



## CITY COUNCIL

**Davis Library, 7501-B Independence Parkway, Plano, TX  
75025 and via videoconference**

**DATE: April 22, 2024**

**TIME: 7:00 PM**

**This City Council Meeting will be held in person in the Davis Library Program Room and via videoconference. A quorum of the City Council, including the presiding officer, will participate in person. The facility will be open to members of the public.**

Seating and visibility is limited in the Davis Library Program Room. Overflow seating is available in the lobby area of the Joint Use Facility located next door. For those wanting to watch the meeting, but not address the Council and for optimal viewing and sound quality, the meeting will be live-streamed on Plano's website at [www.planotv.org](http://www.planotv.org) by clicking on the Public Meetings Live tab, YouTube.com/cityofplanotexas and Facebook.com/cityofplanotx.

To speak at the meeting, register at [Plano.gov/SpeakerRegistration](http://Plano.gov/SpeakerRegistration). Online registration opens at 5:00 p.m. on the Wednesday prior to the meeting and **closes at 4:00 p.m.** on the day of the meeting. **ONSITE REGISTRATION IS NOT AVAILABLE.**

Comments of Public Interest (general comments on items not on the agenda) will be heard via Zoom at the end of each regular council meeting. To provide general comments, you must register to speak online and register for Zoom by 4:00 p.m. on the day of the meeting. No in-person Comments of Public Interest will be heard at the meeting.

Emails regarding agenda items and other comments on City business may be submitted to: [councilcomments@plano.gov](mailto:councilcomments@plano.gov).

### **CALL TO ORDER**

**INVOCATION: Fr. Jason Cargo, Pastor - St. Mark the Evangelist Catholic Church**

### **PLEDGE OF ALLEGIANCE / TEXAS PLEDGE**

OUR VISION - PLANO IS A GLOBAL ECONOMIC LEADER BONDED BY A SHARED SENSE OF COMMUNITY WHERE RESIDENTS EXPERIENCE UNPARALLELED QUALITY OF LIFE.

**The City Council may convene into Executive Session to discuss posted items in the regular meeting as allowed by law.**

## **PROCLAMATIONS AND SPECIAL RECOGNITIONS**

Proclamation: April is National Volunteer Month, recognizing the impact volunteers have on their communities. **Read**

## **CONSENT AGENDA**

**The Consent Agenda will be acted upon in one motion and contains items which are routine and typically noncontroversial. Items may be removed from this agenda for individual discussion by a Council Member, the City Manager or any citizen. The Presiding Officer will establish time limits based upon the number of speaker requests.**

### **Approval of Minutes**

- (a) April 8, 2024  
**Approved**

### **Approval of Expenditures**

**Award/Rejection of Bid/Proposal: (Purchase of products/services through formal procurement process by this agency)**

- (b) RFB No. 2024-0209-ER for an initial term of \$1,632,000 or two (2) years, whichever occurs first, with two (2) City optional renewals for Sidewalk Requirements East - 2024, Project No. PW-S-00055, for the Public Works Department to Garret Shields Infrastructure, LLC in the amount of \$1,632,000 for each term; and authorizing the City Manager to execute all necessary documents. **Approved**
- (c) RFB No. 2024-0069-AC for a one (1) year contract with four (4) one-year automatic renewals for Small Water Meter Boxes for the Inventory Control & Asset Disposal (ICAD) Division to North Texas Winwater in the estimated annual amount of \$112,200; and authorizing the City Manager to execute all necessary documents. **Approved**
- (d) RFB No. 2024-0274-B for Fire Station 11 HVAC Replacement, Project No. FAC-F-00012, for the Engineering Department to Air Conditioning Innovative Solutions, Inc. in the amount of \$124,055; and authorizing the City Manager to execute all necessary documents. **Approved**

### **Purchase from an Existing Contract**

- (e) To approve the purchase of street sweeping services for an initial term of six (6) months and one (1) one-year automatic renewal for the Public Works Department in the estimated total amount of \$647,129 from Mister Sweeper, LP through an existing contract; and authorizing the City Manager to execute all necessary documents. (City of Frisco Contract No. 2008-083) **Approved**
- (f) To approve the purchase of Office Furniture for Utility Billing for the Facilities Division of the Engineering Department in the estimated amount of \$111,436 from Texas Furniture Source, Inc. through an existing contract; and authorizing the City Manager to execute all necessary documents. (Omnia Contract No. R191804) **Approved**

- (g) To approve the purchase of a Spider Lift for the Facilities Division of the Engineering Department in the estimated amount of \$183,563 from H&E Equipment Services, Inc. through an existing contract; and authorizing the City Manager to execute all necessary documents. (Equalis Contract No. COG-2126A) **Approved**

#### **Approval of Change Order**

- (h) To approve an increase to the current awarded contract amount of \$2,362,497 by \$515,533, for a total contract amount of \$2,878,030, for Bridge Repairs Phase III, Project No. 7056, from A & B Construction, LLC for the Engineering Department; and authorizing the City Manager to execute all necessary documents. (Contract No. 2022-0433-B; Change Order No. 1) **Approved**

#### **Approval of Expenditure**

- (i) To approve an expenditure for engineering professional services for Alley Reconstruction - Duke Court, Kentucky Drive, Versailles Lane, and Wyvones Way (Project No. ENG-S-00009) in the amount of \$211,000 from Johnson Volk Consulting, Inc. for the Engineering Department; and authorizing the City Manager to execute all necessary documents. **Approved**
- (j) To approve an expenditure for engineering professional services for Screening Wall Replacement - Hickory Ridge, The Woods of Suncreek, and Independence Parkway (Project No. ENG-S-00010) in the amount of \$816,250 from Huitt-Zollars, Inc. for the Engineering Department; and authorizing the City Manager to execute all necessary documents. **Approved**
- (k) To approve an expenditure for City of Plano US - JDE R24 Upgrade & 64-bit Migration of JDE in the amount of \$258,874 from Quistor Enterprises B.V. for Technology Solutions; and authorizing the City Manager to execute all necessary documents. **Approved**

#### **Approval of Contract / Agreement**

- (l) To ratify approval of the terms and conditions of a Rebate Agreement between the City of Plano and North Central Texas Council of Governments (NCTCOG) for the North Texas Clean Diesel Project 2021 Call for Projects in the amount of \$412,858 (\$185,786 Federal Rebate Amount + \$227,072 Local Match), and to approve the terms and conditions of Amendment #1; and authorizing the City Manager to execute all necessary documents; and providing an effective date. **Approved**

#### **Adoption of Resolutions**

- (m) To repeal Resolution No. 2019-4-4(R) and replace it with a new Water Management Plan for the City of Plano, Texas, to promote responsible use of water and to provide for best management practices resulting in on-going, long term water savings; authorizing its execution by the City Manager; and providing an effective date. **Adopted Resolution No. 2024-4-8(R)**

**Adoption of Ordinances**

- (n) To repeal and replace Sections 21-53 through 21-60.2 of Article II, Division 4, Drought and Emergency Response Plan, of Chapter 21, Utilities of the Code of Ordinances of the City of Plano to identify the authority of the City to declare drought and emergency stages and applicable requirements, and providing a penalty clause, a repealer clause, a severability clause, a savings clause, a publication clause and an effective date. **Adopted Ordinance No. 2024-4-9**
- (o) To authorize the issuance of "City of Plano, Texas, General Obligation Refunding and Improvement Bonds, Series 2024"; levying a continuing direct annual ad valorem tax for the payment of said Bonds; resolving other matters incident and related to the issuance, sale, payment and delivery of said Bonds; establishing procedures for the sale and delivery of said Bonds; and delegating matters relating to the sale and issuance of said Bonds to an authorized City Official; and providing a severability clause and an effective date. **Adopted Ordinance No. 2024-4-10**
- (p) To authorize the issuance of "City of Plano, Texas Tax Notes, Series 2024"; levying a continuing direct annual ad valorem tax for the payment of said Notes; resolving other matters incident and related to the issuance, sale, payment and delivery of said Notes; establishing procedures for the sale and delivery of said Notes; and delegating matters relating to the sale and issuance of said Notes to an authorized City Official; enacting provisions incident and related to the purposes and subject of this Ordinance; and providing a severability clause and an effective date. **Adopted Ordinance No. 2024-4-11**
- (q) To authorize the issuance of "City of Plano, Texas, Municipal Drainage Utility System Revenue Bonds, Series 2024"; resolving other matters incident and related to the issuance, sale, payment and delivery of said Bonds; establishing procedures for the sale and delivery of said Bonds, and delegating matters relating to the sale and issuance of said Bonds to an authorized City Official. **Adopted Ordinance No. 2024-4-12**

**ITEMS FOR INDIVIDUAL CONSIDERATION:**

**Public Hearing Items:**

**Applicants are limited to fifteen (15) minutes presentation time with a five (5) minute rebuttal, if needed. Remaining speakers are limited to thirty (30) total minutes of testimony time, with three (3) minutes assigned per speaker. The Presiding Officer may amend these times as deemed necessary.**

**Non-Public Hearing Items:**

**The Presiding Officer will permit public comment for items on the agenda not posted for a Public Hearing. The Presiding Officer will establish time limits based upon the number of speaker requests, length of the agenda, and to ensure meeting efficiency, and may include a cumulative time limit. Speakers will be called in the order requests are received until the cumulative time is exhausted.**



- (1) Public Hearing and consideration of an Ordinance as requested in Zoning Case 2024-008 to amend Article 8 (Definitions), Article 14 (Allowed Uses and Use Classifications), Article 15 (Use-specific Regulations), and related sections of the Zoning Ordinance of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as heretofore amended, to extend or repeal the interim ban of short-term rentals and permanently regulate short-term rentals and related land uses, including associated development regulations; and providing a penalty clause, a repealer clause, a savings clause, a severability clause, a publication clause, and an effective date. Petitioner: City of Plano **Conducted and adopted Ordinance No. 2024-4-13 (version 4 as amended)**
- (2) Consideration of an Ordinance to amend Chapter 6, Buildings and Building Regulations, of the Code of Ordinances of the City of Plano by adding Article XXIV, Registration of Short-term Rental Properties; providing for procedures for the registration of short-term rentals for operation; providing for procedures for approval, denial, suspension, and revocation of registration of short-term rentals; and providing a penalty clause, a severability clause, a repealer clause, a savings clause, a publication clause and an effective date. **Adopted Ordinance No. 2024-4-14 as amended.**

### **COMMENTS OF PUBLIC INTEREST**

**This portion of the meeting is to allow up to three (3) minutes per speaker with thirty (30) total minutes on items of interest or concern and not on items that are on the current agenda. The Council may not discuss these items, but may respond with factual or policy information. The Council may choose to place the item on a future agenda.**

**\*IMPORTANT MESSAGE\*** Comments of Public Interest (general comments on items not on the agenda) will be heard via Zoom at the end of each regular council meeting. To provide general comments, you must register to speak online and register for Zoom by 4:00 p.m. on the day of the meeting. No in-person Comments of Public Interest will be heard at the meeting.

The City of Plano encourages participation from all citizens. The facility has accessible restroom facilities, drinking fountains, and power assist entrance doors. The facility is easily accessed from public sidewalks and parking areas, with designated accessible parking nearby. If you require additional assistance or reasonable accommodations under the Americans with Disabilities Act for this meeting or facility, including ASL interpreters, you should submit an ADA Reasonable Accommodation Request Form to the ADA Coordinator at least 48 hours in advance. If you need assistance completing the form, please call 972-941-7152. Complete or download the ADA Reasonable Accommodation Request Form at <https://www.plano.gov/395/Accessibility-Accommodations>.



## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024

**DEPARTMENT:** City Secretary

**DIRECTOR:** Lisa Henderson, City Secretary

**This City Council Meeting will be held in person in the Davis Library Program Room and via videoconference. A quorum of the City Council, including the presiding officer, will participate in person. The facility will be open to members of the public.**

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**AGENDA ITEM:** To speak at the meeting, register at [Plano.gov/SpeakerRegistration](http://Plano.gov/SpeakerRegistration). Online registration opens at 5:00 p.m. on the Wednesday prior to the meeting and **closes at 4:00 p.m.** on the day of the meeting. **ONSITE REGISTRATION IS NOT AVAILABLE.**

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**RECOMMENDED ACTION:** Location Link

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## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Proclamations  
**DIRECTOR:** Andrew Fortune, Director of Policy & Government Relations  
**AGENDA ITEM:** Proclamation: April is National Volunteer Month, recognizing the impact volunteers have on their communities.  
**RECOMMENDED ACTION:** Proclamations and Special Recognition

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### **ITEM SUMMARY**

Proclamation: April is National Volunteer Month, recognizing the impact volunteers have on their communities. **Read**



## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** City Secretary  
**DIRECTOR:** Lisa Henderson, City Secretary  
**AGENDA ITEM:** Approval of Minutes  
**RECOMMENDED ACTION:** Approval of Minutes

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### **ITEM SUMMARY**

April 8, 2024

**Approved**

### **ATTACHMENTS:**

Description	Upload Date	Type
Preliminary Open Meeting Minutes	4/11/2024	Minutes
Regular Meeting Minutes	4/11/2024	Minutes

**PLANO CITY COUNCIL  
PRELIMINARY OPEN MEETING  
April 8, 2024**

**COUNCIL MEMBERS PRESENT**

John B. Muns, Mayor  
Kayci Prince, Mayor Pro Tem  
Maria Tu, Deputy Mayor Pro Tem  
Anthony Ricciardelli  
Rick Horne  
Shelby Williams arrived at 5:01 p.m.  
Julie Holmer arrived at 5:15 p.m.  
Rick Smith

**STAFF PRESENT**

Mark Israelson, City Manager  
Jack Carr, Deputy City Manager  
Sam Greif, Deputy City Manager  
LaShon Ross, Deputy City Manager  
Paige Mims, City Attorney  
Lisa C. Henderson, City Secretary

Mayor Muns called the meeting to order at 5:00 p.m., Monday, April 8, 2024, in the Program Room of the Davis Library, 7501-B Independence Parkway and via videoconference. A quorum was present. Mayor Muns then stated the Council would retire into Executive Session, in the Wes Hardy Room of the Joint Use Facility, in compliance with Chapter 551, Government Code, Vernon's Texas Codes Annotated in order to consult with an attorney to receive Legal Advice, Section 551.071; discuss Economic Development matters, Section 551.087; and Personnel matters, Section 551.074; for which a certified agenda will be kept in the office of the City Secretary for a period of two years as required. The Council convened into Executive Session at 5:10 p.m.

Mayor Muns reconvened the meeting back into the Preliminary Open Meeting at 5:53 p.m.

- **Consideration and action resulting from Executive Session discussion**
  - a) Appointment/Reappointment: North Texas Municipal Water District Board – Member  
Upon a motion made by Councilmember Horne and seconded by Councilmember Smith, the Council voted 8-0 to table the item to the April 8, 2024, meeting.
- **Personnel - Appointments:**
  - a) Tax Increment Financing Reinvestment Zone No. 5 Board - Members and Chair  
Upon a motion made by Councilmember Smith and seconded by Councilmember Horne, the Council voted 8-0 to appoint Gary Berlin as Chair, Jeanine Cadena as Vice Chair, Doug Bender, Mashud Abukari, Ted Hong, and Debra Farver as members.
- **Heritage Preservation Grant Program Administrative Cost Funding**  
Council expressed concurrence to discuss the item at the Budget Work Session.
- **Zoning and Subdivision Ordinance Rewrite Project Funding**
- **Discussion and direction re: Rules and Decorum Policy for public meetings**  
Council expressed concurrence to create a policy and use Zoom for Comments of Public Interest while meeting at Davis Library.

- **Consent and Regular Agendas**  
Councilmember Horne requested Consent Item “B” be pulled for individual consideration.
- **Council items for discussion/action on future agendas**

With no further discussion, the Preliminary Open Meeting adjourned at 6:30 p.m.

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John B. Muns, MAYOR

ATTEST:

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Lisa C. Henderson, CITY SECRETARY

**PLANO CITY COUNCIL  
REGULAR SESSION  
April 8, 2024**

**COUNCIL MEMBERS PRESENT**

John B. Muns, Mayor  
Kayci Prince, Mayor Pro Tem  
Maria Tu, Deputy Mayor Pro Tem  
Anthony Ricciardelli  
Rick Horne  
Shelby Williams  
Julie Holmer  
Rick Smith

**STAFF PRESENT**

Mark Israelson, City Manager  
Jack Carr, Deputy City Manager  
Sam Greif, Deputy City Manager  
LaShon Ross, Deputy City Manager  
Paige Mims, City Attorney  
Lisa C. Henderson, City Secretary

Mayor Muns convened the Council into the Regular Session on Monday, April 8, 2024, at 7:00 p.m. in the Program Room of the Davis Library, 7501-B Independence Parkway and via videoconference. A quorum was present.

**Invocation and Pledge**

Pastor Dae Jung with West Plano Presbyterian Church led the invocation and Mayor Muns led the Pledge of Allegiance and Texas Pledge.

**Consent Agenda**

**MOTION:** Upon a motion made by Councilmember Horne and seconded by Councilmember Ricciardelli, the Council voted 8-0 to approve all items on the Consent Agenda, except Item “B”, as follows:

**Approval of Minutes**

March 19, 2024  
March 25, 2024  
March 29, 2024  
(Consent Agenda Item “A”)

**Approval of Expenditures**

**Award/Rejection of Bid/Proposal: (Purchase of products/services through formal procurement process by this agency)**

**RFB No. 2024-0010-AC** for a two (2) year contract with three (3) one-year automatic renewals for Landscape Renovation and Improvement Services to A N D, Inc. dba A New Deal Irrigation, Dyna-Mist Construction, LLC, Evolve Landscape & Irrigation, LLC, Good Earth Corporation, Pace Construction Services, LLC dba Pace Turf Solutions, Richmond & Associates Landscaping, LTD., and Southlake Landscaping & Maintenance, Inc. in the estimated annual amount of \$210,000; and authorizing the City Manager to execute all necessary documents. (Consent Agenda Item “C”)

**RFB No. 2024-0007-AC** for a one (1) year contract with four (4) one-year automatic renewals for Batteries: Automotive, Truck, Marine for the Inventory Control/ Asset Disposal (ICAD) Division to Sam Packs Five Star Chevrolet in the estimated annual amount of \$54,724 and Batteries Plus - Cobblestone Group II in the estimated annual amount of \$98,897; and authorizing the City Manager to execute all necessary documents. (Consent Agenda Item “D”)

### **Purchase from an Existing Contract**

To approve the purchase of thirty-seven (37) Commo Gear Communications Kits for the Police Department in the estimated amount of \$108,942 from Invisio Communications, Inc. through an existing contract; and authorizing the City Manager to execute all necessary documents. (GSA Contract No. 47QSWA19D0031) (Consent Agenda Item “E”)

To approve the installation of owner furnished electrical gear and electric vehicle charging equipment for the Engineering Department in the estimated amount of \$151,046 from Acumen Enterprises, Inc. through an existing contract; and authorizing the City Manager to execute all necessary documents. (TIPS Contract No. 23010402) (Consent Agenda Item “F”)

To approve the purchase of Monday.com licenses for a one (1) year agreement for Technology Solutions in the amount of \$134,064 from STONS, Inc. through an existing contract; and authorizing the City Manager to execute all necessary documents. (GSA Contract No. GS-35F-153GA) (Consent Agenda Item “G”)

### **Approval of Expenditure**

To approve an expenditure for engineering professional services for the Canadian Pacific - Kansas City Southern (CPKC) Railroad Crossing Improvements at Los Rios Boulevard, Plano Parkway, and Jupiter Road and Various Sidewalk Improvements, Project No. ENG-S-00007, in the amount of \$179,219 from Schaumburg & Polk, Inc. for the Engineering Department; and authorizing the City Manager to execute all necessary documents. (Consent Agenda Item “H”)

### **Approval of Contract / Agreement**

To approve an Economic Development Incentive Agreement between the City of Plano, Texas, and 5600 HQD Acquisitions, LLC, a Delaware limited liability company (“Company”), providing an economic development grant to the Company; and authorizing the City Manager to execute all necessary documents. (Consent Agenda Item “I”)



### **Adoption of Resolutions**

**Resolution No. 2024-4-1(R):** To approve the hiring of Adria "Katie" Stallcup as Assistant City Attorney III by the City Attorney; and providing an effective date. (Consent Agenda Item "J")

**Resolution No. 2024-4-2(R):** To approve the Investment Portfolio Summary for the quarter ended December 31, 2023; and providing an effective date. (Consent Agenda Item "K")

### **Adoption of Ordinances**

**Ordinance No. 2024-4-3:** To adopt and enact Supplement Number 147 to the Code of Ordinances for the City of Plano; providing for amendment to certain sections of the Code; and providing an effective date. (Consent Agenda Item "L")

**Ordinance No. 2024-4-4:** To amend Subsection (a) of Section 12-104, Three-hour parking, Article V, Stopping, Standing and Parking, Chapter 12, Motor Vehicles and Traffic, of the City of Plano Code of Ordinances to remove parking restrictions from seven on-street parking spaces along the east side of Municipal Avenue between 14th Street and 15th Street; and providing a penalty clause, a repealer clause, a severability clause, a savings clause, a publication clause, and an effective date. (Consent Agenda Item "M")

### **End of Consent**

**RFQ No. 2023-0398-B** for the Zoning Ordinance Re-Write for the Planning Department to Freese and Nichols, Inc. in the amount of \$966,300; and authorizing the City Manager to execute all necessary documents. (Consent Agenda Item "B")

**MOTION:** Upon a motion made by Mayor Pro Tem Prince and seconded by Councilmember Ricciardelli, the Council voted 8-0 to approve RFQ No. 2023-0398-B for the Zoning Ordinance Re-Write for the Planning Department to Freese and Nichols, Inc. in the amount of \$966,300; and authorizing the City Manager to execute all necessary documents.

**Public Hearing and adoption of Resolution No. 2024-4-5(R)** to approve the use or taking of a portion of City of Plano public parkland, known as Los Rios Park, pursuant to Chapter 26 of the Texas Parks and Wildlife Code to approve using a portion of dedicated parkland as a temporary utility easement for the purpose of sanitary sewer improvements; authorizing the City Manager, or his designee, to execute all necessary documents; and providing an effective date. (Regular Item "1")

Mayor Muns opened the public hearing. Mark Simon, Assistant Deputy – Engineering with North Texas Municipal Water District spoke to the project. Mayor Muns closed the public hearing.

**Public Hearing and adoption of Resolution No. 2024-4-5(R) (Cont'd.)**

**MOTION:** Upon a motion made by Councilmember Ricciardelli and seconded by Deputy Mayor Pro Tem Tu, the Council voted 8-0 to approve the use or taking of a portion of City of Plano public parkland, known as Los Rios Park, pursuant to Chapter 26 of the Texas Parks and Wildlife Code to approve using a portion of dedicated parkland as a temporary utility easement for the purpose of sanitary sewer improvements; authorizing the City Manager, or his designee, to execute all necessary documents; and further to adopt Resolution No. 2024-4-5(R).

**Public Hearing and adoption of Resolution No. 2024-4-6(R)** to approve the use or taking of a portion of City of Plano public parkland, known as Legacy Trail at Ohio Drive, pursuant to Chapter 26 of the Texas Parks and Wildlife Code to approve using a portion of dedicated parkland as temporary storage and a utility easement for the purpose of Preston Road Lift Station improvements located at 8015 Ohio Drive; authorizing the City Manager, or his designee, to execute all necessary documents; and providing an effective date. (Regular Item “2”)

Mayor Muns opened the public hearing. Mark Simon, Assistant Deputy – Engineering with North Texas Municipal Water District spoke to the project. Mayor Muns closed the public hearing.

**MOTION:** Upon a motion made by Deputy Mayor Pro Tem Tu and seconded by Councilmember Horne, the Council voted 8-0 to approve the use or taking of a portion of City of Plano public parkland, known as Legacy Trail at Ohio Drive, pursuant to Chapter 26 of the Texas Parks and Wildlife Code to approve using a portion of dedicated parkland as temporary storage and a utility easement for the purpose of Preston Road Lift Station improvements located at 8015 Ohio Drive; authorizing the City Manager, or his designee, to execute all necessary documents; and further to adopt Resolution No. 2024-4-6(R).

**Public Hearing and adoption of Resolution No. 2024-4-7(R)** to approve the use or taking of a portion of City of Plano public parkland, known as Legacy Trail between Hedgcoxe Road and Sam Rayburn Tollway, pursuant to Chapter 26 of the Texas Parks and Wildlife Code to approve using a portion of dedicated parkland as temporary storage and a utility easement for the purpose of replacing an existing force main; authorizing the City Manager, or his designee, to execute all necessary documents; and providing an effective date. (Regular Item “3”)

Mayor Muns opened the public hearing. Mark Simon, Assistant Deputy – Engineering with North Texas Municipal Water District spoke to the project. Mayor Muns closed the public hearing.

**MOTION:** Upon a motion made by Councilmember Smith and seconded by Mayor Pro Tem Prince, the Council voted 8-0 to approve the use or taking of a portion of City of Plano public parkland, known as Legacy Trail between Hedgcoxe Road and Sam Rayburn Tollway, pursuant to Chapter 26 of the Texas Parks and Wildlife Code to approve using a portion of dedicated parkland as temporary storage and a utility easement for the purpose of replacing an existing force main; authorizing the City Manager, or his designee, to execute all necessary documents; and further to adopt Resolution No. 2024-4-7(R).

With no further discussion, the Regular City Council Meeting adjourned at 7:49 p.m.

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John B. Muns, MAYOR

ATTEST:

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Lisa C. Henderson, CITY SECRETARY

## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024

**DEPARTMENT:** Public Works

**DIRECTOR:** Dan Prendergast, Director of Public Works

**AGENDA ITEM:** Award of bid for an initial term of \$1,632,000 or two (2) years, whichever occurs first, with two (2) City optional renewals for a total of \$4,896,000 for Sidewalk Requirements East - 2024, Project No. PW-S-00055

**RECOMMENDED ACTION:** Award/Rejection of Bid/Proposal

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### **ITEM SUMMARY**

RFB No. 2024-0209-ER for an initial term of \$1,632,000 or two (2) years, whichever occurs first, with two (2) City optional renewals for Sidewalk Requirements East - 2024, Project No. PW-S-00055, for the Public Works Department to Garret Shields Infrastructure, LLC in the amount of \$1,632,000 for each term; and authorizing the City Manager to execute all necessary documents. **Approved**

### **BACKGROUND**

Public Works recommends the bid for the Sidewalk Requirements East - 2024 project be awarded to Garret Shields Infrastructure, LLC, for the initial term of \$1,632,000, or two (2) years, whichever occurs first, with two (2) City optional renewals; to be accepted as the lowest responsive and responsible bid for the project, conditioned upon timely execution of all necessary documents. A total of 896 vendors were notified of the bid. Eight (8) complete bids were received for the project as shown in the attached bid recap.

For each contract term, this project involves the repair of 85,000 square feet of sidewalk and 180 barrier free ramps, located at various locations throughout the City of Plano, generally east of Independence Parkway.

Public Works employs three options for different types of pavement repair needs. City staff typically handle smaller isolated repairs of significantly damaged street, sidewalk, and alley paving. Utilizing city crews for these areas is more cost-effective than a third party due to costs of mobilization and economy of scale. Next, larger areas of repair are bid as separate contracts such as neighborhood zone rehabilitation projects and arterial rehabilitation projects that cover several miles of infrastructure.

Finally, requirements projects, such as this one, are location based work orders that address moderate sized areas of disrepair. Staff creates work orders for these areas with higher quantities of concrete repair and traffic control than city crews are able to address. Staff also inspects the third party construction activities to ensure the work is performed to city specifications.

Public Works staff regularly evaluate both the effectiveness of our street projects and feasibility to do more work with Public Works staff. At this time, sufficient yard/storage space, staff space, and equipment is not available for city staff to perform larger pavement rehabilitation projects, such as this requirements project, and still address isolated areas for repair that cost the city more for private contractors to complete.

If this project is not awarded at Council, these areas will not be repaired, which will result in elevated maintenance and replacement costs in the future. In addition, existing ADA compliance issues will not be repaired, leaving pedestrian facilities in an unsafe condition.

Engineer's estimate for this project is \$1,900,000.

**FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Capital Maintenance Fund and is planned for future years, as well. Award of the Sidewalk Requirements East - 2024 contract has an initial term of two (2) years or \$1,632,000 and two (2) City optional renewals of the same term, for an estimated total amount of \$4,896,000 if all renewal options are exercised.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

**FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Capital Maintenance Fund and is planned for future years, as well. Award of the Sidewalk Requirements East - 2024 contract has an initial term of two (2) years or \$1,632,000 and two (2) City optional renewals of the same term, for an estimated total amount of \$4,896,000 if all renewal options are exercised.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

**ATTACHMENTS:**

Description	Upload Date	Type
Bid Recap	4/5/2024	Bid Recap

# CITY OF PLANO

## RFB CIP

**Bid No. 2024-0209-ER**

**Sidewalk Requirements East - 2024**

**PW-S-00055**

### Bid Recap

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**Bid Opening Date/Time:** Thursday, February 29, 2024 at 2:00 PM

**Number of Vendors Notified:** 896

**Vendors Submitting "No Bids":** 3

**Number of Non-Responsive Bids Submitted:** 1

**Number of Responsive Bids Submitted:** 8

<b><u>Vendor:</u></b>	<b><u>Total Bid</u></b>
Garret Shields Infrastructure, LLC	\$1,632,000.00
ICOS Management, LLC	\$1,638,200.00
TI-ZACK CONCRETE, INC.	\$1,768,616.60
KenDo Contracting	\$1,791,375.00
Ratliff Hardscape, Ltd	\$1,823,096.00
V A Construction, Inc.	\$1,996,500.50
CAM-CRETE CONTRACTING, INC	\$2,097,800.00
HQS Construction, LLC	\$2,583,500.00

**Recommended Vendor:**

Garret Shields Infrastructure, LLC	\$1,632,000.00
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*Dawn Smith*

Dawn Smith , Contract Administrator

4/2/2024

Date

## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Purchasing  
**DIRECTOR:** Denise Tacke, Director of Finance  
**AGENDA ITEM:** Award of Annual Contract for Small Water Meter Boxes  
**RECOMMENDED ACTION:** Award/Rejection of Bid/Proposal

---

### **ITEM SUMMARY**

RFB No. 2024-0069-AC for a one (1) year contract with four (4) one-year automatic renewals for Small Water Meter Boxes for the Inventory Control & Asset Disposal (ICAD) Division to North Texas Winwater in the estimated annual amount of \$112,200; and authorizing the City Manager to execute all necessary documents. **Approved**

### **BACKGROUND**

It is the recommendation from Inventory Control/ Asset Disposal (ICAD) Division based on inventory requirement: the Public Works Utility Operations Division based on specifications to award bid 2024-0069-AC to North Texas Winwater in the estimated annual amount of \$112,200.

The City received three (3) bids and North Texas Winwater provided the lowest responsive, responsible bid per meeting specifications.

Failure to award this bid could result in extended lead times, higher procurement costs, and the inability to procure inventory in an emergency or maintenance situation.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

This item approves price quotes. Funding is available in the 2023-24 Warehouse Fund for a one (1) year contract with four (4) additional one-year automatic renewals to purchase inventory stock items to support the Public Works Utility Operations Division, in the estimated amount of \$112,200, which will leave a remaining balance of \$382,359 for other warehouse stock purchases. Future expenditures are dependent on renewals, in the estimated annual amount of \$112,200 for the 2024-25 through 2027-28 Warehouse Budgets. All future year expenditures will occur within council approved appropriations.

Approval of this item supports the City's Strategic Plan Critical Success Factor of Excellent, Innovative, and Accountable City Government.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

This item approves price quotes. Funding is available in the 2023-24 Warehouse Fund for a one (1) year contract with four (4) additional one-year automatic renewals to purchase inventory stock items to support the Public Works Utility Operations Division, in the estimated amount of \$112,200, which will leave a remaining balance of \$382,359 for other warehouse stock purchases. Future expenditures are dependent on renewals, in the estimated annual amount of \$112,200 for the 2024-25 through 2027-28 Warehouse Budgets. All future year expenditures will occur within council approved appropriations.

Approval of this item supports the City's Strategic Plan Critical Success Factor of Excellent, Innovative, and Accountable City Government.

### **ATTACHMENTS:**

Description	Upload Date	Type
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# CITY OF PLANO

## Bid No. 2024-0069-AC RFB for Small Water Meter Boxes Bid Recap

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**Bid opening Date/Time:** Thursday, February 1, 2024 @ 2:00 PM

**Vendors Submitting “No Bids”:** 2

**Number of Bids Submitted:** 3

North Texas Winwater	\$112,200.00
Fortiline Inc	\$117,600.00
Bass & Hays Fndry Inc.	\$161,412.00

**Recommended Vendor(s):**

North Texas Winwater	\$112,200.00
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## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Engineering-Facilities  
**DIRECTOR:** B. Caleb Thornhill, P.E., Director of Engineering  
**AGENDA ITEM:** Award a bid in the amount of \$124,055, for 2024-0274-B for Fire Station 11 HVAC Replacement, Project No. FAC-F-00012.  
**RECOMMENDED ACTION:** Award/Rejection of Bid/Proposal

---

### **ITEM SUMMARY**

RFB No. 2024-0274-B for Fire Station 11 HVAC Replacement, Project No. FAC-F-00012, for the Engineering Department to Air Conditioning Innovative Solutions, Inc. in the amount of \$124,055; and authorizing the City Manager to execute all necessary documents. **Approved**

### **BACKGROUND**

The Engineering Department opened bids on March 26, 2024 and the lowest responsive and responsible bid was submitted by Air Conditioning Innovative Solutions, Inc. in the amount of \$124,055. There were a total 1,441 vendors notified of this project. Four bids were received for the project as shown in the attached bid recap.

The existing HVAC units are over 15 years old and are at the end of their life expectancy. If this project is not awarded, then the ability to control temperature could be impaired and repairs could exceed the cost of replacement.

The funding for the project is in Project No. FAC-F-00012 Capital Maintenance Fund, account number 356034.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Capital Maintenance Fund. Replacement of the HVAC units at Fire Station 11, in the total estimated amount of \$124,055, will leave a balance of \$945 for future expenditures.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Capital Maintenance Fund. Replacement of the HVAC units at Fire Station 11, in the total estimated amount of \$124,055, will leave a balance of \$945 for future expenditures.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

### **ATTACHMENTS:**

Description

Upload Date    Type



# CITY OF PLANO

## RFB CIP

**Bid No. 2024-0274-B**

**Fire Station 11 HVAC Replacement**

**Project No. FAC-F-00012**

### Bid Recap

---

**Bid Opening Date/Time:** March 26, 2024 at 2:00 PM

**Number of Vendors Notified:** 1441

**Vendors Submitting “No Bids”:** 2

**Number of Non-Responsive Bids Submitted:** 0

**Number of Responsive Bids Submitted:** 4

**Vendor:**

**Total Bid**

Air Conditioning Innovative Solutions, Inc.

\$124,055.22

MBC Services LLC

\$171,890.00

GMR Heating and Air LLC

\$176,835.00

Acumen Enterprises, Inc.

\$197,512.00

**Recommended Vendor:**

Air Conditioning Innovative Solutions, Inc.

\$124,055.22

*Christle Brungardt*

Christle Brungardt, Buyer

4/22/2024

Date

## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Public Works  
**DIRECTOR:** Dan Prendergast, Director of Public Works  
**AGENDA ITEM:** Annual Contract for Street Sweeping  
**RECOMMENDED ACTION:** Purchase from Existing Contract

---

### **ITEM SUMMARY**

To approve the purchase of street sweeping services for an initial term of six (6) months and one (1) one-year automatic renewal for the Public Works Department in the estimated total amount of \$647,129 from Mister Sweeper, LP through an existing contract; and authorizing the City Manager to execute all necessary documents. (City of Frisco Contract No. 2008-083) **Approved**

### **BACKGROUND**

Public Works recommends an award of a contract to Mister Sweeper, LP for street sweeping services. The contract will be awarded for an initial term of six (6) months with one (1) one-year automatic renewal.

The contract will remain in-place until November 2, 2025 should the full term and renewal be exercised.

The approximate total of the contract over complete term is \$647,129.

Public Works administers the City's Street Sweeping Program which uses a contractor for routine sweeping of major thoroughfares and Downtown Plano and a City-owned sweeper to address issues in between routine sweeping. The City's goal is to keep major thoroughfares free of debris, which requires routine sweeping of approximately 740 curb miles along major thoroughfares and secondary collector streets, 21 curb miles within the downtown area and 17 municipal parking lots.

The current contract includes once every other month street sweeping services along major thoroughfares and secondary collectors and weekly sweeping of Downtown Plano and municipal parking lots. Over the last two years, Staff has received an increase in complaints regarding debris build-up along roadways. Staff recommends increasing street sweeping of major thoroughfares and collector streets from six times per year to twenty-four times per year to improve the cleanliness of our major thoroughfares. Downtown Plano will continue to be swept on a weekly basis.

In the FY2022-2023 fiscal year Public Works purchased the first and only in-house street sweeper. Since November 2023, City staff average approximately 24 curb miles per day using the sweeper. Continuing to contract out major thoroughfare and secondary collector streets is the most responsive and fiscally sound approach that does not require the addition of staff and equipment. If the contract is awarded, Staff will complete the weekly sweeping of municipal parking lots instead of contracting out this service.

Public Works staff has reviewed a contract between the City of Frisco and Mister Sweeper, LP for street sweeping services. Frisco's current contract began November 2, 2022 for one year with two (2) one-year renewals running through November 5, 2025. Public Works staff is requesting to utilize this contract for a street sweeping program in the City of Plano. The estimated expenditure for the City is \$179,758 for the first 6-months and \$467,371 from November 2, 2024 through November 2, 2025. The approximate total of the contract over the 18-month period is \$647,129. This contract was awarded through a competitive bid process by the City of Frisco and meets all of the purchasing requirements that are necessary by the City

of Plano.

If this contract is not awarded by City Council, street sweeping would continue at the current levels, resulting in continual community complaints and less than desired cleanliness of the streets.

The City is authorized to purchase from a cooperative purchasing program with another local government or a local cooperative organization pursuant to Chapter 271 Subchapter F of the Texas Local Government Code and by doing so satisfies any State Law requiring local governments to seek competitive bids for items. (City of Frisco Contract No. 2008-083, City of Plano Contract No. 2024-0054-OA)

#### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Municipal Drainage Fund Budget. This item is for street sweeping services totaling \$647,129. The term of this contract will be for six (6) months and one (1) one-year automatic renewal, and will piggyback off of the City of Frisco current contract with Mister Sweeper. The anticipated annual cost of this item is FY 2023-24 \$179,758, FY 2024-25 \$431,420 and FY 2025-26 \$35,951. All future year expenditures will occur within council approved appropriations.

Approval of this agenda item supports the City's Strategic Plan Critical Success Factor of Excellent, Innovative, and Accountable City Government.

#### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Municipal Drainage Fund Budget. This item is for street sweeping services totaling \$647,129. The term of this contract will be for six (6) months and one (1) one-year automatic renewal, and will piggyback off of the City of Frisco current contract with Mister Sweeper. The anticipated annual cost of this item is FY 2023-24 \$179,758, FY 2024-25 \$431,420 and FY 2025-26 \$35,951. All future year expenditures will occur within council approved appropriations.

Approval of this agenda item supports the City's Strategic Plan Critical Success Factor of Excellent, Innovative, and Accountable City Government.

## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Engineering-Facilities  
**DIRECTOR:** B. Caleb Thornhill, P.E., Director of Engineering  
**AGENDA ITEM:** Furniture for Utility Billing  
**RECOMMENDED ACTION:** Purchase from Existing Contract

---

### **ITEM SUMMARY**

To approve the purchase of Office Furniture for Utility Billing for the Facilities Division of the Engineering Department in the estimated amount of \$111,436 from Texas Furniture Source, Inc. through an existing contract; and authorizing the City Manager to execute all necessary documents. (Omnia Contract No. R191804) **Approved**

### **BACKGROUND**

The Purchasing Department accepted bids on March 29, 2024 for the Municipal Center Furniture Replacement Project, FAC-F-7634. The project includes replacing the office furniture at the Municipal Center, Suite 120 – Customer Utility Billing. The lowest responsive and responsible bid was submitted by Texas Furniture Source, Inc. in the amount of \$111,436. There were a total of 7 vendors notified of this project. Four (4) complete bids were received for the project as shown in the attached bid recap.

The existing furniture has deteriorated and is at the end of its life expectancy.

The City is authorized to purchase from a cooperative purchasing program with another local government or a local cooperative organization pursuant to Chapter 271 Subchapter F of the Texas Local Government Code and by doing so satisfies any State Law requiring local governments to seek competitive bids for items. (Omnia Contract No. R191804 and the City of Plano Contract No. 2024-0294-O)

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Capital Maintenance Fund. Purchase of replacement workstations for the Municipal Center, in the total estimated amount of \$111,436, will leave a balance of \$421,033 for future furniture replacement expenditures.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Capital Maintenance Fund. Purchase of replacement workstations for the Municipal Center, in the total estimated amount of \$111,436, will leave a balance of \$421,033 for future furniture replacement expenditures.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent,

Innovative, and Accountable City Government.

**ATTACHMENTS:**

Description

Upload Date

Type

Cooperative Quote Recap

4/10/2024

Cooperative Quote  
Recap



# CITY OF PLANO

## Bid No. 2024-0294-O Furniture for Utility Billing Cooperative Quote Recap

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**Bid opening Date/Time:** March 29, 2024 at 2:00 p.m.

**Number of Vendors Notified:** 7

**Vendors Submitting “No Bids”:** 0

**Number of Bids Submitted:** 4

<b><u>Vendor Name:</u></b>	<b><u>Amount</u></b>
Texas Furniture Source, Inc. (via Omnia - R191804)	\$111,436.36
Business Interiors (Facilitech, Inc.) (via Omnia - R191804)	\$119,512.33
OCOP Express (via Omnia - R191804)	\$133,428.28
Plano Office Supply, Co. (via Omnia - R191804)	\$146,800.42

**Recommended Vendor(s):**

Texas Furniture Source, Inc. (via Omnia-R191804)	\$111,436.36
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## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Engineering-Facilities  
**DIRECTOR:** B. Caleb Thornhill, P.E., Director of Engineering  
**AGENDA ITEM:** Purchase of a Telescoping, Electric, Crawler Track, Indoor "Spider" Man Lift - Work Platform.  
**RECOMMENDED ACTION:** Purchase from Existing Contract

---

### **ITEM SUMMARY**

To approve the purchase of a Spider Lift for the Facilities Division of the Engineering Department in the estimated amount of \$183,563 from H&E Equipment Services, Inc. through an existing contract; and authorizing the City Manager to execute all necessary documents. (Equalis Contract No. COG-2126A) **Approved**

### **BACKGROUND**

The Purchasing Department accepted bids on March 27, 2024 for a new portable man lift. The Spider lift, is a portable man lift for the maintenance of high ceilings above inaccessible floor spaces such as above recreation centers, natatoriums or pools and auditorium seating facilities. The lowest responsive and responsible bid was submitted by H&E Equipment Services, Inc., in the amount of \$183,563. There were a total of 2 vendors notified of this project. Two (2) complete bids were received for the project as shown in the attached bid recap.

If this project is not awarded, the Facilities Division will continue to outsource high ceiling work and will be more costly than the purchase of this equipment.

The City is authorized to purchase from the State Contract list pursuant to Chapter 271 Subchapter F of the Texas Local Government Code and by doing so satisfies any State Law requiring local governments to seek competitive bids for items. (Equalis Contract No. COG-2126A and the City of Plano Contract No. 2024-0224-O)

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Capital Maintenance Fund. Purchase of a portable man lift for maintenance of high ceilings over inaccessible floor spaces, in the total estimated amount of \$183,563, will leave a balance of \$1,437 for future expenditures.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Capital Maintenance Fund. Purchase of a portable man lift for maintenance of high ceilings over inaccessible floor spaces, in the total estimated amount of \$183,563, will leave a balance of \$1,437 for future expenditures.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

**ATTACHMENTS:**

Description	Upload Date	Type
Cooperative Recap	4/12/2024	Cooperative Quote Recap

# CITY OF PLANO

## Bid No. 2024-0224-O Spider Lift Cooperative Quote Recap

---

**Bid opening Date/Time:** March 29, 2024 at 2:00 p.m.

**Number of Vendors Notified:** 2

**Vendors Submitting “No Bids”:** 0

**Number of Bids Submitted:** 2

**Vendor Name:**

H&E Equipment Services, Inc.  
(via Equalis - COG-2126A)

**Amount**

\$183,562.81

Kirby-Smith Machinery, Inc.  
(via BuyBoard – 685-22)

\$228,750.00

**Recommended Vendor(s):**

H&E Equipment Services, Inc.  
(via Equalis - COG-2126A)

\$183,562.81

## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Engineering-CIP  
**DIRECTOR:** B. Caleb Thornhill, P.E., Director of Engineering  
**AGENDA ITEM:** Approve an increase in the amount of \$515,533 for Bridge Repairs Phase III, Project No. 7056  
**RECOMMENDED ACTION:** Approval of Change Order

---

### **ITEM SUMMARY**

To approve an increase to the current awarded contract amount of \$2,362,497 by \$515,533, for a total contract amount of \$2,878,030, for Bridge Repairs Phase III, Project No. 7056, from A & B Construction, LLC for the Engineering Department; and authorizing the City Manager to execute all necessary documents. (Contract No. 2022-0433-B; Change Order No. 1) **Approved**

### **PREVIOUS ACTION/PRESENTATION**

On July 25, 2022, City Council awarded a bid in the amount of \$2,362,497 for Bridge Repairs Phase III, Project No. 7056 to A & B Construction, LLC.

### **BACKGROUND**

The Engineering Department recommends approval of Change Order No. 1 for the increase in the construction contract with A & B Construction, LLC, in the amount of \$515,533, for the Bridge Repairs Phase III. The original contract amount is \$2,362,496.50 and the amount of the current request is \$515,532.50 for a total amount of \$2,878,029.00.

Change Order No. 1 includes the additional funding to complete additional quantities, as warranted by existing field conditions and necessary additions to address deteriorating channel conditions and erosion, deteriorating bridge deck pavement, and various other maintenance items determined after construction began on the 43 bridge locations contained in this project.

If this change order is not approved, existing bridge conditions would continue deteriorating, including bridge deck pavement, erosion along channel banks up and downstream of bridges, and various other required maintenance items would not be addressed, resulting in an increase in continued maintenance costs, and potential safety concerns due to bridge system maintenance not being completed at routine timeframes. In addition, addressing the increase in maintenance scope further reduces the need for potential future large-scale bridge replacement projects at these locations.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Street Improvements CIP. The first change order for the Bridge Repairs Phase III project, in the total estimated amount of \$515,533, will leave a project balance of \$29,213 for future expenditures.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

## **FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Street Improvements CIP. The first change order for the Bridge Repairs Phase III project, in the total estimated amount of \$515,533, will leave a project balance of \$29,213 for future expenditures.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

## **ATTACHMENTS:**

Description	Upload Date	Type
Location Map	4/16/2024	Map



## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024

**DEPARTMENT:** Engineering-CIP

**DIRECTOR:** B. Caleb Thornhill, P.E., Director of Engineering

**AGENDA ITEM:** Approve an expenditure in the amount of \$211,000 for engineering professional services for Alley Reconstruction - Duke Court, Kentucky Drive, Versailles Lane, Wyvones Way, Project No. ENG-S-00009

**RECOMMENDED ACTION:** Approval of Expenditure

---

### **ITEM SUMMARY**

To approve an expenditure for engineering professional services for Alley Reconstruction - Duke Court, Kentucky Drive, Versailles Lane, and Wyvones Way (Project No. ENG-S-00009) in the amount of \$211,000 from Johnson Volk Consulting, Inc. for the Engineering Department; and authorizing the City Manager to execute all necessary documents. **Approved**

### **BACKGROUND**

The Engineering Department recommends approval of an expenditure in the amount of \$211,000 for engineering professional services from Johnson Volk Consulting, Inc. for the Alley Reconstruction - Duke Court, Kentucky Drive, Versailles Lane, Wyvones Way. This project includes the replacement of approximately 4,380 linear feet of existing concrete alley pavement.

Johnson Volk Consulting, Inc. was deemed most qualified based on their Statement of Qualifications submission for RFQ No. 2021-0377-XR. Johnson Volk Consulting, Inc. recently completed the design and construction documents for the reconstruction of approximately 5,400 linear feet of existing alleys. Their expertise also includes subsurface utility exploration and design survey necessary to evaluate and design alleyways and private driveways that are quickly deteriorating and require improvements.

The benefit of this project includes the reconstruction of existing alleys and the evaluation of adjacent slope stability failures causing pavement failures.

Not approving the expenditure would result in continued deterioration of these alleys, additional maintenance costs, continued difficulty for City service and trash vehicles to navigate these locations, and a reduction of the quality of life for residents adjacent to these areas.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Street Improvements CIP and is planned for future years, as well. Engineering professional services for the Alley Reconstruction - Duke Court, Kentucky Drive, Versailles Lane, Wyvones Way project, in the total amount of \$211,000, will leave a current year balance of \$34,500 for future expenditures.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

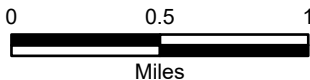
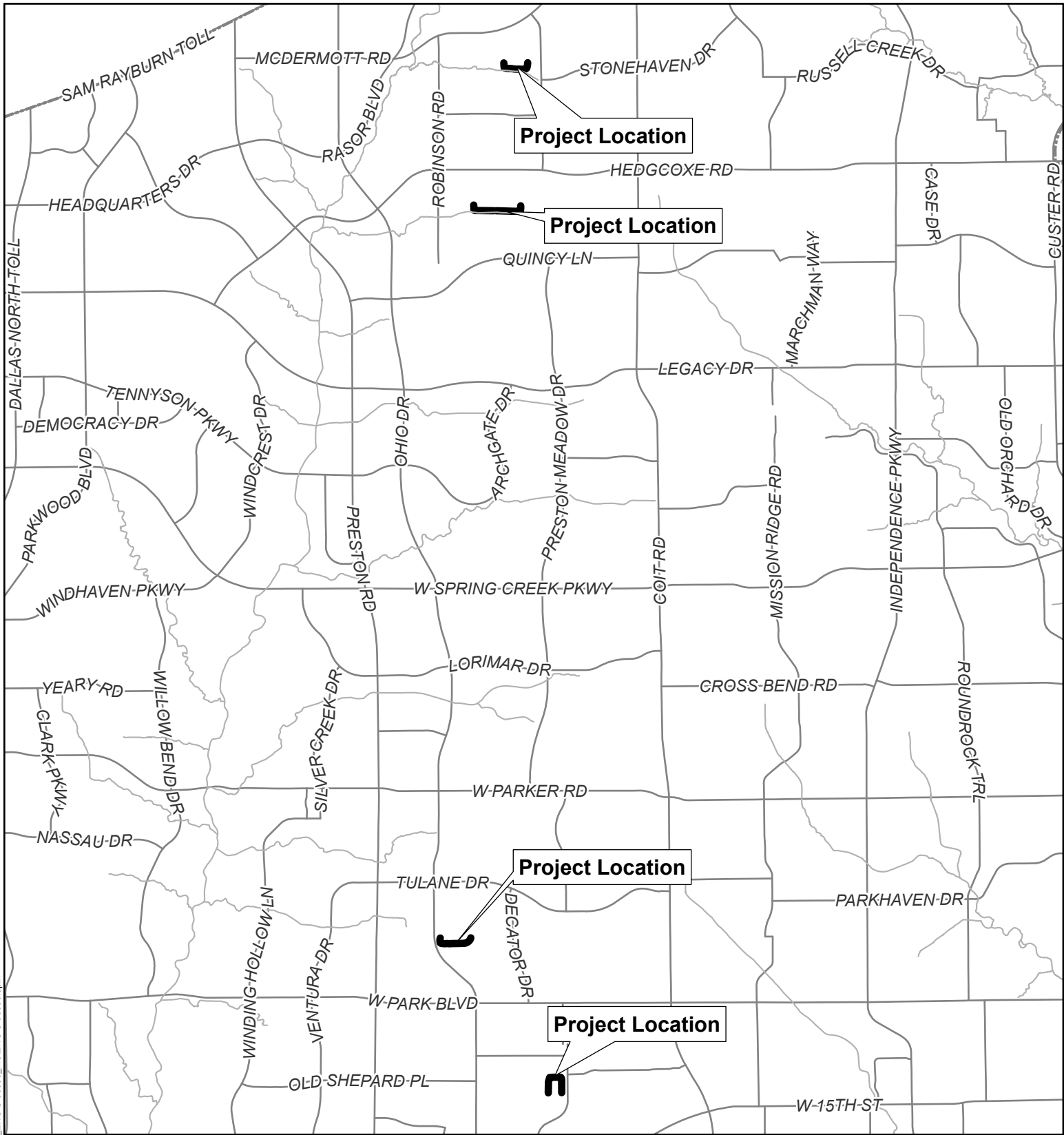


Funding for this item is available in the 2023-24 Street Improvements CIP and is planned for future years, as well. Engineering professional services for the Alley Reconstruction - Duke Court, Kentucky Drive, Versailles Lane, Wyvones Way project, in the total amount of \$211,000, will leave a current year balance of \$34,500 for future expenditures.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

**ATTACHMENTS:**

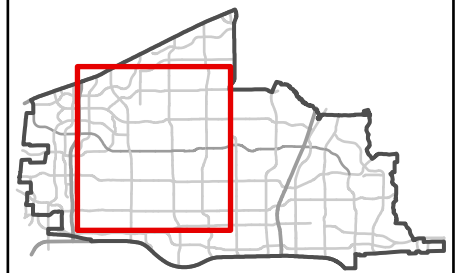
Description	Upload Date	Type
Location Map	3/20/2024	Map



## Alley Reconstruction - Duke Court, Kentucky Drive, Versailles Lane, Wyvones Way

Project No. ENG-S-00009

### Project Location



## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024

**DEPARTMENT:** Engineering-CIP

**DIRECTOR:** B. Caleb Thornhill, P.E., Director of Engineering

**AGENDA ITEM:** Approve an expenditure in the amount of \$816,250 for engineering professional services for Screening Wall Replacement - Hickory Ridge, The Woods of Sun creek, and Independence Parkway, Project No. ENG-S-00010

**RECOMMENDED ACTION:** Approval of Expenditure

---

### **ITEM SUMMARY**

To approve an expenditure for engineering professional services for Screening Wall Replacement - Hickory Ridge, The Woods of Sun creek, and Independence Parkway (Project No. ENG-S-00010) in the amount of \$816,250 from Huitt-Zollars, Inc. for the Engineering Department; and authorizing the City Manager to execute all necessary documents. **Approved**

### **BACKGROUND**

The Engineering Department recommends approval of an expenditure in the amount of \$816,250 for engineering professional services from Huitt-Zollars, Inc., for the Screening Wall Replacement – Hickory Ridge, The Woods of Sun creek, and Independence Parkway. This project includes the removal and replacement of 7,950 linear feet of brick masonry screening walls. New screening walls will include concrete grade beams and drilled shafts to support the foundations. In addition, adjacent sidewalk and alley pavement will be replaced as necessary to complete the new screening wall systems at the Hickory Ridge subdivision, the Woods of Sun creek subdivision and the west side of Independence Parkway, north of Ridgeview Drive.

Huitt-Zollars, Inc. was deemed most qualified based on their Statement of Qualifications submission for RFQ No. 2021-0377-XR.

Huitt-Zollars, Inc. has completed previous structural analysis and engineering experience with screening walls for the City of Plano including multiple successful screening wall projects along Park Boulevard, Parker Road, 14th Street, 15th Street, and Coit Road.

The benefit of this project includes reconstruction of deteriorating neighborhood screening walls and sidewalks and improving safety for the public.

Not approving the expenditure would result in continued deterioration of neighborhood infrastructure, including screening walls and sidewalks, resulting in increased maintenance costs and a reduction of the quality of life for neighboring residents.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Street Improvements CIP and is planned for future years, as well. Engineering professional design services for the Screening Wall Replacement - Hickory Ridge, The Woods of Sun creek, and Independence Parkway project, in the total amount of \$816,250 will leave a balance of \$3,750 for future design expenditures.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

**FINANCIAL SUMMARY/STRATEGIC GOALS**

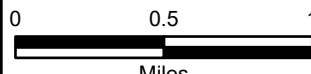
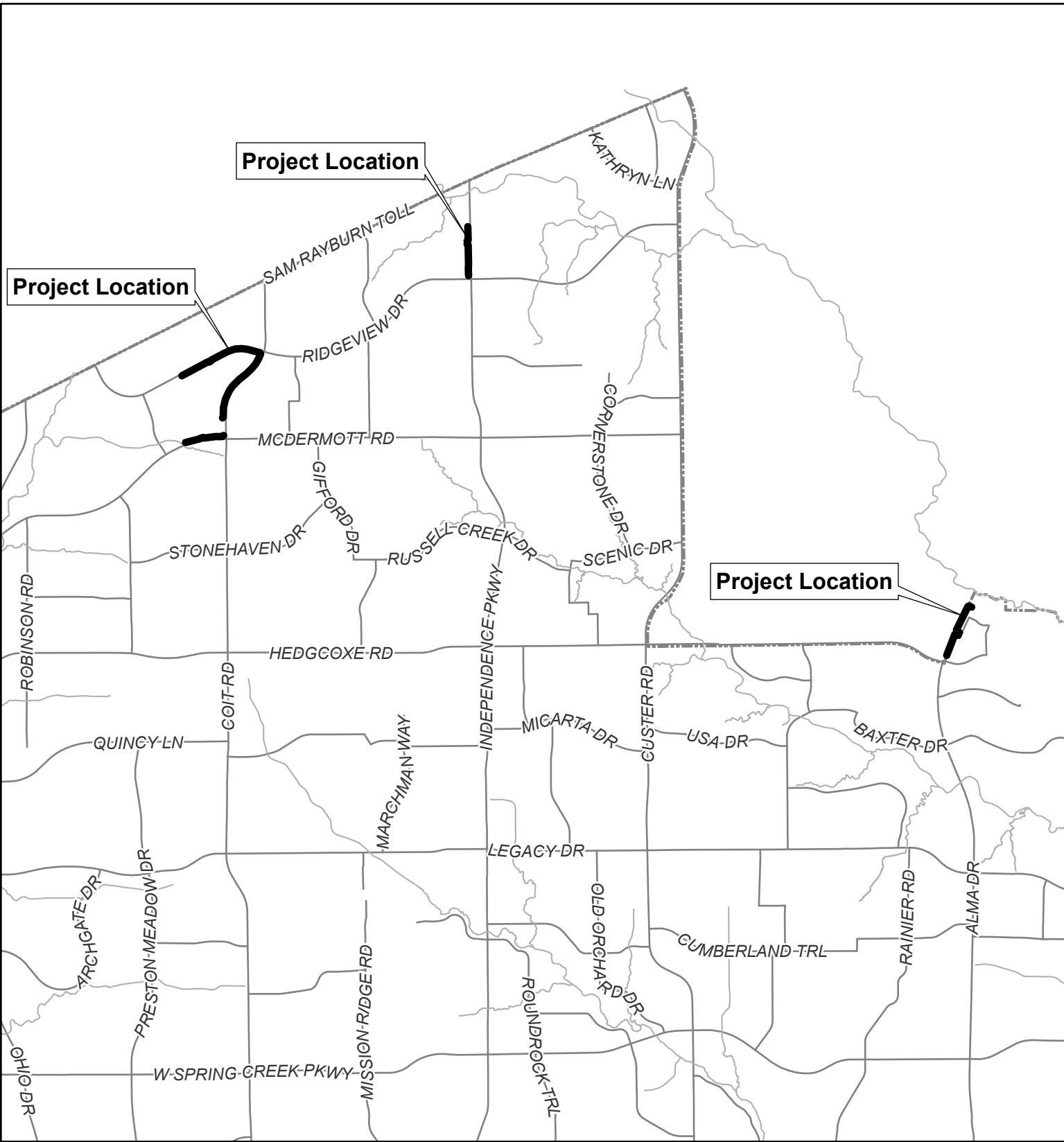
Funding for this item is available in the 2023-24 Street Improvements CIP and is planned for future years, as well. Engineering professional design services for the Screening Wall Replacement - Hickory Ridge, The Woods of Suncreek, and Independence Parkway project, in the total amount of \$816,250 will leave a balance of \$3,750 for future design expenditures.

Approval of this item will support the City's Strategic Plan Critical Success Factor of being an Excellent, Innovative, and Accountable City Government.

**ATTACHMENTS:**

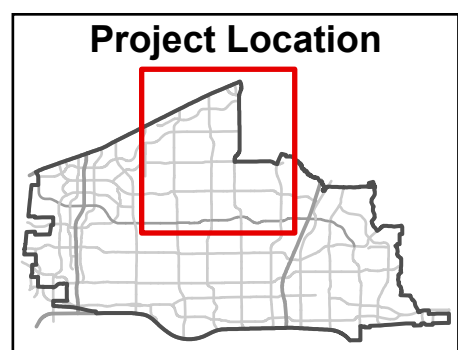
Description	Upload Date	Type
Location Map	4/3/2024	Map

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City of Plano BI-GIS Division  
March 2024

**Screening Wall Replacement -  
Hickory Ridge, The Woods of  
Suncrest, and Independence  
Parkway  
Project ENG-S-00010**



## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Technology Solutions  
**DIRECTOR:** Roger Wright, Chief Information Officer  
**AGENDA ITEM:** Approve technology contractual services to upgrade JD Edwards and conduct data migration.  
**RECOMMENDED ACTION:** Approval of Expenditure

---

### **ITEM SUMMARY**

To approve an expenditure for City of Plano US - JDE R24 Upgrade & 64-bit Migration of JDE in the amount of \$258,874 from Quistor Enterprises B.V. for Technology Solutions; and authorizing the City Manager to execute all necessary documents. **Approved**

### **BACKGROUND**

The City's financial system, JD Edwards, requires an update to align with contemporary technological standards and aid in safeguarding the City against evolving risks. This request is crucial for maintaining financial operational currency and protecting against software obsolescence and security vulnerabilities. Upgrading to a more efficient and secure 64-bit software architecture from our outdated 32-bit is a significant aspect of this overhaul. This comprehensive upgrade is more than a technical necessity; it is essential to the City's operational integrity, performance optimization, and resilience against potential disruptions.

Quistor has proven expertise in JD Edwards technology, having approximately 20 years of experience in implementation and upgrade services. Quistor consultants are certified in Oracle JD Edwards and Oracle customer support, guaranteeing thorough service delivery. Quistor has already demonstrated proficiency in understanding the intricacies of the City's JD Edwards landscape by conducting an impact analysis of our current state and providing operational support. The City of Plano will gain numerous advantages, including accelerated product delivery, optimized resource allocation, and reduced risks through leveraging the expertise of this vendor.

Failure to award this contract would significantly impact maintaining and upgrading JD Edwards while performing normal day-to-day operations with the current resources. Without Quistor's expertise, the decision to bring the environment to the latest version without their resources leaves us vulnerable to a variety of risks. These include outdated software components leading to compatibility issues with newer applications, hindering our ability to integrate and streamline operations effectively. Additionally, performance issues may arise, impeding productivity and overall system efficiency. Quistor's methodology is tailored to address these concerns, ensuring a seamless upgrade process with minimal disruption to major projects involving JD Edwards.

Approval of this agenda item supports the City's Strategic Plan's Critical Success Factors of Excellence, Innovative, and Accountable City Government, which includes developing and implementing sustainable solutions and high-quality responsive services.

The City is exempt from the competitive bid process for the purchase as allowed by Texas Local Government Code Chapter 252 Subchapter B Section 252.022(a)(4). (City of Plano Internal Contract No. 2024-0558-X)

**FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Technology Fund. This request is to approve an expenditure for contractual services from Quistor Enterprises B.V. for Technology Solutions in the total estimated amount of \$258,874. The anticipated annual cost of this item is \$215,728 for FY 2023-24 and \$43,146 for FY 2024-25. All future year expenditures will occur within council approved appropriations.

Approval of this item supports the City's Strategic Plan Critical Success Factor of Excellent, Innovative, and Accountable City Government.

**FINANCIAL SUMMARY/STRATEGIC GOALS**

Funding for this item is available in the 2023-24 Technology Fund. This request is to approve an expenditure for contractual services from Quistor Enterprises B.V. for Technology Solutions in the total estimated amount of \$258,874. The anticipated annual cost of this item is \$215,728 for FY 2023-24 and \$43,146 for FY 2024-25. All future year expenditures will occur within council approved appropriations.

Approval of this item supports the City's Strategic Plan Critical Success Factor of Excellent, Innovative, and Accountable City Government.

## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024

**DEPARTMENT:** Fleet Services

**DIRECTOR:** Dan Prendergast, Director of Public Works

**AGENDA ITEM:** Fleet Services requests the ratification of the terms and conditions of a Rebate Agreement between the City of Plano and North Central Texas Council of Governments (NCTCOG) for the North Texas Clean Diesel Project 2021 Call for Projects.

**RECOMMENDED ACTION:** Approval of Contract / Agreement

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### **ITEM SUMMARY**

To ratify approval of the terms and conditions of a Rebate Agreement between the City of Plano and North Central Texas Council of Governments (NCTCOG) for the North Texas Clean Diesel Project 2021 Call for Projects in the amount of \$412,858 (\$185,786 Federal Rebate Amount + \$227,072 Local Match), and to approve the terms and conditions of Amendment #1; and authorizing the City Manager to execute all necessary documents; and providing an effective date. **Approved**

### **BACKGROUND**

Fleet Services requests the ratification of the terms and conditions of a Rebate Agreement between the City of Plano and North Central Texas Council of Governments (NCTCOG) for the North Texas Clean Diesel Project 2021 Call for Projects in the amount of \$412,858, and the approval of an Amendment extending the agreement through December 31, 2024. The Agreement provides a \$185,786 rebate for the purchase of an electric refuse truck to replace a diesel refuse truck with the City providing matching funds available from the Equipment Replacement Fund.

The Agreement expired January 31, 2024. The installation of a charging station required for completion of the project was delayed and is now expected to be completed in May 2024. The extension will allow for the installation of the charging station within the terms of the Amendment.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Approval of this item would ratify the terms and conditions of a Rebate Agreement between the City of Plano and North Central Texas Council of Governments (NCTCOG) for the North Texas Clean Diesel Project 2021 Call for Projects in the amount of \$412,858 and the approval of an Amendment extending the agreement through December 31, 2024. The agreement provides a \$185,786 rebate for the purchase of an electric refuse truck to replace a diesel refuse truck with the City providing \$227,072 in matching funds available from the Equipment Replacement Fund.

Approval of this item relates to the City's Strategic Plan Critical Success Factor of Excellent, Innovative, and Accountable City Government.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Approval of this item would ratify the terms and conditions of a Rebate Agreement between the City of Plano and North Central Texas Council of Governments (NCTCOG) for the North Texas Clean Diesel Project 2021 Call for Projects in the amount of \$412,858 and the approval of an Amendment extending the



agreement through December 31, 2024. The agreement provides a \$185,786 rebate for the purchase of an electric refuse truck to replace a diesel refuse truck with the City providing \$227,072 in matching funds available from the Equipment Replacement Fund.

Approval of this item relates to the City's Strategic Plan Critical Success Factor of Excellent, Innovative, and Accountable City Government.

**ATTACHMENTS:**

Description	Upload Date	Type
Rebate Agreement	4/15/2024	Agreement
Amendment #1	4/15/2024	Agreement

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NORTH TEXAS CLEAN DIESEL PROJECTS  
2021 CALL FOR PROJECTS**

**Rebate Agreement**

**AGREEMENT COVER SHEET**

TYPE OF AGREEMENT: Rebate Agreement for Reimbursable Activities with the City of Plano (UEI# HUEQNTT7HE67) for the North Texas Clean Diesel Project 2021 Call for Projects

PROJECT NUMBER: TRN6886

AGREEMENT PERIOD: Agreement Execution through January 31, 2024

MAXIMUM AWARD AMOUNT: \$412,858 (\$185,786 FEDERAL REBATE AMOUNT + \$227,072 LOCAL MATCH)

**PARTIES:**

**NCTCOG**

North Central Texas Council of Governments  
616 Six Flags Drive  
Centerpoint II  
Arlington, Texas 76011

**PERFORMING PARTY**

City of Plano  
1520 K Avenue, Suite 360  
Plano, Texas 75074

**Contacts**

**Project Manager:**

Jason Brown  
Principal Air Quality Planner  
817-704-2514  
jbrown@nctcog.org

**Agreement Coordinator:**

Mark Jackson, CAFM  
Fleet Financial Management Coordinator  
(972) 769-4180  
mjackson@plano.gov

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NORTH TEXAS CLEAN DIESEL PROJECT  
2021 CALL FOR PROJECTS**

**ARTICLE 1. PARTIES**

- 1.1 Parties.** This Agreement, hereinafter referred to as the “Agreement”, is made and entered into by and between the North Central Texas Council of Governments, hereinafter referred to as “NCTCOG”, and the City of Plano, hereinafter referred to as the “PERFORMING PARTY”. NCTCOG and the PERFORMING PARTY may each be referred to as a “Party” and may be collectively referred to as “Parties” to this Agreement.

**ARTICLE 2. TERMS OF AGREEMENT**

- 2.1 Scope of Work.** The PERFORMING PARTY covenants and represents to NCTCOG that the PERFORMING PARTY will implement or perform activities as provided for in the **Scope of Work** (Appendix A) hereinafter referred to as the “**SCOPE**”. **Tasks**, as defined in the SCOPE, refer to a set of actions the PERFORMING PARTY must accomplish for each Scope Activity. **Scope Activities**, as defined in the SCOPE, relate to the individual equipment, vehicles, engines and/or technologies that were identified in the PERFORMING PARTY’S application and approved for implementation. A unique identifier, the “**Scope Activity Number**”, will be used for requesting reimbursements.
- 2.2 Scope of Work Changes.** Changes to the SCOPE must be agreed to by both parties, in writing.
- 2.3 Scope Activities.** PERFORMING PARTY shall complete Scope Activities in accordance with the North Texas Clean Diesel Project 2021 Call for Projects Guidelines and as listed in the SCOPE, except as otherwise identified in this Agreement.
- 2.4 Activity Life.** The PERFORMING PARTY will own, and/or lease, and operate the grant-funded equipment, vehicles, engines and/or technologies for the duration of the NCTCOG approved Activity Life as identified in the SCOPE, unless otherwise approved in writing by NCTCOG.
- 2.5 Geographic Location.** PERFORMING PARTY agrees that equipment, vehicles, engines, and/or technologies purchased under this Agreement must be operated predominantly within the North Texas counties of Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Parker, Rockwall, Tarrant, or Wise. Predominantly shall be defined as used fifty-one percent within the aforementioned counties.
- 2.6 Compliance.** All activities funded, operated, and maintained under this Agreement must be in compliance with federal, State, and local law and, if applicable, the PERFORMING PARTY’S Clean Fleet Policy, consistent with the Regional Transportation Council’s Clean Fleet Policy as adopted in December 2014.
- 2.7 Emission Reductions.** The PERFORMING PARTY agrees that emissions reductions provided by each Scope Activity shall be used by NCTCOG to meet air quality requirements and goals. The PERFORMING PARTY may not utilize emissions reductions to satisfy other air quality commitments.

- 2.8 Time of Performance.** The PERFORMING PARTY shall commence performance of the SCOPE after all parties have executed the agreement. All Scope Activities should be completed no later than the completion deadline referenced in the SCOPE. This Agreement shall terminate upon completion of all Scope Activities, or by an act as identified in Section 2.9. Certain rights and obligations identified in this Agreement shall survive termination of this Agreement.
- 2.9 Termination.** Either party reserves the right to terminate this Agreement in whole or in part. Notice of termination must be provided in writing, shall set forth the reasons for termination, and shall provide for a minimum of ten (10) days to cure the defect. Termination is effective only in the event the party fails to cure the defect within the period stated in the termination notice including any written extensions. If the Agreement is terminated, NCTCOG shall only be liable for eligible expenses completed before the effective date of termination. If Agreement is terminated, certain reporting requirements identified in this Agreement shall survive termination of this Agreement. NCTCOG will render payment upon the completion of reporting requirements. The Parties may terminate this Agreement at any time by mutual written concurrence.

### ARTICLE 3. AMENDMENTS

- 3.1 Agreement.** This Agreement embodies all of the agreements of the parties relating to its subject matter and supersedes all prior understandings and agreements regarding such subject matter.
- 3.2 Severability.** In the event any one or more of the provisions contained in this Agreement shall be for any reason held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision(s) hereof, and this Agreement shall be revised so as to cure such invalid, illegal, or unenforceable provision(s) to carry out as near as possible the original intent of the Parties.
- 3.3 Changed Circumstances.** If future federal, State, or local statute, ordinance, regulation, rule, or action render this Agreement, in whole or in part, illegal, invalid, unenforceable, or impractical, the parties agree to delete and/or to modify such portions of the Agreement as are necessary to render it valid, enforceable, and/or practical. Each section, paragraph, or provision of this Agreement shall be considered severable, and if, for any reason, any section, paragraph, or provision herein is determined to be invalid under current or future law, regulation, or rule, such invalidity shall not impair the operation of or otherwise affect the valid portions of this instrument.
- 3.4 Modifications.** Modifications to this Agreement must be reviewed by all parties and agreed to in writing.

## ARTICLE 4. EQUIPMENT USE AND PROPERTY MANAGEMENT

- 4.1 Equipment Use, Management, and Disposition.** The PERFORMING PARTY agrees to utilize equipment funded through this Agreement for the purposes outlined in the SCOPE and consistent with the goals and objectives of the North Texas Clean Diesel Project 2021 Call for Projects Guidelines during the Activity Life defined in the SCOPE, and until all programmatic interest in the equipment is fulfilled. NCTCOG encourages the PERFORMING PARTY to continue to utilize equipment acquired through this Agreement for the purposes outlined in the SCOPE and consistent with the goals and objectives of the North Texas Clean Diesel Project 2021 Call for Projects Guidelines beyond the Activity Life. At the end of the Activity Life, or upon transfer of ownership, the PERFORMING PARTY shall submit to NCTCOG a written notification of the disposition of equipment funded through this Agreement. The notification shall describe the continued use and condition of the equipment and remaining useful life.

The PERFORMING PARTY agrees to provide NCTCOG reasonable information concerning the use and condition of the equipment upon request.

## ARTICLE 5. FUNDING & BUDGET

- 5.1 Award Amount.** The total anticipated project cost is **four hundred twelve thousand eight hundred fifty-eight dollars (\$412,858)**. NCTCOG will reimburse PERFORMING PARTY's eligible costs of implementing Task(s) as outlined in the SCOPE under the conditions in this Agreement not to exceed the maximum Award Amount of **one hundred eighty-five thousand seven hundred eighty-six dollars (\$185,786)**. The actual amount of reimbursement may be less than the maximum Award Amount and will be determined under the conditions of this Agreement. Eligible costs incurred by the PERFORMING PARTY that are not reimbursed through payment of the funding award shall be recorded as mandatory cost share or local match contribution to the project by the PERFORMING PARTY. For the purpose of this Agreement, reimbursement shall also mean payment of a rebate.

## ARTICLE 6. PAYMENTS

- 6.1 Payment.** Reimbursement shall be made only upon completion of a Task or SCOPE Activity. A cost may not be considered incurred and eligible for reimbursement until the product or service has been received, accepted, and paid for by the PERFORMING PARTY. Any reimbursement under this Agreement shall be payable only after eligible costs are approved by NCTCOG. NCTCOG will approve payments as soon as practicable, but not later than forty-five (45) days after a complete Request for Reimbursement has been received, provided that complete and accurate supporting documentation has been submitted to NCTCOG. Costs incurred prior to execution of this Agreement may not be eligible for reimbursement. There shall be no obligation whatsoever to pay for performance of this Agreement from the monies of NCTCOG, other than grant funds received by NCTCOG from NCTCOG's funding agency for the purposes of reimbursement under this Agreement.
- 6.2 Reimbursement.** All reimbursement requests prepared by the PERFORMING PARTY shall be submitted by the deadlines outlined in the SCOPE to NCTCOG at TRGrants@nctcog.org. Requests for Reimbursement shall include PERFORMING PARTY invoice on letterhead, signatory or submittal by a certifying official as detailed in

Article 6.3, proof of payment, applicable receipts, and other supporting documentation that identifies the incremental cost of capital purchases identified in the SCOPE, and shall detail the portion of cost to be reimbursed by NCTCOG and the portion of cost credited as local match. PERFORMING PARTY must also submit proof of delivery before payment can be approved. A Request for Reimbursement Form shall be accompanied by an Activity Information Form. NCTCOG may deem a Request for Reimbursement incomplete if the data and/or documentation are incomplete or improper, or if the PERFORMING PARTY fails to submit necessary reports or provide other information requested by NCTCOG under the terms of this Agreement.

Forms required for reimbursement are available online and can be downloaded from NCTCOG website at [www.nctcog.org/aqfunding/forms](http://www.nctcog.org/aqfunding/forms). A hard copy is available at the request of the PERFORMING PARTY.

- 6.3 Certifying Official.** As detailed in Article 6.2, the PERFORMING PARTY is required to provide signed invoices. In lieu of documenting certifications on each invoice, the individual noted below has the authority, on behalf of the PERFORMING PARTY, to make such certifications and serve as the signatory on invoices related to this project. By signing the invoice, Certifying Officials are acknowledging review of invoices to ensure expenses included in the invoice are consistent with the agreement, all services and costs documented on the invoice are accurate and eligible, and all contractors have been fully paid.

Any invoices received by NCTCOG without the signature of the individual noted below may result in the invoice being returned unpaid.

**Certifying Official Name:** Mark Jackson, CAFM

**Certifying Official Title:** Fleet Financial Asset Management Coordinator

- 6.4 Eligible Expenses.** NCTCOG may reject requests for reimbursements which fail to demonstrate that costs are eligible for reimbursement and/or which fail to conform to the requirements of this Agreement. Eligible and allowable expenses are limited to costs determined by NCTCOG in its sole discretion as eligible costs necessary for the purchase of equipment, vehicle, and/or engine as identified in the SCOPE and NCTCOG's funding agreement. Costs incurred prior to execution of the agreement are not eligible for reimbursement.
- 6.5 Availability of Funds.** Any reimbursement under this Agreement shall be payable only after eligible costs are approved by NCTCOG. This Agreement and all claims, suits, or obligations arising under or related to this Agreement are subject to and limited to the receipt and availability of funds which are received from the funding agency by NCTCOG dedicated for the purpose of this Agreement.
- 6.6 Balance of Funds.** If actual costs are lower than expected and the full Award Amount is not fully utilized, the PERFORMING PARTY may request approval from NCTCOG to use the balance of the Award Amount in a manner consistent with the SCOPE and all requirements of this Agreement, including cost share. If this situation arises, the PERFORMING PARTY will notify the NCTCOG Project Manager and request approval as quickly as possible to ensure timely implementation.

- 6.7 Return of Funds.** The PERFORMING PARTY may be required to return funds received from NCTCOG for reimbursement of Scope Activities where the PERFORMING PARTY has failed to comply with the requirements set forth in this Agreement, including but not limited to: 1) failure to comply with vehicle disposition requirements, 2) failure to comply with reporting requirements as identified in the SCOPE, and 3) failure to maintain operation and possession of the grant-funded equipment, vehicles, engines, and/or technology through the duration of the Activity Life, as identified in the SCOPE. NCTCOG may waive these requirements in their sole discretion.

## ARTICLE 7. RIGHTS

- 7.1 Authority.** The PERFORMING PARTY shall have no authority to act for or on behalf of NCTCOG except as expressly provided for in this Agreement; no other authority, power, use, or joint enterprise is granted or implied. The PERFORMING PARTY may not incur any debts, obligations, expenses, or liabilities of any kind on behalf of NCTCOG.
- 7.2 Assignment.** Without the prior written consent of NCTCOG, the PERFORMING PARTY may not transfer or assign any rights or duties under or any interest in this Agreement.

## ARTICLE 8. MISCELLANEOUS PROVISIONS

- 8.1 Property Insurance.** The PERFORMING PARTY must maintain sufficient property insurance for the repair or replacement of any Scope Activity for the Activity Life as defined in the SCOPE, unless otherwise expressly agreed upon in writing by NCTCOG.
- 8.2 Insurance Claims.** Any insurance proceeds received by or on behalf of the PERFORMING PARTY under an insurance policy due to the damage or destruction of equipment, vehicles, engines and/or technologies funded under this Agreement must be utilized to repair or acquire an equivalent or better low emissions engine/technology or be paid to NCTCOG.
- 8.3 Indemnification.** To the extent authorized by law and without waiving any immunities or defenses available to the PERFORMING PARTY, the PERFORMING PARTY shall indemnify, save and hold NCTCOG/Regional Transportation Council (RTC), its officials, officers, and employees harmless from any and all actions, obligations, claims, damages, expenses, costs of any kind, debts, negligence, and liabilities arising from, or in any way related to, acts or omissions of the PERFORMING PARTY, its employees, volunteers, subcontractors, or clientele, in the performance of, or failure to perform under, this Agreement.
- 8.4 Force Majeure.** It is expressly understood and agreed by the parties to this Agreement that, if the performance of any provision of this Agreement is delayed by force majeure, defined as reason of war, civil commotion, act of God, governmental restriction, regulation or interference, fire, explosion, hurricane, flood, failure of transportation, court injunction, or any circumstances which are reasonably beyond the control of the party obligated or permitted under the terms of this Agreement to do or perform the same, regardless of whether any such circumstance is similar to any of those enumerated herein, the party so obligated or permitted shall be excused from doing or performing the same during such period of delay, so that the period of time applicable to such requirement shall be extended for a period of time equal to the period of time such party was delayed. Each party must inform the other in writing within reasonable time of the existence of such force majeure.



