business permitting and licensing requirement will remain in effect. This allows the city to identify the number of active businesses in town, aiding the Fire Department, Police, and Economic Development in their service and tracking efforts. The incoming permit software will greatly improve the processing of business licensing.



STAFF REPORT
TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: REGULAR SESSION ITEM V.C.6.

SUBJECT

Discuss and take action on approval of the Oak Hill Addition Channel Cleaning.

ORIGINATED BY

Kristian Sugrim, Director of Public Works

SUMMARY

Field investigations were performed at the Oak Hill Addition drainage channel after recent complaints of flooding and erosion concerns. Based on our investigation findings, it was determined that the drainage problems will worsen if the channel sedimentation, especially at the box culvert, is not removed. We believe that the sediment built up was exacerbated by the unseasonable amount of rainfall during the spring season.

Since the Public Works Department doesn't have the necessary pieces of equipment to perform this activity, bids were solicited.

RECOMMENDATION

Approve

Staff recommends that the Kennedale's City Council consider the approval of a professional service agreement with Makou Construction, at the bid sum of Eighteen Thousand Seven Hundred Fifty Dollars, \$18,750.00.

ATTACHMENTS

1.	KEN CHNL BID rev	KEN CHNL BID rev.pdf
----	------------------	----------------------

MAKOU Inc. Construction Company

6204 PARKSIDE DR.
Arlington, TX 76001
Tele. 817-798-5426 Fax 817-494-0404
7/29/2024

www.makouinc.com
DUNS # 03 679 1092
DBE/MBE/HUB/SB

CITY OF KENNEDALE, TEXAS

508 OAK FOREST CT.

CLEAN ALL THREE CHANNALS FOR DIRT, REMOVE TREES. EXCAVATION
REMOVE & HAUL OFF DIRT

Bid list Item No.	Description	Unit of Measure		Unit Price	Bid Value
1	REMOVE & HAUL OFF ALL TREES & SHURBS				
2	EXCAVATION DIRT & HAUL OFF				
3	CLEANING ALL THREE TUNNELS				
4	SOD FOR AREA DISTURBED				
				LS TOTAL	\$18,750.00

INCLUDED

DEMOLITION, GRADING, EQUIPMENT, HAUL OFF,

EXCLUDE: ANY FORSEEN CONDITIONS

MAKOU Inc.
6204 Parkside Dr. Arlington, TX 76001
makouinc@gmail.com | 817-798-5426



STAFF REPORT
TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: REGULAR SESSION ITEM V.C.7.

SUBJECT

Discuss and take action on a Resolution of the City Council of the City of Kennedale, Texas, adopting rules governing public comments and public hearing comments at all City Council, Board, Commission, and Committee Meetings.

ORIGINATED BY

Bobbie Jo Taylor, City Secretary

SUMMARY

City Staff received a request from city council members to discuss and update our rules and procedures pertaining to public comments. Staff has drafted a proposed resolution which is attached for your review.

RECOMMENDATION

Approve

ATTACHMENTS

1.	Public Comment Resolution	Public Comment Resolution.docx
----	---------------------------	--------------------------------

RESOLUTION NO. R633

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, ADOPTING RULES GOVERNING PUBLIC COMMENTS AND PUBLIC HEARING COMMENTS AT ALL CITY COUNCIL, BOARD, COMMISSION, AND COMMITTEE MEETINGS; TO INCLUDE TIME LIMITS; AS AUTHORIZED BY THE TEXAS OPEN MEETINGS ACT.

WHEREAS, the Texas Open Meetings Act, Tex. Gov't Code§ 551.007(b), provides that "a governmental body shall allow each member of the public who desires to address the body regarding an item on an agenda for an open meeting of the body to address the body regarding the item at the meeting;" and

WHEREAS, the Texas Open Meetings Act, Tex. Gov't Code§ 551.007(c), provides that a governmental body may adopt reasonable rules regarding the public's right to address the body, "including rules that limit the total amount of time that a member of the public may address the body on a given item;" and

WHEREAS, the Texas Open Meetings Act, Tex. Gov't Code§ 551.007(d), provides that "the governmental body must provide that a member of the public who addresses the body through a translator must be given at least twice the amount of time as a member of the public who does not require the assistance of a translator in order to ensure that non-English speakers receive the same opportunity to address the body;" and

WHEREAS, the City of Kennedale holds a variety of meetings throughout each month of the year and values the comments made by the general public regarding public hearings and concerns addressed during the Public Comment portion of the agenda; and

WHEREAS, the City of Kennedale desires to implement rules and procedures to guide public comments during public meetings and public hearings.

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

SECTION 1

PUBLIC/CITIZEN COMMENTS ITEMS NOT LISTED ON THE AGENDA - The section of the agenda is set aside for comments from the public not wishing to speak on a specific agenda item. The following guidelines shall be followed:

1. All persons wishing to address the boards will fill out a request to speak form to be turned into the City Secretary prior to the beginning of the meeting. No individual may address the boards without first submitting a request to speak form. The form must clearly state the subject or issue on which the resident wishes to speak.

2. Those speaking on non-agenda related items shall only speak on matters pertaining to city business or issues which the board would have the authority to act upon if brought forth as an agenda item.
3. Each speaker will be limited to three (3) minutes. In cases where five (5) or more persons desire to address the board on one subject, the Presiding Officer may limit public comments on any one subject to an aggregate of fifteen (15) minutes
4. Time will not be yielded from one speaker in order to give another a longer time period in which to speak.
5. Under no circumstance will emailed or online comments be read into the record under the public comment section of the agenda.

Be advised that the board cannot and will not take any action, discuss issues raised, or make decisions at this time. Comments made by the public may be referred to a member of staff for research or placed on a future agenda.

SECTION 2

PUBLIC/CITIZEN COMMENTS ITEMS LISTED ON THE AGENDA - Those wishing to speak on a specific agenda item shall be allowed to speak just prior to the agenda item when the item is called before the board for discussion. For the purpose of this section the consent agenda as a whole is considered to be one (1) item.

1. All persons wishing to address the boards will fill out a request to speak form to be turned into the City Secretary prior to the beginning of the meeting. No individual may address the boards without first submitting a request to speak form. The form must clearly state the agenda item on which the resident wishes to speak.
2. Comments will strictly adhere to the agenda item itself.
3. Each speaker will be limited to three (3) minutes. In cases where five (5) or more persons desire to address the board on one subject, the Presiding Officer may limit public comments on any one subject to an aggregate of fifteen (15) minutes
4. Time will not be yielded from one speaker in order to give another a longer time period in which to speak.
5. Under no circumstance will emailed or online comments be read into the record under the public comment section of the agenda.

SECTION 3

PUBLIC HEARING COMMENTS - All public hearings will be opened by the Presiding Officer. Once the public hearing is opened the City Secretary will call each person who has turned in a request to speak to the podium to be heard. Those wishing to speak during a public hearing shall follow the rules listed below.

1. All persons wishing to address the boards will fill out a request to speak form to be turned into the City Secretary prior to the beginning of the meeting. No individual may address the boards without first submitting a request to speak form. The form must clearly state which item number in which you will be speaking.

2. If you are speaking on more than one public hearing you must fill out the speaker request form for each public hearing.
3. Each speaker will be limited to three (3) minutes. In cases where five (5) or more persons desire to address the board on one subject, the Presiding Officer may limit public comments on any one subject to an aggregate of thirty (30) minutes.
4. Time will not be yielded from one speaker in order to give another a longer time period in which to speak.
5. All speakers will be limited to the subject under consideration.
6. No comments shall be made once the Public Hearing has been closed.

SECTION 4

MAIL OR EMAIL CONCERNING PUBLIC HEARINGS - The City is aware that from time to time members of the public may not be able to be in attendance to speak during a public hearing. If this is the case the boards will allow for emails or mail to be received by the City Secretary's office up to 24 hours prior to the beginning of the meeting. No emails, mail or other communications will be accepted for reading into the records after this time. All comments submitted will be required to submit the public comment form attached to the email or any other format. The name, address, and a favorable or non-favorable opinion of the person requesting to be on the public record will be noted. No additional information stemming from emails, mail, text, or other electronic information will be read into the record or recorded in the minutes of the meeting.

SECTION 5

GENERAL RULES - All areas where public comment is accepted shall conform to the following:

1. Proper respect, decorum, and conduct shall prevail at all times.
2. No placards, banners or signs may be displayed in the chamber, hallways, city hall or any other building, unless previously approved by the City Manager as a presentation to the board.
3. Arguing, intimidation or other disruptive behavior is prohibited.
4. Those who are using a translator shall be allowed six (6) minutes.
5. Unauthorized remarks from the audience, stomping of feet, applauding, whistles, yells, or any type of disruptive behavior is prohibited. Applause of appreciation may be acceptable when recognizing a significant event or achievement.
6. Meetings of the council, boards, committees, and commissions are the workplace to carry out the business of the City of Kennedale, therefore, any conduct that could constitute harassment in the workplace is prohibited.
7. Any handouts, flyers, or memos shall be submitted at least 24 hours in advance to the City Secretary's office in order to be distributed to the city council during the meeting at which you wish to speak.
8. The Mayor and/or Chairperson shall preside over the meetings and shall ensure that proper conduct and decorum is adhered to.

9. No submittals that contain profanity will be accepted.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, on the __ DAY OF _____, 2024.

Brad Horton, Mayor

Attest:

Bobbie Jo Taylor, City Secretary

Approved as to Form and Legality:

Carvan Adkins, City Attorney

STAFF REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: REGULAR SESSION ITEM V.C.8.

SUBJECT

Discuss and hold a Roll Call Vote to take action on an ordinance of the city of Kennedale, Texas, adopting the budget for the fiscal year beginning October 1, 2024, and ending September 30, 2025; appropriating resources for each department, project, operation, activity, purchase, account and other expenditures; providing for emergency expenditures and expenditures as allowed by applicable state law; providing for the filing and posting of the budget as required by state law; providing a severability clause; and providing an effective date.

ORIGINATED BY

Jonathan Horton

SUMMARY

Since our meeting on August 12th the following changes were made to the budget:

- Cover: Design update
- EDC (Fund 15): added \$50,000 to "Special Services" for a contracted EDC staff member. This to replace the Director position that was previously removed.
- Narrative language added in the introduction section and for each individual fund.

This FY25 Budget has been part of three Council work sessions: April 15, July 8th, and August 12th. Additional related work sessions were held regarding bonds that included budgetary elements. The budget before you now is a result of the guidance and recommendations provided during those sessions.

RECOMMENDATION

Approve

ATTACHMENTS

1.	2024-2025 Budget Ordinance	2024-2025 Budget Ordinance.docx
2.	FY25 Budget Proposed Workbook - FY24 Estimates for August 20th Meeting-1	FY25 Budget Proposed Workbook - FY24 Estimates for August 20th Meeting-1.pdf

ORDINANCE NO. 773

AN ORDINANCE OF THE CITY OF KENNEDALE, TEXAS, ADOPTING THE BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2024, AND ENDING SEPTEMBER 30, 2025; APPROPRIATING RESOURCES FOR EACH DEPARTMENT, PROJECT, OPERATION, ACTIVITY, PURCHASE, ACCOUNT AND OTHER EXPENDITURES; PROVIDING FOR EMERGENCY EXPENDITURES AND EXPENDITURES AS ALLOWED BY APPLICABLE STATE LAW; PROVIDING FOR THE FILING AND POSTING OF THE BUDGET AS REQUIRED BY STATE LAW; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, the City Manager of the City has filed with the City Secretary a budget outlining all proposed expenditures of the government of the City for the fiscal year beginning October 1, 2024, and ending September 30, 2025 (hereinafter referred as the “Budget”); and

WHEREAS, the Budget specifically sets forth each of the various projects for which appropriations are delineated, and the estimated amount of money carried in the Budget for each of such project; and

WHEREAS, the Budget has been filed with the City Secretary for at least thirty (30) days before the date the City Council will make its tax levy for the fiscal year, and such Budget has been available for inspection by any taxpayer; and

WHEREAS, notice of a public hearing on the proposed Budget, stating the date, time, place and subject matter of said public hearing, was given as required by the laws of the State of Texas; and

WHEREAS, such public hearing was held on August 20, 2024, prior approval of such date being ratified and confirmed by the City Council, and those wishing to speak on the Budget were heard; and

WHEREAS, the City Council has studied the Budget and listened to the comments of the taxpayers at the public hearing held thereon and has determined that the Budget, a copy of which is attached hereto as Exhibit “A” and incorporated herein for all purposes, is in the best interest of the City, and that same should be approved and adopted.

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

SECTION 1.

All of the above premises are found to be true and correct and are incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2.

The Budget of the revenue of the City and the expenses of conducting the affairs thereof for the ensuing fiscal year beginning October 1, 2024, and ending September 30, 2025, is hereby adopted and approved, and there is hereby appropriated from the funds indicated therein such sums for the projects, operations, activities, purchases, accounts and other expenditures proposed in the Budget, as set forth in Exhibit "A."

SECTION 3.

No expenditure of the funds of the City shall hereafter be made, except in compliance with the Budget and applicable state law; provided, however, that in case of grave public necessity to meet unusual and unforeseen conditions, which could not, by reasonable, diligent thought and attention, have been included in the original Budget, expenditures may from time to time be authorized by the City Council as amendments to the original Budget.

SECTION 4.

This Budget will raise more total property taxes than last year's budget by an amount of \$242,440.39, which is a 2.91% increase, and of that amount \$59,220.61 is tax revenue to be raised from new property added to the tax roll this year.

The municipal property tax rate for the preceding fiscal year was \$0.706190 per \$100.00.

The municipal property tax rates that have been adopted or calculated for the current fiscal year for which this Budget is adopted, are as follows:

(A) the property tax rate is \$0.706190 per \$100.00;

(B) the No-New Revenue tax rate is \$0.686241 per \$100.00;

(C) the Voter-Approval tax rate is \$0.727523 per \$100.00;

(D) the De Minimis Rate tax rate is \$0.735474 per \$100.00 taxable property value after exemptions;

(E) the debt rate is \$0.195216 per \$100.00 taxable property value; and

(F) the total amount of municipal debt obligations is \$2,372,470

SECTION 5.

A copy of the approved Budget, including the cover page, shall be posted on the City's website, along with the record vote of each member of the City Council, as required by law. In addition, the City Manager shall file or cause to be filed a true and correct copy of this Ordinance with the City Secretary, along with the approved Budget attached hereto. The City Manager shall file or cause to be filed a true and correct copy of this Ordinance, along with the approved Budget attached hereto, and any amendments thereto, in the office of the County Clerk of Tarrant County, Texas, as required by State law.

SECTION 6.

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

SECTION 7.

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

SECTION 8.

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

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF KENNEDALE, TEXAS, THIS THE 20TH DAY OF AUGUST, 2023.

APPROVED:

MAYOR BRAD HORTON

ATTEST:

[CITY SEAL]

CITY SECRETARY BOBBIE JO TAYLOR

APPROVED AS TO FORM AND LEGALITY:

CITY ATTORNEY CARVAN E. ADKINS

EXHIBIT “A”



City of
.KENNEDALE.
Texas
EST. 1887

YOU'RE HERE  YOUR HOME

Proposed Budget Fiscal Year 2025
October 1, 2024 through September 30, 2025

Serving with P.U.R.P.O.S.E



FY24-25 PROPOSED BUDGET

OCTOBER 1, 2024 to SEPTEMBER 30, 2025

Presented to City Council

AUGUST 20, 2024

Submitted By
DARRELL HULL, CITY MANAGER

JONATHAN HORTON,
DIRECTOR OF FINANCE

405 Municipal Drive
Kennedale, TX 76060
817-985-2105
CITYOFKENNEDALE.COM/BUDGET

City of Kennedale
Fiscal Year 2024/2025
Proposed Budget

THIS BUDGET WILL RAISE MORE TOTAL PROPERTY TAXES THAN LAST YEAR'S BUDGET BY \$242,440.39 OR 2.91% AND, OF THAT AMOUNT, \$59,220.61 IS TAX REVENUE TO BE RAISED FROM NEW PROPERTY ADDED TO THE TAX ROLL THIS YEAR.

Property Tax Comparison:

Ad Valorem (PROPERTY)

Tax Rate Comparison	FY24 Adopted	FY25 Proposed
Property Tax Rate	\$0.706190/100	\$0.706190/100
No-New-Revenue Tax Rate	\$0.610045/100	\$0.686241/100
No-New-Revenue Maintenance & Operations Rate	\$0.413128/100	\$0.491025/100
Voter Approval Tax Rate	\$0.706208/100	\$0.727523/100
Debt Rate	\$0.196917/100	\$0.195216/100
Maintenance & Operations Tax Rate	\$0.509273/100	\$0.510974/100

Information Required for Texas Local Government Code Chapter 140.0045

Itemization of certain expenditures required in certain political
subdivision budgets

	FY23 Actual	FY24 Projection	FY25 Proposed
Required Newspaper Publications	\$2,609.37	\$5,600	\$3,500
State Legislative Lobbying	\$0	\$0	\$0

Proposed Budget 2024 -2025

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Proposed Budget 2024-2025

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Kennedale is a family-oriented community providing a refuge from the hectic pace of the Dallas-Fort Worth Metroplex. Open spaces, green belts, and trails enhance our serenity, quality of life, and community. With easy access from major roadways, Kennedale is economically prosperous, business friendly, and conveniently located, providing opportunities to shop, work, and play.

ORGANIZATIONAL CHART

RESIDENTS OF THE CITY OF KENNEDALE





ELECTED OFFICIALS

Mayor Brad Horton
Mayor Pro Tem Kenneth Michels, Place 3
David Glover, Place 1
Thelma Kobeck, Place 2
Chris Gary, Place 4
Jeff Nevarez, Place 5

APPOINTED OFFICIALS

Darrell Hull, City Manger
Bobbie Jo Taylor, City Secretary
Carvan Adkins of TOASE, City Attorney
Honorable Bill Lane, Municipal Judge

BOARDS AND COMMISSIONS

Board of Adjustment (BOA)
Building Board of Appeals (BBA)
Economic Development Corporation (EDC)
Keep Kennedale Beautiful Commission (KKB)
Library Advisory Board (LAB)
Parks and Recreation Board (PRB)
Planning and Zoning Commission (P&Z)
Utility and Infrastructure Board (UIB)
Youth Advisory Council (YAC)

MANAGEMENT TEAM

Nathan Gonzales, Director of
Community Development
Caroline Green, Director of HR
Michael Holguin, Chief of Police
Jon Horton, Director of Finance
Brian King, Fire Chief (Interim)
Elizabeth Partridge, Director of Library and
Communications
Kristian Sugrim, Director of Public Works
Bertha Vindel, Court Administrator

August 20, 2023

To: Honorable Mayor and City Council Members
From: Darrell Hull, City Manager
Subject: Proposed FY 2024-2025 Budget for the City of Kennedale

Honorable Mayor and Council Members,

I am pleased to submit the fiscal year 2024-2025 (FY 2024-2025) City of Kennedale recommended operating budget for your consideration. This proposed budget will be effective October 1, 2024, and close September 30, 2025.

The development of this year's budget has been a collaborative process with input from every member of the City of Kennedale leadership team. The recommended budget for FY 2024-2025 is balanced and represents a responsible spending plan while still meeting city development and growth needs. The FY 2024-2025 budget includes a modest increase in operating expenditures.

The budget development process considers city council's vision and priorities, the economic outlook on the national, state, and local level, and existing and forecasted financial commitments. The development of the budget also accounts for multi-year capital planning and investing in available resources by strategic priority. As in previous years, the FY 2024-2025 recommended budget continues to prioritize our residents, businesses, and our workforce while meeting the needs of a growing community.

The recommended FY 2024-2025 budget also anticipates continued positive growth in city revenues. The local and regional economy has remained resilient despite post-pandemic inflationary driven changes seen across many parts of the country. This budget also reflects increases in property and sales tax revenues driven by the most current appraisals in the city.

The recommended FY 2024-2025 budget proposes an increase of \$242,44.39. Although the general fund is the primary source for most city operations, this budget also encompasses all necessary funds including water and sewer, stormwater, franchise fees, investments, and the Economic Development Corporation (EDC) fund. Employee recruitment and retention, equitable market compensation, new debt service, and adjustments for inflation comprise the largest expenditure increases in this year's proposed budget.

Budget overview

The budget is the most important planning tool used by the City Council and city staff to provide services. The city provides a full range of municipal services utilizing operating funds, special revenue funds, capital project funds, and utility funds. The budget is balanced in accordance with state law, the City Charter, ordinances, and budget policies. The combined expenditures and transfers of the city's operating funds total \$12,946,142, which is a 10% increase from the previous year operating budget.

GENRAL FUND	FY 2023/24	FY 2024/2025	% CHANGE
MAYOR AND COUNCIL	\$187,100	\$201,950	8%
CITY MAMAGER	\$366,953	\$378,229	3%
CITY SECRETARY	\$194,447	\$215,458	11%
MUNICIPAL COURT	\$242,974	\$320,764	32%
HUMAN RESOURCE	\$224,532	\$210,081	-6%
FINANCE	\$545,337	\$581,973	7%
POLICE	\$3,606,007	\$3,916,051	9%
FIRE	\$2,961,998	\$3,353,570	13%
LIBRARY	\$501,226	\$590,536	18%
SENIOR CENTER	\$53,172	\$101,900	92%
PUBLIC WORKS	\$1,200,756	\$1,492,428	24%
COMMUNITY DEVELOPMENT	\$687,853	\$693,806	1%
COMMUNICATIONS	\$26,100	\$23,500	-10%
NON-DEPARTMENT	\$565,194	\$566,695	0%

One of the measures of the city’s financial strength is the level of its fund balances. In keeping with the city’s policy to have a conservative 25% reserve fund, the general fund is projected to exceed the minimum obligation of 18%. The water and sewer funds are carrying a considerable reserve.

Fund type	FY2023/2024	FY2024/2025	NUMBER of DAYS	AMOUNT
GENRAL FUND	\$3,143,925	\$3,945,011	111	30%
WATER/SEWER	\$935,350	\$1,877,795	48	13%
STORMWATER	\$1,206,042	\$1,299,401	10355	2837%

The reserve fund earns interest, bolsters cash flow, and is available for unanticipated expenditures or city-wide emergencies. As a non-recurring revenue source, portions of the beginning fund balance may be used to fund capital or other one-time expenses.

City Personnel

In 2024, a committee consisting of employees and department heads were asked to create an acronym that would identify our commitment to serving our community. The committee chose the word PURPOSE and the acronym which represents the following service and customer-based ideals:

Professionalism- Visibly displaying and promoting the values of the organization through conduct or professional and personal advancement.

Understanding- Demonstrating responsiveness, empathy, and compassion when addressing the needs of customers and co-workers.

Respect- Demonstrating a high regard for and attention to the thoughts and opinions of others.

Positive Influence- Maintaining professionalism and a helpful demeanor towards others at all times.

Outstanding Service- Going above and beyond the status quo when providing customer service or in the performance of work responsibilities.

Supportive- Providing encouragement and commitment to fellow staff members and working as a team to further the mission and vision of the city.

Excellence- Exhibiting exceptional performance, work ethic, and an being example for others to follow.

As in any organization, competent and experienced city employees are essential to meet the vision and goals of the council and the needs and expectations of our citizens. It is generally known that municipal government and private sector organizations are competing for a smaller, qualified pool of available employees in the current job market. Needed market salary adjustments have become the new norm, as municipal governments continue to face a shortage of personnel throughout the state and the country. However, I am pleased to announce that for the first time since the pandemic, city staffing levels have been steady for the past two years. In an effort to continue to retain our employees, this budget proposes a compensation increase between three and eight percent for all employees, contingent upon job related skills, knowledge, and abilities associated with their current position. However, although this is a positive increase for all employees, the compensation in some positions will remain below the current market average. Future compensation plans will still need to address the market pay gap as soon as it is practical to do so.

The proposed budget also includes the addition of three new employees. These positions will be vital to meet the needs of our growing community. If approved, these employees will provide improved services in the Fire Department, the Municipal Court, and Community Development.

In our FY 2024-2025 budget, we outlined professional expectation goals for city staff members. I am proud to announce that we accomplished achievable goals within our control. Previous unachieved goals were a result of financial constraints or the inability to meet the fiscal year timeframe. Goals that were unable to be met last year will be incorporated into the new budget year objectives.

Community Development

One of our FY 2024-2025 budget goals included an update to the Comprehension Plan and the Unified Development Code (UDC). With input from our elected officials, this project will continue into FY 2024-2025 under this proposed budget to address the anticipated growth in business and urban development. A thorough review and subsequent update of the policies and procedures in the UDC is crucial to our success in the present and for future development. The UDC update was just one of many accomplishments in the past year.

Additional Community Development accomplishments in FY 2023-2024 included the adoption of the 2018 International Maintenance Code, the adoption of the Park Zoning Map, allowing funds collected from parks fees to be utilized to support operations, and updates to the parking, nuisance, and short-term rental ordinances. Community Development also reduced the costs for third-party services through improved training and development of department staff. Lastly, we implemented new software that will improve the efficiency and quality of work of our employees while providing better customer service.

The updated UDC is expected to improve development related communication, provide clear and measurable

expectations and building standards for developers, and minimizing conflicts regarding contradictory policies and guidelines found in our previous UDC standards. Having clear and measurable development standards benefits elected officials, city administrators, and citizens as the city continues to grow. Developers are also provided the opportunity to evaluate proposed projects vis á vis our community standards when exploring opportunities in Kennedale. A strong, clear, and concise UDC creates a benchmark for future development in the city, in line with our needs and expectations. Working together, we can continue to attract families seeking a safe and beautiful place to live with a quality-driven school district and a business-friendly environment.

Quality of Life and Infrastructure Improvements

Our continued commitment to enhance the quality of life for our residents, visitors, and property owners included completing water and sewer line and street capital infrastructure projects. Quality of life enhancements also included projects completed this year. We were able to replace over 1000 feet of sewer lines, repaired three of our water wells, purchased and installed new playground equipment for our parks, improved the splashpad play area at Sonora Park, and increased safety and security also at Sonora Park by installing a security access gate at the entrance. We also made improvements to parking lot lighting at Sonora Park and Rodgers Farm Park. As we move forward with the FY2024-2025 budget, we are planning improvements to the Kennedale Ballfields located on Village Street, as well as adding additional sports-oriented play and practice locations throughout the city to promote more outdoor activities for our citizens and visitors.

The following street projects were completed during the FY 2023-2024 budget year with more road improvements scheduled in the coming year. So far, we have not only striped over five miles of roadway to help with traffic control, we have also made repairs to curbs, updated street signage throughout the city, and filled over 500 pot holes. We were unable to complete two roads that were scheduled in the previous budget due to a lack of funding. However, the two roads have been added to this year's budget and are expected to be completed by the end of 2025.

During FY 2023-2024, the city partnered with the U.S. Department of Housing and Urban Development (HUD) and received a Community Development Block Grant (CDBG). The HUD grant allocation was used to replace over one thousand feet of water and sewer lines on West 3rd Street and North New Hope Road. We have been approved for the same grant for North Road and the project is scheduled to be completed within the coming fiscal year. To meet our continuing infrastructure needs, we plan to continue our partnership with HUD to receive additional CDBG funding to replace additional water and sewer lines throughout the city. Additionally, we are continuing to partner with Tarrant County Precinct 2 for assistance with stormwater drainage and culvert

debris cleanouts.

We completed a long overdue slope and stabilization project along with road and bridge improvements on Valley Lane and Averett Road last year. A complete rebuild of Collett Sublett Road, in addition to the needed improvements to our neighborhood concrete streets, is also planned for the new fiscal year. We have also partnered with Tarrant County Precinct 2 for FY 2024-2025 for additional road projects.

The long-awaited Safe Routes to School project finally began in June of this year. The city had originally partnered with the Texas Department of Transportation (TXDOT) in 2016 to improve pedestrian and bicycle mobility in our community. The program focuses on providing children the opportunity to walk and bike to school safely with the goal of also reducing vehicular traffic in the Delaney Elementary and James A. Arthur Early Childhood Center neighborhood. The projected completion date will be announced as soon as possible.

We have been negotiating with Arlington Water Utilities this year to supply water and wastewater services to the city. Negotiations are going well and we anticipate signing the agreement on August 20, 2024 for the FY2024-2025 Budget. Updates will also be provided as information becomes available.

As a result of the 2023 Certificate of Obligation (CO) Bond, we were able to start the design and construction on the T4 750,000-gallon storage water tank. The storage water tank is needed to continue supplying water to our city and to help us meet state water pressure standards. The engineering design for the sewer line from the Kennedale Texas Raceway to the Interstate 20 sewer and meter connector in Arlington is approximately 30% complete.

Communications and Community Outreach

The communications team provides transparent, innovative, and creative information, alerts, notices and advertisements to promote our mission, programs, events, and community-wide initiatives. Our vision is to consistently create and distribute effective messaging that is recognized as the best, most accurate, and dependable source of city information. This past year, the team created a new communications and social media policy, new branding standards, and increased outreach which has resulted in a significant increase in community participation at city events. As a result of the team's efforts, it is estimated that attendance at city events has more than doubled since the previous year.

In FY 2024-2025, we will partner with the Kennedale Youth Association (KYA) and the YMCA to improve the availability of youth sports and activities in our city. We created a Recreation Department to encourage better utilization of our parks and green spaces. The new department will provide scheduling, programming, and recreation related services, as well as promoting the use of facilities and resources available in Sonora

Park, TownCenter Plaza, Rodgers Farm Park and the future Kennedale Sports Complex.

In the past year, we were able to provide a variety of resources and programs to all ages through our Public Library and Senior Center. This included programs focused on improving life skills, workforce training through reading programs, and classes to learn basic computer skills. During this time, the library and Senior Center experienced significantly higher visitor traffic than in previous years. The Senior Center continues to be popular by hosting a variety of events specially designed for our Seniors such as health and exercise programs, game days, and arts and crafts activities. The Senior Center continues to provide lunch and breakfast through the Meals on Wheels program.

The library created and hosted a variety of additional programs and free events in FY 2023-2024 and encouraged citizens to take advantage of the free resources available to everyone with a library card. We partnered with Kennedale ISD to use their gyms due to the increased attendance at our summer reading programs and our very popular live animal presentations. The library staff also created a 3-D Printer Innovation Station including a 3D printer, laser engraver, and an embroidery machine, for the public to use for hands on training and use. The innovation station was funded through a grant by the Hancher Foundation.

The library also received a much-needed facelift last year that consisted of new carpet, new window blinds, new paint for the community room and the main collection area, and a new projector with speakers for the community room. The community room continues to be used regularly and hosts events scheduled for the public as well as in-house training courses held by the city.

The police department also launched a series of new and exciting programs in an effort to build partnerships and increase communication within the community. The department's Community Engagement Officer created a Business Crime Prevention Coalition to help local businesses deter crime and improve crime prevention efforts. The police department also participated in the very first national Faith and Blue event, hosted a Peace Officer Angel Foundation fundraiser, represented the city and the department at First Responder events at Globe Life Field and AT&T Stadium, started a new Police Chaplain program, launched the department's new drone program, and presented a number of crime prevention programs citywide to include Kennedale school district presentations to students and staff. In only the third year of participation, the police department driven initiative National Night Out was very successful and the city placed 3rd in Texas and 11th in the nation in participation, resulting in an award from the National Association of Town Watch for our efforts. The police department was also awarded Re-Accreditation by the Texas Police Chief's Association during this period. This is a significant accomplishment as there are only 211 agencies out of over 2,700 in the state that meet the standards for accreditation. These are just a few examples of many more accomplishments in FY 2023-2024

by our police department which highlights their efforts to provide quality police services while also maximizing community engagement.

The fire department continues to engagement with the community by hosting the fire safety education programs annually. Fire fighters attend several career day events with local schools show casing their career path and passion of serving the community they work for. Throughout the year the fire department also host other events to the general public, including the open house for public safety and fire prevention week. During the open house the fire and police departments show case their equipment and gear to demonstrate the capabilities of serving and helping the public. The fire department serves the community by providing a local Angel Tree Christmas Program. The program helps support the needs of the community and its citizens during the Christmas season. In FY2025, the fire department will create a new program for fire safety prevention inside citizens homes, by providing residential smoke detectors. The program will allow the homes to have smoke detector that work and are up to industry standards, at no charge to the public.

The Kennedale Public Works departments helps with all aspects of city activities and services. Public Works teams up with Keep Kennedale Beautiful Program. Each year public works helps KKB and organizations and business owners. Organizations and citizens help public works and KKB by providing an program of Adopt-A-Spot. This is where local citizens and businesses partner and clean the city within a designated area of the city. We also provide an annual Bring-it campaign to help control residential waste and debris from piling up inside/outside the home. Public works supports all city events including hosting their own KidFish. Kidfish is an event that brings families out to Sanora Park where we have a small lake to provide fishing and outdoor activities throughout the park. Public Works is a huge partner setting up our city events including; HomeTown Christmas. They decorate the Town Center Park with all the holiday décor including our 34ft Christmas tree.

Citizen involvement on our city boards and commissions is another important aspect that is key to promoting better communication with our citizens. We updated our communication technology to increase our audio and visual reach through our online communication system to increase transparency with our community. We will continue to build upon our previous efforts to encourage more citizen involvement in the new year and will seek other avenues to improve communication with our citizens. The city will continue to improve messaging through social media and our city and departmental website pages. We will continue to host townhall meetings and increase city representation at homeowner association meetings and other community events. We will also continue to partner with the Kennedale Rotary and the Kennedale Area of Chamber of Commerce.

We recognize the importance of keeping our citizens up-to-date on information that affects the community. The city has made improvements regarding notifications for situations such as street closures or weather events,

but there is still work to be done. The city is committed to keeping every citizen informed to the best of our ability and will seek any and all additional means to do so now and in the coming year.

In the past year, we made wonderful strides supporting and budgeting for a variety of city sponsored events. These included our revamped Kennedale Hometown Christmas event with a new thirty-foot Christmas tree, a new Kennedale BBQ Showdown event in partnership with Kennedale Speedway Park, Kidfish and Bark in the Park held at Sonora Park, the 911 Memorial Commemoration at TownCenter Plaza, the Veterans Day Memorial event also hosted at TownCenter Plaza, the annual Halloween Truck or Treat event held in TownCenter, and the Juneteenth Parade. We have enjoyed significant community support and have received positive feedback for our efforts to add value to our community by hosting these well-organized and family friendly events. Our goal is to continue to improve these events and potentially add more community centered activities in the coming year.

Municipal Court

The Kennedale Municipal Court continues to be dedicated to adhering to statutory requirements and providing the highest standards in customer service and promotes timely disposition of cases while ensuring accuracy to promote a positive public perception of our local judicial system. This past year, the court implemented a new citation writing system using cellular phones previously issued to police officers. Using existing technology in lieu of using a third party, independent citation writing device will save the city thousands of dollars in the future. The court is also exploring new screening technology for the council chamber to help protect our citizens and staff when court is in session. Additionally, new court managing software will be updated and implemented going in to FY 2025.

The court also continues to participate in citywide events and community education. The court participated in the Great Texas Warrant Roundup in March in cooperation with the police department, Texas Municipal Courts Week in November, and met with members of the community at various National Night Out neighborhood parties in October. Our court was also recognized by the Texas Municipal Courts Education Center and received the 2024 Municipal Traffic Safety Award. In addition to the emphasis of education and community outreach, the court staff still handled a 38% increase in all court filings with an 50% disposal and closed status case load last year. The court also had a 43% increase of fines recovered in FY 2023-2024.

In conclusion, I wish to thank each employee of the City of Kennedale team. Our department directors and administrative staff spent countless hours meeting and providing feedback and information to complete this year's proposed budget. I especially want to thank Finance Director Jonathon Horton and his team for their efforts bringing it all together.

I would also like to thank the members of the City Council for the opportunity to serve as your City Manager. Thanks to everyone's support and our dedicated employees, we have enjoyed a number of significant accomplishments this past year. From fixing our streets to improving our parks, City Council leadership and the support of our citizens will help us continue to make Kennedale one of the most desired places to live, work, and do business in the Dallas-Ft. Worth area. Together, we will continue to meet the demands of our growing city while focusing on providing unsurpassed customer service to continue to create a safe and family-friendly community. I am looking forward to managing our great city and serving our citizens in the new fiscal year and I respectfully submit this budget for consideration.

Sincerely,

A handwritten signature in black ink that reads "Darrell Hull". The signature is written in a cursive, flowing style with a large initial "D".

Darrell Hull
City Manager

USING THIS DOCUMENT

The budget is created on a fund basis with similar activities, goals, and funding sources grouped within each area. Each fund is self-balancing and is accounted for on its own. The General Fund, which encompasses most operational activities, is primarily funded by maintenance and operation ad valorem (property) tax, sales tax, and fees, and contains departmental line item expense budgets.

The financial reporting entity (the city government) includes all funds of the primary government (i.e., the City of Kennedale as legally defined), as well as each of its component units. Component units are legally separate entities for which the primary government is financially accountable. Discretely presented component units are legally separate entities and not part of the primary government's operations. The Kennedale Economic Development Corporation (EDC) is included in the budget and account records as a discretely presented component unit.

It is the goal of operational funds like the General Fund, Stormwater Utility Fund, and Water Sewer Fund, to have revenue that exceeds expenditures to maintain a healthy reserve balance. Leadership aims to achieve and maintain an unassigned fund balance in the General Fund equal to 18% (with a goal of 25%) of budgeted annual expenditures to be used for unanticipated costs, unforeseen revenue fluctuations, or other adverse circumstances, as provided for in the Fund Balance Policy, a copy of which is included in the Appendix Section.

The financial structure is defined by the City's fund types. Funds are established for specific revenues and expenditures related to certain activities of the City. They are further organized into various groups to identify their purpose.

- **Governmental Funds:** Used to account for all government-type activities. These activities consist of all financial resources that cannot be categorized into other funds.
- **Proprietary Funds:** Account for activities where the cost of providing services is financed primarily through user charges. These funds operate similarly to a private business.
- **Component Unit Funds:** Account for activity related to the City's only discretely presented component unit, the Kennedale Economic Development Corporation (EDC).

The following chart identifies the City's funds, organized by their fund type:

FLOW OF FUNDS

CITY OF KENNEDALE BUDGETARY FUNDS

GOVERNMENTAL FUNDS

General Fund

Debt Service

Water Impact

Sewer Impact

Capital Projects

Capital Bond

Park Dedication

Library Building

Roadway Impact

TIF #1 New Hope

**Hotel Occupancy
Tax**

Public Seizure

PROPRIETARY FUNDS

**Stormwater
Utility**

Water/Sewer

LEOSE

Disaster Recovery

**Capital
Replacement**

Court Security

Court Technology

**Juvenile Case
Manager**

Grants

**Park
Recovery/Donation**

COMPONENT UNIT FUNDS

EDC

**EDC Bond
Reserve**

Tree Restoration

**Unclaimed
Property**

The following table lists City departments and the funds used to support that department's operations, or which department manages the inflow and outflow of resources:

Department	GF	DS	CP	CB	PD	RI	HO	PS	LE	DR	CS	CT	JC	GR	PR	TR	SU	WS	EDC
City Manager	x																		x
Mayor/Council	x																		
City Secretary	x																		
Municipal Court	x										x	x	x						
Human Resources	x																		
Finance	x	x																	x
Police	x							x	x					x					
Fire	x													x					
Community Development	x																		
Senior Center	x																		
Library	x													x					
Communications	x						x												
Public Works	x		x	x	x	x				x					x	x	x	x	

Governmental Funds	
GF	General Fund
DS	Debt Service
CP	Capital Projects
CB	Capital Bond
PD	Pard Dedication
RI	Roadway Impact
HO	Hotel Occupancy Tax
PS	Public Seizure
LE	LEOSE
DR	Disaster Revoverly
CS	Court Security
CT	Court Techonolgy
JC	Juvenile Case Manager
GR	Grants
PR	Park Recovery/Donation
TR	Tree Restoration

Proprietary Funds	
SU	Stormwater Utility
WS	Water/Sewer

Component Unit Funds	
EDC	EDC

FUND DESCRIPTIONS

The following section provides an overview and general purpose for each fund. Funds are grouped by function, rather than by type, and are presented in the same order as they appear later in this book. Additional information for each fund can be found within its respective budget section.

