



**Agenda**  
**Prosper Town Council Meeting**  
Prosper Town Hall, Council Chambers  
250 W. First Street, Prosper, Texas  
Tuesday, March 12, 2024  
**6:15 PM**

Welcome to the Prosper Town Council Meeting.

Citizens may watch the meeting live by using the following link: [www.prospertx.gov/livemeetings](http://www.prospertx.gov/livemeetings)

**Addressing the Town Council:**

Those wishing to address the Town Council must complete the Public Comment Request Form located on the Town's website or in the Council Chambers.

**If you are attending in person**, please submit this form to the Town Secretary or the person recording the minutes for the Board/Commission prior to the meeting. When called upon, please come to the podium, and state your name and address for the record.

**If you are watching online**, please submit this form to the Town Secretary prior to 4:00 p.m. on the day of the meeting in order for your comments to be read into the record. The Town assumes no responsibility for technical issues beyond our control.

In compliance with the Texas Open Meetings Act, the Town Council/Board/Commission may not deliberate or vote on any matter that does not appear on the agenda. The Council/Board/Commission, however, may provide statements of fact regarding the topic, request the topic be included as part of a future meeting, and/or refer the topic to Town staff for further assistance.

Citizens and other visitors attending Town Council meetings shall observe the same rules of propriety, decorum, and good conduct applicable to members of the Town Council. Any person making personal, impertinent, profane or slanderous remarks or who becomes boisterous while addressing the Town Council or while attending the meeting shall be removed from the room, if so directed by the Mayor or presiding officer, and the person shall be barred from further audience before the Town Council during that session. Disruption of a public meeting could constitute a violation of Section 42.05 of the Texas Penal Code.

**Call to Order/ Roll Call.**

**Invocation, Pledge of Allegiance and Pledge to the Texas Flag.**

**Announcements of recent and upcoming events.**

**Presentations.**

1. Presentation of a Proclamation declaring the week of March 17-24, 2024, as National Surveyor's Week. (MLS)

**CONSENT AGENDA:**

Items placed on the Consent Agenda are considered routine in nature and non-controversial. The Consent Agenda can be acted upon in one motion. Items may be removed from the Consent Agenda by the request of Council Members or staff.

2. Consider and act upon the minutes from the February 27, 2024, Town Council Work Session meeting. (MLS)

- [3.](#) Consider and act upon the minutes from the February 27, 2024, Town Council Regular meeting. (MLS)
- [4.](#) Consider and act upon a resolution accepting the Independent Audit Report and Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2023, as audited by Weaver and Tidwell LLP, Certified Public Accountants. (CL)
- [5.](#) Consider and act upon approving the purchase of a multi-factor authentication (MFA) software platform for staff user accounts. (LJ)
- [6.](#) Consider and act upon authorizing the Town Manager to execute a Contract for Services between the Town of Prosper and V&A Landscape and Lawn to provide median maintenance services on Custer Road from US Highway 380 to Frontier Parkway. (DB)
- [7.](#) Consider and authorize final payment to Coach Specialists of Texas, Inc., for the repair of a 2020 Ford Transit Cargo Van. (CE)
- [8.](#) Consider and act upon authorizing the Town Manager to execute a Professional Engineering Services Agreement between Teague Nall and Perkins, Inc., and the Town of Prosper, Texas, related to the design of the Prosper Downtown Parking Lot and Alley Improvements project. (CE)
- [9.](#) Consider and act upon authorizing the Town Manager to execute Contract Amendment No. 3 to the Professional Engineering Services Agreement, between TranSystems Corporation dba TranSystems Corporation Consultants, and the Town of Prosper, Texas, related to the design of the US 380 Deceleration Lane Modifications project. (HW)
- [10.](#) Consider and act upon authorizing the Town Manager to execute a Professional Services Agreement between O'Brien Realty Advisors, LLC, and the Town of Prosper, Texas, related to appraisal services for the Craig Road (Preston Road-Fifth Street) project. (HW)
- [11.](#) Consider and act upon authorizing the Town Manager to execute a Professional Services Agreement between Matrix Consulting Group, Ltd., and the Town of Prosper, Texas, related to the Updated Assessment of the Development Review Process project. (CE)
- [12.](#) Consider and act upon authorizing the Town Manager to execute a Contract for Personal Services between Universal Field Services, and the Town of Prosper, Texas, related to easement acquisition services for the FM 1461 12-inch Water Line Relocation project. (HW)
- [13.](#) Consider and act upon authorizing the Town Manager to execute the First Amendment to the Roadway Impact Fee Agreement between DNT Frontier, LP, and the Town of Prosper, Texas, related to the construction of the DNT Backer Road to serve the DNT Frontier Retail Center development. (HW)
- [14.](#) Consider and act upon authorizing the Town Manager to execute the First Amendment to the Water Impact Fee Agreement between DNT Frontier, LP, and the Town of Prosper, Texas, related to the construction of a water line to serve the DNT Frontier Retail Center development. (HW)
- [15.](#) Consider and act upon the appointment of members to the Capital Improvements Advisory Committee, relative to the update of the Town's impact fee ordinance, as required by Chapter 395 of the Texas Local Government Code. (HW)

- [16.](#) Conduct a public hearing and consider and act upon a request to amend the number of contiguous units that constitute a row of Townhomes in Planned Development-111 (PD-111), Ordinance No. 2021-52, located north of US 380 (University Drive) and west of Lakewood Drive. (ZONE-24-0003) (DH)
- [17.](#) Consider and act upon an ordinance granting a Specific Use Permit (SUP) for Retail Stores and Shops, Dry Cleaning, Minor, and Gymnastics/Dance Studio uses, with building size and placement as shown on the Site Plan, Exhibit "B," and a living screen as shown on the Landscape Plan, Exhibit "C," on 3.6± acres on Windsong Ranch Office Addition, Block A, Lot 2, located south of Parvin Road and east of North Teel Parkway. The property is zoned Planned Development-103 (PD-103) Windsong Ranch Office. (ZONE-23-0023) (DH)
- [18.](#) Consider and act upon authorizing the Town Manager to execute a Development Agreement between SKS Prosper Teelpkwy Retail Holdings, LLC, and the Town of Prosper relative to Windsong Ranch Office Addition, Block A, Lot 2. (DH)
- [19.](#) Consider and act upon whether to direct staff to submit a written notice of appeals on behalf of the Town Council to the Development Services Department, pursuant to Chapter 4, Section 1.5(C)(7) and 1.6(B)(7) of the Town's Zoning Ordinance, regarding action taken by the Planning & Zoning Commission on Preliminary Site Plans and Site Plans. (DH)

### **CITIZEN COMMENTS**

The public is invited to address the Council on any topic. However, the Council is unable to discuss or take action on any topic not listed on this agenda. Please complete a "Public Comment Request Form" and present it to the Town Secretary prior to the meeting. Please limit your comments to three minutes. If multiple individuals wish to speak on a topic, they may yield their three minutes to one individual appointed to speak on their behalf. All individuals yielding their time must be present at the meeting, and the appointed individual will be limited to a total of 15 minutes.

### **REGULAR AGENDA:**

Pursuant to Section 551.007 of the Texas Government Code, individuals wishing to address the Council for items listed as public hearings will be recognized when the public hearing is opened. [If you wish to address the Council, please fill out a "Public Comment Request Form" and present it to the Town Secretary, preferably before the meeting begins.]

### **Items for Individual Consideration:**

- [20.](#) Conduct a public hearing and consider and act upon a request for a Specific Use Permit (SUP) for a Child Care Center, Licensed use on 9.7± acres, on Collin County School Land Survey, Abstract 147, Tracts 145, 168, and 172, located 305± south of First Street and the east side of Church Street. (ZONE-23-0035) (DH)
21. Discuss and consider Town Council Subcommittee reports. (DFB)

### **Possibly direct Town staff to schedule topic(s) for discussion at a future meeting.**

### **EXECUTIVE SESSION:**

Recess into Closed Session in compliance with Section 551.001 et seq. Texas Government Code, as authorized by the Texas Open Meetings Act, to deliberate regarding:

*Section 551.087 – To discuss and consider economic development incentives and all matters incident and related thereto.*

*Section 551.072 – To discuss and consider purchase, exchange, lease or value of real property for municipal purposes and all matters incident and related thereto.*

*Section 551.074 – To discuss and consider personnel matters and all matters incident and related thereto.*

*Section 551.071 - To consult with the Town Attorney regarding Chapter 42 of the Texas Local Government Code and Extraterritorial Jurisdiction land use and development issues, and all matters incident and related thereto.*

*Section 551.074 - To discuss and consider personnel matters, including the annual evaluation of the Town Manager, Town Attorney and the Municipal Judge, and all matters incident and related thereto.*

**Reconvene in Regular Session and take any action necessary as a result of the Closed Session.**

**Adjourn.**

### **CERTIFICATION**

I, the undersigned authority, do hereby certify that this Notice of Meeting was posted at Prosper Town Hall, located at 250 W. First Street, Prosper, Texas 75078, a place convenient and readily accessible to the general public at all times, and said Notice was posted by 5:00 p.m., on Friday, March 8, 2024, and remained so posted at least 72 hours before said meeting was convened.

\_\_\_\_\_  
Michelle Lewis Sirianni, Town Secretary

\_\_\_\_\_  
Date Notice Removed

Pursuant to Section 551.071 of the Texas Government Code, the Town Council reserves the right to consult in closed session with its attorney and to receive legal advice regarding any item listed on this agenda.

### **NOTICE**

Pursuant to Town of Prosper Ordinance No. 13-63, all speakers other than Town of Prosper staff are limited to three (3) minutes per person, per item, which may be extended for an additional two (2) minutes with approval of a majority vote of the Town Council.

**NOTICE OF ASSISTANCE AT PUBLIC MEETINGS:** The Prosper Town Council meetings are wheelchair accessible. For special services or assistance, please contact the Town Secretary's Office at (972) 569-1011 at least 48 hours prior to the meeting time.



## MINUTES

Item 2.

**Prosper Town Council Work Session**  
Prosper Town Hall – Council Chambers  
250 W. First Street, Prosper, Texas  
Tuesday, February 27, 2024

### **Call to Order/ Roll Call.**

The meeting was called to order at 5:00 p.m.

### **Council Members Present:**

Mayor David F. Bristol  
Mayor Pro-Tem Craig Andres *arrived 5:30 p.m.*  
Deputy Mayor Pro-Tem Marcus E. Ray  
Councilmember Amy Bartley  
Councilmember Chris Kern  
Councilmember Jeff Hodges  
Councilmember Charles Cotten

### **Staff Members Present:**

Mario Canizares, Town Manager  
Michelle Lewis Sirianni, Town Secretary  
Terry Welch, Town Attorney  
Bob Scott, Deputy Town Manager  
Chuck Ewings, Assistant Town Manager  
Robyn Battle, Executive Director  
Chris Landrum, Finance Director  
Hulon Webb, Director of Engineering Services  
David Hoover, Development Services Director  
James Edwards, Director of Human Resources  
Whitney Rehm, Budget Officer and Grants Administrator  
Todd Rice, Communications and Media Relations Manager  
Scott Brewer, Assistant Police Chief

### **Items for Individual Consideration**

#### **1. Discussion regarding the Town's five-year financial projections(s). (CL)**

Mr. Landrum presented important dates within the Budget calendar, providing initial assumptions on property valuations, the General Fund, Sales Tax, and the Utility Fund. Mr. Landrum also gave an overview on debt service, noting that the CIP and Finance Subcommittees will be meeting and discussing throughout the budget process.

The Town Council discussed the budget calendar dates and requested being able to review specific topic matters more in depth throughout the process. The Town Council agreed to hold an additional work session dedicated to budget items at the end of July.

### **Adjourn.**

The meeting was adjourned at 6:00 p.m.

These minutes were approved on the 12<sup>th</sup> day of March 2024.

**APPROVED:**

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**David F. Bristol, Mayor**

**ATTEST:**

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**Michelle Lewis Sirianni, Town Secretary**

DRAFT



**MINUTES**  
**Prosper Town Council Meeting**  
Prosper Town Hall, Council Chambers  
250 W. First Street, Prosper, Texas  
Tuesday, February 27, 2024

**Call to Order/ Roll Call.**

The meeting was called to order at 6:15 p.m.

**Council Members Present:**

- Mayor David F. Bristol
- Mayor Pro-Tem Craig Andres
- Deputy Mayor Pro-Tem Marcus E. Ray
- Councilmember Amy Bartley
- Councilmember Chris Kern
- Councilmember Jeff Hodges
- Councilmember Charles Cotten

**Staff Members Present:**

- Mario Canizares, Town Manager
- Michelle Lewis Sirianni, Town Secretary
- Terry Welch, Town Attorney
- Bob Scott, Deputy Town Manager
- Chuck Ewings, Assistant Town Manager
- Robyn Battle, Executive Director
- Mary Ann Moon, Economic Development Director
- Chris Landrum, Finance Director
- Hulon Webb, Director of Engineering Services
- Leslie Scott, Director of Library Services
- Dan Baker, Director of Parks and Recreation
- David Hoover, Development Services Director
- Whitney Rehm, Budget Officer and Grants Administrator
- Todd Rice, Communications and Media Relations Manager
- Eric Men, Help Desk Technician II
- Scott Brewer, Assistant Police Chief

**Invocation, Pledge of Allegiance and Pledge to the Texas Flag.**

James McKinney with Prestonwood Baptist Church led the invocation. The Pledge of Allegiance and the Pledge to the Texas Flag were recited.

**Announcements of recent and upcoming events.**

Councilmember Kern made the following announcements:

Registration is open for the third annual P-Town Throwdown Pickleball Tournament on Saturday, March 23 beginning at 8:00 a.m. at Reynolds Middle School. The tournament format is co-ed doubles team, age 18+, with recreational and competitive divisions based on player rating. Trophies will be awarded for first and second places, per division. For more information, visit the Special Events page under the Parks and Recreation Department on the Town's website.

Join the Parks and Recreation Department for a Pickleball Social on Wednesday, March 13 from 5:30 to 7:30 p.m. at The Gin located at 204 W. Broadway. This come and go event is an opportunity to register for the tournament, as well as hear an update on all things Pickleball in Prosper along with other park projects. Complimentary appetizers and soft drinks will be served.

Registration is open for the spring season of the 2024 Mayor's Fitness Challenge which begins Friday, March 1 and continues through May 31. Tracking sheets and online registration are available by visiting [prospertx.gov/mayorsfitnesschallenge](http://prospertx.gov/mayorsfitnesschallenge).

Mayor Bristol noted a compliment received regarding the new trash services.

### **Presentations.**

**1. Presentation of a Proclamation declaring March 2024, as Theatre in our Schools Month. (MLS)**

Mayor Bristol read and presented a Proclamation to the Prosper High School Thespian Troope.

**2. Presentation to the Prosper Community Library for receiving the Library of Excellence award. (LS)**

Ms. Scott introduced the item outlining the criteria to be met for the award and introduced the Library staff. Mayor Bristol recognized the staff by presenting THRIVES coins to them for their outstanding achievement.

### **CONSENT AGENDA:**

Items placed on the Consent Agenda are considered routine in nature and non-controversial. The Consent Agenda can be acted upon in one motion. Items may be removed from the Consent Agenda at the request of Council Members or staff.

**3. Consider and act upon the minutes from the February 13, 2024, Town Council Work Session meeting. (MLS)**

**4. Consider and act upon the minutes from the February 13, 2024, Town Council Regular meeting. (MLS)**

**5. Consider and act upon Ordinance 2024-22 canceling the May 4, 2024, General Election. (MLS)**

**6. Consider acceptance of the January 2024 Monthly Financial Report. (CL)**

**7. Receive the Quarterly Investment Report for December 31, 2023. (CL)**

**8. Consider and act upon approving purchase orders for the purchase and installation of furniture from Workspace Interiors by Office Depot Business Solutions through the Omnia Partners Cooperative; and authorizing the Town Manager or his/her designee to execute documents related to said purchases. (CL)**

**9. Consider authorizing the Town Manager to enter into a three-year Professional Services Agreement with two one-year renewals for sales tax consulting with Texas City Services LLC for the Town, EDC and the Crime and Fire Special Purpose Districts. (CL)**

**10. Receive the 2023 Annual Racial Profiling Report for the Prosper Police Department as required by state law. (DK)**

**11. Consider and act upon Ordinance 2024-05 amending Section 1.09.017 of the Code of Ordinances relative to the carrying of firearms in Town parks, and**

Sections 8.03.001 and 8.03.002 of the Code of Ordinances relative to the carrying and discharge of firearms in Town buildings or in the Town limits. (TW/DK)

12. Consider and act upon awarding RFP No. 2024-08-A to Sweeping Corporation of America, LLC., related to the Town's Street Sweeping services, and authorizing the Town Manager to execute a construction agreement for same. (CE)
13. Consider and act upon authorizing the Town Manager to execute a Professional Services Agreement between Angel Valuation Services, LP, and the Town of Prosper, Texas, related to appraisal services for the FM 1461 12-inch Water Line Relocation project. (HW)
14. Consider and act upon authorizing the Town Manager to execute a Professional Services Agreement between Geotex Engineering LLC, and the Town of Prosper, Texas, related to professional construction materials testing and observation services for the Legacy (Prairie – First) – 4 Lanes project. (HW)
15. Consider and act upon authorizing the Town Manager to execute a Professional Services Agreement between ECS Southwest, LLP, and the Town of Prosper, Texas, related to professional construction materials testing and observation services for the Teel Parkway (US 380 - First Street) – 2 NB Lanes project. (HW)
16. Consider and act upon authorizing the Town Manager to execute an Agreement between Blue Star Allen Land L.P., and the Town of Prosper, Texas, related to the repairs of certain roadways in Star Trail, Phase 5. (HW)
17. Consider authorizing the Town Manager to enter into a Professional Services Agreement with Peak Program Value (PPV) for Construction Management Services for Raymond Park. (CL)
18. Consider and act upon authorizing the Town Manager to execute a Professional Services Agreement between the Town of Prosper and Gray Event Management for recreation program instructor services. (DB)
19. Consider and act upon authorizing the Town Manager to execute a Professional Services Agreement between the Town of Prosper and Soccer Sparks, LLC, for recreation program instructor services. (DB)
20. Consider and act upon Ordinance 2024-23 granting a Specific Use Permit for a Wireless Communications and Support Structure, on Lakewood Preserve, Block A, Lot 1, on 0.1± acre, located south of East First Street and east of South Coit Road. The property is zoned Planned Development-87 (PD-87) Lakewood. (ZONE-23-0036) (DH)
21. Consider and act upon whether to direct staff to submit a written notice of appeals on behalf of the Town Council to the Development Services Department, pursuant to Chapter 4, Section 1.5(C)(7) and 1.6(B)(7) of the Town's Zoning Ordinance, regarding action taken by the Planning & Zoning Commission on Preliminary Site Plans and Site Plans. (DH)

Deputy Mayor Pro-Tem Ray requested to pull items 12 and 17.

Mayor Pro-Tem Andres made a motion to approve consent agenda items 3 through 11, items 13 through 16, and items 18 through 21. Councilmember Hodges seconded that motion. Motion carried unanimously.

Regarding item 12, Deputy Mayor Pro-Tem Ray noted that he would like the Town Council to consider increasing the number of times per year to sweep and to also include US 380 on/off ramps into the contract if possible. Mr. Ewings noted that the contract as presented allows for additional call out times. However, if the call out times are exceeded and any additional areas that are not noted in the contract would have to be added for an additional cost. Deputy Mayor Pro-Tem Ray requested if the staff finds the additional allotments are not sufficient, that they request more in the future and/or revise the contract as needed.

Deputy Mayor Pro-Tem Ray made a motion to approve item 12. Councilmember Cotten seconded that motion. Motion carried unanimously.

Regarding item 17, Mayor Pro-Tem Ray asked if this service will be used for other ongoing projects and if there would be an additional cost associated for this service if used. Mr. Scott commented that this is the first project they are using this service beyond the construction price and will continue to evaluate all options based on the project.

Deputy Mayor Pro-Tem Ray made a motion to approve item 17. Councilmember Cotten seconded that motion. Motion carried unanimously.

### **CITIZEN COMMENTS**

No comments were made.

### **Items for Individual Consideration:**

#### **22. Discuss and consider Town Council Subcommittee reports. (DFB)**

Councilmember Kern provided a Downtown Advisory Committee report noting the committee continues to have ongoing discussions regarding major projects and vetting their ideas based on costs associated with each.

Mayor Pro-Tem Andres stated he recently attended the McKinney Urban District Board meeting. The Board has been discussing Cares funding and evaluating the current ride program for individuals who cannot drive.

### **Possibly direct Town staff to schedule topic(s) for discussion at a future meeting.**

Mayor Bristol requested staff to address the signage at Frontier Park.

### **EXECUTIVE SESSION:**

Recess into Closed Session in compliance with Section 551.001 et seq. Texas Government Code, as authorized by the Texas Open Meetings Act, to deliberate regarding:

*Section 551.087 – To discuss and consider economic development incentives and all matters incident and related thereto.*

*Section 551.072 – To discuss and consider purchase, exchange, lease or value of real property for municipal purposes and all matters incident and related thereto.*

*Section 551.074 – To discuss and consider personnel matters and all matters incident and related thereto.*

*Section 551.071 - To consult with the Town Attorney regarding legal issues associated with Article 1.09 and Article 8.03 of the Town's Code of Ordinances, and Chapter 214 of the Texas Local Government Code, and all matters incident and related thereto.*

*Section 551.074 - To discuss and consider personnel matters, including the annual evaluation of the Town Manager, Town Attorney and the Municipal Judge, and all matters incident and related thereto.*

The Town Council recessed into Executive Session at 6:46 p.m.

**Reconvene in Regular Session and take any action necessary as a result of the Closed Session.**

The Town Council reconvened into Regular Session at 8:36 p.m.

Mayor Pro-Tem Andres made a motion to authorize the Town Manager to execute all documents related to the Town's sale of a 1.271-acre tract of land located on highway US 380 to the Texas Department of Transportation (TxDOT) including the Possession and Use Agreement for transportation purposes. Councilmember Cotten seconded that motion. Motion carried unanimously.

**Adjourn.**

The meeting was adjourned at 8:37 p.m.

These minutes were approved on the 12<sup>th</sup> day of March 2024.

**APPROVED:**

\_\_\_\_\_  
**David F. Bristol, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Michelle Lewis Sirianni, Town Secretary**



## FINANCE

**To: Mayor and Town Council**

**From: Chris Landrum, Finance Director**

**Through: Mario Canizares, Town Manager  
Bob Scott, Deputy Town Manager**

**Re: Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 4. Provide Excellent Municipal Services**

**Agenda Item:**

Consider and act upon a resolution accepting the Independent Audit Report and Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2023, as audited by Weaver and Tidwell LLP, Certified Public Accountants.

**Description of Agenda Item:**

Section 7.18 of the Town's Charter, as well as Chapter 103 of the Texas Local Government Code, requires that an independent audit be conducted annually. The Annual Comprehensive Financial Reports (ACFR) contains information in addition to the Basic Financial Statements that is helpful to understand the Town's finances. It is also a key continuing disclosure document identified in the Town's debt covenants and must be filed electronically with the Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Market Access (EMMA) website within six months of year-end. Staff plans to submit an electronic Annual Comprehensive Financial Report to the Government Finance Officers Association in consideration for the Certificate of Achievement for Excellence in Financial Reporting.

In compliance with Generally Accepted Auditing Standards (GAAS), the auditors must make certain required communications to those in charge of governance. These communications have been made to the Finance Sub-Committee of Council on March 08, 2024, with copies distributed to full council. There were no material weaknesses or significant deficiencies regarding the Town's system of Internal Control discovered during the audit.

**Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, LLP, reviewed the resolution as to form and legality.

**Attached Documents:**

1. Annual Comprehensive Financial Report
2. Resolution

**Town Staff Recommendation:**

Town staff recommends that the Town Council approve the resolution accepting the Independent Audit Report and Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2023.

**Proposed Motion:**

I move to approve a resolution accepting the Independent Audit Report and Annual Comprehensive Financial Report for the Fiscal Year Ended September 30, 2022.



# ANNUAL COMPREHENSIVE FINANCIAL REPORT

For Fiscal Year Ended September 30, 2023  
Prosper, Texas

**TOWN OF PROSPER, TEXAS**

YEAR ENDED SEPTEMBER 30, 2023

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# INTRODUCTORY SECTION

March 4, 2024

To the Honorable Mayor, Members of Town Council, and  
Citizens of the Town of Prosper, Texas

The Town's management staff is pleased to submit the Annual Comprehensive Financial Report ("ACFR") of the Town of Prosper ("Town") for the fiscal year ending September 30, 2023. This report provides the Town Council, Town Staff, our citizens, bondholders and other interested parties with detailed information concerning the financial condition and activities of the Town government.

The Town's management assumes responsibility for the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. To the best of our knowledge and belief, the enclosed data is accurate in all material respects, and is organized in a manner designed to fairly present the financial position and results of operation of the Town as measured by the financial activity of its various funds. To enable the reader to gain an understanding of the Town's finances, we believe that all necessary disclosures have been included.

The Town is required to obtain an annual audit of the financial records and financial activities of the Town. Weaver and Tidwell, L.L.P., a firm of licensed certified public accountants, have audited the Town's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town for the fiscal year ended September 30, 2023, are free of any material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified ("clean") opinion that the Town's financial statements for the fiscal year ended September 30, 2023, and are fairly presented in conformity with Generally Accepted Accounting Principles ("GAAP"). The independent auditor's report is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and the two should be read in conjunction with each other.

#### History of Prosper

Prosper began with the first settlers arriving in the area in 1846. Those who settled here were drawn to North Texas' fertile black prairie soil perfect for thriving cotton crops in a time when cotton was "King." Between 1850 and 1902, two settlements coexisted. One community, two miles south of the present town, was Rock Hill. The second community, one mile north, was Richland. Both these communities became Prosper when the Town was incorporated in 1914 with a Commission form of government and a population of 500. The opening of DFW airport in 1974, combined with the strong Texas economy, favorable business environment and central location nationally spurred significant in-migration including Fortune 500 and other corporate headquarters. Suburban cities north of Dallas began growing rapidly. With both the inner-ring and second ring northern suburbs at or near build-out growth in Prosper is accelerating.

Prosper has retained its small town appeal by carefully managing growth in accordance with a Comprehensive Land Use Plan, Parks & Open Space Plan, and a Capital Improvements Plan. Unlike the large suburban cities of Plano and Frisco to the south and McKinney to the east, Prosper's large existing lot size and only 27 landlocked square miles puts its build-out population at approximately 75,000. While residential growth remains strong, the Town is carefully evolving from a bedroom community of 38,000+ residents to a balance between high-end residential and diversified commercial including retail, hotels, restaurants, new car dealerships, office, two Children's Hospitals and related professional space.

#### Accounting System and Budgetary Control

Town management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft, or misuse. Management must also ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework.

The Town's accounting records for general governmental operations are maintained on a modified accrual basis, with revenues recognized when measurable and available, and expenditures recorded when the services or goods are received and the liabilities are incurred. Accounting records for the Town's utilities and other proprietary activities are maintained on a full accrual basis.

The objective of budgetary controls is to ensure compliance with legal provisions contained in the annual budget approved by the Town Council. The annual budget is developed and controlled at the department level in the General Fund and Utility Fund, and at the fund level in all other funds. This budgetary level serves as the foundation for the Town's financial planning and control. Department Heads may transfer resources within a department with the Finance Director's approval. The Town Council approves any amendments or additional funding requests for appropriations over that of the budgeted department level total, even though the Town Charter limits are at the fund level. These amendments shall be by ordinance and shall become an attachment to the original budget.

The accompanying ACFR incorporates all funds of the Town and includes all government activities, organizations and functions for which the Town is financially accountable. The criteria used in determining activities to be reported within the Town's basic financial statements are based upon and consistent with those set forth by the Governmental Accounting Standards Board.

#### The Reporting Entity Profile

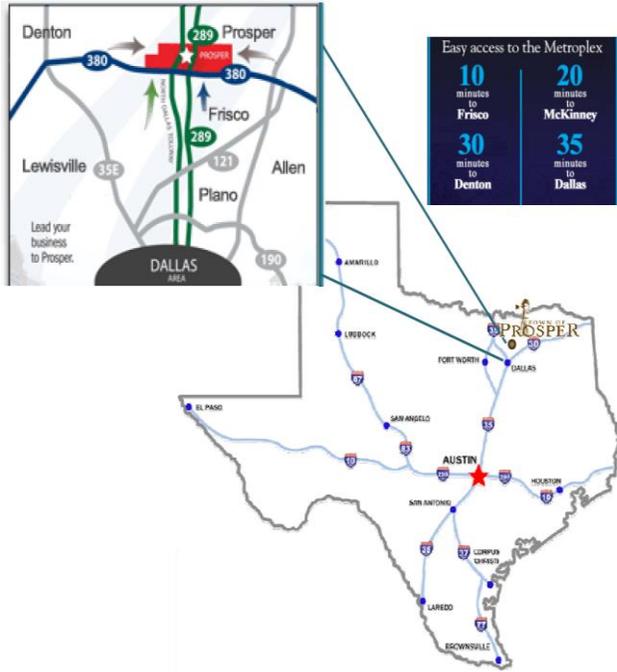
The Town is a political subdivision and a home rule municipality under the laws of the state. A Home Rule Charter was approved by the voters of the Town at an election held November 7, 2006, and last revised on May 6, 2017. The Town operates as a Council-Manager form of government with the Town Council comprised of the Mayor and six Council members. The term of office is three years. The Town Manager is the chief executive officer of the Town.

