



AGENDA

CITY COUNCIL REGULAR MEETING

JANUARY 16, 2024 @ 6:00 PM

Notice is hereby given the City Council for the City of Parker will meet on Tuesday, January 16, 2024 at 6:00 PM at the Parker City Hall, 5700 E. Parker Road, Parker, Texas, 75002. The City Council meeting will be open to the public and live streamed.

Pursuant to Texas Government Code § 551.127, notice is given that it is the intent of the City Council that a quorum of the Council will be physically present for the above-referenced meeting at Parker City Hall, 5700 E. Parker Road, Parker, Texas. Some council members or City employees may participate in this meeting remotely by means of video conference call in compliance with state law.

CALL TO ORDER – Roll Call and Determination of a Quorum

EXECUTIVE SESSION START TO FINISH - Pursuant to the provisions of Chapter 551, Texas Government Code the City Council may hold a closed meeting.

RECESS TO CLOSED EXECUTIVE SESSION IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN:

Government Code Section 551.074 Personnel—To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

Government Code Section 551.071(1)—Consultation with City Attorney concerning Pending or Contemplated Litigation.

Government Code Section 551.071(2) – Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter (Open Meetings Act).

RECONVENE REGULAR MEETING.

ANY APPROPRIATE DELIBERATION AND/OR ACTION ON ANY OF THE EXECUTIVE SESSION SUBJECTS LISTED ABOVE.

PLEDGE OF ALLEGIANCE

AMERICAN PLEDGE: I pledge allegiance to the flag of the United States of America; and to the republic for which it stands, one nation under God, indivisible with liberty and justice for all.

TEXAS PLEDGE: Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible.

PUBLIC COMMENTS The City Council invites any person with business before the Council to speak to the Council. No formal action may be taken on these items at this meeting. Please keep comments to 3 minutes.

ITEMS OF COMMUNITY INTEREST

i. CANCELED/RESCHEDULED PARKS AND RECREATION COMMISSION (P&R) – CANCELED - WEDNESDAY, FEBRUARY 14, 2024, 5 PM AND RESCHEDULED TO THURSDAY, FEBRUARY 15, 2024, 5 PM

CITY FILING DEADLINE – FRIDAY, FEBRUARY 16, 2024, 5:00 PM

MARCH 5, 2024 PRIMARY ELECTION – PARKER CITY HALL

Sunday <i>(Domingo)</i>	Monday <i>(Lunes)</i>	Tuesday <i>(Martes)</i>	Wednesday <i>(Miércoles)</i>	Thursday <i>(Jueves)</i>	Friday <i>(Viernes)</i>	Saturday <i>(Sábado)</i>
February 18 No Voting <i>(18 de febrero)</i> <i>(Sin votar)</i>	February 19 No Voting Holiday <i>(18 de febrero)</i> <i>(Sin votar)</i> <i>(Día festivo)</i>	February 20 Early Voting <i>(20 de febrero)</i> <i>(Votación adelantada)</i> 8 am – 5 pm	February 21 Early Voting <i>(21 de febrero)</i> <i>(Votación adelantada)</i> 8 am – 5 pm	February 22 Early Voting <i>(22 de febrero)</i> <i>(Votación adelantada)</i> 8 am – 5 pm	February 23 Early Voting <i>(23 de febrero)</i> <i>(Votación adelantada)</i> 8 am – 5 pm	February 24 Early Voting <i>(24 de febrero)</i> <i>(Votación adelantada)</i> 7 am – 7 pm
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THURSDAY, APRIL 4, 2024 - LAST DAY TO REGISTER TO VOTE FOR THE MAY 4, 2024, GENERAL ELECTION

INDIVIDUAL CONSIDERATION ITEMS

1. APPROVAL OF MEETING MINUTES FOR DECEMBER 19, 2023. [REGULAR MEETING]
2. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON 2023 PARKERFEST DONATIONS.
3. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2024-775 REGARDING THE EXTENSION AND RATE INCREASE ADDENDUM TO THE LEASE AGREEMENT WITH MOBILE MODULAR.
4. DISCUSSION/REVIEW OF UTILITIES BUILDING.

ROUTINE ITEMS

5. UPDATE(S):

ENTERPRISE UPDATE BY CITY ADMINISTRATOR OLSON
POLICE VEHICLES

FM2551

WEBSITE

COMP PLAN w/Council and Planning and Zoning (P&Z) Commission

CAPITAL IMPROVEMENT PLAN (CIP)

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ)

REQUEST FOR QUALIFICATIONS (RFQ) FOR ENGINEERING

ANY ADDITIONAL UPDATES

MONTHLY REPORTS

[December 2023 - Building Permit/Code Report](#)

November/December 2023 – Court Report

[November 2023 – Court Report](#)

[December 2023 – Court Report](#)

[December 2023 – Finance \(monthly financials\) Report](#)

[December 2023 – Police Report](#)

DONATION(S)

6. ACCEPTANCE OF DONATION(S) FOR POLICE, FIRE, AND CITY STAFF FOR THE RECORD (Each valued at between \$0 - \$500)

Maryam Boroujerdi & Mohammad Massoudi donated 1 Dozen Bundtins from Nothing Bundt Cakes value of \$28 to City of Parker Staff

Lisa Callan donated chocolates valued at \$15 to the Police Department.

Linda Ryan and Jean deLeon donated cookies valued at \$17 to the Police Department.

Pam and Allen Terrell donated an electric kettle valued at \$10 to the Police Department.

The Turrentine's donated homemade cookies valued at \$10 to the Police Department.

The Floyd Family donated cookies and donuts valued at \$15 to the Police Department.

Chip and Linda Justice donated Tiff's Treats valued at \$100 to the Police Department..

The Levy's donated chocolates valued at \$30 to the Police Department.

FUTURE AGENDA ITEMS

7. FUTURE AGENDA ITEMS

ADJOURN

In addition to any specifically identified Executive Sessions, Council may convene into Executive Session at any point during the open meeting to discuss any item posted on this Agenda. The Open Meetings Act provides specific exceptions to the requirement that a meeting be open. Should Council elect to convene into Executive Session, those exceptions will be specifically identified and announced. Any subsequent action, as a result of this Executive Session, will be taken and recorded in open session.

I certify that this Notice of Meeting was posted on or before January 12, 2024, by 5:00 p.m. at the Parker City Hall, and required by Texas Open Meetings Act (TOMA) is also posted to the City of Parker Website at www.parkertexas.us.

Date Notice Removed

Patti Scott Grey
City Secretary

The Parker City Hall is Wheelchair accessible. Sign interpretations or other special assistance for disabled attendees must be requested 48 hours in advance by contacting the City Secretary's Office at 972 442 6811.



Council Agenda Item

Budget Account Code:	Meeting Date:	See above.
Budgeted Amount:	Department/ Requestor:	Council
Fund Balance-before expenditure:	Prepared by:	ACA/CS Scott Grey
Estimated Cost:	Date Prepared:	January 8, 2024
Exhibits:	None	

AGENDA SUBJECT

CANCELED/RESCHEDULED PARKS AND RECREATION COMMISSION (P&R) – CANCELED - WEDNESDAY, FEBRUARY 14, 2024, 5 PM AND RESCHEDULED TO THURSDAY, FEBRUARY 15, 2024, 5 PM

CITY FILING DEADLINE – FRIDAY, FEBRUARY 16, 2024, 5:00 PM

MARCH 5, 2024 PRIMARY ELECTION – PARKER CITY HALL

Sunday (Domingo)	Monday (Lunes)	Tuesday (Martes)	Wednesday (Miércoles)	Thursday (Jueves)	Friday (Viernes)	Saturday (Sábado)
February 18 No Voting (18 de febrero) (Sin votar)	February 19 No Voting Holiday (18 de febrero) (Sin votar) (Día festive)	February 20 Early Voting (20 de febrero) (Votación adelantada) 8 am – 5 pm	February 21 Early Voting (21 de febrero) (Votación adelantada) 8 am – 5 pm	February 22 Early Voting (22 de febrero) (Votación adelantada) 8 am – 5 pm	February 23 Early Voting (23 de febrero) (Votación adelantada) 8 am – 5 pm	February 24 Early Voting (24 de febrero) (Votación adelantada) 7 am – 7 pm
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THURSDAY, APRIL 4, 2024 - LAST DAY TO REGISTER TO VOTE FOR THE MAY 4, 2024, GENERAL ELECTION

SUMMARY

Please review information provided.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use			
Approved by:	Enter Text Here		
Department Head/ Requestor:	<i>Patti Scott Grey</i>	Date:	01/11/2024
City Attorney:	<i>Amy J. Stanphill</i>	Date:	01/xx 2024 via Municode
City Administrator	<i>Luke B. Olson</i>	Date:	01/xx 2024



Council Agenda Item

Budget Account Code:	Meeting Date:	See above.
Budgeted Amount:	Department/ Requestor:	City Secretary
Fund Balance-before expenditure:	Prepared by:	ACA/CS Scott Grey
Estimated Cost:	Date Prepared:	January 8, 2024
Exhibits:	Proposed Minutes	

AGENDA SUBJECT

APPROVAL OF MEETING MINUTES FOR DECEMBER 19, 2023. [REGULAR MEETING]

SUMMARY

Please review the attached minutes. If you have any questions, comments, and/or corrections, please contact the City Secretary at PGrey@parkertexas.us prior to the City Council meeting.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use			
Approved by:	Enter Text Here		
Department Head/ Requestor:	<i>Patti Scott Grey</i>	Date:	01/11/2024
City Attorney:	<i>Amy J. Stanphill</i>	Date:	01/xx/2024 via Municode
City Administrator:	<i>Luke B. Olson</i>	Date:	01/xx/2024



MINUTES
CITY COUNCIL MEETING
DECEMBER 19, 2023

CALL TO ORDER – Roll Call and Determination of a Quorum

The Parker City Council met in a regular meeting on the above date at Parker City Hall, 5700 E. Parker Road, Parker, Texas, 75002.

Mayor Lee Pettle called the meeting to order at 6:00 p.m. Mayor Pro Tem Jim Reed and Councilmembers Todd Fecht (arrived at 6:11 p.m.), Randy Kercho, Terry Lynch, and Amanda Noe were present.

Staff Present: Asst. City Administrator/City Secretary Patti Scott Grey, Finance/Human Resources Director Grant Savage (arrived at 7:04 p.m.), City Attorney Amy J. Stanphill, Public Works Director Gary Machado, City Engineer John Birkhoff, P.E., Fire Chief Mike Sheff (arrived at 6:05 p.m.), and Police Chief Kenneth Price

EXECUTIVE SESSION - Pursuant to the provisions of Chapter 551, Texas Government Code, Vernon's Texas Codes Annotated the City Council may hold a closed meeting.

RECESS TO CLOSED EXECUTIVE SESSION IN ACCORDANCE WITH THE AUTHORITY CONTAINED IN:

Government Code Section 551.074 Personnel—To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.

Government Code Section 551.071(1)—Consultation with City Attorney concerning Pending or Contemplated Litigation.

Government Code Section 551.071(2) – Consultation with Attorney on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter (Open Meetings Act).

Mayor Lee Pettle recessed the regular meeting to Executive Session at 6:01 p.m.

RECONVENE REGULAR MEETING.

Mayor Lee Pettle reconvened the meeting at 7:06 p.m.

ANY APPROPRIATE DELIBERATION AND/OR ACTION ON ANY OF THE EXECUTIVE SESSION SUBJECTS LISTED ABOVE.

No action was taken.

PLEDGE OF ALLEGIANCE

AMERICAN PLEDGE: Ted Lane led the pledge.

TEXAS PLEDGE: Lynnette Ammar led the pledge.

PUBLIC COMMENTS The City Council invites any person with business before the Council to speak. No formal action may be taken on these items at this meeting. Please keep comments to 3 minutes.

No comments

ITEMS OF COMMUNITY INTEREST

Mayor Pettle reviewed the upcoming Community Interest items below:

CANCELED - CITY COUNCIL (CC) – TUESDAY, JANUARY 2, 2024, 7 PM

GOAL SETTING/PLANNING WORKSHOP – TUESDAY, JANUARY 9, 2024, 4 – 7 PM

PARKS AND RECREATION COMMISSION (P&R) – WEDNESDAY, JANUARY 10, 2024, 5 PM

ELECTION DAY, MARCH 5, 2024 PRIMARY ELECTION – 7 AM - 7 PM*

MARCH 5, 2024 DEMOCRATIC AND REPUBLICAN PRIMARY ELECTION – EARLY VOTING LOCATIONS, DATES AND HOURS

*(Elecciones primarias demócratas y republicanas del 5 de marzo de 2024 –
Lugares de Votación Temprana, Fechas y Horas)*

Sunday (Domingo)	Monday (Lunes)	Tuesday (Martes)	Wednesday (Miércoles)	Thursday (Jueves)	Friday (Viernes)	Saturday (Sábado)
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INDIVIDUAL CONSIDERATION ITEMS

2. APPROVAL OF MEETING MINUTES FOR DECEMBER 5, 2023

MOTION: Councilmember Noe moved to approve the December 5, 2023 meeting minutes. Councilmember Fecht seconded with Councilmembers Fecht, Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 5-0.

3. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2023-775 REGARDING THE EXTENSION AND RATE INCREASE ADDENDUM TO THE LEASE AGREEMENT WITH MOBILE MODULAR.

MOTION: Councilmember Lynch moved to postpone Resolution No. 2023-775 regarding the extension and rate increase addendum to the lease agreement with mobile modular for additional clarification. Mayor Pro Tem Reed seconded with Councilmembers Fecht, Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 5-0.

4. PUBLIC HEARING FOR THE WATER IMPACT FEE LAND USE ASSUMPTIONS, CAPITAL IMPROVEMENT PLAN AND IMPACT FEES UPDATE IN ACCORDANCE WITH TEXAS LOCAL GOVERNMENT CODE CHAPTER 395.

Mayor Pettie opened a public hearing to receive comments regarding Water Impact Fee Land Use Assumptions, Capital Improvement Plan and impact fees update in accordance with Texas Local Government Code Chapter 395 at 7:21 pm. and then asked City Engineer John W. Birkhoff, P.E., of Birkhoff, Hendricks & Carter, LLP, to review the item. City Engineer Birkhoff summarized the information in the tonight's packet and responded to questions from City Council.

Mayor Lee Pettie asked if there were any questions from the audience.

No one came forward. Mayor Pettie declared the public meeting closed at 7:42 p.m.

RECESS

Mayor Lee Pettie recessed the regular meeting for legal clarification on the matter at 7:45 p.m.

RECONVENE REGULAR MEETING

Mayor Lee Pettie reconvened the meeting at 7:46 p.m.

5. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ADOPTION OF LAND USE ASSUMPTIONS, WATER CAPITAL IMPROVEMENTS PLAN (CIP), AND IMPACT FEES AND UPDATE THE CITY OF PARKER CODE OF ORDINANCES SECTIONS 51.85 – 51.99 ACCORDINGLY.

Mayor Pettie asked City Attorney Stanphill to start the item. Mrs. Stanphill noted for clarification purposes that proposed Ordinance No. 862 [***See Exhibit 1 – proposed Ordinance No. 862 (2023 Updated Land Use Assumptions, Water Capital Improvements Plan, and Impact Fees)***.] was not in tonight's packet. It, however, is available on the dais for City Council and Exhibit A for the proposed ordinance, the 2023 Water Impact Fee report, is available under item #4 Public Hearing. Mrs. Stanphill also noted, currently, the item reads: CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ADOPTION OF LAND USE ASSUMPTIONS, WATER CAPITAL IMPROVEMENTS PLAN (CIP), AND IMPACT FEES AND UPDATE THE CITY OF PARKER CODE OF ORDINANCES SECTIONS 51.85 – 51.99. and asked that the caption be revised on the floor to read: CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ADOPTION OF LAND USE ASSUMPTIONS, WATER CAPITAL IMPROVEMENTS PLAN (CIP), AND IMPACT FEES AND ORDINANCE NO. 862 UPDATING THE CITY OF PARKER CODE OF ORDINANCES SECTIONS 51.85 – 51.99.

MOTION: Councilmember Kercho moved to revise the caption as requested by City Attorney Stanphill and adopt the Land Use Assumptions, Water Capital Improvements Plan (CIP) and Ordinance No. 862 updating the City Of Parker Code of ordinances sections 51.85 – 51.99 (excluding Impact Fees) . Mayor Pro Tem Reed seconded with Councilmembers Fecht, Kercho, Lynch, Noe, and Reed voting against the motion. Motion failed 5-0.

MOTION: Councilmember Lynch moved to revise the caption as requested by City Attorney Stanphill and adopt the Land Use Assumptions, Water Capital Improvements Plan (CIP), and Impact Fees and Ordinance No. 862 updating the City of Parker Code of Ordinances Sections 51.85 – 51.99 (including Impact Fees), and a re-review in 6 months with inflation. Councilmember Noe seconded with Councilmembers Fecht, Lynch, Noe, and Reed voting for the motion. Councilmember Kercho voting against the motion. Motion carried 4-1.

6. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ORDINANCE NO. 859 ADOPTING A DEVELOPMENT APPLICATION, CHECKLIST, AND PROCESS TO BE ADMINISTERED, MAINTAINED, AND UPDATED BY THE CITY ADMINISTRATOR AND/OR DIRECTOR OF PUBLIC WORKS AND POSTED ON THE CITY OF PARKER WEBSITE; PROVIDING FOR REPEALER; PROVIDING FOR SEVERABILITY; FINDING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED WAS NOTICED AND IS OPEN TO THE PUBLIC AS REQUIRED BY LAW; AND PROVIDING AN EFFECTIVE DATE.

MOTION: Councilmember Lynch moved to approve Ordinance No. 859 adopting a Development Application, Checklist, and Process to be administered, maintained, and updated by the City Administrator and/or Director of Public Works and posted on the City of Parker website; providing for repealer; providing for severability; finding that the meeting at which this ordinance is passed was noticed and is open to the public as required by law; and providing an effective date. Councilmember Fecht seconded with Councilmembers Fecht, Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 5-0.

7. KINGS CROSSING PHASE 5:

CONSIDERATION OF AND/OR ANY APPROPRIATE ACTION ON KINGS CROSSING PHASE 5 FINAL PLAT.

Developer Preston Walhood, with the Warner Group, Inc., 4040 N. Central Expressway, Suite 850 Dallas, Texas 75204, reviewed the Kings Crossing Phase 5 Final Plat and requested City Council approve the final plat.

City Engineer Birkhoff reviewed the Kings Crossing Phase 5 Final Plat, noting “On Thursday, November 30, 2023 the city confirmed the minor items identified in our November 8th letter (punch list items) are now complete and acceptable to the City. Accordingly, this project is recommended for final plat approval by the City.” *[This statement was in John W. Birkhoff, P.E.’s letter, dated December 11, 2023, which was in tonight’s packet.]*

MOTION: Councilmember Lynch moved to accept Kings Crossing Phase 5 Final Plat, 36 Residential Lots, 2 Common Area Lots, being 49.585 acres situated in the Ann S. Hurt Survey, Abstract No. 428, City of Parker, Collin County, Texas.. Councilmember Fecht seconded with Councilmembers Fecht, Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 5-0.

PROPOSED KINGS CROSSING PHASE 5 SERVICE AGREEMENT

PUBLIC HEARING KINGS CROSSING PHASE 5 ANNEXATION

Mayor Pettle opened the public hearing regarding the Kings Crossing Phase 5 annexation at 8:32 p.m.

Developer Preston Walhood of Warner Group, Inc., 4040 N. Central Expressway, Suite 850 Dallas, Texas 75204, requested City Council approve the Kings Crossing Phase 5 annexation.

No one else came forward and Mayor Pettle declared the public hearing closed at 8:33 p.m.

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON ORDINANCE NO. 2023-860 AUTHORIZING EXECUTION OF KINGS CROSSING PHASE 5 SERVICE AGREEMENT, ORDINANCE NO. 2023-861 ANNEXING APPROXIMATELY 49.585 ACRES INTO THE CITY LIMITS (THE KINGS CROSSING PHASE 5 ANNEXATION).

MOTION: Councilmember Noe moved to approve Ordinance No. 860 authorizing execution of Kings Crossing Phase 5 Service Agreement, Ordinance No. 861 annexing approximately 49.585 acres into the city limits (The Kings Crossing Phase 5 Annexation). Councilmember Fecht seconded with Councilmembers Fecht, Kercho, Lynch, Noe, and Reed voting for the motion. Motion carried 5-0.

REMOVED/WITHDRAWN ITEM

8. CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2023-776 APPROVING AND ADOPTING THE PERSONNEL POLICY MANUAL REPLACING THE PREVIOUS EMPLOYEE MANUAL ADOPTED BY RESOLUTION 2009-277 (PREVIOUSLY RES. NO. 2009-254).

Mayor Pettle said this item has been removed/withdrawn from tonight's agenda for further discussion/review.

ROUTINE ITEMS

9. UPDATE(S):

ENTERPRISE UPDATE BY CITY ADMINISTRATOR OLSON

Mayor Pettle noted City Administrator Olson was out sick. Mayor Pettle noted Enterprise is working on a new vehicle chart for the City for future vehicles and should be present at a future 2024 meeting to provide additional information to City Council and answer questions.

POLICE VEHICLES

Police Chief Price said one of the new police vehicles was in Pennsylvania being outfitted with Police lights, etc. and will be brought to Texas and another vehicle was in Texas being outfitted as part become available.

FM2551

Public Works Director Machado stated things are going to get really messy, especially Dillehay Drive and Parker Road. Texas Department of Transportation (TxDot) changed its plans and is now doing some drainage work along Parker Road.

WEBSITE

Mayor Pettle noted meetings were in process with CivicPlus, the City's website designer. The Mayor also reassured everyone the City's website would continue to be available until the new version is completed and posted

COMP PLAN w/Council and Planning and Zoning (P&Z) Commission

Mayor Pettle said a joint Comprehensive (COMP) Plan meeting with City Council and Planning and Zoning (P&Z) Commission is in the process of being scheduled.

CAPITAL IMPROVEMENT PLAN (CIP)

Mayor Pettle said a Capital Improvement Plan (CIP) meeting is in the process of being scheduled.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ)

City Attorney Stanphill noted the previously scheduled hearing on the "Merits for MUD #7" was continued from November 28-30, 2023 to February 13-15, 2024, unless an agreement is reached at the December mediation.

REQUEST FOR QUALIFICATIONS (RFQ) FOR ENGINEERING

There was no update at time of the meeting.

ANY ADDITIONAL UPDATES

No additional updates were noted.

MONTHLY/QUARTERLY REPORTS

City Council accepted the reports hyperlinked below:

[November 2023 - Building Permit/Code Report](#)

[October/November 2023 – Finance \(monthly financials\) Report](#)

[November 2023 – Police Report](#)

[October 2023 – Republic Services Inc., dba Allied Waste Services of Plano](#)

DONATION(S)**10. ACCEPTANCE OF DONATION(S) FOR POLICE, FIRE, AND CITY STAFF FOR THE RECORD (Each valued at between \$0 - \$500).**

Pam and Allen Terrell donated a tray of cookies valued at \$25 to the Police Department.

Pam & Allen Terrell donated a two layer cake valued at \$40 to City Staff and Council.

The Kristen Ainsworth family donated food valued at \$175 to the Police Department.

The Biswas Family donated cookies valued at \$10 to the Police Department.

The Biswas Family donated assorted holiday cookies valued at \$15 to other City Staff.

Pam and Allen Terrell donated homemade cake, coffee, hot chocolate, & herbal tea valued at \$45 to the Police Department.

Mayor Pettle, on behalf of herself, City Council, and City Staff, thanked the donors for their kind and generous donations.

FUTURE AGENDA ITEMS**11. FUTURE AGENDA ITEMS**

Mayor Pettie asked if there were any items to be added to the future agenda and noted, the following:

Item #3 - Resolution No. 2023-775 regarding the extension and rate increase addendum to the lease agreement with mobile modular was postponed tonight for additional clarification;

Item #5 - Ordinance No. 862 (2023 Updated Land Use Assumptions, Water Capital Improvements Plan, and Impact Fees), updating the City of Parker Code of Ordinances Sections 51.85 – 51.99 (including Impact Fees), and a re-review in 6 months with inflation [*City Attorney Stanphill noted: The Water Capital Improvements Committee would need to re-review the item and bring back to City Council within 6 months.*];

Councilmember Lynch's request for a Fences/drainage easement Policy;

Item #8 - Resolution No. 2023-776 approving and adopting the Personnel Policy Manual replacing the previous Employee Manual adopted by Resolution No. 2009-277 (previously Res. No. 2009-254), which was removed from tonight's agenda; [A workshop was suggested for this item.]

and the Request for Qualifications (RFQ) for Engineering Update.

Hearing no additional requests, she encouraged everyone to email her any requests. She reminded everyone the next regularly scheduled meeting for January 2, 2024 was canceled, due to the New Year's Day Holiday; there is a Goal Setting/Planning Workshop scheduled for January 9, 2024, 4-7 p.m., and noted the next meeting would be Tuesday, January 16, 2024.

ADJOURN

Mayor Lee Pettie adjourned the meeting at 8:48 p.m.

APPROVED:

Mayor Lee Pettie

ATTESTED:

Approved on the 16th day
of January, 2024.

Patti Scott Grey, City Secretary

ORDINANCE NO. 862**(2023 Updated Land Use Assumptions, Water Capital Improvements Plan, and Impact Fees)**

AN ORDINANCE OF THE CITY COUNCIL OF PARKER, COLLIN COUNTY, TEXAS, APPROVING THE LAND USE ASSUMPTIONS, THE UPDATED WATER CAPITAL IMPROVEMENTS PLAN, AND UPDATED IMPACT FEES; AMENDING CITY OF PARKER CODE OF ORDINANCES SECTIONS 51.85 – 51.99; PROVIDING FOR SEVERABILITY, REPEALER, PROPER NOTICE AND MEETING, AND AN EFFECTIVE DATE.

