

**NOTICE OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS**



MONDAY, FEBRUARY 18, 2019

6:00 P.M.

Notice is hereby given of a meeting of the Tomball City Council, to be held on Monday, February 18, 2019 at 6:00 P.M., City Hall, 401 Market Street, Tomball, Texas 77375, for the purpose of considering the following agenda items. All agenda items are subject to action. The Tomball City Council reserves the right to meet in a closed session for consultation with attorney on any agenda item should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

1.0 Call to Order

2.0 Invocation

- Led by Pastor Randy Johnson, Carrell Street Baptist Church

3.0 Pledges to U.S. and Texas Flags

4.0 Public Comments and Receipt of Petitions *[At this time, anyone will be allowed to speak on any matter other than personnel matters or matters under litigation, for length of time not to exceed three minutes. No Council/Board discussion or action may take place on a matter until such matter has been placed on an agenda and posted in accordance with law.]*

5.0 Reports and Announcements

- February 19, 2019 – **6th Annual Trail Ride Reception** – 12 Noon at the Depot
- March 4 and March 18, 2019 – Public Hearings regarding renewal of the Juvenile

Curfew Ordinance

- March 9, 2019 – **2nd Saturday at the Depot**
- March 16, 2019 – ***Tomball Honky Tonk Chili Challenge Festival*** at the Depot – 11:00 a.m.-6:00 p.m.
- April 13, 2019 – **2nd Saturday at the Depot**
- Reports by City staff and members of council about items of community interest on which no action will be taken:

- 6.0 Approve the Minutes of the February 4, 2019 Regular Tomball City Council Meeting
- 7.0 New Business Consent Agenda: *[All matters listed under Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, the item in question will be removed from the Consent Agenda and will be considered separately. Information concerning Consent Agenda items is available for public review.]*
- 7.1 Approve Resolution No. 2019-06, a Resolution of the City Council of the City of Tomball, Texas, Supporting the Annual Baseball Parade, to be held in Tomball on Saturday, March 2, 2019
- 7.2 Approve Request by the Tomball Rotary for City of Tomball Support of the Rotary's "Big Show at the Depot" Event, to be Held on Saturday, April 27, 2019, through In-Kind Support Services
- 8.0 New Business:
- 8.1 Approve Partnership with iChoosr Organization to Aggregate Residential Electric Power with Other Residents in the State to Obtain "Group Buying Power"
- 8.2 Conduct Public Hearing of the City Council of the City of Tomball to Consider Proposed Assessments against Copper Cove Section One Properties in the City of Tomball Public Improvement District Number Six Established by City Council Resolution No. 2017-18
- 8.3 Adopt, on First Reading, Ordinance No. 2019-01, an Ordinance of the City Council of Tomball, Texas, Approving the Service and Assessment Plan for the City of Tomball Public Improvement District Number Six (Copper Cove Subdivision)
- 8.4 Adopt, on First Reading, Ordinance No. 2019-02, an Ordinance of the City Council of Tomball, Texas, Levying an Assessment against Section One Properties within the City of Tomball Public Improvement District Number Six (Copper Cove Subdivision); and Making Certain Findings Related
- 8.5 Conduct Public Hearing of the City Council of the City of Tomball to Consider Proposed Assessments against Section Four Properties in the City of Tomball Public Improvement District Number Two (Raleigh Creek Subdivision) Established by City Council Resolution No. 2007-22
- 8.6 Adopt, on First Reading, Ordinance No. 2019-03, an Ordinance of the City Council of Tomball, Texas, Levying an Assessment against Section Four

Properties within the City of Tomball Public Improvement District Number Two
(Raleigh Creek Subdivision); and Making Certain Findings Related Thereto

9.0 Adjournment

C E R T I F I C A T I O N

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall; City of Tomball, Texas, a place readily accessible to the general public at all times, on the 14th day of February 2019 by 5:00 p.m., and remained posted for at least 72 continuous hours proceeding the scheduled time of said meeting.

Doris Speer

Doris Speer
City Secretary, TRMC

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information.

AGENDAS MAY ALSO BE VIEWED ONLINE AT www.ci.tomball.tx.us.

Regular City Council
Agenda Item
Data Sheet

Meeting Date: February 18, 2019

Topic:

- Led by Pastor Randy Johnson, Carrell Street Baptist Church

Background:

Origination:

Recommendation:

Party(ies) responsible for placing this item on agenda:

ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

Regular City Council

Agenda Item

Data Sheet

Meeting Date: February 18, 2019

Topic:

- February 19, 2019 – ***6th Annual Trail Ride Reception*** – 12 Noon at the Depot
- March 4 and March 18, 2019 – Public Hearings regarding renewal of the Juvenile Curfew Ordinance
- March 9, 2019 – **2nd Saturday at the Depot**
- March 16, 2019 – ***Tomball Honky Tonk Chili Challenge Festival*** at the Depot – 11:00 a.m.-6:00 p.m.
- April 13, 2019 – **2nd Saturday at the Depot**
- Reports by City staff and members of council about items of community interest on which no action will be taken:

Background:

Origination:

Various

Recommendation:

N/A

Party(ies) responsible for placing this item on agenda:

City Secretary

ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

ATTACHMENTS:

Trail Ride Reception

Public Hearings regarding renewal of the Juvenile Curfew Ordinance

Tomball Honky Tonk Chili Challenge Festival

The Sam Houston Trail Riders are Coming to Town!

Tuesday, February 19th ★ High noon 'til 2 o'clock
Tomball's downtown depot – 201 S. Elm Street



Experience a piece of the old West. Pose for pictures.
Meet the cowpokes. Free hotdogs and giveaways, too.



**NOTICE OF PUBLIC HEARING
CITY OF TOMBALL, TEXAS**

**MONDAY, MARCH 4, 2019
AND
MONDAY, MARCH 18, 2019**



6:00 P.M.

Notice is hereby given that the Governing body of the City of Tomball, Texas, will hold Public Hearings during the Regular City Council Meetings to be held on Monday, MARCH 4, 2019, and Monday, MARCH 18, 2019, at City Hall, 401 Market Street, Tomball, Texas 77375 at 6:00 p.m. to consider the following:

**CONDUCT A PUBLIC HEARING AND REVIEW OF THE
CITY OF TOMBALL'S JUVENILE CURFEW ORDINANCE
TO DETERMINE THE NEED TO RE-ADOPT, ABOLISH,
CONTINUE OR MODIFY THE ORDINANCE.**

Any member of the public has the right to appear at these Public Hearings and will be given an opportunity to be heard.

Written comments should be received no later than February 27, 2019 for the March 4, 2019 Public Hearing and no later than March 13, 2019 for the March 18, 2019 Public Hearing. Please submit comments to the City Secretary, 401 Market Street, Tomball, Texas 77375.

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, City of Tomball, Texas, a place readily accessible to the general public at all times, on the 6th day of February 2019 by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meetings.

Doris Speer
Doris Speer
City Secretary, TRMC, MMC

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information. AGENDAS MAY ALSO BE VIEWED ONLINE AT www.ci.tomball.tx.us.



HONKY TONK CHILI CHALLENGE TOMBALL, TEXAS

Saturday, March 16, 2019

Downtown 1907 Depot Museum

11 am to 6 pm

Free admission & parking

PERFORMING...

- JEFF WOOLSEY & THE DANCEHALL KINGS
- PALOMINO MOON
- THE COUNTRY ALL-STARS

A CASI sanctioned chili cook-off with teams from across Texas. CASI and local divisions.

Kids Zone, Vendors, Food and more!

For information, or to register a cook team, contact

mbaxter@tomballtx.gov

Visit Tomball Texan for Fun on Facebook

H-E-B

Keep
Tomball
Fun!

Regular City Council
Agenda Item
Data Sheet

Meeting Date: February 18, 2019

Topic:
Approve the Minutes of the February 4, 2019 Regular Tomball City Council Meeting

Background:

Origination:
City Secretary

Recommendation:
Approve Minutes

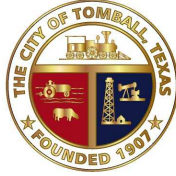
Party(ies) responsible for placing this item on agenda:
City Secretary

ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

ATTACHMENTS:

Draft Minutes of the February 4, 2019 Regular Tomball City Council Meeting

**MINUTES OF REGULAR CITY COUNCIL MEETING
CITY OF TOMBALL, TEXAS**



**MONDAY, FEBRUARY 4, 2019
6:00 P.M.**

1.0 Meeting was called to order by Mayor Fagan. Other members present:

Councilman Ford
Councilman Stoll
Councilman Degges
Councilman Townsend
Councilman Klein Quinn

Others present:

City Manager – Robert Hauck
Assistant City Manager – David Esquivel
City Secretary – Doris Speer
City Attorney – Loren B. Smith
Director of Public Works – Beth Jones
Police Chief – Billy Tidwell
Fire Chief – Randy Parr
Finance Director – Glenn Windsor
Director of Community Development – Craig Meyers
Assistant City Secretary – Tracy Garcia
Events Coordinator – Denise Fiore
Community Center Manager – Rosalie Dillon
Police Officer-Investigations – David White

2.0 The invocation was led by Pastor Collin Powell, Chaplain, Houston Methodist Hospital.

3.0 Pledges to the U. S. and Texas Flags were led by Cub Scout Pack 1201.

4.0 The following public comments were received:

Millie Martin	-	Discussed the planned restoration of
13319 Spring Hollow, 77375		Theis Attaway Nature Center.

5.0 Reports and Announcements:

- February 9, 2019 – **2nd Saturday at the Depot**
- February 15, 2019– Last day to apply for Place on Ballot for the May 4, 2019 City General Election
- February 18, 2019 – Public Hearing regarding PID 6, Copper Cove Subdivision
- February 18, 2019 – Public Hearing regarding PID 2, Section 4, Raleigh Creek Subdivision
- February 19, 2019 – **Trailride Reception** – 12 Noon at the Depot
- Tomball Police Department Annual Data Capture Report - 2018 (SB 1074)
- March 4 and March 18, 2019 – Public Hearings regarding renewal of the Juvenile Curfew Ordinance
- March 9, 2019 – 2nd Saturday at the Depot
- March 16, 2019 – **Tomball Honky Tonk Chili Challenge Festival** at the Depot – 11:00 a.m.-6:00 p.m.
- Reports by City staff and members of Council about items of community interest on which no action will be taken:
 - Glenn Windsor presented the Quarterly Investment Report for Period Ending December 31, 2018. The Public Funds Investment Act requires that a report of the City's Investments be presented to Council on a quarterly basis. The investment report includes a listing of all investments together with information relating to diversification, cost vs. market values at the end of the quarter, yield information, and weighted average maturities. On December 31, 2018, the City had total cash and cash equivalents in the amount of \$67,080,065.
 - Randy Parr presented an update regarding the status of the Firefighter Monument Project, funded entirely through private donations, to be installed at the Central Fire Station on Rudel.

6.0 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve the Minutes of the January 21, 2019 Regular Tomball City Council Meeting.

Motion carried unanimously.

7.0 New Business Consent Agenda: *[All matters listed under Consent Agenda are considered to be routine and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, the item in question will be removed from the Consent Agenda and will be considered separately. Information concerning Consent Agenda items is available for public review.]*

7.1 Approve Request by Tomball High School Athletic Booster Club for City Support of the Tomball High School Athletic Booster Club Crawfish Boil, Benefitting Tomball High School Athletics Scholarship Fund, Endowing The Sammy E.

Lopez Memorial Scholarship, to be held on Saturday, April 6, 2019, from 4:00 p.m. to 8:00 p.m., through In-Kind Services Provided by the City of Tomball

Councilman Townsend requested that Item 7.1 be removed from the New Business Consent Agenda, to allow discussion.

- 7.2 Approve Request by Tomball United Methodist Church for City Support and In-Kind Services to Host a Free Community Easter Egg Hunt at the Tomball Depot, to be Held on Saturday, April 20, 2019, from 2:00 p.m. to 4:30 p.m.

Motion was made by Councilman Stoll, second by Councilman Townsend, to approve New Business Consent Agenda Item 7.2.

Motion to approve Item 7.2 carried unanimously.

8.0 New Business:

- 7.1 Motion was made by Councilman Stoll, second by Councilman Klein Quinn, to approve the request by Tomball High School Athletic Booster Club for City Support of the Tomball High School Athletic Booster Club Crawfish Boil, Benefitting Tomball High School Athletics Scholarship Fund, Endowing The Sammy E. Lopez Memorial Scholarship, to be Held on Saturday, April 6, 2019, from 4:00 p.m. to 8:00 p.m., through In-Kind Services Provided by the City of Tomball. Vote was as follows:

Councilman Ford	<u>Aye</u>
Councilman Stoll	<u>Aye</u>
Councilman Degges	<u>Aye</u>
Councilman Townsend	<u>Nay</u>
Councilman Klein Quinn	<u>Aye</u>

Motion carried, 4 votes Aye, 1 vote Nay.

- 8.1 City staff requested that consideration of the item to approve Partnership with iChoosr Organization to Aggregate Residential Electric Power with Other Residents in the State to Obtain "Group Buying Power" be withdrawn, pending the receipt of additional information.

No action taken.

- 8.2 Motion was made by Councilman Townsend, second by Councilman Klein Quinn, to approve Resolution No. 2019-05, Establishing Comprehensive General Liability Insurance Minimum Limits as Established by Sections 10-22(D)105.8 and 10-51(D)R105.10 of the Tomball Municipal Code

Motion carried unanimously.

- 8.3 Motion was made by Councilman Townsend, second by Councilman Stoll, to approve the Execution of a Contract for Professional Services for E&P Project 2019-10003 related to the Inspection and Cleaning of Sanitary Sewer Lines located along State Highway 249 with OEI, in the Amount of \$60,950.00.

Motion carried unanimously.

- 8.4 Executive Session: The City Council recessed at 6:44 p.m. to meet in Executive Session as Authorized by Title 5, Chapter 551, Government Code, the Texas Open Meetings Act, for the Following Purpose(s):

- Sec. 551.071 - Consultation with the City Attorney regarding a Matter that the Attorney's Duty Requires to be Discussed in Closed Session.
- Sec. 551.072 – Deliberations regarding Real Property

Upon reconvening into regular session at 7:25 p.m., no action was taken.

- 9.0 Motion was made by Councilman Klein Quinn, second by Councilman Stoll, to adjourn.

Motion carried unanimously.

Meeting adjourned.

PASSED AND APPROVED this the 18th day of February 2019.

Doris Speer, TRMC, MMC
City Secretary

Gretchen Fagan
Mayor

Regular City Council

Agenda Item

Data Sheet

Meeting Date: February 18, 2019

Topic:

Approve Resolution No. 2019-06, a Resolution of the City Council of the City of Tomball, Texas, Supporting the Annual Baseball Parade, to be held in Tomball on Saturday, March 2, 2019

Background:

This Resolution is required for submission of TSA's Traffic Control Plan to the Texas Department of Transportation. The parade will begin on the east side of Tomball Intermediate School, located at the intersection of South Vernon and Main Street (FM 2920), entering School Street, continuing east on Main Street (FM 2920), turning north on Elm Street, and finishing at the Little League Park, located in the Wayne Stovall Sports Complex.

The estimated in-kind services for City-provided support services, for Public Works Department is \$223.00 (3 personnel for 2 hours), and for the Police Department is \$1412.00 (8 personnel for 3 hours).