The Town provides a full range of services including: public safety (police, fire, EMS, and dispatch), municipal court, streets, water/wastewater, solid waste and storm drainage utilities, parks and recreation, library, engineering, planning and zoning, building inspections and code compliance, economic development and general administrative services.

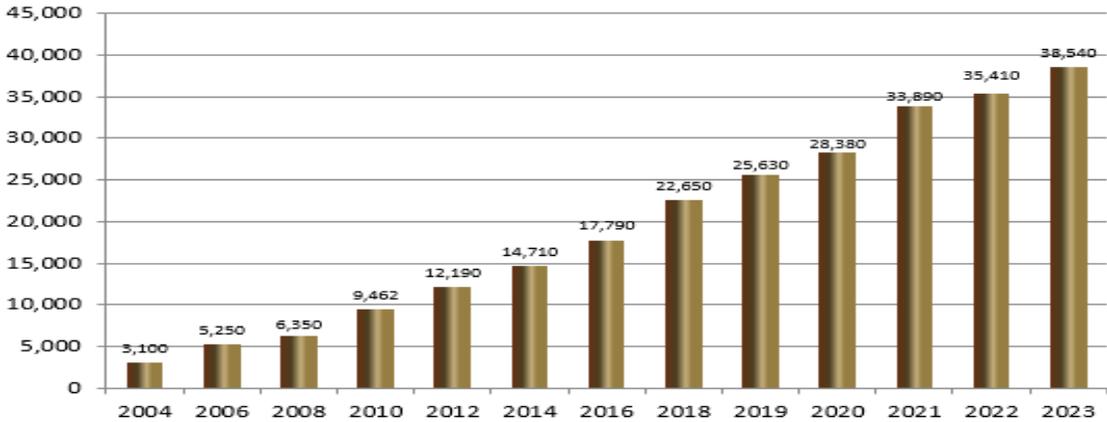
The Economic Development Corporation is Town-chartered and governed by a seven-member Board of Directors appointed by the Town Council. The Town has included the financial statements for the Prosper Economic Development Corporation in its government-wide financial statements as a

component unit. Component units are legally separate organizations that a primary government must include as part of its financial entity.

The Town is located 31 miles north of downtown Dallas on the Dallas North Tollway and is approximately 27 square miles. Prosper includes areas in Collin and Denton Counties. The Town is located at the crossroads of Preston Road bisected north to south by the future DNT which will begin construction in 2024. US Highway 380 comprises its southern border and is just five minutes north of the bustling Dallas North Tollway cities of Frisco and Plano.



The Town is home to schools receiving top marks in recent grades from TEA and state championship sports teams, over 400 acres of open space and parks, and other amenities. Access to the DFW area, coupled with a commitment to maintain a high quality of life has created rapid growth for the Prosper community. The 2012 estimated population for the Town was 12,190 with a 2023 estimate of 38,540 representing ten-year growth of 216%.

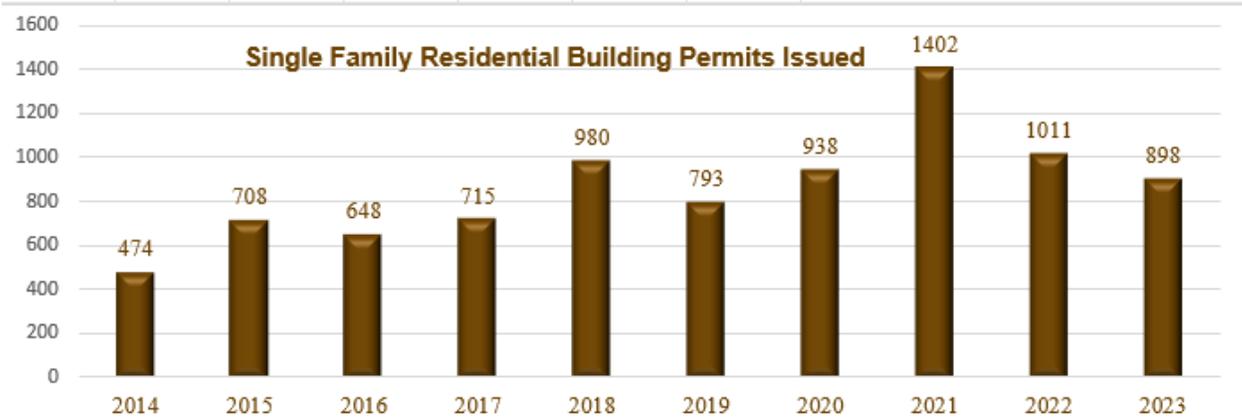


Source: Population estimates to date are from North Central Texas Council of Governments and U.S. Census Bureau.

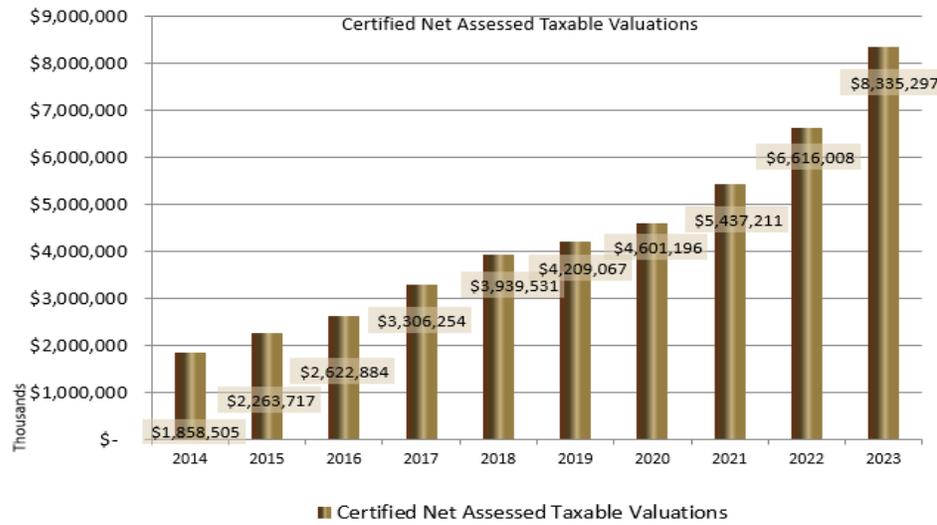
The Economic Outlook

The Town continues to experience new home permits at a strong pace and benefits tremendously from its location. Average homestead value in 2023 averaged \$886,000 market and \$589,000 taxable value. The difference between market and taxable values is a 12.5% homestead exemption and capped values. With the recent run-up in homestead values in excess of 10%, excess value is considered

capped meaning that it will be allowed to increase future year values by 10% per year until all capped values are used.

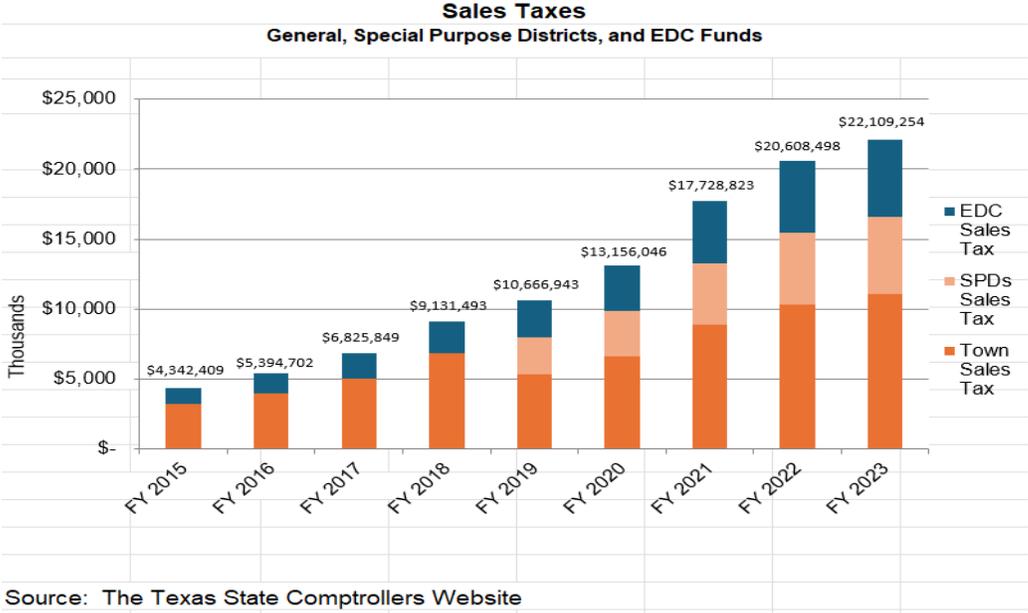


According to the Dallas Federal Reserve Bank’s *October 31, 2023 Dallas-Fort Worth Economic Indicators*, DFW had a 3.8% unemployment rate, average hourly earnings of \$34.19, year over year wage growth of 2.8% and an annualized job growth for the September quarter of 5.6%. In a February 2024 Fed article entitled: *“Hang your hat in Texas: State remains a leader in firm relocations”* the authors display a series of charts showing the impact of in-migration to the State. Texas with key takeaways being Dallas, Houston and Fort Worth MSA ranking 1-3 for in-migration with suburban and rural zip codes within or near those MSA’s also growing as destinations.



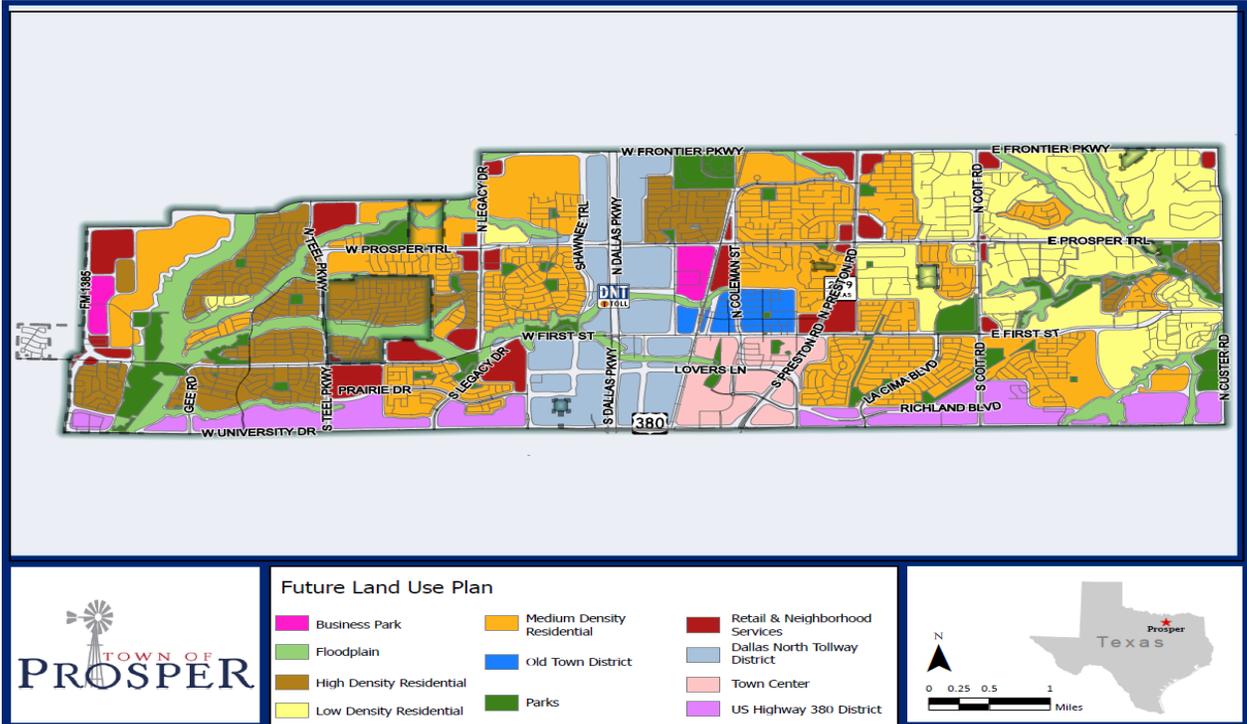
Source: Tax Year amounts from Collin CAD and Denton CAD Certified Totals July 2014 - 2023

The Town continues to experience significant assessed valuation growth. Certified property valuations increased by \$1,179M (21.7%) for FY 2022-2023, and \$1,719M (26%) for the FY 2024 budget.



Sales Tax is the Town’s second largest revenue. In addition to the 1% municipal sales tax, Town voters have also approved a half cent 4A tax for economic development and a quarter cent each for Fire and Crime control districts for a total of a 2% local portion, the maximum allowed under state law.

The economy influences the timing of population increases and the types of development that occur will affect the build-out of the Town. The Town Council adopted a new Comprehensive Plan in 2023 and will continue to annually review the Plan in response to changing market conditions.



### Long Term Financial Planning

The Town's rapid growth has created both challenges and opportunities. The greatest challenge has been constructing needed infrastructure in a timely enough manner to avoid both traffic gridlock and inadequate utility capacity for the growth that has already occurred and to promote the desired future growth as sites to the south reach build-out and the "prime-time" for Prosper commercial development approaches.

Recognizing these challenges, the Town Council has approved updates to most of the Town's financial policies substantially strengthening capital project management and long-term financial planning. In addition, in 2023 they adopted a simplified five-point strategic vision with the following goals:

1. ACCELERATION OF INFRASTRUCTURE
2. DEVELOPMENT OF DOWNTOWN PROSPER AS A DESTINATION
3. ENSURE THE TOWN'S COMMERCIAL CORRIDORS ARE READY FOR DEVELOPMENT
4. CONTINUE TO PROVIDE EXCELLENT MUNICIPAL SERVICES
5. WORK TOWARD A GROWING AND DIVERSIFIED TAX BASE

Combining a clear vision of the future with strong financial policies and financial resources provided by growth should ensure that Town maximizes the opportunities the region provides.

### Independent Audit

Section 7.18 of the Town Charter requires an independent audit of all accounts of the Town at the close of each fiscal year by certified public accountants selected by the Council. This requirement has been complied with and the "Report of the Independent Auditors" has been included at the beginning of the Financial Section of this report.

Additionally, the Town has a Finance Sub-committee of the Town Council that functions as a audit committee that hears and reviews all recommendations of the independent auditors.

### Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Prosper, Texas, for its Annual Comprehensive Financial Report for fiscal year ended September 30, 2022. The Town has received a Certificate of Achievement for the twelfth consecutive year. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe the current report continues to conform to program requirements and we are submitting it to GFOA for consideration.

### Acknowledgements

The preparation of this report would be impossible without the efficient and dedicated services of the Finance Department. We express our appreciation to all employees who contributed to its presentation.

We also thank the Town Council for their interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,

Mario Canizares

Town Manager

Robert B. Scott, CPA

Deputy Town Manager/CFO

Chris Landrum

Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Prosper  
Texas**

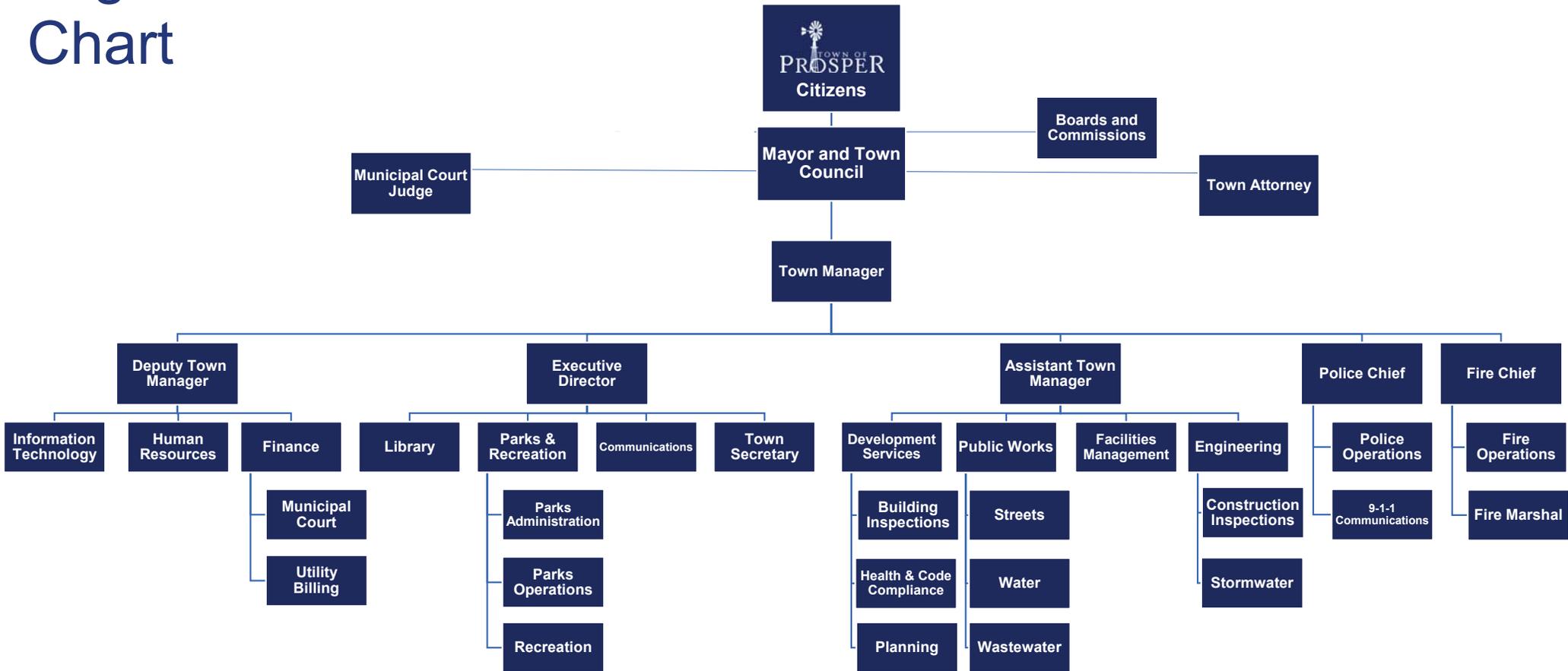
For its Annual Comprehensive  
Financial Report  
for the Fiscal Year Ended

**September 30, 2022**

*Christopher P. Morill*

Executive Director/CEO

# Organizational Chart



**TOWN OF PROSPER, TEXAS**  
**LIST OF PRINCIPAL OFFICIALS**  
FISCAL YEAR ENDED SEPTEMBER 30, 2023  
TOWN COUNCIL

|  |                  |   |
|--|------------------|---|
| MAYOR _____  | David F. Bristol |    |
| COUNCIL MEMBER PLACE 1, DEPUTY MAYOR PRO-TEM _____ | MARCUS E. RAY    |    |
| COUNCIL MEMBER PLACE 2, MAYOR PRO-TEM _____        | CRAIG ANDRES     |    |
| COUNCIL MEMBER PLACE 3 _____                       | AMY BARTLEY      |   |
| COUNCIL MEMBER PLACE 4 _____                       | CHRIS KERN       |  |
| COUNCIL MEMBER PLACE 5 _____                       | JEFF HODGES      |  |
| COUNCIL MEMBER PLACE 6 _____                       | CHARLES COTTEN   |  |

**TOWN OF PROSPER, TEXAS**  
**LIST OF PRINCIPAL OFFICIALS**  
FISCAL YEAR ENDED SEPTEMBER 30, 2023

APPOINTED OFFICIALS

TOWN MANAGER \_\_\_\_\_ MARIO CANIZARES  
TOWN SECRETARY \_\_\_\_\_ MICHELLE LEWIS SIRIANNI  
DEPUTY TOWN MANAGER \_\_\_\_\_ ROBERT SCOTT  
ASSISTANT TOWN MANAGER \_\_\_\_\_ CHUCK EWINGS  
EXECUTIVE DIRECTOR \_\_\_\_\_ ROBYN BATTLE  
FIRE CHIEF \_\_\_\_\_ STUART BLASINGAME  
POLICE CHIEF \_\_\_\_\_ DOUG KOWALSKI  
DIRECTOR OF DEVELOPMENT SERVICES \_\_\_\_\_ DAVID HOOVER  
DIRECTOR OF ENGINEERING \_\_\_\_\_ HULON WEBB  
DIRECTOR OF FINANCE \_\_\_\_\_ CHRIS LANDRUM  
DIRECTOR OF HUMAN RESOURCES \_\_\_\_\_ JAMES EDWARDS  
DIRECTOR OF INFORMATION TECHNOLOGY \_\_\_\_\_ LEIGH JOHNSON  
DIRECTOR OF LIBRARY SERVICES \_\_\_\_\_ LESLIE SCOTT  
DIRECTOR OF PARKS AND RECREATION \_\_\_\_\_ DAN BAKER  
DIRECTOR OF PUBLIC WORKS \_\_\_\_\_ FRANK JAROMIN



# FINANCIAL SECTION



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## Independent Auditor's Report

To the Honorable Mayor and Members of the Town Council  
Town of Prosper, Texas

### Report on the Audit of the Financial Statements

#### Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Town of Prosper, Texas (Town) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town, as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and Impact Fee Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### Emphasis of Matter

As discussed in Note 1 to the basic financial statements, during the year ended September 30, 2023, the Town implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinions are not modified with respect to this matter.

#### Responsibilities of Management for the Financial Statements

The Town's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

The Honorable Mayor and Members of the Town Council  
Town of Prosper, Texas

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the Required Supplementary Information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Honorable Mayor and Members of the Town Council  
Town of Prosper, Texas

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules are presented for the purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Information Included in the Annual Comprehensive Financial Report (ACFR)**

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 2024 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
March 4, 2024



# MANAGEMENT'S DISCUSSION AND ANALYSIS

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### FOR THE YEAR ENDED SEPTEMBER 30, 2023 Amounts in Thousands Unless Otherwise Stated (Unaudited)

March 4, 2024

As management of the Town of Prosper (Town), we offer this narrative overview and analysis of the financial activities and financial position of the Town for the fiscal year ended September 30, 2023. In the broadest context, the financial well-being of the government lies in the underlying wealth and willingness of its citizens and property owners to pay adequate taxes combined with the vision of the government's elected and appointed leadership to spend those taxes strategically. This allows the City's tax base, service levels, assets and desirability to be maintained, not just for the current year, but well into the future. Financial reporting is limited in its ability to provide this "big picture" but rather focuses on financial position and changes in financial position. In other words, are revenues and or expenses/expenditures higher or lower than the previous year? Has net position (containing both short and long-term assets and liabilities) or fund balances (the current "spendable" assets less current liabilities) of the government been maintained? We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal (pages i-vi of this report), the statistical section, as well as information found on the Town Council Strategic Vision, the annual budget and other community information found on the Town's website at [www.prospertx.gov](http://www.prospertx.gov). It should be noted that the Report of the Independent Auditor preceding this MD&A explains the level of audit assurance associated with various sections of this report. All of the additional information from the website and other City sources is unaudited and has not been updated for events that may have occurred subsequent to the issuance of the respective report.

#### OF NOTE

- The assets and deferred outflows of the Town of Prosper, on a government-wide basis, exceeded its liabilities and deferred inflows as of September 30, 2023 by \$579,908 (net position). Of this amount, \$44,292 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$79,453. Most of the increase is due to developer contributions of infrastructure totaling \$63,954 and a TXDOT reimbursement of \$3,988 for utility relocation that occurred several years previously. The remaining increase is due to strong revenue performance in the governmental activities and higher than expected investment income.
- As of the close of the current fiscal year, the Town of Prosper's governmental funds reported combined ending fund balances of \$113,400 (made up of \$14,690 in General Fund, \$7,303 in Impact Fee Fund, \$1,303 in Debt Service Fund, \$83,521 in Capital Projects Fund, \$251 in the ARPA Fund, and \$6,342 in other governmental funds), an increase of \$4,702 in comparison with the prior year due primarily to a \$5,911 increase in Capital Projects Fund Balances and smaller increases in other governmental funds offset by a fund balance reduction of \$4,236 in the General Fund.
- At the end of the current fiscal year, total General Fund balances exceeded financial policy requirements with unassigned fund balance for the general fund of \$2,688 or 6% of total current fiscal year General Fund expenditures and is available for spending at the Town's discretion.

#### OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town of Prosper's basic financial statements. The Town's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements and 4) required supplementary information which includes this Management Discussion & Analysis, multi-year funding progress regarding the Town's Pension Plan and Budget and Actual schedules for Major Special Revenue Funds. This report also contains other supplementary information that complements, expands on or provides context for the basic financial statements themselves.

**Government-wide financial statements** – The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all Town assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the time of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works, recreation, and transportation. The business-type activities of the Town include the water and sewer system, as well as sanitation collection and disposal, and storm drainage.

The government-wide financial statements include not only the Town of Prosper itself (known as the primary government), but also a legally separate economic development corporation. Financial information for this component unit is reported discretely in the government-wide financial statements.

**Fund financial statements** – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Prosper, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the Town of Prosper can be divided into two categories: governmental funds and proprietary funds.

**Governmental funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information is useful in evaluating the government's near-term financing requirements and is most similar to the basis used for the Town's budget.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet and the government fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town of Prosper maintains sixteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Impact Fee Fund, Debt Service Fund, Capital Projects Fund, Escrow Fund and ARPA Fund, all of which are considered to be major funds. Data from the other ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements and certain budgetary schedules in this report. The basic governmental fund financial statements can be found immediately following this management's discussion and analysis.

The Town adopts an annual appropriated budget for its General Fund, Debt Service Fund, and Impact Fee Fund and several of the non-major governmental funds. Budgetary comparison schedules have been provided for these funds to demonstrate compliance with the budgets.

**Proprietary funds** – The town maintains two types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water, sewer, sanitation, and storm drainage activities. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The Internal Service Funds are used to accumulate and allocate costs internally among the Town's various functions. The Town uses its Internal Service Funds to account for its vehicle and equipment replacement program and employee health insurance program. Because these services predominately benefit the governmental rather than the business-type functions, they have been included within governmental activities in the government-wide financial statements.

**Notes to the financial statements** – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Other required information** – In addition to the basic financial statements and the accompanying notes, this report also presents certain required supplementary information concerning the Town’s progress in funding pension benefits to its employees.

The combining statements referred to earlier in connection to the non-major governmental funds are considered “other information” and are not a required part of the basic financial statements. They are presented immediately following the required supplementary information on pensions.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Town, assets and deferred outflows exceeded liabilities and deferred inflows by \$579,908 at the close of the most recent fiscal year.

A portion of the Town’s net position (91%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The Town of Prosper uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town’s net position (1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (8%) may be used to meet the Town’s ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the Town is able to report position balances in all categories of net position, both for the Town as a whole, as well as for its separate governmental and business-type activities.