WHEREAS, The City Council adopted the current Water Impact Fees in accordance with Texas Local Government Code Chapter 395 by Ordinance No. 72017 on April 4, 2017, as codified by the City of Parker Code of Ordinances Sections 51.85 – 51.99; and

WHEREAS, Texas Local Government Code Sec. 395.052 requires the governing body's periodic review of land use assumptions and/or water Capital Improvements Plan ("CIP") every 5 years even though the term of the CIP runs for 10 years from adoption; and

WHEREAS, City Council adopted Resolution No. 2023-734 to engage the engineering firm of Birkhoff, Hendricks and Carter to perform the 2023 water impact fee analysis update; and

WHEREAS, City Council adopted Resolution No. 2023-735 appointing the Water Capital Improvements Advisory Committee ("CIAC") for the review of the land use assumptions and water impact fee capital improvements in accordance with Chapter 395 to provide recommendations to the City Council; and

WHEREAS, the *2023 – 2033 Water Impact Fee Report with 2023-2033 Impact Fee Capital Improvement Plan Program* has been prepared for the City by Birkhoff, Hendricks, and Carter, LLP, both of which are attached hereto as **Exhibit "A"** and incorporated herein by this reference, and presented to the CIAC at a public meeting; and

WHEREAS, the CIAC, by written comments in a letter dated November 9, 2023, after review of the *2023 – 2033 Water Impact Fee Report* which included a *2023-2033 Impact Fee Capital Improvement Plan Program* and a land use assumptions report indicating no substantive change to the land use assumptions, recommended the City Council move forward with the public hearing and appropriate action under Chapter 395; and

WHEREAS, the public hearing on the Land Use Assumptions, Water Capital Improvements Plan, and related Impact Fees was held on December 19, 2023, after proper notice in accordance with Chapter 395 was published in the Dallas Morning News, the official newspaper of the City of Parker; and

WHEREAS, The City Council finds that the City has fully complied with Chapter 395 of the Texas Local Government Code, as amended, in the notice, adoption, promulgation and methodology necessary to adopt the land use assumptions, 2023-2033 water Impact Fee Capital Improvement Plan Program and updated water impact fees.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS:

Section 1. INCORPORATION OF RECITALS/FINDINGS OF FACT

The recitals contained in the preamble of this Ordinance are incorporated into the body of this Ordinance as if set out fully herein as legislative findings of fact.

Section 2. ADOPTION OF LAND USE ASSUMPTIONS, UPDATED WATER CAPITAL IMPROVEMENTS PLAN, AND UPDATED IMPACT FEES

The City Council hereby (1) adopts the Land Use Assumptions; (2) adopts the updated Capital Improvements Plan; and (3) adopts the updated Impact Fees as presented in Exhibit "A" hereto, including, without limitation, the Allowable Maximum Fee per Living Unit Equivalent and Per Meter Size and Type as reflected on Table No. 17 in **Exhibit "A"** and copied below.

TABLE NO. 17
ALLOWABLE MAXIMUM FEE PER LIVING UNIT EQUIVALENT
AND
PER METER SIZE AND TYPE

50% Max . Water Impact fee /LUE				\$ 8,269.17
Typical Land Use	Meter Type	Meter Size	LUE	Maximum Water Impact Fee
Single Family Residential	Simple	1"	1	\$ 8,269.17
Single Family Residential	Simple	2"	4	\$ 33,076.67

Section 3. AMENDMENT TO CITY OF PARKER CODE OF ORDINANCES SECTIONS 51.85 – 51.99, WATER IMPACT FEES

Sections 51.85 – 51.99 of the City of Parker Code of Ordinances, Water Impact Fees, also referred to as the City of Parker Water Impact Fee subchapter, shall be updated and amended to reflect the adoption of this Ordinance, the date of adoption, and the approved impact fees which are highlighted on **Exhibit "B"** hereto and incorporated herein by this reference.

The actual and maximum impact fees in §51.86, Water Impact Fees, for a one-inch meter shall be **\$8,269.17**, and for a two-inch meter shall be **\$33,076.67**.

The maximum water impact fee rate allowed by state law for capital improvements is calculated in the Capital Improvements Plan to be as follows:

- (a) Single Family Residential 1-inch meter (living unit equivalent: 1): **\$8,269.17**.

(b) Single Family Residential 2-inch meter (living unit equivalent: 4): \$33,076.67.

Section 4. REPEALER

In the case of any conflict between other provisions of this Ordinance and any existing Ordinance of the City, the provisions of this Ordinance shall control.

Section 5. SEVERABILITY

If any article, paragraph, sentence, subdivision, clause, phrase, or section of this Ordinance be adjudged or held to be unconstitutional, illegal, or invalid, the same shall not affect the validity of this Ordinance as a whole, or any part or provision thereof other than the part so decided to be invalid, illegal, or unconstitutional, and shall not affect the validity of this Ordinance as a whole.

Section 6. PROPER NOTICE AND MEETING

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public, and that public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Texas Government Code, Chapter 551. Notice and a public hearing were also provided as required by Texas Government Code Chapter 212, Subchapter E.

Section 7. EFFECTIVE DATE

This Ordinance will take effect on the date the requirements in Local Government Code Section 52.011 for publication of notice of its adoption are met. From and after this effective date, the City will compute and collect water and wastewater impact fees as described herein.

READ, PASSED, AND APPROVED BY THE CITY COUNCIL OF PARKER, COLLIN COUNTY, TEXAS, THIS 19TH DAY OF DECEMBER 2023.

[Signature page below]

Lee Pettle, Mayor

ATTEST:

APPROVED AS TO LEGAL FORM:

Patti Scott Grey, City Secretary

Amy J. Stanphill, City Attorney

EXHIBIT A

***2023 – 2033 Water Impact Fee Report
&
2023-2033 Impact Fee Capital Improvement Plan Program***

DRAFT

WATER IMPACT FEE REPORT

2023 - 2033

Submitted To The City Of



Submitted By

BIRKHOFF, HENDRICKS & CARTER, L.L.P.
SPECIALIZING IN CIVIL ENGINEERING FOR
MUNICIPALITIES AND GOVERNMENTAL AGENCIES

October 2023

BIRKHOFF, HENDRICKS & CARTER, L.L.P.
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CRAIG M. KERKHOFF, P.E., CFM
JUSTIN R. IVY, P.E.
COOPER E. REINBOLD, P.E.

Mr. Luke Olson
City Administrator
City of Parker
5700 E. Parker Road
Parker, Texas 75002

Re: Water Impact Fee Update

Dear Mr. Olson:

This report presents the results of the City of Parker Water Impact Fee Update for the planning years 2023 through 2033. This report includes the updated impact fee Capital Improvements Plan and the updated Maximum Impact Fees by meter size for water. The maximum allowable fees per service unit (for a 5/8 x 3/4-inch water meter), adjusted to fifty percent (50%) of the calculated fees are the following:

Maximum Allowable Water Impact Fee per Service Unit \$8,269.17

We have enjoyed working with the City on this important study and are available to discuss the findings and conclusions of this updated impact fee further at your convenience. We look forward to our continued working relationship with you and the City of Parker.



Sincerely yours,

A handwritten signature in black ink that reads "John W. Birkhoff".

John W. Birkhoff, P.E.

**CITY OF PARKER, TEXAS
WATER IMPACT FEE STUDY
2023 TO 2033**

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**CITY OF PARKER, TEXAS
WATER IMPACT FEE STUDY
2023 to 2033**

A. INTRODUCTION

Chapter 395, of the Local Government Code is an act that provides guidelines for financing capital improvements required by new development in municipalities, counties, and certain other local governments. Under Chapter 395, political subdivisions receive authorization to enact or impose impact fees on land that is located within their political subdivision's corporate boundaries and extraterritorial jurisdictions. No governmental entity or political subdivision can enact or impose an impact fee unless they receive specific authorization by state law or by Chapter 395.

An "Impact Fee" is a charge or assessment imposed by a political subdivision for new development within its service area in order to generate revenue for funding or recouping the costs of capital improvements necessitated by and attributable to the new development.¹ The first step in determining an impact fee is preparation of land use and growth assumptions for the service area for the next ten years. Next, a Capital Improvements Plan must be created to describe the water distribution system infrastructure that will be necessary to serve the anticipated land uses and growth. Following the preparation of the Capital Improvements Plan the Water Impact Fee is calculated.

¹ P. 831, Texas Local Government Code, West's Texas Statutes and Codes, 1998 Edition.

B. WATER IMPACT FEES

The following items can be included in the water impact fee calculation:

- 1) The portion of the cost of the new infrastructure that is to be paid by the City, including engineering, property acquisition and construction cost.
- 2) Existing excess capacity in lines and facilities that will serve future growth and which were paid for in whole or part by the City.
- 3) Interest and other finance charges on bonds issued by the City to cover its portion of the cost.
- 4) Cost of the Impact Fee Analysis.

These items are summed and the utilized capacity is calculated over the impact fee period. The maximum allowable impact fee per service unit may not exceed fifty percent of the calculated maximum amount of the total utilized capital improvement cost divided by the total number of new standard service units. This maximum allowable impact fee recovers a portion of the City's costs for the construction of facilities to serve the new developments and support new growth. However, the City may recover the maximum fee by crediting the portion of utility service revenue generated by new service units during the 10-year program period.

Chapter 395 requires that an update of the land use assumptions, capital improvements plan, and impact fees be performed every five years, unless it is determined by the political subdivision after a review that such an update is not necessary.

This section of the report constitutes the City's 2023 water portion of the Capital Improvements Plan, and the maximum allowable impact fees. As required by state law, the study period is a ten-year period with 2023 as the base year. The engineering analysis of the water system is based on established land use in the year 2023, projected land use patterns through the year 2033, and on proposed infrastructure.

The engineering analysis portion of the City of Parker's 2023 Impact Fee determines utilized capacity cost of the water distribution system master plan between the years 2023 and 2033.

C. GLOSSARY

1. Advisory Committee means the capital improvements advisory committee established by the City for purposes of reviewing and making recommendations to the City Council on adoption and amendment of the City's impact fee program.
2. Area-related facility means a capital improvement or facility expansion which is designated in the impact fee capital improvements plan and which is not a site-related facility. Area-related facility may include a capital improvement which is located off-site, or within or on the perimeter of the development site.
3. Assessment means the determination of the amount of the maximum impact fee per service unit which can be imposed on new development.
4. Capital improvement means a water facility, wastewater facility or roadway with a life expectancy of three or more years, to be owned and operated by or on behalf of the City.
5. City means the City of Parker, Texas.
6. Credit means the amount of the reduction of an impact fee due, determined under this ordinance or pursuant to administrative guidelines that is equal to the value of area-related facilities provided by a property owner pursuant to the City's subdivision or zoning regulations or requirements, for the same type of facility.
7. Facility expansion means either a water facility expansion, sewer facility expansion or roadway expansion.
8. Final plat approval means the point at which the applicant has complied with all conditions of approval in accordance with the City's subdivision regulations, and the plat has been approved for filing with Collin County.
9. Impact fee means either a fee for water facilities, wastewater facilities or roadway facilities, imposed on new development by the City pursuant to Chapter 395 of the Texas Local Government Code in order to generate revenue to fund or recoup the costs of capital improvements or facility expansion necessitated by and attributable to such new development. Impact fees do not include the dedication of rights-of-way or easements for such facilities, or the construction of such improvements, imposed pursuant to the City's zoning or subdivision regulations.

10. Impact fee capital improvements plan means either a water capital improvements plan, wastewater capital improvements plan or roadway capital improvements plan, adopted or revised pursuant to the impact fee regulations.
11. Land use assumptions means the projections of population and growth, and associated changes in land uses, densities and intensities over at least a ten-year period, as adopted by the City and as may be amended from time to time, upon which the capital improvements plans are based.
12. Land use equivalency table means a table converting the demands for capital improvements generated by various land uses to numbers of service units, as may be amended from time to time.
13. New development means the subdivision of land; the construction, reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement of any structure; or any use or extension of the use of land; any of which increases the number of service units.
14. Plat has the meaning given the term in the City's subdivision regulations. Plat includes replat.
15. Platting has the meaning given the term in the City's subdivision regulations. Platting includes replatting.
16. Property owner has the meaning given the term in the City's subdivision regulations. Property owner includes the developer for a new development.
17. Recoupment means the imposition of an impact fee to reimburse the City for capital improvements which the City had previously oversized to serve new development.
18. Service area means either a water service area or wastewater benefit area within the City, within which impact fees for capital improvements or facility expansion will be collected for new development occurring within such area, and within which fees so collected will be expended for those types of improvements or expansions identified in the type of capital improvements plan applicable to the service area. For roadways, it means a roadway service area within the city limits.

19. Service unit means the applicable standard units of measure shown on the land use equivalency table in the Impact Fees Capital Improvements Plan which can be converted to water meter equivalents, for water or for wastewater facilities, which serves as the standardized measure of consumption, use or generation attributable to the new unit of development. For roadway facilities, the service unit is converted vehicle miles.
20. Site-related facility means an improvement or facility which is for the primary use or benefit of a new development, and/or which is for the primary purpose of safe and adequate provision of water, wastewater or roadway facilities to serve the new development, and which is not included in the impact fees capital improvements plan and for which the property owner is solely responsible under subdivision or other applicable development regulations.
21. Utility connection means installation of a water meter for connecting a new development to the City's water system, or connection to the City's wastewater system.
22. Water facility means a water interceptor or main, pump station, storage tank or other facility included within and comprising an integral component of the City's water storage or distribution system. Water facility includes land, easements or structures associated with such facilities. Water facility excludes site-related facilities.
23. Water facility expansion means the expansion of the capacity of any existing water facility for the purpose of serving new development, but does not include the repair, maintenance, modernization, or expansion of an existing water improvement to serve existing development.
24. Water improvements plan means the adopted plan, as may be amended from time to time, which identifies the water facilities or water expansions and their associated costs which are necessitated by and which are attributable to new development, for a period not to exceed 10 years.
25. Water meter means a device for measuring the flow of water to a development, whether for domestic or for irrigation purposes.

D. LAND USE ASSUMPTIONS SUMMARY

Under Chapter 395, of the Local Government Code, “Land Use Assumptions” includes a description of service area and projected changes in land uses, densities, intensities, and population in the service area for a minimum of a 10-year period. In order to impose an impact fee, the City must adopt an order, ordinance, or resolution that establishes a public hearing date to consider the land use assumptions within the designated service area. After the public hearing on the land use assumptions, the City makes a determination of adoption or rejection of the ordinance, order or resolution approving the land use assumptions that will be utilized to develop the Capital Improvement Plan. For this analysis the existing land use plan was utilized as no changes in land use has been made by the city.

Table 1 provides a summary of the growth assumptions used for the water distribution system.

TABLE NO. 1
POPULATION GROWTH ASSUMPTIONS

	2023	2033	Buildout
Population Assumption	5,884	8,710	12,000
Percent of Buildout Population (%)	49%	73%	100%
2023 to 2033 Population Growth:		148%	

E. DEFINITION OF A WATER SERVICE UNIT

Chapter 395 of the Local Government Code requires that impact fees be based on a defined service unit. A “service unit” means a standardized measure of consumption, use generation, or discharge attributable to an individual unit of development calculated in accordance with generally accepted engineering or planning standards. The City of Parker has previously defined a water service unit to be a 1-inch water meter and has referred to these service units as Single Family Living Unit Equivalents (SFLUE). The service unit is based on the continuous duty capacity of a 1-inch water meter. This is the typical meter used for a single family detached dwelling within the City, and therefore is considered to be equivalent to one “living unit”. Other meter sizes can be compared to the 1-inch meter through a ratio of water flows as published by the American Water Works Association and shown in Table No. 1 below. This same ratio is then used to determine the proportional water impact fee amount for each water meter size.

TABLE NO. 2
LIVING UNIT EQUIVALENCIES
FOR VARIOUS TYPES AND SIZES OF WATER METERS

Meter Type	Meter Size	Continuous Duty Maximum Rate ^(a)	Living Unit Per Meter Size
Simple	1"	25	1.0
Simple	2"	80	3.2
Compound	2"	80	3.2
Turbine	2"	100	4.0

^(a) Source: AWWA Standard C700 - C702

F. CALCULATION OF WATER LIVING UNIT EQUIVALENTS 2023-2033

The City of Parker provided the existing water meter count by size category as of October 2023. In total, there are 2,100 water meters serving the existing population of 5,882 residents in the Water Service Area. Table No. 2 shows the number of existing meters, the living unit equivalent factor, and the total number of living unit equivalents (LUE's) for water accounts. As shown in Table No. 2, the new LUE's during the impact fee period total 1,136.

TABLE NO. 3
WATER LIVING UNIT EQUIVALENTS BY METER SIZE

Meter Size	2023			2033				New Living Units During Impact Fee Period
	Number of Water Meters	Living Unit Equivalent Ratio for 1" Used	Total Number of Living Units	Future Meter Size	Number of Water Meters	Living Unit Equivalent Ratio for 1" Used	Total Number of Living Units	
5/8" x 3/4"	197	1.0	197	1"	292	1.0	292	95
1"	1,820	1.0	1,820	1"	2,701	1.0	2,701	881
2"	83	4.0	332	2"	123	4.0	492	160
Totals	2,100		2,349		3,116		3,485	1,136

G. WATER DISTRIBUTION SYSTEM

Computer models for the years 2023 and 2033 were prepared based on the City's Water Distribution System Master Plan. The models were developed from residential population projections as shown in Table 1. The water distribution system include major distribution lines, pressure reducing valves, pump stations, elevated storage tanks and ground storage reservoirs.

All computer models were run for a 72-hour Extended Period Simulation to insure proper sizing of the facilities to meet peak demand periods.

G.1 Existing Pump Stations, Ground Storage Reservoirs & Elevated Storage Tanks

The existing water distribution system includes the facilities as shown in Table No. 4 and Table No. 5 below.

TABLE NO. 4
WATER DISTRIBUTION SYSTEM
EXISTING PUMP STATIONS & GROUND STORAGE

Pump Station	Number Of Pumps	Rated Capacity (MGD)	Number of Ground Storage Reservoirs	Total Ground Storage Available (MG))
East Side Pump Station	4	3.50	2	0.5
Total:	4	3.50	2	0.5

TABLE NO. 5
WATER DISTRIBUTION SYSTEM
EXISTING ELEVATED STORAGE

Pump Station	Capacity (MG)
City Hall Elevated Storage Tank	1.0
Total:	1.0

The pump stations and ground storage facilities were analyzed on the maximum daily demand, while elevated storage acts dynamically and therefore was analyzed utilizing the difference between the Maximum Hourly Demand and the Maximum Daily Demand.

G.2 Distribution Lines

The distribution lines consist of all lines within the service area planning boundary supplying water to customers in the City of Parker. Lines vary in size from 3/4-inch service lines to 18-inch transmission lines. Unless a smaller diameter water line is expected to be constructed by the City of Parker, only those proposed water lines 8-inches in diameter or larger were considered in the Impact Fee calculations. The cost of water lines includes construction cost, appurtenances (water valves, fire hydrants, taps, etc.), utility relocations, purchase of easements and engineering costs. Financing cost is included for each project assuming a bond rate of 5% over a 20-year term.

Unit cost for water lines 12-inches in diameter or larger, which are anticipated to be constructed by private development, include the City's oversize cost participation only. City initiated water lines include the full cost of the proposed facility. Developer initiated water line projects which are 8-inches or less in diameter are not included in this Impact Fee analysis, unless otherwise shown on the CIP map. The cost for these size lines are the responsibility of the developer.

H. CAPITAL IMPROVEMENT PLAN

H.1 Executive Summary

The City of Parker owns and operates their water distribution system comprised of pump stations, ground storage reservoirs, elevated storage tanks and pipeline infrastructure. This system is being improved and expanded to meet the needs of the water demands imposed by the current residents and future residents of Parker, Texas. A schedule for future improvements and investments in the water distribution system is known as the Capital Improvements Plan. Chapter 395 of the Texas Local Government Code requires the political subdivision create its Capital Improvement Plan to impose impact fees. The Capital Improvement Plan and its costs are required for the calculation of the water impact fee. Birkhoff, Hendricks, and Carter, with assistance of City staff, created the Capital Improvements Plan. Only projects from the Capital Improvement Plan that are required to provide capacity to serve growth during the impact fee (2023-2033) period can be included in the impact fee calculation.

H.2 Introduction

In accordance with Chapter 395 of the Texas Local Government Code, the City of Parker has retained Birkhoff, Hendricks & Carter, L.L.P. to establish the Capital Improvement Plan in conjunction with the Water Impact Fee Study. This section establishes the engineering basis for the capital projects and costs which are included in the water impact fee calculations.

The Capital Improvements Plan consists of the necessary water distribution system improvements to support the projected water demands placed on the distribution system due to future growth.

H.3 Facility Capacity Requirements

H.3.1 General

This section of the report discusses the capacity of those facilities that are required to be included in the Impact Fee Capital Improvements Plan and are also eligible in the calculation of the impact fee. The capacities evaluated are the existing available capacities and the increased capacities due to projected growth. These increased capacities serve the growth projected during the impact fee period.

H.3.2 Water Usage

The water distribution system must be improved in accordance with this Capital Improvement Plan in order to support the water demands imposed on the system by the projected growth the City is envisioning within the next 10-year period. The City's existing 2023 residential population is approximately 5,882 residents. In year 2033 the City projects the residential population to grow to approximately 8,710 residents. Based on a water demand study conducted for the City in August of 2023, the residential per capita water usage rate for maximum daily demand is 666 gallons per capita per day (gpcd). Table No. 6 illustrates the water demand rates used to calculate the water demands for the projected population.

TABLE NO. 6
2023 DESIGN WATER DEMAND RATES

Land Use	Maximum Daily Demand Rate	Maximum Hourly Demand Rate
Residential	666 g.p.c.d.	1,078 g.p.c.d.

g.p.c.d. – gallons per capita per day

g.p.a.d. – gallons per acre per day

residential peaking factor 1.62

Table No. 7 summarizes the calculated water demands for year 2023 and 2033, within the City's planning area.

TABLE NO. 7
WATER DEMANDS

Water Demand Capacities	Maximum Daily Demand (MGD)	Maximum Hourly Demand (MGD)
2023 Water Demands	3.92	6.34
2033 Water Demands	5.80	9.39
Additional Capacity Required:	1.88	3.05

H.3.3 Water Supply

The City currently receives treated water supply from the North Texas Municipal Water District (NTMWD) at the East Side Pump Station delivery point located at the southwest corner of the Parker Road and F.M. 1378 intersection. The East Side Pump Station delivery point has capacity to receive up to 3.50 MGD supply rate. It does not have enough capacity to support the additional supply required for the growth within the next ten year period. This site also does not have sufficient area for expansions. Based on the growth projections and the calculated water demands, a second delivery point for water supply will be needed to meet the new water demands. This new delivery point will be the Central Pump Station delivery point. The locations of the existing and proposed delivery points are shown on the Capital Improvement Plan Map included in this report. Table No. 8 summarizes the maximum day supply capacity requirements at each delivery point within the next ten-year impact fee period.

TABLE NO. 8
WATER SUPPLY

Water Supply Capacities	East Side Supply (MGD)	Central Supply (MGD)
2023 NTMWD Supply	3.50	0.00
2033 NTMWD Supply	3.50	2.30
Additional Supply Capacity Required:	0.00	2.30

H.3.4 Water Distribution System

The City's existing water distribution system can support the water demands applied to the system from the existing residential population. As the City grows within the next ten-year period, additional water distribution system facilities will need to be constructed to support water demand created from new growth. In addition to facilities, the water distribution system will require additional water lines.

The design of the proposed water distribution system is based on three separate demand conditions. The first condition is based on the maximum daily demand. This demand is the rate at which water is supplied and the rate which pump stations must be sized to deliver water to the system. The second condition is the maximum hourly demand rate on the day of maximum demand. Maximum hourly demand rate is used to size distribution lines and to determine the volume of elevated storage. The third condition used is the minimum hourly demand rate on the day of maximum demand. This rate is used to analyze the refill rates of elevated storage tanks. These three demand conditions were modeled over a three-day period with an Extended Period Simulation (EPS) in the hydraulic water model utilizing the InfoWater Pro water model software.

The existing and proposed distribution lines along with facilities are shown on the Capital Improvement Plan Map presented in this section of the Impact Fee Report. Table No. 9 summarizes the maximum hourly demands that the proposed distribution system will need to support.

TABLE NO. 9
WATER LINE DEMANDS

Waterline Capacities	Maximum Hourly Demand (MGD)
2023 Waterline Demands	6.34
2033 Waterline Demands	9.39
Addition Waterline Capacity Required:	3.05

H.3.5 High Service Pump Stations

The City can meet its pumping system demand requirements with the existing East Side Pump Station. This pump station has a firm pumping capacity of 3.50 MGD with the largest pump on standby to meet the Texas Commission on Environmental Quality (TCEQ) regulations. In order to meet the projected maximum daily demands, a second pump station with an initial firm capacity of 3.0 MGD will be required to be in service to meet the additional maximum daily demands. Table No. 10 summarizes the pump station capacities.

TABLE NO. 10
PUMP STATIONS

Pump Station Capacities	East Side Pump Station (MGD)	Central Pump Station (MGD)
2023 Pumping Capacity	3.50	0.00
2033 Pumping Capacity	0.00	3.0
Additional Pumping Capacity Required:	0.00	3.0

H.3.6 Ground Storage Reservoirs

Ground Storage within the system is necessary to provide a dependable supply and during periods of interruption in supply. The volume of ground storage was designed for a 6-hour drawdown for the maximum demand pumping. The East Side Pump Station currently has a 200,000-gallon and a 300,000-gallon ground storage reservoir. These two existing reservoirs serve the East Side delivery point and pump station. The new delivery point will require additional ground storage to meet TCEQ

regulations and to provide a dependable supply to the Central Pump Station. Table No. 11 illustrates the ground storage capacity requirements. The ground storage reservoir at the Central Pump Station will need to be constructed congruently with the proposed pump station.

TABLE NO. 11
GROUND STORAGE RESERVOIR REQUIREMENTS

Ground Storage Capacities	Ground Storage Added (MG)	Ground Storage Available (MG)
2023 Ground Storage Capacity	0.00	0.50
2033 Ground Storage Capacity	1.0	1.5
Reservoir Capacity Required:	1.0	1.5

H.3.7 Elevated Storage Tanks

Elevated storage within the system is required by TCEQ to maintain system pressure. In the Parker system, elevated storage is sized to meet the maximum hourly demands working in conjunction with the pump stations, while maintaining system pressures.

The City currently has one 1.0-MG elevated storage tank located on Parker Road, adjacent to City Hall, with a high water level at 800-ft above mean sea level (MSL). Table No. 12 summarizes the elevated storage requirements to meet maximum hourly demand rates within the 10-year study period.