Origination:

Denise Fiore

Recommendation:

Approve

Party(ies) responsible for placing this item on agenda:**ACTION TAKEN**

Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other
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ATTACHMENTS:

Resolution No. 2019-06
TSA Parade Letter
2019 LL Parade Letter

RESOLUTION NO. 2019-06

**A RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF TOMBALL, TEXAS, SUPPORTING THE
ANNUAL BASEBALL PARADE, TO BE HELD IN
TOMBALL ON SATURDAY, MARCH 2, 2019**

* * * * *

WHEREAS the Tomball Sports Association will undertake its Annual Baseball Parade to kick off the Spring 2019 baseball season, to be held in the City of Tomball at 8:30 a.m. on Saturday, March 2, 2019; and

WHEREAS the purpose of the Annual Baseball Parade is to celebrate the beginning of the baseball season and provide an event for our community and the children who enjoy sports; and

WHEREAS it is a chance for Tomball area merchants and business people to come out and encourage our young people by attending the Annual Baseball Parade; and

WHEREAS the Annual Baseball Parade will begin on the east side of Tomball Intermediate School, located at the intersection of South Vernon and Main Street (FM 2920), entering School Street, then continuing east on Main Street (FM 2920), turning north on Elm Street, and finishing at the Little League Park, located in the Wayne Stovall Sports Complex; and

WHEREAS the Tomball Sports Association desires and requests the support and endorsement of the City of Tomball in this community-wide effort;

NOW, THEREFORE, BE IT RESOLVED that the City of Tomball and its governing body endorses and supports the efforts of the Tomball Sports Association in promoting and undertaking the Annual Baseball Parade and pledge to encourage this effort to celebrate the beginning of baseball season;

PASSED AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL HELD ON THE 18TH DAY OF FEBRUARY 2019.

GRETCHEN FAGAN, Mayor

ATTEST:

Doris Speer, City Secretary



Tomball Sports Association

**Tomball Little League
P.O. Box 1084
Tomball, TX 77377**

January 14, 2019

**Honorable Gretchen Fagan
City of Tomball Mayor
401 Market Street
Tomball, Texas 77375**

Dear Mayor Fagan,

This letter is a request for the Tomball City Council to approve a resolution in favor of Tomball Sports Association's Annual Opening Day Parade. This family favorite event kicks off the Spring 2019 baseball season for our players and their families. The parade will be held in Tomball City limits, on Saturday, March 2, 2019 beginning at 8:30 am.

This coming year, the parade will start at the intersection of School Street (at Tomball Intermediate School) and Main Street (FM 2920) and will continue east on Main Street (FM 2920), to turn north onto N. Elm Street and finish at the Wayne Stovall Little League baseball park. In it's entirety, we expect the parade to last approximately 45 minutes.

We appreciate the City of Tomball's past and ongoing support for our Little League Baseball program. Please contact me with any questions.

Sincerely,

**Devon Carpenter
Tomball Little League
President
713.598.7914**

**Cc: Billy Tidwell, Tomball Police Department
David Esquivel, Director of Public Works**

Texas Department of Transportation

To Whom It May Concern:

I am writing to inform you that each year the Tomball Sports Association starts their season with an annual parade. This year's parade will take place on Saturday, March 2, 2019 at 8:30 am.

The parade will start at the intersection of Vernon (at Tomball Intermediate School) and Main Street (F.M. 2920), and will continue east on Main Street to turn north onto N. Elm.

The Tomball Police Department will provide traffic control by shutting down east bound traffic, and one lane (number one lane) of west bound traffic.

The total time estimated for the parade is approximately 30-45 minutes.

If you should have any questions, please do not hesitate to call or email me.

Sincerely,



Lieutenant, D. Arriaga
Tomball Police Department
(281) 290-1340 (ofc.)
(281) 351-2615 fax
darriaga@tomballtx.gov

Regular City Council

Agenda Item

Data Sheet

Meeting Date: February 18, 2019

Topic:

Approve Request by the Tomball Rotary for City of Tomball Support of the Rotary's "Big Show at the Depot" Event, to be Held on Saturday, April 27, 2019, through In-Kind Support Services

Background:

The Tomball Rotary is asking for approval of in kind support for their "Big Show at the Depot" event on April 27, 2019.

This event will be held at the Depot area from 1-9pm. Please see attached proposal for more event information. The in-kind services requested from Public Works Department is an estimated cost of \$1338.00 (4 personnel for 9 hours); the Police Department is an estimated cost of \$1647.00 (4 personnel for 7 hours); and Fire Department is an estimated cost of \$95.00 (4 personnel for 1 hour).

Origination:

Denise Fiore

Recommendation:

Approve

Party(ies) responsible for placing this item on agenda:

ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

ATTACHMENTS:

Big Show at Depot Proposal

Big Show at Depot Site Plan

Big Show at the Depot & 50th Anniversary Fish Fry Overview

For 50 years, the Tomball Rotary Club has held our annual Fish Fry supporting the Rotary Club's efforts to provide scholarships for local students and grants for local charities, and fund various service projects in which Rotarians participate throughout the year.

The event has always included a fish dinner, musical entertainment, a live and silent auction, and our annual Gold Ticket raffle which features a Grand Prize that is typically a car/truck.

This year, in celebration of our 50th year of providing this family-oriented event, and in an effort to increase our fundraising capabilities, we are augmenting our event to include an expanded concert over previous years' entertainment.

To facilitate the event, we've expanded the time to open our gates at 1pm (music to begin at 2pm) and stop our event at our around 9:30pm (published time 9pm).

This year's theme has been titled ***The Big Show at the Depot*** to express our updated format.

Entertainment

The Big Show at the Depot is featuring for the first time an entertainment lineup that is central to the event rather than a side benefit. We have booked five musical performers including:

Will Carter Band

Will Carter and The Will Carter Band performed at last year's Fish Fry. They are a local/regional group that plays primarily contemporary country music. Will is a recognize songwriter who has written such hits as *American Honey* (performed by Lady Antebellum), but primarily writes for pop musical performers like Arianna Grande. Will is from Katy TX and performs at musical venues and festivals all around the Houston area.

Kimberly Dunn

Kimberly Dunn has been recognized as a fast-rising Texas Country star, whose musical influences are rock (the likes of Def Leppard), pop, folk (Alison Krauss), and country. She provides a high-energy act that appeals to wide audiences. Kimberly is a graduate of Texas A&M, lives in Austin currently, and plays all across Texas. Her latest album is produced by Chapman (producer of Taylor Swift and Trisha Yearwood). Her last big show was Thanksgiving Day at AT&T Stadium in Dallas.

Mark May Band

Mark May has left his mark on music as a blues guitarist. In fact, he has been named by Billboard Magazine as in the Top-10 blues guitarists in the world. His unique blues-southern rock style of music has been featured all over the US at various festivals, stage venues, and fairs. Mark has also been highly-praised and featured by Dickey Betts, one of the most acclaimed blues bands in the US.

Texas Flood

One of the most sought-after musical acts in Texas is *Texas Flood*, a Stevie Ray Vaughan tribute band. People who attend their shows often say it was just like seeing SRV play live. Texas Flood has a strong following in Texas and should help us attract many out-of-town followers to our town as part of this acclaimed lineup.

Sundance Head

Our headliner this year is Sundance Head, winner of NBC's The Voice in 2016, and son of Houston legend Roy Head. Sundance has been called the Founder of Soul Country and has performed with ZZ-Top, Blake Shelton, and many other top acts. Sundance brings his own unique Porter-based sound to our stage along with a large following of local area supporters.

The stage location will be determined in conjunction with City of Tomball requirements but we are anticipating that the best location is facing south within and along the northern perimeter along Market St (backstage entrance would be close to the green room location, view would be most unobstructed by trees, etc).

Emcee

This year's event is hosted by KHOU-11 Great Day Houston co-host Cristina Kooker.

Food Options

As our gates are opening at 1pm and our Fish Dinner is still being served beginning at 4pm, we will be hosting local food trucks (up to five) to provide our guests with food options. Our own contracted beverage tent will provide beverage options (beer, wine, and non-alcoholic drinks). The food trucks will stop operating at 3:30pm in preparation for our dinner service (from 4pm-8pm followed by an abbreviated menu afterwards until close).

Food truck fare is available to concert-goers via cash/credit card purchase. All Fish Dinner and beverages will be handled using coupons purchased or included with our Gold Ticket purchase.

Setup/Teardown

Stage and facility setup will begin late evening and early Saturday morning. Perimeter fence, sound and light crews, and food trucks will begin to setup later Saturday morning, along with Rotary event staff.

Teardown of all will begin Saturday night after event has ended, and continue Sunday morning as required.

Parking

Free remote parking will be available at/near HCA Healthcare Houston Tomball Hospital, and transportation shuttles will provide transportation to/from event main gate (located on Walnut St/Market St area). Shuttles will run from 12:30pm until :30 after concert has ended (or when last guest is transported).

Emergency & Security Services

We will determine the appropriate number of personnel with City of Tomball at our various planning meetings and pay for uniformed law enforcement officers for security, as well as EMS and/or TFD for emergency first aid needs.

Restrooms & Sanitation

We will determine (with City of Tomball) appropriate expectations for restroom facilities (in addition to Depot restrooms) and secure rental facilities to park within event barrier for patrons' needs.

We will also work with City of Tomball Public Works to determine final count and position of waste disposal/recycling collection.

Rotary event staff will be available as volunteers to assist City Public Works with debris collection and waste disposal as necessary.

Ticketing

All ticketholders will be directed to our Ticket Booth by our main point of entry to exchange tickets for wrist bands allowing unlimited entry/re-entry. Kids under 12 will be admitted FREE when accompanied by a paid ticket-holding parent.

For security, event containment, and access control, there will be a perimeter fence with controlled gate access for security and ticket value purposes, that essentially borders the event site (from railroad at Market Street, southwest to corner of Market & Walnut St, turning southeast down Walnut St to Fannin St, turning Northeast along Fannin St back to the railroad, with a service entrance (for food trucks and other vendors) at Depot St, and vendor/staff parking on Fannin St near the railroad.

The main gate will be located somewhere near the corner of Market St and Walnut St (depending upon final site planning with city) most likely along Walnut St near the fountain/splash pad area.

Side re-entry gates will be located at two locations (one near the depot on Market St, and another near the gazebo along Fannin St).

All gates will be staffed with Rotary event staff checking for wristbands and assisted by a uniformed officer within sight.

Kids Activities

There will be an inflatable kids play area where younger guests may play during musical acts. Security will be placed nearby for keeping watch on childrens' areas in addition to signage asking parents to watch children at play.

Seating

Concert patrons will be encouraged to bring personal lawn chairs for seating. Rental options will also be available onsite for those who do not do so. There will be one tent with table/chair seating to accommodate some guests.

Expectations of Crowd/Economic Impact

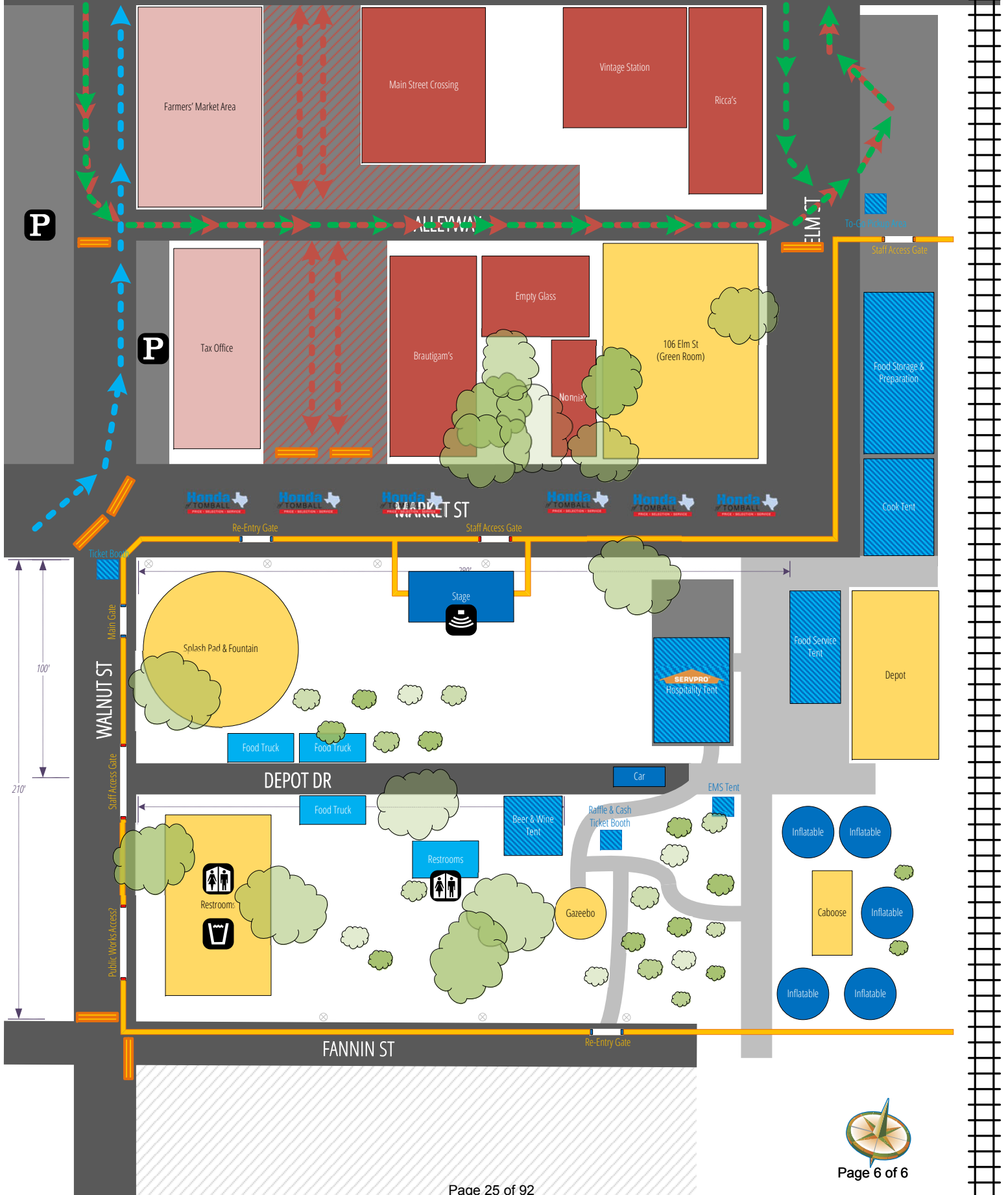
We expect to sell approximately 1,000-1,500 tickets for our event. Anyone who walks up to the event who wish to buy a ticket may do so and enter. For those who attend only a portion of our event or those who walk up but do not wish to purchase a ticket, we will direct them to depot-area restaurants for dinner or music-listening options.

We will require that Market St running northeast from Walnut St to Elm St and around the corner to the alley entrance be blocked to vehicle traffic; also Walnut St from Market St running south to Fannin St; and Fannin St from Walnut St running northeast to the end, creating a pedestrian perimeter around the event.

We have partnered with Main Street Crossing to help facilitate alcohol service and online ticket sales for our event, in addition to providing green room setup and facilitation of our acts awaiting their turn on stage.

Our goal is to attempt to partner with as many local and depot-area businesses as possible for any/all services we are providing our guests. After all, it's about building a community event! We anticipate many concert-goers will visit local establishments around the Depot area, before, during, and after the concert (Fire Ant Brewing, The Empty Glass, Brautigams, Nonnie's, etc).

MAIN ST (FM 2920)



Regular City Council

Agenda Item

Data Sheet

Meeting Date: February 18, 2019

Topic:

Approve Partnership with iChoosr Organization to Aggregate Residential Electric Power with Other Residents in the State to Obtain "Group Buying Power"

Background:

iChoosr brokers a Residential Electrical Aggregate with deregulated cities in Texas. Each city has its own individual campaign, but power is aggregated from registrants from all the cities together to form "Group Buying Power" which is referred to as the Texas Power Switch. This "Group Buying Power" is used to get an affordable and fair rate for the residents of the area. A low rate is negotiated by holding a reverse auction with providers that have been thoroughly vetted with the PUC (Public Utilities Commission). A six round auction in which each of the providers gives their best rate in each round until the rest fall off and one is left as a winner. The registrant (customer) is then presented with a personalized offer that they can either accept or reject. There is no obligation.

The City partners with iChoosr by providing credibility thru the use of the City name / seal. The City can also assist in providing information and communication with residents. No specific provider is pushed and there is no obligation to accept any offer. This provides another opportunity and option for residents to save on their electric utility bill.