### Town of Prosper's Net Position Government-Wide

|                                  | Governmental<br>Activities |                   | Business-Type<br>Activities |                   | Total             |                   |
|----------------------------------|----------------------------|-------------------|-----------------------------|-------------------|-------------------|-------------------|
|                                  | 2023                       | 2022              | 2023                        | 2022              | 2023              | 2022              |
| Current and other assets         | \$ 27,102                  | \$ 38,608         | \$ 20,633                   | \$ 16,324         | \$ 47,735         | \$ 54,932         |
| Restricted assets                | 119,365                    | 95,626            | 43,126                      | 21,136            | 162,491           | 116,762           |
| Capital assets                   | 429,015                    | 353,156           | 217,833                     | 196,972           | 646,848           | 550,128           |
| Total assets                     | <u>575,482</u>             | <u>487,390</u>    | <u>281,592</u>              | <u>234,432</u>    | <u>857,074</u>    | <u>721,822</u>    |
| Deferred outflows of resources   | 6,720                      | 4,053             | 888                         | 580               | 7,608             | 4,633             |
| Total outflows of resources      | <u>6,720</u>               | <u>4,053</u>      | <u>888</u>                  | <u>580</u>        | <u>7,608</u>      | <u>4,633</u>      |
| Long-term liabilities            | 191,952                    | 160,621           | 47,698                      | 29,217            | 239,650           | 189,838           |
| Other liabilities                | 36,872                     | 28,557            | 8,005                       | 5,252             | 44,877            | 33,809            |
| Total liabilities                | <u>228,824</u>             | <u>189,178</u>    | <u>55,703</u>               | <u>34,469</u>     | <u>284,527</u>    | <u>223,647</u>    |
| Deferred inflows of resources    | 19                         | 1,714             | 226                         | 639               | 245               | 2,353             |
| Total inflows of resources       | <u>19</u>                  | <u>1,714</u>      | <u>226</u>                  | <u>639</u>        | <u>245</u>        | <u>2,353</u>      |
| Net position:                    |                            |                   |                             |                   |                   |                   |
| Net investment in capital assets | 327,743                    | 268,677           | 199,462                     | 179,568           | 527,205           | 448,245           |
| Restricted                       | 6,408                      | 3,746             | 1,925                       | -                 | 8,333             | 3,746             |
| Unrestricted                     | 19,207                     | 28,128            | 25,163                      | 20,336            | 44,370            | 48,464            |
| Total net position               | <u>\$ 353,358</u>          | <u>\$ 300,551</u> | <u>\$ 226,550</u>           | <u>\$ 199,904</u> | <u>\$ 579,908</u> | <u>\$ 500,455</u> |

**Town of Prosper's Changes in Net Position  
Government-Wide**

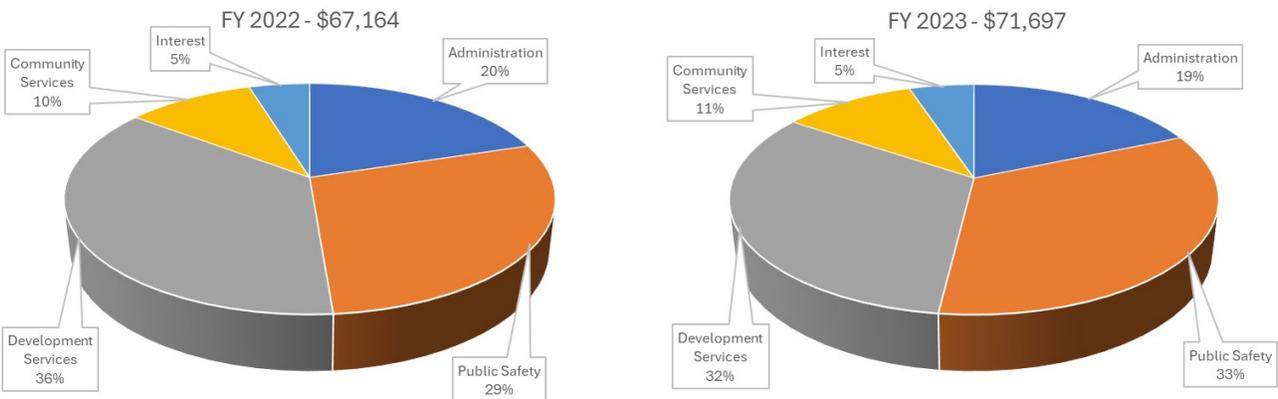
|                                   | Governmental Activities |                   | Business-Type Activities |                   | Total             |                   |
|-----------------------------------|-------------------------|-------------------|--------------------------|-------------------|-------------------|-------------------|
|                                   | 2023                    | 2022              | 2023                     | 2022              | 2023              | 2022              |
| <b>Revenues:</b>                  |                         |                   |                          |                   |                   |                   |
| Program revenues:                 |                         |                   |                          |                   |                   |                   |
| Charges for services              | \$ 17,420               | \$ 18,937         | \$ 35,014                | \$ 32,492         | \$ 52,434         | \$ 51,429         |
| Operating grants & contributions  | 1,812                   | 522               | 3,988                    | 2                 | 5,800             | 524               |
| Capital grants & contributions    | 40,189                  | 46,893            | 23,765                   | 26,838            | 63,954            | 73,731            |
| General revenues:                 |                         |                   |                          |                   |                   |                   |
| Property taxes                    | 38,596                  | 30,713            | -                        | -                 | 38,596            | 30,713            |
| Other taxes                       | 20,445                  | 18,749            | -                        | -                 | 20,445            | 18,749            |
| Investment income                 | 4,622                   | (100)             | 1,920                    | (138)             | 6,542             | (238)             |
| Other income                      | 186                     | 513               | 417                      | 290               | 603               | 803               |
| <b>Total revenues</b>             | <b>123,270</b>          | <b>116,227</b>    | <b>65,104</b>            | <b>59,484</b>     | <b>188,374</b>    | <b>175,711</b>    |
| <b>Expenses:</b>                  |                         |                   |                          |                   |                   |                   |
| Administration                    | 13,351                  | 13,552            | -                        | -                 | 13,351            | 13,552            |
| Police                            | 10,576                  | 8,691             | -                        | -                 | 10,576            | 8,691             |
| Fire                              | 13,303                  | 10,485            | -                        | -                 | 13,303            | 10,485            |
| Development Services              | 3,219                   | 3,543             | -                        | -                 | 3,219             | 3,543             |
| Public Works                      | 17,173                  | 18,904            | -                        | -                 | 17,173            | 18,904            |
| Community Services                | 7,516                   | 6,733             | -                        | -                 | 7,516             | 6,733             |
| Engineering                       | 2,895                   | 2,058             | -                        | -                 | 2,895             | 2,058             |
| Interest on long-term debt        | 3,664                   | 3,198             | -                        | -                 | 3,664             | 3,198             |
| Utility                           | -                       | -                 | 37,222                   | 30,988            | 37,222            | 30,988            |
| <b>Total expenses</b>             | <b>71,697</b>           | <b>67,164</b>     | <b>37,222</b>            | <b>30,988</b>     | <b>108,919</b>    | <b>98,152</b>     |
| Revenues in Excess of Expenses    | 51,573                  | 49,063            | 27,882                   | 28,496            | 79,455            | 77,559            |
| Transfers                         | 1,235                   | 569               | (1,235)                  | (569)             | -                 | -                 |
| Change in net position            | 52,807                  | 49,632            | 26,646                   | 27,927            | 79,453            | 77,559            |
| Net position - beginning of year  | 300,551                 | 251,245           | 199,904                  | 171,977           | 500,455           | 423,222           |
| Prior period adjustment           | -                       | (326)             | -                        | -                 | -                 | (326)             |
| <b>Net position - end of year</b> | <b>\$ 353,358</b>       | <b>\$ 300,551</b> | <b>\$ 226,550</b>        | <b>\$ 199,904</b> | <b>\$ 579,908</b> | <b>\$ 500,455</b> |

The following key elements influenced the changes in net position from the prior year:

Revenues for FY 2023 increased by \$17,164, or 17% in comparison to the prior year. The increase is primarily due to increases in sales taxes, property taxes, charges for services reflecting population growth, increases in property values and continued expansion of the Town's retail sector. Property taxes and sales taxes increased \$9,579 from prior year due to increased assessed value and growth in the Town. These increases were partially offset by reductions in grants (developer contributions) and contributions representing a modest slowdown in subdivision completions and final acceptance. Water and sewer charges for services increased \$2,522 over the prior year due to both commercial and residential growth within the Town. Excluding solid waste, rates were unchanged.

**Governmental Activities**

**Expense by Type  
Governmental Activities**



Governmental activities increased the Town’s net position by \$52,807. The following factors contributed to this change:

- Property and sales taxes increased by \$9,579 (19%) primarily due to a substantial increase in assessed valuation spread fairly evenly between new construction and existing values. The Town’s retail sector continues to expand and benefit from population growth both within the Town and neighboring communities.
- Capital grants and contributions decreased by \$6,704 (14%) primarily due to a reduction of developer contributions of infrastructure during the year. This number can be volatile as individual contributions can be large and recognition of the contribution is dependent on Engineering’s final acceptance of the infrastructure which also represents when the Town becomes responsible for maintaining the assets into perpetuity.
- Total governmental activity expenses increased by \$4,533 (7%) during the year primarily due to the overall growth that the Town has experienced including 30.5 additional positions (10.7%) added during the year. The largest functional areas affected by this growth were Police (\$1,886), Fire (\$2,819) with smaller increases in other departments offset by a decrease in Public Works (\$-1,732) which tends to be more volatile due to special projects and developer payments.

**Business-Type Activities**

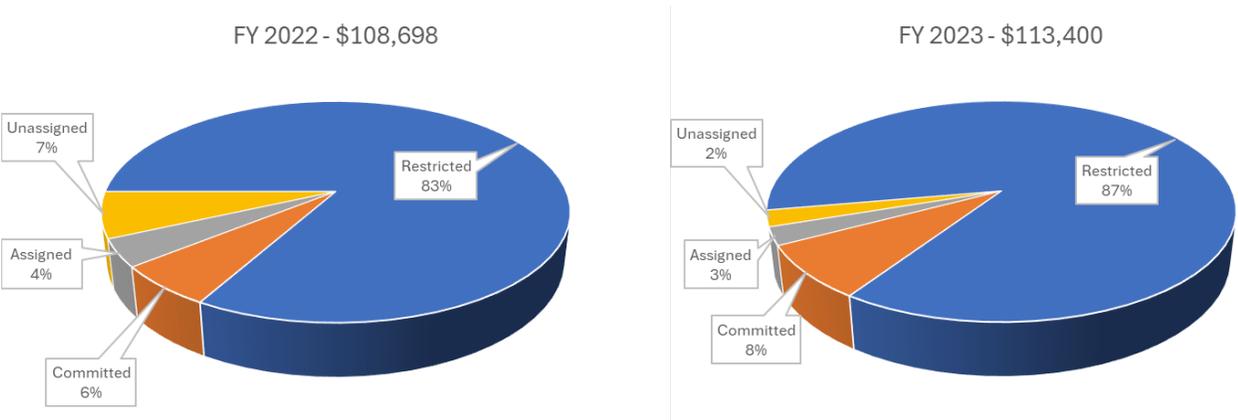
Business-type activities increased the Town’s net position by \$26,646. The following factors contributed to this change:

- Operating revenue increased by \$2,522 (8%) from the previous year due to an increase in water and sewer charges for service and increases in usage.
- Operating expenses increased by \$6,234 (20%) from the previous year due to an increase in contractual services mainly due to increases in usage and higher rates from the Town’s regional suppliers.
- Capital Grants and Contributions were \$23,765 and Operating Grants were \$3,988.
- As a Water/Wastewater distribution and collection utility, the Town relies on its regional suppliers for potable water and to treat all wastewater. Its ultimate goal is to breakeven overtime including all depreciation and all ongoing maintenance while maintaining financial policy reserves and exceeding debt coverage ratios. As a result, when fund balances begin to greatly exceed policy requirements, it is the Town’s practice to not raise or raise at a reduced amount rates even if that results in a small projected deficit for the year.

**FINANCIAL ANALYSIS OF THE TOWN’S FUNDS**

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Fund Balance by Type  
Governmental Funds**



**Governmental funds** – The focus of the Town’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available at the end of the fiscal year.

At the end of the current fiscal year, the Town’s governmental funds reported combined ending fund balances of \$113,400, an increase of \$4,702 from the prior year. Most of the increase is due to continued growth and the Town’s 2023 debt issuance in the amount of \$35 million. Of the current combined ending fund balance, \$144 is nonspendable due to prepaids and inventory, \$98,710 is restricted for debt service, capital projects, police, fire, grants, parks, courts, and other, \$8,903 is committed for contingency in accordance with the Town charter, \$2,955 was assigned for next year’s budget, and \$2,688 is unassigned.

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$2,688. Total unassigned fund balance represents 6% of total General Fund expenditures. The decrease in fund balance of \$4,236 is primarily due to transfers out of \$9,607 for capital outlay related to both the vehicles and equipment needed for the new positions added and to fund the capital dedicated levy, a pay as you go program used to reduce reliance on debt issuance.

The Impact Fee Fund has a total fund balance of \$7,303; which is restricted for capital projects. The balances in this fund will increase and decrease as the payments by developers and homebuilders will often be received years before the intended projects are bid and awarded or the developer is reimbursed for assets constructed.

The Debt Service Fund has a total fund balance of \$1,303; all of which is restricted for payment of debt service. The increase in fund balance of \$619 is primarily due to an increase in property tax collections throughout the year. State law now requires the Town to include these excess collections in its budget calculation for needed debt service in the upcoming year.

The Capital Projects Fund has a total fund balance of \$83,521; all of which is restricted for construction. The increase in fund balance of \$5,911 is due to the Town’s 2023 debt issuance and the Town’s goal to accelerate construction of infrastructure.

**Proprietary funds** – The Town’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. The Water and Sewer Fund Unrestricted Net Position at the end of the year was \$24,819. The increase in net position was \$20,787 to \$170,355. The majority of the increase was a result of developer contributions, impact fee revenue and an inter-governmental grant. The Solid Waste fund is new this year and had been previously reported within the Water and Sewer Fund. This change was made to provide greater transparency and to create a rate structure for solid waste services that was totally self-supporting. The deficit for the current year reflects the structure of the current solid waste outsourcing contract that will expire January 31, 2024. Effective February 1, 2024, solid waste charges to residential customers will include additional administrative fees to cover general and administrative expenses of the fund and to pay for the purchase of Town owned residential trash and recycling carts. The Stormwater Drainage Utility Fund Net Position increased by \$5,853 to \$56,189. This increase is from developer contributions offset by an operating loss due to depreciation.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

**Original budget compared to final budget** – During the year amendments to increase original revenue resulted from unanticipated grants. License and Permit revenue was increased due to expected strong building activity. Other budget amendments include increased budgeted expenditures in the Administration, Police, Fire, and Development Services functions. Expenditures increased for the mid-year hiring of personnel and capital projects which were delayed during the previous fiscal year due to the Coronavirus pandemic.

**Final budget compared to actual results** – Traditionally, the Town budgeted on a GAAP basis by reappropriating encumbered but unspent amounts at year end into the next year’s budget. This practice was stopped in 2023 as it blurred the lines between annual budgets and created the appearance of deficit budgets. Therefore, a reconciliation column has been added to the Budget and Actual Statement to restate GAAP actual to the new Budget Basis. During the year, revenues were \$721 more than estimated and expenditures were \$1,801 less than budgeted. The majority of the excess revenues arose from license and permit, sales taxes, and charges for services. The majority of expenditure savings was in Police, Fire, Development Services, and Public Works. In Police and Fire there was additional sales tax revenue collected in the two Special Purpose Districts and as these funds are dedicated to public safety salaries, at the end of the year General Fund salaries were reallocated to these funds in order to reduce fund balance to policy targets. Development Services and Public Works had salary savings for vacant positions.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

**Capital assets** – The Town’s investment in capital assets for its governmental and business-type activities as of September 30, 2023 is \$646,847 (net of accumulated depreciation). This investment in capital assets includes land, buildings and infrastructure, and equipment.

Major capital asset events during the current fiscal year included the following:

- Capital asset acquisitions in governmental activities totaled \$62,374,423. The majority of this activity was funded from bond proceeds and was for streets, parks, and related infrastructure.
- Capital asset additions in business-type activities totaled \$27,650,909. The majority of this activity was funded from bond proceeds and was for new water and sewer projects.

|                                     | Governmental<br>Activities |            | Business-Type<br>Activities |            | Total      |            |
|-------------------------------------|----------------------------|------------|-----------------------------|------------|------------|------------|
|                                     | 2023                       | 2022       | 2023                        | 2022       | 2023       | 2022       |
| Government-wide capital assets:     |                            |            |                             |            |            |            |
| Non-depreciable assets              | \$ 130,045                 | \$ 104,527 | \$ 13,436                   | \$ 8,321   | \$ 143,480 | \$ 112,848 |
| Depreciable assets                  | 376,055                    | 318,341    | 246,143                     | 223,669    | 622,198    | 542,010    |
| Right to use assets                 | 5,590                      | 454        | 320                         | -          | 5,910      | 454        |
| Total capital assets                | 511,690                    | 423,322    | 259,899                     | 231,990    | 771,589    | 655,312    |
| Less: accumulated depreciation      | (82,676)                   | (70,166)   | (42,066)                    | (35,019)   | (124,742)  | (105,185)  |
| Government-wide capital assets, net | \$ 429,014                 | \$ 353,156 | \$ 217,833                  | \$ 196,971 | \$ 646,847 | \$ 550,127 |

Additional information on the Town’s capital assets can be found in the capital asset (Note VI) of the notes to the financial statements.

**Long-term liabilities** – At the end of the current fiscal year, the Town had long-term liabilities outstanding of \$253,008. The Town’s debt is backed by the full faith and credit of the Town.

The Town’s bond ratings are AA+ as assigned by Standard & Poor’s and Aa1 as assigned by Moody’s.

Total long-term liabilities consisted of the following:

|  | Governmental<br>Activities |            | Business-Type<br>Activities |           | Total      |            |
|--|----------------------------|------------|-----------------------------|-----------|------------|------------|
|  | 2023                       | 2022       | 2023                        | 2022      | 2023       | 2022       |
| Government-wide long-term liabilities:                     |                            |            |                             |           |            |            |
| Certificates of obligation and<br>general obligation bonds | \$ 178,911                 | \$ 150,745 | \$ 47,494                   | \$ 29,296 | \$ 226,405 | \$ 180,041 |
| Bonds premium on issuance                                  | 12,018                     | 12,790     | 2,179                       | 1,754     | 14,197     | 14,544     |
| Compensated absences payable                               | 2,815                      | 2,389      | 297                         | 289       | 3,112      | 2,678      |
| Lease payable  | 324                        | 387        | -                           | -         | 324        | -          |
| SBITA payable  | 824                        | -          | -                           | -         | 824        | -          |
| Net pension liability                                      | 7,240                      | 2,200      | 906                         | 277       | 8,146      | 2,477      |
| Total government-wide<br>long-term liabilities             | \$ 202,132                 | \$ 168,511 | \$ 50,876                   | \$ 31,616 | \$ 253,008 | \$ 200,127 |

Additional information on the Town’s long-term liabilities can be found in the long-term liabilities (Note VIII) in the notes to the financial statements.

## NEXT YEAR’S BUDGET

The Town continues to thrive, with residential and commercial development occurring at high levels. The resulting increase in property values reflects the commitment of the Council and the efforts of the Prosper Economic Development Corporation (PEDC) to attract quality development. The FY 2024 Adopted Budget addresses the need for increased service levels due to growth while also placing a major emphasis on capital needs. A capital dedicated portion of the Maintenance & Operations levy created in the FY 2023 budget was continued at 10.2 cents of the total 51 cent levy. This capital dedicated allows the Town to quickly address capital needs while also managing the Town’s overall debt levels.

### Revenue Projection Highlights

Highlights of the Fiscal Year 2024 budget:

- A total of 31.75 positions were added including eleven police officers to facilitate a new patrol philosophy.
- Property values increased by \$1.7 billion from total taxable of \$6.6 billion to 8.3 billion a 26% increase. This increase included \$889 million of new construction.
- New general capital projects budgeted for the year were \$71,170.
- New water and sewer capital projects totaled \$72,114.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Town Manager, P.O. Box 307, Prosper, Texas 75078 or contact us at [prospertx.gov](http://prospertx.gov).



# BASIC FINANCIAL STATEMENTS

**TOWN OF PROSPER, TEXAS**

STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

|  | Primary Government      |                          |                    | Component Unit    |
|--|-------------------------|--------------------------|--------------------|-------------------|
|  | Governmental Activities | Business-Type Activities | Total              | Prosper EDC       |
| <b>ASSETS</b>  |                         |                          |                    |                   |
| Cash and cash equivalents                                    | \$ 16,994,628           | \$ 7,619,706             | \$ 24,614,334      | \$ 15,593,990     |
| Investments  | 4,434,646               | 1,974,299                | 6,408,945          | -                 |
| Taxes receivable, net  | 4,052,183               | -                        | 4,052,183          | 911,593           |
| Receivables, net   | 1,191,690               | 9,876,140                | 11,067,830         | -                 |
| Accrued interest   | 272,866                 | 142,411                  | 415,277            | -                 |
| Inventory  | 110,968                 | 1,020,475                | 1,131,443          | -                 |
| Prepays  | 44,819                  | -                        | 44,819             | 5,500             |
| Restricted assets:   |                         |                          |                    |                   |
| Restricted cash  | 71,731,110              | 30,821,022               | 102,552,132        | -                 |
| Restricted investments                                       | 47,633,570              | 12,305,443               | 59,939,013         | -                 |
| Capital assets not being depreciated/amortized:              |                         |                          |                    |                   |
| Land   | 84,464,478              | 1,918,521                | 86,382,999         | 4,200,978         |
| Construction in progress                                     | 45,580,317              | 11,517,123               | 57,097,440         | -                 |
| Capital assets net of accumulated depreciation/amortization: |                         |                          |                    |                   |
| Buildings and improvements                                   | 73,649,698              | 78,671                   | 73,728,369         | -                 |
| Equipment  | 13,394,871              | 1,011,180                | 14,406,051         | -                 |
| Right to use - vehicles and equipment                        | 2,464,847               | 238,535                  | 2,703,382          | -                 |
| Right to use - SBITA   | 1,139,884               | -                        | 1,139,884          | -                 |
| Intangible assets  | -                       | 13,543,447               | 13,543,447         | -                 |
| Infrastructure   | <u>208,320,440</u>      | <u>189,525,043</u>       | <u>397,845,483</u> | -                 |
| Total Assets   | <u>575,481,015</u>      | <u>281,592,016</u>       | <u>857,073,031</u> | <u>20,712,061</u> |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>                        |                         |                          |                    |                   |
| Deferred charge on refunding                                 | 468,719                 | 105,686                  | 574,405            | -                 |
| Pension related  | <u>6,251,718</u>        | <u>781,909</u>           | <u>7,033,627</u>   | <u>87,590</u>     |
| Total Deferred Outflows of Resources                         | <u>6,720,437</u>        | <u>887,595</u>           | <u>7,608,032</u>   | <u>87,590</u>     |

**TOWN OF PROSPER, TEXAS**

Item 4.

STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

|                                      | Primary Government      |                          |                       | Component Unit       |
|--------------------------------------|-------------------------|--------------------------|-----------------------|----------------------|
|                                      | Governmental Activities | Business-Type Activities | Total                 | Prosper EDC          |
| <b>LIABILITIES</b>                   |                         |                          |                       |                      |
| Accounts payable                     | 10,996,788              | 4,042,760                | 15,039,548            | 38,945               |
| Accrued expenses                     | 1,346,812               | -                        | 1,346,812             | -                    |
| Retainage payable                    | 1,387,163               | 457,800                  | 1,844,963             | -                    |
| Accrued interest payable             | 716,834                 | 202,971                  | 919,805               | -                    |
| Unearned revenue                     | 6,102,367               | -                        | 6,102,367             | -                    |
| Customer deposits and escrow payable | 6,142,826               | 123,000                  | 6,265,826             | -                    |
| Noncurrent liabilities:              |                         |                          |                       |                      |
| Due within one year                  |                         |                          |                       |                      |
| Long-term debt                       | 10,179,760              | 3,178,554                | 13,358,314            | 11,100               |
| Due in more than one year            |                         |                          |                       |                      |
| Long-term debt                       | 184,711,655             | 46,792,133               | 231,503,788           | 33,301               |
| Net pension liability                | 7,240,492               | 905,575                  | 8,146,067             | 101,444              |
| Total Liabilities                    | <u>228,824,697</u>      | <u>55,702,793</u>        | <u>284,527,490</u>    | <u>184,790</u>       |
| <b>DEFERRED INFLOWS OF RESOURCES</b> |                         |                          |                       |                      |
| Lease related                        | 12,938                  | 225,545                  | 238,483               | -                    |
| Pension related                      | <u>6,078</u>            | <u>760</u>               | <u>6,838</u>          | <u>85</u>            |
| Total Deferred Inflows of Resources  | <u>19,016</u>           | <u>226,305</u>           | <u>245,321</u>        | <u>85</u>            |
| <b>NET POSITION</b>                  |                         |                          |                       |                      |
| Net investment in capital assets     | 327,743,357             | 199,461,540              | 527,204,897           | 4,200,978            |
| Restricted for:                      |                         |                          |                       |                      |
| Debt service                         | 841,617                 | -                        | 841,617               | -                    |
| Courts                               | 72,309                  | -                        | 72,309                | -                    |
| Fire                                 | 492,077                 | -                        | 492,077               | -                    |
| Police                               | 572,093                 | -                        | 572,093               | -                    |
| Grants                               | 250,819                 | -                        | 250,819               | -                    |
| Parks                                | 2,334,125               | -                        | 2,334,125             | -                    |
| Impact fees                          | -                       | 1,925,036                | 1,925,036             | -                    |
| Other                                | 1,845,235               | -                        | 1,845,235             | -                    |
| Economic development                 | -                       | -                        | -                     | 16,413,798           |
| Unrestricted                         | <u>19,206,107</u>       | <u>25,163,937</u>        | <u>44,370,044</u>     | <u>-</u>             |
| Total Net Position                   | <u>\$ 353,357,739</u>   | <u>\$ 226,550,513</u>    | <u>\$ 579,908,252</u> | <u>\$ 20,614,776</u> |

**TOWN OF PROSPER, TEXAS**

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED SEPTEMBER 30, 2023

| Functions/Programs             | Expenses           | Program Revenues     |                                    |                                  |
|--------------------------------|--------------------|----------------------|------------------------------------|----------------------------------|
|                                |                    | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions |
| Primary government:            |                    |                      |                                    |                                  |
| Governmental activities:       |                    |                      |                                    |                                  |
| Administration                 | \$ 13,351,155      | \$ 2,899,331         | \$ 1,648,378                       | \$ -                             |
| Police                         | 10,576,268         | 80,045               | 98,238                             | -                                |
| Fire & EMS                     | 13,303,441         | 1,354,168            | 33,686                             | -                                |
| Development Services           | 3,219,447          | 4,725,034            | -                                  | -                                |
| Public Works                   | 17,172,548         | 7,667,474            | -                                  | 39,240,412                       |
| Community Services             | 7,516,422          | 690,523              | 31,860                             | 948,979                          |
| Engineering                    | 2,895,394          | 3,750                | -                                  | -                                |
| Interest and fiscal charges    | 3,664,161          | -                    | -                                  | -                                |
| Total governmental activities  | <u>71,698,836</u>  | <u>17,420,325</u>    | <u>1,812,162</u>                   | <u>40,189,391</u>                |
| Business-type activities:      |                    |                      |                                    |                                  |
| Water and sewer                | 32,395,464         | 31,658,573           | 3,988,204                          | 16,157,776                       |
| Solid waste                    | 2,535,247          | 2,488,353            | -                                  | -                                |
| Storm drainage                 | 2,291,304          | 867,386              | -                                  | 7,606,905                        |
| Total business-type activities | <u>37,222,015</u>  | <u>35,014,312</u>    | <u>3,988,204</u>                   | <u>23,764,681</u>                |
| Total Primary Government       | <u>108,920,851</u> | <u>52,434,637</u>    | <u>5,800,366</u>                   | <u>63,954,072</u>                |
| Component unit:                |                    |                      |                                    |                                  |
| Prosper Economic Development   | \$ 1,024,758       | \$ -                 | \$ -                               | \$ -                             |

General Revenues:  
 Property taxes  
 Sales and use taxes  
 Franchise fees  
 Unrestricted investment earnings  
 Miscellaneous revenue  
 Transfers  
 Total general revenues and transfers

Change in Net Position  
 Net Position - Beginning  
 Net Position - Ending

| Net (Expense) Revenue and Changes in Net Position |                             |                       | Component                          |
|---|-----------------------------|-----------------------|------------------------------------|
| Primary Government                                |                             |                       | Unit                               |
| Governmental<br>Activities                        | Business-Type<br>Activities | Total                 | Prosper<br>Economic<br>Development |
| \$ (8,803,446)                                    | \$ -                        | \$ (8,803,446)        | \$ -                               |
| (10,397,985)                                      | -                           | (10,397,985)          | -                                  |
| (11,915,587)                                      | -                           | (11,915,587)          | -                                  |
| 1,505,587   | -                           | 1,505,587             | -                                  |
| 29,735,338  | -                           | 29,735,338            | -                                  |
| (5,845,060)                                       | -                           | (5,845,060)           | -                                  |
| (2,891,644)                                       | -                           | (2,891,644)           | -                                  |
| (3,664,161)                                       | -                           | (3,664,161)           | -                                  |
| <u>(12,276,958)</u>                               | <u>-</u>                    | <u>(12,276,958)</u>   | <u>-</u>                           |
| -   | 19,409,089                  | 19,409,089            | -                                  |
| -   | (46,894)                    | (46,894)              | -                                  |
| <u>-</u>  | <u>6,182,987</u>            | <u>6,182,987</u>      | <u>-</u>                           |
| <u>-</u>  | <u>25,545,182</u>           | <u>25,545,182</u>     | <u>-</u>                           |
| <u>(12,276,958)</u>                               | <u>25,545,182</u>           | <u>13,268,224</u>     | <u>-</u>                           |
| <u>-</u>  | <u>-</u>                    | <u>-</u>              | <u>(1,024,758)</u>                 |
| 38,596,149  | -                           | 38,596,149            | -                                  |
| 17,513,294  | -                           | 17,513,294            | 4,771,035                          |
| 2,931,315   | -                           | 2,931,315             | -                                  |
| 4,622,005   | 1,919,685                   | 6,541,690             | 597,798                            |
| 185,729   | 416,812                     | 602,541               | 2,028                              |
| 1,235,335   | (1,235,335)                 | -                     | -                                  |
| <u>65,083,827</u>                                 | <u>1,101,162</u>            | <u>66,184,989</u>     | <u>5,370,861</u>                   |
| <u>52,806,869</u>                                 | <u>26,646,344</u>           | <u>79,453,213</u>     | <u>4,346,103</u>                   |
| <u>300,550,870</u>                                | <u>199,904,169</u>          | <u>500,455,039</u>    | <u>16,268,673</u>                  |
| <u>\$ 353,357,739</u>                             | <u>\$ 226,550,513</u>       | <u>\$ 579,908,252</u> | <u>\$ 20,614,776</u>               |