TABLE NO. 12
ELEVATED STORAGE TANK REQUIREMENTS

Elevated Storage Capacities	Elevated Storage Added (MG)	Elevated Storage Available (MG)
2023 Elevated Storage Capacities	0.0	1.0
2033 Elevated Storage Capacities	1.0	2.0
Elevated Storage Capacity Required:	1.0	2.0

H.4 Facilities – Utilized Capacity

Utilized capacity for the water distribution system was calculated based on the demand required for each model year (2023, 2033 and Buildout). The models of the water distribution system are based on the 72-hour extended period simulation (EPS). Transmission and distribution facilities are sized based on either the maximum hour demand or the minimum hour demand, whichever demand is greater for a particular water line. Often times, the capacity of a water line is determined by the flows generated by the minimum hour demand. The minimum hour flows are usually higher in those lines which are used to refill elevated storage. Table No. 13 below shows the unit flow assumptions used for analysis of each element of the distribution system.

TABLE NO. 13
WATER DISTRIBUTION SYSTEM ANALYSIS
BASIS OF DEMAND CALCULATION

Type of Facilities	Demand Type	Impact Fee Per Capita Use
Pumping	Maximum Day	666 gallons/day
Distribution System	Maximum Hour	1,078 gallons/day
Ground Storage	Maximum Day x 6/24 Hours	
Elevated Storage	Maximum Hour - Maximum Day x 6/24 Hours	

For each line segment in the water distribution model, the build-out flow rate in any given line was compared to the flow rate in the same line for the 2023 and the 2033 models. The utilized capacity was then calculated for each year based on the build-out being 100% capacity. The utilized capacity during the Impact Fee period is the difference between the year 2023 percent utilized and the year 2033 percent utilized. The utilized capacity for each water distribution facility, both existing and proposed, is presented in the Impact Fee Capacity Calculation Tables provided in Appendix A. Table No. 14 summarizes the project cost and utilized cost over the impact fee period of 2023 - 2033 for each element of the Water Distribution System.



H.6 Capital Improvement Plan Cost

In order to meet the demands of the anticipated growth over the next 10-years, certain water distribution system improvements are required. These recommended improvements form the basis for the Water Distribution System Impact Fee Calculation and totals \$13,916,225. Adding the cost of financing brings the total 10-year Water Distribution System Capital Improvement cost to \$22,321,381. Table No. 16 represents a summary of the existing and proposed facilities capital costs within the planning period.

The existing facilities that were determined to be impact fee eligible due to available capacity that can be utilized to support growth were included in the impact fee calculations. The actual cost of construction for these facilities were used in the calculations when known. Existing eligible infrastructure without available project costs were estimated based on average unit cost.

The average unit cost for the proposed capital improvement projects and the existing facilities was derived from a limited survey of projects, which bid recently, plus an estimated cost for engineering, easements and debt service. The cost and the utilized capacity of the proposed water lines, pump stations, ground storage reservoirs elevated storage tanks and existing facility proposed improvements during the impact fee period are included in Table No. 15.

TABLE No. 14
CITY OF PARKER, TEXAS
2023 IMPACT FEE
WATER DISTRIBUTION SYSTEM
10-YEAR CAPITAL IMPROVEMENT PLAN

PROPOSED WATER LINES

Project No. ⁽³⁾	Project	Size	Opinion of Project Cost ⁽¹⁾	Debt Service ⁽²⁾	Total Project Cost
1	Dillehay Drive 18-Inch Water Line	18"	\$ 1,546,875	\$ 935,630	\$ 2,482,505
2	Chaparral Elevated Storage Tank 16-Inch Water Line	16"	\$ 96,250	\$ 58,217	\$ 154,467
3	Bois-D-Arc Lane 8-Inch Water Line	8"	\$ 317,300	\$ 191,919	\$ 509,219
Subtotal: Proposed Water Lines			\$ 1,960,425	\$ 1,185,766	\$ 3,146,191

SUPPLY, PUMPING, STORAGE FACILITIES AND FACILITY IMPROVEMENTS

Project No. ⁽⁴⁾	Project	Capacity	Opinion of Project Cost ⁽¹⁾	Debt Service ⁽²⁾	Total Project Cost
4	Central Pump Station - 1.75 MGD P.S.	1.75 MGD	\$ 4,391,800	\$ 2,656,388	\$ 7,048,188
5	Central Pump Station - 1.0 MG G.S.R.	0.75 MG	\$ 1,160,000	\$ 701,628	\$ 1,861,628
6	NTMWD Delivery Point No. 2	5 MGD	\$ 1,320,000	\$ 798,404	\$ 2,118,404
7	Chaparral 1.0-MG Elevated Storage Tank	1 MG	\$ 4,920,000	\$ 2,975,871	\$ 7,895,871
8	Additional 1.25-MGD Pump at Central Pump Station		\$ 144,000	\$ 87,099	\$ 231,099
Subtotal, Supply, Pumping and Storage Facilities:			\$ 11,935,800	\$ 7,219,390	\$ 19,155,190

PLANNING EXPENSES

Project No.	Project	Opinion of Cost (1)(b)	Debt Service ⁽²⁾	Total Project Cost
	Water Impact Fee	\$ 20,000	\$ -	\$ 20,000
Subtotal, Planning Expenses:		\$ 20,000	\$ -	\$ 20,000
Water Distribution System CIP Grand Total:		\$ 13,916,225	\$ 8,405,156	\$ 22,321,381

Notes:

- (1) Opinion of Project Cost includes:
 - a) Engineer's Opinion of Construction Cost
 - b) Professional Services Fees (Survey, Engineering, Testing, Legal)
 - c) Cost of Easement or Land Acquisitions
- (2) Debt Service based on 20-year simple interest bonds at 5%

H.7 Utilized Capacity Costs

TABLE NO. 15
SUMMARY OF ELIGIBLE CAPITAL COST & UTILIZED CAPACITY COST

Water System	Total Capital Cost (\$)	Total 20-Year Project Cost (\$)	Utilized Capacity During Fee Period (\$)
Existing Water Lines	\$ 2,259,443	\$ 3,580,694	\$ 287,912
Existing Water Facilities	\$ 3,494,971	\$ 5,511,919	\$ 1,322,514
Existing Water System Subtotal:	\$ 5,754,414	\$ 9,092,613	\$ 1,610,426
Proposed Water Lines	\$ 1,960,425	\$ 3,146,191	\$ 1,842,802
Proposed Water Facilities	\$ 11,935,800	\$ 19,155,189	\$ 15,314,320
Impact Fee Expenses	\$ 20,000	\$ 20,000	\$ 20,000
Proposed Water System Subtotal:	\$ 13,916,225	\$ 22,321,380	\$ 17,177,122
TOTAL:	\$ 19,670,639	\$ 31,413,993	\$ 18,787,548

I. CALCULATION OF MAXIMUM WATER IMPACT FEES

The maximum impact fees for the water distribution system is calculated by dividing the cost of the capital improvements or facility expansions necessitated and attributable to new development in the service area within the 10-year period by the number of living units anticipated to be added to the City within the 10-year period as shown on Table No. 16. The calculations are shown below.

TABLE NO. 16
MAXIMUM ALLOWABLE WATER IMPACT FEE

Maximum Water Impact Fee	=	Eligible Existing Utilized Cost	+	Eligible Proposed Utilized Cost	
		Number of New Living Unit Equivalent over the Next 10 Years			
	=	\$1,610,426	+	\$17,177,122	\$18,787,548
			1,136		1,136
Maximum Impact Fee	=	<u>\$16,538.33</u>			
Allowable Maximum Water Impact Fee: (Max Impact Fee x 50%)*	=	<u>\$8,269.17</u>			
<i>* Maximum allowable impact fee is 50% of the maximum calculated impact fee per Chapter 395 LGC</i>					

Based on the Maximum Impact Fee Calculation for Water, Table No. 17 calculates the maximum impact fee for the various sizes of water meters.

TABLE NO. 17
ALLOWABLE MAXIMUM FEE PER LIVING UNIT EQUIVALENT
AND
PER METER SIZE AND TYPE

50% Max . Water Impact fee /LUE				\$	8,269.17
Typical Land Use	Meter Type	Meter Size	LUE	Maximum Water	
				Impact Fee	
Single Family Residential	Simple	1"	1	\$	8,269.17
Single Family Residential	Simple	2"	4	\$	33,076.67

***APPENDIX
WATER IMPACT FEE UTILIZED
CAPACITY TABLES***

TABLE NO. 19
CITY OF PARKER, TEXAS
2023 WATER SYSTEM IMPACT FEE STUDY
EXISTING WATER LINES

Pipe Number	Length (Ft.)	Diameter (Inches)	Date of Const.	Avg. Unit Cost (\$/Ft.)	Construction Cost (\$)	20 Year Debt Service Utilizing Simple Interest	Total 20 Year Project Cost (\$)	(%) Utilized Capacity		(\$ Utilized Capacity		During Fee Period
								2023	2033	2023	2033	
1 - Parker Road 12 & 18-Inch Water Line (East Side P.S. to F.M. 2551)												
P-1078	358	12	0	\$61.79	\$22,119	\$13,379	\$35,498	68%	72%	\$24,139	\$25,559	\$1,420
P-1084	2,615	12	0	\$61.79	\$161,569	\$97,726	\$259,295	68%	72%	\$176,321	\$186,692	\$10,372
P-1271	7,903	18	0	\$61.79	\$488,292	\$295,344	\$783,636	100%	100%	\$783,636	\$783,636	\$0
P-1289	2,072	18	0	\$61.79	\$128,020	\$77,433	\$205,453	100%	100%	\$205,453	\$205,453	\$0
Subtotal:	12,948				\$800,000	\$483,881	\$1,283,881			\$1,189,549	\$1,201,340	\$11,792
2 - F.M. 2551 8-Inch Water Line												
P-1035	3,315	8	0	\$77.08	\$255,515	\$154,549	\$410,063	79%	85%	\$323,950	\$348,554	\$24,604
Subtotal:	3,315				\$255,515	\$154,549	\$410,063			\$323,950	\$348,554	\$24,604
3 - Parker Road 12-Inch Water Line (F.M. 2551 to Springhill Estates Drive)												
P-1068	1,989	12	0	\$30.00	\$59,670	\$36,092	\$95,762	100%	100%	\$95,762	\$95,762	\$0
P-1069	585	12	0	\$30.00	\$17,550	\$10,615	\$28,165	100%	100%	\$28,165	\$28,165	\$0
P-1070	1,008	12	0	\$30.00	\$30,240	\$18,291	\$48,531	100%	100%	\$48,531	\$48,531	\$0
P-1071	560	12	0	\$30.00	\$16,800	\$10,162	\$26,962	100%	100%	\$26,962	\$26,962	\$0
P-1072	645	12	0	\$30.00	\$19,350	\$11,704	\$31,054	100%	100%	\$31,054	\$31,054	\$0
P-1073	1,009	12	0	\$30.00	\$30,270	\$18,309	\$48,579	100%	100%	\$48,579	\$48,579	\$0
P-1074	944	12	0	\$30.00	\$28,320	\$17,129	\$45,449	96%	100%	\$43,631	\$45,449	\$1,818
P-1075	812	12	0	\$30.00	\$24,360	\$14,734	\$39,094	100%	100%	\$39,094	\$39,094	\$0
P-1076	953	12	0	\$30.00	\$28,590	\$17,293	\$45,883	100%	100%	\$45,883	\$45,883	\$0
P-1077	596	12	0	\$30.00	\$17,880	\$10,815	\$28,695	100%	100%	\$28,695	\$28,695	\$0
P-1178	1,927	12	0	\$30.00	\$57,810	\$34,966	\$92,776	77%	94%	\$71,438	\$87,210	\$15,772
Subtotal:	11,028				\$330,840	\$200,109	\$530,949			\$507,794	\$525,384	\$17,590
4 - Chaparral Elevated Storage Tank 16-Inch Water Line												
P-1260	2,956	16	0	\$33.83	\$100,000	\$60,485	\$160,485	7%	71%	\$11,234	\$113,944	\$102,711
Subtotal:	2,956				\$100,000	\$60,485	\$160,485			\$11,234	\$113,944	\$102,711
5 - Muddy Creek 12-Inch Water Line												
P-1169	2,780	12	0	\$30.00	\$83,400	\$50,445	\$133,845	100%	100%	\$133,845	\$133,845	\$0
P-1170	3,035	12	0	\$30.00	\$91,050	\$55,072	\$146,122	35%	39%	\$51,143	\$56,987	\$5,84
P-1171	1,890	12	0	\$30.00	\$56,700	\$34,295	\$90,995	100%	100%	\$90,995	\$90,995	\$0
P-1176	325	12	0	\$30.00	\$9,750	\$5,897	\$15,647	100%	100%	\$15,647	\$15,647	\$0
P-1280	1,570	12	0	\$30.00	\$47,100	\$28,489	\$75,589	70%	70%	\$52,912	\$52,912	\$0
P-1317	3,350	12	0	\$30.00	\$100,500	\$60,788	\$161,288	100%	100%	\$161,288	\$161,288	\$0
P-1319	320	12	0	\$30.00	\$9,600	\$5,807	\$15,407	100%	100%	\$15,407	\$15,407	\$0
P-1321	990	12	0	\$30.00	\$29,700	\$17,964	\$47,664	54%	54%	\$25,739	\$25,739	\$0
Subtotal:	14,260				\$427,800	\$258,756	\$686,556			\$546,976	\$552,820	\$5,84

Meeting Date: 01/16/2024 Item 2.

TABLE NO. 19
CITY OF PARKER, TEXAS
2023 WATER SYSTEM IMPACT FEE STUDY
EXISTING WATER LINES

Pipe Number	Length (Ft.)	Diameter (Inches)	Date of Const.	Avg. Unit Cost (\$/Ft.)	Construction Cost (\$)	20 Year Debt Service Utilizing Simple Interest	Total 20 Year Project Cost (\$)	(%) Utilized Capacity		(\$ Utilized Capacity		During Fee Period
								2023	2033	2023	2033	
6 - 2009 12-Inch Water Line Phase-2												
P-1181	2,419	12	2009	\$50.43	\$121,996	\$73,789	\$195,785	52%	81%	\$101,808	\$158,586	\$56,778
P-1254	2,940	12		\$50.43	\$148,271	\$89,682	\$237,953	72%	100%	\$171,326	\$237,953	\$66,627
Subtotal:	5,359				\$270,267	\$163,471	\$433,738			\$273,134	\$396,539	\$123,405
7 - Church Road Waterline												
P-1080	3,124	12	2002	\$15.72	\$49,113	\$0	\$49,113	96%	100%	\$47,148	\$49,113	\$1,965
P-1220	1,648	12		\$15.72	\$25,908	\$0	\$25,908	100%	100%	\$25,908	\$25,908	\$0
Subtotal:	4,772				\$75,021	\$0	\$75,021			\$73,056	\$75,021	\$1,965
Total:	54,638				\$2,259,443	\$1,321,251	\$3,580,694			\$2,925,693	\$3,213,602	\$287,912

Meeting Date: 01/16/2024 Item 2.

TABLE NO. 20
CITY OF PARKER, TEXAS
2023 WATER DISTRIBUTION IMPACT FEE STUDY
EXISTING WATER SUPPLY, PUMPING AND STORAGE FACILITIES

	Year Const.	Capacity	Units	Pump Station Cost (\$)				Capacity Utilized (%)			Capacity Utilized (\$)			
				Construction Cost (\$)	Engineering, Testing and Property Acquisition	Debt Service Interest Rate %	20 Year Debt Service Utilizing Simple Interest	Total 20 Yr. Project Cost (\$)	In The CRF Period		2023	2033	In The CRF Period	
Pump Station Improvements														
Existing Pump Stations, Ground Storage, and Elevated Storage Facilities														
Facilities & Water Line Purchase From Pecan Orchard	1988			\$196,000	\$0	Special	\$21,560	\$217,560	68%	72%	4%	\$147,941	\$156,643	\$8,702
East Side Pump Station Improvements	2003	3.60	MGD	\$396,700	\$79,340	5%	\$287,934	\$763,974	100%	100%	0%	\$763,974	\$763,974	\$0
City Hall Elevated Storage Tank	2011	1.0	MG	\$2,352,442	\$470,488	5%	\$1,707,455	\$4,530,385	61%	90%	29%	\$2,763,535	\$4,077,347	\$1,313,812
Existing Facilities Total:				\$2,945,142	\$549,828		\$2,016,948	\$5,511,919				\$3,675,449	\$4,997,964	\$1,322,514

TABLE NO. 21
CITY OF PARKER, TEXAS
2023 WATER SYSTEM IMPACT FEE STUDY
PROPOSED WATER LINES

*** Average Unit costs are based in 2023 dollars unless otherwise indicated and includes 20% for engineering and easen*

Pipe Number	Length (Ft.)	Diameter (Inches)	Avg. Unit Cost (\$/Ft.)	Construction Cost (\$)	20 Year Debt Service @ 5% Simple Interest	Total 20 Year Project Cost (\$)	Utilized Capacity			Utilized Capacity	
							2023	2033	During Fee Period	2023	2033
1 - Dillehay Drive 18-Inch Water Line											
This project begins at the proposed Central Pump Station and bears north and south. The northern segment terminates near Kara Lane approximately 1,500 feet south of Chaparral while the southern segment continues to just south of Lindsey Lane approximately 2,000 feet north of Parker Road.											
2	P-1252	2,490	18"	\$375.00	\$933,750	\$564,780	\$1,498,530	0.0%	91.0%	91.0%	\$1,363,663
2	P-1253	1,635	18"	\$375.00	\$613,125	\$370,850	\$983,975	0.0%	24.0%	24.0%	\$236,154
Subtotal:				4,125	\$1,546,875	\$935,630	\$2,482,505			\$0	\$1,599,817
2 - Chaparral Elevated Storage Tank 16-Inch Water Line											
This water line begins at the proposed Chaparral Elevated Storage Tank and continues northerly connecting to the existing 16-inch water line at the intersection of Malone Drive and Nestledown Road.											
2	P-1191	385	16"	\$250.00	\$96,250	\$58,217	\$154,467	0.0%	65.0%	65.0%	\$100,404
Subtotal:				385	\$96,250	\$58,217	\$154,467			\$0	\$100,404
3 - Bois-D-Arc Lane 8-Inch Water Line											
The water line begins at a point for connection to the existing 18-inch Parker Road Water Line and continues southerly connecting to the existing 8-inch water line south of Bois-D-Arc Lane.											
2	P-1157	1,670	8"	\$190.00	\$317,300	\$191,919	\$509,219	0.0%	28.0%	28.0%	\$142,581
Subtotal:				1,670	\$317,300	\$191,919	\$509,219			\$0	\$142,581
CIP Total:				6,180	\$1,960,425	\$1,185,766	\$3,146,191			\$0	\$1,842,802

1 - City Participate in Cost Oversize

2 - City Initiated & Funded

TABLE NO. 22
CITY OF PARKER, TEXAS
2023 WATER DISTRIBUTION IMPACT FEE STUDY
PROPOSED WATER FACILITIES

	Projected Capacity	Units	Water Facilities Cost (\$)				Capacity Utilized (%)			Capacity Utilized (\$)				
			Capital Cost (\$)	Engineering, Testing and Property Acquisition 20% (\$)	Opinion of Project Total Cost (\$)	20 Year Debt Service Utilizing 5% Simple Interest (\$)	Total 20 Yr. Project Cost (\$)	2023	2033	In The CRF Period	2023	2033	In The CRF Period	
Facility Improvements														
Proposed Pump Stations, Ground Storage, and Elevated Storage Facilities														
8.	Central Pump Station - 1.75 MGD P S.	1.75	\$4,391,800	\$0	\$4,391,800	\$2,656,388	\$7,048,188	0.0%	73.0%	\$0	\$5,145,177			
9.	Central Pump Station - 1.0 MG G S R.	0.75	\$1,160,000	\$0	\$1,160,000	\$701,628	\$1,861,628	0.0%	73.0%	\$0	\$1,358,988			
10	NTMWD Delivery Point No. 2	5.0	\$1,100,000	\$220,000	\$1,320,000	\$798,404	\$2,118,404	0.0%	73.0%	\$0	\$1,546,435			
11.	Chaparral 1.0-MG Elevated Storage Tank	1.0	\$4,100,000	\$820,000	\$4,920,000	\$2,975,871	\$7,895,871	0.0%	89.8%	\$0	\$7,086,544			
12	Additional 1.25-MGD Pump at Central Pump Station	1.25	\$120,000	\$24,000	\$144,000	\$87,099	\$231,099	0.0%	76.7%	\$0	\$177,176			
Proposed Facility Total:			\$10,871,800	\$1,064,000	\$11,935,800	\$7,219,389	\$19,155,189				\$15,314,320	\$15,314,320		



2023 - 2033
WATER IMPACT FEE STUDY

BIRKHOFF, HENDRICKS & CARTER, L.L.P.
PROFFESIONAL ENGINEERS
DALLAS, TEXAS
(214) 361-7900

October 2023



2023-2033 Impact Fee Capital Improvement Plan Program



Submitted To The City Of



Submitted By



BIRKHOFF, HENDRICKS & CARTER, L.L.P.
***SPECIALIZING IN CIVIL ENGINEERING FOR
MUNICIPALITIES AND GOVERNMENTAL AGENCIES***



October 2023

**CITY OF PARKER, TEXAS
2023 to 2033 IMPACT FEE
CAPITAL IMPROVEMENT PROGRAM**

PROPOSED WATER LINES

Project No.	Project	Size	Length (ft.)
1	Dillehay Drive 18-Inch Water Line	18"	4,125
2	Chaparral Elevated Storage Tank 16-Inch Water Line	16"	385
3	Bois-D-Arc Lane 8-Inch Water Line	8"	1,670

SUPPLY, PUMPING, STORAGE FACILITIES AND FACILITY IMPROVEMENTS

Project No.	Project	Capacity
4	Central Pump Station - 1.75 MGD P.S.	1.75 MGD
5	Central Pump Station - 1.0 MG G.S.R.	0.75 MG
6	NTMWD Delivery Point No. 2	5 MGD
7	Chaparral 1.0-MG Elevated Storage Tank	1 MG
8	Additional 1.25-MGD Pump at Central Pump Station	1.25 MGD

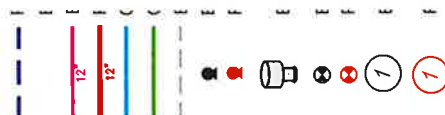


EXHIBIT B

**CITY OF PARKER CODE OF ORDINANCES
CITY OF PARKER WATER IMPACT FEE SUBCHAPTER**

§§ 51.85 - 51.99

DRAFT

WATER IMPACT FEES

§ 51.85 GENERAL PROVISIONS.

(A) *Short title.* This subchapter shall be known and cited as the City of Parker Water Impact Fee subchapter.

(B) *Purpose.* The purpose of this subchapter is to help ensure that adequate water facilities are available to serve new growth and development, and to provide for new growth and development to bear a proportionate share of the cost of water and wastewater facilities that serve the new growth and development.

(C) *Authority; implementing guidelines.*

(1) This subchapter is adopted pursuant to Tex. Local Gov't Code Ch. 395.

(2) Guidelines to implement and administer this subchapter may be developed and approved by ordinance or resolution of the City Council.

(D) *Definitions.* For the purpose of this subchapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

ADVISORY COMMITTEE. The Capital Improvements Advisory Committee on impact fees in accordance with Tex. Local Gov't Code Ch. 395.

CAPITAL IMPROVEMENT. A water facility with a life expectancy of 3 or more years that is owned and operated by or on behalf of the city, whether or not the facility is within the impact fee service area.

CAPITAL IMPROVEMENT PLAN. The plan approved by the City Council which describes the water capital improvements or facility expansions and their costs which are necessitated by and attributable to development in the impact fee service area based on the approved land use assumptions. The initial capital improvements plan is the Capital Improvements Plan and Report for Water Impact Fees prepared for the city by Birkhoff, Hendricks, and Carter, LLP, which was approved by the City Council by resolution dated January 9, 2017, and updated by City Council by Ordinance on December 19, 2023.

CITY. The City of Parker, Texas.

DEVELOPMENT. The subdivision of land, or the construction, reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement of any structure, or any use or extension of the use of land, any of which increases the number of service units that may be used on the land or in conjunction with the structure. **DEVELOPMENT** includes the conversion of an existing use from on-site water facilities to the use of city water facilities.

FACILITY EXPANSION. An expansion of the capacity of any existing water facility for the purpose of serving development; it does not include the repair, maintenance, modernization, or expansion of an existing water facility to the extent it serves existing development.

IMPACT FEE. A fee for water facilities imposed on development in order to generate revenue to fund or recoup the costs of capital improvements or facility expansions necessitated by and attributable to the development. **IMPACT FEE** does not include:

- (a) The dedication of rights-of-way or easements for water facilities;
- (b) Construction or dedication of on-site or off-site water facilities under the city's subdivision or other regulations;
- (c) Fees placed in trust funds for the purpose of reimbursing developers for oversizing or constructing water facilities;
- (d) Pro rata fees for reimbursement of the costs for extending city water; or
- (e) Charges for water services to a wholesale customer such as a water district, political subdivision of the state, or other wholesale utility customer.

IMPACT FEE RATE. The amount of the impact fee living unit.

IMPACT FEE SERVICE AREA. The area designated in the Water Impact Fee Report adopted by the City Council by resolution on January 9, 2017 and adopted herein by reference within which impact fees will be collected in connection with development, and for which impact fees will be expended for capital improvements or facility expansions.

LAND USE ASSUMPTIONS. A report describing the impact fee service area and projections of changes in land uses, densities, intensities, and population in the service area. The initial land use assumptions are contained in the report on land use assumptions for the implementation of water impact fees prepared for the city by Birkhoff, Hendricks, and Carter, LLP, which was approved by the City Council by resolution dated January 9, 2017, and by Ordinance on December 19, 2023.

PROPERTY OWNER. Any person, corporation, legal entity or agent thereof having a legal or equitable interest in the land for which an impact fee becomes due. **PROPERTY OWNER** includes the developer for a development.

SERVICE UNIT. The applicable standard units of measure shown on the land use equivalency table in the Impact Fees Capital Improvements Plan which can be converted to water meter equivalents, for water facilities, which serves as the standardized measure of consumption, use or generation attributable to the new unit of development. For roadway facilities, the service unit is converted vehicle miles.

WATER FACILITY. Water meter interceptor or main, pump station, storage tank or other facility included within and comprising an integral component of the city's water storage or distribution system. **WATER FACILITY** includes land, easements or structures associated with such facilities. **WATER FACILITY** excludes site-related facilities.