Origination:

Administration

Recommendation:

Staff recommends approval

Party(ies) responsible for placing this item on agenda:

David Esquivel, PE

ACTION TAKEN

Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other
--	--	-------

ATTACHMENTS:

iChooser Agreement

iChooser Presentation

AGREEMENT

CITY OF (CITY) and ICHOOSR, LLC

This agreement (“Agreement”) is by and between the City of Tomball, Texas (the “CITY”), and iChoosr, LLC, a Delaware limited liability company (“ICHOOSR”) (each a “Party” or collectively the “Parties”) acting by and through their authorized representatives,

WHEREAS, ICHOOSR has a registered office located at 251 Little Falls Drive, Wilmington, Delaware 19808, and is registered as a Class I aggregator under 16 Tex. Admin. Code § 25.111 at the Public Utility Commission of Texas under number #80419; and

WHEREAS, the Parties wish to enter into this Agreement for the principal purpose of providing the residents of the City (“Residents”) with group purchasing power in the procurement of retail energy (electricity) services;

WHEREAS, the Parties intend to offer Residents an opportunity to register and participate in the Program (hereinafter defined), whereupon ICHOOSR will arrange a competitive bidding process of retail energy suppliers to procure competitive electricity rates for participating Residents.

NOW, THEREFORE, in consideration of the foregoing and of the covenants and agreements herein contained, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged and approved, the Parties agree as follows:

ARTICLE 1 – DEFINITIONS

In this Agreement except where the context clearly indicates otherwise the following words shall have the meanings set forth below:

“Affiliate” shall mean any subsidiary or holding company, including any subsidiary of any such holding company, of ICHOOSR.

“Customer Service” shall mean the service that receives and responds to questions and issues raised by Residents interested in the Program and Participants, through web, email, chat or phone calls.

“Intellectual Property” shall mean all software, technology platforms, websites, databases and other content, business processes, domain names and registrations, and patent, trademark, and copyright registrations and applications thereof owned by a Party as of the Effective Date of this Agreement.

“Participants” are Residents who register and participate in the Program.

“Personal Data” shall mean personally identifiable information of Residents, including, but not limited to, name, address, telephone number, email address, or other contact information (“Personal Data”) and additional information (which may include Personal Data), like home energy data, electronic service identifier (ESID), marketing data and how a Resident uses ICHOOSR’s website(s), a Resident’s participation in the Program, or data that a Resident provides to ICHOOSR when contacting ICHOOSR via email, regular mail, telephone, fax, text message, chat and other correspondence and permissions indicated by electronic submission via the Internet.

“Program” shall mean one of the three “Texas Power Switch” group buying programs, Spring-Summer Program, Summer-Fall Program and the Fall-Winter Program, as organized by ICHOOSR with the principal purpose of providing Residents with group purchasing power in the procurement of retail energy services. Each Program has a (a) Registration phase for Residents to register (b) Auction day for Electric Providers to bid and a (c) Decision phase for Residents to register and switch without obligation.

“Program Communication Plan” shall mean a plan that is established per Program, in which both the CITY and ICHOOSR establish the respective obligations of the Parties relating to promoting the Program among the Residents..

“Residents” shall mean residents of the CITY who receive residential retail energy from their current electric service supplier and are eligible to switch suppliers.

“Residential Customer Agreement” shall mean the agreement between the prevailing retail energy supplier and the Participant, which commences after the successful enrollment of the Participant with the prevailing retail energy supplier(s).

“Resident Data” shall mean information regarding or relating to Residents, including Personal Data and Energy Data

“Successfully Switched Participant” shall mean a Participant who has successfully switched and is accepted and enrolled by the prevailing retail energy supplier and executes a Residential Customer Agreement with the prevailing retail energy supplier.

“Visitor Data” shall mean information regarding or relating to Participants, including Personal Data and Energy Data that is submitted by Participants on the website of ICHOOSR, or submitted initially to a link on the CITY’s website, or submitted by Participants via the Customer Service of ICHOOSR.

ARTICLE 2 – OBLIGATIONS OF THE PARTIES

2.1 ICHOOSR shall:

2.1.1. Organize and help the CITY actively promote at least two Programs each calendar year within the CITY, via agreed marketing and communication efforts as set out in the Program Communication Plan that will be established during a kick-off meeting between the CITY and ICHOOSR.

2.1.2. Organize three Texas Switch Programs per calendar year, which are available for the CITY's Residents to participate in.

2.1.3. Provide the CITY with webpages including the CITY's logo on the 'Texas Power Switch' platform to facilitate registration, auction and switching of Residents.

2.1.4. Set out information for Residents within its website about the Program including the fact that participation is free and provides them with no obligation to accept any recommended retail energy supplier's offer, including Information pages and a Frequently Asked Questions section.

2.1.5. Subject to relevant electricity laws and regulations, arrange for a competitive bidding process for a retail energy contract of at least one year. ICHOOSR will decide on the type of supply contract.

2.1.6. Arrange for a solicitation for retail energy suppliers for the purpose of providing retail energy services to participating Participants, while not guaranteeing that the solicitation will result in a market-leading offer.

2.1.7. Provide Customer Service for the Program.

2.1.8. Provide daily reports detailing the number of participants in the Program and the number of people who have confirmed that they wish to switch to the prevailing retail energy supplier(s). Such reports to be electronically accessible to the CITY.

2.1.9. Provide the option to carry out surveys among Residents or any sample thereof that it selects in order to obtain Residents' views in connection with the Program.

2.1.10. Obtain the CITY's prior approval for all marketing communications before posting, publishing or distributing such communications.

2.2. City shall:

2.2.1. Host and actively promote a least two Programs each calendar year with ICHOOSR, via mutually agreed marketing and communication efforts as established in the Program Communication Plan that will be drawn up during a kick-off meeting between the CITY and ICHOOSR.

2.2.2 Organize a kick-off meeting, and when necessary follow-up meetings or calls, with ICHOOSR at the CITY's premises, where CITY staff that have a role in the Program will attend.

2.2.3. Promote the Program prominently on the home page of the CITY's web domain throughout the term of the Program.

2.2.4. Include information regarding the Program on the CITY's web page, briefly explaining the Program and providing a hyperlink to the CITY's registration pages on the Texas Power Switch platform, by using unique URL's which will be provided to the CITY by ICHOOSR for tracking purposes.

2.2.5. Obtain ICHOOSR's prior approval for all marketing and other communications before posting, publishing, transmitting or distributing such communications in any way.

2.2.6 Not during the term of a Residential Customer Agreement, without the prior written consent of ICHOOSR, directly contact by email, letter or telephone anyone who has entered into a Residential Customer Agreement with the prevailing retail energy supplier in an attempt to persuade that person to switch their gas and/ or electricity services to an alternative supplier.

ARTICLE 3 – TERM

This Agreement shall commence on Effective Date and shall continue for a period of three (3) years from the Effective Date and will be extended automatically for a period of one (1) year unless one of the Parties terminates the Agreement by providing advance written notice at least ninety (90) days prior to the end of the Agreement term, or otherwise terminated in accordance with 4.1 and 4.2.

ARTICLE 4 – TERMINATION

- 4.1 Either Party may terminate this Agreement upon ninety (90) days prior written notice to the other Party.
- 4.2 Either Party may upon written notice to the other Party terminate this Agreement if the other Party is in breach of this Agreement and such breach is not cured within thirty (30) days after receipt of written notice thereof.
- 4.3 If the CITY terminates the Agreement or if the Agreement expires, Participants will be given the opportunity to participate in future ‘Texas Power Switch’ programs provided by ICHOOSR. No reference will be made to the CITY in the content of these webpages and the logo of the CITY will not be shown.

ARTICLE 5 – SERVICES

5. Services.

- 5.1. For the duration of the Term of this Agreement the CITY undertakes to perform the CITY’s Obligations.
- 5.2. For the duration of the term of this Agreement ICHOOSR undertakes to perform ICHOOSR’s Obligations.
- 5.3. For the term of the Residential Customer Agreement, the CITY shall not, without the prior written consent of ICHOOSR, directly contact by email, letter or telephone anyone who has entered into a Residential Customer Agreement with the prevailing retail energy supplier in an attempt to persuade that person to switch their gas and/or electricity services to an alternative supplier.

ARTICLE 6 – RELATIONSHIP OF THE PARTIES

The parties acknowledge and agree that neither Party is the agent or employee of the other, and nothing in this Agreement shall be construed to create a relationship between the CITY and ICHOOSR of a partnership, association, or joint venture, and neither Party shall hold itself out as an agent or partner of the other Party. The Parties recognize and agree that the CITY will not

perform any function not legally permitted by state or federal law or the rules and regulations established by any applicable governing authority.

ARTICLE 7 – INTELLECTUAL PROPERTY

7. Intellectual Property.

7.1. The Parties agree that any Intellectual Property belonging to a Party on the Effective Date of this Agreement shall remain the legal and beneficial property of that Party during the Term and following termination or expiry of this Agreement. It is not permitted for Parties to use, copy or share any Intellectual Property with any third party without written consent of the Party to whom the Intellectual Property belongs, neither during nor after the termination if this Agreement.

7.2. ICHOOSR hereby grants to the CITY a non-exclusive, non-transferable, royalty free, world-wide license (including the right to grant sub-licenses to employees of the CITY), for the Term, to access and use ICHOOSR's software as ICHOOSR may specify from time to time (and in the manner specified by ICHOOSR from time to time) for the purpose of performing its obligations under this Agreement and in connection with the operation of the Program.

7.3. Each Party hereby grants to the other a non-exclusive, non-transferable, royalty free, world-wide license, for the Term, to display the devices, logos, branding, trademarks, slogans and other materials of the other Party ("Branding") for the purpose of promoting the Program and their involvement in it, in each case subject to the prior written agreement of the granting Party as to what Branding may be used and the manner in which it may be used.

ARTICLE 8 – DATA PROTECTION

8. Data Protection.

8.1. Both Parties warrant and undertake to comply with all applicable local, state, and federal laws in the performance of their obligations under this Agreement.

8.2. THE CITY warrants to ICHOOSR that to its knowledge and without specific due diligence, it has made all appropriate notifications and has complied with any notification provisions as may be required by any applicable local, state, and federal laws in respect of its obligations under this Agreement and that performance of its obligations under this Agreement shall not breach or contravene such notifications, nor cause ICHOOSR or the CITY to breach the ICHOOSR's or the CITY's respective obligations under such local, state, and federal laws.

8.3. Both parties acknowledge that any marketing activities in relation to its products or services which it directs to Residents and Participants whose Resident Data and Visitor Data it has obtained in accordance with this Agreement, shall be conducted in accordance

with all applicable local, state, and federal laws and in accordance with any of the Participants' marketing preferences.

8.4. ICHOOSR warrants that it has appropriate technical and organizational processes and procedures in place to safeguard against any unauthorized or unlawful processing and against accidental loss or destruction of, or damage to, the Resident Data and Visitor Data.

8.5. Except for Visitor Data submitted to the prevailing retail energy supplier for performance of the Program, Resident Data and Visitor Data obtained in connection with the Agreement will not be passed or sold to any third party without the consent of the Participant and the CITY.

8.6. The Resident Data remains the property of the CITY.

8.7. The Visitor Data remains the property of ICHOOSR including to the extent such information replicates any Resident Data and is used for administering the 'Texas Power Switch' programs, subject to all relevant laws and regulations.

8.8. The CITY authorizes ICHOOSR to appoint sub-contractors as further data processors. Any such sub-contractor shall be bound by the terms of this Agreement pertaining to the use and transmission of Resident Data.

ARTICLE 9 - PUBLICITY

9. **Publicity.** Neither Party shall engage in any publicity relating to this Agreement except with the prior written consent of the other Party, such consent not to be unreasonably withheld or delayed. The Parties shall at their own cost co-operate in terms of making or inputting into press releases and shall respond promptly for requests for assistance in that regard. Each Party shall promptly notify the other of facts and circumstances that could give rise to negative publicity that could cause harm to the position, the image, or reputation of either Party.

ARTICLE 10 – GENERAL PROVISIONS

10. General Provisions.

10.1. Warranties.

10.1.1. The CITY will not enter into a similar type of partner agreement for a retail energy group switching program with any third party for at least three years from the Effective Date of this Agreement.

10.1.2. Unless otherwise permitted in Section 10.1.3 below, neither Party shall use the other's name and/or logo for promotional use without the other Party's prior written permission.

10.1.3. ICHOOSR is permitted to use the CITY's name and logo for reference purposes solely for the development of the Texas Power Switch programs for at least three years from the Effective Date of this Agreement.

10.1.4. The Parties hereby warrant, represent and undertake to each other that they will co-operate and provide each other with such information and assistance as each may reasonably require to enable and/or facilitate compliance with their respective obligations under this Agreement.

10.1.5. The Parties agree that their promotional activities under and in connection with this Agreement shall only promote the Program (and/or the Parties' connection with it) and shall not promote energy suppliers or their products either individually or as a group, provided that the Parties may refer to energy suppliers' involvement in the Program and/or the types of products offered in the Program (in generic terms).

10.2. Assignment.

10.2.1. The Parties shall not assign, sell, or otherwise transfer or dispose of this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed.

10.2.2. ICHOOSR shall not sub-contract any of its obligations under this Agreement without the CITY's prior written consent, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, the CITY expressly consents to ICHOOSR's outsourcing of its Customer Service, as defined in Section 1(c).

10.3. Dispute Resolution. If a dispute arises between the Parties, as a condition precedent to filing a lawsuit or seeking a remedy through the courts, the complaining Party will notify the other of its request to mediate the dispute and the Parties agree to attend, within forty-five (45) days, a non-binding mediation of at least 4 hours in duration, the cost of which shall be borne equally by the Parties and each Party shall be responsible for its own legal fees and expenses related to any such mediation. If any Party initiates any legal action to enforce or interpret any of the terms or provisions of this Agreement without first following the express provisions of this Section, that Party expressly waives its claims against the other Party unless that Party's rights under the applicable statute of limitations would be prejudiced by following the express provisions of this Section.

10.4. Waiver. A Party may by written instrument, signed on behalf of such Party: (a) extend the time for the performance of any of the obligations or other acts of another Party due to it; (b) waive any inaccuracies in the representations and warranties made to it contained in this Agreement; or (c) waive compliance with any covenants, obligations, or conditions in its favor contained in this Agreement. No claim or right arising out of this

Agreement can be waived by a Party, in whole or in part, unless made in writing and signed by such Party. A failure or delay in enforcing an obligation, or exercising a right or remedy, shall in no way amount to a waiver of that obligation, right, or remedy. A waiver of a breach of a term of this Agreement shall not amount to a waiver of a breach of any other term in the Agreement. A waiver of a particular obligation in one circumstance will not prevent a Party from subsequently requiring compliance as to the obligation on other occasions or as to any other obligation in the Agreement.

10.5. Force Majeure. No Party shall be liable to another Party, nor be deemed to have defaulted under or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement due to any of the following causes beyond such Party's reasonable control (such causes deemed "Force Majeure Events"): (i) acts of God, (ii) flood, fire, or explosion; (iii) war, invasion, riot, or other civil unrest; (iv) actions, embargoes, or blockades in effect on or after the date of this Agreement; (v) changes in law or regulation of any local, state, or federal governmental authority; (vi) national or regional emergency; (vii) strikes, labor stoppages, or slowdowns or other industrial disturbances; (viii) shortage of adequate power or transportation facilities; or (ix) any other event that is beyond the reasonable control of such Party. A lack of funds shall not be deemed to be a Force Majeure Event. The Party suffering a Force Majeure Event shall give notice within 5 days of the Force Majeure Event to any other Party to which performance is owed, stating the period of time the occurrence is expected to continue, and shall use diligent efforts to end the failure or delay and ensure that the effects of such Force Majeure Event are minimized.