**TOWN OF PROSPER, TEXAS**

BALANCE SHEET - GOVERNMENTAL FUNDS

SEPTEMBER 30, 2023

|  | <u>General</u>       | <u>Impact Fees</u>  | <u>Debt Service</u> |
|--|----------------------|---------------------|---------------------|
| <b>ASSETS</b>  |                      |                     |                     |
| Cash and cash equivalents  | \$ 12,032,890        | \$ 6,748,581        | \$ 1,032,218        |
| Investments  | 3,147,638            | 1,762,173           | 270,746             |
| Taxes receivable (net)   | 2,495,204            | -                   | 254,042             |
| Accounts receivable (net)  | 1,142,183            | -                   | -                   |
| Accrued interest   | 70,928               | 39,697              | 6,099               |
| Due from other funds   | -                    | -                   | -                   |
| Inventory  | 110,968              | -                   | -                   |
| Prepaid items  | 33,202               | -                   | -                   |
| Total assets   | <u>19,033,013</u>    | <u>8,550,451</u>    | <u>1,563,105</u>    |
| <b>LIABILITIES</b>   |                      |                     |                     |
| Accounts payable   | 2,186,846            | 1,247,487           | 4,654               |
| Accrued expenses   | 1,145,148            | -                   | -                   |
| Unearned revenue   | -                    | -                   | -                   |
| Retainage payable  | -                    | -                   | -                   |
| Escrow payable   | -                    | -                   | -                   |
| Due to other funds   | 31,451               | -                   | -                   |
| Total liabilities  | <u>3,363,445</u>     | <u>1,247,487</u>    | <u>4,654</u>        |
| <b>DEFERRED INFLOWS OF RESOURCES</b>                                   |                      |                     |                     |
| Lease related  | 12,938               | -                   | -                   |
| Unavailable revenue:   |                      |                     |                     |
| Property taxes   | 537,266              | -                   | 255,931             |
| Fines and fees   | 27,647               | -                   | -                   |
| EMS  | 402,108              | -                   | -                   |
| Total deferred inflows of resources                                    | <u>979,959</u>       | <u>-</u>            | <u>255,931</u>      |
| <b>FUND BALANCES</b>   |                      |                     |                     |
| Nonspendable for:  |                      |                     |                     |
| Inventory  | 110,968              | -                   | -                   |
| Prepaid items  | 33,202               | -                   | -                   |
| Restricted for:  |                      |                     |                     |
| Debt service   | -                    | -                   | 1,302,520           |
| Capital projects   | -                    | 7,302,964           | -                   |
| Courts   | -                    | -                   | -                   |
| Police   | -                    | -                   | -                   |
| Fire   | -                    | -                   | -                   |
| Grants   | -                    | -                   | -                   |
| Parks  | -                    | -                   | -                   |
| Other  | -                    | -                   | -                   |
| Committed for:   |                      |                     |                     |
| Contingency reserve  | 8,902,838            | -                   | -                   |
| Assigned for:  |                      |                     |                     |
| Next year's budget: appropriation of fund balance                      | 2,954,844            | -                   | -                   |
| Unassigned   | 2,687,757            | -                   | -                   |
| Total fund balances  | <u>14,689,609</u>    | <u>7,302,964</u>    | <u>1,302,520</u>    |
| Total liabilities, deferred inflows of resources,<br>and fund balances | <u>\$ 19,033,013</u> | <u>\$ 8,550,451</u> | <u>\$ 1,563,105</u> |

The accompanying notes are an integral part of these financial statements.

| Capital Projects     | Escrow              | ARPA                | Nonmajor Governmental | Total Governmental Funds |
|----------------------|---------------------|---------------------|-----------------------|--------------------------|
| \$ 49,865,077        | \$ 4,847,278        | \$ 5,011,193        | \$ 4,226,763          | \$ 83,764,000            |
| 41,858,780           | 1,295,548           | 1,341,993           | 1,104,330             | 50,781,208               |
| -                    | -                   | -                   | 1,302,937             | 4,052,183                |
| -                    | -                   | -                   | 14,343                | 1,156,526                |
| 102,271              | -                   | -                   | 24,878                | 243,873                  |
| 31,451               | -                   | -                   | -                     | 31,451                   |
| -                    | -                   | -                   | -                     | 110,968                  |
| -                    | -                   | -                   | -                     | 33,202                   |
| <u>91,857,579</u>    | <u>6,142,826</u>    | <u>6,353,186</u>    | <u>6,673,251</u>      | <u>140,173,411</u>       |
| 6,991,886            | -                   | -                   | 96,276                | 10,527,149               |
| -                    | -                   | -                   | 201,664               | 1,346,812                |
| -                    | -                   | 6,102,367           | -                     | 6,102,367                |
| 1,344,786            | -                   | -                   | 42,377                | 1,387,163                |
| -                    | 6,142,826           | -                   | -                     | 6,142,826                |
| -                    | -                   | -                   | -                     | 31,451                   |
| <u>8,336,672</u>     | <u>6,142,826</u>    | <u>6,102,367</u>    | <u>340,317</u>        | <u>25,537,768</u>        |
| -                    | -                   | -                   | -                     | 12,938                   |
| -                    | -                   | -                   | -                     | 793,197                  |
| -                    | -                   | -                   | -                     | 27,647                   |
| -                    | -                   | -                   | -                     | 402,108                  |
| <u>-</u>             | <u>-</u>            | <u>-</u>            | <u>-</u>              | <u>1,235,890</u>         |
| -                    | -                   | -                   | -                     | 110,968                  |
| -                    | -                   | -                   | -                     | 33,202                   |
| -                    | -                   | -                   | -                     | 1,302,520                |
| 83,520,907           | -                   | -                   | 1,017,095             | 91,840,966               |
| -                    | -                   | -                   | 72,309                | 72,309                   |
| -                    | -                   | -                   | 572,093               | 572,093                  |
| -                    | -                   | -                   | 492,077               | 492,077                  |
| -                    | -                   | 250,819             | -                     | 250,819                  |
| -                    | -                   | -                   | 2,334,125             | 2,334,125                |
| -                    | -                   | -                   | 1,845,235             | 1,845,235                |
| -                    | -                   | -                   | -                     | 8,902,838                |
| -                    | -                   | -                   | -                     | 2,954,844                |
| -                    | -                   | -                   | -                     | 2,687,757                |
| <u>83,520,907</u>    | <u>-</u>            | <u>250,819</u>      | <u>6,332,934</u>      | <u>113,399,753</u>       |
| <u>\$ 91,857,579</u> | <u>\$ 6,142,826</u> | <u>\$ 6,353,186</u> | <u>\$ 6,673,251</u>   | <u>\$ 140,173,411</u>    |



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**TOWN OF PROSPER, TEXAS**

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION

SEPTEMBER 30, 2023

|  |    |               |
|--|----|---------------|
| Total Fund Balances - Governmental Funds   | \$ | 113,399,753   |
| Amounts reported for governmental activities in the statement of net position are different because:   |    |               |
| Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.   |    | 425,783,210   |
| Bonds payable, leases payable and accrued compensated absences will not be liquidated with current financial resources and therefore have not been included in the fund financial statements.  |    | (182,873,062) |
| Interest payable on long-term debt is accrued in the government-wide financial statements, whereas in the fund financial statements, interest expenditures are reported when due.  |    | (716,834)     |
| Premiums on bond issuances and deferred losses on bond refunding are recorded as other financing sources and uses when paid in the fund financial statements but are capitalized and amortized in the government-wide financial statements over the life of the bonds.   |    |               |
| Premiums   |    | (12,018,353)  |
| Deferred loss  |    | 468,719       |
| Receivables from property taxes and fines and fees are not available soon enough to pay for the current period's expenditures and are, therefore, deferred in the fund financial statements.   |    | 1,222,952     |
| Included in the items related to debt is the recognition of the Town's proportionate share of the net pension liability and related deferred outflows and inflows of resources. The net effect is to decrease net position.  |    |               |
| Net pension liability  |    | (7,240,492)   |
| Deferred outflows related to pensions  |    | 6,251,718     |
| Deferred inflows related to pensions   |    | (6,078)       |
| The Town uses internal service funds to charge the costs of the medical program and the vehicle and equipment replacement program to appropriate departments in other funds. The assets and liabilities of the internal service fund are included in the governmental activities in the statement of net position. The net effect is to increase net position. |    | 9,086,206     |
| Net Position of Governmental Activities  | \$ | 353,357,739   |

**TOWN OF PROSPER, TEXAS**

Item 4.

STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|  | <u>General</u>       | <u>Impact<br/>Fees</u> | <u>Debt<br/>Service</u> |
|--|----------------------|------------------------|-------------------------|
| <b>REVENUES</b>  |                      |                        |                         |
| Taxes:   |                      |                        |                         |
| Property   | \$ 23,634,916        | \$ -                   | \$ 13,317,801           |
| Sales  | 10,335,691           | -                      | -                       |
| Franchise fees   | 2,931,315            | -                      | -                       |
| Licenses and permits   | 6,435,235            | -                      | -                       |
| Charges for services   | 1,360,939            | -                      | -                       |
| Impact fees  | -                    | 7,205,241              | -                       |
| Escrow income  | -                    | -                      | -                       |
| Intergovernmental  | 241,170              | -                      | -                       |
| Investment income  | 1,062,144            | 365,037                | 144,293                 |
| Fines, fees, warrants, and seizures                          | 397,326              | -                      | -                       |
| Park fees  | 694,570              | -                      | -                       |
| Contributions  | -                    | -                      | -                       |
| Miscellaneous  | 162,554              | -                      | -                       |
| Total Revenues   | <u>47,255,860</u>    | <u>7,570,278</u>       | <u>13,462,094</u>       |
| <b>EXPENDITURES</b>  |                      |                        |                         |
| Current:   |                      |                        |                         |
| Administration   | 9,782,899            | -                      | -                       |
| Police   | 7,666,657            | -                      | -                       |
| Fire   | 9,939,170            | -                      | -                       |
| Development Services   | 3,236,771            | -                      | -                       |
| Public Works   | 4,343,751            | 5,070,776              | -                       |
| Community Services   | 6,107,385            | -                      | -                       |
| Engineering  | 2,821,267            | -                      | -                       |
| Capital outlay   | -                    | -                      | -                       |
| Debt service:  |                      |                        |                         |
| Principal  | 613,073              | -                      | 7,229,006               |
| Interest and fiscal charges                                  | 3,219                | -                      | 5,594,880               |
| Bond issue costs and fees                                    | -                    | -                      | 41,753                  |
| Total Expenditures   | <u>44,514,192</u>    | <u>5,070,776</u>       | <u>12,865,639</u>       |
| Excess (Deficiency) of Revenues<br>Over (Under) Expenditures | 2,741,668            | 2,499,502              | 596,455                 |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                      |                        |                         |
| Issuance of debt   | -                    | -                      | -                       |
| Premium on issuance of bonds                                 | -                    | -                      | -                       |
| Refunding bonds issued                                       | -                    | -                      | 2,095,000               |
| Premium on refunding bonds issued                            | -                    | -                      | 174,593                 |
| Payments to bond escrow agent                                | -                    | -                      | (2,246,885)             |
| Issuance of SBITA  | 1,373,301            | -                      | -                       |
| Insurance proceeds   | 20,759               | -                      | -                       |
| Transfers in   | 1,235,335            | -                      | -                       |
| Transfers out  | (9,607,373)          | (1,691,025)            | -                       |
| Total Other Financing Sources (Uses)                         | <u>(6,977,978)</u>   | <u>(1,691,025)</u>     | <u>22,708</u>           |
| <b>NET CHANGE IN FUND BALANCE</b>                            | (4,236,310)          | 808,477                | 619,163                 |
| <b>FUND BALANCES - BEGINNING</b>                             | <u>18,925,919</u>    | <u>6,494,487</u>       | <u>683,357</u>          |
| <b>FUND BALANCES - ENDING</b>                                | <u>\$ 14,689,609</u> | <u>\$ 7,302,964</u>    | <u>\$ 1,302,520</u>     |

The accompanying notes are an integral part of these financial statements.

| Capital Projects     | Escrow           | ARPA              | Nonmajor Governmental | Governmental Funds    |
|----------------------|------------------|-------------------|-----------------------|-----------------------|
| \$ -                 | \$ -             | \$ -              | \$ 1,023,152          | \$ 37,975,869         |
| -                    | -                | -                 | 7,177,603             | 17,513,294            |
| -                    | -                | -                 | -                     | 2,931,315             |
| -                    | -                | -                 | -                     | 6,435,235             |
| -                    | -                | -                 | -                     | 1,360,939             |
| -                    | -                | -                 | 457,733               | 7,662,974             |
| -                    | 845,117          | -                 | -                     | 845,117               |
| -                    | -                | -                 | 200,550               | 441,720               |
| 2,352,134            | -                | 224,206           | 221,468               | 4,369,282             |
| -                    | -                | -                 | 33,589                | 430,915               |
| -                    | -                | -                 | -                     | 694,570               |
| -                    | -                | -                 | 2,360,403             | 2,360,403             |
| -                    | -                | -                 | 2,416                 | 164,970               |
| <u>2,352,134</u>     | <u>845,117</u>   | <u>224,206</u>    | <u>11,476,914</u>     | <u>83,186,603</u>     |
| -                    | -                | -                 | 3,723,511             | 13,506,410            |
| -                    | -                | -                 | 2,777,410             | 10,444,067            |
| -                    | -                | -                 | 2,753,480             | 12,692,650            |
| -                    | -                | -                 | -                     | 3,236,771             |
| -                    | -                | -                 | -                     | 9,414,527             |
| -                    | -                | -                 | 847,546               | 6,954,931             |
| -                    | -                | -                 | -                     | 2,821,267             |
| 45,547,937           | -                | -                 | -                     | 45,547,937            |
| -                    | -                | -                 | -                     | 7,842,079             |
| -                    | -                | -                 | -                     | 5,598,099             |
| 335,246              | -                | -                 | -                     | 376,999               |
| <u>45,883,183</u>    | <u>-</u>         | <u>-</u>          | <u>10,101,947</u>     | <u>118,435,737</u>    |
| (43,531,049)         | 845,117          | 224,206           | 1,374,967             | (35,249,134)          |
| 35,535,000           | -                | -                 | -                     | 35,535,000            |
| 1,763,739            | -                | -                 | -                     | 1,763,739             |
| -                    | -                | -                 | -                     | 2,095,000             |
| -                    | -                | -                 | -                     | 174,593               |
| -                    | -                | -                 | -                     | (2,246,885)           |
| -                    | -                | -                 | -                     | 1,373,301             |
| -                    | -                | -                 | -                     | 20,759                |
| 12,143,515           | -                | -                 | -                     | 13,378,850            |
| -                    | (845,117)        | -                 | -                     | (12,143,515)          |
| <u>49,442,254</u>    | <u>(845,117)</u> | <u>-</u>          | <u>-</u>              | <u>39,950,842</u>     |
| 5,911,205            | -                | 224,206           | 1,374,967             | 4,701,708             |
| <u>77,609,702</u>    | <u>-</u>         | <u>26,613</u>     | <u>4,957,967</u>      | <u>108,698,045</u>    |
| \$ <u>83,520,907</u> | \$ <u>-</u>      | \$ <u>250,819</u> | \$ <u>6,332,934</u>   | \$ <u>113,399,753</u> |



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**TOWN OF PROSPER, TEXAS**

**RECONCILIATION OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**

FOR THE YEAR ENDED SEPTEMBER 30, 2023

Net Changes in Fund Balances - Governmental Funds \$ 4,701,708

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities that cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The net effect of miscellaneous transactions involving capital assets (i.e., sales, trade-ins, or donations) to net position.

Capital outlay 48,726,596  
Depreciation and amortization expense (11,820,930)

Governmental funds do not recognize assets contributed by others. However, in the statement of activities, the fair market value of those assets are recognized as revenue then allocated over their estimated useful lives and reported as depreciation expense.

39,240,412

The issuance of long-term debt (e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas the amounts are deferred and amortized in the Statement of Activities.

Issuance of bonds (37,630,000)  
Premium on bond issuance (1,938,332)  
Issuance of refunding bonds 2,235,000  
Issuance of SBITA (1,373,301)  
Repayment of principal of long-term debt 7,842,079  
Amortization of:  
Premium on bond issuance 2,710,265  
Loss on refunding (227,673)

Current year changes in certain long-term liabilities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated absences (426,294)  
Net pension liability (475,992)

Interest payable on long-term debt is accrued in the government-wide financial statements, whereas in the fund financial statements, interest expenditures are reported when due. The increase in interest accrual decreases net position.

(159,770)

The Town uses an internal service fund to charge the costs of the medical program and the vehicle and equipment replacement program to the appropriate departments in other funds. The change in net position of the internal service fund is reported with governmental activities.

833,228

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

569,873

Change in Net Position of Governmental Activities \$ 52,806,869

**TOWN OF PROSPER, TEXAS**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GENERAL FUND  
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|  | Original<br>Budget   | Final<br>Budget      | Actual<br>Amounts<br>GAAP Basis |
|--|----------------------|----------------------|---------------------------------|
| <b>REVENUES</b>  |                      |                      |                                 |
| Property   | \$ 23,519,547        | \$ 23,519,547        | \$ 23,634,916                   |
| Sales  | 10,220,208           | 10,220,208           | 10,335,691                      |
| Franchise  | 2,404,527            | 2,404,527            | 2,931,315                       |
| Licenses and permits   | 6,325,530            | 6,325,530            | 6,435,235                       |
| Charges for services   | 1,240,962            | 1,240,961            | 1,360,939                       |
| Intergovernmental  | 1,525,000            | 1,525,000            | 241,170                         |
| Investment income  | 150,000              | 150,000              | 1,062,144                       |
| Fines, fees, warrants and seizures                           | 250,425              | 250,425              | 397,326                         |
| Park fees  | 509,300              | 509,300              | 694,570                         |
| Miscellaneous  | <u>124,475</u>       | <u>204,475</u>       | <u>162,554</u>                  |
| Total revenues   | <u>46,269,974</u>    | <u>46,349,973</u>    | <u>47,255,860</u>               |
| <b>EXPENDITURES</b>  |                      |                      |                                 |
| Current:   |                      |                      |                                 |
| Administration   | 9,341,007            | 10,070,908           | 9,782,899                       |
| Police   | 6,635,120            | 7,746,233            | 7,666,657                       |
| Fire   | 9,990,721            | 10,025,804           | 9,939,170                       |
| Development Services   | 4,173,570            | 4,468,057            | 3,236,771                       |
| Public Works   | 4,136,738            | 3,962,414            | 4,343,751                       |
| Community Services   | 7,174,446            | 7,287,646            | 6,107,385                       |
| Engineering  | 2,601,325            | 2,903,192            | 2,821,267                       |
| Debt service:  |                      |                      |                                 |
| Principal  | -                    | -                    | 613,073                         |
| Interest and fiscal charges                                  | <u>-</u>             | <u>-</u>             | <u>3,219</u>                    |
| Total expenditures   | <u>44,052,927</u>    | <u>46,464,254</u>    | <u>44,514,192</u>               |
| Excess (deficiency) of revenues<br>over (under) expenditures | 2,217,047            | (114,281)            | 2,741,668                       |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                      |                      |                                 |
| Issuance of SBITA  | -                    | -                    | 1,373,301                       |
| Insurance proceeds   | -                    | -                    | 20,759                          |
| Transfers in   | 1,235,335            | 1,235,335            | 1,235,335                       |
| Transfers out  | <u>(7,780,485)</u>   | <u>(9,607,373)</u>   | <u>(9,607,373)</u>              |
| Total other financing sources (uses)                         | <u>(6,545,150)</u>   | <u>(8,372,038)</u>   | <u>(6,977,978)</u>              |
| <b>CHANGE IN FUND BALANCE</b>                                | (4,328,103)          | (8,486,319)          | (4,236,310)                     |
| <b>FUND BALANCE - BEGINNING</b>                              | <u>18,925,919</u>    | <u>18,925,919</u>    | <u>18,925,919</u>               |
| <b>FUND BALANCE - ENDING</b>                                 | <u>\$ 14,597,816</u> | <u>\$ 10,439,600</u> | <u>\$ 14,689,609</u>            |

| Adjustment<br>Budget<br>Basis | Actual<br>Amounts<br>Budget Basis | Variance With<br>Final Budget<br>Positive<br>(Negative) |
|-------------------------------|-----------------------------------|---|
| \$ -                          | \$ 23,634,916                     | \$ 115,369  |
| -                             | 10,335,691                        | 115,483   |
| -                             | 2,931,315                         | 526,788   |
| -                             | 6,435,235                         | 109,705   |
| -                             | 1,360,939                         | 119,978   |
| -                             | 241,170                           | (1,283,830)   |
| (184,832)                     | 877,312                           | 727,312   |
| -                             | 397,326                           | 146,901   |
| -                             | 694,570                           | 185,270   |
| -                             | <u>162,554</u>                    | <u>(41,921)</u>   |
| <u>(184,832)</u>              | <u>47,071,028</u>                 | <u>721,055</u>  |
| 133,958                       | 9,916,857                         | 154,051   |
| -                             | 7,666,657                         | 79,576  |
| -                             | 9,939,170                         | 86,634  |
| 6,450                         | 3,243,221                         | 1,224,836   |
| 8,715                         | 4,352,466                         | (390,052)   |
| -                             | 6,107,385                         | 1,180,261   |
| -                             | 2,821,267                         | 81,925  |
| -                             | 613,073                           | (613,073)   |
| -                             | <u>3,219</u>                      | <u>(3,219)</u>  |
| <u>149,123</u>                | <u>44,663,315</u>                 | <u>1,800,939</u>  |
| (333,955)                     | 2,407,713                         | 2,521,994   |
| -                             | 1,373,301                         | 1,373,301   |
| -                             | 20,759                            | 20,759  |
| -                             | 1,235,335                         | -   |
| -                             | <u>(9,607,373)</u>                | <u>-</u>  |
| -                             | <u>(6,977,978)</u>                | <u>1,394,060</u>  |
| (333,955)                     | (4,570,265)                       | 3,916,054   |
| -                             | <u>18,925,919</u>                 | <u>18,925,919</u>                                       |
| <u>\$ (333,955)</u>           | <u>\$ 14,355,654</u>              | <u>\$ 22,841,973</u>                                    |

**TOWN OF PROSPER, TEXAS**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 IMPACT FEE FUND  
 BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|                                       | Original<br>Budget | Final<br>Budget     | Actual<br>Amounts   | Variance With<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------------|--------------------|---------------------|---------------------|---|
| <b>REVENUES</b>                       |                    |                     |                     |   |
| Impact fees                           | \$ 5,000,000       | \$ 5,000,000        | \$ 7,205,241        | \$ 2,205,241  |
| Investment income                     | 59,000             | 59,000              | 365,037             | 306,037   |
| Total Revenues                        | <u>5,059,000</u>   | <u>5,059,000</u>    | <u>7,570,278</u>    | <u>2,511,278</u>  |
| <b>EXPENDITURES</b>                   |                    |                     |                     |   |
| Public Works                          | 10,875,000         | 10,140,755          | 5,070,776           | 5,069,979   |
| Total expenditures                    | <u>10,875,000</u>  | <u>10,140,755</u>   | <u>5,070,776</u>    | <u>5,069,979</u>  |
| Excess of revenues over expenditures  | <u>(5,816,000)</u> | <u>(5,081,755)</u>  | <u>2,499,502</u>    | <u>7,581,257</u>  |
| <b>OTHER FINANCING SOURCES (USES)</b> |                    |                     |                     |   |
| Transfers out                         | -                  | (1,820,000)         | (1,691,025)         | 128,975   |
| Total other financing sources (uses)  | <u>-</u>           | <u>(1,820,000)</u>  | <u>(1,691,025)</u>  | <u>128,975</u>  |
| <b>CHANGE IN FUND BALANCE</b>         | <u>(5,816,000)</u> | <u>(6,901,755)</u>  | <u>808,477</u>      | <u>7,710,232</u>  |
| <b>FUND BALANCE - BEGINNING</b>       | <u>6,494,487</u>   | <u>6,494,487</u>    | <u>6,494,487</u>    | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>          | <u>\$ 678,487</u>  | <u>\$ (407,268)</u> | <u>\$ 7,302,964</u> | <u>\$ 7,710,232</u>                                     |

**TOWN OF PROSPER, TEXAS**

Item 4.

STATEMENT OF NET POSITION - PROPRIETARY FUNDS

SEPTEMBER 30, 2023

|   | Enterprise Funds      |                 |                      | Total Enterprise      | Governmental Activities |
|---|-----------------------|-----------------|----------------------|-----------------------|-------------------------|
|   | Water and Sewer       | Solid Waste     | Stormwater Drainage  |                       | Internal Service Funds  |
| <b>ASSETS</b>                             |                       |                 |                      |                       |                         |
| Current assets:                           |                       |                 |                      |                       |                         |
| Cash and cash equivalents                 | \$ 7,399,585          | \$ 27,588       | \$ 192,533           | \$ 7,619,706          | \$ 4,961,738            |
| Investments                               | 1,916,898             | 7,206           | 50,195               | 1,974,299             | 1,287,008               |
| Receivables, net                          | 9,546,827             | 190,982         | 138,331              | 9,876,140             | 35,164                  |
| Accrued interest                          | 141,118               | 162             | 1,131                | 142,411               | 28,993                  |
| Inventory                                 | 1,020,475             | -               | -                    | 1,020,475             | -                       |
| Prepaid items                             | -                     | -               | -                    | -                     | 11,617                  |
| Total current assets                      | <u>20,024,903</u>     | <u>225,938</u>  | <u>382,190</u>       | <u>20,633,031</u>     | <u>6,324,520</u>        |
| Noncurrent assets:                        |                       |                 |                      |                       |                         |
| Restricted cash and cash equivalents      | 30,480,492            | -               | 340,530              | 30,821,022            | -                       |
| Restricted investments                    | 12,305,443            | -               | -                    | 12,305,443            | -                       |
| Capital assets:                           |                       |                 |                      |                       |                         |
| Nondepreciable                            | 12,830,666            | -               | 604,978              | 13,435,644            | -                       |
| Depreciable, net                          | <u>146,957,412</u>    | <u>-</u>        | <u>57,439,464</u>    | <u>204,396,876</u>    | <u>3,231,325</u>        |
| Total noncurrent assets                   | <u>202,574,013</u>    | <u>-</u>        | <u>58,384,972</u>    | <u>260,958,985</u>    | <u>3,231,325</u>        |
| Total assets                              | <u>222,598,916</u>    | <u>225,938</u>  | <u>58,767,162</u>    | <u>281,592,016</u>    | <u>9,555,845</u>        |
| <b>DEFERRED OUTFLOWS OF RESOURCES</b>     |                       |                 |                      |                       |                         |
| Deferred charge on refunding              | 105,686               | -               | -                    | 105,686               | -                       |
| Deferred outflows related to pensions     | <u>747,015</u>        | <u>-</u>        | <u>34,894</u>        | <u>781,909</u>        | <u>-</u>                |
| Total deferred outflows of resources      | <u>852,701</u>        | <u>-</u>        | <u>34,894</u>        | <u>887,595</u>        | <u>-</u>                |
| <b>LIABILITIES</b>                        |                       |                 |                      |                       |                         |
| Current liabilities:                      |                       |                 |                      |                       |                         |
| Accounts payable and accrued expenses     | 3,814,250             | 219,952         | 8,558                | 4,042,760             | 469,639                 |
| Retainage payable                         | 457,800               | -               | -                    | 457,800               | -                       |
| Accrued interest payable                  | 190,057               | -               | 12,914               | 202,971               | -                       |
| Customer deposits and escrow payable      | 123,000               | -               | -                    | 123,000               | -                       |
| Current portion of long-term liabilities: |                       |                 |                      |                       |                         |
| Compensated absences                      | 70,173                | -               | 4,102                | 74,275                | -                       |
| Bonds payable                             | <u>2,984,279</u>      | <u>-</u>        | <u>120,000</u>       | <u>3,104,279</u>      | <u>-</u>                |
| Total current liabilities                 | <u>7,639,559</u>      | <u>219,952</u>  | <u>145,574</u>       | <u>8,005,085</u>      | <u>469,639</u>          |
| Noncurrent liabilities:                   |                       |                 |                      |                       |                         |
| Compensated absences                      | 210,518               | -               | 12,305               | 222,823               | -                       |
| Bonds payable                             | 44,154,755            | -               | 2,414,555            | 46,569,310            | -                       |
| Net pension liability                     | <u>865,162</u>        | <u>-</u>        | <u>40,413</u>        | <u>905,575</u>        | <u>-</u>                |
| Total noncurrent liabilities              | <u>45,230,435</u>     | <u>-</u>        | <u>2,467,273</u>     | <u>47,697,708</u>     | <u>-</u>                |
| Total liabilities                         | <u>52,869,994</u>     | <u>219,952</u>  | <u>2,612,847</u>     | <u>55,702,793</u>     | <u>469,639</u>          |
| <b>DEFERRED INFLOWS OF RESOURCES</b>      |                       |                 |                      |                       |                         |
| Lease related                             | 225,545               | -               | -                    | 225,545               | -                       |
| Deferred inflows - pensions               | <u>726</u>            | <u>-</u>        | <u>34</u>            | <u>760</u>            | <u>-</u>                |
| Total deferred inflows of resources       | <u>226,271</u>        | <u>-</u>        | <u>34</u>            | <u>226,305</u>        | <u>-</u>                |
| <b>NET POSITION</b>                       |                       |                 |                      |                       |                         |
| Net investment in capital assets          | 143,611,123           | -               | 55,850,417           | 199,461,540           | 3,231,325               |
| Reserved for impact fees                  | 1,925,036             | -               | -                    | 1,925,036             | -                       |
| Unrestricted                              | <u>24,819,193</u>     | <u>5,986</u>    | <u>338,758</u>       | <u>25,163,937</u>     | <u>5,854,881</u>        |
| Total net position                        | <u>\$ 170,355,352</u> | <u>\$ 5,986</u> | <u>\$ 56,189,175</u> | <u>\$ 226,550,513</u> | <u>\$ 9,086,206</u>     |

The accompanying notes are an integral part of these financial statements.