- 8.5 Captions.** The captions, headings, and arrangements used in this Agreement are for convenience only and shall not in any way affect, limit, amplify, or modify its terms and provisions.
- 8.6 Disputes and Remedies.** The PERFORMING PARTY and NCTCOG shall negotiate in good faith toward resolving any disputes that arise under this Agreement. This agreement does not limit any remedy or right under law available to a Party to enforce the terms herein.
- 8.7 Public Comment Process.** As applicable, public meeting and public hearing notices regarding this project shall be provided to NCTCOG within five (5) days of publication. Meeting minutes, summaries of communication, and copies of written responses to public comments and questions shall be transmitted to the NCTCOG staff contact person as identified on the Agreement cover sheet within thirty (30) days following the meeting.
- 8.8 Notice.** All notices regarding this Agreement shall be in writing and shall be delivered to the addresses shown below, as applicable, with a copy provided to NCTCOG Project Manager, staff contact, and Agreement Administrator; and PERFORMING PARTY'S Agreement Coordinator identified on the Agreement cover sheet. Statements made or documentation provided through electronic mail can be deemed as official notices.

**NCTCOG**

Michael Morris, P.E.  
 Director of Transportation  
 Transportation Department  
 616 Six Flags Drive  
 Arlington, Texas 76011  
 Telephone No.: (817) 695-9240  
 Facsimile No.: (817) 640-3028

**PERFORMING PARTY**

City of Plano  
 Mark Jackson, CAFM  
 Fleet Financial Asset Management Coordinator  
 4200 West Plano Parkway  
 Plano, TX 75093

**ARTICLE 9. ACCESSIBILITY AND MAINTENANCE OF RECORDS**

- 9.1 Maintenance.** The PERFORMING PARTY shall maintain a record keeping system for all activities, including program records and financial management records, which support and document all expenditures of funds made under this Agreement, in accordance with federal regulations, State rules, and the Agreement. This section shall not be interpreted to require maintenance of multiple exact duplicate copies of any record or document.
- 9.2 Retention.** All records must be maintained for a minimum of three (3) years following the expiration of the Activity Life as described in the SCOPE. In the event any litigation or claim is still pending upon the expiration of the Activity Life, these records shall be retained until resolution of the litigation or claim. NCTCOG, NCTCOG's funding agency, or their designees shall have access to all records that are directly applicable to this Agreement for the purpose of making audit examinations.



## ARTICLE 10. AUDITS AND EVALUATIONS

- 10.1 Submission of Audits.** As applicable, the PERFORMING PARTY shall provide NCTCOG, for its review, a copy of any audit received as a result of PERFORMING PARTY policy or audits of federal and State governments relating to the expenditure of funds under this Agreement. Such audits shall include or be accompanied by any applicable audit management letter issued and applicable responses to the auditor's findings and recommendations. All audits shall be submitted to NCTCOG within thirty (30) days of receipt of each issued report.
- 10.2 Financial Records.** The PERFORMING PARTY understands that acceptance of funds under this Agreement acts as acceptance of the authority of NCTCOG, NCTCOG's funding agency, or their designees to conduct an audit or investigation in connection with those funds. The PERFORMING PARTY further agrees to cooperate fully with NCTCOG, NCTCOG's funding agency, or their designees in the performance of an audit or investigation, including providing access to conduct financial and program monitoring of funding awarded to the PERFORMING PARTY under this Agreement and to perform an audit of related records that may encompass an examination of financial transactions, accounts and reports, as well as an evaluation of compliance with the terms and conditions of this Agreement.
- 10.3 Subcontractors.** The PERFORMING PARTY will ensure that the aforementioned clause concerning the authority to audit funds received indirectly by subcontractors through the PERFORMING PARTY and the requirement to cooperate is included in any subcontract it awards under this Agreement. The PERFORMING PARTY will include in all subcontracts for work under this Agreement a requirement that subcontractors will provide access to all relevant financial records, including bank statements.
- 10.4 Capital Assets and Usage Records.** The PERFORMING PARTY shall authorize NCTCOG, NCTCOG's funding agency, or their designees to inspect, with notice, equipment, vehicles, engines and/or technologies purchased by the PERFORMING PARTY with funds provided for under this Agreement.
- 10.5 Acceptable Verification.** Upon request, the PERFORMING PARTY agrees to provide NCTCOG sufficient verification that the operation commitment identified in the SCOPE is taking place in one or more eligible counties listed in Section 2.5. Sufficient verification will be determined by NCTCOG, in its sole discretion. Examples of acceptable verification include sworn affidavits from the PERFORMING PARTY, data from global positioning system, or similar devices, or other reliable information sources.

## ARTICLE 11. REPRESENTATIONS

- 11.1 Alteration of Original Application.** The information and data provided in the original application submitted by the PERFORMING PARTY may have been altered after original submittal to NCTCOG to ensure that the information and calculations in the application are accurate. The PERFORMING PARTY hereby ratifies, adopts, and agrees to all representations in the Approved Application and deliverables it has provided to NCTCOG during the proposal process and agrees to give prompt written notice to NCTCOG if there is any material change in these certifications or deliverables.

- 11.2 Legal Mandate.** The PERFORMING PARTY represents that the tasks funded under this Agreement are not required by any State or federal law, rule, regulation, memorandum of agreement, or other legally binding document.
- 11.3 Vehicle Markers.** The PERFORMING PARTY agrees to place a label or sticker on funded equipment, vehicles, engines and/or technologies upon request by NCTCOG identifying it as part of an NCTCOG award and/or utilizing an alternative fuel or advanced technology.

## ARTICLE 12. REPORTS

- 12.1 Project Reporting.** The PERFORMING PARTY shall provide NCTCOG with all reports detailed in the SCOPE, including information pertaining to the project and activity usage as identified in SCOPE.

## ARTICLE 13. ASSURANCES

- 13.1 Equal Employment Opportunity.** The PERFORMING PARTY shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, sexual orientation, gender identity, or national origin. The PERFORMING PARTY shall take affirmative action to ensure that applicants are employed, and that employees are treated, during their employment, without regard to their race, religion, color, sex, sexual orientation, gender identity, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
- 13.2 Nondiscrimination on the Basis of Disability.** The PERFORMING PARTY agrees that no otherwise qualified disabled person shall, solely by reason of their disability, be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination under the project. The PERFORMING PARTY shall insure that all fixed facility construction or alteration and all new equipment included in the project comply with applicable regulations regarding Nondiscrimination on the Basis of Disability in Programs and Activities Receiving or Benefiting from Federal Financial Assistance, set forth in 49 CFR, Part 27 and any amendments thereto.
- 13.3 Noncollusion.** The PERFORMING PARTY warrants that it has not employed or retained any company or person, other than a bona fide employee working for it, to solicit or secure this Agreement, and that it has not paid or agreed to pay any company or person, other than a bona fide employee, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the award or making of this Agreement. If the PERFORMING PARTY breaches or violates this warranty, NCTCOG shall have the right to annul this Agreement without liability or, in its discretion, to deduct from the Agreement price or consideration, or otherwise recover the full amount of such fee, commission, brokerage fee, gift, or contingent fee.
- 13.4 Gratuities.** Any person doing business with or who, reasonably speaking, may do business with NCTCOG under this Agreement may, not make any offer of benefits, gifts or favors to employees of NCTCOG. Failure on the part of the PERFORMING PARTY to adhere to this policy may result in termination of this Agreement.

**13.5 Debarment/Suspension.** The PERFORMING PARTY is prohibited from making any award or permitting any award at any tier to any party which is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, Debarment and Suspension. The PERFORMING PARTY and its subcontractors shall comply with the special provision “Certification Requirements for Recipients of Grants and Cooperative Agreements Regarding Debarments and Suspensions,” which is included as Appendix B of this Agreement.

**13.6 Restrictions on Lobbying.** The PERFORMING PARTY and PERFORMING PARTY’S subrecipients are prohibited from using Agreement funds for lobbying purposes; the PERFORMING PARTY shall comply with the special provision, “Lobbying Certification and Disclosure of Lobbying Activities,” which is included as Appendix C of this Agreement. The PERFORMING PARTY shall include a statement of compliance with the Lobbying Certification and Disclosure of Lobbying Activities in applicable procurement solicitations. Lobbying Certification and Disclosure of Lobbying Activities shall be completed by PERFORMING PARTY’S subrecipients and included in PERFORMING PARTY’S subrecipients’ contracts, as applicable.

PERFORMING PARTY agrees to comply with the Title 40 CFR Part 34, New Restrictions on Lobbying. In accordance with the Byrd Anti-Lobbying Amendment, any Recipient who makes a prohibited expenditure under Title 40 CFR Part 34 or fails to file the required certification or lobbying forms shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such expenditure.

**13.7 Compliance with Regulations.** During the performance of this Agreement, the PERFORMING PARTY, for itself, its assignees, and successors, agrees to comply with all applicable local, State, and federal regulations.

**13.8 Drug Free Workplace.** The PERFORMING PARTY must make an ongoing, good-faith effort to maintain a drug-free workplace pursuant to the specific requirements set forth in 40 CFR 36.200 – 36.230.

**13.9 Interest of Public Officials.** No member, officer, or employee of the public body or of a local public body during his tenure or for one year thereafter shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.

**13.10 Substitution of Subcontractors.** NCTCOG must be notified of all substitutions of subcontracts.

## **ARTICLE 14. MISCELLANEOUS PROVISIONS**

**14.1 Normal Fleet Attrition.** The PERFORMING PARTY understands that funds under this Agreement cannot be used for emission reductions that result from vehicle/equipment replacements/repowers that would have occurred within three years of the project start date through normal attrition/fleet turnover. Normal attrition/fleet turnover is typically defined by the equipment, vehicle, engine, or fleet owner’s budget plan, operating plan, standard procedures, or retirement schedule. Supporting evidence in written form must be provided to NCTCOG to verify that replacement/repower projects would not have occurred without grant funding awarded under this Agreement.

**14.2 Fleet Expansion.** The PERFORMING PARTY understands that funds under this Agreement cannot be used for the purchase of vehicles or equipment to expand a fleet. The PERFORMING PARTY agrees that:

**14.2.1 Function.** The replacement vehicle, engine, or equipment will perform the same function as the vehicle, engine, or equipment that is being replaced.

**14.2.2 Type.** The replacement vehicle, engine, or equipment will be of the same type and similar gross vehicle weight rating (GVWR) or horsepower as the vehicle, engine, or equipment being replaced, as detailed in the SCOPE.

**14.3 False Claim.** The PERFORMING PARTY must promptly refer to the Environmental Project Agency's (EPA's) Inspector General any credible evidence that a principal, employee, agent, subgrantee contractor, subcontractor, loan recipient, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving funds provided under this grant or subgrants awarded by the grantee.

**14.4 Trafficking Victim Protection Act of 2000.** The PERFORMING PARTY, PERFORMING PARTY'S employees, PERFORMING PARTY'S subrecipients, and PERFORMING PARTY'S subrecipients' employees under this Agreement, may not engage in severe forms of trafficking in persons during the period of time that the award is in effect; procure a commercial sex act during the period of time that the award is in effect; or use forced labor in the performance of the award of subawards under the award.

**14.5 Recycled Paper.** The PERFORMING PARTY agrees that:

**14.5.1 Resource Conservation and Recovery Act.** Preference shall be given in procurement programs to the purchase of recycled products pursuant to the EPA guidelines as established in 40 CFR 247.

**14.5.2 Reporting.** In accordance with EPA Order 1000.25 and Executive Order 13423 dated January 24, 2007, and/or 40 CFR 30.16, recycled paper and double-sided printing shall be used for all reports that are prepared as a part of this Agreement.

**14.6 Federal Award Requirements.** During the performance of this Agreement, the PERFORMING PARTY, shall comply with the following federal award requirements.

**14.6.1** Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), which prohibits discrimination on the basis of race, color, and national origin.

**14.6.2** Federal Funding Accountability and Transparency Act Requirements.

- A. As a recipient of funds under this agreement the PERFORMING PARTY agrees to comply with the Federal Funding Accountability and Transparency Act (FFATA) and implementing regulations at 2 CFR 170, including Appendix A. This agreement is subject to the following award terms:

<http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22705.pdf> and  
<http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22706.pdf>.

B. PERFORMING PARTY agrees that it shall:

1. Obtain and provide to NCTCOG a System for Award Management (SAM) number (Federal Acquisition Regulation, Part 4, Sub-part 4.11) if this award provides more than \$25,000 in federal funding. The SAM number may be obtained by visiting the SAM website whose address is: <https://www.sam.gov/portal/public/SAM/>
2. Obtain and provide to NCTCOG a Data Universal Numbering System (DUNS) number, a unique nine-character number that allows the federal government to track the distribution of federal money. The DUNS number may be requested free of charge for all businesses and entities required to do so by visiting the Dun & Bradstreet on-line registration website <http://fedgov.dnb.com/webform>; and

C. Report total compensation and names of its top five (5) executives to the State if:

1. More than 80% of annual gross revenues are from the federal government, and those revenues are greater than \$25,000,000; and
2. The compensation information is not already available through reporting to the United States Securities and Exchange Commission.

**14.6.3 Hotel-Motel Fire Safety.** Pursuant to 15 USC 2225a, the PERFORMING PARTY agrees to ensure that all space for conferences, meetings, trainings funded in whole or in part with federal funds complies with the protection and control guidelines of the Hotel and Motel fire Safety Act (PL 101-391, as amended).

**14.7 Internal Compliance Program.** NCTCOG has adopted an Internal Compliance Program to prevent waste, fraud, or abuse. Contractors, agents, and volunteers can report suspected waste, fraud, or abuse at: [North Central Texas Council of Governments - Compliance Portal \(nctcog.org\)](http://NorthCentralTexasCouncilofGovernments-CompliancePortal(nctcog.org)). Additional information regarding the Internal Compliance Program is available at the previous web address.

**14.8 Senate Bill 13 Prohibition Against Boycotting Energy Companies.** Pursuant to Chapter 2274, Government Code, as enacted by S.B. 13, 87th Legislature, NCTCOG is prohibited from using public funds to contract with entities who boycott energy companies. The PERFORMING PARTY agrees that it does not discriminate against energy companies and will not discriminate during the term of the Agreement.

**14.9 Senate Bill 19 Prohibition Against Boycotting Firearm and Ammunition Industries.** Pursuant to Chapter 2274, Government Code, as enacted by S.B. 19, 87th Legislature, NCTCOG is prohibited from using public funds to contract with entities who discriminate against firearm and ammunition industries. The PERFORMING PARTY agrees that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the Agreement.

**14.10 House Bill 89 Prohibition Against Boycotting Israel.** If required to make a certification pursuant to Texas Government Code Section 2271.02, the PERFORMING PARTY providing goods and services under this Agreement confirms that it does not and will not boycott Israel during the term of this Agreement.

## **APPENDICES**

The following appendices are attached and made part of this Agreement.

**Appendix A:** Scope of Work and Approved Application Summary

**Appendix B:** Lower Tier Participant Debarment Certification

**Appendix C:** Lobbying Certification and Disclosure of Lobbying Activities

IN WITNESS WHEREOF, the Parties have executed this Agreement. This Agreement becomes effective on the day the last Party signs.

## NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS

DocuSigned by:

*Mike Eastland*

A4E72C1BEF0F426...

Mike Eastland, Executive Director

7/19/2022

Date

## CITY OF PLANO

DocuSigned by:

*Mark D. Israelson*

AF88A9A8DEF2457...

Mark Israelson, City Manager

7/19/2022

Date

## **APPENDIX A**

### **SCOPE OF WORK**



## North Texas Clean Diesel Projects 2021 Call for Projects

### APPENDIX A SCOPE OF WORK

**The City of Plano will replace one diesel class 8 refuse truck with one electric class 8 refuse truck with engine of model year 2021 or newer.**

The Scope of Work (Scope) contains information on the activities to be conducted and the expenses that will be reimbursed under the Agreement for the City of Plano, hereinafter referred to as the **PERFORMING PARTY**. Each activity to be accomplished with the grant award is outlined in the “Approved Application Summary” table.

The application has been assigned the following Project Number, and each activity has been assigned an Activity Number, both of which shall be used when tracking and reporting to the North Central Texas Council of Governments (NCTCOG).

**Project Number: TRN6886**

#### **Approved Application Summary**

Activity Number	Vehicle/ Equipment Class	Old Engine Year	Annual Miles Traveled	Old Engine Emissions Standard* (grams NO <sub>x</sub> / bhp-hr)	New Engine Emissions Standard** Must be Less Than or Equal to (grams NMHC+NO <sub>x</sub> / bhp-hr)	Maximum Award Amount	Percent Funded	Estimated Local Match	Estimated Total Cost
1	Class 8 Refuse Truck	2014	11,323	0.2	0	\$185,786	45%	\$227,072	\$412,858

\*Source: [Heavy-Duty Highway Compression-Ignition Engines and Urban Buses: Exhaust Emission Standards \(EPA-420-B-16-018, March 2016\)](#)

\*\*Source: [Heavy-Duty Highway Engine: Clean Fuel Fleet Exhaust Emission Standards \(EPA-420-B-16-017, March 2016\)](#)

#### **TASK 1 – Procurement of New Vehicles/Equipment**

**PERFORMING PARTY** must have operated the vehicles/equipment to be replaced primarily within the ten-county Dallas-Fort Worth ozone nonattainment area, which is described under Task 3. The new vehicles/equipment must be in service by January 31, 2024, and the new vehicle must be electric zero tailpipe emission. Grant funding cannot exceed:

- 45 percent of the incremental cost of the new vehicle/equipment if powered by an electric motor or electric power source.

The replacement (new) vehicle/equipment must perform the same function and have a similar gross vehicle weight rating as the vehicle/equipment being replaced. For equipment, horsepower increases of more than 40 percent will require specific approval by EPA prior to purchase and Performing Party may be required to pay the additional costs associated with the higher horsepower equipment. For onroad vehicles, the replacement vehicle must not be in a larger weight class than the existing vehicle (Class 5, 6, 7 or 8). Any exceptions will require specific EPA approval prior to purchase.

## **TASK 2 – Destroy or Render Permanently Inoperable Old Engines and Vehicles/Equipment**

**PERFORMING PARTY** must scrap the old vehicle/equipment and/or engines and dispose of them in an environmentally responsible manner in accordance with local disposal laws. Scrappage is defined as a permanently disabling the engine and/or vehicle/equipment so it is no longer suitable for use. Vehicles/Equipment being replaced must be scrapped before reimbursement for the new vehicle/equipment will be issued. This includes drilling a three-inch by three-inch hole in the engine block, cutting completely through the frame/rails of the chassis on each side of the vehicle/equipment at a point located between the front and rear axles, and recycling salvageable materials by sending retired asset to a scrappage facility. Scrappage facilities must be current on all applicable permits required by the Texas Commission on Environmental Quality (TCEQ). While NCTCOG does not endorse nor recommend any particular facilities, the Texas Department of Motor Vehicles and TCEQ maintain a list of salvage dealer facilities. This list may be a useful reference for locating facilities who can ensure compliance with this rebate program's requirements.

A list of salvage yards is located at:

<https://txdmv.force.com/dealers/salvagedealeragentstaging>

<https://www.tceq.texas.gov/airquality/mobilesource/vim/dismantlers.html>

Alternative disabling methods and associated documentation must be approved by NCTCOG in advance on a case-by-case basis.

**PERFORMING PARTY** must apply for a non-repairable vehicle title in advance of completing disposition.

**NCTCOG requires that project documentation be submitted for review before proceeding with disposition of vehicle(s)/equipment.** NCTCOG will notify **PERFORMING PARTY** of approval of the submitted project documentation, and if disposition should proceed. **PERFORMING PARTY** must proceed with destruction of each old vehicle/equipment within 45 days of receiving preliminary reimbursement approval from NCTCOG. NCTCOG staff must be present to witness the destruction. Thus, **PERFORMING PARTY** must schedule the destruction in consultation with NCTCOG to ensure staff attendance, and NCTCOG will take the required photos of the disabled engine/chassis and verify the completed Vehicle/Equipment and Engine Disposition Form(s). Documentation of disposition, including before and after photographs, will be required for reimbursement. All forms are available through [www.nctcog.org/aqfunding/forms](http://www.nctcog.org/aqfunding/forms) under "Reimbursement Forms".

## **TASK 3 – Operation**

**PERFORMING PARTY** will own and operate each grant-funded vehicle/equipment acquired under Task 1 for five years from the date placed into service. **PERFORMING PARTY** will ensure each grant-funded vehicle/equipment operates 51 percent or more of its time within the Dallas-Fort Worth (DFW) Nonattainment Area, which includes the area below.

Area	Counties Included
Dallas-Fort Worth Nonattainment Area	Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Parker, Rockwall, Tarrant and Wise

**PERFORMING PARTY** must notify NCTCOG of changes in the following for the duration of the five-year operation requirement: termination of use, change in use or location, sale, transfer, or accidental

or intentional destruction of rebate-funded equipment/engines. Vehicles/Equipment may not be sold, scrapped or otherwise disposed of until written approval is received from NCTCOG.

#### **TASK 4 – Reimbursement and Reporting**

**PERFORMING PARTY** will complete all reporting and reimbursement requirements as set forth in the grant Agreement and Scope. Specific reporting requirements and their frequencies are detailed below.

##### **Project Status Report**

A Project Status Report detailing progress toward project completion must be submitted on a monthly basis until final reimbursement is issued. A template form is available at [www.nctcog.org/aqfunding/forms](http://www.nctcog.org/aqfunding/forms) under “Important Documents”.

##### **Request for Reimbursement**

With each Request for Reimbursement, **PERFORMING PARTY** must submit supporting documentation to demonstrate fulfillment of project requirements and provide adequate technical detail for NCTCOG to maintain required asset inventories and calculate air quality benefits. A checklist of required documentation is available at [www.nctcog.org/aqfunding/forms](http://www.nctcog.org/aqfunding/forms).

Documentation required to receive reimbursement must include any revenue received from vehicle/equipment destruction (e.g., auction value of scrap metal). If not reporting scrap value at the time of reimbursement, **PERFORMING PARTY** must retain scrapped equipment for internal use.

The final Request for Reimbursement is due to NCTCOG no later than January 31, 2024.

##### **Annual Report**

An annual report must be submitted each year. Required reporting may include, but is not limited to, documentation of hours/mileage, location/area of operation and condition. Reporting will be completed online through the NCTCOG web site [www.nctcog.org/aqfunding](http://www.nctcog.org/aqfunding) under “Usage Reporting”, or through another format determined by NCTCOG. If appropriate, a username and password will be provided prior to the end of the first reporting period.

##### **Schedule**

Task	Date
Project Status Report	Due by the fifth day of each month following the month of project activity, until final reimbursement is issued.
Project Completion Deadline	January 31, 2024
Final Request for Reimbursement	January 31, 2024
Annual Report	Annually Based on Date in Service for five years.

**APPENDIX B**  
**LOWER TIER PARTICIPANT DEBARMENT CERTIFICATION**

**APPENDIX B  
CERTIFICATION REQUIREMENTS FOR RECIPIENTS OF GRANTS  
AND COOPERATIVE AGREEMENTS REGARDING  
DEBARMENT AND SUSPENSIONS**

Department of Transportation (DOT) Circular 2015.1 excludes entities and individuals that the federal government has either debarred or suspended from obtaining federal assistance funds through grants, cooperative agreements, or third-party contracts. The North Central Texas Council of Governments (NCTCOG) has elected to include the requirements of the DOT Circular 2015.1 in all third-party contracts for federal funds. A certification process has been established by 49 CFR 29 as a means to ensure that debarred, suspended, or voluntarily excluded persons do not participate in a federally assisted project. The inability of a person to provide the required certification will not necessarily result in a denial of participation in a covered transaction. A person that is unable to provide a positive certification as set forth in the Circular may submit a complete explanation attached to the certification. DOT will consider the certification and any accompanying explanation in determining whether or not to provide assistance for the project. **Failure to furnish a certification or any explanation may disqualify that person from participating in the project.**

Each potential third-party contractor, subcontractor under a third-party contract, subgrantee, or subrecipient must provide to the grantee or recipient of a cooperative agreement, as appropriate, a certification for a lower-tier participant. In general, lower-level employees or procurements of less than \$25,000 will not be covered by the certification process procedures, except in the case of procurements with individuals that would have a critical influence on or substantive control over the project; nevertheless, a participant is not authorized to involve a lower-level employee or enter into a contract of less than \$25,000 with a person actually known by the participant to be debarred, suspended or voluntarily excluded.

**NCTCOG requires each potential contractor subgrantee, or subrecipient for a third-party contract to complete the certification in Appendix B.1 for itself and its principals.**

If an applicant for a grant or cooperative agreement or a potential contractor for a third-party contract knowingly enters into a lower-tier covered transaction such as a third-party contract or subcontract under a major third-party contract or subgrant with a person that is suspended, debarred, ineligible, or voluntarily excluded from participation in the project, in addition to other remedies available to the federal government, DOT may terminate the grant or subcontract, the underlying grant or cooperative agreement for cause or default.

## CERTIFICATION INFORMATION

This certification is to be used by contractors pursuant to 49 CFR 29 when any of the following occur:

- any transaction between the contractor and a person (other than a procurement contract for goods and services), regardless of type, under a primary covered transaction
- any procurement contract for goods or services when the estimated cost is \$25,000 or more
- any procurement contract for goods or services between the contractor and a person, regardless of the amount, under which the person will have a critical influence on or substantive control over that covered transaction. Such persons include principal investigators and providers of federally required audit services.

A *procurement* transaction is the process of acquiring goods and services.

A *nonprocurement* transaction is the granting of financial assistance to entities to assist the grantor in meeting objectives that are mutually beneficial to the grantee and grantor.

**A COPY OF THIS CERTIFICATION IS TO BE FURNISHED TO AUTHORIZED REPRESENTATIVES OF THE STATE OR THE UNITED STATES DEPARTMENT OF TRANSPORTATION UPON REQUEST.**

**APPENDIX B.1  
LOWER TIER PARTICIPANT DEBARMENT CERTIFICATION**

Mark D. Israelson

\_\_\_\_\_, being duly  
(Name of certifying official)

sworn or under penalty of perjury under the laws of the United States, certifies that neither

City of Plano

\_\_\_\_\_, nor its principals  
(Name of lower tier participant)  
are presently:

- debarred, suspended, proposed for debarment,
- declared ineligible,
- or voluntarily excluded from participation in this transaction  
by any federal department or agency

Where the above identified lower tier participant is unable to certify to any of the above statements in this certification, such prospective participant shall indicate below to whom the exception applies, the initiating agency, and dates of action.

Exceptions will not necessarily result in denial of award but will be considered in determining contractor responsibility. Providing false information may result in criminal prosecution or administrative sanctions.

**EXCEPTIONS:**

DocuSigned by:

*Mark D. Israelson*

AF88A9A8DFF2457

\_\_\_\_\_  
Signature of Certifying Official

\_\_\_\_\_  
City Manager

\_\_\_\_\_  
Title

7/22/2022

\_\_\_\_\_  
Date of Certification

Form 1734  
Rev.10-91  
TPFS

## **APPENDIX C**

### **LOBBYING CERTIFICATION AND DISCLOSURE OF LOBBYING ACTIVITIES**

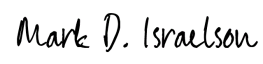


**APPENDIX C  
LOBBYING CERTIFICATION  
FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS**

The undersigned certifies to the best of his or her knowledge and belief, that:

- (1) No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension continuation, renewal amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

DocuSigned by:  
  
 AF88A9A8DEF2457...  
 Signature

City Manager

Title

City of Plano

Agency

7/22/2022

Date

TxDOT  
1-91  
TPFS

**DISCLOSURE OF LOBBYING ACTIVITIES**  
**Complete this form to disclose lobbying activities**  
**(See instructions for public burden disclosure)**

<b>1. Type of Action:</b> <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance		<b>2. Status of Action:</b> <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award		<b>3. Report Type:</b> <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material charge  <b>For Material Change Only:</b> year _____ quarter _____ date of last report _____	
<b>4. Name and Address of Reporting Entity:</b> <input type="checkbox"/> Prime <input type="checkbox"/> Tier _____ <i>if know</i>			<b>5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:</b>		
<b>6. Department Agency:</b>			<b>7. Program Name/Description:</b>		
<b>8. Action Number, if known:</b>			<b>9. Award Amount, if known:</b> \$		
<b>10. a. Name and Address of Lobbying Entity</b> <i>(if individual, last name, first name, MI):</i>  (attach Continuation Sheet(s) SF-LLL-A, if necessary)			<b>b. Individuals Performing Services (including address if different from No. 10a)</b> (last name, first name, MI):  (attach Continuation Sheet(s) SF-LLL-A, if necessary)		
<b>11. Amount of Payment (check all that apply):</b>  \$ _____ <input type="checkbox"/> actual <input type="checkbox"/> planned			<b>13. Type of Payment (check all that apply):</b> <input type="checkbox"/> a. retainer <input type="checkbox"/> b. one-time fee <input type="checkbox"/> c. commission <input type="checkbox"/> d. contingent fee <input type="checkbox"/> e. deferred <input type="checkbox"/> f. other; specify: _____		
<b>12. Form of payment (check all that apply):</b> <input type="checkbox"/> a. cash <input type="checkbox"/> b. in-kind specify: nature _____ value _____					
<b>14. Brief Description of Services Performed or to be Performed and Date(s) of Service including officer(s), employee(s), or Member(s) contacted, for Payment indicated in Item 11:</b>  (attach Continuation Sheet(s) SF-LLL-A, if necessary)					
<b>15. Continuation sheet(s) SF-LLL-A attached:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No					
<b>16. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This information will be available for public inspection.</b>			Signature: _____ Print Name: _____ Title: _____ Telephone: _____ Date: _____		
<b>NCTCOG Use Only:</b>			Authorized for Local Reproduction Standard Form - LLL		

## INSTRUCTIONS FOR COMPLETION OF SF-LLL DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime recipient, at the initiation or receipt of a covered action or a material change to a previous filing. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an employee of the North Central Texas Council of Governments (NCTCOG), a member of the Regional Transportation Council (RTC), an officer or employee of the RTC, or an employee of a member of the RTC in connection with a covered action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report.

1. Identify the type of covered action for which lobbying activity is and/or has been secured to influence the outcome of a covered action.
2. Identify the status of the covered action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Check the appropriate classification of the reporting entity that designates if it is or expects to be a prime or subaward recipient. Identify the tier of the subawardee (e.g., the first subawardee of the prime is the 1st tier). Subawards include, but are not limited to, subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, state and zip code of the prime recipient.
6. Enter the name of the agency making the award or loan commitment.
7. Enter the program name or description for the covered action (item 1.)
8. Enter the most appropriate identifying number available for action identified in item 1 (e.g., Request for Proposal (RFP) number; invitation for Bid (B) number; grant announcement number; contract grant or loan award number; application/proposal control number assigned by the agency). Include prefixes (e.g., "RFP-DE-90-001").
9. For a covered action where there has been an award or loan commitment by the agency, enter the amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered action.  
(b) Enter the full names of the individuals(s) performing services, and include full address if different from 10(a). Enter Last Name, First Name and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.

12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate boxes(s). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contract with officials. Identify the employee of NCTCOG, the member of the RTC, an officer or employee of the RTC, or the employee of a member of the RTC in connection with a covered.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and the telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

**DISCLOSURE OF LOBBYING ACTIVITIES  
CONTINUATION SHEET**

Reporting Entity: \_\_\_\_\_  
Page \_\_\_\_\_ of \_\_\_\_\_

Authorized for Local Reproduction

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NORTH TEXAS CLEAN DIESEL PROJECTS  
2021 CALL FOR PROJECTS**

**AMENDMENT #1**

**AGREEMENT COVER SHEET**

TYPE OF AGREEMENT: Rebate Agreement for Reimbursable Activities with the City of Plano (UEI# HUEQNTT7HE67) for the North Texas Clean Diesel Project 2021 Call for Projects

PROJECT NUMBER: TRN6886

AGREEMENT PERIOD: Agreement Execution through December 31, 2024

MAXIMUM AWARD AMOUNT: \$412,858 (\$185,786 FEDERAL REBATE AMOUNT + \$227,072 LOCAL MATCH)

**PARTIES:**

**NCTCOG**

North Central Texas Council of Governments  
616 Six Flags Drive  
Centerpoint II  
Arlington, Texas 76011

**Contacts**

**Project Manager:**

Jason Brown  
Principal Air Quality Planner  
(817) 704-2514  
jbrown@nctcog.org

**PERFORMING PARTY**

City of Plano  
F1520 K Avenue, Suite 360  
Plano, Texas 75074

**Agreement Coordinator:**

Mark Jackson, CAFM  
Fleet Financial Management Coordinator  
(972) 769-4180  
mjackson@plano.gov

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS  
NORTH TEXAS CLEAN DIESEL PROJECTS  
2021 CALL FOR PROJECTS**

**AMENDMENT #1 TO AGREEMENT**

The North Central Texas Council of Governments, acting through Mike Eastland, its duly authorized Executive Director, the foregoing party being hereinafter referred to as **NCTCOG**, and the City of Plano, the latter party being referred to hereinafter as the **PERFORMING PARTY**, hereby make and enter the following Amendment #1 to Agreement to continue efforts for the implementation of the North Texas Clean Diesel Project, originally executed on July 19, 2022.

The following Articles are replaced in the Original Agreement. All other provisions of the Agreement and Appendices remain unchanged and in full force and effect.

**ARTICLE 2. TERMS OF AGREEMENT**

- 2.8 Time of Performance (Revised).** The **PERFORMING PARTY** shall commence performance of the SCOPE after the Notice to Proceed date listed on Agreement Cover Sheet of this Agreement. All Scope Activities should be completed no later than the completion deadline referenced in the SCOPE. This Agreement shall terminate upon completion of all Scope Activities, or by an act as identified in Section 2.9. Certain rights and obligations identified in this Agreement shall survive termination of this Agreement.

**Appendices**

Appendix A, Scope of Work is removed in entirety and replaced with Appendix A-1 Scope of Work.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement. This Agreement becomes effective on the day the last Party signs.

**NORTH CENTRAL TEXAS COUNCIL OF GOVERNMENTS**

\_\_\_\_\_  
Mike Eastland, Executive Director

\_\_\_\_\_  
Date

**CITY OF PLANO**

\_\_\_\_\_  
Mark Israelson, City Manager

\_\_\_\_\_  
Date

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Paige Mims, City Attorney



## North Texas Clean Diesel Projects 2021 Call for Projects

### APPENDIX A-1 SCOPE OF WORK

**The City of Plano will replace one diesel class eight (8) refuse truck with one electric class eight (8) refuse truck with engine of model year 2021 or newer.**

The Scope of Work (Scope) contains information on the activities to be conducted and the expenses that will be reimbursed under the Agreement for the City of Plano, hereinafter referred to as the **PERFORMING PARTY**. Each activity to be accomplished with the grant award is outlined in the "Approved Application Summary" table.

The application has been assigned the following Project Number, and each activity has been assigned an Activity Number, both of which shall be used when tracking and reporting to the North Central Texas Council of Governments (**NCTCOG**).

**Project Number: TRN6886**

#### **Approved Application Summary**

Activity Number	Vehicle/Equipment Class	Old Engine Year	Annual Miles Traveled	Old Engine Emissions Standard* (grams NO <sub>x</sub> /bhp-hr)	New Engine Emissions Standard** Must be Less Than or Equal to (grams NMHC+NO <sub>x</sub> / bhp-hr)	Maximum Award Amount	Percent Funded	Estimated Local Match	Estimated Total Cost
1	Class 8 Refuse Truck	2014	11,323	0.2	0	\$185,786	45%	\$227,072	\$412,858

\*Source: [Heavy-Duty Highway Compression-Ignition Engines and Urban Buses: Exhaust Emission Standards \(EPA-420-B-16-018, March 2016\)](#)

\*\*Source: [Heavy-Duty Highway Engine: Clean Fuel Fleet Exhaust Emission Standards \(EPA-420-B-16-017, March 2016\)](#)

#### **TASK 1 – Procurement of New Vehicles/Equipment**

**PERFORMING PARTY** must have operated the vehicles/equipment to be replaced primarily within the **ten (10)** county Dallas-Fort Worth ozone nonattainment area, which is described under Task 3. The new vehicles/equipment must be in service by December 31, 2024, and the new vehicle must be electric zero tailpipe emission. Grant funding cannot exceed:

- **Forty-five (45%)** percent of the incremental cost of the new vehicle/equipment if powered by an electric motor or electric power source.

The replacement (new) vehicle/equipment must perform the same function and have a similar gross vehicle weight rating as the vehicle/equipment being replaced. For equipment, horsepower increases of more than **forty (40%)** percent will require specific approval by the Environmental Protection Agency (**EPA**) prior to purchase and **PERFORMING PARTY** may be required to pay the additional costs associated with the higher horsepower equipment. For on road vehicles, the replacement vehicle must not be in a larger weight class than the existing vehicle (Class 5, 6, 7 or 8). Any exceptions will require specific **EPA** approval prior to purchase.

## **TASK 2 – Destroy or Render Permanently Inoperable Old Engines and Vehicles/Equipment**

**PERFORMING PARTY** must scrap the old vehicle/equipment and/or engines and dispose of them in an environmentally responsible manner in accordance with local disposal laws. Scrappage is defined as a permanently disabling the engine and/or vehicle/equipment so it is no longer suitable for use. Vehicles/Equipment being replaced must be scrapped before reimbursement for the new vehicle/equipment will be issued. This includes drilling a three-inch-by-three-inch hole in the engine block, cutting completely through the frame/rails of the chassis on each side of the vehicle/equipment at a point located between the front and rear axles, and recycling salvageable materials by sending retired asset to a scrappage facility. Scrappage facilities must be current on all applicable permits required by the Texas Commission on Environmental Quality (**TCEQ**). While **NCTCOG** does not endorse nor recommend any particular facilities, the Texas Department of Motor Vehicles and **TCEQ** maintain a list of salvage dealer facilities. This list may be a useful reference for locating facilities who can ensure compliance with this rebate program's requirements.

A list of salvage yards is located at:

<https://txdmv.force.com/dealers/salvagedealeragentstaging>  
<https://www.tceq.texas.gov/airquality/mobilesource/vim/dismantlers.html>

Alternative disabling methods and associated documentation must be approved by **NCTCOG** in advance on a case-by-case basis.

**PERFORMING PARTY** must apply for a non-repairable vehicle title in advance of completing disposition.

**NCTCOG** requires that project documentation be submitted for review before proceeding with disposition of vehicle(s)/equipment. **NCTCOG** will notify the **PERFORMING PARTY** of approval of the submitted project documentation, and if disposition should proceed.

**PERFORMING PARTY** must proceed with destruction of each old vehicle/equipment within **forty-five (45)** days of receiving preliminary reimbursement approval from **NCTCOG**. **NCTCOG** staff must be present to witness the destruction. Thus, **PERFORMING PARTY** must schedule the destruction in consultation with **NCTCOG** to ensure staff attendance, and **NCTCOG** will take the required photos of the disabled engine/chassis and verify the completed Vehicle/Equipment and Engine Disposition Form(s). Documentation of disposition, including before and after photographs, will be required for reimbursement. All forms are available through [www.nctcog.org/aqfunding/forms](http://www.nctcog.org/aqfunding/forms) under "Reimbursement Forms".

### **TASK 3 – Operation**

**PERFORMING PARTY** will own and operate each grant-funded vehicle/equipment acquired under Task 1 for **five (5)** years from the date placed into service. **PERFORMING PARTY** will ensure each grant-funded vehicle/equipment operates **fifty-one (51%)** percent or more of its time within the Dallas-Fort Worth (DFW) Nonattainment Area, which includes the area below.

Area	Counties Included
Dallas-Fort Worth Nonattainment Area	Collin, Dallas, Denton, Ellis, Johnson, Kaufman, Parker, Rockwall, Tarrant and Wise

**PERFORMING PARTY** must notify **NCTCOG** of changes in the following for the duration of the **five (5)** year operation requirement: termination of use, change in use or location, sale, transfer, or accidental or intentional destruction of rebate-funded equipment/engines. Vehicles/Equipment may not be sold, scrapped or otherwise disposed of until written approval is received from **NCTCOG**.

### **TASK 4 – Reimbursement and Reporting**

**PERFORMING PARTY** will complete all reporting and reimbursement requirements as set forth in the grant Agreement and Scope. Specific reporting requirements and their frequencies are detailed below.

#### **Project Status Report**

A Project Status Report detailing progress toward project completion must be submitted on a monthly basis until final reimbursement is issued. A template form is available at [www.nctcog.org/aqfunding/forms](http://www.nctcog.org/aqfunding/forms) under “Important Documents”.

#### **Request for Reimbursement**

With each Request for Reimbursement, **PERFORMING PARTY** must submit supporting documentation to demonstrate fulfillment of project requirements and provide adequate technical detail for **NCTCOG** to maintain required asset inventories and calculate air quality benefits. A checklist of required documentation is available at [www.nctcog.org/aqfunding/forms](http://www.nctcog.org/aqfunding/forms).

Documentation required to receive reimbursement must include any revenue received from vehicle/equipment destruction (e.g., auction value of scrap metal). If not reporting scrap value at the time of reimbursement, **PERFORMING PARTY** must retain scrapped equipment for internal use.

The final Request for Reimbursement is due to **NCTCOG** no later than January 31, 2025.

**Annual Report**

An annual report must be submitted each year. Required reporting may include, but is not limited to, documentation of hours/mileage, location/area of operation and condition. Reporting will be completed online through the **NCTCOG** web site [www.nctcog.org/aqfunding](http://www.nctcog.org/aqfunding) under "Usage Reporting", or through another format determined by **NCTCOG**. If appropriate, a username and password will be provided prior to the end of the first reporting period.

**Schedule**

Task	Date
Project Status Report	Due by the fifth day of each month following the month of project activity, until final reimbursement is issued.
Project Completion Deadline	December 31, 2024
Final Request for Reimbursement	January 31, 2025
Annual Report	Annually Based on Date in Service for five (5) years.

## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Utilities Operations  
**DIRECTOR:** Dan Prendergast, Director of Public Works  
**AGENDA ITEM:** Repeal Resolution No. 2019-4-4(R) and replace with a new Water Management Plan.  
**RECOMMENDED ACTION:** Adoption of Resolutions

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### **ITEM SUMMARY**

To repeal Resolution No. 2019-4-4(R) and replace it with a new Water Management Plan for the City of Plano, Texas, to promote responsible use of water and to provide for best management practices resulting in on-going, long term water savings; authorizing its execution by the City Manager; and providing an effective date. **Adopted Resolution No. 2024-4-8(R)**

### **BACKGROUND**

The Texas Commission on Environmental Quality requires the City's Water Management Plan to be updated every five years. The last update was in April 2019.

Minor changes were made to the plan that include updates to the municipal per capita water use goals and updates to education and outreach initiatives, including online applications for rebate, free water conservation items, and education classes and programs.

The draft plan was posted online for public comment from March 12 through April 1. One comment was received via online submittal requesting water flushed for water quality to be captured and reused. The draft plan was presented to Council on March 25 and a public hearing was conducted. No additional comments were received.

The Water Management Plan will be adopted as a resolution since it is a plan for long-term water conservation.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

This item has no financial impact.

Approval of this agenda item supports the City's Strategic Plan Critical Success Factor of Excellent, Innovative, and Accountable City Government.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

This item has no financial impact.

Approval of this agenda item supports the City's Strategic Plan Critical Success Factor of Excellent, Innovative, and Accountable City Government.

### **ATTACHMENTS:**

Description	Upload Date	Type
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Water Management Plan Resolution  
Water Management Plan

4/16/2024      Resolution  
4/16/2024      Exhibit

**A Resolution of the City of Plano, Texas, repealing Resolution No. 2019-4-4(R) and replacing it with a new Water Management Plan for the City of Plano, Texas, to promote responsible use of water and to provide for best management practices resulting in on-going, long term water savings; authorizing its execution by the City Manager or his designee; and providing an effective date.**

**WHEREAS**, the Water Code and the regulations of the Texas Commission on Environmental Quality require that the City adopt a Water Management Plan; and

**WHEREAS**, the City Council for the City of Plano, Texas, in Resolution No. 2019-4-4(R) (April 22, 2019), adopted the City of Plano Water Management Plan (“Plan”); and

**WHEREAS**, the Texas Commission on Environmental Quality requires that the Water Management Plan be updated every five years and the next update is due by May 1, 2024; and

**WHEREAS**, the City recognizes that the amount of water available to its water customers is limited; and

**WHEREAS**, the City recognizes that due to natural limitations, drought conditions, system failures and other acts of God which may occur, the City cannot guarantee an uninterrupted water supply for all purposes at all times; and

**WHEREAS**, the City Council has determined that adopting the revised Water Management Plan, attached hereto as Exhibit A, (the “Water Management Plan”) is in the best interest of the citizens of the City.

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

**Section I.** The City Council hereby repeals in its entirety Resolution No. 2019-4-4(R) and replaces it with this resolution and a new Water Management Plan. The appendices to the Water Management Plan may be revised by City staff, consistent with the language of the Water Management Plan, from time to time, and the most recent version of the appendices shall be part of the Water Management Plan.

**Section II.** The City Manager or his designee is authorized to execute any and all documents or take any action necessary to maintain the Water Management Plan.

**Section III.** This resolution shall become effective immediately upon its passage.

**PASSED AND APPROVED** on the 22nd day of April, 2024.

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John B. Muns, MAYOR

ATTEST:

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Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

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Paige Mims, CITY ATTORNEY



**City of Plano**  
**Water Management Plan**

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## **APPENDICES**

<b>APPENDIX A</b>	<b>List of References</b>
<b>APPENDIX B</b>	<b>Water Conservation Utility Profile</b>
<b>APPENDIX C</b>	<b>Water Conservation Incentive Program</b>
<b>APPENDIX D</b>	<b>NTMWD Member City and Customer Annual Water Conservation Report</b>

## 1. INTRODUCTION AND OBJECTIVES

Water supply has always been a key issue in the development of Texas. In recent years, the growing population and economic development of North Central Texas has led to increasing demands for water supplies. At the same time, local and less expensive sources of water supply are largely developed. Additional supplies to meet higher demands will be expensive and difficult to develop. It is therefore important that the North Texas Municipal Water District (NTMWD) and its Member Cities and Customers make the most efficient use of existing supplies. This will delay the need for new supplies, minimize the environmental impacts associated with developing new supplies, and delay the high cost of additional water supply development.

Recognizing the need for efficient use of existing water supplies, the Texas Commission on Environmental Quality (TCEQ) has developed guidelines and requirements governing the development of water conservation and drought contingency plans for public water suppliers. The TCEQ established guidelines and requirements are in Texas Administrative Code Title 30, Part 1, Chapter 288 Subchapter A, Rule §288.2 and Texas Administrative Code Title 30, Part 1, Chapter 288 Subchapter B, Rule §288.20. The best management practices established by the Water Conservation Implementation Task Force, established pursuant to SB1094 by the 78<sup>th</sup> Legislature, were also considered in the development of the water conservation measures. The Water Management Plan for the City of Plano was developed in concert with the NTMWD's water conservation and drought contingency and water emergency response plans.

The water conservation sections of this plan are intended as a year-round water efficiency plan and include measures that are designed to result in ongoing, long-term water savings. The objectives of this water conservation plan are as follows:

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

The drought contingency and water emergency response sections of this plan address strategies designed to temporarily reduce water use in response to specific conditions. The purpose of this drought contingency and water emergency response plan is as follows:

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

The NTMWD supplies treated water to its Member Cities and Customers. The water conservation and drought contingency sections of this document were modeled after plans developed by NTMWD in consultation with its Member Cities. In concert with the adoption of this plan, the City of Plano is required to do the following:

- Complete the Water Conservation Utility Profile (TWDB Form - 1965R).
- Complete the Water Conservation Implementation Report (TWDB Form - 1969).
- Set five-year and ten-year goals for per capita water use (Section 4).
- Adopt a resolution approving the plan

This plan includes all elements required by TCEQ. The final adopted version of the Water Management Plan, including appendices will also be provided to NTMWD, as well as TCEQ and Region C Planning Group.

This Water Management Plan applies to all users of the City of Plano water supply.

### **Definitions:**

*Athletic Field* means a public sports competition field, the essential feature of which is turf grass, used primarily for organized sports practice, competition or exhibition events for schools, professional sports, or sanctioned league play.

*Central Controlled Irrigation Systems* means large scale, technically advanced systems used to water large or multiple sites from a central location. This advanced technology can monitor and adapt system operation and irrigation run times in response to conditions in the system or surrounding areas (weather conditions, pipe breaks, etc.). These systems may also be easily programmed (individually or globally) to reduce flow rates or the amount of water applied to meet conservation needs; required reduction percentages; and provide historical data or reports. The City central irrigation system uses multiple weather stations throughout the city to collect real-time climatological data. This data is then available to the computer to automatically shut down the system when weather conditions warrant.

*Cool Season Grasses* refers to the varieties of turf grass that grow best in cool climates primarily in northern and central regions of the U.S. Cool season grasses include perennial and annual rye grass, Kentucky blue grass and fescues.

*Customer* means a person, company or other entity connected to the City's water system and contracting with the City of Plano to receive potable water service.

*Drip Irrigation* means micro-irrigation with low volume (measured in gallons per hour) and low-pressure release of water to a specific root zone through point source emitters or pressure compensating in-line drippers. This does not include micro-sprayers or misters.

*Foundation* means area that includes first 24" of soil from foundation slab.

*Fugitive water* means the pumping, flow, release, escape, or leakage of any water from any pipe, valve, faucet, connection, diversion, well, from any water supply, transport, storage disposal or delivery system of a facility onto adjacent property or the public right-of-way.

*Irrigation System* means a site-specific system of delivering water, generally for landscape irrigation, via a system of pipes or other conduits installed below ground.

*Landscape* means natural plant materials around buildings or on grounds (i.e., trees, shrubbery, grasses and flowers) but excludes athletic fields and high use areas.

*Potable water* means any public water supply that has been investigated and approved by the TCEQ as satisfactory for drinking, culinary and domestic purposes.

*Public Health and Safety* means such amount of water as necessary to sustain human life, reasonable standards of hygiene and sanitation, and fire suppression.

*Soaker Hose* means a perforated or permeable garden-type hose that is laid above ground and provides irrigation at a slow and constant rate.

*Sprinkler* means an above ground irrigation device that may be attached to a garden hose or in-ground irrigation system. This includes spray heads, rotor heads, and oscillating devices.

*Wholesale customers* purchase water at a discounted rate either directly from NTMWD or from a NTMWD water system Member City. Plano is a wholesale customer of NTMWD.

Responsibilities:

(a) The Director of Public Works is responsible for:

- ❖ Advising the City Manager in issues related to water conservation and drought and water emergency issues.
- ❖ Developing and maintaining the Water Management Plan and Drought and Emergency Response Plan in conformance with the most current NTMWD Model Plan and TCEQ guidelines and policies.
- ❖ Implementing programs to reduce and control water loss, calculating and reporting unaccounted for water, and keeping water loss under 12%. When water loss exceeds state standards, the City will intensify water loss control programs.
- ❖ Assuring that City ordinances are maintained to continue to support future revisions to the NTMWD Model Plan, City Plan, TCEQ guidelines, and legislative mandate.
- ❖ Preparing and submitting all required reports, water utility profiles, and tabular materials related to water conservation in the formats and media required by the City Plan and/or NTMWD, TCEQ, and/or the Texas Water Development Board (TWDB).
- ❖ Continuing the City's Water and Sewer Fund financial programming to support a residential meter replacement cycle of no more than 10 years and conducting a regular large meter testing program on no less than a 5-year cycle.

- ❖ Supporting the City's goal of reducing municipal gallons per capita per day (gpcd) to 185 gpcd within a 10-year period.
- ❖ Providing NTMWD and the Chair of the Region C water planning group the City's adopted resolution and drought contingency ordinance.
- ❖ Managing the administrative processing and follow-up associated with City customer variance requests.
- ❖ Managing the administrative processing and follow-up associated with enforcement of all water conservation and drought contingency and water emergency response provisions of the drought contingency ordinance.
- ❖ Managing the program that allows the pursuit of administrative remedies for violations of water conservation and drought water use restrictions by non-single family water account holders.

(b) The Director of Environmental Health and Sustainability is responsible for:

- ❖ Developing and presenting water conservation educational and informational programs.
- ❖ Developing water conservation promotional activities including a water conservation incentive program.
- ❖ Developing and distributing the Consumer Confidence Report (CCR) to meet federal and state requirements.
- ❖ Notifying the public of the initiation of any drought and emergency response stage.
- ❖ Assuring that education materials are maintained to continue to support future revisions to the NTMWD Model Plan, City Plan, TCEQ guidelines, and legislative mandate.

(c) The Director of Finance is responsible for:

- ❖ Assuring the City continues its program of universal metering and billing.
- ❖ Assuring that the City water billing/records management system includes water usage classes and capabilities to sort/separate differing classes and categories of water usage as required by the NTMWD Model Plan and Texas Administrative Code (TAC) Title 30, Part I, Chapter 288, Subchapter A, Rule 288.2(a)(2)(b).

(d) The Chief Building Official is responsible for:

- ❖ Enforcing the requirements of the International Plumbing Code (IPC) in residential and commercial facilities.
- ❖ As part of the building permit and building inspection programs, enforcing requirements for landscape irrigation system design in accordance with state design and installation standards and the inclusion of freeze and rain sensors on all new irrigation systems (City of Plano Code of Ordinances §6-561). This requires irrigation system design submission by builders for review by the building official staff and inspection of the irrigation systems as part of the building inspection program.

(e) Planning Department is responsible for:

- ❖ Maintaining and enforcing the Zoning Ordinance's landscape and irrigation plan requirements through the development review process.
- ❖ Implementing procedures to allow developers to delay the installation of landscaping during drought contingency watering restrictions.

(f) Parks and Recreation Department is responsible for:

- ❖ Operating and maintaining a central controlled irrigation system, other city irrigation systems to ensure conservation of water, and efficient use of irrigation to meet the needs of city site users. Safety and usability for recreational users of irrigated city sites shall be considered a priority.
- ❖ Installing and maintaining landscapes and managing natural and man-made park resources in a sustainable manner suitable for the scope and scale of the assets. Demonstration of conservation measures meaningful to residential scale shall be incorporated into sites and practices when feasible.

## **2. TEXAS COMMISSION ON ENVIRONMENTAL QUALITY RULES**

### **2.1 Conservation Plans**

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

#### Minimum Conservation Plan Requirements

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

- 288.2(a)(1)(A) – Utility Profile – Section 3
- 288.2(a)(1)(B) – Record Management System – Section 5.2
- 288.2(a)(1)(C) – Specific, Quantified Goals – Section 4
- 288.2(a)(1)(D) – Accurate Metering – Sections 5.1 and 5.2
- 288.2(a)(1)(E) – Universal Metering – Section 5.2
- 288.2(a)(1)(F) – Determination and Control of Unaccounted Water – Section 5.4
- 288.2(a)(1)(G) – Public Education and Information Program – Section 6
- 288.2(a)(1)(H) – Non-Promotional Water Rate Structure – Section 7
- 288.2(a)(1)(I) – Reservoir System Operation Plan – Section 8.1
- 288.2(a)(1)(J) – Means of Implementation and Enforcement – Section 12
- 288.2(a)(1)(K) – Coordination with Regional Water Planning Group – Section 10
- 288.2(c) – Review and Update of Plan – Section 11

#### Conservation Additional Requirements (Population over 5,000)

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

- 288.2(a)(2)(A) – Leak Detection, Repair, and Water Loss Accounting – Sections 5.1 through 5.4
- 288.2(a)(2)(B) – Requirement for Water Conservation Plans by Wholesale Customers – Section 8.7



### Additional Conservation Strategies

The TCEQ requires that a water conservation implementation report be completed and submitted on an annual basis.

In addition to the TCEQ required water conservation strategies, the NTMWD also requires the following strategy be included in the Member City and Customer plans:

- 288.2(a)(3)(F) – Considerations for Landscape Water Management Regulations – Section 8.4 and enacting a resolution and/or ordinance(s)

TCEQ rules also include optional, but not required, conservation strategies, which may be adopted by suppliers. The NTMWD recommends that the following strategies be included in the Member City and Customer water conservation plans:

- 288.2(a)(3)(A) – Conservation Oriented Water Rates – Section 7
- 288.2(a)(3)(B) – Ordinances, Plumbing Codes or Rules on Water-Conserving Fixtures – Section 8.3
- 288.2(a)(3)(C) – Replacement or Retrofit of Water-Conserving Plumbing Fixtures – Section 8.6
- 288.2(a)(3)(D) – Reuse and Recycling of Wastewater – Section 8.2
- 288.2(a)(3)(G) – Monitoring Method – Section 5.5
- 288.2(a)(3)(H) – Additional Conservation Ordinance Provisions – Section 8.5 and 8.6

## **2.2 Drought Contingency Plans**

The TCEQ rules governing development of drought contingency plans for public water suppliers are contained in Title 30, Part 1, Chapter 288, Subchapter B, Rule 288.20 of the Texas Administrative Code. For the purpose of these rules, a drought contingency and water emergency response plan is defined as “a strategy or combination of strategies for temporary supply and demand management responses to temporary and potentially recurring water supply shortages and other water supply emergencies.” The elements in the TCEQ drought contingency rules covered in this conservation plan are listed below.

### Minimum Requirements

TCEQ’s minimum requirements for drought contingency plans are addressed in the adopted Drought and Emergency Response Plan in the City of Plano Municipal Code §21-53 through §21-60.2:

- 288.20(a)(1)(A) – Provisions to Inform the Public and Provide Opportunity for Public Input
- 288.20(a)(1)(B) – Provisions for Continuing Public Education and Information
- 288.20(a)(1)(C) – Coordination with the Regional Water Planning Group – Section 10
- 288.20(a)(1)(D) – Criteria for Initiation and Termination of Drought Stages
- 288.20(a)(1)(E) – Drought and Emergency Response Stages
- 288.20(a)(1)(F) – Specific, Quantified Targets for Water Use Reductions
- 288.20(a)(1)(G) – Water Supply and Demand Management Measures for Each Stage
- 288.20(a)(1)(H) – Procedures for Initiation and Termination of Drought Stages

- 288.20(a)(1)(I) - Procedures for Granting Variances
- 288.20(a)(1)(J) - Procedures for Enforcement of Mandatory Restrictions
- 288.20(a)(3) – Consultation with Wholesale Supplier
- 288.20(b) – Notification of Implementation of Mandatory Measures
- 288.20(c) – Review and Update of Plan – Section 11

### 3. WATER CONSERVATION UTILITY PROFILE

The Water Conservation Utility Profile must be completed as a requirement of the Water Management Plan. The completed Utility Profile for Retail Water Supplier (TWDB Form No.1965-R) is included in **Appendix B**.

#### 4. SPECIFICATION OF WATER CONSERVATION GOALS

TCEQ rules require the adoption of specific water conservation goals for a water conservation plan. As part of plan adoption, the City of Plano must develop 5-year and 10-year goals for per capita municipal use. These goals should be submitted to NTMWD. The goals for this water management plan include the following:

- Maintain the per capita municipal water use below the specified amount in gallons per capita per day in a dry year, as shown in the completed Table 4.1.
- Maintain the level of unaccounted water in the system below 12%, as discussed in Section 5.4.
- Implement and maintain a program of universal metering and meter replacement and repair, as discussed in Section 5.2.
- Decrease waste in lawn irrigation by implementation and enforcement of landscape water management regulations, as discussed in Section 8.4 and City of Plano Zoning Ordinance Article 3.1200: Landscaping Requirements.
- Increase efficient water usage as discussed in Sections 8.5 and 8.6.
- Raise public awareness of water conservation and encourage responsible public behavior by a public education and information program, as discussed in Section 6.
- Develop a system specific strategy to conserve water during peak demands, thereby reducing the peak use.

**Table 4.1**  
**Five-Year and Ten-Year Municipal Per Capita Water Use Goals (gpcd)**

Description	Historic 5-Year Average <sup>1</sup>	Baseline <sup>2</sup>	5-Year Goal for year 2029	10-Year Goal for year 2034
Total GPCD <sup>3</sup>	201	219	190	185
Residential GPCD <sup>4</sup>	92	95	88	86
Water Loss (GPCD) <sup>5</sup>	31	24	21	19
Water Loss (Percentage) <sup>6</sup>	16%	11%	11%	10%

1. The Historic 5-yr Average includes water consumption from 2019 through 2023.

2. The goals and guidance established in the Texas Water Development Board – Region C 2021 Water Plan were used to determine the Baseline GPCD and Water Loss percentage.

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

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

5. Water Loss GPCD = (Total Water Loss ÷ Permanent Population) ÷ 365

6. Water Loss Percentage = (Total Water Loss ÷ Total Gallons in System) x 100; or (Water Loss GPCD ÷ Total GPCD) x 100

## **5. METERING, WATER USE RECORDS, CONTROL OF WATER LOSS, AND LEAK DETECTION AND REPAIR**

One of the key elements of water conservation is tracking water use and controlling losses through illegal diversions and leaks. It is important to carefully meter water use, detect and repair leaks in the distribution system and provide regular monitoring of unaccounted water.

### **5.1 Accurate Metering of Treated Water Deliveries from NTMWD**

Water deliveries from NTMWD are metered by NTMWD using meters with an accuracy of  $\pm 2\%$ . These meters are calibrated on an annual basis by NTMWD to maintain the required accuracy.

### **5.2 Metering of Customer and Public Uses and Meter Testing, Repair, and Replacement**

The provision of water to all customers, including public and governmental users, will be metered in the City of Plano. The City of Plano tests and/or replaces their residential customer meters in accordance with Sec. 4.2.8 of AWWA C700-95 and M-6, Water Meters – Selection, Installation, Testing and Maintenance Record Management System. All residential customer meters will be budgeted to be replaced on a minimum of a 10 to 15-year cycle. Additionally, large meters will be regularly tested on no less than a 5-year interval and either maintained or replaced when their test flow is outside standards established by AWWA.

As required by TAC Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2(a)(1)(B), the City of Plano will maintain a customer billing and record management system that allows for the separation of water sales and uses into residential, commercial, public/institutional, and industrial categories. This information will be included in an annual water conservation report, as described in Section 5.6 below.

### **5.3 Determination and Control of Water Loss**

The Texas Water Development Board utilizes a methodology derived from the American Water Works Association (AWWA) and the International Water Association (IWA). This new standard uses terminology such as authorized consumption, real loss, apparent loss, and non-revenue water. Total water loss, as reported to TCEQ, includes two categories:

- Apparent Losses – Water that has been consumed but not properly measured or billed. These losses represent under-registered or under-billed water that occurs via customer meter inaccuracies, systematic data handling errors in the customer billing system, and unauthorized consumption due to illegal connections and theft.
- Real Losses – These are physical losses from the pressurized water distribution system, including water mains and all appurtenances (for example, valves and hydrants) and customer service connection piping. Real losses represent water that is lost from the distribution system prior to reaching the customer destination.

Measures to control apparent and real water losses will be part of the routine operations of the City of Plano. Maintenance crews and personnel will look for and report evidence of leaks in the water distribution system. A leak detection and repair program is described in

Section 5.4 below. Meter service technicians, building inspectors, and all City crews will watch for and report signs of illegal connections, so they can be quickly addressed.

The Water Audit Worksheet, provided by TCEQ, is a "top down" audit of a utility's system using existing estimations and records. This audit will be completed annually using the Water Loss Audit Worksheets available from the Texas Water Development Board online at <https://www.twdb.texas.gov/conservation/municipal/waterloss/index.asp>. With the measures described in this plan, the City of Plano should maintain unaccounted water below 12%. If unaccounted water exceeds this goal, the City of Plano will implement a more intensive audit to determine the source(s) of and reduce the unaccounted water. The annual conservation report described below is the primary tool that should be used to monitor unaccounted water.

#### **5.4 Leak Detection and Repair**

As described above, city crews and personnel should look for and report evidence of leaks in the water distribution system. Areas of the water distribution system, in which numerous leaks and line breaks occur, should be targeted for replacement, as funds are available. The Parks and Recreation Department's central irrigation system uses sub-metering and real-time data collection to monitor for leaks, line breaks, and malfunctions. The system automatically shuts down when leaks are detected, then automatically generates reports for these occurrences so they may be followed up by field technicians.

#### **5.5 Monitoring of Effectiveness and Efficiency – NTMWD Member City and Customer Annual Water Conservation Report**

The City of Plano will complete the NTMWD Member City and Customer Annual Water Conservation Report (**Appendix D**) by March 31 each year and will use this report to monitor the effectiveness and efficiency of the water conservation program and to plan conservation-related activities for the next year. The form records the water use by category, per capita municipal use, and unaccounted water for the current year and compares them to historical values. The annual water conservation report should be sent to NTMWD, which will monitor NTMWD Member Cities' and Customers' water conservation trends.

The City of Plano will consider using the Texas Water Development Board's Water Conservation Tracking Tool to assess existing water conservation initiatives and potential future initiatives.

#### **5.6 Water Conservation Implementation Report**

The TCEQ-required Water Conservation Plan Annual Implementation Report (TWDB Form No. 1966) is due to the TCEQ by May 1 of every year. This report lists the various water conservation strategies that have been implemented, including the date the strategy was implemented. The report also calls for the five-year and ten-year per capita water use goals from the previous water conservation plan. The reporting entity must answer whether or not these goals have been met and if not, why not. The amount of water saved is also requested

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## **6. CONTINUING PUBLIC EDUCATION AND INFORMATION CAMPAIGN**

The public education and information campaign on water conservation is carried out primarily by the Water Education Coordinator, a full-time staff member within the Sustainability and Environmental Education Division (SEED) of the Environmental Health and Sustainability Department. SEED's mission is to educate and engage the community in sustainable practices and environmental stewardship.

The Water Education Coordinator works with SEED staff and other City of Plano staff to develop classes, workshops, events, presentations, exhibits, communications campaigns, rebate programs and other resources that promote efficient water use. SEED notifies local organizations, schools, and civic groups that its staff and NTMWD's staff are available to provide presentations on the importance of water conservation and ways to save water.

The Water Education Coordinator develops and maintains a website designed to educate residents on the importance of water conservation and ways to save water. This includes access to real-time water use data through the Customer & Utility Services online portal, recommended seasonal watering guidelines and schedules and links to other helpful resources, including the TWDB, TCEQ, EPA WaterSense and others.

The Water Education Coordinator develops utility bill inserts, electronic and print newsletter articles and social media campaigns to share water conservation information, garner trust and encourage interaction. These include material developed by the Environmental Health and Sustainability Department, Communication and Media Relations Departments, and material obtained from the TWDB, the TCEQ, EPA WaterSense, and other sources. The City of Plano encourages local media coverage of water conservation issues and the importance of water conservation.

The Water Education Coordinator utilizes "Water IQ: Know Your Water", "Water4Otter" "Water My Yard" and other public education materials produced by the NTMWD as appropriate for targeted audiences. The following websites Texas Smartscape ([www.txsmartscape.com](http://www.txsmartscape.com)), Water Is Awesome ([www.waterisawesome.com](http://www.waterisawesome.com)), Texas A&M AgriLife (Water – Texas A&M Agrilife Extension Service ([tamu.edu](http://tamu.edu))) as well as other regional resources, are used to as professional references to make water conservation brochures and other materials available to the public.

The Water Education Coordinator and the SEED staff actively promote water conservation with the use of evapotranspiration (ET)-based weekly watering advice and recommendations. Landscapes frequently require less watering than the year-round water schedule allows. This measure can be particularly useful for customers using automated landscape irrigation systems. Services used include but are not limited to:

- Water My Yard – Water my Yard is an online platform where homeowners can sign up to receive weekly watering recommendations based on their location and a few specifications about their sprinkler system. Users can then choose to accept the recommendations by email, text, or both. Sponsored by NTMWD and Texas A&M AgriLife Extension Service ([WaterMyYard.org](http://WaterMyYard.org)).
- Water Is Awesome Weekly Watering Advice – Weekly provides weekly watering recommendations for most of North Texas based on data from weather stations scattered throughout the DFW area. The recommendations are distributed by email and text every week and are provided in inches of water needed and the number of minutes necessary to apply that amount of water for spray, rotor, and multi-stream sprinklers. Irrigation recommendations are sent out via email and text on a weekly basis, detailing the required inches of water and the corresponding

duration in minutes for applying that volume of water through spray, rotor, and multi-stream sprinklers. Advice service is available for all of North Central Texas and sponsored by DWU (Dallas Water Utilities) and TRWD. (<https://waterisawesome.com/weekly-watering-advice>).

The Water Education Coordinator develops and maintains partnerships with regional and national like-minded entities. These include the Water Efficiency Network of North Texas (WENNT), Texas A&M AgriLife, the Dallas Irrigation Association, the North Central Texas Council of Governments (NCTCOG), EPA WaterSense, American Water Works Association (AWWA), and others.

SEED offers free classes and workshops, including Sprinkler Spruce Up workshops, Fix-a-Leak workshops, and additional seasonal classes on water-efficient gardening and other topics. The Water Education Coordinator and SEED staff will host “pop-up” water education events. These events aim to encourage water-efficient practices, distribute literature on water conservation, and raise awareness and maintenance through promotional items.

SEED maintains a set of online learning modules, which allow users to work through interactive online courses at their convenience. One of these focuses on DIY residential sprinkler repairs. SEED is piloting additional online learning options, including webinars and video clips.

SEED hosts an annual WaterWise Landscape Tour. Residents can visit beautiful, sustainable Plano landscapes that thrived in the summer heat with minimal irrigation. This event introduces attendees to plants and practices that are suitable for North Texas as well as resources to help them incorporate those plants and practices into their own yards.

SEED promotes and participates in the National Wildlife Habitat Garden for Wildlife™ program. This campaign advocates sustainable gardening techniques such as eliminating the use of chemical pesticides and fertilizers, conservation of water, and the planting of native species. This program is open to homeowners, schools, and private and public institutions.

The City of Plano is a multi-year award-winning EPA WaterSense partner. SEED continues to strive for award-worthy excellence by promoting EPA WaterSense campaigns, resources, and products.

The Water Education Coordinator oversees the Water Conservation Incentive Program. This includes free conservation items for City of Plano residents and the Water Rebate Program. See Appendix C for details and guidelines.

In addition, trained water meter technicians provide face-to-face communication with residents concerning proper irrigation system design and operation and other conservation practices.



## **7. WATER RATE STRUCTURE**

The City of Plano will bill customers using a water rate structure intended to encourage water conservation and discourage excessive water use. See City of Plano Code of Ordinances §21-147 establishing an increasing block tier rate for domestic and irrigation water use.

## **8. OTHER WATER CONSERVATION MEASURES**

### **8.1 NTMWD System Operation Plan**

Member Cities and Customers of NTMWD purchase treated water from NTMWD and do not have surface water supplies requiring implementation of a system operation plan. NTMWD's permits do allow some coordinated operation of its water supply sources, and NTMWD is seeking additional water rights for coordinated operation to optimize its available water supplies.

### **8.2 Reuse and Recycling of Wastewater**

The City of Plano does not own or operate its own wastewater treatment plants. The wastewater is treated by NTMWD. NTMWD currently has the largest wastewater reuse program in the state. NTMWD also provides treated effluent from its wastewater treatment plants available for direct reuse for landscape irrigation and industrial use. In Plano, Pecan Hollow Golf Course, Los Rios Park (currently not active but is in place for future opportunity), and the PIT Soccer Complex use or can use wastewater effluent for irrigation.

### **8.3 Ordinances, Plumbing Codes, or Rules on Water-Conserving Fixtures**

State and federal standards have required water-conserving fixtures in new construction and renovations since 1992. The state standards call for flows of no more than 2.5 gallons per minute (gpm) for faucets, and 3.0 gpm for showerheads. As of January 1, 2014, the state requires maximum average flow rates of 1.28 gallons per flush (gpf) for toilets and 0.5 gpf for urinals. These state and federal standards assure that all new construction and renovations will use water-conserving fixtures. As it deems appropriate, the City of Plano will continue to implement ordinances, plumbing codes, and rules for water conserving fixtures as they evolve through relevant building codes and State of Texas requirements. The current plumbing code is adopted in the City of Plano Code of Ordinances §§ 6-236 - 6-239.

### **8.4 Landscape Water Management Measures**

The City of Plano adopts the following basic landscape water conservation measures as required by NTMWD:

- Per the Water Waste; Excess Flow Ordinance, the City of Plano restricts irrigation with sprinklers between the hours of 10 am to 6 pm from April 1 to October 31 of each year. To protect public safety during a freeze event, the City of Plano restricts irrigation with sprinklers any time other than between the hours of 10 am to 6 pm from November 1 to March 31 of each year.
- The City of Plano encourages limiting irrigation with sprinklers to a maximum of twice per week between April 1 and October 31 when not in a drought stage that further limits watering days.
- The City of Plano encourages limiting irrigation with sprinklers to no more than one day per week between November 1 and March 31.

- The City of Plano encourages customers to adhere to designated watering days based on the last digit of their service address.

Service Address	Spring/Summer (April 1 to October 31)	Fall/Winter (November 1 to March 31)
Even (Ends in 0,2,4,6, or 8)	Mondays and Thursdays	Thursdays
Odd (Ends in 1,3,5,7, or 9)	Tuesdays and Fridays	Tuesdays

No person or operation shall cause or permit the flow of excess or fugitive water onto any adjacent property or public right-of-way. This includes watering impervious surfaces and watering during a precipitation or freeze event as stated in the City of Plano Code of Ordinances §21-52.

- The City of Plano discourages the planting of cool season grasses.
- The City of Plano discourages the planting of new landscapes or replacement of existing landscapes during summer months.

Soaker hoses should be utilized only within a tree's dripline or within 24" of a foundation. The City has adopted landscape regulations as part of its Zoning Ordinance in Article 3.1200 (Landscaping Requirements). The requirements are intended to minimize waste in landscape irrigation by requiring:

- Submission of a water budget with landscape plans for new commercial development
- Rain sensors on irrigation systems
- Irrigation system zones to water plants based on similar water needs
- Trees and plants suitable for local soil and climate conditions
- Landscape designs that conserve water through creative design and that comply with the following principles:
  - Soil protection and improvement
  - Careful selection and design of turf areas
  - Use of site-appropriate plan materials with water conservation in mind
  - Use of mulch around all plant materials and areas that are not turf or hardscape

In addition, the adopted plumbing codes in the City of Plano Code of Ordinances §6-561 require:

- New irrigation systems meeting detailed requirements of use of drip and low flow irrigation, distribution uniformity (75 percent), low-angle spray heads, designs in accordance with TCEQ
- No spray heads allowed between street and sidewalk planting areas of both residential and commercial properties

- Installation and inspection for irrigation systems that include an evaluation of the system for the distribution uniformity
- Rain and freeze sensors are required on all new irrigation systems. Rain and freeze sensors must be maintained to function properly

## **8.5 Additional Water Conservation Measures**

- Promote proper maintenance of irrigation systems and sprinklers
- Promote the use of drip irrigation that is properly designed, installed and scheduled.
- Encourage customers to only seek the services of TCEQ licensed irrigators when they pursue contracted irrigation system design or repair. Partner with the Dallas Irrigation Association to promote vetted resources and contractors.
- “At home” car washing can be done only when using a water hose with a shut-off nozzle.
- Charity car washes are allowed only if they use hoses with shut-off nozzles.
- Promote outdoor water efficiency on website, including water conserving irrigation systems.
- Customer & Utility Services, a division of the Finance department, reads water meters using advanced metering infrastructure (AMI) technology. This system can provide hourly water usage data that customers can view through their online portal account. The City has continuous outreach programs and resources designed to educate customers how to use their data to reduce water waste and identify leaks.
- The Water Education Coordinator will continue working in conjunction with the Finance Department to create educational materials to inform customers about utilizing online meter data for monitoring and minimizing water usage, addressing typical plumbing leaks, and adopting more effective outdoor irrigation techniques. Additionally, efforts will be made by the Water Education Coordinator to reach out to residential customers with excessively high water consumption to inform them of their water usage and offer prompt education and solutions to mitigate their water consumption.
- The City of Plano will consider adding ordinances that regulate water use for splash pads, car washes and ponds. Splash pads and car washes will require recirculating systems, and ponds will be prohibited from using potable water.

## **8.6 Rebates and Free Distribution of Water Conserving Devices**

The Water Conservation Incentive Program is described in **Appendix C**. The items may change from time to time as the program evolves. The appendix will be modified as these changes occur.

The City offers partial credit for leak repair with sufficient documentation.

## **8.7 Requirement for Water Conservation Plans by Wholesale Customers**

The NTMWD Model Plan requires that every contract for the wholesale sale of water by Member Cities and/or Customers that is entered into, renewed, or extended after the adoption of this water conservation plan include a requirement that the wholesale customer and any wholesale customers of that wholesale customer develop and implement a water conservation plan meeting the requirements of Title 30, Part 1, Chapter 288, Subchapter A, Rule 288.2 of the Texas Administrative Code. The requirement will also extend to each successive wholesale customer in the resale of the water. The Colony is the only active wholesale customers of Plano’s water system.

## **9. IMPLEMENTATION OF THE DROUGHT CONTINGENCY & WATER EMERGENCY RESPONSE PLAN**

A drought is defined as an extended period of time when an area receives insufficient amounts of rainfall to replenish the water supply, causing water supply sources, in this case reservoirs, to be depleted. In the absence of drought response measures, water demands tend to increase during a drought due to the need for additional outdoor irrigation. The severity of a drought depends on the degree of depletion of supplies and on the relationship of demand to available supplies. The NTMWD considers a drought to end when all of its supply reservoirs refill to the conservation storage pool.

City of Plano Code of Ordinances §§ 21-53 - 21-60.2 establish procedures and criteria for declaring a water emergency and implementing and terminating drought response stages, procedures for requesting variances, and establishing administrative remedies and fees and criminal penalties for violating the restrictions.

**10. COORDINATION WITH THE REGIONAL WATER PLANNING GROUP AND  
NTMWD**

The City of Plano will send a copy of this water management plan, the resolution adopting the plan, and the water utility profile to the NTMWD and the Chair of the Region C Water Planning Group.

## **11. REVIEW AND UPDATE OF WATER MANAGEMENT PLAN**

As required by TCEQ rules, the City of Plano will review the Water Management Plan, including the Drought Contingency and Water Emergency Response Ordinance, every five years. The plan will be updated as appropriate based on new or updated information.

## **12. IMPLEMENTATION AND ENFORCEMENT OF THE WATER MANAGEMENT PLAN**

A resolution adopted by the City Council regarding the Water Management Plan on April 22, 2024. The following ordinances are also included as part of the Water Management Plan:

Landscape Water Management Regulation – City of Plano Zoning Ordinance Article 17: Landscaping and Tree Preservation

Illegal Water Connections and Theft of Water – City of Plano Code of Ordinances §21-17 and §21-18

Water Rates - City of Plano Code of Ordinances §21-147

Drought Contingency & Water Emergency Response - City of Plano Code of Ordinances §§21-53 -21-60.2

Plumbing Code - City of Plano Code of Ordinances §§6-236 - 6-239 and §6-561

Water Waste; Excess Flow - City of Plano Code of Ordinances §21-47 through §21-52



## **APPENDIX A LIST OF REFERENCES**

- (1) Texas Commission on Environmental Quality Water Conservation Implementation Report. [https://www.tceq.texas.gov/permitting/water\\_rights/wr\\_technical-resources/conserv.html](https://www.tceq.texas.gov/permitting/water_rights/wr_technical-resources/conserv.html)
- (2) Title 30 of the Texas Administrative Code, Part 1, Chapter 288, Subchapter A, Rules 288.20, 288.2, and 288.5, downloaded from [https://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac\\_view=4&ti=30&pt=1&ch=288](https://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=4&ti=30&pt=1&ch=288), April 2023
- (3) 2024 North Texas Municipal Water District Water Conservation Plan <https://www.ntmwd.com/documents/2024-ntmwd-water-conservation-plan-pdf/> January 2024
- (4) Water Conservation Implementation Task Force: “Texas Water Development Board Report 362, Water Conservation Best Management Practices Guide,” prepared for the Texas Water Development Board, Austin, November 2004
- (5) Texas Water Development Board, Texas Commission on Environmental Quality, Water Conservation Advisory Council: Guidance and Methodology for Reporting on Water Conservation and Water Use, December 2012
- (6) Freese and Nichols, Inc.: Model Water Conservation Plan for NTMWD Members Cities and Customers, prepared for the North Texas Municipal Water District, Fort Worth, January 2019
- (7) Freese and Nichols, Alan Plummer Associates, Inc., CP&Y Inc., Cooksey Communications. “2021 Region C Water Plan”

**APPENDIX B**  
**WATER CONSERVATION UTILITY PROFILE**

## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

### CONTACT INFORMATION

Name of Utility:	CITY OF PLANO		
Public Water Supply Identification Number (PWS ID):	TX0430007		
Certificate of Convenience and Necessity (CCN) Number:	10191		
Surface Water Right ID Number:			
Wastewater ID Number:	20070		
Contact:	First Name:	Genesis	Last Name: Sturm
	Title:	Public Works Business Manager	
Address:	4120 W. Plano Pkwy	City:	Plano State: TX
Zip Code:	75093	Zip+4:	
		Email:	gsturm@plano.gov
Telephone Number:	9727694490	Date:	
Is this person the designated Conservation Coordinator?		<input type="radio"/> Yes <input checked="" type="radio"/> No	

Coordinator:	First Name:	Andrea	Last Name:	Chick
	Title:	Sr. Water Conservation Coordinator		
Address:	4200 W. Plano Pkwy	City:	Plano	Zip Code: 75093
Email:	achick@plano.gov		Telephone Number:	972-769-4381

Regional Water Planning Group:	C
Groundwater Conservation District:	

Our records indicate that you:

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

#### A. Population and Service Area Data

1. Current service area size in square miles: 72

## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

2. Historical service area population for the previous five years, starting with the most current year.

Year	Historical Population Served By Retail Water Service	Historical Population Served By Wholesale Water Service	Historical Population Served By Wastewater Water Service
2023	287,492	5,708	287,492
2022	285,150	5,700	285,150
2021	286,980	5,700	286,980
2020	288,800	5,700	288,800
2019	286,400	8,142	286,400

3. Projected service area population for the following decades.

Year	Projected Population Served By Retail Water Service	Projected Population Served By Wholesale Water Service	Projected Population Served By Wastewater Water Service
2030	310,900	5,708	310,900
2040	321,000	5,708	321,000
2050	331,000	5,708	331,000
2060	340,000	5,708	340,000
2070	348,000	5,708	348,000

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

Population projected by the City of Plano Planning Department. Using the 2020 Census count as a baseline, the 2030 figure is based on known housing projects that we expect to be completed by the end of the decade. Subsequent years are forecasted with a more or less steady level of housing construction, but expecting a slight decline over time due to limited space for development/redevelopment.

## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

### B. System Input

System input data for the previous five years.

Total System Input = Self-supplied + Imported – Exported

Year	Water Produced in Gallons	Purchased/Imported Water in Gallons	Exported Water in Gallons	Total System Input	Total GPCD
2023	0	23,042,186,000	224,152,600	22,818,033,400	217
2022	0	22,057,250,450	173,493,270	21,883,757,180	210
2021	0	20,502,063,587	222,802,920	20,279,260,667	194
2020	0	20,799,951,952	151,478,980	20,648,472,972	196
2019	0	20,521,849,151	159,695,700	20,362,153,451	195
Historic Average	0	21,384,660,228	186,324,694	21,198,335,534	202

### C. Water Supply System

1. Designed daily capacity of system in gallons	239,590,000
2. Storage Capacity	
2a. Elevated storage in gallons:	17,500,000
2b. Ground storage in gallons:	68,000,000

## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

### D. Projected Demands

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

Year	Population	Water Demand (gallons)
2025	305,762	21,571,965,584
2026	307,972	21,497,415,019
2027	310,182	21,419,404,067
2028	312,392	21,337,932,727
2029	314,602	21,253,001,000
2030	319,042	21,453,110,425
2031	320,052	21,415,189,689
2032	321,062	21,377,111,833
2033	322,072	21,338,879,375
2034	323,082	21,300,494,814

2. Description of source data and how projected water demands were determined.

Population estimates and consumption include the total service population including The Colony. Estimated Plano population is assumed to grow 2,210 people each year using the 2020 actual of 288,800 and the 2030 estimate of 310,900. For estimates beyond 2030, the population is assumed to grow by 1,010 people each year to reach the estimated 2040 population of 321,000.

## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

### E. High Volume Customers

1. The annual water use for the five highest volume

#### RETAIL customers.

Customer	Water Use Category	Annual Water Use	Treated or Raw
Plano Independent School District	Institutional	305,956,400	Treated
Stack Infrastructure USA LLC	Commercial	75,883,800	Treated
Legacy West Investors LP	Commercial	74,123,000	Treated
5765 Bozeman TX Owner LP	Commercial	71,307,500	Treated
Lurin Real Estate Holdings LXI	Institutional	66,519,100	Treated

2. The annual water use for the five highest volume

#### WHOLESALE customers.

Customer	Water Use Category	Annual Water Use	Treated or Raw
The Colony	Municipal	224,000,000	Treated

### F. Utility Data Comment Section

Additional comments about utility data.

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## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

### Section II: System Data

#### A. Retail Water Supplier Connections

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

Water Use Category Type	Total Retail Connections (Active + Inactive)	Percent of Total Connections
Residential - Single Family	73,642	57.01 %
Residential - Multi-Family	44,245	34.25 %
Industrial	25	0.02 %
Commercial	9,765	7.56 %
Institutional	1,488	1.15 %
Agricultural	0	0.00 %
<b>Total</b>	<b>129,165</b>	<b>100.00 %</b>

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

	Net Number of New Retail Connections						
Year	Residential - Single Family	Residential - Multi-Family	Industrial	Commercial	Institutional	Agricultural	Total
<b>2023</b>	78	52	0	120	19	0	269
<b>2022</b>	243	0	2	116	13	0	374
<b>2021</b>	250	3	0	92	38	0	383
<b>2020</b>	306	0	0	39	9	0	354
<b>2019</b>	186	0	0	0	184	0	370



## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

### B. Accounting Data

The previous five years gallons of RETAIL water provided in each major water use category.

Year	Residential - Single Family	Residential - Multi-Family	Industrial	Commercial	Institutional	Agricultural	Total
2023	10,441,379,400	144,610,180	18,993,010	6,920,444,460	1,431,404,440	0	18,956,831,490
2022	10,283,145,640	145,624,900	18,997,220	6,621,336,740	939,705,570	0	18,008,810,070
2021	8,887,920,450	138,937,710	15,151,630	5,859,807,900	599,186,460	0	15,501,004,150
2020	9,803,872,460	150,096,380	17,318,800	5,928,881,690	643,707,690	0	16,543,877,020
2019	9,242,984,930	145,351,820	21,652,330	6,089,821,110	704,478,950	0	16,204,289,140

### C. Residential Water Use

The previous five years residential GPCD for single family and multi-family units.

Year	Total Residential GPCD
2023	101
2022	100
2021	86
2020	94
2019	90
Historic Average	94

## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

### D. Annual and Seasonal Water Use

1. The previous five years' gallons of treated water provided to RETAIL customers.

Month	Total Gallons of Treated Water				
	2023	2022	2021	2020	2019
January	994,586,970	1,004,392,090	917,548,160	912,056,470	849,123,350
February	865,889,850	882,873,210	844,815,290	835,176,300	826,138,490
March	890,406,540	897,959,980	912,859,370	827,196,130	800,415,320
April	1,093,495,860	1,060,613,380	1,075,054,040	893,605,970	1,008,693,950
May	1,357,426,220	1,436,384,460	1,062,627,780	1,188,939,140	1,062,939,640
June	1,564,573,350	1,639,626,120	1,083,690,110	1,609,270,210	1,244,226,140
July	2,022,797,060	2,337,556,380	1,543,304,320	2,039,950,710	1,614,344,590
August	2,470,069,740	2,544,485,270	1,808,946,480	2,238,339,210	2,230,277,370
September	2,629,288,560	1,995,174,630	1,914,746,810	1,865,367,960	2,372,888,870
October	2,102,846,460	1,907,947,440	1,734,831,480	1,590,190,300	2,126,523,600
November	1,348,653,990	1,322,404,530	1,331,279,570	1,306,387,200	1,177,084,780
December	1,054,887,790	979,392,580	1,109,894,240	1,071,542,240	922,180,740
<b>Total</b>	18,394,922,390	18,008,810,070	15,339,597,650	16,378,021,840	16,234,836,840

## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

2. The previous five years' gallons of raw water provided to RETAIL customers.

Month	Total Gallons of Raw Water				
	2023	2022	2021	2020	2019
January	0	0	0	0	0
February	0	0	0	0	0
March	0	0	0	0	0
April	0	0	0	0	0
May	0	0	0	0	0
June	0	0	0	0	0
July	0	0	0	0	0
August	0	0	0	0	0
September	0	0	0	0	0
October	0	0	0	0	0
November	0	0	0	0	0
December	0	0	0	0	0
<b>Total</b>	0	0	0	0	0

3. Summary of seasonal and annual water use.

	Summer RETAIL (Treated + Raw)	Total RETAIL (Treated + Raw)
<b>2023</b>	6,057,440,150	18,394,922,390
<b>2022</b>	6,521,667,770	18,008,810,070
<b>2021</b>	4,435,940,910	15,339,597,650
<b>2020</b>	5,887,560,130	16,378,021,840
<b>2019</b>	5,088,848,100	16,234,836,840
<b>Average in Gallons</b>	5,598,291,412.00	16,871,237,758.00

## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

### E. Water Loss

Water Loss data for the previous five years.

Year	Total Water Loss in Gallons	Water Loss in GPCD	Water Loss as a Percentage
2023	3,303,728,428	31	13.44 %
2022	3,358,142,652	33	15.48 %
2021	3,562,792,431	34	17.76 %
2020	3,025,456,781	29	14.72 %
2019	3,278,089,366	32	16.21 %
Average	3,305,641,932	32	15.52 %

### F. Peak Day Use

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

Year	Average Daily Use (gal)	Peak Day Use (gal)	Ratio (peak/avg)
2023	50,397,047	65841740	1.3065
2022	49,339,205	70887693	1.4367
2021	42,026,294	48216749	1.1473
2020	44,871,292	63995218	1.4262
2019	44,479,005	55313566	1.2436

### G. Summary of Historic Water Use

Water Use Category	Historic Average	Percent of Connections	Percent of Water Use
Residential - Single Family	9,731,860,576	57.01 %	57.10 %
Residential - Multi-Family	144,924,198	34.25 %	0.85 %
Industrial	18,422,598	0.02 %	0.11 %
Commercial	6,284,058,380	7.56 %	36.87 %
Institutional	863,696,622	1.15 %	5.07 %
Agricultural	0	0.00 %	0.00 %

## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

### H. System Data Comment Section

### Section III: Wastewater System Data

#### A. Wastewater System Data

1. Design capacity of wastewater treatment plant(s) in gallons per day:

2. List of active wastewater connections by major water use category.

Water Use Category	Metered	Unmetered	Total Connections	Percent of Total Connections
Municipal			0	0.00 %
Industrial			0	0.00 %
Commercial			0	0.00 %
Institutional			0	0.00 %
Agricultural			0	0.00 %
<b>Total</b>			0	100.00 %

3. Percentage of water serviced by the wastewater system:

%

## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

4. Number of gallons of wastewater that was treated by the utility for the previous five years.

Month	Total Gallons of Treated Water				
	2023	2022	2021	2020	2019
January					
February					
March					
April					
May					
June					
July					
August					
September					
October					
November					
December					
<b>Total</b>					

5. Could treated wastewater be substituted for potable water?

☐ Yes
 ☐ No

### B. Reuse Data

1. Data by type of recycling and reuse activities implemented during the current reporting period.

Type of Reuse	Total Annual Volume (in gallons)
On-site Irrigation	
Plant wash down	
Chlorination/de-chlorination	
Industrial	
Landscape irrigation (park,golf courses)	0
Agricultural	
Discharge to surface water	
Evaporation Pond	
Other	
<b>Total</b>	0

## UTILITY PROFILE FOR RETAIL WATER SUPPLIER

### C. Wastewater System Data Comment

Additional comments and files to support or explain wastewater system data listed below.

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## **APPENDIX C**

### **WATER CONSERVATION INCENTIVE PROGRAM**

The Water Conservation Incentive Program includes two components, as outlined below:

#### **1. Free Water Conservation Items**

The City of Plano offers residents free water conservation and quality items. These items are available at the Customer and Utility Service counter at the Municipal Center and at the Sustainability and Environmental Education office from 8am to 5pm, Monday through Friday. The following list is an example of items offered, contingent upon their availability, seasonality, and ongoing events or promotions held throughout the year.

- Toilet Leak Detection Tablets: These dye tablets are used to check for a leak between the toilet tank and bowl.
- Drain Snake: A thin, flexible cable that you insert in an opening to break up or remove a clog in pipes.
- Shower/Drain Covers: Used to prevent hair or other debris from entering sewer and causing plumbing problems.
- Shower Timer: A simple and effective tool to help customers shorten showers, reduce water usage and save money.
- Dish/Pan Squeegee Scraper: Used to remove FOG from pans and dishes prior to rising – keeps FOG from entering sewer and clogging pipes.
- FOG Bags: Storage bags for FOG – keeps FOG from entering sewer and clogging pipes.
- Pet Waste Dispenser and Refill Bags: Protects Stormwater runoff and water quality.

Other items are available seasonally, such as soil moisture meters, faucet covers for winter, and garden kneeling pads embossed with water-efficient landscaping practices.

#### **2. Water Conservation Rebate Program**

##### **Program Eligibility and Guidelines**

###### ***Eligibility:***

- Participant must currently own their home and have a City of Plano water
- utility account in good standing for the property where installation of
- qualifying item occurred.
- Eligibility is limited to residential homes only; commercial buildings are not
- eligible.
- To meet eligibility guidelines, items should be purchased from a retailer
- located within the City of Plano.
- The City of Plano reserves the right to terminate or modify the water
- conservation rebate program at any time.

###### ***Process:***

- Resident may apply online or mail the receipt and application to City of Plano Water Conservation Rebate Program located at 4200 W. Plano Parkway, Plano, TX 75093.



- Completed applications must be received by the City of Plano within 120 days of purchase of eligible water conserving item.
- Utility credits will be processed in the order they are received on a first-come first-served basis.
- The City issues a credit on resident's utility bill within 30 days of receipt of completed application.

### **WaterSense Approved, High Efficiency Toilets (HET's)**

#### ***Eligibility:***

- Only homes built in 1994 or earlier are eligible for the program.
- Only new, EPA WaterSense labeled high efficiency models of toilets (HET) will be eligible for utility credit.
- New high efficiency qualifying toilet (average of 1.28 gallons per flush) must replace an older, inefficient toilet (using greater than 1.6 gallons per flush). Residence must not already have low-flow or high efficiency toilets (HET's) installed.

#### ***Process:***

- Resident must first purchase and install qualified toilet from local retailer.
- Rebate Applications are available online at [www.livegreeninplano.com](http://www.livegreeninplano.com) or [www.plano.gov/waterrebates](http://www.plano.gov/waterrebates).
- Once installed, the resident must submit a copy of the receipt and application within 120 days of purchase date.
- Complete application will be sent to City of Plano Water Conservation Rebate Program by mail, email, fax, or hand delivery.
- Credits will be issued to the utility bill for the following amounts:
  - \$100 for the first toilet
  - \$75 for the second toilet
  - \$50 for the third toilet
- If required documentation has not been provided, rebate will be denied.

### **Rain/Freeze Sensor and EPA WaterSense Labeled Smart/ET Controllers**

#### ***Eligibility:***

- New irrigation systems are not eligible for this program.
- Irrigation system must not already have a rain and freeze sensor device installed.
- Only new rain and freeze sensors and controllers purchased from a retailer located within the City of Plano will be eligible for rebate. The City of Plano does not require an irrigation permit to retrofit an irrigation system for a rain and freeze sensor or a controller.

#### ***Process:***

- Resident must select, purchase, and install rain/freeze sensor or controller from a retailer within Plano.
- Rebate Applications are available online at [www.livegreeninplano.com](http://www.livegreeninplano.com) or [www.plano.gov/waterrebates](http://www.plano.gov/waterrebates).
- Resident must mail in rebate application and proof of purchase no later than 120 days from date of purchase.
- If installed by a licensed irrigation professional, resident must submit proof of installation, including license number of irrigation professional.
- Complete application will be sent to City of Plano Water Conservation Rebate Program by mail, e-mail, fax or hand delivery.

- The City of Plano will issue a \$50 water utility credit to resident's utility bill for the purchase and installation of a rain freeze sensor or controller.
- If a licensed irrigation profession installed the device and proof of the installation including the irrigator's license number, then a total of \$75 water utility credit will be issued to the resident's utility bill.
- If required documentation has not been provided, rebate will be denied.

## **Pressure Reducing Valve (PRV)**

### ***Eligibility:***

- Eligibility is limited to single-family detached homes, townhomes, duplexes and condos that were built before January 1, 2013.
- Apartments and commercial properties are not eligible at this time.
- Applicant must currently own the dwelling and have a City of Plano water utility account in good financial standing for the property where the PRV is installed.
- Water Pressure must exceed 80 psi according to the PRV Eligibility Map at [plano.gov/PRVMap](http://plano.gov/PRVMap).
- PRV should reduce pressure below 80 psi at residence. If it is not possible to reduce water pressure below 80 psi, PRV should be installed according to manufacturer's guidelines for maximum pressure reduction.
- PRV must reduce pressure to the house. PRVs that reduce pressure only to irrigation systems are not eligible for rebate.
- Limit one PRV rebate per residential address.
- PRV must be installed by a licensed plumber that is registered in the City of Plano.
- PRV should be purchased from a retailer located within the City of Plano.
- If the installation of the valve includes installing expansion tanks at the water heaters, then a Miscellaneous Simple Permit Application should be submitted to the City of Plano Building Inspections Department prior to installation. If the installation of the PRV does not include installation of expansion tanks, then no permit is necessary. Miscellaneous Simple Permit Application can be downloaded from [www.buildinginspections.org](http://www.buildinginspections.org).

### ***Process:***

- The City of Plano will issue a rebate for 50% of the PRV, associated parts, and installation costs. The maximum PRV rebate is \$500. Tax is not included.
- Rebate Applications are available online at [www.livegreeninplano.com](http://www.livegreeninplano.com) or [www.plano.gov/waterrebates](http://www.plano.gov/waterrebates).
- Completed applications and itemized invoice for PRV, associated parts, and installation must be received by the City of Plano within 120 days of the installation of the PRV. Plumber's license number and installation date must be on the invoice.
- Complete application will be sent to City of Plano Water Conservation Rebate Program by mail, e-mail, fax or hand delivery.

**APPENDIX D**  
**NTMWD MEMBER CITY AND CUSTOMER ANNUAL WATER CONSERVATION REPORT**

**APPENDIX D**  
**NTMWD MEMBER CITY AND CUSTOMER WATER CONSERVATION REPORT**  
**Due: March 31 of every year**

**Contact Information**

TWDB Survey Number:	685400
Name of System:	City of Plano
PWS ID:	TX0430007
Contact Name:	Genesis Sturm
Title:	Public Works Business Manager
Email Address:	gsturm@plano.gov
Telephone Number:	972-769-4490
Year Covered:	2023
Days in Year	365

**Water System Information**

Estimated Water Service Area Population:	293,208
# of Backflow Preventers:	35,745

**Source:** City of Plano Planning Department

**Peak Day Usage**

Delivery Point	Total System	1	2	3	4	5
Peak Day (MG)	126.1	OOS	10.0	12.9	37.1	76.9
Average Day (MG)	63.1		6.0	4.8	14.7	37.7
Peak/Average Day Ratio	2.0		1.7	2.7	2.5	2.0
Firm Pumping Capacity (MGD)	249.8	OOS	9.3	36.4	54.6	132.4
Storage Volume (MG)	68.0	OOS	2.5	7.5	16.0	42.0

**Authorized Consumption and Water Loss**

Total System Input Volume:	22,818
Billed Metered:	18,396
Billed Unmetered (MG):	
Unbilled Metered (MG):	510
Unbilled Unmetered (MG):	285
Total Authorized Consumption:	19,191
Water Loss (MG):	3,627
Water Loss (gpcd):	34
Water Loss (percent):	16%

**Description:** All billed connections are metered.  
**Description:** Majority of water quality flushing, fire department use, dead end main flushing, cip use.  
**Description:** 1.25% of total system input volume minus wholesale

**Per Capita Use (Gallons per person per day)**

Total Use (MG)	22,818
Residential Use (MG)	10,373
Municipal Use (MG)	22,805
ICIM Use (MG)	4,717
Total Per Capita Use (gpcd)	213
Residential Per Capita Use (gpcd)	97
Municipal Per Capita Use (gpcd)	213
ICIM Per Capita Use (gpcd)	44

**Water Conservation Plan 5- and 10-Year Goals for Water Savings**

	<b>5-Year Goal</b>	<b>10-Year Goal</b>	
<b>Total GPCD</b>	195	190	<i>Total GPCD = (Total Gallons in System / Permanent Population) / 365</i>
<b>Residential GPCD</b>	90	88	<i>Residential GPCD = (Gallons Used for Residential Use / Residential Population) / 365</i>
<b>Water Loss (GPCD)</b>	24	21	<i>Water Loss GPCD = (Total Water Loss / Permanent Population) / 365</i>
<b>Water Loss (Percentage)</b>	12%	11%	<i>Water Loss Percentage = (Total Water Loss / Total Gallons in System ) x 100; or (Water Loss GPCD / Total GPCD) x 100</i>

**Retail Water Metered by Month (in Million Gallons):**

Month	Sales by Category								
	Residential Single Family	Residential Multi-Family	Public/Institutional	Commercial	Industrial	Agriculture	Metered Irrigation	Wholesale	Direct Reuse
January	536.06	11.19	13.87	345.97	0.62	-	86.89	48.15	-
February	453.87	10.00	15.11	325.45	0.67	-	60.83	14.09	-
March	453.73	9.99	20.58	335.85	0.70	-	69.62	14.63	-
April	603.08	10.02	15.61	334.71	0.77	-	129.35	14.07	-
May	756.31	11.13	17.90	344.87	1.01	-	226.26	15.66	-
June	876.04	11.91	16.67	364.58	1.31	-	294.14	15.33	-
July	1,157.77	13.22	17.55	405.89	1.89	-	426.58	17.27	-
August	1,461.31	15.66	25.54	423.32	1.84	-	542.51	17.22	-
September	1,521.78	15.81	29.75	418.04	1.61	-	642.41	18.07	-
October	1,151.21	13.96	25.99	383.40	1.00	-	527.41	17.89	-
November	697.07	11.71	18.88	335.44	0.73	-	284.93	15.72	-
December	559.74	10.00	14.97	309.92	0.68	-	159.67	16.05	-
<b>TOTAL</b>	<b>10,227.96</b>	<b>144.61</b>	<b>232.42</b>	<b>4,327.42</b>	<b>12.83</b>	<b>-</b>	<b>3,450.60</b>	<b>224.15</b>	<b>-</b>
<b># of Connections (or Units)</b>	<b>73,130.00</b>	<b>1,943.00</b>	<b>572.00</b>	<b>6,728.00</b>	<b>20.00</b>	<b>-</b>	<b>4,470.00</b>		<b>-</b>

**Recorded Supplies from Sources by Month (in Million Gallons):**

Month	Deliveries from NTMWD	Other Sources							Total Supplies
January	1,285.28								1,285.28
February	1,040.51								1,040.51
March	1,319.52								1,319.52
April	1,548.71								1,548.71
May	1,808.00								1,808.00
June	2,101.89								2,101.89
July	2,580.73								2,580.73
August	3,210.59								3,210.59
September	2,763.51								2,763.51
October	2,311.46								2,311.46
November	1,655.83								1,655.83
December	1,416.17								1,416.17
<b>TOTAL</b>	<b>23,042.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>23,042.19</b>

**Recorded Supplies by Delivery Point from NTMWD by Month (in Million Gallons):**

Month	NTMWD Delivery Point								Total System
	1	2	3	4	5				
January	-	129.73	119.57	325.43	710.54				1,285.28
February	-	108.16	117.55	264.44	550.36				1,040.51

March	-	151.62	123.10	325.11	719.69				1,319.52
April	-	151.04	134.32	382.36	880.99				1,548.71
May	-	138.65	139.61	419.60	1,110.13				1,808.00
June	-	182.55	168.95	506.62	1,243.77				2,101.89
July	-	201.77	219.32	629.15	1,530.50				2,580.73
August	-	265.01	240.60	848.92	1,856.07				3,210.59
September	-	249.88	129.74	641.42	1,742.47				2,763.51
October	-	232.08	119.88	468.58	1,490.93				2,311.46
November	-	199.99	112.82	311.10	1,031.93				1,655.83
December	-	166.68	126.44	242.12	880.93				1,416.17
<b>TOTAL</b>	-	<b>2,177.15</b>	<b>1,751.88</b>	<b>5,364.85</b>	<b>13,748.30</b>	-	-	-	<b>23,042.19</b>

**Wholesale Water Sales to Other Water Systems (in Million Gallons):**

	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6	Sale 7	Sale 8	Total Wholesale Sales
<i>Buyer Name</i>	<i>The Colony</i>								
<i>Type of Water</i>	<i>Surface Water</i>								
<i>Name of Source</i>	<i>Lavon Lake/Reservoir</i>								
<i>Estimated Water Service Area Population</i>	<i>5,700.00</i>								<i>5700</i>
January	48.15	-	-	-	-	-	-	-	48.15
February	14.09	-	-	-	-	-	-	-	14.09
March	14.63	-	-	-	-	-	-	-	14.63
April	14.07	-	-	-	-	-	-	-	14.07
May	15.66	-	-	-	-	-	-	-	15.66
June	15.33	-	-	-	-	-	-	-	15.33
July	17.27	-	-	-	-	-	-	-	17.27
August	17.22	-	-	-	-	-	-	-	17.22
September	18.07	-	-	-	-	-	-	-	18.07
October	17.89	-	-	-	-	-	-	-	17.89
November	15.72	-	-	-	-	-	-	-	15.72
December	16.05	-	-	-	-	-	-	-	16.05
<b>TOTAL</b>	<b>224.15</b>	-	-	-	-	-	-	-	<b>224.15</b>

**Water Sales to Industrial Production Facilities (in Million Gallons):**

	Sale 1	Sale 2	Sale 3	Sale 4	Sale 5	Sale 6	Sale 7	Sale 8	Total Industrial Production Facilities Sales
<i>Buyer Name</i>	<i>Stewart Systems</i>	<i>1331 LTD</i>	<i>Regal Research</i>	<i>Dallas Morning News</i>	<i>LSC4 Texas</i>				
<i>Type of Water</i>	<i>Surface Water</i>	<i>Surface Water</i>	<i>Surface Water</i>	<i>Surface Water</i>	<i>Surface Water</i>				
<i>Name of Source</i>	<i>Lavon Lake/Reservoir</i>	<i>Lavon Lake/Reservoir</i>	<i>Lavon Lake/Reservoir</i>	<i>Lavon Lake/Reservoir</i>	<i>Lavon Lake/Reservoir</i>				
January	0.02	0.00	0.05	0.51	0.06				0.64
February	0.03	0.00	0.04	0.55	0.09				0.71
March	0.04	0.02	0.04	0.56	0.13				0.80
April	0.03	0.04	0.10	0.67	0.09				0.94
May	0.03	0.04	0.13	0.93	0.10				1.23
June	0.03	0.04	0.14	1.51	0.10				1.83
July	0.03	0.05	0.55	2.22	0.10				2.94
August	0.04	0.05	0.37	2.28	0.15				2.89
September	0.03	0.04	0.55	2.05	0.15				2.82

October	0.03	0.00	0.50	1.43	0.17				2.14
November	0.13	0.00	0.22	0.81	0.04				1.21
December	0.17	0.04	0.04	0.53	0.07				0.85
<b>TOTAL</b>	<b>0.62</b>	<b>0.33</b>	<b>2.72</b>	<b>14.08</b>	<b>1.24</b>	-	-	-	<b>18.99</b>

### **Additional Information**

#### **Describe Any ICIM (Industrial, Commercial, Institutional & Multi-Family) Practices being Implemented to Improve Water Efficiency**

- SEED continued to oversee the Corporate Sustainability Forum (CSF). It provides networking, information sharing, collaboration and support for staff tasked with oversight of sustainability initiatives and programs at Plano's large corporate campuses. The CSF met three times in 2023 and included approximately 30 individuals representing 15 corporations.
- The Commercial Waste and Recycling Division continued to oversee the Green Business Certification Program. It includes water efficiency as one of the five areas that small local businesses must demonstrate as part of their commitment to sustainable operations. There are currently 37 certified businesses.
- SEED continued to oversee the Green School Program, which was revitalized and thriving just before the pandemic. It recognizes PISD and private schools for their efforts to promote sustainable practices on their campuses. Participation picked back up in 2022, with 16 schools participating at the end of 2023.
- SEED partners with the Neighborhood Services Department when possible to do water-focused outreach for multi-family properties, particularly for lower-income and underserved audiences.
- SEED and the Water Education Coordinator work with NTMWD to connect ICIMs with Plummer, a contractor supplied by NTMWD, in order to initiate their services at the to reduce their water use.

#### **Describe any Unusual Circumstances**

The SEED Division transitioned to a new Water Education Coordinator in May of 2023.

#### **Provide an Update on Progress in Implementation of Conservation Plan**

##### **Overview**

The Water Education Coordinator, a full-time staff member within the Sustainability and Environmental Education Division (SEED) of the Environmental Health and Sustainability Department, is the City of Plano's designated Conservation Coordinator. SEED's mission is to educate and engage the community in sustainable behaviors and environmental stewardship. The Water Education Coordinator works with SEED staff and other City of Plano staff to develop and oversee webinars, classes, workshops, events, videos, lesson plans, communications campaigns, rebates, incentives and other resources that promote water quality, conservation and efficiency. SEED is known publicly as Live Green in Plano.

In 2023, the City of Plano once again earned recognition from EPA WaterSense, securing its fourth consecutive Sustained Excellence Award. This accolade follows previous wins in 2022, 2021, and 2020, adding to the city's impressive track record, which includes being named Promotional Partner of the Year in 2019 and 2018, as well as receiving the Excellence in Strategic Collaboration Award in 2017. Additionally, SEED, the city's environmental initiative, was honored with the 2023 Texas Environmental Excellence Award by the Texas Commission on Environmental Quality, the highest environmental honor in the state. SEED

#### **What Conservation Measures are Planned for Next Year?**

In 2024 and beyond SEED will:

- Continue to develop and improve webinars, classes, workshops, events, videos, lesson plans, communications campaigns and other resources that promote water quality, conservation and efficiency.
- Continue to provide and possibly expand water conservation rebates for qualifying residents.
- Partner with EnviroWorld to hold its tenth annual discounted rain barrel and compost bin sale.
- Bill customers using an increasing block rate structure intended to encourage conservation and discourage excessive water use and waste.
- Actively promote EPA WaterSense labeled products and campaigns, including "Fix-a-Leak Week," "Sprinkler Spruce Up Month," "Your Better Yard" and others.

- Tentatively host its twelfth annual WaterWise Landscape Tour with elements to promote region-appropriate, water conserving plants and landscaping practices.
- Promote the online learning module, "Water, Water Everywhere: A Guide to Sprinkler Repair," and possibly budget to develop a new water-focused online learning module.
- Promote WaterMyYard.org and other resources that help residents improve irrigation efficiency.
- Encourage visits to the Environmental Education Center and the Nature Explore Trail, an interactive exhibit in the riparian habitat adjacent to the Environmental Education Center with educational signage on watershed protection. Both sites model sustainable behaviors.
- Work with HOAs, corporate and institutional partners to encourage water quality, conservation and efficiency on their properties and campuses.
- Increase efforts to work alongside the Neighborhood Services Department on outreach to multi-family properties and HOAs.
- Strive for excellence with the intent to receive further recognition through the Watermark Awards, EPA WaterSense Awards and other industry leaders.
- Share best practices and lessons learned at local, regional and national conferences.
- Partner with the NTMWD and others to offer water quality, conservation and efficiency resources and learning opportunities for all ages.
- Add pop-up events to educate residents on water quality and conservation and provide water conservation and quality items and literature.

**Do City Limits Differ Significantly from Water Service Area? If so, explain.**

**Is there any Assistance Requested from the North Texas Municipal Water District?**

Not at this time.

**Other?**



**Historical Water Use Data for City of Plano**

Year	Days in Year	Connections	Estimated Population	Deliveries from NTMWD (MG)	Other Supplies (MG)	Metered Sales by Category (Million Gallons)									
						Residential Single Family	Residential Multi-Family	Public/ Institutional	Commercial	Industrial	Agriculture	Metered Irrigation	Wholesale	Direct Reuse	Total
1990	365	41,017	127,885	10,814	0	6,197	0	133	3,462	34	0	0	9	0	9,835
1991	365	42,750	135,558	10,578	0	5,821	0	125	3,253	32	0	0	9	0	9,240
1992	366	45,454	143,692	10,631	0	6,363	0	136	3,557	35	0	0	10	0	10,101
1993	365	48,156	152,313	12,393	0	7,171	0	154	4,008	39	0	0	11	0	11,383
1994	365	51,152	161,452	12,397	0	7,250	0	155	4,052	39	0	0	11	0	11,507
1995	365	53,767	171,139	13,770	0	7,975	0	171	4,457	43	0	0	12	0	12,658
1996	366	57,047	180,552	15,341	0	9,083	0	194	5,077	49	0	0	14	0	14,417
1997	365	60,421	190,482	15,685	0	10,250	0	219	5,729	56	0	0	15	0	16,269
1998	365	64,769	200,958	20,380	0	12,408	0	266	6,935	67	0	0	19	0	19,695
1999	365	68,156	212,011	22,298	0	12,936	0	277	7,230	70	0	0	20	0	20,533
2000	366	70,782	222,030	23,823	0	12,837	0	375	7,169	32	0	0	73	0	20,487
2001	365	72,745	227,200	26,720	0	13,262	0	346	7,767	23	0	0	92	0	21,490
2002	365	74,002	233,700	22,459	0	11,636	0	253	7,034	42	0	0	82	0	19,047
2003	365	75,132	237,925	22,745	0	11,895	0	442	7,256	35	0	0	73	0	19,701
2004	366	76,108	243,500	22,149	0	10,734	0	292	7,397	40	0	0	98	0	18,561
2005	365	77,400	247,000	22,432	0	12,856	0	183	8,196	37	0	0	82	0	21,354
2006	365	78,600	252,950	23,524	0	12,837	0	375	7,153	32	0	0	73	0	20,470
2007	365	79,429	255,700	19,182	0	9,433	0	224	6,455	23	0	0	89	0	16,224
2008	366	79,990	263,900	23,024	0	11,605	0	376	7,553	33	0	0	106	0	19,674
2009	365	80,293	264,600	21,313	0	10,435	0	356	6,838	25	0	0	111	0	17,765
2010	365	80,685	266,600	23,110	0	11,591	0	493	7,308	34	0	0	118	0	19,544
2011	365	81,061	262,800	23,256	0	12,953	0	577	7,332	29	0	0	134	0	21,025
2012	366	81,612	265,400	21,273	0	11,728	0	393	6,638	21	0	0	135	0	18,914
2013	365	82,085	266,600	19,338	0	10,580	0	505	5,800	16	0	0	140	0	17,040
2014	365	82,700	270,900	17,518	0	8,988	0	446	5,190	20	0	0	142	0	14,786
2015	365	83,286	274,000	20,275	0	10,138	0	557	6,081	21	0	0	151	0	16,949
2016	366	84,081	277,400	21,707	0	9,650	0	340	6,264	21	0	0	147	0	16,422
2017	365	84,693	279,700	20,553	0	9,630	0	549	6,348	19	0	2,860	138	0	19,545
2018	365	85,256	283,700	20,814	0	9,575	0	683	6,250	20	0	2,850	151	0	19,530
2019	365	85,491	286,400	20,542	0	9,388	0	704	6,120	22	0	2,715	160	0	19,110
2020	366	85,842	288,800	20,779	0	9,954	0	644	5,929	17	0	2,860	151	0	19,556
2021	365	86,219	286,980	20,506	0	8,594	139	180	3,917	12	0	2,498	223	0	15,564
2022	365	86,594	290,850	22,053	0	10,069	146	215	4,169	15	0	3,396	173	0	18,183
2023	365	86,863	293,208	23,042	0	10,228	145	232	4,327	13	0	3,451	224	0	18,620

Note: After 2020, Residential sales were divided into single and multi-family classifications. Historical information from the TWDB Water Use Surveys were incorporated where available. The category of 'Other' was removed and replaced with 'Reuse'. Historical volumes for 'Other' were redistributed into the appropriate category when appropriate. These changes were made to be consistent with TWDB terminology.

Historical Per Capita Use Data and Water Loss for City of Plano

Year	Estimated Population	Total Use			Residential Use			Municipal Per Capita Use (gpcd)	ICIM Per Capita Use (gpcd)	Authorized Consumption				Water Loss (MG)	Water Loss (gpcd)	Water Loss				
		Total Per Capita Use (gpcd)	Total 5-Year Per Capita Goal	Total 10-Year Per Capita Goal	Residential Per Capita Use (gpcd)	Residential 5-Year Per Capita Goal	Residential 10-Year Per Capita Goal			Billed Metered (MG)	Billed Unmetered (MG)	Unbilled Metered (MG)	Unbilled Unmetered (MG)			Water Loss 5-Year Per Capita Goal	Water Loss 10-Year Per Capita Goal	Water Loss (percentage)	Water Loss (percentage) 5-Year Goal	Water Loss (percentage) 10-Year Goal
1995	171,139	220			128			220	75	12,658	0	460	323	329	5			2%		
1996	180,552	232			137			231	81	14,417	0	485	341	98	1			1%		
1997	190,482	225			147			225	86	16,269	0	512	360	-1,455	-21			-9%		
1998	200,958	278			169			277	99	19,695	0	540	379	-234	-3			-1%		
1999	212,011	288			167			287	98	20,533	0	570	400	795	10			4%		
2000	222,030	292			158			292	93	20,487	0	597	419	2,320	29			10%		
2001	227,200	321			160			321	98	21,490	0	610	429	4,191	51			16%		
2002	233,700	262			136			262	86	19,047	0	628	441	2,343	27			10%		
2003	237,925	261			137			261	89	19,701	0	639	449	1,956	23			9%		
2004	243,500	247			120			247	87	18,561	0	654	460	2,474	28			11%		
2005	247,000	248			143			247	93	21,354	0	664	466	-52	-1			0%		
2006	252,950	254			139			254	82	20,470	0	680	477	1,897	21			8%		
2007	255,700	205			101			204	72	16,224	0	767	392	1,799	19			9%		
2008	263,900	237			120			237	82	19,674	0	0	467	2,883	30			13%		
2009	264,600	220			108			219	75	17,765	0	0	387	3,161	33			15%		
2010	266,600	236			119			236	81	19,544	0	1	380	3,185	33			14%		
2011	262,800	241			135			241	83	21,025	0	1	34	2,197	23			9%		
2012	265,400	218			121			217	73	18,914	0	1	40	2,318	24			11%		
2013	266,600	197			109			197	65	17,040	0	0	33	2,265	23			12%		
2014	270,900	176			91			176	57	14,786	0	0	355	2,377	24			14%		
2015	274,000	201			101			201	67	16,949	0	1	233	3,092	31			15%		
2016	277,400	212			95			212	65	16,422	0	2	1,514	3,768	37			17%		
2017	279,700	200			94			200	68	16,546	0	145	255	3,469	34			17%		
2018	283,700	200			92			199	67	16,528	0	228	258	3,648	35			18%		
2019	286,400	195	195	190	90	90	88	195	65	16,235	0	592	255	3,301	32	24	21	16%	12%	11%
2020	288,800	195	195	190	94	90	88	195	62	16,544	0	790	258	3,035	29	24	21	15%	12%	11%
2021	286,980	194	195	190	83	90	88	194	41	15,341	0	926	254	3,763	36	24	21	19%	12%	11%
2022	290,850	206	195	190	96	90	88	206	43	18,010	0	438	273	3,158	30	24	21	14%	12%	11%
2023	293,208	213	195	190	97	90	88	213	44	18,396	0	510	285	3,627	34	24	21	16%	12%	11%

Note:  
In-city municipal use = total water supplied less sales to industry, wholesale sales and other sales.  
After 2017 - Unaccounted Water has been removed and replaced with Water Losses (per TWDB definition). This category is inclusive of real and apparent losses. Categories for authorized consumption were also added; Unbilled metered replaced estimated fire use, unbilled unmetered replaced estimated line flushing, and a new category for billed unmetered sales was added.

## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Utilities Operations  
**DIRECTOR:** Dan Prendergast, Director of Public Works  
**AGENDA ITEM:** Repeal and replace Drought and Emergency Response Plan (Article II, Division 4 of Ch. 21 - Utilities)  
**RECOMMENDED ACTION:** Adoption of Ordinances

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### **ITEM SUMMARY**

To repeal and replace Sections 21-53 through 21-60.2 of Article II, Division 4, Drought and Emergency Response Plan, of Chapter 21, Utilities of the Code of Ordinances of the City of Plano to identify the authority of the City to declare drought and emergency stages and applicable requirements, and providing a penalty clause, a repealer clause, a severability clause, a savings clause, a publication clause and an effective date. **Adopted Ordinance No. 2024-4-9**

### **BACKGROUND**

The Texas Commission on Environmental Quality requires the City's Drought and Emergency Response Plan to be updated every five years. The last update was in April 2019.

There are no recommended changes to the Drought and Emergency Response Plan.

The draft plan was posted online for public comment from March 12 through April 1. No comments were received. The draft plan was presented to Council on March 25 and a public hearing was conducted. No comments were received.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

This item has no financial impact.

Approval of this agenda item supports the City's Strategic Plan Critical Success Factor of Excellent, Innovative, and Accountable City Government.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

This item has no financial impact.

Approval of this agenda item supports the City's Strategic Plan Critical Success Factor of Excellent, Innovative, and Accountable City Government.

### **ATTACHMENTS:**

Description	Upload Date	Type
Drought and Emergency Response Plan Ordinance	4/15/2024	Ordinance

**An Ordinance of the City of Plano, Texas, repealing and replacing Sections 21-53 through 21-60.2 of Article II, Division 4, Drought and Emergency Response Plan, of Chapter 21, Utilities of the Code of Ordinances of the City of Plano to identify the authority of the City to declare drought and emergency stages and applicable requirements; and providing a penalty clause, a repealer clause, a severability clause, a savings clause, a publication clause and an effective date.**

**WHEREAS**, on October 26, 2009, the City Council of the City of Plano duly passed Ordinance No. 2009-10-18, adopting the Drought and Emergency Response Plan; and

**WHEREAS**, on August 22, 2011, the City Council of the City of Plano amended certain sections of the Drought and Emergency Response Plan by Ordinance No. 2011-8-15; and

**WHEREAS**, on April 23, 2012, the City Council of the City of Plano amended certain sections of the Drought and Emergency Response Plan by Ordinance No. 2012-4-13; and

**WHEREAS**, on April 28, 2014, the City Council of the City of Plano amended certain sections of the Drought and Emergency Response Plan by Ordinance No. 2014-4-13; and

**WHEREAS**, on April 22, 2019, the City Council of the City of Plano amended certain sections of the Drought and Emergency Response Plan by Ordinance No. 2019-4-7; and

**WHEREAS**, the Texas Commission on Environmental Quality requires that the Drought and Emergency Response Plan be updated every five years and the next update is due by May 1, 2024; and

**WHEREAS**, after review, the City staff recommends that no additional amendments be made to the Drought and Emergency Response Plan; and

**WHEREAS**, the City Council of the City of Plano, after consideration of the recommendations of staff and all matters attendant and related thereto, is of the opinion that the existing plan should be approved and adopted without any changes.

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

**Section I.** Division 4, Drought and Emergency Response Plan, Sections 21-53 through 21-60.2 of Article II, Water, Chapter 21, Utilities, of Plano Code of Ordinances is hereby repealed in its entirety and replaced with the following:

"DIVISION 4: DROUGHT AND EMERGENCY RESPONSE PLAN

**Sec. 21-53. Purpose and Scope**

(a) The North Texas Municipal Water District (NTMWD) supplies treated water to the City of Plano, as well as other member cities and customers. A Model Water Resource and Emergency Management Plan was developed by the NTMWD in accordance with the regulations and requirements of the Texas Administration Code ("TAC") and the Texas Commission on Environmental Quality ("TCEQ") and consultation with its member cities. The NTMWD Model Plan calls for member cities and customers to adopt similar criteria and procedures for declaring a water emergency and implementing drought and emergency response stages as used by NTMWD. Member cities and customers may also adopt more stringent drought and emergency stages than NTMWD if conditions warrant. There is hereby established a City of Plano Drought and Emergency Response Plan (in this division called "the Plan") to provide procedures for:

- (1) Conserving the available water supply in times of drought, water supply shortage and emergency;
- (2) Maintaining supplies for domestic water use, sanitation, and fire protection;
- (3) Protecting and preserving public health, safety, and welfare;
- (4) Minimizing the adverse impacts of water supply shortages; and
- (5) Minimizing the adverse impacts of emergency water supply conditions.

(b) The Plan applies to

- (1) All persons and premises using water from the city's water delivery system;
- (2) All wholesale contract customers;

(c) TCEQ's minimum requirements (30 Tex. Admin. Code § 288.20) for drought contingency plans are addressed in the following subsections of this Plan.

## **Sec. 21-54. Exemption**

The governmental use of water for essential services such as police, fire, and emergency services which is necessary to preserve or protect the health, safety and welfare of the citizens of Plano is exempt from any and all restrictions or mandates set forth in the Plan.

## **Sec. 21-55. Definitions**

The following words, terms, and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"Athletic Field" means a public sports competition field, the essential feature of which is turf grass, used primarily for organized sports practice, competition or exhibition events for schools, professional sports, or sanctioned league play.

"City" refers to the City of Plano.

"City Manager" refers to the City Manager of the City of Plano or any other City of Plano public official designated by the City Manager to act on behalf of the City Manager.

"Customer" means a person, company or other entity connected to the City's water system and contracting with the City of Plano to receive potable water service.

"Drip Irrigation" means micro-irrigation with low volume (measured in gallons per hour) and low pressure release of water to a specific root zone through point source emitters or pressure compensating in-line drippers. This does not include micro-sprayers or misters.

"Drought" means an extended period of time when an area receives insufficient amounts of rainfall to replenish the water supply, causing water supply sources to be depleted.

"Emergency" means a condition in which the existing or projected water supply available to the city is not anticipated to meet the normal water requirements of metered water users. This condition may be the result of factors including, but not limited to, natural emergency conditions (i.e., drought, etc.) and/or a failure of the city's or its supplier's water distribution systems"

"Even numbered address" refers to street addresses (e.g. 124 Plano Street) or box numbers ending in 0, 2, 4, 6, or 8.

"Foundation" means area that includes first 24" of soil from foundation slab.

"Fugitive water" refers to pumping, flow, release, escape, or leakage of any water from any pipe, valve, faucet, connection, diversion, well, from any water supply, transport, storage disposal or delivery system of a facility onto adjacent property or the public right- of-way.

"Irrigation System" means a site-specific system of delivering water, generally for landscape irrigation, via a system of pipes or other conduits installed below ground.

"Landscape" means natural plant materials around buildings or on grounds (i.e., trees, shrubbery, grasses and flowers) but excludes athletic fields and high use areas.

"New Landscape" mean (a) vegetation installed at the time of the construction of a residential or commercial facility; (b) installed as part of a governmental entity's capital improvement project; or (c) installed to stabilize an area disturbed by construction.

"North Texas Municipal Water District" or "NTMWD" refers to the North Texas Municipal Water District.

"Odd numbered address" refers to street addresses (e.g. 123 Plano Street) or box numbers ending in 1, 3, 5, 7 or 9.

"Ornamental Fountains" means water features greater than 5 feet in diameter used for aesthetic or cosmetic purposes only that must use, or be refilled with, potable water. This shall not include pond aerifiers and other water recycling devices used to mitigate stagnant conditions in lakes, ponds, or other natural bodies of water.

"Person" means owner, occupant, or person in control of the premises or a person authorized by the owner, occupant, or person in control of the premises.

"Plan" refers to the City of Plano's Drought and Emergency Response Plan, individually and/or collectively

"Plano" refers to the City of Plano or the City.

"Potable water" means any public water supply which has been investigated and approved by the TCEQ as satisfactory for drinking, culinary and domestic purposes.

"Public health, Safety and welfare" means such amount of water as necessary to sustain human life, reasonable standards of hygiene and sanitation, and fire suppression.

"Greens" means the ground that is specially prepared for putting. The putting green is typically defined by a fine bladed grass that requires an extremely high level of maintenance to provide a smooth surface for rolling the ball when putting.

"Soaker Hose" means a perforated or permeable garden-type hose that is laid above ground and provides irrigation at a slow and constant rate.

"Sprinkler" means an above ground irrigation device that may be attached to a garden hose or in-ground irrigation system. This includes spray heads, rotor heads, and oscillating devices.

"Swimming Pool" or "pool" means any structure, basin, chamber, or tank, containing an artificial body of water for swimming, diving, or recreational bathing, and having a depth of two (2) feet or more at any point. Hot tubs, greater than five feet in width at any point are included in this definition.

"Plano's water supply system" or "water delivery system" means the City of Plano water works system and shall include, but not be limited to, storage tanks, elevated tanks, pipelines, pumps, hydrants, meters, valves, connections, engines, and all other property and machinery used in connection with the City's water works system.

"Tee Box" means the rectangular area considered the starting place for the hole to be played in the game of golf. The tee box is typically defined by a grass that requires a very high level of maintenance and mowed at a low height to provide a consistent surface to begin play on the hole.

"TCEQ" means the Texas Commission on Environmental Quality.

"Wholesale Customer" means entities to whom the City of Plano provides wholesale water at a discounted rate. The Colony is a wholesale customer of the City of Plano.

## **Sec. 21-56. Presumption**

For purposes of enforcement of administrative remedies and criminal penalties under this ordinance, it shall be presumed that the person in actual control of the watering or irrigation devices for a premise is responsible for any violations of this ordinance. The requirement of a culpable mental state is expressly waived for any administrative or criminal penalty or remedy.



### **Sec. 21-57. Authority to Declare Water Emergency**

(a) The City Manager may order the implementation of a drought and emergency response stage when one or more of the trigger conditions for that stage are met. The following actions will be taken when a drought and emergency response stage is initiated:

- (1) The public will be notified in accordance with Sec. 21-58.
- (2) NTMWD will be notified by e-mail with a follow-up letter that provides details of the reasons for initiation of the drought and emergency response stage.
- (3) If any mandatory provisions of the drought and emergency response plan are activated, the City will notify the Executive Director of the TCEQ and the Executive Director of the NTMWD within five (5) business days.

(b) Drought and emergency response stages imposed by NTMWD action may be initiated by the City. The City Manager may decide not to order the implementation of a drought and emergency response stage even though one or more of the trigger criteria for the stage are met. Factors which could influence such a decision include, but are not limited to, the time of the year, weather conditions, the anticipation of replenished water supplies, or the anticipation that additional facilities will become available to meet needs. The reason for the decision should be documented.

(c) In the event of a city-wide emergency, the order shall be made by public announcement in the City within twenty-four (24) hours of implementation. In the event of an emergency of limited geographical extent, door-to-door notification shall be made by door hangers and/or in person.

### **Sec. 21-58. Notification and Termination of Water Emergency**

(a) Notification of Water Emergency - The City will inform and educate the public about the drought and emergency response plan by the following means:

- (1) Preparing a press release describing the Plan and sharing it through media outlets.
- (2) Making the Plan available to the public through the City's website.

- (3) Notifying local organizations, schools, and civic groups that staff are available to make presentations on the Plan (usually in conjunction with presentations on water conservation programs).
- (4) At any time that the Plan is activated or the drought and emergency response stage changes, the City will notify local media of the issues, the drought and emergency response stage (if applicable), and the specific actions required of the public including all imposed mandatory requirements that have been implemented. The information will also be publicized on the City's website and through social media outlets. Utility Bill inserts and direct mail to each utility customer will also be used as appropriate.

#### **Sec. 21-59. Initiation and Termination of Drought and Emergency Response Stages**

A drought is defined as an extended period of time when an area receives insufficient amounts of rainfall to replenish the water supply, causing water supply sources, in this case reservoirs, to be depleted. In the absence of drought response measures, water demands tend to increase during a drought due to the need for additional outdoor irrigation. The severity of a drought depends on the degree of depletion of supplies and on the relationship of demand to available supplies. The NTMWD considers a drought to end when all of its supply reservoirs refill to the conservation storage pool.

(a) Initiation of a Drought and Emergency Response Stage - The City Manager is authorized to initiate a drought and emergency response stage when one or more of the criteria applicable to that stage is triggered.

(b) Notification to Public - The following actions will be taken to notify the public when a drought and emergency response stage is initiated or raised.

- (1) The public will be notified of the implementation or amendment of a drought and emergency response stage in the manner set forth in Sec. 21-58 above;
- (2) Wholesale customers and the NTMWD will be notified by telephone with a follow-up letter, e-mail or facsimile transmission;
- (3) If any mandatory provisions of the Plan are activated, notification will be sent to the Executive Director of the TCEQ within five (5) business days.

(c) Drought and Emergency Response Stages Imposed by NTMWD – The City Manager may elect not to implement a drought and emergency response stage imposed by NTMWD depending on all relevant factors. Factors which could influence such a decision include, but are not limited to, the time of the year, weather conditions, the anticipation of replenished water supplies, or the anticipation that additional facilities will become available to meet needs. The reason for the decision should be documented.

(d) Termination of a Drought and Emergency Response Stage – The drought and emergency response stage shall remain in effect until the City Manager determines that the conditions that triggered the drought and emergency response stage have been alleviated or no longer exist or lake levels established by NTMWD for termination are met.

(e) Notification of Public – The following actions will be taken to notify the public when a drought and emergency response stage is terminated or lowered:

- (1) The public will be notified of the termination or lowering of a drought and emergency response stage in the manner provided in Sec. 21-58 herein;
- (2) Wholesale customers, including The Colony, and the NTMWD will be notified by telephone with a follow-up letter, e-mail, or facsimile transmission;
- (3) If any mandatory provisions of the Plan are terminated, the Executive Director of the TCEQ will be notified within five (5) business days.

#### **Sec. 21-59.1 Initiation and Termination Conditions for Stage 1**

(a) The City Manager has initiated Stage 1, which may be initiated due to one or more of the following:

- (1) The NTMWD Executive Director, with the concurrence of the NTMWD Board of Directors, finds that conditions warrant the declaration of Stage 1.
- (2) Plano's water demand exceeds ninety-five (95) percent of the amount that can be delivered to customers for three consecutive days.
- (3) Plano's water demand for all or part of the water delivery system equals delivery capacity because delivery capacity is inadequate.

- (4) Plano's supply source becomes contaminated.
- (5) Plano's water supply system is unable to deliver water due to the failure or damage of major water system components.
- (6) Other criteria as determined by the City.

(b) Stage 1 may terminate when NTMWD terminates Stage 1 or when the City Manager determines circumstances that caused the initiation of Stage 1 no longer exist. Factors which could influence such a decision include, but are not limited to, the time of the year, the weather conditions, or the anticipation of potential changed conditions that warrant the continuation of the drought and emergency stage. The reason for the decision should be documented.

**Sec. 21-59.2 Goals for Use Reduction and Actions Available Under Stage 1**

(a) The goal for water use reduction under Stage 1 is a five (5) percent reduction in the amount of water delivered to Plano by NTMWD from the previous corresponding annual payment period (October 1 through September 30) prior to institution of drought restrictions. If circumstances warrant, or if required by NTMWD, the City Manager can set a goal for greater water use reduction.

(b) The City Manager may order the implementation of any of the actions listed below.

- (1) Continue or initiate any actions available under the Water Management Plan.
- (2) Notify wholesale customers, including The Colony, of actions being taken and encourage them to implement similar procedures.
- (3) Initiate engineering studies to evaluate alternatives should conditions worsen.
- (4) Accelerate public education efforts on ways to reduce water use.
- (5) Halt non-essential city government water use. Examples may include street cleaning, vehicle washing and operation of ornamental fountains.

(c) The City Manager may also implement the following mandatory requirements on customers. If any of the following requirements are implemented, the City must notify the public as set forth in Sec. 21-58, and TCEQ and NTMWD within five (5) business days.

- (1) Landscape watering with sprinklers or irrigation systems is limited to no more than two (2) days per week between April 1 and October 31; and no more than one (1) day per week between November 1 and March 31. Designated days are determined by the even or odd numbered service address for the property. All Homeowners Associates must follow the even address schedule.

<b>Street Address</b>	<b>Days permitted for watering</b> (April 1 – October 31)	<b>Days permitted for watering</b> (November 1 – March 31)
Even numbered Addresses	Mondays and Thursdays	Thursdays
Odd numbered Addresses	Tuesdays and Fridays	Tuesdays

Exceptions are as follows:

- (i) Hand watering with a shutoff nozzle or soaker hose, or a dedicated zone using drip irrigation is allowed up to two (2) hours per day provided no runoff occurs.
- (ii) New construction landscaped areas may be watered for no more than thirty (30) consecutive days from the date a variance is granted.
- (iii) Newly seeded, hydro seeded, hydro mulched, sprigged areas in open space, common areas, right-of-ways and turf renovation at athletic fields may be watered for no more than thirty (30) consecutive days from the date a variance is granted.
- (iv) Locations using on-site well water or properly permitted creek withdrawals.

- (v) Government agencies watering athletic fields or any other public grounds that are heavily used by the public during evening or morning hours. Public irrigation systems must be programmed to meet overall water use reduction goals of the stage.
  - (vi) Maintenance, testing, and calibration of an irrigation system, provided there is a person on-site and visible while each zone of the system is running.
- (2) Watering between 6:00 p.m. and 10:00 a.m. from November 1 through March 31 is prohibited.

**Sec. 21-59.3      Initiation and Termination Conditions for Stage 2**

(a) The City Manager has initiated Stage 2, which may be initiated due to one or more of the following:

- (1) The NTMWD Executive Director, with the concurrence of the NTMWD Board of Directors, finds that conditions warrant the declaration of Stage 2.
- (2) Plano's water demand exceeds ninety-eight (98) percent of the amount that can be delivered to customers for three (3) consecutive days.
- (3) Plano's water demand for all or part of the water delivery system exceeds delivery capacity because delivery capacity is inadequate.
- (4) Plano's supply source becomes contaminated.
- (5) Plano's water supply system is unable to deliver water due to the failure or damage of major water system components.
- (6) Other criteria as determined by the City Manager.

(b) Stage 2 may terminate when NTMWD terminates Stage 2 or when the City Manager determines circumstances that caused the initiation of Stage 2 no longer prevail.

**Sec. 21-59.4      Goals for Use Reduction and Actions Available Under Stage 2**

(a) The goal for water use reduction under Stage 2 is a ten (10) percent reduction in the amount of water delivered to Plano from NTMWD from the previous corresponding annual payment period (October 1 through September 30)

prior to the institution of drought restrictions. If circumstances warrant or if required by NTMWD, the City Manager can set a goal for a greater water use reduction.

(b) The City Manager may order the implementation of any of the actions listed below.

- (1) Continue or initiate any actions available under the Water Management Plan and Stage 1.
- (2) Notify wholesale customers of actions being taken and encourage them to implement similar procedures.
- (3) Implement viable alternative water supply strategies.

(c) The City Manager may also implement the following mandatory requirements on customers. If any of the following are implemented, the City must notify the public as set forth in Sec. 21-58, and TCEQ and NTMWD within five (5) business days.

- (1) Initiate water use restrictions as follows:
  - (i) Prohibit hosing of paved areas, buildings, or windows (pressure washing of impervious surfaces is allowed) except for outdoor public restrooms, pavilions and shelters, where public health, safety, and welfare may be compromised by unsanitary conditions if the facilities cannot be cleaned.
  - (ii) Prohibit operation of all ornamental fountains or other amenity impoundments to the extent they use treated water. Ornamental fountains or other amenity impoundments supporting aquatic life may apply for a variance to operate during Stage 2.
  - (iii) Prohibit washing or rinsing of vehicles by hose except with a hose end cutoff nozzle.
- (2) Landscape watering with sprinklers or irrigation systems is limited to no more than once per week between April 1 and October 31; and no more than once every other week between November 1 and March 31. Designated days are determined by the even or odd numbered service address for the property. All Homeowners Associations must follow the even address schedule.

<b>Street Address</b>	<b>Days permitted for watering</b> (April 1 – October 31)	<b>Days permitted for watering</b> (November 1 – March 31)
Even numbered addresses	Thursdays	Every other Thursday
Odd numbered addresses	Tuesdays	Every other Tuesday

Exceptions are as follows:

- (i) Hand watering with a shutoff nozzle or soaker hose, or a dedicated zone using drip irrigation is allowed up to two (2) hours per day provided no runoff occurs.
  - (ii) Public athletic fields may be watered as needed to maintain safe playing conditions.
  - (iii) Where feasible, irrigation systems on public property must comply with watering schedules and comply with the water reduction goals of the stage.
  - (iv) Maintenance, testing, and calibration of an irrigation system, provided there is a maintenance technician on-site and visible while each zone of the system is running.
  - (v) Locations using other sources of water supply for irrigation. Other sources of water supply may not include imported water.
- (3) Watering between 6:00 p.m. and 10:00 a.m. from November 1 through March 31 is prohibited.
  - (4) Golf courses are expected to meet the same reduction goals and measures as outlined in this stage. Greens and tee boxes maybe watered by hand as needed to keep turf alive.
  - (5) Hydro seeding, hydro mulching, and springing is prohibited.
  - (6) Existing pools may add water to maintain pool levels but may not be drained and refilled. A variance may be requested to repair a leak or for health or safety issues.



- (7) Initiate a rate surcharge for all water use over a certain level, if necessary to meet goal reduction.
- (8) If NTMWD has imposed a reduction in water available to Member Cities and Customers, impose the same percent reduction on wholesale customers.

### **Sec. 21-59.5 Initiation and Termination Conditions for Stage 3**

(a) The City Manager has initiated Stage 3, which may be initiated due to one or more of the following:

- (1) The NTMWD Executive Director, with the concurrence of the NTMWD Board of Directors, finds that conditions warrant the declaration of Stage 3.
- (2) Plano's water demand exceeds the amount that can be delivered to customers.
- (3) Plano's water demand for all or part of the water delivery system seriously exceeds delivery capacity because the delivery capacity is inadequate.
- (4) Plano's supply source becomes contaminated.
- (5) Plano's water supply system is unable to deliver water due to the failure or damage of major water system components.
- (6) Plano is unable to recover water storage of one hundred (100) percent in all storage facilities within a twenty-four (24) hour period.
- (7) Plano's individual Plan may be implemented if other criteria dictate.

(b) Stage 3 may terminate when NTMWD terminates Stage 3 or when the City Manager determines circumstances that caused the initiation of Stage 3 no longer exist.

### **Sec. 21-59.6 Goals for Use Reduction and Actions Available Under Stage 3**

(a) The goal for water use reduction under Stage 3 is a reduction of whatever amount is designated by NTMWD in the amount of water provided to Plano by NTMWD from the corresponding previous annual payment period prior to institution of drought restrictions. If circumstances warrant or if required by NTMWD, the City Manager can set a goal for a greater water use reduction.

(b) The City Manager may order the implementation of any of the actions listed below, as deemed necessary.

- (1) Continue or initiate any actions available under the Water Management Plan and Stages 1 and 2.
- (2) Notify wholesale customers, including The Colony, of actions being taken and require them to implement similar procedures.
- (3) Implement viable alternative water supply strategies.
- (4) Water meter data for an account may be accessed to verify the property is following water restrictions and provide feedback on water consumption.

(c) The City Manager may also implement the following mandatory requirements on customers. If any actions are implemented, the City must notify the public as set forth in Sec. 21-58, and TCEQ and NTMWD within five (5) business days.

- (1) Prohibit the irrigation of landscaping using treated water.
- (2) Prohibit washing of vehicles except as necessary for health, sanitation, or safety reasons.
- (3) Foundations and trees may be watered for up to two (2) hours a day with a shutoff nozzle or a soaker hose, or a dedicated zone using drip irrigation. Drip irrigation systems are not exempt from this requirement. Water may not be trucked or otherwise transported into the City for irrigation purposes.
- (4) Prohibit the permitting of pools. Filling of pools will be evaluated based upon the reduction requirement. Existing pools may add water to maintain pool levels but may not be drained and refilled. A variance should be submitted for pool repairs that require refilling.
- (5) If NTMWD has imposed a reduction in water available to Member Cities and Customers, impose the same percent reduction on wholesale customers.

## **Sec. 21-60. Procedures for Granting Variances to the Plan**

(a) The Public Works Director or his/her designee may grant temporary variances for water uses otherwise prohibited under this drought and emergency response plan.

(b) Variances shall be granted or denied at the discretion of the Public Works Director or his/her designee. All petitions for variances should be in writing (through letter or e-mail) and include the following information or placed online at [plano.gov/water](http://plano.gov/water).

- (1) Name and address of the petitioners
- (2) Contact email address and/or telephone number
- (3) Purpose of water use
- (4) Specific provisions from which relief is requested
- (5) Detailed statement of the adverse effect of the provision from which relief is requested
- (6) Description of the relief requested
- (7) Period of time for which the variance is sought
- (8) Other pertinent information.

(c) Variances will be processed within five (5) business days once received.

(d) Variances are considered temporary and must be re-submitted for reconsideration should the Drought and Emergency Response Stage elevate from the stage in which the temporary variance was approved to any higher stage of response.

### **Sec. 21-60.1. Criminal Penalty**

Any person, firm or corporation who violates any term or provision of this Ordinance shall be deemed guilty of a misdemeanor and upon conviction thereof shall be subject to a fine in accordance with Section 1-4(b) of the City Code of Ordinances for each offense. These criminal penalties may be imposed in addition to any Administrative or Civil Remedy listed herein. Each day a violation continues shall constitute a separate offense. The requirement of a culpable mental state is expressly waived for criminal prosecution purposes.

## **Sec. 21-60.2. Administrative Remedies for Violations**

The following administrative remedies are available to the City in cases of noncompliance with the provisions of this ordinance. These administrative remedies may be assessed in addition to any criminal penalty assessed for a violation of this ordinance. Each day a violation continues shall constitute a separate violation for purposes of assessing administrative remedies. The requirement of a culpable mental state is expressly waived for administrative remedies.

In the event that any person violates the provisions of this ordinance, the Director of Public Works or his/her designee shall give notice to such person setting forth the evidence of noncompliance with the restrictions outlined in Stages 1, 2 and 3.

### **(a) In-Ground Irrigation Systems Violations**

#### **(1) Notification of Violation**

- (i)** The City may shut off the person's double check valve to the irrigation system; and
- (ii)** Notice shall be sent by letter delivered by United States Postal Service addressed to the person recorded in the city's customer and utility billing records advising that the irrigation system has been turned off. The letter shall also advise the person of the assessment of administrative remedies and fees. The letter shall also advise the person of procedures for payment of the administrative fees and the procedure for requesting a hearing to contest the assessment of the administrative remedies.

#### **(2) Remedy**

- (i)** The administrative penalty is one hundred fifty dollars (\$150) per occurrence when paid at Customer and Utility Services. The administrative penalty increases by fifty dollars (\$50) for each additional violation received within a rolling 12 month period, except that in no event shall the penalty exceed five hundred dollars (\$500) for a violation.

- (ii) In lieu of the administrative penalty, the person recorded in the city's customer and utility billing records for the property can have a licensed irrigator install a properly functioning rain and freeze sensor. The person must provide a copy of the receipt that includes the purchase of the rain and freeze sensor, the installation of the device, and the licensed irrigator's name and Landscape Irrigator license number as issued by the TCEQ. This alternative remedy can only be applied once every three (3) years and is not eligible for a water conservation rebate from the City.

(b) Violations for Systems without Double-Check Valves or In-Ground Irrigation Systems.

(1) Violation Notification

- (i) Notice shall be sent by letter delivered by United States Postal Service addressed to the person recorded in the city's customer and utility billing records advising the person of the violation. The letter shall also advise the person of the assessment of administrative fees. The letter shall also advise the person of procedures for payment of the administrative fees and the procedure for requesting a hearing to contest the assessment of the administrative remedies.

(2) Remedy

- (i) The administrative penalty is one hundred fifty dollars (\$150.00) per occurrence when paid at Customer & Utility Services. The administrative penalty increases by fifty dollars (\$50) for each additional violation received within a rolling 12-month period, except that in no event shall the penalty exceed five hundred dollars (\$500) for a violation.

(c) Procedures for Paying Administrative Penalties or Requesting a Hearing on the Fees.

- (1) Personal appearance by the person listed on the city's Customer & Utility Services billing records is required to re-establish service to the irrigation system. Government issued photo identification must be provided by the person at time of payment or upon request for a hearing.

- (2) A person may request a hearing to protest the assessment of any administrative penalty. To request a hearing, the person must make the request in person to the City Public Works Department within fifteen (15) business days from the date on the written notice of violation.
- (3) The Public Works Operations Manager or his/her designee shall conduct the hearing. The Manager shall evaluate all information offered by the petitioner at the hearing. The person making the request for a hearing shall bear the burden of proof to show why, by a preponderance of the evidence, the administrative remedy should not be assessed. The Manager will provide a decision at the time of the hearing or within three (3) business days following the conclusion of the hearing.
- (4) Payment of any penalty assessed at the hearing must be made within seven (7) business days of the decision from the hearing. Any penalty not paid within this time limit shall be added to the person's next water billing cycle.
- (5) A person may appeal the decision from the hearing to the office of the Director of Public Works or his/her designee. The Director or his/her designee shall hear the appeal.
- (6) The request for an appeal must be filed in writing with the office of the Director of Public Works within three (3) business days of the date that notice of the denial was given by the Manager.
- (7) The Director or his/her designee shall render a decision at the time of the appeal or within three (3) business days from the conclusion of the appeal.
- (8) A person may elect to pay the administrative penalty without requesting a hearing. Any penalty not paid within fifteen (15) business days from the date on the written notice shall be added to the person's next water billing cycle.
- (9) Unpaid penalties related to the Drought and Emergency Response Plan can result in the termination of the domestic water services in accordance with City Code Chapter 21, Article IV, Service Charges Generally, Section 21-131 (d) and the established policies and procedures of the Customer and Utility Services Department.

(d) Administrative remedy for customers outside city. The Director of Public Works shall advise wholesale water customers outside the city limits receiving water service from the city of actions taken under the Plan by telephone and/or by letter. Noncompliance with any requirement in any stage may result in termination of service and removal of meter. Prior to such termination, the wholesale water customer shall be given notice of the city's intent to terminate service and shall have five (5) business days from the mailing of such notice to appeal the decision to the Director. Notice shall be sufficient if sent by certified mail to the last known address of the customer. If service is terminated, customer shall be liable for all costs of reinstallation. Termination of service to a wholesale water customer under this provision is subject also to the terms of any written contract between the city and the customer."

**Section II.** This Plan shall be submitted to the Region C Water Planning Group and to North Texas Municipal Water District, as required by TCEQ, to insure consistency with the appropriate approved regional water plan.

**Section III.** Any person, firm or corporation found to be violating any term or provision of this Ordinance shall be subject to a fine in accordance with Section 1-4(b) of the City Code of Ordinances for each offense. Every day a violation continues shall constitute a separate offense.

**Section IV.** All provisions of the ordinances of the City, codified or uncoded, in conflict with the provisions of this Ordinance are hereby repealed upon the effective date of this Ordinance, and all other provisions of the ordinances of the City, codified or uncoded, not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

**Section V.** It is the intention of the City Council that this Ordinance, and every provision hereof, shall be considered severable, and the invalidity or unconstitutionality of any section, clause, provision or portion of this Ordinance shall not affect the validity or constitutionality of any other portion of this Ordinance.

**Section VI.** The repeal of any ordinance or part of any ordinance effectuated by the enactment of this Ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as affecting any rights of the municipality under any section or provision of any ordinance at the time of passage this Ordinance.

**Section VII.** This Ordinance shall become effective from and after its passage and publication as required by law.

**PASSED AND APPROVED** on the 22<sup>nd</sup> day of April, 2024.

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John B. Muns, MAYOR

ATTEST:

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Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

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Paige Mims, CITY ATTORNEY



## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Finance  
**DIRECTOR:** Denise Tacke, Director of Finance  
**AGENDA ITEM:** To authorize the issuance of City of Plano Bonds (General Obligation Refunding and Improvement Bonds)  
**RECOMMENDED ACTION:** Adoption of Ordinances

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### **ITEM SUMMARY**

To authorize the issuance of "City of Plano, Texas, General Obligation Refunding and Improvement Bonds, Series 2024"; levying a continuing direct annual ad valorem tax for the payment of said Bonds; resolving other matters incident and related to the issuance, sale, payment and delivery of said Bonds; establishing procedures for the sale and delivery of said Bonds; and delegating matters relating to the sale and issuance of said Bonds to an authorized City Official; and providing a severability clause and an effective date. **Adopted Ordinance No. 2024-4-10**

### **BACKGROUND**

Proceeds from the sale of said Bonds will be used for the purpose of providing funds for the discharge and final payment of certain obligations of the City and to make various permanent public improvements for the City and to pay the costs and expenses of the issuance of said Bonds.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

This ordinance permits the City of Plano to sell General Obligation (G.O.) Bonds to refund outstanding debt at a lower interest rate and finance street, park, public safety facilities, municipal facilities, and library projects as planned in the 2023-24 Community Investment Program and authorized by Plano voters in the 2021 bond referendum. Approximately \$85,000,000 is expected to be raised from the 2024 G.O. Bond sale, with the City repaying the bonds over a 20-year term through the interest and sinking portion of Plano's property tax rate. The exact amount of interest and principal to be paid will be determined by a competitive bid process.

Approval of this Ordinance supports the Strategic Plan Critical Success Factors of Safe, Vibrant Neighborhoods and Excellent, Innovative, and Accountable City Government.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

This ordinance permits the City of Plano to sell General Obligation (G.O.) Bonds to refund outstanding debt at a lower interest rate and finance street, park, public safety facilities, municipal facilities, and library projects as planned in the 2023-24 Community Investment Program and authorized by Plano voters in the 2021 bond referendum. Approximately \$85,000,000 is expected to be raised from the 2024 G.O. Bond sale, with the City repaying the bonds over a 20-year term through the interest and sinking portion of Plano's property tax rate. The exact amount of interest and principal to be paid will be determined by a competitive bid process.

Approval of this Ordinance supports the Strategic Plan Critical Success Factors of Safe, Vibrant Neighborhoods and Excellent, Innovative, and Accountable City Government.

**ATTACHMENTS:**

Description	Upload Date	Type
Plano G.O.02024	4/16/2024	Ordinance

**An Ordinance of the City of Plano, Texas, authorizing the issuance of “City of Plano, Texas, General Obligation Refunding and Improvement Bonds, Series 2024”; levying a continuing direct annual ad valorem tax for the payment of said Bonds; resolving other matters incident and related to the issuance, sale, payment and delivery of said Bonds; establishing procedures for the sale and delivery of said Bonds; and delegating matters relating to the sale and issuance of said Bonds to an authorized City Official; and providing a severability clause and an effective date.**

**WHEREAS**, the City of Plano, Texas (the “City”) currently has outstanding obligations of the City of the following issue or series, to wit: “City of Plano, Texas, General Obligation Refunding and Improvement Bonds, Series 2014”, dated April 15, 2014 (the “Refunded Obligations”); and

**WHEREAS**, pursuant to the provisions of Chapter 1207 of the Texas Government Code, as amended (“Chapter 1207”), the City Council of the City (the “Council”) is authorized to issue refunding bonds and deposit the proceeds of sale directly with any place of payment for the Refunded Obligations, or other authorized depository, and such deposit, when made in accordance with Chapter 1207 and the ordinance authorizing the issuance of the Refunded Obligations, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Obligations; and

**WHEREAS**, the City shall by this Ordinance, in accordance with the provisions of Section 1207.007, Texas Government Code, as amended, delegate to a Pricing Officer (hereinafter defined and designated) the authority to determine the principal amount and certain other specified terms of the Bonds to be issued, negotiate the terms of sale thereof and select the specific maturities, in whole or in part, of the Refunded Obligations to be refunded; and

**WHEREAS**, the Council hereby finds and determines that it is a public purpose and in the best interests of the City to refund the Refunded Obligations in order to achieve a present value debt service savings, with such savings, among other information and terms, to be included in a pricing certificate (the “Pricing Certificate”) to be executed by the Pricing Officer, all in accordance with the provisions of Section 1207.007, Texas Government Code, as amended; and

**WHEREAS**, the Council hereby finds and determines that it is in the best interests of the City to issue bonds to pay the costs of making permanent public improvements authorized by the voters of the City at a bond election held on May 1, 2021 (the “Election”) and that the Pricing Officer be authorized to determine from such voted authorization the purposes and amounts for which such bonds shall be issued, such determination to be included in the Pricing Certificate, all in accordance with the provisions of Chapters 1331 and 1371, Texas Government Code, as amended.

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

**SECTION I.** Authorization - Series Designation - Principal Amount - Purpose - Bond Date. General obligation refunding and improvement bonds of the City shall be and are hereby authorized to be issued in the maximum aggregate principal amount hereinafter set forth to be designated and bear the title “CITY OF PLANO, TEXAS, GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2024”, or such other designation as specified in the Pricing Certificate (herein referred to as the “Bonds”), for the purpose of providing funds for the discharge and final payment of certain obligations of the City (described in the preamble hereof and finally identified in the Pricing Certificate and referred to herein as the “Refunded

Obligations”), to make various permanent public improvements for the City and to pay the costs and expenses of issuance, in accordance with the authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Chapters 1207, 1331 and 1371 of the Texas Government Code. The Bonds shall be dated (the “Bond Date”) as provided in the Pricing Certificate.

**SECTION II. Fully Registered Obligations – Terms.** The Bonds shall be issued as fully registered obligations, and (other than the Initial Bond referenced in Section VIII hereof) shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, shall be lettered “R” and numbered consecutively from one (1) upward and principal shall become due and payable on a date certain in each of the years and in amounts (the “Stated Maturities”) in accordance with the details of the Bonds as set forth in the Pricing Certificate.

The Bonds shall bear interest on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in the Pricing Certificate (calculated on the basis of a 360-day year consisting of twelve 30-day months). Interest on the Bonds shall be payable in each year, on the dates, and commencing on the date, set forth in the Pricing Certificate.

**SECTION III. Delegation of Authority to Pricing Officer.**

(a) As authorized by Section 1207.007 and Section 1371.053, Texas Government Code, as amended, the City Manager or the Director of Finance of the City (either, the “Pricing Officer”) is hereby authorized to act on behalf of the City in selling and delivering the Bonds and carrying out the other procedures specified in this Ordinance, including determining the purposes and amounts of the Bonds to be issued to fund public improvements authorized at the Election, the selection of the specific maturities or series, if any, in whole or in part, of the Refunded Obligations to be refunded, determining the aggregate principal amount of the Bonds, the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the date from which interest on the Bonds will accrue, the interest payment dates, the record date, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, determination of the use of a book-entry-only securities clearance, settlement and transfer system, the designation of a paying agent/registrar, the designation of an escrow agent satisfying the requirements of Chapter 1207, if any, the terms of any bond insurance applicable to the Bonds, including any modification of the continuing disclosure undertaking contained in Section XXXI hereof as may be required by the purchasers of the Bonds in connection with any amendments to Rule 15c2-12, and all other matters relating to the issuance, sale and delivery of the Bonds, all of which shall be specified in the Pricing Certificate, provided that:

(i) the aggregate original principal amount of the Bonds shall not exceed \$96,945,000;

(ii) the refunding must produce a net present value debt service savings of at least 1% of the debt service on the Refunded Obligations, net of any City contribution;

(iii) the maximum true interest cost for the Bonds shall not exceed 5.00%;

(iv) the maximum maturity date of the Bonds shall not exceed September 1, 2044.

The execution of the Pricing Certificate shall evidence the sale date of the Bonds by the City to the Purchasers (hereinafter defined).

If the Pricing Officer determines that bond insurance results in a net reduction of the City's interest costs associated with the Bonds, then the Pricing Officer is authorized, in connection with effecting the sale of the Bonds, to make the selection of the municipal bond insurance company for the Bonds (the "Insurer") and to obtain from the Insurer a municipal bond insurance policy in support of the Bonds. The Pricing Officer shall have the authority to determine the provisions of the commitment for any such policy and to execute any documents to effect the issuance of said policy by the Insurer.

(b) In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not exceeding the amount authorized in subsection (a)(i) above, which shall be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The delegation made hereby shall expire if not exercised by the Pricing Officer within one (1) year of the date hereof. The Bonds shall be sold to the purchaser(s)/underwriter(s) named in the Pricing Certificate (the "Purchasers"), at such price and with and subject to such terms as set forth in the Pricing Certificate and the Purchase Contract (hereinafter defined), and may be sold by negotiated or competitive sale or by private placement. The Pricing Officer is hereby delegated the authority to designate the Purchasers, which delegation shall be evidenced by the execution of the Pricing Certificate.

**SECTION IV. Terms of Payment - Paying Agent/Registrar.** The principal of, premium, if any, and the interest on the Bonds, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Bonds (hereinafter called the "Holders") appearing on the registration and transfer books maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of the Paying Agent/Registrar for the Bonds shall be as provided in the Pricing Certificate. Books and records relating to the registration, payment, exchange and transfer of the Bonds (the "Security Register") shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Pricing Officer or the Mayor and City Secretary are hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Bonds are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Bonds, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States mail, first-class postage, prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

The Bonds shall be payable at their Stated Maturities or upon their earlier redemption, only upon the presentation and surrender of the Bonds to the Paying Agent/Registrar at its designated offices provided in the Pricing Certificate (the "Designated Payment/Transfer Office"); provided, however, while a Bond is registered to Cede & Co., the payment thereof upon a partial redemption of the principal amount thereof may be accomplished without presentation and surrender of such Bond. Interest on a Bond shall be paid by the Paying Agent/Registrar to the Holders whose names appears in the Security Register at the close of business on the Record Date (which shall be set forth in the Pricing Certificate) and such interest payments shall be made (i) by check sent by United States mail, first-class, postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

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

**SECTION V. Registration - Transfer - Exchange of Bonds - Predecessor Bonds.** The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every Holder of the Bonds issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Bond may be transferred or exchanged for Bonds of like kind, maturity, and amount and in authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Bond to the Paying Agent/Registrar at its Designated Payment/Transfer Office for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for assignment or transfer of any Bond (other than the Initial Bond authorized in Section VIII hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, one or more new Bonds, executed on behalf of and furnished by the City, shall be registered and issued to the assignee or transferee of the previous Holder; such Bonds to be of authorized denominations, of like Stated Maturity, and of a like aggregate principal amount as the Bond or Bonds surrendered for transfer.