GENERAL FUND

The General Fund serves as the main operating fund for the City's government. Fifty percent of revenue comes from property taxes, the rates of which are provided in the front of this document. Revenue is determined by applying the City's adopted rates to values established by the Tarrant Appraisal District. Sales taxes, which make up 19% of General Fund revenues, are indirectly budgeted using a weighted average method. This method is applied to project the remaining FY24 revenue. Revenue for FY25 is then projected to be the same as the projected revenue for FY24. A material growth in the City's tax base is not expected for FY25. The next highest category, Transfers In, consist of the value General Fund departments provide to support other funds. A breakdown of this amount is located in the Common Cost Analysis within this document. New for FY25, all department day to day operations will reside within this fund. Previously, the Public Works department captured day to day operations within the Street Repair Fund. That fund has been moved entirely into the General Fund.

DEBT SERVICE FUND

The Debt Service Fund pays for Debt that is secured by ad valorem (property) taxes. Property taxes account for over 99% of the Debt Service Fund revenues, with the remainder coming from investment income.

UTILITY FUNDS

Stormwater Utility Fund

The Stormwater Utility Fund is an Enterprise Fund with the responsibility of providing stormwater management to approximately 3,217 residential, commercial, and industrial customers.

Water/Sewer Fund

Also an Enterprise Fund, the Water/Sewer Fund maintains responsibility for providing water and wastewater services for the City. Revenue received for usage is expected to cover operations for this function. Bond proceeds are also housed within this fund for capital projects.

Water Impact Fee and Sewer Impact Fee Funds

Each of these funds receive revenue from fees associated with new development. Expenditures are tied to projects within the scope of each fund and can be used to pay related debt through a transfer to the appropriate fund, typically the Water/Sewer Fund.

CAPITAL PROJECT FUNDS

Capital Project Fund

The Capital Project Fund receives revenues from the City's waste collection contractor, Waste Connections, based on their overall landfill revenue. Funds are transferred to Debt Service to pay for debt requirements related to improvements to Dick Price Road, the road that leads to the landfill.

Capital Bond Fund

The Capital Bond Fund receives proceeds from bonds and records the project expense associated with the bond proceeds. Projects in this fund are independent from those recorded in the Water/Sewer Fund.

Park Dedication Fund

Revenue for the Park Dedication Fund comes primarily from fees associated with certain residential developments within the City and proportionate interest income from pooled investments. Expenditures from this fund are tied to park maintenance and improvements.

Library Building Fund

This fund was established to fund the current facility. Without any new capital projects, this fund is essentially sitting dormant.

Roadway Impact Fee Fund

Roadway Impact Fee Fund is funded primarily with new development fees and used to fund related projects

SPECIAL REVENUE FUNDS

TIF #1 New Hope Fund

Tax Increment Financing (TIF), authorized by Texas Tax Code Chapter 311, states local governments can publicly finance needed structural improvements and enhanced infrastructure within a defined area – a Tax Increment Reinvestment Zone (TIRZ) – to encourage desired development. The tax increment is derived from the difference in appraised value between the year in which the reinvestment zone is established (base year) and each year the reinvestment zone is in existence.

Hotel Occupancy Tax Fund

Revenue for this Fund comes primary from taxes related to overnight stays within the City. This is calculated as 7% of gross rents and remitted directly to the City each quarter. Presently, this tax comes exclusively from short-term rentals.

Public Seizure Fund

Revenue for the Public Seizure Fund comes from property seizures related to law enforcement activity. Expenditures are confined to law enforcement uses.

Law Enforcement Officer Standards and Education (LEOSE) Fund

The State Comptroller of Public Accounts collects and deposits proceeds from court costs into the Law Enforcement Officer Standards and Education (LEOSE) account of the state treasury, which is then distributed to local law enforcement agencies. Local agencies must use the funds to provide continuing education or necessary training for law enforcement officers.

Disaster Recovery Fund

The Disaster Recovery Fund (35) tracks transactions related to the American Rescue Plan Act of 2021 (ARPA).

OTHER FUNDS

Capital Replacement Fund

The Capital Replacement Fund receives transfers from other funds that utilize vehicles.

Court Security Fund

Revenue for the Court Security Fund comes from a \$3 fee assessed to defendants convicted of misdemeanors as a cost of court. Expenditures may only be used for security personnel, services, and items related to buildings that house the operations of our Municipal Court.

Court Technology Fund

Revenue for the Court Technology Fund comes from a \$4 fee assessed to defendants convicted of misdemeanors as a cost of court. Expenditures may only be used for technological enhancements for the Municipal Court.

Street Improvement Fund

Activity has been moved to the Public Works Department within the General Fund. While this change was implemented for FY25, historical activity is being displayed within the General Fund to allow for direct comparison with FY25 budget figures.

Local Youth Diversion Fund

Revenue for the Local Youth Diversion Fund comes from a \$5 fee assessed to defendants convicted of a “fine only misdemeanor offense” as a cost of court. Expenditures may only finance the salary and benefits of a juvenile case manager employed by the Municipal Court of the City of Kennedale.

Grants Fund

The Grants Fund will house funding and track expenditures for grants awarded to the City. As most grants function as cost reimbursable agreements (funding isn’t received until an expenditure has taken place and proper documentation has been provided to the granting agency), this fund is expected to have a \$0 balance over time.

Park Recovery and Other Donations Fund

Donations from the community, and their related expenditures, are tracked in the Park Recovery and Other Donations Fund. Similar to the Grant Fund, this fund is expected to have a \$0 balance over time.

Tree Restoration Fund

Funds collected by the City’s Community Development Department for tree removal permits, donations, and related development agreements are the primary source of revenue for the Tree Reforestation Fund.

Unclaimed Property Fund

The Unclaimed Property Fund is used for holding property valued at \$100 or less that is presumed abandoned or unclaimed subject, to Title VI, Chapter 76, of the Texas Property Code.

EDC FUNDS

EDC Fund

A component unit of the City of Kennedale, the Economic Development Corporation (EDC) is primarily funded by a .50% sales tax levied on items sold in the City of Kennedale. Revenue also comes in the form of rent paid by tenants of the TownCenter, the proportionate share of investment income, and other fees related to operating the TownCenter.

EDC Bond Reserve Fund

Established as a separate fund to allow for securing bond funding, the exclusive source of revenue is proportionate interest income from pooled investments. Consistent since inception, there are no anticipated expenditures from this fund.

BASIS OF ACCOUNTING AND ACCOUNT STRUCTURE

The City's accounting records for general governmental operations are maintained on a modified accrual basis, with revenues being recorded when available and measurable and expenditures being recorded when goods or services are received and when liabilities are incurred. Accounting records for the City's utilities (example, the Water Sewer Fund) are instead maintained on an accrual basis. In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable - but not absolute - assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework.

Within this document, you will see charts similar to this one:

FUND 83 TREE REFORESTATION					
Account	Description	FY22 Actual	FY23 Budget	FY23 Est Actuals	FY24 Prop Budget
83-4197-00-00	TREE REFORESTATION	-	-	5,000	5,000
83-4401-00-00	INVESTMENT INCOME	481	300	1,550	1,550
TOTAL REVENUES		\$ 481	\$ 300	\$ 6,550	\$ 6,550
Account	Description	FY22 Actual	FY23 Budget	FY23 Est Actuals	FY24 Prop Budget
83-5290-01-00	EXPENDABLE SUPPLIES	-	15,000	-	-
83-5570-01-00	SPECIAL SERVICES	-	15,000	-	-
TOTAL EXPENDITURES		\$ -	\$ 30,000	\$ -	\$ -
NET CHANGE IN FUND BALANCE		\$ 481	\$ (29,700)	\$ 6,550	\$ 6,550
BEGINNING FUND BALANCE — OCT 1		\$ 71,054	\$ 71,535	\$ 71,535	\$ 78,085
ENDING FUND BALANCE — SEPT 30		\$ 71,535	\$ 41,835	\$ 78,085	\$ 84,635

These charts provide a comparative view with the prior year actuals, current year estimates, and current year budget. The columns are based on a Fiscal Year (FY) that runs from October 1 through September 30 of each year, rather than the calendar year. For example, references to FY23 refer to activity between October 1, 2022, and September 30, 2023, and references to FY24 refer to the time frame October 1, 2023, through September 30, 2024. Additionally, the amount of fund balance at the beginning and end of each period is shown at the bottom of all activity for each fund.

Within this document, you will see account codes. The first 2 digits represent the fund, the next 4 digits represent the object, the next 2 digits represent the department, and the last 2 digits represent the program.

A sample account code of 83-5290-01-00 EXPENDABLE SUPPLY would be for fund 83 -- Tree Restoration Fund, Object 5290 Expendable Supplies, department 01 and no program.

A list of the funds is as follows:

01 General Fund	15 EDC	35 Disaster Recovery
02 Debt Service	16 Court Technology	40 Grants
04 Capital Projects	18 Juvenile Cash Manager	41 Park and Other Donations
05 Capital Replacement	21 TIF #1 New Hope	45 Roadway Impact Fee
07 Stormwater Utility	30 Hotel/Motel Tax	61 Water Impact Fee
10 Water/Sewer	31 Police Seizure	62 Sewer Impact Fee
12 Court Security	32 Library Building	83 Tree Restoration
13 Capital Bond	34 LEOSE Police Training	85 Unclaimed Property
14 Park Dedication		

The object code represents the type of revenue, incoming transfer, expense, or outgoing transfer. The list of object codes are in the appendix of this document.

BUDGET PROCESS/TIMING

The development of the Annual Budget is governed by formal policies, accepted practices, and the City's budget principles – foremost of which is a balanced budget where revenue is equal to or greater than operating expenses, with unassigned fund balance being utilized for one-time capital purchases or street repair. The budget process is designed to meet the needs of the community by allocating sufficient resources to support the planning and implementation of services, programs, and objectives. The budget is built with the following purposes in mind:

- Establishes a plan of operation, which allocates resources of the City to achieve specific goals and objectives and guides the City's activities;
- Provides management information as a comprehensive recording of information; and,
- Establishes financial control through prioritization of programs/projects.

The budget cycle consists of three phases:

- Development and Preparation
- Review and Adoption
- Implementation

Development and Preparation

Each Director develops and submits to Finance initial budget requests, which are based on standing and new services and programs to meet the needs expressed by the public and the goals of the Mayor and Council. The Finance Director and the City Manager meet with each Director to review new program requests and compare projected revenues against projected expenditures. The City Manager then prepares a preliminary budget. The Preliminary Budget is shared with staff and assists the City Manager in developing the Proposed Budget, which is presented to City Council.

Review and Adoption

Council reviews the Proposed Budget, holds public hearings, and provides input and direction to staff before adopting the budget and the supporting property tax rate for the fiscal year.

Implementation

Throughout the fiscal year, the City Manager and staff implement and monitor the Adopted Budget. Included services, programs, and projects are carried out by departments with oversight from the Finance Office. Monthly financials are provided to Council to provide a status report on revenues and expenditures. The Finance Department also reviews and approves all check requests and requisitions for accuracy. Directors are expected to hold expenditures to the approved budgeted amounts; however, sometimes unforeseen circumstances occur, resulting in positive and/or negative variances by line item. Directors must manage to the bottom line for the department and report any overages at that level to the City Manager as soon as known to prevent any unexpected or unauthorized use of reserves. Budget amendments are presented by the City Manager to Council for approval and then input into the accounting system for tracking.

FINANCIAL POLICIES AND PROCEDURES

Financial policies adopted by Council govern the management of the City's various funds. These policies have enabled the City to maintain an AA- bond rating from S&P Global. Adopted Financial Policies are available on the city website at www.cityofkennedale.com/FINpolicies.

COMMUNITY PROFILE

Settled in the 1860s, Kennedale is named for a dale, a broad valley, and Oliver S. Kennedy, who platted the area and donated every other lot to the Southern Pacific Railroad. The first settlement was Village Creek. Many founding residents worked at Miss Sargent's Brickyard, which was located where Sonora Park sits today. Officially incorporated as a City in 1947, Kennedale operates under a Council-Manager government and a Home Rule Charter (adopted in 1998).

Incorporated in 1947, the City of Kennedale is a first-tier suburb of Fort Worth and is located adjacent to Arlington and Mansfield in southeast Tarrant County. The City currently occupies a land area of 6.6 square miles and serves a population of 9,329. The City is empowered to levy property tax on both real and business personal properties located within its boundaries.

The City operates under a Council-Manager form of government with a Council comprised of a Mayor and five Councilmembers, each elected at large. The term of office is two years with the terms of the Mayor and Council Places 2 and 4 expiring in even-numbered years and the terms of Council Places 1, 3, and 5 expiring in odd-numbered years. The City Council is responsible for enacting ordinances, resolutions, and regulations governing the City, as well as appointing the members of various statutory and advisory boards, the City Manager, City Secretary, City Attorney, and Municipal Judge(s). The City Manager is the chief administrative officer of the City and is responsible for the enforcement of laws and ordinances, the appointment and supervision of executive directors and heads of departments, and the performance of administrative functions within the municipal organization.

The City of Kennedale provides a full range of services including police, fire, emergency medical service, municipal court, library, parks, water distribution, wastewater collection, solid waste collection, curbside recycling, streets, stormwater drainage, community development (planning, code enforcement, building inspection, and economic development), and general administrative services. The City contracts with the City of Arlington for the operation and maintenance of its water and wastewater utility system.

The City has 46 miles of streets, 120 miles of water and sewer lines, and 28 acres of parkland. The City supports 7 buildings – City Hall, Police Building, Fire Station, Public Works Facility, Section House, Library, and Senior Center.

Weather and Recreation

Warm summers and mild winters mean families can enjoy parks year-round, including the splash pad at Sonora Park. Spanning 22 acres, Sonora is Kennedale's largest recreational facility and offers a playground, fishing dock, trails, 9-hole disc golf course, ball fields, and the splash pad.

Kennedale also has TownCenter Park adjacent to the Shops at TownCenter. The park has a butterfly garden, outdoor pavilion, 9/11 Memorial, Veterans Memorial, walking paths, Eagle Fountain, and Clock Tower. It is also home to many events, like the annual Hometown Christmas celebration.



Population and Local Economy

After an election in July of 1947, the Town of Kennedale incorporated with a population of 300 people. By 1950, the population had increased to 500 and a petition to the State of Texas was approved, which changed the Township into a recognized City. In more recent years, Kennedale is becoming one of Tarrant County's fastest growing cities. The City had a population of 8,517 in the 2020 census and has grown to 3,199 active water accounts with 9,800 people. The median income for a household in the city is \$112,646 and per capita income is \$44,483.

Kennedale is located at the nexus of US Interstate 20 and State Highway 287 on low rolling hills about ten miles southeast of downtown Fort Worth. Residents enjoy life in a quiet community that is 6.6 square miles, in between two of the five largest cities in Texas. The City provides a

highly accessible location for both major retail and professional office space. This transportation corridor provides quick and easy access to the Dallas/Fort Worth International Airport. Downtown Fort Worth is just fifteen minutes to the northwest and downtown Dallas is less than thirty minutes to the east. The City's central location in the fourth largest metropolitan statistical area (MSA) in the nation means that Kennedale is just a short drive from major entertainment venues including Six Flags over Texas, Hurricane Harbor, Texas Motor Speedway, Globe Life Field (home of the MLB's Texas Rangers), AT&T Stadium (home of the NFL's Dallas Cowboys), and Fort Worth's cultural district and nationally ranked zoo. Kennedale is home to the Kennedale Speedway Park, which hosted the World of Outlaws Sprint Car Series for the first time in 2024.

Kennedale has experienced steady population growth in the last decade. Beautiful Village Creek slowly winds through the City, providing a feeling of tranquility in the community. Much of the City's land is undeveloped, allowing for incoming developments and offering residents a respite from the crowds and traffic congestion existing in much of the Dallas-Fort Worth Metroplex.

The Kennedale Economic Development Corporation (KEDC) was formed in 1996 to spearhead the City's economic growth. The KEDC is funded by a voter approved half-cent sales tax, which is used to offer grants and other economic incentives to existing and new businesses. The KEDC employs a four-pronged approach: (1) land acquisition, assembly, and clearing for resale, (2) manufacturing expansion, (3) retail retention and development, and (4) quality of life improvements. In accordance with the adopted master plan, the redevelopment of the Oak Crest area continues. Link Street to Kennedale Parkway was opened in 2015 and an extension was opened in October 2016. The improved access led to the development of a Popeye's and Burger King which opened in 2015. McDonald's opened in the Oak Crest area in October 2016. A hotel site is in the process of development. The KEDC is also working with property owners in the area to develop their land.

The TownCenter shopping center has room for expansion with three pad sites still undeveloped. The TownCenter currently hosts service offerings such as a small event venue, salon, physical therapy, and a roofing contractor. Retail offerings include an antique mall, an electrical supplier, the Dollar General variety store, and Wally's Pickles. Current restaurants in Town Center include Subway, Dickey's Barbeque, Bravo Eats, Chicken Express, the new Valentino's Pizza, and the incoming Thrive Coffee startup.

Over 35 new structures are scheduled for completion in 2024-2025, including the new Chipotle restaurant, The Learning Center daycare, a new gas station at Eden Rd., a new 20,000 SF building to support the expansion of Southwest Ambulance on East Kennedale Parkway, and new office/retail buildings on Potomac Parkway. Residential projects currently in development include Emerald Crest, Russell Ranch, Kennedale Oaks, and a 32-unit townhome project on Crestview.

Top 10 Employers

Employer	Employees
Sabre Industries/Fort Worth Tower	450-500
Kennedale Independent School District	400-450
Old Castle Infrastructure	100-150
Speed Fab Crete	100-150
ARK Contracting Services	50-100
Hawk Steel	50-100
Hexpol Compounding	50-100
RE Watson & Associates	50-100
Harrison Jet Guns	50-100
City of Kennedale	50-100

Source: City of Kennedale September 30, 2023 Annual Comprehensive Financial Report

Sales Tax Rates

Kennedale has a Sales Tax Rate of 8.25%. The rate is composed of the following components:

State of Texas	6.25%
City of Kennedale	1.50%
Economic Development Corporation	<u>0.50%</u>
Total	8.25%

Website and Social Media Presence

To engage the community, the City of Kennedale maintains a website at www.cityofkennedale.com, where residents can find information such as budgets, financial policies, job postings, event calendars, make online payments for permits or court issues, register for the emergency warning system, view Council agendas and minutes, volunteer for Boards and Committees, and more.

The City also maintains social media pages for City Hall, Police, Fire, the Library, and the Senior Center.

AD VALOREM (PROPERTY) TAX RATE HISTORY

TAX YEAR	M&O RATE	I&S RATE	TOTAL RATE	% CHG
1971	0.570000	0.780000	1.350000	
1972	0.350000	1.000000	1.350000	0.0%
1973	0.350000	1.000000	1.350000	0.0%
1974	0.350000	1.000000	1.350000	0.0%
1975	0.540000	0.810000	1.350000	0.0%
1976	0.810000	0.540000	1.350000	0.0%
1977	0.740000	0.610000	1.350000	0.0%
1978	0.780000	0.570000	1.350000	0.0%
1979	0.760000	0.490000	1.250000	-7.4%
1980	0.770000	0.480000	1.250000	0.0%
1981	0.630000	0.120000	0.750000	-40.0%
1982	0.510000	0.100000	0.610000	-18.7%
1983	0.510000	0.090000	0.600000	-1.6%
1984	0.368000	0.050500	0.418500	-30.3%
1985	0.377100	0.048900	0.426000	1.8%
1986	0.323700	0.036300	0.360000	-15.5%
1987	0.331850	0.032750	0.364600	1.3%
1988	0.288120	0.031880	0.320000	-12.2%
1989	0.327000	0.030500	0.357500	11.7%
1990	0.365670	0.034230	0.399900	11.9%
1991	0.388500	0.051400	0.439900	10.0%
1992	0.408910	0.053650	0.462560	5.2%
1993	0.446720	0.061960	0.508680	10.0%
1994	0.500269	0.062245	0.562514	10.6%
1995	0.525856	0.056669	0.582525	3.6%
1996	0.529473	0.048604	0.578077	-0.8%
1997	0.550544	0.049456	0.600000	3.8%

TAX YEAR	M&O RATE	I&S RATE	TOTAL RATE	% CHG
1998	0.566296	0.045081	0.611377	1.9%
1999	0.554177	0.080823	0.635000	3.9%
2000	0.521522	0.113478	0.635000	0.0%
2001	0.579841	0.112659	0.692500	9.1%
2002	0.617235	0.095265	0.712500	2.9%
2003	0.634814	0.097686	0.732500	2.8%
2004	0.632409	0.090091	0.722500	-1.4%
2005	0.624805	0.097695	0.722500	0.0%
2006	0.628186	0.094314	0.722500	0.0%
2007	0.572665	0.149835	0.722500	0.0%
2008	0.569197	0.153303	0.722500	0.0%
2009	0.572729	0.149771	0.722500	0.0%
2010	0.571103	0.151397	0.722500	0.0%
2011	0.516013	0.206487	0.722500	0.0%
2012	0.549582	0.172918	0.722500	0.0%
2013	0.560454	0.187046	0.747500	3.5%
2014	0.551216	0.196284	0.747500	0.0%
2015	0.575204	0.192296	0.767500	2.7%
2016	0.581711	0.185789	0.767500	0.0%
2017	0.578750	0.198750	0.777500	1.3%
2018	0.535219	0.190495	0.725714	-6.7%
2019	0.544429	0.190541	0.734970	1.3%
2020	0.582686	0.191399	0.774085	5.3%
2021	0.572949	0.191136	0.764085	-1.3%
2022	0.569154	0.137036	0.706190	-7.6%
2023	0.509273	0.196917	0.706190	0.0%
2024	0.510974	0.195216	0.706190	0.0%

PERSONNEL SUMMARY				
Position	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
CITY MANAGER				
City Manager	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0
TOTAL POSITIONS	2.00	2.00	2.00	2.00
CITY SECRETARY				
City Secretary	1.0	1.0	1.0	1.0
TOTAL POSITIONS	1.00	1.00	1.00	1.00
COURT				
Court Administrator	1.0	1.0	1.0	1.0
Juvenile Case Manager	-	-	1.0	1.0
Court Clerk	1.0	1.0	-	1.0
TOTAL POSITIONS	2.00	2.00	2.00	3.00
HUMAN RESOURCES				
Director	1.0	1.0	1.0	1.0
TOTAL POSITIONS	1.00	1.00	1.00	1.00
FINANCE				
Director	1.0	1.0	1.0	1.0
Accounting Associate II/Sr. Accounting Associate	1.0	1.0	1.0	1.0
Accounting Associate II/Sr. Accounting Associate	1.0	1.0	1.0	1.0
Accounting Associate I	0.50	0.75	0.75	0.75
TOTAL POSITIONS	3.50	3.75	3.75	3.75
POLICE				
Police Chief	1.0	1.0	1.0	1.0
Police Captain	1.0	1.0	1.0	1.0
Sergeant	3.0	3.0	4.0	4.0
Corporal	1.0	1.0	4.0	4.0
Detective	2.0	2.0	2.0	2.0
Officer	8.0	8.0	4.0	4.0
Community Engagement Officer			1.0	1.0
Auto Theft Task Force Officer	1.0	1.0	1.0	1.0
DEA Task Force Officer	1.0	1.0	1.0	1.0
School Resource Officer	2.0	2.0	2.0	2.0
Total Commissioned Officers	20.00	20.00	21.0	21.00
Animal Control Officer	1.0	1.0	1.0	1.0
Evidence/Records Clerk	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0
Total Civilian Positions	3.00	3.00	3.0	3.00
Reserve Police Officer (Non-Paid)	1.0	1.0	1.0	1.0
Police Chaplain (Non-Paid)	1.0	1.0	1.0	1.0
Total Non-Paid Positions	2.00	2.00	2.0	2.00
TOTAL POSITIONS	25.00	25.00	26.00	26.00

FIRE				
Fire Chief	1.0	1.0	1.0	1.0
Fire Captain	-	-	-	1.0
Fire Inspector	-	-	-	1.0
Fire Marshal	1.0	1.0	1.0	-
Administrative Assistant	1.0	1.0	1.0	1.0
Fire Lieutenant	3.0	3.0	3.0	3.0
Driver Engineers	3.0	3.0	3.0	3.0
Firefighter / Paramedics	12.0	12.0	12.0	12.0
TOTAL POSITIONS	21.00	21.00	21.00	22.00

COMMUNITY DEVELOPMENT				
Director	1.0	1.0	1.0	1.0
Building Inspector	1.0	1.0	1.0	1.0
Planning Technician	1.0	1.0	1.0	1.0
Permit Clerk	1.0	1.0	1.0	1.0
Code Enforcement Officer	-	-	-	1.0
TOTAL POSITIONS	4.00	4.00	4.00	5.00

LIBRARY				
Director	1.0	1.0	1.0	1.0
Library Clerk	2.0	3.0	2.0	2.0
Library Clerk (Part Time, per FTE)			1.0	1.0
Programming and Events		1.0	1.0	1.0
TOTAL POSITIONS	3.00	5.00	5.00	5.00

PUBLIC WORKS				
Director	1.0	1.0	1.0	1.0
Supervisor	1.0	1.0	1.0	1.0
Field Worker - Full Time	4.0	6.0	6.0	6.0
Field Worker - Part Time by FTE	1.0	0.7	0.7	1.7
Administrative Assistant	1.00	1.00	1.00	1.00
TOTAL PUBLIC WORKS POSITIONS	8.00	9.70	9.70	10.70

TOTAL STRENGTH OF FORCE	70.50	74.45	75.45	79.45
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REVENUE SUMMARY BY FUND					
Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01	GENERAL FUND	9,968,878	9,899,167	10,630,692	10,891,963
TOTAL GENERAL FUND		\$ 9,968,878	\$ 9,899,167	\$ 10,630,692	\$ 10,891,963

Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
02	DEBT SERVICE	1,480,159	2,346,984	2,372,952	2,431,447
TOTAL DEBT SERVICE		\$ 1,480,159	\$ 2,346,984	\$ 2,372,952	\$ 2,431,447

Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
07	STORMWATER UTILITY FUND	315,324	272,850	307,202	311,150
10	WATER/SEWER FUND	5,090,489	12,722,628	5,435,192	14,548,481
61	WATER IMPACT FEE FUND	18,848	58,752	23,023	24,100
62	SEWER IMPACT FEE FUND	19,289	111,348	27,639.00	30,700
TOTAL UTILITY FUNDS		\$ 5,443,950	\$ 13,165,578	\$ 5,793,056	\$ 14,914,431

Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
04	CAPITAL PROJECTS FUND	120,531	95,700	131,632	128,200
13	CAPITAL BOND FUND	2,806,125	173,250	14,356,559	356,600
14	PARK DEDICATION FUND	36,806	27,000	32,533	32,100
32	LIBRARY BUILDING FUND	215	202	318	210
45	ROADWAY IMPACT FEE FUND	53,675	141,695	54,143	56,200
TOTAL CAPITAL PROJECT FUNDS		\$ 3,017,353	\$ 437,847	\$ 14,575,185	\$ 573,310

Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
21	TIF #1 NEW HOPE FUND	79,265	72,406	80,000	80,006
30	HOTEL/MOTEL TAX FUND	38,749	25,000	24,624	20,900
31	PUBLIC SEIZURE FUND	125	80	156	160
34	LEOSE FUND	1,438	1,421	3,778	3,790
35	DISASTER RECOVERY FUND	254,371	1,991,000	149,386	1,300,000
TOTAL SPECIAL REVENUE FUNDS		\$ 373,947	\$ 2,089,907	\$ 257,944	\$ 1,404,856

Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
05	CAPITAL REPLACEMENT FUND	108,888	27,650	16,020	15,000
12	COURT SECURITY FUND	5,398	3,850	9,234	9,235
16	COURT TECHNOLOGY FUND	5,185	4,050	7,103	7,140
18	JUVENILE CASE MANAGER FUND	560	490	633	685
40	GRANTS	-	675,000	685,836	65
41	PARK RECOVERY/DONATION FUND	5,336	5,625	36,407	6,683
83	TREE RESTORATION FUND	7,429	6,550	2,931	2,931
85	UNCLAIMED PROPERTY FUND	18	20	-	-
TOTAL OTHER FUNDS		\$ 132,814	\$ 723,235	\$ 758,164	\$ 41,739

Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
15	EDC FUND	1,121,314	1,093,807	1,131,606	1,416,780
95	EDC BOND RESERVE FUND	4,350	2,800	5,457	5,457
TOTAL EDC FUNDS		\$ 1,125,664	\$ 1,096,607	\$ 1,137,062	\$ 1,422,237

TOTAL REVENUES		\$ 21,542,766	\$ 29,759,325	\$ 35,525,056	\$ 31,679,983
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EXPENDITURE SUMMARY BY FUND					
Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01	GENERAL FUND	10,053,232	11,363,650	10,757,064	12,646,942
TOTAL GENERAL FUND		\$ 10,053,232	\$ 11,363,650	\$ 10,757,064	\$ 12,646,942

Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
02	DEBT SERVICE	1,863,100	2,564,324	2,564,324	2,603,769
TOTAL DEBT SERVICE		\$ 1,863,100	\$ 2,564,324	\$ 2,564,324	\$ 2,603,769

Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
07	STORMWATER UTILITY FUND	31,593	18,100	5,768	45,800
10	WATER/SEWER FUND	5,915,618	12,306,332	4,588,884	13,465,637
61	WATER IMPACT FEE FUND	-	-	-	-
62	SEWER IMPACT FEE FUND	-	-	-	-
TOTAL UTILITY FUNDS		\$ 5,947,210	\$ 12,324,432	\$ 4,594,652	\$ 13,511,437

Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
04	CAPITAL PROJECTS FUND	120,531	95,700	131,632	128,200
13	CAPITAL BOND FUND	2,041,439	6,768,295	1,374,776	12,279,097
14	PARK DEDICATION FUND	177,820	45,000	301,083	100,000
32	LIBRARY BUILDING FUND	-	-	-	-
45	ROADWAY IMPACT FEE FUND	-	-	111,077	-
TOTAL CAPITAL PROJECT FUNDS		\$ 2,339,791	\$ 6,908,995	\$ 1,918,568	\$ 12,507,297

Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
21	TIF #1 NEW HOPE FUND	48,848	150,000	100,388	150,000
30	HOTEL/MOTEL TAX FUND	13,258	12,000	11,000	15,000
31	PUBLIC SEIZURE FUND	-	3,810	-	-
34	LEOSE FUND	1,590	1,500	1,500	1,500
35	DISASTER RECOVERY FUND	191,642	2,039,300	71,283	1,250,000
TOTAL SPECIAL REVENUE FUNDS		\$ 255,339	\$ 2,206,610	\$ 184,171	\$ 1,416,500

Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
05	CAPITAL REPLACEMENT FUND	242,160	97,103	79,488	79,668
12	COURT SECURITY FUND	5,092	10,000	250	26,570
16	COURT TECHNOLOGY FUND	8,828	10,000	2,700	10,000
18	JUVENILE CASE MANAGER FUND	-	7,000	-	-
40	GRANTS	-	675,000	685,771	-
41	PARK RECOVERY/DONATION FUND	7,604	7,853	7,752	19,500
83	TREE RESTORATION FUND	-	-	-	-
85	UNCLAIMED PROPERTY FUND	-	-	-	-
TOTAL OTHER FUNDS		\$ 263,684	\$ 806,956	\$ 775,961	\$ 135,738

Fund	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
15	EDC FUND	537,171	1,079,546	818,949	887,953
95	EDC BOND RESERVE FUND	-	-	-	-
TOTAL EDC FUNDS		\$ 537,171	\$ 1,079,546	\$ 818,949	\$ 887,953

TOTAL EXPENDITURES		\$ 21,259,527	\$ 37,254,513	\$ 21,613,689	\$ 43,709,636
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FUND / ACCOUNT		FY 23 Actual	FY 24 Budget	FY 24 Projected	FY 25 Budget	Notes
GENERAL FUND TRANSFERS IN						
01-4509-00-00	ADMIN CHARGE - STREET	132,597	136,035	136,035		Value of services provided from General Fund
01-4510-00-00	ADMIN CHARGE-WATER/SEWER	530,389	544,140	544,140	757,935	Value of services provided from General Fund
01-4512-00-00	ADMIN CHARGE-EDC	397,791	447,522	447,522	540,545	Added in audit and value of services provided
01-4514-00-00	TRANSFER IN STORM WATER	132,597	136,035	136,035	218,674	Value of services provided from General Fund
GENERAL FUND TRANSFERS OUT						
01-5705-90-00	TRANSFER OUT-CAPITAL REPLAC FUND	(120,000)	(120,000)	(120,000)	(139,200)	Enterprise Lease
01-5717-90-00	TRANSFER OUT-STREET IMPROVEMENT		(68,958)	(68,958)	-	For Pavement Management System and Repairs
01-5798-90-00	INCREMENTAL PROP TAX TO TIF	(157,883)	(160,000)	(160,000)	(160,000)	City payment for incremental property tax
STREET IMPROVEMENT FUND TRANSFERS IN						
17-4076-00-00	FRANCHISE FEES-WATER/SEWER	140,310	140,310	140,310		Services provided by Street Personnel
17-4511-00-00	ADMIN CHARGE-STORM WATER	56,124	61,520	61,520		Services provided by Street Personnel
17-4515-00-00	TRANSFER IN EDC	56,124	61,520	61,520		Services provided by Street Personnel
17-4906-00-00	TRANSFER IN-GENERAL	-	68,958	68,958		For Pavement Management System and Repairs
STREET IMPROVEMENT FUND TRANSFERS OUT						
17-5701-12-02	TRANSFER OUT - GENERAL FUND	(132,597)	(136,035)	(136,035)		Value of services provided from General Fund
17-5705-12-04	TRANSFER OUT-CAP REPLAC FUND	(19,200)	(19,200)	(19,200)		Enterprise Lease
DEBT SERVICE FUND TRANSFERS IN						
02-4960-00-00	CAPITAL PROJECTS FUND	104,800	108,055	108,055	108,265	Dick Price Road Set By Debt Schedule
TBD	TRANSFER IN-TIRZ	-	228,229	228,229	228,229	Payment toward 2023 \$17.4MM CO Bond
WATER & SEWER FUND TRANSFERS IN						
10-4963-00-00	TRANSFER IN:WATER IMPACT FUND	30,000	30,000	30,000	30,000	Pay Portion \$2.9MM 2007 CO Bond/16" water line (based on impact fee revenue and avail fund balance)
10-4964-00-00	TRANSFER IN-SEWER IM	60,000	60,000	60,000	60,000	Pay Portion \$2.9MM 2007 CO Bond/16" water line (based on impact fee revenue and avail fund balance)
10-4965-00-00	TRANSFER IN-ROADWAY	97,525	97,525	97,525	97,525	Pay Portion \$2.9MM 2007 CO Bond/16" water line (based on impact fee revenue and avail fund balance)
WATER & SEWER FUND TRANSFERS OUT						
10-5595-90-00	ADMIN CHARGE-GENERAL	(530,389)	(544,140)	(544,140)	(757,935)	Value of services provided from General Fund
10-5596-90-00	PAYMENT IN LIEU OF	(140,310)	(140,310)	(140,310)	-	Services provided by Street Personnel
STORMWATER FUND TRANSFERS OUT						
07-5598-00-00	ADMIN CHARGE-STREET	(56,124)	(61,520)	(61,520)	(77,841)	Value of services provided from Public Works
07-5701-00-00	TRANSFER OUT - GENER	(132,597)	(136,035)	(136,035)	(140,833)	Value of services provided from General Fund
WATER IMPACT FUND TRANSFERS OUT						
61-5710-00-00	TRANSFER OUT:WATER/SEWER FUND	(30,000)	(30,000)	(30,000)	(30,000)	Pay Portion \$2.9MM 2007 CO Bond/16" water line (based on impact fee revenue and avail fund balance)
SEWER IMPACT FUND TRANSFERS OUT						
62-5710-00-00	TRANSFER OUT-WATER/SEWER FUND	(60,000)	(60,000)	(60,000)	(60,000)	Pay Portion \$2.9MM 2007 CO Bond/16" water line (based on impact fee revenue and avail fund balance)
ROADWAY IMPACT FUND TRANSFERS OUT						
45-5711-00-00	TRANSFER OUT - WATER	(97,525)	(97,525)	(97,525)	(97,525)	Pay Portion \$2.9MM 2007 CO Bond/16" water line (based on impact fee revenue and avail fund balance)
45-5798-00-00	TRANSFER OUT-TIF #1	(10,000)	(10,000)	(10,000)	(10,000)	Fund TIF Projects
TIRZ FUND TRANSFERS IN						
21-4519-00-00	INTERGOV-CITY OF KENNEDALE	157,883	160,000	160,000	160,000	City payment for incremental property tax
21-4945-00-00	TRANSFER IN-ROADWAY	10,000	10,000	10,000	10,000	City payment for incremental property tax
TIRZ FUND TRANSFERS OUT						
TBD	TRANSFER OUT - DEBT SERVICE	-	(228,229)	(228,229)	(228,229)	Payment toward 2023 \$17.4MM CO Bond
CAPITAL REPLACEMENT FUND TRANSFERS IN						
05-4906-00-00	TRANSFER IN-GENERAL	120,000	120,000	120,000	139,200	Enterprise Lease
05-4917-00-00	TRANSFER IN-STREET FUND	19,200	19,200	19,200	-	Enterprise Lease
EDC FUND TRANSFERS OUT						
15-5595-01-00	ADMIN CHARGE-GENERAL	(397,791)	(447,522)	(447,522)	(540,545)	Added in audit and value of services provided
15-5717-00-00	TRANSFER OUT STREETS	(56,124)	(61,520)	(61,520)	-	Services provided by Street Personnel
CAPITAL PROJECTS FUND TRANSFERS OUT						
04-5702-00-00	DEBT SERVICE FUND	(104,800)	(108,055)	(108,055)	(108,265)	Dick Price Road Set By Debt Schedule