- (E) *Water impact fee service area; applicability of article.*

(1) The water impact fee service area is depicted on a map included in the Water Impact Fee Report prepared for the city by Birkhoff, Hendricks, and Carter, LLP. A copy of this map shall be retained on file at City Hall.

(2) This subchapter applies to all development within the impact fee service area. The provisions of this subchapter shall apply uniformly within the impact fee service area.

(F) *Land use assumptions and Capital Improvements Plan.*

(1) The land use assumptions are incorporated by reference in this subchapter.

(2) The Capital Improvements Plan is incorporated by reference in this subchapter.

(G) *Impact fees in relation to other fees and development regulations.*

(1) Impact fees established by this subchapter are in addition to water and wastewater meter, tap, or connection fees.

(2) For each development to which impact fees apply, the payment of impact fees as described in this subchapter will constitute a condition of plat, construction permit, utility connection and other development approvals.

(3) This subchapter shall not affect the permissible uses of property, the density of development, public improvement standards and requirements, or any other aspect of city development regulations.

(H) *Functions of Advisory Committee.* The Advisory Committee may perform the following functions:

(1) Advise and assist the City Council and city staff in reviewing, adopting and updating the land use assumptions and the Capital Improvements Plan;

(2) File written comments on the land use assumptions and the Capital Improvements Plan;

(3) Monitor and evaluate implementation of the Capital Improvements Plan;

(4) Advise the city of the need to update or revise the land use assumptions, Capital Improvements Plan and impact fees; and

(5) File periodic reports evaluating the progress of the Capital Improvements Plan and identifying perceived inequities in implementing the Plan or administering the impact fees.

(I) *Updates to plans and revision of fees.*

(1) The city shall update the land use assumptions and Capital Improvements Plan at least every 10 years, and shall recalculate the maximum impact fee rates based on the update, unless the City Council determines that an update is not needed under division (I)(3). The initial 10-year period will run from the January 9, 2017 date of the City Council's adoption of the Capital Improvements Plan.

(2) The city may review its land use assumptions, impact fees, Capital Improvements Plan and other factors such as market conditions more frequently than provided in division (I)(1) to determine whether the land use assumptions and Capital Improvements Plan should be updated and the maximum impact fee rates recalculated.

(3) If the City Council determines that no changes to the land use assumptions, Capital Improvements Plan or impact fees are needed at the time an update is required under division (I)(1), the Council will provide notice of this determination as described in Tex. Local Gov't Code § 395.0575. If no person submits a timely request for an update of the land use assumptions, Capital Improvements Plan or impact fee, no update will be necessary.

(4) The City Council may amend the actual impact fee rates herein at any time without revising the land use assumptions and Capital Improvements Plan. The actual impact fee rates may not, however, exceed the maximum impact fee rates established herein.

(Ord. 746, passed 4-4-2017)

§ 51.86 WATER IMPACT FEES.

(A) Actual and maximum impact fee rates.

(1) The actual impact fee rate charged by the city for each category of capital improvements is set as follows:

(a) One-inch meter: **\$8,269.17.**

(b) Two-inch meter: **\$33,076.67.**

(2) The maximum water impact fee rate allowed by state law for capital improvements is calculated in the Capital Improvements Plan to be as follows:

(a) Single Family Residential 1-inch meter (living unit equivalent: 1): **\$8,269.17.**

(b) Single Family Residential 2-inch meter (living unit equivalent: 4): **\$33,076.67.**

(B) Determination of impact fee rates.

(1) The impact fee rates will be those in effect at the time an application for a building permit, plumbing permit, or utility connection is submitted to the city, except as provided in division (2) below.

(2) For development on property platted or replatted after the original effective date of this subchapter, the impact fee rates will be those in effect at the time the plat or replat of the property was recorded. The applicant for a building or plumbing permit shall submit evidence of the date of plat or replat recording with the application for a building or plumbing permit.

(C) Refunds.

(1) At the written request of an owner of the property on which an impact fee has been paid, the political subdivision shall refund all or part of the impact fee, together

with interest calculated from the date of collection to the date of refund, if any of the following apply:

- (a) Existing facilities are available to serve the development and service is denied for any reason;
- (b) Existing facilities were not available to serve the development when the fee was paid, and the city has failed to commence construction of facilities to provide service within 2 years of payment of the fee; or
- (c) Existing facilities were not available to serve the development when the fee was paid, and the city has failed to make service available within a reasonable period considering the type of facilities to be constructed, but in no event later than 5 years from the date of payment.

(2) Upon written request of an owner of the property on which an impact fee has been paid, the portion of an impact fee which has not been expended within 10 years from the date of payment shall be refunded. The application for refund under this section shall be submitted within 60 days after the expiration of the 10-year period. Under this section, impact fees will be deemed expended on a first-in, first-out basis. An impact fee collected under this subchapter will be deemed expended if the total expenditures for capital improvements or facility expansions within 10 years after the date of payment exceeds the total amount of fees collected for the category of improvements or expansions (water or wastewater) during that period.

(3) If a refund is due under divisions (1) or (2) of this section, the city shall divide the difference between the amount of expenditures and the amount of the fees collected by the total number of service units identified in the land use assumptions for the service area to determine the refund due per service unit. The refund shall be calculated by multiplying the refund due per service unit by the number of service units for the development for which the fee was paid, and interest due shall be calculated on that amount. Refunds shall be made to the record owner of the property at the time of the refund.

(D) *Rebates.* If a building or plumbing permit or an approval of a utility application in a development expires after an impact fee has been paid, and no utility connection has been made under the permit or approval, and a modified or new application has not been filed within 6 months of the expiration, and the property owner submits a written request to the city within 6 months of the expiration, the city shall rebate the amount of the impact fee to the record owner of the property at the time of the refund. If no request for a rebate is submitted within this period, no rebate shall become due.

(Ord. 746, passed 4-4-2017)

§ 51.87 ACCOUNTING AND USE OF IMPACT FEES.

(A) *Accounting for impact fees.*

(1) The city shall establish separate interest-bearing accounts for water system impact fees.

(2) Interest earned on each account shall be credited to that account, and shall be used solely for the purposes authorized in this subchapter.

(3) The city shall establish and maintain financial and accounting controls to ensure that impact fees disbursed from an account are used solely for the purposes authorized in this subchapter. Disbursement of funds shall be authorized by the city at such times as are reasonably necessary to carry out the purposes and intent of this subchapter.

(4) The city shall maintain financial records for each account which show the source and disbursement of all funds. The records shall be open for public inspection during ordinary business hours.

(B) *Use of impact fee accounts.*

(1) Impact fees collected under this subchapter shall be used to pay or recoup the costs of constructing capital improvements or facility expansions identified in the Capital Improvements Plan. Construction costs include the construction contract price, surveying and engineering costs, and land acquisition costs (including purchase price, court awards and costs, attorney's fees, and expert witness fees).

(2) Impact fees may be used to pay the principal and interest and other finance costs on bonds, notes or other obligations issued by or on behalf of the city to finance capital improvements or facility expansions identified in the Capital Improvements Plan.

(3) Impact fees may be used to pay fees to an independent qualified engineer or financial consultant (i.e., an engineer or consultant who is not an employee of the city) for preparing or updating the Capital Improvements Plan.

(4) Impact fees collected under this subchapter shall not be used to pay for any of the following:

(a) Construction or acquisition of capital improvements or facility expansions other than those identified in the Capital Improvements Plan;

(b) Repair, operation, or maintenance of existing or new capital improvements or facility expansions;

(c) Upgrade, expansion or replacement of existing capital improvements that serve existing uses in order to meet stricter safety, efficiency, environmental or regulatory standards;

(d) Upgrade, expansion, or replacement of existing capital improvements to provide better service to existing uses; or

(e) Administrative and operating costs of the city.

(5) The city may pledge impact fee revenues as security for the payment of debt service on a bond, note, or other obligation issued to finance a capital improvement or facility expansion identified in the Capital Improvements Plan if the City Council certifies in an ordinance or resolution that none of the revenues will be used or expended for an improvement or expansion not identified in the Plan.

(C) *Exceptions and exemptions.*

(1) Impact fees shall not be collected from any local taxing unit, as defined in the state tax code that is authorized to impose and is imposing ad valorem taxes on property.

(2) No wastewater impact fee shall be charged for an irrigation meter.

(3) No impact fee shall be charged for a fire line meter that serves only a fire suppression system.

(Ord. 746, passed 4-4-2017)

§ 51.99 PENALTY.

(A) *General.* Any person who shall violate any provision of this chapter for which no other penalty is provided shall, upon conviction thereof, be subject to penalties as provided in § [10.99](#) of this code.

(B) *Water system regulations.* Any person, firm, or corporation violating any of the provisions of this chapter, except §§ [51.70](#) *et seq.*, shall be deemed guilty of a misdemeanor, and, upon conviction, shall be punished by a penalty or fine not to exceed the sum of \$2,000 for each offense; and each and every day the offense is continued shall constitute a new and separate offense. Further, the city may enforce the provisions of this chapter, except §§ [51.70](#) *et seq.*, by a civil action for damages or injunctive relief in a court of competent jurisdiction. In addition to the penalties provided for herein, any violation of these sections may result in the termination of water service.

(Ord. 337, passed 4-9-1991; Am. Ord. 345, passed 2-11-1992)

(C) *Emergency water management.*

(1) *Criminal penalty.* Any person, firm, or corporation violating any of the provisions or terms of the Emergency Water Management Plan, §§ [51.70](#) *et seq.*, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, be subject to a fine not exceeding \$2,000 for each offense; and each and every day the violation shall continue shall be deemed to constitute a separate offense.

(2) *Administrative remedy.* In addition to the fine that may be imposed for a violation of that subchapter pursuant to division (C)(1) above, upon Municipal Court conviction of a second offense within an 18-month period of any Stage 2 or Stage 3 requirement, the city may also terminate service and remove the meter from the location where the violations occurred.

(3) *Administrative remedy; customers outside city.* The City Administrator of Public Works shall advise customers outside the city limits receiving water service from the city of actions taken under the Plan. Noncompliance with any requirement in any stage shall result in termination of service and removal of meter. Prior to this termination, the customer shall be given notice of the city's intent to terminate service and shall have 5 business days from the mailing of the notice to appeal the decision to the City Administrator. Notice shall be sufficient if sent by certified mail to the last known

address of the customer. If service is terminated, the customer shall be liable for all costs of reinstallation.

(D) Any person, firm or corporation violating any provision of § [51.56](#), upon conviction, shall be punished by a fine not to exceed the sum of \$200 for each offense, and each and every day such violation shall continue be deemed and constitute a separate offense.

(E) Any person violating any provision of §§ [51.85](#) through [51.87](#) commits a misdemeanor and is subject to the penalty provided in the city code upon conviction.

(Ord. 439, passed 7-14-1998; Am. Ord. 523, passed 8-13-2002; Am. Ord. 592, passed 3-28-2006; Am. Ord. 746, passed 4-4-2017)

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Council Agenda Item

Budget Account Code:	Meeting Date:	See above.
Budgeted Amount:	Department/ Requestor:	City Council
Fund Balance-before expenditure:	Prepared by:	ACA/CS Scott Grey for City Administrator Olson
Estimated Cost:	Date Prepared:	January 9, 2024
Exhibits:	Parkerfest 2023 Donations List	

AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON 2023 PARKERFEST DONATIONS.

SUMMARY

Please review the attached information from Parks and Recreation (P&R) Commission Treasurer Donna DaCosta.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use			
Approved by:	Enter Text Here		
Department Head/ Requestor:	<i>Patti Scott Grey</i>	Date:	01/10/2024
City Attorney:	<i>Amy J. Stanphill</i>	Date:	01/xx/2024 via Municode
City Administrator:	<i>Luke B. Olson</i>	Date:	01/xx/2024

PARKERFEST 2023 DONATIONS

TOTAL DONATIONS \$ 15,424.26

CASH DONATIONS: \$10,376.26

First United Bank	\$ 500
Martin Stone	\$ 300
McClure Partners	\$ 300
Prosperity Bank	\$ 500
City Turf	\$1000
Michael Lange - Giant Party Sports	\$1000
Donihoo Farms (Warner Group)	\$2500
Kings Crossing Five (Warner Group)	\$2500
Southfork Ranch	\$1000
Richard Pratt	\$ 300
Jill Lambouses	\$ 100
Misc. donations via Square Reader	\$ 233.26
Misc. cash donations at Parkerfest	\$ 143.00

GOODS AND SERVICES: \$5048

Republic Services -Rick Bernas:	\$5000
Rental of tent, 8 tables with tablecloths, 100 chairs, fire kit, 2 portable toilets, petting zoo and bouncehouse Purchased 4 canopies for Parks and Recs	
Southfork Ranch - loan of chairs and tables	
Jeff and Liz McCormick: cupcakes for cake walk -	\$ 48



Council Agenda Item

Budget Account Code:	Meeting Date: See above.
Budgeted Amount:	Department/ Requestor: City Council
Fund Balance-before expenditure:	Prepared by: City Attorney Stanphill
Estimated Cost:	Date Prepared: January 11, 2024
Exhibits:	<ol style="list-style-type: none"> 1. Proposed Resolution 2. Mobile Modular Management Corporation Addendum Form City of Parker 214000841

AGENDA SUBJECT

CONSIDERATION AND/OR ANY APPROPRIATE ACTION ON RESOLUTION NO. 2024-775 REGARDING THE EXTENSION AND RATE INCREASE ADDENDUM TO THE LEASE AGREEMENT WITH MOBILE MODULAR.

SUMMARY

The initial term of the lease agreement with Mobile Modular for the buildings leased by the Police Department was 48 months from August 19, 2016. The lease agreement executed by the parties included the attached terms and conditions found at <https://www.MobileModular.com/ContractTerms>. Those terms and conditions, among other things, (1) require Lessee's payment of Personal Property Expense ("PPE"), which is a pass through of personal property tax to the Lessee regardless of Lessee's tax-exempt status; (2) month-to-month extensions of the lease after expiration of the initial term if not terminated in accordance with the lease provisions; and (3) periodic increases to the monthly rate.

The lease was previously extended, and the rate increased and locked-in by Resolution No. 2021-661 adopted March 16, 2021. That extended term with associated rate was good through August 12, 2023. This second lease extension and rate increase addendum extends the lease through November 29, 2025. The lease extension will "lock-in" the new monthly rent of \$2,450.00, and PPE of \$171.50 per month and avoid additional periodic increases during the term of the extension.

The current estimated cost of removal if the city terminates is \$13,420. The full purchase price is \$117,412.00.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use			
Approved by:	Enter Text Here		
Department Head/ Requestor:	<i>Kenneth Price</i>	Date:	01/11/2024
City Attorney:	<i>Amy J. Stanphill</i>	Date:	01/xx/2024 via Municode
City Administrator:	<i>Luke B. Olson</i>	Date:	01/xx/2024

RESOLUTION NO. 2024-775
(PD Lease Addendum with Mobile Modular)

**A RESOLUTION OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS,
AUTHORIZING THE EXTENSION OF LEASE WITH MOBILE MODULAR
FOR THE USE OF MODULAR BUILDINGS FOR POLICE DEPARTMENT.**

WHEREAS, the City of Parker is currently utilizing modular buildings leased from Mobile Modular for use as its Police Department facilities and administrative offices; and

WHEREAS, the City of Parker wishes to continue to use the modular buildings and extend the lease with Mobile Modular with associated rate increase.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF PARKER, COLLIN COUNTY, TEXAS:

SECTION 1. The Parker City Council does authorize the Mayor to execute the lease extension and rate increase agreement with Mobile Modular, attached hereto as Exhibit "A".

SECTION 2. This resolution shall be effective upon its execution by the Mayor.

APPROVED AND ADOPTED this 16th day of January, 2024.

Lee Pettle, Mayor

ATTEST:

Patti Scott Grey, City Secretary

APPROVED TO FORM:

Amy J. Stanphill, City Attorney



Mobile Modular Management Corporation

5700 Las Positas Road, Livermore, CA 94551

Ph (925) 606-9200 Fax (925) 453-3201

www.MobileModularRents.com

Contract Addendum

Date: 11/16/2023

Customer : City of Parker
Billing Address: 5700 E Parker Rd
City/State/Zip: Parker TX 75002

Attn: Kenneth Price
Phone : 972-442-0333
Fax:
E-mail: kprice@parkertexas.us

Project Name :
Site Address : 5700 E Parker Rd
City/State/Zip: Parker TX 75002

This will serve as an addendum to the contract agreement entered into between **City of Parker** (Lessee) and MOBILE MODULAR MANAGEMENT CORPORATION (Lessor).

ALL OTHER TERMS AND CONDITIONS TO REMAIN THE SAME.

Please sign and return an acknowledgement copy to our office as soon as possible. Thank you.

Renewal Information

Contract No.	Building ID	Item Description	Addendum Start Date	Addendum Stop Date	Term (months)	Rental Rate
214000841	77854	Office 48x56	12/11/2023	11/29/2025	24	2,450.00
214000841	77854	PPE	12/11/2023	11/29/2025	24	171.50

- . Rental rates do not include any applicable taxes.
- . Return delivery and preparing equipment for return will be quoted at time of return.
- . This contract agreement defines a month as 30 calendar days. Bill Frequency for this contract is Monthly

Additional Contract Addendum Notes:

Customer will be responsible for return costs for teardown and removal charges based on market value at time of return.

Mobile Modular Management Corporation

Shaprie Jackson

Printed Name

Operations Manager

Title

Signature

Date

City of Parker

Printed Name

Title

Signature

Date

Please call (925) 606-9200 with any questions or comments and ask for
 Thank you for contacting Mobile Modular.

Ashley Pring or Michele Martinez

****Note:** Contract addendum valid only when executed, offer expires 30 days from addendum date if not executed.

RESOLUTION NO. 2021-661
(Lease Extension with Mobile Modular)

**A RESOLUTION OF THE CITY OF PARKER, COLLIN COUNTY, TEXAS,
AUTHORIZING THE EXTENSION OF LEASE WITH MOBILE MODULAR
FOR THE USE OF MODULAR BUILDINGS FOR POLICE DEPARTMENT.**

WHEREAS, the City of Parker is currently utilizing modular buildings leased from Mobile Modular for use as their Police Department facilities and administrative offices; and

WHEREAS, the City of Parker wishes to continue to use the modular buildings and extend the lease with Mobile Modular for use through the approval and construction phases for a new City facility; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF PARKER, COLLIN COUNTY, TEXAS:

SECTION 1. The Parker City Council does authorize the Mayor to execute the lease extension agreement with Mobile Modular, attached hereto as Exhibit "A".

SECTION 2. This resolution shall be effective upon its execution by the Mayor.

APPROVED AND ADOPTED this 16th day of March, 2021.

ATTEST:


Patti Scott Grey, City Secretary




Leo Pettie, Mayor

APPROVED TO FORM:


Brandon Shelby, City Attorney

RESOLUTION NO. 2021-661
(Mobile Modular)



Mobile Modular Management Corporation

5700 Las Positas Road, Livermore, CA 94551

Ph (925) 606-9000 Fax (925) 453-3201

www.MobileModularRents.com

Contract Addendum

Date: 2/18/2021

Customer : City Of Parker
Billing Address: 5700 East Parker Rd
City/State/Zip: Parker, TX 75002

Attn: Richard D. Brooks

Phone : 972-442-0333

Fax: 972-429-7013

E-mail: Rbrooks@parkertexas.us

Project Name : Parker Police Department

Site Address : 5700 East Parker Rd

City/State/Zip: Parker, TX 75002

This will serve as an addendum to the contract agreement entered into between **City Of Parker** (Lessee) and MOBILE MODULAR MANAGEMENT CORPORATION (Lessor).

ALL OTHER TERMS AND CONDITIONS TO REMAIN THE SAME.

Please sign and return an acknowledgement copy to our office as soon as possible. Thank you.

Renewal Information

Contract No.	Building ID	Item Description	Addendum Start Date	Addendum Stop Date	Term	Rental Rate
214000841	77854	Office, 48x56	2/24/2021	8/12/2023	30 Months	\$ 2,300.00

- Rental rates do not include any applicable taxes or Personal Property Expense (PPE).
- Return delivery and preparing equipment for return will be quoted at time of return.
- This contract agreement defines a month as 30 calendar days. Bill Frequency for this contract is Monthly

Additional Contract Addendum Notes:

Mobile Modular Management Corporation

Digitally signed by
 Printed Name Shaprie Jackson
 DN: cn=Shaprie Jackson,
 o=Mobile Modular
 Management
 Corporation, ou,
 email=shaprie.jackson@
 mgrc.com, c=US
 Date: 2021.03.22 06:33:45
 -05'00'

mobile modular
 Your Project - Our Commitment

Signature

Date

City Of Parker

Lee Pettie

Printed Name

Mayor

Title

Signature

March 16, 2021

Date

Please call (925) 606-9000 with any questions or comments and ask for **

Thank you for contacting Mobile Modular.

****Note:** Contract addendum valid only when executed, offer expires 30 days from addendum date if not executed.



Mobile Modular Management Corporation
 2849 E. Main Street
 Grand Prairie, TX 75050
 Phone: (281) 487-9222 Fax:
 www.mobilemodular.com

Lease

Meeting Date: 01/16/2024 Item 4.

Contract: 214000841.1
Contract Term: 48 Months
 Date Printed: 08/12/2020
 Start Rent Date: 08/19/2016

2200
(4+1)
8/20/21
(+ 12 mo)

Customer & Site Information		Mobile Modular Contact
Customer Information: City of Parker 5700 East Parker Road Parker, TX 75002 Richard Brooks rbrooks@parkertexas.us (972) 442-0333	Site Information: City of Parker 5700 East Parker Road Parker Police Department Parker, TX 75002 Richard Brooks rbrooks@parkertexas.us (972) 442-0333	Questions? Please Contact: Sean Ruff sean.ruff@mobilemodular.com Direct Phone: (469) 507-3324 All other inquiries: (281) 487-9222
Customer PO/Reference: PRK3028 Exp: // By:		

Product Information				
	Qty	Monthly Rent	Extended Monthly Rent Taxable	
Office, 48x56 TX (NonStd) mPlex <i>Flexible Configuration Multiplex. Size excludes 4' towbar.</i>	1	\$2,200.00	\$2,200.00	N

	Qty	Charge Each	Total One Time Taxable	
Charges Upon Delivery:				
Office, 48x56 TX (NonStd) mPlex				
Modifications	1	\$11,570.65	\$11,570.65	N
Block and Level Building (A8)	1	\$6,200.00	\$6,200.00	N
Custom ADA Deck and Ramp	1	\$5,994.00	\$5,994.00	N
<i>Build (3) 6'x 6' deck with 5'x 5' steps and a 5'x30' ramp built on site. Removal of the deck, stairs & ramp is the responsibility of the LESSEE at the end of the lease. Approximately 333 sqft at \$18 sq.ft.</i>				
Delivery Haulage 12 wide	4	\$475.00	\$1,900.00	N
Installation, Skirting, Wood	208	\$14.50	\$3,016.00	N
Modification-Install flood light,ext	1	\$1,820.00	\$1,820.00	N
<i>Install flood lights to exterior of building</i>				
remove 8ft wall; install duplex outlet	1	\$4,550.00	\$4,550.00	N
<i>remove 8 ft wall; patch ceiling; build 10 ft L-shape wall; install cabinet w/counter top; add 120 volt duplex outlet; install add 6" flex duct & 24" supply</i>				
			\$35,050.65	

Subtotal of Monthly Rent:	\$2,200.00
Monthly Personal Property Expense (PPE):	\$1.00
Taxes on Monthly Charges:	\$0.00
Total Monthly Charges (incl Taxes & PPE):	\$2,201.00
Subtotal of One-Time Charges upon Delivery :	\$35,050.65
Taxes On One Time Charges:	\$0.00
Security Deposit:	\$0.00
Est. Initial Invoice:	\$37,251.65

	Qty	Charge Each	Total One Time Taxable	
Charges Upon Return:				
Office, 48x56 TX (NonStd) mPlex				
Prepare Equipment For Removal (A8)	1	\$5,700.00	\$5,700.00	N
Removal, Skirting, Wood (Dispose)	208	\$4.25	\$884.00	N
Removal, Tiedown	14	\$30.00	\$420.00	N
Return Haulage 12 wide	4	\$475.00	\$1,900.00	N
			\$8,904.00	

Special Notes

BuyBoard contract number: #463-14 Special notes: The City of Parker has the option to extend the lease an additional 6-12



Mobile Modular Management Corporation
2849 E. Main Street
Grand Prairie, TX 75050
Phone: (281) 487-9222 Fax:
www.mobilemodular.com

Lease A

Meeting Date: 01/16/2024 Item 4.

Contract: 214000841.1

Contract Term: 48 Months

Date Printed: 08/12/2020

Start Rent Date: 08/19/2016

mths with zero escalation.

General: Customer's site must be dry, compacted, level and accessible by normal truck delivery. Pricing does not include any clearing or grading of sites, obstruction removal, site or final building clean up, any asphalt transitions, dolly, crane, forklift, electrical or plumbing connections, window coverings, furniture, casework, appliances, doorstops, phone or data lines, gutters, downspouts or tie-in, temporary power, temporary fencing, traffic control, flagmen, soil and/or pull test, custom engineering, fees associated with inspections, city or county submittals and/or use permits, security screens, door bars and any item not specifically listed as being included.

Credit Application: Credit application, along with security deposits and initial bill, may be required.

Buildings containing a restroom(s): Restrooms are not self-contained. Where applicable, manifolds are shipped loose and assembled and connected by others. Water & sewer stub-out locations may vary. Paper & soap dispensers, sanitary and trash receptacles are not provided.

Delivery Date: Delivery date will not be confirmed until MMMC receives the signed lease agreement (or an acceptable equivalent) and all credit conditions have been met.

Delivery of Equipment: Lessee shall select a suitable site and physically mark on the site/pad the corner locations for the Equipment and direct Lessor on exact placement/orientation of the Equipment.

Tie-downs: Quantity and price may vary based on seismic source factor and site conditions. Patch and repair of site after removal is by others. Alternative non-penetrating seismic system is available for an additional charge. Wet-stamped engineering available for an additional charge.

Site Plan Review: Lessor is not responsible for review and verification of Lessee site plans, civil plans, soils tests/survey's, etc. It is the responsibility of the Lessee to ensure the site plans and site conditions meet applicable codes and governing body approvals. This includes, but is not limited to, ensuring the building pad/site allows for standard delivery and installation based on the minimum foundation design tolerances as per applicable approved stockpile drawings/foundation design.