At the option of the Holder, Bonds (other than the Initial Bond authorized in Section VIII hereof) may be exchanged for other Bonds of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Bonds surrendered for exchange, upon surrender of the Bonds to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Bonds are surrendered

for exchange, the Paying Agent/Registrar shall register and deliver new Bonds, executed on behalf of and furnished by the City, to the Holder requesting the exchange.

All Bonds issued upon any such transfer or exchange of Bonds shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States mail, first-class, postage prepaid, to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay and entitled to the same benefits under this Ordinance, as the Bonds surrendered in such transfer or exchange.

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

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

Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within forty-five (45) days of the date fixed for the redemption of such Bond; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Bond called for redemption in part.

**SECTION VI. Book-Entry-Only Transfers and Transactions.** Notwithstanding the provisions contained in Sections IV and V hereof relating to the payment and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York ("DTC"), in accordance with the requirements and procedures identified in the current DTC Operational Arrangements memorandum, as amended, the Blanket Issuer Letter of Representations, by and between the City and DTC, and the Letter of Representations from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement") relating to the Bonds.

In the event the Pricing Officer elects to utilize DTC's "Book-Entry-Only" System, which election shall be made by the Pricing Officer in the Pricing Certificate, pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC who shall hold said Bonds for its participants (the "DTC Participants"). While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in

general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections IV and V hereof.

**SECTION VII. Execution - Registration.** The Bonds shall be executed on behalf of the City by the Mayor under the City's seal reproduced or impressed thereon and attested by the City Secretary. The signature of said officials on the Bonds may be manual or facsimile. Bonds bearing the manual or facsimile signatures of individuals who are or were the proper officials of the City on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that one or more of such individuals shall cease to hold such offices at the time of delivery of the Bonds to the initial purchaser(s) and with respect to Bonds delivered in subsequent exchanges and transfers, all as authorized and provided in Chapter 1201 of the Texas Government Code, as amended.

No Bond shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Bond either a certificate of registration substantially in the form provided in Section IX(c) (or as set forth in the Pricing Certificate), manually executed by the Comptroller of Public Accounts of the State of Texas, or his or her duly authorized agent, or a certificate of registration substantially in the form provided in Section IX(d) (or as set forth in the Pricing Certificate), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified, registered, and delivered.

**SECTION VIII. Initial Bond.** The Bonds herein authorized shall be initially issued as fully registered Bonds as specified in the Pricing Certificate, being a single, fully registered Bond in the aggregate principal amount noted and principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, (hereinafter called the "Initial Bond") and the Initial Bond shall be registered in the name of the Purchaser(s) or the designee thereof. The Initial Bond shall be the Bonds submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the Purchaser(s). Any time after the delivery of the Initial Bond, the Paying Agent/Registrar, pursuant to written instructions from the Purchaser(s), or the designee thereof, shall cancel the Initial Bond delivered hereunder and exchange therefor definitive Bonds of like kind and of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the Purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

**SECTION IX. Forms.**

(a) **Forms Generally.** The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Bonds, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and, with the Bonds to be completed and modified



with the information set forth in the Pricing Certificate, may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends on insured Bonds and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the Pricing Officer. The Pricing Certificate shall set forth the final and controlling forms and terms of the Bonds. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

The definitive Bonds and the Initial Bond shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(b) Form of Definitive Bonds.

REGISTERED  
NO. R-\_\_\_\_\_

PRINCIPAL AMOUNT  
\$\_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF PLANO, TEXAS  
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BOND  
SERIES 2024<sup>1</sup>

Bond Date: \_\_\_\_\_, 20\_\_ Interest Rate: \_\_\_\_\_% Stated Maturity: \_\_\_\_\_, 20\_\_ CUSIP No.: \_\_\_\_\_

Registered Owner:

Principal Amount: \_\_\_\_\_ DOLLARS

The City of Plano (hereinafter referred to as the "City"), a body corporate and political subdivision in the Counties of Collin and Denton, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption), and to pay interest on the unpaid principal amount hereof from the interest payment date next preceding the "Registration Date" of this Bond appearing below (unless this Bond bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Bond is prior to the initial interest payment date in which case it shall bear interest from the \_\_\_\_\_) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on \_\_\_\_\_ and \_\_\_\_\_ in each year, commencing \_\_\_\_\_, 20\_\_, until maturity or prior redemption. Principal of this Bond is payable at its Stated Maturity or upon its prior redemption to the registered owner hereof, upon presentation and surrender, at the designated offices of the Paying Agent/Registrar executing the registration certificate appearing hereon, initially in \_\_\_\_\_, \_\_\_\_\_, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"); provided, however, while this Bond is registered to Cede & Co., the payment of principal

<sup>1</sup> Conform the terms and provisions of this Bond to the terms and provisions specified in the Pricing Certificate.

upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Bond. Interest is payable to the registered owner of this Bond (or one or more Predecessor Bonds, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the \_\_\_\_\_ day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent by United States mail, first-class, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Bond is one of the series specified in its title issued in the aggregate principal amount of \$\_\_\_\_\_ (herein referred to as the "Bonds") for the purpose of providing funds for the discharge and final payment of certain outstanding obligations of the City, to make various permanent public improvements for the City and to pay the costs and expenses of issuance, under and in strict conformity with the Constitution and laws of the State of Texas, including Chapters 1207, 1331 and 1371 of the Texas Government Code, as amended, and pursuant to an Ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

<sup>2</sup>[The Bonds maturing on the dates hereinafter identified (the "Term Bonds") are subject to mandatory redemption prior to maturity with funds on deposit in the Interest and Sinking Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the date of redemption, and without premium, on the dates and in the principal amounts as follows:

Term Bonds due _____, 20__	
<u>Redemption Date</u>	<u>Principal Amount</u>
_____, 20__	
_____, 20__*	

Term Bonds due _____, 20__	
<u>Redemption Date</u>	<u>Principal Amount</u>
_____, 20__	
_____, 20__*	

\* Stated maturity.

The particular Term Bonds of a Stated Maturity to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Bonds for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Bonds of like Stated Maturity which, at least fifty (50) days prior to a mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for

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<sup>2</sup> Conform redemption provisions to Pricing Certificate.

cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.]

The Bonds maturing on and after \_\_\_\_\_, 20\_\_, may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on \_\_\_\_\_, 20\_\_, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

At least thirty (30) days prior to the date fixed for any redemption of Bonds, the City shall cause a written notice of such redemption to be sent by United States mail, first-class, postage prepaid, to the registered owners of each Bond to be redeemed, in whole or in part, at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Bond (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date such Bond (or the portion of its principal sum to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

In the event a portion of the principal amount of a Bond is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Bond to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Bond is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Bond to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Bond redeemed in part.

With respect to any optional redemption of the Bonds, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received or such prerequisites are not satisfied, such notice shall be of no force and effect, the City shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

The Bonds are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City. Reference is hereby made to the Ordinance and the Pricing Certificate, copies of which are on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the owner or holder of this Bond by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity or redemption, and deemed to

be no longer Outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein and not otherwise defined have the meanings assigned in the Ordinance.

This Bond, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

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

It is hereby certified, recited, represented, and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Bonds is duly authorized by law; that all acts, conditions, and things required to exist and be done precedent to and in the issuance of the Bonds to render the same lawful and valid obligations of the City have been properly done, have happened, and have been performed in regular and due time, form, and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Bonds do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Bonds by the levy of a tax as aforesated. In case any provision in this Bond shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Bond and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Bond to be duly executed under the official seal of the City.

CITY OF PLANO, TEXAS

ATTEST:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Secretary

(City Seal)

(c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Bond only.

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER  
OF PUBLIC ACCOUNTS  
THE STATE OF TEXAS

(  
( REGISTER NO. \_\_\_\_\_  
(

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

WITNESS my signature and seal of office this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

(Seal)

(d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Bonds only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

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

The designated office of the Paying Agent/Registrar in \_\_\_\_\_, is the Designated Payment/Transfer Office for this Bond.

\_\_\_\_\_  
\_\_\_\_\_  
as Paying Agent/Registrar

Registration Date:

\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Signature

(e) Form of Assignment.

ASSIGNMENT

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

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

DATED: \_\_\_\_\_

Signature guaranteed:  
\_\_\_\_\_

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

(f) Form of Initial Bond: The Initial Bond shall be in the respective form set forth  
therefor in subsection (b) of this Section, except as follows:

The heading and paragraph one shall be amended to read as follows:

NO. T-1 \$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF PLANO, TEXAS  
GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BOND,  
SERIES 2024

Bond Date: \_\_\_\_\_, 2024

Registered Owner:

Principal Amount: \_\_\_\_\_ DOLLARS

The City of Plano (hereinafter referred to as the "City"), a body corporate and political  
subdivision in the Counties of Collin and Denton, State of Texas, for value received,  
acknowledges itself indebted to and hereby promises to pay to the registered owner named  
above, or the registered assigns thereof, the Principal Amount hereinabove stated on  
\_\_\_\_\_ in the years and in principal installments in accordance with the following  
schedule:

<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>
-------------	-----------------------------	--------------------------

(Information to be inserted from the Pricing Certificate)

(or so much principal thereof as shall not have been redeemed prior to maturity) and to pay  
interest on the unpaid principal installments hereof from the \_\_\_\_\_ at the per annum rates

of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on \_\_\_\_\_, 20\_\_\_\_, and each \_\_\_\_\_ and \_\_\_\_\_ thereafter, until maturity or prior redemption. Principal installments of this Bond are payable in the year of maturity or on a redemption date to the registered owner hereof by \_\_\_\_\_ (the "Paying Agent/Registrar"), upon presentation and surrender at its designated offices, initially in \_\_\_\_\_, \_\_\_\_\_, or, with respect to a successor paying agent/registrar, at the designated office of such successor (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Bond whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the \_\_\_\_\_ day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent by United States mail, first-class postage, prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the registered owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

**SECTION X. Levy of Taxes.** To provide for the payment of the "Debt Service Requirements" of the Bonds, being (i) the interest on the Bonds and (ii) a sinking fund for their redemption at maturity or a sinking fund of 2% (whichever amount is the greater) there is hereby levied, and there shall be annually assessed and collected in due time, form, and manner, a tax on all taxable property in the City, within the limitations by law prescribed, sufficient to pay the principal of and interest on the Bonds as the same becomes due and payable; and such tax hereby levied on each one hundred dollars' valuation of taxable property in the City for the payment of the Debt Service Requirements of the Bonds shall be at a rate from year to year as will be ample and sufficient to provide funds each year to pay the principal of and interest on said Bonds while Outstanding; full allowance being made for delinquencies and costs of collection; the taxes levied, assessed, and collected for and on account of the Bonds shall be accounted for separate and apart from all other funds of the City and shall be deposited in the "SPECIAL SERIES 2024 GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BOND FUND", or such other fund designation as specified in the Pricing Certificate (the "Interest and Sinking Fund") to be maintained at an official depository of the City's funds; and such tax hereby levied, and to be assessed and collected annually, is hereby pledged to the payment of the Bonds.

The Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary of the City, individually or jointly, are hereby authorized and directed to cause to be transferred to the Paying Agent/Registrar for the Bonds, from funds on deposit in the Interest and Sinking Fund, amounts sufficient to fully pay and discharge promptly each installment of interest and principal of the Bonds as the same accrues or matures or comes due by reason of redemption prior to maturity; such transfers of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each principal and interest payment date for the Bonds.

With regard to any payment to become due on the Bonds prior to the tax delinquency date next following the annual assessment of taxes levied which next follows the Bond Date, if any, sufficient current funds will be available and are hereby appropriated to make such payments; and the Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary of the City, individually or jointly, are hereby authorized and directed to transfer and deposit in the Interest and Sinking Fund such current funds which will be sufficient to pay the payments due on the tax delinquency date next following the annual assessment of taxes levied which next follows the Bond Date.

**SECTION XI. Mutilated - Destroyed - Lost and Stolen Bonds.** In case any Bond shall be mutilated, or destroyed, lost, or stolen, the Paying Agent/Registrar may execute and deliver a replacement Bond of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Bond; and with respect to a lost, destroyed, or stolen Bond, a replacement Bond may be issued only upon the approval of the City and after (i) the filing by the Holder with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss, or theft of such Bond, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Bond shall be borne by the Holder of the Bond mutilated, destroyed, lost, or stolen.

Every replacement Bond issued pursuant to this Section shall be a valid and binding obligation of the City, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Bonds; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost, or stolen Bonds.

**SECTION XII. Satisfaction of Obligations of City.** If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Bonds, at the times and in the manner stipulated in this Ordinance and the Pricing Certificate, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Bonds or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Bonds or the principal amount(s) thereof at maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm or other qualified third-party firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Bonds, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The City covenants



that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Bonds to be treated as "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

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

Unless otherwise modified by the Pricing Officer, the term "Government Securities", as used herein, means (a) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and on the date of their acquisition or purchase by the City are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (d) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Bonds.

The City reserves the right, subject to satisfying the requirements of (i) and (ii) above, to substitute other Government Securities for the Government Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance.

Upon such deposit as described above, such Bonds shall no longer be regarded to be outstanding or unpaid. Provided, however, the City has reserved the option, to be exercised at the time of the defeasance of the Bonds, to call for redemption, at an earlier date, those Bonds which have been defeased to their maturity date, if the City: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the Holders of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

**SECTION XIII. Ordinance a Contract - Amendments - Outstanding Bonds.** This Ordinance, together with the Pricing Certificate, shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Bond remains Outstanding except as permitted in this Section and in Section XXXI hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance or any provision in the Pricing Certificate in any manner not detrimental to

the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Holders who own a majority of the aggregate principal amount of the Bonds then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance or any provision in the Pricing Certificate; provided that, without the consent of all Holders of Outstanding Bonds, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by Holders for consent to any such amendment, addition, or rescission.

The term "Outstanding" when used in this Ordinance with respect to Bonds means, as of the date of determination, all Bonds theretofore issued and delivered under this Ordinance, except:

- (1) those Bonds cancelled by the Paying Agent/Registrar or delivered to the Paying Agent/Registrar for cancellation;
- (2) those Bonds deemed to be duly paid by the City in accordance with the provisions of Section XII hereof; and
- (3) those mutilated, destroyed, lost, or stolen Bonds which have been replaced with Bonds registered and delivered in lieu thereof as provided in Section XI hereof.

#### **SECTION XIV. Covenants to Maintain Tax-Exempt Status.**

(a) **Definitions.** When used in this Section, the following terms have the following meanings:

"*Closing Date*" means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

"*Code*" means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

"*Computation Date*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Gross Proceeds*" means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

"*Investment*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

"*Nonpurpose Investment*" means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

"*Rebate Amount*" has the meaning set forth in Section 1.148-1(b) of the Regulations.

*“Regulations”* means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

*“Yield”* of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction, or improvement of which is to be financed (or refinanced) directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:

(i) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds (including property financed with Gross Proceeds of the Refunded Obligations), and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department, and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds (including property financed with Gross Proceeds of the Refunded Obligations), other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be “loaned” to a person or entity if: (1) property acquired, constructed, or improved with such Gross Proceeds is

sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six (6) years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the Holders thereof for federal income tax purposes, the City shall pay to the United States out of the general fund, other appropriate fund, or, if permitted by applicable Texas statute, regulation, or opinion of the Attorney General of the State of Texas, the Interest and Sinking Fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate

Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place, and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager and Director of Finance of the City, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as one or more of such persons deems necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption, or similar or other appropriate certificate, form, or document.

(k) Bonds Not Hedge Bonds. At the time the original obligations refunded by the Bonds were issued, the City reasonably expected to spend at least 85% of the spendable proceeds of such obligations within three years after such obligations were issued and (2) not more than 50% of the proceeds of the original obligations refunded by the Bonds were invested in Nonpurpose Investments having a substantially guaranteed Yield for a period of 4 years or more.

(l) Current Refunding. The Bonds are being issued to pay and discharge in full the Refunded Obligations and such payment of the Refunded Obligations will occur within ninety (90) days after the issuance of the Bonds.

**SECTION XV. Sale of Bonds – Purchase Contract - Official Statement.** The Bonds authorized by this Ordinance are to be sold by the City to the Purchasers in accordance with a bond purchase agreement in the event of a negotiated sale, letter agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable (either, the "Purchase Contract"), the terms and provisions of which Purchase Contract are to be determined by the Pricing Officer in accordance with Section III hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract for and on behalf of the City, as the act and deed of this Council, and to make a determination as to whether the terms are in the City's best interests, which determination shall be final.

With regard to such terms and provisions of the Purchase Contract, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Bonds;
2. The details of any public offering of the Bonds by the Purchasers, if any;
3. The details of any Official Statement or similar disclosure document (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and the City's Rule 15c2-12 compliance, if applicable;
4. A security deposit for the Bonds, if any;
5. The representations and warranties of the City to the Purchasers;
6. The details of the delivery of, and payment for, the Bonds;
7. The Purchasers' obligations under the Purchase Contract;
8. The certain conditions to the obligations of the City under the Purchase Contract;
9. Termination of the Purchase Contract;
10. Particular covenants of the City;
11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and
14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Bonds.

The Mayor and City Secretary of the City are further authorized and directed to deliver for and on behalf of the City copies of a Preliminary Official Statement and Official Statement prepared in connection with the offering of the Bonds by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement as delivered by said officials shall constitute the Official Statement authorized for distribution and use by the Purchasers.

**SECTION XVI. Escrow Agreement.** An "Escrow Agreement" or "Special Escrow Agreement" (either, the "Escrow Agreement") by and between the City and an authorized escrow agent (the "Escrow Agent"), if any such agreement is required in connection with the issuance of the Bonds, shall be attached to and approved in the Pricing Certificate. Such Escrow Agreement is hereby authorized to be finalized and executed by the Pricing Officer for and on behalf of the City and as the act and deed of this Council; and such Escrow Agreement as executed by said Pricing Officer shall be deemed approved by this Council and constitute the Escrow Agreement herein approved. With regard to the finalization of certain terms and provisions of any Escrow Agreement, a Pricing Officer is hereby authorized to come to an agreement with the Escrow Agent on the following details, among other matters:

1. The identification of the Refunded Obligations;
2. The creation and funding of the Escrow Fund or Funds; and
3. The Escrow Agent's compensation, administration of the Escrow Fund or Funds, and the settlement of any paying agents' charges relating to the Refunded Obligations.

Furthermore, appropriate officials of the City in cooperation with the Escrow Agent are hereby authorized and directed to make the necessary arrangements for the purchase of the escrowed

securities referenced in the Escrow Agreement, if any, and the delivery thereof to the Escrow Agent on the day of delivery of the Bonds to the Purchasers for deposit to the credit of the "CITY OF PLANO, TEXAS, GENERAL OBLIGATION REFUNDING AND IMPROVEMENT BONDS, SERIES 2024 ESCROW FUND" (referred to herein as the "Escrow Fund"), or such other designation as specified in the Pricing Certificate; all as contemplated and provided in Chapter 1207, this Ordinance, the Pricing Certificate and the Escrow Agreement.

On or immediately prior to the date of the delivery of the Bonds to the Purchasers, the Pricing Officer, or other authorized City official listed in Section XXXIII hereof, shall also cause to be deposited (and is hereby authorized to cause to be deposited) with the Escrow Agent from moneys on deposit in the debt service fund(s) maintained for the payment of the Refunded Obligations an amount which, together with the proceeds of sale of the Bonds, and the investment earnings thereon, will be sufficient to pay in full the Refunded Obligations (or the amount of accrued interest due thereon) scheduled to mature and authorized to be redeemed on the earliest date established in the Pricing Certificate for the redemption of any of the Refunded Obligations (or the earliest date of payment, to be made from moneys in the Escrow Fund(s), as established in the Pricing Certificate, of the amount of accrued interest due thereon).

#### **SECTION XVII. Refunded Obligations.**

(a) In order to provide for the refunding, discharge, and retirement of the Refunded Obligations as selected by the Pricing Officer, the Refunded Obligations, identified, described, and in the amounts set forth in the Pricing Certificate, are called for redemption on the first date such Refunded Obligations are subject to redemption or such other date specified by the Pricing Officer in the Pricing Certificate at the price of par plus accrued interest to the redemption date, and notice of such redemption shall be given in accordance with the applicable provisions of the ordinance adopted by this Council, which authorized the issuance of the Refunded Obligations. The Pricing Officer is hereby authorized and directed to issue or cause to be issued a Notice of Redemption for the Refunded Obligations in substantially the form set forth as an exhibit to the Pricing Certificate, to the paying agent/registrar for Refunded Obligations, in accordance with the redemption provisions applicable to the Refunded Obligations.

(b) The paying agent/registrar for Refunded Obligations is hereby directed to provide the appropriate notice of redemption as required by the ordinance authorizing the issuance of the Refunded Obligations and is hereby directed to make appropriate arrangements so that the Refunded Obligations may be redeemed on the redemption date specified in the Pricing Certificate.

(c) The source of funds for payment of the principal of and interest on the Refunded Obligations on their respective maturity or redemption dates shall be from the funds deposited with the Escrow Agent, pursuant to the Escrow Agreement, if any, or with the paying agent/registrar for the Refunded Obligations pursuant the provisions of Chapter 1207, this Ordinance and the Pricing Certificate finalized by the Pricing Officer.

**SECTION XVIII. Control and Custody of Bonds.** The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary ordinances, resolutions, orders and records, including the definitive Bonds and the Initial Bond, pending the investigation and approval of the Initial Bond by the Attorney General of the State of Texas, and the registration of the Initial Bond thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

**SECTION XIX. Proceeds of Sale.** Immediately following the delivery of the Bonds, the proceeds of sale (less those proceeds of sale designated to pay costs of making permanent public improvements of the City and to pay costs of issuance and any accrued interest received from the Purchasers of the Bonds or additional proceeds being deposited to the Interest and Sinking Fund) shall be deposited with the Escrow Agent for application and disbursement in accordance with the provisions of the Escrow Agreement or deposited with the paying agent/registrar for the Refunded Obligations for the payment and redemption of the Refunded Obligations. The proceeds of sale of the Bonds not so deposited with the Escrow Agent (or the paying agent/registrar for the Refunded Obligations) for the refunding of the Refunded Obligations shall be disbursed for payment of the costs of making permanent public improvements of the City, the costs of issuance, or deposited in the Interest and Sinking Fund for the Bonds, all in accordance with written instructions from the City or its financial advisor. Such proceeds of sale may be invested in authorized investments and any investment earnings realized may be (with respect to the accrued interest received from the Purchasers) deposited in the Interest and Sinking Fund as shall be determined by this Council.

Additionally, the Pricing Officer shall determine the amount of any City contribution to the refunding from moneys on deposit in the interest and sinking fund(s) maintained for the payment of the Refunded Obligations.

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

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

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

**SECTION XXII. Bond Counsel Opinion.** The obligation of the Purchasers to accept delivery of the Bonds is subject to being furnished a final opinion of Norton Rose Fulbright US LLP, Dallas, Texas, Bond Counsel to the City, approving the Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for the Bonds. A true and correct reproduction of said opinion is hereby authorized to be printed on the Bonds, or an executed counterpart thereof is hereby authorized to be either printed on definitive printed obligations or deposited with DTC along with the global certificates for the implementation and use of the Book-



Entry-Only System used in the settlement and transfer of the Bonds. The City Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the City's bond counsel.

**SECTION XXIII. CUSIP Numbers.** CUSIP numbers may be printed or typed on the definitive Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Bonds shall be of no significance or effect as regards the legality thereof, and neither the City nor attorneys approving the Bonds as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Bonds.

**SECTION XXIV. Benefits of Ordinance.** Nothing in this Ordinance or the Pricing Certificate, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof or the Pricing Certificate, this Ordinance and all of its provisions and the Pricing Certificate being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, and the Holders.

**SECTION XXV. Inconsistent Provisions.** All ordinances or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance or the Pricing Certificate are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

**SECTION XXVI. Governing Law.** This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

**SECTION XXVII. Effect of Headings.** The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

**SECTION XXVIII. Construction of Terms.** If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine, or neuter gender shall be considered to include the other genders.

**SECTION XXIX. Severability.** If any provision of this Ordinance or the Pricing Certificate or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the Pricing Certificate and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

**SECTION XXX. Incorporation of Findings and Determinations.** The findings and determinations of the City Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.

**SECTION XXXI. Continuing Disclosure Undertaking.** This Section shall apply, with such updates, if any, set forth in the Pricing Certificate, unless the Pricing Officer determines in the Pricing Certificate that an undertaking is not required pursuant to the Rule (defined below).

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

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

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

“*Rule*” means SEC Rule 15c2-12, as amended from time to time or officially interpreted by the SEC.

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

(b) Annual Reports. The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year ending in or after 2024, financial information and operating data with respect to the City of the general type included in the final Official Statement approved by the Pricing Officer under the tables in the Official Statement specified by the Pricing Officer in the Pricing Certificate and (2) audited financial statements of the City within 12 months after the end of each fiscal year ending in or after 2024. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City shall file unaudited financial statements within such 12-month period and audited financial statements for such fiscal year when and if the audit report on such financial statements becomes available. Any financial statements so provided shall be prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation.

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

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB’s Internet Web site or filed with the SEC.

(c) Notice of Certain Events. The City shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of holders of the Bonds, if material;
8. Bond calls, if material, and tender offers;

9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

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

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

(d) Filings with the MSRB. All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers and Amendments. The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Bond calls and defeasance that cause the City to be no longer such an “obligated person.”

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or

equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

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

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

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

Notwithstanding anything to the contrary in this Ordinance, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent an underwriter of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) of this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

**SECTION XXXII. Municipal Bond Insurance.** The Bonds may be sold with the principal of and interest thereon being insured by a municipal bond insurance provider authorized to transact business in the State of Texas. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Bonds and make the determination of the provisions of any commitment therefor.

**SECTION XXXIII. Further Procedures.** Any one or more of the Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance of the Bonds. In addition, prior to the initial delivery of the Bonds, the Mayor, Mayor Pro Tem, City Manager, Director of Finance or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance, including the Pricing Certificate: (i) in order to cure any technical ambiguity, formal defect or omission in this Ordinance or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Bonds by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of this Ordinance, which determination shall be final. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

**SECTION XXXIV. Public Meeting.** It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Chapter 551 of the Texas Government Code, as amended.

**SECTION XXXV. Effective Date.** In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below and it is so ordained.

*[Remainder of Page Intentionally Left Blank]*

**PASSED AND APPROVED** on the 22<sup>nd</sup> day of April, 2024.

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John B. Muns, MAYOR

ATTEST:

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Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

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Paige Mims, CITY ATTORNEY

**EXHIBIT A**  
**PAYING AGENT/REGISTRAR AGREEMENT**

## **PAYING AGENT/REGISTRAR AGREEMENT**

THIS AGREEMENT is entered into as of \_\_\_\_\_, 2024 (this “Agreement”), by and between \_\_\_\_\_, a national association duly organized and existing under the laws of the United States of America, or its successors (the “Bank”) and the City of Plano, Texas (the “Issuer”),

### **RECITALS**

**WHEREAS**, the Issuer has duly authorized and provided for the issuance of its “City of Plano, Texas, General Obligation Refunding and Improvement Bonds, Series 2024” (the “Securities”), dated \_\_\_\_\_, 2024, such Securities scheduled to be delivered to the initial purchasers thereof on or about \_\_\_\_\_, 2024; and

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

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

**NOW, THEREFORE**, it is mutually agreed as follows:

### **ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR**

**Section 1.01 Appointment.** The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the “Authorizing Document” (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

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

**Section 1.02 Compensation.** As compensation for the Bank’s services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto; provided however, notwithstanding anything herein or in Annex A to the contrary, the aggregate value of this agreement shall be less than the dollar limitation set forth in Sections 2271.002(a)(2), 2274.002(a)(2) and 2276.002(a)(2) of the Texas Government Code, as amended.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of



the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

## **ARTICLE TWO DEFINITIONS**

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

“Acceleration Date” on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

“Authorizing Document” means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

“Bank Office” means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

“Holder” and “Security Holder” each means the Person in whose name a Security is registered in the Security Register.

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

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

“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

“Responsible Officer”, when used with respect to the Bank, means the Chairman or Vice-Chairman of the Board of Directors, the Chairman or Vice-Chairman of the Executive Committee of the Board of Directors, the President, any Vice President, the Secretary, any Assistant Secretary, the Treasurer, any Assistant Treasurer, the Cashier, any Assistant Cashier, any Trust Officer or Assistant Trust Officer, or any other officer of the Bank customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any

other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

“Security Register” means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

“Stated Maturity” means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

**Section 2.02 Other Definitions.** The terms “Bank,” “Issuer,” and “Securities (Security)” have the meanings assigned to them in the recital paragraphs of this Agreement.

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

### **ARTICLE THREE PAYING AGENT**

**Section 3.01 Duties of Paying Agent.** As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder’s risk and expense.

**Section 3.02 Payment Dates.** The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

### **ARTICLE FOUR REGISTRAR**

**Section 4.01 Security Register - Transfers and Exchanges.** The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the “Security Register”) for recording the names and addresses of the

Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. The Bank represents and warrants that it will at all times have immediate access to the Security Register by electronic or other means and will be capable at all times of producing a hard copy of the Security Register for use by the Issuer. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

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

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

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

**Section 4.02 Securities.** The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

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

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

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

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

Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

**Section 4.05 Return of Cancelled Securities.** The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

**Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities.** The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

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

## **ARTICLE FIVE THE BANK**

**Section 5.01 Duties of Bank.** The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

**Section 5.02 Reliance on Documents, Etc.** The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

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

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

The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have

been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

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

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

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

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

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

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

**Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization.** A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

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

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

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

## **ARTICLE SIX MISCELLANEOUS PROVISIONS**

**Section 6.01 Amendment.** This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

**Section 6.02 Assignment.** This Agreement may not be assigned by either party without the prior written consent of the other.

**Section 6.03 Notices.** Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

**Section 6.04 Effect of Headings.** The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

**Section 6.05 Successors and Assigns.** All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

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

**Section 6.07 Merger, Conversion, Consolidation, or Succession.** Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

**Section 6.08 Benefits of Agreement.** Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

**Section 6.09 Entire Agreement.** This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

**Section 6.10 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

**Section 6.11 Termination.** This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

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

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

**Section 6.12 Contracts With Companies Engaged in Business With Iran, Sudan or Foreign Terrorist Organizations Prohibited.** The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on the following page of such officer's internet website:

<https://comptroller.texas.gov/purchasing/publications/divestment.php>

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands “affiliate” to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

**Section 6.13 Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

*[Remainder of page left blank intentionally.]*



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

[BANK]

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

Title: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_, Texas \_\_\_\_\_

CITY OF PLANO, TEXAS

By: \_\_\_\_\_  
Pricing Officer

Address: 1520 K Avenue  
Plano, Texas 75074

## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Finance  
**DIRECTOR:** Denise Tacke, Director of Finance  
**AGENDA ITEM:** To authorize the Issuance of City of Plano Tax Notes  
**RECOMMENDED ACTION:** Adoption of Ordinances

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### **ITEM SUMMARY**

To authorize the issuance of "City of Plano, Texas Tax Notes, Series 2024"; levying a continuing direct annual ad valorem tax for the payment of said Notes; resolving other matters incident and related to the issuance, sale, payment and delivery of said Notes; establishing procedures for the sale and delivery of said Notes; and delegating matters relating to the sale and issuance of said Notes to an authorized City Official; enacting provisions incident and related to the purposes and subject of this Ordinance; and providing a severability clause and an effective date. **Adopted Ordinance No. 2024-4-11**

### **BACKGROUND**

Proceeds from the sale of Tax Notes will be used for the purpose of paying contractual obligations to be incurred for (i) the acquisition and installation of information technology equipment for (a) phone system replacement, (b) fire station alerting system and (c) security video storage and (ii) the payment of professional services of attorneys, financial advisors and other professionals in connection with the issuance of said Notes.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

This ordinance permits the City of Plano to issue Tax Notes for the acquisition payment of professional services and the installation of technology equipment for a phone system replacement, fire station alerting system and security video storage. Approximately \$7,000,000 is expected to be raised from the 2024 Tax Notes issuance, with the City repaying the notes over a seven-year term through the interest and sinking portion of Plano's property tax rate. The exact amount of interest and principal to be paid will be determined by a competitive bid process.

Approval of this Ordinance supports the Strategic Plan Critical Success Factors of Safe, Vibrant Neighborhoods and Excellent, Innovative, and Accountable City Government.

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Approval of this Ordinance supports the Strategic Plan Critical Success Factors of Safe, Vibrant Neighborhoods and Excellent, Innovative, and Accountable City Government.

### **ATTACHMENTS:**

Description	Upload Date	Type
Plano Tax Notes 2024	4/16/2024	Ordinance

**An Ordinance of the City of Plano, Texas, authorizing the issuance of “City of Plano, Texas, Tax Notes, Series 2024”; levying a continuing direct annual ad valorem tax for the payment of said Notes; resolving other matters incident and related to the issuance, sale, payment and delivery of said Notes; establishing procedures for the sale and delivery of said Notes; and delegating matters relating to the sale and issuance of said Notes to an authorized City Official; enacting provisions incident and related to the purposes and subject of this Ordinance; and providing a severability clause and an effective date.**

**WHEREAS**, pursuant to Texas Government Code, Chapter 1431, as amended (the “Act”), the City Council (the “City Council”) of the City of Plano, Texas (the “City”) is authorized and empowered to issue anticipation notes to pay contractual obligations incurred or to be incurred for (i) the construction of any public work, (ii) the purchase of materials, supplies, equipment, machinery, buildings, lands, and rights-of-way for City authorized needs and purposes and (iii) for professional services rendered on behalf of the City in connection therewith; and

**WHEREAS**, in accordance with the provisions of Act the City Council hereby finds and determines that anticipation notes should be authorized at this time as herein provided to finance the costs of paying contractual obligations to be incurred for (i) the acquisition and installation of information technology equipment for (a) phone system replacement, (b) fire station alerting system and (c) security video storage and (ii) the payment of professional services of attorneys, financial advisors and other professionals in connection with the issuance of the Notes; and

**WHEREAS**, the City shall by this Ordinance, in accordance with the provisions of Texas Government Code, Chapter 1371, as amended (“Chapter 1371”), delegate to a Pricing Officer (hereinafter defined and designated) the authority to determine the principal amount of Notes to be issued and negotiate the terms of sale thereof; and

**WHEREAS**, the City Council hereby finds and determines that it is a public purpose and in the best interests of the City to authorize the issuance of the notes and the terms of such notes to be included in one or more pricing certificates (the “Pricing Certificate”) to be executed by the Pricing Officer (hereafter designated), all in accordance with the provisions of Chapter 1371.

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

**Section I.**     **Authorization – Series Designation - Principal Amount - Purpose - Note Date.** Notes of the City shall be and are hereby authorized to be issued in the maximum aggregate principal amount hereinafter set forth, to be designated and bear the title “CITY OF PLANO, TEXAS, TAX NOTES, SERIES 2024” (hereinafter referred to as the “Notes”), for the purpose of paying contractual obligations to be incurred for (i) the acquisition and installation of information technology equipment for (a) phone system replacement, (b) fire station alerting system and (c) security video storage and (ii) the payment of professional services of attorneys, financial advisors and other professionals in connection with the issuance of the Notes, in conformity with the Constitution and laws of the State of Texas, including the Act and Chapter 1371. The Notes shall be dated (the “Note Date”) as provided in the applicable Pricing Certificate.

**Section II.**     **Fully Registered Obligations - Terms.** The Notes shall be issued as fully registered obligations only, shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, and shall become due and payable on a date certain in each of the years and in principal amounts (each a “Stated Maturity” and collectively the “Stated Maturities”) and

bear interest at the rate(s) per annum in accordance with the details of the Notes as set forth in the Pricing Certificate.

The Notes shall bear interest on the unpaid principal amounts from the date(s) specified in the Pricing Certificate at the rate(s) per annum shown in the Pricing Certificate (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Notes shall be payable in each year, on the dates, and commencing on the date, set forth in the Pricing Certificate.

**Section III.**    **Delegation of Authority to Pricing Officer.**

(a) As authorized by Chapter 1371, the City Manager or the Director of Finance of the City (either, a "Pricing Officer") is hereby authorized to act on behalf of the City in selling and delivering the Notes and carrying out the other procedures specified in this Ordinance, including determining the aggregate original principal amount of the Notes, the date of the Notes, any additional or different designation or title by which the Notes shall be known, the price at which the Notes will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Notes will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the date from which interest on the Notes will accrue, the interest payment dates, the record date, the price and terms upon and at which the Notes shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, determination of the use of a book entry only securities clearance, settlement and transfer system, the terms of any bond insurance applicable to the Notes, the designation of a paying agent/registrars, and all other matters relating to the issuance, sale, and delivery of the Notes, including any modification of the continuing disclosure undertaking contained in Section XXX hereof as may be required by the purchasers of the Notes in connection with any amendments to Rule 15c2-12, all of which shall be specified in the Pricing Certificate; provided that:

- (1) the aggregate original principal amount of the Notes shall not exceed \$7,000,000;
- (2) the maximum true interest cost of the Notes shall be 4.50%; and
- (3) the maximum maturity date of the Notes shall not exceed September 1, 2030.

The execution of the Pricing Certificate shall evidence the sale date of the Notes by the City to the Purchasers (hereinafter defined).

If the Pricing Officer determines that bond insurance results in a net reduction of the City's interest costs associated with the Notes, then the Pricing Officer is authorized, in connection with effecting the sale of the Notes, to make the selection of the municipal bond insurance company for the Notes (the "Insurer") and to obtain from the Insurer a municipal bond insurance policy in support of the Notes. The Pricing Officer shall have the authority to determine the provisions of the commitment for any such policy and to execute any documents to effect the issuance of said policy by the Insurer.

(b) In establishing the aggregate principal amount of the Notes, the Pricing Officer shall establish an amount not exceeding the amount authorized in subsection (a)(1) above, which shall be sufficient in amount to provide for the purposes for which the Notes are authorized and to pay costs of issuing the Notes. The delegation made hereby shall expire if not exercised by the Pricing Officer within one (1) year from the date of adoption of this Ordinance. The Notes shall be sold to the purchaser(s)/underwriter(s) named in the Pricing Certificate (the

“Purchasers”), at such price and with and subject to such terms as set forth in the Pricing Certificate and the Purchase Contract (hereinafter defined) and may be sold by negotiated or competitive sale or by private placement. The Pricing Officer is hereby delegated the authority to designate the Purchasers, which delegation shall be evidence by the execution of the Pricing Certificate.

**Section IV.** **Terms of Payment - Paying Agent/Registrar.** The principal of, premium, if any, and the interest on the Notes, due and payable by reason of maturity, redemption or otherwise, shall be payable only to the registered owners or holders of the Notes (hereinafter called the “Holders”) appearing on the registration and transfer books maintained by the Paying Agent/Registrar, and the payment thereof shall be in any coin or currency of the United States of America which, at the time of payment, is legal tender for the payment of public and private debts, and shall be without exchange or collection charges to the Holders.

The selection and appointment of the Paying Agent/Registrar for the Notes shall be as provided in the Pricing Certificate. Books and records relating to the registration, payment, exchange and transfer of the Notes (the “Security Register”) shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a “Paying Agent/Registrar Agreement”, substantially in the form attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Pricing Officer or the Mayor and City Secretary are hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Notes. The City covenants to maintain and provide a Paying Agent/Registrar at all times until the Notes are paid and discharged, and any successor Paying Agent/Registrar shall be a commercial bank, trust company, financial institution, or other entity qualified and authorized to serve in such capacity and perform the duties and services of Paying Agent/Registrar. Upon any change in the Paying Agent/Registrar for the Notes, the City agrees to promptly cause a written notice thereof to be sent to each Holder by United States mail, first-class, postage prepaid, which notice shall also give the address of the new Paying Agent/Registrar.

The Notes shall be payable at their Stated Maturities or upon their earlier redemption, only upon presentation and surrender of the Notes to the Paying Agent/Registrar at its designated offices provided in the Pricing Certificate, or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the “Designated Payment/Transfer Office”); provided, however, while a Note is registered to Cede & Co., the payment thereof upon a partial redemption of the principal amount thereof may be accomplished without presentation and surrender of such Note. Interest on a Note shall be paid by the Paying Agent/Registrar to the Holders whose names appears in the Security Register at the close of business on the Record Date (which shall be set forth in the Pricing Certificate) and such interest payments shall be made (i) by check sent by United States mail, first-class, postage prepaid, to the address of the Holder recorded in the Security Register or (ii) by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Holder. If the date for the payment of the principal of or interest on the Notes shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which such banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due.

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

**Section V.**     **Registration - Transfer - Exchange of Notes - Predecessor Notes.** The Paying Agent/Registrar shall obtain, record, and maintain in the Security Register the name and address of each and every Holder of the Notes issued under and pursuant to the provisions of this Ordinance, or if appropriate, the nominee thereof. Any Note may be transferred or exchanged for Notes like kind, maturity, and amount and in authorized denominations upon the Security Register by the Holder, in person or by his duly authorized agent, upon surrender of such Note to the Paying Agent/Registrar at its Designated Payment/Transfer Office for cancellation, accompanied by a written instrument of transfer or request for exchange duly executed by the Holder or by his duly authorized agent, in form satisfactory to the Paying Agent/Registrar.

Upon surrender for assignment or transfer of any Note (other than the Initial Note authorized in Section VIII hereof) for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar, one or more new Notes, executed on behalf of and furnished by the City, shall be registered and issued to the assignee or transferee of the previous Holder; such Notes to be of authorized denominations, of like Stated Maturity and of a like aggregate principal amount as the Note or Notes surrendered for transfer.

At the option of the Holder, Notes (other than the Initial Note authorized in Section VIII hereof) may be exchanged for other Notes of authorized denominations and having the same Stated Maturity, bearing the same rate of interest and of like aggregate principal amount as the Notes surrendered for exchange, upon surrender of the Notes to be exchanged at the Designated Payment/Transfer Office of the Paying Agent/Registrar. Whenever any Notes are surrendered for exchange, the Paying Agent/Registrar shall register and deliver new Notes, executed on behalf of and furnished by the City to the Holder requesting the exchange.

All Notes issued upon any such transfer or exchange of Notes shall be delivered to the Holders at the Designated Payment/Transfer Office of the Paying Agent/Registrar or sent by United States mail, first-class, postage prepaid to the Holders, and, upon the registration and delivery thereof, the same shall be the valid obligations of the City, evidencing the same obligation to pay, and entitled to the same benefits under this Ordinance, as the Notes surrendered in such transfer or exchange.

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

Notes cancelled by reason of an exchange or transfer pursuant to the provisions hereof are hereby defined to be "Predecessor Notes," evidencing all or a portion, as the case may be, of the same obligation to pay evidenced by the new Note or Notes registered and delivered in the

exchange or transfer therefor. Additionally, the term "Predecessor Notes" shall include any mutilated, lost, destroyed, or stolen Note for which a replacement Note has been issued, registered and delivered in lieu thereof pursuant to the provisions of Section XI hereof and such new replacement Note shall be deemed to evidence the same obligation as the mutilated, lost, destroyed, or stolen Note.

Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Note called for redemption, in whole or in part, within forty-five (45) days of the date fixed for the redemption of such Note; provided, however, such limitation on transferability shall not be applicable to an exchange by the Holder of the unredeemed balance of a Note called for redemption in part.

**Section VI. Book-Entry-Only Transfers and Transactions.** Notwithstanding the provisions contained in Sections IV and V hereof relating to the payment, and transfer/exchange of the Notes, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement and transfer system provided by The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York ("DTC"), in accordance with the operational arrangements referenced in a Blanket Issuer Letter of Representations by and between the City and DTC, and the Letter of Representations from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement") relating to the Notes.

In the event the Pricing Officer elects to utilize DTC's Book Entry Only" System, which election shall be made by the Pricing Officer in the Pricing Certificate, pursuant to the Depository Agreement and the rules of DTC, the Notes shall be deposited with DTC who shall hold said Notes for its participants (the "DTC Participants"). While the Notes are held by DTC under the Depository Agreement, the Holder of the Notes on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Note (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

In the event DTC determines to discontinue serving as securities depository for the Notes or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Notes, the City covenants and agrees with the Holders of the Notes to cause Notes to be printed in definitive form and provide for the Note certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Notes in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Notes shall be made in accordance with the provisions of Sections IV and V hereof.

**Section VII. Execution - Registration.** The Notes shall be executed on behalf of the City by the Mayor under the City's seal reproduced or impressed thereon and attested by the City Secretary. The signature of said officials and the seal on the Notes may be manual or facsimile. Notes bearing the manual or facsimile signatures of individuals who are or were the proper officials of the City on the date of the adoption of this Ordinance shall be deemed to be duly executed on behalf of the City, notwithstanding that one or more of such individuals shall cease to hold such offices at the time of delivery of the Notes to the Purchaser(s) and with respect to Notes delivered in subsequent exchanges and transfers, all as authorized and provided in Chapter 1201 of the Texas Government Code, as amended.



No Note shall be entitled to any right or benefit under this Ordinance, or be valid or obligatory for any purpose, unless there appears on such Note either a certificate of registration substantially in the form provided in Section IX.(c) (or as set forth in the Pricing Certificate), manually executed by the Comptroller of Public Accounts of the State of Texas, or his duly authorized agent, or a certificate of registration substantially in the form provided in Section IX.(d) (or as set forth in the Pricing Certificate), manually executed by an authorized officer, employee or representative of the Paying Agent/Registrar, and either such certificate duly signed upon any Note shall be conclusive evidence, and the only evidence, that such Note has been duly certified, registered and delivered.

**Section VIII. Initial Note.** The Notes herein authorized shall be initially issued as fully registered Notes as specified in the Pricing Certificate, being a single fully registered Note in the aggregate principal amount noted and shown in the Pricing Certificate in principal installments to become due and payable as provided in the Pricing Certificate and numbered T-1, (hereinafter called the "Initial Note" and, the Initial Note shall be registered in the name of the Purchaser(s) or the designee thereof. The Initial Note shall be the Note submitted to the Office of the Attorney General of the State of Texas for approval, certified and registered by the Office of the Comptroller of Public Accounts of the State of Texas and delivered to the Purchaser(s). Any time after the delivery of the Initial Note, the Paying Agent/Registrar, pursuant to written instructions from the Purchaser(s), or the designee thereof, shall cancel the Initial Note delivered hereunder and exchange therefor definitive Notes of like kind and of authorized denominations, Stated Maturities, principal amounts and bearing applicable interest rates for transfer and delivery to the Holders named at the addresses identified therefor; all pursuant to and in accordance with such written instructions from the Purchaser(s), or the designee thereof, and such other information and documentation as the Paying Agent/Registrar may reasonably require.

**Section IX. Forms.**

(a) Forms Generally. The Notes, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Registration Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on each of the Notes, shall be substantially in the forms set forth in this Section with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and, with the Notes to be completed and modified with the information set forth in the Pricing Certificate, may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends on insured Notes and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the Pricing Officer. The Pricing Certificate shall set forth the final and controlling form and terms of the Notes. Any portion of the text of any Notes may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Note.

The definitive Notes and the Initial Note shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Notes as evidenced by their execution thereof.

(b) Form of Definitive Note.

REGISTERED  
NO. \_\_\_\_\_

PRINCIPAL AMOUNT  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF PLANO, TEXAS  
TAX NOTE  
SERIES 2024<sup>1</sup>

Note Date: \_\_\_\_\_ Interest Rate: \_\_\_\_\_ Stated Maturity: \_\_\_\_\_ CUSIP NO: \_\_\_\_\_  
\_\_\_\_\_, 2024 \_\_\_\_\_% \_\_\_\_\_, 20\_\_

Registered Owner: \_\_\_\_\_

Principal Amount: \_\_\_\_\_ DOLLARS

The City of Plano (hereinafter referred to as the "City"), a body corporate and political subdivision in the Counties of Collin and Denton, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount hereinabove stated (or so much thereof as shall not have been paid upon prior redemption), and to pay interest on the unpaid Principal Amount hereof from the interest payment date next preceding the "Registration Date" of this Note appearing below (unless this Note bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of this Note is prior to the initial interest payment date, in which case it shall bear interest from the \_\_\_\_\_) at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on \_\_\_\_\_ and \_\_\_\_\_ in each year, commencing \_\_\_\_\_, 20\_\_ until maturity or prior redemption. Principal of this Note is payable at its Stated Maturity or upon its prior redemption to the registered owner hereof, upon presentation and surrender, at the designated offices of the Paying Agent/Registrar executing the registration certificate appearing hereon, initially in \_\_\_\_\_, \_\_\_\_\_ or, with respect to a successor Paying Agent/Registrar, at the designated offices of such successor (the "Designated Payment/Transfer Office"); provided, however, while this Note is registered to Cede & Co., the payment of principal upon a partial redemption of the principal amount hereof may be accomplished without presentation and surrender of this Note. Interest is payable to the registered owner of this Note (or one or more Predecessor Notes, as defined in the Ordinance hereinafter referenced) whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date", which is the \_\_\_\_\_ day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent by United States mail, first-class, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Notes shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when such banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Note shall be without exchange or collection charges to the owner hereof and in

<sup>1</sup> Conform the terms and provisions of this Note to the terms and provisions specified in the Pricing Certificate.

any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

This Note is one of the series specified in its title issued in the aggregate principal amount of \$\_\_\_\_\_ (herein referred to as the "Notes") for the purpose of paying the costs of paying contractual obligations to be incurred for acquisition and installation of technology equipment for (i) the acquisition and installation of information technology equipment for (a) phone system replacement, (b) fire station alerting system and (c) security video storage and (ii) the payment of professional services of attorneys, financial advisors and other professionals in connection with the issuance of the Notes, under and in strict conformity with the Constitution and laws of the State of Texas, including Chapters 1371 and 1431 of the Texas Government Code, as amended, and pursuant to an ordinance adopted by the City Council of the City (herein referred to as the "Ordinance").

<sup>2</sup>[The Notes are not subject to redemption prior to maturity.][The Notes maturing on the dates hereinafter identified (the "Term Notes") are subject to mandatory redemption prior to maturity with funds on deposit in the Interest and Sinking Fund established and maintained for the payment thereof in the Ordinance, and shall be redeemed in part prior to maturity at the price of par and accrued interest thereon to the date of redemption, and without premium, on the dates and in the principal amounts as follows:

Term Notes due _____, 20__		Term Notes Due _____ 20__	
<u>Redemption Date</u>	<u>Principal Amount</u>	<u>Redemption Date</u>	<u>Principal Amount</u>
_____, 20__	\$	_____, 20__	\$
_____, 20__*	\$	_____, 20__*	\$
Term Notes Due _____, 20__			
<u>Redemption Date</u>	<u>Principal Amount</u>		
_____, 20__	\$		
_____, 20__*	\$		

\* Stated maturity.

The particular Term Notes of a Stated Maturity to be redeemed on each redemption date shall be chosen by lot by the Paying Agent/Registrar; provided, however, that the principal amount of Term Notes for a Stated Maturity required to be redeemed on a mandatory redemption date may be reduced, at the option of the City, by the principal amount of Term Notes of like Stated Maturity which, at least fifty (50) days prior to a mandatory redemption date, (1) shall have been acquired by the City at a price not exceeding the principal amount of such Term Notes plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation or (2) shall have been redeemed pursuant to the optional redemption provisions appearing below and not theretofore credited against a mandatory redemption requirement.

The Notes maturing on and after \_\_\_\_\_, 20\_\_ may be redeemed prior to their Stated Maturities, at the option of the City, in whole or in part in principal amounts of \$5,000 or any integral multiple thereof (and if within a Stated Maturity by lot by the Paying Agent/Registrar), on \_\_\_\_\_, 20\_\_, or on any date thereafter, at the redemption price of par, together with accrued interest to the date of redemption.

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<sup>2</sup> Conform redemption provisions to Pricing Certificate.

At least thirty (30) days prior to the date fixed for any redemption of the Notes, the City shall cause a written notice of such redemption to be sent by United States mail, first-class, postage prepaid, to registered the owners of each Note to be redeemed, in whole or in part, at the address shown on the Security Register and subject to the terms and provisions relating thereto contained in the Ordinance. If a Note (or any portion of its principal sum) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date such Note (or the portion of its principal sum to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefor; provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

In the event a portion of the principal amount of a Note is to be redeemed and the registered owner is someone other than Cede & Co., payment of the redemption price of such principal amount shall be made to the registered owner only upon presentation and surrender of such Note to the Designated Payment/Transfer Office of the Paying Agent/Registrar, and a new Note or Notes of like maturity and interest rate in any authorized denominations provided by the Ordinance for the then unredeemed balance of the principal sum thereof will be issued to the registered owner, without charge. If a Note is selected for redemption, in whole or in part, the City and the Paying Agent/Registrar shall not be required to transfer such Note to an assignee of the registered owner within forty-five (45) days of the redemption date therefor; provided, however, such limitation on transferability shall not be applicable to an exchange by the registered owner of the unredeemed balance of a Note redeemed in part.

With respect to any optional redemption of the Notes, unless moneys sufficient to pay the principal of and premium, if any, and interest on the Notes to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice may state that said redemption is conditional upon the receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon the satisfaction of any prerequisites set forth in such notice of redemption; and, if sufficient moneys are not received or such prerequisites are not satisfied, such notice shall be of no force and effect, the City shall not redeem such Notes and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Notes have not been redeemed.]<sup>3</sup>

The Notes are payable from the proceeds of an ad valorem tax levied, within the limitations prescribed by law, upon all taxable property in the City. Reference is hereby made to the Ordinance and the Pricing Certificate, copies of which are on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the owner or holder of this Note by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied for the payment of the Notes; the terms and conditions relating to the transfer or exchange of this Note; the conditions upon which the Ordinance may be amended or supplemented with or without the consent of the Holders; the rights, duties, and obligations of the City and the Paying Agent/Registrar; the terms and provisions upon which this Note may be discharged at or prior to its maturity or redemption, and deemed to be no longer Outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein and not otherwise defined have the meanings assigned in the Ordinance.

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<sup>3</sup> Conform redemption provisions to Pricing Certificate.

This Note, subject to certain limitations contained in the Ordinance, may be transferred on the Security Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the registered owner hereof, or his duly authorized agent. When a transfer on the Security Register occurs, one or more new fully registered Notes of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

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

It is hereby certified, recited, represented and declared that the City is a body corporate and political subdivision duly organized and legally existing under and by virtue of the Constitution and laws of the State of Texas; that the issuance of the Notes is duly authorized by law; that all acts, conditions and things required to exist and be done precedent to and in the issuance of the Notes to render the same lawful and valid obligations of the City have been properly done, have happened and have been performed in regular and due time, form and manner as required by the Constitution and laws of the State of Texas, and the Ordinance; that the Notes do not exceed any Constitutional or statutory limitation; and that due provision has been made for the payment of the principal of and interest on the Notes by the levy of a tax as aforesated. In case any provision in this Note shall be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. The terms and provisions of this Note and the Ordinance shall be construed in accordance with and shall be governed by the laws of the State of Texas.

IN WITNESS WHEREOF, the City Council of the City has caused this Note to be duly executed under the official seal of the City.

CITY OF PLANO, TEXAS

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Mayor

ATTEST:

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City Secretary

(City Seal)

- (c) Form of Registration Certificate of Comptroller of Public Accounts to appear on Initial Note(s) only.

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER )  
OF PUBLIC ACCOUNTS ) REGISTER NO. \_\_\_\_\_  
THE STATE OF TEXAS )

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

WITNESS my signature and seal of office this \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

(SEAL)

- (d) Form of Certificate of Paying Agent/Registrar to appear on Definitive Notes only.

REGISTRATION CERTIFICATE OF PAYING AGENT/REGISTRAR

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

The designated office of the Paying Agent/Registrar in \_\_\_\_\_, is the Designated Payment/Transfer Office for this Note.

Registration date: \_\_\_\_\_,  
\_\_\_\_\_, as Paying Agent/Registrar

\_\_\_\_\_  
By: \_\_\_\_\_  
Authorized Signature

- (e) Form of Assignment.

ASSIGNMENT

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

\_\_\_\_\_) the within Note and all rights thereunder, and hereby

irrevocably constitutes and appoints \_\_\_\_\_

attorney to transfer the within Note on the books kept for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_

Signature guaranteed: \_\_\_\_\_

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

- (f) Form of Initial Note: The Initial Note(s) shall be in the respective form set forth therefor in subsection (b) of this Section, except as follows:

The heading and paragraph one shall be amended to read as follows:

REGISTERED  
NO. T-1

REGISTERED  
\$ \_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
CITY OF PLANO, TEXAS  
TAX NOTE  
SERIES 2024

Note Date: \_\_\_\_\_, 2024

Registered Owner: \_\_\_\_\_

Principal Amount: \_\_\_\_\_ DOLLARS

The City of Plano (hereinafter referred to as the "City"), a body corporate and political subdivision in the Counties of Collin and Denton, State of Texas, for value received, acknowledges itself indebted to and hereby promises to pay to the registered owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on \_\_\_\_\_ in the years and in principal installments in accordance with the following schedule:

<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>	<u>INTEREST RATE</u>
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(Information to be inserted from the Pricing Certificate).

[(or so much principal thereof as shall not have been redeemed prior to maturity)]<sup>4</sup> and to pay interest on the unpaid Principal Amount hereof from the interest payment date next preceding the "Registration Date" (affixed upon the Notes by the Paying Agent/Registrar) of each Note (unless a Note bears a "Registration Date" as of an interest payment date, in which case it shall bear interest from such date, or unless the "Registration Date" of a Note is the delivery date of the Note or its Predecessor Note to the initial Holder, in which case it shall bear interest from \_\_\_\_\_

<sup>4</sup> Conform redemption provisions to Pricing Certificate.

\_\_\_\_\_) at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on \_\_\_\_ and \_\_\_\_ in each year, commencing \_\_\_\_, 20\_\_. Principal installments of this Note are payable on the Stated Maturity dates or on a redemption date to the registered owner hereof by \_\_\_\_\_, \_\_\_\_\_, (the "Paying Agent/Registrar"), upon its presentation and surrender at its designated offices, initially in \_\_\_\_\_, or, with respect to a successor paying agent/registrar, at the designated office of such successor (the "Designated Payment/Transfer Office"). Interest is payable to the registered owner of this Note whose name appears on the "Security Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the \_\_\_\_ day of the month next preceding each interest payment date, and interest shall be paid by the Paying Agent/Registrar by check sent by United States mail, first-class, postage prepaid, to the address of the registered owner recorded in the Security Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the registered owner. If the date for the payment of the principal of or interest on the Notes shall be a Saturday, Sunday, a legal holiday, or a day when banking institutions in the city where the Designated Payment/Transfer Office of the Paying Agent/Registrar is located are authorized by law or executive order to be closed, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day when banking institutions are authorized to be closed; and payment on such date shall have the same force and effect as if made on the original date payment was due. All payments of principal of, premium, if any, and interest on this Note shall be without exchange or collection charges to the owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

**Section X. Levy of Taxes.** To provide for the payment of the "Debt Service Requirements" of the Notes, being (i) the interest on the Notes and (ii) a sinking fund for their payment at maturity or redemption or a sinking fund of 2% (whichever amount is the greater), there is hereby levied, and there shall be annually assessed and collected in due time, form, and manner, a tax on all taxable property in the City, within the limitations prescribed by law, sufficient to pay the principal of and interest on the Notes as the same becomes due and payable; and such tax hereby levied on each one hundred dollars' valuation of taxable property in the City for the payment of the Debt Service Requirements of the Notes shall be at a rate from year to year as will be ample and sufficient to provide funds each year to pay the principal of and interest on said Notes while Outstanding; full allowance being made for delinquencies and costs of collection; taxes levied, assessed and collected for and on account of the Notes shall be deposited to the credit of a "Special 2024 Note Account" (the "Interest and Sinking Fund") maintained on the records of the City and deposited in a special fund maintained at an official depository of the City's funds; and such tax hereby levied, and to be assessed and collected annually, is hereby pledged to the payment of the Notes.

The Mayor, Mayor Pro Tem, City Secretary, City Manager, and Director of Finance, individually or jointly, are hereby authorized and directed to cause to be transferred to the Paying Agent/Registrar for the Notes, from funds on deposit in the Interest and Sinking Fund, amounts sufficient to fully pay and discharge promptly each installment of interest on and principal of the Notes as the same accrues or matures or comes due by reason of redemption prior to maturity; such transfers of funds to be made in such manner as will cause collected funds to be deposited with the Paying Agent/Registrar on or before each principal and interest payment date for the Notes.

With regard to any payment to become due on the Notes prior to the tax delinquency date next following the annual assessment of taxes levied which next follows the Note Date, if any,



sufficient current funds will be available and are hereby appropriated to make such payments; and the Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary of the City, individually or jointly, are hereby authorized and directed to transfer and deposit in the Interest and Sinking Fund such current funds which will be sufficient to pay the payments due on the tax delinquency date next following the annual assessment of taxes levied which next follows the Note Date.

**Section XI. Mutilated - Destroyed - Lost and Stolen Notes.** In case any Note shall be mutilated, or destroyed, lost, or stolen, the Paying Agent/Registrar may execute and deliver a replacement Note of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Note; and with respect to a lost, destroyed, or stolen Note, a replacement Note may be issued only upon the approval of the City and after (i) the filing by the Holder with the Paying Agent/Registrar of evidence satisfactory to the Paying Agent/Registrar of the destruction, loss, or theft of such Note, and of the authenticity of the ownership thereof and (ii) the furnishing to the Paying Agent/Registrar of indemnification in an amount satisfactory to hold the City and the Paying Agent/Registrar harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Note shall be borne by the Holder of the Note mutilated, destroyed, lost, or stolen.

Every replacement Note issued pursuant to this Section shall be a valid and binding obligation of the City, and shall be entitled to all the benefits of this Ordinance equally and ratably with all other Outstanding Notes; notwithstanding the enforceability of payment by anyone of the destroyed, lost, or stolen Notes.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement and payment of mutilated, destroyed, lost or stolen Notes.

**Section XII. Satisfaction of Obligations of City.** If the City shall pay or cause to be paid, or there shall otherwise be paid to the Holders, the principal of, premium, if any, and interest on the Notes, at the times and in the manner stipulated in this Ordinance and the Pricing Certificate, then the pledge of taxes levied under this Ordinance and all covenants, agreements, and other obligations of the City to the Holders shall thereupon cease, terminate, and be discharged and satisfied.

Notes or any principal amount(s) thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section when (i) money sufficient to pay in full such Notes or the principal amount(s) thereof at maturity or to the redemption date therefor, together with all interest due thereon, shall have been irrevocably deposited with and held in trust by the Paying Agent/Registrar, or an authorized escrow agent, or (ii) Government Securities shall have been irrevocably deposited in trust with the Paying Agent/Registrar, or an authorized escrow agent, which Government Securities have been certified by an independent accounting firm or other qualified third-party firm to mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money, together with any moneys deposited therewith, if any, to pay when due the principal of and interest on such Notes, or the principal amount(s) thereof, on and prior to the Stated Maturity thereof or (if notice of redemption has been duly given or waived or if irrevocable arrangements therefor acceptable to the Paying Agent/Registrar have been made) the redemption date thereof. The City covenants that no deposit of moneys or Government Securities will be made under this Section and no use made of any such deposit which would cause the Notes to be treated as "arbitrage bonds" within

the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or regulations adopted pursuant thereto.

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

Unless otherwise modified by the Pricing Officer, the term "Government Securities", as used herein, means (a) direct noncallable obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and on the date of their acquisition or purchase by the City are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and on the date of their acquisition or purchase by the City, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (d) any other then authorized securities or obligations under applicable State law that may be used to defease obligations such as the Notes.

The City reserves the right, subject to satisfying the requirements of (i) and (ii) above, to substitute other Government Securities for the Government Securities originally deposited, to reinvest the uninvested moneys on deposit for such defeasance and to withdraw for the benefit of the City moneys in excess of the amount required for such defeasance.

Upon such deposit as described above, such Notes shall no longer be regarded to be outstanding or unpaid.

**Section XIII. Ordinance a Contract - Amendments - Outstanding Notes.** This Ordinance together with the Pricing Certificate, shall constitute a contract with the Holders from time to time, be binding on the City, and shall not be amended or repealed by the City so long as any Note remains Outstanding except as permitted in this Section and in Section XXX hereof. The City may, without the consent of or notice to any Holders, from time to time and at any time, amend this Ordinance or any provision in the Pricing Certificate in any manner not detrimental to the interests of the Holders, including the curing of any ambiguity, inconsistency, or formal defect or omission herein. In addition, the City may, with the consent of Holders who own a majority of the aggregate principal amount of the Notes then Outstanding, amend, add to, or rescind any of the provisions of this Ordinance or any provision in the Pricing Certificate; provided that, without the consent of all Holders of Outstanding Notes, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Notes, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or

interest on the Notes, (2) give any preference to any Note over any other Note, or (3) reduce the aggregate principal amount of Notes required to be held by Holders for consent to any such amendment, addition, or rescission.

The term “Outstanding” when used in this Ordinance with respect to Notes means, as of the date of determination, all Notes theretofore issued and delivered under this Ordinance, except:

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

(2) those Notes deemed to be duly paid by the City in accordance with the provisions of Section XII hereof; and

(3) those mutilated, destroyed, lost, or stolen Notes which have been replaced with Notes registered and delivered in lieu thereof as provided in Section XI hereof.

#### **Section XIV. Covenants to Maintain Tax-Exempt Status.**

(a) Definitions: When used in this Section, the following terms shall have the following meanings:

“Closing Date” means the date on which the Notes are first authenticated and delivered to the initial purchasers against payment therefor.

“Code” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

“Computation Date” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Gross Proceeds” means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Notes.

“Investment” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Nonpurpose Investment” means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Notes are invested and which is not acquired to carry out the governmental purposes of the Notes.

“Rebate Amount” has the meaning set forth in Section 1.148-1(b) of the Regulations.

“Regulations” means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Notes. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

“Yield” of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Notes has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable: The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Note to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Note, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments: Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Notes:

(i) exclusively own, operate and possess all property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Notes, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Notes or any property the acquisition, construction or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan: Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Notes to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield: Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Notes directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Notes.

(f) Not Federally Guaranteed: Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Notes to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report: The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits: Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six years after the day on which the last outstanding Note is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Notes with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Notes until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Notes by the Purchasers and the loan of the money represented thereby and in order to induce such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the owners thereof for federal income tax purposes, the City shall pay to the United States out of the Interest and Sinking Fund or its general fund, as permitted by applicable Texas statute, regulation or opinion of the Attorney General of the State of Texas, the amount that when added to the future value of previous rebate payments made for the Notes equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148 3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits: Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Notes, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Notes not been relevant to either party.

(j) Elections: The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Secretary, City Manager and Director of Finance, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as they deem necessary or appropriate in connection with the Notes, in the Certificate as to Tax Exemption or similar or other appropriate certificate, form or document.

**Section XV. Sale of Notes; Purchase Contract; Official Statement.** The Notes authorized by this Ordinance are to be sold by the City to the Purchasers in accordance with a purchase agreement in the event of a negotiated sale, letter agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable (either, the "Purchase Contract"), the terms and provisions of which Purchase Contract are to be determined by the Pricing Officer in accordance with Section III hereof. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract for and on behalf of the City, as the act and deed of this City Council, and to make a determination as to whether the terms are in the City's best interests, which determination shall be final.

With regard to such terms and provisions of the Purchase Contract, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Notes;
2. The details of any public offering of the Notes by the Purchasers, if any;
3. The details of any Official Statement (and, if appropriate, any Preliminary Official Statement) relating to the Notes and the City's Rule 15c2-12 compliance, if applicable;
4. A security deposit for the Notes, if any;
5. The representations and warranties of the City to the Purchasers;
6. The details of the delivery of, and payment for, the Notes;
7. The Purchasers' obligations under the Purchase Contract;
8. The certain conditions to the obligations of the City under the Purchase Contract;
9. Termination of the Purchase Contract;
10. Particular covenants of the City;
11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and
14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Notes.

The Mayor and City Secretary of the City are further authorized and directed to deliver for and on behalf of the City copies of a Preliminary Official Statement and Official Statement

prepared in connection with the offering of the Notes by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement as delivered by said officials shall constitute the Official Statement authorized for distribution and use by the Purchasers.

**Section XVI. Control and Custody of Notes.** The Mayor of the City shall be and is hereby authorized to take and have charge of all necessary ordinances, resolutions, orders and records, including the definitive Notes and the Initial Note, pending the investigation and approval of the Initial Note by the Attorney General of the State of Texas, the registration of the Initial Note thereof by the Comptroller of Public Accounts and the delivery thereof to the Purchasers.

**Section XVII. Proceeds of Sale.** Immediately following the delivery of the Notes, the proceeds of sale (less those proceeds of sale designated to pay costs of issuance, bond insurance premium, if any, accrued interest, if any, received from the Purchasers of the Notes and premium in the amount, if any, specified in the applicable Pricing Certificate) shall be deposited to the credit of a construction account maintained on the books and records of the City and, if not immediately invested, in a fund kept at a depository bank of the City. Pending expenditure for authorized projects and purposes, such proceeds of sale deposited to the construction fund may be invested in authorized investments in accordance with the provisions of Texas Government Code, Chapter 2256, including guaranteed investment contracts permitted in Texas Government Code, Section 2256.015, et seq., and any investment earnings realized may be expended for such authorized projects and purposes or deposited in the Interest and Sinking Fund as shall be determined by the City Council. Accrued interest, if any, and premium in the amount, if any, specified in the applicable Pricing Certificate received from the sale of the Notes and any excess Note proceeds, including investment earnings, remaining after completion of all authorized projects or purposes shall be deposited to the credit of the applicable Interest and Sinking Fund.

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

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

**Section XIX. Cancellation.** All Notes surrendered for payment, redemption, transfer, exchange, or replacement, if surrendered to the Paying Agent/Registrar, shall be promptly cancelled by it and, if surrendered to the City, shall be delivered to the Paying Agent/Registrar and, if not already cancelled, shall be promptly cancelled by the Paying Agent/Registrar. The City may at any time deliver to the Paying Agent/Registrar for cancellation any Notes previously certified or registered and delivered which the City may have acquired in any manner whatsoever, and all Notes so delivered shall be promptly cancelled by the Paying Agent/Registrar. All cancelled Notes held by the Paying Agent/Registrar shall be returned to the City.

**Section XX.** **Bond Counsel Opinion.** The obligation of the Purchasers to accept delivery of the Notes is subject to being furnished a final opinion of Norton Rose Fulbright US LLP, Dallas, Texas, Bond Counsel to the City, approving such Notes as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for such Notes. A true and correct reproduction of said opinion is hereby authorized to be printed on the Notes, or an executed counterpart thereof is hereby authorized to be either printed on definitive printed obligations or deposited with DTC along with the global certificates for the implementation and use of the Book-Entry-Only System used in the settlement and transfer of the Notes. The City Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the City's bond counsel.

**Section XXI.** **CUSIP Numbers.** CUSIP numbers may be printed or typed on the definitive Notes. It is expressly provided, however, that the presence or absence of CUSIP numbers on the definitive Notes shall be of no significance or effect as regards the legality thereof and neither the City nor attorneys approving the Notes as to legality are to be held responsible for CUSIP numbers incorrectly printed or typed on the definitive Notes.

**Section XXII.** **Benefits of Ordinance.** Nothing in this Ordinance or the Pricing Certificate, expressed or implied, is intended or shall be construed to confer upon any person other than the City, the Paying Agent/Registrar and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Ordinance or any provision hereof or the Pricing Certificate, this Ordinance and all of its provisions and the Pricing Certificate being intended to be and being for the sole and exclusive benefit of the City, the Paying Agent/Registrar, and the Holders.

**Section XXIII.** **Inconsistent Provisions.** All ordinances or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Ordinance or the Pricing Certificate are hereby repealed to the extent of such conflict, and the provisions of this Ordinance shall be and remain controlling as to the matters contained herein.

**Section XXIV.** **Governing Law.** This Ordinance shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

**Section XXV.** **Effect of Headings.** The Section headings herein are for convenience of reference only and shall not affect the construction hereof.

**Section XXVI.** **Construction of Terms.** If appropriate in the context of this Ordinance, words of the singular number shall be considered to include the plural, words of the plural number shall be considered to include the singular, and words of the masculine, feminine or neuter gender shall be considered to include the other genders.

**Section XXVII.** **Severability.** If any provision of this Ordinance or the Pricing Certificate or the application thereof to any circumstance shall be held to be invalid, the remainder of this Ordinance and the Pricing Certificate and the application thereof to other circumstances shall nevertheless be valid, and the City Council hereby declares that this Ordinance would have been enacted without such invalid provision.

**Section XXVIII.** **Incorporation of Findings and Determinations.** The findings and determinations of the City Council contained in the preamble hereof are hereby incorporated by reference and made a part of this Ordinance for all purposes as if the same were restated in full in this Section.



**Section XXIX. Bond Insurance.** The Notes may be sold with the principal of and interest thereon being insured by a qualified municipal bond insurance provider. The Pricing Officer is hereby authorized to make the selection of municipal bond insurance (if any) for the Notes and to determine the provisions of any commitment therefor.

**Section XXX. Continuing Disclosure Undertaking.** This Section shall apply, with such updates, if any, set forth in the Pricing Certificate, unless the Pricing Officer determines in the Pricing Certificate that an undertaking is not required pursuant to the Rule (defined below).

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

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

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time or officially interpreted by the SEC.

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

(b) **Annual Reports:** The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year ending in or after 2024, financial information and operating data with respect to the City of the general type included in the final Official Statement approved by the Pricing Officer under the tables in the Official Statement specified by the Pricing Officer in the Pricing Certificate and (2) audited financial statements of the City within 12 months after the end of each fiscal year ending in or after 2024. If the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the City shall file unaudited financial statements within such 12-month period and audited financial statements for such fiscal year when and if the audit report on such financial statements becomes available. Any financial statements so provided shall be prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation.

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

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB’s Internet Web site or filed with the SEC.

(c) **Notices of Certain Events:** The City shall provide notice of any of the following events with respect to the Notes to the MSRB in a timely manner and not more than ten (10) business days after occurrence of the event:

(1) Principal and interest payment delinquencies;

- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the Notes, or other material events affecting the tax status of the Notes;
- (7) Modifications to rights of holders of the Notes, if material;
- (8) Note calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Notes, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership, or similar event of the City, which shall occur as described below;
- (13) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of its assets, other than in the ordinary course of business, the entry into of a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material.
- (15) Incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

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

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

(d) Filings with the MSRB: All financial information, operating data, financial statements, notices, and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

(e) Limitations, Disclaimers, and Amendments: The City shall be obligated to observe and perform the covenants specified in this Section while, but only while, the City remains an “obligated person” with respect to the Notes within the meaning of the Rule, except that the City in any event will give the notice required by subsection (c) hereof of any Note calls and defeasance that cause the City to be no longer such an “obligated person”.

The provisions of this Section are for the sole benefit of the Holders and beneficial owners of the Notes, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Notes at any future date.

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

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

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

Notwithstanding anything to the contrary in this Ordinance, the provisions of this Section may be amended by the City from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Notes in the primary offering of the Notes in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Ordinance that authorizes such an amendment) of the Outstanding Notes consent to such amendment or (b) a person that is unaffiliated with the City (such as nationally

recognized bond counsel) determines that such amendment will not materially impair the interests of the Holders and beneficial owners of the Notes. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent an underwriter of the initial public offering of the Notes from lawfully purchasing or selling Notes in such offering. If the City so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided pursuant to subsection (b) of this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

**Section XXXI. Further Procedures.** Any one or more of the Mayor, Mayor Pro Tem, City Manager, Director of Finance and City Secretary are hereby expressly authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and on behalf of the City all agreements, instruments, certificates or other documents, whether mentioned herein or not, as may be necessary or desirable in order to carry out the terms and provisions of this Ordinance and the issuance of the Notes. In addition, prior to the initial delivery of the Notes, the Mayor, Mayor Pro Tem, City Manager, Director of Finance or Bond Counsel to the City are each hereby authorized and directed to approve any changes or corrections to this Ordinance or to any of the documents authorized and approved by this Ordinance, including the Pricing Certificate: (i) in order to cure any technical ambiguity, formal defect, or omission in this Ordinance or such other document; or (ii) as requested by the Attorney General of the State of Texas or his representative to obtain the approval of the Notes by the Attorney General and if such officer or counsel determines that such ministerial changes are consistent with the intent and purpose of this Ordinance, which determination shall be final. In the event that any officer of the City whose signature shall appear on any document shall cease to be such officer before the delivery of such document, such signature nevertheless shall be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

**Section XXXII. Public Meeting.** It is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Ordinance, was given, all as required by Texas Government Code, Chapter 551, as amended.

**Section XXXIII. Effective Date.** In accordance with the provisions of Texas Government Code, Section 1201.028, as amended, this Ordinance shall be in force and effect from and after its passage on the date shown below and it is so ordained.

*[Remainder of page intentionally left blank]*

**PASSED AND APPROVED** on the 22<sup>nd</sup> day of April, 2024.

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John B. Muns, MAYOR

ATTEST:

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Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

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Paige Mims, CITY ATTORNEY

EXHIBIT A

**PAYING AGENT/REGISTRAR AGREEMENT**

## **PAYING AGENT/REGISTRAR AGREEMENT**

THIS AGREEMENT is entered into as of \_\_\_\_\_, 2024 (this "Agreement"), by and between \_\_\_\_\_, a national association duly organized and existing under the laws of the United States of America, or its successors (the "Bank") and the City of Plano, Texas (the "Issuer"),

### **RECITALS**

**WHEREAS**, the Issuer has duly authorized and provided for the issuance of its "City of Plano, Texas Tax Notes, Series 2024" (the "Securities"), dated \_\_\_\_\_, 2024, such Securities scheduled to be delivered to the initial purchasers thereof on or about \_\_\_\_\_, 2024; and

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

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

**NOW, THEREFORE**, it is mutually agreed as follows:

### **ARTICLE ONE**

#### **APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR**

**Section 1.01 Appointment.** The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

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

**Section 1.02 Compensation.** As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto; provided however, notwithstanding anything herein or in Annex A to the contrary, the aggregate value of this agreement shall be less than the dollar limitation set forth in Sections 2271.002(a)(2), 2274.002(a)(2) and 2276.002(a)(2) of the Texas Government Code, as amended.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of

the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

## **ARTICLE TWO DEFINITIONS**

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

“Acceleration Date” on any Security means the date on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

“Authorizing Document” means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

“Bank Office” means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

“Holder” and “Security Holder” each means the Person in whose name a Security is registered in the Security Register.

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

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

“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

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



“Security Register” means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

“Stated Maturity” means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

**Section 2.02 Other Definitions.** The terms “Bank,” “Issuer,” and “Securities (Security)” have the meanings assigned to them in the recital paragraphs of this Agreement.

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

### **ARTICLE THREE PAYING AGENT**

**Section 3.01 Duties of Paying Agent.** As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder’s risk and expense.

**Section 3.02 Payment Dates.** The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

### **ARTICLE FOUR REGISTRAR**

**Section 4.01 Security Register - Transfers and Exchanges.** The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the “Security Register”) for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the

Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. The Bank represents and warrants that it will at all times have immediate access to the Security Register by electronic or other means and will be capable at all times of producing a hard copy of the Security Register for use by the Issuer. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

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

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

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

**Section 4.02 Securities.** The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

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

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

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

The Bank will not release or disclose the contents of the Security Register to any person other than to, or at the written request of, an authorized officer or employee of the Issuer, except

upon receipt of a court order or as otherwise required by law. Upon receipt of a court order and prior to the release or disclosure of the contents of the Security Register, the Bank will notify the Issuer so that the Issuer may contest the court order or such release or disclosure of the contents of the Security Register.

**Section 4.05 Return of Cancelled Securities.** The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

**Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities.** The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

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

## **ARTICLE FIVE THE BANK**

**Section 5.01 Duties of Bank.** The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

**Section 5.02 Reliance on Documents, Etc.**

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

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

(c) No provisions of this Agreement shall require the Bank to expend or risk its own funds or otherwise incur any financial liability for performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that

repayment of such funds or adequate indemnity satisfactory to it against such risks or liability is not assured to it.

(d) The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

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

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

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

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

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

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

**Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization.** A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying

agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

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

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

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

## **ARTICLE SIX MISCELLANEOUS PROVISIONS**

**Section 6.01 Amendment.** This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

**Section 6.02 Assignment.** This Agreement may not be assigned by either party without the prior written consent of the other.