2025 Proposed Common Cost Analysis						
Department	01 GF Total	07 Storm Water Allocation 5%	10 Water/Sewer Allocation 20%	15 EDC Allocation 15%	15 EDC Wage Allocation	
Dept 1 City Manager Expenditures	\$ 378,229	\$ 18,911	\$ 75,646	\$ 56,734	\$ -	
Dept 2 Council Expenditures	\$ 201,950	\$ 10,098	\$ 40,390	\$ 30,293	\$ -	
Dept 3 City Secretary Expenditures	\$ 215,458	\$ 10,773	\$ 43,092	\$ 32,319	\$ -	
Dept 5 Human Resources Exp.	\$ 210,081	\$ 10,504	\$ 42,016	\$ 31,512	\$ -	
Dept 7 Finance Expenditures	\$ 581,973	\$ 29,099	\$ 116,395	\$ 87,296	\$ -	
Dept 12 Community Development Exp.	\$ 693,806	\$ 34,690	\$ 138,761	\$ 104,071	\$ -	
Dept 17 Library (Communications Staff)					\$ 40,205	
WC/Admin Fees/Unemployment	\$ 218,034	\$ 10,902	\$ 43,607	\$ 32,705	\$ -	
Insurance	\$ 143,134	\$ 7,157	\$ 28,627	\$ 21,470	\$ -	
IT Support, Internet, and Phones	\$ 174,000	\$ 8,700	\$ 34,800	\$ 26,100	\$ -	
Total Allocated from Fund 1 to Other Funds	\$ 2,816,665	\$ 140,833	\$ 563,333	\$ 422,500	\$ 40,205	

Department	01 Street Personnel	07 Storm Water Allocation 10%	10 Water/Sewer Allocation 25%	15 EDC Allocation 10%	
Dept 20 Public Works (Street Personnel Only)	\$ 778,406	\$ 77,841	\$ 194,602	\$ 77,841	
Total Allocated from Dept 20 to Other Funds	\$ 778,406	\$ 77,841	\$ 194,602	\$ 77,841	



General Fund

GENERAL FUND REVENUE AND INCOMING TRANSFERS					
Department	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
	PROPERTY TAXES	5,763,918	5,980,866	5,980,866	6,209,872
	SALES TAXES	2,248,383	1,991,717	2,391,591	2,391,591
	GRANTS AND CONTRIBUTIONS	135,199	-	-	-
	LICENSES AND PERMITS	281,185	449,883	425,000	450,000
	FINES AND FEES	907,733	931,701	1,027,915	1,033,500
	CHARGES FOR SERVICES	244,123	225,000	292,876	292,000
	INTERGOVERNMENTAL	189,737	165,000	165,000	165,000
	ALL OTHER REVENUE	198,600	155,000	347,444	350,000
	TRANSFERS IN	1,445,744	1,460,005	1,460,005	1,517,154
TOTAL REVENUE AND TRANSFERS IN		\$ 11,414,622	\$ 11,359,172	\$ 12,090,697	\$ 12,409,117

GENERAL FUND EXPENDITURES					
Department	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01	CITY MANAGER	330,992	366,953	329,476	378,229
02	MAYOR AND COUNCIL	151,730	187,100	187,290	201,950
03	CITY SECRETARY	162,093	194,447	192,575	215,458
04	MUNICIPAL COURT	181,028	242,974	221,318	320,764
05	HUMAN RESOURCES	163,243	224,532	221,208	210,081
07	FINANCE	466,574	545,337	502,560	581,973
09	POLICE	3,472,227	3,606,007	3,595,535	3,916,051
10	FIRE	2,673,744	2,961,998	2,741,569	3,353,570
12	COMMUNITY DEVELOPMENT	617,476	687,853	623,076	693,806
16	SENIOR CITIZEN CENTER	48,584	53,172	42,877	101,900
17	LIBRARY	393,462	501,226	451,061	590,536
18	COMMUNICATIONS	-	26,100	18,539	23,500
20	PUBLIC WORKS	847,877	1,200,756	1,095,482	1,492,428
90	NON DEPARTMENTAL	544,203	565,194	534,496	566,695
TOTAL EXPENDITURES		\$ 10,053,232	\$ 11,363,650	\$ 10,757,064	\$ 12,646,942

Department	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
90	NON DEPARTMENTAL	410,290	368,158	368,158	299,200
TOTAL OUTGOING TRANSFERS		\$ 410,290	\$ 368,158	\$ 368,158	\$ 299,200

TOTAL OUTGOING FUNDS		\$ 10,463,523	\$ 11,731,808	\$ 11,125,222	\$ 12,946,142
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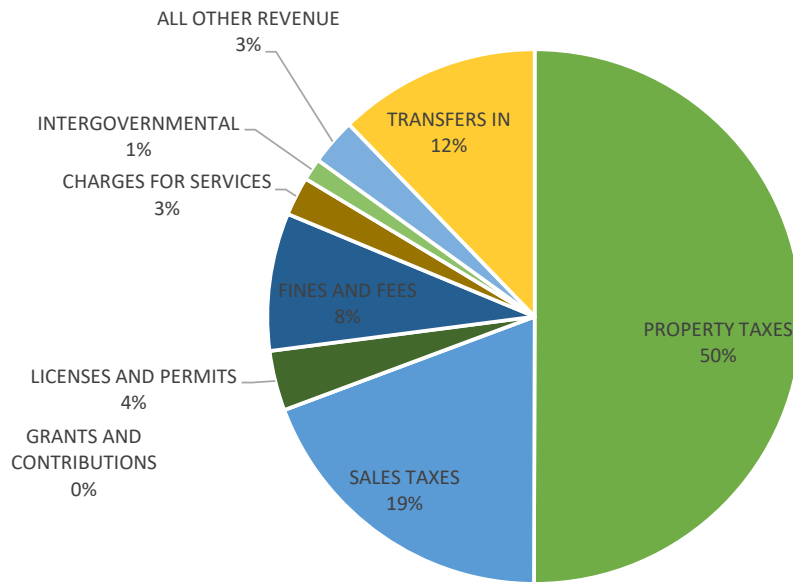
NET CHANGE IN FUND BALANCE		\$ 951,099	\$ (372,636)	\$ 965,475	\$ (537,025)
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BEGINNING FUND BALANCE — OCT 1		\$ 2,565,462	\$ 3,516,561	\$ 3,516,561	\$ 4,482,037
ENDING FUND BALANCE — SEPT 30		\$ 3,516,561	\$ 3,143,925	\$ 4,482,037	\$ 3,945,011

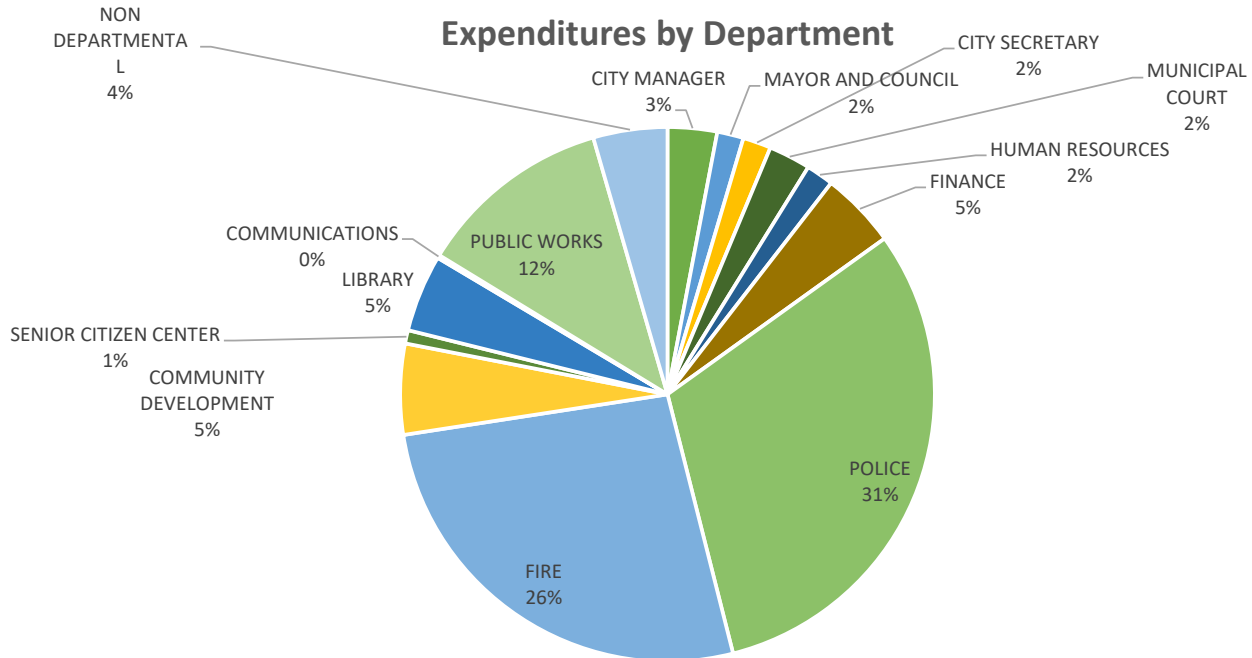
AVERAGE DAILY ANNUAL EXPENDITURES		\$ 28,667	\$ 32,142	\$ 30,480	\$ 35,469
DAYS OF FUND BALANCE		123	98	147	111

GENERAL FUND SUMMARY

Revenue by Source



Expenditures by Department



DEPARTMENT OUTLINE: CITY MANAGER

Kennedale operates under the Council-Manager form of government, which combines the strength of an elected Mayor and Council with a professional manager and staff. The City Manager's Department oversees the day-to-day management of the City, supervises all departments and employees, reports information and makes recommendations to the City Council, and fosters economic development. The City Manager is accountable to the City Council for the proper administration of all the affairs of the City.

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

- Grew General Fund Reserve over 30%.
- Road and bridge improvements on Valley Lane and Averett Road.
- Continued growth in attendance for the Hometown Christmas event.

SHORT-TERM GOALS

- Continue to improve the City's financial strength and integrity through efficient budget, financial, and debt management practices
- Texas Water Development Board 80% match on the Valley Lane Project
- Identify events as strengthening community-based engagement with a hometown feel
- Completing roadway improvements as identified in existing engineering studies
- Send leadership team to TML Leadership Academy
- Secure business for Kennedale Parkway near Interstate 20 and Oak Crest addition
- Residential Development on New Hope Road
- Secure legislative options for transportation funding
- Increase pedestrian traffic in the TownCenter development complex by 10% and complete final phase of the TownCenter Development
- Partner with YMCA for sports complex and office space in TownCenter complex

FUTURE INITIATIVES

- Development plan for Oakcrest development at Kennedale Parkway and I-20 to increase retail and mix use development
- Secure a commuter rail stop in I-20/820 corridor
- Develop plan for redevelopment along southeast portion of Kennedale Parkway for industrial and mix use.
- Develop tools and policies that reduce flood damage and flood risk to residents and buildings along Village Creek and its tributaries
- Determine financing and grant strategies to fund Village Creek restoration project
- Increase residential development on New Hope Road (within TIRZ)
- Secure options for transportation funding
- Installation of medians along Kennedale Parkway in TownCenter
- Facilitate the inclusion of the extension of Little School Road in the 2021 Tarrant County Transportation Bond Program (at 50% funding)

GENERAL FUND EXPENDITURES BY DEPARTMENT

01 CITY MANAGER

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		278,809	304,002	281,550	316,779
Operations		52,182	62,950	47,926	61,450
TOTAL CITY MANAGER'S OFFICE		\$ 330,992	\$ 366,953	\$ 329,476	\$ 378,229

Positions

City Manager	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0
TOTAL POSITIONS	2.00	2.00	2.00	2.00

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5101-01-00	SALARIES	207,958	216,828	204,772	220,413
01-5107-01-00	OVERTIME	1,563	2,000	1,135	2,000
01-5111-01-00	AUTO ALLOWANCE	-	-		
01-5112-01-00	ASSIGNMENT PAY	-	3,250		
01-5114-01-00	LONGEVITY PAY	3,224	2,880	2,880	2,880
01-5115-01-00	RETIREMENT	31,012	31,660	33,406	38,570
01-5117-01-00	FICA	15,880	16,961	15,659	17,235
01-5118-01-00	MEDICAL INSURANCE	16,713	27,457	20,244	31,507
01-5120-01-00	LIFE INSURANCE	1,742	1,636	1,418	2,200
01-5121-01-00	DENTAL INSURANCE	677	1,000	1,403	1,050
01-5122-01-00	VISION INSURANCE	71	103	187	324
01-5126-01-00	DISABILITY	(30)	229	447	600
TOTAL PERSONNEL		\$ 278,809	\$ 304,002	\$ 281,550	\$ 316,779

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5240-01-00	PRINTED SUPPLIES	95	100	75	100
01-5230-01-00	CLEANING SUPPLIES	18	-	-	
01-5260-01-00	GENERAL OFFICE SUPPLIES	3,925	2,750	2,750	2,750
01-5261-01-00	POSTAGE	27	50	346	400
01-5280-01-00	MINOR EQUIP/SMALL TOOLS			1,856	-
01-5285-01-00	FUEL	4,065	6,000	3,169	4,100
01-5290-01-00	EXPENDABLE SUPPLIES	2,128	2,500	981	1,000
01-5298-01-00	VICTUALS BEVERAGES & GROCERY	172		806	950
01-5430-01-00	MOTOR VEHICLE MAINTENANCE	1,465	3,000	973	1,500
01-5440-01-00	OFFICE EQUIP	3,240	3,500	1,064	3,500
01-5510-01-00	ASSOC DUES/PUBLICATIONS	5,941	5,000	3,996	5,000
01-5525-01-00	TRAINING/SEMINARS	990	4,500	1,350	4,500
01-5530-01-00	ELECTRIC SERVICES	14,310	11,250	11,250	13,000
01-5535-01-00	GAS SERVICES	4,203	5,500	4,250	5,500
01-5570-01-00	SPECIAL SERVICES	3,476	1,000	627	1,000
01-5575-01-00	EQUIPMENT RENTAL	0	8,000	5,576	8,000
01-5578-01-00	TRAVEL	3,967	5,000	4,887	5,000
01-5585-01-00	TELEPHONE SERVICES	1,217	1,300	1,587	1,650
01-5590-01-00	WATER/SEWER SERVICES	2,942	3,500	2,383	3,500
TOTAL OPERATIONS		\$ 52,182	\$ 62,950	\$ 47,926	\$ 61,450

TOTAL CITY MANAGER'S OFFICE		\$ 330,992	\$ 366,953	\$ 329,476	\$ 378,229
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DEPARTMENT OUTLINE: MAYOR/CITY COUNCIL

The City Council consists of a Mayor and five Councilmembers elected at-large for two-year terms (with no term limits). Regular meetings are held on the third Tuesday of each month at 5:30 p.m., and special or joint meetings (with Advisory Boards or Commissions) are scheduled as needed.

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

- Hosted TML Region 8 event for the first time.
- Increased attendance at City events, including National Night Out.

SHORT-TERM GOALS

- Strategic Plan Update
- Increased prioritization of road maintenance and repair
- Restoration and development of Village Creek Park and the Greenways Project
- Attend 20 hours of training annually for all council members and commissions and boards.

VOLUNTEER RESOURCES

ADVISORY BOARD AND COMMISSION REGULAR MEETING SCHEDULE:

Board of Adjustment (BOA)/Board of Appeals (BBA)	2 nd Tuesdays at 6:00 p.m., <i>as needed</i>
Economic Development Corporation (EDC) Board	4 th Tuesdays at 6:00 p.m.
Keep Kennedale Beautiful (KKB) Commission	2 nd Tuesdays at 6:00 p.m.
Library Board	As Needed
Parks and Recreation Board	1 st Wednesdays at 7:00 p.m.
Planning and Zoning (P&Z) Commission	2 nd Thursdays at 6:00 p.m.
TownCenter Development District (TDD) Board	Annually
Tax Increment Reinvestment Zone (TIRZ) #1 Board	Annually
Utility and Infrastructure Board (UIB)	As Needed, Upon the Direction of the Council
Youth Advisory Council (YAC)	Determined by Membership Annually

GENERAL FUND EXPENDITURES BY DEPARTMENT

02 MAYOR AND COUNCIL

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Operations		151,730	187,100	187,290	201,950
TOTAL MAYOR & CITY COUNCIL		\$ -	\$ 187,100	\$ 187,290	\$ 201,950

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5240-02-00	PRINTED SUPPLIES	1,438	2,000	1,221	2,000
01-5260-02-00	GENERAL OFFICE SUPPLIES	400	200	122	200
01-5280-02-00	MINOR EQUIP/SMALL TOOLS<\$5K	-	1,000	109	500
01-5298-02-00	VICTUALS BEVERAGES & GROCERY	247	500	453	500
01-5510-02-00	ASSOC DUES/PUBLICATIONS	6,716	6,500	6,500	6,500
01-5511-02-00	VOLUNTEER MEETINGS	297	700	-	500
01-5525-02-00	TRAINING/SEMINARS	1,233	3,500	3,500	3,500
01-5440-02-00	OFFICE EQUIP	1,200	2,500	-	1,500
01-5564-02-00	COMMUNITY RELATIONS	-	-	-	-
01-5565-02-00	LEGAL SERVICES	128,788	150,000	162,987	170,000
01-5570-02-00	SPECIAL SERVICES	1,351	5,000	1,922	2,500
01-5571-02-00	SPECIAL EVENTS	3,120	6,000	7,350	4,500
01-5578-02-00	TRAVEL	4,330	6,000	-	6,500
01-5585-02-00	TELEPHONE SERVICES	2,611	3,200	3,125	3,250
TOTAL OPERATIONS		\$ 151,730	\$ 187,100	\$ 187,290	\$ 201,950

TOTAL MAYOR AND CITY COUNCIL		\$ 151,730	\$ 187,100	\$ 187,290	\$ 201,950
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DEPARTMENT OUTLINE: CITY SECRETARY

Maintain the integrity of the election process, ensure transparency and access to city records, facilitate the city's legislative process, record local government history, and most importantly, provide excellent customer service to citizens, staff, and council in the most fair and ethical ways possible.

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

- Began the process of updating all agendas and minutes uploaded into the Agenda Center on the website.
- Began training with CivicClerk in order to be more familiar with the program.
- Completed most public records requests in-house and started charging for records according to the cost estimator generator provided by the Texas Secretary of State

SHORT-TERM (FY25) GOALS

- Become Compliant with the Texas State Library and Archives Commission
- Complete second recertification through Texas Municipal Clerks Certification Program
- Work with CivicClerk to modify current software to fit the needs of the agenda and minute software, i.e., formatting
- Update website to correctly reflect the agenda and minutes center from October 2023-forward

FUTURE INITIATIVES

- Complete the Master Municipal Clerk Program
- Achieve the Municipal Clerk's Office Achievement of Excellence Award
- Train and certify a deputy city secretary in order to establish back up for office
- Establish a candidate information forum to guide candidate through the process of filling out and turning in all election required material
- Initiate the purchase and implementation of public information software

PERFORMANCE MEASURES

Measure	Type	FY23 Actual	FY24 Target	FY24 Projected	FY25 Target
Full Time Positions	Input	1	1	1	1
PIRs Processed	Output	38	50	150	175
Meetings Posted	Output	49	50	75	75
TSLAC Doc Compliance	Efficiency	n/a	100%	80%	100%
TMCCP Recert Requirements	Efficiency	n/a	100%	100%	100%

GENERAL FUND EXPENDITURES BY DEPARTMENT

03 CITY SECRETARY

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		86,106	101,147	92,033	113,158
Operations		75,987	93,300	100,542	102,300
TOTAL CITY SECRETARY		\$ 162,093	\$ 194,447	\$ 192,575	\$ 215,458

Positions

City Secretary	1.0	1.0	1.0	1.0
TOTAL POSITIONS	1.00	1.00	1.00	1.00

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5101-03-00	SALARIES	65,497	77,860	67,485	85,000
01-5114-03-00	LONGEVITY PAY	-	-	-	-
01-5115-03-00	RETIREMENT	9,588	11,118	10,798	14,552
01-5117-03-00	FICA	4,764	5,956	5,061	6,503
01-5118-03-00	MEDICAL INSURANCE	5,178	5,291	7,877	6,072
01-5120-03-00	LIFE INSURANCE	667	501	405	550
01-5121-03-00	DENTAL INSURANCE	367	368	338	377
01-5122-03-00	VISION INSURANCE	45	51	69	104
01-5126-00-00	DISABILITY	-	-	147	150
TOTAL PERSONNEL		\$ 86,106	\$ 101,147	\$ 92,033	\$ 113,158

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5240-03-00	PRINTED SUPPLIES	128	300	350	300
01-5261-03-00	POSTAGE	98	200	85	200
01-5290-03-00	EXPENDABLE SUPPLIES	-	2,600	2,600	3,000
01-5298-03-00	VICTUALS BEVERAGES & GROCERY	230	300	612	400
01-5403-03-00	BUILDING MAINTENANCE	17,326	12,000	12,000	12,000
01-5440-03-00	OFFICE EQUIP	4,880	600	600	600
01-5445-03-00	SOFTWARE	13,453	25,000	25,000	25,000
01-5501-03-00	ADVERTISING	1,289	2,000	3,950	2,000
01-5510-03-00	ASSOC DUES/PUBLICATIONS	1,794	1,500	1,500	1,000
01-5525-03-00	TRAINING/SEMINARS	3,408	5,000	5,000	4,000
01-5570-03-00	SPECIAL SERVICES	5,718	17,000	14,045	17,000
01-5573-03-00	ELECTION SERVICES	17,473	10,000	18,000	20,000
01-5574-03-00	FILING FEES		250	250	250
01-5578-03-00	TRAVEL	1,202	3,000	3,000	3,000
01-5585-03-00	TELEPHONE SERVICES	484	550	550	550
01-5589-03-00	JANITORIAL SERVICES	8,505	13,000	13,000	13,000
TOTAL OPERATIONS		\$ 75,987	\$ 93,300	\$ 100,542	\$ 102,300

TOTAL CITY SECRETARY'S OFFICE		\$ 162,093	\$ 194,447	\$ 192,575	\$ 215,458
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DEPARTMENT OUTLINE: MUNICIPAL COURT

The Municipal Court is a Judicial Branch of the City government. The Kennedale Municipal Court is dedicated to the principles of fair and impartial justice while adhering to statutory requirements and providing the highest standards in customer service. Utilizing an innovative approach, the Municipal Court promotes timely disposition of cases while ensuring accuracy to promote a positive public perception of the judicial system.

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

- Assisted the Police Department in Implementing Cell Phone Ticket Writers
- Participated in the 2023 Municipal Courts Week
- Recipient of the 2024 Municipal Traffic Safety Initiative Award for new applicants through the Texas Municipal Courts Education Center
- Appointed a new associate Judge and Prosecutor
- Participated in the 2024 Great Warrant Roundup
- Participated in 2023 public Safety Event and National night out

NEW FOR FY25

The Municipal court currently consists of a Court Administrator and a Juvenile Case Manager. We would like to add a full-time court clerk. This clerk will have an anticipated start date of October 1, 2024.

The court has recently experienced a significant increase in workload. In January and February, we saw a 41% increase in all areas compared to last year. We are also seeing an average of 150 people a month at our window. Adding a court clerk would help us manage our workload more effectively and maintain the quality of our output.

The new court clerk will also help alleviate some job duties from our current juvenile case manager. This is essential because effective 01/1/2025, H.B. 3186 requires the adoption of a youth diversion program for every municipal and justice court in Texas. Our current juvenile case manager will be busy creating and managing a Youth Diversion program for our court.

SHORT-TERM (FY25) GOALS

- Monitor future legislation affecting municipal court operations
- Continue to review and update the courts forms, policies, and procedures
- Encourage continued development and training of staff
- Increase convenience for the customer by allowing email and online requests
- Implement a Diversion Program
- Increase compliance from defendants during the warrant roundup
- Enter into an interlocal agreement with Arlington Teen court to allow juvenile misdemeanor offenders an alternative to the criminal justice system.

- Implement new software that is more efficient, reduces paper documents, and provides the public with additional interface options

FUTURE INITIATIVES

- Develop a court procedures manual that will align with the court's new software
- Leverage the continued use of technology
- Collaborate with other agencies to connect defendants with available resources
- Evaluate and implement alternative programs to enhance customer service

PERFORMANCE MEASURES					
Measure	Type	FY23 Actual	FY24 Target	FY24 Projected	FY25 Target
Cases Filed	Input	2,525	2,500	2,500	3,100
Fine Revenue Received	Output	\$382,713.21	\$38,000.00	\$38,000.00	\$400,000.00
Arrest Warrants Issued	Output	1,286	1,200	1,200	1,300
Transactions Summary	Output	50,085	50,000	50,000	51,000
Cases Set for Court	Output	1,713	1,700	1,700	2,000

GENERAL FUND EXPENDITURES BY DEPARTMENT

04 COURT

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		135,950	166,548	169,651	262,464
Operations		45,078	76,426	51,667	58,300
TOTAL MUNICIPAL COURT		\$ 181,028	\$ 242,974	\$ 221,318	\$ 320,764

Positions

Court Administrator	1.0	1.0	1.0	1.0
Juvenile Case Manager	-	-	1.0	1.0
Court Clerk	1.0	1.0	-	1.0
TOTAL POSITIONS	2.00	2.00	2.00	3.00

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5101-04-00	SALARIES	95,603	119,626	122,320	177,067
01-5107-04-00	OVERTIME	189	500	250	500
01-5114-04-00	LONGEVITY PAY	96	192	192	656
01-5115-04-00	RETIREMENT	14,033	17,181	19,611	30,512
01-5117-04-00	FICA	6,861	9,204	9,193	13,634
01-5118-04-00	MEDICAL INSURANCE	17,561	18,347	16,091	36,805
01-5120-04-00	LIFE INSURANCE	775	549	908	1,200
01-5121-04-00	DENTAL INSURANCE	755	772	668	1,327
01-5122-04-00	VISION INSURANCE	88	102	90	363
01-5126-04-00	DISABILITY	(10)	74	328	400
TOTAL PERSONNEL		\$ 135,950	\$ 166,548	\$ 169,651	\$ 262,464

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5240-04-00	PRINTED SUPPLIES	-	-	75	800
01-5260-04-00	GENERAL OFFICE SUPPLIES	1,383	3,500	2,021	3,500
01-5261-04-00	POSTAGE	1,468	1,780	2,036	2,500
01-5280-04-00	MINOR EQUIP/SMALL TOOLS <\$5K	394	-	244	400
01-5290-04-00	EXPENDABLE SUPPLIES	-	-	326	500
01-5220-04-00	UNIFORMS	-	-	163	700
01-5440-04-00	OFFICE EQUIP	692	880	226	1,500
01-5445-04-00	SOFTWARE	9,153	29,366	10,000	11,500
01-5510-04-00	ASSOC DUES/PUBLICATIONS	285	500	320	500
01-5525-04-00	TRAINING/SEMINARS	978	4,200	2,589	3,000
01-5565-04-00	LEGAL SERVICES	13,664	14,500	14,500	1,000
01-5570-04-00	SPECIAL SERVICES	933	1,500	254	1,500
01-5575-04-00	EQUIPMENT RENTAL	0	2,600	1,722	2,600
01-5578-04-00	TRAVEL	102	1,000	509	1,200
01-5581-04-00	JUDGE AND PROSECUTOR SERVICES	14,900	15,400	15,400	25,800
01-5585-04-00	TELEPHONE SERVICES	1,022	1,200	1,281	1,300
TOTAL OPERATIONS		\$ 45,078	\$ 76,426	\$ 51,667	\$ 58,300

TOTAL MUNICIPAL COURT		\$ 181,028	\$ 242,974	\$ 221,318	\$ 320,764
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DEPARTMENT OUTLINE: HUMAN RESOURCES

The City of Kennedale's Human Resources Department provides guidance and assistance to all staff within each department. The vision is to provide exceptional human resources services for internal and external customers and improve the partnership, one employee, professionally, at a time.

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

- Provided services to all City departments in areas of recruiting, employee relations, personnel records maintenance, benefits administration, retirement, employee injuries, and compensation
- Monthly team building with Luncheon for all staff
- Completed a comprehensive review of employee pay aligned with incumbent in position
- Recognition of employee of the month and Annual Service Awards
- Promoted the Tuition Reimbursement program

SHORT-TERM (FY25) GOALS

- Maintain compliance regarding recruitment, pre-employment evaluations, and operational procedures
- Scan all personnel and medical file documents in software to remain compliant with the Texas State Records Retention Schedule
- Continue as Training Coordinator responsible for organizing and implementing employee training programs
- Focus on attracting, sourcing, and recruiting top talent for hiring managers

FUTURE INITIATIVES

- Create and provide job descriptions for all City positions
- Coordinate the recruiting and selection process to hire top talent
- Continue to monitor technology to improve paperless environment for employee files
- Manage the employee injury reports and stay in front of claims and loss of time with training
- Develop and implement policies and procedures to promote a positive work environment and maintain compliance with labor laws and regulations

PERFORMANCE MEASURES					
Measure	Type	FY23 Actual	FY24 Target	FY24 Projected	FY25 Target
Annual Applications Received	Input	324	175	177	175
Annual New Hires	Workload	22	15	16	10
Annual Terminations	Workload	12	10	15	10
Applicants/Posting (average)	Effectiveness	24	25	22	25
Pre-emp. processing (days)	Effectiveness	4	2	2	2
Benefit Participation (%)	Effectiveness	80%	82%	84%	82%

GENERAL FUND EXPENDITURES BY DEPARTMENT

05 HUMAN RESOURCES

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		130,880	139,882	140,561	147,111
Operations		32,364	84,650	80,647	62,970
TOTAL HUMAN RESOURCES OFFICE		\$ 163,243	\$ 224,532	\$ 221,208	\$ 210,081

Positions					
Director		1.0	1.0	1.0	1.0
TOTAL POSITIONS		1.00	1.00	1.00	1.00

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5101-05-00	SALARIES	99,088	106,704	106,704	108,838
01-5114-05-00	LONGEVITY PAY	96	192	192	288
01-5115-05-00	RETIREMENT	14,493	15,265	17,073	18,682
01-5117-05-00	FICA	7,422	8,118	8,003	8,348
01-5118-05-00	MEDICAL INSURANCE	8,490	8,442	7,406	9,686
01-5120-05-00	LIFE INSURANCE	772	600	647	650
01-5121-05-00	DENTAL INSURANCE	494	331	289	347
01-5122-05-00	VISION INSURANCE	46	51	49	51
01-5126-05-00	DISABILITY	(21)	180	198	220
TOTAL PERSONNEL		\$ 130,880	\$ 139,882	\$ 140,561	\$ 147,111

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5125-05-00	TUITION REIMBURSEMENT	500	10,000	10,000	10,000
01-5240-05-00	PRINTED SUPPLIES	40	10,000	119	-
01-5261-05-00	POSTAGE	1	100	200	200
01-5280-05-00	MINOR EQUIP/SMALL TOOLS<\$5K	-	500	164	-
01-5290-05-00	EXPENDABLE SUPPLIES	711	500	500	1,000
01-5298-05-00	VICTUALS BEVERAGES & GROCERY	334	4,000	4,000	4,000
01-5440-05-00	OFFICE EQUIP	5,682	500	500	500
01-5445-05-00	SOFTWARE	1,068	16,000	16,000	7,870
01-5501-05-00	ADVERTISING	-	2,000	500	500
01-5510-05-00	ASSOC DUES/PUBLICATIONS	1,503	2,000	2,500	2,500
01-5525-05-00	TRAINING/SEMINARS	475	3,000	3,000	2,000
01-5570-05-00	SPECIAL SERVICES	9,116	-	-	-
01-5571-05-00	SPECIAL EVENTS	3,892	12,000	19,114	12,000
01-5578-05-00	TRAVEL	3,660	3,200	3,200	1,500
01-5585-05-00	TELEPHONE SERVICES	856	850	850	900
01-5588-05-00	HR RELATED TESTS	4,526	20,000	20,000	20,000
TOTAL OPERATIONS		\$ 32,364	\$ 84,650	\$ 80,647	\$ 62,970

TOTAL HUMAN RESOURCES		\$ 163,243	\$ 224,532	\$ 221,208	\$ 210,081
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DEPARTMENT OUTLINE: FINANCE

We have three main objectives: provide timely and materially correct financial reports, safeguard the financial assets of the City, and ensure those who conduct business with the City are paid in a timely manner.

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

- Started a program to send Automated Clearing House (ACH) payments directly from the City's operating account. This reduced the number of necessary logins, reduced operating expenses, and increased the speed vendors receive payments.
- All payment requests and journal entries were scanned within 30 days of final approval
- All active financial policies were reviewed and presented to Council
- Revived our Government Finance Officers Association (GFOA) award submission program This was a first for all full-time Department staff.
- Offsite storage reduction was placed on hold due to a much higher than anticipated quote to close our relationship with the facility. That item is budgeted in FY25.

SHORT-TERM (FY25) GOALS

- Increase payments made by ACH to 15% of payments initiated through the City's operating account
- Remove all boxes from our offsite storage facility. Scan all documents within the retention period provided by the Texas State Records Retention Schedule
- Earn the Certificate of Achievement for Excellence in Financial Reporting, and the Distinguished Budget Presentation Award. Both are issued by the GFOA

FUTURE INITIATIVES

- Establish a system allowing for payment requests to be reviewed and approved electronically
- Continue to work with our investment partners to minimize the impact of inflation on our capital project costs
- Increase revenue through grant funded projects

PERFORMANCE MEASURES					
Measure	Type	FY23 Actual	FY24 Target	FY24 Projected	FY25 Target
Total Vendor Payments	Output	1,508	1,600	1,582	1,600
ACH Payments (%)	Efficiency	0%	15%	12%	15%
Financial Policies Reviewed	Output	1	9	9	9
Boxes In Offsite Storage	Efficiency	190	0	190	0
GFOA Award - Budget	Effectiveness	No Submission	Awarded	Denied	Awarded
GFOA Award - ACFR	Effectiveness	No Submission	Awarded	Awarded	Awarded
Bond Rating (S&P Global)	Effectiveness	AA-	AA-	AA-	AA-

GENERAL FUND EXPENDITURES BY DEPARTMENT

07 FINANCE

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		253,326	366,190	323,765	379,083
Operations		213,248	179,148	178,796	202,890
TOTAL FINANCE		\$ 466,574	\$ 545,337	\$ 502,560	\$ 581,973

Positions

Director	1.0	1.0	1.0	1.0
Accounting Associate II/Sr. Accounting Associate	1.0	1.0	1.0	1.0
Accounting Associate II/Sr. Accounting Associate	1.0	1.0	1.0	1.0
Accounting Associate I	0.50	0.75	0.75	0.75
TOTAL POSITIONS	3.50	3.75	3.75	3.75

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5101-07-01	SALARIES	160,662	236,587	226,180	237,534
01-5107-07-01	OVERTIME	909	800	500	800
01-5109-07-01	TEMPORARY / PART-TIME	24,217	39,923	20,282	39,381
01-5114-07-01	LONGEVITY PAY	440	-	-	256
01-5115-07-01	RETIREMENT	27,070	39,600	36,269	47,589
01-5117-07-01	FICA	13,680	21,214	17,001	21,265
01-5118-07-01	MEDICAL INSURANCE	23,886	25,325	21,191	29,059
01-5120-07-01	LIFE INSURANCE	1,271	1,200	724	1,000
01-5121-07-01	DENTAL INSURANCE	1,133	1,237	1,047	1,280
01-5122-07-01	VISION INSURANCE	82	154	87	369
01-5126-07-01	DISABILITY	(23)	150	484	550
TOTAL PERSONNEL		\$ 253,326	\$ 366,190	\$ 323,765	\$ 379,083

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5240-07-01	PRINTED SUPPLIES	425	400	344	400
01-5220-07-01	UNIFORMS	179	-	-	250
01-5260-07-01	GENERAL OFFICE SUPPLIES	3,798	3,000	1,100	1,500
01-5261-07-01	POSTAGE	1,370	1,100	1,074	1,300
01-5280-07-01	MINOR EQUIP/SMALL TOOLS	394	-	-	-
01-5290-07-01	EXPENDABLE SUPPLIES	27	500	502	550
01-5298-07-01	VICTUALS BEVERAGES & GROCERY	361	-	-	-
01-5440-07-01	OFFICE EQUIP	15,120	4,000	550	2,500
01-5445-07-01	SOFTWARE	1,176	19,000	19,999	18,500
01-5501-07-01	ADVERTISING	-	-	-	-
01-5510-07-01	ASSOC DUES/PUBLICATIONS	753	1,497	1,500	1,500
01-5525-07-01	TRAINING/SEMINARS	3,642	3,250	2,000	3,250
01-5567-07-01	AUDIT SERVICES - FORVIS	71,300	68,000	58,700	72,000
01-5570-07-01	SPECIAL SERVICES - Ext Consultants	67,980	30,000	42,486	43,000
01-5575-07-01	EQUIPMENT RENTAL	(0)	3,500	3,500	3,500
01-5578-07-01	TRAVEL	1,280	3,000	1,100	3,000
01-5585-07-01	TELEPHONE SERVICES	1,808	900	1,300	600
01-5587-07-01	APPRAISAL SERVICES	25,229	36,000	41,641	48,540
01-5884-07-01	FINES AND PENALTIES	18,406	5,000	3,000	2,500
TOTAL OPERATIONS		\$ 213,248	\$ 179,148	\$ 178,796	\$ 202,890

TOTAL FINANCE		\$ 466,574	\$ 545,337	\$ 502,560	\$ 581,973
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DEPARTMENT OUTLINE: POLICE

The Kennedale Police Department believes in community-oriented policing focusing on building

TRUST, INTEGRITY, and PURPOSE

with the intent to positively enhance the quality of life for our citizens, business owners, and visitors. Partnerships with our stakeholders will shape the priorities of our police agency.