Site Installation Requirements: Prior to delivery, the Lessee shall mark the four corners of the building on the site/pad location itself, including door/ramp location. Should special handling be required to position, install, or remove the classroom on the Lessee's site due to site conditions/constraints and/or obstructions, additional costs will be charged to Lessee. Additional rolling charges may be applicable as site conditions necessitate.

Special Terms & Important Contractual Information

- A minimum cleaning charge of \$125 per floor will apply for modular buildings.
- Prices will be adjusted for unknown circumstances, e.g. driver waiting time, pilot car requirements, special transport permits, difficult site, increase in fuel price, etc. Customer's site must be dry, compacted, level and accessible by normal truck delivery.
- This transaction is subject to credit approval. Security deposit or payment in advance may be required. Security deposit will be applied against account balance at the end of the contract.
- Unless noted, prices do not include permits, ramps, stairs, seismic foundation systems, temporary power, skirting, engineering, taxes or utilities or related installation and/or removal of same. Pricing quote for set up or installation (of building, skirting, earth anchors, ramps, etc.) does not include dismantle or removal unless otherwise noted. Except for skirting and earth anchors, unless noted, ownership of all installed or supplied items is retained by Lessor.
- Please treat our equipment with respect. All damages other than normal usage will be billed for at the end of lease.
- Contract subject to terms & conditions attached and made a part of this agreement by reference herein. Customer acknowledges that he/she has received and read and affirms that he/she is duly authorized to execute and commit to this agreement for the above named customer.
- Rent will be billed in advance every 30 calendar days.
- **Unless otherwise noted, prices do not include prevailing wages, Davis-Bacon wages, or other special or certified wages.**

Insurance Requirements

Please send, or have your insurance company send, a Certificate of Insurance to us. We require liability coverage (minimum of \$1,000,000) listing Mobile Modular Management Corporation as an additional insured and property coverage for the value of the unit(s) leased listing Mobile Modular Management Corporation as loss payee.

Item & Description	Qty	Item Code	Ins. Value
Office, 48x56 TX (NonStd) mPlex	1	1743	\$163,800.00



Mobile Modular Management Corporation
2849 E. Main Street
Grand Prairie, TX 75050
Phone: (281) 487-9222 Fax:
www.mobilemodular.com

Lease A

Meeting Date: 01/16/2024 Item 4.

Contract: 214000841.1

Contract Term: 48 Months

Date Printed: 08/12/2020

Start Rent Date: 08/19/2016

Incorporation by Reference

The Lease Agreement is subject to the Supplemental Lease Terms and Conditions, which are hereby incorporated by reference in their entirety, as updated from time to time by Lessor, in its sole discretion, and can be viewed in the Resources section of Lessor's website at (<http://www.mobilemodular.com/contractterms>). The Lessee hereby affirms that he/she has read in its entirety and understands the Supplemental Lease Terms and Conditions.

Please sign below and fax or email this document to the fax number shown above or the email address you received the document from.

The parties hereto, Mobile Modular Management Corporation, a California corporation, as lessor ("**Lessor**") and lessee ("**Lessee**", as described above in the section titled "Customer Information") hereby agree to this Lease Agreement and the terms and conditions set forth in the Lease Terms and Conditions, attached hereto as Attachment A, which are hereby incorporated by reference. The individual signing this Lease Agreement affirms that he/she is duly authorized to execute and commit to this Lease Agreement for the above named Lessee.

LESSOR: Mobile Modular Management Corporation Signature: Print Name: Title: Date:	LESSEE: City of Parker Signature: Print Name: Title: Date:
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ATTACHMENT A

LEASE TERMS AND CONDITIONS

1. **LEASE.** Lessor leases to Lessee, and Lessee leases from Lessor, the equipment listed on the Lease Agreement hereto (the "**Equipment**") on the terms and conditions set forth herein. Each such Lease Agreement ("**Agreement**") and the lease provisions on Lessor's website at (<https://www.MobileModular.com/ContractTerms>) (the "**Incorporated Provisions**"), which are incorporated by reference into the Agreement, shall constitute a separate and independent lease (a "**Lease**") of the Equipment listed in the Agreement under "Product Information". In the event of a conflict between this Agreement and Lessee's contract, purchase order or other document, the terms of this Agreement shall prevail.

2. **LEASE TERM.** The Agreement shall be in full force and effect upon the date of execution by Lessee. The Lease Term and Monthly Rent shall commence on the Start Rent Date specified in the Agreement (which may be adjusted by mutual agreement of Lessee and Lessor), and shall continue thereafter for the number of months specified in the Agreement as the "Contract Term" (the "**Lease Term**"). Lessee is responsible for paying the Monthly Rent specified in the Agreement (as such may be adjusted pursuant to Section 4) for each month during the Lease Term. This Lease Agreement defines a month as 30 calendar days; rent will be billed monthly unless otherwise specified. In the event that Lessee terminates the Agreement prior to the expiration of the Lease Term, Lessor shall be entitled to charge an early termination fee, even if such termination occurs prior to delivery of the Equipment. Such fee shall be determined by Lessor following the receipt of the termination request. Such early termination fee may include charges related to the preparation of the Equipment for delivery and/or the rental value of the Agreement. In no event shall any such early termination fee exceed the total value of the Lease Agreement. Lessor shall not be liable to Lessee for any failure or delay in obtaining, delivering or setting up the Equipment. In the event Lessor is responsible for delay in obtaining, delivering or setting up the Equipment, the Start Rent Date shall be deemed to be revised to the date that Lessor substantially completes setting up the Equipment. If any delay in obtaining, delivering or setting up the Equipment is caused by failure of the site to be ready or for any other reason not solely the responsibility of Lessor, the Lease shall commence as of the Start Rent Date originally stated notwithstanding such delay.

3. **RETURN OF EQUIPMENT.** Regardless of the stated Lease Term, Lessee must provide a minimum of 30 days' prior notice for return delivery of Equipment. Please review the Incorporated Provisions on Lessor's website at [<https://www.MobileModular.com/ContractTerms>] for the conditions under which the Equipment must be returned. Unless otherwise agreed upon by Lessor in writing, Monthly Rent shall be due until return of the Equipment to Lessor is completed and shall not be based upon the date such return is requested. Lessor prorates rent in one-half (1/2) month increments only. Lessee is responsible for paying the full month's rental payment for Equipment returned after the



Mobile Modular Management Corporation
2849 E. Main Street
Grand Prairie, TX 75050
Phone: (281) 487-9222 Fax:
www.mobilemodular.com

Lease A

Meeting Date: 01/16/2024 Item 4.

Contract: 214000841.1
Contract Term: 48 Months
Date Printed: 08/12/2020
Start Rent Date: 08/19/2016

fifteenth (15th) day of the billing cycle.

4. HOLDING OVER; LEASE EXTENSION. Following the expiration of the Lease Term, the Lease and the terms and conditions set forth herein, shall be extended on a month-to-month basis until the Equipment is returned to Lessor. In this event, Lessor may establish a revised rental rate which shall constitute the Monthly Rent. The charges upon return and any other charges related to the return of the Equipment may be reasonably revised from those reflected in the Agreement, at Lessor's discretion, should the Lease be extended beyond the initial Lease Term.

5. LESSEE AGREEMENTS. Lessee agrees that:

(a) Lessor may insert in the applicable Agreement the serial number and other identification data relating to the Equipment when ascertained by Lessor; and

(b) Lessor (or its agents, employees or contractors) may, from time to time at any reasonable time, enter upon the premises of Lessee for the purposes of (1) inspecting the Equipment or posting "Notices of Non-Responsibility" or similar notices thereon, or (2) photographing the Equipment, including any items or occupants within or surrounding the Equipment, for promotional or other purposes, pursuant to Section 6 of the Incorporated Provisions. If Lessor determines that repairs to the Equipment are needed, Lessee shall grant access for said repairs. Lessor shall bear the expense of any repairs that it determines are needed to ameliorate normal wear and tear; the expense of all other repairs (including any repairs requested by Lessee) shall be borne by Lessee. If Lessee does not grant access for such repairs between 8:00 a.m. and 5:00 p.m., Monday through Friday, Lessee shall bear the cost of repair rates for labor at the applicable overtime rates.

6. SECURITY DEPOSIT. Lessee shall pay to Lessor the Security Deposit specified in the Agreement, which may be due upon execution of the Agreement, if specified. The Security Deposit shall be held by Lessor (who shall have no obligation to collect or pass through to Lessee any interest thereon) as security for Lessee's faithful performance of the terms and conditions of the applicable Lease, including without limitation Lessee's indemnification obligations under Section 12. If an Event of Default occurs, Lessor may apply the Security Deposit to payment of its costs, expenses and attorney fees in enforcing the terms of the Lease and to indemnify Lessor against any costs, expenses or damages sustained by Lessor in connection with the Lease (provided, however, nothing herein contained shall be construed to mean that the recovery of damages by Lessor shall be limited to the amount of the Security Deposit). In the event all or any portion of the Security Deposit is applied as aforesaid, Lessee shall deposit additional amounts with Lessor so that the Security Deposit shall always be maintained at the amount specified in the Agreement. At the end of the Lease Term, Lessor shall apply any remaining balance of the Security Deposit to the payment of any monies owed to Lessor under the Lease. Thereafter, if no Event of Default has occurred and is continuing and Lessee has complied with Section 3, Lessor shall return to Lessee any remaining balance of the Security Deposit.

7. ASSIGNMENT. Lessee will not assign, convey, transfer, or pledge as security or collateral its interest, or any part thereof, in and to any Lease or the Equipment without the prior written consent of Lessor; and any such attempted assignment, conveyance, transfer, or pledge of security or collateral, whether voluntary or involuntary, shall be null and void, and any such attempt act may be considered an Event of Default. Lessor may, at its option and without the prior approval of Lessee, transfer, convey, assign or pledge as security or collateral its interest or any part thereof, in and to the Lease.

8. PAYMENTS. Lessee agrees to pay to Lessor (at the office of Lessor or to such other person or at such other place as Lessor may from time to time designate to Lessee in writing) each payment specified herein on a net invoice basis without demand by Lessor. Payment terms are net due upon receipt unless otherwise agreed upon in writing. All payments due from Lessee pursuant to the terms of the Lease shall be made by Lessee without any abatement or setoff of any kind whatsoever arising from any cause whatsoever.

9. TAXES AND LIENS. Lessee agrees to keep the Equipment free of all levies, liens or encumbrances. Lessee shall, in the manner directed by Lessor, (a) make and file all declarations and returns in connection with all charges, fees and taxes (local, state and federal) levied or assessed either upon Lessee or Lessor, or upon the ownership, leasing, rental, sale, possession, use, or operation of the Equipment, and (b) pay all such charges, fees and taxes. However, Lessor shall pay all local, state or federal net income taxes relating to the Lease.

10. LOSS OR DAMAGE. Until the Equipment is returned to Lessor, Lessee assumes all risk of loss or damage to the Equipment. Subject to Section 12(b), should any Equipment damaged be capable of repair, the Lease shall not terminate, but Lessee shall cause the Equipment to be repaired and restored to its condition existing prior to such damage, at Lessee's sole expense. In the event any of the Equipment is damaged beyond repair or is lost, stolen or wholly destroyed, this Agreement shall cease and terminate as to such Equipment as of the date of the event, accident or occurrence causing such loss or destruction, and Lessee shall pay Lessor within ten (10) days thereafter, an amount equal to the full replacement value of the Equipment. Lessee shall be entitled to the benefit of the proceeds from any insurance recovery received by Lessor, up to an amount equal to that which Lessee has paid to Lessor pursuant to this paragraph.

11. INSURANCE. Lessee shall provide, maintain, and pay all premiums for property insurance covering the loss, theft, destruction, or damage to the Equipment in an amount not less than the full replacement value thereof, naming Lessor as loss payee of the proceeds. Lessee shall also provide, maintain, and pay all premiums for general liability insurance (minimum of \$1,000,000 per occurrence), naming Lessor as an additional insured. All insurance shall be in a form and with a company having an A.M. Best rating of A- or better, and shall not be subject to cancellation without thirty-(30) day's prior written notice to Lessor. Lessee shall deliver to Lessor insurance certificates, or evidence of insurance related thereto, meeting the above requirements. Proceeds of such insurance shall, at Lessor's option, be applied either towards replacement, restoration or repair of the Equipment or towards payment of Lessee's obligations under the Lease. Lessor may require Lessee's insurance carrier to be licensed to do business in the state where the Equipment is being leased. Lessor will not and does not provide insurance for any of Lessee's personal property that may be in or on any Equipment.

12. WAIVER AND INDEMNIFICATION.

(a) Lessee hereby waives and releases all claims against Lessor for (i) loss of or damage to all property, goods, wares and merchandise in, upon or about the Equipment, (ii) injuries to Lessee, Lessee's agents and third persons, and (iii) the use, misuse, or malfunction of any security screens provided with the Equipment, in each case, irrespective of the cause of such loss, damage or injury. Under no circumstances shall Lessor be liable to Lessee for any special, incidental or consequential damages of any kind (including, but not limited to damages for loss of use, or profit, by Lessee or for any collateral damages), whether or not caused by Lessor's negligence or delay, resulting from the Lease or the manufacture, delivery, installation, removal or use of the Equipment, or in connection with the services rendered by Lessor hereunder, even if the parties have been advised of the possibility of such damages.

(b) Lessee agrees to indemnify and hold harmless Lessor from and against any and all losses, liabilities, costs, expenses (including attorney fees), claims, actions, demands, fines, forfeitures, seizures or penalties (collectively, "**Claims**") arising out of (i) the maintenance, possession or use of the Equipment by Lessee, its employees, agents or any person invited, suffered or permitted by Lessee to use or be in, on or about the Equipment, including to the extent arising from Lessor's negligence, (ii) Lessee's failure to comply with any of the terms of the Lease, and (iii) any theft or destruction of, or damage to, the Equipment. If the foregoing obligations are not enforceable against Lessee under applicable law, Lessee agrees to indemnify and hold harmless Lessor from and against any and all Claims to the maximum extent permitted by applicable law. Lessee shall make all payments due under this Section upon demand by Lessor.

13. EVENTS OF DEFAULT.

(a) Each of the following shall constitute an "**Event of Default**": (1) default by Lessee in making any required payment to Lessor and the continuance of such default for ten (10) consecutive days; (2) default by Lessee in the performance of any obligation, covenant or liability contained in the Lease or any other agreement or document with Lessor and the continuance of such default for ten (10) days after written notice, thereof by Lessor to Lessee; (3) any warranty, representation or statement made or furnished to Lessor by or on behalf of Lessee proves to have been false in any material respect when made or furnished; (4) loss, theft, damage, destruction or the attempted sale or encumbrance by Lessee of any of the Equipment, or any levy, seizure or attachment thereof or thereon; or (5) Lessee's dissolution, termination of existence, discontinuance of business, insolvency, or business failure; or the appointment of a receiver of any part of, the assignment for the benefit of creditors by, or the commencement of any proceedings under any bankruptcy, reorganization or arrangement laws by or against, Lessee. Lessee acknowledges that any Event of Default will substantially impair the lease value hereof.

(b) **REMEDIES OF LESSOR:** Upon the occurrence of any Event of Default and any time thereafter, Lessor may, without notice, exercise one or more of the following remedies, as Lessor, in its sole discretion shall elect: (1) declare all unpaid lease payments under the Lease to be immediately due and payable; (1) terminate the Lease as to any or all items of the Equipment; (2) take possession of the Equipment wherever found, and for this purpose enter upon any premises of Lessee and remove the Equipment, without any liability for suit, action or other proceedings by Lessee; (3) direct Lessee at its expense to promptly prepare the Equipment for pickup by Lessor; (4) use, hold, sell, lease or otherwise dispose of the Equipment or any item thereof on the site specified on the applicable Agreement or any other location without affecting the obligations of Lessee as provided in the Lease; (5) proceed by appropriate action either in law or in equity to enforce performance by Lessee of the terms of the Lease or to recover damages for the breach hereof; (6) apply the Security Deposit to payment of Lessor's costs, expenses and attorney fees in enforcing the terms of the Lease and to indemnify Lessor against any damages sustained by Lessor (provided, however, nothing herein shall be construed to mean that the recovery of damages by Lessor shall be limited to the amount of the Security Deposit); (7) exercise any and all rights accruing to Lessor under any applicable law upon an Event of Default. In addition, Lessor shall be entitled to recover immediately as damages, and not as a penalty, a sum equal to the aggregate of the following: (i) all unpaid payments as are due and payable for any items of Equipment up to the date of repossession by Lessor; (ii) any expenses paid or incurred by Lessor in connection with the repossession, holding, repair and subsequent sale, lease or other disposition of the Equipment, including attorney's fees and other reasonable costs and expenses; (iii) an amount equal to the excess of (a) all unpaid payments for any item of Equipment repossessed by Lessor from the date thereof to the end of the term of the Lease over (b) the fair market lease value of such item or items of Equipment for such unexpired lease period (provided however, that the fair market lease value shall be deemed to not exceed the proceeds of any sale of the Equipment or lease thereof by Lessor for a period substantially similar to the unexpired lease period); and (iv) the replacement cost of any item of Equipment which Lessee fails to prepare for return to Lessor as provided above or converts or is destroyed, or which Lessor is unable to repossess.

14. OWNERSHIP AND MARKING OF EQUIPMENT. Title to the Equipment shall remain with Lessor (or its Principal). Unless otherwise specified in writing by Lessor, no option or other right to purchase the Equipment is granted or implied by the Lease to Lessee or any other person. The Equipment shall remain and be deemed to be personal property of Lessor, whether attached to realty or not, and upon termination of the Lease or the occurrence of an Event of Default, Lessee shall have the duty and Lessor shall have the right to remove the Equipment whether or not affixed to any realty or building without any liability to Lessor for damage to the realty or building caused by the removal of the Equipment. Any replacement, substitutes, accessories or parts, whether placed in or upon the Equipment or not, whether made a component part thereof or not, shall be the property of Lessor and shall be included under the terms of the Lease.

15. COMPLIANCE WITH LAW. Lessee assumes all responsibility for any and all licenses, clearances, permits and other certificates as may be required for Lessee's lawful operation, use, possession and occupancy of the Equipment. Lessee agrees to fully comply with all laws, rules, regulations and orders of all local, state and federal governmental authorities which in any way relate to the Equipment. Lessee shall pay the cost of all license and registration fees and renewals thereof.

16. GOVERNING LAW. Lessee and Lessor agree that the Lease shall be governed in all respects by, and interpreted in accordance with the laws of, the State of California, without regard to its conflicts of laws provisions.



Mobile Modular Management Corporation
2849 E. Main Street
Grand Prairie, TX 75050
Phone: (281) 487-9222 Fax:
www.mobilemodular.com

Lease A

Meeting Date: 01/16/2024 Item 4.

Contract: 214000841.1

Contract Term: 48 Months

Date Printed: 08/12/2020

Start Rent Date: 08/19/2016

17. JURISDICTION.

(a) In any case where the Equipment is located in the State of Maryland or the State of Virginia, it is agreed that the venue for a legal action relating to the Lease shall be proper if brought in Alameda County, State of California. Subject to Section 12, the prevailing party shall be entitled to recover reasonable attorneys' fees and court costs, whether or not the action proceeds to judgment.

(b) In all other cases, the Federal District Courts located within the State of California shall have non-exclusive jurisdiction over any lawsuit brought by Lessee or Lessor as a result of any dispute regarding matters arising in connection with the Lease. Further, it is agreed that the venue for a legal action relating to the Lease shall be proper if brought in Alameda County, State of California. Subject to Section 12, the prevailing party shall be entitled to recover reasonable attorneys' fees and court costs, whether or not the action proceeds to judgment.

18. MEDIATION; ARBITRATION. Lessee agrees to abide by Lessor's option (if Lessor shall so choose) to have any claims, disputes, or controversies arising out of or in relation to the performance, interpretation, application, or enforcement of the Lease, including but not limited to breach thereof, referred to mediation before, and as a condition precedent to, the initiation of any adjudicative action or proceeding, including arbitration. If mediation fails to resolve the claims, disputes or controversies between Lessor and Lessee, Lessee agrees to abide by Lessor's option (if Lessor shall so choose) to have the claims, disputes or controversies referred to binding arbitration. The parties hereto acknowledge that the subject matter of the Lease is a matter of interstate commerce.

19. CREDIT CARD AUTHORIZATION. Lessee hereby gives authorization to Lessor to charge against credit card provided all amounts billed for this transaction including applicable taxes, shipping and handling charges. For a rental/lease transaction, charges may be recurring and additional billing and charges will occur until such time as all Equipment and respective accessories are returned and the rental is terminated.

20. HAZARDOUS MATERIALS. Lessee agrees that no water, paint or chemicals, and no illegal, hazardous, controlled, toxic, explosive, flammable, restricted, contaminated or other dangerous materials, shall be maintained or stored in or on the Equipment.

21. FEDERAL CONTRACTOR. As a federal contractor, Lessor's contracts are subject to the provisions of (i) Executive Order 11246, (41 CFR 60-1.4); (ii) section 503 of the Rehabilitation Act of 1973, (41 CFR 60-741.5(a); and (iii) section 4212 of the Vietnam Era Veterans Readjustment Act of 1974, (41 CFR 60-300.5(a). **Lessor shall abide by the requirements of 41 CFR 60-741.5(a) and 41 CFR 60-300.5(a). These regulations prohibit discrimination against qualified individuals on the basis of disability, and qualified protected veterans, and require affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities, and qualified protected veterans.**

22. MISCELLANEOUS. Time is of the essence of each and every provision of the Lease. Failure of Lessor to enforce any term or condition of the Lease shall not constitute a waiver of subsequent defaults by Lessee, nor shall it, in any manner, affect the rights of Lessor to enforce any of the provisions hereunder. The invalidity or unenforceability of any provision of the Lease shall not affect the validity or enforceability of any other provision.

23. ENTIRE AGREEMENT. The Lease constitutes the entire agreement between Lessor and Lessee with respect to the subject matter hereof and, except for the Incorporated Provisions that may be updated by Lessor from time to time in its sole discretion, may not be amended, altered or modified except by a writing signed by both Lessor and Lessee.

Lease Terms and Conditions, Rev. 08/22/16

LEASE TERMS AND CONDITIONS

1. **LEASE.** Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, the Equipment (as defined below). The lease of any Equipment is governed by the terms of this Agreement. The Equipment is and shall remain the personal property of Seller.

2. **TERMS.** All capitalized terms used and not otherwise defined herein, will have the meanings set forth in this Agreement. As used in this Agreement, the following definitions shall apply: "**Accessories**" shall mean any additions, attachments, or accessories to the modular buildings, or ancillary services, provided by Lessor to Lessee and identified in this Agreement; "**Equipment**" shall mean the modular buildings, Accessories, and/or Services identified in this Agreement, together with any replacements, repairs, additions, attachments or accessories hereafter rented to Lessee under this Agreement.

3. **PAYMENTS AND PRICE ADJUSTMENTS.** Lessee agrees to pay to Lessor each payment specified herein on a net invoice basis. Payment terms are net due upon receipt unless otherwise agreed upon in writing. All payments due from Lessee pursuant to this Agreement shall be made by Lessee without any abatement or setoff of any kind whatsoever arising from any cause whatsoever. Prices will be increased by Lessor for unknown circumstances or conditions, including, but not limited to, driver waiting time, special transport permits, difficult site conditions and/or increases in fuel prices.

4. **LEASE TERM; EARLY TERMINATION.** The Lease Term and Monthly Rent, each of which are specified in this Agreement, shall commence on the date the Equipment is delivered to the Site ("the Start Rent Date"), unless a different date is mutually agreed upon in writing, and shall continue thereafter for the number of months specified in this Agreement as the Lease Term. Lessee agrees to pay the Total Monthly Charges specified in this Agreement (as may be adjusted pursuant to Section 5 below) for each month during the Lease Term and any extensions thereof. A month is defined as thirty (30) calendar days; rent will be billed monthly unless otherwise specified in this Agreement (but rent shall be due and owing even in the absence of actual receipt by Lessee of an invoice or bill). In the event that Lessee terminates this Agreement prior to the expiration of the Lease Term, Lessor shall be entitled to charge an early termination fee, even if such termination occurs prior to delivery of the Equipment. Such fee shall be determined by Lessor, in its sole discretion, following the receipt of the termination request. Such early termination fee may include, but shall not be limited to, charges related to the preparation of the Equipment for delivery and/or the rental value of this Agreement. In no event shall any such early termination fee exceed the total value of this Agreement. Lessor shall not be liable to Lessee for any failure or delay in obtaining, delivering or setting up the Equipment. If Lessee delays delivery of the Equipment for any reason for thirty (30) days or longer from the original delivery date mutually agreed upon between both parties, Lessor may, in Lessor's sole discretion, charge Lessee a monthly storage fee equal to the Monthly Rent starting on the original delivery date, and/or terminate this Agreement, subject to the early termination provisions set forth above.

5. **EXTENSION OF LEASE TERM.** Upon expiration of the initial Lease Term set forth in this Agreement, the lease of the Equipment shall automatically be extended on a month-to-month basis until the Equipment is returned to Lessor. This Agreement does not expire and the terms and conditions hereof shall remain in full force and effect for any extension of the Lease Term, unless otherwise agreed upon by Lessor and Lessee in writing. Lessor may periodically revise the Total Monthly Charges from those reflected in this Agreement if the lease of the Equipment is extended beyond the initial Lease Term. If the lease of the Equipment is extended beyond the initial Lease Term, Lessor may revise the charges for the Estimated Return-Related Services from those specified in this Agreement to reflect Lessor's then-current market rates for such services.

6. **PREPARATION FOR REMOVAL OF THE EQUIPMENT.** Prior to the scheduled removal of the Equipment, Lessee shall, at a minimum: (a) provide clear access to the Equipment for Lessor to dismantle and remove the Equipment from the Site by industry-standard trucking methods; (b) disconnect all utilities; (c) remove all personal property of Lessee's from the Equipment; and (d) in the case of Equipment that includes plumbing, flush the plumbing lines clean and ensure that no foreign matter remains in any fixtures. Plumbing must be properly disconnected by Lessee at its sole cost and expense. Lessee will be responsible for costs of repair required by improper plumbing disconnection to the extent that the Equipment is damaged. Any components, parts or accessories supplied by Lessor must be returned with the Equipment. In the event that Lessee fails to meet the requirements herein, additional charges may be incurred by Lessee for additional labor, waiting time, or dry-runs in the event that Lessor is unable to return the Equipment as scheduled.