**Section 6.03 Notices.** Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

**Section 6.04 Effect of Headings.** The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

**Section 6.05 Successors and Assigns.** All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

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

**Section 6.07 Merger, Conversion, Consolidation, or Succession.** Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

**Section 6.08 Benefits of Agreement.** Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

**Section 6.09 Entire Agreement.** This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

**Section 6.10 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

**Section 6.11 Termination.** This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the

appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

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

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

**Section 6.12 Iran, Sudan or Foreign Terrorist Organizations.** The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on the following page of such officer's internet website:

<https://comptroller.texas.gov/purchasing/publications/divestment.php>

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

**Section 6.13 Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

*[Remainder of page left blank intentionally.]*

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

[BANK]

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

Title: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

CITY OF PLANO, TEXAS

By: \_\_\_\_\_  
Pricing Officer

Address: 1520 K Avenue  
Plano, TX 75074



## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Finance  
**DIRECTOR:** Denise Tacke, Director of Finance  
**AGENDA ITEM:** To authorize the issuance of City of Plano Bonds  
**RECOMMENDED ACTION:** Adoption of Ordinances

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### **ITEM SUMMARY**

To authorize the issuance of "City of Plano, Texas, Municipal Drainage Utility System Revenue Bonds, Series 2024"; resolving other matters incident and related to the issuance, sale, payment and delivery of said Bonds; establishing procedures for the sale and delivery of said Bonds, and delegating matters relating to the sale and issuance of said Bonds to an authorized City Official. **Adopted Ordinance No. 2024-4-12**

### **BACKGROUND**

Proceeds from the sale of said Bonds will be used to (i) fund the acquisition, construction and repair of structures, equipment and facilities for the City's municipal drainage utility system, and (ii) pay costs of issuance associated with the sale of said Bonds.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

This ordinance permits the City of Plano to sell Municipal Drainage Utility System Revenue Bonds for the acquisition, construction and repair of structures, equipment, and facilities for the City's municipal drainage utility system and to pay the costs of issuance associated with the sale of the Bonds. Approximately \$15,000,000 is expected to be raised from the 2024 Municipal Drainage Utility System Revenue Bond sale, with the City repaying the bonds over a 30 year term through a lien on and pledge of the revenues of the system. The exact amount of interest and principal to be paid will be determined by a competitive bid process.

Approval of this Ordinance supports the Strategic Plan Critical Success Factors of Safe, Vibrant Neighborhoods and Excellent, Innovative, and Accountable City Government.

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Approval of this Ordinance supports the Strategic Plan Critical Success Factors of Safe, Vibrant Neighborhoods and Excellent, Innovative, and Accountable City Government.

### **ATTACHMENTS:**

Description	Upload Date	Type
PLANO MDUS REF & IMP 2024	4/15/2024	Ordinance

BOND ORDINANCE

CITY OF PLANO, TEXAS  
MUNICIPAL DRAINAGE UTILITY SYSTEM REVENUE BONDS  
SERIES 2024

Adopted April 22, 2024

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**An Ordinance of the City of Plano, Texas, authorizing the issuance of “City of Plano, Texas, Municipal Drainage Utility System Revenue Bonds, Series 2024”; resolving other matters incident and related to the issuance, sale, payment and delivery of said Bonds; establishing procedures for the sale and delivery of said Bonds, and delegating matters relating to the sale and issuance of said Bonds to an authorized City Official.**

**WHEREAS**, pursuant to authority conferred by Subchapter C of Chapter 402 of the Texas Local Government Code, now recodified as Chapter 552 of the Texas Local Government Code (the “Act”), the City Council (the “City Council”) of the City of Plano, Texas (the “City”), established the City of Plano, Texas, Municipal Drainage Utility System (the “System”); and

**WHEREAS**, the City has previously issued its municipal drainage utility system revenue bonds (the “Previously Issued Bonds”), payable from the Revenues (as hereinafter defined) of the System; and

**WHEREAS**, the City has reserved the right and option to issue, under certain conditions, Additional Bonds (as hereinafter defined), payable from the Revenues, on a parity as to lien and right with such Previously Issued Bonds; and

**WHEREAS**, the City Council finds and determines that Bonds should be issued for the purpose of the acquisition, construction and repair of structures, equipment and facilities for the City’s municipal drainage utility system, pursuant to this Ordinance and as permitted by the Act and, in accordance with the provisions of Chapter 1371, Texas Government Code, as amended (“Chapter 1371”), the City by this Ordinance and in accordance with the provisions of Chapter 1371, is delegating to a Pricing Officer (hereinafter designated) the authority to establish the terms and details related to the issuance and sale of the Bonds including: (i) the form and designation of the Bonds; (ii) the principal amount of the Bonds and the amount of the Bonds to mature in each year; (iii) the dates, price, interest rates, interest payment dates, principal payment dates, and redemption features of the Bonds; and (iv) any other details relating to the issuance, sale, delivery, and/or exchange of the Bonds, all within certain specified parameters set forth herein; and

**WHEREAS**, the City Council has found and determined that it is necessary and in the best interest of the City and its citizens that it authorize by this Ordinance the issuance and delivery of its bonds in a single series at this time; and

**WHEREAS**, the meeting at which this Ordinance is considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code, as amended.

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

## **ARTICLE I**

### **DEFINITIONS, FINDINGS AND INTERPRETATION**

#### **Section 1.01 Definitions.**

Unless otherwise expressly provided or unless the context clearly requires otherwise, in this Ordinance, the following terms shall have the meanings specified below:

“Act” means Subchapter C of Chapter 552 of the Texas Local Government Code, as amended (formerly codified as Subchapter C of Chapter 402 of the Texas Local Government Code).

“Accountant” means a certified public accountant.

“Additional Bonds” means revenue bonds or other evidences of indebtedness issued or entered into, as the case may be, in the future in accordance with the terms and conditions provided in Section 9.02 hereof and, by their terms, are equally and ratably secured by a parity lien on and pledge of the Revenues of the System.

“Average Annual Debt Service” means an amount which, at the time of computation, is derived by dividing the total amount of Debt Service to be paid over a period of years as the same is scheduled to become due and payable by the number of years taken into account in determining the total Debt Service. Capitalized interest payments provided from bond proceeds shall be excluded in making the aforementioned computation.

“Bonds” means the “City of Plano, Texas, Municipal Drainage Utility System Revenue Bonds, Series 2024” authorized by this Ordinance.

“City” means the incorporated municipality known as the City of Plano located in Collin and Denton Counties, Texas.

“Closing Date” means the date of the initial delivery of and payment for the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended, including applicable regulations, published rulings and court decisions.

“Credit Facility” means (i) a policy of insurance or a surety bond, issued by an issuer of policies of insurance insuring the timely payment of debt service on governmental obligations, provided that a Rating Agency having an outstanding rating on such obligations would rate such obligations which are fully insured by a standard policy issued by the issuer in its two highest generic rating categories for such obligations; and (ii) a letter or line of credit issued by any financial institution, provided that a Rating Agency having an outstanding rating on the Bonds would rate the Bonds in its two highest generic rating categories for such obligations if the letter or line of credit proposed to be issued by such financial institution secured the timely payment of the entire principal amount of the Bonds and the interest thereon.

“Debt Service” means as of any particular date of computation, with respect to any obligations and with respect to any period, the aggregate of the amounts to be paid or set aside by the City as of such date or in such period for the payment of the principal of and interest (to the extent not capitalized) on such obligations; assuming, in the case of obligations required to be redeemed or prepaid as to principal prior to maturity, the principal amounts thereof will be redeemed prior to maturity in accordance with such applicable mandatory redemption.

“Designated Payment/Transfer Office” means the designated office of the initial Paying Agent/Registrar specified in the Pricing Certificate.

“DTC” shall mean The Depository Trust Company of New York, New York, or any successor securities depository.



“DTC Participant” shall mean brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“EMMA” means the Electronic Municipal Market Access System.

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

“Fiscal Year” means the twelve-month financial accounting period used by the City in connection with the operation of the System which may be any twelve consecutive month period established by the City.

“Initial Bond” means the initial bond authorized by Section 3.04(d) of this Ordinance.

“Interest Payment Date” means the date or dates for the payment of interest on the Bonds as set forth in the Pricing Certificate.

“Letter of Representations” means the Blanket Issuer Letter of Representations between the City and DTC.

“Maturity Date” means the dates on which the principal of the Bonds is due and payable as set forth in the Pricing Certificate.

“MSRB” means the Municipal Securities Rulemaking Board.

“Net Revenues” means, with respect to any period, Revenues of the System remaining after deducting the System’s Operating and Maintenance Expenses for such period.

“Operating and Maintenance Expenses” means all current expenses of operating and maintaining the System, including all salaries, labor, materials, and administrative costs, allocable under generally accepted accounting principles, to the System. Depreciation charges and other costs and disbursements which may be capitalized under generally accepted accounting principles shall not be considered Operating and Maintenance Expenses.

“Outstanding” means when used in this Ordinance with respect to Bonds, Previously Issued Bonds or any Additional Bonds, as the case may be, as of the date of determination, all Bonds, Previously Issued Bonds and any Additional Bonds theretofore sold, issued and delivered by the City, except:

(1) Bonds, Previously Issued Bonds or any Additional Bonds cancelled or delivered to the transfer agent or registrar for cancellation in connection with the exchange or transfer of such obligations;

(2) Bonds, Previously Issued Bonds or any Additional Bonds paid or deemed to be paid in accordance with the provisions of Section 9.08 hereof; and

(3) Bonds, Previously Issued Bonds or any Additional Bonds that have been mutilated, destroyed, lost, or stolen and replacement bonds have been registered and delivered in lieu thereof.

“Owner” means the person who is the registered owner of a Bond, a Previously Issued Bond, or an Additional Bond, as applicable.

“Paying Agent/Registrar” means the bank appointed to serve as the paying agent/registrar for the Bonds as set forth in the Pricing Certificate, or any successor thereto.

“Previously Issued Bonds” means the bonds of the following issues of the City to be outstanding upon the issuance of the Bonds herein authorized:

(1) Municipal Drainage Utility System Revenue Refunding Bonds, Series 2015, dated May 1, 2015;

(2) Municipal Drainage Utility System Revenue Refunding and Improvement Bonds, Series 2017, dated February 1, 2017;

(3) Municipal Drainage Utility System Revenue Refunding and Improvement Bonds, Series 2019, dated April 1, 2019; and

(4) Municipal Drainage Utility System Revenue Refunding and Improvement Bonds, Series 2021, dated May 1, 2021.

“Rating Agency” means any nationally recognized securities rating agency which has assigned a rating to the Bonds.

“Record Date” shall mean that record date set forth in the Pricing Certificate.

“Register” means the register specified in Section 3.06(a) of this Ordinance.

“Revenues” means all annual income, receipts and revenues of every nature derived or received from the operation and ownership (excluding restricted gifts, grants in aid of construction and any amounts received from drainage charges specifically provided by ordinance for contribution to the funding of future drainage system construction) of the System, including earnings and income derived from the investment or deposit of moneys in any special funds or accounts created and established for the payment and security of the Bonds and the Previously Issued Bonds and other obligations payable solely from and secured only by a lien on and pledge of the Revenues of the System.

“Rule” means SEC Rule 15c2-12, as amended from time to time or officially interpreted by the SEC.

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

“Special Record Date” means the Special Record Date prescribed by Section 3.03(b).

“System” means all land, easements and interest in land, together with all structures, equipment and facilities used in draining benefited property (within the meaning of the Act), including, but not limited to, bridges, catch basins, channels, conduits, creeks, culverts, detention ponds, ditches, draws, flumes, pipes, pumps, sloughs, treatment works, and appurtenances to those items, whether natural or artificial, or using force or gravity, that are used to draw off surface

water from land, carry the water away, collect, store, or treat the water, or divert the water into natural or artificial watercourses.

#### **Section 1.02 Findings.**

The declarations, determinations and findings declared, made and found in the preambles to this Ordinance are hereby adopted, restated and made a part of the operative provisions hereof.

#### **Section 1.03 Table of Contents, Titles and Headings.**

The table of contents, titles and headings of the Articles and Sections of this Ordinance have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Ordinance or any provision hereof or in ascertaining intent, if any question of intent should arise.

#### **Section 1.04 Interpretation.**

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Ordinance and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Ordinance.

### **ARTICLE II**

#### **SECURITY FOR THE BONDS**

##### **Section 2.01 Pledge of Security.**

The City hereby covenants and agrees that all of the Revenues of the System are hereby irrevocably pledged to the payment of the Bonds, the Previously Issued Bonds and Additional Bonds, if issued, and the interest thereon, including the establishment and maintenance of the special funds created and established by this Ordinance, all as hereinafter provided. It is hereby ordained that the Previously Issued Bonds, the Bonds and the interest thereon shall constitute a first lien on such Revenues of the System and be valid and binding in accordance with the terms hereof without any filing or recording thereof (except in the official records of the City), physical delivery of such Revenues or further act by the City, and the lien created on the Revenues for the payment and security of the Bonds shall be prior in right and claim as to any other indebtedness, liability or obligation of the City or the System.

##### **Section 2.02 Rates and Charges.**

For the benefit of the Owners of the Previously Issued Bonds and the Bonds and in accordance with the provisions of the Act and other applicable laws of the State of Texas, the City hereby expressly stipulates and agrees, while any of the Previously Issued Bonds and the Bonds are Outstanding, to establish, maintain and impose drainage charges for services afforded by the System that are reasonably expected, on the basis of available information and experience and with due allowance for contingencies, to produce Revenues in each Fiscal Year sufficient to pay:

- (1) Operating and Maintenance Expenses of the System;
- (2) Debt Service on the Previously Issued Bonds, the Bonds and any Additional Bonds then Outstanding;
- (3) any required deposits to a reserve fund and any future contingency fund created for the payment and security of the Previously Issued Bonds, the Bonds and any Additional Bonds; and
- (4) all other indebtedness payable from and/or secured in whole or in part by a lien on and pledge of the Revenues of the System.

### **Section 2.03 Bonds as Special Obligations.**

The Bonds and the Previously Issued Bonds are special obligations of the City payable from the pledged Revenues and the Owners thereof shall never have the right to demand payment thereof out of funds raised or to be raised by taxation.

## **ARTICLE III**

### **AUTHORIZATION; DELEGATION OF AUTHORITY TO PRICING OFFICER**

#### **Section 3.01 Authorization.**

Revenue bonds of the City shall be and are hereby authorized to be issued in the maximum aggregate principal amount hereinafter set forth to be designated the "City of Plano, Texas, Municipal Drainage Utility System Revenue Bonds, Series 2024," or such other designation as specified in the Pricing Certificate (hereinafter referred to as the "Bonds") for the purpose of providing funds for (i) the acquisition, construction and repair of structures, equipment and facilities for the City's municipal drainage utility system and (ii) to pay the costs of issuing the Bonds, in accordance with the authority conferred by and in conformity with the Constitution and laws of the State of Texas, including Chapter 552, Texas Local Government Code, as amended, and Chapter 1371 of the Texas Government Code, as amended. The Bonds shall be dated (the "Bond Date") as provided in the Pricing Certificate.

#### **Section 3.02 Date, Denomination, Maturities and Interest.**

(a) The Bonds shall be in fully registered form, without coupons, in the denomination of \$5,000 or any integral multiple thereof and shall be lettered "R" and numbered separately from one (1) upward, except the Initial Bond, which shall be numbered T-1.

(b) The Bonds shall mature in the years and in the principal amounts and shall bear interest at the per annum rates as set forth in the Pricing Certificate.

(c) Interest shall accrue on the unpaid principal amounts from the date specified in the Pricing Certificate at the rate(s) per annum shown in the Pricing Certificate (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable on the dates, and commencing on the date, set forth in the Pricing Certificate.

### **Section 3.03 Delegation of Authority to Pricing Officer.**

(a) As authorized by Chapter 1371, Texas Government Code, as amended, the City Manager or the Director of Finance of the City (either, the "Pricing Officer") is hereby authorized to act on behalf of the City in selling and delivering the Bonds and carrying out the other procedures specified in this Ordinance, including determining the aggregate principal amount of the Bonds, the date of the Bonds, any additional or different designation or title by which the Bonds shall be known, the price at which the Bonds will be sold, the manner of sale (negotiated, privately placed or competitively bid), the years in which the Bonds will mature, the principal amount to mature in each of such years, the rate of interest to be borne by each such maturity, the date from which interest on the Bonds will accrue, the interest payment dates, the record date, the compounding dates, the price and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the City, as well as any mandatory sinking fund redemption provisions, determination of the use of a book-entry-only securities clearance, settlement and transfer system, the designation of a paying agent/registrar, the terms of any bond insurance applicable to the Bonds, including any modification of the continuing disclosure undertaking contained in Article XI hereof as may be required by the purchasers of the Bonds in connection with any amendments to Rule 15c2-12, and all other matters relating to the issuance, sale and delivery of the Bonds, all of which shall be specified in the Pricing Certificate, provided that:

- i. the aggregate original principal amount of the Bonds shall not exceed \$15,000,000;
- ii. the maximum true interest cost for the Bonds shall not exceed 5.25%;
- iii. the maximum maturity date of the Bonds shall not exceed May 15, 2054.

The execution of the Pricing Certificate shall evidence the sale date of the Bonds by the City to the Purchasers (hereinafter defined).

If the Pricing Officer determines that bond insurance results in a net reduction of the City's interest costs associated with the Bonds, then the Pricing Officer is authorized, in connection with effecting the sale of the Bonds, to make the selection of the municipal bond insurance company for the Bonds (the "Insurer") and to obtain from the Insurer a municipal bond insurance policy in support of the Bonds. The Pricing Officer shall have the authority to determine the provisions of the commitment for any such policy and to execute any documents to effect the issuance of said policy by the Insurer.

(b) In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not exceeding the amount authorized in subsection (a)(i) above, which shall be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The delegation made hereby shall expire if not exercised by the Pricing Officer within 180 days of the date hereof. The Bonds shall be sold to the purchaser(s)/underwriter(s) named in the Pricing Certificate (the "Purchasers"), at such price and with and subject to such terms as set forth in the Pricing Certificate and the Purchase Contract (hereinafter defined), and may be sold by negotiated or competitive sale or by private placement. The Pricing Officer is hereby delegated the authority to designate the Purchasers, which delegation shall be evidenced by the execution of the Pricing Certificate.

**Section 3.04 Medium, Method and Place of Payment.**

(a) The principal of and interest on the Bonds shall be paid in lawful money of the United States of America.

(b) Interest on the Bonds shall be payable to the Owners as shown in the Register at the close of business on the Record Date (which shall be set forth in the Pricing Certificate); provided, however, in the event of nonpayment of interest on a scheduled Interest Payment Date and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") shall be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by first-class United States mail, postage prepaid to the address of each Owner of a Bond appearing on the Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

(c) Interest on each Bond shall be paid to each Owner by (i) check dated as of the Interest Payment Date, and sent on or before the Interest Payment Date by first-class United States mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address of each Owner as such appears in the Register or (ii) by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid at the risk and expense of such Owner.

(d) The principal of each Bond shall be paid to the Owner thereof on the due date (whether at the maturity date or the date of prior redemption thereof) upon presentation and surrender of such Bond at the designated office of the Paying Agent/Registrar.

(e) If the date for the payment of the principal of or interest on the Bonds shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in this Section.

(f) Unclaimed payments of amounts due hereunder that remain unclaimed by the Owners after the applicable payment or redemption date shall be segregated in a special escrow account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owners of the Bonds to which such unclaimed payments pertain. Subject to Title 6, Texas Property Code, payments remaining unclaimed by the Owners entitled thereto for three years after the applicable payment or redemption date shall be applied to the next payment on the Bonds thereafter coming due; to the extent any such moneys remain after the retirement of all outstanding Bonds, such moneys shall be paid to the City to be used for any lawful purpose. Thereafter, neither the City, the Paying Agent/Registrar, nor any other person shall be liable or responsible to any Owners of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to Title 6, Texas Property Code.

### **Section 3.05 Execution and Registration of Bonds.**

(a) The Bonds shall be executed on behalf of the City by the Mayor and City Secretary of the City, by their manual or facsimile signatures, and the official seal of the City shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the City had been manually impressed upon each of the Bonds.

(b) In the event any officer of the City whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Ordinance unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. It shall not be required that the same officer or authorized signatory of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bond delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State of Texas, or by his duly authorized agent, which certificate shall be evidence that the Initial Bonds have been duly approved by the Attorney General of the State of Texas and that they are valid and binding obligations of the City, and have been registered by the Comptroller of Public Accounts of the State of Texas.

(d) On the Closing Date, one initial Bond (the "Initial Bond"), representing the entire principal amount of the Bonds, payable in stated installments to the Purchasers or their designee, such Initial Bond to be executed by manual or facsimile signature of the Mayor and City Secretary of the City, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Purchasers or their designee. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver to DTC on behalf of the Purchasers one typewritten Bond for each year of maturity of the Bonds, in the aggregate principal amount of all Bonds for such maturity, registered in the name of Cede & Co., as nominee of DTC.

### **Section 3.06 Ownership.**

(a) The City, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof, for the further purpose of making and receiving payment of the interest thereon (subject to the provisions herein that for the Bonds interest is to be paid to the person in whose name the Bond is registered on the Record Date or Special Record Date, as applicable), and for all other purposes, whether or not such Bond is overdue, and neither the City nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of a Bond shall be valid and effectual and shall discharge the liability of the City and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

### **Section 3.07 Registration, Transfer and Exchange.**

(a) So long as any Bonds remain outstanding, the City shall cause the Paying Agent/Registrar to keep at its Designated/Payment Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Ordinance.

(b) The ownership of a Bond may be transferred and exchanged only upon the presentation and surrender of the Bond to the Paying Agent/Registrar. A Bond may be assigned by the execution of an assignment form on the Bond or by other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. A new Bond or Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bond being transferred or exchanged, at the Designated Payment/Transfer Office of the Paying Agent/Registrar, or sent by United States mail, first-class, postage prepaid, to the new registered owner or his designee. No transfer of any Bond shall be effective until entered in the Register.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in any denomination or denominations of any integral multiple of \$5,000 and in an aggregate principal amount equal to the unpaid principal amount of the Bonds presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

(d) Each exchanged Bond delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such exchange Bond is delivered.

(e) No service charge shall be made to the Owner for the initial registration, any subsequent transfer, or exchange for a different denomination of any of the Bonds. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Bond.

### **Section 3.08 Cancellation.**

All Bonds paid or redeemed before scheduled maturity in accordance with this Ordinance, and all Bonds in lieu of which exchanged Bonds or replacement Bonds are authenticated and delivered in accordance with this Ordinance, shall be cancelled upon the making of proper records regarding such payment, exchange or replacement. The Paying Agent/Registrar shall dispose of cancelled Bonds in accordance with the Securities Exchange Act of 1934.

### **Section 3.09 Temporary Bonds.**

(a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive Bonds, the proper officers of the City may execute and, upon the City's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Bonds



that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the City executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Ordinance.

(c) The City, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar the Bonds in definitive form; thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall cancel the Bonds in temporary form and authenticate and deliver in exchange therefor a Bond or Bonds of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Bond or Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefor to any Owner.

### **Section 3.10 Replacement Bonds.**

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding. The City or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like tenor and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first complies with the following requirements:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Bond;

(ii) furnishes such security or indemnity as may be required by the Paying Agent/Registrar to save it and the City harmless;

(iii) pays all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the City and the Paying Agent/Registrar.

(c) After the delivery of such replacement Bond, if a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the City and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom,

except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the City or the Paying Agent/Registrar in connection therewith.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond if it has become due and payable or may pay such Bond when it becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the City and shall be entitled to the benefits and security of this Ordinance to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

### **Section 3.11 Book-Entry-Only System.**

(a) Notwithstanding the provisions contained in Article III hereof relating to the payment and transfer/exchange of the Bonds, the City hereby approves and authorizes the use of "Book-Entry-Only" securities clearance, settlement, and transfer system provided by The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York ("DTC"), in accordance with the requirements and procedures identified in the current DTC Operational Arrangements memorandum, as amended, the Blanket Issuer Letter of Representations, by and between the City and DTC, and the Letter of Representations from the Paying Agent/Registrar to DTC (collectively, the "Depository Agreement") relating to the Bonds.

(b) In the event the Pricing Officer elects to utilize DTC's "Book-Entry-Only" System, which election shall be made by the Pricing Officer in the Pricing Certificate, pursuant to the Depository Agreement and the rules of DTC, the Bonds shall be deposited with DTC and who shall hold said Bonds for the DTC Participants. While the Bonds are held by DTC under the Depository Agreement, the Holder of the Bonds on the Security Register for all purposes, including payment and notices, shall be Cede & Co., as nominee of DTC, notwithstanding the ownership of each actual purchaser or owner of each Bond (the "Beneficial Owners") being recorded in the records of DTC and DTC Participants.

(c) In the event DTC determines to discontinue serving as securities depository for the Bonds or otherwise ceases to provide book-entry clearance and settlement of securities transactions in general or the City determines that DTC is incapable of properly discharging its duties as securities depository for the Bonds, the City covenants and agrees with the Holders of the Bonds to cause Bonds to be printed in definitive form and provide for the Bond certificates to be issued and delivered to DTC Participants and Beneficial Owners, as the case may be. Thereafter, the Bonds in definitive form shall be assigned, transferred and exchanged on the Security Register maintained by the Paying Agent/Registrar and payment of such Bonds shall be made in accordance with the provisions of Sections IV and V hereof.

## **ARTICLE IV**

### **REDEMPTION OF BONDS BEFORE MATURITY**

#### **Section 4.01 Limitation on Redemption.**

The Bonds shall be subject to redemption before their scheduled maturity only as provided in the Pricing Certificate.

## **ARTICLE V**

### **PAYING AGENT/REGISTRAR**

#### **Section 5.01 Appointment of Initial Paying Agent/Registrar.**

The selection and appointment of the Paying Agent/Registrar for the Bonds shall be as provided in the Pricing Certificate. Books and records relating to the registration, payment, exchange and transfer of the Bonds shall at all times be kept and maintained on behalf of the City by the Paying Agent/Registrar, all as provided herein, in accordance with the terms and provisions of a "Paying Agent/Registrar Agreement," substantially in the form attached hereto as **Exhibit A** and such reasonable rules and regulations as the Paying Agent/Registrar and the City may prescribe. The Pricing Officer or the Mayor and City Secretary are hereby authorized to execute and deliver such Paying Agent/Registrar Agreement in connection with the delivery of the Bonds.

#### **Section 5.02 Qualifications.**

Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State of Texas, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Bonds.

#### **Section 5.03 Maintaining Paying Agent/Registrar.**

(a) At all times while any Bonds are outstanding, the City will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Ordinance. The Pricing Officer is hereby authorized to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the City and the Paying Agent/Registrar. The signature of the Pricing Officer may be attested by the City Secretary of the City.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the City will promptly appoint a replacement.

#### **Section 5.04 Termination.**

The City, upon not less than 60 days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination.

#### **Section 5.05 Notice of Change to Owners.**

Promptly upon each change in the entity serving as Paying Agent/Registrar, the City will cause notice of the change to be sent to each Owner by first-class United States mail, postage

prepaid to the address of each Owner of a Bond appearing on the Register at the close of business on the last Business Day next preceding the date of mailing of such notice, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

#### **Section 5.06 Agreement to Perform Duties and Functions.**

By accepting the appointment as Paying Agent/Registrar, and executing the Paying Agent/Registrar Agreement, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Ordinance and that it will perform the duties and functions of Paying Agent/Registrar prescribed thereby.

#### **Section 5.07 Delivery of Records to Successor.**

If a Paying Agent/Registrar is replaced, such Paying Agent, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

### **ARTICLE VI**

#### **FORM OF THE BONDS**

#### **Section 6.01 Form Generally.**

(a) The Bonds, the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Paying Agent/Registrar, and the form of Assignment to be printed on the Bonds, shall be substantially in the forms set forth in this Article VI with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Ordinance and the Pricing Certificate, may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including insurance legends on insured Bonds and any reproduction of an opinion of counsel) thereon as may, consistently herewith, be established by the City or determined by the Pricing Officer. The Pricing Certificate shall set forth the final and controlling forms and terms of the Bonds. Any portion of the text of any Bonds may be set forth on the reverse thereof, with an appropriate reference thereto on the face of the Bond.

(b) The definitive Bonds and the Initial Bonds shall be printed, lithographed, engraved, typewritten, photocopied or otherwise reproduced in any other similar manner, all as determined by the officers executing such Bonds as evidenced by their execution thereof.

(c) The Initial Bond submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

#### **Section 6.02 Form of the Bonds.**

The form of the Bonds, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of the Paying Agent/Registrar and the form of Assignment appearing on the Bonds, shall be substantially as follows:

(a) Form of Bonds.

REGISTERED  
No. R-\_\_\_\_\_

REGISTERED:  
\$\_\_\_\_\_

United States of America  
State of Texas

CITY OF PLANO, TEXAS  
MUNICIPAL DRAINAGE UTILITY SYSTEM REVENUE BOND  
SERIES 2024<sup>1</sup>

<u>INTEREST RATE:</u>	<u>MATURITY DATE:</u>	<u>BOND DATE:</u>	<u>CUSIP NUMBER:</u>
_____%	_____	_____, 2024	_____

The City of Plano, Texas (the "City"), in the Counties of Collin and Denton, State of Texas, for value received, hereby promises to pay to

\_\_\_\_\_

or registered assigns, on the Maturity Date specified above, the sum of

\_\_\_\_\_ DOLLARS

unless this Bond shall have been sooner called for redemption and the payment of the principal hereof shall have been paid or provided for, and to pay interest on such principal amount from the later of the Bond Date specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on \_\_\_\_\_ and \_\_\_\_\_ of each year, commencing \_\_\_\_\_.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the designated office in \_\_\_\_\_, of \_\_\_\_\_, as Paying Agent/Registrar (the "Designated Payment/Transfer Office"), or, with respect to a successor paying agent/registrar, at the Designated Payment/Transfer Office of such successor.

Interest on this Bond is payable to the registered owner of this Bond on or before the interest payment date by (i) check dated as of the interest payment date, and sent on or before the interest payment date by first-class United States mail, postage prepaid, by the Paying Agent/Registrar to the registered owner at the address of such owner as appears in the registration books of the Paying Agent/Registrar or (ii) by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid, provided that the registered owner shall bear all risk and expense of such interest payment

\_\_\_\_\_  
<sup>1</sup> Conform the terms and provisions of this Bond to the terms and provisions specified in the Pricing Certificate.

method. For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the "Record Date," which shall be the \_\_\_\_\_ business day of the month next preceding such interest payment date; provided, however, that in the event of nonpayment of interest on a scheduled payment date and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the City. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five Business Days prior to the Special Record Date by first-class United States mail, postage prepaid to the address of each Owner of a Bond appearing on the registration books of the Paying Agent/Registrar at the close of business on the last Business Day next preceding the date of mailing of such notice.

If the date for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Designated Payment/Transfer Office is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the original date payment was due.

This Bond is one of a series of fully registered bonds specified in the title hereof issued in the aggregate principal amount of \$\_\_\_\_\_ (herein referred to as the "Bonds"), issued pursuant to Subchapter C, Chapter 552, Texas Local Government Code, as amended and Chapter 1371, Texas Government Code, as amended, and a certain ordinance of the City (the "Ordinance"). Capitalized terms used herein and not otherwise defined shall have the meaning assigned thereto in the Ordinance. The Bonds are being issued for the purpose of providing funds to (i) acquire, construct and repair structures, equipment and facilities for the City's municipal drainage utility system and (ii) pay the costs of issuing the Bonds.

The Bonds, together with certain outstanding parity lien revenue bonds of the City (the "Previously Issued Bonds"), constitute special obligations of the City and are payable solely from and equally secured by a first lien on and pledge of the Revenues of the System. The Bonds and the Previously Issued Bonds do not constitute a legal or equitable pledge, charge, lien or encumbrance upon any property of the City or the System, except with respect to the Revenues.

The City expressly reserves the right to issue additional revenue obligations in all things on a parity with the Bonds and the Previously Issued Bonds, payable solely from and equally secured by a first lien on and pledge of the Revenues of the System; provided, however, that any and all such additional obligations may be so issued only in accordance with and subject to the covenants, conditions, limitations and restrictions relating thereto which are set out and contained in the Ordinance to which reference is hereby made for more complete and full particulars.

[The City has reserved the option to redeem the Bonds maturing on and after \_\_\_\_\_, in whole or in part before their respective scheduled maturity dates, on \_\_\_\_\_, or on any date thereafter, at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption. If less than all of the Bonds are to be redeemed, the City shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot the Bonds, or portions thereof, within such maturity and in such principal amounts, for redemption.]

The Paying Agent/Registrar shall give notice of any redemption of Bonds by sending notice, not less than 30 days before the date fixed for redemption, to the registered owner of each Bond or portion thereof to be redeemed by first-class United States mail, postage prepaid, at the address shown on the Register. In the Ordinance, the City reserves the right in the case of an optional redemption to give notice of its election or direction to redeem Bonds conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the City retains the right to rescind such notice at any time prior to the scheduled redemption date if the City delivers a certificate of the City to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Bonds subject to conditional redemption where redemption has been rescinded shall remain Outstanding, and the rescission shall not constitute an event of default. Further, in the case of a conditional redemption, the failure of the City to make moneys and/or authorized securities available in part or in whole on or before the redemption date shall not constitute an event of default.

As provided in the Ordinance, and subject to certain limitations therein set forth, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Bonds of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the City nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption within 45 days of the date fixed for redemption; provided, however, that such limitation shall not apply to the uncalled principal balance of a Bond called for redemption in part.

The City, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Bond is registered on the "Record Date" or the "Special Record Date", as applicable) and for all other purposes, whether or not this Bond is overdue, and neither the City nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds to render the same lawful and valid have been properly done and have happened in regular and due time, form and manner as required by law; that the Bonds do not exceed any constitutional or statutory limitation; and that provision has been made for the payment of the principal of and interest on the Bonds by irrevocably pledging the Revenues of the System, as hereinabove recited.

The owner hereof shall never have the right to demand payment of this Bond out of any funds raised or to be raised by taxation.

IN WITNESS WHEREOF, the City has caused this Bond to be executed in its name by the manual or facsimile signatures of the Mayor and City Secretary of the City, and the official seal of the City has been duly impressed or placed in facsimile on this Bond.

\_\_\_\_\_  
City Secretary  
City of Plano, Texas

\_\_\_\_\_  
Mayor  
City of Plano, Texas

[SEAL]

(b) Form of Comptroller's Registration Certificate.

The following Comptroller's Registration Certificate may be deleted from the definitive Bonds if such Certificate on the Initial Bond is fully executed.

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

I hereby certify that there is on file and of record in my office a certificate of the Attorney General of the State of Texas to the effect that this Bond has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that it is a valid and binding special obligation of the City of Plano, Texas, payable from the revenues pledged to its payment by and in the ordinance authorizing same, and that said Bond has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, \_\_\_\_\_.

\_\_\_\_\_  
Comptroller of Public Accounts of  
the State of Texas

[SEAL]

(c) Form of Certificate of Paying Agent/Registrar.

The following Certificate of Paying Agent/Registrar may be deleted from the Initial Bond if the Comptroller's Registration Certificate appears thereon.

CERTIFICATE OF PAYING AGENT/REGISTRAR

The records of the Paying Agent/Registrar show that the Initial Bond of this series of Bonds was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and that this is one of the Bonds referred to in the within-mentioned Ordinance.



Dated: \_\_\_\_\_, as  
Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Signature

(d) Form of Assignment

#### ASSIGNMENT

FOR VALUE RECEIVED \_\_\_\_\_ (the "Transferor"), the undersigned, hereby sells, assigns and transfers unto (print or typewrite name, address and zip code of transferee:

\_\_\_\_\_  
\_\_\_\_\_

(Social Security or Federal Employer Identification No. \_\_\_\_\_) the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints as attorney to transfer the within Bond on the books kept for registration therefor, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed By:

\_\_\_\_\_  
Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Paying Agent/Registrar.

(e) The Initial Bond shall be in the form set forth in this Section, except for the following alterations:

(i) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and the words "CUSIP NUMBER:" shall be deleted;

(ii) in the first paragraph of the Bond, the words "on the Maturity Date specified above" shall be deleted and the following will be inserted: "on \_\_\_\_\_ in each of the years, in the principal installments, and bearing interest at the per annum rates in accordance with the following schedule:

<u>Years</u>	<u>Principal Installments</u>	<u>Interest Rates</u>
--------------	-------------------------------	-----------------------

(Information to be inserted from schedule in the Pricing Certificate).

(iii) the Initial Bond shall be numbered T-1.

### **Section 6.03 CUSIP Registration.**

The City may secure identification numbers through CUSIP Global Services managed by FactSet Research Systems Inc. on behalf of the American Bankers Association, New York, New York, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP Numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the City nor bond counsel to the City are to be held responsible for CUSIP Numbers incorrectly printed on the Bonds.

### **Section 6.04 Legal Opinion.**

The approving legal opinion of Norton Rose Fulbright US LLP, Dallas, Texas, may be printed on the reverse side of or attached to each Bond above the certification of the City Secretary of the City, which may be executed in facsimile. The City Council confirms the continuation of the engagement of Norton Rose Fulbright US LLP as the City's bond counsel.

## **ARTICLE VII**

### **FUNDS AND ACCOUNTS**

#### **Section 7.01 Creation of Funds.**

All revenues derived from the operation of the System shall be kept separate from other funds of the City. To that end, creation of the following special Funds is hereby confirmed:

- (a) "City of Plano, Texas Municipal Drainage Utility System Fund," hereinafter called the "System Fund."
- (b) "City of Plano, Texas Municipal Drainage Utility System Bond Fund," hereinafter called the "Bond Fund."

#### **Section 7.02 System Fund.**

(a) The City hereby covenants and agrees that the Revenues of the System (excluding earnings and income derived from investments held in the Bond Fund) shall be deposited as collected to the credit of the System Fund. All revenues deposited in the System Fund shall be pledged and appropriated to the extent required for the following uses and in the order of priority shown:

First: To the payment of the amounts required to be deposited in the Bond Fund for the payment of Debt Service on the Bonds and the Previously Issued Bonds as the same becomes due and payable.

Second: To the payment of any amounts required to be deposited in any fund or account the City may establish that is related to the Bonds and any Additional Bonds.

(b) Revenues remaining in the System Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment thereof, may be transferred to the City's general fund or used for any lawful purpose including payment of Operating and Maintenance Expenses.

### **Section 7.03 Bond Fund.**

(a) Moneys on deposit in the Bond Fund shall be used solely for the purpose of paying the principal of and interest on the Bonds and the Previously Issued Bonds as the same becomes due and payable. The City hereby covenants that there shall be deposited into the Bond Fund from the System Fund an amount sufficient to pay the principal of and interest on the Bonds and the Previously Issued Bonds when due, either at maturity or prior redemption. Deposits to the Bond Fund shall be made in substantially equal monthly installments on or before the 10th day of each month, beginning the month next following the delivery of the Bonds to the Purchasers.

(b) The required monthly deposits to the Bond Fund for the payment of principal of and interest on the Bonds shall continue to be made as hereinabove provided until (i) the total amount on deposit in the Bond Fund is equal to the amount required to fully pay and discharge all Outstanding Bonds or (ii) the Bonds are no longer Outstanding.

(c) Accrued interest and premium, if any, received from the sale of the Bonds, as well as earnings derived from the investment of moneys in the Bond Fund, shall be deposited to the credit of the Bond Fund and taken into consideration in determining the amount of the monthly deposits hereinabove required to be deposited in the Bond Fund from the Revenues of the System.

### **Section 7.04 Reserve Fund.**

(a) The City may provide for the establishment of a Reserve Fund related to any Additional Bonds in accordance with the provisions to be set forth in an ordinance authorizing the issuance of such Additional Bonds, which ordinance will contain the terms and conditions of any Reserve Fund to be established. No Reserve Fund is being established by this Ordinance related to the Bonds.

(b) In accordance with the ordinances authorizing the issuance of the Previously Issued Bonds, the City hereby elects to discontinue the Reserve Fund that had been maintained in connection with the Previously Issued Bonds dated on or before May 1, 2021 and authorizes the withdrawal and transfer of monies in the Reserve Fund that was maintained in connection with the Previously Issued Bonds dated on or before May 1, 2021, to the Bond Fund.

### **Section 7.05 Deficiencies: Excess Revenues.**

(a) If on any occasion there shall not be sufficient Revenues of the System to make the required deposits into the Bond Fund, then such deficiency shall be cured as soon as possible from the next available Revenues of the System, or from any other sources available for such purpose.

(b) Subject to making the required deposits to the Bond Fund in accordance with the provisions of this Ordinance, the ordinances authorizing the issuance of the Previously Issued Bonds, or any ordinance authorizing the issuance of Additional Bonds, the excess Revenues may be transferred to the City's general operating fund or used by the City for any lawful purpose.

## **Section 7.06 Security of Funds.**

(a) Money in any Fund may, at the option of the City, be invested in funds and obligations authorized and identified in the Public Funds Investment Act, as amended (to the extent such funds and obligations are also authorized under the City's investment policy), or other applicable law. All deposits and investments shall be made in such a manner that the money required to be expended from any Fund will be available at the proper time or times. All interest and income derived from deposits and investments in the Bond Fund immediately shall be credited to, and any losses debited to, the Bond Fund. All investments shall be sold promptly when necessary to prevent any default in connection with the Bonds or any Previously Issued Bonds.

(b) To the extent amounts deposited to the credit of any Funds referenced herein are not invested, such uninvested amounts shall be secured in the manner and to the fullest extent required by laws of the State of Texas for the security of public funds.

## **ARTICLE VIII**

### **SALE AND DELIVERY OF BONDS; DEPOSIT OF PROCEEDS**

#### **Section 8.01 Sale of Bonds: Official Statement.**

(a) The Bonds authorized by this Ordinance are to be sold by the City to the Purchasers in accordance with a bond purchase agreement in the event of a negotiated sale, letter agreement to purchase in the event of a private placement, or the successful bid form in the event of a competitive sale, as applicable (the "Purchase Contract"), the terms and provisions of which Purchase Contract are to be determined by the Pricing Officer. The Pricing Officer is hereby authorized and directed to execute the Purchase Contract for and on behalf of the City, as the act and deed of this City Council, and to make a determination as to whether the terms are in the City's best interests, which determination shall be final.

With regard to such terms and provisions of the Purchase Contract, the Pricing Officer is hereby authorized to come to an agreement with the Purchasers on the following, among other matters:

1. The details of the purchase and sale of the Bonds;
2. The details of any public offering of the Bonds by the Purchasers, if any;
3. The details of any Official Statement or similar disclosure document (and, if appropriate, any Preliminary Official Statement) relating to the Bonds and the City's Rule 15c2-12 compliance, if applicable;
4. A security deposit for the Bonds, if any;
5. The representations and warranties of the City to the Purchasers;
6. The details of the delivery of, and payment for, the Bonds;
7. The Purchasers' obligations under the Purchase Contract;
8. The certain conditions to the obligations of the City under the Purchase Contract;
9. Termination of the Purchase Contract;
10. Particular covenants of the City;

11. The survival of representations made in the Purchase Contract;
12. The payment of any expenses relating to the Purchase Contract;
13. Notices; and
14. Any and all such other details that are found by the Pricing Officer to be necessary and advisable for the purchase and sale of the Bonds.

(b) The Mayor and City Secretary of the City are further authorized and directed to deliver for and on behalf of the City copies of a Preliminary Official Statement and Official Statement prepared in connection with the offering of the Bonds by the Purchasers, in final form as may be required by the Purchasers, and such final Official Statement as delivered by said officials shall constitute the Official Statement authorized for distribution and use by the Purchasers.

#### **Section 8.02 Control and Delivery of Bonds.**

(a) The Mayor is hereby authorized to have control of the Initial Bond and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Bonds shall be made to the Purchasers under and subject to the general supervision and direction of the Mayor, against receipt by the City of all amounts due to the City under the terms of sale.

(c) In the event the Mayor or City Secretary is absent or otherwise unable to execute any document or take any action authorized herein, the Mayor Pro Tem and the Assistant City Secretary, respectively, shall be authorized to execute such documents and take such actions, and the performance of such duties by the Mayor Pro Tem and the Assistant City Secretary shall for the purposes of this Ordinance have the same force and effect as if such duties were performed by the Mayor and City Secretary, respectively.

#### **Section 8.03 Proceeds of Sale.**

Immediately following the delivery of the Bonds, the proceeds of sale (less those proceeds of sale designated to pay costs of issuance and any accrued interest received from the Purchasers of the Bonds or additional proceeds being deposited to the Bond Fund) shall be deposited with an official depository of the City to finance the permanent public improvements referenced in Section 3.01 hereof. The proceeds of sale of the Bonds not so deposited for the permanent public improvements shall be disbursed for payment of the costs of issuance or deposited in the Bond Fund for the Bonds, all in accordance with written instructions from the City or its financial advisor. Such proceeds of sale may be invested in authorized investments and any investment earnings realized may be (with respect to the accrued interest received from the Purchasers) deposited in the Bond Fund as shall be determined by this City Council.

## ARTICLE IX

### PARTICULAR REPRESENTATIONS AND COVENANTS

#### **Section 9.01 Payment of Bonds.**

While any of the Bonds are Outstanding, the Director of Finance (or other designated financial officer of the City) shall cause to be transferred to the Paying Agent/Registrar, from funds on deposit in the Bond Fund, amounts sufficient to fully pay and discharge promptly as each installment of interest and principal of the Bonds accrues or matures or comes due by reason of redemption prior to maturity; such transfer of funds to be made in such manner as will cause immediately available funds to be deposited with the Paying Agent/Registrar for the Bonds at the close of the last business day next preceding the date of payment for the Bonds.

#### **Section 9.02 Issuance of Additional Parity Bonds.**

Subject to the provisions hereinafter appearing as to conditions precedent which must be satisfied, the City reserves the right to issue, from time to time as needed, Additional Bonds for any authorized purpose, including the issuance of refunding bonds. Such Additional Bonds may be issued in such form and manner as now or hereafter authorized by the laws of the State of Texas for the issuance of evidences or instruments, and should new methods or financing techniques be developed that differ from those now available and in normal use, the City reserves the right to employ the same in its financing arrangements provided that the following conditions precedent for the authorization and issuance of the same are satisfied, to wit:

(i) The officer of the City then having the primary responsibility for the financial affairs of the City shall have executed a certificate stating (a) that, to the best of his or her knowledge and belief, the City is not then in default as to any covenant, obligation or agreement contained in any ordinance or other proceeding relating to any obligations of the City payable from and secured by a lien on and pledge of the Revenues of the System that would materially affect the security or payment of such obligations and (b) either (i) payments into all special Funds maintained for the payment and security of all outstanding obligations payable from and secured by a lien on and pledge of the Revenues of the System have been made and that the amounts on deposit in such special Funds equal or exceed the amounts then required to be on deposit therein or (ii) the application of the proceeds of sale of such obligations then being issued will cure any such deficiency;

(ii) The Additional Bonds shall be scheduled to mature or be payable as to principal on May 15 or November 15 (or both) in each year the same are to be outstanding or during the term thereof; and

(iii) The City has secured a certificate or opinion of an Accountant to the effect that, according to the books and records of the City, the Net Revenues for the last completed Fiscal Year, or for 12 consecutive months out of the 18 months immediately preceding the month in which the ordinance authorizing the issuance of the then proposed Additional Bonds is passed, are at least equal to 1.25 times the Average Annual Debt Service for all Outstanding Bonds, Outstanding Previously Issued Bonds and any Outstanding Additional Bonds after giving effect to the issuance of the Additional Bonds then being issued. In making a determination of the Net Revenues, the Accountant may take into consideration a change in the charges for services afforded by the System that became effective at least 60 days prior to the last day of the period for which Net Revenues

are determined and, for purposes of satisfying the above Net Revenues test, make a pro forma determination of the Net Revenues of the System for the period of time covered by his certification or opinion based on such change in charges being in effect for the entire period covered by the certificate or opinion of the Accountant.

### **Section 9.03 Issuance of Obligations of Inferior Lien and Pledge.**

The City hereby reserves the right to issue obligations payable from and secured by a lien on and pledge of the Revenues of the System, junior and subordinate in rank and dignity to the lien and pledge securing the payment of the Bonds and the Previously Issued Bonds, as may be authorized by the laws of the State of Texas.

### **Section 9.04 Refunding Bonds.**

The City reserves the right to issue refunding bonds to refund all or any part of the Bonds and the Previously Issued Bonds (pursuant to any law then available) upon such terms and conditions as the City Council of the City may deem to be in the best interest of the City and its inhabitants, and if less than all of such Bonds and the Previously Issued Bonds then Outstanding are refunded, the conditions precedent prescribed (for the issuance of Additional Bonds) set forth in Section 9.02 hereof shall be satisfied and the certificate or opinion of the Accountant required in Section 9.02 shall give effect to the Debt Service of the proposed refunding bonds (and shall not give effect to the Debt Service on the bonds being refunded following their cancellation or provisions being made for their payment). Notwithstanding the foregoing, to the extent that the City issues refunding bonds to refund the Bonds or Additional Bonds issued after the issuance of the Bonds and such refunding will result in a net debt service savings to the City, the certificate or opinion of an Accountant set forth in Section 9.04(iv) above shall not be required to be provided as a condition precedent to the issuance of such Additional Bonds.

### **Section 9.05 Maintenance and Operation - Insurance.**

In regard to the operations and properties of the System, the City agrees to carry and maintain liability and property damage insurance of the kind and in the amounts customarily carried by municipal corporations in Texas on such kind of properties; provided, however, the City, in lieu of and/or in combination with carrying such insurance, may self-insure against all perils and risks by establishing self-insurance reserves. Annually each year, not later than the end of each Fiscal Year, the City shall prepare or cause to be prepared by a person competent and knowledgeable in such matters a written evaluation of the adequacy of such self-insurance and/or insurance coverage and of any recommended changes in regard to the City's insurance/self-insurance policies, practices and procedures.

### **Section 9.06 Records - Accounts - Accounting Reports.**

The City hereby covenants, reaffirms and agrees that so long as any of the Bonds, or any interest thereon, remain outstanding and unpaid, it will keep and maintain a proper and complete system of records and accounts pertaining to the operation of the System separate and apart from all other records and accounts in which complete and correct entries shall be made of all transactions relating to said System, and that the Owner or Owners of any of such Bonds or any duly authorized agent or agents of such Owners shall have the right at all reasonable times to inspect all such records, accounts and data relating thereto, and to inspect the System and all properties comprising same. The City further agrees that within 60 days following the close of each Fiscal Year it will cause an audit of such books and accounts to be initiated by an

independent firm of Accountants, showing the receipts and disbursements for account of the System for the Fiscal Year.

Each such audit, in addition to whatever other matters may be thought proper by the firm of Accountants, shall particularly include the following:

(a) A detailed statement of the income and expenditures of the System for such Fiscal Year.

(b) A balance sheet as of the end of such Fiscal Year.

(c) The Accountants' comments regarding the manner in which the City has carried out the requirements of this Ordinance and his recommendations for any changes or improvements in the operation, records and accounts of the System.

(d) A list of the insurance policies in force at the end of the Fiscal Year on the System properties, setting out as to each policy the amount thereof, the risk covered, the name of the insurer, and the policy's expiration date.

Expenses incurred in making the audits above referred to are to be regarded as maintenance and operating expenses and paid as such. Copies of the aforesaid annual audit shall be furnished to the original purchasers of the Bonds and any subsequent Owner upon written request. At the close of the first six-month period of each Fiscal Year, the City Secretary of the City is hereby directed to furnish a copy of an operating and income statement in reasonable detail covering such period to any bondholder upon written request therefor, received not more than 30 days after the close of said six-month period. Any Owner shall have the right to discuss with the Accountant making the annual audit the contents thereof and to ask for such additional information as he may reasonably require.

#### **Section 9.07 Sale or Lease of Properties.**

The City, to the extent and in the manner authorized by law, may sell or exchange for consideration representing the fair value thereof, as determined by the City Council of the City, any property of the System which is obsolete, damaged or worn out or otherwise unsuitable. The proceeds of any sale of properties of the System shall be deposited in the System Fund.

#### **Section 9.08 Satisfaction of Obligation of City.**

The Bonds may be defeased, discharged or refunded in any manner permitted by applicable law.

#### **Section 9.09 Bonds as Negotiable Instruments.**

Each of the Bonds shall be deemed and construed to be an "Investment Security" and, as such, a negotiable instrument, within the meaning of Article 8 of the Texas Uniform Commercial Code.



### **Section 9.10 Special Covenants.**

The City further covenants and agrees by and through this Ordinance as follows:

(i) It has the lawful power to pledge the Revenues of the System to the payment of the Bonds to the extent provided herein and has lawfully exercised said power under the Constitution and laws of the State of Texas, including the Act, and that the Bonds issued hereunder, together with the Previously Issued Bonds and any Additional Bonds, shall be ratably secured in such manner that no one bond shall have preference over any other bond of said issues.

(ii) The Revenues of the System have not been in any manner pledged or encumbered to the payment of any debt or obligation of the City or the System, save and except for the Bonds and the Previously Issued Bonds; provided that the City has reserved the right pursuant to Section 9.03 hereof to issue subordinate lien obligations.

(iii) To exercise and pursue with due diligence available remedies provided by law for the collection of delinquent drainage charges, including the power under Section 552.050 of the Act to discontinue all utility services, particularly water and sewer services provided by the City to a user of benefited property who is delinquent in the payment of drainage charges.

### **Section 9.11 Ordinance a Contract - Amendments.**

This Ordinance shall constitute a contract with the Owners from time to time, be binding on the City, and shall not be amended or repealed by the City while any Bond remains Outstanding except as permitted in this Section and Section 11.05. The City, may, without the consent of or notice to any Owners, from time to time and at any time, amend this Ordinance in any manner not detrimental to the interests of the Owners, to cure any ambiguity, inconsistency, or formal defect or omission herein and to provide additional security for the payment of the Bonds. In addition, the City may, with the written consent from the owners holding a majority in aggregate principal amount of the Bonds then Outstanding (excluding Bonds acquired by or held for the account of the City) affected thereby, amend, add to, or rescind any of the provisions of this Ordinance; provided that, without the written consent of all Owners of Bonds then Outstanding, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held for consent to any such amendment, addition, or rescission.

### **Section 9.12 Provisions Concerning Federal Income Tax Exclusion.**

(a) Definitions. When used in this Section, the following terms have the following meanings:

“*Closing Date*” means the date on which the Bonds are first authenticated and delivered to the initial purchasers against payment therefor.

“*Code*” means the Internal Revenue Code of 1986, as amended by all legislation, if any, effective on or before the Closing Date.

*"Computation Date"* has the meaning set forth in Section 1.148-1(b) of the Regulations.

*"Gross Proceeds"* means any proceeds as defined in Section 1.148-1(b) of the Regulations, and any replacement proceeds as defined in Section 1.148-1(c) of the Regulations, of the Bonds.

*"Investment"* has the meaning set forth in Section 1.148-1(b) of the Regulations.

*"Nonpurpose Investment"* means any investment property, as defined in Section 148(b) of the Code, in which Gross Proceeds of the Bonds are invested and which is not acquired to carry out the governmental purposes of the Bonds.

*"Rebate Amount"* has the meaning set forth in Section 1.148-1(b) of the Regulations.

*"Regulations"* means any proposed, temporary, or final Income Tax Regulations issued pursuant to Sections 103 and 141 through 150 of the Code, and 103 of the Internal Revenue Code of 1954, which are applicable to the Bonds. Any reference to any specific Regulation shall also mean, as appropriate, any proposed, temporary or final Income Tax Regulation designed to supplement, amend or replace the specific Regulation referenced.

*"Yield"* of (1) any Investment has the meaning set forth in Section 1.148-5 of the Regulations and (2) the Bonds has the meaning set forth in Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The City shall not use, permit the use of, or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction, or improvement of which is to be financed (or refinanced) directly or indirectly with Gross Proceeds) in a manner which if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the City receives a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the City shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall at all times prior to the last Stated Maturity of Bonds:

(i) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with Gross Proceeds of the Bonds, and not use or permit the use of such Gross Proceeds (including all contractual arrangements with terms different than those applicable to the general public) or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity (including the United States or any agency, department, and instrumentality thereof) other than a state or local government, unless such use is solely as a member of the general public; and

(ii) not directly or indirectly impose or accept any charge or other payment by any person or entity who is treated as using Gross Proceeds of the Bonds or any property the acquisition, construction, or improvement of which is to be financed or refinanced directly or indirectly with such Gross Proceeds, other

than taxes of general application within the City or interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(d) No Private Loan. Except to the extent permitted by Section 141 of the Code and the Regulations and rulings thereunder, the City shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, such Gross Proceeds are considered to be "loaned" to a person or entity if: (1) property acquired, constructed, or improved with such Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes; (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement; or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds are otherwise transferred in a transaction which is the economic equivalent of a loan.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not at any time prior to the final Stated Maturity of the Bonds directly or indirectly invest Gross Proceeds in any Investment (or use Gross Proceeds to replace money so invested), if as a result of such investment the Yield from the Closing Date of all Investments acquired with Gross Proceeds (or with money replaced thereby), whether then held or previously disposed of, exceeds the Yield of the Bonds.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the Regulations and rulings thereunder, the City shall not take or omit to take any action which would cause the Bonds to be federally guaranteed within the meaning of Section 149(b) of the Code and the Regulations and rulings thereunder.

(g) Information Report. The City shall timely file the information required by Section 149(e) of the Code with the Secretary of the Treasury on Form 8038-G or such other form and in such place as the Secretary may prescribe.

(h) Rebate of Arbitrage Profits. Except to the extent otherwise provided in Section 148(f) of the Code and the Regulations and rulings thereunder:

(i) The City shall account for all Gross Proceeds (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of accounting for at least six (6) years after the day on which the last outstanding Bond is discharged. However, to the extent permitted by law, the City may commingle Gross Proceeds of the Bonds with other money of the City, provided that the City separately accounts for each receipt and expenditure of Gross Proceeds and the obligations acquired therewith.

(ii) Not less frequently than each Computation Date, the City shall calculate the Rebate Amount in accordance with rules set forth in Section 148(f) of the Code and the Regulations and rulings thereunder. The City shall maintain such calculations with its official transcript of proceedings relating to the issuance of the Bonds until six years after the final Computation Date.

(iii) As additional consideration for the purchase of the Bonds by the Purchasers and the loan of the money represented thereby and in order to induce

such purchase by measures designed to insure the excludability of the interest thereon from the gross income of the Holders thereof for federal income tax purposes, the City shall pay to the United States out of the general fund, other appropriate fund, or, if permitted by applicable Texas statute, regulation, or opinion of the Attorney General of the State of Texas, the Interest and Sinking Fund, the amount that when added to the future value of previous rebate payments made for the Bonds equals (i) in the case of a Final Computation Date as defined in Section 1.148-3(e)(2) of the Regulations, one hundred percent (100%) of the Rebate Amount on such date; and (ii) in the case of any other Computation Date, ninety percent (90%) of the Rebate Amount on such date. In all cases, the rebate payments shall be made at the times, in the installments, to the place, and in the manner as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder, and shall be accompanied by Form 8038-T or such other forms and information as is or may be required by Section 148(f) of the Code and the Regulations and rulings thereunder.

(iv) The City shall exercise reasonable diligence to assure that no errors are made in the calculations and payments required by paragraphs (2) and (3), and if an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter (and in all events within one hundred eighty (180) days after discovery of the error), including payment to the United States of any additional Rebate Amount owed to it, interest thereon, and any penalty imposed under Section 1.148-3(h) of the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the Regulations and rulings thereunder, the City shall not, at any time prior to the earlier of the Stated Maturity or final payment of the Bonds, enter into any transaction that reduces the amount required to be paid to the United States pursuant to subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Bonds not been relevant to either party.

(j) Elections. The City hereby directs and authorizes the Mayor, Mayor Pro Tem, City Manager and Director of Finance of the City, individually or jointly, to make elections permitted or required pursuant to the provisions of the Code or the Regulations, as one or more of such persons deems necessary or appropriate in connection with the Bonds, in the Certificate as to Tax Exemption, or similar or other appropriate certificate, form, or document.

### **Section 9.13 Continuing Obligation.**

Notwithstanding any other provision of this Ordinance, the City's obligations under the covenants and provisions of Section 9.12 shall survive the defeasance and discharge of the Bonds.

## **ARTICLE X**

### **DEFAULT AND REMEDIES**

#### **Section 10.01 Remedies in Event of Default.**

In addition to all rights and remedies provided by the laws of the State of Texas, the City covenants and agrees particularly that in the event the City:

(a) defaults in payments to be made to the Bond Fund as required by this Ordinance; or

(b) defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Ordinance, the Owners of any of the Bonds shall be entitled to a writ of mandamus issued by a court of property jurisdiction, compelling and requiring the City and its officers to observe and perform any covenant, condition or obligation prescribed in this Ordinance. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

The specific remedy herein provided shall be cumulative of all other existing remedies and the specification of such remedy shall not be deemed to be exclusive.

## **ARTICLE XI**

### **CONTINUING DISCLOSURE UNDERTAKING**

#### **Section 11.01 Applicability.**

This Section shall apply unless the Pricing Officer determines in the Pricing Certificate that an undertaking is not required pursuant to the Rule.

#### **Section 11.02 Annual Reports.**

(a) The City shall provide annually to the MSRB (1) within six months after the end of each fiscal year ending in or after 2024, financial information and operating data with respect to the City of the general type included in the final Official Statement approved by the Pricing Officer under the Tables specified by the Pricing Officer in the Pricing Certificate and (2) audited financial statements of the City within 12 months after the end of each fiscal year ending in and after 2024. If the audit of such financial statements is not complete within 12 month after any such fiscal year end, then the City shall file unaudited financial statements within such 12-month period and audited financial statements for such fiscal year when and if the audit report on such financial statements becomes available. Any financial statements so provided shall be prepared in accordance with the accounting principles described in the Pricing Certificate, or such other accounting principles as the City may be required to employ from time to time pursuant to state law or regulation.

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

(c) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB's Internet Web site or filed with the SEC.

### **Section 11.03 Notice of Certain Events.**

(a) The City shall provide notice of any of the following events with respect to the Bonds to the MSRB in a timely manner and not more than 10 business days after occurrence of the event:

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

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

The City shall notify the MSRB, in a timely manner, of any failure by the City to provide financial information or operating data in accordance with Section 11.02(a) hereof by the time required by such Section.

#### **Section 11.04 Filings with the MSRB.**

All financial information, operating data, financial statements, notices and other documents provided to the MSRB in accordance with this Section shall be provided in an electronic format prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

#### **Section 11.05 Limitations, Disclaimers and Amendments.**

(a) The City shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the City remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the City in any event will give notice of any Bond calls and any defeasances that cause the City to be no longer an “obligated person.”

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Bonds, and nothing in this Article, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The City undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Article and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the City’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Article or otherwise, except as expressly provided herein. The City does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

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

(c) No default by the City in observing or performing its obligations under this Article shall constitute a breach of or default under the Ordinance for purposes of any other provisions of this Ordinance.

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

(e) The provisions of this Article may be amended by the City from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the City, but only if (i) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such

changed circumstances, and (ii) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Ordinance that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (B) an entity or individual person that is unaffiliated with the City (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Owners and beneficial owners of the Bonds. The provisions of this Section may also be amended from time to time or repealed by the City if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid, but only if and to the extent that reservation of the City's right to do so would not prevent an underwriter of the initial public offering of the Bonds from lawfully purchasing or selling Bonds in such offering. If the City so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 11.02 an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in type of financial information or operating data so provided.

## **ARTICLE XII**

### **RESERVED**

## **ARTICLE XIII**

### **ATTORNEY GENERAL MODIFICATION**

#### **Section 13.01 Attorney General Modification.**

In order to obtain the approval of the Bonds by the Attorney General of the State of Texas, any provision of this Ordinance may be modified, altered or amended after the date of its adoption if required by the Attorney General in connection with the Attorney General's examination as to the legality of the Bonds and approval thereof in accordance with the applicable law. Such changes, if any, shall be provided to the City Secretary of the City and the City Secretary of the City shall insert such changes into this Ordinance as if approved on the date hereof.

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**PASSED AND APPROVED** on the 22<sup>nd</sup> day of April, 2024.

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John B. Muns, MAYOR

ATTEST:

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Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

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Paige Mims, CITY ATTORNEY

**EXHIBIT A**

**PAYING AGENT/REGISTRAR AGREEMENT**

## **PAYING AGENT/REGISTRAR AGREEMENT**

THIS AGREEMENT is entered into as of \_\_\_\_\_, 2024 (this "Agreement"), by and between \_\_\_\_\_, a national association duly organized and existing under the laws of the United States of America, or its successors (the "Bank") and the City of Plano, Texas (the "Issuer"),

### **RECITALS**

**WHEREAS**, the Issuer has duly authorized and provided for the issuance of its "City of Plano, Texas Municipal Drainage Utility System Revenue Bonds, Series 2024" (the "Securities"), dated \_\_\_\_\_, 2024, such Securities scheduled to be delivered to the initial purchasers thereof on or about \_\_\_\_\_, 2024; and

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

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

**NOW, THEREFORE**, it is mutually agreed as follows:

### **ARTICLE ONE APPOINTMENT OF BANK AS PAYING AGENT AND REGISTRAR**

**Section 1.01 Appointment.** The Issuer hereby appoints the Bank to serve as Paying Agent with respect to the Securities, and, as Paying Agent for the Securities, the Bank shall be responsible for paying on behalf of the Issuer the principal, premium (if any), and interest on the Securities as the same become due and payable to the registered owners thereof; all in accordance with this Agreement and the "Authorizing Document" (hereinafter defined). The Issuer hereby appoints the Bank as Registrar with respect to the Securities and, as Registrar for the Securities, the Bank shall keep and maintain for and on behalf of the Issuer books and records as to the ownership of said Securities and with respect to the transfer and exchange thereof as provided herein and in the Authorizing Document.

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

**Section 1.02 Compensation.** As compensation for the Bank's services as Paying Agent/Registrar, the Issuer hereby agrees to pay the Bank the fees and amounts set forth in **Annex A** attached hereto; provided however, notwithstanding anything herein or in Annex A to the contrary, the aggregate value of this agreement shall be less than the dollar limitation set forth in Sections 2271.002(a)(2), 2274.002(a)(2) and 2276.002(a)(2) of the Texas Government Code, as amended.

In addition, the Issuer agrees to reimburse the Bank upon its request for all reasonable expenses, disbursements and advances incurred or made by the Bank in accordance with any of

the provisions hereof (including the reasonable compensation and the expenses and disbursements of its agents and counsel).

## **ARTICLE TWO DEFINITIONS**

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

“Acceleration Date” on any Security means the date, if any, on and after which the principal or any or all installments of interest, or both, are due and payable on any Security which has become accelerated pursuant to the terms of the Security.

“Authorizing Document” means the resolution, order, or ordinance of the governing body of the Issuer pursuant to which the Securities are issued, as the same may be amended or modified, including any pricing certificate related thereto, certified by the secretary or any other officer of the Issuer and delivered to the Bank.

“Bank Office” means the designated office of the Bank at the address shown in Section 3.01 hereof. The Bank will notify the Issuer in writing of any change in location of the Bank Office.

“Holder” and “Security Holder” each means the Person in whose name a Security is registered in the Security Register.

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

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

“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption pursuant to the terms of the Authorizing Document.

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

“Security Register” means a register maintained by the Bank on behalf of the Issuer providing for the registration and transfers of Securities.

“Stated Maturity” means the date specified in the Authorizing Document the principal of a Security is scheduled to be due and payable.

**Section 2.02 Other Definitions.** The terms “Bank,” “Issuer,” and “Securities (Security)” have the meanings assigned to them in the recital paragraphs of this Agreement.

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

### **ARTICLE THREE PAYING AGENT**

**Section 3.01 Duties of Paying Agent.** As Paying Agent, the Bank shall pay, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, on behalf of the Issuer the principal of each Security at its Stated Maturity, Redemption Date or Acceleration Date, to the Holder upon surrender of the Security to the Bank at the following address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

As Paying Agent, the Bank shall, provided adequate collected funds have been provided to it for such purpose by or on behalf of the Issuer, pay on behalf of the Issuer the interest on each Security when due, by computing the amount of interest to be paid each Holder and making payment thereof to the Holders of the Securities (or their Predecessor Securities) on the Record Date (as defined in the Authorizing Document). All payments of principal and/or interest on the Securities to the registered owners shall be accomplished (1) by the issuance of checks, payable to the registered owners, drawn on the paying agent account provided in Section 5.05 hereof, sent by United States mail, first class postage prepaid, to the address appearing on the Security Register or (2) by such other method, acceptable to the Bank, requested in writing by the Holder at the Holder’s risk and expense.

**Section 3.02 Payment Dates.** The Issuer hereby instructs the Bank to pay the principal of and interest on the Securities on the dates specified in the Authorizing Document.

### **ARTICLE FOUR REGISTRAR**

**Section 4.01 Security Register - Transfers and Exchanges.** The Bank agrees to keep and maintain for and on behalf of the Issuer at the Bank Office books and records (herein sometimes referred to as the “Security Register”) for recording the names and addresses of the Holders of the Securities, the transfer, exchange and replacement of the Securities and the payment of the principal of and interest on the Securities to the Holders and containing such other information as may be reasonably required by the Issuer and subject to such reasonable regulations as the Issuer and the Bank may prescribe. The Bank represents and warrants that it will at all times have immediate access to the Security Register by electronic or other means and will be capable at all times of producing a hard copy of the Security Register for use by the Issuer. All transfers, exchanges and replacements of Securities shall be noted in the Security Register.

Every Security surrendered for transfer or exchange shall be duly endorsed or be accompanied by a written instrument of transfer, the signature on which has been guaranteed by an officer of a federal or state bank or a member of the Financial Industry Regulatory Authority,

such written instrument to be in a form satisfactory to the Bank and duly executed by the Holder thereof or his agent duly authorized in writing.

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

To the extent possible and under reasonable circumstances, the Bank agrees that, in relation to an exchange or transfer of Securities, the exchange or transfer by the Holders thereof will be completed and new Securities delivered to the Holder or the assignee of the Holder in not more than three (3) business days after the receipt of the Securities to be cancelled in an exchange or transfer and the written instrument of transfer or request for exchange duly executed by the Holder, or his duly authorized agent, in form and manner satisfactory to the Paying Agent/Registrar.

**Section 4.02 Securities.** The Issuer shall provide additional Securities when needed to facilitate transfers or exchanges thereof. The Bank covenants that such additional Securities, if and when provided, will be kept in safekeeping pending their use and reasonable care will be exercised by the Bank in maintaining such Securities in safekeeping, which shall be not less than the care maintained by the Bank for debt securities of other governments or corporations for which it serves as registrar, or that is maintained for its own securities.

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

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

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

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

**Section 4.05 Return of Cancelled Securities.** The Bank will, at such reasonable intervals as it determines, surrender to the Issuer, all Securities in lieu of which or in exchange for which other Securities have been issued, or which have been paid.

**Section 4.06 Mutilated, Destroyed, Lost or Stolen Securities.** The Issuer hereby instructs the Bank, subject to the provisions of the Authorizing Document, to deliver and issue Securities in exchange for or in lieu of mutilated, destroyed, lost, or stolen Securities as long as the same does not result in an overissuance.

In case any Security shall be mutilated, destroyed, lost or stolen, the Bank may execute and deliver a replacement Security of like form and tenor, and in the same denomination and bearing a number not contemporaneously outstanding, in exchange and substitution for such mutilated Security, or in lieu of and in substitution for such mutilated, destroyed, lost or stolen Security, only upon the approval of the Issuer and after (i) the filing by the Holder thereof with the Bank of evidence satisfactory to the Bank of the destruction, loss or theft of such Security, and of the authenticity of the ownership thereof and (ii) the furnishing to the Bank of indemnification in an amount satisfactory to hold the Issuer and the Bank harmless. All expenses and charges associated with such indemnity and with the preparation, execution and delivery of a replacement Security shall be borne by the Holder of the Security mutilated, destroyed, lost or stolen.

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

## **ARTICLE FIVE THE BANK**

**Section 5.01 Duties of Bank.** The Bank undertakes to perform the duties set forth herein and agrees to use reasonable care in the performance thereof.

**Section 5.02 Reliance on Documents, Etc.** The Bank may conclusively rely, as to the truth of the statements and correctness of the opinions expressed therein, on certificates or opinions furnished to the Bank.

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

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

The Bank may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties. Without limiting the generality of the foregoing statement, the Bank need not examine the ownership of any Securities, but is protected in acting upon receipt of Securities containing an endorsement or instruction of transfer or power of transfer which appears on its face to be signed by the Holder or an agent of the Holder. The Bank shall not be bound to make any investigation into the facts or matters stated in a resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, note, security or other paper or document supplied by the Issuer.

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

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

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

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

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

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

**Section 5.05 Moneys Held by Bank - Paying Agent Account/Collateralization.** A paying agent account shall at all times be kept and maintained by the Bank for the receipt, safekeeping, and disbursement of moneys received from the Issuer under this Agreement for the payment of the Securities, and money deposited to the credit of such account until paid to the Holders of the Securities shall be continuously collateralized by securities or obligations which qualify and are eligible under both the laws of the State of Texas and the laws of the United States of America to secure and be pledged as collateral for paying agent accounts to the extent such money is not insured by the Federal Deposit Insurance Corporation. Payments made from such paying agent account shall be made by check drawn on such account unless the owner of the Securities shall, at its own expense and risk, request an alternative method of payment.

Subject to the applicable unclaimed property laws of the State of Texas, any money deposited with the Bank for the payment of the principal of, premium (if any), or interest on any Security and remaining unclaimed for three years after final maturity of the Security has become due and payable will be held by the Bank and disposed of only in accordance with Title 6 of the Texas Property Code, as amended. The Bank shall have no liability by virtue of actions taken in compliance with this provision.

The Bank is not obligated to pay interest on any money received by it under this Agreement.

This Agreement relates solely to money deposited for the purposes described herein, and the parties agree that the Bank may serve as depository for other funds of the Issuer, act as trustee under indentures authorizing other bond transactions of the Issuer, or act in any other capacity not in conflict with its duties hereunder.

**Section 5.06 Indemnification.** To the extent permitted by law, the Issuer agrees to indemnify the Bank for, and hold it harmless against, any loss, liability, or expense incurred without negligence or bad faith on its part, arising out of or in connection with its acceptance or



administration of its duties hereunder, including the cost and expense against any claim or liability in connection with the exercise or performance of any of its powers or duties under this Agreement.

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

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

## **ARTICLE SIX MISCELLANEOUS PROVISIONS**

**Section 6.01 Amendment.** This Agreement may be amended only by an agreement in writing signed by both of the parties hereto.

**Section 6.02 Assignment.** This Agreement may not be assigned by either party without the prior written consent of the other.

**Section 6.03 Notices.** Any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted hereby to be given or furnished to the Issuer or the Bank shall be mailed or delivered to the Issuer or the Bank, respectively, at the addresses shown on the signature page(s) hereof.

**Section 6.04 Effect of Headings.** The Article and Section headings herein are for convenience of reference only and shall not affect the construction hereof.

**Section 6.05 Successors and Assigns.** All covenants and agreements herein by the Issuer shall bind its successors and assigns, whether so expressed or not.

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

**Section 6.07 Merger, Conversion, Consolidation, or Succession.** Any corporation or association into which the Bank may be merged or converted or with which it may be consolidated, or any corporation or association resulting from any merger, conversion, or consolidation to which the Bank shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Bank shall be the successor of the Bank as Paying Agent under this Agreement without the execution or filing of any paper or any further act on the part of either parties hereto.

**Section 6.08 Benefits of Agreement.** Nothing herein, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder, any benefit or any legal or equitable right, remedy, or claim hereunder.

**Section 6.09 Entire Agreement.** This Agreement and the Authorizing Document constitute the entire agreement between the parties hereto relative to the Bank acting as Paying Agent/Registrar and if any conflict exists between this Agreement and the Authorizing Document, the Authorizing Document shall govern.

**Section 6.10 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

**Section 6.11 Termination.** This Agreement will terminate (i) on the date of final payment of the principal of and interest on the Securities to the Holders thereof or (ii) may be earlier terminated by either party upon sixty (60) days written notice; provided, however, an early termination of this Agreement by either party shall not be effective until (a) a successor Paying Agent/Registrar has been appointed by the Issuer and such appointment accepted and (b) notice has been given to the Holders of the Securities of the appointment of a successor Paying Agent/Registrar. However, if the Issuer fails to appoint a successor Paying Agent/Registrar within a reasonable time, the Bank may petition a court of competent jurisdiction within the State of Texas to appoint a successor. Furthermore, the Bank and the Issuer mutually agree that the effective date of an early termination of this Agreement shall not occur at any time which would disrupt, delay or otherwise adversely affect the payment of the Securities.

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

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

**Section 6.12 Iran, Sudan or Foreign Terrorist Organizations Prohibited.** The Bank represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, and posted on the following page of such officer's internet website:

<https://comptroller.texas.gov/purchasing/publications/divestment.php>

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, and excludes the Bank and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Bank understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Bank and exists to make a profit.

**Section 6.13 Governing Law.** This Agreement shall be construed in accordance with and governed by the laws of the State of Texas.

*[Remainder of page left blank intentionally.]*

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

[BANK]

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

Title: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

CITY OF PLANO, TEXAS

By: \_\_\_\_\_  
Pricing Officer

Address: 1520 K Avenue  
Plano, Texas 75074

## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024  
**DEPARTMENT:** Zoning - Text  
**DIRECTOR:** Christina Day, Director of Planning  
**AGENDA ITEM:** Public Hearing and consideration of an Ordinance as requested in Zoning Case 2024-008.  
**RECOMMENDED ACTION:** Items for Individual Consideration

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### **ITEM SUMMARY**

Public Hearing and consideration of an Ordinance as requested in Zoning Case 2024-008 to amend Article 8 (Definitions), Article 14 (Allowed Uses and Use Classifications), Article 15 (Use-specific Regulations), and related sections of the Zoning Ordinance of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as heretofore amended, to extend or repeal the interim ban of short-term rentals and permanently regulate short-term rentals and related land uses, including associated development regulations; and providing a penalty clause, a repealer clause, a savings clause, a severability clause, a publication clause, and an effective date. Petitioner: City of Plano **Conducted and adopted Ordinance No. 2024-4-13 (version 4 as amended)**

### **BACKGROUND**

The Planning & Zoning Commission recommended approval of this zoning case with a vote of 5-3 per their Final Report in the attached Supporting Documents.

An ordinance is attached in the Supplementary documents which would extend the interim ban, should the City Council decide to table this item.

Staff is preparing the ability to edit ordinances at the meeting, within public view, should changes be requested.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Approval of this agenda item will support the City's Critical Success Factor of Residential and Commercial Economic Vitality. For detailed comments on the comprehensive plan related to this item, please see the Staff Preliminary Report in the attached Supporting Documents.

### **FINANCIAL SUMMARY/STRATEGIC GOALS**

Approval of this agenda item will support the City's Critical Success Factor of Residential and Commercial Economic Vitality. For detailed comments on the comprehensive plan related to this item, please see the Staff Preliminary Report in the attached Supporting Documents.