10.6. Severability. If any provision of this Agreement is held invalid or unenforceable, such provision shall be deemed deleted from this Agreement and shall be replaced by a valid, mutually agreeable and enforceable provision which so far as possible achieves the same objectives as the severed provision was intended to achieve, and the remaining provisions of this Agreement shall continue in full force and effect.

10.7. Entire Agreement/Amendment. This Agreement constitutes the entire understanding of the Parties hereto with respect to the subject matter hereof and supersedes all prior negotiations, discussions, undertakings and agreements between the Parties. This Agreement may be amended or modified only by a writing executed by the duly authorized officers of the Parties hereto. It is understood and agreed that this Agreement may not be changed, modified, or altered except by an instrument, in writing, signed by both Parties in accordance with the laws of the State of Texas.

10.8. Liability.

10.8.1. Subject to Section 10.8.3., neither Party shall be liable for any indirect or consequential loss whatsoever or howsoever arising out of or in connection with this Agreement.

10.8.2. Subject to Section 10.8.3., neither Party's liability for direct loss arising out of or in connection with this Agreement shall exceed \$5,000.

10.8.3. Nothing in this Agreement shall limit or exclude a Party's liability for death or personal injury caused by its own negligence, willful misconduct, or fraud.

10.9. Governing Law/Venue. Any controversy or claim, whether based upon contract, statute, tort, fraud, misrepresentation or other legal theory, related directly or indirectly to this Agreement, whether between the parties, or of any of the parties' employees, agents or affiliated businesses, will be resolved under the laws of the State of Texas, in any court of competent jurisdiction within Denton County, Texas.

10.10. Confidentiality.

10.10.1. Except as provided in Section 10.10.2 below, each of the Parties hereto shall keep confidential, and not disclose or use for a purpose other than the Program, any confidential and proprietary information (collectively, "Confidential Information") of any other Party hereto (the "Protected Party").

10.10.2. Section 10.10.1 shall not restrict a Party from disclosing Confidential Information: (a) to the extent consented to by the Protected Party, (b) to the extent required by a discovery request in a court proceeding or a ruling by the Texas Attorney General, provided that such Party shall have first provided the Protected Party with prompt written notice of such discovery request or a request for information under the Texas Public Information Act so that the Protected Party may seek a protective order or other appropriate remedy, and in the event such protection or other remedy is not obtained, such Party shall exercise commercially reasonable efforts to obtain assurance that confidential treatment will be accorded to such Confidential Information; (c) to accountants, auditors, attorneys, and tax or financial advisors who have been informed of and have agreed with such Party to abide by the terms of this Section, or who are otherwise bound by confidentiality obligations with such Party; and (d) to the extent necessary to enforce such Party's rights under this Agreement.

10.11. Notices. All notices and other communications hereunder shall be in writing and shall be deemed duly given: (a) on the date sent by facsimile, with confirmation of transmission, or electronic mail if sent during normal business hours of the recipient during a Business Day, and otherwise on the next Business Day if sent after normal business hours of the recipient, provided that in the case of electronic mail, each notice and or other communication shall be confirmed within one Business Day by dispatch of a copy of such notice pursuant to one of the other methods described herein; (b) on the date of delivery if delivered personally; (c) if dispatched via a recognized overnight courier service, delivery receipt requested, with charges paid by the dispatching Party, on the later of (i) the first Business Day following the date of dispatch, or (ii) the scheduled date of delivery by such service; or (d) on the fifth Business Day following the date of mailing, if mailed by

registered or certified mail, return receipt requested, postage prepaid to the Party to receive such notice. Where required, such notices shall be delivered to the following addresses:

ICHOOSR, iChoosr, LLC, 5868 A1 Westheimer, #601, Houston, Texas 77057

The CITY, 401 Market Street, Tomball Tx 77375

10.12. Fees, Costs, and Expenses. Except as expressly provided otherwise in this Agreement, all fees, costs, and expenses incurred in connection with this Agreement, including taxes, shall be paid by the Party incurring such fees, costs, and expenses. In the event of termination of this Agreement, the obligation of each Party to pay its own fees, costs, and expenses will be subject to any rights of such Party arising from a breach of this Agreement.

10.13. Headings. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

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

IN WITNESS WHEREOF, the parties have executed this Agreement as of the _____
Date

CITY OF TOMBALL, TEXAS

BY: _____
Robert S. Hauck, City Manager

ICHOOSR, LLC

BY: _____
Jacobus Bijlholt, President



 **iChoosr**

**Independent experts
in group buying**
We make saving together easy

Introductions

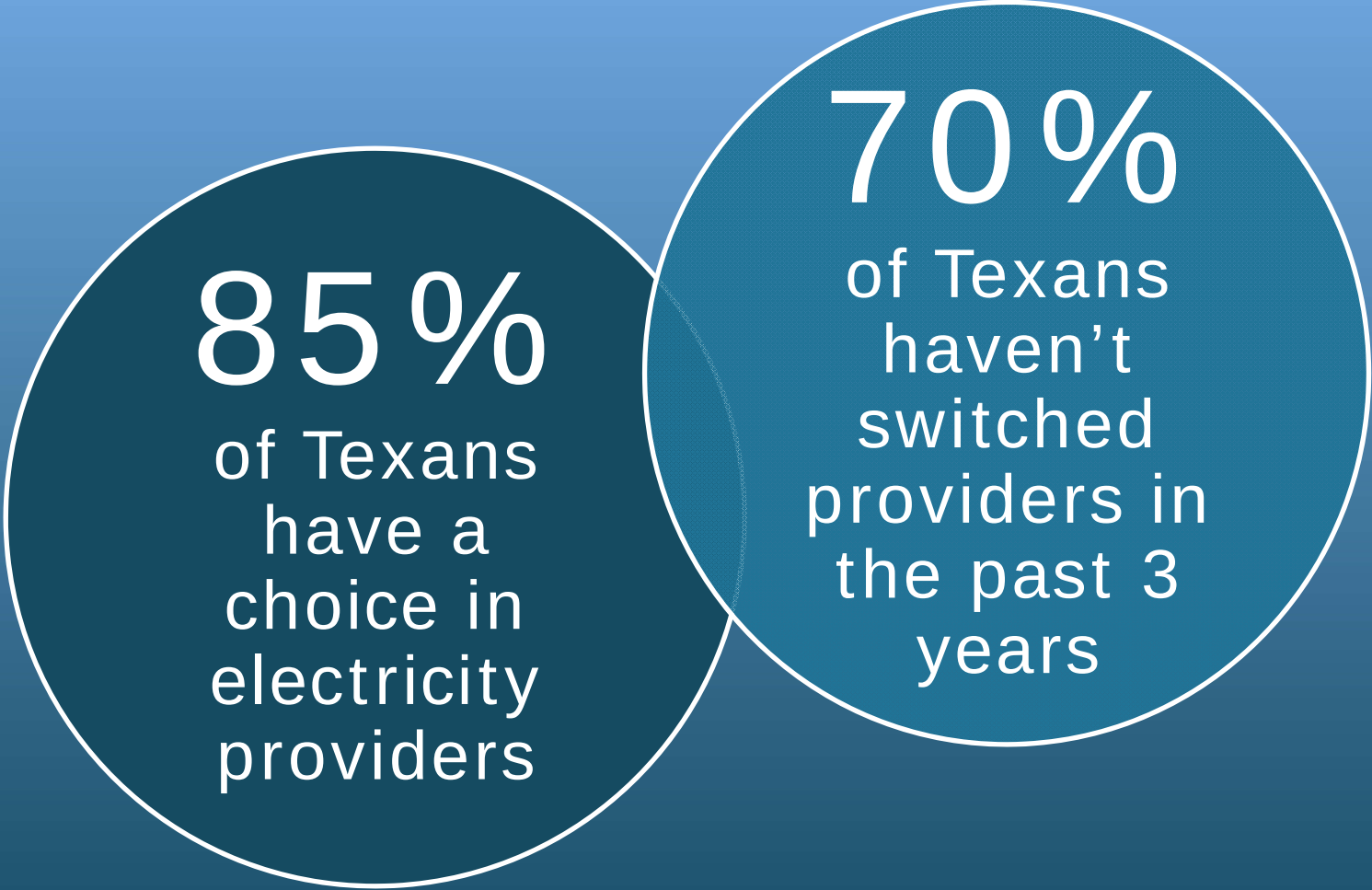
**Discuss the
details of our
projects**

**Talk about our growth in
Texas and a bit about
who we are**

AGENDA

Council Presentation Video

The issue



85%
of Texans
have a
choice in
electricity
providers

70%
of Texans
haven't
switched
providers in
the past 3
years

The problem

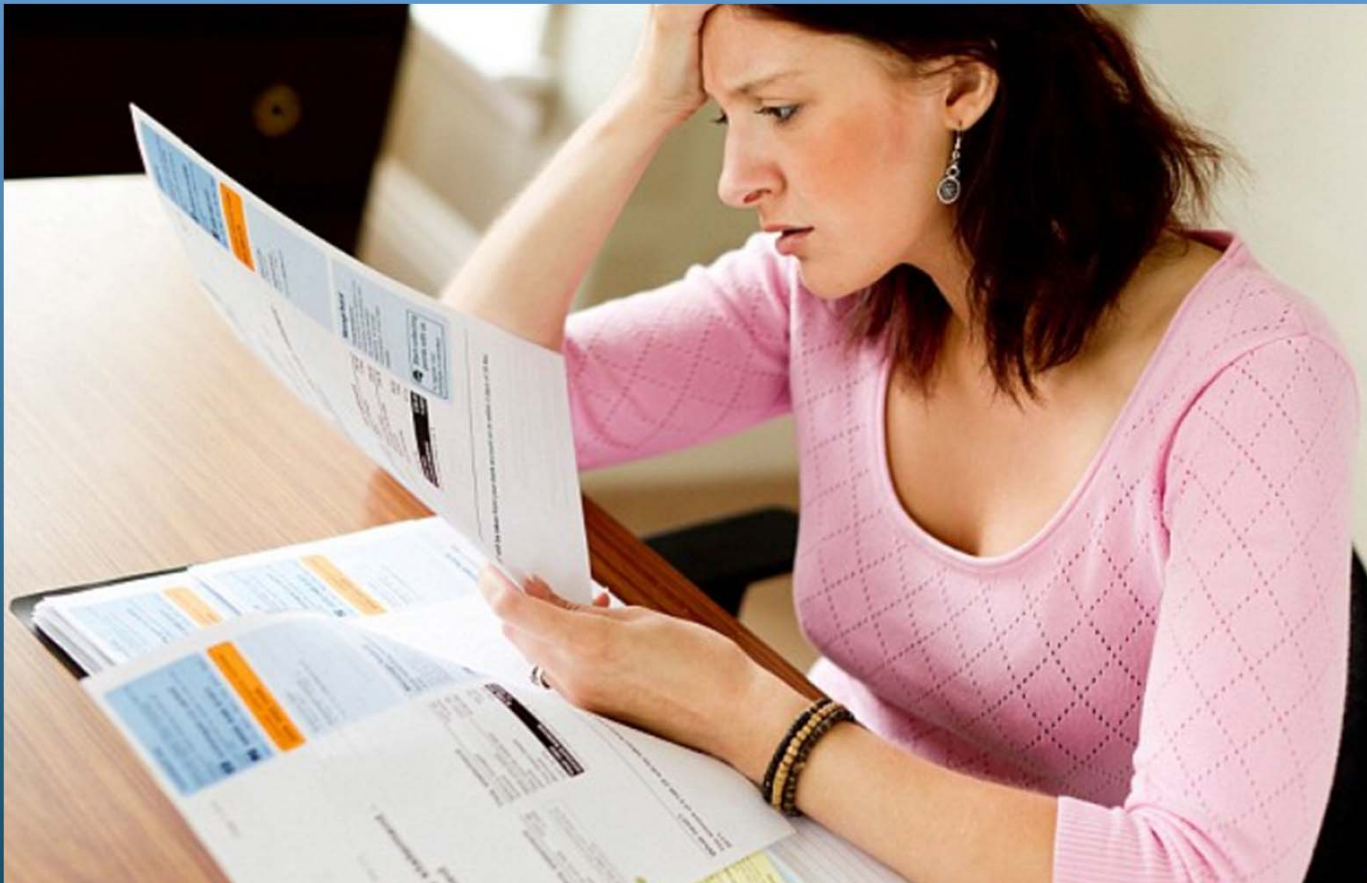
Most people are paying too much for their electricity (and some don't even know it)