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

AWARDS

- Re-Accreditation by the Texas Police Chiefs Association- One of only 211 of over 2,700 police agencies in Texas that are Best Practices Agencies
- National Association of Town Watch Award for participating in National Night Out, placing 3rd in Texas and 11th in the nation for cities with a population of 5,000 to 15,000
- Chief Holguin received the FBI-LEEDA Trilogy Award for the completion of the Supervisor Leadership Institute, the Command Leadership Institute, and the Executive Leadership Institute courses
- Three veteran officers were recognized by the Airpower Foundation at the annual Sky Ball held at Globe Life Field and each were awarded an active shooter vest from the Airpower Foundation
- Chief Holguin was selected as a member of the Texas Police Chiefs Association Legislative Committee and the Chair of the Tri-County Auto Burglary and Theft Prevention Board of Governors

NEW PROGRAMS, PROJECTS, & EVENTS

- Hosted the first ever Peace Officer Angel Foundation Dining for Heroes event to raise money for police officers injured in the line of duty
- Held the first ever National Faith and Blue event at Town Center Park, promoting engagement with our community and faith-based organizations
- First ever Department participation at first responder events held at AT&T Stadium during an NFL game and at Globe Life Field during an MLB game
- Started a new Police Chaplain program
- Started a new Trap-Neuter Return program through Animal Services and in cooperation with Texas Coalition for Animal Protection (TCAP) to address the feral cat problem in the city
- New partnership with Mansfield ISD's Ben Barber Innovation Academy to support their criminal justice student intern program
- Began the very first drone program within the department which included extensive training and the creation of a new drone policy
- Invited to participate in the Healthy Tarrant County Collaboration (HTCC) project
- Implemented the PowerDMS new policy and record management software

COMMUNITY ENGAGEMENT & PUBLIC OUTREACH

- New Community Engagement activities included participation and partnerships with following:
- The North Texas Crime Prevention Association
- The Tarrant County Coalition of Crime Victims
- The Tarrant County Sexual Assault Association Council
- Senior Outreach
- Organized and hosted events to include:
- Trunk or Treat
- Bark in the Park
- DEA Drug Take Back
- Business Crime Prevention Coalition
- Dog Walker Watch
- Kennedale Seniors Outreach
- Juneteenth Parade
- Civilian Response to Active Shooter Events (CRASE) training for KISD and local businesses
- Presentations to multiple student visits from Delaney Elementary School and the James A. Arthur Early Childhood Center
- Presentations at KISD schools
- Attended, participated in, and or organized city-wide events to include:
- Veterans Day Celebration
- September 11th
- Santa Around Town
- Hometown Christmas
- Public Safety Open House
- Halloween Safety Detail
- Bicycle Safety Day
- Summer Reading Program

OPERATIONS

- Achieved and maintained full police staffing for over 5 months of the budget year
- Completed a thorough review and update of 85% of the department's policy manual
- Awarded ten Watchguard brand cameras from the Duncanville Police Department
- Awarded 25 Motorola APX 6000 handheld radios from the Mansfield Police Department
- Continued use of the Community Oriented and Geographic policing model to address the causes of crime and long-term quality of life issues in cooperation with Community Development and other area partners
- Renewed the Memorandum of Understanding with the Alliance for Children to provide victim services and assist in the investigation of offenses against children
- Continued our partnership with the DEA Task Force- Ft. Worth (DEATF - FTW) to address drug/narcotics trafficking affecting the Kennedale area and investigating drug related overdose cases

- Continued our partnership with the Tri-County Auto Theft Task Force (TCATTF) which included new funding for the salary of assigned officer
- Continuation of the School Resource Officer (SRO) program, in partnership with KISD, to increase campus safety which included:
- Regular communication with the district's Safety and Security Director and school district leadership
- Continued faculty and staff training regarding active shooter and safety training throughout the school year
- Conducting safety assessments at each campus as needed or requested
- Conducting mandatory Senate Bill (SB) 30, Community Safety Education Act, presentations for all high school students
- Continued high-level social media presence on Twitter, Facebook, Instagram, and Nextdoor; averaging 10 to 15 new posts per week

TRAINING

- Officers and non-sworn department personnel averaged over 120 hours of training during the 2023-2024 fiscal year
- Officers completed 16 hours of mandated ALERRT training in addition to department force-on-force training
- ALERRT instructors completed the active shooter First Responder Breeching Course and Active Attack Integrated Response (AAIR) during this period; they had previously completed the ALERRT Instructors School and the Solo Officer Response & Deployment (SORD) course
- Officers were trained and certified on the new Taser platform and the new Byrna pepper ball launcher platform
- Officers completed mandatory 16-hour red-dot and 9mm handgun training in addition to required state qualifications training
- Sergeants were trained to use the less-lethal, bean-bag shotgun
- Records and Property Room Manager attended the TAPEIT conference
- Command staff and supervision attended the following training:
- The 5th Annual Consent Decree Conference and the FBI-LEEDA Conference
- The Texas Police Chief Leadership Series
- The FBI LEEDA Supervisor Leadership Institute (SLI)
- The FBI-LEEDA Command Leadership Institute (CLI)
- The Institute for Law Enforcement Administration (ILEA) First Line Supervisors Course
- The FBI LEEDA and North Texas HIDTA Media and Public Relations (PIO) Courses

GRANTS

- Continuing the use of grants to fund major technology improvements to include:
- Applied for a Citizens on Patrol vehicle through a State of Texas Justice Assistance Grant (JAG); award still pending
- The grant funded Stalker LED speed limit signs are still in service throughout the city
- The Forward Looking Infrared (FLIR) grant funded cameras are in service
- The Light Detection and Ranging (LIDAR) speed enforcement devices are currently in use

- Training is scheduled for the bullet resistant shields purchased through grant funding
- The Virtra grant funded firearms simulator is still being utilized for training
- The federal ballistic vest partnership grant continues to be utilized as needed

SHORT-TERM (FY25) GOALS

- Continue sending command and supervisory staff to ILEA, LEMIT-LCC, and FBI LEEDA for leadership training
- Chief Holguin to attend the FBI National Academy
- Apply for grants for equipment and positions that enhance the department's ability to deliver varied and high-quality services
- Create a five-year strategic plan for department to meet internal and external growth concerns
- Implement formal programs and additional community outreach partnerships through:
 - Public Safety Cadets
 - Shattered Dreams Program
 - Kennedale Citizens Police Academy
 - Coffee with a Cop
- Enhance patrol tactics training to meet the evolving needs of our community through the current four-hour per month training mandate
- Conduct ALERRT training once per quarter
- Implement the Active Attack Integrated Response (AAIR) program for coordinated active attack response between the fire department and the police department
- Hire an additional Captain to assist with the day-to-day operation and to meet the future demands and goals of the department to provide better service to our community
- Complete policy revisions
- Increase traffic enforcement by 2% in fiscal year 2024-2025
- Decrease Part I NIBRS crimes by 2% in fiscal year 2024-2025
- An increase of three community engagement/outreach programs in fiscal year 2024-2025
- Earn 1st Place for National Night Out (NNO) participation nationally and in Texas
- Maintain full staffing level in fiscal year 2024-2025

FUTURE INITIATIVES

- Host regional training through current agreement with North Texas Council of Governments (NTCOG) Regional Police Academy
- Implementation of formal Emergency Operations processes, procedures, and strategic plans
- Full implementation of PowerDMS for scheduling and to track inventory
- Purchase detective vehicles
- Begin a fitness program for all officers
- Increase field personnel as the need for police services and the population of the city increases

PERFORMANCE MEASURES					
Measure	Type	FY23 Actual	FY24 Target	FY24 Projected	FY25 Target
Full-Time Positions	Input	23	23	23	23
Self-Initiated Traffic Enforcement	Output	5,720	5,720	5,750	5,800
Self-Initiated Business Checks	Output	2,700	2,700	2,750	2,800
Community Engagement Programs	Output	5	5	5	8

GENERAL FUND EXPENDITURES BY DEPARTMENT					
09 POLICE OPERATIONS					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		2,481,252	2,625,708	2,631,934	2,887,838
Operations		990,975	980,300	963,601	1,028,213
TOTAL POLICE		\$ 3,472,227	\$ 3,606,007	\$ 3,595,535	\$ 3,916,051

Positions				
Police Chief	1.0	1.0	1.0	1.0
Police Captain	1.0	1.0	1.0	1.0
Sergeant	3.0	3.0	4.0	4.0
Corporal	1.0	1.0	4.0	4.0
Detective	2.0	2.0	2.0	2.0
Officer	8.0	8.0	4.0	4.0
Community Engagement Officer			1.0	1.0
Auto Theft Task Force Officer	1.0	1.0	1.0	1.0
DEA Task Force Officer	1.0	1.0	1.0	1.0
School Resource Officer	2.0	2.0	2.0	2.0
Total Commissioned Officers	20.00	20.00	21.0	21.00
Animal Control Officer	1.0	1.0	1.0	1.0
Evidence/Records Clerk	1.0	1.0	1.0	1.0
Administrative Assistant	1.0	1.0	1.0	1.0
Total Civilian Positions	3.00	3.00	3.0	3.00
Reserve Police Officer (Non-Paid)	1.0	1.0	1.0	1.0
Police Chaplain (Non-Paid)	1.0	1.0	1.0	1.0
Total Non-Paid Positions	2.00	2.00	2.0	2.00

TOTAL POSITIONS		25.00	25.00	26.00	26.00
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Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5101-09-01	SALARIES	1,627,886	1,736,248	1,756,026	1,859,886
01-5107-09-01	OVERTIME	50,456	56,000	39,799	56,000
01-5109-09-01	TEMPORARY/PART-TIME	-	-	-	-
01-5112-09-01	ASSIGNMENT PAY	4,077	5,000	-	5,000
01-5113-09-01	INCENTIVE PAY	41,287	42,000	37,950	42,000
01-5114-09-01	LONGEVITY PAY	15,022	13,546	13,382	17,968
01-5115-09-01	RETIREMENT	252,067	264,606	295,545	339,122
01-5117-09-01	FICA	128,267	141,753	138,537	151,535
01-5118-09-01	MEDICAL INSURANCE	146,737	152,637	129,836	181,227
01-5120-09-01	LIFE INSURANCE	12,367	12,018	8,187	3,200
01-5121-09-01	DENTAL INSURANCE	7,874	8,077	6,618	8,811
01-5122-09-01	VISION INSURANCE	902	1,130	989	1,795
01-5126-09-01	DISABILITY	(333)	2,017	3,978	4,200
01-5101-09-02	SALARIES	143,750	144,910	145,711	162,220
01-5107-09-02	OVERTIME	4,208	-	2,035	-
01-5113-09-02	INCENTIVE PAY	-	-	2,704	-
01-5114-09-02	LONGEVITY PAY	584	560	560	768
01-5115-09-02	RETIREMENT	21,715	20,773	24,161	27,903
01-5117-09-02	FICA	11,213	11,128	11,326	12,469
01-5118-09-02	MEDICAL INSURANCE	11,079	11,027	13,234	12,144
01-5120-09-02	LIFE INSURANCE	1,306	1,245	273	290
01-5121-09-02	DENTAL INSURANCE	706	735	643	771
01-5122-09-02	VISION INSURANCE	103	103	90	149
01-5126-09-02	DISABILITY	(21)	193	353	380
TOTAL PERSONNEL		\$ 2,481,252	\$ 2,625,708	\$ 2,631,934	\$ 2,887,838

GENERAL FUND EXPENDITURES BY DEPARTMENT					
09 POLICE OPERATIONS					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5220-09-01	UNIFORMS	19,314	25,000	23,983	25,000
01-5230-09-01	CLEANING SUPPLIES	854	600	948	1,000
01-5240-09-01	PRINTED SUPPLIES	6,841	5,000	5,886	5,500
01-5260-09-01	GENERAL OFFICE SUPPLIES	4,120	3,000	3,541	4,000
01-5261-09-01	POSTAGE	197	500	1,057	1,100
01-5280-09-01	MINOR EQUIP/SMALL TOOLS<\$5K	21,756	20,200	13,257	15,000
01-5285-09-01	FUEL	48,244	60,220	38,944	45,000
01-5289-09-01	MEDICAL SUPPLY AND EQUIPMENT	1,622	1,000	1,000	500
01-5290-09-01	EXPENDABLE SUPPLIES	3,183	3,300	3,616	3,700
01-5291-09-01	GRANT FUNDED SUPPLIES	32,290	-	-	-
01-5298-09-01	VICTUALS BEVERAGES & GROCERY	3,816	2,000	2,452	1,000
01-5403-09-01	BUILDING MAINTENANCE	37,840	36,000	43,704	30,000
01-5420-09-01	MACHINERY/TOOL MAINTENANCE	12	-	-	-
01-5430-09-01	MOTOR VEHICLE MAINTENANCE	55,450	45,000	31,494	30,000
01-5440-09-01	OFFICE EQUIP	9,023	4,000	25,441	5,000
01-5445-09-01	SOFTWARE	-	4,000.00	141.23	17,600
01-5460-09-01	RADIO MAINTENANCE	20,684	35,000	22,743	28,000
01-5501-09-01	ADVERTISING	-	500	-	500
01-5510-09-01	ASSOC DUES/PUBLICATIONS	1,911	2,000	1,055	2,000
01-5517-09-01	FIREARMS TRAINING	4,056	3,800	920	3,000
01-5525-09-01	TRAINING/SEMINARS	10,232	8,000	10,180	12,000
01-5530-09-01	ELECTRIC SERVICES	15,042	10,000	12,000	10,000
01-5535-09-01	GAS SERVICES	1,659	2,300	-	-
01-5564-09-01	COMMUNITY RELATIONS	4,424	3,500	4,971	3,500
01-5570-09-01	SPECIAL SERVICES	55,072	30,000	37,211	40,000
01-5575-09-01	EQUIPMENT RENTAL	(0)	4,000	5,138	4,000
01-5578-09-01	TRAVEL	3,992	2,000	5,669	5,000
01-5583-09-01	ANIMAL CONTROL	33,825	15,000	30,467	25,000
01-5585-09-01	TELEPHONE SERVICES	27,834	26,000	30,959	30,000
01-5589-09-01	JANITORIAL SERVICES	-	-	7,264	7,500
01-5590-09-01	WATER/SEWER SERVICES	5,659	5,500	3,576	4,000
01-5598-09-01	INTERGOV- CITY OF MAN	325,515	520,000	519,091	520,000
01-5870-09-01	OTHER EQUIPMENT	236,510	20,879	7,500	19,113
01-5910-09-01	POLICE VEHICLES	-	82,000	69,394	130,200
TOTAL OPERATIONS		\$ 990,975	\$ 980,300	\$ 963,601	\$ 1,028,213
TOTAL POLICE		\$ 3,472,227	\$ 3,606,007	\$ 3,595,535	\$ 3,916,051

DEPARTMENT OUTLINE: FIRE

The mission of our fire department is the protection of life and property of the citizens of Kennedale through public education, fire prevention code enforcement, and the response of highly-trained professional emergency response personnel.

We have three main objectives: reduce the amount of overtime by retaining fully certified firefighter/paramedics, establish a comprehensive fire prevention program, and increase hands on fire/ems continuing education training.

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

- Updated Standard Operating Policies and Procedures
- Through new software, were able to go paperless for Texas Commission on Fire Protection audits
- New advanced EMS equipment obtained that will benefit citizens through grants

NEW FOR FY25

- Fire Captain position to serve as operations commander for the Department. The anticipated hire date is October 1, 2024

SHORT-TERM (FY25) GOALS

- Retain personnel by creating an environment that is culturally positive and reflects the direction of the city
- Increase leadership classes for supervisors
- Reorganize the public safety step pay plan to fit the skill level of the current market
- Establish a plan to get all businesses in the City of Kennedale inspected once a year and updated on current fire codes
- Increase fire/ems training with hands on skills. Develop a career advancement curriculum for future leaders of the department

FUTURE INITIATIVES

- Work towards obtaining Best Practices, a recognition program through the Texas Fire Chiefs Association
- Continue to evaluate the market yearly to recognize potential recruitment and retention needs
- Evaluate call volume and response times to help predict future staffing needs

PERFORMANCE MEASURES

Measure	Type	FY23 Actual	FY24 Target	FY24 Projected	FY25 Target
Annual Fire Inspections	Output	74	200	80	200
Alarm to En-route Time	Efficiency	1min 30sec	1min 30sec	1min 16sec	1min 30sec
En-route to On scene time	Efficiency	4min 34sec	4min	4min 39sec	4 min 30sec

GENERAL FUND EXPENDITURES BY DEPARTMENT

		10 FIRE			
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		2,250,151	2,475,566	2,481,270	2,855,315
Operations		423,594	486,432	260,299	498,255
TOTAL FIRE		\$ 2,673,744	\$ 2,961,998	\$ 2,741,569	\$ 3,353,570

Positions				
Fire Chief		1.0	1.0	1.0
Fire Captain		-	-	-
Fire Inspector		-	-	-
Fire Marshal		1.0	1.0	1.0
Administrative Assistant		1.0	1.0	1.0
Fire Lieutenant		3.0	3.0	3.0
Driver Engineers		3.0	3.0	3.0
Firefighter / Paramedics		12.0	12.0	12.0
TOTAL POSITIONS		21.00	21.00	21.00

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5101-10-00	SALARIES	1,463,772	1,580,262	1,501,311	1,801,885
01-5107-10-00	OVERTIME	58,975	115,000	186,028	120,000
01-5108-10-00	FLSA OVERTIME	154,514	162,000	161,853	162,000
01-5112-10-00	ASSIGNMENT PAY	4,657	5,000	7,000	5,000
01-5113-10-00	INCENTIVE PAY	39,088	40,000	38,500	40,000
01-5114-10-00	LONGEVITY PAY	9,542	14,116	11,804	13,382
01-5115-10-00	RETIREMENT	249,404	273,659	305,039	366,756
01-5117-10-00	FICA	128,147	146,603	142,987	163,883
01-5118-10-00	MEDICAL INSURANCE	125,559	120,220	109,257	159,778
01-5120-10-00	LIFE INSURANCE	11,216	8,175	7,069	8,100
01-5121-10-00	DENTAL INSURANCE	4,689	7,623	6,003	8,850
01-5122-10-00	VISION INSURANCE	852	1,027	913	1,931
01-5126-10-00	DISABILITY	(266)	1,881	3,505	3,750
TOTAL PERSONNEL		\$ 2,250,151	\$ 2,475,566	\$ 2,481,270	\$ 2,855,315

GENERAL FUND EXPENDITURES BY DEPARTMENT					
10 FIRE					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5220-10-00	UNIFORMS	16,107	14,000	14,284	17,000
01-5225-10-00	LIFE SAFETY EQUIPMENT	13,716	15,000	575	15,000
01-5230-10-00	CLEANING SUPPLIES	1,978	2,250	2,100	2,500
01-5240-10-00	PRINTED SUPPLIES	2,425	3,000	3,940	3,500
01-5260-10-00	GENERAL OFFICE SUPPLIES	3,780	3,000	2,304	3,000
01-5261-10-00	POSTAGE	243	100	131	200
01-5280-10-00	MINOR EQUIP/SMALL TOOLS <\$5K	10,655	12,000	3,698	12,000
01-5285-10-00	FUEL	23,581	22,220	17,419	20,000
01-5288-10-00	EMS SUPPLIES	31,998	30,000	25,395	30,000
01-5290-10-00	EXPENDABLE SUPPLIES	4,529	5,000	2,100	5,000
01-5291-10-00	GRANT FUNDED SUPPLIES	80,030		-	
01-5297-10-00	FIRE OPERATIONS EXPENDABLE SUPPLI	1,491	6,000	5,521	6,000
01-5298-10-00	VICTUALS BEVERAGES & GROCERY	1,378	2,000	7,294	4,000
01-5403-10-00	BUILDING MAINTENANCE	24,734	40,000	16,563	30,000
01-5420-10-00	MACHINERY/TOOL MAINTENANCE	15,298	17,000	19,422	17,000
01-5430-10-00	MOTOR VEHICLE MAINTENANCE	31,832	40,000	42,342	45,000
01-5440-10-00	OFFICE EQUIP/SOFTWARE	14,213	6,000	1,954	7,500
01-5445-10-00	SOFTWARE	-	8,000	8,569	8,500
01-5460-10-00	RADIO MAINTENANCE	7,638	9,000	10,911	9,000
01-5510-10-00	ASSOC DUES/PUBLICATIONS	5,753	5,000	2,519	5,000
01-5525-10-00	TRAINING/SEMINARS	18,496	20,000	18,000	20,000
01-5527-10-00	PUBLIC SAFETY EDUCATION	1,342	3,500	4,567	6,000
01-5530-10-00	ELECTRIC SERVICES	9,927	8,500	8,140	8,500
01-5535-10-00	GAS SERVICES	3,065	4,000	4,000	4,000
01-5570-10-00	SPECIAL SERVICES	43,467	25,000	16,343	25,000
01-5575-10-00	EQUIPMENT RENTAL	4,491	5,000	6,579	7,000
01-5578-10-00	TRAVEL	1,980	4,000	7,423	6,000
01-5585-10-00	TELEPHONE SERVICES	5,156	4,500	4,840	6,000
01-5590-10-00	WATER/SEWER SERVICES	4,419	3,500	3,366	3,500
01-5840-00-00	OTHER EQUIPMENT	24,367		-	
01-5861-10-00	MOTOR VEHICLES	-	168,862	-	172,055
01-5870-10-00	OTHER EQUIPMENT	15,506		-	
01-5570-10-02	SPECIAL SERVICES			-	
TOTAL OPERATIONS		\$ 423,594	\$ 486,432	\$ 260,299	\$ 498,255
TOTAL FIRE		\$ 2,673,744	\$ 2,961,998	\$ 2,741,569	\$ 3,353,570

DEPARTMENT OUTLINE: COMMUNITY DEVELOPMENT

We have three main objectives: improve building safety where possible, promote property maintenance and stewardship, and ensure development is consistent with adopted plans.

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

- Updated the City's Comprehensive Plan and Unified Development Code
- Adoption of the 2018 International Property Maintenance Code
- Updates to parking, nuisance, and short-term rental ordinances
- Adoption of the Park Zone Map, allowing funds collected from park fees to be utilized
- Reduced costs for third-party services through improved training and development of department staff

NEW FOR FY25

- One full-time position dedicated to code and environmental compliance. For year one, the expected cost is \$78,184, with an anticipated hire date of October 1, 2024.

SHORT-TERM (FY25) GOALS

- Successful implementation of a new software platform to improve permitting and service requests
- All members of the department obtain at least (1) new ICC certification
- Increase department visibility and community involvement by participating in at least (3) special events
- Host at least (2) community education workshops for property owners and businesses
- Update the city's schedule of fees
- Establish a tool-sharing program in association with the Kennedale Public Library

FUTURE INITIATIVES

- Pursue agency accreditation with the American Association of Code Enforcement (AACE)
- Pursue grant opportunities for parks, hazard mitigation, and building code adoption
- Establish an annual rental registration and inspection program
- Establish a beautification program in association with Keep Kennedale Beautiful (KKB)

PERFORMANCE MEASURES

Measure	Type	FY23 Actual	FY24 Target	FY24 Projected	FY25 Target
Permit Software Implementation	Efficiency	-	Budget Amdmt	August Started Date	August End Date
ICC Certifications Obtained	Effectiveness	0	0	1	4
Special Events Attended	Output	0	1	1	3
Workshops Conducted	Output	0	0	0	2
Fee Schedule Updates	Efficiency	-	Research	Research Completed	Adoption
Establish tool sharing program	Effectiveness	-	Research	Research Completed	Program Established

GENERAL FUND EXPENDITURES BY DEPARTMENT					
12 COMMUNITY DEVELOPMENT					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		235,208	316,716	305,338	419,556
Operations		382,269	371,137	317,739	274,250
TOTAL COMMUNITY DEVELOPMENT		\$ 617,476	\$ 687,853	\$ 623,076	\$ 693,806

Positions				
Director	1.0	1.0	1.0	1.0
Building Inspector	1.0	1.0	1.0	1.0
Planning Technician	1.0	1.0	1.0	1.0
Permit Clerk	1.0	1.0	1.0	1.0
Code Enforcement Officer	-	-	-	1.0
TOTAL POSITIONS	4.00	4.00	4.00	5.00

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5101-12-01	SALARIES	138,105	234,830	229,605	293,942
01-5107-12-01	OVERTIME	487	500	794	2,000
01-5109-12-01	TEMPORARY/PART-TIME	40,025	-	-	-
01-5113-12-01	INCENTIVE PAY	-	6,000	-	6,000
01-5114-12-01	LONGEVITY PAY	-	144	144	800
01-5115-12-01	RETIREMENT	25,117	33,626	36,887	50,545
01-5117-12-01	FICA	13,389	18,014	17,291	22,585
01-5118-12-01	MEDICAL INSURANCE	15,750	21,166	18,590	40,042
01-5120-12-01	LIFE INSURANCE	1,223	910	548	910
01-5121-12-01	DENTAL INSURANCE	1,002	1,322	992	1,914
01-5122-12-01	VISION INSURANCE	140	130	103	367
01-5126-12-01	DISABILITY	(31)	75	384	450
TOTAL PERSONNEL		\$ 235,208	\$ 316,716	\$ 305,338	\$ 419,556

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5220-12-01	UNIFORMS	1,378	1,000	1,250	1,250
01-5240-12-01	PRINTED SUPPLIES	361	500	500	500
01-5260-12-01	GENERAL OFFICE SUPPLIES	1,674	1,500	1,000	1,500
01-5261-12-01	POSTAGE	678	600	810	600
01-5280-12-01	MINOR EQUIP/SMALL TOOLS<\$5K	2,380	5,000	5,000	5,000
01-5285-12-01	FUEL	1,998	1,500	1,200	1,500
01-5290-12-01	EXPENDABLE SUPPLIES	48	250	250	500
01-5298-12-01	VICTUALS BEVERAGES & GROCERY	76	150	165	500
01-5403-12-01	BUILDING MAINTENANCE	-	-	34	-
01-5430-12-01	MOTOR VEHICLE MAINTENANCE	654	750	700	1,000
01-5440-12-01	OFFICE EQUIP	19,358	5,000	5,000	5,000
01-5445-12-01	SOFTWARE		33,887	20,000	28,000
01-5501-12-01	ADVERTISING	1,321	2,000	2,000	2,000
01-5510-12-01	ASSOC DUES/PUBLICATIONS	1,001	1,500	1,500	1,750
01-5525-12-01	TRAINING/SEMINARS	2,000	5,000	5,000	5,000
01-5570-12-01	SPECIAL SERVICES	118,060	100,000	60,000	75,000
01-5572-12-01	CODE ENFORCEMENT SERVICES	2,576	5,000	5,000	5,000
01-5574-12-01	FILING FEES	301	500	250	500
01-5575-12-01	EQUIPMENT RENTAL	5,062	4,500	4,500	4,500
01-5576-12-01	STRATEGIC PLANNING	23,630	100,000	100,000	30,000
01-5578-12-01	TRAVEL	4	1,000	1,200	1,500
01-5580-12-01	ENGINEERING SERVICES	162,941	100,000	100,000	100,000
01-5585-12-01	TELEPHONE SERVICES	1,847	1,500	2,418	3,650
01-5861-12-01	MOTOR VEHICLES	34,921	-	(38)	-
TOTAL OPERATIONS		\$ 382,269	\$ 371,137	\$ 317,739	\$ 274,250
TOTAL COMMUNITY DEVELOPMENT		\$ 617,476	\$ 687,853	\$ 623,076	\$ 693,806

DEPARTMENT OUTLINE: SENIOR CENTER

The Kennedale Senior Center provides access to community resources, nutrition, health and entertainment activities that promote social connection, vibrant aging, and life-long learning and enable the emotional and physical well-being of independent adults over 55. Our goal is to provide opportunities for seniors that meet their changing needs, improve their quality of life, and empower them to live life to the fullest.

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

- Increased activities – particularly for health and exercise
- Increase in participation – meals and programs
- Increased participation with community partners
- Installed handicapped front door

NEW FOR FY25

New flooring and interior paint are much-needed facility improvements taking place in FY25. The current flooring has deteriorated beyond repair. Painting the walls will take place in concert with the new flooring.

SHORT-TERM (FY25) GOALS

- Continue with Meals on Wheels activity director contract
- Continue to build activities offered
- Increase community outreach/awareness
- Continue to build volunteer pool
- Install new floor
- Paint walls

FUTURE INITIATIVES

- Continue to build community relationships and partnerships
- Increase membership and activities to meet the needs of members
- Seek funding and sponsorships for additional programs and activities
- Add Senior Center employee

PERFORMANCE MEASURES					
Measure	Type	FY23 Actual	FY24 Target	FY24 Projected	FY25 Target
Lunches Served	Output	2,912	3,500	4,000	4,200
Activities Scheduled	Output	388	400	450	500
New Members	Input	32	35	35	35
New Programs	Output	10	15	15	18
New Member Volunteers	Efficiency	12	10	10	12

GENERAL FUND EXPENDITURES BY DEPARTMENT					
16 SENIOR CENTER					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		-	-	-	-
Operations		48,584	53,172	42,877	101,900
TOTAL SENIOR CENTER		\$ 48,584	\$ 53,172	\$ 42,877	\$ 101,900

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5230-16-00	CLEANING SUPPLIES	-	-	50	-
01-5260-16-00	GENERAL OFFICE SUPPLIES	35	100	-	100
01-5290-16-00	EXPENDABLE SUPPLIES	1,115	6,000	3,212	6,000
01-5285-16-00	FUEL	-	-	-	-
01-5298-16-00	VICTUALS BEVERAGES & GROCERY	651	-	-	-
01-5403-16-00	BUILDING MAINTENANCE	16,133	6,000	3,113	52,000
01-5430-16-00	MOTOR VEHICLE MAINTENANCE	33	-	-	-
01-5440-16-00	OFFICE EQUIP/SOFTWARE	725	400	2,121	500
01-5530-16-00	ELECTRIC SERVICES	5,016	4,000	4,000	4,000
01-5535-16-00	GAS SERVICES	1,299	1,852	-	2,000
01-5564-16-00	COMMUNITY RELATIONS		1,000	1,000	1,000
01-5570-16-00	SPECIAL SERVICES	20,670	22,000	20,500	23,000
01-5575-16-00	EQUIPMENT RENTAL	96		-	-
01-5589-16-00	JANITORIAL SERVICES	-	8,820	7,350	10,000
01-5590-16-00	WATER/SEWER SERVICES	2,811	3,000	1,531	3,300
TOTAL OPERATIONS		\$ 48,584	\$ 53,172	\$ 42,877	\$ 101,900

TOTAL SENIOR CENTER		\$ 48,584	\$ 53,172	\$ 42,877	\$ 101,900
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DEPARTMENT OUTLINE: LIBRARY

The Kennedale Public Library serves as a thriving community center that provides access to information and resources to educate, empower, enrich, and welcome our community. The Library connects the community with library services for personal enjoyment, growth, and enrichment through diverse resources in multiple and accessible formats, innovative programs and technology that increase knowledge, awareness, and quality of life for all members of the community, support for local educational programs and self-directed, lifelong learning opportunities, community gathering spaces, and the preservation of local history.

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

- New carpet in the Library
- New Paint in Library and Community Room
- Increased programming offered for adults and teens
- Partnered with KISD to use gyms for increased attendance of Summer Reading programs
- Story Walk installed in Sonora Park
- New projector and speakers for Community Room programming
- Hired 50% Programming Librarian (50% EDC)
- Increased attendance and usage of all services and programs
- Created Innovation Station with funding from the Hancher Foundation

NEW FOR FY25

Mobile shelves with castors to replace all current shelves in the building. The current shelves are original to the facility.

SHORT-TERM (FY25) GOALS

- Expand library space to community room
- Increase PT Library Clerk to FT Assistant Librarian
- Acquire and install new shelving
- Upgrade to and install RFID system and tags
- Increase staff training for program development and delivery
- Hold one Innovation Station workshop per month
- Apply for Tocker Foundation Library Transformation Grant 2025
- Receive TSLAC accreditation
- Apply for TexTreasures 2026 grant for newspaper digitization

FUTURE INITIATIVES

- Increase programming for all ages
- Complete collection audit and clean-up/update
- Increase community outreach
- Continue to build community partnerships and relationships

- Increase awareness of services through effective marketing and community engagement
- Develop Historical Society local history collection
- Add FT Youth Services librarian
- Convert Programming Librarian to Supervising Librarian

PERFORMANCE MEASURES					
Measure	Type	FY23 Actual	FY24 Target	FY24 Projected	FY25 Target
Registered Users	Input	2,239	2,250	2,250	2,400
Circulation	Output	318	32,500	32,500	33,000
In-person Programs	Output	220	250	275	275
Innovation Station Appts	Output	N/A	20	20	50
In-Person Visits	Output	20,826	22,000	22,000	24,000
Receive Accreditation	Effectiveness	Y	Y	Y	Y

GENERAL FUND EXPENDITURES BY DEPARTMENT

17 LIBRARY

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		273,669	382,662	353,351	408,436
Operations		119,793	118,564	97,711	182,100
TOTAL LIBRARY		\$ 393,462	\$ 501,226	\$ 451,061	\$ 590,536

Positions

Director	1.0	1.0	1.0	1.0
Library Clerk	2.0	3.0	2.0	2.0
Library Clerk (Part Time, per FTE)			1.0	1.0
Programming and Events		1.0	1.0	1.0
TOTAL POSITIONS	3.00	5.00	5.00	5.00

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5101-17-00	SALARIES	168,575	237,696	221,023	245,416
01-5107-17-00	OVERTIME	303	500	730	500
01-5109-17-00	TEMPORARY/PART-TIME	35,272	42,000	36,878	42,843
01-5114-17-00	LONGEVITY PAY	3,600	3,986	3,840	4,560
01-5115-17-00	RETIREMENT	28,404	40,581	41,995	50,259
01-5117-17-00	FICA	15,555	21,740	19,685	22,458
01-5118-17-00	MEDICAL INSURANCE	19,305	32,753	25,261	37,584
01-5120-17-00	LIFE INSURANCE	1,511	1,428	1,811	2,200
01-5121-17-00	DENTAL INSURANCE	1,034	1,530	1,249	1,597
01-5122-17-00	VISION INSURANCE	138	205	282	368
01-5126-17-00	DISABILITY	(28)	242	597	650
TOTAL PERSONNEL		\$ 273,669	\$ 382,662	\$ 353,351	\$ 408,436

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5230-17-00	CLEANING SUPPLIES	45	-	51	
01-5240-17-00	PRINTED SUPPLIES	-	-	120	
01-5260-17-00	GENERAL OFFICE SUPPLIES	455	300	297	300
01-5261-17-00	POSTAGE	453	400	453	500
01-5280-17-00	MINOR EQUIP/SMALL TOOLS<\$5K	672		-	800
01-5290-17-00	EXPENDABLE SUPPLIES	4,275	6,000	3,640	7,000
01-5292-17-00	LIBRARY PROCESSING SUPPLIES	173	-	-	
01-5294-17-00	LIBRARY BOOK-CITY FUND	15,964	20,000	16,385	22,000
01-5298-17-00	VICTUALS BEVERAGES & GROCERY	185	-	-	
01-5403-17-00	BUILDING MAINTENANCE	52,693	35,550	34,950	86,000
01-5455-17-00	SOFTWARE MAINT		12,000	11,782	16,000
01-5440-17-00	OFFICE EQUIP	14,795	2,500	1,110	3,000
01-5510-17-00	ASSOC DUES/PUBLICATIONS	1,018	1,500	1,580	1,500
01-5525-17-00	TRAINING/SEMINARS	908	2,500	-	3,000
01-5530-17-00	ELECTRIC SERVICES	7,885	6,840	6,254	7,000
01-5535-17-00	GAS SERVICES	1,709	2,000	-	2,500
01-5564-17-00	COMMUNITY RELATIONS		5,000	3,500	5,000
01-5570-17-00	SPECIAL SERVICES	8,063	3,000	1,047	4,000
01-5575-17-00	EQUIPMENT RENTAL	3,698	3,900	3,479	4,000
01-5578-17-00	TRAVEL	-	2,500	39	2,500
01-5585-17-00	TELEPHONE SERVICES	2,004	2,200	1,652	2,500
01-5589-17-00	JANITORIAL SERVICES	-	8,304	8,304	10,000
01-5590-17-00	WATER/SEWER SERVICES	4,795	4,070	3,066	4,500
TOTAL OPERATIONS		\$ 119,793	\$ 118,564	\$ 97,711	\$ 182,100

TOTAL LIBRARY		\$ 393,462	\$ 501,226	\$ 451,061	\$ 590,536
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DEPARTMENT OUTLINE: COMMUNICATIONS

The Communications Department provides transparency through innovative and creative communications solutions. It promotes the City's mission, programs, and initiatives efficiently and effectively. The vision of the Communications Department is to consistently create and distribute effective messaging that is recognized as the best, most accurate, and dependable source of City information.

Areas of concentration:

- Communication with employees, citizens, and businesses
- Marketing and graphic design
- Media and community relations
- City publications
- Manage city online presence
- Special Events Promotion
- Work to improve the image of Kennedale

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

- Created Communications and Social Media policy
- Created style guide for brand consistency
- Increased outreach and marketing/promotion
- Effective event promotion resulting in significantly increased community participation
- Hired 50% Event Coordinator (EDC, 50% Library)

SHORT-TERM (FY25) GOALS

- Establish an intranet for employee awareness/information
- Establish a larger communications network for broader reach for information
- Train employees in each department for consistent messaging and adherence to communications policy
- Continue to build relationships with the community for transparent distribution of information

FUTURE INITIATIVES

- Increase community participation in City events and activities
- Train one person per department in web page admin
- Update all department web pages with trained web admins
- Add 100% Event Coordinator/Marketing employee

PERFORMANCE MEASURES					
Measure	Type	FY23 Actual	FY24 Target	FY24 Projected	FY25 Target
Event Attendance	Effectiveness	3,500	4,000	4,500	5,000
Webpage Visits	Effectiveness	141,809	180,000	190,000	200,000
1 Trained Admin/Department	Efficiency	N/A	N/A	N/A	8
Newsletter Subscriptions	Effectiveness	922	1,000	1,040	1,200
Social Media New Followers	Effectiveness	436	500	550	600

GENERAL FUND EXPENDITURES BY DEPARTMENT					
18 COMMUNICATIONS					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		-	-	-	-
Operations		-	26,100	18,539	23,500
TOTAL COMMUNICATIONS		\$ -	\$ 26,100	\$ 18,539	\$ 23,500

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5260-18-00	GENERAL OFFICE SUPPLIES	-	100	86	100
01-5261-18-00	POSTAGE	-	-	-	-
01-5290-18-00	EXPENDABLE SUPPLIES	-	1,000	1,000	1,000
01-5440-17-00	OFFICE EQUIP	-	-	-	-
01-5455-18-00	SOFTWARE	-	7,000	957	5,000
01-5501-18-00	ADVERTISING	-	2,000	53	1,000
01-5510-18-00	ASSOC DUES/PUBLICATIONS	-	500	500	500
01-5525-18-00	TRAINING/SEMINARS	-	1,000	1,443	1,000
01-5564-18-00	COMMUNITY RELATIONS	-	10,000	10,000	6,000
01-5570-18-00	SPECIAL SERVICES	-	3,000	3,000	2,000
01-5571-18-00	SPECIAL EVENTS	-	-	-	6,000
01-5578-18-00	TRAVEL	-	1,500	1,500	900
TOTAL OPERATIONS		\$ -	\$ 26,100	\$ 18,539	\$ 23,500
TOTAL COMMUNICATIONS		\$ -	\$ 26,100	\$ 18,539	\$ 23,500

DEPARTMENT OUTLINE: PUBLIC WORKS

Our mission is to preserve and enhance public safety and quality of life for our citizenry by providing exceptional public services through planning, engineering, operating, and maintaining public infrastructure.

PRIOR YEAR RESULTS & ACCOMPLISHMENTS

- Rehabilitated approximately 2.3 LM of city streets
- Upgraded approximately 1,102 LF of lines within our water distribution system, and 1,970 LF to the collection system
- Modernized and upgraded the playground equipment and Splash Pad at Sonora Park
- Based on engineering studies and public requests, installed solar powered flashing stop signs at various high-traffic intersections throughout the City
- Installed continental cross-walks and approximately 49,831 LF of pavement markings throughout the City

NEW FOR FY25

Air conditioning unit for the Public Works Service Center.