### **ATTACHMENTS:**

Description	Upload Date	Type
Ordinance	4/17/2024	Ordinance
ZC2024-008 Supporting Documents	4/10/2024	Informational

## **Zoning Case 2024-008**

**An Ordinance of the City of Plano, Texas, amending Article 8 (Definitions), Article 10 (Nonresidential Districts), Article 14 (Allowed Uses and Use Classifications), Article 15 (Use-specific Regulations), and Article 16 (Parking and Loading) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as heretofore amended, to repeal the interim ban of new short-term rentals and to permanently regulate short-term rentals (STRs) and related land uses, including associated development regulations; and providing a penalty clause, a repealer clause, a savings clause, a severability clause, a publication clause, and an effective date.**

**WHEREAS**, the rise of digital platforms that enable the rental of a room or residence on a short-term basis, such as Airbnb and VRBO, led to an increase in citizen concern about transient residential uses that can infringe on the reasonable expectations of neighboring properties in the City of Plano; and

**WHEREAS**, there were reports of tenants and visitors at STRs in the City of Plano engaging in criminal conduct negatively affecting the public sense of well-being and security, including operation of a prostitution enterprise and discharge of a firearm into a nearby residence occupied by a child, public urination, public indecency, and disorderly conduct; and

**WHEREAS**, more commonly, there were reports of tenants and visitors at the STRs in the City of Plano failing to be reasonably quiet and pick up after themselves as Plano neighbors expect; and

**WHEREAS**, many Plano residents reported that they did not expect to have short-term rentals as neighbors when they purchased their homes in residential areas in Plano; and

**WHEREAS**, the City Council adopted Ordinance No. 2023-5-1 on May 8, 2023, which placed an interim ban on new short-term rentals while the city conducted a public outreach process, collected data, and analyzed information to determine permanent recommendations for the proper regulation of short-term rentals; and

**WHEREAS**, in May of 2023, the city created a Short-term Rental Task Force (Task Force) to consider data, identify problems, and suggest solutions to the City Council regarding the regulation of STRs; and

**WHEREAS**, the Task Force met six times, conducted surveys, took public input from two open houses, reviewed and analyzed data, and reported their findings and recommendations to the Planning & Zoning Commission and City Council in a Phase One Report and a Phase Two Report; and

**WHEREAS**, data presented to and discussed amongst the Task Force indicated that, aggregated, STR properties cause more calls-for-service for noise and other

nuisances to the Plano Police Department than owned or long-term leased properties; and

**WHEREAS**, the Task Force received information from the City of Plano Neighborhood Services and the Plano Police Department, reviewed scholarly articles, discussed the topic of community fabric, and generally concluded that the frequent turnover of residents in short-term rentals distinguishes the use from other residential uses and can negatively impact the community fabric; and

**WHEREAS**, the Task Force reasoned that the community fabric can be negatively impacted because the transience of short-term rental guests impacts the ability of other residents to have predictability in resolving issues with neighboring properties because relationships cannot be easily established on a short-term basis. In addition, risks to community safety cannot be assessed as easily when unknown individuals and vehicles are regularly encountered; the lack of predictability and community-building can lead to isolation and other psychological impacts that are negative to the well-being of residents; and

**WHEREAS**, the Task Force found that community fabric is a core value for the City of Plano; and

**WHEREAS**, the Task Force expressed that there is broad concern that STRs in single-family neighborhoods are difficult to reconcile with the value of community fabric; and

**WHEREAS**, the Task Force expressed that STRs have an effect on neighborhood character, including unknown people coming in and out of neighborhoods, frequent vacancies and turnover; and

**WHEREAS**, the strongest concerns and problems voiced at the Task Force meetings and at the Open Houses focused on residential neighborhoods, particularly single-family neighborhoods; and

**WHEREAS**, the Task Force expressed that incidences of unsafe use of firearms and use of properties for illegal activities, even if relatively rare, contribute to broader concerns and fears for neighborhood safety and character; and

**WHEREAS**, the Task Force found that STRs affect the quality of life in Plano and this effect is mostly negative; and

**WHEREAS**, the Task Force expressed concern that some local families and businesses derive significant income from STRs; and

**WHEREAS**, the Task Force stated that STRs provide options for lodging that some visitors and local residents find useful for tourism or housing out-of-town family and friends; and

**WHEREAS**, the Task Force stated that STRs generate local HOT (Hotel Occupancy Tax) revenue and sales tax, though the net economic effects of STRs are debatable and hard to precisely reflect; and

**WHEREAS**, the Task Force stated that some Plano residents see regulations, especially a ban without exception, as infringements on property rights and personal liberty; and

**WHEREAS**, the Task Force found that there could be appropriate places for STRs in Plano, under certain circumstances; and

**WHEREAS**, the Task Force recommended that STR stays be limited to a minimum number of nights as a tool to refine zoning, and expressed that the minimum may be helpful for preventing rental to those wishing to use the property as an event venue; and

**WHEREAS**, in an effort to balance the interests of STR owners and guests and others in the community who have serious concerns about the appropriateness of STRs in residential neighborhoods, the Task Force recommended that new STRs be permitted anywhere a hotel is allowed; and

**WHEREAS**, a majority of respondents at the second open house supported the Task Force recommendations presented; and

**WHEREAS**, the Planning & Zoning Commission reviewed the Task Force report, studied information provided to the Commission, conducted a public hearing, and refined draft regulations to produce a final recommendation to the City Council; and

**WHEREAS**, the City Council has received and reviewed the recommendation from the Planning & Zoning Commission; and

**WHEREAS**, the City Council has considered the data and studies presented during the process leading to this public hearing, the recommendation of the Planning & Zoning Commission, the solutions offered by the Short-term Rental Task Force, the requests of speakers at public meetings, and other input received from concerned residents and short-term rental owners and operators, and has fashioned the solutions in this ordinance based on that information; and

**WHEREAS**, the City Council wishes to balance the property rights of current short-term rental operators and the concerns of many residents about the preservation of the peace, quiet, and stability of residential neighborhoods; and

**WHEREAS**, the City Council finds that in districts where hotels are allowed by-right, it is reasonable and proper to allow new STRs to operate in residences; and

**WHEREAS**, the City Council finds that it is reasonable and proper to allow some new STRs to operate in heritage districts and individually designated heritage properties; and

**WHEREAS**, the City Council finds that new STRs may be allowed to operate in newly established Planned Development Districts, if such operation is approved through the zoning process; and

**WHEREAS**, the City Council finds it is appropriate to allow STRs that were made nonconforming uses by the interim ban adopted by Council on May 15, 2023, to continue to operate as nonconforming uses, or become conforming uses, where allowed, as long as the STRs comply with City regulations and other relevant laws and the use is not abandoned; and

**WHEREAS**, the City Secretary of Plano, Texas, directed that notices of a hearing be issued, as required by the Zoning Ordinance of the City of Plano and laws of the State of Texas, at a meeting of the City Council, to be held on the 22nd day of April, 2024, for the purpose of considering a change in the Zoning Ordinance; and

**WHEREAS**, the City Secretary of said City accordingly caused to be issued and published the notices required by its Zoning Ordinance and laws of the State of Texas applicable thereto, the same having been published in a paper of general circulation in the City of Plano, Texas, at least fifteen (15) days prior to the time set for such hearing; and

**WHEREAS**, the City Council of said City, pursuant to such notice, held its public hearing and heard all persons wishing to be heard both for and against the aforesaid change in the Zoning Ordinance, on the 22nd day of April, 2024; and

**WHEREAS**, the City Council is of the opinion and finds that such change should be adopted, would not be detrimental to the public health, safety, or general welfare, and will promote the best and most orderly development of the properties affected thereby, and to be affected thereby, in the City of Plano, and as well, the owners and occupants thereof, and the City generally.

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

**Section I.** Section 8.200 (Terms Defined) of Article 8 (Definitions) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended to delete the Bed and Breakfast Inn definition and add and amend definitions, such amended and new definitions to read as follows:

**Amusement, Commercial (Indoor)**

Provision, for a fee, admission charge, or other similar remuneration, of leisure-time amusement or entertainment primarily by and for participants within a completely enclosed building. Typical uses include bowling alleys, ice or roller skating rinks, arcades, and bingo parlors.



**Assembly Hall**

A building or portion of a building in which facilities are provided for civic, educational, or social purposes.

**Boarding/Rooming House (Single-Room Occupancy)**

A residence or dwelling, excluding hotels and household care facilities, wherein three or more rooms are individually rented either by written or oral agreement for 30 days or more.

**Live-in Management**

In relationship to a Short-term Rental, Live-in Management means the operator identified on the short-term rental registration stays in the dwelling overnight whenever guests are present at the Short-term Rental. The property owner may act as the operator.

**Live-in Management STR**

A Short-term Rental with Live-in Management and one or more rooms available for overnight guests. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

**Off-site Management STR**

A Short-term Rental available for overnight guests excluding those qualified as Live-in Management STR.

**Short-term Rental (STR)**

Any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of Short-term Rental includes Live-in Management STR and Off-site Management STR but does not include Household Care Facility, Rehabilitation Care Facility, or Temporary Accessory Housing Shelter.

**Section II.** Subpart B.i of Part B (Residential Requirements) of Subsection 10.1600.10 (Additional Requirements and Restrictions) of Section 10.1600 (NBD, Neighborhood Business Design District) of Article 10 (Nonresidential Districts) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended, such subpart to read in its entirety as follows:

- i. Once a property is developed for residential purposes within the NBD district, with the exception of live-work (business loft) units and home occupations, nonresidential uses are not permitted within that property.

**Section III.** Section 14.100 (Residential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby

further amended to delete the Bed and Breakfast Inn use and to add additional uses, such portions of the section to read as follows:

RESIDENTIAL ZONING DISTRICTS																	
Use Type	Use Category	A - Agricultural	ED - Estate Development	SF-20 - Single-Family Residence-20	SF-9 - Single-Family Residence-9	SF-7 - Single-Family Residence-7	SF-6 - Single-Family Residence-6	UR - Urban Residential	PH - Patio Home	SF-A - Single-Family Attached	2F - Two-Family (Duplex)	GR - General Residential	MF-1 - Multifamily-1	MF-2 - Multifamily-2	MF-3 - Multifamily-3	MH - Mobile Home	RCD - Residential Community Design
Live-in Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56

**Section IV.** Section 14.200 (Nonresidential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended to delete the Bed and Breakfast Inn use and to add additional uses, such portions of the section to read as follows:

<b>NONRESIDENTIAL ZONING DISTRICTS</b>																
<b>Use Type</b>	<b>Use Category</b>	<b>O-1 - Neighborhood Office</b>	<b>O-2 - General Office</b>	<b>R - Retail</b>	<b>LC - Light Commercial</b>	<b>CC - Corridor Commercial</b>	<b>UMU - Urban Mixed-Use</b>	<b>BG - Downtown Business/Government</b>	<b>CB-1 - Central Business-1</b>	<b>CE - Commercial Employment</b>	<b>RC - Regional Commercial</b>	<b>RE - Regional Employment</b>	<b>RT - Research/Technology</b>	<b>LI-1 - Light Industrial-1</b>	<b>LI-2 - Light Industrial-2</b>	<b>NBD - Neighborhood Business Design</b>
Live-in Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56

**Section V.** Section 14.300 (Use Table Notes) of Article 14 (Allowed Uses and Use Classifications) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended to add a note to read as follows:

<b>Number</b>	<b>End Note</b>
56	See Sec 15.2300.

**Section VI.** Subsection 14.500.4 (Interim Prohibition on Short-Term Rental of Dwelling Units) of Section 14.500 (Prohibited Uses) of Article 14 (Allowed Uses and Use Classifications) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended to delete such subsection in its entirety.

**Section VII.** Article 15 (Use-specific Regulations) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended to add Section 15.2300, such section to read in its entirety as follows:

## **15.2300 Short-term Rentals**

- .1** All Live-in Management STR and Off-site Management STR uses are Short-term Rentals and must register as a Short-term Rental in compliance with the Code of Ordinances. The following requirements apply to all Short-term Rentals except where individually referenced.
- .2** All Short-term Rentals must comply with the adopted City of Plano Property Maintenance Code, as amended.
- .3** Short-term Rentals may only occur in a dwelling unit. When permitted by this section, all Short-term Rentals are only allowed as a function of the following uses, where legally constructed:
  - A.** Independent Living Facility
  - B.** Live-Work (Business Loft)
  - C.** Mid-Rise Residential
  - D.** Multifamily Residence
  - E.** Single-Family Residence (Attached)
  - F.** Single-Family Residence (Detached)
  - G.** Studio Residence
  - H.** Two-Family Residence
  - I.** Two-Family Residence (Attached)
- .4 Live-in Management STR**
  - A.** Live-in Management STR uses are permitted in a dwelling unit in:
    - i.** A Heritage Resource Overlay District (“H” or “HD”),
    - ii.** Any nonresidential zoning district except O-1,
    - iii.** Multifamily Residences, consistent with Section 15.2300.6, or
    - iv.** Elsewhere, when at least 300 feet away from another Short-term Rental, as measured in a straight line from property line to property line. The Director may promulgate rules and regulations to set forth processes and policies governing this buffer provision. Additional

Live-in Management STR uses may be permitted with approval of a specific use permit, consistent with Section 15.2300.7.

**.5 Off-site Management STR**

- A.** An Off-site Management STR may not provide rentals of less than two nights.
- B.** Off-site Management STR uses are permitted in a dwelling unit in:
  - i. Any nonresidential zoning district except O-1, or
  - ii. Multifamily Residences, consistent with Section 15.2300.6.

**.6 Multifamily Residence properties**

Where not otherwise permitted, where there is property management on the Multifamily Residence but not necessarily within the individual dwelling units, up to one unit or 5% of the dwelling units on the property, whichever is greater, can be Short-term Rentals. A higher percentage of STRs may be permitted with approval of a specific use permit consistent with Section 15.2300.7.

**.7 Specific Use Permits for Short-term Rentals**

- A.** Consistent with Section 6.100, additional development standards may be imposed, including, but not limited to:
  - i. Locations of other STRs,
  - ii. Maximum number of occupants,
  - iii. Minimum nights per rental,
  - iv. Maximum number of rental nights per year, or
  - v. Parking standards and other site design considerations.
- .8** A Backyard Cottage and the main dwelling unit on the same lot are considered a single residence for the purpose of determining the subtype of Short-term Rental. The Backyard Cottage and main dwelling unit cannot be rented as two separate Off-site Management STR uses.
- .9** Except where permitted under the provisions herein, Short-term Rentals existing in all districts as of May 15, 2023, are nonconforming, unless the status is lost pursuant to Article 7. For purposes of this section only,

nonconforming uses include those with investment-backed expectations as of May 15, 2023.

**Section VIII.** Section 16.700 (Off-Street Parking Schedule) of Article 16 (Parking and Loading) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended to delete the Bed and Breakfast Inn use from the Parking Space Schedule for Nonresidential Uses in all Districts.

**Section IX.** All provisions of the ordinances of the City of Plano in conflict with the provisions of this Ordinance are hereby repealed, and all other provisions of the Ordinances of the City of Plano, not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

**Section X.** The repeal of any ordinance or part of ordinances effectuated by the enactment of this Ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the municipality under any section or provisions of any ordinance at the time of passage of this Ordinance.

**Section XI.** Any violation of the provisions or terms of this ordinance by any person, firm or corporation shall be a misdemeanor offense and shall be subject to a fine in accordance with Section 1-4(a) of the City Code of Ordinances for each offense. Every day a violation continues shall constitute a separate offense.

**Section XII.** It is the intention of the City Council that this Ordinance, and every provision hereof, shall be considered severable and the invalidity or partial invalidity of any section, clause or provision of this Ordinance shall not affect the validity of any other portion of this Ordinance.

**Section XIII.** This Ordinance shall become effective immediately upon its passage and publication as required by law.

Remainder of page intentionally left blank- signature page to follow

**PASSED AND APPROVED** on the 22nd day of April, 2024.

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John B. Muns, MAYOR

ATTEST:

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Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

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Paige Mims, CITY ATTORNEY

**DATE:** April 2, 2024  
**TO:** Honorable Mayor & City Council  
**FROM:** Planning & Zoning Commission  
**VIA:** Christina D. Day, AICP, Director of Planning *CD*  
**SUBJECT:** Results of Planning & Zoning Commission Meeting of April 1, 2024

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**AGENDA ITEM NO. 1 - ZONING CASE 2024-008**  
**PETITIONER: CITY OF PLANO**

Request to amend Article 8 (Definitions), Article 14 (Allowed Uses and Use Classifications), Article 15 (Use-specific Regulations), and related sections of the Zoning Ordinance to extend or repeal the interim ban of short-term rentals and permanently regulate short-term rentals and related land uses, including associated development regulations. Project #ZC2024-008.

**APPROVED:** 5-3

Speakers: Support: 11 Oppose: 7 Neutral: 0

Other Responses: Support: 105 Oppose: 39 Neutral: 17

**RESULTS:**

The Commission recommended Option 2 for approval with both Live-in Management STR Single Room and Live-in Management STR Multiple Rooms allowed in residential districts as long as there is 300 feet of separation; any closer would require an SUP. The proposed amendments are as follows (additions are indicated in underlined text; deletions are indicated in strikethrough text):

**Amend Section 8.200 (Terms Defined) of Article 8 (Definitions), such amended and new definitions to read as follows:**

**Amusement, Commercial (Indoor)**

Provision, for a fee, admission charge, or other similar remuneration, of leisure-time amusement or entertainment primarily by and for participants within a completely enclosed building. Typical uses include bowling alleys, ice or roller skating rinks, arcades, and bingo parlors.

**Assembly Hall**

A building or portion of a building in which facilities are provided for civic, educational, ~~political,~~ religious, or social purposes.

**Bed and Breakfast Inn**

~~An owner (or operator) occupied residence with up to 5 bedrooms available for overnight guests. A Bed and Breakfast Inn may provide for guest stays up to 14 consecutive days; however, it shall not offer weekly rental rates. Kitchen and dining facilities may be included to provide meals for~~



~~guests only; however, no food preparation shall be permitted in guest bedrooms. A Bed and Breakfast Inn shall not include restaurants, banquet facilities, or similar services.~~

**Boarding/Rooming House (Single-Room Occupancy)**

A residence or dwelling, excluding hotels and household care facilities, wherein three 3 or more rooms are individually rented either by written or oral agreement for 30 days or more.

**Live-in Management**

In relationship to a Short-term Rental, Live-in Management means the operator identified on the short-term rental registration stays in the dwelling overnight whenever guests are present at the Short-term Rental. The property owner may act as the operator.

**Live-in Management STR**

A Short-term Rental with Live-in Management and one or more rooms available for overnight guests. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

**Off-site Management STR**

A Short-term Rental available for overnight guests excluding those qualified as Live-in Management STR.

**Short-term Rental (STR)**

Any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of Short-term Rental includes Live-in Management STR and Off-site Management STR but does not include Household Care Facility, Rehabilitation Care Facility, or Temporary Accessory Housing Shelter.

**Amend Subpart B.i of Part B (Residential Requirements) of Subsection 10.1600.10 (Additional Requirements and Restrictions) of Section 10.1600 (NBD, Neighborhood Business Design District) of Article 10 (Nonresidential Districts), such subpart to read in its entirety as follows:**

- i. Once a property is developed for residential purposes within the NBD district, with the exception of live-work (business loft) units, and home occupations, ~~and bed and breakfast inns~~, nonresidential uses are not permitted within that property.

Amend Section 14.100 (Residential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:

RESIDENTIAL ZONING DISTRICTS																	
Use Type	Use Category	A - Agricultural	ED - Estate Development	SF-20 - Single-Family Residence-20	SF-9 - Single-Family Residence-9	SF-7 - Single-Family Residence-7	SF-6 - Single-Family Residence-6	UR - Urban Residential	PH - Patio Home	SF-A - Single-Family Attached	2F - Two-Family (Duplex)	GR - General Residential	MF-1 - Multifamily-1	MF-2 - Multifamily-2	MF-3 - Multifamily-3	MH - Mobile Home	RCD - Residential Community Design
Live-in Management STR Bed and Breakfast Inn	Primary Res. Service	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>
Off-site Management STR	Primary Res.	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>

Amend Section 14.200 (Nonresidential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:

NONRESIDENTIAL ZONING DISTRICTS																
Use Type	Use Category	O-1 - Neighborhood Office	O-2 - General Office	R - Retail	LC - Light Commercial	CC - Corridor Commercial	UMU - Urban Mixed-Use	BG - Downtown Business/Government	CB-1 - Central Business-1	CE - Commercial Employment	RC - Regional Commercial	RE - Regional Employment	RT - Research/Technology	LI-1 - Light Industrial-1	LI-2 - Light Industrial-2	NBD - Neighborhood Business Design
Live-in Management STR Bed and Breakfast Inn	Primary Res. Service	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56

Amend Section 14.300 (Use Table Notes) of Article 14 (Allowed Uses and Use Classifications), such note to read as follows:

Number	End Note
20	Permitted when the building is a minimum of 200 feet from the nearest residential district boundary.
56	See Sec 15.2300.

Amend Subsection 14.500.4 (Interim Prohibition on Short-Term Rental of Dwelling Units) of Section 14.500 (Prohibited Uses) of Article 14 (Allowed Uses and Use Classifications), such subsection to be deleted in its entirety.

~~.4 Interim Prohibition on Short-Term Rental of Dwelling Units~~

- ~~A. The purpose of this interim provision is to prohibit the establishment of new short term rentals of dwelling units while the City conducts public outreach, collects data, and analyzes information to determine permanent recommendations, due to community concerns about health and safety.~~
- ~~B. A Short term Rental (STR) means any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of short term rental does not include Temporary Accessory Housing Shelter and Bed and Breakfast Inn.~~
- ~~C. Subject to Article 7 on Nonconformity, short term rentals are prohibited in dwelling units. For purposes of this subsection only, nonconforming uses include those with investment backed expectations as of May 15, 2023.~~
- ~~D. This subsection, 14.500.4, expires in its entirety on May 15, 2024.~~

Amend Article 15 (Use-Specific Regulations), such additional section to read in its entirety as follows:

**15.2300 Short-term Rentals**

- .1 All Live-in Management STR and Off-site Management STR uses are Short-term Rentals and must register as a Short-term Rental in compliance with the Code of Ordinances. The following requirements apply to all Short-term Rentals except where individually referenced.
- .2 All Short-term Rentals must comply with the adopted City of Plano Property Maintenance Code, as amended.
- .3 Short-term Rentals may only occur in a dwelling unit. When permitted by this section, all Short-term Rentals are only allowed as a function of the following uses, where legally constructed:
- A. Independent Living Facility
- B. Live-Work (Business Loft)
- C. Mid-Rise Residential
- D. Multifamily Residence

- E. Single-Family Residence (Attached)
- F. Single-Family Residence (Detached)
- G. Studio Residence
- H. Two-Family Residence
- I. Two-Family Residence (Attached)

#### **.4 Live-in Management STR**

- A. Live-in Management STR uses are permitted in a dwelling unit in:
  - i. A Heritage Resource Overlay District (“H” or “HD”),
  - ii. Any nonresidential zoning district except O-1,
  - iii. Multifamily Residences, consistent with Section 15.2300.6, or
  - iv. Elsewhere, when at least 300 feet away from another Short-term Rental, as measured in a straight line from property line to property line. Additional Live-in Management STR uses may be permitted with approval of a specific use permit, consistent with Section 15.2300.7.

#### **.5 Off-site Management STR**

- A. An Off-site Management STR may not provide rentals of less than two nights.
- B. Off-site Management STR uses are permitted in a dwelling unit in:
  - i. Any nonresidential zoning district except O-1, or
  - ii. Multifamily Residences, consistent with Section 15.2300.6.

#### **.6 Multifamily Residence properties:**

Where not otherwise permitted, where there is property management on the Multifamily Residence but not necessarily within the individual dwelling units, up to one unit or 5% of the dwelling units on the property, whichever is greater, can be Short-term Rentals. A higher percentage of STRs may be permitted with approval of a specific use permit consistent with Section 15.2300.7.

#### **.7 Specific Use Permits for Short-term Rentals**

- A. Consistent with Section 6.100, additional development standards may be imposed, including, but not limited to:
  - i. Locations of other STRs,
  - ii. Maximum number of occupants,
  - iii. Minimum nights per rental,

iv. Maximum number of rental nights per year, or

v. Parking standards and other site design considerations.

.8 A Backyard Cottage and the main dwelling unit on the same lot are considered a single residence for the purpose of determining the subtype of Short-term Rental. The Backyard Cottage and main dwelling unit cannot be rented as two separate Off-site Management STR uses.

.9 Except where permitted under the provisions herein, Short-term Rentals existing in all districts as of May 15, 2023, are nonconforming, unless the status is lost pursuant to Article 7. For purposes of this section only, nonconforming uses include those with investment-backed expectations as of May 15, 2023.

**Amend Section 16.700 (Off-Street Parking Schedule) of Article 16 (Parking and Loading), to delete the Bed and Breakfast Inn use from the Parking Space Schedule for Nonresidential Uses in all Districts.**

**Parking Space Schedule for Nonresidential Uses**

<b>Zoning Districts or Uses</b>	<b>Minimum Required Off-Street Parking or Spaces for Nonresidential Uses</b>
Bed and Breakfast Inn	<del>One space for owner/operator and one for each guest bedroom (No maximum number of parking spaces.)</del>

To view the hearing, please click on the provided link:  
<https://planotx.new.swagit.com/videos/301489?ts=483>

CS/ko

**Attachments:**

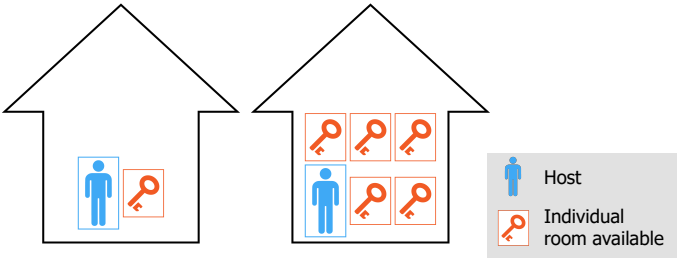
1. Live-in Management STR Map (P&Z Recommendation)
2. Off-site Management STR Map (P&Z Recommendation)
3. Existing Short-term Rentals by Use Type and Conformity Status Map (P&Z Recommendation)

cc: Eric Hill, Assistant Director of Planning  
Mike Bell, Development Review Manager  
Melissa Kleineck, Lead Planner  
Justin Cozart, Sr. GIS Technician  
Jeanna Scott, Building Inspections Manager  
Dorothy Alatorre, Sr. Administrative Assistant - Neighborhood Services



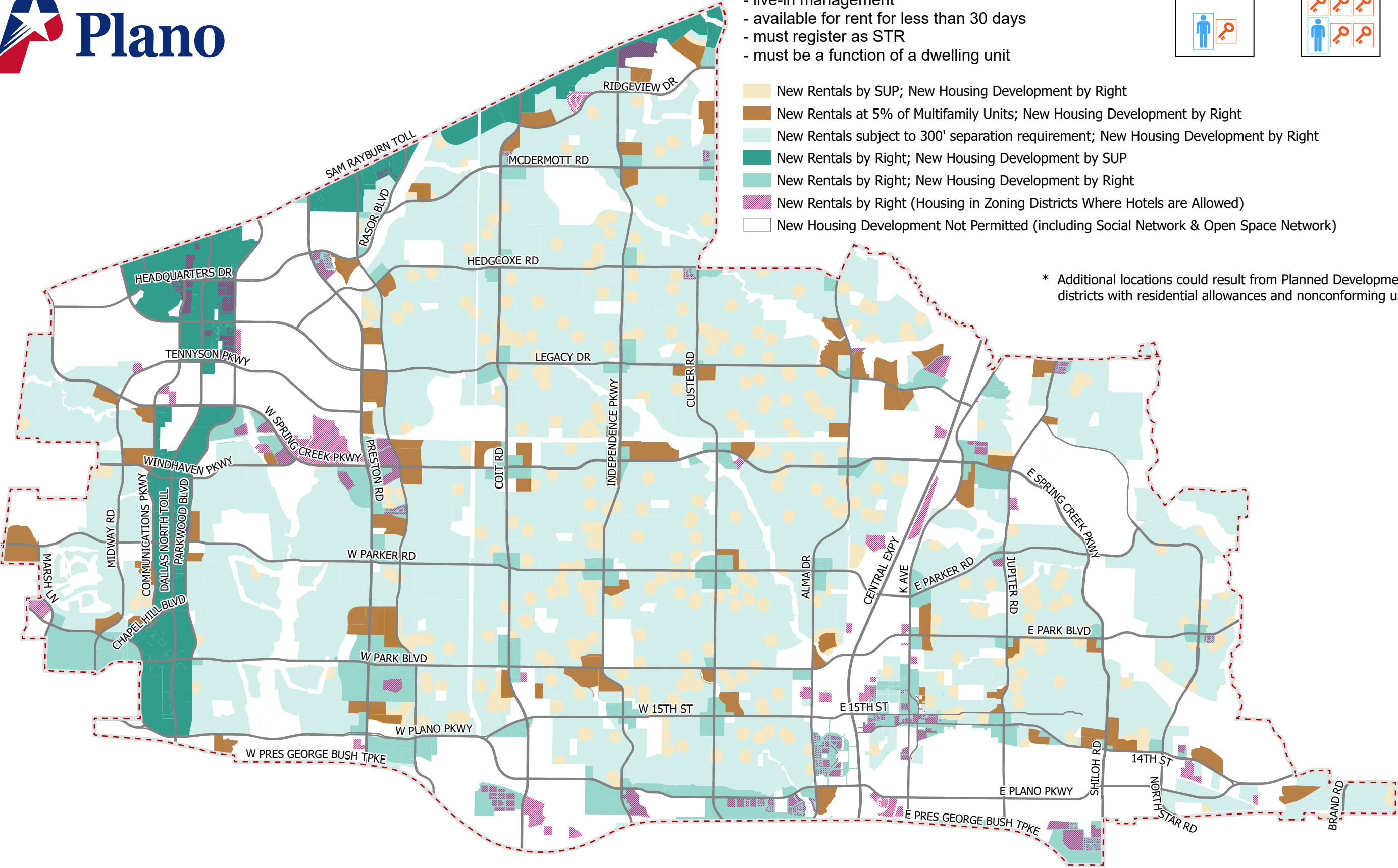
# Live-in Management STR Map\* P&Z Recommendation

- live-in management
- available for rent for less than 30 days
- must register as STR
- must be a function of a dwelling unit



- New Rentals by SUP; New Housing Development by Right
- New Rentals at 5% of Multifamily Units; New Housing Development by Right
- New Rentals subject to 300' separation requirement; New Housing Development by Right
- New Rentals by Right; New Housing Development by SUP
- New Rentals by Right; New Housing Development by Right
- New Rentals by Right (Housing in Zoning Districts Where Hotels are Allowed)
- New Housing Development Not Permitted (including Social Network & Open Space Network)

\* Additional locations could result from Planned Development districts with residential allowances and nonconforming uses



**Categories are Tentative and Subject to Change**









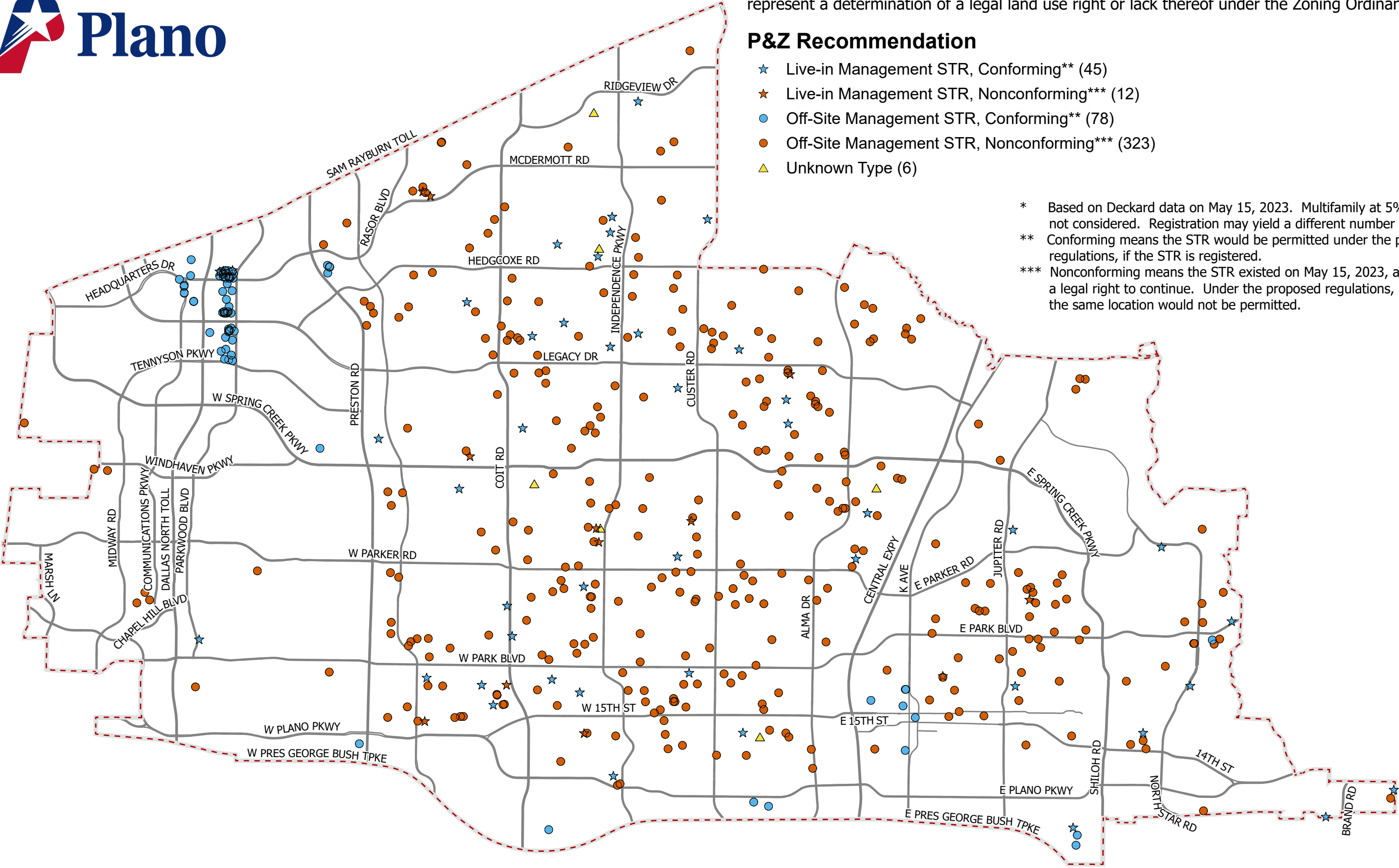
**Existing Short-term Rentals by Use Type and Conformity Status\***

The determination of conformity status is an assumption based on Deckard data and does not represent a determination of a legal land use right or lack thereof under the Zoning Ordinance.

**P&Z Recommendation**

- ★ Live-in Management STR, Conforming\*\* (45)
- ★ Live-in Management STR, Nonconforming\*\*\* (12)
- Off-Site Management STR, Conforming\*\* (78)
- Off-Site Management STR, Nonconforming\*\*\* (323)
- ▲ Unknown Type (6)

\* Based on Deckard data on May 15, 2023. Multifamily at 5% of units are not considered. Registration may yield a different number of STRs.  
\*\* Conforming means the STR would be permitted under the proposed regulations, if the STR is registered.  
\*\*\* Nonconforming means the STR existed on May 15, 2023, and may have a legal right to continue. Under the proposed regulations, a new use in the same location would not be permitted.





**AGENDA ITEM NO. 1**

**PUBLIC HEARING:** Zoning Case 2024-008

**PETITIONER:** City of Plano

**CASE PLANNER:** Christina Sebastian, AICP

**DESCRIPTION:** Request to amend Article 8 (Definitions), Article 14 (Allowed Uses and Use Classifications), Article 15 (Use-specific Regulations), and related sections of the Zoning Ordinance to extend or repeal the interim ban of short-term rentals and permanently regulate short-term rentals and related land uses, including associated development regulations. Project #ZC2024-008.

**SUMMARY:**

The purpose of this request is to amend the Zoning Ordinance to provide permanent development standards for short-term rentals (STRs). The amendments were developed as part of the City Council-initiated Short-term Rental Study. The following is a brief summary of the key parts of the proposed Zoning Ordinance amendments:

1. All Short-term Rentals must be registered.
2. Short-term Rental uses that were operating before the interim ban are allowed to continue operating.
3. Different types of Short-term Rentals are identified based on the scale and impact of the rental.
4. Additional minor changes to related land uses.

The proposed zoning amendments were prepared by city staff based on the work of the Short-term Rental Task Force but were not developed or considered by the Task Force. The proposal has also been shaped by the discussion and direction of the Planning & Zoning Commission (Commission), internal discussion among departments, and feedback received from the public throughout the process.

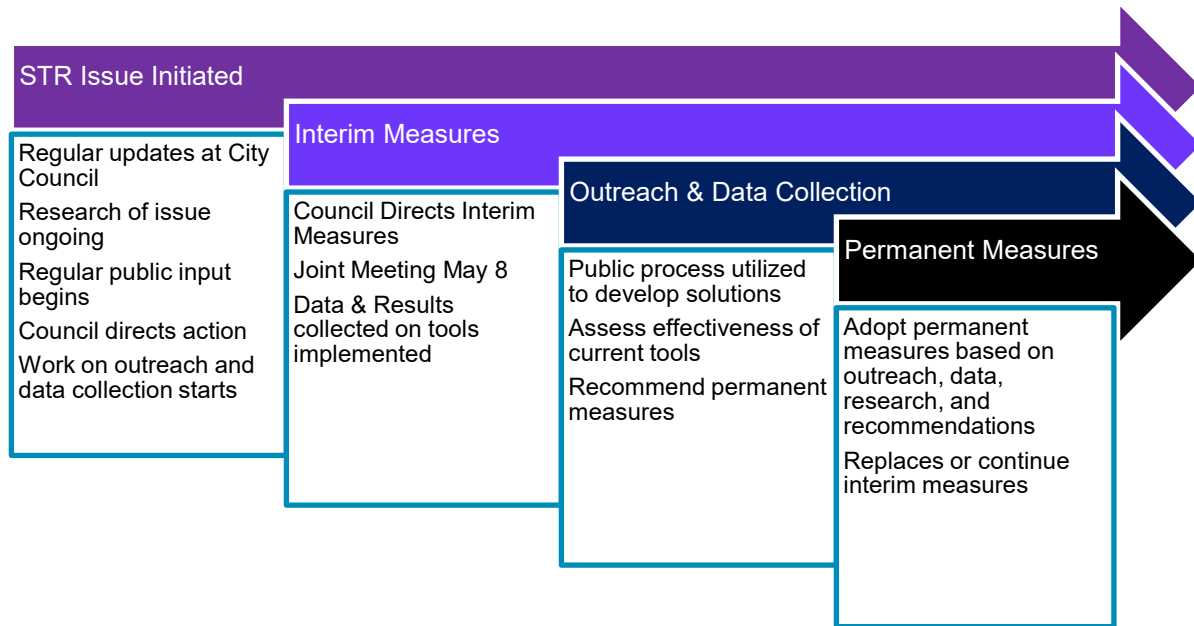
Modifications have been made since the March 18, 2024, Commission meeting, resulting in three options for consideration. Each option has variations to the development regulations for the short-term rental types. The Commission is asked to determine which option is most appropriate in the context of the Short-term Rental Study, public comments, and discussions to date.

The amendments are in conformance with the recommendations of the Comprehensive Plan. Staff recommends approval as noted in the recommendation section below.

## STAFF PRELIMINARY REPORT – INTRODUCTORY REMARKS

### History

In November 2022, City Council initiated a Short-term Rental Study. The Study includes interim measures (in the form of the interim ban of new STRs adopted in May 2023), two phases of outreach and data collection, and permanent measures expected before the interim ban expires on May 15, 2024.



The Outreach & Data Collection stage consisted of two phases including:

- **Data Collection:** Plano contracted with Deckard Technologies as a provider of third-party STR data. Deckard monitors STR platforms and cross-references them with publicly available data to identify STRs in the city. This data was then matched to Public Safety Communication's call-for-service data.
- **Public Outreach:** Plano contracted with Gap Strategies as support for a public outreach process, including:
  - A community survey opened in the spring of 2023, which had over 6,000 responses. [View the survey report.](#)
  - Two public open houses, hosted both in-person and online, in August of 2023 and February 2024, with over 2,000 and 1,200 participants, respectively.
  - A Short-term Rental Task Force made up of 22 Plano residents appointed by City Council.
    - In Phase I, the Task Force focused on defining the problem, in a series of three meetings where they were presented with data, discussed feedback from the community survey and first open house, and asked questions of staff. At the end of Phase I, the Task Force agreed upon three Findings and 15 Issues and Considerations that flow from those Findings, included in the [Phase I Report](#).

- In Phase II, the Task Force focused on potential solutions related to the Findings, Issues, and Considerations defined in Phase I. This included two questionnaires “homework assignments” in advance of Task Force meetings, where the results were presented and a short list of items with tentative consent was agreed upon. These ideas were then presented at the second open house, and public feedback was presented to the Task Force at their final meeting, where the results were discussed, and a final set of recommendations were adopted as part of the [Phase II Report](#).
- A project website and advertising: [www.PlanoSTR.com](http://www.PlanoSTR.com) hosted information about the Study, including survey results and Task Force documents.
- Advertisement of the survey and open houses via multiple avenues including press releases, city email newsletters, social media posts, and, for the community survey, signs in city parks and at city facilities.

At the Planning & Zoning Commission meeting on March 4, 2024 ([staff report](#) | [video](#)), the Commission:

- Received a presentation of the Short-term Rental Phase II Report, including the recommendations of the Short-term Rental Task Force.
- Called a public hearing to amend the Zoning Ordinance to extend or repeal the interim ban and permanently regulate short-term rentals and related land uses, including associated development regulations, initiating this zoning case.
- Received a presentation from city staff of a draft proposal for permanent measures intended to implement the Task Force’s nine recommended *Regulations That Affect Land Use and Zoning*. This proposal was developed by staff and was not considered by the Task Force, as they were not tasked with developing ordinance language.




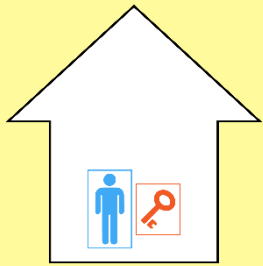
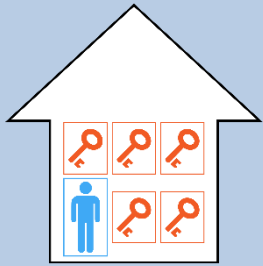
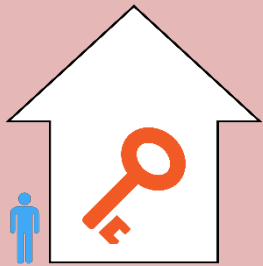
At the Planning & Zoning Commission meeting on March 18, 2024 ([staff report](#) | [video](#)), the Commission:

- Received a copy of the draft ordinance amendment language and a presentation on the concepts included in the proposed amendments.
- Discussed the proposed amendments and provided the following direction:
  - Use more descriptive names for the STR types,
  - Remove the Limited/Seasonal STR option,
  - Consider density limitations and locations for STRs with live-in management and only one room rented,
  - Consider how to restrict the number of people or beds that can be used in an STR,

- Remove the minimum number of nights for a short-term rental, but consider leaving them for STRs with off-site management,
- Consider STRs at multifamily uses with management on the premises, and
- Evaluate the allowance for usage of Backyard Cottages as STRs.

## STAFF PRELIMINARY REPORT – COMPARISON OF THREE OPTIONS

Based on the direction received from the Commission on March 18, three options for the proposed ordinance changes are provided, with variations to the development regulations for the short-term rental types. Each option is described in the following section of this report and summarized in the table below. The Commission is asked to determine which option is most appropriate in the context of the Short-term Rental Study and discussions to date.

Short-term Rental Type	Live-in Management STR (Single Room)	Live-in Management STR (Multiple Rooms)	Off-site Management STR
 Host  Full unit available  Individual room available			
<b>Option 1</b> (Most similar to March 18 version)	Permitted in any residence with limit of 2 adults (plus minor children): <ul style="list-style-type: none"> <li>Citywide</li> </ul>	Permitted in any residence in: <ul style="list-style-type: none"> <li>Most nonresidential zoning districts,</li> <li>Heritage properties, or</li> <li>Some multifamily</li> </ul> In all other residences, permitted by SUP.	Permitted in any residence in: <ul style="list-style-type: none"> <li>Most nonresidential zoning districts, or</li> <li>Some multifamily</li> </ul>
<b>Option 2</b> (Same as Option 1 but restricts SF areas to density buffer or SUP)	Permitted in any residence with limit of 2 adults (plus minor children) in: <ul style="list-style-type: none"> <li>Most nonresidential zoning districts,</li> <li>Heritage properties,</li> <li>Some multifamily, or</li> <li>Elsewhere, when 600+ feet from another STR of any type.</li> </ul> In all other residences, permitted by SUP.	Permitted in any residence in: <ul style="list-style-type: none"> <li>Most nonresidential zoning districts,</li> <li>Heritage properties, or</li> <li>Some multifamily</li> </ul> In all other residences, permitted by SUP.	Permitted in any residence in: <ul style="list-style-type: none"> <li>Most nonresidential zoning districts, or</li> <li>Some multifamily</li> </ul>
<b>Option 3</b> (Most changed from March 18 version)	Permitted in any residence in: <ul style="list-style-type: none"> <li>Most nonresidential zoning districts,</li> <li>Heritage properties, or</li> <li>Some multifamily.</li> </ul> In all other residences, permitted by SUP.		Permitted in any residence in: <ul style="list-style-type: none"> <li>Most nonresidential zoning districts, or</li> <li>Some multifamily</li> </ul>

## STAFF PRELIMINARY REPORT – PROPOSED ZONING ORDINANCE AMENDMENTS

Three options are provided for the Commission to consider in Attachment A. The following proposed amendments are present in all three options except where individually noted. In order for the staff report to be complete, all topics are included, though some information remains unchanged since the March 18 meeting. Topics that have been updated are noted in the section header.

### Short-term Rental Names – updated since March 18




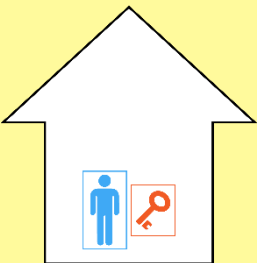
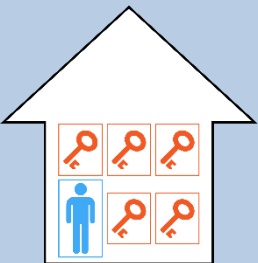
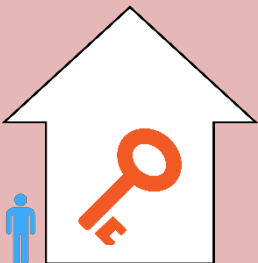
The names previously proposed for the STR types have changed, per Commission direction, as shown in the table below. The updated nomenclature is more technical and intended to align with feedback.

### Short-term Rental Definition – unchanged with the exception of names referenced above

Short-term Rentals are any dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty consecutive days. The proposed Zoning Ordinance amendments include a definition for Short-term Rental and a requirement that all STRs must be registered with the city. Registration requirements will be considered by City Council, and if approved, will be adopted as a new article in the Code of Ordinances. The registration ordinance is anticipated to be considered by City Council at the same meeting as these proposed Zoning Ordinance amendments. Draft text of the registration ordinance is available on [Plano.gov/STR](http://Plano.gov/STR) for reference.

### Short-term Rental Types – updated since March 18

Different types of short-term rentals are proposed based on scale and potential impact: three types in Options 1 and 2, and two in Option 3. Additional details on each are provided later in this report.

March 18 Version	Bed-and-Breakfast (1 Room)	Bed-and-Breakfast (2-5 Rooms)	Vacation Rental
Option 1	Live-in Management STR (Single Room)	Live-in Management STR (Multiple Rooms)	Off-site Management STR
Option 2	Live-in Management STR (Single Room)	Live-in Management STR (Multiple Rooms)	Off-site Management STR
Option 3	Live-in Management STR		Off-site Management STR
 Host  Full unit available  Individual room available			
STR Registration Required?	Yes	Yes	Yes
Building Design	Residence	Residence	Residence
Management	Live-in	Live-in	Off-site
Length of Stay (days)	1-29	1-29	2-29
Rooms or Full Unit Available?	1 individual room	Individual room(s)	Full unit

### Live-in Management STRs – updated since March 18

The Zoning Ordinance currently has a definition for the Bed and Breakfast Inn use, which is similar to the proposed Live-in Management STR uses. The proposed amendments would remove and replace this use with one or two newly defined uses. Live-in Management would also be defined as follows:

#### **Live-in Management**

In relationship to a Short-term Rental, Live-in Management means the operator identified on the short-term rental registration stays in the dwelling overnight whenever guests are present at the Short-term Rental. The property owner may act as the operator.

This proposed short-term rental type is based on Task Force recommendation **Z9** that STRs with a live-in operator have less impact on the community fabric, and therefore it may be appropriate to have different regulatory standards compared to those with off-site management.

The prior proposal limited the Live-in Management STR (Multiple Rooms) use to a maximum of five bedrooms. Based on Commission questions regarding this maximum, the Live-in Management STR (Multiple Rooms) use has been modified to eliminate the restriction, though Live-in Management STR (Multiple Rooms) may be restricted through the SUP process, where applicable. This will allow more simple enforcement and limit complications.

### *Urban Residential District – updated since March 18*

Because of this change, in the Urban Residential (UR) district, where Bed and Breakfast Inns were previously allowed by right and restricted to 5 rooms, the Live-in Management STR (Multiple Rooms) use is proposed to be permitted only by SUP, as with all other residential districts. However, a substantial amount of the UR district is within a Heritage Resource Overlay District, so would allow the use by right via this alternate means.

Otherwise, the locations where new Live-in Management STRs would be permitted varies among the three options, as outlined below.

#### *Option 1*

The first option is the most similar to what was presented to the Commission previously, yet has significant updates. Three short-term rental types are proposed, and each type is subject to different location criteria.

#### **Live-in Management STR (Single Room)**

- An STR with live-in management and a single room for rent should be less impactful and have greater oversight by the operator than other STR types. Therefore, Live-in Management STR (Single Room) uses would be permitted by right in any residence.
- Because of the by-right allowance for this STR type, an occupancy restriction is proposed which would limit the room rental occupancy to two adults plus any minor children.
- A map showing the potential locations for new Live-in Management STR (Single Room) uses under Option 1 is provided in Attachment D1.

### **Live-in Management STR (Multiple Rooms)**

- Live-in Management STR (Multiple Rooms) uses would allow the operator to have multiple rooms available for rent (whether by a single rental contract or multiple contracts).
- This use would be permitted by right in residences located in any of the following areas:
  - All nonresidential districts except Neighborhood Office (O-1), consistent with hotel allowances,
  - Heritage Resource Overlay districts, or
  - Some multifamily residences (see *Multifamily Residences* heading below).
- New Live-in Management STR (Multiple Rooms) uses would require an SUP in all other locations.
- A map showing the potential locations for new Live-in Management STR (Multiple Room) uses under Option 1 is provided in Attachment D2.

### *Option 2*

The second option includes a density control for the Live-in Management STR (Single Room) use in residential districts (except Multifamily Residence buildings and where located in Heritage Resource Overlay districts).

### **Live-in Management STR (Single Room)**

- This use would be permitted by right (based on Task Force recommendation **Z2** that STRs may be permitted where a hotel use is allowed in commercial, mixed-use, and transit-oriented development areas) in residences located in any of the following areas:
  - In all nonresidential districts except Neighborhood Office (O-1) consistent with hotel allowances,
  - In Heritage Resource Overlay districts, or
  - In some multifamily residences (see *Multifamily Residences* heading below).
  - Elsewhere, when more than 600 feet away from another Short-term Rental use of any type.
- New Live-in Management STR (Single Room) uses would require an SUP in all other locations.
- Because of the by-right allowance for this STR type, an occupancy restriction is proposed which would limit the room rental occupancy to two adults plus any minor children.
- A map showing the potential locations for new Live-in Management STR (Single Room) uses under Option 2 is provided in Attachment E1.



### **Live-in Management STR (Multiple Rooms)**

- The Live-in Management STR (Multiple Rooms) use under this option is the same as with Option 2 and would always require a specific use permit in residential districts (unless a Heritage property or in some multifamily), so there is no density control for the use in this option.
- A map showing the potential locations for new Live-in Management STR (Multiple Rooms) under Option 2 is provided in Attachment E2.

### *Option 3*

The third option represents the greatest change from the prior proposal, combines Live-in Management into a single type, and would require a specific use permit for any Live-in Management STR in a residential district (except Multifamily Residence buildings). This option does not define Single Room and Multiple Room types separately, as the location criteria are the same and the number of rooms could be controlled through the SUP stipulations.

### **Live-in Management STR**

- New Live-in Management STR uses would be permitted by right in residences in any of the following areas:
  - All nonresidential districts except Neighborhood Office (O-1),
  - Heritage Resource Overlay districts, or
  - Some multifamily residences (see *Multifamily Residences* heading below).
- New Live-in Management STRs uses would require an SUP in all other locations.
- Because of the requirement for an SUP, any appropriate occupancy restriction may be imposed through the SUP approval process.
- A map showing the potential locations for new Live-in Management STRs under Option 3 is provided in Attachment F1.

## Off-Site Management STRs

Short-term rentals where the operator does not live in the same dwelling unit would be classified as Off-site Management STRs. The location criteria for new Off-site Management STRs are the same in all three options.

### **Off-site Management STR**

- Based on Task Force recommendation **Z2** that STRs may be permitted where a hotel use is allowed in commercial, mixed-use, and transit-oriented development areas, new Live-in Management STR uses would be permitted by right in residences located in either of the following areas:
  - All nonresidential districts except Neighborhood Office (O-1), or
  - Some multifamily residences (see *Multifamily Residences* heading below).
- Most single-family residential neighborhoods have zoning that would not permit new Off-site Management STR uses. Nonresidential districts that permit residential uses would also permit new Off-site Management STR uses, such as the Neighborhood Business Design (NBD), Retail (R), and Urban Mixed-Use (UMU) zoning districts, as well as some Planned Development districts.
- Maps showing the potential locations for new Off-site Management STRs are provided in Attachments D3, E3, and F2 (the maps are the same for each option).

## Multifamily Residences – updated since March 18

On March 18, the Commission discussed concerns with multifamily residences and the ability for these properties to operate STRs when there is management on the premises. Additionally, outreach feedback noted that some multifamily properties have a small number of apartments available as an amenity to residents, for situations such as a future resident waiting for their long-term unit to be vacated or accommodations for visiting family members. Under the proposed new definitions, these would be considered a Short-term Rental if the rental term is less than 30 days. In multifamily properties where STRs are not already permitted, up to 5% of the apartments in a Multifamily Residence may be operated as STRs, provided that the building or complex has property management on the premises.

## Grandfathering

The interim ban on short-term rentals does not apply to existing short-term rentals and those with investment-backed expectations as of May 15, 2023. The proposed amendments would lift the interim ban and maintain the grandfathering of existing short-term rentals and those with investment-backed expectation, where needed. In the Zoning Ordinance, a grandfathered use is referred to as a nonconforming use.




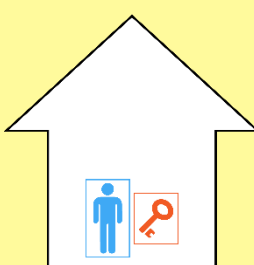
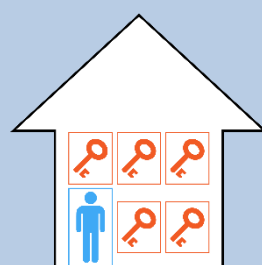
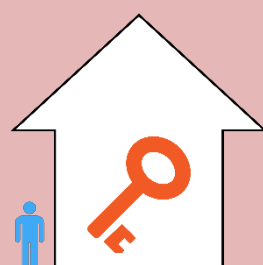
Some of the grandfathered short-term rentals would become conforming uses under the proposed development regulations, but many would remain nonconforming uses. Nonconforming uses are governed by Article 7 (Nonconformities) of the Zoning Ordinance. Nonconforming status runs with the land, not the owner, so a property that on May 15, 2023, was used, or intended to be used, as a short-term rental would continue to be nonconforming so long as the use was not abandoned for more

than six months, even if ownership of the property changed. Conversely, the owner of a nonconforming STR could not transfer the nonconforming status to a different property.

Nonconforming short-term rentals would be required to register as a short-term rental. City Council adopted a process to determine nonconforming status in August 2023, which can be found in [Section 7.900](#) (Determination of Nonconforming Status and Administrative Official Decision) of the Zoning Ordinance. To date, no formal determinations have been requested through this process.

### Effect on Existing STRs – updated since March 18

At the time of the interim ban, 464 STRs existed in Plano per the information from Deckard Technologies. While that number may change as more information is known about existing STRs via registration, staff can estimate the effects of the proposed amendments on those known STRs, as shown in the following table. Note that some STRs have an undetermined type. Maps showing these locations are included as Attachment D4 (Option 1), E4 (Option 2), and F3 (Option 3).




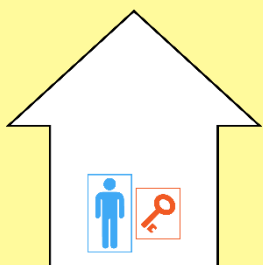
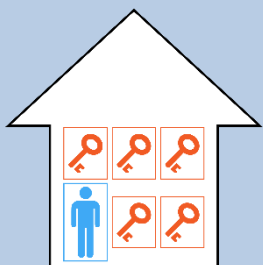
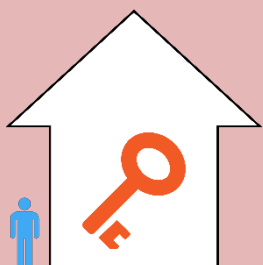
Short-term Rental Type		Live-in Management STR (Single Room)	Live-in Management STR (Multiple Rooms)	Off-site Management STR
<div> Host</div> <div> Full unit available</div> <div> Individual room available</div>				
Option 1	Conforming	50	0	78
	Nonconforming	0	7	323
Option 2	Conforming	29	0	78
	Nonconforming	21	7	323
Option 3	Conforming	5		78
	Nonconforming	52		323

**Conforming:** Number of existing STRs that could become fully legal, not only grandfathered (see below), under the proposed regulations, if registered.

**Nonconforming:** Number of STRs that existed on May 15, 2023, and may have a legal right to continue (i.e., grandfathered) on the property, as allowed under Article 7, if registered.

## Calls-for-Service – updated since March 18, 2024

Throughout the Short-term Rental Study, the public and the Task Force were presented information on Calls-for-Service (CFS), citizen-generated reports to Plano Police, at single-family homes between May 15, 2022, and May 15, 2023. A CFS does not necessarily indicate a violation occurred, but rather, just that a call was received. Additionally, it is not known that each property was being used as a short-term rental at the time of the call. The information presented was summarized in the open houses but is broken out by the STR type as shown in the following table. Information on CFS at multifamily properties is not included because the calls are for the whole complex, not individual units or STRs.

Short-term Rental Type	Live-in Management STR (Single Room)	Live-in Management STR (Multiple Rooms)	Off-site Management STR
 Host  Full unit available  Individual room available			
<b>No CFS</b>	45 single-family STRs	6 single-family STRs	302 single-family STRs
<b>1-2 CFS</b>	5 single-family STRs	0 single-family STRs	42 single-family STRs
<b>3 or more CFS</b>	0 single-family STRs	0 single-family STRs	15 single-family STRs
<b>Total</b>	<b>50 single-family STRs</b>	<b>6 single-family STRs</b>	<b>359 single-family STRs</b>

Note that all 15 of the properties with three or more calls-for-service would be nonconforming Off-site Management STRs.

Considerable time was invested by numerous departments in tracking CFS to convictions or other evidence that would sort the CFS data into other meaningful categories in order to provide additional useful correlations. The effort was ultimately abandoned due to complexities in connecting the information. For example, court records may be linked to an ongoing investigation or case and unavailable for such a project at this time at this level of detail. Individual records needed to be tracked back and reviewed, which was not practical given the quantity of data. Therefore, the information is not available.

### Additional Considerations

#### *Specific Use Permits for STRs – updated since March 18*

Whenever the Commission and Council consider a request for a specific use permit (SUP), additional topics and development standards can be considered. To help guide applicants, staff, and the public, the proposed amendments outline specific topics to evaluate for SUPs for short-term rentals. The guidelines are rooted in topics recommended by the Short-term Rental Task Force. These topics include:

1. The staff report will include a map of other STRs in the area.

2. The maximum number of occupants could be restricted.
3. The minimum number of nights per rental could be restricted.
4. The STR could be limited to a maximum number of rental nights per year.
5. Parking standards and other site design considerations could be added.

#### *Minimum Rental Nights – updated since March 18*

Based on Commission direction, the minimum number of nights per rental of an STR for Live-in Management STRs has been removed. However, for Off-site Management STRs, the minimum number of nights per rental is proposed as two nights. This proposal is based off feedback that this will assist in preventing nuisances and may be considered a best practice by some in the industry.

#### *Occupancy Restrictions – updated since March 18*

The Commission had concerns that regulating only the number of rooms available in a short-term rental could result in overcrowding within the rooms. There are existing occupancy requirements in Article III (Property Maintenance Code) of the Code of Ordinances that apply to all properties in Plano and are explicitly referenced in the proposed amendments. This includes a minimum area of 70 square feet for a bedroom occupied by a single person, or a minimum of 50 square feet for each occupant in a bedroom occupied by more than one person. In general, adding conflicting occupancy restrictions to the Zoning Ordinance is not advisable. However, the proposed standards for STRs are limited to specific areas, where permissions for the subset of Live-in Management STRs are more generous, therefore it may be appropriate to add occupancy limits in this circumstance. Where Live-in Management (Single Room) uses are permitted by right, these uses are proposed to be limited to two adults plus any minor children.

#### *Limited or Seasonal STRs – updated since March 18*

Task Force recommendation **Z6** was that some STRs could be considered subject to limited rental nights each year to provide flexibility for property owners. After hearing public testimony, the Commission discussed the concept of limited or seasonal short-term rentals at the March 18, 2024, meeting and directed staff to remove this option from the proposal.

#### *Backyard Cottages – updated since March 18*

Under the proposed amendments, [Backyard Cottages](#) (accessory dwelling units on the same lot as a single-family home) and the main single-family home would be considered a single residence for purposes of STR regulation. The Backyard Cottage could not be rented separate from the main single-family home as an Off-site Management STR use.

On March 18, the Commission requested that the allowances for Backyard Cottages be evaluated in regard to whether a full home could be considered a Live-in Management STR (Single Room). In all three options, full homes rented as STRs would be categorized based on whether the operator or owner lives on site. This is due to the changes to the STR types and the previous draft ordinance regarding Backyard Cottages. See Attachment C for more information on different combinations of short-term rentals of Backyard Cottages and how they would be classified.

## *Assembly Hall/Commercial Amusement*

One of the critical issues identified by the Task Force in Phase I was the overcrowding of property and nuisance uses associated with parties and events in short-term rental properties. These activities are often regulated by the Zoning Ordinance as an Assembly Hall or Commercial Amusement land use.

However, after reviewing accepted practices in other jurisdictions, considering options, and making this regulation more evident and accessible, the Assembly Hall distinction is being addressed in the registration ordinance. The small change to the Assembly Hall definition is to distinguish religious and political assemblies from social or civic assemblies.

### **Assembly Hall**

A building or portion of a building in which facilities are provided for civic, educational, ~~political,~~ religious, or social purposes.

To better align the definitions for Commercial Amusement (Indoor) and (Outdoor), the (Indoor) definition is proposed to reflect similar language as the (Outdoor) definition, as follows:

### **Amusement, Commercial (Indoor)**

Provision, for a fee, admission charge, or other similar remuneration, of leisure-time amusement or entertainment primarily by and for participants within a completely enclosed building. Typical uses include bowling alleys, ice or roller skating rinks, arcades, and bingo parlors.

### **Amusement, Commercial (Outdoor)**

An outdoor area or structure, open to the public, which provides entertainment or amusement primarily by and for participants for a fee or admission charge. Typical uses include batting cages, miniature golf, go-kart tracks, and carnivals.

The change to the Commercial Amusement (Indoor) definition will make it clear that if a fee is charged for access to indoor amenities, this definition could apply. Otherwise, no additional changes were seen as necessary for these uses regarding STRs.

## *Boarding/Rooming House*

Since Boarding/Rooming Houses have been considered long-term dwellings under the Zoning Ordinance, they should not be considered in the regulation of STRs. To clarify this distinction from Hotel/Motels and Short-term Rentals moving forward, the existing Boarding/Rooming House definition is proposed to be updated to explicitly state that the rental term is for 30 days or more.

### **Boarding/Rooming House (Single-Room Occupancy)**

A residence or dwelling, excluding hotels and household care facilities, wherein three 3 or more rooms are individually rented either by written or oral agreement for 30 days or more.

## *Parking*

Recommendation **Z8** from the Task Force is for an analysis of parking standards citywide relative to nuisance issues and enforcement. This would include a review of the Zoning Ordinance and Plano's Code of Ordinances, with participation from a number of city departments including Engineering, Police, Neighborhood Services, and Planning, and is expected to take longer than the time available before

May 15, 2024. Therefore, it is recommended that this analysis be conducted as a project separate from the other recommendations.

As the Bed and Breakfast Inn use is being removed from the Zoning Ordinance, its associated parking standard is also being removed. Consistent with other residential uses, the parking standard for Short-term Rentals will remain as defined by the Zoning Ordinance for the individual dwelling unit. These standards are subject to change pending the citywide parking analysis noted above.

## STAFF PRELIMINARY REPORT – CONFORMANCE TO THE COMPREHENSIVE PLAN

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The proposed request has been reviewed for conformance with the Comprehensive Plan. Major factors included in the analysis are provided below.

**Guiding Principles** – The set of Guiding Principles to the Comprehensive Plan establishes overarching themes that apply to all policies and actions and express values for Plano Today, Plano 2050, and Plano Together. Since the principles do not stand alone but are used in concert with one another and carry across the Plan as a whole, each principle must be judged through a lens that incorporates all other principles to be fully and accurately understood. As such, the Commission is encouraged to review the full list of Guiding Principles and judge zoning requests through the lens of all principles.

**Future Land Use Map & Dashboards** – The Future Land Use Map determines appropriate locations for future uses, establishing the community's vision for the placement of housing, employment, social activities, and protection of natural areas. The Dashboards provides the preferred balance of housing and employment uses, and the preferred mix of employment and housing types, within each Future Land Use category. The proposed amendments introduce specific land uses to the Zoning Ordinance, but do not result in changes to overall land use mix, residential acreage, number of dwelling units, or building height per standards in the Comprehensive Plan. The request results in no change to the Future Land Use Map & Dashboards.

**Land Use Policy** – *Plano will support a system of organized land use to provide housing and employment choices aligned with the market, where new and redevelopment areas respect the viability and quality of life for existing neighborhoods, businesses, and institutions.*

The proposed amendments are designed to allow STRs while regulating in a way that protects the viability and quality of life for existing neighborhoods. With this request, staff is proposing several options that are based on the recommendations of the STR Task Force and direction from the Commission following public comment. This request is in conformance with this policy.

**Land Use Action 1 (LU1)** – *Review and evaluate the Zoning Ordinance and make appropriate amendments based on guidance from the Comprehensive Plan.*

In considering the Comprehensive Plan when deliberating the proposed amendments, the Commission and Council will be consistent with this action.

**Neighborhood Conservation Policy** - *Plano will conserve and enhance established residential neighborhoods through city programs, initiatives, and regulations that support neighborhood identity; ensure safe, walkable communities; and preserve the suburban form that contributes to the overall character and livability of the neighborhoods.*

The proposed regulations are intended to strike a balance to allow STRs where appropriate, while establishing protections for neighborhoods that preserve neighborhood identity and contribute to character and livability. This request is in conformance with this policy.



**Neighborhood Conservation Action 1 (NC1)** – *Establish programs and initiatives that enable homeowners to maintain and enhance their properties and neighborhoods.*

The proposed regulations will provide homeowners an opportunity to operate an STR, which would generate income that could be used to maintain and enhance their properties. This request is in conformance with this action.

**Neighborhood Conservation Action 6 (NC6)** – *Review residential zoning to ensure housing standards allow residents to age in place, care for dependents, and meet special needs, while maintaining neighborhood integrity.*

The proposed STR regulations will establish housing standards which may allow residents to age in place, care for dependents, and meet special needs. The proposed regulations are intended to permit STR uses where appropriate, while ensuring neighborhood integrity is maintained. This request is in conformance with this action.

## STAFF PRELIMINARY REPORT – RECOMMENDATION

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### SUMMARY:

The purpose of this request is to amend the Zoning Ordinance to provide permanent development standards for short-term rentals. The amendments were developed as part of the City Council-initiated Short-term Rental Study. The following is a brief summary of the key parts of the proposed Zoning Ordinance amendments:

1. All Short-term Rentals must be registered.
2. Short-term Rental uses that were operating before the interim ban are allowed to continue operating.
3. Different types of Short-term Rentals are identified based on the scale and impact of the rental.
4. Additional minor changes to related land uses.

The proposed zoning amendments were prepared by city staff based on the work of the Short-term Rental Task Force but were not developed or considered by the Task Force. The proposal has also been shaped by the discussion and direction of the Planning & Zoning Commission, internal discussion among departments, and feedback received from the public throughout the process.

Modifications have been made since the March 18, 2024, Commission meeting, resulting in three options for consideration. Each option has variations to the development regulations for the short-term rental types. The Commission is asked to determine which option is most appropriate in the context of the Short-term Rental Study, public comments, and discussions to date.

The amendments are in conformance with the recommendations of the Comprehensive Plan. Staff recommends approval as noted in the recommendation section below.

### RECOMMENDATION:

Recommended for the Commission to approve either Option 1, Option 2, or Option 3 as provided in Attachment A.

### ATTACHMENTS:

- Attachment A – Zoning Case 2024-008 Draft Standards with STR Task Force Recommendations, Options 1, 2, and 3
- Attachment B – Matrix of Proposed Land Uses and Location Allowances
- Attachment C – Backyard Cottage Examples
- Attachment D – Option 1 Maps:
  - Attachment D1: Option 1 Live-in Management STR (Single Room) Map

- Attachment D2: Option 1 Live-in Management STR (Multiple Rooms) Map
- Attachment D3: Option 1 Off-site Management STR Map
- Attachment D4: Option 1 Existing STRs by Use Type and Conformity Status
- Attachment E – Option 2 Maps:
  - Attachment E1: Option 2 Live-in Management STR (Single Room) Map
  - Attachment E2: Option 2 Live-in Management STR (Multiple Rooms) Map
  - Attachment E3: Option 2 Off-site Management STR Map
  - Attachment E4: Option 2 Existing STRs by Use Type and Conformity Status
- Attachment F – Option 3 Maps:
  - Attachment F1: Option 3 Live-in Management STR Map
  - Attachment F2: Option 3 Off-site Management STR Map
  - Attachment F3: Option 3 Existing STRs by Use Type and Conformity Status
- Attachment G – Zoning Case Responses

## SUMMARY

- Three options will be presented to the Planning & Zoning Commission (P&Z) at a public hearing on April 1, 2024.
- The three options differ in where and how new short-term rentals would be permitted.
- P&Z will be asked to recommend one option to the City Council to consider at a public hearing planned for April 22, 2024.

## “CLEAN” VERSIONS

These versions show the proposed regulations as they would appear if adopted, including highlights noting differences between the three versions.

- [Option 1](#)
- [Option 2](#)
- [Option 3](#)

## STRIKETHROUGH/UNDERLINE VERSIONS

These versions show the proposed regulations in underlined text and any existing regulations that would be removed from the Zoning Ordinance in ~~strikethrough~~ text if adopted.

- [Option 1](#)
- [Option 2](#)
- [Option 3](#)

**Zoning Case 2024-008 Draft Standards – Option 1**

Note: The green circles below denote which Short-term Rental Task Force Recommendation the proposed amendments are intended to implement.  
See the key and recommendations on the last page.

The text highlighted in purple reflects differences between the three options.

**SUMMARY OF PROPOSED AMENDMENTS**

- All Short-term Rentals must be registered.
- All Short-term Rentals that were operating before the interim ban are allowed to continue operating.
- Three types of Short-term Rentals are identified based on the scale and impact of the rental:
  - **Live-in Management STR (Single Room):** New STRs with live-in management and only one room rented are allowed in any residential dwelling unit.
  - **Live-in Management STR (Multiple Rooms):** New STRs with live-in management and two or more rooms rented are allowed in residential dwelling units when located in any of the following areas:
    - A Heritage Resource Overlay district,
    - Nonresidential districts, except O-1,
    - Some multifamily residences, or
    - Elsewhere, by Specific Use Permit.
  - **Off-site Management STR:** New STRs without live-in management are allowed in residential dwelling units when located in either of the following areas:
    - Nonresidential districts, except O-1, or
    - Some multifamily residences.

**PROPOSED AMENDMENTS**

Z4

Z5

Z9

**Amend Section 8.200 (Terms Defined) of Article 8 (Definitions), such amended and new definitions to read as follows:**

**Amusement, Commercial (Indoor)**

Provision, for a fee, admission charge, or other similar remuneration, of leisure-time amusement or entertainment primarily by and for participants within a completely enclosed building. Typical uses include bowling alleys, ice or roller skating rinks, arcades, and bingo parlors.

**Assembly Hall**

A building or portion of a building in which facilities are provided for civic, educational, or social purposes.

**Boarding/Rooming House (Single-Room Occupancy)**

A residence or dwelling, excluding hotels and household care facilities, wherein three or more rooms are individually rented either by written or oral agreement for 30 days or more.

**Zoning Case 2024-008 Draft Standards – Option 1****Live-in Management**

In relationship to a Short-term Rental, Live-in Management means the operator identified on the short-term rental registration stays in the dwelling overnight whenever guests are present at the Short-term Rental. The property owner may act as the operator.

**Live-in Management STR (Single Room)**

A Short-term Rental with Live-in Management and one room available for no more than two adult overnight guests, plus any minor children. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

**Live-in Management STR (Multiple Rooms)**

A Short-term Rental with Live-in Management and more than one room available for overnight guests. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

**Off-site Management STR**

A Short-term Rental available for overnight guests excluding those qualified as Live-in Management STR (Single Room) or Live-in Management STR (Multiple Rooms).

**Short-term Rental (STR)**

Any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of Short-term Rental includes Live-in Management STR (Single Room), Live-in Management STR (Multiple Rooms), and Off-site Management STR but does not include Household Care Facility, Rehabilitation Care Facility, or Temporary Accessory Housing Shelter.

Z5

**Amend Subpart B.i of Part B (Residential Requirements) of Section 16.1600.10 (Additional Requirements and Restrictions) of Section 16.1600 (NBD, Neighborhood Business Design District) of Article 10 (Nonresidential Districts), such subpart to read in its entirety as follows:**

- i. Once a property is developed for residential purposes within the NBD district, with the exception of live-work (business loft) units and home occupations, nonresidential uses are not permitted within that property.

**Zoning Case 2024-008 Draft Standards – Option 1**

Z1

Z9

Amend Section 14.100 (Residential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:

RESIDENTIAL ZONING DISTRICTS																	
Use Type	Use Category	A - Agricultural	ED - Estate Development	SF-20 - Single-Family Residence-20	SF-9 - Single-Family Residence-9	SF-7 - Single-Family Residence-7	SF-6 - Single-Family Residence-6	UR - Urban Residential	PH - Patio Home	SF-A - Single-Family Attached	2F - Two-Family (Duplex)	GR - General Residential	MF-1 - Multifamily-1	MF-2 - Multifamily-2	MF-3 - Multifamily-3	MH - Mobile Home	RCD - Residential Community Design
Live-in Management STR (Single Room)	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Live-in Management STR (Multiple Rooms)	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56

**Zoning Case 2024-008 Draft Standards – Option 1****Z1****Z2****Z9**

**Amend Section 14.200 (Nonresidential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:**

<b>NONRESIDENTIAL ZONING DISTRICTS</b>																
<b>Use Type</b>	<b>Use Category</b>	<b>O-1 - Neighborhood Office</b>	<b>O-2 - General Office</b>	<b>R - Retail</b>	<b>LC - Light Commercial</b>	<b>CC - Corridor Commercial</b>	<b>UMU - Urban Mixed-Use</b>	<b>BG - Downtown Business/Government</b>	<b>CB-1 - Central Business-1</b>	<b>CE - Commercial Employment</b>	<b>RC - Regional Commercial</b>	<b>RE - Regional Employment</b>	<b>RT - Research/Technology</b>	<b>LI-1 - Light Industrial-1</b>	<b>LI-2 - Light Industrial-2</b>	<b>NBD - Neighborhood Business Design</b>
Live-in Management STR (Single Room)	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Live-in Management STR (Multiple Rooms)	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56

**Z1****Z2**

**Amend Section 14.300 (Use Table Notes) of Article 14 (Allowed Uses and Use Classifications), such note to read as follows:**

<b>Number</b>	<b>End Note</b>
20	Permitted when the building is a minimum of 200 feet from the nearest residential district boundary.
56	See Sec 15.2300.

**Z1**

**Amend Subsection 14.500.4 (Interim Prohibition on Short-Term Rental of Dwelling Units) of Section 14.500 (Prohibited Uses) of Article 14 (Allowed Uses and Use Classifications), such subsection to be deleted in its entirety.**



**Zoning Case 2024-008 Draft Standards – Option 1**

Z1

Z2

Z3

Z6

Z7

Z9

**Amend Article 15 (Use-Specific Regulations), such additional section to read in its entirety as follows:**

**15.2300 Short-term Rentals**

- .1 All Live-in Management STR (Single Room), Live-in Management STR (Multiple Rooms), and Off-site Management STR uses are Short-term Rentals and must register as a Short-term Rental in compliance with the Code of Ordinances. The following requirements apply to all Short-term Rentals except where individually referenced.
- .2 All Short-term Rentals must comply with the adopted City of Plano Property Maintenance Code, as amended.
- .3 Short-term Rentals may only occur in a dwelling unit. When permitted by this section, all Short-term Rentals are only allowed as a function of the following uses, where legally constructed:
  - A. Independent Living Facility
  - B. Live-Work (Business Loft)
  - C. Mid-Rise Residential
  - D. Multifamily Residence
  - E. Single-Family Residence (Attached)
  - F. Single-Family Residence (Detached)
  - G. Studio Residence
  - H. Two-Family Residence
  - I. Two-Family Residence (Attached)
- .4 **Live-in Management STR (Single Room)**  
Live-in Management STR (Single Room) uses are permitted in any residential dwelling unit.
- .5 **Live-in Management STR (Multiple Rooms)**
  - A. Live-in Management STR (Multiple Rooms) uses are permitted in a dwelling unit in:
    - i. A Heritage Resource Overlay District (“H” or “HD”),
    - ii. Any nonresidential zoning district except O-1,
    - iii. Multifamily Residences, consistent with Section 15.2300.7, or
    - iv. Elsewhere, when a specific use permit is granted consistent with Section 15.2300.8.

**Zoning Case 2024-008 Draft Standards – Option 1****.6 Off-site Management STR**

- A. An Off-site Management STR may not provide rentals of less than two nights.
- B. Off-site Management STR uses are permitted in a dwelling unit in:
  - i. Any nonresidential zoning district except O-1, or
  - ii. Multifamily Residences, consistent with Section 15.2300.7.

**.7 Multifamily Residence properties:**

Where not otherwise permitted, where there is property management on the Multifamily Residence but not necessarily within the individual dwelling units, up to one unit or 5% of the dwelling units on the property, whichever is greater, can be Short-term Rentals. A higher percentage of STRs may be permitted with approval of a specific use permit consistent with Section 15.2300.8.

**.8 Specific Use Permits for Short-term Rentals**

- A. Consistent with Section 6.100, additional development standards may be imposed, including, but not limited to:
  - i. Locations of other STRs,
  - ii. Maximum number of occupants,
  - iii. Minimum nights per rental,
  - iv. Maximum number of rental nights per year, or
  - v. Parking standards and other site design considerations.

- .9 A Backyard Cottage and the main dwelling unit on the same lot are considered a single residence for the purpose of determining the subtype of Short-term Rental. The Backyard Cottage and main dwelling unit cannot be rented as two separate Off-site Management STR uses.

- .10 Except where permitted under the provisions herein, Short-term Rentals existing in all districts as of May 15, 2023, are nonconforming, unless the status is lost pursuant to Article 7. For purposes of this section only, nonconforming uses include those with investment-backed expectations as of May 15, 2023.

Z5

Z8

**Amend Section 16.700 (Off-Street Parking Schedule) of Article 16 (Parking and Loading), to delete the Bed and Breakfast Inn use from the Parking Space Schedule for Nonresidential Uses in all Districts.**

**Zoning Case 2024-008 Draft Standards – Option 1****Short-term Rental Task Force Recommendations for Regulations That Affect Land Use and Zoning**

RECOMMENDATION	NUMBER
Prior to lifting the current interim ban on STRs, City Council, through the Planning & Zoning Commission, should update the Zoning Ordinance to identify districts or locations where new STRs may be appropriate or inappropriate.	Z1
STRs may be permitted anywhere a hotel is allowed in commercial, mixed-use, and transit-oriented development areas.	Z2
Limit the maximum density of new STRs in a specified area (limiting the total number of STRs in a given neighborhood or area), as a tool to refine zoning.  <u>Staff note:</u> When a specific use permit for a Live-in Management STR (Multiple Rooms) is considered by the Commission and Council, a density analysis of STRs will be presented to help inform their decisions.	Z3
A property must not be used for "commercial amusement" purposes (such as a party with a cover charge) unless permitted by zoning, and it has a Certificate of Occupancy from the City for the use.  <u>Staff note:</u> Any Commercial Amusement uses today must meet this standard. The definition for Indoor Commercial Amusement is proposed to be updated.	Z4
City Council, through the Planning & Zoning Commission, should update the Zoning Ordinance definitions that may relate to STRs for uses such as, but not limited to, Assembly Hall, Commercial Amusement (Indoor and Outdoor), Bed and Breakfast Inn, Rooming/Boarding House.	Z5
Limit operation of some new STRs to a maximum number of rental nights per year, as a newly-defined use to provide flexibility for property owners. <i>(Note: No across-the-board maximum is recommended. However, the Task Force is recommending maximum stays per year may be a useful tool as a distinct land use to consider in reviewing zoning regulations. This option may be useful as part of a coordinated zoning effort to tailor solutions for different circumstances and areas of the City.)</i>  <u>Staff note:</u> When a specific use permit for a Live-in Management STR (Multiple Rooms) is considered by the Commission and Council, they may consider restricting the STR to a maximum number of rental nights per year.	Z6
Require that STR stays must be for a minimum number of nights in certain areas or districts, as a tool to refine zoning.  <u>Staff note:</u> When a specific use permit for a Live-in Management STR (Multiple Rooms) is considered by the Commission and Council, they may consider restricting the STR to a minimum number of nights per booking.	Z7
Address onsite parking requirements as part of a larger analysis of street parking issues citywide.  <u>Staff note:</u> Due to the scope and timeframe to implement such an analysis, it is recommended that it be conducted as a project separate from the other recommendations.	Z8
It is appropriate to have some different regulatory standards for STRs with live-in management because they have less impact on the community fabric.	Z9

**Zoning Case 2024-008 Draft Standards – Option 2**

Note: The green circles below denote which Short-term Rental Task Force Recommendation the proposed amendments are intended to implement. See the key and recommendations on the last page.

The text highlighted in yellow reflects differences between the three options.