The result

People just don't know who to trust

Switching is confusing & difficult



The solution

TEXAS
POWERSWITCH



powered by

 **iChoosr**

*"Together with the City, iChoosr
helps people make an informed
decision"*

5 easy steps



1

REGISTER



2

AUCTION



3

OFFER



4

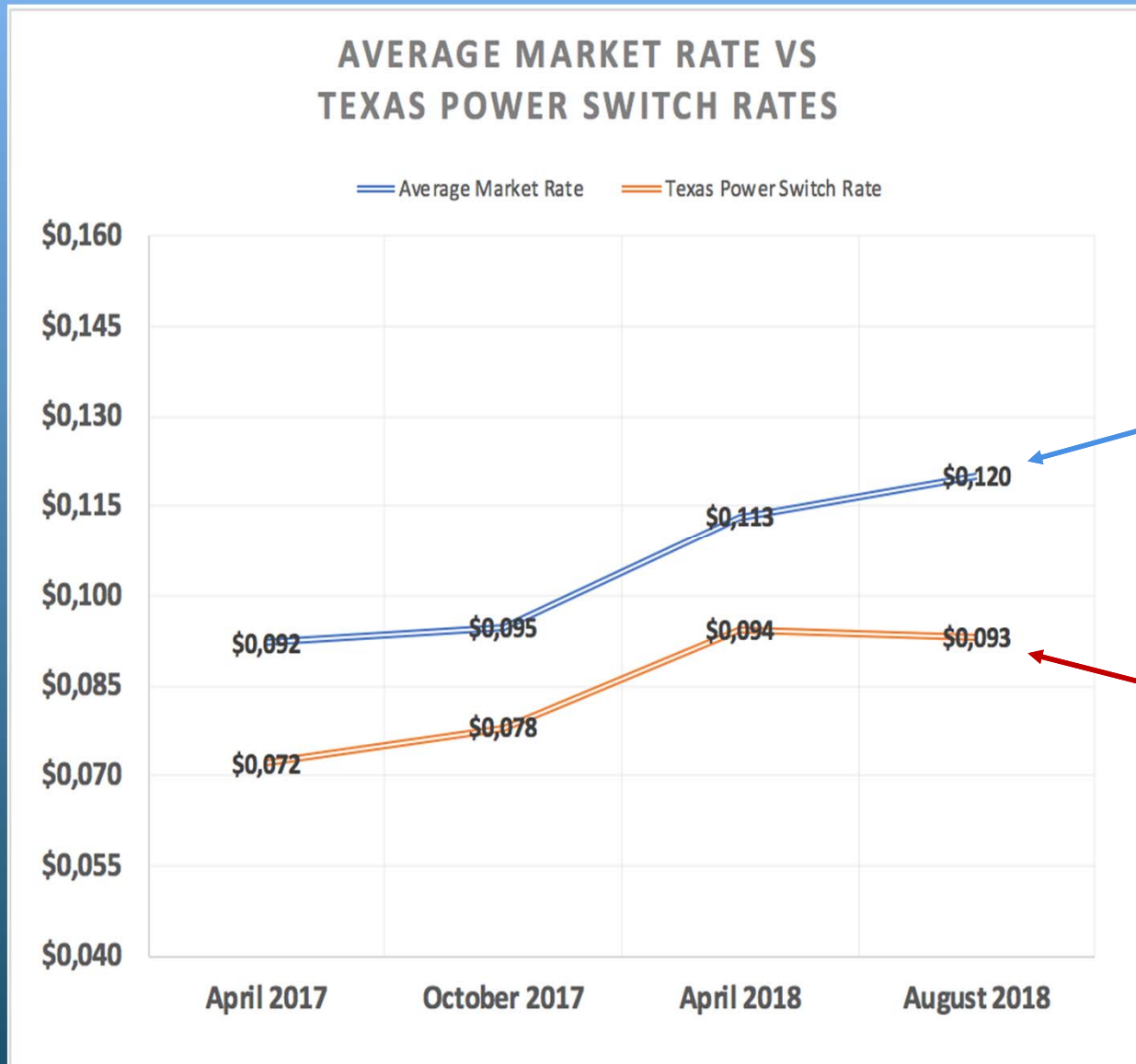
YOU DECIDE



5

WE'LL TAKE
CARE OF IT

Results Texas Power Switch



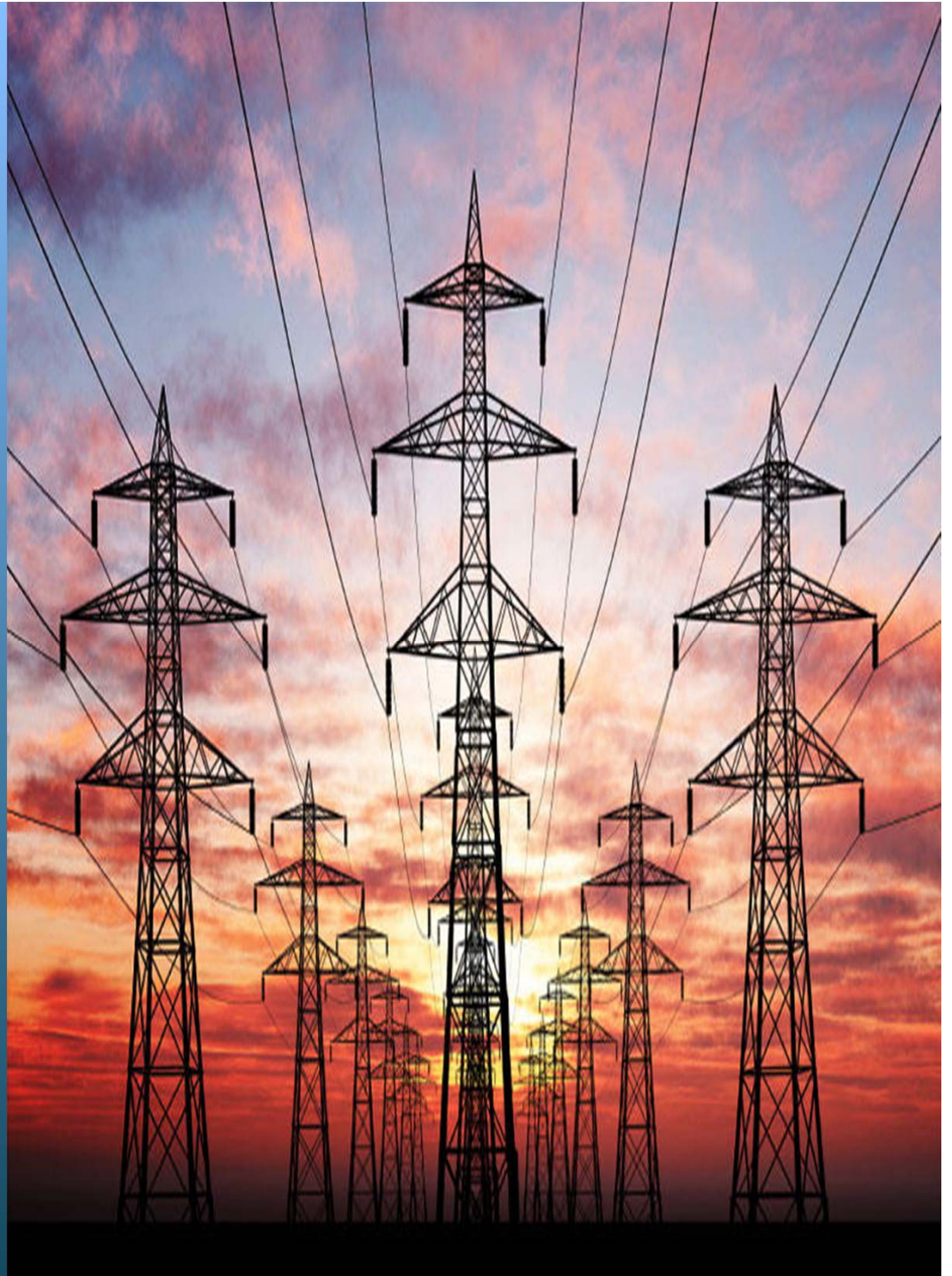
Average rate
for similar plan
with the Big 6

Winning rate



Texas growth

- We started Texas operations in 2017
- We've organized 5 successful programs
- With 10 partner cities onboard for the March program
- And we have a dedicated Texas team to support you every step of the way



Texas Power Switch Partner Cities

“By joining the Texas Power Switch, we've found a way to make it simple for our residents to save money on their energy bills - money that helps their budget and stays in our community.”

Michael Kovacs, Fate City Manager





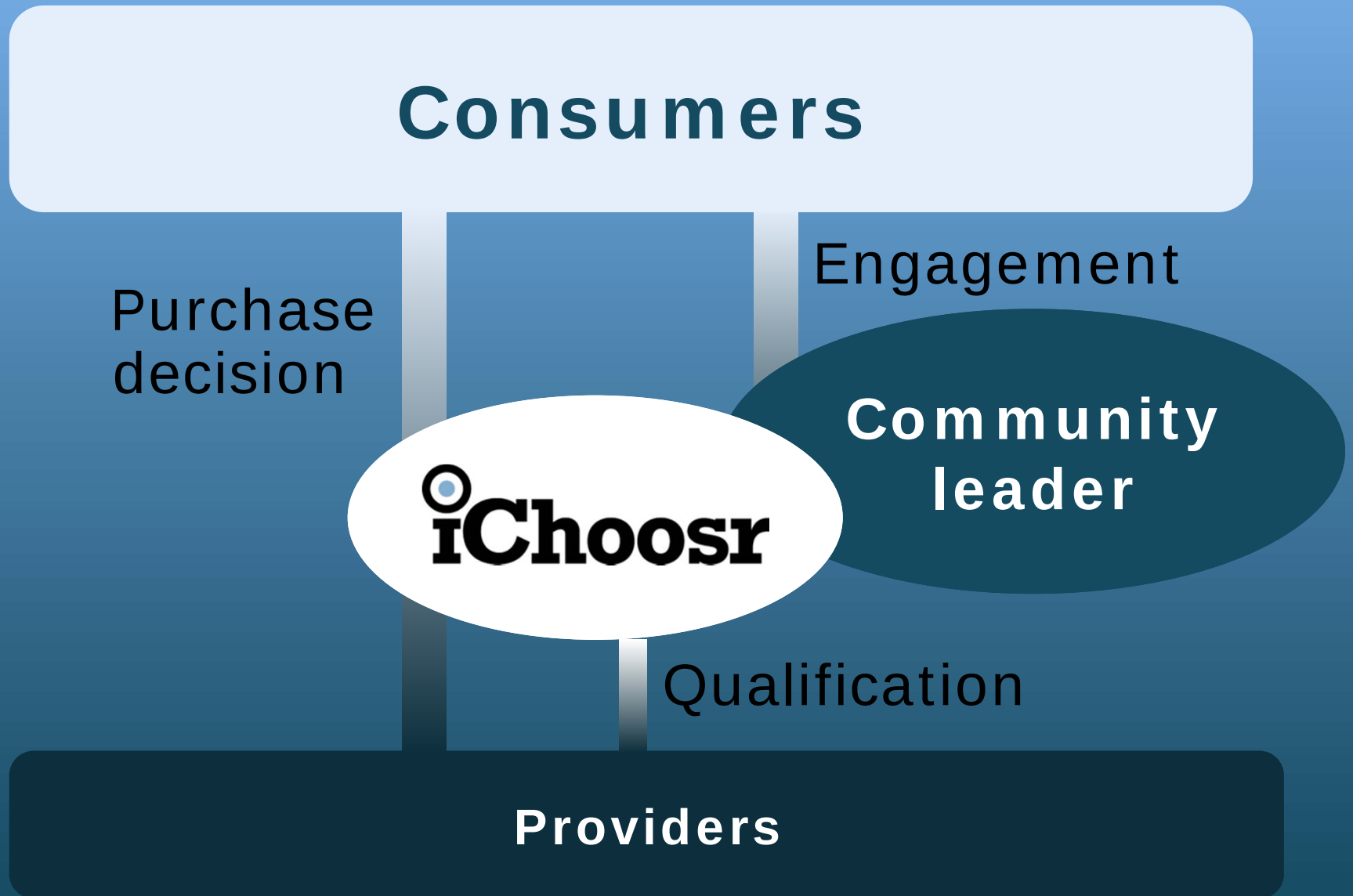
A BIT ABOUT ICHOOSR

- Founded in 2008
- Active in 6 countries
- 6 M registrations
- Over 500 M in savings
- Organized over 150 programs
- 100 employees **and growing**



Thank you

Stakeholders in a group purchase



WHAT IF?



1 ..we get a lot of calls?

We have a 24/7 Houston-based call center trained to handle all

2 ..something goes wrong with the switch?

Because switching provider is just an administrative change (no physical changes are necessary) people will always have electric service. If there is an administrative issue, iChoosr will fix this with the supplier until all parties are satisfied.

3 ..the new supplier goes bankrupt?

In this unlikely case customers are put on a reserve plan with “Providers of Last Resort” (POLR) so electric service is not interrupted. Designated REP’s are TXU, Reliant and CPL. This rate is higher so people should shop for a better rate soon afterwards.

4 ..we have residents that live in a co-op or municipally-owned utility?

5 ..what if the city has a partnership with a supplier?

They are welcome to join our auction. The point of the program is to bring a lower rate to your residents, not to interfere with anyone’s partnership or business. They are more than welcome to be a part of the campaign as it would help them get new clients. If they choose not to...it may be because they can not provide the low rate that we can through the aggregate.

Things to know

- iChoosr brokers a Residential Electrical Aggregate with deregulated cities in Texas.
- Each city has its own individual campaign, but we aggregate the registrants from all the cities together to form “Group Buying Power” and we call it the Texas Power Switch.
- We use this “Group Buying Power” to get an affordable and fair rate for the residents of your town.
- We negotiate a low rate by holding a reverse auction with providers we’ve thoroughly vetted with the PUC. We hold a six round auction in which each of the providers gives us their best rate in each round until all fall off and we are left with a winner.
- We then present the registrant with a personalized offer that they have the option of accepting or not. There is no obligation.

Things to know

- We manage the entire process through a platform we designed. The transition is seamless and simple for the residents.
- We handle all aspects including Marketing, Education, Registration, Transition and Customer Service. We have a 24/7 support team located in Houston.
- The City's lends us your support by allowing us to use your name/city seal to give the campaign credibility. In addition, we simply require a point of contact to assist with certain aspects during the Communications Plan phase - we handle the rest.
- This is a no risk, no obligation offer. At no time are we OR the city pushing a particular provider. Simply put, this is an opportunity for the city to provide their residents an opportunity to save money on their energy bills. Savings that will stay within the local economy.

Things to know

- Energy can be complex and confusing. Our survey results indicate that on average, 70% of the population has not made a change in the past three years. These individuals are our prime target demographic.
- We have been running campaigns since 2008. We are also working in the UK, Belgium and Japan. To date, we have switched 1.7M residents across those countries.
- We came to Texas last year and just finished our third campaign. We ran our first campaign with the City of Fate which proved to be a huge success with a 34% conversion rate. Our second campaign included Fate and Waco where we had a conversion rate of 32%. In Fate alone we reached out to 3,500 residents over the two campaigns and 1 in 4 registered for the campaign.
- We just finished our third campaign with Fate, Waco, Dickinson, Wilmer and Seadrift and just started our next campaign in July where we have Farmers Branch, Richland Hills, Lake Dallas and Webster joining us.

Regular City Council
Agenda Item
Data Sheet

Meeting Date: February 18, 2019

Topic:

Conduct Public Hearing of the City Council of the City of Tomball to Consider Proposed Assessments against Copper Cove Section One Properties in the City of Tomball Public Improvement District Number Six Established by City Council Resolution No. 2017-18

Background:

Origination:

Scott Bean, Hawes Hill Calderon, LLP

Recommendation:

N/A

Party(ies) responsible for placing this item on agenda:

Doris Speer, City Secretary

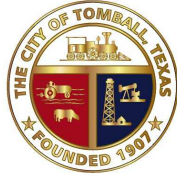
ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

ATTACHMENTS:

Public Hearing Notice - PID 6 Copper Cove

**NOTICE OF PUBLIC HEARING
CITY OF TOMBALL, TEXAS**

MONDAY, FEBRUARY 18, 2019



6:00 P.M.

**NOTICE OF PUBLIC HEARING OF THE CITY COUNCIL OF THE
CITY OF TOMBALL TO CONSIDER PROPOSED ASSESSMENTS
AGAINST COPPER COVE SECTION ONE PROPERTIES IN THE
CITY OF TOMBALL PUBLIC IMPROVEMENT DISTRICT NUMBER
SIX ESTABLISHED BY CITY COUNCIL RESOLUTION NO. 2017-18.**

In accordance with Chapter 372 Local Government Code, the Assessment Roll for Copper Cove Section One properties in the City of Tomball Public Improvement District Number Six has been prepared and is on file and open for public inspection in the office of the City Secretary. A public hearing on the assessment will be held by the City Council as follows:

DATE & TIME: Monday, February 18, 2019, 6:00 p.m.

PLACE: City Council Chambers, 401 Market Street, Tomball, Texas 77375

COST OF IMPROVEMENTS: \$1,455,990.00

GENERAL NATURE OF THE IMPROVEMENTS: The public improvements include the construction of water lines, sanitary sewers, storm sewers and drainage, gas lines, street paving, detention facilities, open space and amenities, erosion control, as well as engineering, contingency provisions, financing, and administrative costs.

BOUNDARIES: The boundaries are described in the Final Plat of Copper Cove Sec 1, Replat No.1, a Subdivision of 13.1779 AC./574,029.00 SQ. FT. Situated in the J. Pruitt Survey, Abstract No. 629, City of Tomball, Harris County, Texas, 1 Block, 4 Reserves, 52 Lots, September 2018.

Written and oral objections will be considered at the hearing. All interested persons are hereby notified of the described hearing, and of their right to appear and be heard on the matter.

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, City of Tomball, Texas, a place readily accessible to the general public at all times, on the 31st day of January 2019 by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meetings.

Doris Speer

Doris Speer

City Secretary, TRMC

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information. AGENDAS MAY ALSO BE VIEWED ONLINE AT www.ci.tomball.tx.us.

Regular City Council

Agenda Item

Data Sheet

Meeting Date: February 18, 2019

Topic:

Adopt, on First Reading, Ordinance No. 2019-01, an Ordinance of the City Council of Tomball, Texas, Approving the Service and Assessment Plan for the City of Tomball Public Improvement District Number Six (Copper Cove Subdivision)

Background:

Public infrastructure improvements are nearly complete for Section One of Copper Cove Subdivision within Public Improvement District Number Six created by the City in 2017. Per Chapter 372 of the Local Government Code, a service and assessment plan and an assessment roll for Section One must be approved by City Council that will levy the assessment on each of the lots in Section One. The Plan shows the estimated total costs for public improvements in the PID and the assessments to be levied against residential property in the PID. Each property (lot) will pay a pro-rata portion of the public improvement costs. The Plan also specifies how the assessments are to be collected.

The assessments prescribed in the Plan are by lot. The total, one-time assessment per lot is specified in the plan as well as the annual installment (financed assessment rate at 2.75% annual interest) as follows:

Total Assessment	Annual Assessment Installment	Financed Assessment Term	Annual Administrative Cost	Total Annual Payment
\$ 22,692.31	\$1,866.65	15 years	\$ 93.33	\$ 1,959.98

The annual payment, principal, and interest are demonstrated on the attached example amortization schedule which will be kept for each property covered by the assessment. The principal amount of the assessment is payable at any time by each homeowner which would terminate the assessment.