SHORT-TERM (FY25) GOALS

- Systemically remove and replace all failing and manually read Neptune water meters with Masters AMI by Spring 2025
- Reduce our overall street inventory of streets classified as in poor condition (currently at 12.8% or 108,330 SY) by 33% annually
- Systemically upgrade our water distribution and wastewater collection systems by investing at least \$0.5M annually
- Rehabilitate our existing ballfield for a FY 2026 projected completion

FUTURE INITIATIVES

- Replace existing 500,000-gallon water ground storage tank with a 750,000-gallon tank
- Upgrade playground equipment in remaining City Parks
- Perform infiltration and inflow (I & I) survey on the collection system basins, and conduct the necessary repairs as needed
- Develop strategies and solicit grant funding for reconstruction of deteriorating streets, to include water, sewer, and stormwater upgrades

PERFORMANCE MEASURES					
Measure	Type	FY23 Actual	FY24 Target	FY24 Projected	FY25 Target
100% replacement of water meters (3,229)	Efficiency	2,470	759	759	3,229
% of streets classified as poor condition	Effectiveness	12.8% (108,330 LF)	8.53% (72,220 LF)	8.53% (72,220 LF)	4.26% (36,110 LF)
Investment dollars	Output	\$774,098.50	\$798,242.00	\$889,882.00	\$500,000.00
% completion of ballfield	Efficiency	No Submission	Awarded	0%	100%

GENERAL FUND EXPENDITURES BY DEPARTMENT					
20 PUBLIC WORKS					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		488,710	615,196	649,406	778,406
Operations		359,167	585,560	446,076	714,022
TOTAL PUBLIC WORKS		\$ 847,877	\$ 1,200,756	\$ 1,095,482	\$ 1,492,428

Positions	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Director	1.0	1.0	1.0	1.0
Supervisor	1.0	1.0	1.0	1.0
Field Worker - Full Time	4.0	6.0	6.0	6.0
Field Worker - Part Time by FTE	1.0	0.7	0.7	1.75
Administrative Assistant	1.00	1.00	1.00	1.00
TOTAL PUBLIC WORKS POSITIONS	8.00	9.70	9.70	10.75

STREET MAINTENANCE					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
17-5101-12-02	SALARIES	337,506	428,891	456,651	484,149
17-5107-12-02	OVERTIME	5,386	6,000	5,228	9,450
17-5109-12-02	TEMPORARY/PART-TIME	23,364	23,740	21,875	61,187
17-5113-12-02	INCENTIVE PAY	2,711	1,500	2,704	2,800
17-5114-12-02	LONGEVITY PAY	5,554	7,740	5,368	9,856
17-5115-12-02	RETIREMENT	54,420	66,812	78,692	96,924
17-5117-12-02	FICA	28,135	35,792	36,887	43,310
17-5118-12-02	MEDICAL INSURANCE	27,911	39,508	35,244	61,089
17-5120-12-02	LIFE INSURANCE	2,161	2,101	3,539	4,200
17-5121-12-02	DENTAL INSURANCE	1,393	2,483	1,928	3,658
17-5122-12-02	VISION INSURANCE	201	411	325	683
17-5126-12-02	SHORT-TERM DISABILITY	(30)	218	965	1,100
TOTAL PERSONNEL		\$ 488,710	\$ 615,196	\$ 649,406	\$ 778,406

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
17-5210-12-02	CHEMICAL SUPPLIES	8,685	5,000	5,790	5,000
17-5220-12-02	UNIFORMS	3,408	5,100	3,824	6,272
17-5230-12-02	CLEANING SUPPLIES	1,310	1,500	1,280	2,500
17-5240-12-02	PRINTED SUPPLIES	52	500	-	500
17-5260-12-02	GENERAL OFFICE SUPPLIES	1,062	1,500	538	1,500
17-5280-12-02	MINOR EQUIP/SMALL TOOLS<\$5K	3,520	5,000	3,560	5,000
17-5285-12-02	FUEL	14,865	15,000	13,637	15,500
17-5290-12-02	EXPENDABLE SUPPLIES	1,680	1,400	1,975	2,600
17-5403-12-02	BUILDING MAINTENANCE	3,407	5,000	6,308	14,350
17-5407-12-02	STREET MAINTENANCE	11,583	176,958	99,894	194,700
17-5409-12-02	IRRIGATION MAINTENANCE	205	2,500	75	2,500
17-5420-12-02	MACHINERY/TOOL MAINTENANCE	4,015	8,000	11,789	8,800
17-5430-12-02	MOTOR VEHICLE MAINTENANCE	15,726	25,000	10,132	20,000
17-5440-12-02	OFFICE EQUIP	1,358	1,500	781	9,600
17-5445-12-02	SOFTWARE	-	14,257	10,000	10,000
17-5480-12-02	SIGNS/FENCE/SIDEWALK MAINTENANCE	9,045	12,000	10,000	13,200
17-5510-12-02	ASSOC DUES/PUBLICATIONS	620	5,000	140	4,500
17-5525-12-02	TRAINING/SEMINARS	3,810	8,000	848	7,500
17-5530-12-02	ELECTRIC SERVICES	67,772	74,480	52,347	66,000
17-5535-12-02	GAS SERVICES	1,414	1,364	-	1,000
17-5570-12-02	SPECIAL SERVICES	288	32,500	32,500	50,500
17-5575-12-02	EQUIPMENT RENTAL	20,102	15,000	15,100	18,000
17-5578-12-02	TRAVEL	114	3,000	175	3,000
17-5580-12-02	ENGINEERING SERVICES	87,732	50,000	63,234	78,000
17-5585-12-02	TELEPHONE SERVICES	1,648	4,000	2,087	3,000
17-5590-12-02	WATER/SEWER SERVICES	545	22,000	-	40,000
17-5591-12-02	TRASH/DISPOSAL/DUMP SERVICES	1,005	1,500	-	1,500
17-5870-12-02	OTHER EQUIPMENT	12,191	13,000	16,500	16,500
17-5701-12-02	TRANSFER OUT- GENERAL	-	-	-	-
17-5501-12-02	ADVERTISING	-	-	-	-
TOTAL STREET MAINTENANCE OPERATIONS		\$ 277,161	\$ 510,059	\$ 362,514	\$ 601,522

GENERAL FUND EXPENDITURES BY DEPARTMENT					
20 PUBLIC WORKS					
PARK MAINTENANCE					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
17-5404-12-03	PARK MAINTENANCE	-	20,000	19,500	30,000
17-5405-12-03	TOWN CENTER PLAZA	10,150	-	551	
17-5406-12-03	SONORA AND RODGERS FARM PARK	8,741	7,000	21,268	30,000
17-5408-12-03	OTHER PARKS/MISC.	5,795	10,000	9,200	-
17-5530-12-03	ELECTRIC SERVICES	6,694	2,500	3,081	3,500
17-5522-12-03	KEEP KENNEDALE BEAUTIFUL	-	5,000	3,269	11,000
17-5575-12-03	EQUIPMENT RENTAL	-	3,000	-	3,000
17-5590-12-03	WATER/SEWER SERVICES	38,185	28,000	26,692	35,000
17-5870-12-03	OTHER EQUIPMENT	12,440			
TOTAL PARK MAINTENANCE OPERATIONS		\$ 82,005	\$ 75,501	\$ 83,562	\$ 112,500

DEPARTMENT OUTLINE: NONDEPARTMENTAL

Department 90 is for costs that benefit all organizations without being assigned to any individual department. Examples of non-departmental costs would be City-wide costs such as insurance, telephones, or the information technology service provider.

NEW FOR FY25

- A planned departure from our offsite storage provider, which an anticipated cost of \$15,000, will take place throughout the year.

GENERAL FUND EXPENDITURES BY DEPARTMENT

90 NON-DEPARTMENTAL

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
Personnel		-	-	-	-
Operations		544,203	565,194	534,496	566,695
TOTAL NON-DEPARTMENTAL		\$ 544,203	\$ 565,194	\$ 534,496	\$ 566,695

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5116-90-00	UNEMPLOYMENT INSURANCE	21,671	27,000	27,000	28,500
01-5119-90-00	WORKERS' COMPENSATION	138,144	139,667	138,006	118,534
01-5123-90-00	HEALTH ADMIN FEES	60,326	60,000	71,000	71,000
01-5440-90-00	OFFICE EQUIP	2,241	3,000	7,883	8,000
01-5445-90-00	SOFTWARE		23,527	-	23,527
01-5540-90-00	INSURANCE-AUTO	58,430	67,000	63,974	67,470
01-5545-90-00	INSURANCE-PROPERTY	28,187	32,000	34,776	40,226
01-5550-90-00	INSURANCE-GENERAL LIABILITY	10,786	15,000	13,224	17,064
01-5560-90-00	INSURANCE-LAW ENFORCEMENT	12,565	15,000	18,843	18,374
01-5569-90-00	IT SUPPORT	151,132	130,000	130,000	130,000
01-5570-90-00	SPECIAL SERVICES	16,763	21,000	19,000	32,000
01-5585-90-00	TELEPHONE SERVICES	10,790	12,000	10,790	12,000
01-5870-90-00	OTHER EQUIPMENT	33,169	20,000	-	
TOTAL OPERATIONS		\$ 544,203	\$ 565,194	\$ 534,496	\$ 566,695

TOTAL NON-DEPARTMENTAL		\$ 544,203	\$ 565,194	\$ 534,496	\$ 566,695
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90 NON-DEPARTMENTAL - TRANSFERS OUT

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
01-5705-90-00	TRANSFER OUT- CAP REPLACEMENT	252,407	139,200	139,200	139,200
01-5717-90-00	TRANSFER OUT - STREET IMPROV.		68,958	68,958	
01-5498-90-00	INCREMENTAL PROPERTY TAX	157,883	160,000	160,000	160,000
TOTAL TRANSFERS OUT		\$ 410,290	\$ 368,158	\$ 368,158	\$ 299,200



Debt Service Fund

OVERVIEW: DEBT SERVICE FUND

The Debt Service Fund pays for Debt that is secured by ad valorem (property) taxes. Property taxes account for over 99% of the Debt Service Fund revenues, with the remainder coming from investment income.

As of the preparation of this budget, the Debt Service Fund had amassed approximately \$629,481 in unassigned fund balance, primarily due to property tax revenues being more than what was needed to pay debt service requirements in prior years. This budget decreases the Interest and Sinking portion of Ad Valorem taxes by \$.002 per \$100 valuation.

EXPENSES AND BOND RATING

All expenses from the Debt Service are related payments of principal and interest on debt and related agent fees.

The City of Kennedale's AA- bond rating was affirmed by S&P Global Ratings on August 13, 2024. At that time, the outlook was improved to "Positive" from "Stable."

DEBT SERVICE REQUIREMENTS

The City has bond expenditures in three funds – 02 Debt Service, 10 Water/Sewer, and 15 EDC. The below chart depicts all bond payments for all 3 funds. On the next page, the \$2,600,769 has been programed into the total expenditure budget for Fund 02 Debt Service Fund. The \$958,773.76 for Fund 10, and \$183,788.03 for EDC Fund 15, are shown later in the book with the expenditures for those funds.

Debt Service Requirements -- 2025 Proposed Budget									
Debt Instruments	Fund 02 Debt Service Fund (I&S Ad Valorem Tax Levy)	Fund 10 Water Sewer Fund	Fund 15 Economic Development Corp	Fund 02 Debt Service Fund (I&S Ad Valorem Tax Levy)	Fund 10 Water Sewer Fund	Fund 15 Economic Development Corporation	2025 Principal \$	2025 Interest \$	
\$2,900,000 Comb Tax & Rev C/O Series 2007		100%			210,705.00		190,000.00	20,705.00	
\$1,200,000 Sales Tax Rev Bonds Taxable Series 2007			100%			110,502.50	90,000.00	20,502.50	
\$3,720,000 GO Refunding Bond Series 2016	100%			396,703.75			375,000.00	21,703.75	
\$2,000,000 Tax Notes Series 2019	100%			396,162.50			385,000.00	11,162.50	
\$1,260,000 GO Refunding Bonds Series 2020	100%			138,847.75			125,000.00	13,847.75	
\$1,540,000 GO Refunding Bonds Series 2020A	100%			162,505.00			150,000.00	12,505.00	
\$5,735,000 Comb Tax and Rev C/O Series 2021	100%			364,050.00			240,000.00	124,050.00	
\$1,700,000 Texas Leverage Fund Original 3.25% Interest Rate			100%			73,285.53	61,669.80	11,615.73	
\$17,065,000 Comb Tax and Revenue C/O Series 2023		86%			748,068.76		100,000.00	648,068.76	
\$17,065,000 Comb Tax and Revenue C/O Series 2023	14%			184,125.00			80,000.00	104,125.00	
\$3,000,000 General Obligation Bonds Series 2024	100%			237,750.00			90,000.00	147,750.00	
\$11,000,000 Comb Tax and Revenue C/O Series 2024	100%			720,625.00			175,000.00	545,625.00	
Total Debt Service by Year				2,600,769.00	958,773.76	183,788.03	2,061,669.80	1,681,660.99	

Fund 02 DEBT SERVICE					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
I&S Tax Rate/\$100 Valuation		0.137037	0.196917	0.196917	0.195216
Taxable Valuation		948,012,532	1,174,395,219	1,174,395,219	1,215,300,957
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
02-4001-00-00	PROPERTY TAX-CURRENT	1,378,094	2,312,584	2,312,584	2,372,462
02-4011-00-00	PROPERTY TAX-DELINQUENT	150	6,300	8,198	7,500
02-4041-00-00	PROPERTY TAX-PENALTY	7,709	6,100	8,185	7,500
02-4401-00-00	INVESTMENT INCOME	29,123	22,000	43,985	43,985
02-4902-00-00	PROCEEDS-DEBT/LOAN	65,084			
TOTAL REVENUES		\$ 1,480,159	\$ 2,346,984	\$ 2,372,952	\$ 2,431,447
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
02-5602-01-00	2007 \$4.365M GO RFND	126,588	129,675	129,675	-
02-5606-01-00	2016 3.72M REFUNDING	365,000	375,000	375,000	375,000
02-5607-01-00	2016 3.72M REFUNDING	35,039	28,416	28,416	21,704
02-5612-01-00	2007 \$4.365M GO RFND	7,661	2,574	2,574	-
02-5621-01-00	BANK FEES / PAYING AGENT FEES	200	600	600	500
02-5622-01-00	ARBITRAGE/DISCLOSURE	2,250	2,500	2,500	2,500
02-5625-01-00	ISSUANCE COSTS	52,702	-	-	-
02-5626-01-00	PMT TO ESCROW AGENT	-	-	-	-
02-5643-01-00	2007 \$1.2M TAX BOND-INTEREST	12,800	4,300	4,300	-
02-5644-01-00	2007 \$1.2M TAX BOND-PRINCIPAL	210,000	215,000	215,000	-
02-5650-01-00	2011 \$3.26M CO-PRINC		-	-	
02-5653-01-00	2019 \$2.0M TAX NOTES	370,000	375,000	375,000	385,000
02-5654-01-00	2019 \$2.0M TAX NOTES	25,555	18,430	18,430	11,163
02-5655-01-00	2020A \$1.54M GO RFND	145,000	150,000	150,000	150,000
02-5656-01-00	2020A \$1.54M GO RFND	16,130	14,335	14,335	12,505
02-5657-01-00	2021 \$6.0M CO-PRINCIPAL	215,000	185,000	185,000	240,000
02-5658-01-00	2021 \$6.0M CO - INTEREST	140,550	132,550	132,550	124,050
02-5667-01-00	2020 1.26M GO REFUND-INTEREST	18,625	-	-	13,848
02-5668-01-00	2020 1.26M GO REFUND-PRINCIPAL	120,000	-	-	125,000
02-5661-01-00	2023 \$17.0 MM C/O - INTEREST	-	760,944	760,944	80,000
02-5662-01-00	2023 \$17.0 MM C/O - PRINCIPAL	-	170,000	170,000	104,125
TBD	2024 \$3MM GO - INTEREST				147,750
TBD	2024 \$3MM GO - PRINCIPAL				90,000
TBD	2024 \$11.0 MM C/O - INTEREST	-	-	-	545,625
TBD	2024 \$14.0 MM C/O - PRINCIPAL	-	-	-	175,000
TOTAL EXPENDITURES		\$ 1,863,100	\$ 2,564,324	\$ 2,564,324	\$ 2,603,769
TOTAL REVENUES OVER (UNDER) EXPENDITURES		\$ (382,940)	\$ (217,340)	\$ (191,372)	\$ (172,322)
02-4915-00-00	TRANSFER IN-EDC FUND	138,625	-		138,848
02-4961-00-00	TRANSFER IN-TIRZ		228,229	228,229	228,229
02-4960-00-00	TRANSFER IN-PROJECTS	104,800	108,055	108,055	108,265
TOTAL OTHER FINANCING SOURCES (USES)		\$ 243,425	\$ 336,284	\$ 336,284	\$ 475,342
NET CHANGE IN FUND BALANCE		\$ (139,515)	\$ 118,944	\$ 144,912	\$ 303,020
BEGINNING FUND BALANCE — OCT 1		\$ 838,142	\$ 698,627	\$ 698,627	\$ 843,539
ENDING FUND BALANCE — SEPT 30		\$ 698,627	\$ 817,570	\$ 843,539	\$ 1,146,558



Utility Funds

OVERVIEW: STORMWATER FUND

The Stormwater Utility Fund is an Enterprise Fund with the responsibility for providing stormwater management to approximately 3,217 residential, commercial, and industrial customers. It serves approximately 8,463 residents in Kennedale. Stormwater management is a vital issue affecting Kennedale's future, with millions of dollars of identified projects needed to address life safety issues, flooding, and infrastructure damage. This funding was established to prevent flooding, preserve streams, minimize water pollution, and to operate the stormwater system in a more effective manner to fully comply with state and federal regulatory requirements. This will be accomplished by improving infrastructure reconstruction and system maintenance, master planning, enhanced development review, and increased public education and outreach.

SHORT-TERM GOALS

- Initial funding from the Texas Water Development Board, TWDB, was finalized and once additional funding is approved by the Federal Emergency Management Administration, FEMA, initiate a construction contract for the Valley Lane Channel improvements
- Collett Sublett Road drainage improvements
- Continue open drainage maintenance with Tarrant County's Inter-Local Agreements
- Continue spraying of drainage channels to effectively control unwanted vegetation

LONG-TERM GOALS

- Systematically improve infrastructure reconstruction and system maintenance, master planning, enhanced development review, and increased public education and outreach
- Focus on reducing runoff and improving water quality through maintaining natural hydrologic cycles, site grading, vegetation, soils, and natural processes that absorb and filter stormwater onsite

FUND 7 STORMWATER					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
07-4201-00-00	DRAINAGE FEES	283,988	270,000	276,052	280,000
07-4401-00-00	INVESTMENT INCOME	31,336	2,850	31,150	31,150
TOTAL REVENUES		\$ 315,324	\$ 272,850	\$ 307,202	\$ 311,150

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
07-5510-01-00	ASSOC DUES/PUBLICATIONS	2,668	3,000	4,168	4,200
07-5570-01-00-	SPECIAL SERVICES				20,000
07-5574-01-00	FILING FEES	100	100	100	100
07-5580-01-00	ENGINEERING SERVICES	8,525	15,000	1,500	21,500
07-5637-90-00	DEPRECIATION EXPENSE	20,300	-		
TOTAL EXPENDITURES		\$ 31,593	\$ 18,100	\$ 5,768	\$ 45,800

TOTAL REVENUES OVER (UNDER) EXPENDITURES		\$ 283,731	\$ 254,751	\$ 301,434	\$ 265,350
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Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
07-4912-00-00	TRANSFER IN-W/S FUND	-	-		
07-5598-01-00	ADMIN CHARGE - STREET	56,124	(61,520)	(61,520)	(77,841)
07-5701-00-00	TRANSFER OUT GENERAL FUND	132,597	(136,035)	(136,035)	(140,833)
TOTAL OTHER FINANCING SOURCES (USES)		\$ 188,721	\$ (197,555)	\$ (197,555)	\$ (218,674)

NET CHANGE IN FUND BALANCE		\$ 472,452	\$ 57,196	\$ 103,879	\$ 46,676
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BEGINNING FUND BALANCE — OCT 1		\$ 676,394	\$ 1,148,846	\$ 1,148,846	\$ 1,252,725
ENDING FUND BALANCE — SEPT 30		\$ 1,148,846	\$ 1,206,042	\$ 1,252,725	\$ 1,299,401

OVERVIEW: WATER/SANITY SEWER FUND

The City of Kennedale continues to receive the majority of its water from the City of Arlington; however, a small amount is purchased from the City of Fort Worth and blended with groundwater. The collection system is channeled to the Trinity River Authority via the City of Arlington.

The City is in the 5th year of a contract with the City of Arlington for operations and maintenance of the Kennedale water and sewer system and utility billing services. The primary source of revenue for the Water/Sewer fund is charges for services, which accounts for 91% of all revenue.

SHORT-TERM GOALS

- Implement the sanitary sewer interceptor improvement project, which involves upgrading approximately 10,000 LF of sewer pipelines along the northwest sector of the city, from North Road to Gilman Road
- Invest in the rehabilitation of the groundwater tank, T₄, at 751 Caruthers Ln. (High School) and the elevated tank, T₃, at 500 Gail Dr. to maintain water distribution sustainability, fire flow and pressure
- Meet the October 16, 2024 deadline for the Lead and Copper Rule Revision (LCRR) service line inventory
- Be compliant with America's Water Infrastructure Act of 2018, Emergency Preparedness Plan (EPP), SB3

LONG-TERM GOALS

- Upgrade all undersized water and sewer piping to an 8" diameter minimum
- Loop all dead-end mains, as deemed necessary
- Upsize the existing 6" sewer line, in the Hillside Addition, to a 12"

FUND 10 WATER/SEWER					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
10-4010-00-00	WATER SERVICE	2,474,371	2,875,970	2,483,076	3,352,153
10-4020-00-00	SEWER SERVICE	1,793,957	1,712,453	1,710,713	2,309,463
10-4050-00-00	ADMINISTRATIVE FEES	-			
10-4060-00-00	WATER TAP FEES	-			
10-4061-00-00	METER PURCHASE/INSTALATION	6,165	5,500	5,500	5,500
10-4070-00-00	SEWER TAP FEES	-	-	-	
10-4071-00-00	ENGINEER REVIEW FEES	1,322	-	-	
10-4074-00-00	SANITATION BILLING FEES	6,853	1,000	14,552	7,000
10-4076-00-00	OTHER FEES-WATER/SEWER	-			
10-4081-00-00	SALES TAX	53	35	115	50
10-4082-00-00	ARLINGTON OPERATOR COST	382,213	165,000	446,922	400,000
10-4401-00-00	INVESTMENT INCOME	336,846	262,670	774,314	774,315
10-4409-00-00	MISCELLANEOUS INCOME	11,710	-	-	-
10-4485-00-00	EQUIPMENT SALE GAIN (LOSS)	-	-	-	-
10-4999-00-00	2023 C/O SERIES A	77,000	7,700,000	-	7,700,000
TOTAL REVENUES		\$ 5,090,489	\$ 12,722,628	\$ 5,435,192	\$ 14,548,481

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
	UTILITY BILLING	2,073,319	1,450,700	1,893,111	2,126,675
	OPERATIONS	1,727,872	2,172,320	2,181,192	2,596,882
	DEBT SERVICE	435,735	295,312	295,312	394,830
	CAPITAL PROJECTS	315,647	8,315,000	185,180	8,300,000
	NON-DEPARTMENTAL	1,363,044	73,000	34,089	47,250
TOTAL EXPENDITURES		\$ 5,915,618	\$ 12,306,332	\$ 4,588,884	\$ 13,465,637

TOTAL REVENUES OVER (UNDER) EXPENDITURES		\$ (825,128)	\$ 416,297	\$ 846,308	\$ 1,082,844
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Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
10-4963-00-00	TRANSFER IN-WATER IMPACT	30,000	30,000	30,000	30,000
10-4964-00-00	TRANSFER IN-SEWER IMPACT	60,000	60,000	60,000	60,000
10-4965-00-00	TRANSFER IN-ROADWAY	97,525	97,525	97,525	97,525
10-5595-90-00	ADMIN CHARGE – GENERAL FUND	(530,389)	(544,140)	(544,140)	(757,935)
10-5596-90-00	PAYMENT IN LIEU OF	(140,310)	(140,310)	(140,310)	
10-5707-00-00	TRANSFER OUT - STORM	-	-		
TOTAL OTHER FINANCING SOURCES (USES)		\$ (483,174)	\$ (496,925)	\$ (496,925)	\$ (570,410)

NET CHANGE IN FUND BALANCE		\$ (1,308,302)	\$ (80,628)	\$ 349,383	\$ 512,434
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BEGINNING FUND BALANCE — OCT 1		\$ 2,324,280	\$ 1,015,978	\$ 1,015,978	\$ 1,365,361
ENDING FUND BALANCE — SEPT 30		\$ 1,015,978	\$ 935,350	\$ 1,365,361	\$ 1,877,795

FUND 10 / DEPARTMENT 01 UTILITY BILLING					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
10-5240-01-01	PRINTED SUPPLIES	-	-	-	-
10-5440-01-01	OFFICE EQUIP	4,364	4,500	-	-
10-5570-01-01	SPECIAL SERVICES	98,305	95,000	210,000	150,000
10-5575-01-01	EQUIPMENT RENTAL	1,203	1,200	1,371	12,000
10-5591-01-01	TRASH/DISPOSAL/DUMP SERVICES	-	-	-	-
10-5592-01-01	INTERGOV-FORT WORTH SEWER	26,222	25,000	25,000	25,000
10-5594-01-01	INTERGOV-ARLINGTON SEWER	1,170,008	800,000	1,131,740	1,414,675
10-5595-01-01	ADMIN CHARGE – GENERAL FUND	-	-	-	-
10-5597-01-01	INTERGOV-FORT WORTH WATER	255,636	275,000	275,000	275,000
10-5598-01-01	INTERGOV-ARLINGTON WATER	517,583	250,000	250,000	250,000
TOTAL UTILITY BILLING		\$ 2,073,319	\$ 1,450,700	\$ 1,893,111	\$ 2,126,675

FUND 10 / DEPARTMENT 02 INTERLOCAL AGREEMENT CITY OF ARLINGTON					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
10-5403-01-02	BUILDING MAINTENANCE	74	1,000	-	-
10-5440-01-02	OFFICE EQUIP	113	300	-	-
10-5530-01-02	ELECTRIC SERVICES	163,983	170,000	203,949	204,000
10-5535-01-02	GAS SERVICES	-	-	-	-
10-5570-01-02	SPECIAL SERVICES	23,806	150,000	26,795	25,000
10-5575-01-02	EQUIPMENT RENTAL	-	-	35	50
10-5580-01-02	ENGINEERING SERVICES	5,997	5,000	17,389	20,000
10-5585-01-02	TELEPHONE SERVICES	680	850	731	850
10-5590-01-02	WATER/SEWER SERVICES	5,023	5,000	3,637	5,000
10-5593-01-02	INTERGOV-TARRANT COU	-	-	-	-
10-5599-01-02	INTERLOCAL-CITY OF ARLINGTON	1,530,128	1,680,170	1,768,656	2,210,820
10-5653-01-02	2019 \$2.0M TAX NOTES	32,261	35,000	35,000	11,162
10-5654-01-02	2019 \$2.0M TAX NOTES	(5,593)	125,000	125,000	120,000
TOTAL UTILITY OPERATIONS		\$ 1,727,872	\$ 2,172,320	\$ 2,181,192	\$ 2,596,882

FUND 10 / DEPARTMENT 03 WATER DEBT SERVICE					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
10-5603-01-03	2007 \$4.365M GO RFND – PRINCIPAL	(1)	80,325	80,325	-
10-5613-01-03	2007 \$4.365M GO RFND INTEREST	4,356	1,594	1,594	-
10-5625-01-03	ISSUANCE COSTS	396,021	-	-	-
10-5643-01-03	2007 \$2.9M CO-INTEREST	35,359	28,393	28,393	20,705
10-5644-01-03	2007 \$2.9M CO-PRINCIPAL	-	185,000	185,000	190,000
TBD	REPAYMENT TO GENERAL FUND				
TBD	2023 \$17.65 UTILITY PRIN				80,000
TBD	2023 \$17.65 UTILITY INT	-	-	-	104,125
TOTAL DEBT SERVICE		\$ 435,735	\$ 295,312	\$ 295,312	\$ 394,830

FUND 10 / DEPARTMENT 04 WATER CAPITAL PROJECTS					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
10-5833-01-04	CDBG SEWER PROJECT	283,095	250,000	-	300,000
10-5834-01-04	WATER LINE INSTALLATION	-	250,000	-	300,000
10-5835-01-04	SEWER LINE INSTALLATION	32,553	7,700,000	158,004	7,700,000
10-5839-01-04	COA WATER CONNECTION LINE	-	115,000	-	-
10-5841-01-04	WATER/WASTEWATER RAT	5,000		27,176	20,000
TOTAL CAPITAL PROJECTS		\$ 315,647	\$ 8,315,000	\$ 185,180	\$ 8,300,000

FUND 10 / DEPARTMENT 90 NON-DEPARTMENTAL					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
10-5115-90-00	RETIREMENT	-	-	-	-
10-5116-90-00	UNEMPLOYMENT INSURANCE	-	-	-	-
10-5119-90-00	WORKERS' COMPENSATION	555	-	-	-
10-5545-90-00	INSURANCE-PROPERTY	12,664	13,500	14,470	15,000
10-5550-90-00	INSURANCE-GENERAL LIABILITY	4,135	4,250	3,730	4,250
10-5570-90-00	SPECIAL SERVICES	66,888	50,000	12,986	25,000
10-5580-90-00	ENGINEERING SERVICES	-	-	-	-
10-5585-90-00	TELEPHONE SERVICES	5,080	5,250	2,904	3,000
10-5595-90-00	ADMIN CHARGE-GENERAL	530,389	-	-	-
10-5596-90-00	PAYMENT IN LIEU OF T	140,310	-	-	-
10-5635-90-00	DEPRECIATION EXPENSE	603,025	-	-	-
10-5700-90-00	BAD DEBT EXPENSE	-	-	-	-
TOTAL NON-DEPARTMENTAL		\$ 1,363,044	\$ 73,000	\$ 34,089	\$ 47,250

OVERVIEW: WATER IMPACT FEE AND SEWER IMPACT FEE FUNDS

Each of these funds, Water Impact (61) and Sewer Impact (62), receives revenue from fees associated with new development. Expenditures are tied to projects within the scope of each fund and can be used to pay related debt through a transfer to the appropriate fund, typically the Water/Sewer Fund (10).

FUND 61 - WATER IMPACT FUND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
61-4201-00-00	DRAINAGE FEES	15,228	56,252	19,004	20,000
61-4401-00-00	INVESTMENT INCOME	3,620	2,500	4,019	4,100
TOTAL REVENUES		\$ 18,848	\$ 58,752	\$ 23,023	\$ 24,100

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
61-5580-00-00	ENGINEERING SERVICES	-	-	-	-
TOTAL EXPENDITURES		\$ -	\$ -	\$ -	\$ -

REVENUES OVER (UNDER) EXPENDITURES	\$ 18,848	\$ 58,752	\$ 23,023	\$ 24,100
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Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
61-5710-00-00	TRANSFER OUT - W/S FUND	(30,000)	(30,000)	(30,000)	(30,000)
TOTAL OTHER FINANCING SOURCES (USES)		\$ (30,000)	\$ (30,000)	\$ (30,000)	\$ (30,000)

NET CHANGE IN FUND BALANCE	\$ (11,152)	\$ 28,752	\$ (6,977)	\$ (5,900)
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BEGINNING FUND BALANCE — OCT 1	\$ 109,672	\$ 98,520	\$ 98,520	\$ 91,543
ENDING FUND BALANCE — SEPT 30	\$ 98,520	\$ 127,272	\$ 91,543	\$ 85,643

FUND 62 - SEWER IMPACT FUND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
62-4201-00-00	DRAINAGE FEES	13,806	107,748	22,013	25,000
62-4201-00-00	INVESTMENT INCOME	5,482	3,600	5,626	5,700
TOTAL REVENUES		\$ 19,289	\$ 111,348	\$ 27,639	\$ 30,700

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
62-5580-00-00	ENGINEERING SERVICES	-	-	-	-
TOTAL EXPENDITURES		\$ -	\$ -	\$ -	\$ -

REVENUES OVER (UNDER) EXPENDITURES	\$ 19,289	\$ 111,348	\$ 27,639	\$ 30,700
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Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
62-5710-00-00	TRANSFER OUT- W/S FUND	(60,000)	(60,000)	(60,000)	(60,000)
TOTAL OTHER FINANCING SOURCES (USES)		\$ (60,000)	\$ (60,000)	\$ (60,000)	\$ (60,000)

NET CHANGE IN FUND BALANCE	\$ (40,712)	\$ 51,348	\$ (32,361)	\$ (29,300)
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BEGINNING FUND BALANCE — OCT 1	\$ 184,924	\$ 144,213	\$ 144,213	\$ 111,852
ENDING FUND BALANCE — SEPT 30	\$ 144,213	\$ 195,561	\$ 111,852	\$ 82,552



Capital Project Funds

OVERVIEW: CAPITAL PROJECTS FUND

The Capital Projects Fund (04) receives revenues from the City's waste collection contractor, Waste Connections, based on their overall landfill revenue. Funds are transferred to Debt Service (02) to pay for debt requirements related to improvements to Dick Price Road, the road that leads to the landfill.

Fund 04 CAPITAL PROJECTS					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
04-4401-00-00	INVESTMENT INCOME	7,556	5,700	8,164	8,200
04-4421-00-00	LANDFILL REVENUE-WASTE CONNECTIO	112,975	90,000	123,468	120,000
TOTAL FUND REVENUES		\$ 120,531	\$ 95,700	\$ 131,632	\$ 128,200
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
		-	-	-	-
TOTAL EXPENDITURES		\$ -	\$ -	\$ -	\$ -
REVENUES OVER (UNDER) EXPENDITURES		\$ 120,531	\$ 95,700	\$ 131,632	\$ 128,200
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
04-5702-00-00	TRANSFER OUT – DEBT SERVICE	(104,800)	(108,055)	(108,055)	(108,265)
TOTAL OTHER FINANCING SOURCES (USES)		\$ (104,800)	\$ (108,055)	\$ (108,055)	\$ (108,265)
NET CHANGE IN FUND BALANCE		\$ 15,731	\$ (12,355)	\$ 23,577	\$ 19,935
BEGINNING FUND BALANCE — OCT 1		\$ 174,591	\$ 190,322	\$ 190,322	\$ 213,899
ENDING FUND BALANCE — SEPT 30		\$ 190,322	\$ 177,967	\$ 213,899	\$ 233,834

OVERVIEW: CAPITAL BOND FUND

The Capital Bond Fund (13) receives proceeds from bonds and records the project expense associated with the bond proceeds. Projects in this fund are independent from those recorded in the Water/Sewer Fund (10). In August 2023, Certificates of Obligation were issued for projects related to water/sewer improvements and street improvements. From that, \$2.4 million has been allocated to this Fund related to upcoming street repairs. Expenses related to bond issuance and administration are included in the Debt Service Fund.

FUND 13 CAPITAL BOND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
13-4401-00-00	INVESTMENT INCOME	241,125	173,250	356,559	356,600
13-4098-00-00	FIRE DEPARTMENT GRANT	165,000	-		-
13-4904-00-00	2021 CERTIFICATES OF		-		-
13-4905-00-00	2023 C/O Series A	2,400,000	-		-
TBD	2024 G/O			3,000,000	
TBD	2024 C/O			11,000,000	
TOTAL REVENUES		\$ 2,806,125	\$ 173,250	\$ 14,356,559	\$ 356,600

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
13-5261-01-00	C.O. ISSUANCE COST		150,000	-	-
13-5550-01-00	STREET IMPROVEMENTS	622,386	5,400,000	42,553	1,500,000
13-5850-08-00	TXDOT BRIDGE PROJECT	179,919	-	38,906	-
13-5851-09-00	SAFE ROUTES TO SCHOOL		-	77,475	-
13-5854-10-00	COLLETT SUBLET	38,155	1,045,000	1,045,000	-
13-5859-11-00	VALLEY LANE	164,636	173,295	83,321	-
13-5867-11-00	AMBULANCE SUPPLIES/EQUIPMENT		-	-	-
13-5910-11-00	FIRE & POLICE VEHICLES	780,032	-	-	-
13-5911-11-00	NEW HOPE ROAD	210,812	-	-	900,000
13-5912-11-00	WEST 3RD STREET RECO	45,500		87,521	-
TBD	PARKS				1,500,000
TBD	PUBLIC SAFETY REMODEL	-		-	8,379,097
TOTAL EXPENDITURES		\$ 2,041,439	\$ 6,768,295	\$ 1,374,776	\$ 12,279,097

REVENUES OVER (UNDER) EXPENDITURES		\$ 764,686	\$ (6,595,045)	\$ 12,981,783	\$ (11,922,497)
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NET CHANGE IN FUND BALANCE		\$ 764,686	\$ (6,595,045)	\$ 12,981,783	\$ (11,922,497)
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BEGINNING FUND BALANCE — OCT 1		\$ 8,057,939	\$ 8,822,625	\$ 8,822,625	\$ 21,804,408
ENDING FUND BALANCE — SEPT 30		\$ 8,822,625	\$ 2,227,580	\$ 21,804,408	\$ 9,881,911

OVERVIEW: PARK DEDICATION FUND

Revenue for the Park Dedication Fund (14) comes primarily from fees associated with certain residential developments within the City and proportionate interest income from pooled investments. Expenditures from this fund are tied to park maintenance and improvements.

FUND 14 PARK DEDICATION					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
14-4194-00-00	PARK DEDICATION FEES	13,200	12,000	12,457	12,000
14-4401-00-00	INVESTMENT INCOME	23,606	15,000	20,076	20,100
14-4409-00-00	MISCELLANEOUS INCOME	-	-		
TOTAL REVENUES		\$ 36,806	\$ 27,000	\$ 32,533	\$ 32,100

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
14-5580-01-00	BRICK PAVERS	-	-		
14-5820-00-00	BUILDING IMPROVEMENTS	177,820	45,000	301,083	100,000
14-5875-00-00	CONSTRUCTION	-	-		
14-5955-02-00	SONORA PARK BALLFIELDS	-	-		
TOTAL EXPENDITURES		\$ 177,820	\$ 45,000	\$ 301,083	\$ 100,000

NET CHANGE IN FUND BALANCE		\$ (141,014)	\$ (18,000)	\$ (268,550)	\$ (67,900)
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BEGINNING FUND BALANCE — OCT 1		\$ 699,736	\$ 558,722	\$ 558,722	\$ 290,172
ENDING FUND BALANCE — SEPT 30		\$ 558,722	\$ 540,722	\$ 290,172	\$ 222,272

OVERVIEW: LIBRARY BUILDING FUND

This Fund (32) has run a negative balance for several years. However, without expenditures, the revenue from library fees is slowly bringing the balance toward zero.

FUND 32 LIBRARY BUILDING FUND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
32-4499-00-00	CASH OVER/UNDER	-	2	-	-
32-4406-00-00	LIBRARY FINES	213	200	308	200
32-4401-00-00	INVESTMENT INCOME	2		10	10
32-4501-00-00	CONTRIBUTION-LIBRARY		-		
TOTAL REVENUES		\$ 215	\$ 202	\$ 318	\$ 210

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
		-	-	-	\$ -
TOTAL EXPENDITURES		\$ -	\$ -	\$ -	\$ -

NET CHANGE IN FUND BALANCE		\$ 215	\$ 202	\$ 318	\$ 210
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BEGINNING FUND BALANCE — OCT 1		\$ (1,868)	\$ (1,653)	\$ (1,653)	\$ (1,335)
ENDING FUND BALANCE — SEPT 30		\$ (1,653)	\$ (1,451)	\$ (1,335)	\$ (1,125)

OVERVIEW: ROADWAY IMPACT FEE FUND

Similar to other impact fee funds, the Roadway Impact Fee Fund (45) is funded primarily with new development fees and used to fund related projects. For FY24, transfers to cover a portion of Certificates of Obligation issued in 2007 (Fund 10) and TIRZ projects (Fund 21) are scheduled to continue in the same amounts as FY24.