7. **RETURN OF EQUIPMENT.** Lessee must provide a minimum of thirty (30) days prior, written notice to Lessor when requesting to return the Equipment. Lessee is responsible for complying with the requirements set forth in the "Preparation for Removal of the Equipment" section of these Lease Terms and Conditions. Unless otherwise agreed upon by Lessor in writing, Lessee shall continue to be responsible for payment of the Total Monthly Charges set forth in this Agreement (as may be adjusted pursuant to Section 5 hereto) until return of the Equipment to Lessor is completed. The Total Monthly Charges will be prorated in one-half (1/2) month increments only. If the Equipment is returned within the first fifteen (15) days of the billing period, Lessee shall be responsible for paying half of the Total Monthly Charges; if Equipment is returned between the sixteenth (16th) and thirtieth (30th) days of the billing period, Lessee shall be responsible for paying the entire amount of the Total Monthly Charges. The charges reflected in this Agreement for Estimated Return-Related Services will be adjusted for any Lease Term longer than twelve (12) months or if the Lease is extended beyond the initial Lease Term, pursuant to Section 5.

LEASE TERMS AND CONDITIONS

8. WARRANTIES; DISCLAIMER. Lessor warrants to Lessee that the Equipment, when delivered and set up and under normal use and regular service and maintenance by Lessee, shall be free from major defects in materials and workmanship that prevent any normal use and operation. Accessories supplied by Lessor pursuant to this Agreement but not owned by Lessor shall not be subject to the foregoing warranty, but shall carry the applicable warranty of the Accessory owner, which Lessor hereby assigns to Lessee to the extent transferable. Lessor's liability under this warranty shall be limited to the replacement or repair of the defective Equipment (during Lessor's normal working hours), at Lessor's option; provided, however, that Lessee shall provide written notice of any failure or defect to Lessor within four (4) days after discovery, and within the applicable warranty period, and failure to provide such notice in a timely manner may result in a limitation of this warranty at Lessor's sole option. If Lessee does not grant clear, unobstructed access for any such repairs between 8:00 a.m. and 5:00 p.m., Monday through Friday, Lessee shall bear the cost of repair rates for labor at the applicable overtime rates. This warranty does not extend to any Equipment subjected to improper application, damaged by accident or abuse, or repaired or altered outside of Lessor's facilities without prior written authorization from Lessor. **THE EXPRESS WARRANTIES CONTAINED IN THIS AGREEMENT ARE LESSOR'S SOLE AND EXCLUSIVE WARRANTIES WITH RESPECT TO THE EQUIPMENT AND SERVICES, AND ARE IN LIEU OF AND EXCLUDE ALL OTHER WARRANTIES, GUARANTEES, PROMISES, AFFIRMATION OR REPRESENTATIONS OF ANY KIND, EXPRESSED OR IMPLIED, WHICH MAY BE DEEMED APPLICABLE TO THE EQUIPMENT OR SERVICES, INCLUDING WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, ANY WARRANTY AGAINST INFRINGEMENT OR AS TO TITLE, WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OR TRADE OR ANY OTHER MATTER. EXCEPT AS EXPRESSLY SET FORTH IN THIS SECTION, ALL EQUIPMENT AND SERVICES ARE BEING PROVIDED "AS IS", "WHERE IS, WITH ALL FAULTS". LESSOR SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST OR PRESENT, THERETO. LESSEE HAS SELECTED ALL EQUIPMENT FOR LESSEE'S INTENDED USE AND RECOGNIZES THAT LESSOR IS NOT A DESIGNER OR MANUFACTURER OF ANY EQUIPMENT.**

9. TAXES. Lessee agrees to be responsible for all charges, fees and taxes (local, state and federal) levied or assessed upon Lessee or Lessor relating to the ownership, leasing, rental, sale, possession, use or operation of the Equipment (including, without limitation, sales, use and personal property taxes); provided, however, that the foregoing obligation shall not apply to any local, state or federal income tax assessed against the Lessor as a result of this Agreement which shall continue to be the obligation of Lessor. Lessee shall pay all such taxes for which it is responsible to the appropriate taxing authorities or, if directed or invoiced by Lessor, pay such amounts to Lessor for remittance by Lessor to the appropriate taxing authorities.

10. LOSS OR DAMAGE. Upon delivery and until the Equipment is removed from the Site by Lessor or its authorized agent, Lessee assumes all risk of loss or damage to the Equipment. Should any Equipment damaged be capable of repair, the Equipment shall be repaired and restored to its condition existing prior to such damage, at Lessee's sole cost and expense. In the event any of the Equipment is damaged beyond repair or is lost, stolen or wholly destroyed, this Agreement shall cease and terminate as to such Equipment as of the date of the event, accident or occurrence causing such loss or destruction, and Lessee shall pay Lessor within forty-five (45) days thereafter, an amount equal to the full replacement value of the Equipment, which payment obligation shall survive the termination of this Agreement.

11. INSURANCE. Lessee shall procure and maintain, at its sole expense (including all premiums, deductibles and self-insured retentions), (i) property insurance covering the loss, theft, destruction, or damage to the Equipment in an amount not less than the full replacement value thereof (and with a deductible no higher than \$25,000), naming Lessor as loss payee of the proceeds, and (ii) commercial general liability insurance (minimum of \$1,000,000 per occurrence and \$2,000,000 in the aggregate) (and with a deductible no higher than \$25,000), naming Lessor and its designees as additional named insureds. Lessee's insurance shall be primary and non-contributory to any insurance maintained by Lessor or any other additional insureds or additional named insureds. The liability insurance policy shall contain coverage for all contractual indemnity obligations of Lessee set forth in this Agreement, cross-liability and waiver of subrogation provisions in favor of Lessor and any other additional insureds. All evidence of all required insurance shall be in a form reasonably acceptable to Lessor and with a company having an A.M. Best rating of A- (VII) or better, and shall not be subject to cancellation without thirty (30) days' prior written notice to Lessor. Lessee shall provide to Lessor insurance certificates and endorsements (including without limitation, additional insured and loss payee endorsements) evidencing compliance with the insurance requirements of this Agreement (including without limitation, the deductible amounts and waiver of subrogation) prior to delivery of the Equipment and shall maintain all required insurance coverage until the Equipment is returned to Lessee. Lessor will not and does not provide insurance for any of Lessee's personal property that may be in or on any Equipment.

12. INDEMNIFICATION AND LIMITATION OF LIABILITY.

(a) LESSEE ON BEHALF OF ITSELF, ITS SUCCESSORS, ASSIGNS, PARENTS, SUBSIDIARIES, VENDORS, SUBCONTRACTORS, AND AFFILIATES, AND THEIR RESPECTIVE REPRESENTATIVES, DIRECTORS, OFFICERS, MANAGERS, VENDORS, MEMBERS, SHAREHOLDERS, PARTNERS, CONTRACTORS, EMPLOYEES, AGENTS, AND ASSIGNS (EACH, A "LESSEE PARTY," AND COLLECTIVELY, THE "LESSEE PARTIES") SHALL INDEMNIFY, DEFEND, RELEASE, AND HOLD HARMLESS LESSOR, ITS SUCCESSORS, ASSIGNS, PARENTS, SUBSIDIARIES, VENDORS, CONTRACTORS, AND AFFILIATES, AND THEIR RESPECTIVE REPRESENTATIVES, DIRECTORS, OFFICERS, MANAGERS, VENDORS, MEMBERS, SHAREHOLDERS, PARTNERS, CONTRACTORS, EMPLOYEES,

LEASE TERMS AND CONDITIONS

AGENTS, AND ASSIGNS (EACH A "LESSOR INDEMNIFIED PARTY," AND COLLECTIVELY, THE "LESSOR INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL LOSSES, FEES, COSTS, EXPENSES, CLAIMS, LIABILITIES, DAMAGES, PENALTIES, FINES, FORFEITURES, AND SUITS (INCLUDING COSTS OF DEFENSE, SETTLEMENT AND REASONABLE ATTORNEYS' FEES, ENVIRONMENTAL CONSULTANTS AND EXPERT WITNESS FEES AT TRIAL AND ON APPEAL) (COLLECTIVELY, "LOSSES") RELATING TO, ARISING OUT OF OR IN CONNECTION WITH: (1) ANY BREACH OR NON-FULFILLMENT OF ANY COVENANT, AGREEMENT, OR OBLIGATION TO BE PERFORMED BY LESSEE PURSUANT TO THIS AGREEMENT, OR ANY INACCURACY IN OR BREACH OF ANY OF THE REPRESENTATIONS OF LESSEE SET FORTH IN THIS AGREEMENT; (2) THE OCCURRENCE OF ANY EVENT SET FORTH IN SECTION 13; (3) THE SELECTION, USE, POSSESSION, DELIVERY, RENTING, LEASING, SUBLEASING, OPERATION, TRANSPORT, MAINTENANCE, CONDITION, REPAIR, REPLACEMENT, REPOSSESSION, RETURN OR STORAGE OF ANY EQUIPMENT OR ANY SERVICES; (4) ANY FAILURE BY ANY LESSEE PARTY TO COMPLY WITH ANY APPLICABLE LAW IN CONNECTION WITH ANY EQUIPMENT OR THE SERVICES OR THIS AGREEMENT; (5) ANY DEATH OR BODILY INJURY TO ANY PERSON OR DESTRUCTION OR DAMAGE TO ANY PROPERTY TO WHICH THE ACTS OR OMISSIONS OF A LESSEE PARTY CONTRIBUTED; OR (6) ANY NEGLIGENT OR INTENTIONAL ACT OR OMISSION OF ANY LESSEE PARTY FOR ANY ACTION RELATED TO OR ANY USE OF ANY EQUIPMENT. THIS INDEMNITY SHALL APPLY EVEN IF SAID LOSSES ARE OCCASIONED, BROUGHT ABOUT OR CAUSED BY THE CONCURRENT NEGLIGENCE OF ANY LESSOR INDEMNIFIED PARTY, UNLESS A COURT OF COMPETENT JURISDICTION SHOULD DETERMINE THAT THE LOSSES WERE PROXIMATELY CAUSED BY THE SOLE NEGLIGENCE OR WILLFUL ACTS OR OMISSIONS OF A LESSOR INDEMNIFIED PARTY. IF THE FOREGOING OBLIGATIONS ARE NOT ENFORCEABLE AGAINST LESSEE UNDER APPLICABLE LAW, LESSEE AGREES TO INDEMNIFY, DEFEND, RELEASE AND HOLD HARMLESS LESSOR INDEMNIFIED PARTIES FROM AND AGAINST ANY AND ALL LOSSES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, INCLUDING, WITHOUT LIMITATION, TO THE EXTENT OF THE ACTS OR OMISSIONS OF THE LESSEE PARTIES' NEGLIGENT OR WORSE CONDUCT. THIS INDEMNIFICATION SHALL SURVIVE THE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

(b) TO THE FULLEST EXTENT NOT PROHIBITED BY LAW, LESSOR'S LIABILITY, IF ANY, SHALL BE LIMITED TO THE VALUE OF RENTAL FEES AND ALL OTHER AMOUNTS PAID BY LESSEE AND RECEIVED BY LESSOR UNDER THIS AGREEMENT FOR THE EQUIPMENT AND/OR SERVICES, AND LESSOR SHALL HAVE NO LIABILITY TO LESSEE OR ANY THIRD-PARTY FOR ANY INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHETHER BASED ON CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

13. **EVENTS OF DEFAULT; REMEDIES.** Each of the following shall constitute an "Event of Default": (1) failure by Lessee to make any payment within ten (10) days after its due date; (2) failure by Lessee to perform any other obligation under this Agreement, and the continuance of such default for ten (10) days after written notice thereof by Lessor to Lessee; (3) any material misrepresentation or false statement of fact by Lessee; (4) the loss, theft, damage, destruction or the attempted sale or encumbrance by Lessee of any of the Equipment; or (5) Lessee's dissolution, termination of existence, discontinuance of business, insolvency, or the commencement of any bankruptcy proceedings by or against, Lessee. Lessee acknowledges that any Event of Default will substantially impair the lease value of the Equipment hereof. Upon the occurrence of any Event of Default, Lessor may, without notice, exercise one or more of the following remedies: (1) declare all unpaid payments under this Agreement to be immediately due and payable; (2) terminate this Agreement as to any or all items of the Equipment; (3) take possession of the Equipment wherever found, and for this purpose enter upon any premises of Lessee and remove the Equipment, without any liability to Lessee; (4) direct Lessee at its expense to promptly prepare the Equipment for pickup by Lessor; (5) proceed by appropriate action either in law or in equity to enforce performance by Lessee of the terms of this Agreement or to recover damages for the breach hereof, including attorneys' fees and any other expenses paid or incurred by Lessor in connection with the repossession of the Equipment; (6) apply the security deposit specified in this Agreement ("Security Deposit") to payment of Lessor's costs, expenses and attorney fees in enforcing the terms of this Agreement and to indemnify Lessor against any damages sustained by Lessor; and/or (7) recover the replacement cost of any Equipment which Lessor is unable to repossess. Lessor's waiver of any Event of Default shall not constitute a waiver of any other Event of Default or of any term or condition of this Agreement. No right or remedy referred to herein is intended to be exclusive and each may be exercised concurrently or separately and from time to time. In the event of repossession, Lessee waives any bond posting requirement.

Lease Terms and Conditions, Rev. 07/01/2022

by written agent

Supplemental Lease Terms and Conditions

The provisions below (the "Incorporated Provisions") shall be incorporated by reference into all Lease Agreements (each "Agreement") entered into on or after October 1st, 2008, between Mobile Modular Management Corporation, a California Corporation, as lessor ("Lessor") and any customer of Lessor, as lessee ("Lessee"). These provisions are subject to change in Lessor's sole discretion. Capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Agreement or the Master Lease Agreement.

WITNESSETH

1. WARRANTIES; DISCLAIMER. Lessor warrants to Lessee that the Equipment, when delivered and set up, will be in good condition and repair, be properly set up (subject to any site limitations), and, subject to Section 5 below, comply with all applicable regulations. Lessee acknowledges and agrees that, with the exception of the foregoing warranties, **LESSOR HAS MADE NO OTHER WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, RELATING TO ANY OF THE MATTERS CONTAINED IN THE AGREEMENT OR THE MASTER LEASE AGREEMENT, INCLUDING WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, ANY WARRANTY AGAINST INFRINGEMENT OR AS TO TITLE OR OTHERWISE.**

2. EQUIPMENT CONDITION. Lessee shall maintain all Equipment in good condition and repair (normal wear and tear excluded), and Lessee shall not make any alterations, modifications, additions, or improvements to the Equipment without Lessor's prior written consent.

3. DELIVERY OF EQUIPMENT. Lessor shall deliver and set up the Equipment at the site specified in the applicable Agreement (the "Site"). Lessee shall select a suitable site (which Lessee should clearly mark) for the Equipment and direct Lessor on exact placement/orientation of the Equipment.

(a) **ACCESS.** The Lessee is responsible for providing clear access to the set up site for delivery of the Equipment by standard delivery methods and set up of same by standard set up methods. If Lessee is unprepared for the scheduled delivery and set up, Lessee shall be subject to additional charges.

(b) **LOCATION.**

(i) **RELOCATION OF EQUIPMENT.** Lessee shall cause the Equipment to remain so set up at the Site, and shall not move the Equipment to a new location without the prior written consent of Lessor.

(ii) **SITE APPROVAL & INSTALLATION INSPECTION FOR EQUIPMENT.** The Lessee is responsible for any and all costs associated with obtaining necessary approval of the site and installation of the Equipment. If the Lessee chooses not to go through the site assessment and installation inspection process at the time of installation, the ability to receive future approval may be hindered for a number of reasons (for example, the Equipment will already be set on the foundation, the inspector did not observe the installation, etc.). Any costs associated with moving the Equipment or making changes to the existing foundation system will be the responsibility of the Lessee.

(iii) **UNDERGROUND ELEMENTS.** Lessee is responsible for the identification of underground elements on site. Identification services can be procured from third party vendors, however, Lessee retains responsibility and liability for the designation of such elements should there be any ground penetrating activities performed in relation to the performance of the Lease by Lessor.

4. RETURN OF EQUIPMENT.

(a) **DISMANTLING EQUIPMENT.** At the conclusion of the Lease Term, Lessee shall, at its expense, prepare the Equipment for dismantle, which includes but is not limited to:

(i) disconnecting all utilities and removing any items that may hinder the dismantle of the Equipment by standard dismantle methods;

(ii) In the case of any Equipment that includes restrooms or plumbing:

(1) flushing clean the plumbing lines and ensuring that there is no foreign matter in any of the water closets;

(2) properly disconnecting the site connection and removing the plumbing tree (if applicable) back to the "no-hub fittings" (provided that upon arrival of Lessor's representative at Lessee's site, if the disconnection and plumbing tree removal (if applicable) has not been so completed, Lessor will complete the disconnection and the Lessee will be charged accordingly and provided further, that, if Lessor's representative is not qualified to perform the disconnection, Lessee will be charged a fee for the dry-run and the return will be rescheduled);

(3) in addition to the above, in the case of Equipment located in the State of California, Lessee shall ensure that the "no-hub fittings" provided with the Equipment remain attached to the plumbing tree and shall place the plumbing tree inside the Equipment. Lessor hereby informs Lessee that the connection points are designed with "no-hub fittings" and thus there should be no need for gluing or cutting of pipe at either the time of connection or disconnection. Lessee shall not cut any of the Equipment's waste lines, improperly disconnect the plumbing tree or damage any of the lines due to cutting or mishandling (in which case the Lessee will be charged accordingly);

(iii) removing all personal property of Lessee from the Equipment (provided that, if any personal property shall remain located in the Equipment at such time, Lessee consents to Lessor's possession and disposal or destruction of such personal property without notice or accounting to Lessee, the costs and expenses of which disposal or destruction, including reasonable attorneys' costs related thereto, shall be reimbursed by Lessee);

(iv) providing clear access for the pick up and return delivery of the Equipment from the Site, by standard return delivery methods.

(v) If Lessee is unprepared for the scheduled return, Lessee shall be subject to additional charges.

(b) **RETURN CHARGES.** The Agreement sets forth the Equipment's estimated Charges Upon Return. The actual charges upon return will be confirmed upon return and the Lessee will then be provided with a revised quotation for the actual charges upon return (which may be higher than the Charges Upon Return). Lessee shall be responsible for paying the actual charges upon return as set forth in such revised quotation.

(c) **INSPECTION OF EQUIPMENT ON RETURN.** Upon return of the Equipment (including without limitation containers, stairs, ramps, buildings, or otherwise Lessor-owned Equipment), an inspection of the Equipment will be performed by Lessor. If such inspection shows the Equipment not to be in the condition required by Section 2 of the Incorporated Provisions, Lessor will bill Lessee for related costs, which costs Lessee promptly shall reimburse to Lessor.

5. PARTICULAR TYPES OF EQUIPMENT. Some of the terms and conditions herein may not be applicable to the particular Equipment e.g., container vs. modular) subject to the Lease. The following terms relate to Equipment of the following types:

(a) STAIRS. (1) In the case of Equipment located in the State of Florida, if any Equipment includes stairs (which shall be prefabricated metal stairs with landings), Lessor shall install such stairs following delivery thereof. Stairs shall not be altered in any form from the delivered state. (2) In the case of Equipment located in the State of Texas, Lessor's sole responsibility with respect to any Equipment that includes stairs is to ship the stairs inside the applicable modular building. Lessee shall be responsible for unloading the stairs upon delivery and installing the handrails (as well as disassembling the handrails and loading the stairs for return). If Lessor performs this service, there is a charge of \$35.00 per set of stairs to unload (and \$35.00 per set of steps to load). (3) In all other states, Lessor's sole responsibility with respect to any Equipment consisting of stairs is to deliver the stairs to the Site and place them next to the exit ways specified by Lessee with handrails in place. Stairs shall not be altered in any form from the delivered state. Any modification to, or failure of Lessee to properly maintain, the stairs, may result in failure to comply with applicable code.

(i) SECURING. Securing the stairs to the other Equipment, adjusting the stairs to the threshold of the doorway, adjustment of the treads, landing, or handrails to meet local, state or federal requirements, maintenance of the stairs or any other item not specifically indicated above is solely the responsibility of the Lessee.

(ii) CODE AND EGRESS REQUIREMENTS. Lessor hereby advises the Lessee of the need to meet applicable code requirements, adjust and secure the stairs to the exit way upon completion of the installation of the Equipment and to maintain the stairs such that the safety of all users is ensured. It is the Lessee's responsibility to ensure that steps or a ramp are provided for each building egress.

(iii) DISCONTINUING STAIR USE. In the event that the Lessee wishes to discontinue use of the stairs prior to the expiration of the Lease Term and return of the other Equipment, the Lessee may elect to return the stairs to Lessor, have Lessor pick-up the stairs for a normal charge, or store the stairs at the Site, however, Lessee shall continue to pay Monthly Rent with respect to the stairs until their return to Lessor.

(iv) SITE CONDITIONS. Lessee should be aware that certain site conditions may impact the use of Equipment consisting of stairs. Specifically, sloping sites may require higher stairs. Adjacent buildings or other obstacles may render the prefabricated stairs unusable. Lessee is responsible for the provision of level landing sufficient per any applicable code. Lessee must make the transition from wherever the stairs end to the existing grade. This transition may require grading, paving or other work by the Lessee in order that the finished stairs comply with all applicable codes.

(b) RAMPS. Any Equipment consisting of ramps are not to be altered in any form from the installed state. Any modifications may result in failure to comply with applicable code. Additionally, any modification or change to handicap ramp, including cosmetic changes, may result in additional fees to the Lessee for up to the replacement cost of the ramp.

(i) SITE CONDITIONS. Lessee should be aware that certain site conditions may impact the use of a prefabricated ramp. Specifically, sloping sites may require longer ramps. After installation of the Equipment, the landing for any ramp will be set up such that it is in conformance with door threshold requirements (provided that Lessee's site will allow such). The ramp will then be affixed to the landing. It will be the responsibility of the Lessee to make the transition from wherever the ramp ends to the existing grade. This transition may require grading, paving or other work by the Lessee in order that the finished ramp complies with all applicable codes. Adjacent buildings may require additional ramping or render the standard prefabricated ramp unusable.

(ii) PRE-FABRICATED RAMPS ACCOMPANYING BUILDINGS APPROVED BY THE DIVISION OF THE STATE ARCHITECT ("DSA"). In the case of Equipment located in the State of California, in the case of any Equipment consisting of DSA building ramps, Lessor recommends that Lessee or Lessee's architect look closely at all conditions of impact. Any Equipment consisting of a ramp and landing have been DSA approved.

(c) **RESTROOM/PLUMBING.** If any Equipment consists of restrooms or plumbing, the Lessee is responsible for making both waste and water connections to the building stub outs. Please note that a "no-hub fitting" has been provided for Lessee's waste line connection. Additionally, "no-hub fittings" have been provided for connection of the plumbing tree (if applicable) to the permanent lines.

(i) **PLUMBING CONNECTIONS.** If Lessee's plumbing subcontractor is unfamiliar with how to make the connection(s), Lessee shall contact its sales person or Lessor's service department. Where applicable, the Lessee will need to install the plumbing tree, which is shipped unattached. Lessor makes no guarantees that the stub out locations or set height of the building will coincide with existing stub outs, holding tanks or other connection relation items.

(ii) **MALFUNCTIONS.** The Lessee is responsible for any malfunction of lines, valves, piping, etc., that is related to foreign matter, improper connection of waste/water lines or misuse.

(iii) **TEMPORARY/PORTABLE HOLDING TANKS.** Lessor shall have no liability for loss or damage as a result of holding tanks that fill up faster than expected, or that overflow. For Lessee's comfort and convenience, Lessor strongly recommends that the Equipment be connected directly to sanitary sewer lines. If Lessee obtains temporary holding tanks as a means of waste disposal, Lessee should be aware that this approach presents additional risks, as holding tank capacity is directly affected by water usage, leaky faucets, etc.

(iv) **CONNECTION TESTING AND VERIFICATION.** Testing of water for chlorination or other items/issues is the responsibility of the Lessee.

(d) **BUILDINGS.** Equipment consisting of buildings may be used only for office space, light storage or classroom facilities and for no other purpose without the prior written consent of Lessor.

(i) **SITE INSTALLATION REQUIREMENTS FOR DSA CLASSROOM BUILDINGS.** In the case of Equipment located in the State of California, the Lessee is responsible for the site being cleared (free of grass, shrubs, trees, etc.) and graded to within 4 1/2" of level grade for each building. If the site exceeds the 4 1/2" requirement additional costs may be charged to Lessee. Under no circumstances should the site be greater than 9" from level grade or have less than a 1000 psf minimum soil bearing pressure. PRIOR TO DELIVERY, the Lessee shall mark the four corners of the building on the site, including the door location. Should special handling be required to either place, install or remove the classroom on the Lessee's site due to site obstructions such as fencing, landscaping, other classrooms, etc., additional costs will be charged to Lessee.

(e) **CONTAINERS.** In the case of any Equipment consisting of containers, Lessee shall inspect the interior and exterior of each container, on a monthly basis, to ensure that water is not infiltrating the container. If water is infiltrating any container, Lessee shall take such action as is necessary to correct such event.

(i) There are statutes and regulations associated with the leasing of containers. Lessee represents and warrants that it has read and understands such statutes and regulations as in effect in the jurisdiction and state where each container is located and will comply with the same.

(ii) The warranties made by Lessor set forth in Section 1 above do not apply to containers, and the containers are leased to Lessee "AS IS". Lessor warrants only that the containers correspond with the description thereof set forth in the Lease, and, otherwise, LESSOR MAKES NO WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, RELATING TO THE CONTAINERS, INCLUDING WITHOUT LIMITATION, THE CONDITION OF ANY CONTAINER, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, ANY WARRANTY AGAINST INFRINGEMENT OR AS TO TITLE OR OTHERWISE.

(iii) Lessee acknowledges and agrees that its maintenance obligations under Section 2 of these provisions include painting the containers in accordance with the manufacturer's recommendations.