The assessments are formulated to reimburse the developer for the public infrastructure costs of the development plus interest while staying around the equivalent of a \$0.75 tax rate. For illustration, the attached amortization schedule details the amortization for each lot in Section One. It is estimated that the average price of the homes to be constructed will be \$260,000. The annual assessment payment \$1,959.98 is the equivalent of a \$0.75 tax rate on a \$260,000 home.

Proper disclosure notices detailing the assessment will be presented to potential homebuyers by the homebuilders, and for acknowledgement at closing in the same manner as disclosure notices used in MUDs and other special districts with an ad valorem tax rate.

Future Actions

The District Administrator will work with City staff on the collection of the assessments. The PID assessments will be collected on an annual basis in the same manner as property taxes and transferred to a City-established PID revenue fund. A reimbursement report will be performed by an independent CPA firm prior to reimbursement to the developer. The revenues will be disbursed to the developer once a year after administrative costs have been deducted.

AMORTIZATION SCHEDULE

Duration (in years)	15
Interest Rate	2.75%
Annual Payment Amount	\$1,866.65
Total Lifetime Payments	\$27,999.76
Total Principal	\$22,692.31
Total Interest	\$5,307.45

	Payment	Principal	Interest	Payment	Payments collected	Principal Balance
						<u>\$22,692.31</u>
	1	\$1,242.61	\$624.04	\$1,866.65		\$21,449.70
	2	\$1,276.78	\$589.87	\$1,866.65		\$20,172.91
	3	\$1,311.90	\$554.76	\$1,866.65		\$18,861.02
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	13	\$1,720.75	\$145.90	\$1,866.65		\$3,584.76
	14	\$1,768.07	\$98.58	\$1,866.65		\$1,816.69
	15	\$1,816.69	\$49.96	\$1,866.65		\$0.00
TOTAL		\$22,692.31	\$5,307.45	\$27,999.76		

Origination:

Scott Bean, Hawes Hill Calderon, LLP

Recommendation:

Approval of Ordinance No. 2019-01, approving the Service and Assessment Plan and Assessment Roll for Public Improvement District Number Six, on First Reading.

Party(ies) responsible for placing this item on agenda:

Doris Speer, City Secretary

ACTION TAKEN

Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other
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ATTACHMENTS:

Ordinance No. 2019-01

PID 6 - Council Information Sheet

The Basics - PID Primer

ORDINANCE NO. 2019-01

**AN ORDINANCE OF THE CITY COUNCIL OF TOMBALL, TEXAS,
APPROVING THE SERVICE AND ASSESSMENT PLAN FOR THE CITY
OF TOMBALL PUBLIC IMPROVEMENT DISTRICT NUMBER SIX
(COPPER COVE SUBDIVISION)**

* * * * *

WHEREAS, the City of Tomball (the “City”) is authorized pursuant to TEX. LOCAL GOV’T CODE, Ch. 372, as amended (“Chapter 372”) to create public improvement districts for the purposes described therein; and

WHEREAS, the City has received a petition (the “Petition”) requesting the creation of the City of Tomball Public Improvement District Number Six (the “PID”), held a public hearing, and created the PID in accordance with the applicable provisions of Chapter 372; and

WHEREAS, the City passed and adopted Resolution No. 2017-18 establishing the City of Tomball Public Improvement District Number Six; and

WHEREAS, the City Council wishes to adopt the Service and Assessment Plan with respect to the PID; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, that:

Section 1. The facts recited in the preamble hereto are found to be true and correct.

Section 2. The Service and Assessment Plan attached to this Ordinance as Exhibit A is hereby approved and adopted on behalf of the PID, and the Mayor, City Secretary and any other appropriate officials of the City are hereby authorized to take all necessary actions on behalf of the City to implement the terms thereof in accordance therewith.

Section 3. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

FIRST READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 18TH DAY OF FEBRUARY 2019.

COUNCILMAN FORD	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGS	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

SECOND READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 4TH DAY OF MARCH 2019.

COUNCILMAN FORD	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGS	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

GRETCHEN FAGAN, Mayor

Attest:

DORIS SPEER, City Secretary

EXHIBIT A
Service and assessment Plan
Public Improvement District Number Six
City of Tomball, Texas

1. Introduction

This Service and Assessment Plan is prepared and adopted in conformance with the Public Improvement District Assessment Act, codified as Chapter 372, Texas Local Government Code (“the Act”), and pursuant to Resolution 2017-18 creating the Public Improvement District Number Six (“PID”), City of Tomball, Texas. The creation of the PID was initiated by a petition submitted by property owners within the PID boundaries in compliance with the requirements of the Section 372.005 of the Act.

2. Boundaries

The boundaries of the PID are as indicated in Attachment A.

3. Administration of the District

Administration of the District is the responsibility of the City Council of the City of Tomball, Texas, but to the extent allowed by law, the City may contract with a private sector company to carry out all or part of the City responsibilities as well as the operations and administration of the District.

4. Public Improvements

The public improvements to be financed and constructed serve to promote the construction of single family units. The public improvements will confer a special benefit to properties within the PID and will consist of water, sanitary sewer, storm drainage, detention, gas, streets, erosion control, contingency provisions, engineering, financing costs, and administration and legal services for the PID. The public improvements will be pre-funded by the developer of the subdivision within the PUD under the Development Agreement (“Agreement”) executed between the developer and the City.

A. Yaupon Trails

Yaupon Trails contains 13.6 acres of land and will contain 52 lots within the PID. The public improvements authorized under this Plan for Yaupon Trails and the estimated costs thereof, are described below:

PUBLIC IMPROVEMENT	ESTIMATED COSTS
Water, sewer, storm sewer, streets, detention, gas, off-site utility extensions, amenities, engineering, design fees, landscaping, PID creation	\$1,180,000
Financing Costs (15 years @ 2.75%)	\$275,990
Total Improvements	\$1,455,990
Administration (5%)	\$72,800
Total Costs (15 years)	\$1,528,790

5. Construction of Public Improvements

The Plan will be reviewed annually in accordance with the provisions of Chapter 372 of the Local Government Code and will include a review of the expenditures and revenues of the District. Additionally, the Plan will be reviewed for the purposes of establishing the installments for assessment based upon the costs for public improvements for the financial needs of the District.

6. Conveyance of Improvements to the City

Upon completion of the improvements, and final inspection and acceptance of the public improvements by the City, the developer will convey all rights to the improvements to the city or homeowner's association as applicable, subject to the developers rights of reimbursement described in the Development Agreement executed between the developer and the City.

7. Authorized Improvements

The area within the PID that is covered by the Service and Assessment Plan will be developed as single family residential. This Plan designates the public improvements required for the growth and development of the land within the PID. The goal of this Plan is to provide sufficient certainty for the owners of land within the PID to proceed with the financing and construction of the necessary public improvements, while allowing flexibility to meet the needs of the PID over the life of the development of residential properties within the PID.

The construction of the public improvements authorized herein began in calendar year 2017. The actual costs of the public improvements will be determined by an independent accountant report of the developer's costs.

8. Advance Financing by the Developer

The developer will advance the funds for construction of the public improvements and will be entitled to repayment pursuant the Development Agreement executed between the City and the developer.

9. Apportionment of Costs

Payment of assessments, if any, on property owned by exempt jurisdictions other than the City shall be established by contract.

10. Levy of Assessments

The total assessment for each property shall be an equal apportionment of the total costs divided by the total number of lots. Assessments can be paid by each property in advance or at any time thereafter. Financed assessments paid annually shall be concurrent with the city's tax year and will bear interest at 2.75% for up to 15 years. The principal amount of the assessment is payable at any time by property owners.

The assessments are on a per lots basis. The cost of the public improvements will consist of the costs subject to construct water, sanitary sewer, storm sewer, streets, detention, amenities, landscaping, gas, engineering and design fees, PID creation costs and administration and financing payable to the developer pursuant to the Development Agreement.

Total Assessment	Annual Assessment Installment	Financed Assessment Term	Annual Administrative Cost	Total Annual Payment
\$ 22,692.31	\$1,866.65	15 years	\$ 93.33	\$ 1,959.98

11. Levy and Collection

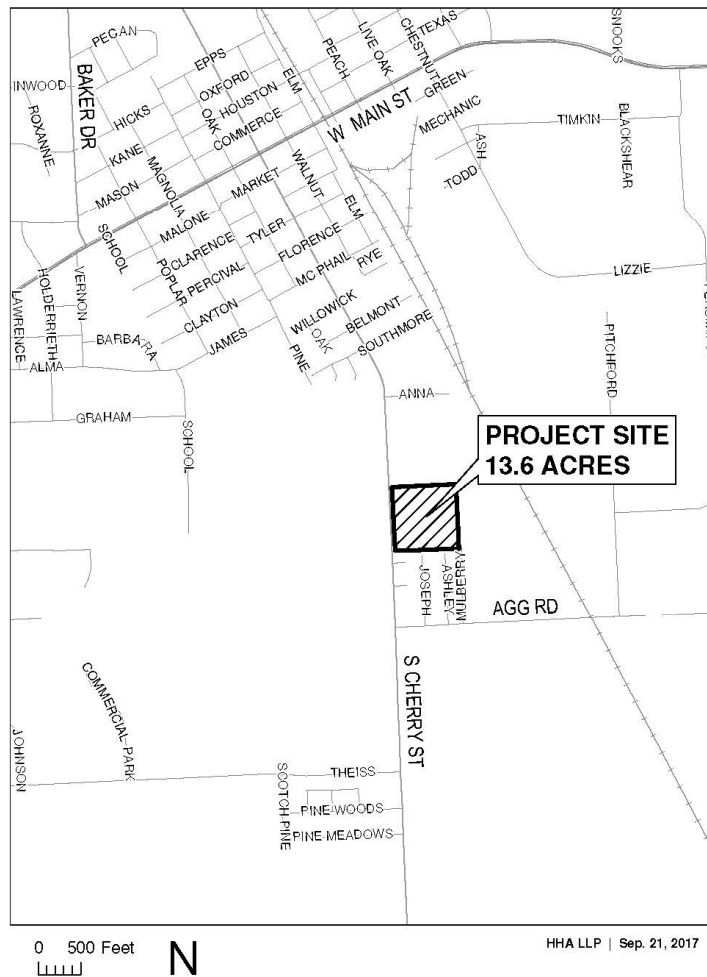
Notice of levy of each assessment will be given as provided in Chapter 372 of the Local Government Code. The assessment levy statement will be sent to each property owner in the District, and the payment will be due and payable at the same time property taxes are due and payable to the City.

The first installment of an assessment against a particular property shall be due with respect to the calendar year following the date such property has been improved with a habitable structure as evidenced by the issuance of a certificate of occupancy. The City will invoice each property owner for the installment payment in conjunction with the City's annual property tax bill, and the installments shall be due and payable, and incur penalty and interest for unpaid installments in the same manner as provided for the City's property taxes. Thereafter, subsequent installments shall be due in the same manner in each succeeding calendar year until the assessment has been paid in full. The owner of assessed property may pay at any time the entire assessment then due on each property through the date of final payment. Failure of an owner to receive an invoice shall not relieve the owner of the responsibility for the assessment.

A lien will be established against the property assessed effective as of the date of the ordinance levying the assessment, privileged above all other liens, include prior mortgage liens, to the extent allowed by Section 372 of the Local Government Code. Assessment installments shall be considered delinquent on the same date as the city's property taxes. Delinquent assessments or installments shall incur the costs of collection. If practicable, the assessment shall be included on the City property tax statement. Notwithstanding the above, the assessment shall be perfected immediately as to the entire assessment, but may be executed only with respect to the amounts then due or past due for current or prior installments or final payment. Assessments are personal obligations of the person owning the property assessed in the year an installment payment becomes due, and only to the extent of such installment(s).

The owner of the assessed property may pay at any time the entire assessment then due on each property.

EXHIBIT A



Council Item Information Sheet – Service and Assessment Plan and Section One Assessment Roll for Public Improvement District Number Six (Copper Cove Subdivision)

Action Requested

Approval of the Service and Assessment Plan and Section One Assessment Roll for Public Improvement District Number Six.

Information

Public infrastructure improvements are nearly complete for Section One of Copper Cove Subdivision within Public Improvement District Number Six created by the City in 2017. Per Chapter 372 of the Local Government Code, a service and assessment plan and an assessment roll for Section One must be approved by City Council that will levy the assessment on each of the lots in Section One. The Plan shows the estimated total costs for public improvements in the PID and the assessments to be levied against residential property in the PID. Each property (lot) will pay a pro-rata portion of the public improvement costs. The Plan also specifies how the assessments are to be collected.

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The assessments are formulated to reimburse the developer for the public infrastructure costs of the development plus interest while staying around the equivalent of a \$0.75 tax rate. For illustration, the attached amortization schedule details the amortization for each lot in Section One. It is estimated that the average price of the homes to be constructed will be \$260,000. The annual assessment payment \$1,959.98 is the equivalent of a \$0.75 tax rate on a \$260,000 home.

Proper disclosure notices detailing the assessment will be presented to potential homebuyers by the homebuilders, and for acknowledgement at closing in the same manner as disclosure notices used in MUDs and other special districts with an ad valorem tax rate.

Future Actions

The District Administrator will work with City staff on the collection of the assessments. The PID assessments will be collected on an annual basis in the same manner as property taxes and transferred to a City-established PID revenue fund. A reimbursement report will be performed by an independent CPA firm prior to reimbursement to the developer. The revenues will be disbursed to the developer once a year after administrative costs have been deducted.

AMORTIZATION SCHEDULE

Duration (in years)	15
Interest Rate	2.75%
Annual Payment	
Amount	\$1,866.65
Total Lifetime	
Payments	\$27,999.76
Total Principal	\$22,692.31
Total Interest	\$5,307.45

	Payment	Principal	Interest	Payment	Payments collected	Principal Balance
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11		\$1,629.87	\$236.78	\$1,866.65		\$6,980.21
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13		\$1,720.75	\$145.90	\$1,866.65		\$3,584.76
14		\$1,768.07	\$98.58	\$1,866.65		\$1,816.69
15		\$1,816.69	\$49.96	\$1,866.65		\$0.00
TOTAL		\$22,692.31	\$5,307.45	\$27,999.76		

Public Improvement District (PID) Primer

What is a PID?

A Public Improvement District (PID) is a public financing tool created under Chapter 372 of the Texas Local Government Code (TLGC). A PID allows a neighborhood or commercial area to apportion the cost of improvements and levy an assessment against property located in the PID, because that property is acquiring a special benefit because of the improvements. In other words, the property that will benefit the most from the improvement pays for the improvement--the burden is not shifted to the entire community. PIDs are intended to promote economic growth by providing the funding mechanism to construct necessary infrastructure or desired amenities that support new developments and encourage redevelopment.

PIDs are a component unit of the City and are governed by the City Council. The Council can create an advisory board for the PID if necessary, but final determinations on establishment, costs, assessments, and budgets must be made by the City Council.

What can a PID finance?

The PID can be designed to help finance the cost of a variety of development costs including:

- water, wastewater, health and sanitation, or drainage improvements;
- street and sidewalk improvements;
- mass transit improvements;
- parking improvements;
- library improvements;
- park, recreation and cultural;
- art installation;
- creation of pedestrian malls; or
- supplemental services. (advertising, extra public safety, etc.)

How does the PID finance the projects?

Project costs can be paid directly by the City or the developer can advance funds. The assessment fees levied on each property fund the project payments. Until the PID has accumulated adequate assessment fee revenue, the City can choose to issue bonds or use general tax revenues for initial payments or developer reimbursements.

Separate fund(s) are created by the City for the administration of the PID. The Council reviews and approves the assessments and district budget each year.

How is a PID created and dissolved?