FUND 45- ROADWAY IMPACT FUND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
45-4215-00-00	IMPACT FEES	37,988	130,695	38,000	40,000
45-4401-00-00	INVESTMENT INCOME	15,687	11,000	16,143	16,200
TOTAL REVENUES		\$ 53,675	\$ 141,695	\$ 54,143	\$ 56,200
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
45-5582-01-00	IMPACT FEE STUDY	-	-	111,077	-
TOTAL EXPENDITURES		\$ -	\$ -	\$ 111,077	\$ -
REVENUES OVER (UNDER) EXPENDITURES		\$ 53,675	\$ 141,695	\$ (56,934)	\$ 56,200
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
45-5711-00-00	TRANSFER OUT - WATER	(97,525)	(97,525)	(97,525)	(97,525)
45-5798-00-00	TRANSFER OUT-TIF #1	(10,000)	(10,000)	(10,000)	(10,000)
TOTAL OTHER FINANCING SOURCES (USES)		\$ (107,525)	\$ (107,525)	\$ (107,525)	\$ (107,525)
NET CHANGE IN FUND BALANCE		\$ (53,850)	\$ 34,170	\$ (164,459)	\$ (51,325)
BEGINNING FUND BALANCE — OCT 1		\$ 623,604	\$ 569,754	\$ 569,754	\$ 405,295
ENDING FUND BALANCE — SEPT 30		\$ 569,754	\$ 603,924	\$ 405,295	\$ 353,970



Special Revenue Funds

OVERVIEW: TIF #1 NEW HOPE ROAD FUND

Tax Increment Financing (TIF), authorized by Texas Tax Code Chapter 311, states local governments can publicly finance needed structural improvements and enhanced infrastructure within a defined area – a **Tax Increment Reinvestment Zone (TIRZ)** – to encourage desired development. The tax increment is derived from the difference in appraised value between the year in which the reinvestment zone is established (base year) and each year the reinvestment zone is in existence.

An important element of the City's strategic plan - Imagine Kennedale 2015 - was to convert properties in the southwestern portion of the City to residential use. The City updated the Comprehensive Land Use Plan and created a Tax Increment Reinvestment Zone (TIRZ) to fund off-site infrastructure improvements, namely the extension of water and sewer service, reconstruction of New Hope Road, and the addition of hike and bike trails along Kennedale Branch. TIRZ participation agreements with Tarrant County, Tarrant County College District, and the Tarrant County Health District were completed in 2013. The City has not yet seen significant development in the TIRZ but continues to cooperate with owners and prospective developers to convert the racetrack properties. A water and sewer study to plan for the extension of the utility services is complete.

Participants

City of Kennedale 100% -- \$2,481,849 Maximum
Tarrant County 75% -- \$2,481,849 Maximum
Tarrant County College District 50% -- \$939,000 Maximum
Tarrant County Hospital District 50% -- \$1,427,690 Maximum

FUND 21 TIF NEW HOPE ROAD FUND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
21-4401-00-00	INVESTMENT INCOME	5,438	2,200	9,794	9,800
21-4516-00-00	INTERGOV-TARRANT COUNTY	35,206	35,206	35,206	35,206
21-4517-00-00	INTERGOV-TARRANT HOSPITAL	23,971	21,000	21,000	21,000
21-4518-00-00	INTERGOV-TARRANT COLLEGE	14,650	14,000	14,000	14,000
TOTAL REVENUES		\$ 79,265	\$ 72,406	\$ 80,000	\$ 80,006

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
21-5580-00-00	ENGINEERING SERVICES	48,848	150,000	100,388	150,000
TOTAL EXPENDITURES		\$ 48,848	\$ 150,000	\$ 100,388	\$ 150,000

REVENUES OVER (UNDER) EXPENDITURES		\$ 30,416	\$ (77,594)	\$ (20,388)	\$ (69,994)
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Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
21-4519-00-00	INTERGOV-CITY OF KENNEDALE	157,883	160,000	160,000	160,000
21-4945-00-00	TRANSFER IN - ROADWAY IMPACT	10,000	10,000	10,000	10,000
21-5702-00-00	TRANSFER OUT - DEBT SERVICE		(228,229)	(228,229)	(228,229)
TOTAL OTHER FINANCING SOURCES (USES)		\$ 167,883	\$ (58,229)	\$ (58,229)	\$ (58,229)

NET CHANGE IN FUND BALANCE		\$ 198,299	\$ (135,823)	\$ (78,617)	\$ (128,223)
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BEGINNING FUND BALANCE — OCT 1		\$ (21,022)	\$ 177,277	\$ 177,277	\$ 98,660
ENDING FUND BALANCE — SEPT 30		\$ 177,277	\$ 41,454	\$ 98,660	\$ (29,563)

OVERVIEW: HOTEL OCCUPANCY TAX FUND

Revenue for this Fund (30) comes primary from taxes related to overnight stays within the City. This is calculated as 7% of gross rents and remitted directly to the City each quarter. Presently, this tax comes exclusively from short-term rentals. A small portion of revenue (budgeted at 13% for FY25) comes from a proportionate amount of investment income. Per the State Comptroller, revenue may only be used to promote tourism and the convention and hotel industries.

FUND 30 HOTEL OCCUPANCY TAX FUND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
30-4084-00-00	OCCUPANCY TAX	30,698	23,000	17,786	18,000
30-4085-00-00	SPECIAL EVENT REVENUE	6,275	-	3,950	-
30-4401-00-00	INVESTMENT INCOME	1,776	2,000	2,888	2,900
TOTAL REVENUES		\$ 38,749	\$ 25,000	\$ 24,624	\$ 20,900

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
30-5561-01-00	RECREATION	13,258	12,000	11,000	15,000
30-5562-01-00	TOURISM	-	-	-	-
TOTAL EXPENDITURES		\$ 13,258	\$ 12,000	\$ 11,000	\$ 15,000

NET CHANGE IN FUND BALANCE		\$ 25,491	\$ 13,000	\$ 13,624	\$ 5,900
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BEGINNING FUND BALANCE — OCT 1		\$ 41,927	\$ 67,418	\$ 67,418	\$ 81,042
ENDING FUND BALANCE — SEPT 30		\$ 67,418	\$ 80,418	\$ 81,042	\$ 86,942

OVERVIEW: PUBLIC SEIZURE FUND

Outside of the proportionate share of investment interest, revenue for the Public Seizure Fund (31) comes from property seizures related to law enforcement activity. Expenditures are confined to law enforcement uses.

FUND 31 PUBLIC SEIZURE FUND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
31-4401-00-00	INVESTMENT INCOME	125	80	156	160
31-4409-00-00	MISCELLANEOUS INCOME				
TOTAL REVENUES		\$ 125	\$ 80	\$ 156	\$ 160

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
31-5280-00-00	MINOR EQUIP/SMALL TOOLS<\$5K	-	3,810	-	-
31-5570-00-00	SPECIAL SERVICES	-			
TOTAL EXPENDITURES		\$ -	\$ 3,810	\$ -	\$ -

NET CHANGE IN FUND BALANCE		\$ 125	\$ (3,730)	\$ 156	\$ 160
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BEGINNING FUND BALANCE — OCT 1		\$ 3,651	\$ 3,776	\$ 3,776	\$ 3,932
ENDING FUND BALANCE — SEPT 30		\$ 3,776	\$ 46	\$ 3,932	\$ 4,092

OVERVIEW: LEOSE FUND

The State Comptroller of Public Accounts collects and deposits proceeds from court costs into the Law Enforcement Officer Standards and Education (LEOSE) account of the state treasury, which is then distributed to local law enforcement agencies. Local agencies must use the funds to provide continuing education or necessary training for law enforcement officers. Under the Texas Occupations Code, twenty percent of the appropriated amount is distributed to all participating agencies in equal shares, and eighty percent is distributed based on the number of qualifying officers at each entity.

FUND 34 LEOSE FUND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
34-4094-00-00	LEOSE POLICE TRAINING	1,408	1,400	3,696	3,700
34-4401-00-00	INVESTMENT INCOME	30	21	83	90
TOTAL REVENUES		\$ 1,438	\$ 1,421	\$ 3,778	\$ 3,790

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
34-5515-01-00	TRAINING/SEMINARS-LEOSE	1,590	1,500	1,500	1,500
TOTAL EXPENDITURES		\$ 1,590	\$ 1,500	\$ 1,500	\$ 1,500

NET CHANGE IN FUND BALANCE		\$ (152)	\$ (79)	\$ 2,278	\$ 2,290
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BEGINNING FUND BALANCE — OCT 1		\$ 1,001	\$ 849	\$ 849	\$ 3,128
ENDING FUND BALANCE — SEPT 30		\$ 849	\$ 770	\$ 3,128	\$ 5,418

OVERVIEW: DISASTER RECOVERY FUND

The Disaster Recovery Fund (35) tracks transactions related to the American Rescue Plan Act of 2021 (ARPA). All remaining funds are allocated for use in two water storage projects: an upgrade to the ground-level storage tank near Kennedale High School to 750,000 gallons (anticipated completion before 10/1/2025), and a renovation of the elevated storage tank near the intersection of Dick Price Road and Linda Road (anticipated completion before 10/1/2026).

FUND 35 DISASTER RECOVERY FUND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
35-4085-00-00	CARES ACT FUNDING	190,983	1,950,000	71,283	1,250,000
35-4401-00-00	INVESTMENT INCOME	63,388	41,000	78,103	50,000
TOTAL REVENUES		\$ 254,371	\$ 1,991,000	\$ 149,386	\$ 1,300,000

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
35-5241-01-00	PUBLIC SAFETY MEASURE	-	89,300	-	
35-5291-01-00	GRANT FUNDED SUPPLIES	-			
35-5292-01-00	MEDICAL SUPPLIES	-			
35-5441-01-00	OTHER ECONOMIC EXPENSE	658			
35-5443-01-00	TELEWORK	-			
35-5444-01-00	COMMUNICATION AND ENFORCEMENT	-			
35-5446-01-00	WATER/SEWER PROJECTS	190,984	1,950,000	71,283	1,250,000
35-5555-01-00	COVID PAYROLL EXPENS	-			
TOTAL EXPENDITURES		\$ 191,642	\$ 2,039,300	\$ 71,283	\$ 1,250,000

NET CHANGE IN FUND BALANCE	\$ 62,728	\$ (48,300)	\$ 78,103	\$ 50,000
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BEGINNING FUND BALANCE — OCT 1	\$ 7,300	\$ 70,028	\$ 70,028	\$ 148,131
ENDING FUND BALANCE — SEPT 30	\$ 70,028	\$ 21,728	\$ 148,131	\$ 198,131



Other Funds

OVERVIEW: CAPITAL REPLACEMENT FUND

The Capital Replacement Fund (05) receives transfers from other funds that utilize vehicles. The fund pays for vehicles through a lease with Enterprise Lease. In December 2016, a lease was signed with Enterprise for a majority of its vehicles. In 2020, the City determined that the lease was not in the best interest and has been working on an exit strategy for the lease that includes purchasing vehicles and allowing vehicles under the lease to continue to be utilized at a small cost per month (\$30-\$50) until the full expiration of the lease. Under the terms of the lease, the vehicles remain the property of Enterprise and cannot be purchased by the City.

Fund 05 CAPITAL REPLACEMENT					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
05-4401-00-00	INVESTMENT INCOME	1,289	2,400.00	-	
05-4409-00-00	MISCELLANEOUS INCOME	89,820	25,000.00	15,020	15,000
05-4886-00-00	SALE OF PARTS/ASSETS	17,779	250.00	1,000	-
TOTAL REVENUES		\$ 108,888	\$ 27,650	\$ 16,020	\$ 15,000

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
05-5601-01-00	ENTERPRISE LEASE POLICE	82,608	52,359	52,359	52,539.00
05-5602-01-00	ENTERPRISE LEASE STREETS	16,759	17,868	7,234	7,234.00
05-5603-01-00	ENTERPRISE LEASE SENIOR CENTER	3,722	-	-	-
05-5604-01-00	ENTERPRISE LEASE FIRE	13,896	14,126	11,000	11,000.00
05-5605-01-00	ENTERPRISE LEASE COMMDEV	4,698	5,497	5,497	5,497.00
05-5606-01-00	LEASE PRINCIPAL	-	7,253	-	-
05-5608-01-00	ENTERPRISE LEASE CITY MNGR	7,270	-	3,398	3,398.00
05-5636-01-00	LEASE INTEREST	-	-	-	-
05-5861-01-00	MOTOR VEHICLES	-	-	-	-
05-5910-01-00	VEHICLES-POLICE	113,207	-	-	-
05-5870-01-00	OTHER EQUIPMENT	-	-	-	-
TOTAL EXPENDITURES		\$ 242,160	\$ 97,103	\$ 79,488	\$ 79,668

REVENUES OVER (UNDER) EXPENDITURES		\$ (133,271)	\$ (69,453)	\$ (63,468)	\$ (64,668)
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Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
05-4906-00-00	TRANSFER IN-GENERAL	233,207	120,000	120,000	139,200
05-4917-00-00	TRANSFER IN-STREET FUND	19,200	19,200	19,200	
TOTAL OTHER FINANCING SOURCES (USES)		\$ 252,407	\$ 139,200	\$ 139,200	\$ 139,200

NET CHANGE IN FUND BALANCE		\$ 119,136	\$ 69,747	\$ 75,732	\$ 74,532
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BEGINNING FUND BALANCE — OCT 1		\$ (338,981)	\$ (219,845)	\$ (219,845)	\$ (144,113)
ENDING FUND BALANCE — SEPT 30		\$ (219,845)	\$ (150,098)	\$ (144,113)	\$ (69,581)

OVERVIEW: COURT SECURITY FUND

Revenue for the Court Security Fund (12) comes from a \$3 fee assessed to defendants convicted of misdemeanors as a cost of court. Expenditures may only be used for security personnel, services and items related to buildings that house the operations of our Municipal Court. These items include the purchase or repair of x-ray machines and conveying systems, hand-held metal detectors, walk-through metal detectors, identification cards and systems, electronic locking and surveillance equipment, bailiffs or security contract personnel during times when they are providing appropriate security services, signage, confiscated weapons inventory and tracking systems, locks, chains, or other security hardware, and other items or services permitted by law.

FUND 12 COURT SECURITY FUND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
12-4250-00-00	COURT SECURITY FEE	4,409	3,200	7,915	7,915
12-4401-00-00	INVESTMENT INCOME	989	650	1,319	1,320
TOTAL REVENUES		\$ 5,398	\$ 3,850	\$ 9,234	\$ 9,235

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
12-5107-00-00	OVERTIME	459			
12-5115-00-00	RETIREMENT	67			
12-5117-00-00	FICA	33			
12-5118-00-00	MEDICAL INSURANCE	37			
12-5121-00-00	DENTAL INSURANCE	1			
12-5122-00-00	VISION INSURANCE	0			
12-5303-00-02	BUILDING MAINTENANCE	4,494	10,000	250	26,570
TOTAL EXPENDITURES		\$ 5,092	\$ 10,000	\$ 250	\$ 26,570

NET CHANGE IN FUND BALANCE		\$ 305	\$ (6,150)	\$ 8,984	\$ (17,335)
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BEGINNING FUND BALANCE — OCT 1		\$ 29,358	\$ 29,663	\$ 29,663	\$ 38,647
ENDING FUND BALANCE — SEPT 30		\$ 29,663	\$ 23,513	\$ 38,647	\$ 21,312

OVERVIEW: COURT TECHNOLOGY FUND

Revenue for the Court Technology Fund (16) comes from a \$4 fee assessed to defendants convicted of misdemeanors as a cost of court. Expenditures may only be used for technological enhancements for the Municipal Court, including computer systems, computer networks, computer hardware, computer software, imaging systems, electronic kiosks, electronic ticket writers, or docket management systems.

FUND 16 COURT TECHNOLOGY					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
16-4251-00-00	TECHNOLOGY FEES	4,513	3,600	6,468	6,500
16-4401-00-00	INVESTMENT INCOME	672	450	635	640
TOTAL REVENUES		\$ 5,185	\$ 4,050	\$ 7,103	\$ 7,140

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
16-5440-00-00	OFFICE EQUIP	-	10,000	2,000	10,000
16-5280-00-00	MINOR EQUIP/SMALL TOOLS >5K	347		-	
16-5445-00-00	SOFTWARE	8,481		700	
TOTAL EXPENDITURES		\$ 8,828	\$ 10,000	\$ 2,700	\$ 10,000

NET CHANGE IN FUND BALANCE		\$ (3,643)	\$ (5,950)	\$ 4,403	\$ (2,860)
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BEGINNING FUND BALANCE — OCT 1		\$ 17,769	\$ 14,126	\$ 14,126	\$ 18,529
ENDING FUND BALANCE — SEPT 30		\$ 14,126	\$ 8,176	\$ 18,529	\$ 15,669

OVERVIEW: LOCAL YOUTH DIVERSION FUND

Revenue for the Local Youth Diversion Fund (18) comes from a \$5 fee assessed to defendants convicted of a “fine only misdemeanor offense” as a cost of court. Expenditures may only finance the salary and benefits of a juvenile case manager that is employed by the Municipal Court of the City of Kennedale. At present, funds resulting from the \$5 fee are placed into the General Fund (01) as a reimbursement for the wages and benefits of the City’s Juvenile Case Manager.

FUND 18 LOCAL YOUTH DIVERSION FUND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
18-4250-00-00	JUVENILE CASE MANAGEMENT FEE	257	300	250	300
18-4401-00-00	INVESTMENT INCOME	302	190	383	385
TOTAL REVENUES		\$ 560	\$ 490	\$ 633	\$ 685

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
18-5570-00-00	SPECIAL SERVICES	-	7,000	-	-
TOTAL EXPENDITURES		\$ -	\$ 7,000	\$ -	\$ -

NET CHANGE IN FUND BALANCE		\$ 560	\$ (6,510)	\$ 633	\$ 685
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BEGINNING FUND BALANCE — OCT 1		\$ 8,623	\$ 9,183	\$ 9,183	\$ 9,816
ENDING FUND BALANCE — SEPT 30		\$ 9,183	\$ 2,673	\$ 9,816	\$ 10,501

OVERVIEW: GRANTS FUND

The Grants Fund (40) will house funding and track expenditures for grants awarded to the City. As most grants function as cost reimbursable agreements (funding isn't received until an expenditure has taken place and proper documentation has been provided to the granting agency), this fund is expected to have a \$0 balance over time. Previously, grant revenues and expenditures were tracked in the General Fund (01).

FUND 40 GRANTS					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
40-4086-00-00	POLICE DEPARTMENT GRANTS	-	20,000	20,505	
40-4095-00-00	LIBRARY GRANTS	-		10,266	
40-4098-00-00	FIRE DEPARTMENT GRANTS		655,000	655,000	
40-4401-00-00	INVESTMENT INCOME	-	-	65	65
TOTAL REVENUES		\$ -	\$ 675,000	\$ 685,836	\$ 65

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
40-5291-09-01	GRANT FUNDED SUPPLIES-POLICE	-	20,000	20,505	
40-5291-10-00	GRANT FUNDED SUPPLIES-FIRE	-	655,000	655,000	
40-5291-17-00	GRANT FUNDED SUPPLIES-LIBRARY	-		10,266	
TOTAL EXPENDITURES		\$ -	\$ 675,000	\$ 685,771	\$ -

NET CHANGE IN FUND BALANCE		\$ -	\$ -	\$ 65	\$ 65
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BEGINNING FUND BALANCE — OCT 1		\$ -	\$ -	\$ -	\$ 65
ENDING FUND BALANCE — SEPT 30		\$ -	\$ -	\$ 65	\$ 130

OVERVIEW: PARK RECOVERY AND OTHER DONATIONS

Donations from the community, and their related expenditures, are tracked in the Park Recovery and Other Donations Fund (41). Similar to the Grant Fund (40), this fund is expected to have a \$0 balance over time.

FUND 41 PARK RECOVERY & OTHER DONATIONS					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
41-4401-00-00	INVESTMENT INCOME	1,036	625	1,683	1,683
41-4409-00-00	MISCELLANEOUS INCOME	4,300	5,000	4,712	5,000
41-4920-00-00	DONATIONS		-	30,012	
41-4521-00-00	DONATION DIAMOND JUB		-		
TOTAL REVENUES		\$ 5,336	\$ 5,625	\$ 36,407	\$ 6,683

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
41-5518-00-00	YAC		6,800	-	
41-5519-00-00	MAYOR'S BACK TO SCHOOL	4,245		-	
41-5520-00-00	BARK IN THE PARK	1,191		-	
41-5525-00-00	FIRE DONATION USE	-		(200)	10,000
41-5526-00-00	POLICE DONATION USE			6,107	8,000
41-5527-00-00	BARK IN PARK	-	1,053	1,373	1,500
41-5522-00-00	KEEP KENNEDALE BEAUT	1,104	-	472	
41-5523-00-00	SECTION HOUSE / CHAMBER BUILDING	-			
41-5524-00-00	911 MEMORIAL	-			
41-5526-00-00	POLICE	-			
41-5528-00-00	COMMUNITY THEATRE	1,064			
41-5529-00-00	ARTS MARKET	-			
TOTAL EXPENDITURES		\$ 7,604	\$ 7,853	\$ 7,752	\$ 19,500

NET CHANGE IN FUND BALANCE		\$ (2,268)	\$ (2,228)	\$ 28,655	\$ (12,817)
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BEGINNING FUND BALANCE — OCT 1		\$ (67)	\$ (2,335)	\$ (2,335)	\$ 26,320
ENDING FUND BALANCE — SEPT 30		\$ (2,335)	\$ (4,563)	\$ 26,320	\$ 13,503

OVERVIEW: TREE REFORESTATION FUND

Funds collected by the City's Community Development Department for tree removal permits, donations, and related development agreements are the primary source of revenue for the Tree Reforestation Fund (83). Expenditures are limited to planting trees within the City or acquiring wooded property to preserve its natural state.

FUND 83 TREE REFORESTATION					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
83-4197-00-00	TREE REFORESTATION	5,000	5,000		
83-4401-00-00	INVESTMENT INCOME	2,429	1,550	2,931	2,931
TOTAL REVENUES		\$ 7,429	\$ 6,550	\$ 2,931	\$ 2,931

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
83-5290-01-00	EXPENDABLE SUPPLIES	-	-	-	
83-5570-01-00	SPECIAL SERVICES	-	-	-	
TOTAL EXPENDITURES		\$ -	\$ -	\$ -	\$ -

NET CHANGE IN FUND BALANCE		\$ 7,429	\$ 6,550	\$ 2,931	\$ 2,931
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BEGINNING FUND BALANCE — OCT 1		\$ 71,535	\$ 78,964	\$ 78,964	\$ 81,895
ENDING FUND BALANCE — SEPT 30		\$ 78,964	\$ 85,514	\$ 81,895	\$ 84,826

OVERVIEW: UNCLAIMED PROPERTY FUND

The Unclaimed Property Fund (85) is used for holding property valued at \$100 or less that is presumed abandoned or unclaimed subject to Title VI, Chapter 76, of the Texas Property Code.

FUND 85 - UNCLAIMED PROPERTY					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
85-4401-00-00	INVESTMENT INCOME	18	20	-	-
TOTAL REVENUES		\$ 18	\$ 20	\$ -	\$ -
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
85-5261-00-00	POSTAGE	-	-	-	-
TOTAL EXPENDITURES		\$ -	\$ -	\$ -	\$ -
REVENUES OVER (UNDER) EXPENDITURES		\$ 18	\$ 20	\$ -	\$ -
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
85-5760-00-00	TRANSFER OUT	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)		\$ -	\$ -	\$ -	\$ -
NET CHANGE IN FUND BALANCE		\$ 18	\$ 20	\$ -	\$ -
BEGINNING FUND BALANCE — OCT 1		\$ 316	\$ 334	\$ 334	\$ 334
ENDING FUND BALANCE — SEPT 30		\$ 334	\$ 354	\$ 334	\$ 334



EDC Funds

OVERVIEW: ECONOMIC DEVELOPMENT CORPORATION

A component unit of the City of Kennedale, the Economic Development Corporation (EDC) is primarily funded by a .50% sales tax levied on items sold in the City of Kennedale. Revenue also comes in the form of rent paid by tenants of the TownCenter, the proportionate share of investment income, and other fees related to operating the TownCenter. For FY25, the EDC has budgeted \$250,000 in grants for entrepreneurs looking to establish, or further grow, their business in Kennedale.

FUND 15 ECONOMIC DEVELOPMENT CORPORATION					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
15-4002-00-00	MMD TAX-CURRENT YEAR	-	75,000		
15-4081-00-00	SALES TAX	708,972	613,500	738,973	988,973
15-4104-00-00	CHRISTMAS EVENT DONATION	787		5,000	5,000
15-4401-00-00	INVESTMENT INCOME	67,546	60,000	88,235	82,000
15-4402-00-00	INTEREST INCOME	-	-	-	-
15-4409-00-00	MISCELLANEOUS INCOME	36,412	34,500		30,000
15-4412-00-00	LAND PROCEEDS	365		287,398	-
15-4413-00-00	SIGN FOUNDATION REVENUE			12,000	-
15-4805-00-00	RENTAL FEES-SHOPPING CENTER	307,232	310,807		310,807
TOTAL REVENUES		\$ 1,121,314	\$ 1,093,807	\$ 1,131,606	\$ 1,416,780

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
15-5240-01-00	PRINTED SUPPLIES				
15-5260-01-00	GENERAL OFFICE SUPPLIES				
15-5261-01-00	POSTAGE				
15-5280-01-00	MINOR EQUIP/SMALL TOOLS<\$5K	6,520			
15-5403-01-00	BUILDING MAINTENANCE			917	25,000
15-5501-01-00	ADVERTISING	6,123	7,000	3,352	7,000
15-5510-01-00	ASSOC DUES/PUBLICATIONS	2,500	1,500	1,500	1,500
15-5525-01-00	TRAINING/SEMINARS	270	2,000		
15-5565-01-00	LEGAL SERVICES	15,334	14,884	15,000	18,000
15-5567-01-00	AUDIT SERVICES				
15-5570-01-00	SPECIAL SERVICES	27,921	30,000	17,097	80,000
15-5571-01-00	SPECIAL EVENTS-CHRISTMAS EVENT	97,298	60,000	60,000	100,000
15-5578-01-00	TRAVEL		1,500	1,500	2,500
15-5580-01-00	ENGINEERING SERVICES	1,650		-	
15-5615-01-00	FUNCTIONAL GRANT	-	150,000	50,000	265,000
15-5800-01-00	LAND	-	-	187,449	-
TOTAL OPERATIONS		\$ 157,616	\$ 266,884	\$ 336,815	\$ 499,000

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
15-5643-01-03	2007 \$1.2M TAX BOND-INTEREST	31,970	26,410	26,410	20,503
15-5644-01-03	2007 \$1.2M TAX BOND-PRINCIPAL	80,000	85,000	85,000	90,000
15-5645-01-03	2011 \$1.7M TX LEVERAGE – INT	12,785	10,492	10,492	4,062
15-5646-01-03	2011 \$1.7M TX LEVERAGE – PRIN	43,083	46,038	46,038	53,649
15-5667-01-03	2020 \$1.26M GO REFUNDING – PRINCIPA	120,000	125,000	125,000	
15-5668-01-03	2020 \$1.26M GO REFUNDING – INTERES	18,625	16,260	16,260	
TOTAL DEBT SERVICE EXPENDITURES		\$ 306,463	\$ 309,201	\$ 309,201	\$ 168,213

Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
15-5403-02-00	BUILDING MAINTENANCE	38,823	57,000	52,292	50,000
15-5405-02-00	TOWN CENTER PLAZA	-	12,000	250	
15-5530-02-00	ELECTRIC SERVICES	5,404	7,000	6,600	7,000
15-5545-02-00	INSURANCE-PROPERTY	14,857	21,431	14,962	15,710
15-5570-02-00	SPECIAL SERVICES	14,008	13,000	13,000	13,000
15-5595-02-00	LANDSCAPING---CAM	-	9,000	20,800	21,000
15-5621-02-00	BANK FEES / PAYING AGENT FEES	-	30	30	30
15-5870-02-00	FOUNTAIN		85,000	20,000	80,000
15-5870-02-00	MONUMENTS FOR CITY ENTRANCES		80,000	-	84,000
15-5870-02-00	OTHER EQUIPMENT		219,000	45,000	
TOTAL TOWN SHOPPING CENTER EXPENDITURES		\$ 73,091	\$ 503,461	\$ 172,934	\$ 270,740

TOTAL EXPENDITURES	\$ 537,171	\$ 1,079,546	\$ 818,949	\$ 937,953
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REVENUES OVER (UNDER) EXPENDITURES	\$ 584,144	\$ 14,261	\$ 312,656	\$ 478,827
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Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
15-5595-01-00	ADMIN CHARGE – GENERAL FUND	(397,791)	(447,522)	(447,522)	(462,705)
15-5702-01-03	TRANSFER OUT – DEBT SERVICE	-	-		(138,848)
15-5717-00-00	TRANSFER OUT - PUBLIC WORKS	(56,124)	(61,520)	(61,520)	(77,841)
TOTAL OTHER FINANCING SOURCES (USES)		\$ (453,915)	\$ (509,042)	\$ (509,042)	\$ (679,393)

NET CHANGE IN FUND BALANCE	\$ 130,229	\$ (494,781)	\$ (196,386)	\$ (200,566)
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BEGINNING FUND BALANCE — OCT 1	\$ 2,005,520	\$ 2,135,749	\$ 2,135,749	\$ 1,939,363
ENDING FUND BALANCE — SEPT 30	\$ 2,135,749	\$ 1,640,968	\$ 1,939,363	\$ 1,738,797

FUND 95 ECONOMIC DEVELOPMENT CORPORATION BOND RESERVE FUND					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
95-4401-00-00	INVESTMENT INCOME	4,350	2,800	5,457	5,457
TOTAL REVENUES		\$ 4,350	\$ 2,800	\$ 5,457	\$ 5,457
-					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
TOTAL EXPENDITURES		\$ -	\$ -	\$ -	\$ -
-					
REVENUES OVER (UNDER) EXPENDITURES		\$ 4,350	\$ 2,800	\$ 5,457	\$ 5,457
-					
Account	Description	FY23 Actual	FY24 Budget	FY24 Projected	FY25 Budget
TRANSFERS IN (OUT)		-	-	-	-
TOTAL OTHER		\$ -	\$ -	\$ -	\$ -
-					
NET CHANGE IN FUND BALANCE		\$ 4,350	\$ 2,800	\$ 5,457	\$ 5,457
-					
BEGINNING FUND BALANCE — OCT 1		\$ 126,575	\$ 130,925	\$ 130,925	\$ 136,382
ENDING FUND BALANCE — SEPT 30		\$ 130,925	\$ 133,725	\$ 136,382	\$ 141,839



Appendix

Notice About 2024 Tax Rates

(current year)

Property Tax Rates in the City of Kennedale

(taxing unit's name)

This notice concerns the 2024 property tax rates for the City of Kennedale.

(current year)

(taxing unit's name)

This notice provides information about two tax rates used in adopting the current tax year's tax rate. The no-new-revenue tax rate would impose the same amount of taxes as last year if you compare properties taxed in both years. In most cases, the voter-approval tax rate is the highest tax rate a taxing unit can adopt without holding an election. In each case, these rates are calculated by dividing the total amount of taxes by the current taxable value with adjustments as required by state law. The rates are given per \$100 of property value.

Taxing units preferring to list the rates can expand this section to include an explanation of how these tax rates were calculated.

This year's no-new-revenue tax rate \$ 0.686241 /\$100

This year's voter-approval tax rate \$ 0.727523 /\$100

To see the full calculations, please visit cityofkennedale.com for a copy of the Tax Rate Calculation Worksheet.

(website address)

Unencumbered Fund Balances

The following estimated balances will be left in the taxing unit's accounts at the end of the fiscal year. These balances are not encumbered by corresponding debt obligation.

Type of Fund	Balance
Debt Service	\$ 0.00

Current Year Debt Service

The following amounts are for long-term debts that are secured by property taxes. These amounts will be paid from upcoming property tax revenues (or additional sales tax revenues, if applicable).

Description of Debt	Principal or Contract Payment to be Paid From Property Taxes	Interest to be Paid From Property Taxes	Other Amounts to be Paid	Total Payment
\$3,720,000 GO Refunding Series 2016	\$ 375,000.00	\$ 21,703.75	\$	\$396,703.75
\$2,000,000 Tax Notes Series 2019	385,000.00	11,162.50		396,162.50
\$1,260,000 GO Refunding Series 2020	125,000.00	13,874.75		138,875.75
\$1,540,000 GO Refunding Series 2020A	150,000.00	12,505.00		162,505.00
\$5,735,000 Comb Tax and Rev C/O Series 2021	240,000.00	124,050.00		364,050.00
\$17,065,000 Comb Tax and Rev C/O Series 2023	80,000.00	104,125.00		184,125.00
\$3,000,000 General Obligation Series 2024	90,000.00	147,750.00		237,750.00
\$11,000,000 Comb Tax and Rev C/O Series 2024	175,000.00	545,625.00		720,625.00

Total required for <u>2024</u> debt service.....	\$ <u>2,600,769.00</u>
(current year)	
– Amount (if any) paid from funds listed in unencumbered funds	\$ <u>0.00</u>
– Amount (if any) paid from other resources	\$ <u>228,229</u>
– Excess collections last year	\$ <u>0.00</u>
= Total to be paid from taxes in <u>2024</u>	\$ <u>2,372,470</u>
(current year)	
+ Amount added in anticipation that the taxing unit will collect	
only <u>100</u> % of its taxes in <u>2024</u>	\$ <u>0.00</u>
(collection rate) (current year)	
= Total Debt Levy	\$ <u>2,372,470</u>

This notice contains a summary of the no-new-revenue and voter-approval calculations as

certified by Wendy Burgess, Tax Assessor/Collector, on 08/08/2024.
 (designated individual's name and position) (date)

Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

Statements required in notice if the proposed tax rate exceeds the no-new-revenue tax rate but does not exceed the voter-approval tax rate, as prescribed by Tax Code §§26.06(b-2).

NOTICE OF PUBLIC HEARING ON TAX INCREASE

This notice only applies to a taxing unit other than a special taxing unit or municipality with a population of less than 30,000, regardless of whether it is a special taxing unit.

PROPOSED TAX RATE	\$ 0.706190	per \$100
NO-NEW-REVENUE TAX RATE	\$ 0.686241	per \$100
VOTER-APPROVAL TAX RATE	\$ 0.727523	per \$100

The no-new-revenue tax rate is the tax rate for the 2024 (current tax year) tax year that will raise the same amount of property tax revenue for the City of Kennedale (name of taxing unit) from the same properties in both the 2023 (preceding tax year) tax year and the 2024 (current tax year) tax year.

The voter-approval tax rate is the highest tax rate that the City of Kennedale (name of taxing unit) may adopt without holding an election to seek voter approval of the rate.

The proposed tax rate is greater than the no-new-revenue tax rate. This means that the City of Kennedale (name of taxing unit) is proposing to increase property taxes for the 2024 (current tax year) tax year.

A PUBLIC HEARING ON THE PROPOSED TAX RATE WILL BE HELD ON August 20, 2024 at 5:30pm (date and time) at 405 Municipal Drive, Kennedale, TX 76060 (meeting place).

The proposed tax rate is not greater than the voter-approval tax rate. As a result, the City of Kennedale (name of taxing unit) is not required to hold an election at which voters may accept or reject the proposed tax rate. However, you may express your support for or opposition to the proposed tax rate by contacting the members of the City Council (name of governing body) of the City of Kennedale (name of taxing unit) at their offices or by attending the public hearing mentioned above.

YOUR TAXES OWED UNDER ANY OF THE TAX RATES MENTIONED ABOVE CAN BE CALCULATED AS FOLLOWS:

$$\text{Property tax amount} = (\text{tax rate}) \times (\text{taxable value of your property}) / 100$$

(List names of all members of the governing body below, showing how each voted on the proposal to consider the tax increase or, if one or more were absent, indicating absences.)

FOR the proposal: _____
 AGAINST the proposal: _____
 PRESENT and not voting: _____
 ABSENT: _____

Visit [Texas.gov/PropertyTaxes](https://www.texas.gov/PropertyTaxes) to find a link to your local property tax database on which you can easily access information regarding your property taxes, including information about proposed tax rates and scheduled public hearings of each entity that taxes your property.

The 86th Texas Legislature modified the manner in which the voter-approval tax rate is calculated to limit the rate of growth of property taxes in the state.

The following table compares the taxes imposed on the average residence homestead by the City of Kennedale last year
(name of taxing unit)
to the taxes proposed to be imposed on the average residence homestead by the City of Kennedale this year.
(name of taxing unit)

	2023	2024	Change
Total tax rate (per \$100 of value)	\$0.7062910	\$0.7062910	There is no change in tax rate from the previous year.
Average homestead taxable value	\$313,806	\$323,321	Increase of 3.03%, or \$9,515.
Tax on average homestead	\$2,216.07	\$2,283.26	Increase of \$67.19, or 3.03%.
Total tax levy on all properties	\$8,293,462	\$8,582,334	Increase of \$288,872 or 3.48%

For assistance with tax calculations, please contact the tax assessor for Tarrant County
(name of taxing unit)
at 817-884-1100 or taxoffice@tarrantcountytx.gov, or visit www.tarrantcountytx.gov/en/tax.html
(telephone number) (email address) (internet website address)
for more information.

2024 Tax Rate Calculation Worksheet

Taxing Units Other Than School Districts or Water Districts

Form 50-856

City of Kennedale

817-985-2105

Taxing Unit Name

Phone (area code and number)

405 Municipal Drive, Kennedale, Texas 76060

cityofkennedale.com

Taxing Unit's Address, City, State, ZIP Code

Taxing Unit's Website Address

GENERAL INFORMATION: Tax Code Section 26.04(c) requires an officer or employee designated by the governing body to calculate the no-new-revenue (NNR) tax rate and voter-approval tax rate for the taxing unit. These tax rates are expressed in dollars per \$100 of taxable value calculated. The calculation process starts after the chief appraiser delivers to the taxing unit the certified appraisal roll and the estimated values of properties under protest. The designated officer or employee shall certify that the officer or employee has accurately calculated the tax rates and used values shown for the certified appraisal roll or certified estimate. The officer or employee submits the rates to the governing body by Aug. 7 or as soon thereafter as practicable.

School districts do not use this form, but instead use Comptroller Form 50-859 *Tax Rate Calculation Worksheet, School District without Chapter 313 Agreements* or Comptroller Form 50-884 *Tax Rate Calculation Worksheet, School District with Chapter 313 Agreements*.

Water districts as defined under Water Code Section 49.001(1) do not use this form, but instead use Comptroller Form 50-858 *Water District Voter-Approval Tax Rate Worksheet for Low Tax Rate and Developing Districts* or Comptroller Form 50-860 *Developed Water District Voter-Approval Tax Rate Worksheet*.

The Comptroller's office provides this worksheet to assist taxing units in determining tax rates. The information provided in this worksheet is offered as technical assistance and not legal advice. Taxing units should consult legal counsel for interpretations of law regarding tax rate preparation and adoption.

SECTION 1: No-New-Revenue Tax Rate

The NNR tax rate enables the public to evaluate the relationship between taxes for the prior year and for the current year based on a tax rate that would produce the same amount of taxes (no new taxes) if applied to the same properties that are taxed in both years. When appraisal values increase, the NNR tax rate should decrease.