**SUMMARY OF PROPOSED AMENDMENTS**

- All Short-term Rentals must be registered.
- All Short-term Rentals that were operating before the interim ban are allowed to continue operating.
- Three types of Short-term Rentals are identified based on the scale and impact of the rental:
  - **Live-in Management STR (Single Room):** New STRs with live-in management and only one room rented are allowed in residential dwelling units when located in any of the following areas:
    - A Heritage Resource Overlay district,
    - Nonresidential zoning districts, except O-1,
    - Some multifamily residences, or
    - Elsewhere, when at least 600 feet away from another Short-term Rental or, otherwise, by Specific Use Permit.
  - **Live-in Management STR (Multiple Rooms):** New STRs with live-in management and two or more rooms rented are allowed in residential dwelling units when located in any of the following areas:
    - A Heritage Resource Overlay district,
    - Nonresidential districts, except O-1,
    - Some multifamily residences, or
    - Elsewhere, by Specific Use Permit.
  - **Off-site Management STR:** New STRs without live-in management are allowed in residential dwelling units when located in either of the following areas:
    - Nonresidential districts, except O-1, or
    - Some multifamily residences.

**PROPOSED AMENDMENTS**

Z4

Z5

Z9

**Amend Section 8.200 (Terms Defined) of Article 8 (Definitions), such amended and new definitions to read as follows:**

**Amusement, Commercial (Indoor)**

Provision, for a fee, admission charge, or other similar remuneration, of leisure-time amusement or entertainment primarily by and for participants within a completely enclosed building. Typical uses include bowling alleys, ice or roller skating rinks, arcades, and bingo parlors.

**Assembly Hall**

A building or portion of a building in which facilities are provided for civic, educational, or social purposes.

**Boarding/Rooming House (Single-Room Occupancy)**

A residence or dwelling, excluding hotels and household care facilities, wherein three or more rooms are individually rented either by written or oral agreement for 30 days or more.

**Zoning Case 2024-008 Draft Standards – Option 2****Live-in Management**

In relationship to a Short-term Rental, Live-in Management means the operator identified on the short-term rental registration stays in the dwelling overnight whenever guests are present at the Short-term Rental. The property owner may act as the operator.

**Live-in Management STR (Single Room)**

A Short-term Rental with Live-in Management and one room available for no more than two adult overnight guests, plus any minor children. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

**Live-in Management STR (Multiple Rooms)**

A Short-term Rental with Live-in Management and more than one room available for overnight guests. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

**Off-site Management STR**

A Short-term Rental available for overnight guests excluding those qualified as Live-in Management STR (Single Room) or Live-in Management STR (Multiple Rooms).

**Short-term Rental (STR)**

Any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of Short-term Rental includes Live-in Management STR (Single Room), Live-in Management STR (Multiple Rooms), and Off-site Management STR but does not include Household Care Facility, Rehabilitation Care Facility, or Temporary Accessory Housing Shelter.

Z5

**Amend Subpart B.i of Part B (Residential Requirements) of Section 16.1600.10 (Additional Requirements and Restrictions) of Section 16.1600 (NBD, Neighborhood Business Design District) of Article 10 (Nonresidential Districts), such subpart to read in its entirety as follows:**

- i. Once a property is developed for residential purposes within the NBD district, with the exception of live-work (business loft) units and home occupations, nonresidential uses are not permitted within that property.

**Zoning Case 2024-008 Draft Standards – Option 2**

Z1

Z9

Amend Section 14.100 (Residential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:

RESIDENTIAL ZONING DISTRICTS																	
Use Type	Use Category	A - Agricultural	ED - Estate Development	SF-20 - Single-Family Residence-20	SF-9 - Single-Family Residence-9	SF-7 - Single-Family Residence-7	SF-6 - Single-Family Residence-6	UR - Urban Residential	PH - Patio Home	SF-A - Single-Family Attached	2F - Two-Family (Duplex)	GR - General Residential	MF-1 - Multifamily-1	MF-2 - Multifamily-2	MF-3 - Multifamily-3	MH - Mobile Home	RCD - Residential Community Design
Live-in Management STR (Single Room)	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Live-in Management STR (Multiple Rooms)	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56

**Zoning Case 2024-008 Draft Standards – Option 2****Z1****Z2****Z9**

Amend Section 14.200 (Nonresidential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:

<b>NONRESIDENTIAL ZONING DISTRICTS</b>																
<b>Use Type</b>	<b>Use Category</b>	<b>O-1 - Neighborhood Office</b>	<b>O-2 - General Office</b>	<b>R - Retail</b>	<b>LC - Light Commercial</b>	<b>CC - Corridor Commercial</b>	<b>UMU - Urban Mixed-Use</b>	<b>BG - Downtown Business/Government</b>	<b>CB-1 - Central Business-1</b>	<b>CE - Commercial Employment</b>	<b>RC - Regional Commercial</b>	<b>RE - Regional Employment</b>	<b>RT - Research/Technology</b>	<b>LI-1 - Light Industrial-1</b>	<b>LI-2 - Light Industrial-2</b>	<b>NBD - Neighborhood Business Design</b>
Live-in Management STR (Single Room)	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Live-in Management STR (Multiple Rooms)	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56

**Z1****Z2**

Amend Section 14.300 (Use Table Notes) of Article 14 (Allowed Uses and Use Classifications), such note to read as follows:

<b>Number</b>	<b>End Note</b>
20	Permitted when the building is a minimum of 200 feet from the nearest residential district boundary.
56	See Sec 15.2300.

**Z1**

Amend Subsection 14.500.4 (Interim Prohibition on Short-Term Rental of Dwelling Units) of Section 14.500 (Prohibited Uses) of Article 14 (Allowed Uses and Use Classifications), such subsection to be deleted in its entirety.



**Zoning Case 2024-008 Draft Standards – Option 2**

Z1

Z2

Z3

Z6

Z7

Z9

**Amend Article 15 (Use-Specific Regulations), such additional section to read in its entirety as follows:**

**15.2300 Short-term Rentals**

- .1 All Live-in Management STR (Single Room), Live-in Management STR (Multiple Rooms), and Off-site Management STR uses are Short-term Rentals and must register as a Short-term Rental in compliance with the Code of Ordinances. The following requirements apply to all Short-term Rentals except where individually referenced.
- .2 All Short-term Rentals must comply with the adopted City of Plano Property Maintenance Code, as amended.
- .3 Short-term Rentals may only occur in a dwelling unit. When permitted by this section, all Short-term Rentals are only allowed as a function of the following uses, where legally constructed:
  - A. Independent Living Facility
  - B. Live-Work (Business Loft)
  - C. Mid-Rise Residential
  - D. Multifamily Residence
  - E. Single-Family Residence (Attached)
  - F. Single-Family Residence (Detached)
  - G. Studio Residence
  - H. Two-Family Residence
  - I. Two-Family Residence (Attached)
- .4 **Live-in Management STR (Single Room)**
  - A. Live-in Management STR (Single Room) uses are permitted in a dwelling unit in:
    - i. A Heritage Resource Overlay district (“H” or “HD”),
    - ii. Any nonresidential zoning district except O-1,
    - iii. Multifamily Residences, consistent with Section 15.2300.7, or
    - iv. Elsewhere, when at least 600 feet away from another Short-term Rental, as measured in a straight line from property line to property line. Additional Live-in Management STR (Single Room) uses may be permitted with approval of a specific use permit, consistent with Section 15.2300.8.



**Zoning Case 2024-008 Draft Standards – Option 2****.5 Live-in Management STR (Multiple Rooms)**

- A.** Live-in Management STR (Multiple Rooms) uses are permitted in a dwelling unit in:
- i. A Heritage Resource Overlay District (“H” or “HD”),
  - ii. Any nonresidential zoning district except O-1,
  - iii. Multifamily Residences, consistent with Section 15.2300.7, or
  - iv. Elsewhere, when a specific use permit is granted consistent with Section 15.2300.8.

**.6 Off-site Management STR**

- A.** An Off-site Management STR may not provide rentals of less than two nights.
- B.** Off-site Management STR uses are permitted in a dwelling unit in:
- i. Any nonresidential zoning district except O-1, or
  - ii. Multifamily Residences, consistent with Section 15.2300.7.

**.7 Multifamily Residence properties:**

Where not otherwise permitted, where there is property management on the Multifamily Residence but not necessarily within the individual dwelling units, up to one unit or 5% of the dwelling units on the property, whichever is greater, can be Short-term Rentals. A higher percentage of STRs may be permitted with approval of a specific use permit consistent with Section 15.2300.8.

**.8 Specific Use Permits for Short-term Rentals**

- A.** Consistent with Section 6.100, additional development standards may be imposed, including, but not limited to:
- i. Locations of other STRs,
  - ii. Maximum number of occupants,
  - iii. Minimum nights per rental,
  - iv. Maximum number of rental nights per year, or
  - v. Parking standards and other site design considerations.

**.9** A Backyard Cottage and the main dwelling unit on the same lot are considered a single residence for the purpose of determining the subtype of Short-term Rental. The Backyard Cottage and main dwelling unit cannot be rented as two separate Off-site Management STR uses.

**.10** Except where permitted under the provisions herein, Short-term Rentals existing in all districts as of May 15, 2023, are nonconforming, unless the status is lost pursuant to Article 7. For purposes of this section only, nonconforming uses include those with investment-backed expectations as of May 15, 2023.

**Zoning Case 2024-008 Draft Standards – Option 2**

Z5

Z8

**Amend Section 16.700 (Off-Street Parking Schedule) of Article 16 (Parking and Loading), to delete the Bed and Breakfast Inn use from the Parking Space Schedule for Nonresidential Uses in all Districts.**

DRAFT  
VERSION 3

## Zoning Case 2024-008 Draft Standards – Option 2

Short-term Rental Task Force Recommendations for  
Regulations That Affect Land Use and Zoning

RECOMMENDATION	NUMBER
Prior to lifting the current interim ban on STRs, City Council, through the Planning & Zoning Commission, should update the Zoning Ordinance to identify districts or locations where new STRs may be appropriate or inappropriate.	Z1
STRs may be permitted anywhere a hotel is allowed in commercial, mixed-use, and transit-oriented development areas.	Z2
Limit the maximum density of new STRs in a specified area (limiting the total number of STRs in a given neighborhood or area), as a tool to refine zoning.  <u>Staff note:</u> When a specific use permit for a Live-in Management STR (Single or Multiple Rooms) is considered by the Commission and Council, a density analysis of STRs will be presented to help inform their decisions.	Z3
A property must not be used for "commercial amusement" purposes (such as a party with a cover charge) unless permitted by zoning, and it has a Certificate of Occupancy from the City for the use.  <u>Staff note:</u> Any Commercial Amusement uses today must meet this standard. The definition for Indoor Commercial Amusement is proposed to be updated.	Z4
City Council, through the Planning & Zoning Commission, should update the Zoning Ordinance definitions that may relate to STRs for uses such as, but not limited to, Assembly Hall, Commercial Amusement (Indoor and Outdoor), Bed and Breakfast Inn, Rooming/Boarding House.	Z5
Limit operation of some new STRs to a maximum number of rental nights per year, as a newly-defined use to provide flexibility for property owners. <i>(Note: No across-the-board maximum is recommended. However, the Task Force is recommending maximum stays per year may be a useful tool as a distinct land use to consider in reviewing zoning regulations. This option may be useful as part of a coordinated zoning effort to tailor solutions for different circumstances and areas of the City.)</i>  <u>Staff note:</u> When a specific use permit for a Live-in Management STR (Single or Multiple Rooms) is considered by the Commission and Council, they may consider restricting the STR to a maximum number of rental nights per year.	Z6
Require that STR stays must be for a minimum number of nights in certain areas or districts, as a tool to refine zoning.  <u>Staff note:</u> When a specific use permit for a Live-in Management STR (Single or Multiple Rooms) is considered by the Commission and Council, they may consider restricting the STR to a minimum number of nights per booking.	Z7
Address onsite parking requirements as part of a larger analysis of street parking issues citywide.  <u>Staff note:</u> Due to the scope and timeframe to implement such an analysis, it is recommended that it be conducted as a project separate from the other recommendations.	Z8
It is appropriate to have some different regulatory standards for STRs with live-in management because they have less impact on the community fabric.	Z9

**Zoning Case 2024-008 Draft Standards – Option 3**

Note: The green circles below denote which Short-term Rental Task Force Recommendation the proposed amendments are intended to implement.  
See the key and recommendations on the last page.

The text highlighted in blue reflects differences between the three options.

**SUMMARY OF PROPOSED AMENDMENTS**

- All Short-term Rentals must be registered.
- All Short-term Rentals that were operating before the interim ban are allowed to continue operating.
- Two types of Short-term Rentals are identified based on the scale and impact of the rental:
  - **Live-in Management STR:** New STRs with live-in management are allowed in residential dwelling units when located in any of the following areas:
    - A Heritage Resource Overlay district,
    - Nonresidential districts, except O-1,
    - Some multifamily residences, or
    - Elsewhere, by Specific Use Permit.
  - **Off-site Management STR:** New STRs without live-in management are allowed in residential dwelling units when located in either of the following areas:
    - Nonresidential districts, except O-1, or
    - Some multifamily residences.

**PROPOSED AMENDMENTS**

Z4

Z5

Z9

**Amend Section 8.200 (Terms Defined) of Article 8 (Definitions), such amended and new definitions to read as follows:**

**Amusement, Commercial (Indoor)**

Provision, for a fee, admission charge, or other similar remuneration, of leisure-time amusement or entertainment primarily by and for participants within a completely enclosed building. Typical uses include bowling alleys, ice or roller skating rinks, arcades, and bingo parlors.

**Assembly Hall**

A building or portion of a building in which facilities are provided for civic, educational, or social purposes.

**Boarding/Rooming House (Single-Room Occupancy)**

A residence or dwelling, excluding hotels and household care facilities, wherein three or more rooms are individually rented either by written or oral agreement for 30 days or more.

**Live-in Management**

In relationship to a Short-term Rental, Live-in Management means the operator identified on the short-term rental registration stays in the dwelling overnight whenever guests are present at the Short-term Rental. The property owner may act as the operator.

**Zoning Case 2024-008 Draft Standards – Option 3****Live-in Management STR**

A Short-term Rental with Live-in Management and one or more rooms available for overnight guests. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

**Off-site Management STR**

A Short-term Rental available for overnight guests excluding those qualified as Live-in Management STR.

**Short-term Rental (STR)**

Any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of Short-term Rental includes Live-in Management STR and Off-site Management STR but does not include Household Care Facility, Rehabilitation Care Facility, or Temporary Accessory Housing Shelter.

Z5

**Amend Subpart B.i of Part B (Residential Requirements) of Section 16.1600.10 (Additional Requirements and Restrictions) of Section 16.1600 (NBD, Neighborhood Business Design District) of Article 10 (Nonresidential Districts), such subpart to read in its entirety as follows:**

- i. Once a property is developed for residential purposes within the NBD district, with the exception of live-work (business loft) units and home occupations, nonresidential uses are not permitted within that property.

**Zoning Case 2024-008 Draft Standards – Option 3**

Z1

Z9

Amend Section 14.100 (Residential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:

RESIDENTIAL ZONING DISTRICTS																	
Use Type	Use Category	A - Agricultural	ED - Estate Development	SF-20 - Single-Family Residence-20	SF-9 - Single-Family Residence-9	SF-7 - Single-Family Residence-7	SF-6 - Single-Family Residence-6	UR - Urban Residential	PH - Patio Home	SF-A - Single-Family Attached	2F - Two-Family (Duplex)	GR - General Residential	MF-1 - Multifamily-1	MF-2 - Multifamily-2	MF-3 - Multifamily-3	MH - Mobile Home	RCD - Residential Community Design
Live-in Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56

**Zoning Case 2024-008 Draft Standards – Option 3****Z1****Z2****Z9**

Amend Section 14.200 (Nonresidential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:

<b>NONRESIDENTIAL ZONING DISTRICTS</b>																
<b>Use Type</b>	<b>Use Category</b>	<b>O-1 - Neighborhood Office</b>	<b>O-2 - General Office</b>	<b>R - Retail</b>	<b>LC - Light Commercial</b>	<b>CC - Corridor Commercial</b>	<b>UMU - Urban Mixed-Use</b>	<b>BG - Downtown Business/Government</b>	<b>CB-1 - Central Business-1</b>	<b>CE - Commercial Employment</b>	<b>RC - Regional Commercial</b>	<b>RE - Regional Employment</b>	<b>RT - Research/Technology</b>	<b>LI-1 - Light Industrial-1</b>	<b>LI-2 - Light Industrial-2</b>	<b>NBD - Neighborhood Business Design</b>
Live-in Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56

**Z1****Z2**

Amend Section 14.300 (Use Table Notes) of Article 14 (Allowed Uses and Use Classifications), such note to read as follows:

<b>Number</b>	<b>End Note</b>
20	Permitted when the building is a minimum of 200 feet from the nearest residential district boundary.
56	See Sec 15.2300.

**Z1**

Amend Subsection 14.500.4 (Interim Prohibition on Short-Term Rental of Dwelling Units) of Section 14.500 (Prohibited Uses) of Article 14 (Allowed Uses and Use Classifications), such subsection to be deleted in its entirety.

**Zoning Case 2024-008 Draft Standards – Option 3**

Z1

Z2

Z3

Z6

Z7

Z9

**Amend Article 15 (Use-Specific Regulations), such additional section to read in its entirety as follows:**

**15.2300 Short-term Rentals**

- .1 All Live-in Management STR and Off-site Management STR uses are Short-term Rentals and must register as a Short-term Rental in compliance with the Code of Ordinances. The following requirements apply to all Short-term Rentals except where individually referenced.
- .2 All Short-term Rentals must comply with the adopted City of Plano Property Maintenance Code, as amended.
- .3 Short-term Rentals may only occur in a dwelling unit. When permitted by this section, all Short-term Rentals are only allowed as a function of the following uses, where legally constructed:
  - A. Independent Living Facility
  - B. Live-Work (Business Loft)
  - C. Mid-Rise Residential
  - D. Multifamily Residence
  - E. Single-Family Residence (Attached)
  - F. Single-Family Residence (Detached)
  - G. Studio Residence
  - H. Two-Family Residence
  - I. Two-Family Residence (Attached)
- .4 **Live-in Management STR**
  - A. Live-in Management STR uses are permitted in a dwelling unit in:
    - i. A Heritage Resource Overlay District (“H” or “HD”),
    - ii. Any nonresidential zoning district except O-1,
    - iii. Multifamily Residences, consistent with Section 15.2300.6, or
    - iv. Elsewhere, when a specific use permit is granted consistent with Section 15.2300.7.



**Zoning Case 2024-008 Draft Standards – Option 3****.5 Off-site Management STR**

- A. An Off-site Management STR may not provide rentals of less than two nights.
- B. Off-site Management STR uses are permitted in a dwelling unit in:
  - i. Any nonresidential zoning district except O-1, or
  - ii. Multifamily Residences, consistent with Section 15.2300.6.

**.6 Multifamily Residence properties:**

Where not otherwise permitted, where there is property management on the Multifamily Residence but not necessarily within the individual dwelling units, up to one unit or 5% of the dwelling units on the property, whichever is greater, can be Short-term Rentals. A higher percentage of STRs may be permitted with approval of a specific use permit consistent with Section 15.2300.7.

**.7 Specific Use Permits for Short-term Rentals**

- A. Consistent with Section 6.100, additional development standards may be imposed, including, but not limited to:
  - i. Locations of other STRs,
  - ii. Maximum number of occupants,
  - iii. Minimum nights per rental,
  - iv. Maximum number of rental nights per year, or
  - v. Parking standards and other site design considerations.
- .8 A Backyard Cottage and the main dwelling unit on the same lot are considered a single residence for the purpose of determining the subtype of Short-term Rental. The Backyard Cottage and main dwelling unit cannot be rented as two separate Off-site Management STR uses.
- .9 Except where permitted under the provisions herein, Short-term Rentals existing in all districts as of May 15, 2023, are nonconforming, unless the status is lost pursuant to Article 7. For purposes of this section only, nonconforming uses include those with investment-backed expectations as of May 15, 2023.

Z5

Z8

**Amend Section 16.700 (Off-Street Parking Schedule) of Article 16 (Parking and Loading), to delete the Bed and Breakfast Inn use from the Parking Space Schedule for Nonresidential Uses in all Districts.**

## Zoning Case 2024-008 Draft Standards – Option 3

### Short-term Rental Task Force Recommendations for Regulations That Affect Land Use and Zoning

RECOMMENDATION	NUMBER
Prior to lifting the current interim ban on STRs, City Council, through the Planning & Zoning Commission, should update the Zoning Ordinance to identify districts or locations where new STRs may be appropriate or inappropriate.	Z1
STRs may be permitted anywhere a hotel is allowed in commercial, mixed-use, and transit-oriented development areas.	Z2
Limit the maximum density of new STRs in a specified area (limiting the total number of STRs in a given neighborhood or area), as a tool to refine zoning.  <u>Staff note:</u> When a specific use permit for a Live-in Management STR is considered by the Commission and Council, a density analysis of STRs will be presented to help inform their decisions.	Z3
A property must not be used for "commercial amusement" purposes (such as a party with a cover charge) unless permitted by zoning, and it has a Certificate of Occupancy from the City for the use.  <u>Staff note:</u> Any Commercial Amusement uses today must meet this standard. The definition for Indoor Commercial Amusement is proposed to be updated.	Z4
City Council, through the Planning & Zoning Commission, should update the Zoning Ordinance definitions that may relate to STRs for uses such as, but not limited to, Assembly Hall, Commercial Amusement (Indoor and Outdoor), Bed and Breakfast Inn, Rooming/Boarding House.	Z5
Limit operation of some new STRs to a maximum number of rental nights per year, as a newly-defined use to provide flexibility for property owners. <i>(Note: No across-the-board maximum is recommended. However, the Task Force is recommending maximum stays per year may be a useful tool as a distinct land use to consider in reviewing zoning regulations. This option may be useful as part of a coordinated zoning effort to tailor solutions for different circumstances and areas of the City.)</i>  <u>Staff note:</u> When a specific use permit for a Live-in Management STR is considered by the Commission and Council, they may consider restricting the STR to a maximum number of rental nights per year.	Z6
Require that STR stays must be for a minimum number of nights in certain areas or districts, as a tool to refine zoning.  <u>Staff note:</u> When a specific use permit for a Live-in Management STR is considered by the Commission and Council, they may consider restricting the STR to a minimum number of nights per booking.	Z7
Address onsite parking requirements as part of a larger analysis of street parking issues citywide.  <u>Staff note:</u> Due to the scope and timeframe to implement such an analysis, it is recommended that it be conducted as a project separate from the other recommendations.	Z8
It is appropriate to have some different regulatory standards for STRs with live-in management because they have less impact on the community fabric.	Z9

## Zoning Case 2024-008 Draft Standards – Option 1

Additions are indicated in underlined text; deletions are indicated in ~~striketrough~~ text.

Note: The green circles below denote which Short-term Rental Task Force Recommendation the proposed amendments are intended to implement.  
See the key and recommendations on the last page.

To see the differences between the three options,  
see the highlights on the non-striketrough-underlined copies.

### PROPOSED AMENDMENTS

Z4

Z5

Z9

**Amend Section 8.200 (Terms Defined) of Article 8 (Definitions), such amended and new definitions to read as follows:**

#### **Amusement, Commercial (Indoor)**

Provision, for a fee, admission charge, or other similar remuneration, of leisure-time amusement or entertainment primarily by and for participants within a completely enclosed building. Typical uses include bowling alleys, ice or roller skating rinks, arcades, and bingo parlors.

#### **Assembly Hall**

A building or portion of a building in which facilities are provided for civic, educational, ~~political, religious,~~ or social purposes.

#### **~~Bed and Breakfast Inn~~**

~~An owner (or operator) occupied residence with up to 5 bedrooms available for overnight guests. A Bed and Breakfast Inn may provide for guest stays up to 14 consecutive days; however, it shall not offer weekly rental rates. Kitchen and dining facilities may be included to provide meals for guests only; however, no food preparation shall be permitted in guest bedrooms. A Bed and Breakfast Inn shall not include restaurants, banquet facilities, or similar services.~~

#### **Boarding/Rooming House (Single-Room Occupancy)**

A residence or dwelling, excluding hotels and household care facilities, wherein three 3 or more rooms are individually rented either by written or oral agreement for 30 days or more.

#### **Live-in Management**

In relationship to a Short-term Rental, Live-in Management means the operator identified on the short-term rental registration stays in the dwelling overnight whenever guests are present at the Short-term Rental. The property owner may act as the operator.

#### **Live-in Management STR (Single Room)**

A Short-term Rental with Live-in Management and one room available for no more than two adult overnight guests, plus any minor children. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

#### **Live-in Management STR (Multiple Rooms)**

A Short-term Rental with Live-in Management and more than one room available for overnight guests. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

**Zoning Case 2024-008 Draft Standards – Option 1**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

**Off-site Management STR**

A Short-term Rental available for overnight guests excluding those qualified as Live-in Management STR (Single Room) or Live-in Management STR (Multiple Rooms).

**Short-term Rental (STR)**

Any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of Short-term Rental includes Live-in Management STR (Single Room), Live-in Management STR (Multiple Rooms), and Off-site Management STR but does not include Household Care Facility, Rehabilitation Care Facility, or Temporary Accessory Housing Shelter.

Z5

**Amend Subpart B.i of Part B (Residential Requirements) of Section 16.1600.10 (Additional Requirements and Restrictions) of Section 16.1600 (NBD, Neighborhood Business Design District) of Article 10 (Nonresidential Districts), such subpart to read in its entirety as follows:**

- i. Once a property is developed for residential purposes within the NBD district, with the exception of live-work (business loft) units, and home occupations, ~~and bed and breakfast inns,~~ nonresidential uses are not permitted within that property.

**Zoning Case 2024-008 Draft Standards – Option 1**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

Z1

Z9

Amend Section 14.100 (Residential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:

RESIDENTIAL ZONING DISTRICTS																	
Use Type	Use Category	A - Agricultural	ED - Estate Development	SF-20 - Single-Family Residence-20	SF-9 - Single-Family Residence-9	SF-7 - Single-Family Residence-7	SF-6 - Single-Family Residence-6	UR - Urban Residential	PH - Patio Home	SF-A - Single-Family Attached	2F - Two-Family (Duplex)	GR - General Residential	MF-1 - Multifamily-1	MF-2 - Multifamily-2	MF-3 - Multifamily-3	MH - Mobile Home	RCD - Residential Community Design
Live-in Management STR (Single Room)	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Live-in Management STR (Multiple Rooms) Bed and Breakfast Inn	Primary Res. Service	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56

**Zoning Case 2024-008 Draft Standards – Option 1**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

Z1

Z2

Z9

Amend Section 14.200 (Nonresidential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:

NONRESIDENTIAL ZONING DISTRICTS																
Use Type	Use Category	O-1 - Neighborhood Office	O-2 - General Office	R - Retail	LC - Light Commercial	CC - Corridor Commercial	UMU - Urban Mixed-Use	BG - Downtown Business/Government	CB-1 - Central Business-1	CE - Commercial Employment	RC - Regional Commercial	RE - Regional Employment	RT - Research/Technology	LI-1 - Light Industrial-1	LI-2 - Light Industrial-2	NBD - Neighborhood Business Design
Live-in Management STR (Single Room)	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Live-in Management STR (Multiple Rooms) Bed and Breakfast Inn	Primary Res. Service	56	56	56	56	56	56	P 56	56	56	20 56	20 56	20 56	56	56	P 56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56

Z1

Z2

Amend Section 14.300 (Use Table Notes) of Article 14 (Allowed Uses and Use Classifications), such note to read as follows:

Number	End Note
20	Permitted when the building is a minimum of 200 feet from the nearest residential district boundary.
<u>56</u>	<u>See Sec 15.2300.</u>

**Zoning Case 2024-008 Draft Standards – Option 1**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

Z1

**Amend Subsection 14.500.4 (Interim Prohibition on Short-Term Rental of Dwelling Units) of Section 14.500 (Prohibited Uses) of Article 14 (Allowed Uses and Use Classifications), such subsection to be deleted in its entirety.**

**~~.4 Interim Prohibition on Short-Term Rental of Dwelling Units~~**

- ~~A. The purpose of this interim provision is to prohibit the establishment of new short term rentals of dwelling units while the City conducts public outreach, collects data, and analyzes information to determine permanent recommendations, due to community concerns about health and safety.~~
- ~~B. A Short-term Rental (STR) means any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of short-term rental does not include Temporary Accessory Housing Shelter and Bed and Breakfast Inn.~~
- ~~C. Subject to Article 7 on Nonconformity, short term rentals are prohibited in dwelling units. For purposes of this subsection only, nonconforming uses include those with investment backed expectations as of May 15, 2023.~~
- ~~D. This subsection, 14.500.4, expires in its entirety on May 15, 2024.~~

Z1

Z2

Z3

Z6

Z7

Z9

**Amend Article 15 (Use-Specific Regulations), such additional section to read in its entirety as follows:**

**15.2300 Short-term Rentals**

- .1 All Live-in Management STR (Single Room), Live-in Management STR (Multiple Rooms), and Off-site Management STR uses are Short-term Rentals and must register as a Short-term Rental in compliance with the Code of Ordinances. The following requirements apply to all Short-term Rentals except where individually referenced.
- .2 All Short-term Rentals must comply with the adopted City of Plano Property Maintenance Code, as amended.
- .3 Short-term Rentals may only occur in a dwelling unit. When permitted by this section, all Short-term Rentals are only allowed as a function of the following uses, where legally constructed:
  - A. Independent Living Facility
  - B. Live-Work (Business Loft)
  - C. Mid-Rise Residential
  - D. Multifamily Residence
  - E. Single-Family Residence (Attached)
  - F. Single-Family Residence (Detached)
  - G. Studio Residence

**Zoning Case 2024-008 Draft Standards – Option 1**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

**H. Two-Family Residence****I. Two-Family Residence (Attached)****.4 Live-in Management STR (Single Room)**

Live-in Management STR (Single Room) uses are permitted in any residential dwelling unit.

**.5 Live-in Management STR (Multiple Rooms)**

**A. Live-in Management STR (Multiple Rooms) uses are permitted in a dwelling unit in:**

- i. A Heritage Resource Overlay District (“H” or “HD”).**
- ii. Any nonresidential zoning district except O-1.**
- iii. Multifamily Residences, consistent with Section 15.2300.7, or**
- iv. Elsewhere, when a specific use permit is granted consistent with Section 15.2300.8.**

**.6 Off-site Management STR**

**A. An Off-site Management STR may not provide rentals of less than two nights.**

**B. Off-site Management STR uses are permitted in a dwelling unit in:**

- i. Any nonresidential zoning district except O-1, or**
- ii. Multifamily Residences, consistent with Section 15.2300.7.**

**.7 Multifamily Residence properties:**

Where not otherwise permitted, where there is property management on the Multifamily Residence but not necessarily within the individual dwelling units, up to one unit or 5% of the dwelling units on the property, whichever is greater, can be Short-term Rentals. A higher percentage of STRs may be permitted with approval of a specific use permit consistent with Section 15.2300.8.

**.8 Specific Use Permits for Short-term Rentals**

**A. Consistent with Section 6.100, additional development standards may be imposed, including, but not limited to:**

- i. Locations of other STRs.**
- ii. Maximum number of occupants.**
- iii. Minimum nights per rental.**
- iv. Maximum number of rental nights per year, or**
- v. Parking standards and other site design considerations.**

**.9 A Backyard Cottage and the main dwelling unit on the same lot are considered a single residence for the purpose of determining the subtype of Short-term Rental. The Backyard Cottage and main dwelling unit cannot be rented as two separate Off-site Management STR uses.**



**Zoning Case 2024-008 Draft Standards – Option 1**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

**.10** Except where permitted under the provisions herein, Short-term Rentals existing in all districts as of May 15, 2023, are nonconforming, unless the status is lost pursuant to Article 7. For purposes of this section only, nonconforming uses include those with investment-backed expectations as of May 15, 2023.

Z5

Z8

**Amend Section 16.700 (Off-Street Parking Schedule) of Article 16 (Parking and Loading), to delete the Bed and Breakfast Inn use from the Parking Space Schedule for Nonresidential Uses in all Districts.**

**Parking Space Schedule for Nonresidential Uses**

<b>Zoning Districts or Uses</b>	<b>Minimum Required Off-Street Parking or Spaces for Nonresidential Uses</b>
Bed and Breakfast Inn	<del>One space for owner/operator and one for each guest bedroom (No maximum number of parking spaces.)</del>

**Zoning Case 2024-008 Draft Standards – Option 1**

Additions are indicated in underlined text; deletions are indicated in ~~striketrough~~ text.

**Short-term Rental Task Force Recommendations for  
Regulations That Affect Land Use and Zoning**

RECOMMENDATION	NUMBER
Prior to lifting the current interim ban on STRs, City Council, through the Planning & Zoning Commission, should update the Zoning Ordinance to identify districts or locations where new STRs may be appropriate or inappropriate.	Z1
STRs may be permitted anywhere a hotel is allowed in commercial, mixed-use, and transit-oriented development areas.	Z2
Limit the maximum density of new STRs in a specified area (limiting the total number of STRs in a given neighborhood or area), as a tool to refine zoning.  <u>Staff note:</u> When a specific use permit for a Live-in Management STR (Multiple Rooms) is considered by the Commission and Council, a density analysis of STRs will be presented to help inform their decisions.	Z3
A property must not be used for "commercial amusement" purposes (such as a party with a cover charge) unless permitted by zoning, and it has a Certificate of Occupancy from the City for the use.  <u>Staff note:</u> Any Commercial Amusement uses today must meet this standard. The definition for Indoor Commercial Amusement is proposed to be updated.	Z4
City Council, through the Planning & Zoning Commission, should update the Zoning Ordinance definitions that may relate to STRs for uses such as, but not limited to, Assembly Hall, Commercial Amusement (Indoor and Outdoor), Bed and Breakfast Inn, Rooming/Boarding House.	Z5
Limit operation of some new STRs to a maximum number of rental nights per year, as a newly-defined use to provide flexibility for property owners. <i>(Note: No across-the-board maximum is recommended. However, the Task Force is recommending maximum stays per year may be a useful tool as a distinct land use to consider in reviewing zoning regulations. This option may be useful as part of a coordinated zoning effort to tailor solutions for different circumstances and areas of the City.)</i>  <u>Staff note:</u> When a specific use permit for a Live-in Management STR (Multiple Rooms) is considered by the Commission and Council, they may consider restricting the STR to a maximum number of rental nights per year.	Z6
Require that STR stays must be for a minimum number of nights in certain areas or districts, as a tool to refine zoning.  <u>Staff note:</u> When a specific use permit for a Live-in Management STR (Multiple Rooms) is considered by the Commission and Council, they may consider restricting the STR to a minimum number of nights per booking.	Z7
Address onsite parking requirements as part of a larger analysis of street parking issues citywide.  <u>Staff note:</u> Due to the scope and timeframe to implement such an analysis, it is recommended that it be conducted as a project separate from the other recommendations.	Z8
It is appropriate to have some different regulatory standards for STRs with live-in management because they have less impact on the community fabric.	Z9

**Zoning Case 2024-008 Draft Standards – Option 2**

Additions are indicated in underlined text; deletions are indicated in ~~striketrough~~ text.

Note: The green circles below denote which Short-term Rental Task Force Recommendation the proposed amendments are intended to implement.  
See the key and recommendations on the last page.

To see the differences between the three options,  
see the highlights on the non-striketrough-underlined copies.

**PROPOSED AMENDMENTS**

Z4

Z5

Z9

**Amend Section 8.200 (Terms Defined) of Article 8 (Definitions), such amended and new definitions to read as follows:**

**Amusement, Commercial (Indoor)**

Provision, for a fee, admission charge, or other similar remuneration, of leisure-time amusement or entertainment primarily by and for participants within a completely enclosed building. Typical uses include bowling alleys, ice or roller skating rinks, arcades, and bingo parlors.

**Assembly Hall**

A building or portion of a building in which facilities are provided for civic, educational, ~~political, religious,~~ or social purposes.

**~~Bed and Breakfast Inn~~**

~~An owner (or operator) occupied residence with up to 5 bedrooms available for overnight guests. A Bed and Breakfast Inn may provide for guest stays up to 14 consecutive days; however, it shall not offer weekly rental rates. Kitchen and dining facilities may be included to provide meals for guests only; however, no food preparation shall be permitted in guest bedrooms. A Bed and Breakfast Inn shall not include restaurants, banquet facilities, or similar services.~~

**Boarding/Rooming House (Single-Room Occupancy)**

A residence or dwelling, excluding hotels and household care facilities, wherein three 3 or more rooms are individually rented either by written or oral agreement for 30 days or more.

**Live-in Management**

In relationship to a Short-term Rental, Live-in Management means the operator identified on the short-term rental registration stays in the dwelling overnight whenever guests are present at the Short-term Rental. The property owner may act as the operator.

**Live-in Management STR (Single Room)**

A Short-term Rental with Live-in Management and one room available for no more than two adult overnight guests, plus any minor children. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

**Live-in Management STR (Multiple Rooms)**

A Short-term Rental with Live-in Management and more than one room available for overnight guests. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

**Off-site Management STR**

A Short-term Rental available for overnight guests excluding those qualified as Live-in Management STR (Single Room) or Live-in Management STR (Multiple Rooms).

**Zoning Case 2024-008 Draft Standards – Option 2**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

**Short-term Rental (STR)**

Any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of Short-term Rental includes Live-in Management STR (Single Room), Live-in Management STR (Multiple Rooms), and Off-site Management STR but does not include Household Care Facility, Rehabilitation Care Facility, or Temporary Accessory Housing Shelter.

Z5

**Amend Subpart B.i of Part B (Residential Requirements) of Section 16.1600.10 (Additional Requirements and Restrictions) of Section 16.1600 (NBD, Neighborhood Business Design District) of Article 10 (Nonresidential Districts), such subpart to read in its entirety as follows:**

- i. Once a property is developed for residential purposes within the NBD district, with the exception of live-work (business loft) units, and home occupations, ~~and bed and breakfast inns,~~ nonresidential uses are not permitted within that property.

**Zoning Case 2024-008 Draft Standards – Option 2**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

Z1

Z9

Amend Section 14.100 (Residential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:

RESIDENTIAL ZONING DISTRICTS																	
Use Type	Use Category	A - Agricultural	ED - Estate Development	SF-20 - Single-Family Residence-20	SF-9 - Single-Family Residence-9	SF-7 - Single-Family Residence-7	SF-6 - Single-Family Residence-6	UR - Urban Residential	PH - Patio Home	SF-A - Single-Family Attached	2F - Two-Family (Duplex)	GR - General Residential	MF-1 - Multifamily-1	MF-2 - Multifamily-2	MF-3 - Multifamily-3	MH - Mobile Home	RCD - Residential Community Design
Live-in Management STR (Single Room)	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Live-in Management STR (Multiple Rooms) Bed and Breakfast Inn	Primary Res. Service	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56

**Zoning Case 2024-008 Draft Standards – Option 2**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

Z1

Z2

Z9

Amend Section 14.200 (Nonresidential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:

NONRESIDENTIAL ZONING DISTRICTS																
Use Type	Use Category	O-1 - Neighborhood Office	O-2 - General Office	R - Retail	LC - Light Commercial	CC - Corridor Commercial	UMU - Urban Mixed-Use	BG - Downtown Business/Government	CB-1 - Central Business-1	CE - Commercial Employment	RC - Regional Commercial	RE - Regional Employment	RT - Research/Technology	LI-1 - Light Industrial-1	LI-2 - Light Industrial-2	NBD - Neighborhood Business Design
Live-in Management STR (Single Room)	Primary Res.	56	56	56	56	56	56	56	56	56	56	56	56	56	56	56
Live-in Management STR (Multiple Rooms) Bed and Breakfast Inn	Primary Res. Service	56	56	56	56	56	56	P 56	56	56	20 56	20 56	20 56	56	56	P 56
Off-site Management STR	Primary Res.	56	56	56	56	56	56	56	56	56	20 56	20 56	20 56	56	56	56

Z1

Z2

Amend Section 14.300 (Use Table Notes) of Article 14 (Allowed Uses and Use Classifications), such note to read as follows:

Number	End Note
20	Permitted when the building is a minimum of 200 feet from the nearest residential district boundary.
<u>56</u>	<u>See Sec 15.2300.</u>

**Zoning Case 2024-008 Draft Standards – Option 2**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

Z1

**Amend Subsection 14.500.4 (Interim Prohibition on Short-Term Rental of Dwelling Units) of Section 14.500 (Prohibited Uses) of Article 14 (Allowed Uses and Use Classifications), such subsection to be deleted in its entirety.**

**~~.4 Interim Prohibition on Short-Term Rental of Dwelling Units~~**

- ~~A. The purpose of this interim provision is to prohibit the establishment of new short term rentals of dwelling units while the City conducts public outreach, collects data, and analyzes information to determine permanent recommendations, due to community concerns about health and safety.~~
- ~~B. A Short term Rental (STR) means any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of short term rental does not include Temporary Accessory Housing Shelter and Bed and Breakfast Inn.~~
- ~~C. Subject to Article 7 on Nonconformity, short term rentals are prohibited in dwelling units. For purposes of this subsection only, nonconforming uses include those with investment backed expectations as of May 15, 2023.~~
- ~~D. This subsection, 14.500.4, expires in its entirety on May 15, 2024.~~

Z1

Z2

Z3

Z6

Z7

Z9

**Amend Article 15 (Use-Specific Regulations), such additional section to read in its entirety as follows:**

**15.2300 Short-term Rentals**

- .1 All Live-in Management STR (Single Room), Live-in Management STR (Multiple Rooms), and Off-site Management STR uses are Short-term Rentals and must register as a Short-term Rental in compliance with the Code of Ordinances. The following requirements apply to all Short-term Rentals except where individually referenced.
- .2 All Short-term Rentals must comply with the adopted City of Plano Property Maintenance Code, as amended.
- .3 Short-term Rentals may only occur in a dwelling unit. When permitted by this section, all Short-term Rentals are only allowed as a function of the following uses, where legally constructed:
  - A. Independent Living Facility
  - B. Live-Work (Business Loft)
  - C. Mid-Rise Residential
  - D. Multifamily Residence
  - E. Single-Family Residence (Attached)
  - F. Single-Family Residence (Detached)
  - G. Studio Residence

**Zoning Case 2024-008 Draft Standards – Option 2**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

**H. Two-Family Residence****I. Two-Family Residence (Attached)****.4 Live-in Management STR (Single Room)****A. Live-in Management STR (Single Room) uses are permitted in a dwelling unit in:**

- i. A Heritage Resource Overlay District (“H” or “HD”).**
- ii. Any nonresidential zoning district except O-1.**
- iii. Multifamily Residences, consistent with Section 15.2300.7, or**
- iv. Elsewhere, when at least 600 feet away from another Short-term Rental, as measured in a straight line from property line to property line. Additional Live-in Management STR (Single Room) uses may be permitted with approval of a specific use permit, consistent with Section 15.2300.8.**

**.5 Live-in Management STR (Multiple Rooms)****A. Live-in Management STR (Multiple Rooms) uses are permitted in a dwelling unit in:**

- i. A Heritage Resource Overlay District (“H” or “HD”).**
- ii. Any nonresidential zoning district except O-1.**
- iii. Multifamily Residences, consistent with Section 15.2300.7, or**
- iv. Elsewhere, when a specific use permit is granted consistent with Section 15.2300.8.**

**.6 Off-site Management STR****A. An Off-site Management STR may not provide rentals of less than two nights.****B. Off-site Management STR uses are permitted in a dwelling unit in:**

- i. Any nonresidential zoning district except O-1, or**
- ii. Multifamily Residences, consistent with Section 15.2300.7.**

**.7 Multifamily Residence properties:**

Where not otherwise permitted, where there is property management on the Multifamily Residence but not necessarily within the individual dwelling units, up to one unit or 5% of the dwelling units on the property, whichever is greater, can be Short-term Rentals. A higher percentage of STRs may be permitted with approval of a specific use permit consistent with Section 15.2300.8.

**.8 Specific Use Permits for Short-term Rentals****A. Consistent with Section 6.100, additional development standards may be imposed, including, but not limited to:**

- i. Locations of other STRs,**



**Zoning Case 2024-008 Draft Standards – Option 2**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

- ii. Maximum number of occupants.
  - iii. Minimum nights per rental.
  - iv. Maximum number of rental nights per year, or
  - v. Parking standards and other site design considerations.
- .9 A Backyard Cottage and the main dwelling unit on the same lot are considered a single residence for the purpose of determining the subtype of Short-term Rental. The Backyard Cottage and main dwelling unit cannot be rented as two separate Off-site Management STR uses.
- .10 Except where permitted under the provisions herein, Short-term Rentals existing in all districts as of May 15, 2023, are nonconforming, unless the status is lost pursuant to Article 7. For purposes of this section only, nonconforming uses include those with investment-backed expectations as of May 15, 2023.

Z5

Z8

**Amend Section 16.700 (Off-Street Parking Schedule) of Article 16 (Parking and Loading), to delete the Bed and Breakfast Inn use from the Parking Space Schedule for Nonresidential Uses in all Districts.**

**Parking Space Schedule for Nonresidential Uses**

<b>Zoning Districts or Uses</b>	<b>Minimum Required Off-Street Parking or Spaces for Nonresidential Uses</b>
Bed and Breakfast Inn	<del>One space for owner/operator and one for each guest bedroom (No maximum number of parking spaces.)</del>

**Zoning Case 2024-008 Draft Standards – Option 2**

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**Short-term Rental Task Force Recommendations for  
Regulations That Affect Land Use and Zoning**

RECOMMENDATION	NUMBER
Prior to lifting the current interim ban on STRs, City Council, through the Planning & Zoning Commission, should update the Zoning Ordinance to identify districts or locations where new STRs may be appropriate or inappropriate.	Z1
STRs may be permitted anywhere a hotel is allowed in commercial, mixed-use, and transit-oriented development areas.	Z2
Limit the maximum density of new STRs in a specified area (limiting the total number of STRs in a given neighborhood or area), as a tool to refine zoning.  <u>Staff note:</u> When a specific use permit for a Live-in Management STR (Single or Multiple Rooms) is considered by the Commission and Council, a density analysis of STRs will be presented to help inform their decisions.	Z3
A property must not be used for "commercial amusement" purposes (such as a party with a cover charge) unless permitted by zoning, and it has a Certificate of Occupancy from the City for the use.  <u>Staff note:</u> Any Commercial Amusement uses today must meet this standard. The definition for Indoor Commercial Amusement is proposed to be updated.	Z4
City Council, through the Planning & Zoning Commission, should update the Zoning Ordinance definitions that may relate to STRs for uses such as, but not limited to, Assembly Hall, Commercial Amusement (Indoor and Outdoor), Bed and Breakfast Inn, Rooming/Boarding House.	Z5
Limit operation of some new STRs to a maximum number of rental nights per year, as a newly-defined use to provide flexibility for property owners. <i>(Note: No across-the-board maximum is recommended. However, the Task Force is recommending maximum stays per year may be a useful tool as a distinct land use to consider in reviewing zoning regulations. This option may be useful as part of a coordinated zoning effort to tailor solutions for different circumstances and areas of the City.)</i>  <u>Staff note:</u> When a specific use permit for a Live-in Management STR (Single or Multiple Rooms) is considered by the Commission and Council, they may consider restricting the STR to a maximum number of rental nights per year.	Z6
Require that STR stays must be for a minimum number of nights in certain areas or districts, as a tool to refine zoning.  <u>Staff note:</u> When a specific use permit for a Live-in Management STR (Single or Multiple Rooms) is considered by the Commission and Council, they may consider restricting the STR to a minimum number of nights per booking.	Z7
Address onsite parking requirements as part of a larger analysis of street parking issues citywide.  <u>Staff note:</u> Due to the scope and timeframe to implement such an analysis, it is recommended that it be conducted as a project separate from the other recommendations.	Z8
It is appropriate to have some different regulatory standards for STRs with live-in management because they have less impact on the community fabric.	Z9

**Zoning Case 2024-008 Draft Standards – Option 3**

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Note: The green circles below denote which Short-term Rental Task Force Recommendation the proposed amendments are intended to implement.  
See the key and recommendations on the last page.

To see the differences between the three options,  
see the highlights on the non-striketrough-underlined copies.

**PROPOSED AMENDMENTS**

Z4

Z5

Z9

**Amend Section 8.200 (Terms Defined) of Article 8 (Definitions), such amended and new definitions to read as follows:**

**Amusement, Commercial (Indoor)**

Provision, for a fee, admission charge, or other similar remuneration, of leisure-time amusement or entertainment primarily by and for participants within a completely enclosed building. Typical uses include bowling alleys, ice or roller skating rinks, arcades, and bingo parlors.

**Assembly Hall**

A building or portion of a building in which facilities are provided for civic, educational, ~~political, religious,~~ or social purposes.

**~~Bed and Breakfast Inn~~**

~~An owner (or operator) occupied residence with up to 5 bedrooms available for overnight guests. A Bed and Breakfast Inn may provide for guest stays up to 14 consecutive days; however, it shall not offer weekly rental rates. Kitchen and dining facilities may be included to provide meals for guests only; however, no food preparation shall be permitted in guest bedrooms. A Bed and Breakfast Inn shall not include restaurants, banquet facilities, or similar services.~~

**Boarding/Rooming House (Single-Room Occupancy)**

A residence or dwelling, excluding hotels and household care facilities, wherein three 3 or more rooms are individually rented either by written or oral agreement for 30 days or more.

**Live-in Management**

In relationship to a Short-term Rental, Live-in Management means the operator identified on the short-term rental registration stays in the dwelling overnight whenever guests are present at the Short-term Rental. The property owner may act as the operator.

**Live-in Management STR**

A Short-term Rental with Live-in Management and one or more rooms available for overnight guests. For this definition, a room is a sleeping quarter which must include a place that people sleep but can also include kitchen, bathrooms, and hallways which function as one unit.

**Off-site Management STR**

A Short-term Rental available for overnight guests excluding those qualified as Live-in Management STR.

**Zoning Case 2024-008 Draft Standards – Option 3**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

**Short-term Rental (STR)**

Any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of Short-term Rental includes Live-in Management STR and Off-site Management STR but does not include Household Care Facility, Rehabilitation Care Facility, or Temporary Accessory Housing Shelter.

Z5

**Amend Subpart B.i of Part B (Residential Requirements) of Section 16.1600.10 (Additional Requirements and Restrictions) of Section 16.1600 (NBD, Neighborhood Business Design District) of Article 10 (Nonresidential Districts), such subpart to read in its entirety as follows:**

- i. Once a property is developed for residential purposes within the NBD district, with the exception of live-work (business loft) units, and home occupations, ~~and bed and breakfast inns,~~ nonresidential uses are not permitted within that property.

Z1

Z9

**Amend Section 14.100 (Residential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:**

RESIDENTIAL ZONING DISTRICTS																	
Use Type	Use Category	A - Agricultural	ED - Estate Development	SF-20 - Single-Family Residence-20	SF-9 - Single-Family Residence-9	SF-7 - Single-Family Residence-7	SF-6 - Single-Family Residence-6	UR - Urban Residential	PH - Patio Home	SF-A - Single-Family Attached	2F - Two-Family (Duplex)	GR - General Residential	MF-1 - Multifamily-1	MF-2 - Multifamily-2	MF-3 - Multifamily-3	MH - Mobile Home	RCD - Residential Community Design
<u>Live-in Management STR</u> <u>Bed and Breakfast Inn</u>	<u>Primary Res. Service</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>
<u>Off-site Management STR</u>	<u>Primary Res.</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>

**Zoning Case 2024-008 Draft Standards – Option 3**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

Z1

Z2

Z9

Amend Section 14.200 (Nonresidential Districts Use Table) of Article 14 (Allowed Uses and Use Classifications), such portions of the section to read as follows:

NONRESIDENTIAL ZONING DISTRICTS																
Use Type	Use Category	O-1 - Neighborhood Office	O-2 - General Office	R - Retail	LC - Light Commercial	CC - Corridor Commercial	UMU - Urban Mixed-Use	BG - Downtown Business/Government	CB-1 - Central Business-1	CE - Commercial Employment	RC - Regional Commercial	RE - Regional Employment	RT - Research/Technology	LI-1 - Light Industrial-1	LI-2 - Light Industrial-2	NBD - Neighborhood Business Design
<u>Live-in Management STR</u> <u>Bed and Breakfast Inn</u>	<u>Primary Res. Service</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>P</u> <u>56</u>	<u>56</u>	<u>56</u>	<u>20</u> <u>56</u>	<u>20</u> <u>56</u>	<u>20</u> <u>56</u>	<u>56</u>	<u>56</u>	<u>P</u> <u>56</u>
<u>Off-site Management STR</u>	<u>Primary Res.</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>	<u>20</u> <u>56</u>	<u>20</u> <u>56</u>	<u>20</u> <u>56</u>	<u>56</u>	<u>56</u>	<u>56</u>

Z1

Z2

Amend Section 14.300 (Use Table Notes) of Article 14 (Allowed Uses and Use Classifications), such note to read as follows:

Number	End Note
20	Permitted when the building is a minimum of 200 feet from the nearest residential district boundary.
<u>56</u>	<u>See Sec 15.2300.</u>

**Zoning Case 2024-008 Draft Standards – Option 3**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

Z1

**Amend Subsection 14.500.4 (Interim Prohibition on Short-Term Rental of Dwelling Units) of Section 14.500 (Prohibited Uses) of Article 14 (Allowed Uses and Use Classifications), such subsection to be deleted in its entirety.**

**~~.4 Interim Prohibition on Short-Term Rental of Dwelling Units~~**

- ~~A. The purpose of this interim provision is to prohibit the establishment of new short term rentals of dwelling units while the City conducts public outreach, collects data, and analyzes information to determine permanent recommendations, due to community concerns about health and safety.~~
- ~~B. A Short term Rental (STR) means any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of short term rental does not include Temporary Accessory Housing Shelter and Bed and Breakfast Inn.~~
- ~~C. Subject to Article 7 on Nonconformity, short term rentals are prohibited in dwelling units. For purposes of this subsection only, nonconforming uses include those with investment backed expectations as of May 15, 2023.~~
- ~~D. This subsection, 14.500.4, expires in its entirety on May 15, 2024.~~

Z1

Z2

Z3

Z6

Z7

Z9

**Amend Article 15 (Use-Specific Regulations), such additional section to read in its entirety as follows:**

**15.2300 Short-term Rentals**

- .1** All Live-in Management STR and Off-site Management STR uses are Short-term Rentals and must register as a Short-term Rental in compliance with the Code of Ordinances. The following requirements apply to all Short-term Rentals except where individually referenced.
- .2** All Short-term Rentals must comply with the adopted City of Plano Property Maintenance Code, as amended.
- .3** Short-term Rentals may only occur in a dwelling unit. When permitted by this section, all Short-term Rentals are only allowed as a function of the following uses, where legally constructed:
  - A.** Independent Living Facility
  - B.** Live-Work (Business Loft)
  - C.** Mid-Rise Residential
  - D.** Multifamily Residence
  - E.** Single-Family Residence (Attached)
  - F.** Single-Family Residence (Detached)
  - G.** Studio Residence

**Zoning Case 2024-008 Draft Standards – Option 3**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

**H.** Two-Family Residence

**I.** Two-Family Residence (Attached)

**.4** **Live-in Management STR**

**A.** Live-in Management STR uses are permitted in a dwelling unit in:

- i. A Heritage Resource Overlay District (“H” or “HD”),
- ii. Any nonresidential zoning district except O-1,
- iii. Multifamily Residences, consistent with Section 15.2300.6, or
- iv. Elsewhere, when a specific use permit is granted consistent with Section 15.2300.7.

**.5** **Off-site Management STR**

**A.** An Off-site Management STR may not provide rentals of less than two nights.

**B.** Off-site Management STR uses are permitted in a dwelling unit in:

- i. Any nonresidential zoning district except O-1, or
- ii. Multifamily Residences, consistent with Section 15.2300.6.

**.6** **Multifamily Residence properties:**

Where not otherwise permitted, where there is property management on the Multifamily Residence but not necessarily within the individual dwelling units, up to one unit or 5% of the dwelling units on the property, whichever is greater, can be Short-term Rentals. A higher percentage of STRs may be permitted with approval of a specific use permit consistent with Section 15.2300.7.

**.7** **Specific Use Permits for Short-term Rentals**

**A.** Consistent with Section 6.100, additional development standards may be imposed, including, but not limited to:

- i. Locations of other STRs,
- ii. Maximum number of occupants,
- iii. Minimum nights per rental,
- iv. Maximum number of rental nights per year, or
- v. Parking standards and other site design considerations.

**.8** A Backyard Cottage and the main dwelling unit on the same lot are considered a single residence for the purpose of determining the subtype of Short-term Rental. The Backyard Cottage and main dwelling unit cannot be rented as two separate Off-site Management STR uses.

**.9** Except where permitted under the provisions herein, Short-term Rentals existing in all districts as of May 15, 2023, are nonconforming, unless the status is lost pursuant to Article 7. For purposes of this section only, nonconforming uses include those with investment-backed expectations as of May 15, 2023.

**Zoning Case 2024-008 Draft Standards – Option 3**

Additions are indicated in underlined text; deletions are indicated in ~~strike through~~ text.

Z5

Z8

**Amend Section 16.700 (Off-Street Parking Schedule) of Article 16 (Parking and Loading), to delete the Bed and Breakfast Inn use from the Parking Space Schedule for Nonresidential Uses in all Districts.**

**Parking Space Schedule for Nonresidential Uses**

<b>Zoning Districts or Uses</b>	<b>Minimum Required Off-Street Parking or Spaces for Nonresidential Uses</b>
Bed and Breakfast Inn	<del>One space for owner/operator and one for each guest bedroom (No maximum number of parking spaces.)</del>






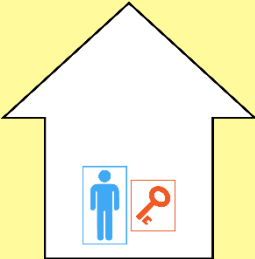
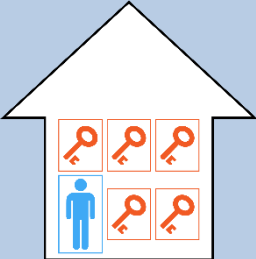
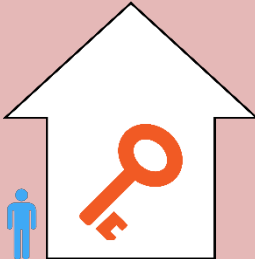
**Zoning Case 2024-008 Draft Standards – Option 3**

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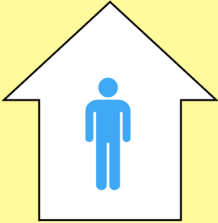

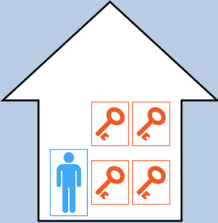

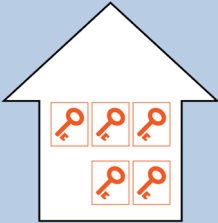

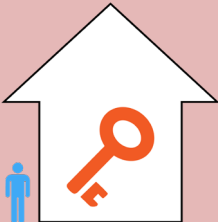






**Short-term Rental Task Force Recommendations for  
Regulations That Affect Land Use and Zoning**

RECOMMENDATION	NUMBER
Prior to lifting the current interim ban on STRs, City Council, through the Planning & Zoning Commission, should update the Zoning Ordinance to identify districts or locations where new STRs may be appropriate or inappropriate.	Z1
STRs may be permitted anywhere a hotel is allowed in commercial, mixed-use, and transit-oriented development areas.	Z2
Limit the maximum density of new STRs in a specified area (limiting the total number of STRs in a given neighborhood or area), as a tool to refine zoning.  <u>Staff note:</u> When a specific use permit for a Live-in Management STR is considered by the Commission and Council, a density analysis of STRs will be presented to help inform their decisions.	Z3
A property must not be used for "commercial amusement" purposes (such as a party with a cover charge) unless permitted by zoning, and it has a Certificate of Occupancy from the City for the use.  <u>Staff note:</u> Any Commercial Amusement uses today must meet this standard. The definition for Indoor Commercial Amusement is proposed to be updated.	Z4
City Council, through the Planning & Zoning Commission, should update the Zoning Ordinance definitions that may relate to STRs for uses such as, but not limited to, Assembly Hall, Commercial Amusement (Indoor and Outdoor), Bed and Breakfast Inn, Rooming/Boarding House.	Z5
Limit operation of some new STRs to a maximum number of rental nights per year, as a newly-defined use to provide flexibility for property owners. <i>(Note: No across-the-board maximum is recommended. However, the Task Force is recommending maximum stays per year may be a useful tool as a distinct land use to consider in reviewing zoning regulations. This option may be useful as part of a coordinated zoning effort to tailor solutions for different circumstances and areas of the City.)</i>  <u>Staff note:</u> When a specific use permit for a Live-in Management STR is considered by the Commission and Council, they may consider restricting the STR to a maximum number of rental nights per year.	Z6
Require that STR stays must be for a minimum number of nights in certain areas or districts, as a tool to refine zoning.  <u>Staff note:</u> When a specific use permit for a Live-in Management STR is considered by the Commission and Council, they may consider restricting the STR to a minimum number of nights per booking.	Z7
Address onsite parking requirements as part of a larger analysis of street parking issues citywide.  <u>Staff note:</u> Due to the scope and timeframe to implement such an analysis, it is recommended that it be conducted as a project separate from the other recommendations.	Z8
It is appropriate to have some different regulatory standards for STRs with live-in management because they have less impact on the community fabric.	Z9

**Attachment B**  
**Matrix of Proposed Land Uses and Location Allowances**

Short-term Residential Rentals				Long-term Residential Rentals		Commercial Rentals
	Live-in Management STR (Single Room)	Live-in Management STR (Multiple Rooms)	Off-site Management STR	Standard Rental Unit (Single-family or Multifamily)	Boarding/ Rooming House (Single-Room Occupancy)	Hotel/Motel
 Host  Full unit available  Individual room available						
STR Registration Required?	Yes	Yes	Yes	No		
Building Design	Residence	Residence	Residence	Residence		Service
Management	Live-in	Live-in	Off-site	Live-in or off-site		
Length of Stay (days)	1-29	1-29	2-29	30 or more		1 or more
Rooms or Full Unit Available?	1 individual room	Individual room(s)	Full unit	1-2 individual rooms, or full unit	3 or more individual rooms	4 or more individual rooms
Allowed	Option 1	Permitted in any residence in: <ul style="list-style-type: none"><li>Most nonresidential zoning districts,</li><li>Heritage properties, or</li><li>Some multifamily</li></ul> In all other residences, permitted by SUP.	Permitted in any residence in: <ul style="list-style-type: none"><li>Most nonresidential zoning districts, or</li><li>Some multifamily</li></ul>	Where permitted by zoning		
	Option 2	Permitted in any residence with limit of 2 adults (plus minor children) in: <ul style="list-style-type: none"><li>Most nonresidential zoning districts,</li><li>Heritage properties,</li><li>Some multifamily, or</li><li>Elsewhere, when 600+ feet from another STR of any type.</li></ul> In all other residences, permitted by SUP.				
	Option 3	Permitted in any residence in: <ul style="list-style-type: none"><li>Most nonresidential zoning districts,</li><li>Heritage properties, or</li><li>Some multifamily.</li></ul> In all other residences, permitted by SUP.				

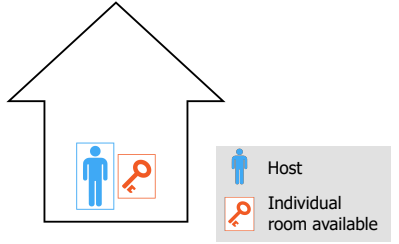
## Backyard Cottages and Proposed Short-term Rental Types

Who stays in the Main Home?	Who stays in the Backyard Cottage?	Short-term Rental Type
 <p>Host lives in Main Home</p>	 <p>Backyard Cottage has only one room and is rented as an STR</p>	<b>Live-in Management STR (Single Room)</b>
 <p>Host lives in Main Home and rents one or more rooms as STRs in Main Home</p>	 <p>Backyard Cottage is also rented as an STR</p>	<b>Live-in Management STR (Multiple Rooms)</b>
 <p>One or more rooms are rented in Main Home as STRs</p>	 <p>Host lives in Backyard Cottage</p>	
 <p>Main Home is rented as an STR (Host lives off-site)</p>	 <p>Backyard Cottage is included with the rental of the Main Home</p>	<b>Off-site Management STR</b>
 <p>Main Home is rented as an STR (Host lives off-site)</p>	 <p>Backyard Cottage is rented as an STR (Host lives off-site)</p>	<b>Not Permitted (Two separate Off-site Management STRs)</b> Both Main Home and Backyard Cottage are not permitted to be rented as STRs
 <p>Host</p>	 <p>Full Unit Available</p>	 <p>Individual Room Available</p>



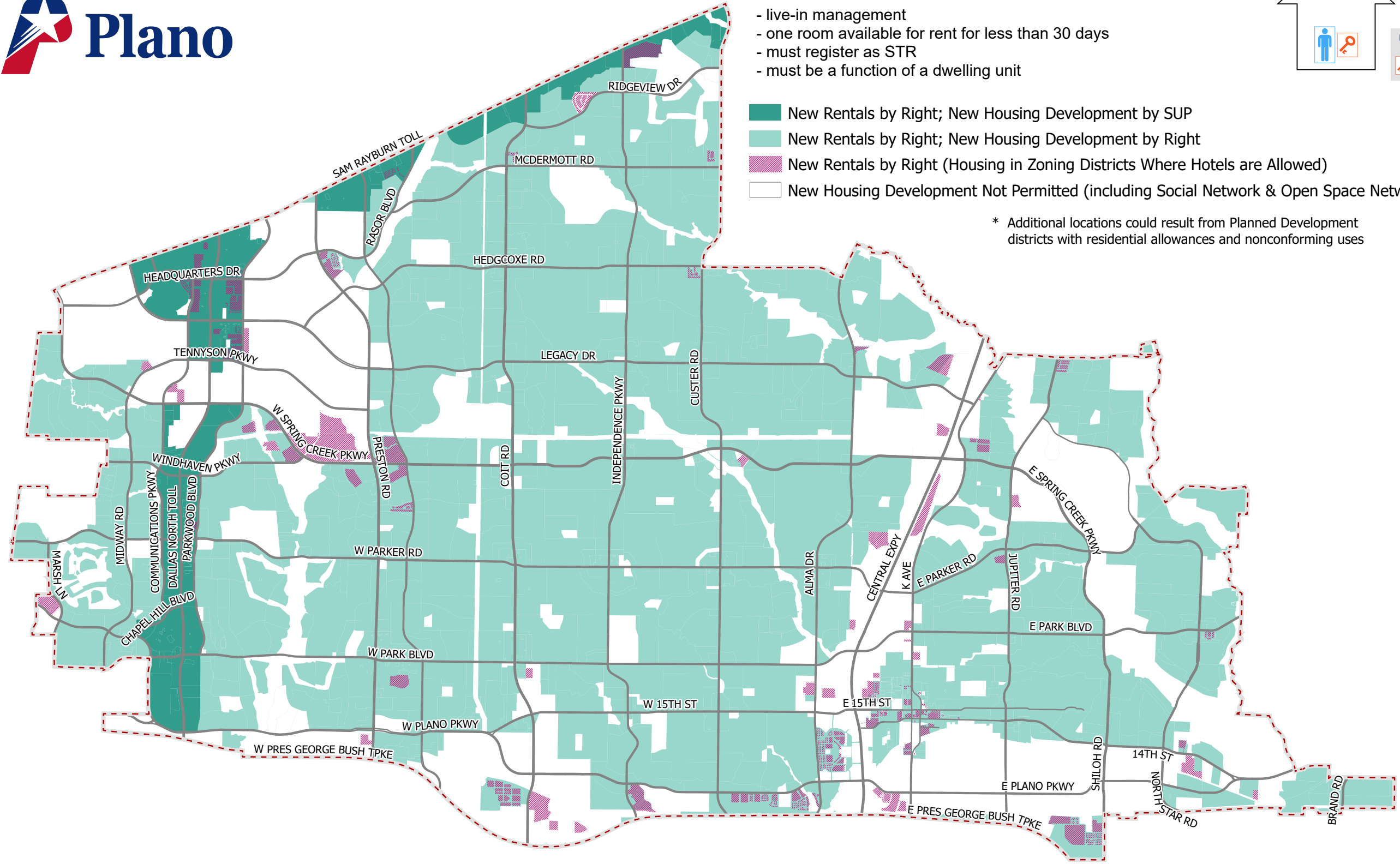
# Option 1 Live-in Management STR (Single Room) Map\*

- live-in management
- one room available for rent for less than 30 days
- must register as STR
- must be a function of a dwelling unit



- New Rentals by Right; New Housing Development by SUP
- New Rentals by Right; New Housing Development by Right
- New Rentals by Right (Housing in Zoning Districts Where Hotels are Allowed)
- New Housing Development Not Permitted (including Social Network & Open Space Network)

\* Additional locations could result from Planned Development districts with residential allowances and nonconforming uses



0 1/2 1 2 Miles

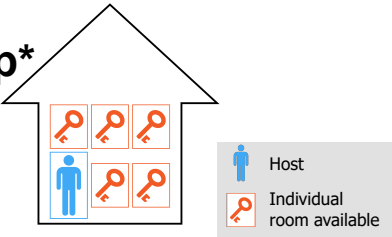
Categories are Tentative and Subject to Change





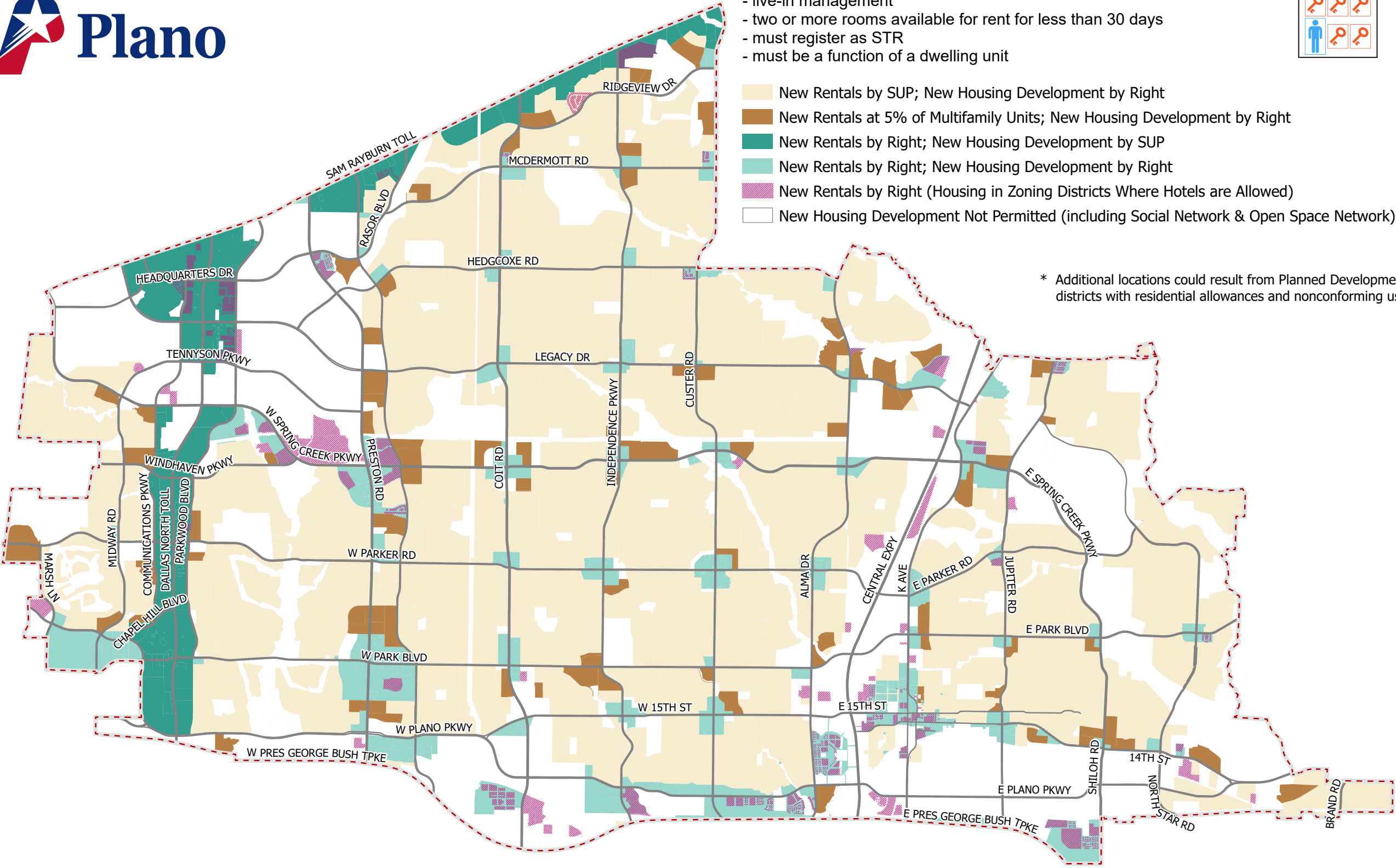
**Options 1 & 2**  
**Live-in Management STR (Multiple Rooms) Map\***

- live-in management
- two or more rooms available for rent for less than 30 days
- must register as STR
- must be a function of a dwelling unit



- New Rentals by SUP; New Housing Development by Right
- New Rentals at 5% of Multifamily Units; New Housing Development by Right
- New Rentals by Right; New Housing Development by SUP
- New Rentals by Right; New Housing Development by Right
- New Rentals by Right (Housing in Zoning Districts Where Hotels are Allowed)
- New Housing Development Not Permitted (including Social Network & Open Space Network)

\* Additional locations could result from Planned Development districts with residential allowances and nonconforming uses



**Categories are Tentative and Subject to Change**

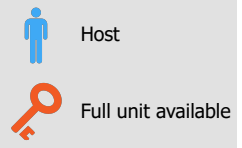
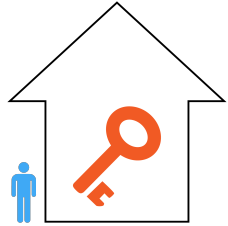






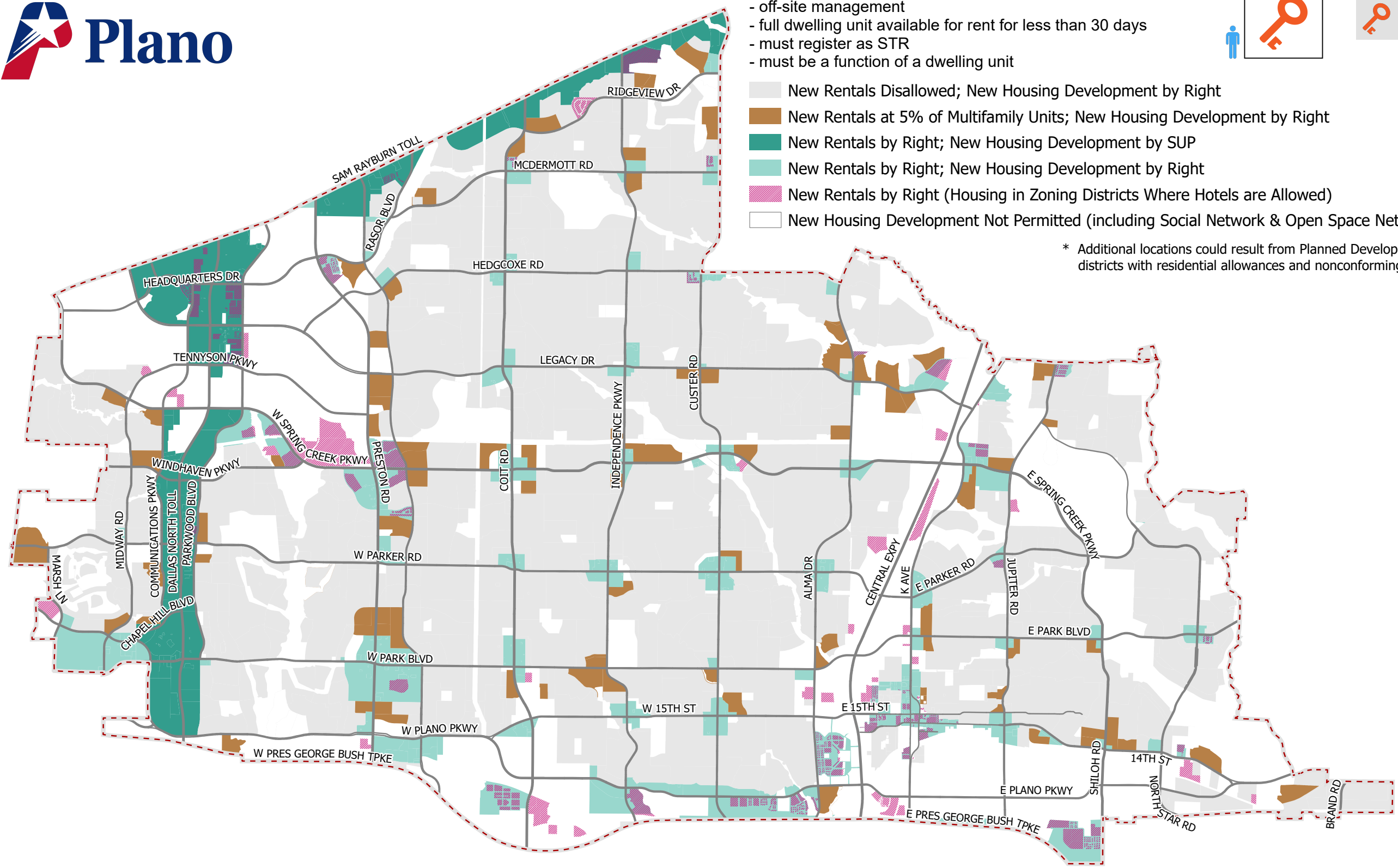
**Options 1, 2 & 3  
Off-site Management STR Map\***

- off-site management
- full dwelling unit available for rent for less than 30 days
- must register as STR
- must be a function of a dwelling unit



- New Rentals Disallowed; New Housing Development by Right
- New Rentals at 5% of Multifamily Units; New Housing Development by Right
- New Rentals by Right; New Housing Development by SUP
- New Rentals by Right; New Housing Development by Right
- New Rentals by Right (Housing in Zoning Districts Where Hotels are Allowed)
- New Housing Development Not Permitted (including Social Network & Open Space Network)

\* Additional locations could result from Planned Development districts with residential allowances and nonconforming uses



0 1/2 1 2 Miles

**Categories are Tentative and Subject to Change**



Date: 3/31/2024



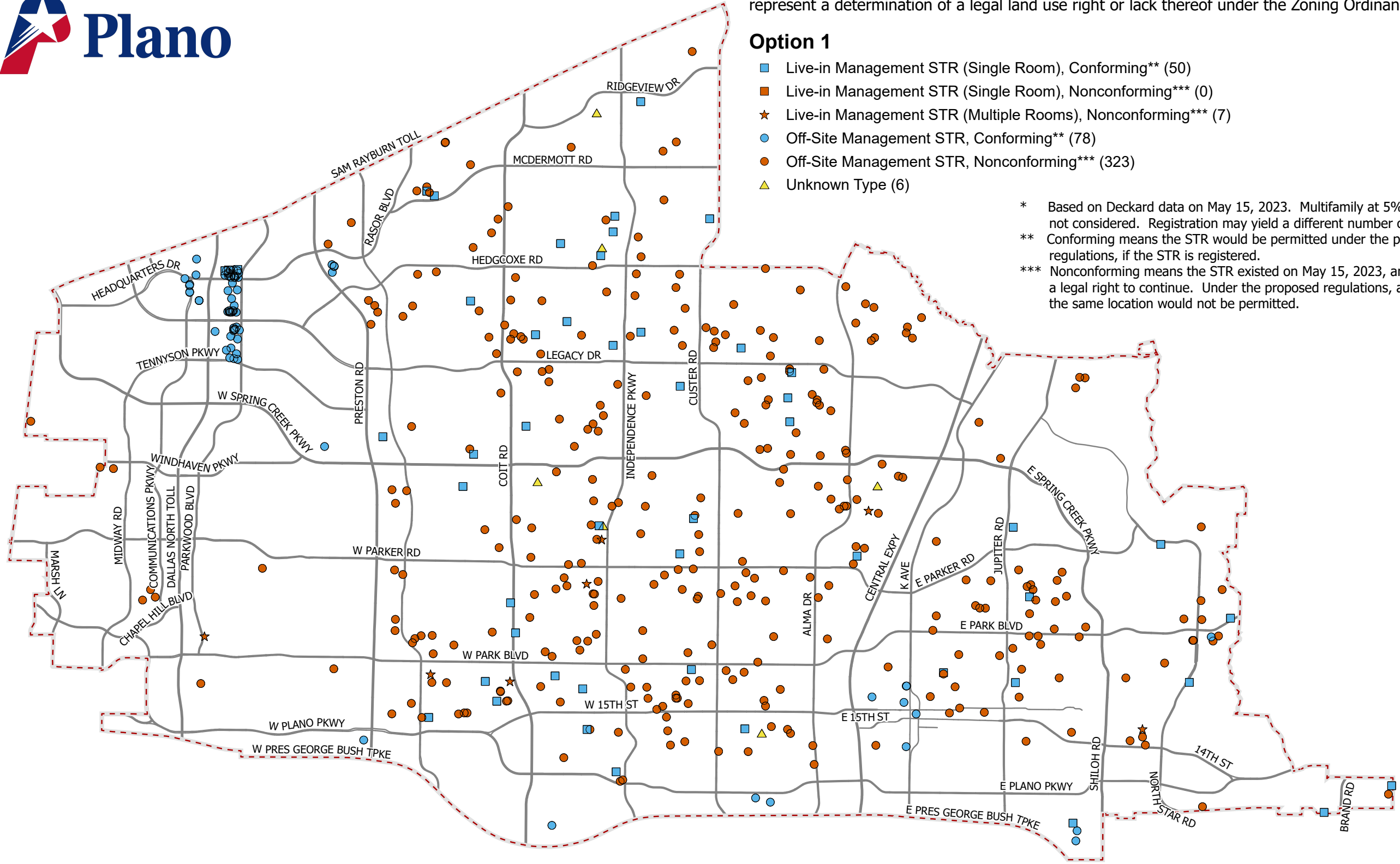
**Existing Short-term Rentals by Use Type and Conformity Status\***

The determination of conformity status is an assumption based on Deckard data and does not represent a determination of a legal land use right or lack thereof under the Zoning Ordinance.