PID Development Process (minimum steps required by Chapter 372, TLGC):

1. City, County, or affected property owner(s) initiates a petition for creation.
2. If needed, City Council appoints an advisory board to develop the PID improvement plan.
3. City Council holds a public hearing & passes a resolution on the need for the PID.
4. City Council authorizes the establishment of a PID by resolution.
5. Construction of improvements may begin 20-days after the PID's creation.
6. City Council adopts a Service and Assessment Plan (list of projects, costs, debt, & assessment fee) for at least five, ongoing years is developed.
7. City holds a public hearing on the assessment roll (lists each PID property's fee).
8. City Council adopts ordinance to levy the special assessment. (City will also create a special fund(s) for the PID).
9. If necessary, City Council holds public hearing and approves additional assessments to correct omissions or mistakes in the improvement costs.
10. If necessary, City Council holds public hearing & passes a resolution dissolving PID; however, the district remains in effect at least to meet its debt obligations.

Does the City have any additional requirements?

Yes. City of Tomball Administrative Policy No. 18 "Development Policy for Special Financing Districts" requires:

1. Residential Development Size--greater than 125 acres unless the average home value is greater than \$225, 000.
2. Annual Individual Assessment Limit--no more than the equivalent of a \$.50 tax rate on the assessed value of the property.
3. Assessment Term Limit--Not to exceed 10 years. First assessment due 3 years after levy or upon transfer of property from developer to home buyer whichever occurs first.
4. Developer Interest Limit--If bonds are sold, developer earned interest reimbursements will not exceed the net effective interest rate on bonds sold or 8% whichever is less. If bonds are not sold, reimbursement will be calculated according to an indexed-based formula (see Admin Policy 18) or 8% whichever is less.
5. Bidding Requirements--Developers must follow municipal bidding procedures (as outline in Chap 252 TLGC). All bids and awards of contracts must be approved by City Council.
6. District Administration--The City of Tomball will contract with an outside consultant to bill, collect, and track district assessments. This cost will be included in the Service & Assessment Plan and reimbursed from the district.

Other city policies, procedures, and good practices may also effect individual district creation or administration including approval of related contracts and agreements. For example, the City will usually need to enter into a Developer Agreement to detail the responsibilities & obligations of each party related to the Service and Assessment Plan.

Regular City Council

Agenda Item

Data Sheet

Meeting Date: February 18, 2019

Topic:

Adopt, on First Reading, Ordinance No. 2019-02, an Ordinance of the City Council of Tomball, Texas, Levying an Assessment against Section One Properties within the City of Tomball Public Improvement District Number Six (Copper Cove Subdivision); and Making Certain Findings Related

Background:

Public infrastructure improvements are nearly complete for Section One of Copper Cove Subdivision within Public Improvement District Number Six created by the City in 2017. Per Chapter 372 of the Local Government Code, a service and assessment plan and an assessment roll for Section One must be approved by City Council that will levy the assessment on each of the lots in Section One. The Plan shows the estimated total costs for public improvements in the PID and the assessments to be levied against residential property in the PID. Each property (lot) will pay a pro-rata portion of the public improvement costs. The Plan also specifies how the assessments are to be collected.

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AMORTIZATION SCHEDULE

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	14	\$1,768.07	\$98.58	\$1,866.65		\$1,816.69
	15	\$1,816.69	\$49.96	\$1,866.65		\$0.00
TOTAL		\$22,692.31	\$5,307.45	\$27,999.76		

Origination:

Scott Bean, Hawes Hill Calderon, LLP

Recommendation:

Approval of Ordinance No. 2019-02 on First Reading

Party(ies) responsible for placing this item on agenda:

Doris Speer, City Secretary

ACTION TAKEN

Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other
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ATTACHMENTS:

Ordinance No. 2019-02

PID 6 - Council Information Sheet

The Basics - PID Primer

ORDINANCE NO. 2019-02

**AN ORDINANCE OF THE CITY COUNCIL OF TOMBALL, TEXAS,
LEVYING AN ASSESSMENT AGAINST SECTION ONE PROPERTIES
WITHIN THE CITY OF TOMBALL PUBLIC IMPROVEMENT
DISTRICT NUMBER SIX (COPPER COVE SUBDIVISION); AND
MAKING CERTAIN FINDINGS RELATED THERETO (COPPER COVE
SUBDIVISION).**

* * * * *

WHEREAS, the City of Tomball (the “City”) is authorized pursuant to TEX. LOCAL GOV’T CODE, ch. 372, as amended (“Chapter 372”) to create public improvement districts for the purposes described therein, and to levy and collect an assessment in furtherance of the purposes thereof; and

WHEREAS, the City has created City of Tomball Public Improvement District Number Six (the “PID”), adopted a Service and Assessment Plan (the “Plan”) for the PID, all in accordance with the applicable provisions of Chapter 372; and

WHEREAS, the City Council filed a proposed assessment roll with the City secretary which roll was available for public inspection, and following notice thereof by mail and publication as required by Chapter 372, the City Council held a public hearing at which written or oral objections to the proposed assessments were considered and passed on by the City Council; and

WHEREAS, the City Council has determined that the levy of a special assessment for and on behalf of the PID is necessary and advisable, and that the proposed assessment roll apportions the cost of the subject improvements in the PID on the basis of special benefits accruing to the property because of the improvement, **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, that:

Section 1. The facts recited in the preamble hereto are found to be true and correct.

Section 2. The assessment roll attached hereto is hereby approved and the special assessments described therein are hereby levied on the subject property in accordance with the terms of the Plan, which Plan determines, *inter alia*, the method of payment of the assessments, and makes provision for the payment thereof in periodic installments, interest thereon and the collection thereof. The Mayor, City Secretary and any other appropriate officials of the City are hereby authorized to take all necessary actions on behalf of the City to implement the terms thereof in accordance therewith.

Section 3. There is hereby created a first and prior lien securing payment of the assessment levied, effective as of the date of this Ordinance as provided in the Plan and Chapter 372.

Section 4. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

FIRST READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 18TH DAY OF FEBRUARY 2019.

COUNCILMAN FORD	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGS	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

SECOND READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 4TH DAY OF MARCH 2019.

COUNCILMAN FORD	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGS	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

GRETCHEN FAGAN, Mayor

Attest:

DORIS SPEER, City Secretary

Ordinance No. 2019-02
Page 3 of 3

**Public Improvement District Number Six
Copper Cove Subdivision
Section One Assessment Roll
City of Tomball, Harris County, Texas**

[illegible]

Council Item Information Sheet – Service and Assessment Plan and Section One Assessment Roll for Public Improvement District Number Six (Copper Cove Subdivision)

Action Requested

Approval of the Service and Assessment Plan and Section One Assessment Roll for Public Improvement District Number Six.

Information

Public infrastructure improvements are nearly complete for Section One of Copper Cove Subdivision within Public Improvement District Number Six created by the City in 2017. Per Chapter 372 of the Local Government Code, a service and assessment plan and an assessment roll for Section One must be approved by City Council that will levy the assessment on each of the lots in Section One. The Plan shows the estimated total costs for public improvements in the PID and the assessments to be levied against residential property in the PID. Each property (lot) will pay a pro-rata portion of the public improvement costs. The Plan also specifies how the assessments are to be collected.

The assessments prescribed in the Plan are by lot. The total, one-time assessment per lot is specified in the plan as well as the annual installment (financed assessment rate at 2.75% annual interest) as follows:

Total Assessment	Annual Assessment Installment	Financed Assessment Term	Annual Administrative Cost	Total Annual Payment
\$ 22,692.31	\$1,866.65	15 years	\$ 93.33	\$ 1,959.98

The annual payment, principal, and interest are demonstrated on the attached example amortization schedule which will be kept for each property covered by the assessment. The principal amount of the assessment is payable at any time by each homeowner which would terminate the assessment.

The assessments are formulated to reimburse the developer for the public infrastructure costs of the development plus interest while staying around the equivalent of a \$0.75 tax rate. For illustration, the attached amortization schedule details the amortization for each lot in Section One. It is estimated that the average price of the homes to be constructed will be \$260,000. The annual assessment payment \$1,959.98 is the equivalent of a \$0.75 tax rate on a \$260,000 home.

Proper disclosure notices detailing the assessment will be presented to potential homebuyers by the homebuilders, and for acknowledgement at closing in the same manner as disclosure notices used in MUDs and other special districts with an ad valorem tax rate.

Future Actions

The District Administrator will work with City staff on the collection of the assessments. The PID assessments will be collected on an annual basis in the same manner as property taxes and transferred to a City-established PID revenue fund. A reimbursement report will be performed by an independent CPA firm prior to reimbursement to the developer. The revenues will be disbursed to the developer once a year after administrative costs have been deducted.

AMORTIZATION SCHEDULE

Duration (in years)	15
Interest Rate	2.75%
Annual Payment Amount	\$1,866.65
Total Lifetime Payments	\$27,999.76
Total Principal	\$22,692.31
Total Interest	\$5,307.45

	Payment	Principal	Interest	Payment	Payments collected	Principal Balance
						<u>\$22,692.31</u>
1	\$1,242.61	\$624.04	\$1,866.65			\$21,449.70
2	\$1,276.78	\$589.87	\$1,866.65			\$20,172.91
3	\$1,311.90	\$554.76	\$1,866.65			\$18,861.02
4	\$1,347.97	\$518.68	\$1,866.65			\$17,513.05
5	\$1,385.04	\$481.61	\$1,866.65			\$16,128.00
6	\$1,423.13	\$443.52	\$1,866.65			\$14,704.87
7	\$1,462.27	\$404.38	\$1,866.65			\$13,242.61
8	\$1,502.48	\$364.17	\$1,866.65			\$11,740.13
9	\$1,543.80	\$322.85	\$1,866.65			\$10,196.33
10	\$1,586.25	\$280.40	\$1,866.65			\$8,610.08
11	\$1,629.87	\$236.78	\$1,866.65			\$6,980.21
12	\$1,674.70	\$191.96	\$1,866.65			\$5,305.51
13	\$1,720.75	\$145.90	\$1,866.65			\$3,584.76
14	\$1,768.07	\$98.58	\$1,866.65			\$1,816.69
15	\$1,816.69	\$49.96	\$1,866.65			\$0.00
TOTAL		\$22,692.31	\$5,307.45	\$27,999.76		

Public Improvement District (PID) Primer

What is a PID?

A Public Improvement District (PID) is a public financing tool created under Chapter 372 of the Texas Local Government Code (TLGC). A PID allows a neighborhood or commercial area to apportion the cost of improvements and levy an assessment against property located in the PID, because that property is acquiring a special benefit because of the improvements. In other words, the property that will benefit the most from the improvement pays for the improvement--the burden is not shifted to the entire community. PIDs are intended to promote economic growth by providing the funding mechanism to construct necessary infrastructure or desired amenities that support new developments and encourage redevelopment.

PIDs are a component unit of the City and are governed by the City Council. The Council can create an advisory board for the PID if necessary, but final determinations on establishment, costs, assessments, and budgets must be made by the City Council.

What can a PID finance?

The PID can be designed to help finance the cost of a variety of development costs including:

- water, wastewater, health and sanitation, or drainage improvements;
- street and sidewalk improvements;
- mass transit improvements;
- parking improvements;
- library improvements;
- park, recreation and cultural;
- art installation;
- creation of pedestrian malls; or
- supplemental services. (advertising, extra public safety, etc.)

How does the PID finance the projects?

Project costs can be paid directly by the City or the developer can advance funds. The assessment fees levied on each property fund the project payments. Until the PID has accumulated adequate assessment fee revenue, the City can choose to issue bonds or use general tax revenues for initial payments or developer reimbursements.

Separate fund(s) are created by the City for the administration of the PID. The Council reviews and approves the assessments and district budget each year.

How is a PID created and dissolved?

PID Development Process (minimum steps required by Chapter 372, TLGC):

1. City, County, or affected property owner(s) initiates a petition for creation.
2. If needed, City Council appoints an advisory board to develop the PID improvement plan.
3. City Council holds a public hearing & passes a resolution on the need for the PID.
4. City Council authorizes the establishment of a PID by resolution.
5. Construction of improvements may begin 20-days after the PID's creation.
6. City Council adopts a Service and Assessment Plan (list of projects, costs, debt, & assessment fee) for at least five, ongoing years is developed.
7. City holds a public hearing on the assessment roll (lists each PID property's fee).
8. City Council adopts ordinance to levy the special assessment. (City will also create a special fund(s) for the PID).
9. If necessary, City Council holds public hearing and approves additional assessments to correct omissions or mistakes in the improvement costs.
10. If necessary, City Council holds public hearing & passes a resolution dissolving PID; however, the district remains in effect at least to meet its debt obligations.

Does the City have any additional requirements?

Yes. City of Tomball Administrative Policy No. 18 "Development Policy for Special Financing Districts" requires:

1. Residential Development Size--greater than 125 acres unless the average home value is greater than \$225, 000.
2. Annual Individual Assessment Limit--no more than the equivalent of a \$.50 tax rate on the assessed value of the property.
3. Assessment Term Limit--Not to exceed 10 years. First assessment due 3 years after levy or upon transfer of property from developer to home buyer whichever occurs first.
4. Developer Interest Limit--If bonds are sold, developer earned interest reimbursements will not exceed the net effective interest rate on bonds sold or 8% whichever is less. If bonds are not sold, reimbursement will be calculated according to an indexed-based formula (see Admin Policy 18) or 8% whichever is less.
5. Bidding Requirements--Developers must follow municipal bidding procedures (as outline in Chap 252 TLGC). All bids and awards of contracts must be approved by City Council.
6. District Administration--The City of Tomball will contract with an outside consultant to bill, collect, and track district assessments. This cost will be included in the Service & Assessment Plan and reimbursed from the district.

Other city policies, procedures, and good practices may also effect individual district creation or administration including approval of related contracts and agreements. For example, the City will usually need to enter into a Developer Agreement to detail the responsibilities & obligations of each party related to the Service and Assessment Plan.

Regular City Council

Agenda Item

Data Sheet

Meeting Date: February 18, 2019

Topic:

Conduct Public Hearing of the City Council of the City of Tomball to Consider Proposed Assessments against Section Four Properties in the City of Tomball Public Improvement District Number Two (Raleigh Creek Subdivison) Established by City Council Resolution No. 2007-22

Background:**Origination:**

Scott Bean, Hawes Hill Calderon, LLP

Recommendation:

N/A

Party(ies) responsible for placing this item on agenda:

Doris Speer, City Secretary

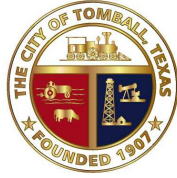
ACTION TAKEN		
Approval ☐ Yes ☐ No	Readings Passed ☐ 1 st ☐ 2 nd	Other

ATTACHMENTS:

Public Hearing Notice - PID 2 Sec 4 - February 18, 2019

**NOTICE OF PUBLIC HEARING
CITY OF TOMBALL, TEXAS**

MONDAY, FEBRUARY 18, 2019



6:00 P.M.

**NOTICE OF PUBLIC HEARING OF THE CITY COUNCIL OF THE
CITY OF TOMBALL TO CONSIDER PROPOSED ASSESSMENTS
AGAINST SECTION FOUR PROPERTIES IN THE CITY OF
TOMBALL PUBLIC IMPROVEMENT DISTRICT NUMBER TWO
(RALEIGH CREEK SUBDIVISION) ESTABLISHED BY CITY
COUNCIL RESOLUTION NO. 2007-22.**

In accordance with Chapter 372 Local Government Code, the Assessment Roll for Section Four properties in the City of Tomball Public Improvement District Number Two has been prepared and is on file and open for public inspection in the office of the City Secretary. A Public Hearing on the Assessment will be held by the City Council as follows:

DATE & TIME: Monday, February 18, 2019, 6:00 p.m.