The NNR tax rate for a county is the sum of the NNR tax rates calculated for each type of tax the county levies.

While uncommon, it is possible for a taxing unit to provide an exemption for only maintenance and operations taxes. In this case, the taxing unit will need to calculate the NNR tax rate separately for the maintenance and operations tax and the debt tax, then add the two components together.

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
1.	Prior year total taxable value. Enter the amount of the prior year taxable value on the prior year tax roll today. Include any adjustments since last year's certification; exclude Tax Code Section 25.25(d) one-fourth and one-third over-appraisal corrections from these adjustments. Exclude any property value subject to an appeal under Chapter 42 as of July 25 (will add undisputed value in Line 6). This total includes the taxable value of homesteads with tax ceilings (will deduct in Line 2) and the captured value for tax increment financing (adjustment is made by deducting TIF taxes, as reflected in Line 17). ¹	\$ 1,202,450,085
2.	Prior year tax ceilings. Counties, cities and junior college districts. Enter the prior year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision last year or a prior year for homeowners age 65 or older or disabled, use this step. ²	\$ 0
3.	Preliminary prior year adjusted taxable value. Subtract Line 2 from Line 1.	\$ 1,202,450,085
4.	Prior year total adopted tax rate.	\$ 0.706190 /\$100
5.	Prior year taxable value lost because court appeals of ARB decisions reduced the prior year's appraised value. A. Original prior year ARB values: \$ 67,826,350 B. Prior year values resulting from final court decisions: - \$ 59,699,250 C. Prior year value loss. Subtract B from A. ³	\$ 8,127,100
6.	Prior year taxable value subject to an appeal under Chapter 42, as of July 25. A. Prior year ARB certified value: \$ 160,000 B. Prior year disputed value: - \$ 12,800 C. Prior year undisputed value. Subtract B from A. ⁴	\$ 147,200
7.	Prior year Chapter 42 related adjusted values. Add Line 5C and Line 6C.	\$ 8,274,300

¹ Tex. Tax Code §26.012(14)² Tex. Tax Code §26.012(14)³ Tex. Tax Code §26.012(13)⁴ Tex. Tax Code §26.012(13)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
8.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Add Line 3 and Line 7.	\$ 1,210,724,385
9.	Prior year taxable value of property in territory the taxing unit deannexed after Jan. 1, 2023. Enter the prior year value of property in deannexed territory. ⁵	\$ 0
10.	Prior year taxable value lost because property first qualified for an exemption in the current year. If the taxing unit increased an original exemption, use the difference between the original exempted amount and the increased exempted amount. Do not include value lost due to freeport, goods-in-transit, temporary disaster exemptions. Note that lowering the amount or percentage of an existing exemption in the current year does not create a new exemption or reduce taxable value. A. Absolute exemptions. Use prior year market value: \$ 0 B. Partial exemptions. Current year exemption amount or current year percentage exemption times prior year value: + \$ 2,007,999 C. Value loss. Add A and B. ⁶	\$ 2,007,999
11.	Prior year taxable value lost because property first qualified for agricultural appraisal (1-d or 1-d-1), timber appraisal, recreational/scenic appraisal or public access airport special appraisal in the current year. Use only properties that qualified for the first time in the current year; do not use properties that qualified in the prior year. A. Prior year market value: \$ 0 B. Current year productivity or special appraised value: - \$ 0 C. Value loss. Subtract B from A. ⁷	\$ 0
12.	Total adjustments for lost value. Add Lines 9, 10C and 11C.	\$ 2,007,999
13.	Prior year captured value of property in a TIF. Enter the total value of the prior year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the prior year taxes were deposited into the tax increment fund. ⁸ If the taxing unit has no captured appraised value in line 18D, enter 0.	\$ 45,044,896
14.	Prior year total value. Subtract Line 12 and Line 13 from Line 8.	\$ 1,163,671,490
15.	Adjusted prior year total levy. Multiply Line 4 by Line 14 and divide by \$100.	\$ 8,217,731
16.	Taxes refunded for years preceding the prior tax year. Enter the amount of taxes refunded by the taxing unit for tax years preceding the prior tax year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for the prior tax year. This line applies only to tax years preceding the prior tax year. ⁹	\$ 78,690
17.	Adjusted prior year levy with refunds and TIF adjustment. Add Lines 15 and 16. ¹⁰	\$ 8,296,421
18.	Total current year taxable value on the current year certified appraisal roll today. This value includes only certified values or certified estimate of values and includes the total taxable value of homesteads with tax ceilings (will deduct in Line 20). These homesteads include homeowners age 65 or older or disabled. ¹¹ A. Certified values: \$ 1,200,147,583 B. Counties: Include railroad rolling stock values certified by the Comptroller's office: + \$ C. Pollution control and energy storage system exemption: Deduct the value of property exempted for the current tax year for the first time as pollution control or energy storage system property: - \$ 0 D. Tax increment financing: Deduct the current year captured appraised value of property taxable by a taxing unit in a tax increment financing zone for which the current year taxes will be deposited into the tax increment fund. Do not include any new property value that will be included in Line 23 below. ¹² - \$ 30,868,612 E. Total current year value. Add A and B, then subtract C and D.	\$ 1,169,278,971

⁵ Tex. Tax Code §26.012(15)⁶ Tex. Tax Code §26.012(15)⁷ Tex. Tax Code §26.012(15)⁸ Tex. Tax Code §26.03(c)⁹ Tex. Tax Code §26.012(13)¹⁰ Tex. Tax Code §26.012(13)¹¹ Tex. Tax Code §26.012, 26.04(c-2)¹² Tex. Tax Code §26.03(c)

Line	No-New-Revenue Tax Rate Worksheet	Amount/Rate
19.	Total value of properties under protest or not included on certified appraisal roll. ¹³	
	A. Current year taxable value of properties under protest. The chief appraiser certifies a list of properties still under ARB protest. The list shows the appraisal district's value and the taxpayer's claimed value, if any, or an estimate of the value if the taxpayer wins. For each of the properties under protest, use the lowest of these values. Enter the total value under protest. ¹⁴ \$ 22,954,425	
	B. Current year value of properties not under protest or included on certified appraisal roll. The chief appraiser gives taxing units a list of those taxable properties that the chief appraiser knows about but are not included in the appraisal roll certification. These properties also are not on the list of properties that are still under protest. On this list of properties, the chief appraiser includes the market value, appraised value and exemptions for the preceding year and a reasonable estimate of the market value, appraised value and exemptions for the current year. Use the lower market, appraised or taxable value (as appropriate). Enter the total value of property not on the certified roll. ¹⁵ + \$ 23,067,561	
	C. Total value under protest or not certified. Add A and B.	\$ 46,021,986
20.	Current year tax ceilings. Counties, cities and junior colleges enter current year total taxable value of homesteads with tax ceilings. These include the homesteads of homeowners age 65 or older or disabled. Other taxing units enter 0. If your taxing unit adopted the tax ceiling provision in the prior year or a previous year for homeowners age 65 or older or disabled, use this step. ¹⁶	\$ 0
21.	Current year total taxable value. Add Lines 18E and 19C. Subtract Line 20. ¹⁷	\$ 1,215,300,957
22.	Total current year taxable value of properties in territory annexed after Jan. 1, of the prior year. Include both real and personal property. Enter the current year value of property in territory annexed. ¹⁸	\$ 0
23.	Total current year taxable value of new improvements and new personal property located in new improvements. New means the item was not on the appraisal roll in the prior year. An improvement is a building, structure, fixture or fence erected on or affixed to land. New additions to existing improvements may be included if the appraised value can be determined. New personal property in a new improvement must have been brought into the taxing unit after Jan. 1, of the prior year and be located in a new improvement. New improvements do include property on which a tax abatement agreement has expired for the current year. ¹⁹	\$ 6,336,230
24.	Total adjustments to the current year taxable value. Add Lines 22 and 23.	\$ 6,336,230
25.	Adjusted current year taxable value. Subtract Line 24 from Line 21.	\$ 1,208,964,727
26.	Current year NNR tax rate. Divide Line 17 by Line 25 and multiply by \$100. ²⁰	\$ 0.686241 /\$100
27.	COUNTIES ONLY. Add together the NNR tax rates for each type of tax the county levies. The total is the current year county NNR tax rate. ²¹	\$ _____ /\$100

SECTION 2: Voter-Approval Tax Rate

The voter-approval tax rate is the highest tax rate that a taxing unit may adopt without holding an election to seek voter approval of the rate. The voter-approval tax rate is split into two separate rates:

- Maintenance and Operations (M&O) Tax Rate:** The M&O portion is the tax rate that is needed to raise the same amount of taxes that the taxing unit levied in the prior year plus the applicable percentage allowed by law. This rate accounts for such things as salaries, utilities and day-to-day operations.
- Debt Rate:** The debt rate includes the debt service necessary to pay the taxing unit's debt payments in the coming year. This rate accounts for principal and interest on bonds and other debt secured by property tax revenue.

The voter-approval tax rate for a county is the sum of the voter-approval tax rates calculated for each type of tax the county levies. In most cases the voter-approval tax rate exceeds the no-new-revenue tax rate, but occasionally decreases in a taxing unit's debt service will cause the NNR tax rate to be higher than the voter-approval tax rate.

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
28.	Prior year M&O tax rate. Enter the prior year M&O tax rate.	\$ 0.509273 /\$100
29.	Prior year taxable value, adjusted for actual and potential court-ordered adjustments. Enter the amount in Line 8 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,210,724,385

¹³ Tex. Tax Code §26.01(c) and (d)

¹⁴ Tex. Tax Code §26.01(c)

¹⁵ Tex. Tax Code §26.01(d)

¹⁶ Tex. Tax Code §26.012(6)(B)

¹⁷ Tex. Tax Code §26.012(6)

¹⁸ Tex. Tax Code §26.012(17)

¹⁹ Tex. Tax Code §26.012(17)

²⁰ Tex. Tax Code §26.04(c)

²¹ Tex. Tax Code §26.04(d)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
30.	Total prior year M&O levy. Multiply Line 28 by Line 29 and divide by \$100.	\$ 6,165,892
31.	Adjusted prior year levy for calculating NNR M&O rate. A. M&O taxes refunded for years preceding the prior tax year. Enter the amount of M&O taxes refunded in the preceding year for taxes before that year. Types of refunds include court decisions, Tax Code Section 25.25(b) and (c) corrections and Tax Code Section 31.11 payment errors. Do not include refunds for tax year 2023. This line applies only to tax years preceding the prior tax year..... + \$ 61,669 B. Prior year taxes in TIF. Enter the amount of taxes paid into the tax increment fund for a reinvestment zone as agreed by the taxing unit. If the taxing unit has no current year captured appraised value in Line 18D, enter 0..... - \$ 193,421 C. Prior year transferred function. If discontinuing all of a department, function or activity and transferring it to another taxing unit by written contract, enter the amount spent by the taxing unit discontinuing the function in the 12 months preceding the month of this calculation. If the taxing unit did not operate this function for this 12-month period, use the amount spent in the last full fiscal year in which the taxing unit operated the function. The taxing unit discontinuing the function will subtract this amount in D below. The taxing unit receiving the function will add this amount in D below. Other taxing units enter 0. +/- \$ 0 D. Prior year M&O levy adjustments. Subtract B from A. For taxing unit with C, subtract if discontinuing function and add if receiving function..... \$ -131,752 E. Add Line 30 to 31D.	\$ 6,034,140
32.	Adjusted current year taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,208,964,727
33.	Current year NNR M&O rate (unadjusted). Divide Line 31E by Line 32 and multiply by \$100.	\$ 0.499116 /\$100
34.	Rate adjustment for state criminal justice mandate. ²³ A. Current year state criminal justice mandate. Enter the amount spent by a county in the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. \$ 0 B. Prior year state criminal justice mandate. Enter the amount spent by a county in the 12 months prior to the previous 12 months providing for the maintenance and operation cost of keeping inmates in county-paid facilities after they have been sentenced. Do not include any state reimbursement received by the county for the same purpose. Enter zero if this is the first time the mandate applies..... - \$ 0 C. Subtract B from A and divide by Line 32 and multiply by \$100..... \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100
35.	Rate adjustment for indigent health care expenditures. ²⁴ A. Current year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state assistance received for the same purpose..... \$ 0 B. Prior year indigent health care expenditures. Enter the amount paid by a taxing unit providing for the maintenance and operation cost of providing indigent health care for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state assistance received for the same purpose..... - \$ 0 C. Subtract B from A and divide by Line 32 and multiply by \$100..... \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100

²³ [Reserved for expansion]²⁴ Tex. Tax Code §26.044²⁴ Tex. Tax Code §26.0441

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
36.	Rate adjustment for county indigent defense compensation. ²⁵ A. Current year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year, less any state grants received by the county for the same purpose..... \$ 0 B. Prior year indigent defense compensation expenditures. Enter the amount paid by a county to provide appointed counsel for indigent individuals and fund the operations of a public defender's office under Article 26.044, Code of Criminal Procedure for the period beginning on July 1, 2022 and ending on June 30, 2023, less any state grants received by the county for the same purpose..... \$ 0 C. Subtract B from A and divide by Line 32 and multiply by \$100..... \$ 0.000000 /\$100 D. Multiply B by 0.05 and divide by Line 32 and multiply by \$100..... \$ 0.000000 /\$100 E. Enter the lesser of C and D. If not applicable, enter 0.	\$ 0.000000 /\$100
37.	Rate adjustment for county hospital expenditures. ²⁶ A. Current year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, of the prior tax year and ending on June 30, of the current tax year..... \$ 0 B. Prior year eligible county hospital expenditures. Enter the amount paid by the county or municipality to maintain and operate an eligible county hospital for the period beginning on July 1, 2022 and ending on June 30, 2023. \$ 0 C. Subtract B from A and divide by Line 32 and multiply by \$100..... \$ 0.000000 /\$100 D. Multiply B by 0.08 and divide by Line 32 and multiply by \$100..... \$ 0.000000 /\$100 E. Enter the lesser of C and D, if applicable. If not applicable, enter 0.	\$ 0.000000 /\$100
38.	Rate adjustment for defunding municipality. This adjustment only applies to a municipality that is considered to be a defunding municipality for the current tax year under Chapter 109, Local Government Code. Chapter 109, Local Government Code only applies to municipalities with a population of more than 250,000 and includes a written determination by the Office of the Governor. See Tax Code Section 26.0444 for more information. A. Amount appropriated for public safety in the prior year. Enter the amount of money appropriated for public safety in the budget adopted by the municipality for the preceding fiscal year..... \$ 0 B. Expenditures for public safety in the prior year. Enter the amount of money spent by the municipality for public safety during the preceding fiscal year \$ 0 C. Subtract B from A and divide by Line 32 and multiply by \$100 \$ 0.000000 /\$100 D. Enter the rate calculated in C. If not applicable, enter 0.	\$ 0.000000 /\$100
39.	Adjusted current year NNR M&O rate. Add Lines 33, 34D, 35D, 36E, and 37E. Subtract Line 38D.	\$ 0.499116 /\$100
40.	Adjustment for prior year sales tax specifically to reduce property taxes. Cities, counties and hospital districts that collected and spent additional sales tax on M&O expenses in the prior year should complete this line. These entities will deduct the sales tax gain rate for the current year in Section 3. Other taxing units, enter zero. A. Enter the amount of additional sales tax collected and spent on M&O expenses in the prior year, if any. Counties must exclude any amount that was spent for economic development grants from the amount of sales tax spent..... \$ 738,973 B. Divide Line 40A by Line 32 and multiply by \$100..... \$ 0.061124 /\$100 C. Add Line 40B to Line 39.	\$ 0.560240 /\$100
41.	Current year voter-approval M&O rate. Enter the rate as calculated by the appropriate scenario below. Special Taxing Unit. If the taxing unit qualifies as a special taxing unit, multiply Line 40C by 1.08. - or - Other Taxing Unit. If the taxing unit does not qualify as a special taxing unit, multiply Line 40C by 1.035.	\$ 0.579848 /\$100

²⁵ Tex. Tax Code §26.0442²⁶ Tex. Tax Code §26.0443

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
D41.	Disaster Line 41 (D41): Current year voter-approval M&O rate for taxing unit affected by disaster declaration. If the taxing unit is located in an area declared a disaster area and at least one person is granted an exemption under Tax Code Section 11.35 for property located in the taxing unit, the governing body may direct the person calculating the voter-approval tax rate to calculate in the manner provided for a special taxing unit. The taxing unit shall continue to calculate the voter-approval tax rate in this manner until the earlier of: 1) the first year in which total taxable value on the certified appraisal roll exceeds the total taxable value of the tax year in which the disaster occurred; or 2) the third tax year after the tax year in which the disaster occurred. If the taxing unit qualifies under this scenario, multiply Line 40C by 1.08. ²⁷ If the taxing unit does not qualify, do not complete Disaster Line 41 (Line D41).	\$ 0.000000 /\$100
42.	Total current year debt to be paid with property taxes and additional sales tax revenue. Debt means the interest and principal that will be paid on debts that: (1) are paid by property taxes; (2) are secured by property taxes; (3) are scheduled for payment over a period longer than one year; and (4) are not classified in the taxing unit's budget as M&O expenses. A. Debt also includes contractual payments to other taxing units that have incurred debts on behalf of this taxing unit, if those debts meet the four conditions above. Include only amounts that will be paid from property tax revenue. Do not include appraisal district budget payments. If the governing body of a taxing unit authorized or agreed to authorize a bond, warrant, certificate of obligation, or other evidence of indebtedness on or after Sept. 1, 2021, verify if it meets the amended definition of debt before including it here. ²⁸ Enter debt amount \$ 2,600,769 B. Subtract unencumbered fund amount used to reduce total debt. - \$ 0 C. Subtract certified amount spent from sales tax to reduce debt (enter zero if none) - \$ 0 D. Subtract amount paid from other resources - \$ 228,299 E. Adjusted debt. Subtract B, C and D from A. \$ 2,372,470	\$ 2,372,470
43.	Certified prior year excess debt collections. Enter the amount certified by the collector. ²⁹	\$ 0
44.	Adjusted current year debt. Subtract Line 43 from Line 42E.	\$ 2,372,470
45.	Current year anticipated collection rate. A. Enter the current year anticipated collection rate certified by the collector. ³⁰ 100.00 % B. Enter the prior year actual collection rate..... 99.29 % C. Enter the 2022 actual collection rate. 100.27 % D. Enter the 2021 actual collection rate. 100.40 % E. If the anticipated collection rate in A is lower than actual collection rates in B, C and D, enter the lowest collection rate from B, C and D. If the anticipated rate in A is higher than at least one of the rates in the prior three years, enter the rate from A. Note that the rate can be greater than 100%. ³¹ 100.00 %	100.00 %
46.	Current year debt adjusted for collections. Divide Line 44 by Line 45E.	\$ 2,372,470
47.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,215,300,957
48.	Current year debt rate. Divide Line 46 by Line 47 and multiply by \$100.	\$ 0.195216 /\$100
49.	Current year voter-approval M&O rate plus current year debt rate. Add Lines 41 and 48.	\$ 0.775064 /\$100
D49.	Disaster Line 49 (D49): Current year voter-approval tax rate for taxing unit affected by disaster declaration. Complete this line if the taxing unit calculated the voter-approval tax rate in the manner provided for a special taxing unit on Line D41. Add Line D41 and 48.	\$ 0.000000 /\$100

²⁷ Tex. Tax Code §26.042(a)²⁸ Tex. Tax Code §26.012(7)²⁹ Tex. Tax Code §26.012(10) and 26.04(b)³⁰ Tex. Tax Code §26.04(b)³¹ Tex. Tax Code §26.04(h), (h-1) and (h-2)

Line	Voter-Approval Tax Rate Worksheet	Amount/Rate
50.	COUNTIES ONLY. Add together the voter-approval tax rates for each type of tax the county levies. The total is the current year county voter-approval tax rate.	\$ 0.000000 /\$100

SECTION 3: NNR Tax Rate and Voter-Approval Tax Rate Adjustments for Additional Sales Tax to Reduce Property Taxes

Cities, counties and hospital districts may levy a sales tax specifically to reduce property taxes. Local voters by election must approve imposing or abolishing the additional sales tax. If approved, the taxing unit must reduce its NNR and voter-approval tax rates to offset the expected sales tax revenue.

This section should only be completed by a county, city or hospital district that is required to adjust its NNR tax rate and/or voter-approval tax rate because it adopted the additional sales tax.

Line	Additional Sales and Use Tax Worksheet	Amount/Rate
51.	Taxable Sales. For taxing units that adopted the sales tax in November of the prior tax year or May of the current tax year, enter the Comptroller's estimate of taxable sales for the previous four quarters. ³² Estimates of taxable sales may be obtained through the Comptroller's Allocation Historical Summary webpage. Taxing units that adopted the sales tax before November of the prior year, enter 0.	\$ 0
52.	Estimated sales tax revenue. Counties exclude any amount that is or will be spent for economic development grants from the amount of estimated sales tax revenue. ³³ Taxing units that adopted the sales tax in November of the prior tax year or in May of the current tax year. Multiply the amount on Line 51 by the sales tax rate (.01, .005 or .0025, as applicable) and multiply the result by .95. ³⁴ - or - Taxing units that adopted the sales tax before November of the prior year. Enter the sales tax revenue for the previous four quarters. Do not multiply by .95.	\$ 738,973
53.	Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,215,300,957
54.	Sales tax adjustment rate. Divide Line 52 by Line 53 and multiply by \$100.	\$ 0.060805 /\$100
55.	Current year NNR tax rate, unadjusted for sales tax. ³⁵ Enter the rate from Line 26 or 27, as applicable, on the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.686241 /\$100
56.	Current year NNR tax rate, adjusted for sales tax. Taxing units that adopted the sales tax in November the prior tax year or in May of the current tax year. Subtract Line 54 from Line 55. Skip to Line 57 if you adopted the additional sales tax before November of the prior tax year.	\$ 0.686241 /\$100
57.	Current year voter-approval tax rate, unadjusted for sales tax. ³⁶ Enter the rate from Line 49, Line D49 (disaster) or Line 50 (counties) as applicable, of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.775064 /\$100
58.	Current year voter-approval tax rate, adjusted for sales tax. Subtract Line 54 from Line 57.	\$ 0.714259 /\$100

SECTION 4: Voter-Approval Tax Rate Adjustment for Pollution Control

A taxing unit may raise its rate for M&O funds used to pay for a facility, device or method for the control of air, water or land pollution. This includes any land, structure, building, installation, excavation, machinery, equipment or device that is used, constructed, acquired or installed wholly or partly to meet or exceed pollution control requirements. The taxing unit's expenses are those necessary to meet the requirements of a permit issued by the Texas Commission on Environmental Quality (TCEQ). The taxing unit must provide the tax assessor with a copy of the TCEQ letter of determination that states the portion of the cost of the installation for pollution control.

This section should only be completed by a taxing unit that uses M&O funds to pay for a facility, device or method for the control of air, water or land pollution.

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
59.	Certified expenses from the Texas Commission on Environmental Quality (TCEQ). Enter the amount certified in the determination letter from TCEQ. ³⁷ The taxing unit shall provide its tax assessor-collector with a copy of the letter. ³⁸	\$ 0
60.	Current year total taxable value. Enter the amount from Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,215,300,957
61.	Additional rate for pollution control. Divide Line 59 by Line 60 and multiply by \$100.	\$ 0.000000 /\$100

³² Tex. Tax Code §26.041(d)

³³ Tex. Tax Code §26.041(i)

³⁴ Tex. Tax Code §26.041(d)

³⁵ Tex. Tax Code §26.04(c)

³⁶ Tex. Tax Code §26.04(c)

³⁷ Tex. Tax Code §26.045(d)

³⁸ Tex. Tax Code §26.045(i)

Line	Voter-Approval Rate Adjustment for Pollution Control Requirements Worksheet	Amount/Rate
62.	Current year voter-approval tax rate, adjusted for pollution control. Add Line 61 to one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties) or Line 58 (taxing units with the additional sales tax).	\$ 0.714259 /\$100

SECTION 5: Voter-Approval Tax Rate Adjustment for Unused Increment Rate

The unused increment rate is the rate equal to the sum of the prior 3 years Foregone Revenue Amounts divided by the current taxable value.³⁹ The Foregone Revenue Amount for each year is equal to that year's adopted tax rate subtracted from that year's voter-approval tax rate adjusted to remove the unused increment rate multiplied by that year's current total value.⁴⁰

The difference between the adopted tax rate and adjusted voter-approval tax rate is considered zero in the following scenarios:

- a tax year in which a taxing unit affected by a disaster declaration calculates the tax rate under Tax Code Section 26.042;⁴¹
- a tax year in which the municipality is a defunding municipality, as defined by Tax Code Section 26.0501(a);⁴² or
- after Jan. 1, 2022, a tax year in which the comptroller determines that the county implemented a budget reduction or reallocation described by Local Government Code Section 120.002(a) without the required voter approval.⁴³

This section should only be completed by a taxing unit that does not meet the definition of a special taxing unit.⁴⁴

Line	Unused Increment Rate Worksheet	Amount/Rate
63.	Year 3 Foregone Revenue Amount. Subtract the 2023 unused increment rate and 2023 actual tax rate from the 2023 voter-approval tax rate. Multiply the result by the 2023 current total value A. Voter-approval tax rate (Line 67) B. Unused increment rate (Line 66) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2023 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	 \$ 0.706208 /\$100 \$ 0.000000 /\$100 \$ 0.706208 /\$100 \$ 0.706190 /\$100 \$ 0.000018 /\$100 \$ 1,174,395,219 \$ 211
64.	Year 2 Foregone Revenue Amount. Subtract the 2022 unused increment rate and 2022 actual tax rate from the 2022 voter-approval tax rate. Multiply the result by the 2022 current total value A. Voter-approval tax rate (Line 67) B. Unused increment rate (Line 66) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2022 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	 \$ 0.435275 /\$100 \$ 0.018972 /\$100 \$ 0.416303 /\$100 \$ 0.706190 /\$100 \$ -0.289887 /\$100 \$ 974,064,272 \$ 0
65.	Year 1 Foregone Revenue Amount. Subtract the 2021 unused increment rate and 2021 actual tax rate from the 2021 voter-approval tax rate. Multiply the result by the 2021 current total value A. Voter-approval tax rate (Line 67) B. Unused increment rate (Line 66) C. Subtract B from A D. Adopted Tax Rate E. Subtract D from C F. 2021 Total Taxable Value (Line 60) G. Multiply E by F and divide the results by \$100. If the number is less than zero, enter zero.....	 \$ 0.783057 /\$100 \$ 0.000001 /\$100 \$ 0.783056 /\$100 \$ 0.764085 /\$100 \$ 0.018971 /\$100 \$ 848,609,784 \$ 160,989
66.	Total Foregone Revenue Amount. Add Lines 63G, 64G and 65G	\$ 161,200 /\$100
67.	2024 Unused Increment Rate. Divide Line 66 by Line 21 of the <i>No-New-Revenue Rate Worksheet</i> . Multiply the result by 100	\$ 0.013264 /\$100
68.	Total 2024 voter-approval tax rate, including the unused increment rate. Add Line 67 to one of the following lines (as applicable): Line 49, Line 50 (counties), Line 58 (taxing units with additional sales tax) or Line 62 (taxing units with pollution)	\$ 0.727523 /\$100

³⁹ Tex. Tax Code §26.013(b)

⁴⁰ Tex. Tax Code §26.013(a)(1-a), (1-b), and (2)

⁴¹ Tex. Tax Code §526.04(c)(2)(A) and 26.042(a)

⁴² Tex. Tax Code §526.0501(a) and (c)

⁴³ Tex. Local Gov't Code §120.007(d)

⁴⁴ Tex. Local Gov't Code §120.007(d)

SECTION 6: De Minimis Rate

The de minimis rate is the rate equal to the sum of the no-new-revenue maintenance and operations rate, the rate that will raise \$500,000, and the current debt rate for a taxing unit.⁴⁴ This section should only be completed by a taxing unit that is a municipality of less than 30,000 or a taxing unit that does not meet the definition of a special taxing unit.⁴⁵

Line	De Minimis Rate Worksheet	Amount/Rate
69.	Adjusted current year NNR M&O tax rate. Enter the rate from Line 39 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.499116 /\$100
70.	Current year total taxable value. Enter the amount on Line 21 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 1,215,300,957
71.	Rate necessary to impose \$500,000 in taxes. Divide \$500,000 by Line 70 and multiply by \$100.	\$ 0.041142 /\$100
72.	Current year debt rate. Enter the rate from Line 48 of the <i>Voter-Approval Tax Rate Worksheet</i> .	\$ 0.195216 /\$100
73.	De minimis rate. Add Lines 69, 71 and 72.	\$ 0.735474 /\$100

SECTION 7: Voter-Approval Tax Rate Adjustment for Emergency Revenue Rate

In the tax year after the end of the disaster calculation time period detailed in Tax Code Section 26.042(a), a taxing unit that calculated its voter-approval tax rate in the manner provided for a special taxing unit due to a disaster must calculate its emergency revenue rate and reduce its voter-approval tax rate for that year.⁴⁶

Similarly, if a taxing unit adopted a tax rate that exceeded its voter-approval tax rate, calculated normally, without holding an election to respond to a disaster, as allowed by Tax Code Section 26.042(d), in the prior year, it must also reduce its voter-approval tax rate for the current tax year.⁴⁷

This section will apply to a taxing unit other than a special taxing unit that:

- directed the designated officer or employee to calculate the voter-approval tax rate of the taxing unit in the manner provided for a special taxing unit in the prior year; and
- the current year is the first tax year in which the total taxable value of property taxable by the taxing unit as shown on the appraisal roll for the taxing unit submitted by the assessor for the taxing unit to the governing body exceeds the total taxable value of property taxable by the taxing unit on January 1 of the tax year in which the disaster occurred or the disaster occurred four years ago. This section will apply to a taxing unit in a disaster area that adopted a tax rate greater than its voter-approval tax rate without holding an election in the prior year.

Note: This section does not apply if a taxing unit is continuing to calculate its voter-approval tax rate in the manner provided for a special taxing unit because it is still within the disaster calculation time period detailed in Tax Code Section 26.042(a) because it has not met the conditions in Tax Code Section 26.042(a)(1) or (2).

Line	Emergency Revenue Rate Worksheet	Amount/Rate
74.	2023 adopted tax rate. Enter the rate in Line 4 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ 0.706190 /\$100
75.	Adjusted 2023 voter-approval tax rate. Use the taxing unit's Tax Rate Calculation Worksheets from the prior year(s) to complete this line. If a disaster occurred in 2023 and the taxing unit calculated its 2023 voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) of the 2023 worksheet due to a disaster, complete the applicable sections or lines of <i>Form 50-856-a, Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> . - or - If a disaster occurred prior to 2023 for which the taxing unit continued to calculate its voter-approval tax rate using a multiplier of 1.08 on Disaster Line 41 (D41) in 2023, complete form 50-856-a, <i>Adjusted Voter-Approval Tax Rate for Taxing Units in Disaster Area Calculation Worksheet</i> to recalculate the voter-approval tax rate the taxing unit would have calculated in 2023 if it had generated revenue based on an adopted tax rate using a multiplier of 1.035 in the years following the disaster. ⁴⁸ Enter the final adjusted 2023 voter-approval tax rate from the worksheet. - or - If the taxing unit adopted a tax rate above the 2023 voter-approval tax rate without calculating a disaster tax rate or holding an election due to a disaster, no recalculation is necessary. Enter the voter-approval tax rate from the prior year's worksheet.	\$ 0.000000 /\$100
76.	Increase in 2023 tax rate due to disaster. Subtract Line 75 from Line 74.	\$ 0.000000 /\$100
77.	Adjusted 2023 taxable value. Enter the amount in Line 14 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
78.	Emergency revenue. Multiply Line 76 by Line 77 and divide by \$100.	\$ _____
79.	Adjusted 2023 taxable value. Enter the amount in Line 25 of the <i>No-New-Revenue Tax Rate Worksheet</i> .	\$ _____
80.	Emergency revenue rate. Divide Line 78 by Line 79 and multiply by \$100. ⁴⁹	\$ 0.000000 /\$100

⁴⁴ Tex. Tax Code §26.04(c)(2)(B)

⁴⁵ Tex. Tax Code §26.012(8-a)

⁴⁶ Tex. Tax Code §26.063(a)(1)

⁴⁷ Tex. Tax Code §26.042(b)

⁴⁸ Tex. Tax Code §26.042(f)

⁴⁹ Tex. Tax Code §26.042(c)

⁵⁰ Tex. Tax Code §26.042(b)

Line	Emergency Revenue Rate Worksheet	Amount/Rate
81.	Current year voter-approval tax rate, adjusted for emergency revenue. Subtract Line 80 from one of the following lines (as applicable): Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (taxing units with the additional sales tax), Line 62 (taxing units with pollution control) or Line 68 (taxing units with the unused increment rate).	\$ 0.727523 /\$100

SECTION 8: Total Tax Rate

Indicate the applicable total tax rates as calculated above.

No-new-revenue tax rate. \$ 0.686241 /\$100

As applicable, enter the current year NNR tax rate from: Line 26, Line 27 (counties), or Line 56 (adjusted for sales tax).

Indicate the line number used: 26

Voter-approval tax rate. \$ 0.727523 /\$100

As applicable, enter the current year voter-approval tax rate from: Line 49, Line D49 (disaster), Line 50 (counties), Line 58 (adjusted for sales tax), Line 62 (adjusted for pollution control), Line 68 (adjusted for unused increment), or Line 81 (adjusted for emergency revenue).

Indicate the line number used: 68

De minimis rate. \$ 0.735474 /\$100

If applicable, enter the current year de minimis rate from Line 73.