(iv) "normal wear and tear" shall mean, with respect to the containers, changes to the condition of the containers, such as light rust and random small dents and scratches on any side of the containers, consistent with proper treatment and use of such containers under conditions for which such container was specifically designed; provided that "normal wear and tear" shall not include (i) changes to the condition of any containers that would have been prevented by routine washing, lubrication, spot painting, or other normal repair or maintenance, or (ii) changes affecting security, water tightness, weather-proof qualities, mechanical or electrical function of integral components, the integrity of design or structure, regulatory, classification or certification requirements, or affecting the inside dimensions or cubic content of any container.

(f) **SEISMIC/WIND.** Any Equipment consisting of seismic/wind restraint systems consist of either friction based supports or earth anchors. Such systems are based on the existing Site and soil conditions meeting a 85 M.P.H. exposure C wind load and a minimum soil bearing pressure of 1500 P.S.F. Lessor recommends that the Lessee verify with the local governing authority that these conditions are appropriate. In some cases additional costs may be incurred by the Lessee for custom foundation engineering and additional foundation work. Since the aforementioned seismic/wind restraint systems are different, the impact to the Lessee varies. Therefore, please review the following information carefully.

(i) **FRICTION BASED SYSTEM.** The price quoted is for the rental, installation and removal of the system and is valid for the initial Lease Term specified in the Agreement. The system can be provided with wet stamped engineered for an additional cost. The foundation design is based on certain assumptions that can vary from site to site. Should the Lessee or local jurisdiction require design changes or information that requires contact with the designing engineer, additional charges may result. As with the earth anchor system described below, Lessor does not warrant that the Lessee's site conditions will be adequate for the seismic/wind support system. Any testing required by any agency of the soil or the product, is the responsibility of the Lessee.

(ii) **EARTH ANCHORS.** Any earth anchors and strapping to be used are designed to meet specific pullout capabilities when suitable soil conditions are provided. The Lessee is responsible for providing soil conditions that will allow for achievement of a pullout capacity of 4750# for each earth anchor. If applicable, Lessor will install a specific number of earth anchors and strapping, based upon the above pullout capacities. Lessor recommends, and local governing authorities may require, that the Lessee have a pullout test performed to insure that the soil is adequate to achieve the required pullout capacities mentioned above. All costs associated with such testing and its results are the responsibility of the Lessee. These costs include, but are not limited to: testing, an increase in the number of earth anchors to be provided to meet the required loads, any re-testing and engineering time. Lessor will not warrant that the number of earth anchors installed will meet the required pullout capacities, unless the Lessee provides pullout test results and verification that the completion of any resulting corrective action has taken place.

(iii) **DAMAGE AND ADDITIONAL COSTS.** At the time of installation of the earth anchors, should ground penetration be hindered by elements such as large rocks, lime, cement, utility lines, etc., the Lessee will be responsible for all additional costs, including replacement of broken earth anchors incurred while properly completing the installation. Further, should damage to any underground utility lines occur, the cost of repair will be borne entirely by the Lessee. In any case, should the number or size of earth anchors increase or pullout testing or any other additional work be necessary to meet the requirements of the foundation plan due to soil conditions, the Lessee will be responsible for such costs. At the time of dismantle, Lessor will cut the straps of the earth anchors in order to remove the Equipment. The Lessee is then responsible for the removal of the earth anchors from the site.

(iv) **WARRANTY.** The warranty set forth in Section 1 does not apply to any seismic/wind restraints in the event that the Lessee has elected not to contract for a wet stamped engineered foundation plan. Lessor will not inspect the installation of the foundation system.

(v) **APPROVAL.** The Lessee is responsible for obtaining site inspection and approval of the foundation system by the appropriate local jurisdiction.

(g) **MISCELLANEOUS.** The Equipment is not pre-wired for features such as telephones, data lines, fire alarms, intercoms, lightning suppression; it is the Lessee's responsibility to wire these items for individual preference and usage. Lessee shall also have the sole responsibility for any utility or other connections to the Equipment.

(h) **CABINETRY.** The Equipment may include cabinetry that is fabricated with particleboard. Particleboard is known to emit certain levels of formaldehyde. Lessee acknowledges that it has been made aware that lower emission and formaldehyde free options are available.

(i) **CARPET.** The Equipment may include new carpeting. Most of the carpeting products provided by Lessor meet the Carpet and Rug Institute's Green Label testing standards for indoor air quality. Nonetheless, it is recommended that new carpeting receive a minimum of 72 hours airing-out time, under well-ventilated conditions, prior to occupancy.

by written agent

Supplemental Lease Terms and Conditions

The provisions below (the "Incorporated Provisions") shall be incorporated by reference into all Lease Agreements (each "Agreement") entered into on or after October 1st, 2008, between Mobile Modular Management Corporation, a California Corporation, as lessor ("Lessor") and any customer of Lessor, as lessee ("Lessee"). These provisions are subject to change in Lessor's sole discretion. Capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Agreement or the Master Lease Agreement.

WITNESSETH

1. **WARRANTIES; DISCLAIMER.** Lessor warrants to Lessee that the Equipment, when delivered and set up, will be in good condition and repair, be properly set up (subject to any site limitations), and, subject to Section 5 below, comply with all applicable regulations. Lessee acknowledges and agrees that, with the exception of the foregoing warranties, LESSOR HAS MADE NO OTHER WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, RELATING TO ANY OF THE MATTERS CONTAINED IN THE AGREEMENT OR THE MASTER LEASE AGREEMENT, INCLUDING WITHOUT LIMITATION, THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, ANY WARRANTY AGAINST INFRINGEMENT OR AS TO TITLE OR OTHERWISE.
2. **EQUIPMENT CONDITION.** Lessee shall maintain all Equipment in good condition and repair (normal wear and tear excluded), and Lessee shall not make any alterations, modifications, additions, or improvements to the Equipment without Lessor's prior written consent.
3. **DELIVERY OF EQUIPMENT.** Lessor shall deliver and set up the Equipment at the site specified in the applicable Agreement (the "Site"). Lessee shall select a suitable site (which Lessee should clearly mark) for the Equipment and direct Lessor on exact placement/orientation of the Equipment.
 - (a) **ACCESS.** The Lessee is responsible for providing clear access to the set up site for delivery of the Equipment by standard delivery methods and set up of same by standard set up methods. If Lessee is unprepared for the scheduled delivery and set up, Lessee shall be subject to additional charges.
 - (b) **LOCATION.**
 - (i) **RELOCATION OF EQUIPMENT.** Lessee shall cause the Equipment to remain so set up at the Site, and shall not move the Equipment to a new location without the prior written consent of Lessor.
 - (ii) **SITE APPROVAL & INSTALLATION INSPECTION FOR EQUIPMENT.** The Lessee is responsible for any and all costs associated with obtaining necessary approval of the site and installation of the Equipment. If the Lessee chooses not to go through the site assessment and installation inspection process at the time of installation, the ability to receive future approval may be hindered for a number of reasons (for example, the Equipment will already be set on the foundation, the inspector did not observe the installation, etc.). Any costs associated with moving the Equipment or making changes to the existing foundation system will be the responsibility of the Lessee.
 - (iii) **UNDERGROUND ELEMENTS.** Lessee is responsible for the identification of underground elements on site. Identification services can be procured from third party vendors, however, Lessee retains responsibility and liability for the designation of such elements should there be any ground penetrating activities performed in relation to the performance of the Lease by Lessor.
4. **RETURN OF EQUIPMENT.**

(a) **DISMANTLING EQUIPMENT.** At the conclusion of the Lease Term, Lessee shall, at its expense, prepare the Equipment for dismantle, which includes but is not limited to:

(i) disconnecting all utilities and removing any items that may hinder the dismantle of the Equipment by standard dismantle methods;

(ii) In the case of any Equipment that includes restrooms or plumbing:

(1) flushing clean the plumbing lines and ensuring that there is no foreign matter in any of the water closets;

(2) properly disconnecting the site connection and removing the plumbing tree (if applicable) back to the "no-hub fittings" (provided that upon arrival of Lessor's representative at Lessee's site, if the disconnection and plumbing tree removal (if applicable) has not been so completed, Lessor will complete the disconnection and the Lessee will be charged accordingly and provided further, that, if Lessor's representative is not qualified to perform the disconnection, Lessee will be charged a fee for the dry-run and the return will be rescheduled);

(3) in addition to the above, in the case of Equipment located in the State of California, Lessee shall ensure that the "no-hub fittings" provided with the Equipment remain attached to the plumbing tree and shall place the plumbing tree inside the Equipment. Lessor hereby informs Lessee that the connection points are designed with "no-hub fittings" and thus there should be no need for gluing or cutting of pipe at either the time of connection or disconnection. Lessee shall not cut any of the Equipment's waste lines, improperly disconnect the plumbing tree or damage any of the lines due to cutting or mishandling (in which case the Lessee will be charged accordingly);

(iii) removing all personal property of Lessee from the Equipment (provided that, if any personal property shall remain located in the Equipment at such time, Lessee consents to Lessor's possession and disposal or destruction of such personal property without notice or accounting to Lessee, the costs and expenses of which disposal or destruction, including reasonable attorneys' costs related thereto, shall be reimbursed by Lessee);

(iv) providing clear access for the pick up and return delivery of the Equipment from the Site, by standard return delivery methods.

(v) If Lessee is unprepared for the scheduled return, Lessee shall be subject to additional charges.

(b) **RETURN CHARGES.** The Agreement sets forth the Equipment's estimated Charges Upon Return. The actual charges upon return will be confirmed upon return and the Lessee will then be provided with a revised quotation for the actual charges upon return (which may be higher than the Charges Upon Return). Lessee shall be responsible for paying the actual charges upon return as set forth in such revised quotation.

(c) **INSPECTION OF EQUIPMENT ON RETURN.** Upon return of the Equipment (including without limitation containers, stairs, ramps, buildings, or otherwise Lessor-owned Equipment), an inspection of the Equipment will be performed by Lessor. If such inspection shows the Equipment not to be in the condition required by Section 2 of the Incorporated Provisions, Lessor will bill Lessee for related costs, which costs Lessee promptly shall reimburse to Lessor.

5. PARTICULAR TYPES OF EQUIPMENT. Some of the terms and conditions herein may not be applicable to the particular Equipment (e.g., container vs. modular) subject to the Lease. The following terms relate to Equipment of the following types:

(a) STAIRS. (1) In the case of Equipment located in the State of Florida, if any Equipment includes stairs (which shall be prefabricated metal stairs with landings), Lessor shall install such stairs following delivery thereof. Stairs shall not be altered in any form from the delivered state. (2) In the case of Equipment located in the State of Texas, Lessor's sole responsibility with respect to any Equipment that includes stairs is to ship the stairs inside the applicable modular building. Lessee shall be responsible for unloading the stairs upon delivery and installing the handrails (as well as disassembling the handrails and loading the stairs for return). If Lessor performs this service, there is a charge of \$35.00 per set of stairs to unload (and \$35.00 per set of steps to load). (3) In all other states, Lessor's sole responsibility with respect to any Equipment consisting of stairs is to deliver the stairs to the Site and place them next to the exit ways specified by Lessee with handrails in place. Stairs shall not be altered in any form from the delivered state. Any modification to, or failure of Lessee to properly maintain, the stairs, may result in failure to comply with applicable code.

(i) SECURING. Securing the stairs to the other Equipment, adjusting the stairs to the threshold of the doorway, adjustment of the treads, landing, or handrails to meet local, state or federal requirements, maintenance of the stairs or any other item not specifically indicated above is solely the responsibility of the Lessee.

(ii) CODE AND EGRESS REQUIREMENTS. Lessor hereby advises the Lessee of the need to meet applicable code requirements, adjust and secure the stairs to the exit way upon completion of the installation of the Equipment and to maintain the stairs such that the safety of all users is ensured. It is the Lessee's responsibility to ensure that steps or a ramp are provided for each building egress.

(iii) DISCONTINUING STAIR USE. In the event that the Lessee wishes to discontinue use of the stairs prior to the expiration of the Lease Term and return of the other Equipment, the Lessee may elect to return the stairs to Lessor, have Lessor pick-up the stairs for a normal charge, or store the stairs at the Site, however, Lessee shall continue to pay Monthly Rent with respect to the stairs until their return to Lessor.

(iv) SITE CONDITIONS. Lessee should be aware that certain site conditions may impact the use of Equipment consisting of stairs. Specifically, sloping sites may require higher stairs. Adjacent buildings or other obstacles may render the prefabricated stairs unusable. Lessee is responsible for the provision of level landing sufficient per any applicable code. Lessee must make the transition from wherever the stairs end to the existing grade. This transition may require grading, paving or other work by the Lessee in order that the finished stairs comply with all applicable codes.

(b) RAMPS. Any Equipment consisting of ramps are not to be altered in any form from the installed state. Any modifications may result in failure to comply with applicable code. Additionally, any modification or change to handicap ramp, including cosmetic changes, may result in additional fees to the Lessee for up to the replacement cost of the ramp.

(i) SITE CONDITIONS. Lessee should be aware that certain site conditions may impact the use of a prefabricated ramp. Specifically, sloping sites may require longer ramps. After installation of the Equipment, the landing for any ramp will be set up such that it is in conformance with door threshold requirements (provided that Lessee's site will allow such). The ramp will then be affixed to the landing. It will be the responsibility of the Lessee to make the transition from wherever the ramp ends to the existing grade. This transition may require grading, paving or other work by the Lessee in order that the finished ramp complies with all applicable codes. Adjacent buildings may require additional ramping or render the standard prefabricated ramp unusable.

(ii) PRE-FABRICATED RAMPS ACCOMPANYING BUILDINGS APPROVED BY THE DIVISION OF THE STATE ARCHITECT ("DSA"). In the case of Equipment located in the State of California, in the case of any Equipment consisting of DSA building ramps, Lessor recommends that Lessee or Lessee's architect look closely at all conditions of impact. Any Equipment consisting of a ramp and landing have been DSA approved.

(c) **RESTROOM/PLUMBING.** If any Equipment consists of restrooms or plumbing, the Lessee is responsible for making both waste and water connections to the building stub outs. Please note that a "no-hub fitting" has been provided for Lessee's waste line connection. Additionally, "no-hub fittings" have been provided for connection of the plumbing tree (if applicable) to the permanent lines.

(i) **PLUMBING CONNECTIONS.** If Lessee's plumbing subcontractor is unfamiliar with how to make the connection(s), Lessee shall contact its sales person or Lessor's service department. Where applicable, the Lessee will need to install the plumbing tree, which is shipped unattached. Lessor makes no guarantees that the stub out locations or set height of the building will coincide with existing stub outs, holding tanks or other connection relation items.

(ii) **MALFUNCTIONS.** The Lessee is responsible for any malfunction of lines, valves, piping, etc., that is related to foreign matter, improper connection of waste/water lines or misuse.

(iii) **TEMPORARY/PORTABLE HOLDING TANKS.** Lessor shall have no liability for loss or damage as a result of holding tanks that fill up faster than expected, or that overflow. For Lessee's comfort and convenience, Lessor strongly recommends that the Equipment be connected directly to sanitary sewer lines. If Lessee obtains temporary holding tanks as a means of waste disposal, Lessee should be aware that this approach presents additional risks, as holding tank capacity is directly affected by water usage, leaky faucets, etc.

(iv) **CONNECTION TESTING AND VERIFICATION.** Testing of water for chlorination or other items/issues is the responsibility of the Lessee.

(d) **BUILDINGS.** Equipment consisting of buildings may be used only for office space, light storage or classroom facilities and for no other purpose without the prior written consent of Lessor.

(i) **SITE INSTALLATION REQUIREMENTS FOR DSA CLASSROOM BUILDINGS.** In the case of Equipment located in the State of California, the Lessee is responsible for the site being cleared (free of grass, shrubs, trees, etc.) and graded to within 4 1/2" of level grade for each building. If the site exceeds the 4 1/2" requirement additional costs may be charged to Lessee. Under no circumstances should the site be greater than 9" from level grade or have less than a 1000 psf minimum soil bearing pressure. PRIOR TO DELIVERY, the Lessee shall mark the four corners of the building on the site, including the door location. Should special handling be required to either place, install or remove the classroom on the Lessee's site due to site obstructions such as fencing, landscaping, other classrooms, etc., additional costs will be charged to Lessee.

(e) **CONTAINERS.** In the case of any Equipment consisting of containers, Lessee shall inspect the interior and exterior of each container, on a monthly basis, to ensure that water is not infiltrating the container. If water is infiltrating any container, Lessee shall take such action as is necessary to correct such event.

(i) There are statutes and regulations associated with the leasing of containers. Lessee represents and warrants that it has read and understands such statutes and regulations as in effect in the jurisdiction and state where each container is located and will comply with the same.

(ii) The warranties made by Lessor set forth in Section 1 above do not apply to containers, and the containers are leased to Lessee "AS IS". Lessor warrants only that the containers correspond with the description thereof set forth in the Lease, and, otherwise, **LESSOR MAKES NO WARRANTIES OR REPRESENTATIONS, EITHER EXPRESS OR IMPLIED, RELATING TO THE CONTAINERS, INCLUDING WITHOUT LIMITATION, THE CONDITION OF ANY CONTAINER, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, ANY WARRANTY AGAINST INFRINGEMENT OR AS TO TITLE OR OTHERWISE.**

(iii) Lessee acknowledges and agrees that its maintenance obligations under Section 2 of these provisions include painting the containers in accordance with the manufacturer's recommendations.

(iv) "normal wear and tear" shall mean, with respect to the containers, changes to the condition of the containers, such as light rust and random small dents and scratches on any side of the containers, consistent with proper treatment and use of such containers under conditions for which such container was specifically designed; provided that "normal wear and tear" shall not include (i) changes to the condition of any containers that would have been prevented by routine washing, lubrication, spot painting, or other normal repair or maintenance, or (ii) changes affecting security, water tightness, weather-proof qualities, mechanical or electrical function of integral components, the integrity of design or structure, regulatory, classification or certification requirements, or affecting the inside dimensions or cubic content of any container.

(f) **SEISMIC/WIND.** Any Equipment consisting of seismic/wind restraint systems consist of either friction based supports or earth anchors. Such systems are based on the existing Site and soil conditions meeting a 85 M.P.H. exposure C wind load and a minimum soil bearing pressure of 1500 P.S.F. Lessor recommends that the Lessee verify with the local governing authority that these conditions are appropriate. In some cases additional costs may be incurred by the Lessee for custom foundation engineering and additional foundation work. Since the aforementioned seismic/wind restraint systems are different, the impact to the Lessee varies. Therefore, please review the following information carefully.

(i) **FRICTION BASED SYSTEM.** The price quoted is for the rental, installation and removal of the system and is valid for the initial Lease Term specified in the Agreement. The system can be provided with wet stamped engineered for an additional cost. The foundation design is based on certain assumptions that can vary from site to site. Should the Lessee or local jurisdiction require design changes or information that requires contact with the designing engineer, additional charges may result. As with the earth anchor system described below, Lessor does not warrant that the Lessee's site conditions will be adequate for the seismic/wind support system. Any testing required by any agency of the soil or the product, is the responsibility of the Lessee.

(ii) **EARTH ANCHORS.** Any earth anchors and strapping to be used are designed to meet specific pullout capabilities when suitable soil conditions are provided. The Lessee is responsible for providing soil conditions that will allow for achievement of a pullout capacity of 4750# for each earth anchor. If applicable, Lessor will install a specific number of earth anchors and strapping, based upon the above pullout capacities. Lessor recommends, and local governing authorities may require, that the Lessee have a pullout test performed to insure that the soil is adequate to achieve the required pullout capacities mentioned above. All costs associated with such testing and its results are the responsibility of the Lessee. These costs include, but are not limited to: testing, an increase in the number of earth anchors to be provided to meet the required loads, any re-testing and engineering time. Lessor will not warrant that the number of earth anchors installed will meet the required pullout capacities, unless the Lessee provides pullout test results and verification that the completion of any resulting corrective action has taken place.

(iii) **DAMAGE AND ADDITIONAL COSTS.** At the time of installation of the earth anchors, should ground penetration be hindered by elements such as large rocks, lime, cement, utility lines, etc., the Lessee will be responsible for all additional costs, including replacement of broken earth anchors incurred while properly completing the installation. Further, should damage to any underground utility lines occur, the cost of repair will be borne entirely by the Lessee. In any case, should the number or size of earth anchors increase or pullout testing or any other additional work be necessary to meet the requirements of the foundation plan due to soil conditions, the Lessee will be responsible for such costs. At the time of dismantle, Lessor will cut the straps of the earth anchors in order to remove the Equipment. The Lessee is then responsible for the removal of the earth anchors from the site.

(iv) **WARRANTY.** The warranty set forth in Section 1 does not apply to any seismic/wind restraints in the event that the Lessee has elected not to contract for a wet stamped engineered foundation plan. Lessor will not inspect the installation of the foundation system.

(v) **APPROVAL.** The Lessee is responsible for obtaining site inspection and approval of the foundation system by the appropriate local jurisdiction.

(g) **MISCELLANEOUS.** The Equipment is not pre-wired for features such as telephones, data lines, fire alarms, intercoms, lightning suppression; it is the Lessee's responsibility to wire these items for individual preference and usage. Lessee shall also have the sole responsibility for any utility or other connections to the Equipment.

(h) **CABINETRY.** The Equipment may include cabinetry that is fabricated with particleboard. Particleboard is known to emit certain levels of formaldehyde. Lessee acknowledges that it has been made aware that lower emission and formaldehyde free options are available.

(i) **CARPET.** The Equipment may include new carpeting. Most of the carpeting products provided by Lessor meet the Carpet and Rug Institute's Green Label testing standards for indoor air quality. Nonetheless, it is recommended that new carpeting receive a minimum of 72 hours airing-out time, under well-ventilated conditions, prior to occupancy.

Incorporation by Reference

The Supplemental Lease Terms and Conditions and Additional Advisory Information for Lessee or Buyer provisions are hereby incorporated by reference in their entirety, as updated from time to time by Lessor, in its sole discretion, and can be reviewed in the e-Customer Services section of the Lessor's web site at <http://www.MobileModularRents.com/ContractTerms>. The Lessee hereby confirms that he/she has read in its entirety and understands the Supplemental Lease Terms and Conditions and Additional Advisory Information.

Please sign below and fax or email this document to the fax number shown above or the email address you received the document from.

- The parties hereto, MOBILE MODULAR MANAGEMENT CORPORATION, a California corporation, as lessor (the "Lessor") and lessee ("Lessee", as described above in the section titled "Customer Information") hereby agree to this Lease Agreement and the terms and conditions set forth in the Lease Terms and Conditions, attached hereto as Attachment A, which are hereby incorporated by reference. The individual signing this Lease Agreement affirms that he/she is duly authorized to execute and commit to this Lease Agreement for the above named Lessee.

LESSOR: Mobile Modular Management Corporation By: _____ Name: _____ Title: _____ Date: _____	LESSEE: By: _____ Name: _____ Title: _____ Date: _____
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ATTACHMENT A**LEASE TERMS AND CONDITIONS**

- LEASE.** Lessor leases to Lessee, and Lessee leases from Lessor, the equipment listed on any Lease Agreement hereto (the "Equipment") on the terms and conditions set forth herein. Each such Lease Agreement (an "Agreement") and the lease provisions on the Lessor's website at www.MobileModularRents.com] (the "Incorporated Provisions"), to the extent incorporated by reference into such Agreement, together with these Lease Terms and Conditions (the "Lease Agreement"), to the extent incorporated by reference into such Agreement, shall constitute a separate and independent lease (a "Lease") of the Equipment listed in such Agreement under "Product Information". Capitalized terms used but not defined in this Master Lease Agreement shall have the meanings set forth in the applicable Agreement. In the event of a conflict between this Master Lease Agreement or the Incorporated Provisions and Lessee's agreement, purchase order or other document and the Agreement, the Agreement shall control.
- LEASE TERM.** The Lease shall commence on the Start Rent Date specified in the Agreement (which may be adjusted by mutual agreement of Lessee and Lessor), and shall continue thereafter for the number of months specified in the Agreement as the "Contract Term" (the "Lease Term"). Lessee is responsible for paying the Monthly Rent specified in the Agreement (as such may be adjusted pursuant to Section 4) for each month during the Lease Term. Lessee shall have no right to terminate the Lease prior to the expiration of the Lease Term; provided that, in the event that Lessee surrenders the Equipment to Lessor prior to the completion of the Lease Term, the Lease Term shall cease upon the later to occur of (i) the date when Lessee shall have complied with Section 3 and (ii) Lessee has paid to Lessor an early

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termination fee to be determined by Lessor in its sole discretion. Lessor shall not be liable to Lessee for any failure or delay in obtaining, delivering or setting up the Equipment. In the event Lessor is responsible for delay in obtaining, delivering or setting up the Equipment, the Start Rent Date shall be deemed to be revised to the date that Lessor substantially completes setting up the Equipment. If any delay in obtaining, delivering or setting up the Equipment is caused by failure of the site to be ready or for any other reason not solely the responsibility of Lessor, the Lease shall commence as of the Start Rent Date originally stated notwithstanding such delay.

3. **RETURN OF EQUIPMENT.** Regardless of the stated Lease Term, Lessee must provide a minimum of 30 days' prior notice for return delivery of Equipment (except that Equipment consisting of containers requires only 10 days' notice). Please review the Incorporated Provisions on the website at [<http://www.MobileModularRents.com>] for the conditions under which the Equipment must be returned.

4. **HOLDING OVER; LEASE EXTENSION.** If Lessee (a) fails to notify Lessor of the intended return of Equipment as required under Section 4(a) of the Incorporated Provisions, (b) fails to prepare the Equipment for dismantle as required under Section 4(a) of the Incorporated Provisions or (c) fails to pay the charges upon return as required under Section 4(b) of the Incorporated Provisions, the Lease Term shall be extended, on a month-to-month basis, beyond the Lease Term stated above. In this event, Lessor may establish a revised rental rate for such extended Lease Term, which revised rental rate shall constitute the Monthly Rent for such extended Lease Term following completion of the initial Lease Term. Dismantle, charges upon return and other charges related to the return of the Equipment may also be revised by Lessor for such extended Lease Term.