PLACE: City Council Chambers, 401 Market Street, Tomball, Texas 77375

COST OF IMPROVEMENTS: \$1,164,914.00

GENERAL NATURE OF THE IMPROVEMENTS: The public improvements include the construction of water lines, sanitary sewer, storm sewer, streets, detention, gas, off-site utility extensions, amenities, engineering, design fees, landscaping, PID creation costs, financing, and administrative costs.

BOUNDARIES: The boundaries are described in the final plat of Raleigh Creek Section Four, Being 25.2309 Acres of Land, Situated in the Joseph Miller Survey, Abstract Number 50, Harris County, Texas, and also being a Replat of Reserve "K" and "N" of Raleigh Creek Section One, as Recorded in Film Code No. 663121 H.C.M.R.

Written and oral objections will be considered at the hearing. All interested persons are hereby notified of the described hearing, and of their right to appear and be heard on the matter.

CERTIFICATION

I hereby certify that the above notice of meeting was posted on the bulletin board of City Hall, City of Tomball, Texas, a place readily accessible to the general public at all times, on the 31st day of January 2019 by 5:00 p.m., and remained posted for at least 72 continuous hours preceding the scheduled time of said meetings.

Doris Speer
Doris Speer
City Secretary, TRMC

This facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please feel free to contact the City Secretary's office at (281) 290-1002 or FAX (281) 351-6256 for further information. AGENDAS MAY ALSO BE VIEWED ONLINE AT www.ci.tomball.tx.us.

Regular City Council

Agenda Item

Data Sheet

Meeti

Topic:

Adopt, on First Reading, Ordinance No. 2019-03, an Ordinance of the City Council of Tomball, Texas, Levying an Assessment against Section Four Properties within d Improvement District Number Two (Raleigh Creek Subdivision); and Making Certain Findings Related Thereto

Background:

Public Improvement District Number Two was created in 2007 and comprises the entirety of the Raleigh Creek Subdivision which will ultimately contain 347 single family lots. Assessments were levied on Section One propo and Three in 2018. The developer has completed improvements for Section Four properties and the assessments now need to be levied on those lots.

As with Section One, Two and Three lots, the assessments proposed are on a per lot basis. Based on the public infrastructure costs for the development, the total, one-time assessment \$26,197.39 is proposed which repr assessment. The annual installment (financed assessment) proposed is \$2,876.33 which is the principal amount of the assessment amortized over 15 years at 7% interest. With the annual administrative cost of \$71.91 per lot, \$2,984.24 per lot.

Home values in Raleigh Creek are expected to average \$350,000. A \$2,984.24 annual assessment installment payment on a \$350,000 home is the equivalent of a \$0.85 property tax rate.

The annual payment, principal, and interest are demonstrated on the attached example amortization schedule which will be kept for each property covered by the assessment. The principal amount of the assessment is payable which would terminate the assessment.

Proper disclosure notices detailing the assessment will be presented to potential homebuyers by the homebuilders and for acknowledgement at closing in the same manner as disclosure notices used in MUDs and other spec rate.

Future Actions

As with other City Public Improvement Districts, Harris County will collect the PID assessments in the same manner as property taxes and transferred to a City-established PID revenue fund. A report on the reimbursable by a qualified CPA firm and the revenues will be disbursed to the developer once a year after administrative costs have been deducted.

EXAMPLE AMORTIZATION SCHEDULE

Duration (in years)	15
Interest Rate	7.00%
Annual Payment Amount	\$2,876.33
Total Lifetime Payments	\$43,144.99
Total Principal	\$26,197.39
Total Interest	\$16,947.60

	Payment	Principal	Interest	Payment	Principal Balance
					\$26,197.39
1	\$1,042.52	\$1,833.82	\$2,876.33	\$25,154.87	
2	\$1,115.49	\$1,760.84	\$2,876.33	\$24,039.38	
3	\$1,193.58	\$1,682.76	\$2,876.33	\$22,845.81	
4	\$1,277.13	\$1,599.21	\$2,876.33	\$21,568.68	
5	\$1,366.52	\$1,509.81	\$2,876.33	\$20,202.16	
6	\$1,462.18	\$1,414.15	\$2,876.33	\$18,739.97	
7	\$1,564.53	\$1,311.80	\$2,876.33	\$17,175.44	
8	\$1,674.05	\$1,202.28	\$2,876.33	\$15,501.39	
9	\$1,791.24	\$1,085.10	\$2,876.33	\$13,710.15	
10	\$1,916.62	\$959.71	\$2,876.33	\$11,793.53	
11	\$2,050.79	\$825.55	\$2,876.33	\$9,742.75	
12	\$2,194.34	\$681.99	\$2,876.33	\$7,548.41	
13	\$2,347.94	\$528.39	\$2,876.33	\$5,200.46	
14	\$2,512.30	\$364.03	\$2,876.33	\$2,688.16	
15	\$2,688.16	\$188.17	\$2,876.33	\$0.00	
TOTAL		\$26,197.39	\$16,947.60	\$43,144.99	

Origination:

Scott Bean, Hawes Hill Calderon

Recommendation:

Adopt Ordinance No. 2018-17 on Second Reading

Party(ies) responsible for placing this item on agenda:

Doris Speer, City Secretary

ACTION TAKEN		Other
Approval	Readings Passed	
☐ Yes ☐ No	☐ 1st ☐ 2nd	

ATTACHMENTS:

Ordinance No. 2019-03
PID 2 Sec 4 - Council Information Sheet

ORDINANCE NO. 2019-03

**AN ORDINANCE OF THE CITY COUNCIL OF TOMBALL, TEXAS,
LEVYING AN ASSESSMENT AGAINST SECTION FOUR PROPERTIES
WITHIN THE CITY OF TOMBALL PUBLIC IMPROVEMENT DISTRICT
NUMBER TWO (RALEIGH CREEK SUBDIVISION); AND MAKING
CERTAIN FINDINGS RELATED THERETO.**

* * * * *

WHEREAS, the City of Tomball (the “City”) is authorized pursuant to TEX. LOCAL GOV’T CODE, ch. 372, as amended (“Chapter 372”) to create public improvement districts for the purposes described therein, and to levy and collect an assessment in furtherance of the purposes thereof; and

WHEREAS, the City has created City of Tomball Public Improvement District Number Two (the “PID”), adopted a Service and Assessment Plan (the “Plan”) for the PID, all in accordance with the applicable provisions of Chapter 372; and

WHEREAS, the City Council filed a proposed assessment roll with the City secretary which roll was available for public inspection, and following notice thereof by mail and publication as required by Chapter 372, the City Council held a public hearing at which written or oral objections to the proposed assessments were considered and passed on by the City Council; and

WHEREAS, the City Council has determined that the levy of a special assessment for and on behalf of the PID is necessary and advisable, and that the proposed assessment roll apportions the cost of the subject improvements in the PID on the basis of special benefits accruing to the property because of the improvement, **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TOMBALL, TEXAS, that:

Section 1. The facts recited in the preamble hereto are found to be true and correct.

Section 2. The assessment roll attached hereto is hereby approved and the special assessments described therein are hereby levied on the subject property in accordance with the terms of the Plan, which Plan determines, *inter alia*, the method of payment of the assessments, and makes provision for the payment thereof in periodic installments, interest thereon and the collection thereof. The Mayor, City Secretary and any other appropriate officials of the City are hereby authorized to take all necessary actions on behalf of the City to implement the terms thereof in accordance therewith.

Section 3. There is hereby created a first and prior lien securing payment of the assessment levied, effective as of the date of this Ordinance as provided in the Plan and Chapter 372.

Section 4. It is hereby found, determined and declared that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551, Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

FIRST READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 18TH DAY OF FEBRUARY 2019.

COUNCILMAN FORD	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGES	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

SECOND READING:

READ, PASSED, AND APPROVED AS SET OUT BELOW AT THE MEETING OF THE CITY COUNCIL OF THE CITY OF TOMBALL HELD ON THE 4TH DAY OF MARCH 2019.

COUNCILMAN FORD	_____
COUNCILMAN STOLL	_____
COUNCILMAN DEGGES	_____
COUNCILMAN TOWNSEND	_____
COUNCILMAN KLEIN QUINN	_____

GRETCHEN FAGAN, Mayor

Attest:

DORIS SPEER, City Secretary

Public Improvement District Number Two
Raleigh Creek Subdivision
Section Four Assessment Roll
City of Tomball, Harris County, Texas

Owner	Block #	Lot #	Total Assessment	Annual Assessment Installment	Financed Assessment Term	Annual Administrative Cost	Total Annual Payment
DR HORTON TEXAS LTD	1	1	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	2	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	3	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	4	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	5	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	6	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	7	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	8	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	9	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	10	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	11	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	12	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	13	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	14	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	15	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	16	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	17	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	18	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	19	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	1	20	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	2	1	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	2	2	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	2	3	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	2	4	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	2	5	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	2	6	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24
DR HORTON TEXAS LTD	2	7	\$ 26,197.39	\$2,876.33	15 years	\$ 71.91	\$ 2,948.24

Council Item Information Sheet – Section Four Assessment Roll for Public Improvement District No. 2 (Raleigh Creek Subdivision).

Action Requested

Approval of the Section Four Assessment Roll.

Information

Public Improvement District Number Two was created in 2007 and comprises the entirety of the Raleigh Creek Subdivision which will ultimately contain 347 single family lots. Assessments were levied on Section One properties in 2014 and in Sections Two and Three in 2018. The developer has completed improvements for Section Four properties and the assessments now need to be levied on those lots.

As with Section One, Two and Three lots, the assessments proposed are on a per lot basis. Based on the public infrastructure costs for the development, the total, one-time assessment \$26,197.39 is proposed which represents the principal amount of the assessment. The annual installment (financed assessment) proposed is \$2,876.33 which is the principal amount of the assessment amortized over 15 years at 7% interest. With the annual administrative cost of \$71.91 per lot, the total annual payment will equal \$2,984.24 per lot.

Home values in Raleigh Creek are expected to average \$350,000. A \$2,984.24 annual assessment installment payment on a \$350,000 home is the equivalent of a \$0.85 property tax rate.

The annual payment, principal, and interest are demonstrated on the attached example amortization schedule which will be kept for each property covered by the assessment. The principal amount of the assessment is payable at any time by each homeowner which would terminate the assessment.

Proper disclosure notices detailing the assessment will be presented to potential homebuyers by the homebuilders and for acknowledgement at closing in the same manner as disclosure notices used in MUDs and other special districts with an ad valorem tax rate.

Future Actions

As with other City Public Improvement Districts, Harris County will collect the PID assessments in the same manner as property taxes and transferred to a City-established PID revenue fund. A report on the reimbursable developer costs will be performed by a qualified CPA firm and the revenues will be disbursed to the developer once a year after administrative costs have been deducted.

EXAMPLE AMORTIZATION SCHEDULE

Duration (in years)	15
Interest Rate	7.00%
Annual Payment Amount	\$2,876.33
Total Lifetime Payments	\$43,144.99
Total	
Principal	\$26,197.39
Total Interest	\$16,947.60

	Payment	Principal	Interest	Payment	Principal Balance
					\$26,197.39
1		\$1,042.52	\$1,833.82	\$2,876.33	\$25,154.87
2		\$1,115.49	\$1,760.84	\$2,876.33	\$24,039.38
3		\$1,193.58	\$1,682.76	\$2,876.33	\$22,845.81
4		\$1,277.13	\$1,599.21	\$2,876.33	\$21,568.68
5		\$1,366.52	\$1,509.81	\$2,876.33	\$20,202.16
6		\$1,462.18	\$1,414.15	\$2,876.33	\$18,739.97
7		\$1,564.53	\$1,311.80	\$2,876.33	\$17,175.44
8		\$1,674.05	\$1,202.28	\$2,876.33	\$15,501.39
9		\$1,791.24	\$1,085.10	\$2,876.33	\$13,710.15
10		\$1,916.62	\$959.71	\$2,876.33	\$11,793.53
11		\$2,050.79	\$825.55	\$2,876.33	\$9,742.75
12		\$2,194.34	\$681.99	\$2,876.33	\$7,548.41
13		\$2,347.94	\$528.39	\$2,876.33	\$5,200.46
14		\$2,512.30	\$364.03	\$2,876.33	\$2,688.16
15		\$2,688.16	\$188.17	\$2,876.33	\$0.00
TOTAL		\$26,197.39	\$16,947.60	\$43,144.99	

Public Improvement District (PID) Primer

What is a PID?

A Public Improvement District (PID) is a public financing tool created under Chapter 372 of the Texas Local Government Code (TLGC). A PID allows a neighborhood or commercial area to apportion the cost of improvements and levy an assessment against property located in the PID, because that property is acquiring a special benefit because of the improvements. In other words, the property that will benefit the most from the improvement pays for the improvement--the burden is not shifted to the entire community. PIDs are intended to promote economic growth by providing the funding mechanism to construct necessary infrastructure or desired amenities that support new developments and encourage redevelopment.

PIDs are a component unit of the City and are governed by the City Council. The Council can create an advisory board for the PID if necessary, but final determinations on establishment, costs, assessments, and budgets must be made by the City Council.

What can a PID finance?

The PID can be designed to help finance the cost of a variety of development costs including:

- water, wastewater, health and sanitation, or drainage improvements;
- street and sidewalk improvements;
- mass transit improvements;
- parking improvements;
- library improvements;
- park, recreation and cultural;
- art installation;
- creation of pedestrian malls; or
- supplemental services. (advertising, extra public safety, etc.)

How does the PID finance the projects?

Project costs can be paid directly by the City or the developer can advance funds. The assessment fees levied on each property fund the project payments. Until the PID has accumulated adequate assessment fee revenue, the City can choose to issue bonds or use general tax revenues for initial payments or developer reimbursements.

Separate fund(s) are created by the City for the administration of the PID. The Council reviews and approves the assessments and district budget each year.

How is a PID created and dissolved?

PID Development Process (minimum steps required by Chapter 372, TLGC):

1. City, County, or affected property owner(s) initiates a petition for creation.
2. If needed, City Council appoints an advisory board to develop the PID improvement plan.
3. City Council holds a public hearing & passes a resolution on the need for the PID.
4. City Council authorizes the establishment of a PID by resolution.
5. Construction of improvements may begin 20-days after the PID's creation.
6. City Council adopts a Service and Assessment Plan (list of projects, costs, debt, & assessment fee) for at least five, ongoing years is developed.
7. City holds a public hearing on the assessment roll (lists each PID property's fee).
8. City Council adopts ordinance to levy the special assessment. (City will also create a special fund(s) for the PID).
9. If necessary, City Council holds public hearing and approves additional assessments to correct omissions or mistakes in the improvement costs.
10. If necessary, City Council holds public hearing & passes a resolution dissolving PID; however, the district remains in effect at least to meet its debt obligations.

Does the City have any additional requirements?

Yes. City of Tomball Administrative Policy No. 18 "Development Policy for Special Financing Districts" requires:

1. Residential Development Size--greater than 125 acres unless the average home value is greater than \$225, 000.
2. Annual Individual Assessment Limit--no more than the equivalent of a \$.50 tax rate on the assessed value of the property.
3. Assessment Term Limit--Not to exceed 10 years. First assessment due 3 years after levy or upon transfer of property from developer to home buyer whichever occurs first.
4. Developer Interest Limit--If bonds are sold, developer earned interest reimbursements will not exceed the net effective interest rate on bonds sold or 8% whichever is less. If bonds are not sold, reimbursement will be calculated according to an indexed-based formula (see Admin Policy 18) or 8% whichever is less.
5. Bidding Requirements--Developers must follow municipal bidding procedures (as outline in Chap 252 TLGC). All bids and awards of contracts must be approved by City Council.
6. District Administration--The City of Tomball will contract with an outside consultant to bill, collect, and track district assessments. This cost will be included in the Service & Assessment Plan and reimbursed from the district.

Other city policies, procedures, and good practices may also effect individual district creation or administration including approval of related contracts and agreements. For example, the City will usually need to enter into a Developer Agreement to detail the responsibilities & obligations of each party related to the Service and Assessment Plan.