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**TOWN OF PROSPER, TEXAS**

Item 4.

STATEMENT OF REVENUES, EXPENSES AND CHANGES  
IN FUND NET POSITION - PROPRIETARY FUNDS  
FOR THE YEAR ENDED SEPTEMBER 30, 2023

|   | Enterprise Funds      |                  |                        | Total<br>Enterprise   | Governmental<br>Activities |
|---|-----------------------|------------------|------------------------|-----------------------|----------------------------|
|   | Water and<br>Sewer    | Solid<br>Waste   | Stormwater<br>Drainage |                       | Internal<br>Service Funds  |
| <b>OPERATING REVENUES</b>                           |                       |                  |                        |                       |                            |
| Charges for services:                               |                       |                  |                        |                       |                            |
| Water and sewer charges                             | \$ 30,353,373         | \$ -             | \$ -                   | \$ 30,353,373         | \$ -                       |
| Sanitation charges                                  | 198,835               | 2,488,353        | -                      | 2,687,188             | -                          |
| Storm drainage utility fees                         | -                     | -                | 867,386                | 867,386               | -                          |
| Water and sewer connections                         | 979,900               | -                | -                      | 979,900               | -                          |
| Service initiation                                  | 126,465               | -                | -                      | 126,465               | -                          |
| Health charges                                      | -                     | -                | -                      | -                     | 4,417,004                  |
| Equipment replacement                               | -                     | -                | -                      | -                     | 1,385,257                  |
| Miscellaneous                                       | 414,716               | -                | 2,096                  | 416,812               | 187,121                    |
| Total operating revenues                            | <u>32,073,289</u>     | <u>2,488,353</u> | <u>869,482</u>         | <u>35,431,124</u>     | <u>5,989,382</u>           |
| <b>OPERATING EXPENSES</b>                           |                       |                  |                        |                       |                            |
| Personnel services                                  | 4,313,320             | -                | 194,930                | 4,508,250             | -                          |
| Materials and supplies                              | 1,311,930             | -                | 16,847                 | 1,328,777             | 137,814                    |
| Contractual services                                | 5,820,777             | 2,485,398        | -                      | 8,306,175             | 222,517                    |
| Water purchases                                     | 10,477,866            | -                | -                      | 10,477,866            | -                          |
| Employee health insurance                           | -                     | -                | -                      | -                     | 4,358,925                  |
| Other operating costs                               | 2,128,337             | 49,849           | 52,833                 | 2,231,019             | -                          |
| Depreciation and amortization                       | 5,085,336             | -                | 1,962,984              | 7,048,320             | 689,621                    |
| Total operating costs                               | <u>29,137,566</u>     | <u>2,535,247</u> | <u>2,227,594</u>       | <u>33,900,407</u>     | <u>5,408,877</u>           |
| Operating income (loss)                             | <u>2,935,723</u>      | <u>(46,894)</u>  | <u>(1,358,112)</u>     | <u>1,530,717</u>      | <u>580,505</u>             |
| <b>NON-OPERATING REVENUES<br/>(EXPENSES)</b>        |                       |                  |                        |                       |                            |
| Intergovernmental                                   | 3,988,204             | -                | -                      | 3,988,204             | -                          |
| Investment income                                   | 1,881,333             | 2,880            | 35,472                 | 1,919,685             | 252,723                    |
| Interest expense                                    | (876,399)             | -                | (54,659)               | (931,058)             | -                          |
| Developer payments                                  | (2,052,902)           | -                | -                      | (2,052,902)           | -                          |
| Bond fees   | (328,597)             | -                | (9,051)                | (337,648)             | -                          |
| Total non-operating<br>revenues (expenses)          | <u>2,611,639</u>      | <u>2,880</u>     | <u>(28,238)</u>        | <u>2,586,281</u>      | <u>252,723</u>             |
| Income (loss) before contributions<br>and transfers | <u>5,547,362</u>      | <u>(44,014)</u>  | <u>(1,386,350)</u>     | <u>4,116,998</u>      | <u>833,228</u>             |
| <b>CONTRIBUTIONS AND TRANSFERS</b>                  |                       |                  |                        |                       |                            |
| Capital contributions                               | 9,903,520             | -                | 7,606,905              | 17,510,425            | -                          |
| Capital contributions - impact fees                 | 6,254,256             | -                | -                      | 6,254,256             | -                          |
| Transfers in  | 259,353               | 50,000           | -                      | 309,353               | -                          |
| Transfers out                                       | (1,177,339)           | -                | (367,349)              | (1,544,688)           | -                          |
| Total contributions and transfers                   | <u>15,239,790</u>     | <u>50,000</u>    | <u>7,239,556</u>       | <u>22,529,346</u>     | <u>-</u>                   |
| <b>CHANGE IN NET POSITION</b>                       | <u>20,787,152</u>     | <u>5,986</u>     | <u>5,853,206</u>       | <u>26,646,344</u>     | <u>833,228</u>             |
| <b>NET POSITION - BEGINNING</b>                     | <u>149,568,200</u>    | <u>-</u>         | <u>50,335,969</u>      | <u>199,904,169</u>    | <u>8,252,978</u>           |
| <b>NET POSITION - END OF YEAR</b>                   | <u>\$ 170,355,352</u> | <u>\$ 5,986</u>  | <u>\$ 56,189,175</u>   | <u>\$ 226,550,513</u> | <u>\$ 9,086,206</u>        |

The accompanying notes are an integral part of these financial statements.

**TOWN OF PROSPER, TEXAS**

Item 4.

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|  | Enterprise Funds   |                 |                        |
|--|--------------------|-----------------|------------------------|
|  | Water and<br>Sewer | Solid<br>Waste  | Stormwater<br>Drainage |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>  |                    |                 |                        |
| Cash received from customers and users   | \$ 26,511,580      | \$ 2,297,371    | \$ 853,141             |
| Cash payments to suppliers for goods and services  | (18,507,863)       | (2,315,295)     | (160,354)              |
| Cash payments for health expense   | -                  | -               | -                      |
| Cash payments to employees for services  | (4,202,920)        | -               | (183,426)              |
| Net cash provided by (used for) operating activities   | <u>3,800,797</u>   | <u>(17,924)</u> | <u>509,361</u>         |
| <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>   |                    |                 |                        |
| Cash received from other governments   | 3,988,204          | -               | -                      |
| Transfers to other funds   | (1,177,339)        | -               | (367,349)              |
| Transfers from other funds   | 259,353            | 50,000          | -                      |
| Net cash provided by (used for) noncapital financing activities  | <u>3,070,218</u>   | <u>50,000</u>   | <u>(367,349)</u>       |
| <b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>  |                    |                 |                        |
| Proceeds from issuance of long-term debt   | 23,435,000         | -               | 660,000                |
| Principal paid on bonds  | (2,715,995)        | -               | (120,000)              |
| Acquisition and construction of capital assets   | (9,765,565)        | -               | (220,184)              |
| Proceeds from sale of capital assets   | -                  | -               | -                      |
| Interest paid on bonds   | (3,775,556)        | -               | (75,882)               |
| Developer payments   | (2,052,902)        | -               | -                      |
| Impact fees received   | 6,254,256          | -               | -                      |
| Net cash provided by (used for) capital and related financing activities                                 | <u>11,379,238</u>  | <u>-</u>        | <u>243,934</u>         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                    |                 |                        |
| Investment sales (purchases)   | (718,450)          | (10,086)        | (18,695)               |
| Interest on deposits and investments   | 3,664,571          | 5,598           | 70,587                 |
| Net cash provided by (used for) investing activities   | <u>2,946,121</u>   | <u>(4,488)</u>  | <u>51,892</u>          |
| Net increase in cash and cash equivalents  | 21,196,374         | 27,588          | 437,838                |
| Cash and cash equivalents at beginning of year   | <u>16,683,703</u>  | <u>-</u>        | <u>95,225</u>          |
| Cash and cash equivalents at end of year   | <u>37,880,077</u>  | <u>27,588</u>   | <u>533,063</u>         |
| <b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>  |                    |                 |                        |
| Operating income (loss)  | 2,935,723          | (46,894)        | (1,358,112)            |
| Adjustments to reconcile operating income (loss) to net cash provided by (used by) operating activities: |                    |                 |                        |
| Depreciation and amortization  | 5,085,336          | -               | 1,962,984              |
| Decrease (increase) in accounts receivable   | (5,359,195)        | (190,982)       | (16,341)               |
| Decrease (increase) in inventory   | (145,513)          | -               | -                      |
| Decrease (increase) in prepaid   | -                  | -               | -                      |
| Increase (decrease) in deferred outflows related to pensions   | (343,372)          | -               | (16,494)               |
| Increase (decrease) in accounts payable  | 1,376,560          | 219,952         | (90,674)               |
| Increase (decrease) in accrued liabilities   | 51,147             | -               | 3,692                  |
| Increase (decrease) in net pension liability   | 600,613            | -               | 28,354                 |
| Increase (decrease) in deferred inflows  | (403,281)          | -               | (9,151)                |
| Increase (decrease) in compensated absences  | 2,779              | -               | 5,103                  |
| Net cash provided by (used in) operating activities  | <u>3,800,797</u>   | <u>(17,924)</u> | <u>509,361</u>         |
| <b>SCHEDULE OF NON-CASH CAPITAL ACTIVITIES</b>   |                    |                 |                        |
| Contributions of capital assets  | \$ 9,903,520       | \$ -            | \$ 7,606,905           |

The accompanying notes are an integral part of these financial statements.

| Total<br>Enterprise | Governmental<br>Activities<br>Internal<br>Service Funds |
|---------------------|---|
| \$ 29,662,092       | \$ 6,024,151  |
| (20,983,512)        | (149,431)   |
| -                   | (4,588,766)   |
| (4,386,346)         | -   |
| 4,292,234           | 1,285,954   |
| 3,988,204           | -   |
| (1,544,688)         | -   |
| 309,353             | -   |
| 2,752,869           | -   |
| 24,095,000          | -   |
| (2,835,995)         | -   |
| (9,985,749)         | (373,262)   |
| -                   | -   |
| (3,851,438)         | -   |
| (2,052,902)         | -   |
| 6,254,256           | -   |
| 11,623,172          | (373,262)   |
| (747,231)           | 733,813   |
| 3,740,756           | 736,656   |
| 2,993,525           | 1,470,469   |
| 21,661,800          | 2,383,161   |
| 16,778,928          | 2,578,577   |
| 38,440,728          | 4,961,738   |
| 1,530,717           | 580,505   |
| 7,048,320           | 689,621   |
| (5,566,518)         | 34,769  |
| (145,513)           | -   |
| -                   | (11,617)  |
| (359,866)           | -   |
| 1,505,838           | (7,324)   |
| 54,839              | -   |
| 628,967             | -   |
| (412,432)           | -   |
| 7,882               | -   |
| 4,292,234           | 1,285,954   |
| \$ 17,510,425       | \$ -  |

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Town of Prosper, Texas have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

**A. Reporting Entity**

The Town is a municipal corporation governed by an elected seven-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the Town and its component unit entity for which the Town is considered to be financially accountable.

**Discretely Presented Component Unit**

The Prosper Economic Development Corporation (PEDC) serves all citizens of the Town and is governed by a board appointed by the Town's elected council. The Town and the PEDC board work in tandem in determining desirable and eligible economic development projects; however, since the PEDC board members serve at the pleasure of the Town Council, the Town Council is ultimately responsible for economic development projects undertaken by the Town. The scope of public service of the PEDC benefits the Town and its citizens and is operated primarily within the geographic boundaries of the Town. The PEDC is presented as a discretely presented component unit because the governing body is not identical to the governing body of the Town, the PEDC does not solely serve the Town, and the Town has the ability to impose its will on the PEDC. Complete financial statements for the PEDC may be obtained at the entity's administration office, Prosper Economic Development Corporation, P.O. Box 1060, Prosper, Texas 75078.

**Blended Component Units**

Originally approved by the voters in 2018, the Crime Control and Fire Prevention District sales and use tax have a rate of .25% each. The purpose for creation of the special purpose districts was to finance public safety expenses in the districts, under the authority of Chapter 363 of the Texas Local Government Code. For reporting purposes, the special purpose districts are blended component units of the Town. The governing board of the blended component unit is substantively the same as the Town's governing body. The Council approves recommendations from the Board regarding administration, management, and operation of the districts, and Town's management has operational responsibility for the entities. The special purpose districts are reported as governmental funds and separate financial reports are available from the Town's finance department.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to significant extent on user fees and charges for financing its operations. Likewise, the *primary government* is reported separately from a certain legally separate *component* unity for which the primary government is financially accountable. The Town has no fiduciary activities that require use of fiduciary fund reporting.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise fees, charges for services, interest income, intergovernmental revenues and municipal court associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

The **General Fund** is the Town’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The **Impact Fee Fund**, a special revenue fund, accounts for revenues that are legally restricted for particular purposes. This fund is used to account for activity related to impact fees.

The **Debt Service Fund** accounts for the resources accumulated and payments made for principal and interest on long-term obligation debt of governmental funds.

The **Capital Projects Fund** accounts for the acquisition of capital assets or construction of major capital projects not being financed by proprietary funds.

The **Escrow Fund**, a special revenue fund, accounts for escrow deposits received from developers.

The **ARPA Fund**, The American Rescue Plan Act (ARPA) was passed by Congress and signed into law on March 11, 2021. This fund is used to account for grant funds awarded and expenditures related to ARPA for a wastewater infrastructure project.

The Town reports the following major proprietary funds:

The **Water and Sewer Fund**, an enterprise fund, is used to account for those operations that are financed and operated in a manner similar to private business or where the council has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability. The Town's water and sewer fund is used to account for water, sewer and sanitation operations.

The **Solid Waste Fund**, an enterprise fund, is used to account for the Town's solid waste utility operations.

The **Stormwater Drainage Fund**, an enterprise fund, is used to account for the Town's stormwater drainage utility operations.

The Town reports two internal service funds:

The **Internal Service Funds** are used to accumulate and allocate costs internally among the Town's various functions. The Town uses its Internal Service Funds to account for its vehicle and equipment replacement program and employee medical program as well as to facilitate distribution of support costs to the users of support services on a cost-reimbursement basis. Because these services predominately benefit the governmental rather than the business-type functions, they have been consolidated into governmental activities in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are general and administrative fees, street rental fees and other charges between the Town's water and sewer function and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. The proprietary funds also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

#### **D. Deposits and Investments**

For purposes of the statement of cash flows, cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity date within three months of the date acquired by the Town.

#### **E. Short-Term Interfund Receivables/Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as "interfund receivables/payables."

#### **F. Inventories and Prepaid Items**

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

## **G. Restricted Assets**

Certain resources set aside for the repayment of bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Also included in restricted assets are capital recovery fees (impact fees) that are, by law, restricted for future capital improvements; and assets set aside for construction of future debt funded capital improvements. When the Town incurs an expense for which it may use either restricted or unrestricted assets, it uses the restricted assets first.

## **H. Deferred Outflows/Inflows of Resources**

In addition to assets and liabilities, the statement of net position or governmental balance sheet will sometimes report a separate section for deferred outflows of resources immediately following assets and deferred inflows immediately following liabilities. Deferred outflows of resources represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has the following items that qualify for reporting in these categories:

- Deferred charges or gain on refunding – A deferred charge or gain on refunding results from the difference in the carrying value of refunded debt and carrying value of the new debt. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Pension contributions after measurement date – These contributions are deferred and recognized in the following fiscal year. This item is always a deferred outflow.
- Difference in expected and actual economic experience for the Town’s pension – This difference is deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date. This item can be either a deferred outflow (actuarial loss) or deferred inflow (actuarial gain).
- Changes in actuarial assumptions – These changes are deferred and recognized over the estimated average remaining lives of all members determined as of the measurement date.
- Unavailable revenue is reported only in the governmental funds balance sheet due to use of the current financial resource measurement focus. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Difference in projected and actual earnings on pension assets – This difference is netted with previous years’ unamortized gains and losses to produce a net deferred outflow or inflow and amortized over a closed five-year period.
- Deferred inflows related to leases in which the Town is a lessor represent the amount of unrecognized lease revenue. This amount will be recognized in a systematic and rational manner over the lease term.

## **I. Capital Assets**

Capital assets are tangible and intangible, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and right to use assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements, as well as in the proprietary fund statement of net position. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

| <u>Asset Type</u>     | <u>Number of Years</u> |
|-----------------------|------------------------|
| Buildings             | 20 - 30                |
| System infrastructure | 15 - 45                |
| Street infrastructure | 25 - 30                |
| Equipment             | 5 - 10                 |
| Vehicles              | 4 - 7                  |

**J. Intangible Assets**

Intangible assets are reported in the business-type activities column in the government-wide financial statements as well as in the proprietary fund statement of net position. Intangible assets with an initial, individual cost of more than \$5,000 and an estimate useful life in excess of two years are recorded at historical cost or estimate historical cost if purchased or constructed. Once placed into service, the intangible asset is amortized over its estimated useful life.

**K. Leases and Subscription-Based Information Technology Arrangements**

The Town is a lessee for a noncancellable lease of equipment, vehicles, and IT arrangements (SBITAs). The Town recognizes lease liability and an intangible right-to-use lease assets in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease or SBITA, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases and SBITAs include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The agreement term includes the noncancellable period of the lease or SBITA.
- The agreed upon payments included in the measurement of the liability are composed fixed payments and purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease and SBITA assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

The Town is a lessor for noncancellable leases and recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the Town determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Town uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

#### **L. Compensated Absences**

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignation and retirements.

#### **M. Pension**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the Texas Municipal Retirement System (TMRS) and additions to/deductions from TMRS's Fiduciary Net Position have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### **N. Health Claims Liability**

The Internal Service Fund – Employee Trust includes an estimate of liabilities for self-insured claims incurred but not reported and are expected to be paid within one year. The liability is estimated and included in accounts payable and accrued expenses in the statement of net position.

#### **O. Long-Term Obligations**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued during the period is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### **P. Net Position and Fund Balance**

In the government-wide and proprietary fund financial statements, the Town reports restrictions of net position for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Net investment in capital assets represents the Town's investment in the book value of capital assets, less any unspent proceeds from capital-related debt issuances. Unrestricted net position consists of net position that does not meet the definition of restricted or net investment in capital assets.

In the fund financial statements, governmental funds report fund balance categorized as follows:

- Nonspendable*** fund balance includes amounts that are either (a) not in a spendable form or (b) legally or contractually required to be maintained intact.

**Restricted** fund balance includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed** fund balance includes amounts that can be used only for the specific purposes determined and approved by passage of a formal resolution of the Town's highest level of decision-making authority, the Town Council. Commitments may be changed or lifted only by the Town taking the same formal action that imposed the constraint originally. In accordance with the Town Charter, an amount equal to twenty percent of total general fund expenditures has been identified as committed for a contingency reserve.

**Assigned** fund balance includes amounts intended to be used by the Town for specific purposes. Pursuant to Ordinance 11-66, the Town Council designated the Town Manager or his/her designee as the official authorized person to assign fund balance. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. The Town's financial goal is to achieve and maintain an unassigned fund balance in the general fund equal to twenty-five percent of budgeted expenditures, but may be reduced down to ten percent in unusual financial circumstances with a corrective five-year plan to restore the fund balance back to twenty-five percent.

**Unassigned** fund balance is the residual classification of the general fund and includes all amounts not contained in the other classifications. The general fund is the only fund that reports a positive unassigned fund balance amount.

### **Net Position Flow Assumption**

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

### **Fund Balance Flow Assumption**

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

### **Change in Accounting Principle**

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs), was adopted effective July 1, 2022. The statement addresses accounting and financial reporting for SBITA contracts. Statement No. 96 establishes standards for recognizing and measuring assets, liabilities, deferred outflows of resources, deferred inflows of resources, and revenues and expenses related to SBITA in the basic financial statements, in addition to requiring more extensive note disclosures. The adoption of this standard did not result in a restatement of beginning fund balance or net position, but assets and liabilities were recognized, and more extensive note disclosures were required.

## Q. Revenues and Expenditures/Expenses

### Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues.

### Property Taxes

Property taxes are levied by October 1, due upon receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties and interest ultimately imposed. The combined tax rate to finance general governmental services and interest and sinking fund requirements for the year ended September 30, 2022 was \$0.51 per \$100 of valuation.

Property taxes are based on the appraised values provided by the Collin County or Denton County Central Appraisal District, whichever is applicable. Penalty on unpaid taxes accrues after February 1 up to the date collected by the Town at the rate of 6% for the first month and increased 1% per month up to a total of 12%. Interest is calculated after February 1 at the rate of 1% per month up to the date collected by the Town. Under state law, property taxes levied on real property constitute a lien on the real property which cannot be forgiven without specific approval of the State Legislature. The lien expires at the end of twenty years. Taxes levied on personal property can be deemed uncollectible by the Town. The Town's current policy is to write-off uncollectible personal property taxes after four years.

Under state law, property tax levies are divided into a debt service (DS) levy and a maintenance and operations (M&O) levy. Each category of levy has its own unique restrictions and requirements under state law. M&O tax revenue excluding the impact of new construction may only grow 3.5% per year. Total tax levy may not exceed \$2.50 per hundred dollars of valuation.

### Sales Tax

Sales and use tax is authorized under state law with 6 ¼ cents reserved for the state and up the 2 cents available for local government. Currently three Prosper entities collect sales tax. The Town collects 1 ½ cents which includes the 1 cent municipal levy and a ½ cent 4B economic development levy provided to Prosper EDC. In addition, two Special Purpose Districts (SPD) Prosper Crime Control and Prosper Fire Prevention and EMS District each have a ¼ cent levy for a total local levy of 2 cents. The two SPD's were recently approved by the voters for an additional 20 years (2043).

The State of Texas utilizes origin-based servicing for municipal sales tax. Under this approach sales and use tax is sourced to the taxing jurisdiction in which the selling business is located regardless of where in the state the purchaser resides or the product is shipped. Origin-based sourcing can produce large sales and use taxpayer's in specific jurisdictions.

### Proprietary Funds Operating and Non-operating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds and internal service fund include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues not meeting this definition are reported as non-operating revenues and expenses.

## R. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates included in the financial statements are depreciation expense which is based on the estimated useful lives of the underlying depreciable assets, allowances for doubtful accounts receivables, and net pension liability and pension expense which are based on various actuarial assumptions.

## S. Recent Accounting Pronouncements

The Town has reviewed GASB pronouncements which become effective in future years and notes the following statements are applicable to the Town.

Statement No. 99, *Omnibus 2022* – The objective of this Statement is to correct practice issues identified during implementation and application of certain GASB Statements and financial reporting for financial guarantees. There are various effective dates 1.) upon issuance 2.) fiscal years beginning after June 15, 2022 and 3.) fiscal years beginning after June 15, 2023.

Statement No. 100, *Accounting Changes and Error Corrections-an amendment of GASB No. 62* - The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The statement is effective for fiscal years beginning after June 15, 2023.

Statement No. 101, *Compensated Absences* - The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement will become effective for reporting periods beginning after December 15, 2023, and the impact has not yet been determined.

Statement No. 102, *Certain Risk Disclosures* – While governments currently disclose certain financial risks, other risks are not required to be disclosed per current standards. The objective of this statement is to provide clear guidance for disclosure of risks related to concentrations and constraints. The standard is effective for fiscal years beginning after June 15, 2024.

## II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

### Budgetary Control

The Town's fiscal year is from October 1st to September 30th. Beginning October 1st, the approved budgets are appropriated to the various funds and departments. Amendments may be made to the budget during the fiscal year in accordance with Town Charter provisions. These amendments shall be by ordinance and shall become an attachment to the original budget. Expenditures may not exceed appropriations at the department level for the general fund without Town Council approval. The Town budgets for revenues and expenditures on a yearly basis. The final adoption of the Annual Budget takes place in September and the new fiscal year begins October 1. Final adoption of the budget by the Town Council constitutes the official appropriations as proposed by expenditures for the current year and constitute the basis of official levy of the property tax as the amount of tax to be assessed and collected for the corresponding tax year.

The Town Manager submits the proposed budget to Town Council, and it is made public for review. The proposed operating budget includes proposed expenditures and the means of financing them. This culminates into Town Council public hearings in August or September. At this time, the Town Council may further revise the proposed budget as it deems necessary. The final adoption of the Annual Budget takes place in September when the budget is legally enacted through the passage of an ordinance.

The budgetary and accounting policies contained in the budget document conform to generally accepted accounting principles (GAAP) for governmental funds as established by the Governmental Accounting Standards Board (GASB), except for the effect of encumbrances and unrealized investment gains and losses, which are adjusted to the actual results for this comparison. The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate budgetary and accounting entity.

Budgets are legally adopted for Governmental funds (General Fund, Impact Fee Fund, Debt Service Fund, Court Technology Fund, Court Security Fund, Parks Dedication Fund, Parks Improvement Fund, Crime Control District Fund, Fire Prevention District Fund, TIRZ#1 Fund, TIRZ#2 Fund, Municipal Jury Fund, and Contributions Fund) and Proprietary Funds (Water and Sewer Fund, Solid Waste Fund, Stormwater Drainage Fund, and Internal Service Funds).

Budgetary comparison schedules are presented as basic financial statements for the General Fund and for each major special revenue fund. The Capital Projects Fund is budgeted over the life of the respective project and not on an annual basis. Escrow and ARPA Funds do not have legally adopted budgets. Accordingly, formal budgetary integration of these funds is not employed and comparison of actual results of operations to budgetary data for such funds is not presented.

A comparison of budgetary data to actual results of operations for the Debt Service Fund and other nonmajor funds are presented as supplementary information.

**III. DEPOSITS AND INVESTMENTS**

**Deposits**

State statutes require that all deposits in financial institutions be fully guaranteed or insured by the Federal Deposit Insurance Corporation or its successor or the National Credit Union Share Insurance Fund or its successor; or secured by obligations governmental entities as authorized in the Public Funds Collateral Act. All deposits of the Town that exceeded the federal depository insurance coverage level of \$250,000 were covered by pledged marketable securities held by an independent custodian or letters of credit issued by a Federal Agency or Instrumentality. The market value of the security collateral and redemption value of letters of Credit held at September 30, 2023 exceeded the value of all deposits.

At September 30, 2023, the carrying amount of the Town’s deposits was \$168,170,210, and the respective bank balances totaled \$168,396,677. Of the carrying amount of the Towns’ deposits cash on hand totaled \$3,069. The Town also has investments in government pools at September 30, 2023, totaling \$107,180,372, which are recorded at amortized cost.

**Investments**

The Town is authorized to invest in the following: U.S. Government obligations and its agencies or instrumentalities; direct obligations of the State of Texas or its agencies and instrumentalities; other obligations, the principal and interest on which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the State of Texas or United States or their respective agencies and instrumentalities; obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent rating; insured or collateralized certificates of deposit, no-load SEC registered money market funds consisting of any of these securities listed with a dollar-weighted average stated maturity of 60 days or less and with an investment objective of a stable net asset value of \$1 for each share; eligible investments pools organized and operating in compliance with PFIA; fully collateralized repurchase agreements and reverse repurchase agreements; prime domestic commercial paper; prime domestic bankers' acceptances; guaranteed investment contracts; securities lending program consisting of authorized investments by the Town’s investment policy. For additional information see the Town of Prosper’s Investment Policy at [www.prospertx.gov](http://www.prospertx.gov).

The Town's investments carried at fair value as of September 30, 2023, were:

|                                      | Carrying<br>Value | Weighted<br>Average Maturity<br>(days) |
|--------------------------------------|-------------------|--|
| Investment type:                     |                   |  |
| Certificates of deposit              | \$ 25,409,754     | 243                                    |
| Federal Home Loan Bank               | 19,867,070        | 128                                    |
| U.S. Treasury Notes                  | 21,071,134        | 214                                    |
| Total                                | \$ 66,347,958     |  |
| Portfolio weight average to maturity |                   | 199                                    |

Under the Texas Local Government Investment Pool (“TexPool”) Participation Agreement, administrative and investment services to TexPool are provided by Federated Investors, Inc. through an agreement with the State of Texas Comptroller of Public Accounts. The State Comptroller is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company authorized to operate TexPool. TexPool invests in treasury and agency securities and repurchase agreements fully collateralized by government securities. The pool seeks to maintain a constant dollar objective. The reported value of the pool is the same as the fair value of the pool shares. TexPool is subject to annual review by an independent auditor consistent with the Public Funds Investment Act. In addition, TexPool is subject to review by the State Auditor’s Office and by the Internal Auditor of the Comptroller’s Office. Due to its short-term, highly liquid nature, TexPool investments have been reported as cash equivalents. TexPool is rated AAAM by Standard and Poor’s and carries a weighted average maturity of 26 days.

The Texas Short-Term Asset Reserve Investment Pool (“TexSTAR”) is a local government investment pool organized under the authority of the Interlocal Cooperation Act, chapter 791, of the Texas Government Code, and the Public Funds Investment Act, chapter 2256, of the Texas Government Code. J.P. Morgan Investment Management Inc. serves as investment advisor and co-administrator with Hilltop Securities. TexSTAR invests in treasury and agency securities and repurchase agreements fully collateralized by government securities. The pool seeks to maintain a constant dollar objective. The reported value of the pool is the same as the fair value of the pool shares. Due to its short-term, highly liquid nature, investments in TexSTAR have been reported as cash equivalents. TexStar is rated AAAM by Standard and Poor’s and carries a weighted average maturity of 29 days.