SECTION 9: Taxing Unit Representative Name and Signature

Enter the name of the person preparing the tax rate as authorized by the governing body of the taxing unit. By signing below, you certify that you are the designated officer or employee of the taxing unit and have accurately calculated the tax rates using values that are the same as the values shown in the taxing unit's certified appraisal roll or certified estimate of taxable value, in accordance with requirements in the Tax Code.⁵²

**print
here**

Wendy Burgess

Printed Name of Taxing Unit Representative

**sign
here**

Taxing Unit Representative

Date

8-8-2024

⁵² Tex. Tax Code §§26.04(c-2) and (d-2)

Object	Account Name	Funds	Description
4001	PROPERTY TAX-CURRENT	All	Property tax collections for current taxes
4002	MMD TAX-CURRENT YEAR	All	Based on assessed value of \$2,783,693 and total tax rate of 2.880965 per \$100 (minus tract 1R for surplus); participants -- City of Kennedale, Kennedale ISD, Tarrant County, Tarrant Hospital, Tarrant College
4010	WATER SERVICE	All	Fees collected from residents for water service
4011	PROPERTY TAX-DELINQUENT	All	Property tax collections for past due taxes
4020	SEWER SERVICE	All	Fees collected from residents for sewer service
4041	PROPERTY TAX-PENALTY	All	Property tax collections for past due taxes
4060	WATER TAP FEES	All	Fees collected for water taps
4061	METER PURCHASE/INSTALATION	All	Fees collected for meter installation
4070	SEWER TAP FEES	All	Fees collected for sewer taps
4071	ENGINEER REVIEW FEES	10	Fees collected for engineer review of plats and plans
4071	FRANCHISE FEES – TELEPHONE	17	Right of way % of gross quarterly revenues for companies with landline sales, based on line rates adopted by Council and submitted to PUC, adjusted annually / midyear for CPI
4072	FRANCHISE FEES – GARBAGE	All	Right of way agreement with waste connections -- 10% of gross monthly revenues (6% gross billings in limites, 4% gross billing collection fees) adjusted annually in February for CPI
4073	FRANCHISE FEES – GAS	All	Right of way agreement with ATMOS, 5% of gross calendar year revenues, received in February
4074	FRANCHISE FEES – ELECTRICITY	17	Right of way agreement with ONCOR/GEXA based on 1998 revenue, received in March
4074	SANITATION BILLING FEES	10	Franchise fees from trash and recycling currently provided by Waste Connections
4075	FRANCHISE FEES-CABLE	All	Right of way agreement with Charter, 5% of gross quarterly revenues
4076	FRANCHISE FEES-WATER/SEWER	17	Right of way franchise fee for street repair for water sewer damages
4076	OTHER FEES-WATER/SEWER	10	Any fees related to water/sewer that do fall within any other category
4081	SALES TAX	All	2% sales tax allocated .015 General Fund and .005 EDC Fund, or said differently, 75% General Fund and 25% EDC Fund
4082	ARLINGTON OPERATOR COST	10	Arlington reimbursement for well electric and Fort Worth wholesale water purchases
4082	MIXED BEVERAGE TAX	1	Tax collected on mixed beverages
4083	SALES TAX-INTERLOCAL	All	Interlocal agreement with Arlington for sales tax related to Walmart. 1% total sales tax is split 75% Arlington and 25% Kennedale. Once received, funds are split 75% General Fund and 25% EDC fund
4084	OCCUPANCY TAX	30	Texas Tax Code Chapter 351 and Ordinance 666 for short-term rental (less than 30 days) establish a 7% city tax on gross rent for lodgings less any lawful exemptions
4085	CARES ACT FUNDING	35	Federal funds related to the Cares Act
4086	POLICE GRANT	All	Any grant that supports the police department
4087	AUTO TASK FORCE GRANT	All	Cost sharing from City of Mansfield for task force grant
4094	LEOSE POLICE TRAINING	All	Received from State Law Enforcement Officer Standards and Education (LEOSE) and based on total number of eligible law enforcement positions. Must be utilized for the continuing education of certified officers
4098	FIRE DEPARTMENT GRANT	All	Any grant that supports the fire department
4101	BUSINESS LICENSES	All	Permit per fee schedule
4120	CONTRACTOR LICENSES	All	Permit per fee schedule
4150	CERTIFICATE OF OCCUPANCY	All	Permit per fee schedule
4155	BUILDING PERMITS	All	Permit per fee schedule
4160	ELECTRICAL PERMITS	All	Permit per fee schedule
4165	PLUMBING PERMITS	All	Permit per fee schedule
4175	MECHANICAL PERMITS	All	Permit per fee schedule
4190	OTHER PERMITS/FEES	All	Permit per fee schedule
4191	PLAT FILING FEES	All	Permit per fee schedule
4192	ZONE CHANGE FEES	All	Permit per fee schedule
4193	PLAN REVIEW FEES	All	Permit per fee schedule
4194	PARK DEDICATION FEES	All	Developer generally donates land or pays equivalent funds per acre upon final plat
4195	ANIMAL IMPOUNDING FEE	All	Fee per schedule
4196	ANIMAL REGISTRATION	All	Permit per fee schedule
4198	MOWING/DEMOLITION CHARGE	All	Fee for noncompliance with City Ordinance
4199	REINSPECTION FEES	All	Permit per fee schedule
4201	DRAINAGE FEES	7	Monthly utility fee assessed on property and its corresponding impervious coverage
4201	IMPACT FEES	61 & 62	Impact fees based on fee study

Object	Account Name	Funds	Description
4215	IMPACT FEES	All	Based on impact fee study
4250	JUVENILE CASE MANAGEMENT FEE	18	Code of Criminal Procedure Article 102.0174 -- \$5 is set aside from defendants convicted of a fine-only misdemeanor to pay a case manager
4250	SECURITY FEES	12	Court cost based on State fee schedule
4250	TRUANCY & PREVENTION	1	Court cost based on State fee schedule
4251	CHILD SAFETY FINE	1	Court cost based on State fee schedule
4251	TECHNOLOGY FEES	16	Court cost based on State fee schedule
4252	LOCAL TRAFFIC FINE	All	Court cost based on State fee schedule
4253	MUNI COURT JURY FUND	All	Court cost based on State fee schedule
4255	WARRANT FEES	All	Court cost based on State fee schedule
4256	ARREST FEES	All	Court cost based on State fee schedule
4257	TRAFFIC CONVICTION FEE	All	Court cost based on State fee schedule
4258	TIME PYMT FEES-CITY	All	Court cost based on State fee schedule
4259	TIME PYMT FEES-JUDICIAL EFFCY	All	Court cost based on State fee schedule
4271	ADMIN FEES-DRIVER SAFETY	All	Court cost based on State fee schedule
4281	FINES/FORFEITS	All	Court cost based on State fee schedule
4282	COURT COSTS-CITY	All	Court cost based on State fee schedule
4380	POLICE COPY/REPORTS	All	Fee for copy of police report
4390	AMBULANCE FEES	All	Ambulance fees from users
4391	FIRE DEPARTMENT FEES	All	Permit per fee schedule
4392	FIRE BILLING FEES (EMERGIFIRE)	All	Fee received from Emergifire
4401	INVESTMENT INCOME	All	Interest earnings based on average cash balance during the month
4405	LIBRARY CARDS	All	Fees for library cards
4409	MISCELLANEOUS INCOME	All	Any revenues not covered elsewhere
4413	SCRAP RECYCLE REVENUE	All	Receipts related to scrap recycling
4415	INSURANCE REIMBURSEMENT	All	Insurance claim reimbursements
4416	RESTITUTION	All	Receipts related to court ordered restitution
4417	OPEN RECORD CHARGES	All	Fees per fee schedule for open records
4419	WORKERS COMPENSATION	All	Payments from employees related to workers compensation received from insurance carrier as related to City policy. Employees are paid full salary while on workers compensation in agreement that any funds received will be remitted back to the city.
4421	LANDFILL REVENUE-WAS	All	Landfill royalty
4505	COUNTY CONTRIBUTION-FIRE	All	County grant received for fire
4507	COUNTY CONTRIBUTION-AMBULANCE	All	County grant received for ambulance
4509	ADMIN CHARGE - STREET	All	Charge for services provided by General Fund resources
4510	ADMIN CHARGE-WATER/SEWER	All	Charge for services provided by General Fund resources
4511	ADMIN CHARGE -STORMWATER	All	Charge for services provided by General Fund resources
4512	ADMIN CHARGE-EDC	All	Charge for services provided by General Fund resources
4513	CONTRIBUTION-KISD SRO	All	KISD cost share of School Resource Officers
4514	ADMIN CHARGE STORM WATER	All	Charge for services provided by General Fund resources
4515	ADMIN CHARGE-EDC	All	Charge for Street Fund Resources
4516	INTERGOV-TARRANT COUNTY	All	County pays incremental portion of tax between 2012 base year (\$17,655,478) and current year; 75% participation rate, maximum participation is \$2,481,849
4517	INTERGOV-TARRANT HOSPITAL	All	Hospital district pays incremental portion of tax between 2012 base year (\$17,655,478) and current year; 50% participation rate, maximum participation is \$1,427,690
4518	INTERGOV-TARRANT COLLEGE	All	College pays incremental portion of tax between 2012 base year (\$17,655,478) and current year; 50% participation rate, maximum participation is \$939,000
4519	INTERGOV-CITY OF KENNEDALE	All	City pays incremental portion of tax between 2012 base year (\$17,655,478) and current year; 100% participation rate
4805	COMMUNITY CENTER RENTAL	1	Rental fees for Community Center use
4805	PARK PAVILLION RENTAL	17	Rental fees for Park Pavillion use
4805	RENTAL FEES-SHOPPING CENTER	15	Rental fees for shops in Town Center (Etron, City Electric, Iron Wheel Antiques, Dollar General)
4806	SENIOR CENTER BUILDING RENTAL	All	Rental fees for Senior Center use
4807	BALLFIELD RENTAL	All	Ballfield rental fees (except KYA)
4886	SALE OF PARTS/ASSETS	All	Receipts from the sale/auction of city property
4906	TRANSFER IN-GENERAL	All	Charge for services provided by General Fund resources
4917	TRANSFER IN-STREET FUND	All	Charge for services provided by Street Fund resources
4945	TRANSFER IN - ROADWAY IMPACT	All	Roadway impacts to the TIRZ
4960	TRANSFER IN-PROJECTS	All	Transfer from Capital Projects Fund to Debt Service Fund for debt service payment See 5702
4963	TRANSFER IN-WATER IMPACT	All	Charge for services provided by Water/Sewer Fund resources
4964	TRANSFER IN-SEWER IM	All	Charge for services provided by Water/Sewer Fund resources
4965	TRANSFER IN-ROADWAY	All	Charge for services provided by Water/Sewer Fund resources
5101	SALARIES	All	Wages paid to full time employees for time worked
5107	OVERTIME	All	Overtime payment for Fire > 106 hours in two week period; Police > 86 hours in two week period and all non exempt employees > 40 hours in a week

Object	Account Name	Funds	Description
5108	FLSA OVERTIME	All	Fire overtime for hours worked over 106 in a two week period
5109	TEMPORARY/PART-TIME	All	Wages paid to part time employees for time worked
5112	ASSIGNMENT PAY	All	Assignment pay as provided by City policy
5113	INCENTIVE PAY	All	Incentive pay as provided by City policy
5114	LONGEVITY PAY	All	Paid annually to employees with 12+ months of service prior to September 30. \$8, \$10, OR \$12 per month based on length of service
5115	RETIREMENT	All	Retirement for employees / Texas Municipal Retirement System is the 3rd Party Retirement provider
5116	UNEMPLOYMENT INSURANCE	All	Texas Workforce Commission required. Premium paid on the first \$9,000 in wages per employee.
5117	FICA	All	Required employment taxed based on 6.20% social security and 1.45% FICA for a total of 7.65% of employees pay. Remitted to IRS.
5118	MEDICAL INSURANCE	All	Medical insurance employer paid portion of premium
5119	WORKERS' COMPENSATION	All	TML Intergovernmental Risk Pool is the provider.
5120	LIFE INSURANCE	All	Life insurance employer paid at 2X annual salary
5121	DENTAL INSURANCE	All	Dental insurance employer paid portion of premium
5122	VISION INSURANCE	All	Vision Insurance employer paid portion of premium
5123	HEALTH ADMIN FEES	All	Benefit administrator fees, HRA administration fee, COBRA fee, Employee Assistance Program (EAP) fee, Telemedicine fee, FSA administration fee
5125	TUITION REIMBURSEMENT	All	Tuition reimbursement in accordance with City policy
5210	CHEMICAL SUPPLIES	All	Shop only solvents & cleaners, annual parts cleaner maintenance, pesticides and other chemicals
5220	UNIFORMS	All	Logoed shirts or uniforms purchased for employees to wear at work, bullet proof vests, name tags, holsters, badges, hats, jackets, coats, gloves, boots
5225	LIFE SAFETY EQUIPMENT	All	Personal protective for fire to include coat, pants, boots, good, gloves, SCBA pack, bottles, and mask
5230	CLEANING SUPPLIES	All	Cleaning supplies, trash bags, mop heads, paper products, dish soap, laundry detergent, apparatus cleaning & polishing supplies, toilet paper, chemicals
5240	PRINTED SUPPLIES	All	Logoed or printed items such as stationary, business cards, envelopes, post cards, employee handbooks, forms, calendars, maps, signs, and crime prevention information
5241	PUBLIC SAFETY MEASURE	35	Public safety equipment purchases
5260	GENERAL OFFICE SUPPLIES	All	Ink, toner, pens, paper, tax forms, binders, dividers
5261	POSTAGE	All	Stamps and postage for mailed items
5280	MINOR EQUIP/SMALL TOOLS<\$5K	All	Small items less than \$5k, tasers, pepper guns, TVs, refrigerators, extractor/washer/dryer, lockers, desks, office chairs, hydraulic tools, saws, firefighting tools & equipment (hose, nozzles, hand tools, ropes, salvage equip), lawn equipment, weed eater, workout equipment, repair of such equipment NOTE: for printers, scanners see 5440
5285	FUEL	All	Purchase of gasoline for City vehicles and equipment
5288	EMS SUPPLIES	All	Oxygen, medication, dressings, EMS/IV Supplies, medical equipment batteries
5289	MEDICAL SUPPLY AND EQUIPMENT	All	Police patrol supplies (gloves, water, EMS, etc.)
5290	EXPENDABLE SUPPLIES	All	Bank supplies, deposit tickets, check stock, crime scene kits, evidence kits, sympathy flowers, greeting cards, batteries, fire station suppliers (paper goods), library summer reading & other program supplies
5291	GRANT FUNDED SUPPLIES	35	Specific items identified in a grant
5292	MEDICAL SUPPLIES	35	Items required for ambulances to provide medical care
5292	LIBRARY PROCESSING SUPPLIES	1	Library inventory & replenishment supplies
5294	LIBRARY BOOK-CITY FUND	All	Library books, periodicals, DVDs, and databases
5297	FIRE OPERATIONS EXPENDABLE SUPPLIES	All	Foam, hydrant reflectors-rings, hazmat, tarps, shop supplies
5298	VICTUALS BEVERAGES & GROCERY	All	Coffee bar, water, meeting refreshments, and food items
5403	BUILDING MAINTENANCE	All	Janitorial and cleaning services, floor & carpet cleaning, flags, building security, fire inspections, pest control, keys, cleaning supplies, heating/AC service, building improvements, plumbing, electrical, lights, generator, paint, landscape materials, repairs
5404	PARK MAINTENANCE	All	Park maintenance supplies to include fountain repairs, signs, light sockets, cleaning supplies, chemicals, fertilizer, grass seed
5405	TOWN CENTER PLAZA	All	Mowing contract, chemicals, fertilizer, grass seed, repair and maintenance
5406	SONORA PARK	All	Cleaning supplies, chemicals, fertilizer, grass seed, park WIFI, repair and maintenance
5407	STREET MAINTENANCE	All	Concrete and asphalt street maintenance and repair, striping, pot holes, traffic buttons, etc.
5408	OTHER PARKS/MISC.	All	Cleaning supplies, chemicals, fertilizer, grass seed, park WIFI, repair and maintenance
5409	IRRIGATION MAINTENANCE	All	Irrigation repair and maintenance, sprinkler heads and lines

Object	Account Name	Funds	Description
5420	MACHINERY/TOOL MAINTENANCE	All	Stand alone generator maintenance, SCBA air compressor contract, SCBA flow/fit & cylinder hydrostrat testing, gas detector calibration, minor equipment maintenance, physio control contract, EKG maintenance, hydraulic extrication tools, ladder testing
5430	MOTOR VEHICLE MAINTENANCE	All	Brakes, tires, suspension work, engine repairs, body repairs, chasis, pump, water tank, ladders, tires, wheels, batteries, lubrication, electronics, lights, pump routine maintenance to include fluid changes, inspection, registration, to include all City vehicles
5440	OFFICE EQUIP	All	Scanners, printers, copiers, and maintenance of office equipment. Includes machine and copy usage. NOTE: Use 5445 for Software
5441	OTHER ECONOMIC EXPENSE	35	Other expenses related to Cares Act Funding
5444	COMMUNICATION AND ENFORCEMENT	35	Communication equipment related to Cares Act Funding
5445	SOFTWARE	All	Software licenses & maintenance, website domain
5446	WATER/SEWER PROJECTS	35	Water/sewer projects related to Cares Act Funding
5460	RADIO MAINTENANCE	All	Radio maintenance agreements, repairs, radio batteries
5480	SIGNS/FENCE/SIDEWALK MAINTENANCE	All	Street signs, sidewalk repairs, fence/deck repair
5501	ADVERTISING	All	Items published in newspaper such as legal notices (Council & Committee Meetings, Public Hearings), recruiting ads, abandoned property notice, zoning notices
5510	ASSOC DUES/PUBLICATIONS	All	Membership dues, renewals (Sam's Club, Cooperatives), notary applications and renewals, trade journals, periodicals, books
5511	VOLUNTEER MEETINGS	All	Expenses related to volunteer meetings
5515	TRAINING/SEMINARS-LEOSE	34	Training expense for State Law Enforcement Officer Standards and Education (LEOSE) as approved by the Chief of Police
5517	FIREARMS TRAINING	All	Firearms/Taser training (ammo, range, etc.)
5518	YAC	41	Expense related to Youth Advisory Committee donations
5519	FIRE	41	Expense related to fire donations
5520	BARK IN PARK	41	Expense related to Bark in the Park donations
5522	KEEP KENNEDALE BEAUT	41	Expense related to Keep Kennedale Beautiful donations
5523	SECTION HOUSE / CHAMBER BUILDING	41	Expense related to Section House / Chamber building donations
5524	911 MEMORIAL	41	Expense related to 911 Memorial donations
5525	TRAINING/SEMINARS	All	Training, seminars, conferences, testing, certification fees
5526	POLICE	41	Expense related to Police donations
5527	PUBLIC SAFETY EDUCATION	All	CPR/AED education materials, public safety open house supplies
5528	COMMUNITY THEATRE	41	Expense related to Community Theatre donations
5529	ARTS MARKET	41	Expense related to Arts Market donations
5530	ELECTRIC SERVICES	All	Electricity as provided by GEXA Energy
5535	GAS SERVICES	All	Gas as provided by ATMOS Energy
5540	INSURANCE-AUTO	All	TML Intergovernmental Risk Pool is the provider.
5545	INSURANCE-PROPERTY	All	TML Intergovernmental Risk Pool is the provider.
5550	INSURANCE-GENERAL LIABILITY	1 & 10	TML Intergovernmental Risk Pool is the provider. Person/Property coverage for public to which the city may cause damage to include errors & omissions, public employee dishonesty, theft and fraud
5550	STREET IMPROVEMENTS	13	Street improvements related to 2021 Bond Issue
5560	INSURANCE-LAW ENFORCEMENT	All	TML Intergovernmental Risk Pool is the provider. Covers law enforcement capabilities regarding crime fidelity, jails, traffic stops, etc.
5561	RECREATION	30	Expenses related hotel occupancy tax uses as defined in Texas Tax Code Chapter 352
5562	TOURISM	30	Expenses related hotel occupancy tax uses as defined in Texas Tax Code Chapter 352
5564	COMMUNITY RELATIONS	All	Items necessary to build relationships in the community
5565	LEGAL SERVICES	All	City attorney, prosecutor services for monthly court hearings and plea dockets, specialized attorney's as needed
5567	AUDIT SERVICES	All	Annual independent audit of financial statements for City and EDC to include a single audit for Federal funds
5569	IT SUPPORT	All	Net Genius provided, on call fee for IT issues, troubleshooting, monitoring, assistance
5570	SPECIAL SERVICES	All	Record storage and destruction, printing, court reporter for appeal transcripts, language services, court interpreter, chaplain services, contracts for services, safety deposit box, evidence testing, crime scene evidence processing, One Safe Alliance, medical director contractor, fire cable TV/Internet, ambulance billing contract, medical waste service, inspection services, plan reviewer services, comprehensive plan updates, map updates, title reports, air monitoring, gas well safety inspections, storytellers & other library programs, Arlington Library partnership, fiber internet, bank charges, credit charge usage fees, Arlington UB customer service, water sampling/testing, every 5 years -- water/sewer/roadway impact fee study (beginning 2016)
5571	SPECIAL EVENTS	All	Special events of the city to include Christmas Tree Lighting, competitions, festivals, and clean-ups
5572	CODE ENFORCEMENT SERVICES	All	Mowing of properties, match for home program, demolition of substandard structures
5573	ELECTION SERVICES	All	Election expenses, ballot translation

Object	Account Name	Funds	Description
5574	FILING FEES	All	Notice of lien, mowing liens, plats, easements, TCEQ and other State fees (stormwater permit fee), court house filing fees to include real estate documents, etc.
5575	EQUIPMENT RENTAL	All	Rental fees for copiers, scanners, shredders, plotters, backhoe, trenchers, pumps
5576	STRATEGIC PLANNING	All	Expenses related to long-term strategic planning
5578	TRAVEL	All	Association travel, YAC Summit, hotel, meals, mileage, luncheons
5580	BRICK PAVERS	14	Brick pavers for Town Center Park
5580	ENGINEERING SERVICES	All Other	Engineering services, DRC meetings, annual TCEQ stormwater report, drainage review, zoning/utility maps
5581	JUDGE SERVICES	All	Contract with Judge to include any conferences or training
5583	ANIMAL CONTROL	All	Shelter charges, license tags, vet supplies, traps, food, toys
5585	TELEPHONE SERVICES	All	Land lines, long distance, cell phones, air cards, hot spots, Mansfield fiber optic, SCADA fax/phone service, Logix digital phone service, and fax services
5587	APPRAISAL SERVICES	All	Contract with Tarrant County Appraisal District
5588	HR RELATED TESTS	All	Employee tests to include drug, medical, evaluations, DOT, physicals
5589	JANITORIAL SERVICES	All	Contract with M&R Cleaning and other cleaning contracts (windows, sidewalks, fences)
5590	WATER/SEWER SERVICES	All	Water usage
5591	TRASH/DISPOSAL/DUMP SERVICES	All	Hazardous household waste drop off, tire disposal from bi-annual clean-up, annual clean up event, spoil to IESI/wastewater sludge disposal to cold springs, haul off brush/spoil/asphalt/concrete
5592	INTERGOV-FORT WORTH SEWER	All	Charges for Fort Worth provided wastewater services to include volume, BOD, TSS, and administrative charges
5594	INTERGOV-ARLINGTON SEWER	All	Charges for Arlington provided wastewater
5595	ADMIN CHARGE – GENERAL FUND	All Funds	Charge for services provided by General Fund resources
5593	LANDSCAPING -- CAM	15 / Dept 2	Economic Development Corporation landscaping
5596	FRANCHISE FEE – STREET FUND	All	Right of way franchise fee for street repair for water sewer damages
5597	INTERGOV-FORT WORTH WATER	All	Charges for Fort Worth provided wholesale water to include consumption, meter, max peak charges
5598	ADMIN CHARGE-STREET FUND	7	Charge for services provided by Street Fund resources
5598	INTERGOV- ARLINGTON WATER	10	Charges for Arlington provided wholesale water
5598	INTERGOV-CITY OF MANSFIELD	1	Dispatch, jail, connectivity software
5599	INTERLOCAL-CITY OF ARLINGTON	All	Interlocal agreement with Arlington for the operation and maintenance of the water/sewer system. Subject to an annual true-up.
5601	ENTERPRISE LEASE POLICE	All	Enterprise lease payment for vehicle lease
5602	ENTERPRISE LEASE STREETS	All	Enterprise lease payment for vehicle lease
5603	2007 \$4.365M GO RFND – PRINCIPAL	2	Bond Principal Payment
5603	ENTERPRISE LEASE SENIOR CENTER	5	Enterprise lease payment for vehicle lease
5604	ENTERPRISE LEASE FIRE	All	Enterprise lease payment for vehicle lease
5605	ENTERPRISE LEASE COMMDEV	All	Enterprise lease payment for vehicle lease
5606	2016 3.72M REFUNDING	All	Bond Principal Payment
5607	2016 3.72M REFUNDING	All	Bond Interest Payment
5608	ENTERPRISE LEASE CITY MANAGER	All	Enterprise lease payment for vehicle lease
5612	2007 \$4.365M GO RFND	All	Bond Principal Payment
5613	2007 \$4.365M GO RFND INTEREST	All	Bond Interest Payment
5615	FUNCTIONAL GRANT	All	H20 380 sales tax agreement and Watson Glass 380 property tax agreement (May 2019)
5621	BANK FEES / PAYING AGENT FEES	All	Bank fees related to bond amortization
5622	ARBITRAGE/DISCLOSURE	All	Payment to Financial Advisor for annual continuing disclosure posting on Electronic Market Municipal Access
5643	2007 \$1.2M TAX BOND-INTEREST	15	Bond Interest Payment
5643	2007 \$2.735M CO-INTEREST	2	Bond Interest Payment
5643	2007 \$2.9M CO-INTEREST	10	Bond Interest Payment
5644	2007 \$1.2M TAX BOND-PRINCIPAL	15	Bond Principal Payment
5644	2007 \$2.735M CO-PRINCIPAL	2	Bond Principal Payment
5644	2007 \$2.9M CO-PRINCIPAL	10	Bond Principal Payment
5645	2011 \$1.7M TX LEVERAGE – INT	All	Note Interest Payment
5646	2011 \$1.7M TX LEVERAGE – PRIN	All	Note Principal Payment
5653	2019 \$2.0M TAX NOTES	All	Note Principal Payment
5654	2019 \$2.0M TAX NOTES	All	Note Interest Payment
5655	2020A \$1.54M GO RFND	All	Bond Principal Payment
5656	2020A \$1.54M GO RFND	All	Bond Interest Payment
5657	2021 \$6.0M CO-PRINCIPAL	All	Bond Principal Payment
5658	2021 \$6.0M CO - INTEREST	All	Bond Interest Payment
5667	2020 \$1.26M GO REFUNDING – PRINCIPAL	All	Bond Principal Payment
5668	2020 \$1.26M GO REFUNDING – INTEREST	All	Bond Interest Payment
5701	TRANSFER OUT - GENERAL FUND	All	Charge for use of General Fund resources
5702	TRANSFER OUT – DEBT SERVICE	All	Transfer to cover debt service requirements See 4960
5705	TRANSFER OUT-CAP REPLACE FUND	All	Transfer to Capital Replacement fund for Enterprise Lease

Object	Account Name	Funds	Description
5710	TRANSER OUT – W/S FUND	All	Partial funding of \$2.9M 2007 CO Bond for 16" water line (based on impact fee revenue and available fund balance)
5711	TRANSFER OUT - WATER/SEWER FUND	All	Charge for services provided by Water Sewer Fund resources
5717	TRANSFER OUT - STREETS FUND	All	Charge for services provided by Street Fund resources
5760	TRANSFER OUT	85	Transfer siezed property
5798	INCREMENTAL PROP TAX to TIF	All	Portion of property taxes due to the TIF from the General Fund
5820	BUILDING IMPROVEMENTS	All	Improvements to Sonora Park
5833	CDBG SEWER PROJECT	All	Completion of CDBG sewer project
5834	WATER LINE INSTALLATION	All	Water infrastructure projects
5835	SEWER LINE INSTALLATION	All	Sewer infrastructure projects
5839	COA WATER CONNECTION LINE	All	Water infrastructure projects
5861	MOTOR VEHICLES	1	Brush Truck for Fire Department
5867	AMBULANCE SUPPLIES/EQUIPMENT	13	Supplies and equipment related for the City's ambulance(s)
5870	OTHER EQUIPMENT	All	Equipment not covered in other line items
5875	CONSTRUCTION	All	Capital Improvements
5910	FIRE & POLICE VEHICLES	All	Cost of vehilces and upfitting to match specific department needs.
5955	SONORA PARK BALLFIELDS	14	Repair and maintenance of Sonora Park ballfields

STAFF REPORT
TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: REGULAR SESSION ITEM V.C.9.

SUBJECT

Discuss and take action on the ratification of the property tax for Fiscal Year 2024.

ORIGINATED BY

Jonathan Horton

SUMMARY

In accordance with Texas Local Government Code Chapter 102, adoption of a budget that will require raising more revenues from property taxes than in the previous year requires a separate vote from the governing body to ratify the property tax increases reflected in the budget. This vote is in addition to and separate from the vote to adopt the budget or a vote to set the tax rate as required by Chapter 21, Tax Code, or other law.

RECOMMENDATION

Approve

Approve using the following language:

"I move to ratify the property tax increase as reflected in the adopted FY25 budget."

ATTACHMENTS

1.	Ratify Tax Rate	Ratify Tax Rate.docx
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**CITY OF KENNEDALE
ORDINANCE NO**



AN ORDINANCE OF THE CITY OF KENNEDALE, TEXAS, LEVYING MUNICIPAL AD VALOREM TAXES FOR USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF KENNEDALE, TEXAS, FOR THE 2024-2025 FISCAL YEAR AT THE RATE OF \$0.706190 PER ONE HUNDRED DOLLARS (\$100.00), AND FOR EACH YEAR THEREAFTER UNTIL OTHERWISE PROVIDED, ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF KENNEDALE; PROVIDING FOR APPORTIONING EACH LEVY FOR SPECIFIC PURPOSES; AND PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT IF NOT PAID; APPROVING THE TAX ROLLS; PROVIDING A SEVERABILITY CLAUSE; REPEALING CONFLICTING ORDINANCES; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, the City Council of the City hereby finds that the tax for the fiscal year beginning October 1, 2024, and ending September 30, 2025, levied for current expenses of the City and the general improvements of the City and its property, must be levied to provide the revenue requirement for the budget for the ensuing year; and

WHEREAS, the City Council has approved by a separate Ordinance adopted on the  day of August, 2024, the budget for the fiscal year beginning October 1, 2024 and ending September 30, 2025; and

WHEREAS, the City has followed the procedures established by the law, including the publishing and posting of required notices and the holding of the required meeting to vote on the tax rate; and

WHEREAS, pursuant to Section 26.05 of the Texas Tax Code, the City Council held a public hearing concerning the proposed tax rate on August , 2024, and all statutory and constitutional requirements concerning the levying and assessing of ad valorem taxes have been completed in due and correct time; and

WHEREAS, the City Council has, by record vote, approved separately each of the two components of the tax rate set forth.

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

SECTION 1.

All of the above premises are found to be true and correct and are incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2.

The real and personal property tax appraisal rolls, as certified by the Chief Appraiser of the Tarrant County Appraisal District to the City Council for the 2024-2025 tax year are hereby accepted.

SECTION 3.

There is hereby levied and there shall be collected for the use and support of the municipal government of the City, and to provide an Interest and Sinking Fund for the 2024-2025 fiscal year, upon all property, real, personal, and mixed, within the corporate limits of said City subject to taxation, an ad valorem tax rate of \$0.706190 on each One Hundred Dollars (\$100.00) assessed valuation of property, said tax being so levied and apportioned to the specific purposes herein set forth:

1. For the purpose of defraying the current maintenance and operation expenses of the City (General Fund), a tax of \$[REDACTED] on each One Hundred Dollars (\$100.00) assessed value of all taxable property.
2. For the purpose of creating a Debt Service Fund to pay the interest and principle on all outstanding indebtedness, a tax of \$[REDACTED] on each One Hundred Dollars (\$100.00) assessed value of all taxable property within the City which shall be applied to the payment of such interest and maturities of all outstanding bonded indebtedness.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY [REDACTED] % PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000.00 HOME BY APPROXIMATELY \$[REDACTED].

3. TOTAL tax rate: \$[REDACTED].

SECTION 4.

The taxes levied under this Ordinance shall be due October 1, 2024 and, if not paid on or before January 31, 2025, shall immediately become delinquent. There shall be no discount for payment of taxes prior to January 31, 2025. Payment of such taxes shall be due in one full installment except as otherwise required by law. A delinquent tax shall incur all penalty and

interest authorized by State Law, Section 33.01 of the Texas Tax Code.

SECTION 5.

All taxes shall become a lien upon the property against which assessed, and the City tax collector is hereby authorized and empowered to enforce the collection of such taxes according to the Constitution and laws of the State of Texas and ordinances of the City and shall, by virtue of the tax rolls, fix and establish a lien by levying upon such property, whether real or personal, for the payment of said taxes penalty and interest. The interest and penalty collected from such delinquent taxes shall be apportioned to the general fund of the City. All delinquent taxes shall bear interest from the date of delinquency at the rate as prescribed by State law.

SECTION 6.

Taxes are payable at the offices of the Tarrant County Tax Assessor-Collector. The County shall have available all rights and remedies provided by law for the enforcement of the collection of taxes levied under this Ordinance.

SECTION 7.

Pursuant to the authority granted by Section 33.07 of the Texas Tax Code, in the event that taxes herein levied become delinquent on or after February 1st, but not later than May 31st of the year in which they become delinquent, and in the event such delinquent taxes are referred to an attorney for collection, an additional amount of twenty percent (20%) of the total amount of tax, penalty and interest then due shall be added as collection costs to be paid by the taxpayer, for all taxes delinquent on or after July 1, 2025.

SECTION 8.

Pursuant to the authority granted by Section 33.08 of the Texas Tax Code, the City further provides that all 2024 taxes and taxes for all subsequent years that become delinquent on or after June 1st of the year in which they become delinquent shall, in order to defray the costs of collection, incur an additional 20% of the delinquent tax, penalty and interest.

SECTION 9.

This Ordinance shall be cumulative of all provisions of ordinances of the City, except where the provisions of this Ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

SECTION 10.

In the event any section, subsection, paragraph, clause, phrase, or provision of this Ordinance shall be judged invalid or held unconstitutional, the same shall not affect the validity of

this Ordinance as a whole or any part thereof, other than the part so decided to be invalid or unconstitutional.

SECTION 11.

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

SECTION 12.

The officers of the City are hereby directed to engross and enroll this Ordinance by copying the caption and the effective date clause in the City Council minutes and by filing this Ordinance in the ordinance records of the City.

SECTION 13.

The necessity of fixing and levying municipal ad valorem taxes of the City for the next fiscal year is required by laws of the States of Texas, and requires that this Ordinance shall take effect immediately from and after its passage, and it is accordingly so ordained.

PASSED, APPROVED, AND ADOPTED this 20th day of August, 2024.

	<u>Aye</u>	<u>Nay</u>	<u>Abstention</u>
Brad Horton, Mayor	_____	_____	_____
David Glover, Place 1	_____	_____	_____
Thelma Kobeck, Place 2	_____	_____	_____
Kenneth Michels, Place 3	_____	_____	_____
Chris Gary, Place 4	_____	_____	_____
Jeff Nevarez, Place 5	_____	_____	_____

APPROVED:

ATTEST:

Brad Horton, Mayor

Bobbie Jo Taylor, City Secretary

STAFF REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: REGULAR SESSION ITEM V.C.10.

SUBJECT

Discuss and hold a Roll Call Vote to take action on an ordinance of the city of Kennedale, Texas, levying municipal ad valorem taxes for use and support of the municipal government of the city of Kennedale, Texas, for the 2024-2025 fiscal year at the rate of \$0.706190 per one hundred dollars (\$100.00), and for each year thereafter until otherwise provided, on all taxable property within the corporate limits of the city of Kennedale; providing for apportioning each levy for specific purposes; and providing when taxes shall become due and when same shall become delinquent if not paid; approving the tax rolls; providing a severability clause; repealing conflicting ordinances; providing a savings clause; and providing an effective date.

ORIGINATED BY

Jonathan Horton

SUMMARY

A taxing unit may not impose property taxes in any year until the governing body has adopted a tax rate for that year, and the annual tax rate must be set by ordinance, resolution, or order, depending on the method prescribed by law for adoption of a law by the governing body. The vote on the ordinance, resolution, or order setting the tax rate must be separate from the vote adopting the budget. This final vote is necessary since we are adopting a rate above the no-new-revenue tax rate.

This must be a record vote with at least 60% of Council members voting in favor.

RECOMMENDATION

Approve

Approve using the following language:

"I move that the property tax rate be increased by the adoption of a tax rate of \$0.706190, which is effectively a 2.91% increase in the tax rate."

Non-Specific required language if the property tax rate exceeds the no-new revenue tax rate:

"I move that the property tax rate be increased by the adoption of a tax rate of (specify tax rate), which is effectively a (insert percentage by which the proposed tax rate exceeds the no-new-revenue tax rate) percent increase in the tax rate."

ATTACHMENTS

1.	Tax Ord 2024-2025	Tax Ord 2024-2025.pdf
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**CITY OF KENNEDALE
ORDINANCE NO. 774**

AN ORDINANCE OF THE CITY OF KENNEDALE, TEXAS, LEVYING MUNICIPAL AD VALOREM TAXES FOR USE AND SUPPORT OF THE MUNICIPAL GOVERNMENT OF THE CITY OF KENNEDALE, TEXAS, FOR THE 2024-2025 FISCAL YEAR AT THE RATE OF \$0.706190 PER ONE HUNDRED DOLLARS (\$100.00), AND FOR EACH YEAR THEREAFTER UNTIL OTHERWISE PROVIDED, ON ALL TAXABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE CITY OF KENNEDALE; PROVIDING FOR APPORTIONING EACH LEVY FOR SPECIFIC PURPOSES; AND PROVIDING WHEN TAXES SHALL BECOME DUE AND WHEN SAME SHALL BECOME DELINQUENT IF NOT PAID; APPROVING THE TAX ROLLS; PROVIDING A SEVERABILITY CLAUSE; REPEALING CONFLICTING ORDINANCES; PROVIDING A SAVINGS CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, the City Council of the City hereby finds that the tax for the fiscal year beginning October 1, 2024, and ending September 30, 2025, levied for current expenses of the City and the general improvements of the City and its property, must be levied to provide the revenue requirement for the budget for the ensuing year; and

WHEREAS, the City Council has approved by a separate Ordinance adopted on the 20th day of August, 2024, the budget for the fiscal year beginning October 1, 2024 and ending September 30, 2025; and

WHEREAS, the City has followed the procedures established by the law, including the publishing and posting of required notices and the holding of the required meeting to vote on the tax rate; and

WHEREAS, pursuant to Section 26.05 of the Texas Tax Code, the City Council held a public hearing concerning the proposed tax rate on August 20, 2024, and all statutory and constitutional requirements concerning the levying and assessing of ad valorem taxes have been completed in due and correct time; and

WHEREAS, the City Council has, by record vote, approved separately each of the two components of the tax rate set forth.

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

SECTION 1.

All of the above premises are found to be true and correct and are incorporated into the body of this Ordinance as if copied in their entirety.

SECTION 2.

The real and personal property tax appraisal rolls, as certified by the Chief Appraiser of the Tarrant County Appraisal District to the City Council for the 2024-2025 tax year are hereby accepted.

SECTION 3.

There is hereby levied and there shall be collected for the use and support of the municipal government of the City, and to provide an Interest and Sinking Fund for the 2024-2025 fiscal year, upon all property, real, personal, and mixed, within the corporate limits of said City subject to taxation, an ad valorem tax rate of \$0.706190 on each One Hundred Dollars (\$100.00) assessed valuation of property, said tax being so levied and apportioned to the specific purposes herein set forth:

1. For the purpose of defraying the current maintenance and operation expenses of the City (General Fund), a tax of \$0.510974 on each One Hundred Dollars (\$100.00) assessed value of all taxable property.
2. For the purpose of creating a Debt Service Fund to pay the interest and principle on all outstanding indebtedness, a tax of \$0.195216 on each One Hundred Dollars (\$100.00) assessed value of all taxable property within the City which shall be applied to the payment of such interest and maturities of all outstanding bonded indebtedness.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 2.91% PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000.00 HOME BY APPROXIMATELY \$19.95.

3. TOTAL tax rate: \$0.706190.

SECTION 4.

The taxes levied under this Ordinance shall be due October 1, 2024 and, if not paid on or before January 31, 2025, shall immediately become delinquent. There shall be no discount for payment of taxes prior to January 31, 2025. Payment of such taxes shall be due in one full installment except as otherwise required by law. A delinquent tax shall incur all penalty and

interest authorized by State Law, Section 33.01 of the Texas Tax Code.

SECTION 5.

All taxes shall become a lien upon the property against which assessed, and the City tax collector is hereby authorized and empowered to enforce the collection of such taxes according to the Constitution and laws of the State of Texas and ordinances of the City and shall, by virtue of the tax rolls, fix and establish a lien by levying upon such property, whether real or personal, for the payment of said taxes penalty and interest. The interest and penalty collected from such delinquent taxes shall be apportioned to the general fund of the City. All delinquent taxes shall bear interest from the date of delinquency at the rate as prescribed by State law.

SECTION 6.

Taxes are payable at the offices of the Tarrant County Tax Assessor-Collector. The County shall have available all rights and remedies provided by law for the enforcement of the collection of taxes levied under this Ordinance.

SECTION 7.

Pursuant to the authority granted by Section 33.07 of the Texas Tax Code, in the event that taxes herein levied become delinquent on or after February 1st, but not later than May 31st of the year in which they become delinquent, and in the event such delinquent taxes are referred to an attorney for collection, an additional amount of twenty percent (20%) of the total amount of tax, penalty and interest then due shall be added as collection costs to be paid by the taxpayer, for all taxes delinquent on or after July 1, 2025.

SECTION 8.

Pursuant to the authority granted by Section 33.08 of the Texas Tax Code, the City further provides that all 2024 taxes and taxes for all subsequent years that become delinquent on or after June 1st of the year in which they become delinquent shall, in order to defray the costs of collection, incur an additional 20% of the delinquent tax, penalty and interest.

SECTION 9.

This Ordinance shall be cumulative of all provisions of ordinances of the City, except where the provisions of this Ordinance are in direct conflict with the provisions of such ordinances, in which event the conflicting provisions of such ordinances are hereby repealed.

SECTION 10.

In the event any section, subsection, paragraph, clause, phrase, or provision of this Ordinance shall be judged invalid or held unconstitutional, the same shall not affect the validity of

this Ordinance as a whole or any part thereof, other than the part so decided to be invalid or unconstitutional.

SECTION 11.

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

SECTION 12.

The officers of the City are hereby directed to engross and enroll this Ordinance by copying the caption and the effective date clause in the City Council minutes and by filing this Ordinance in the ordinance records of the City.

SECTION 13.

The necessity of fixing and levying municipal ad valorem taxes of the City for the next fiscal year is required by laws of the States of Texas, and requires that this Ordinance shall take effect immediately from and after its passage, and it is accordingly so ordained.

PASSED, APPROVED, AND ADOPTED this 20th day of August, 2024.

	<u>Aye</u>	<u>Nay</u>	<u>Abstention</u>
Brad Horton, Mayor	_____	_____	_____
David Glover, Place 1	_____	_____	_____
Thelma Kobeck, Place 2	_____	_____	_____
Kenneth Michels, Place 3	_____	_____	_____
Chris Gary, Place 4	_____	_____	_____
Jeff Nevarez, Place 5	_____	_____	_____

APPROVED:

ATTEST:

Brad Horton, Mayor

Bobbie Jo Taylor, City Secretary

STAFF REPORT TO THE HONORABLE MAYOR AND CITY COUNCIL

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: EXECUTIVE SESSION ITEM VI.A.

SUBJECT

Pursuant to the Open Meetings Act, Chapter 551, Section 551.071 of the Texas Government Code, the Council may convene into executive session at any time during the meeting if a need rises for the City Council to seek advice from the City Attorney concerning any item on this agenda, to discuss pending and contemplated litigation, or a settlement offer, or to discuss a matter in which the duty of the attorney to the City Council under the Texas Disciplinary Rules of Professional Conduct of the State Board of Texas clearly conflicts with Chapter 551.

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS

MEETING DATE: AUGUST 20, 2024

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

SUBJECT

Review of Complaint

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS

MEETING DATE: AUGUST 20, 2024

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

SUBJECT

City Council, Boards and Commissions Social Media Policies

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS

MEETING DATE: AUGUST 20, 2024

AGENDA ITEM NUMBER: EXECUTIVE SESSION ITEM VI.A.3.

SUBJECT

400 N. Little School Rd. - Sewer Backup

ORIGINATED BY

SUMMARY

RECOMMENDATION

ATTACHMENTS