5. **LESSEE AGREEMENTS.** Lessee agrees that:

- (a) Lessor may insert in the applicable Agreement the serial number and other identification data relating to the Equipment when ascertained by Lessor; and
- (b) Lessor (or its agents, employees or contractors) may, *on 24 hour notice and with permission of Lessee* ~~from time to time at any reasonable time~~, enter upon the premises of Lessee for the purposes of (1) inspecting the Equipment or posting "Notices of Non-Responsibility" or similar notices thereon, or (2) photographing the Equipment, ~~including any items or occupants within or surrounding the Equipment, for promotional or other purposes.~~ If Lessor determines that repairs to the Equipment are needed, Lessee shall grant access for said repairs. Lessor shall bear the expense of any repairs that it determines are needed to ameliorate normal wear and tear; the expense of all other repairs (including any repairs requested by Lessee) shall be borne by Lessee. If Lessee does not grant access for such repairs between 8:00 a.m. and 5:00 p.m., Monday through Friday, Lessee shall bear the cost of repair rates for labor at the applicable overtime rates.

6. **SECURITY DEPOSIT.** Upon the signing of any Agreement, Lessee shall provide to Lessor the Security Deposit specified in such Agreement. The Security Deposit shall be held by Lessor (who shall have no obligation to collect or pass through to Lessee any interest thereon) as security for Lessee's faithful performance of the terms and conditions of the applicable Lease, including without limitation Lessee's indemnification obligations under Section 12. If an Event of Default occurs, Lessor may apply the Security Deposit to payment of its costs, expenses and attorney fees in enforcing the terms of the Lease and to indemnify Lessor against any costs, expenses or damages sustained by Lessor in connection with the Lease (provided, however, nothing herein contained shall be construed to mean that the recovery of damages by Lessor shall be limited to the amount of the Security Deposit). In the event all or any portion of the Security Deposit is applied as aforesaid, Lessee shall deposit additional amounts with Lessor so that the Security Deposit shall always be maintained at the amount specified in the Agreement. At the end of the Lease Term, Lessor shall apply any remaining balance of the Security Deposit

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to the payment of any monies owed to Lessor under the Lease. Thereafter, if no Event of Default has occurred and Lessee has complied with Section 3, Lessor shall return to Lessee any remaining balance of the Security Deposit.

7. **ASSIGNMENT.** Lessee will not assign, convey, transfer, or hypothecate its interest, or any part thereof, in and to any Lease or the Equipment, whether voluntarily or involuntarily, without the prior written consent of Lessor; and any such attempted assignment, conveyance, transfer, or hypothecation, whether voluntary or involuntary, shall be null and void, and upon any such attempted assignment, conveyance, transfer, or hypothecation, Lessor may, at its option, terminate the Lease. Lessor may, at its option and without the prior approval of Lessee, transfer, convey, assign or hypothecate its interest or any part thereof, in and to the Lease. It is understood and agreed by Lessee that Lessor may be acting as an agent for the true owner of the Equipment (the "Principal"), and that such Principal, if any, shall have all the rights and protection of Lessor hereunder.

8. **PAYMENTS.** Lessee agrees to pay to Lessor (at the office of Lessor or to such other person or at such other place as Lessor may from time to time designate to Lessee in writing) each payment specified herein on a net invoice basis without demand by Lessor. All payments due from Lessee pursuant to the terms of the Lease shall be made by Lessee without any abatement or setoff of any kind whatsoever arising from any cause whatsoever. If any payment is not received by Lessor within five (5) days from the date due, Lessee shall pay Lessor interest at the rate of EIGHTEEN PERCENT (18%) per annum (or at the maximum rate permitted by applicable law, if less) on such payment until received. In order to reimburse Lessor for resulting administrative expenses, Lessee shall also pay a late charge of TWENTY-FIVE (\$25.00) for each delinquent payment each and every month that such payment(s) remain(s) delinquent.

9. **TAXES AND LIENS.** Lessee agrees to keep the Equipment free of all levies, liens or encumbrances. Lessee shall, in the manner directed by Lessor, (a) make and file all declarations and returns in connection with all charges, fees and taxes (local, state and federal) levied or assessed either upon Lessee or Lessor, or upon the ownership, leasing, rental, sale, possession, use, or operation of the Equipment, and (b) pay all such charges, fees and taxes. However, Lessor shall pay all local, state or federal net income taxes relating to the Lease. If Lessee fails to pay taxes and charges as required by this Section, Lessor shall have the right, but not the obligation, to make such payments. In the event that Lessor makes any such payments, Lessee shall reimburse Lessor for such costs as deemed appropriate by Lessor and as invoiced by Lessor.

10. **LOSS OR DAMAGE.** *within 60 days of the damage occurring;* Until the Equipment is returned to Lessor, Lessee assumes all risk of loss or damage to the Equipment. Subject to Section 12(b), should any Equipment damaged be capable of repair, the Lease shall not terminate, but Lessee shall cause the Equipment to be repaired and restored to its condition existing prior to such damage, at Lessee's sole expense. Lessee shall be entitled to the benefit of the proceeds from any insurance recovery received by Lessor, up to an amount equal to that paid to Lessor pursuant to this paragraph.

11. **INSURANCE.** *and Lessee*
(a) Lessee shall provide, maintain, and pay all premiums for insurance covering the loss, theft, destruction, or damage to the Equipment in an amount not less than the full replacement value thereof, naming Lessor as loss payee of the proceeds. Lessee shall also provide, maintain, and pay all premiums for public liability insurance (minimum of \$1,000,000 per occurrence), naming Lessor as an additional insured. All insurance shall be in a form and with a company satisfactory to Lessor, and shall not be subject to cancellation without thirty (30) day's prior written notice to Lessor. Lessee shall deliver to Lessor insurance policies, or evidence of insurance related thereto, meeting the above requirements. Proceeds of such insurance shall, at Lessor's option, be applied either towards replacement, restoration or repair of the Equipment or

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towards payment of Lessee's obligations under the Lease. Lessor may require Lessee's insurance carrier to be licensed to do business in the state where the Equipment is being leased.

(b) Should Lessee fail to provide satisfactory proof of insurance prior to delivery of Equipment or at any time during the Lease Term, Lessor shall have the right, but not the obligation, to obtain such insurance and/or make such payments. In the event that Lessor makes such payment(s), Lessee shall reimburse Lessor for such insurance as deemed appropriate by Lessor and as invoiced by Lessor. In any event, Lessor will not and does not provide insurance for any of Lessee's personal property that may be in or on any Equipment.

12. WAIVER AND INDEMNIFICATION.

- (a) Lessee hereby waives and releases all claims against Lessor for (i) loss of or damage to all property, goods, wares and merchandise in, upon or about the Equipment, (ii) injuries to Lessee, Lessee's agents and third persons, and (iii) the use, misuse, or malfunction of any security screens provided with the Equipment, in each case, irrespective of the cause of such loss, damage or injury. Under no circumstances shall Lessor be liable to Lessee for any special, incidental or consequential damages of any kind (including, but not limited to damages for loss of use, or profit, by Lessee or for any collateral damages), whether or not caused by Lessor's negligence or delay, resulting from the Lease or the manufacture, delivery, installation, removal or use of the Equipment, or in connection with the services rendered by Lessor hereunder, even if the parties have been advised of the possibility of such damages.
- (b) Lessee agrees to ~~indemnify and hold harmless Lessor from and against any and all~~ losses, liabilities, costs, expenses (including attorney fees), claims, actions, demands, fines, forfeitures, seizures or penalties (collectively, "Claims") arising out of (i) the maintenance, possession or use of the Equipment by Lessee, its employees, agents or any person invited, suffered or permitted by Lessee to use or be in, on or about the Equipment, ~~including to the extent arising from Lessor's negligence~~, (ii) Lessee's failure to comply with any of the terms of the Lease (including without limitation Sections 5(a)(ii) and 5(f)(i) of the Incorporated Provisions, and Sections 6, 14 and 15 hereto), and (iii) any theft or destruction of, or damage to, the Equipment, ~~if the foregoing obligations are not enforceable against Lessee under applicable law, Lessee agrees to indemnify and hold harmless Lessor from and against any and all Claims to the maximum extent permitted by applicable law.~~ Lessee shall make all payments due under this Section upon demand by Lessor, *subject to receipt of insurance proceeds, if applicable.*

13. EVENTS OF DEFAULT.

(a) Each of the following shall constitute an "Event of Default": (1) default by Lessee in making any required payment to Lessor and the continuance of such default for ten (10) consecutive days; (2) any default or breach by Lessee of Section 7, (3) default by Lessee in the performance of any obligation, covenant or liability contained in the Lease or any other agreement or document with Lessor and the continuance of such default for ten (10) days after written notice, thereof by Lessor to Lessee; (4) any warranty, representation or statement made or furnished to Lessor by or on behalf of Lessee proves to have been false in any material respect when made or furnished; (5) loss, theft, damage, destruction or the attempted sale or encumbrance by Lessee of any of the Equipment, or any levy, seizure or attachment thereof or thereon; or (6) Lessee's dissolution, termination of existence, discontinuance of business, insolvency, or business failure; or the appointment of a receiver of any part of, the assignment for the benefit of creditors by, or the commencement of any proceedings under any bankruptcy, reorganization or arrangement laws by or against, Lessee. Lessee acknowledges that any Event of Default will substantially impair the lease value hereof.

(b) **REMEDIES OF LESSOR:** *30 days prior* Upon the occurrence of any *material* Event of Default and any time thereafter, Lessor may, without notice, exercise one or more of the following remedies, as Lessor, in its sole discretion shall elect: (1) declare all unpaid lease payments under the Lease to

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be immediately due and payable; (2) terminate the Lease as to any or all items of the Equipment; (3) take possession of the Equipment wherever found, and for this purpose enter upon any premises of Lessee and remove the Equipment, without any liability for suit, action or other proceedings by Lessee; (4) direct Lessee at its expense to promptly prepare the Equipment for pickup by Lessor; (5) use, hold, sell, lease or otherwise dispose of the Equipment or any item thereof on the site specified on the applicable Agreement or any other location without affecting the obligations of Lessee as provided in the Lease; (6) sell or lease the Equipment or any part thereof by public or private sale or lease at such time or times and upon such terms as Lessor may determine, free and clear of any rights of Lessee (if notice of sale is required by law, notice in writing not less than ten (10) days prior to the date thereof shall constitute reasonable notice to Lessee); (7) proceed by appropriate action either in law or in equity to enforce performance by Lessee of the terms of the Lease or to recover damages for the breach hereof; (8) apply the Security Deposit to payment of Lessor's costs, expenses and attorney fees in enforcing the terms of the Lease and to indemnify Lessor against any damages sustained by Lessor (provided, however, nothing herein shall be construed to mean that the recovery of damages by Lessor shall be limited to the amount of the Security Deposit); (9) exercise any and all rights accruing to Lessor under any applicable law upon an Event of Default. In addition, Lessor shall be entitled to recover immediately as damages, and not as a penalty, a sum equal to the aggregate of the following: (i) all unpaid payments as are due and payable for any items of Equipment up to the date of repossession by Lessor; (ii) any expenses paid or incurred by Lessor in connection with the repossession, holding, repair and subsequent sale, lease or other disposition of the Equipment, including attorney's fees and other reasonable costs and expenses; (iii) an amount equal to the excess of (a) all unpaid payments for any item of Equipment repossessed by Lessor from the date thereof to the end of the term of the Lease over (b) the fair market lease value of such item or items of Equipment for such unexpired lease period (provided however, that the fair market lease value shall be deemed to not exceed the proceeds of any sale of the Equipment or lease thereof by Lessor for a period substantially similar to the unexpired lease period); and (iv) the replacement cost of any item of Equipment which Lessee fails to prepare for return to Lessor as provided above or converts or is destroyed, or which Lessor is unable to repossess; *all of the foregoing less available unearned funds.*

14. OWNERSHIP AND MARKING OF EQUIPMENT. Title to the Equipment shall remain in Lessor (or its Principal). Excepting only as may be granted in a separate writing signed by Lessor, no option or other right to purchase the Equipment is granted or implied by the Lease to Lessee or any other person. The Equipment shall remain and be deemed to be personal property of Lessor, whether attached to realty or not, and upon termination of the Lease or the occurrence of an Event of Default, Lessee shall have the duty and Lessor shall have the right to remove the Equipment whether or not affixed to any realty or building without any liability to Lessor for damage to the realty or building caused by the removal of the Equipment. Any replacement, substitutes, accessories or parts, whether placed in or upon the Equipment or not, whether made a component part thereof or not, shall be the property of Lessor and shall be included under the terms of the Lease.

15. COMPLIANCE WITH LAW. Lessee assumes all responsibility for any and all licenses, clearances, permits and other certificates as may be required for Lessee's lawful operation, use, possession and occupancy of the Equipment. Lessee agrees to fully comply with all laws, rules, regulations and orders of all local, state and federal governmental authorities which in any way relate to the Equipment. Lessee shall pay the cost of all license and registration fees and renewals thereof.

16. GOVERNING LAW. Lessee and Lessor agree that the Lease shall be governed in all respects by, and interpreted in accordance with the laws of, the State of ~~California~~ **TEXAS**, without regard to its conflicts of laws provisions.

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17. **JURISDICTION.**

- (a) In any case where the Equipment is located in the State of Maryland or the State of Virginia, it is agreed that the venue for a legal action relating to the Lease shall be proper if brought in ~~Alameda County, State of California~~. Subject to Section 12, the prevailing party shall be entitled to recover reasonable attorneys' fees and court costs, whether or not the action proceeds to judgment.
- (b) In all other cases, the Federal District Courts located within the State of ~~California~~ shall have non-exclusive jurisdiction over any lawsuit brought by Lessee or Lessor as a result of any dispute regarding matters arising in connection with the Lease. Further, it is agreed that the venue for a legal action relating to the Lease shall be proper if brought in ~~Alameda County, State of California~~. Subject to Section 12, the prevailing party shall be entitled to recover reasonable attorneys' fees and court costs, whether or not the action proceeds to judgment.

18. **MEDIATION; ARBITRATION.**

- Lessee agrees to abide by Lessor's option (if Lessor shall so choose) to have any claims, disputes, or controversies arising out of or in relation to the performance, interpretation, application, or enforcement of the Lease, including but not limited to breach thereof, referred to mediation before, and as a condition precedent to, the initiation of any adjudicative action or proceeding, ~~including arbitration~~. If mediation fails to resolve the claims, disputes or controversies between Lessor and Lessee, Lessee agrees to abide by Lessor's option (if Lessor shall so choose) to have the claims, disputes or controversies referred to binding arbitration. The parties hereto acknowledge that the subject matter of the Lease is a matter of interstate commerce.

19. **CREDIT CARD AUTHORIZATION.** Lessee hereby gives authorization to Lessor to charge against credit card provided all amounts billed for this transaction including applicable taxes, shipping and handling charges. For a rental/lease transaction, charges may be recurring and additional billing and charges will occur until such time as all Equipment and respective accessories are returned and the rental is terminated.

20. **HAZARDOUS MATERIALS.** Lessee agrees that no water, paint or chemicals, and no illegal, hazardous, controlled, toxic, explosive, flammable, restricted, contaminated or other dangerous materials, shall be maintained or stored in or on the Equipment, ~~except as needed by the Police Department.~~

21. **MISCELLANEOUS.** Time is of the essence of each and every provision of the Lease. Failure of Lessor to enforce any term or condition of the Lease shall not constitute a waiver of subsequent defaults by Lessee, nor shall it, in any manner, affect the rights of Lessor to enforce any of the provisions hereunder. The invalidity or unenforceability of any provision of the Lease shall not affect the validity or enforceability of any other provision.

22. **ENTIRE AGREEMENT.** The Lease constitutes the entire agreement between Lessor and Lessee with respect to the subject matter hereof and, except for the Incorporated Provisions that may be updated by Lessor from time to time in its sole discretion, may not be amended, altered or modified except by a writing signed by both Lessor and Lessee.



Council Agenda Item

Budget Account Code:	Meeting Date:	See above.
Budgeted Amount:	Department/ Requestor:	Council
Fund Balance-before expenditure:	Prepared by:	City Administrator Luke Olson
Estimated Cost:	Date Prepared:	January 11, 2024
Exhibits:	<ol style="list-style-type: none"> 1. <u>Building Schematic</u> 2. <u>Possible Building Elevation</u> 	

AGENDA SUBJECT

DISCUSSION/REVIEW OF UTILITIES BUILDING.

SUMMARY

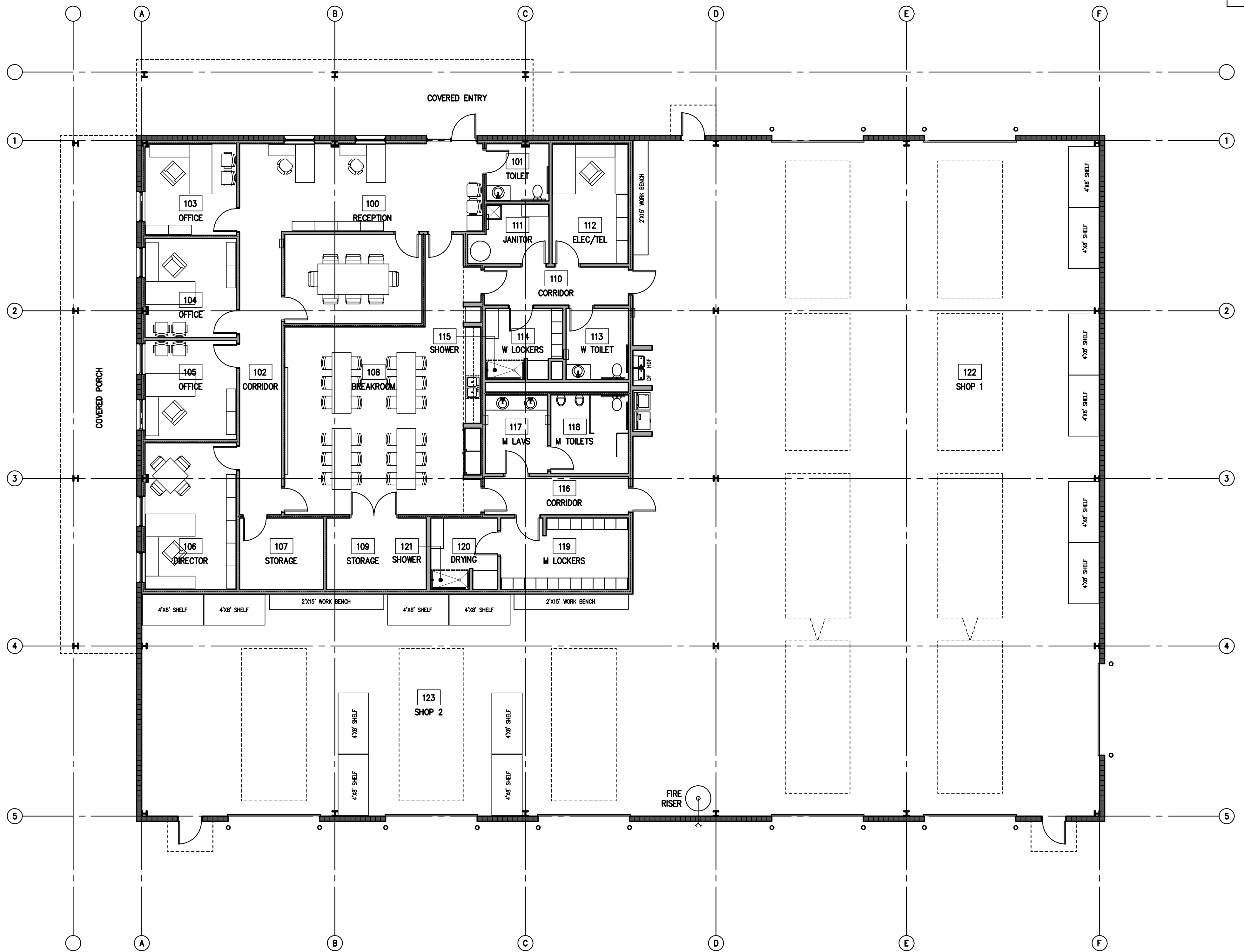
The City of Parker over the last several months during the CIP meetings has had several discussions about the Utilities Building in front of the Central Pump Station. Currently there is approximately \$566,187. However, with that money we still need to pay for the water connection to the NTMWD waterline. These bond funds have 10 years to be expended from the date of issuance in 2018. I have attached a rough draft schematic staff worked on, along with an example of what the building could possibly look like from an elevation standpoint but can be changed.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use

Approved by:	Enter Text Here		
Department Head/ Requestor:		Date:	01/11/2024
City Attorney:	<i>Amy J. Stanphill</i>	Date:	01/11/2024 via Municode
City Administrator:	<i>Luke B. Olson</i>	Date:	01/11/2024



1 FLOOR PLAN
1/8" = 1'-0"
PRE-ENGINEERED METAL BLDG W/CMU WAINSCOT

AREA TABULATION:	
ADMINISTRATIVE AREA:	3,916 SF
SHOP AREA:	7,514 SF
TOTAL:	11,430 SF





Council Agenda Item

Budget Account Code:	Meeting Date:	See above.
Budgeted Amount:	Department/ Requestor:	Council
Fund Balance-before expenditure:	Prepared by:	City Secretary Scott Grey for City Administrator Olson
Estimated Cost:	Date Prepared:	January 10, 2024
Exhibits:	<u>None</u>	

AGENDA SUBJECT

UPDATE(S):

ENTERPRISE UPDATE BY CITY ADMINISTRATOR OLSON
POLICE VEHICLES

FM2551

WEBSITE

COMP PLAN w/Council and Planning and Zoning (P&Z) Commission

CAPITAL IMPROVEMENT PLAN (CIP)

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY (TCEQ)

REQUEST FOR QUALIFICATIONS (RFQ) FOR ENGINEERING

ANY ADDITIONAL UPDATES

MONTHLY/QUARTERLY REPORTS

[December 2023 - Building Permit/Code Report](#)

[November/December 2023 – Court Report](#)

[November 2023 – Court Report](#)

[December 2023 – Court Report](#)

[December 2023 – Finance \(monthly financials\) Report](#)

[December 2023 – Police Report](#)

SUMMARY

Please review information provided.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use

Approved by:	Enter Text Here		
Department Head/ Requestor:	<i>Patti Scott Grey</i>	Date:	01/10/2024
City Attorney:	<i>Amy J. Stanphill</i>	Date:	01/xx/2024 via Municode
City Administrator:	<i>Luke B. Olson</i>	Date:	01/xx/2024



Council Agenda Item

Budget Account Code:	Meeting Date:	See above.
Budgeted Amount:	Department/ Requestor:	City Council
Fund Balance-before expenditure:	Prepared by:	City Secretary Scott Grey for City Administrator Olson
Estimated Cost:	Date Prepared:	January 10, 2024
Exhibits:	<u>None</u>	

AGENDA SUBJECT

ACCEPTANCE OF DONATION(S) FOR POLICE, FIRE, AND CITY STAFF FOR THE RECORD (Each valued at between \$0 - \$500)

Maryam Boroujerdi & Mohammad Massoudi donated 1 Dozen Bundtinis from Nothing Bundt Cakes value of \$28 to City of Parker Staff

Lisa Callan donated chocolates valued at \$15 to the Police Department.

Linda Ryan and Jean deLeon donated cookies valued at \$17 to the Police Department.

Pam and Allen Terrell donated an electric kettle valued at \$10 to the Police Department.

The Turrentine's donated homemade cookies valued at \$10 to the Police Department.

The Floyd Family donated cookies and donuts valued at \$15 to the Police Department.

Chip and Linda Justice donated Tiff's Treats valued at \$100 to the Police Department..

The Levy's donated chocolates valued at \$30 to the Police Department.

SUMMARY

Please review information provided.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use			
Approved by:	Enter Text Here		
Department Head/ Requestor:	<i>Patti Scott Grey</i>	Date:	01/10/2024
City Attorney:	<i>Amy J. Stanphill</i>	Date:	01/xx/2024 via Municode
City Administrator:	<i>Luke B. Olson</i>	Date:	01/xx/2024



Council Agenda Item

Budget Account Code:	Meeting Date: See above.
Budgeted Amount:	Department/ Requestor: City Council
Fund Balance-before expenditure:	Prepared by: ACA/CS Scott Grey
Estimated Cost:	Date Prepared: January 10, 2024
Exhibits:	Future Agenda Items

AGENDA SUBJECT

FUTURE AGENDA ITEMS

SUMMARY

Please review information provided.

POSSIBLE ACTION

City Council may direct staff to take appropriate action.

Inter – Office Use			
Approved by:	Enter Text Here		
Department Head/ Requestor:	<i>Patti Scott Grey</i>	Date:	01/11/2024
City Attorney:	<i>Amy J. Stanphill</i>	Date:	01/xx/2024 via Municode
City Administrator:	<i>Luke B. Olson</i>	Date:	01/xx/2024

FUTURE AGENDA ITEMS

	ITEM DESCRIPTION	CONTACT	Notes
2024			
Feb(Mar), May (July), Aug, Nov	Fire Department Quarterly Report	Sheff/Miller	3rd Qtr 2023 1114 CC Agenda
Feb(Mar), May (July), Aug, Nov	Investment Quarterly Report	Savage	3rd Qtr 2023 1114 CC Agenda
Feb(Mar), May (July), Aug, Nov	Enterprise Update		2023 1101 - Request for Quarterly Update; 2023 1114; 1205; 1219
	Council Committee Updates	Council	
	Public Safety Committee (MLP, MPTMS, & CMDA)	Council	2022 1115 and 2022 1206; Postponed 2023 0718
	Website Dev. Subcommittee (CMCM, CMTL, & MLP)	Council	2022 1115, 2022 1209, & 2023 0912; 1016; 1114; 1205; 1219
Tentative - Investment Com. Mtg	Investmenbt Com. Meeting		
Feburayr 6, 2024	Calling an Election		
Feburayr 6, 2024	Possible cancel 3/5/2024 CCMtg		Check w/MLP
Feburayr 6, 2024	2023 Racial Profiling & PD Annual Report		
February 6, 2024	Possible Plat Submittal		
February 6, 2024	Quarterly Investment Report		Must be to Council in Feb 2024
Tentatively - 2024	Budget Amendment		
Feburayr 6, 2024	Records Retention		
February XX, 2024	Drawing for a Place on the Ballot [Feb. 22-26]		
	Procedure Manual		
	Required Training for Council		
	Required employment for time if we train you \$\$4		
	Required procedures for agenda submittal		
	Required procedures for presentations		

FUTURE AGENDA ITEMS

	ITEM DESCRIPTION	CONTACT	Notes
	Newsletter Committee Revised Resolution		
	Revised donations that mayor can accept		
	RFQ for Engineering services		
	Fences in Easement		
	Water Impact Fees (6 mths to 1 yr)		