TexStar and TexPool have a redemption notice period of one day and may redeem daily. The investment pool’s authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool’s liquidity.

*Custodial Credit Risk – Deposits:* In the case of deposits, this is the risk that, in the event of a bank failure, the Town’s deposits may not be returned to the Town. The Town’s policy regarding types of deposits allowed and collateral requirements is: the Depository may be a state bank authorized and regulated under Texas law; a national bank, savings and loan association, or savings bank authorized and regulated by federal law; or a savings and loan association or savings bank organized under Texas law; but shall not be any bank the deposits of which are not insured by the Federal Deposit Insurance Corporation (FDIC) and pledged marketable securities or letters of credit. The Town is not exposed to custodial credit risk for its deposits, as all are covered by depository insurance and pledged marketable securities or letters of credit.

In compliance with the Public Funds Investment Act and Public Funds Collateral Act, the Town has adopted a deposit and investment policy. That policy addresses the following risks:

*Custodial Credit Risk – Investments:* For an investment, this is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or deposits. The Town utilizes an independent, third-party custodian to hold all pledged marketable securities and an independent, third-party safekeeping agent to settle and hold all investment securities. The Town’s investments are in certificates of deposit, US Government bonds, and municipal bonds.

*Credit Risk* – This is the risk that an issuer of an investment will be unable to fulfill its obligation. The rating of securities by nationally recognized rating agencies is designed to give an indication of credit risk. The Town’s investment policy establishes credit rating minimums for various investment-types. The credit quality rating for both TexPool and TexSTAR at year end was AAAM by Standard & Poor’s.

The Town’s US Government bonds and municipal bonds each have a long-term rating from A to AAA. The Town also holds municipal bonds with short-term ratings of A-1 to A-1+.

*Interest Rate Risk* – This is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Town manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio; structuring the investment portfolio so that investments matured to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity; monitoring credit ratings of portfolio positions to assure compliance with rating requirements; and investing operating funds primarily in short-term deposits, securities, money market mutual funds, or local government investment pools. The maximum allowable maturity for operating funds is five years and two years for debt service funds.

*Foreign Currency Risk* – This is the risk that exchange rates will adversely affect the fair value of an investment. The Town is not exposed to foreign currency risk.

*Concentration of Credit Risk* – This is the risk of loss attributed to the magnitude of the Town’s investment in a single issuer (i.e., lack of diversification). As of September 30, 2023, the Town minimized concentration of credit risk, by: limiting investments in a specific local governmental pools to no more than 40 percent of the investment portfolio; staggering maturities and potential call dates; and limiting investments in commercial paper and bankers’ acceptances to no more than 5% of the investment portfolio. Concentration risk is defined as positions of 5 percent (5%) or more in the obligations of a single issuer. The Town’s investments and their percentage of net portfolio assets are stated below.

| Securities by Type      | Carrying Value       | % of Total Portfolio |
|-------------------------|----------------------|----------------------|
| Certificates of deposit | \$ 25,409,754        | 38.30%               |
| Federal Home Loan Bank  | 19,867,070           | 29.94%               |
| U.S. Treasury Notes     | 21,071,134           | 31.76%               |
| Total Securities        | <u>\$ 66,347,958</u> | <u>100.00%</u>       |

**IV. FAIR VALUE MEASUREMENTS**

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs other than quoted market prices for similar assets; Level 3 inputs are significant unobservable inputs.

The Town has the following recurring fair value measurements as of September 30, 2023:

|                                       | Fair value as<br>of 9/30/2023 | Fair Value Measurements Using |                     |
|---------------------------------------|-------------------------------|-------------------------------|---------------------|
|                                       |                               | Level 1                       | Level 2             |
| Investments by fair value level       |                               |                               |                     |
| Federal Home Loan Bank                | \$ 19,867,070                 | \$ 9,967,100                  | \$ 9,899,970        |
| U.S. Treasury Notes                   | 21,071,134                    | 21,071,134                    | -                   |
| Total investments by fair value level | <u>\$ 40,938,204</u>          | <u>\$ 31,038,234</u>          | <u>\$ 9,899,970</u> |

**V. RECEIVABLES**

The Town's taxes and accounts receivables as of September 30, 2023 consisted of the following:

|                                   | Governmental Activities |                   |                             | Total               |
|-----------------------------------|-------------------------|-------------------|-----------------------------|---------------------|
|                                   | General Fund            | Debt Service Fund | Nonmajor Governmental Funds |                     |
| Property taxes                    | \$ 551,204              | \$ 259,227        | \$ -                        | \$ 810,431          |
| Sales tax                         | 1,955,024               | -                 | 1,302,937                   | 3,257,961           |
| Gross receivables                 | 2,506,228               | 259,227           | 1,302,937                   | 4,068,392           |
| Less: allowance for uncollectible | (11,024)                | (5,185)           | -                           | (16,209)            |
| Net receivables                   | <u>\$ 2,495,204</u>     | <u>\$ 254,042</u> | <u>\$ 1,302,937</u>         | <u>\$ 4,052,183</u> |

The Town's accounts receivable as of September 30, 2023 consisted of the following:

|                                   | Governmental Funds  |                             | Proprietary Funds    |                   |                          |                       | Total                |
|-----------------------------------|---------------------|-----------------------------|----------------------|-------------------|--------------------------|-----------------------|----------------------|
|                                   | General Fund        | Nonmajor Governmental Funds | Water and Sewer Fund | Solid Waste       | Stormwater Drainage Fund | Internal Service Fund |                      |
| Ambulance                         | \$ 1,449,483        | \$ -                        | \$ -                 | \$ -              | \$ -                     | \$ -                  | \$ 1,449,483         |
| Franchise fees                    | 489,264             | -                           | -                    | -                 | -                        | -                     | 489,264              |
| Grants                            | 82,110              | -                           | -                    | -                 | -                        | -                     | 82,110               |
| Municipal court                   | 276,472             | -                           | -                    | -                 | -                        | -                     | 276,472              |
| Utility bills                     | -                   | -                           | 10,014,773           | 190,982           | 138,331                  | -                     | 10,344,086           |
| Other receivables                 | <u>80,272</u>       | <u>14,343</u>               | <u>-</u>             | <u>-</u>          | <u>-</u>                 | <u>35,164</u>         | <u>129,779</u>       |
| Gross receivables                 | 2,377,601           | 14,343                      | 10,014,773           | 190,982           | 138,331                  | 35,164                | 12,771,194           |
| Less: allowance for uncollectible | <u>(1,235,418)</u>  | <u>-</u>                    | <u>(467,946)</u>     | <u>-</u>          | <u>-</u>                 | <u>-</u>              | <u>(1,703,364)</u>   |
| Net receivables                   | <u>\$ 1,142,183</u> | <u>\$ 14,343</u>            | <u>\$ 9,546,827</u>  | <u>\$ 190,982</u> | <u>\$ 138,331</u>        | <u>\$ 35,164</u>      | <u>\$ 11,067,830</u> |

**VI. CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2023 was as follows:

|   | Beginning Balance     | Additions            | Retirements   | Transfers    | Ending Balance        |
|---|-----------------------|----------------------|---------------|--------------|-----------------------|
| Governmental activities:                              |                       |                      |               |              |                       |
| Capital assets not being depreciated/amortized:       |                       |                      |               |              |                       |
| Land  | \$ 58,987,653         | \$ 25,476,825        | \$ -          | \$ -         | \$ 84,464,478         |
| Construction in progress                              | 45,539,821            | 45,587,967           | -             | (45,547,471) | 45,580,317            |
| Total capital assets not being depreciated/amortized  | 104,527,474           | 71,064,792           | -             | (45,547,471) | 130,044,795           |
| Capital assets being depreciated/amortized:           |                       |                      |               |              |                       |
| Buildings and improvements                            | 72,141,467            | 106,600              | -             | 17,667,258   | 89,915,325            |
| Equipment   | 20,489,090            | 850,696              | -             | 454,891      | 21,794,677            |
| Infrastructure  | 225,710,069           | 14,973,304           | -             | 23,662,024   | 264,345,397           |
| Right to use assets - vehicles and equipment          | 453,788               | -                    | -             | 3,763,298    | 4,217,086             |
| Right to use assets - SBITA                           | -                     | 1,373,301            | -             | -            | 1,373,301             |
| Total assets being depreciated/amortized              | 318,794,414           | 17,303,901           | -             | 45,547,471   | 381,645,786           |
| Less accumulated depreciation/amortization for:       |                       |                      |               |              |                       |
| Buildings and improvements                            | (13,898,588)          | (2,367,039)          | -             | -            | (16,265,627)          |
| Equipment   | (8,112,706)           | (1,333,716)          | -             | 1,046,616    | (8,399,806)           |
| Infrastructure  | (48,085,555)          | (7,939,549)          | 147           | -            | (56,024,957)          |
| Right to use assets - vehicles and equipment          | (68,793)              | (636,830)            | -             | (1,046,616)  | (1,752,239)           |
| Right to use assets - SBITA                           | -                     | (233,417)            | -             | -            | (233,417)             |
| Total accumulated depreciation/amortization           | (70,165,642)          | (12,510,551)         | 147           | -            | (82,676,046)          |
| Total capital assets being depreciated/amortized, net | 248,628,772           | 4,793,350            | 147           | 45,547,471   | 298,969,740           |
| Governmental activities capital assets, net           | <u>\$ 353,156,246</u> | <u>\$ 75,858,142</u> | <u>\$ 147</u> | <u>\$ -</u>  | <u>\$ 429,014,535</u> |

|   | Beginning Balance | Additions     | Retirements | Transfers   | Ending Balance |
|---|-------------------|---------------|-------------|-------------|----------------|
| Business-type activities:                             |                   |               |             |             |                |
| Capital assets, not being depreciated/amortized:      |                   |               |             |             |                |
| Land  | \$ 1,883,521      | \$ 35,000     | \$ -        | \$ -        | \$ 1,918,521   |
| Construction in progress                              | 6,437,727         | 9,896,760     | -           | (4,817,364) | 11,517,123     |
| Total capital assets, not being depreciated/amortized | 8,321,248         | 9,931,760     | -           | (4,817,364) | 13,435,644     |
| Capital assets being depreciated/amortized:           |                   |               |             |             |                |
| Buildings and systems                                 | 325,418           | -             | -           | -           | 325,418        |
| Vehicles and equipment                                | 2,443,121         | 409,008       | -           | (319,529)   | 2,532,600      |
| Infrastructure  | 205,155,710       | 17,567,594    | -           | 4,817,364   | 227,540,668    |
| Right to use assets - vehicles and equipment          | -                 | -             | -           | 319,529     | 319,529        |
| Intangible Asset                                      | 15,744,809        | -             | -           | -           | 15,744,809     |
| Total assets being depreciated/amortized              | 223,669,058       | 17,976,602    | -           | 4,817,364   | 246,463,024    |
| Less accumulated depreciation/amortization for:       |                   |               |             |             |                |
| Buildings and systems                                 | (221,160)         | (25,587)      | -           | -           | (246,747)      |
| Vehicles and equipment                                | (1,379,080)       | (188,246)     | -           | 45,906      | (1,521,420)    |
| Infrastructure  | (31,532,092)      | (6,484,435)   | 902         | -           | (38,015,625)   |
| Right to use assets - vehicles and equipment          | -                 | (35,088)      | -           | (45,906)    | (80,994)       |
| Intangible Asset                                      | (1,886,398)       | (314,964)     | -           | -           | (2,201,362)    |
| Total accumulated depreciation/amortization           | (35,018,730)      | (7,048,320)   | 902         | -           | (42,066,148)   |
| Total capital assets being depreciated/amortized, net | 188,650,328       | 10,928,282    | 902         | 4,817,364   | 204,396,876    |
| Business-type activities capital assets, net          | \$ 196,971,576    | \$ 20,860,042 | \$ 902      | \$ -        | \$ 217,832,520 |
| Component Unit:                                       |                   |               |             |             |                |
| Capital assets not being depreciated:                 |                   |               |             |             |                |
| Land  | \$ 2,378,985      | \$ 1,821,993  | \$ -        | \$ -        | \$ 4,200,978   |
| Total capital assets not being depreciated            | \$ 2,378,985      | \$ 1,821,993  | \$ -        | \$ -        | \$ 4,200,978   |

Depreciation/amortization expense for the year ended September 30, 2023 was charged to functions/programs of the primary government as follows:

|                             |                      |
|-----------------------------|----------------------|
| Governmental activities:    |                      |
| Administration              | \$ 969,403           |
| Police                      | 946,156              |
| Fire                        | 929,714              |
| Development Services        | 41,411               |
| Public Works                | 7,980,528            |
| Community Services          | 1,621,772            |
| Engineering                 | 21,567               |
| Total                       | <u>\$ 12,510,551</u> |
| Business-type activities:   |                      |
| Water and sewer             | \$ 5,085,336         |
| Stormwater drainage utility | 1,962,984            |
| Total                       | <u>\$ 7,048,320</u>  |

As of September 30, 2023, the Town's only intangible asset was related to wastewater treatment capacity rights acquired from the Upper Trinity Regional Water District. Although the capacity rights were initially acquired in March 2014, the related plant facility was placed into service as of September 30, 2017, and in the current year amortization of \$314,964 has been recognized in these financial statements.

## VII. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The outstanding balances between funds result mainly from the time lag between the dates that (1) reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Interfund balances at September 30, 2023 were as follows:

| Payable Fund | Receivable Fund  | Amount    | Purpose          |
|--------------|------------------|-----------|------------------|
| General fund | Capital projects | \$ 31,451 | Short-term loans |
| Total        |                  | \$ 31,451 |                  |

Interfund transfers made during the fiscal year were as follows:

| Transfer From   | Transfer To      | Amount        | Purpose        |
|-----------------|------------------|---------------|----------------|
| General Fund    | Capital Projects | \$ 9,607,373  | Capital outlay |
| Impact Fees     | Capital Projects | 1,691,025     | Capital outlay |
| Escrow          | Capital Projects | 845,117       | Capital outlay |
| Water and Sewer | General Fund     | 1,127,339     | Administrative |
| Water and Sewer | Solid Waste      | 50,000        | Administrative |
| Storm Drainage  | General Fund     | 107,996       | Administrative |
| Storm Drainage  | Water and Sewer  | 259,353       | Administrative |
| Total           |                  | \$ 13,688,203 |                |

**VIII. LONG-TERM LIABILITIES**

The Town issues general obligation bonds and certificates of obligations to provide funds for the acquisition and construction of major capital facilities and equipment. General obligation bonds and certificates of obligation have been issued for both governmental and business-type activities. The certificates of obligation will be repaid by the debt service fund in combination with system revenues.

The Town issued Combination Tax and Surplus Revenue Certificates of Obligation, Series 2022 in the amount of \$12,925,000 and Combination Tax and Surplus Revenue Certificates of Obligation, Series 2023 in the amount of \$8,305,000 for constructing and improving the Town’s waterworks and sewer system. General Obligation Refunding and Improvement Bonds, Series 2023 was issued in the amount of \$40,495,000 for purposes of refunding obligations as well as constructing and improving public safety facilities, parks and recreational facilities, as well as streets, road, and other related infrastructure in the Town. Each bond issuance has an interest rate between 4% to 5% and will mature over the next 20 years.

On September 28, 2023, the Town refunded the General Obligation, Series 2013, and the Certificates of Obligation, Series 2013. The net proceeds from the new debt have been placed in an irrevocable escrow account to be paid at the time of redemption. Thus, the old bonds are considered defeased and have been removed from the Town’s financial statements. The Town completed the refunding to reduce its total debt service payments by \$473,022 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$327,925.

The following is a summary of long-term liabilities for the year ended September 30, 2023:

|                                  | Beginning<br>Balance  | Issued               | Refunded/<br>Retired   | Ending<br>Balance     | Amount Due<br>Within One Year |
|----------------------------------|-----------------------|----------------------|------------------------|-----------------------|-------------------------------|
| <u>Governmental activities:</u>  |                       |                      |                        |                       |                               |
| Compensated absences             | \$ 2,388,530          | \$ 2,457,545         | \$ (2,031,251)         | \$ 2,814,824          | \$ 703,706                    |
| Bonds                            | 150,744,623           | 37,630,000           | (9,464,006)            | 178,910,617           | 8,885,722                     |
| Bond premium on issuance         | 12,790,286            | 1,938,332            | (2,710,265)            | 12,018,353            | -                             |
| Leases payable                   | 387,393               | -                    | (63,280)               | 324,113               | 63,789                        |
| SBITA payable                    | -                     | 1,373,301            | (549,793)              | 823,508               | 526,543                       |
| Total governmental               | <u>166,310,832</u>    | <u>43,399,178</u>    | <u>(14,818,595)</u>    | <u>194,891,415</u>    | <u>10,179,760</u>             |
| <u>Business-type activities:</u> |                       |                      |                        |                       |                               |
| Compensated absences             | 289,216               | 240,610              | (232,728)              | 297,098               | 74,275                        |
| Bonds                            | 29,295,653            | 24,095,000           | (5,896,271)            | 47,494,382            | 3,104,279                     |
| Bonds premium on issuance        | 1,754,044             | 1,284,547            | (859,384)              | 2,179,207             | -                             |
| Total business-type activities   | <u>31,338,913</u>     | <u>25,620,157</u>    | <u>(6,988,383)</u>     | <u>49,970,687</u>     | <u>3,178,554</u>              |
| Total primary government         | <u>\$ 197,649,745</u> | <u>\$ 69,019,335</u> | <u>\$ (21,806,978)</u> | <u>\$ 244,862,102</u> | <u>\$ 13,358,314</u>          |

The Town is not currently subject to any legal debt margin requirements. The compensated absences liabilities in the governmental activities is liquidated by the General fund.

Certificates of Obligation are intended to be repaid by the revenue of the combined utility system and any special funds established by the debt ordinances. The ordinances provide that the revenue of the system is to be used, first, to pay operating and maintenance expenses of the system and, second, to establish required funds.

Should the Town default on its outstanding certificates, any registered owner of the certificates is entitled to seek a writ of mandamus from a court of proper jurisdiction requiring specific performance from the Town.

Bonds and certificates of obligation at September 30, 2023 are comprised of the following issues to be repaid from the Debt Service Fund, the Water and Sewer Fund, and the Stormwater Drainage Utility Fund. All outstanding GO debt of the Town at September 30, 2023 is secured by an ad valorem tax pledge.

|   | Governmental<br>Activities | Business-Type<br>Activities | Total        |
|---|----------------------------|-----------------------------|--------------|
| 2014 General Obligation Improvement Bonds (47% debt service fund portion and 53% water and sewer fund portion) issued February 15, 2014, maturing February 15, 2034. Interest payable February 15 and August 15 at rates ranging from 2.0% to 5.0%.           | \$ 935,000                 | \$ 465,000                  | \$ 1,400,000 |
| 2014 Certificates of Obligation (100% water and sewer fund) issued February 15, 2014, maturing February 15, 2034. Interest payable February 15 and August 15 at rates ranging from 2.0% to 4.0%.  | -                          | 8,095,000                   | 8,095,000    |
| 2015 General Obligation Refunding and Improvement Bonds (79% debt service fund portion and 21% water and sewer portion) issued July 15, 2015, maturing February 15, 2035. Interest payable February 15 and August 15 at rates ranging from 2.0% to 5.0%       | 8,900,200                  | 1,809,800                   | 10,710,000   |
| 2015 Certificates of Obligation (100% debt service fund) issued July 15, 2015, maturing February 15, 2035. Interest payable February 15 and August 15 at rates ranging from 2.0% to 5.0%.   | 6,390,000                  | -                           | 6,390,000    |
| 2016 General Obligation Refunding and Improvement Bonds (84% debt service fund portion and 16% water and sewer fund portion) issued July 12, 2016, maturing February 15, 2036. Interest payable February 15 and August 15 at rates ranging from 2.0% to 4.0%. | 3,310,000                  | -                           | 3,310,000    |
| 2016 Certificates of Obligation (84% debt service fund portion and 16% stormwater drainage fund portion) issued July 12, 2016, maturing February 15, 2036. Interest payable February 15 and August 15 at rates ranging from 2.0% to 4.0%.                     | 6,500,000                  | 955,000                     | 7,455,000    |
| 2017 Certificates of Obligation (91% debt service fund portion and 9% stormwater drainage fund portion) issued June 27, 2017, maturing February 15, 2037. Interest payable February 15 and August 15 at rates ranging from 2.0% to 5.0%.                      | 8,675,000                  | 770,000                     | 9,445,000    |
| 2018 General Obligation Refunding (100% debt service fund portion ) issued June 15, 2018, maturing February 15, 2038. Interest payable February 15 and August 15 at rates ranging from 4.0% to 5.0%.  | 3,225,000                  | -                           | 3,225,000    |
| 2018 Certificates of Obligation (56% debt service fund portion and 44% water & sewer fund portion) issued June 15, 2018, maturing February 15, 2038. Interest payable February 15 and August 15 at rates ranging from 3.125% to 5.0%.                         | 10,245,000                 | 8,110,000                   | 18,355,000   |
| 2019 General Obligation Bonds (100% debt service fund) issued July 25, 2019, and maturing February 15, 2039. Interest payable February 15 and August 15 at rates ranging from 3.0% to 4.0%.   | 3,460,000                  | -                           | 3,460,000    |
| 2019 Certificates of Obligation (75% debt service fund portion and 25% water & sewer fund portion) issued July 25, 2019 maturing February 15, 2039. Interest payable February 15 and August 15 at rates ranging from 3.0% to 5.0%.                            | 10,955,417                 | 3,704,582                   | 14,659,999   |
| 2020 Certificates of Obligation (100% debt service fund portion) issued July 30, 2020 maturing February 15, 2040. Interest payable February 15 and August 15 at rates ranging from 3.0% to 4.0%.  | 9,570,000                  | -                           | 9,570,000    |

|   | Governmental<br>Activities | Business-Type<br>Activities | Total                 |
|---|----------------------------|-----------------------------|-----------------------|
| 2021 General Obligation Bonds (100% debt service fund portion) issued August 15, 2021 maturing February 15, 2041. Interest payable February 15 and August 15 at rates ranging from 2.0% to 5.0%.  | 33,105,000                 | -                           | 33,105,000            |
| 2021 Certificates of Obligation (100% debt service fund portion) issued August 15, 2021 maturing February 15, 2041. Interest payable February 15 and August 15 at rates ranging from 2.0% to 5.0%.  | 6,300,000                  | -                           | 6,300,000             |
| 2022 General Obligation (100% debt service fund portion) issued August 15, 2022 maturing February 15, 2042. Interest payable February 15 and August 15 at rates ranging from 4.0% to 5.0%.  | 29,710,000                 | -                           | 29,710,000            |
| 2022 Certificates of Obligation (95% water & sewer fund portion and 5% stormwater drainage fund portion) issued October 1, 2022 maturing August 15, 2042. Interest payable February 15 and August 15 at rates ranging from 4.75% to 5.0%. | -                          | 12,415,000                  | 12,415,000            |
| 2023 General Obligation (93% debt service fund portion and 7% water & sewer fund portion) issued August 15, 2023 maturing February 15, 2043. Interest payable February 15 and August 15 at rates ranging from 4.0% to 5.0%.               | 37,630,000                 | 2,865,000                   | 40,495,000            |
| 2023 Certificates of Obligation (100% water & sewer fund portion) issued August 15, 2023 maturing August 15, 2043. Interest payable February 15 and August 15 at rates ranging from 4.0% to 5.0%.   | -                          | 8,305,000                   | 8,305,000             |
|   | <u>\$ 178,910,617</u>      | <u>\$ 47,494,382</u>        | <u>\$ 226,404,999</u> |

The annual requirements to amortize the combined debt outstanding for the Debt Service Fund, Stormwater Drainage Fund and Water and Sewer Fund as of September 30, 2023, are as follows:

| Year Ended<br>September 30, | Governmental Activities |                      | Business-Type Activities |                      | Total<br>Principal    | Total<br>Interest    |
|-----------------------------|-------------------------|----------------------|--------------------------|----------------------|-----------------------|----------------------|
|                             | Principal               | Interest             | Principal                | Interest             |                       |                      |
| 2024                        | \$ 8,885,722            | \$ 6,842,143         | \$ 3,104,279             | \$ 1,983,027         | \$ 11,990,001         | \$ 8,825,170         |
| 2025                        | 8,090,966               | 6,663,696            | 2,759,035                | 1,898,379            | 10,850,001            | 8,562,075            |
| 2026                        | 8,943,512               | 6,281,594            | 2,891,489                | 1,769,831            | 11,835,001            | 8,051,425            |
| 2027                        | 9,080,394               | 5,862,517            | 2,564,606                | 1,646,058            | 11,645,000            | 7,508,575            |
| 2028                        | 9,518,313               | 5,421,930            | 2,681,687                | 1,526,920            | 12,200,000            | 6,948,850            |
| 2029-2033                   | 50,588,107              | 20,382,921           | 14,846,893               | 5,747,717            | 65,435,000            | 26,130,638           |
| 2034-2038                   | 52,595,528              | 9,989,313            | 11,919,472               | 2,792,531            | 64,515,000            | 12,781,844           |
| 2039-2043                   | 31,208,075              | 2,286,999            | 6,726,921                | 796,460              | 37,934,996            | 3,083,459            |
| Total                       | <u>\$ 178,910,617</u>   | <u>\$ 63,731,113</u> | <u>\$ 47,494,382</u>     | <u>\$ 18,160,923</u> | <u>\$ 226,404,999</u> | <u>\$ 81,892,036</u> |

The Town's general obligation bonds and certificates of obligation contain a provision that in an event of default, creditors may seek a writ of mandamus to compel Town officials to carry out their legally imposed duties with respect to debt. As outstanding debt does not become immediately due, the remedy of mandamus may have to be relied upon from year to year.

**Lease Liability**

On 10/29/2021, Town of Prosper, TX entered into a 73-month lease as Lessee for the use of Stryker Medical Devices. An initial lease liability was recorded in the amount of \$453,788. As of 09/30/2023, the value of the lease liability is \$324,113. The Town is required to make annual fixed payments of \$66,395 and has an interest rate of 0.804%. Annual requirements to amortize the lease liability for the General Fund as of September 30, 2023, are as follows:

| Year Ended<br>September 30, | Governmental Activities |                 |
|-----------------------------|-------------------------|-----------------|
|                             | Principal               | Interest        |
| 2024                        | \$ 63,789               | \$ 2,606        |
| 2025                        | 64,302                  | 2,093           |
| 2026                        | 64,818                  | 1,576           |
| 2027                        | 65,340                  | 1,055           |
| 2028                        | <u>65,864</u>           | <u>529</u>      |
| Total                       | <u>\$ 324,113</u>       | <u>\$ 7,859</u> |

**SBITA Liability**

For the year ended 9/30/2023, the financial statements include the adoption of GASB Statement No. 96, subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

| Purpose              | Interest Rate | Initial Year | Monthly Terms | Amount of Initial Liability | Interest Current Year | Amounts Outstanding 09/30/23 | Amounts Due Within One Year |
|----------------------|---------------|--------------|---------------|-----------------------------|-----------------------|------------------------------|-----------------------------|
| Right to Use:        |               |              |               |                             |                       |                              |                             |
| Axon Enterprise      | 3.207%        | 2023         | 24            | \$ 22,469                   | \$ -                  | \$ 11,057                    | \$ 11,057                   |
| Barracuda            | 3.238%        | 2023         | 36            | 76,184                      | -                     | 49,976                       | 24,590                      |
| CDW                  | 2.702%        | 2023         | 66            | 95,904                      | -                     | 78,836                       | 14,938                      |
| Clearview.ai         | 2.656%        | 2023         | 36            | 16,062                      | -                     | 10,567                       | 5,214                       |
| ESRI - GIS           | 3.207%        | 2023         | 24            | 75,804                      | -                     | 37,304                       | 37,304                      |
| Flock Group          | 3.018%        | 2023         | 24            | 247,220                     | 104                   | 121,823                      | 121,823                     |
| Microsoft Office 365 | 3.018%        | 2023         | 24            | 198,115                     | -                     | 97,585                       | 97,585                      |
| Nutanix              | 3.207%        | 2023         | 24            | 34,422                      | -                     | 16,940                       | 16,940                      |
| Tyler - EPL          | 2.656%        | 2023         | 36            | 607,121                     | -                     | <u>399,420</u>               | <u>197,092</u>              |
| Totals               |               |              |               |                             | <u>\$ 104</u>         | <u>\$ 823,508</u>            | <u>\$ 526,543</u>           |

Annual requirements to amortize the lease liability for the General Fund as of September 30, 2023, are as follows:

| Year Ended<br>September 30, | Governmental Activities |                  |
|-----------------------------|-------------------------|------------------|
|                             | Principal               | Interest         |
| 2024                        | \$ 526,543              | \$ 23,354        |
| 2025                        | 248,408                 | 8,065            |
| 2026                        | 15,756                  | 1,312            |
| 2027                        | 16,182                  | 886              |
| 2028                        | <u>16,619</u>           | <u>449</u>       |
| Total                       | <u>\$ 823,508</u>       | <u>\$ 34,066</u> |

**IX. RESTRICTED ASSETS**

The balances of restricted asset accounts are as follows:

|                                  | Cash                 | Investments          | Reason for restriction                   |
|----------------------------------|----------------------|----------------------|--|
| <b>Business-type activities:</b> |                      |                      |  |
| Water and Sewer fund             | \$ 21,383,804        | \$ 9,930,389         | Capital projects (unspent bond proceeds) |
| Water and Sewer fund             | 9,096,688            | 2,375,054            | Impact fees                              |
| Stormwater Drainage fund         | 340,530              | -                    | Capital projects (unspent bond proceeds) |
| Total business-type activities   | <u>\$ 30,821,022</u> | <u>\$ 12,305,443</u> |  |
| <b>Governmental activities:</b>  |                      |                      |  |
| Impact Fees fund                 | \$ 6,748,581         | \$ 1,762,173         | Impact fees                              |
| Debt Service fund                | 1,032,218            | 270,746              | Debt service                             |
| Capital Projects fund            | 49,865,077           | 41,858,780           | Capital projects (unspent bond proceeds) |
| Escrow Fund                      | 4,847,278            | 1,295,548            | Customer deposits/escrow                 |
| ARPA Fund                        | 5,011,193            | 1,341,993            | Special revenue funds                    |
| Nonmajor governmental funds      | 4,226,763            | 1,104,330            | Special revenue funds                    |
| Total governmental activities    | <u>\$ 71,731,110</u> | <u>\$ 47,633,570</u> |  |

**X. RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town is a participant in the Texas Municipal League Workers’ Compensation Joint Insurance Fund (WC Fund) and the Texas Municipal League Joint Self-Insurance Fund (Property-Liability Fund), a public entity risk pool operated by the Texas Municipal League Board for the benefit of individual governmental units located in Texas. The Town pays an annual premium to the Funds for its workers’ compensation and property and liability insurance coverage. The WC Fund and the Property-Liability Fund are considered self-sustaining risk pools that provide coverage for their members for up to \$2,000,000 per insured event. The Town also maintains insurance coverage for cyber-attacks. There were no significant reductions in insurance coverage from the previous year. Settled claims for risks have not exceeded insurance coverage in any of the past three years.