**Option 1**

- Live-in Management STR (Single Room), Conforming\*\* (50)
- Live-in Management STR (Single Room), Nonconforming\*\*\* (0)
- ★ Live-in Management STR (Multiple Rooms), Nonconforming\*\*\* (7)
- Off-Site Management STR, Conforming\*\* (78)
- Off-Site Management STR, Nonconforming\*\*\* (323)
- ▲ Unknown Type (6)

\* Based on Deckard data on May 15, 2023. Multifamily at 5% of units are not considered. Registration may yield a different number of STRs.  
\*\* Conforming means the STR would be permitted under the proposed regulations, if the STR is registered.  
\*\*\* Nonconforming means the STR existed on May 15, 2023, and may have a legal right to continue. Under the proposed regulations, a new use in the same location would not be permitted.



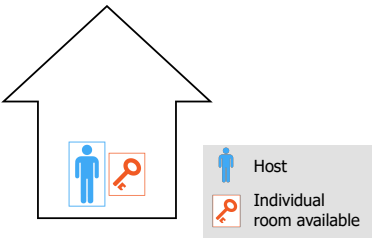
**Categories are Tentative and Subject to Change**





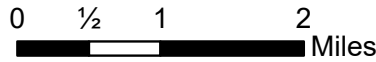
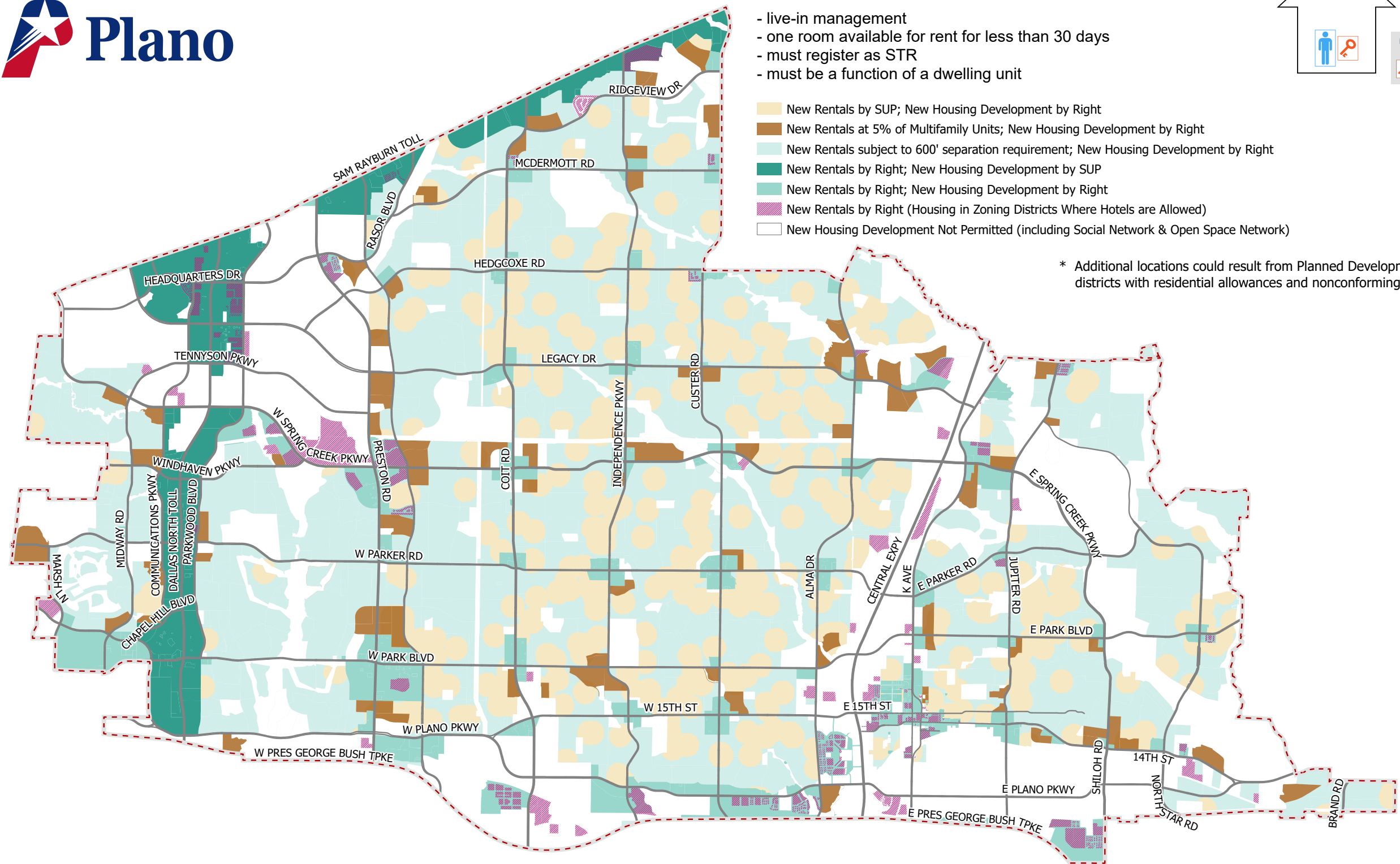
**Option 2  
Live-in Management STR (Single Room) Map\***

- live-in management
- one room available for rent for less than 30 days
- must register as STR
- must be a function of a dwelling unit



- New Rentals by SUP; New Housing Development by Right
- New Rentals at 5% of Multifamily Units; New Housing Development by Right
- New Rentals subject to 600' separation requirement; New Housing Development by Right
- New Rentals by Right; New Housing Development by SUP
- New Rentals by Right; New Housing Development by Right
- New Rentals by Right (Housing in Zoning Districts Where Hotels are Allowed)
- New Housing Development Not Permitted (including Social Network & Open Space Network)

\* Additional locations could result from Planned Development districts with residential allowances and nonconforming uses



**Categories are Tentative and Subject to Change**



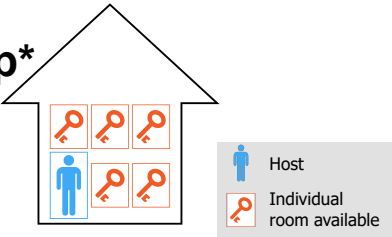
Date: 3/29/2024





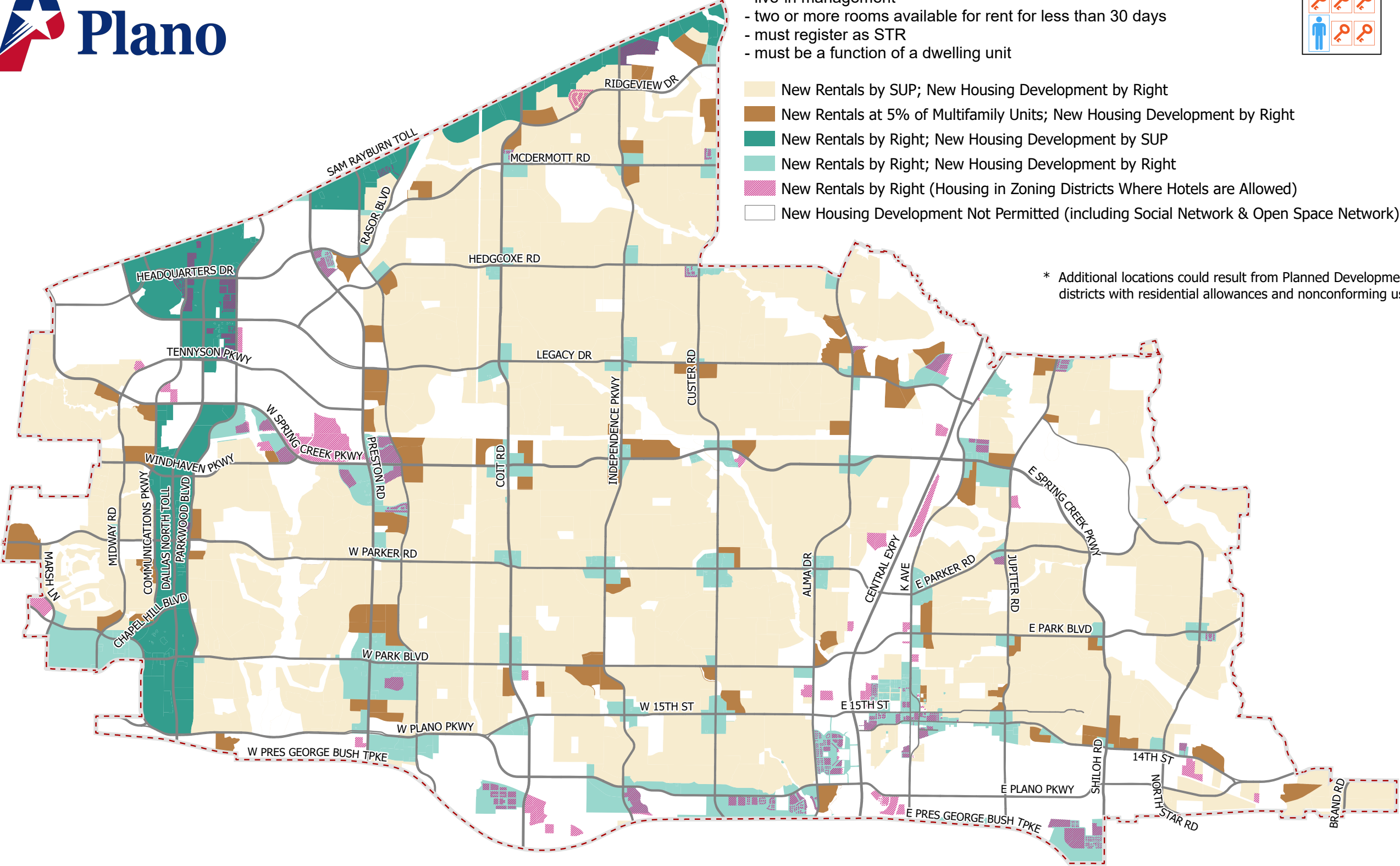
**Options 1 & 2**  
**Live-in Management STR (Multiple Rooms) Map\***

- live-in management
- two or more rooms available for rent for less than 30 days
- must register as STR
- must be a function of a dwelling unit



- New Rentals by SUP; New Housing Development by Right
- New Rentals at 5% of Multifamily Units; New Housing Development by Right
- New Rentals by Right; New Housing Development by SUP
- New Rentals by Right; New Housing Development by Right
- New Rentals by Right (Housing in Zoning Districts Where Hotels are Allowed)
- New Housing Development Not Permitted (including Social Network & Open Space Network)

\* Additional locations could result from Planned Development districts with residential allowances and nonconforming uses









**Categories are Tentative and Subject to Change**



Host

Full unit available

-  New Rentals Disallowed; New Housing Development by Right
-  New Rentals at 5% of Multifamily Units; New Housing Development by Right
-  New Rentals by Right; New Housing Development by SUP
-  New Rentals by Right; New Housing Development by Right
-  New Rentals by Right (Housing in Zoning Districts Where Hotels are Allowed)
-  New Housing Development Not Permitted (including Social Network & Open Space Network)

**Plano**

Legend:

- New Rentals Disallowed; New Housing Development by Right
- New Rentals at 5% of Multifamily Units; New Housing Development by Right
- New Rentals by Right; New Housing Development by SUP
- New Rentals by Right; New Housing Development by Right
- New Rentals by Right (Housing in Zoning Districts Where Hotels are Allowed)
- New Housing Development Not Permitted (including Social Network & Open Space Networks)

\* Additional locations could result from Planned Development districts with residential allowances and nonconforming uses.

Map Labels:

- RIDGEVIEW DR
- MCDERMOTT RD
- HEDGCOXE RD
- LEGACY DR
- CUSTER RD
- INDEPENDENCE PKWY
- COIT RD
- W SPRING CREEK PKWY
- PRESTON RD
- WINDHAVEN PKWY
- W PARKER RD
- W PARK BLVD
- W 15TH ST
- W PLANO PKWY
- W PRES GEORGE BUSH TPKE
- MIDWAY RD
- COMMUNICATIONS PKWY
- DALLAS NORTH TOLL
- CHAPEL HILL BLVD
- ALMA DR
- CENTRAL EXPY
- K AVE
- E PARKER RD
- JUPITER RD
- E SPRING CREEK PKWY
- E PARK BLVD
- E 15TH ST
- E PLANO PKWY
- SHILOH RD
- 14TH ST
- NORTH STAR RD
- BRAND RD
- SAM RAYBURN TOLL
- RASOR BLVD
- HEADQUARTERS DR
- TENNYSON PKWY
- MARSH LN

Additional Information:

- on-site management
- full dwelling unit available for rent for less than 30 days
- must register as STR
- must be a function of a dwelling unit

## Categories are Tentative and Subject to Change



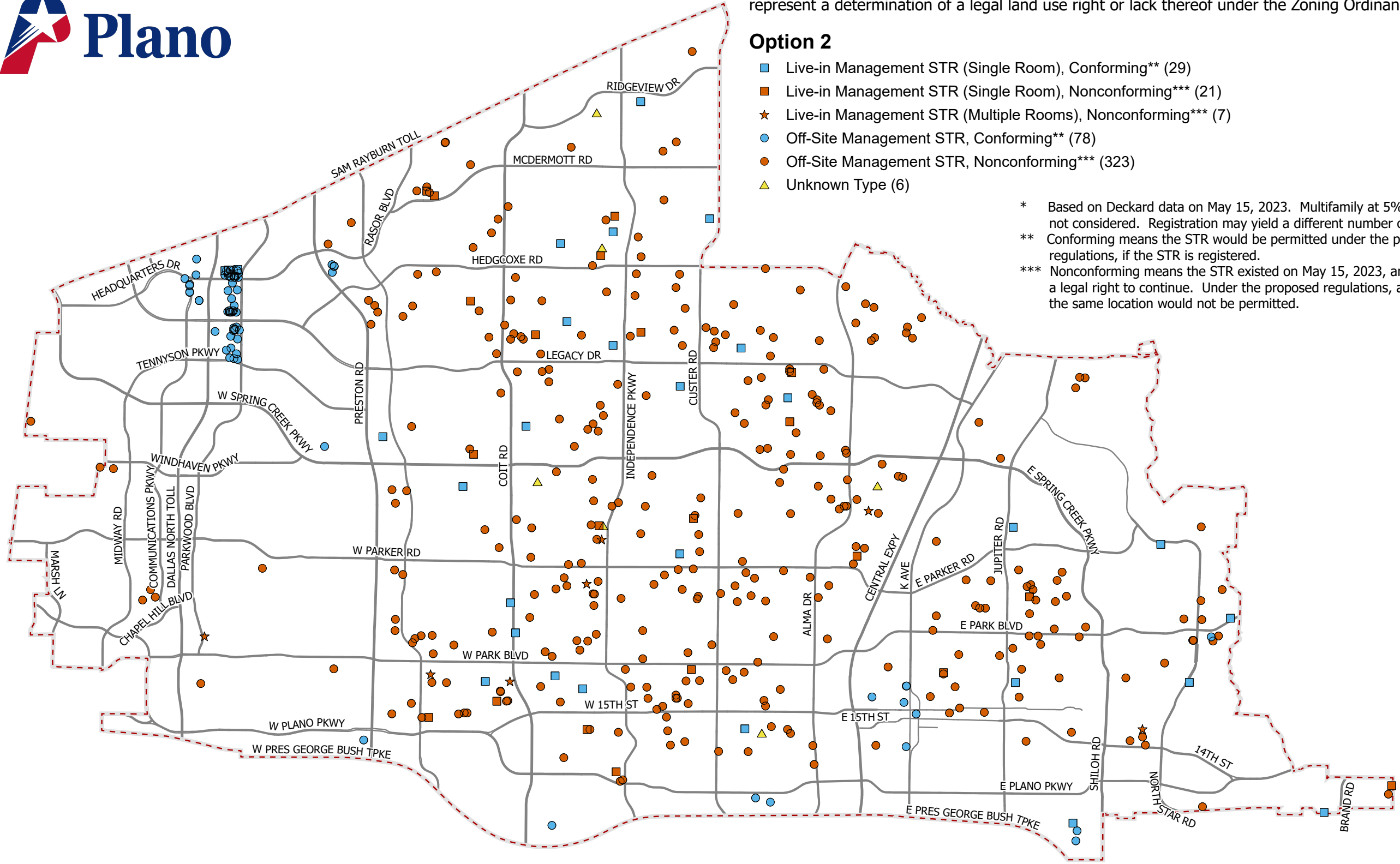
**Existing Short-term Rentals by Use Type and Conformity Status\***

The determination of conformity status is an assumption based on Deckard data and does not represent a determination of a legal land use right or lack thereof under the Zoning Ordinance.

**Option 2**

- Live-in Management STR (Single Room), Conforming\*\* (29)
- Live-in Management STR (Single Room), Nonconforming\*\*\* (21)
- ★ Live-in Management STR (Multiple Rooms), Nonconforming\*\*\* (7)
- Off-Site Management STR, Conforming\*\* (78)
- Off-Site Management STR, Nonconforming\*\*\* (323)
- ▲ Unknown Type (6)

\* Based on Deckard data on May 15, 2023. Multifamily at 5% of units are not considered. Registration may yield a different number of STRs.  
\*\* Conforming means the STR would be permitted under the proposed regulations, if the STR is registered.  
\*\*\* Nonconforming means the STR existed on May 15, 2023, and may have a legal right to continue. Under the proposed regulations, a new use in the same location would not be permitted.



0 1/2 1 2 Miles

**Categories are Tentative and Subject to Change**

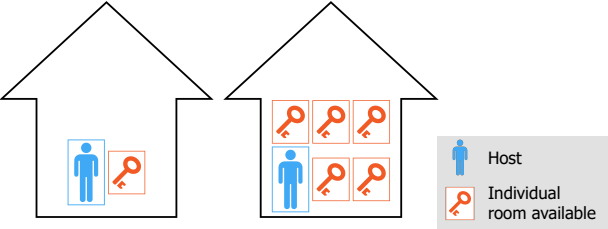






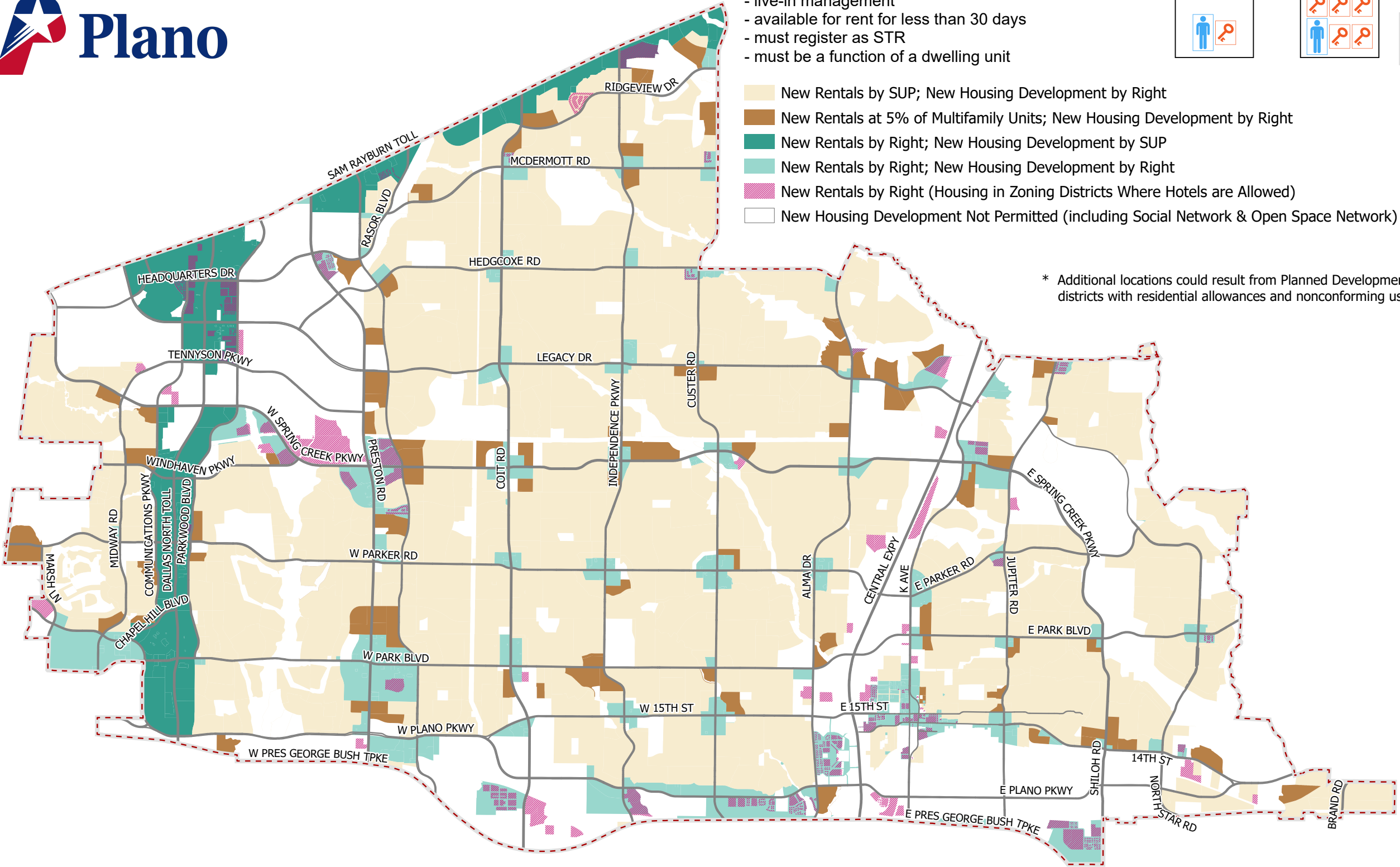
**Option 3  
Live-in Management STR Map\***

- live-in management
- available for rent for less than 30 days
- must register as STR
- must be a function of a dwelling unit



- New Rentals by SUP; New Housing Development by Right
- New Rentals at 5% of Multifamily Units; New Housing Development by Right
- New Rentals by Right; New Housing Development by SUP
- New Rentals by Right; New Housing Development by Right
- New Rentals by Right (Housing in Zoning Districts Where Hotels are Allowed)
- New Housing Development Not Permitted (including Social Network & Open Space Network)

\* Additional locations could result from Planned Development districts with residential allowances and nonconforming uses



**Categories are Tentative and Subject to Change**

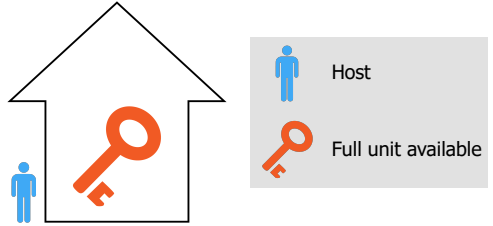


Date: 3/29/2024



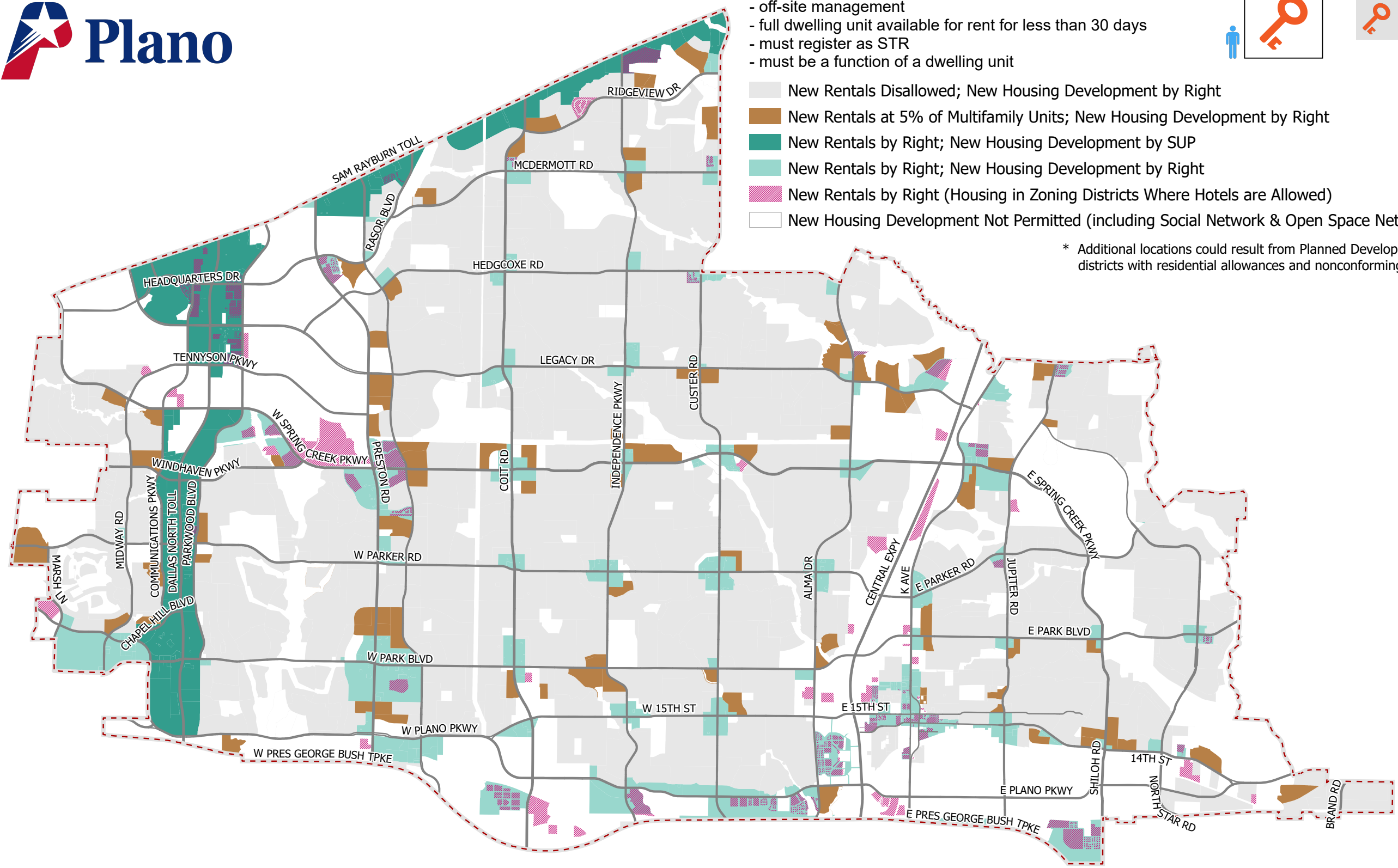
**Options 1, 2 & 3  
Off-site Management STR Map\***

- off-site management
- full dwelling unit available for rent for less than 30 days
- must register as STR
- must be a function of a dwelling unit



- New Rentals Disallowed; New Housing Development by Right
- New Rentals at 5% of Multifamily Units; New Housing Development by Right
- New Rentals by Right; New Housing Development by SUP
- New Rentals by Right; New Housing Development by Right
- New Rentals by Right (Housing in Zoning Districts Where Hotels are Allowed)
- New Housing Development Not Permitted (including Social Network & Open Space Network)

\* Additional locations could result from Planned Development districts with residential allowances and nonconforming uses



**Categories are Tentative and Subject to Change**





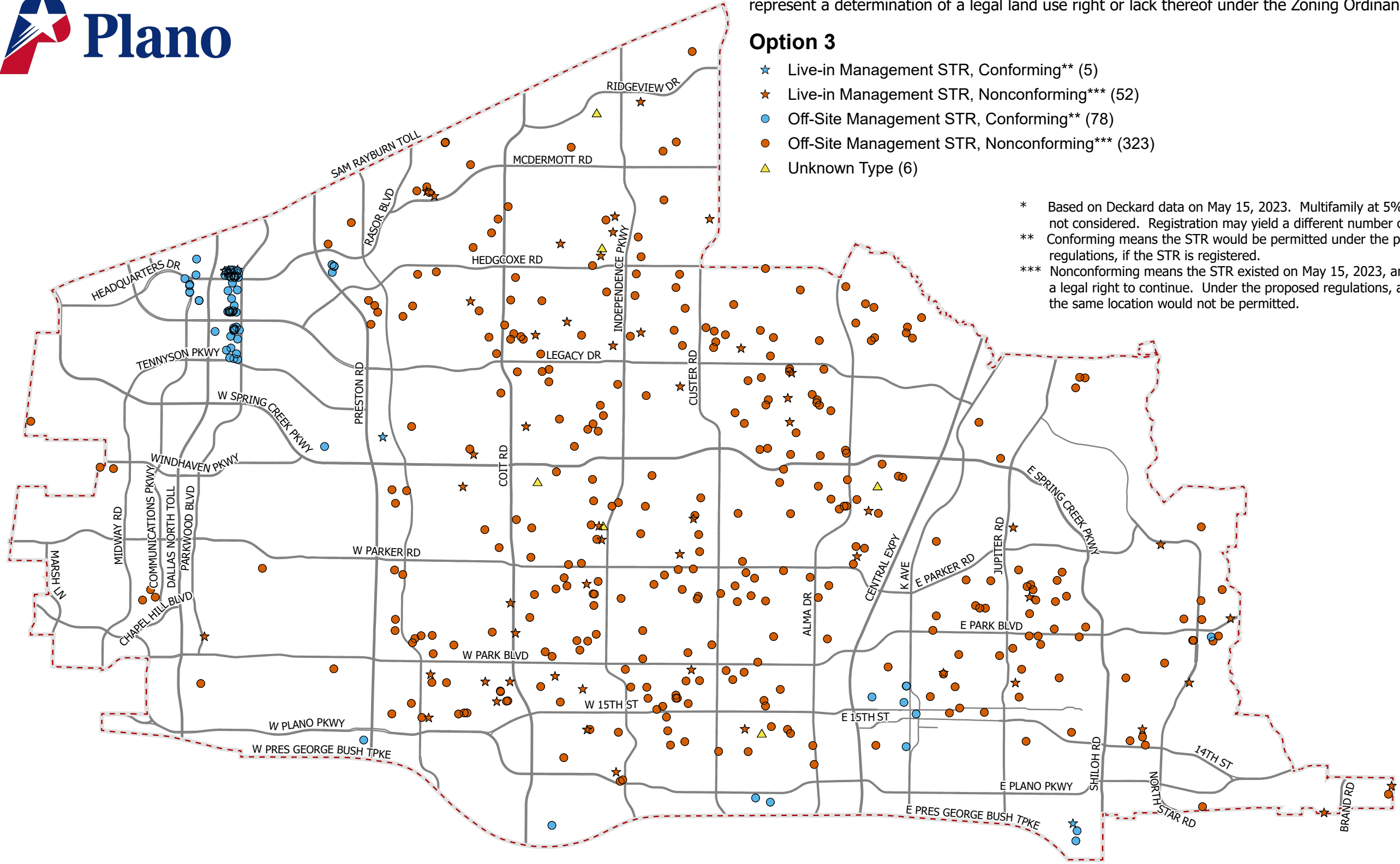
Existing Short-term Rentals by Use Type and Conformity Status\*

The determination of conformity status is an assumption based on Deckard data and does not represent a determination of a legal land use right or lack thereof under the Zoning Ordinance.

Option 3

- ★ Live-in Management STR, Conforming\*\* (5)
- ★ Live-in Management STR, Nonconforming\*\*\* (52)
- Off-Site Management STR, Conforming\*\* (78)
- Off-Site Management STR, Nonconforming\*\*\* (323)
- ▲ Unknown Type (6)

\* Based on Deckard data on May 15, 2023. Multifamily at 5% of units are not considered. Registration may yield a different number of STRs.  
\*\* Conforming means the STR would be permitted under the proposed regulations, if the STR is registered.  
\*\*\* Nonconforming means the STR existed on May 15, 2023, and may have a legal right to continue. Under the proposed regulations, a new use in the same location would not be permitted.




Categories are Tentative and Subject to Change



Zoning Case Responses will be updated and sent to City Council the day of the public hearing per the standard zoning case process.

**Date:** April 15, 2024

**To:** City Council

**From:** Christina D. Day, AICP, Director of Planning 

**Subject:** Ordinance to Allow Tabling of Item

Due to the timing of the next City Council meeting on May 13, 2024, the interim ban will expire prior to any ordinance changes going into effect, if passed on May 13. Zoning ordinance amendments require publication in the newspaper after passage to go into effect, and publication is typically one week after the hearing. The timing limits City Council's options at the meeting of April 22, 2024, in that tabling the item entirely to any future meeting date would allow the ban to expire for a short time while no other ordinance changes had been made.

To allow the City Council the option of tabling Zoning Case 2024-008 in part, we have attached an ordinance that would extend the ban for one month, to June 15, 2024. This ordinance requires the City Council to take action on a portion of the zoning case and table the remainder of the case. The extension allows City Council to table consideration of other ordinance amendments to either the May 13 or May 28 meeting. City Council may elect to change the date if an alternative timeline is desired.

Attachment: Ordinance to Extend Interim Ban to June 15, 2024



**An Ordinance of the City of Plano, Texas, amending Section 14.500 (Prohibited Uses) of Article 14 (Allowed Uses and Use Classifications) of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as heretofore amended, relating to regulation of short-term rentals; and providing a penalty clause, a severability clause, a repealer clause, a savings clause, a publication clause, and an effective date.**

**WHEREAS**, the City Council adopted Ordinance No. 2023-5-1 on May 8, 2023, which placed an interim ban on new short-term rentals while the city conducted a public outreach process, collected data, and analyzed information to determine permanent recommendations for the proper regulation of short-term rentals; and

**WHEREAS**, the City has made significant progress towards its goals, having convened a Short-term Rental Task Force, conducted surveys, held open houses, and reviewed and analyzed data, and received a recommendation from the Planning & Zoning Commission; and

**WHEREAS**, the City Council has taken up the matter of regulation of short-term rentals both through zoning and through a registration process and is actively considering permanent zoning regulation, but needs to extend the interim ban to continue the status quo while allowing for the conclusion of its deliberations; and

**WHEREAS**, the City Secretary of Plano, Texas, directed that notices of a hearing be issued, as required by the Zoning Ordinance and laws of the State of Texas, the same having been published in a paper of general circulation in the City of Plano, Texas, at least fifteen (15) days prior to the time set for such hearing; and

**WHEREAS**, the City Council of said City, pursuant to such notice, held its public hearing and heard all persons wishing to be heard both for and against the aforesaid change in the Zoning Ordinance, on the 22nd day of April, 2024; and

**WHEREAS**, the Planning & Zoning Commission made a final report to the City Council regarding Zoning Case 2024-008; and

**WHEREAS**, the City Council is of the opinion and finds that a short extension of the terms of Ordinance No. 2023-5-1 in order to allow the City Council sufficient time to consider the work of the Short-term Rental Task Force, the final report of the Planning & Zoning Commission, and public input and to deliberate on regulation of short-term rentals would not be detrimental to the public health, safety, or general welfare, and will promote the best and most orderly development of the properties affected thereby, in the City of Plano, and as well, the owners and occupants thereof, and the City generally.

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

**Section I.** Part D of Subsection 14.500.4 (Interim Prohibition on Short-Term Rental of Dwelling Units) of Section 14.500 (Prohibited Uses) of Article 14 (Allowed Uses and Use Classifications), of the Comprehensive Zoning Ordinance of the City, Ordinance No. 2015-5-2, as the same has been heretofore amended, is hereby further amended, such part to read in its entirety as follows:

**D.** This subsection, 14.500.4, expires in its entirety on June 15, 2024.

**Section II.** All provisions of the ordinances of the City of Plano in conflict with the provisions of this Ordinance are hereby repealed, and all other provisions of the Ordinances of the City of Plano, not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

**Section III.** The repeal of any ordinance or part of ordinances effectuated by the enactment of this Ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying, or altering any penalty accruing or to accrue, or as affecting any rights of the municipality under any section or provisions of any ordinance at the time of passage of this Ordinance.

**Section IV.** Any violation of the provisions or terms of this ordinance by any person, firm, or corporation shall be a misdemeanor offense and shall be subject to a fine in accordance with Section 1-4(a) of the City Code of Ordinances for each offense. Every day a violation continues shall constitute a separate offense.

**Section V.** It is the intention of the City Council that this Ordinance, and every provision hereof, shall be considered severable, and the invalidity or partial invalidity of any section, clause, or provision of this Ordinance shall not affect the validity of any other portion of this Ordinance.

**Section VI.** This Ordinance shall become effective immediately upon its passage and publication as required by law.

**PASSED AND APPROVED** on the 22nd day of April, 2024.

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John B. Muns, MAYOR

ATTEST:

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Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

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Paige Mims, CITY ATTORNEY

## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024

**DEPARTMENT:** Prop Standards

**DIRECTOR:** Curtis Howard, Director of Neighborhood Services

**AGENDA ITEM:** To amend Chapter 6, Buildings and Building Regulations, of the Code of Ordinances of the City of Plano by adding Article XXIV, Registration of Short-term Rental Properties.

**RECOMMENDED ACTION:** Items for Individual Consideration

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### **ITEM SUMMARY**

Consideration of an Ordinance to amend Chapter 6, Buildings and Building Regulations, of the Code of Ordinances of the City of Plano by adding Article XXIV, Registration of Short-term Rental Properties; providing for procedures for the registration of short-term rentals for operation; providing for procedures for approval, denial, suspension, and revocation of registration of short-term rentals; and providing a penalty clause, a severability clause, a repealer clause, a savings clause, a publication clause and an effective date.

**Adopted Ordinance No. 2024-4-14 as amended.**

### **BACKGROUND**

The City of Plano has prioritized neighborhood conservation to ensure our community has beautiful, engaged, safe and thriving neighborhoods. Additionally, the City's strategic vision states that Plano residents wish for an unparalleled quality of life bonded by a shared sense of community.

The rise of digital platforms, such as Airbnb and VRBO, has led to an increase of residential properties being rented for less than thirty days, known as "short-term rentals." The popularity of these short-term rentals has led to an increase in citizen concern about transient and vacation rental uses that can be nuisances for neighboring property owners in the City of Plano.

In the last year, there has been robust participation with many speakers attending public meetings to express concerns about the increase in health, safety, and nuisance issues related to short-term rentals (STRs) in dwelling units within the City of Plano. There have also been reports of tenants and visitors at STRs in the city engaging in criminal conduct negatively affecting the public sense of well-being and security, including operation of a prostitution enterprise and discharge of a firearm into a nearby residence occupied by a child. Further, some STR properties are being used for gatherings that are disruptive to neighborhoods.

The need for possible short term rental regulations has been discussed during several City Council meetings as a result of these public comments. Presentations regarding the legal opportunities and limitations have been provided and there have been numerous opportunities for residents and property owners to voice their concerns and wishes regarding STRs within the city. As the City wishes to respond to residents' concerns and address issues with property owners and managers of STRs, a Short Term Rental Registration Program is being proposed.

In order to assist in the prevention and investigation of incidents involving criminal conduct or public nuisances related to STRs, the registration will identify:

- Existence and location of an existing STR,
- Ownership, management and designated contacts,
- Floor plan with identified sleeping areas, furniture layout, evacuation routes and location of all fire

extinguishers as well as smoke and carbon monoxide detectors,

- Photographs of all interior and exterior rooms, hallways and spaces,
- Proof of insurance,
- Host rules for the premises, including the maximum number of guests,
- Sworn statement from the owner regarding: compliance with any property covenants, applicable laws, completeness of application, payment of appropriate fees and potential revocation of registration for failure to comply with ordinance requirements.

The registration will also aid in obtaining compliance with and enforcement of building standards, property maintenance codes, and other laws affecting STRs through required self-inspections and sworn statements regarding the operation of the STR in accordance with adopted City of Plano regulations.

An application for registration or renewal may be denied or a registration may be revoked permanently if the premises cannot be legally used as a short-term rental as determined under the provisions of the City of Plano Zoning Ordinance.

Application for registration or renewal may be denied if the registrant, owner or designated person failed or refuses to comply with a requirement of this ordinance and remains in non-compliance for ten (10) business days after being notified in writing. Additionally, nuisance incidents occurring at the property may result in suspension or denial of Short-Term Rental Registration.

Notice of denial or suspension shall be provided in writing with the reasons for denial or suspension.

Suspensions shall become effective five (5) business days following the date of mailing. There is provision of an appeals process for both denial or suspension of the registration.

#### **FINANCIAL SUMMARY/STRATEGIC GOALS**

This item will impact revenue collected from Short-Term Rental registration and any related fines. The anticipated registration fee will be \$300 per short-term rental unit. The exact financial impact is unknown at the time and is expected to have minimal impact on the General Fund budget.

Approval of this item supports the City's Strategic Plan Critical Success Factor of Safe, Vibrant Neighborhoods.

#### **FINANCIAL SUMMARY/STRATEGIC GOALS**

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#### **ATTACHMENTS:**

Description	Upload Date	Type
Memo	4/17/2024	Memo
3-20-24 Memo included in 3-25-24 Preliminary Open Meeting packet	4/17/2024	Memo
Ordinance	4/17/2024	Ordinance



## CITY COUNCIL AGENDA MEMO

**DATE:** April 16, 2024  
**To:** City Council  
**From:** Curtis Howard, Director of Neighborhood Services  
**Subject:** Draft Short-term Rental Registration Ordinance

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On March 25, 2024, a draft of the Short-term Rental Registration Ordinance was presented to City Council. Following the presentation of the ordinance and input from members of the community, Council directed city staff to make several modifications before the April 22, 2024 City Council meeting. The modifications to the Short-term Rental Registration Ordinance include:

- Defining “criminal conduct” as a violation of city ordinance, state law, or federal law for purposes of a Nuisance or Serious Incident;
- Clarifying language requiring a designated contact to “respond or resolve” issues within one hour, or within a reasonable time, depending on the circumstances;
- The exclusion of owner reported Nuisance or Serious Incidents from consideration in administrative proceedings;
- More specific language requiring outdoor video monitoring in areas where there is not a reasonable expectation of privacy;
- A reduction in the annual fee from \$300 to \$200 if the owner has not had a Nuisance or Serious Incident within the prior 12 months; and
- Providing a 90-day grace period for re-registering a property if sold.

Additional changes to the draft ordinance included non-substantive revisions for consistency and clarity.

**DATE:** March 20, 2024  
**To:** City Council  
**From:** Curtis Howard, Director of Neighborhood Services  
**Subject:** Draft Short-term Rental Registration Ordinance

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The City of Plano has prioritized neighborhood conservation to ensure our community has beautiful, engaged, safe and thriving neighborhoods. Additionally, the City's strategic vision states that Plano residents wish for an unparalleled quality of life bonded by a shared sense of community.

The rise of on-line platforms, such as Airbnb, VRBO, and others has led to an increase of residences being rented for less than thirty days, known as "short-term rentals" (STRs). The popularity of these STRs has led to an increase in citizen concern about their impact on the quality of life for neighbors in the City of Plano.

Plano residents continue to express concerns about the increase in health, safety, and nuisance issues related to STRs units within the City of Plano. There have been reports of tenants and visitors at STRs engaging in conduct that negatively impacts the sense of well-being and security in our community. The reports commonly include complaints of loud parties, trash, and illegal parking that have caused disruption to some neighborhoods.

The need for STR regulations has been discussed during several City Council meetings as a result of public concerns. The City hired a consultant that assisted in facilitating a task force, soliciting community input, and developing recommendations for a STR registration ordinance. As a result of the work of the Short-Term Rental Task Force, several recommendations were proposed relating to the creation of a registration program.

The Short-Term Rental Task Force recommended the following, which have been integrated into this draft registration ordinance:

- Require registration or licensing of STRs.
- Prohibit listing an STR on a platform without registration.
- Require regular renewals of registration.
- Require posting of registration / license inside property.
- Require hosts to post rules (including city noise ordinance).
- STR registration must include links to all listings on all platforms.
- Require liability insurance.
- Require payment of applicable taxes.
- Require payment of registration and renewal fees.
- Require a local contact who can be available to address issues.
- Require local property management who actively manages the site.

- Hosts must be responsive to issues in a reasonable time.
- Require STR operators of full-dwelling STRs to utilize city-directed technology as tools for property monitoring (e.g., noise level sensors and exterior cameras).
- Multiple violations should result in escalating penalties.
- Repeat violation of trash / debris results in penalties.
- STRs should be subject to a one-year suspension of registration for one-time severe offenses that cause significant public harm.

In addition, as recommended by the Short-Term Rental Task Force, the Neighborhood Services Department will put together a program of required training in the following areas in order to obtain and maintain STR registration:

- Plano's STR Ordinance requirements.
- How to complete and submit STR registration.
- How to meet the city's noise standards.
- How to comply with the city's parking regulations.
- Trash and waste pick-up regulations and resources.
- Property maintenance training.
- Human trafficking awareness and prevention.

### **Assembly Hall Use Prohibited**

An owner, registrant or occupant cannot advertise, promote or allow a STR for use that would be consistent with primary use as an "assembly hall" under the City of Plano Zoning Ordinance.

### **Registration Denial, Suspension, and Revocation Processes**

An application for registration or renewal may be denied or suspended for three months, six months, or one year for failing to abide by the provisions of the ordinance.

A three-month denial or suspension may result from the failure to maintain or provide insurance or to designate and ensure the availability of a contact person.

Additionally, a Nuisance Incident or Serious Incident that occurs at a STR premises may result in the denial or suspension of a STR registration.

A Nuisance Incident means an incident involving criminal conduct committed at the premises of the STR by an occupant, guest or visitor, that tends to substantially interfere with the use or enjoyment of private or public property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities attempting to use and enjoy their property including, but not limited to, conduct involving assault, sexual misconduct, public order and decency, alcohol, drugs, weapons, noise, trash, and parking.

A Serious Incident means an incident involving criminal conduct committed at the premises of the STR by an occupant, guest or visitor that substantially interferes with the use or enjoyment of private or public property and is reasonably likely to



induce fear in persons of ordinary sensibilities, including but not limited to, conduct involving child abuse, sexual offenses, discharge of firearms, and offenses causing serious bodily injury or death.

A six-month denial or suspension may result from the occurrence of one Nuisance Incident at a STR premises.

A one-year denial or suspension may result from the occurrence of two or more Nuisance Incidents or one Serious Incident in which the registrant was aware of but consciously disregarded a substantial risk of the serious incident occurring.

A one-year denial or suspension may also result if an STR was operated, advertised, or promoted without a valid registration.

An application for registration or renewal will be denied permanently or a registration will be revoked permanently if the premises cannot be legally used as a short-term rental as determined under the provisions of the City of Plano Zoning Ordinance or other legal basis as determined by the city.

The Director of Neighborhood Services will make the determination for the denial, suspension, or revocation based on a preponderance of the evidence. Notice of determination will be given to the applicant or registrant in writing.

### **Appeal**

An appeal based upon nonconforming status will be governed by the process found in Articles 5 and 7 of the City of Plano Zoning Ordinance.

All other appeals will be submitted to the Director of Neighborhood Services who will conduct a hearing. Based on evidence presented at the hearing, the Director shall sustain, modify, or rescind the initial determination.

An applicant or registrant may appeal the decision made by the Director to the City Manager. The determination by the City Manager will be final.

### **Criminal Offense**

Additionally, it may be a criminal offense for any person to operate an STR in violation of certain provisions of this ordinance or to promote or engage in criminal activity in violation of local, state, or federal law. A violation of this article is a Class C misdemeanor punishable by a fine not to exceed \$500.00.

**An Ordinance of the City of Plano, Texas amending Chapter 6, Buildings and Building Regulations, of the Code of Ordinances of the City of Plano by adding Article XXIV, Registration of Short-term Rental Properties; providing for procedures for the registration of short-term rentals for operation; providing for procedures for approval, denial, suspension, and revocation of registration of short-term rentals; and providing a penalty clause, a severability clause, a repealer clause, a savings clause, a publication clause and an effective date.**

**WHEREAS**, the rise of digital platforms that enable the rental of a room or residence on a short-term basis, such as Airbnb and VRBO, led to an increase in citizen concern about transient residential uses that can infringe on the reasonable expectations of neighboring properties in the City of Plano; and

**WHEREAS**, there were reports of tenants and visitors at short-term rentals (STRs) in the City of Plano engaging in criminal conduct negatively affecting the public sense of well-being and security, including operation of a prostitution enterprise and discharge of a firearm into a nearby residence occupied by a child, public urination, public indecency, and disorderly conduct; and

**WHEREAS**, more commonly, there were reports of tenants and visitors at the STRs in the City of Plano failing to be reasonably quiet and pick up after themselves as Plano neighbors expect; and

**WHEREAS**, the City Council adopted Ordinance No. 2023-5-1 on May 8, 2023, which placed an interim ban on new short-term rentals while the city conducted a public outreach process, collected data, and analyzed information to determine permanent recommendations for the proper zoning of short-term rentals; and

**WHEREAS**, in May of 2023, the city created a Short-Term Rental Task Force to consider data, identify problems, and suggest solution to the City Council regarding regulation of STRs; and

**WHEREAS**, the Task Force met six times, conducted surveys, took public input at two open houses, reviewed and analyzed data, and reported their findings and recommendations to the Planning & Zoning Commission and City Council in a Phase One Report and a Phase Two Report; and

**WHEREAS**, data presented to and discussed amongst the Task Force indicated that, aggregated, STR properties cause more calls-for-service for noise and other nuisances to the police department than owned or long-term leased properties; and

**WHEREAS**, the Task Force recommended that the City: 1) require registration of STRs; 2) prohibit listing of an STR on a platform without registration; 3) require regular renewals of registration; 4) require posting of the registration inside the property; 5) require hosts to post rules and the noise ordinance; 6) require registrants to provide links to all platforms upon which they will list their STR; 7) require liability insurance; 8) require

a local contact who can be available to address issues; 9) require local property management who actively manages the site; 10) require hosts to be responsive to issues in a reasonable time; 11) require STR operators of full-dwelling STRs to utilize city-directed technology as tools for property monitoring; 12) adopt escalating penalties for multiple violations of the registration ordinance, including for trash and debris; and 13) subject STRs to a one-year suspension of registration for a one-time severe offense that causes significant public harm; and

**WHEREAS**, a majority of Plano residents surveyed supported the Task Force recommendations presented; and

**WHEREAS**, the City Council has considered the data and studies presented during the process leading to the public hearings on this ordinance as well as the accompanying zoning ordinance, the solutions offered by the Short-Term Rental Task Force, speakers at public meetings, and other input received from concerned residents and short-term rental owners and operators and has incorporated many of those solutions in this ordinance; and

**WHEREAS**, the registration of STRs is intended to identify the existence, location, ownership, management, and designated contacts for STRs and to assist in the investigation of incidents involving criminal conduct or public nuisances related to STRs; and

**WHEREAS**, the requirement of an annual short-term registration that may be suspended, or in some instances revoked, is intended to assist in prevention and resolution of incidents involving criminal conduct or public nuisances related to STRs; and

**WHEREAS**, the City Council finds that identification of individuals and entities with ownership in or responsibility for management, maintenance, and inspection of STRs will aid in obtaining compliance with and enforcement of building standards, property maintenance codes, and other laws affecting STRs and will aid in the protection of the health, welfare, safety, and property of the residents of the City of Plano, STR owners, STR occupants and visitors, neighbors of STRs, and the general public; and

**WHEREAS**, the City Council finds that requiring self-inspections and records retention for STR properties will increase the safety of STR occupants in the City of Plano; and

**WHEREAS**, the City Council finds it is necessary for successful enforcement of these regulations to prohibit advertising and promoting STRs in a manner that is illegal because it is inconsistent with these regulations; and

**WHEREAS**, the registration of STRs will aid in the collection of hotel occupancy taxes and compliance with, and enforcement of, ordinances and other laws relating to

the health, welfare, safety and property of STR owners, STR occupants and visitors, neighbors of STRs, and the general public; and

**WHEREAS**, registration is not a property right and may be withheld, suspended, or revoked in the event of non-compliance with the registration ordinance; and

**WHEREAS**, the regulation of the use and operation of STRs is intended to support healthy and stable neighborhoods, and further advance the City Council's objective of championing great neighborhoods; and

**WHEREAS**, the City Council finds that it is necessary to adopt procedures and requirements for registration issuance, suspension, revocation, and enforcement for STRs by adding Article XXIV, Registration of Short-term Rental Properties to Chapter 6, Buildings and Building Regulations, of the Code of Ordinances of the City of Plano, Texas.

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

**Section I.** Article XXIV, Registration of Short-term Rental Properties is hereby added to Chapter 6, Buildings and Building Regulations, of the Code of Ordinances of the City of Plano to read as follows:.

**“ARTICLE XXIV. - REGISTRATION OF SHORT-TERM RENTAL PROPERTIES**

**Sec. 6-730. - Short title.**

This article may be referred to as the “Short-Term Rental Code”.

**Sec. 6-731. - Definitions.**

Any terms not defined in this article shall be defined as they are in the City of Plano Zoning Ordinance. Any terms not defined in this article or in the Zoning Ordinance shall have their ordinary accepted meanings. The following terms and phrases, as used in this article, are defined as follows:

*Advertise or Promote* means to offer an STR for rental in any medium, including but not limited to, newspaper, magazine, handbill, brochure, website, social media, or mobile application.

*Applicant* means a person applying for registration of an STR.

*Booking Service* means any reservation and/or payment service provided by a person or entity that facilitates an STR rental transaction between an owner and a prospective occupant, and for which the person or entity collects or receives,

directly or indirectly through an agent or intermediary, a fee in connection with the reservation or payment services provided for the STR transaction.

*Criminal Conduct* means any violation of local, state, or federal law. Criminal conduct includes, but is not limited to, violation of the City of Plano Code of Ordinances, the City of Plano Zoning Ordinance, or state or federal law. Proof of criminal conduct may include, but does not require, criminal enforcement action, criminal prosecution, an adjudication of guilt, or a criminal defendant's plea of No Contest or Guilty.

*Designated Contact* means an individual designated to respond to a report or request regarding an emergency condition, property or building maintenance condition, nuisance or criminal conduct at an STR.

*Director* means the director of the department of the City of Plano designated by the City Manager to administer and enforce the provisions of this article and any person or persons designated by the Director to represent the department for this purpose.

*Hosting Platform* means a person or entity that participates in the STR business by providing, and collecting or receiving a fee for, booking services through which an owner may offer an STR. Hosting platforms usually, though not necessarily, provide booking services through an online platform that allows an owner to advertise the STR through a website provided by the hosting platform and the hosting platform conducts a transaction by which potential occupants arrange their use and their payment, whether the would-be occupant pays rent directly to the owner or to the hosting platform.

*Noise monitoring device* means a device capable of all of the following (i) monitoring noise levels (ii) detecting exposure to noise levels that exceed an acceptable level for more than a continuous five-minute period (iii) sending real-time alerts to the subject short-term rental owner and operator, and (iv) being programmed to receive real-time alerts if noise levels continuously exceed an acceptable level for the five-minute period. The noise monitoring device shall comply with all laws, rules and regulations regarding privacy.

*Nuisance Incident* means an incident involving criminal conduct, as defined by city ordinance, state law, or federal law, committed at the premises of the STR by an occupant, guest or visitor of the STR, that tends to substantially interfere with the use or enjoyment of private or public property by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities attempting to use and enjoy their property, including, but not limited to, conduct involving assault, sexual misconduct, public order and decency, alcohol, drugs, weapons, noise, trash, and parking.

*Occupant* means any person lawfully living in, sleeping in or possessing an STR. A person is not required to be paying rent, providing in-kind services, or named in any lease, contract or other legal document to be considered an occupant.

*Operate* means to do any of the following for an STR: rent or lease; offer, advertise, or market to rent or lease; or enter into an agreement to rent or lease.

*Operator* means a natural person designated on the registration application as the operator. For live-in management STRs as defined by the City of Plano Zoning Ordinance, the Operator is the person who stays in the dwelling overnight whenever guests are present at the STR.

*Owner* means any person, agent, firm or trust who: (1) has a legal or equitable interest in the STR and their designee; (2) is recorded in the official records of the county as holding title to the STR; or (3) has control of the STR, including the guardian of the estate of any such person, and the executor of the estate of such person if ordered to take possession of the STR by a court.

*Person* means an individual, corporation, association, partnership or other entity acting as a group.

*Premises* means any parcel of real property together with all buildings and structures thereon used as an STR and any public property immediately adjacent to the STR that is used because of the use of the STR, such as the public right-of-way used for parking, or the sidewalk used to access the STR.

*Registrant* means a person who has applied for and been approved for registration and operation of an STR.

*Registration* means approval by the Director of an application to operate an STR.

*Serious Incident* means an incident involving criminal conduct, as defined by city ordinance, state law, or federal law, committed at the premises of the STR by an occupant, guest or visitor of the STR that substantially interferes with the use or enjoyment of private or public property and is reasonably likely to induce fear in persons of ordinary sensibilities, including but not limited to, conduct involving child abuse, sexual offenses, discharge of firearms, and offenses causing serious bodily injury or death.

*Short-term Rental (STR)* means any portion, or all, of a dwelling unit offered or used for transient lodging, in exchange for compensation, for less than thirty (30) consecutive days. This definition of Short-term Rental includes all uses defined as short-term rentals in the City of Plano Zoning Ordinance, but does not include Temporary Accessory Housing Shelter.

*Video Monitoring Device* means an outdoor camera or other device, which captures, records or broadcasts video.

**Sec. 6-732. - Purpose.**

The purpose of this article is to develop a process to identify STRs and their owners and others responsible for their operation, management, and ensuring compliance with applicable law; to register and self-inspect STRs; and to provide equitable and practical remedies for violations of this article in order to protect the general health, safety and welfare of occupants and others in the community. Registration of short-term rentals is a privilege, rather than a right.

**Sec. 6-733. – Applicability, administration, and training.**

- (a) This article shall apply to STRs located in the city. The Director is authorized to administer and enforce the provisions of this article.
- (b) Registration of a short-term rental with the City of Plano does not supersede any prohibition or requirement placed upon a short-term rental owner by a lease, private contract or property covenant, such as a deed restriction or binding HOA rules.
- (c) The Director may provide training to be completed by an applicant for STR registration. The Director establishes the training and shall include at least the following: requirements of this ordinance, noise regulations, parking requirements, trash pickup, human trafficking awareness and prevention, and property maintenance requirements. The Director may discount registration up to a maximum of \$100.00 for completion of training. Training will be offered annually and owners who complete the annual training will be eligible for this discount when renewing their registration.

**Sec. 6-734. - Requirements of hosting platforms.**

- (a) All hosting platforms shall provide the following information in a notice to any person listing an STR located within the city through the hosting platform's service. The notice shall be provided prior to the person listing the premises and shall include the following information: THE SHORT-TERM RENTAL CODE OF THE CODE OF ORDINANCES OF THE CITY OF PLANO PROHIBITS THE SHORT-TERM RENTAL OF PREMISES WITHIN THE CITY OF PLANO WITHOUT AN ACTIVE SHORT-TERM RENTAL REGISTRATION.
- (b) Notwithstanding any other provision of this article, nothing shall relieve any owner, person, occupant or hosting platform of the obligations imposed by applicable local, state, and federal law including this Code and the Texas Tax

Code. Further, nothing in this article shall be construed to limit any remedies available under applicable local, state, and federal law.

**Sec. 6-735. – Registration required.**

- (a) No STR may be operated without an approved, valid STR registration from the city.
- (b) Every individual dwelling unit operated as an STR within a common structure or building, regardless of ownership or management, shall require a separate, individual registration.
- (c) A new STR owner who purchases a property with a current, valid registration on the property as of the date of purchase will be allowed to legally operate the STR on that property without updating the registration for up to ninety (90) days following the date the STR property ownership is transferred.
- (d) The following are required for issuance of an STR registration:
  - (1) Along with the completed registration application described in the subsection below, the applicant shall provide evidence of one of the following: a) that the STR is allowed by right in the zoning district where the STR will operate; or b) that the STR is allowed by specific use permit in the zoning district where the STR will operate and an SUP has been issued for the property; or c) that the applicant has received a determination by the city, pursuant to Article 7, Nonconformities, of the Zoning Ordinance establishing that:
    - i. The STR is a nonconforming use because it was in operation on the subject property prior to May 15, 2023, which is the effective date of Ordinance No. 2023-5-1; or
    - ii. The owner had an investment-backed expectation in creating an STR on the subject property prior to May 15, 2023, which is the effective date of Ordinance No. 2023-5-1.
  - (2) A completed registration application must be submitted on a form prescribed by the Director containing, at a minimum, the following, as applicable:
    - i. Business or trade name, physical address, and business mailing address of the STR; identity and contact information (including legal name, mailing address, email addresses, and telephone number), for every owner, operator, manager, partner, and mortgage lien holder of the STR or premises where it is located, including the registered agent for any entity;



- ii. Complete contact information for all designated contacts, including legal name, residential and business mailing addresses, email address, telephone number, copy of government-issued identification, and dates and times of availability as a designated contact;
- iii. Copy of government-issued identification for the primary applicant for registration;
- iv. Depiction of the floor plan, including room dimensions, that identifies sleeping areas, dining areas, living areas, furniture layout, evacuation routes, and location of all fire extinguishers, noise monitoring devices, outdoor video monitoring devices, and smoke and carbon monoxide detectors;
- v. Photographs of all interior and exterior rooms, hallways and spaces that are offered for use as an STR;
- vi. Proof of insurance as required by this article;
- vii. Identity and contact information for the property owners' association, if any, of which the premises are included in a dedicatory instrument;
- viii. A list of all Hosting Platforms and other media that the applicant will use to advertise the STR, and a link to each listing for the STR on a Hosting Platform;
- ix. A copy of the proposed host rules for the STR, including any rule on maximum number of guests;
- x. For live-in management STRs, the designated Operator;
- xi. A sworn statement by the owner that:
  - 1. there is no prohibition on operation of an STR at the premises by a lease, property covenant, private contract, binding HOA rule, or other agreement;
  - 2. the STR is in compliance and will continue to comply with all requirements of this article and all applicable local, state, and federal law;
  - 3. the applicant has provided accurate and complete information on all documents submitted to the city pursuant to this article;

4. all applicable fees and assessments on the premises used as an STR have been paid and shall continue to be paid including hotel occupancy taxes. If an STR is booked through a Hosting Platform that has entered into a contract with the city to collect hotel occupancy taxes (“a Hosting Platform Agreement”), then the owner is not required to remit the hotel occupancy taxes for that booking if it is remitted by the Hosting Platform; and
5. there is no property right in an STR registration and it is issued at the city’s discretion and subject to revocation or denial in accordance with the terms of this article.

xii. All other information as may be required by this article.

- (e) Applications shall be considered complete when all documentation required under this article has been submitted, all training is completed, and all registration fees have been paid.
- (f) Incomplete applications will not be accepted.
- (g) An STR registration may be approved and issued by the Director if the STR application satisfies all conditions of this article.
- (h) All city fees due from the owner and city assessments levied upon premises must be paid prior to the registration or renewal of an STR registration by the city.
- (i) A registration to operate an STR is non-transferable and shall not be assigned nor transferred to another owner, operator or location. Any attempt to transfer a registration or attempt to use another person’s registration is a violation of this Article.
- (j) The registration granted by this article is a regulated privilege, not a right, and can be revoked or suspended by the city in accordance with the provisions provided herein.

**Sec. 6-736. - Designated contact.**

- (a) As part of the registration application, applicant, owner, or registrant shall designate one or more designated contacts for the STR. A designated contact may be an owner, applicant, operator, registrant, or a designee and shall meet the following criteria:
  - (1) Accessible by telephone;
  - (2) Able to respond or resolve the report or request within one hour of being

contacted or within a reasonable time considering the circumstances;

- (3) Authorized to make decisions regarding the premises, STR, and its occupants.
- (b) The Owner shall ensure the designated contact(s) is/are available and authorized to act as described in section (a) above during all periods of guest occupancy, including nights and weekends, to facilitate compliance with this article.
- (c) The City recommends that the designated contact be local to the DFW area to assist with the required accessibility, responsiveness, and authority, but a non-local designated contact is acceptable so long as the required accessibility, responsiveness and authority under this Section is maintained.

**Sec. 6-737. - Expiration of registration; renewals.**

- (a) A registration is valid for one calendar year after the date of issuance, unless suspended or revoked pursuant to this article or there is a change in ownership of the STR.
- (b) Every complete renewal application for an STR registration shall include updates, if any, to the information contained in the original registration application or any subsequent renewals. The registrant shall sign a statement affirming that there is either no change to such information, or that any updated information is accurate and complete. The Director may require additional information to ensure compliance with this article.
- (c) A renewal application for an STR registration submitted after the expiration of the most current registration shall be treated as an application for a new registration as described in this article.
- (d) No STR registration may be renewed without a completed renewal application and payment of the renewal application fee prior to the expiry of the current registration.
- (e) An application for renewal may be denied if the premises cannot be legally used as a short-term rental as determined under the provisions of the City of Plano Zoning Ordinance, other law, private contract, or property covenant, including, but not limited to, deed restrictions and binding HOA rules. The city, however, is not responsible for interpreting or enforcing property covenants or private contracts.
- (f) The Director may renew the registration of an STR if the renewal application satisfies all conditions of this article and all applicable local, state, and federal law.

**Sec. 6-738. - Application fees.**

- (a) A non-refundable fee of three hundred dollars (\$300.00) shall be submitted with each registration or renewal application for an STR.
- (b) A non-refundable fee of two hundred dollars (\$200.00) shall be submitted with a renewal application for an STR in which an owner can show that the STR has not been the subject of a Nuisance Incident or Serious Incident within the previous twelve (12) months.
- (c) A fee of twenty-five dollars (\$25.00) shall be submitted to reprint an already issued registration certificate.

**Sec. 6-739. - Proof of insurance required.**

No STR shall be operated without liability insurance that provides coverage of at least \$1 million per occurrence. A certificate of insurance shall be on file with the Director. Proof of insurance shall be required at the time of application and notice of cancellation or change of insurance shall be made to the Director within thirty (30) calendar days.

**Sec. 6-740. - Hotel occupancy taxes; request for occupancy history.**

No STR shall be operated without payment of hotel occupancy taxes as required under state law. Upon request of the city, the registrant shall remit, within thirty (30) calendar days, an accounting of all occupants who rented the STR and the hotel occupancy taxes paid therefor.

The owner, however, is not required to provide such accounting for STRs rented with a Hosting Platform that has entered into a Hosting Platform Agreement with the city. If, however, the city receives a complaint about failure to pay hotel occupancy taxes or the City determines, independent of information gained from the Hosting Platform Agreement or information received pursuant to that Agreement that there is reason to believe the hotel occupancy taxes have not been paid, then the city may audit the owner for compliance with the hotel occupancy tax laws.

**Sec. 6-741. - Owner self-inspections and record retention.**

- (a) Registrant shall fully inspect each STR in compliance with this article. Self-inspections by the owner shall be conducted at least once a year. The Director shall provide a list indicating the areas to be self-inspected by owner. Owner shall sign and date each self-inspection report at the time the self-inspection is completed for each STR and provide it to the Director upon request. Self-inspection reports shall be in writing and on a form prescribed or approved by the Director.

- (b) All documents related to the self-inspection, and the inspection reports shall be maintained by the registrant for a minimum of three (3) years from the date of approval by the Director.

**Sec. 6-742. – Noise and video monitoring**

Each STR shall be equipped with a noise-monitoring device, and all data produced by this device shall be retained for a period of 180 days and made available to the City upon request. Data shall not include data protected by privacy laws, rules and regulations, including but not limited to Texas Penal Code Section 16.02.

Each STR shall be equipped with an outdoor video monitoring device for security purposes in a conspicuous area where there is not a reasonable expectation of privacy.

**Sec. 6-743. – Registration and host rules to be displayed.**

Each STR shall provide, in a conspicuous, publicly accessible area inside the front entrance(s) of the STR:

- (a) A copy of the current and valid registration certificate;
- (b) The contact information for the designated contact(s);
- (c) Pertinent local and state information, regulations, and laws, in a format to be provided by the Director, as it relates to the use of the STR by the occupant; and
- (d) Host rules for the STR.

**Sec. 6-744. – Advertising, promoting or allowing primary use as an assembly hall prohibited.**

- (a) The registrant shall update the information provided pursuant to Section 6-735(d)(2)(viii), in a method determined by the Director, within 24 hours of a new, revised or removed advertisement or promotion.
- (b) An owner, registrant or occupant shall not advertise, promote or allow a short-term rental for use that would be consistent with primary use as an “assembly hall” under the City of Plano Zoning Ordinance.
- (c) The owner and the registrant is presumed to have allowed an advertisement or promotion on a hosting platform identified pursuant to Section 6-735(d)(2)(viii).

**Sec. 6-745. - Denial, suspension or revocation of short term rental registration.**

- (a) **Suspension Pending New Application.** A registration may be suspended, and a registrant may reapply immediately, if the Director determines, by a preponderance of the evidence, any of the following:

- (1) Previous registration was issued in error; or
- (2) Previous registration was issued on the basis of incomplete or incorrect information provided by applicant, registrant or owner.

- (b) **Suspension for Three Months.** An application for registration or renewal may be denied or a registration may be suspended for three months, if the Director determines, by a preponderance of the evidence, any of the following:

- (1) Failure to maintain or to provide upon request from the Director proof of insurance in compliance with this article and consistent with the registration application.
- (2) Failure of the Owner to designate a contact as required by 6-736(a) or failure of the Owner to ensure the designated contact is available and authorized to act as required by 6-736(b).
- (3) Failure of the Designated Contact to meet the requirements of 6-736(a) during all periods of guest occupancy, including nights and weekends, to facilitate compliance with this article.

- (c) **Suspension for Six Months, Nuisance Incident.** If the Director determines, by a preponderance of the evidence, that one Nuisance Incident occurred at the STR premises within six months preceding the date of the application, then an application for registration may be denied until six months after the date of the Nuisance Incident.

If the Director determines that one Nuisance Incident occurred at the STR premises while the STR was registered, the registration may be suspended for six months.

- (d) **Suspension for One Year, Nuisance Incident, Serious Incident, or Operation of an STR without a valid registration.** If the Director determines, by a preponderance of the evidence, that two or more Nuisance Incidents occurred at the STR premises within one year preceding the date of the application, or that one Serious Incident occurred and the Director determines that the registrant was

aware of but consciously disregarded a substantial risk of the serious incident occurring, then an application for registration may be denied until one year after the date of the last Nuisance Incident.

If the Director determines, by a preponderance of the evidence, that two or more Nuisance Incidents occurred at the STR premises while the STR was registered, or one Serious Incident occurred and the Director determines that the registrant was aware of but consciously disregarded a substantial risk of the serious incident, then the registration may be suspended for one year.

If the Director determines, by a preponderance of the evidence, that an STR was operated, advertised or promoted without a valid registration, then the application for registration may be denied for one year.

- (e) **Other Violations Not Specially Addressed.** An application for registration or renewal may be denied for a period of three months or a registration may be suspended for three months, if the Director determines, by a preponderance of the evidence, that the Registrant, owner or designated person failed or refused to comply with a requirement of this article, other than the requirements specifically addressed in this section, and remains in non-compliance ten (10) business days after being notified in writing of such non-compliance.
- (f) **Presumption of Nuisance Incident.** A Nuisance Incident is presumed if enforcement action was taken by law enforcement or code enforcement, including, but not limited to, issuance of a citation, notice to appear, or summons; an arrest; or issuance of a warrant for arrest for the criminal conduct at the premises of the STR or committed by an occupant or guest of the STR during the rental period.
- (g) **Nuisance Incident or Serious Incident Reported by Owner.** In a determination or proceeding to deny, suspend or revoke a short-term rental registration based on a Nuisance Incident or Serious Nuisance Incident, the Director may disregard such Incident if the following criteria is met:
  - (1) an owner, operator, or manager of the STR reported such Incident immediately to law enforcement and/or code enforcement agents responsible for investigating such Incident; and
  - (2) the reporting person and STR owner were fully cooperative in the investigation of such Incident by law enforcement and code enforcement.
- (h) **Denial or Revocation for Illegal Use.** An application for registration or renewal will be denied or a registration will be revoked permanently if:

- (1) the premises cannot be legally used as a short-term rental as determined under the provisions of the City of Plano Zoning Ordinance, such as situations where the property owner has intentionally abandoned a nonconforming use; or
  - (2) in the opinion of the city, the premises cannot be legally used as a short-term rental by other law, private contract or property covenant, including but not limited to deed restrictions, HOA rules, or leases. The City, however, is not responsible for interpreting or enforcing property covenants or private contracts.
- (i) **Prior Incidents.** No suspension or revocation may be based upon Nuisance Incidents that occurred prior to the adoption of this Article.
  - (j) **Action during Suspension.** While a registration is suspended, the registration is inactive. The premises may not be advertised as available for use, or used, as an STR on an inactive registration.
  - (k) **Term of Suspension.** If the term of the suspension of an STR registration is shorter than the amount of time left before the registration expires, the registration becomes valid the day after the suspension concludes. If the term of the suspension of an STR registration is longer than the amount of time left before registration expires, the applicant may not be granted a new registration until the day after the suspension concludes.
  - (l) **Notice of Director Determination.** Notice of the determination of denial, suspension or revocation shall be given to the applicant or registrant in writing, with the reasons for the denial, suspension or revocation. Such notice of determination shall be served either by personal service, express mail service, or by United States mail to the applicant or registrant's last known address. In cases of suspension or revocation, the service of the suspension or revocation shall become effective the day following personal service, or, if mailed, five (5) business days from the date of mailing.

**Sec. 6-746. - Hearing to contest the Director's determination of denial of an application, or suspension or revocation of a registration.**

- (a) If the determination of denial, suspension or revocation is based upon absence of nonconforming status, then the process for determination and appeal is found in Articles 5 and 7 of the City of Plano Zoning Ordinance.
- (b) To contest the determination of denial, suspension or revocation of a registration, the applicant or registrant shall file a written request for a hearing with the Director within ten (10) business days following service of such notice. If no written request for hearing is filed within ten (10) business days, the denial, suspension or revocation is sustained.



- (c) The Director shall give notice of the date and time of the hearing to the appellant and conduct the hearing within twenty (20) business days of the date on which the notice of appeal was filed with the Director, unless otherwise agreed by the parties.
- (d) A request for hearing shall stay the denial, suspension or revocation of the registration unless the Director determines an immediate denial, suspension or revocation is necessary because of urgent concern for physical safety.
- (e) Based upon the evidence presented at such hearing, the Director shall sustain, modify or rescind the determination by written decision supported by reasoning and findings of fact.
- (f) If no appeal is timely filed with the City Manager, the Director's decision is final.

**Sec. 6-747. –Final Appeal to City Manager.**

- (a) An applicant or registrant may appeal a decision made pursuant to 6-746(e) to the City Manager. All appeals to the City Manager shall be made in writing and received no less than ten (10) business days after any final decision made by the Director in accordance with the sections above.
- (b) The City Manager shall give notice of and conduct a hearing within twenty (20) business days from receipt of the applicant or registrant's appeal request, unless otherwise agreed by the parties.
- (c) An appeal shall stay the denial, suspension or revocation of the registration unless the City Manager determines an immediate denial, suspension or revocation is necessary because of urgent concern for physical safety.
- (d) Based upon the evidence presented at such hearing, the City Manager shall sustain, modify or rescind the determination by written decision supported by reasoning and findings of fact.
- (e) The decision shall be furnished to the applicant or registrant.
- (f) If a determination of suspension or revocation is reversed, the registration shall be reinstated immediately. If a determination of denial is reversed, the registration shall be issued within five (5) business days.
- (g) The determination of the City Manager or the City Manager's designee shall be final on the date the written decision is signed.
- (h) For purposes of this section, City Manager includes his designee.

**Sec. 6-748. - Offenses.**

(a) It shall be an offense for any person to operate an STR and:

- (1) Fail to have a valid registration for the STR;
- (2) Fail to pay registration fees as required in this article;
- (3) Fail to comply with self-inspection requirements or record-retention as required in this article;
- (4) Fail to provide information as required in Section 6-743;
- (5) Advertise, promote, or allow the use of an STR that is not in compliance with the STR registration, this article or other law. The registrant is presumed to have allowed an advertisement or promotion on a hosting platform identified pursuant to Section 6-735(d)(2)(viii);
- (6) Operate the STR using a registration number not assigned to the owner or registrant, or to a different address, or to a different dwelling unit;
- (7) Operate the STR without current, valid insurance in compliance with this article;
- (8) Fail to provide within thirty (30) days following a request by the Director an accounting of payment of hotel occupancy taxes and history of occupants as required in this article;
- (9) Fail to designate a contact as required by 6-736(a).
- (10) Fail to ensure the designated contact(s) is/are available and authorized to act as described in section 6-736(a) above during all periods of guest occupancy, including nights and weekends, to facilitate compliance with this article.
- (11) Fail to provide complete and accurate information in an application for registration or renewal of registration of an STR; or
- (12) Fail to notify the Director within seventy-two (72) hours after information in an application or approved STR registration becomes inaccurate, excluding information regarding the change in the ownership of the STR.

(b) It shall be an offense for a person to operate an STR and intentionally, knowingly, or recklessly allow the use of the STR:

- (1) To promote or engage in an illegal activity;
- (2) By one or more persons in violation of the Residency Restrictions for Child Predator Offenders as set forth in Sec. 14-123 of this Code or in violation of Registration Requirements in Chapter 62 of the Texas Code of Criminal Procedure;
- (3) To promote or engage in illegal distribution or possession with intent to distribute marijuana, a dangerous drug, or any controlled substance, as defined by the Texas Health and Safety Code;
- (4) To promote or engage in selling alcohol or another activity that requires a permit or license under the Texas Alcoholic Beverage Code;
- (5) To operate as a sexually oriented business as defined in Sec. 17.5-2 of this Code; or
- (6) As an “assembly hall” as defined in the City of Plano Zoning Ordinance unless the short-term rental is located in a district where assembly hall use is permitted.

**Sec. 6-749. - Enforcement.**

- (a) Any violation of this article is a Class C misdemeanor punishable as stated in Section 1-4(b) of the City Code of Ordinance by a fine not to exceed \$500.00 for each offense. Every day a violation continues shall constitute a separate offense.
- (b) Nothing in this article prohibits the city from using civil and criminal enforcement remedies concurrently or availing itself of any other remedy allowed by law. The city may seek injunctive relief to prevent, restrain or correct unlawful use or illegal acts on the premises pursuant to Chapter 211 of the Local Government Code or bring a civil action or seek injunctive relief under Chapter 54 of the Local Government Code.

**Sec. 6-750 to 769. – Reserved”**

**Section II.** It is hereby declared to be the intention of the City Council that the sections, paragraphs, sentences, clauses, and phrases of this Ordinance are severable, and if any phrase, clause, sentence, or section of this Ordinance shall be declared unconstitutional or invalid by any court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any other remaining phrase, clause, sentence, paragraph or section of this Ordinance.

**Section III.** All provisions of the Code of Ordinances of the City of Plano, codified or uncoded, in conflict with the provisions of this Ordinance are hereby repealed, and

all other provisions of the Code of Ordinances of the City of Plano, codified or uncoded, not in conflict with the provisions of this Ordinance shall remain in full force and effect.

**Section IV.** The repeal of any Ordinance or part of Ordinances effectuated by the enactment of this Ordinance shall not be construed as abandoning any action now pending under or by virtue of such Ordinance or as discontinuing, abating, modifying or altering any penalty accruing or to accrue, or as affecting any rights of the municipality under any section or provisions at the time of passage of this ordinance.

**Section V.** Any violation of the provisions or terms of this ordinance by any person, firm or corporation shall be a misdemeanor offense and shall be subject to a fine in accordance with Section 1-4(b) of the City Code of Ordinances by a fine not to exceed \$500.00 for each offense. Every day a violation continues shall constitute a separate offense.

**Section VI.** This Ordinance shall be published as required by law and shall be effective August 1, 2024.

**PASSED AND APPROVED** on the 22nd day of April, 2024.

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John B. Muns, MAYOR

ATTEST:

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Lisa C. Henderson, CITY SECRETARY

APPROVED AS TO FORM:

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Paige Mims, CITY ATTORNEY



## CITY COUNCIL AGENDA MEMO

**MEETING DATE:** 4/22/2024

**DEPARTMENT:** City Secretary

**DIRECTOR:** Mark D. Israelson, City Manager

**AGENDA ITEM:** **\*IMPORTANT MESSAGE\*** Comments of Public Interest (general comments on items not on the agenda) will be heard via Zoom at the end of each regular council meeting. To provide general comments, you must register to speak online and register for Zoom by 4:00 p.m. on the day of the meeting. No in-person Comments of Public Interest will be heard at the meeting.

**RECOMMENDED ACTION:** Important Message

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