The Town of Prosper initiated a self-funded health and dental plan effective January 1, 2017 for Town Employees and their dependents. The Town maintains the Employee Health and Insurance Fund to account for the Town’s employee health and dental care coverage. In addition, excess insurance of up to \$1,000,000 has been obtained for an individual unit health and prescription drugs claims exceeding \$75,000 and for health claims in the aggregate exceeding \$3,216,684. The Town’s claim administrator is UMR.

Revenues are recognized from payroll deductions and Town contributions. At September 30, 2023, a liability of \$174,186 has been recorded, which represents estimated claims incurred but not yet reported. Changes in this claims liability during fiscal years 2021, 2022, and 2023 respectively were as follows

| Fiscal Year | Beginning Balance | Current Year Claims | Claim Payments | Ending Balance |
|-------------|-------------------|---------------------|----------------|----------------|
| 2021        | \$ 77,201         | \$ 2,461,362        | \$ 2,326,548   | \$ 212,015     |
| 2022        | 212,015           | 1,856,224           | 1,911,385      | 156,854        |
| 2023        | 156,854           | 2,207,581           | 2,190,249      | 174,186        |

**XI. OTHER POST-EMPLOYMENT BENEFITS (OPEB)**

As a municipality exceeding 25,000 population, the town is required to provide its retirees health insurance coverage but can recover up to the full cost of that coverage. The Town has adapted a policy requiring retirees to pay an actuarially determined age-based rate and therefore has no OPEB liability under GASB standards.

**XII. DEFINED BENEFIT PENSION PLAN**

**Plan Description**

The Town participates as one of 900+ plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the System with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS’s defined benefit pension plan is a tax-qualified plan under Section 401(a) of the Internal Revenue Code. TMRS issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at [www.TMRS.com](http://www.TMRS.com).

All eligible employees of the Town are required to participate in TMRS.

**Benefits Provided**

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the Town, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee’s contributions, with interest, and the town-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member’s deposits and interest.

Beginning in 2009, the Town granted an annually repeating (automatic) basis monetary credit referred to as an updated service credit (USC) which is a theoretical amount that takes into account salary increases or plan improvements. If at any time during their career an employee earns a USC, this amount remains in their account earning interest at 5% until retirement. At retirement, the benefit is calculated as if the sum of the employee’s accumulated contributions with interest and the employer match plus employer-financed monetary credits, such as USC, with interest were used to purchase an annuity. Additionally, initiated in 2009, the Town provided on an annually repeating (automatic) basis cost of living adjustments (COLA) for retirees equal to a percentage of the change in the consumer price index (CPI).

|                                   |  |
|-----------------------------------|--|
| Employee deposit rate             | 7%   |
| Matching ratio (Town to employee) | 2 to 1   |
| Years required for vesting        | 5  |
| Service retirement eligibility    | 20 years at any age,<br>5 years at age 60<br>and above |
| Updated service credit            | 100% repeating,<br>transfers                           |
| Annuity increase to retirees      | 70% of CPI repeating                                   |

**Employees Covered by Benefit Terms**

At the December 31, 2022 valuation and measurement date, the following numbers of employees were covered by the benefit terms:

|  |                   |
|--|-------------------|
| Inactive employees or beneficiaries currently receiving benefits | 37                |
| Inactive employees entitled to but not yet receiving benefits    | 161               |
| Active employees   | <u>312</u>        |
| Total  | <u><u>510</u></u> |

## Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employee gross earnings, and the municipal matching percentages are either 100%, 150%, or 200%, both as adopted by the governing body of the municipality. Under the state law governing TMRS, the contribution rate for each municipality is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The Town's contribution rate is based on the liabilities created from the benefit plan options selected by the Town and any changes in benefits or actual experience over time.

Employees for the Town were required to contribute 7% of their annual gross earnings during the fiscal year. The Town increased its employee contribution rate during the year. The contribution rates for the Town were 14.25% and 14.12% in calendar years 2022 and 2023, respectively. The Town's contributions to TMRS for the year ended September 30, 2023, were \$4,315,699, and were equal to the required contributions. The EDC's contributions to TMRS for the year were \$47,098 and were equal to the required contributions.

## Net Pension Liability

The Town's Net Pension Liability (NPL) was measured as of December 31, 2022, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

### Actuarial Assumptions

The Total Pension Liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

|                           |  |
|---------------------------|--|
| Inflation                 | 2.50% per year   |
| Overall payroll growth    | 2.75% per year   |
| Investment Rate of Return | 6.75% net of pension plan investment expense,<br>including inflation |

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB (10) mortality tables with the Public Safety table used for males and the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality table. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by Scale UMP to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees is used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on fully generational basis by Scale UMP to account for future mortality improvements subject to the floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2014 to December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income in order to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive). The target allocation and best estimates of arithmetic real rates return for each major asset class in fiscal year 2023 are summarized in the following table:

| Asset Class                      | Target Allocation | Long-Term Expected<br>Real Rate of Return<br>(Arithmetic) |
|----------------------------------|-------------------|---|
| Global equity                    | 35.00%            | 7.70%   |
| Core fixed income                | 6.00%             | 4.90%   |
| Non-core fixed income            | 20.00%            | 8.70%   |
| Other public and private markets | 12.00%            | 8.10%   |
| Real estate                      | 12.00%            | 5.80%   |
| Absolute return                  | 5.00%             | 6.90%   |
| Private equity                   | 10.00%            | 11.80%  |
| Total                            | 100.00%           |   |

### Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

### Changes in Net Pension Liability

The Town's net pension liability is generally liquidated by the General Fund and Proprietary Funds. At September 30, 2023, the Town reported the following changes in Net Pension Liability:

|  | Increase (Decrease)        |                                |                          |
|--|----------------------------|--------------------------------|--------------------------|
|  | Total Pension<br>Liability | Plan Fiduciary<br>Net Position | Net Pension<br>Liability |
|  | (a)                        | (b)                            | (a)-(b)                  |
| Balance at 12/31/2021  | \$ 38,230,248              | \$ 35,753,839                  | \$ 2,476,409             |
| Changes for the year:  |                            |                                |                          |
| Service cost   | 4,619,728                  | -                              | 4,619,728                |
| Interest   | 2,727,219                  | -                              | 2,727,219                |
| Difference between expected<br>and actual experience             | 744,322                    | -                              | 744,322                  |
| Change in assumptions  | -                          | -                              | -                        |
| Contributions - employer   | -                          | 3,389,861                      | (3,389,861)              |
| Contributions - employee   | -                          | 1,665,195                      | (1,665,195)              |
| Net investment income  | -                          | (2,632,796)                    | 2,632,796                |
| Benefit payments, including refunds<br>of employee contributions | (428,858)                  | (428,858)                      | -                        |
| Administrative expense   | -                          | (22,630)                       | 22,630                   |
| Other changes  | 77,570                     | 99,551                         | (21,981)                 |
| Net changes  | 7,739,981                  | 2,070,323                      | 5,669,658                |
| Balance at 12/31/2022  | \$ 45,970,229              | \$ 37,824,162                  | \$ 8,146,067             |

At September 30, 2023, the Component Unit reported the following changes in Net Pension Liability:

Item 4.

|  | Increase (Decrease)        |                                |                          |
|--|----------------------------|--------------------------------|--------------------------|
|  | Total Pension<br>Liability | Plan Fiduciary<br>Net Position | Net Pension<br>Liability |
|  | (a)                        | (b)                            | (a)-(b)                  |
| Balance at 12/31/2021  | \$ 554,624                 | \$ 518,698                     | \$ 35,926                |
| Changes for the year:  |                            |                                |                          |
| Service cost   | 57,530                     | -                              | 57,530                   |
| Interest   | 33,963                     | -                              | 33,963                   |
| Difference between expected<br>and actual experience             | 9,269                      | -                              | 9,269                    |
| Change in assumptions  | -                          | -                              | -                        |
| Contributions - employer   | -                          | 42,215                         | (42,215)                 |
| Contributions - employee   | -                          | 20,737                         | (20,737)                 |
| Net investment income  | -                          | (32,787)                       | 32,787                   |
| Benefit payments, including refunds<br>of employee contributions | (5,341)                    | (5,341)                        | -                        |
| Administrative expense   | -                          | (282)                          | 282                      |
| Other changes  | (77,570)                   | (72,209)                       | (5,361)                  |
| Net changes  | <u>17,851</u>              | <u>(47,667)</u>                | <u>65,518</u>            |
| Balance at 12/31/2022  | <u>\$ 572,475</u>          | <u>\$ 471,031</u>              | <u>\$ 101,444</u>        |

The following presents the net pension liability of the Town and component unit, calculated using the discount rate of 6.75%, as well as what the Town's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

|                              | 1% Decrease in<br>Discount Rate<br>(5.75%) | Current Single<br>Discount Rate<br>(6.75%) | 1% Increase in<br>Discount Rate<br>(7.75%) |
|------------------------------|--|--|--|
| Town's net pension liability | \$ 16,879,492                              | \$ 8,146,067                               | \$ 1,189,621                               |
| EDC's net pension liability  | 210,203                                    | 101,444                                    | 14,815                                     |
| Total                        | <u>\$ 17,089,695</u>                       | <u>\$ 8,247,511</u>                        | <u>\$ 1,204,436</u>                        |

### Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TMRS financial report. That report may be obtained electronically at [www.TMRS.com](http://www.TMRS.com).

### Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended September 30, 2023, the Town and component unit recognized pension expense of \$4,315,699 and \$53,744, respectively.

At September 30, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|  | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|--|-----------------------------------|----------------------------------|
| Differences between expected and actual<br>economic experience | \$ 1,634,717                      | \$ 6,838                         |
| Changes in actuarial assumptions                               | 32,599                            | -                                |
| Difference between projected and actual<br>investment earnings | 2,580,328                         | -                                |
| Contributions subsequent to the<br>measurement date            | <u>2,785,983</u>                  | <u>-</u>                         |
| Total  | <u>\$ 7,033,627</u>               | <u>\$ 6,838</u>                  |

At September 30, 2023, the component unit reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | Deferred Outflows<br>of Resources | Deferred Inflows<br>of Resources |
|---|-----------------------------------|----------------------------------|
| Differences between expected and actual economic experience | \$ 20,357                         | \$ 85                            |
| Changes in actuarial assumptions                            | 406                               | -                                |
| Difference between projected and actual investment earnings | 32,133                            | -                                |
| Contributions subsequent to the measurement date            | 34,694                            | -                                |
| Total   | <u>\$ 87,590</u>                  | <u>\$ 85</u>                     |

The Town and component unit reported \$2,785,983 and \$34,694, respectively, as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| For the Year Ended<br>September 30, | Town                | Component<br>Unit |
|-------------------------------------|---------------------|-------------------|
| 2024                                | \$ 769,027          | \$ 9,577          |
| 2025                                | 1,061,243           | 13,216            |
| 2026                                | 988,237             | 12,307            |
| 2027                                | 1,236,810           | 15,402            |
| 2028                                | 158,011             | 1,968             |
| Thereafter                          | 27,478              | 341               |
| Total                               | <u>\$ 4,240,806</u> | <u>\$ 52,811</u>  |

**XIII. TAX ABATEMENTS AND ECONOMIC INCENTIVES**

The Town enters into economic development agreements designed to promote development and redevelopment within the Town, spur economic improvement, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the Town. These programs abate or rebate property tax and sales tax and include incentive payments and reductions in fees that are not tied to taxes.

The Town’s economic development agreements are authorized under Chapter 380 of the Texas Local Government Code and Chapter 311 (Tax Increment Financing Act) of the Texas Tax Code. Recipients may be eligible to receive economic assistance based on the employment impact, economic impact, or community impact of the project requesting assistance. Recipients receiving assistance generally commit to building or remodeling real property and related infrastructure, expanding operations, or bringing targeted businesses to the Town.

**General Economic Development**

The Town has entered into various agreements that may rebate a flat amount or percentage of property taxes or sales tax received by the Town or repay developers for the construction of impact fee eligible projects. For fiscal year 2023, the Town rebated \$698,523 in property and sales taxes, and repaid developers for infrastructure agreements with \$8,154,523 in impact fees.

**Tax Increment Reinvestment Zone**

The Town has established two tax increment reinvestment zone (TIRZ) districts under Chapter 311, Texas Tax Code to promote local economic development and stimulate business and commercial activity within the Town and to develop and diversify the economy of the state by eliminating unemployment and underemployment and developing or expanding commerce in the state, including the enhancement of land and the Town. Each district has a base year, and incremental property tax revenues exceeding the base year amount are collected into a special revenue fund. Additionally, other taxing entities may participate in the TIRZ districts. Each participating entity’s governing body sets the percentage of increment that they will contribute to the TIRZ fund.

In December 2015, Town Council appointed a TIRZ Board to approve final project and finance plan and to enter into a participation agreement that provides participation in the TIRZ. Unlike other contractual obligations, TIRZ grants are subject to availability of TIRZ funds, and any balance owed to a developer at the termination of the TIRZ district will no longer be considered an obligation of the Town.

The following table summarizes key statistics of each of the Town’s TIRZ districts.

|                       | <u>TIRZ #1</u> | <u>TIRZ #2</u> |
|-----------------------|----------------|----------------|
| Tax year established  | 2008           | 2012           |
| Town's participation  | 70%            | 70%            |
| Other taxing entities | Collin County  | Collin County  |
| Participating         | 50%            | 50%            |
| Tax year terminates   | 2045           | 2037           |

The development agreement for TIRZ #1 provides for development of approximately 600 acres of land located in the Town of Prosper and known as the Gates of Prosper. This agreement provides for an economic development grant of \$58,000,000 plus 3.5% interest compounded annually until paid in full or termination of the agreement. Funding for this grant is contingent upon the availability of tax revenues and impact fee revenues in TIRZ #1. Interest payments of \$564,601 and payment towards construction of \$3,042,717 were made during the fiscal year.

The development agreement for TIRZ #2 provides for development of approximately 157 acres of land located in the Town of Prosper at the intersection of DNT and US Highway 380. This agreement provided for an economic development grant of \$28,566,057 plus 3.5% interest compounded annually until paid in full or termination of the agreement. This development agreement was determined to be in default and the Town’s obligation is to pay all amounts due at the time of default which is currently \$1,557,946. No interest will be calculated from the date of default, September 22, 2020, and forward. Funding for this grant is contingent upon the availability of tax revenues and impact fee revenues in TIRZ #2. A construction payment of \$41,006 and no payment towards interest were made during the fiscal year.

The following is a summary of the principal balance of the infrastructure reimbursement grants and development agreements associated with the Tax Increment Reinvestment Zones:

|                             | <u>TIRZ #1</u>       | <u>TIRZ #2</u>      | <u>Total</u>         |
|-----------------------------|----------------------|---------------------|----------------------|
| Balance, October 1, 2022    | \$ 16,131,451        | \$ 1,373,397        | \$ 17,504,848        |
| Additions/adjustments       | 11,596,445           | -                   | 11,596,445           |
| Payments                    | <u>(3,607,318)</u>   | <u>(41,006)</u>     | <u>(3,648,324)</u>   |
| Balance, September 30, 2023 | <u>\$ 24,120,578</u> | <u>\$ 1,332,391</u> | <u>\$ 25,452,969</u> |

**XIV. COMMITMENTS AND CONTINGENCIES**

At September 30, 2023, the total estimated costs to complete significant construction projects in progress at year-end totaled approximately \$137,467,252 for the Capital Projects Fund.



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**REQUIRED  
SUPPLEMENTARY  
INFORMATION  
SECTION**

**TOWN OF PROSPER, TEXAS**

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS  
TEXAS MUNICIPAL RETIREMENT SYSTEM

FOR THE YEAR ENDED SEPTEMBER 30, 2023

| <b>Measurement year December 31,</b>                              | <b>2014</b>         | <b>2015</b>          | <b>2016</b>          |
|---|---------------------|----------------------|----------------------|
| <b>Total pension liability</b>                                    |                     |                      |                      |
| Service cost  | \$ 1,149,110        | \$ 1,457,871         | \$ 1,719,445         |
| Interest on total pension liability                               | 610,963             | 732,791              | 874,511              |
| Difference between expected and actual experience                 | (114,652)           | 264,111              | (103,100)            |
| Change or assumptions   | -                   | (14,368)             | -                    |
| Benefit payments/refunds of contributions                         | <u>(47,637)</u>     | <u>(71,162)</u>      | <u>(96,666)</u>      |
| Net change in total pension liability                             | <u>1,597,784</u>    | <u>2,369,243</u>     | <u>2,394,190</u>     |
| Total pension liability, beginning                                | <u>8,177,304</u>    | <u>9,775,088</u>     | <u>12,144,331</u>    |
| Total pension liability, ending (a)                               | <u>\$ 9,775,088</u> | <u>\$ 12,144,331</u> | <u>\$ 14,538,521</u> |
| <b>Plan fiduciary net position</b>                                |                     |                      |                      |
| Contributions - employer  | \$ 723,677          | \$ 914,153           | \$ 1,101,478         |
| Contributions - employee  | 471,670             | 539,096              | 623,310              |
| Net investment income   | 383,420             | 12,145               | 650,853              |
| Benefit payments/refunds of contributions                         | (47,637)            | (71,162)             | (96,666)             |
| Administrative expenses   | (4,000)             | (7,392)              | (7,335)              |
| Other   | <u>(329)</u>        | <u>(365)</u>         | <u>(397)</u>         |
| Net change in fiduciary net position                              | <u>1,526,801</u>    | <u>1,386,475</u>     | <u>2,271,243</u>     |
| Fiduciary net position, beginning                                 | <u>6,697,330</u>    | <u>8,224,131</u>     | <u>9,610,606</u>     |
| Fiduciary net position, ending (b)                                | <u>\$ 8,224,131</u> | <u>\$ 9,610,606</u>  | <u>\$ 11,881,849</u> |
| <b>Net pension liability = (a)-(b)</b>                            | <u>1,550,957</u>    | <u>2,533,725</u>     | <u>2,656,672</u>     |
| Fiduciary net position as a percentage of total pension liability | 84.13%              | 79.14%               | 81.73%               |
| Covered - employee payroll  | \$ 6,738,149        | \$ 7,701,377         | \$ 8,904,427         |
| Net Pension liability as a percentage of covered employee payroll | 23.02%              | 32.90%               | 29.84%               |

Note: GASB Statement 68 requires this schedule to report 10 years of data. Data prior to 2014 is not available.

| <b>2017</b>          | <b>2018</b>          | <b>2019</b>          | <b>2020</b>          | <b>2021</b>          | <b>2022</b>          |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 2,156,520         | \$ 2,559,835         | \$ 2,900,937         | \$ 3,591,897         | \$ 4,056,030         | \$ 4,677,258         |
| 1,046,888            | 1,255,581            | 1,541,809            | 1,902,755            | 2,304,810            | 2,761,182            |
| (42,762)             | 526,914              | 693,569              | 522,514              | 489,219              | 753,591              |
| -                    | -                    | 85,186               | -                    | -                    | -                    |
| <u>(214,667)</u>     | <u>(326,425)</u>     | <u>(218,532)</u>     | <u>(220,713)</u>     | <u>(365,014)</u>     | <u>(434,199)</u>     |
| <u>2,945,979</u>     | <u>4,015,905</u>     | <u>5,002,969</u>     | <u>5,796,453</u>     | <u>6,485,045</u>     | <u>7,757,832</u>     |
| <u>14,538,521</u>    | <u>17,484,500</u>    | <u>21,500,405</u>    | <u>26,503,374</u>    | <u>32,299,827</u>    | <u>38,784,872</u>    |
| <u>\$ 17,484,500</u> | <u>\$ 21,500,405</u> | <u>\$ 26,503,374</u> | <u>\$ 32,299,827</u> | <u>\$ 38,784,872</u> | <u>\$ 46,542,704</u> |
| \$ 1,526,920         | \$ 1,802,565         | \$ 2,051,549         | \$ 2,537,000         | \$ 2,892,539         | \$ 3,432,076         |
| 794,089              | 932,591              | 1,059,841            | 1,311,595            | 1,473,637            | 1,685,932            |
| 1,650,563            | (469,840)            | 2,727,479            | 1,766,968            | 3,741,751            | (2,665,583)          |
| (214,667)            | (326,425)            | (218,532)            | (220,713)            | (365,014)            | (434,199)            |
| (8,534)              | (9,048)              | (15,339)             | (11,377)             | (17,219)             | (22,912)             |
| <u>(433)</u>         | <u>(473)</u>         | <u>(460)</u>         | <u>(445)</u>         | <u>119</u>           | <u>27,342</u>        |
| <u>3,747,938</u>     | <u>1,929,370</u>     | <u>5,604,538</u>     | <u>5,383,028</u>     | <u>7,725,813</u>     | <u>2,022,656</u>     |
| <u>11,881,849</u>    | <u>15,629,788</u>    | <u>17,559,158</u>    | <u>23,163,696</u>    | <u>28,546,724</u>    | <u>36,272,537</u>    |
| <u>\$ 15,629,787</u> | <u>\$ 17,559,158</u> | <u>\$ 23,163,696</u> | <u>\$ 28,546,724</u> | <u>\$ 36,272,537</u> | <u>\$ 38,295,193</u> |
| <u>1,854,713</u>     | <u>3,941,247</u>     | <u>3,339,678</u>     | <u>3,753,103</u>     | <u>2,512,335</u>     | <u>8,247,511</u>     |
| 89.39%               | 81.67%               | 87.40%               | 88.38%               | 93.52%               | 82.28%               |
| \$ 11,344,133        | \$ 13,304,757        | \$ 15,140,587        | \$ 18,737,073        | \$ 20,662,405        | \$ 24,084,746        |
| 16.35%               | 29.62%               | 22.06%               | 20.03%               | 12.16%               | 34.24%               |

**TOWN OF PROSPER, TEXAS**

SCHEDULE OF EMPLOYER CONTRIBUTIONS  
TEXAS MUNICIPAL RETIREMENT SYSTEM

FOR THE YEAR ENDED SEPTEMBER 30, 2023

| <b>Fiscal Year ended September 30,</b>                               | <u><b>2015</b></u> | <u><b>2016</b></u> | <u><b>2017</b></u> |
|--|--------------------|--------------------|--------------------|
| Actuarially determined contribution                                  | \$ 842,892         | \$ 1,073,556       | \$ 1,460,414       |
| Contributions in relation to the actuarially determined contribution | <u>842,892</u>     | <u>1,072,237</u>   | <u>1,431,283</u>   |
| Contribution deficiency (excess)                                     | -                  | 1,319              | 29,131             |
| Covered payroll  | \$ 7,560,918       | \$ 7,678,705       | \$ 10,850,030      |
| Contributions as a percentage of covered payroll                     | 11.10%             | 12.40%             | 13.20%             |

Note: GASB Statement No. 68 requires 10 years of data to be provided in this schedule. As of year end, all years are not available. Additional years will be added in the future as the information becomes available.

**NOTES TO SCHEDULE OF CONTRIBUTIONS**

**Valuation Date:**

Actuarially determined contribution rates are calculated as of December 31st and become effective in January, 13 months later.

**Methods and Assumptions Used to Determine Contribution Rates:**

|                               |   |
|-------------------------------|---|
| Actuarial cost method         | Entry Age Normal  |
| Amortization method           | Level Percentage of Payroll, Closed   |
| Remaining amortization period | 14 years  |
| Asset valuation method        | 10 year smoothed market;<br>12% soft corridor   |
| Inflation                     | 2.50%   |
| Salary increases              | 3.50% to 11.50% including inflation   |
| Investment rate of return     | 6.75%   |
| Retirement age                | Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018   |
| Mortality                     | Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP.<br>Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP. |

**Other Information:**

Notes There were no benefit changes during the year.  
Note: GASB Statement 68 requires this schedule to report 10 years of data. Data prior to 2015 is not available.

| <u>2018</u>      | <u>2019</u>      | <u>2020</u>      | <u>2021</u>      | <u>2022</u>      | <u>2023</u>      |
|------------------|------------------|------------------|------------------|------------------|------------------|
| \$ 1,739,754     | \$ 1,974,212     | \$ 2,364,494     | \$ 2,790,352     | \$ 3,221,511     | \$ 3,829,116     |
| <u>1,739,754</u> | <u>1,974,212</u> | <u>2,364,494</u> | <u>2,790,352</u> | <u>3,221,511</u> | <u>3,829,116</u> |
| -                | -                | -                | -                | -                | -                |
| \$ 12,884,881    | \$ 14,574,706    | \$ 17,470,665    | \$ 20,382,993    | \$ 22,814,839    | \$ 27,053,229    |
| 13.50%           | 13.55%           | 13.53%           | 13.69%           | 14.12%           | 14.15%           |



**COMBINING AND  
INDIVIDUAL FUND  
SCHEDULES**

## NONMAJOR GOVERNMENTAL FUNDS

Item 4.

**COURT TECHNOLOGY FUND** – This fund is to account for a misdemeanor offense and pay a technology fee as technology cost of the Court. These funds are used to finance the purchase of, or to maintain technology enhancements for the Municipal Court for the following: computer systems, networks, hardware and software, electric kiosks, electronic ticket writers, and docket management systems.

**COURT SECURITY FUND** – This fund is used to account for a misdemeanor offense and pay a security fee as a cost of the court. These funds are used to finance security personnel, services and items related to the facility that house the operations of the municipal court.

**PARKS DEDICATION FUND** – This fund is to account for contributions to the Town for the creation of parks within the Town per development agreements. Fund expenditures must be used for the acquisition, development, expansion, or upgrading of parks located within the same park district or general area where the proposed development for which payment was made is located.

**PARKS IMPROVEMENT FUND** – This fund is to account for contributions to the Town for improvements to Town parks per development agreements. Developers are reimbursed for the reasonable costs of any park improvements constructed and accepted by the Town.

**CRIME CONTROL SPECIAL PURPOSE DISTRICT** – Originally created in 2018 and renewed by the voters in 2023 for twenty years the Crime Control and Prevention Special Purpose District is allowed under Texas Local Government Code, Chapter 363 and Texas Tax Code, Section 323.105. The Crime Control and Prevention District is dedicated to crime reduction programs and the dedication of a one-fourth of one percent sales and use tax.

**FIRE PREVENTION AND EMS SPECIAL PURPOSE DISTRICT** – Originally created in 2018 and renewed by the voters in 2023 for twenty years the Fire Control, Prevention, and Emergency Medical Services Special Purpose District is allowed under Texas Local Government Code, Chapter 344 and Texas Tax Code, Section 321.106. The Fire Control, Prevention, and Emergency Medical Services Special Purpose District is dedicated to fire safety and emergency medical services programs and the dedication of a one-fourth of one percent sales and use tax.

**TIRZ 1 FUND** – The Town of Prosper designated a certain area within the Town as Tax Increment Reinvestment Zone Number 1 in 2008. The Town Council desires to promote the development or redevelopment of said geographic area by designation of a reinvestment zone, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code. This fund is to account for the restricted revenue sources detailed in the agreement along with the reimbursements to the developer for agreed upon expenditures.

**TIRZ 2 FUND** – The Town of Prosper designated a certain area within the Town as Tax Increment Reinvestment Zone Number 2 in 2013. The Town Council desires to promote the development or redevelopment of said geographic area by designation of a reinvestment zone, as authorized by the Tax Increment Financing Act, Chapter 311 of the Texas Tax Code. This fund is to account for the restricted revenue sources detailed in the agreement along with the reimbursements to the developer for agreed upon expenditures.

**MUNICIPAL JURY FUND** – This fund is used to fund juror reimbursements and otherwise finance jury services.

**CONTRIBUTIONS FUND** – This fund is used to account for various special revenue sources. Typical revenues seen in this fund would include Police Department donations, Fire Department donations, Police Seized funds, Child Safety funds, and developer contributions.

**TOWN OF PROSPER, TEXAS**

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS

SEPTEMBER 30, 2023

|   | <u>Court<br/>Technology</u> | <u>Court<br/>Security</u> | <u>Parks<br/>Dedication</u> | <u>Parks<br/>Improvement</u> |
|---|-----------------------------|---------------------------|-----------------------------|------------------------------|
| <b>ASSETS</b>   |                             |                           |                             |                              |
| Cash and cash equivalents   | \$ 17,200                   | \$ 40,147                 | \$ 1,252,613                | \$ 696,409                   |
| Investments   | 4,491                       | 10,485                    | 326,962                     | 181,973                      |
| Taxes receivable (net)  | -                           | -                         | -                           | -                            |
| Accounts receivable (net)   | -                           | -                         | -                           | -                            |
| Accrued interest  | 101                         | 236                       | 7,366                       | 4,099                        |
| Total assets  | <u>21,792</u>               | <u>50,868</u>             | <u>1,586,941</u>            | <u>882,481</u>               |
| <b>LIABILITIES</b>  |                             |                           |                             |                              |
| Accounts payable  | 1,000                       | -                         | -                           | 92,920                       |
| Accrued expenses  | -                           | -                         | -                           | -                            |
| Retainage payable   | -                           | -                         | -                           | 42,377                       |
| Total liabilities   | <u>1,000</u>                | <u>-</u>                  | <u>-</u>                    | <u>135,297</u>               |
| <b>FUND BALANCES</b>  |                             |                           |                             |                              |
| Restricted for:   |                             |                           |                             |                              |
| Capital projects  | -                           | -                         | -                           | -                            |
| Courts  | 20,792                      | 50,868                    | -                           | -                            |
| Police  | -                           | -                         | -                           | -                            |
| Fire  | -                           | -                         | -                           | -                            |
| Parks   | -                           | -                         | 1,586,941                   | 747,184                      |
| Other   | -                           | -                         | -                           | -                            |
| Total fund balances   | <u>20,792</u>               | <u>50,868</u>             | <u>1,586,941</u>            | <u>747,184</u>               |
| Total liabilities, deferred inflows of<br>resources and fund balances | <u>\$ 21,792</u>            | <u>\$ 50,868</u>          | <u>\$ 1,586,941</u>         | <u>\$ 882,481</u>            |

| Crime Control<br>Special<br>Purpose<br>District | Fire Prevention<br>and EMS<br>Special<br>Purpose<br>District | TIRZ 1         | TIRZ 2        | Municipal<br>Jury | Contributions    | Total Nonmajor<br>Governmental<br>Funds |
|---|--|----------------|---------------|-------------------|------------------|---|
| \$ 21,889                                       | \$ 21,980  | \$ 562,975     | \$ 20,232     | \$ 512            | \$ 1,592,806     | \$ 4,226,763                            |
| 5,706   | 5,752  | 147,982        | 5,299         | 134               | 415,546          | 1,104,330                               |
| 510,631   | 515,152  | 277,154        | -             | -                 | -                | 1,302,937                               |
| -   | -  | -              | -             | -                 | 14,343           | 14,343                                  |
| 129   | 130  | 3,334          | 119           | 3                 | 9,361            | 24,878                                  |
| <u>538,355</u>                                  | <u>543,014</u>   | <u>991,445</u> | <u>25,650</u> | <u>649</u>        | <u>2,032,056</u> | <u>6,673,251</u>                        |
| 1,178   | 1,178  | -              | -             | -                 | -                | 96,276                                  |
| 115,123   | 86,541   | -              | -             | -                 | -                | 201,664                                 |
| -   | -  | -              | -             | -                 | -                | 42,377                                  |
| <u>116,301</u>                                  | <u>87,719</u>  | <u>-</u>       | <u>-</u>      | <u>-</u>          | <u>-</u>         | <u>340,317</u>                          |
| -   | -  | 991,445        | 25,650        | -                 | -                | 1,017,095                               |
| -   | -  | -              | -             | 649               | -                | 72,309                                  |
| 422,054   | -  | -              | -             | -                 | 150,039          | 572,093                                 |
| -   | 455,295  | -              | -             | -                 | 36,782           | 492,077                                 |
| -   | -  | -              | -             | -                 | -                | 2,334,125                               |
| -   | -  | -              | -             | -                 | 1,845,235        | 1,845,235                               |
| <u>422,054</u>                                  | <u>455,295</u>   | <u>991,445</u> | <u>25,650</u> | <u>649</u>        | <u>2,032,056</u> | <u>6,332,934</u>                        |
| \$ 538,355                                      | \$ 543,014   | \$ 991,445     | \$ 25,650     | \$ 649            | \$ 2,032,056     | \$ 6,673,251                            |

**TOWN OF PROSPER, TEXAS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE - NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|   | <u>Court<br/>Technology</u> | <u>Court<br/>Security</u> | <u>Parks<br/>Dedication</u> | <u>Parks<br/>Improvement</u> |
|---|-----------------------------|---------------------------|-----------------------------|------------------------------|
| <b>REVENUES</b>                                     |                             |                           |                             |                              |
| Taxes:  |                             |                           |                             |                              |
| Property  | \$ -                        | \$ -                      | \$ -                        | \$ -                         |
| Sales   | -                           | -                         | -                           | -                            |
| Impact fees   | -                           | -                         | -                           | -                            |
| Intergovernmental                                   | -                           | -                         | -                           | 200,550                      |
| Investment Income (loss)                            | 742                         | 1,989                     | 47,454                      | 44,504                       |
| Fines, fees, warrants, and seizures                 | 9,655                       | 11,633                    | -                           | -                            |
| Contributions                                       | -                           | -                         | 604,429                     | 144,000                      |
| Miscellaneous                                       | -                           | -                         | -                           | -                            |
| Total revenues                                      | <u>10,397</u>               | <u>13,622</u>             | <u>651,883</u>              | <u>389,054</u>               |
| <b>EXPENDITURES</b>                                 |                             |                           |                             |                              |
| Current:  |                             |                           |                             |                              |
| Administration                                      | 1,000                       | 50                        | -                           | -                            |
| Police  | -                           | -                         | -                           | -                            |
| Fire  | -                           | -                         | -                           | -                            |
| Community services                                  | -                           | -                         | -                           | 847,546                      |
| Total expenditures                                  | <u>1,000</u>                | <u>50</u>                 | <u>-</u>                    | <u>847,546</u>               |
| Excess (Deficiency) of revenue<br>Over expenditures | <u>9,397</u>                | <u>13,572</u>             | <u>651,883</u>              | <u>(458,492)</u>             |
| <b>NET CHANGE IN FUND BALANCES</b>                  | 9,397                       | 13,572                    | 651,883                     | (458,492)                    |
| <b>FUND BALANCES - BEGINNING</b>                    | <u>11,395</u>               | <u>37,296</u>             | <u>935,058</u>              | <u>1,205,676</u>             |
| <b>FUND BALANCES - ENDING</b>                       | <u>\$ 20,792</u>            | <u>\$ 50,868</u>          | <u>\$ 1,586,941</u>         | <u>\$ 747,184</u>            |

| Crime Control<br>Special<br>Purpose<br>District | Fire Prevention<br>and EMS<br>Special<br>Purpose<br>District | TIRZ 1            | TIRZ 2           | Municipal<br>Jury | Contributions       | Total Nonmajor<br>Governmental<br>Funds |
|---|--|-------------------|------------------|-------------------|---------------------|---|
| \$ -  | \$ -   | \$ 983,032        | \$ 40,120        | \$ -              | \$ -                | \$ 1,023,152                            |
| 2,745,763                                       | 2,748,026  | 1,683,814         | -                | -                 | -                   | 7,177,603                               |
| -   | -  | 457,733           | -                | -                 | -                   | 457,733                                 |
| -   | -  | -                 | -                | -                 | -                   | 200,550                                 |
| (10)  | 3,340  | 81,665            | 1,701            | 24                | 40,059              | 221,468                                 |
| -   | -  | -                 | -                | 231               | 12,070              | 33,589                                  |
| -   | -  | -                 | -                | -                 | 1,611,974           | 2,360,403                               |
| -   | -  | -                 | -                | -                 | 2,416               | 2,416                                   |
| <u>2,745,753</u>                                | <u>2,751,366</u>   | <u>3,206,244</u>  | <u>41,821</u>    | <u>255</u>        | <u>1,666,519</u>    | <u>11,476,914</u>                       |
| -   | -  | 3,607,319         | 41,006           | -                 | 74,136              | 3,723,511                               |
| 2,777,410                                       | -  | -                 | -                | -                 | -                   | 2,777,410                               |
| -   | 2,753,480  | -                 | -                | -                 | -                   | 2,753,480                               |
| -   | -  | -                 | -                | -                 | -                   | 847,546                                 |
| <u>2,777,410</u>                                | <u>2,753,480</u>   | <u>3,607,319</u>  | <u>41,006</u>    | <u>-</u>          | <u>74,136</u>       | <u>10,101,947</u>                       |
| <u>(31,657)</u>                                 | <u>(2,114)</u>   | <u>(401,075)</u>  | <u>815</u>       | <u>255</u>        | <u>1,592,383</u>    | <u>1,374,967</u>                        |
| (31,657)  | (2,114)  | (401,075)         | 815              | 255               | 1,592,383           | 1,374,967                               |
| <u>453,711</u>                                  | <u>457,409</u>   | <u>1,392,520</u>  | <u>24,835</u>    | <u>394</u>        | <u>439,673</u>      | <u>4,957,967</u>                        |
| <u>\$ 422,054</u>                               | <u>\$ 455,295</u>  | <u>\$ 991,445</u> | <u>\$ 25,650</u> | <u>\$ 649</u>     | <u>\$ 2,032,056</u> | <u>\$ 6,332,934</u>                     |

**TOWN OF PROSPER, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
DEBT SERVICE FUND  
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|   | Original<br>Budget | Final<br>Budget   | Actual<br>Amounts   | Variance With<br>Final Budget<br>Positive<br>(Negative) |
|---|--------------------|-------------------|---------------------|---|
| <b>REVENUES</b>                                 |                    |                   |                     |   |
| Property taxes                                  | \$ 12,680,972      | \$ 12,680,972     | \$ 13,317,801       | \$ 636,829  |
| Investment income                               | 20,000             | 20,000            | 144,293             | 124,293   |
| Total Revenue                                   | <u>12,700,972</u>  | <u>12,700,972</u> | <u>13,462,094</u>   | <u>761,122</u>  |
| <b>EXPENDITURES</b>                             |                    |                   |                     |   |
| Debt service:                                   |                    |                   |                     |   |
| Principal                                       | 7,101,425          | 7,101,425         | 7,229,006           | (127,581)   |
| Interest and fiscal charges                     | 5,789,738          | 5,789,738         | 5,594,880           | 194,858   |
| Bond issue costs and fees                       | 20,000             | 20,000            | 41,753              | (21,753)  |
| Total Expenditures                              | <u>12,911,163</u>  | <u>12,911,163</u> | <u>12,865,639</u>   | <u>45,524</u>   |
| Excess of revenues over (under)<br>expenditures | <u>(210,191)</u>   | <u>(210,191)</u>  | <u>596,455</u>      | <u>806,646</u>  |
| <b>OTHER FINANCING SOURCES</b>                  |                    |                   |                     |   |
| Refunding bonds issued                          | -                  | -                 | 2,095,000           | 2,095,000   |
| Premium on refunding bonds issued               | -                  | -                 | 174,593             | 174,593   |
| Payments to bond escrow agent                   | -                  | -                 | (2,246,885)         | (2,246,885)   |
| Total Other Financing Sources                   | <u>-</u>           | <u>-</u>          | <u>22,708</u>       | <u>22,708</u>   |
| <b>CHANGE IN FUND BALANCE</b>                   | (210,191)          | (210,191)         | 619,163             | 829,354   |
| <b>FUND BALANCE - BEGINNING</b>                 | <u>683,357</u>     | <u>683,357</u>    | <u>683,357</u>      | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>                    | <u>\$ 473,166</u>  | <u>\$ 473,166</u> | <u>\$ 1,302,520</u> | <u>\$ 829,354</u>                                       |

**TOWN OF PROSPER, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
COURT TECHNOLOGY FUND  
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|                                     | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual<br/>Amounts</u> | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|-------------------------------------|----------------------------|-------------------------|---------------------------|---|
| <b>REVENUES</b>                     |                            |                         |                           |   |
| Fines, fees, warrants, and seizures | \$ 7,650                   | \$ 7,650                | \$ 9,655                  | \$ 2,005  |
| Investment income                   | 50                         | 50                      | 742                       | 692   |
| Total revenues                      | <u>7,700</u>               | <u>7,700</u>            | <u>10,397</u>             | <u>2,697</u>  |
| <b>EXPENDITURES</b>                 |                            |                         |                           |   |
| Administration                      | -                          | -                       | 1,000                     | (1,000)   |
| Total expenditures                  | <u>-</u>                   | <u>-</u>                | <u>1,000</u>              | <u>(1,000)</u>  |
| <b>CHANGE IN FUND BALANCE</b>       | <u>7,700</u>               | <u>7,700</u>            | <u>9,397</u>              | <u>1,697</u>  |
| <b>FUND BALANCE - BEGINNING</b>     | <u>11,395</u>              | <u>11,395</u>           | <u>11,395</u>             | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>        | <u>\$ 19,095</u>           | <u>\$ 19,095</u>        | <u>\$ 20,792</u>          | <u>\$ 1,697</u>   |

**TOWN OF PROSPER, TEXAS**

Item 4.

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 COURT SECURITY FUND  
 BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|                                     | Original<br>Budget | Final<br>Budget  | Actual<br>Amounts | Variance With<br>Final Budget<br>Positive<br>(Negative) |
|-------------------------------------|--------------------|------------------|-------------------|---|
| <b>REVENUES</b>                     |                    |                  |                   |   |
| Fines, fees, warrants, and seizures | \$ 8,000           | \$ 8,000         | \$ 11,633         | \$ 3,633  |
| Investment income                   | 125                | 125              | 1,989             | 1,864   |
| Total revenues                      | <u>8,125</u>       | <u>8,125</u>     | <u>13,622</u>     | <u>5,497</u>  |
| <b>EXPENDITURES</b>                 |                    |                  |                   |   |
| Administration                      | <u>15,675</u>      | <u>15,675</u>    | <u>50</u>         | <u>15,625</u>   |
| Total expenditures                  | <u>15,675</u>      | <u>15,675</u>    | <u>50</u>         | <u>15,625</u>   |
| <b>CHANGE IN FUND BALANCE</b>       | <u>(7,550)</u>     | <u>(7,550)</u>   | <u>13,572</u>     | <u>21,122</u>   |
| <b>FUND BALANCE - BEGINNING</b>     | <u>37,296</u>      | <u>37,296</u>    | <u>37,296</u>     | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>        | <u>\$ 29,746</u>   | <u>\$ 29,746</u> | <u>\$ 50,868</u>  | <u>\$ 21,122</u>  |

**TOWN OF PROSPER, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
PARKS DEDICATION FUND  
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|                                 | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual<br/>Amounts</u> | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---------------------------------|----------------------------|-------------------------|---------------------------|---|
| <b>REVENUES</b>                 |                            |                         |                           |   |
| Contributions                   | \$ 964,000                 | \$ 964,000              | \$ 604,429                | \$ (359,571)  |
| Investment income               | <u>2,000</u>               | <u>2,000</u>            | <u>47,454</u>             | <u>45,454</u>   |
| Total revenues                  | <u>966,000</u>             | <u>966,000</u>          | <u>651,883</u>            | <u>(314,117)</u>  |
| <b>CHANGE IN FUND BALANCE</b>   | <u>966,000</u>             | <u>966,000</u>          | <u>651,883</u>            | <u>(314,117)</u>  |
| <b>FUND BALANCE - BEGINNING</b> | <u>935,058</u>             | <u>935,058</u>          | <u>935,058</u>            | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>    | <u>\$ 1,901,058</u>        | <u>\$ 1,901,058</u>     | <u>\$ 1,586,941</u>       | <u>\$ (314,117)</u>   |

**TOWN OF PROSPER, TEXAS**

Item 4.

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 PARKS IMPROVEMENT FUND  
 BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|                                 | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual<br/>Amounts</u> | Variance With<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------|----------------------------|-------------------------|---------------------------|---|
| <b>REVENUES</b>                 |                            |                         |                           |   |
| Investment income               | \$ 4,050                   | \$ 4,050                | \$ 44,504                 | \$ 40,454   |
| Intergovernmental               | 200,550                    | 200,550                 | 200,550                   | -   |
| Contributions                   | <u>873,000</u>             | <u>873,000</u>          | <u>144,000</u>            | <u>(729,000)</u>  |
| Total revenues                  | <u>1,077,600</u>           | <u>1,077,600</u>        | <u>389,054</u>            | <u>(688,546)</u>  |
| <b>EXPENDITURES</b>             |                            |                         |                           |   |
| Community service               | <u>500,000</u>             | <u>898,971</u>          | <u>847,546</u>            | <u>51,425</u>   |
| Total Expenditures              | <u>500,000</u>             | <u>898,971</u>          | <u>847,546</u>            | <u>51,425</u>   |
| <b>CHANGE IN FUND BALANCE</b>   | <u>577,600</u>             | <u>178,629</u>          | <u>(458,492)</u>          | <u>(637,121)</u>  |
| <b>FUND BALANCE - BEGINNING</b> | <u>1,205,676</u>           | <u>1,205,676</u>        | <u>1,205,676</u>          | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>    | <u>\$ 1,783,276</u>        | <u>\$ 1,384,305</u>     | <u>\$ 747,184</u>         | <u>\$ (637,121)</u>                                     |

**TOWN OF PROSPER, TEXAS**

Item 4.

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
CRIME CONTROL DISTRICT FUND  
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|                                 | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual<br/>Amounts</u> | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---------------------------------|----------------------------|-------------------------|---------------------------|---|
| <b>REVENUES</b>                 |                            |                         |                           |   |
| Sales taxes                     | \$ 2,741,662               | \$ 2,741,662            | \$ 2,745,763              | \$ 4,101  |
| Investment income (loss)        | <u>1,200</u>               | <u>1,200</u>            | <u>(10)</u>               | <u>(1,210)</u>  |
| Total revenues                  | <u>2,742,862</u>           | <u>2,742,862</u>        | <u>2,745,753</u>          | <u>2,891</u>  |
| <b>EXPENDITURES</b>             |                            |                         |                           |   |
| Police                          | <u>2,713,065</u>           | <u>2,778,065</u>        | <u>2,777,410</u>          | <u>655</u>  |
| Total expenditures              | <u>2,713,065</u>           | <u>2,778,065</u>        | <u>2,777,410</u>          | <u>655</u>  |
| <b>CHANGE IN FUND BALANCE</b>   | <u>29,797</u>              | <u>(35,203)</u>         | <u>(31,657)</u>           | <u>3,546</u>  |
| <b>FUND BALANCE - BEGINNING</b> | <u>453,711</u>             | <u>453,711</u>          | <u>453,711</u>            | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>    | <u>\$ 483,508</u>          | <u>\$ 418,508</u>       | <u>\$ 422,054</u>         | <u>\$ 3,546</u>   |

**TOWN OF PROSPER, TEXAS**

Item 4.

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 FIRE PREVENTION DISTRICT FUND  
 BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|                                 | Original<br>Budget | Final<br>Budget   | Actual<br>Amounts | Variance With<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------|--------------------|-------------------|-------------------|---|
| <b>REVENUES</b>                 |                    |                   |                   |   |
| Sales taxes                     | \$ 2,710,483       | \$ 2,710,483      | \$ 2,748,026      | \$ 37,543   |
| Investment income               | 600                | 600               | 3,340             | 2,740   |
| Total revenues                  | <u>2,711,083</u>   | <u>2,711,083</u>  | <u>2,751,366</u>  | <u>40,283</u>   |
| <b>EXPENDITURES</b>             |                    |                   |                   |   |
| Fire                            | <u>2,685,042</u>   | <u>2,754,042</u>  | <u>2,753,480</u>  | 562   |
| Total expenditures              | <u>2,685,042</u>   | <u>2,754,042</u>  | <u>2,753,480</u>  | <u>562</u>  |
| <b>CHANGE IN FUND BALANCE</b>   | <u>26,041</u>      | <u>(42,959)</u>   | <u>(2,114)</u>    | <u>40,845</u>   |
| <b>FUND BALANCE - BEGINNING</b> | <u>457,409</u>     | <u>457,409</u>    | <u>457,409</u>    | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>    | <u>\$ 483,450</u>  | <u>\$ 414,450</u> | <u>\$ 455,295</u> | <u>\$ 40,845</u>  |

**TOWN OF PROSPER, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
TIRZ 1 FUND  
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|                                 | Original<br>Budget  | Final<br>Budget     | Actual<br>Amounts | Variance With<br>Final Budget<br>Positive<br>(Negative) |
|---------------------------------|---------------------|---------------------|-------------------|---|
| <b>REVENUES</b>                 |                     |                     |                   |   |
| Property taxes                  | \$ 1,008,947        | \$ 1,008,947        | \$ 983,032        | \$ (25,915)   |
| Sales taxes                     | 1,881,724           | 1,881,724           | 1,683,814         | (197,910)   |
| Impact fees                     | 200,000             | 200,000             | 457,733           | 257,733   |
| Investment income               | 6,000               | 6,000               | 81,665            | 75,665  |
| Total revenues                  | <u>3,096,671</u>    | <u>3,096,671</u>    | <u>3,206,244</u>  | <u>109,573</u>  |
| <b>EXPENDITURES</b>             |                     |                     |                   |   |
| Administration                  | 3,096,671           | 3,414,671           | 3,607,319         | (192,648)   |
| Total expenditures              | <u>3,096,671</u>    | <u>3,414,671</u>    | <u>3,607,319</u>  | <u>(192,648)</u>  |
| <b>CHANGE IN FUND BALANCE</b>   | <u>-</u>            | <u>(318,000)</u>    | <u>(401,075)</u>  | <u>(83,075)</u>   |
| <b>FUND BALANCE - BEGINNING</b> | <u>1,392,520</u>    | <u>1,392,520</u>    | <u>1,392,520</u>  | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>    | <u>\$ 1,392,520</u> | <u>\$ 1,074,520</u> | <u>\$ 991,445</u> | <u>\$ (83,075)</u>                                      |

**TOWN OF PROSPER, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
TIRZ 2 FUND  
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|                                 | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual<br/>Amounts</u> | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|---------------------------------|----------------------------|-------------------------|---------------------------|---|
| <b>REVENUES</b>                 |                            |                         |                           |   |
| Property taxes                  | \$ 40,598                  | \$ 40,598               | \$ 40,120                 | \$ (478)  |
| Investment income               | 75                         | 75                      | 1,701                     | 1,626   |
| Total Revenues                  | <u>40,673</u>              | <u>40,673</u>           | <u>41,821</u>             | <u>1,148</u>  |
| <b>EXPENDITURES</b>             |                            |                         |                           |   |
| Administration                  | <u>40,673</u>              | <u>41,023</u>           | <u>41,006</u>             | <u>17</u>   |
| Total expenditures              | <u>40,673</u>              | <u>41,023</u>           | <u>41,006</u>             | <u>17</u>   |
| <b>CHANGE IN FUND BALANCE</b>   | <u>-</u>                   | <u>(350)</u>            | <u>815</u>                | <u>1,165</u>  |
| <b>FUND BALANCE - BEGINNING</b> | <u>24,835</u>              | <u>24,835</u>           | <u>24,835</u>             | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>    | <u>\$ 24,835</u>           | <u>\$ 24,485</u>        | <u>\$ 25,650</u>          | <u>\$ 1,165</u>   |

**TOWN OF PROSPER, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
MUNICIPAL JURY FUND  
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|                                     | <u>Original<br/>Budget</u> | <u>Final<br/>Budget</u> | <u>Actual<br/>Amounts</u> | <u>Variance With<br/>Final Budget<br/>Positive<br/>(Negative)</u> |
|-------------------------------------|----------------------------|-------------------------|---------------------------|---|
| <b>REVENUES</b>                     |                            |                         |                           |   |
| Investment income                   | \$ -                       | \$ -                    | \$ 24                     | \$ 24   |
| Fines, fees, warrants, and seizures | <u>150</u>                 | <u>150</u>              | <u>231</u>                | <u>81</u>   |
| Total Revenues                      | <u>150</u>                 | <u>150</u>              | <u>255</u>                | <u>105</u>  |
| <b>CHANGE IN FUND BALANCE</b>       | <u>150</u>                 | <u>150</u>              | <u>255</u>                | <u>105</u>  |
| <b>FUND BALANCE - BEGINNING</b>     | <u>394</u>                 | <u>394</u>              | <u>394</u>                | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>        | <u>\$ 544</u>              | <u>\$ 544</u>           | <u>\$ 649</u>             | <u>\$ 105</u>   |

**TOWN OF PROSPER, TEXAS**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
CONTRIBUTIONS FUND  
BUDGET AND ACTUAL

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|                                     | Original<br>Budget | Final<br>Budget   | Actual<br>Amounts   | Variance With<br>Final Budget<br>Positive<br>(Negative) |
|-------------------------------------|--------------------|-------------------|---------------------|---|
| <b>REVENUES</b>                     |                    |                   |                     |   |
| Investment income                   | \$ 2,250           | \$ 2,250          | \$ 40,059           | \$ 37,809   |
| Fines, fees, warrants, and seizures | -                  | -                 | 12,070              | 12,070  |
| Contributions                       | 59,000             | 59,000            | 1,611,974           | 1,552,974   |
| Miscellaneous                       | 3,000              | 3,000             | 2,416               | (584)   |
| Total Revenues                      | <u>64,250</u>      | <u>64,250</u>     | <u>1,666,519</u>    | <u>1,602,269</u>  |
| <b>EXPENDITURES</b>                 |                    |                   |                     |   |
| Administration                      | 114,383            | 139,368           | 74,136              | 65,232  |
| Total Expenditures                  | <u>114,383</u>     | <u>139,368</u>    | <u>74,136</u>       | <u>65,232</u>   |
| <b>CHANGE IN FUND BALANCE</b>       | <u>(50,133)</u>    | <u>(75,118)</u>   | <u>1,592,383</u>    | <u>1,667,501</u>  |
| <b>FUND BALANCE - BEGINNING</b>     | <u>439,673</u>     | <u>439,673</u>    | <u>439,673</u>      | <u>-</u>  |
| <b>FUND BALANCE - ENDING</b>        | <u>\$ 389,540</u>  | <u>\$ 364,555</u> | <u>\$ 2,032,056</u> | <u>\$ 1,667,501</u>                                     |

**TOWN OF PROSPER, TEXAS**

COMBINING STATEMENT OF NET POSITION - INTERNAL SERVICE FUNDS

SEPTEMBER 30, 2023

|                                       | Vehicle<br>& Equipment<br>Replacement | Health<br>Insurance | Total<br>Internal<br>Service Funds |
|---------------------------------------|---------------------------------------|---------------------|------------------------------------|
| <b>ASSETS</b>                         |                                       |                     |                                    |
| Current assets:                       |                                       |                     |                                    |
| Cash and cash equivalents             | \$ 4,192,972                          | \$ 768,766          | \$ 4,961,738                       |
| Investments                           | 1,095,162                             | 191,846             | 1,287,008                          |
| Receivables, net                      | -                                     | 35,164              | 35,164                             |
| Accrued interest                      | 24,671                                | 4,322               | 28,993                             |
| Prepaid items                         | 11,617                                | -                   | 11,617                             |
| Total current assets                  | <u>5,324,422</u>                      | <u>1,000,098</u>    | <u>6,324,520</u>                   |
| Noncurrent assets:                    |                                       |                     |                                    |
| Capital assets:                       |                                       |                     |                                    |
| Depreciable, net                      | <u>3,231,325</u>                      | -                   | <u>3,231,325</u>                   |
| Total noncurrent assets               | <u>3,231,325</u>                      | -                   | <u>3,231,325</u>                   |
| Total assets                          | <u>8,555,747</u>                      | <u>1,000,098</u>    | <u>9,555,845</u>                   |
| <b>LIABILITIES</b>                    |                                       |                     |                                    |
| Current liabilities:                  |                                       |                     |                                    |
| Accounts payable and accrued expenses | <u>78,600</u>                         | <u>391,039</u>      | <u>469,639</u>                     |
| Total current liabilities             | <u>78,600</u>                         | <u>391,039</u>      | <u>469,639</u>                     |
| Total liabilities                     | <u>78,600</u>                         | <u>391,039</u>      | <u>469,639</u>                     |
| <b>NET POSITION</b>                   |                                       |                     |                                    |
| Net investment in capital assets      | 3,231,325                             | -                   | 3,231,325                          |
| Unrestricted                          | <u>5,245,822</u>                      | <u>609,059</u>      | <u>5,854,881</u>                   |
| Total net position                    | <u>\$ 8,477,147</u>                   | <u>\$ 609,059</u>   | <u>\$ 9,086,206</u>                |

**TOWN OF PROSPER, TEXAS**

**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
IN NET POSITION - INTERNAL SERVICE FUNDS**

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|                                   | Vehicle<br>& Equipment<br>Replacement | Health<br>Insurance | Total<br>Internal<br>Service Funds |
|-----------------------------------|---------------------------------------|---------------------|------------------------------------|
| <b>OPERATING REVENUES</b>         |                                       |                     |                                    |
| Charges for services:             |                                       |                     |                                    |
| Health charges                    | \$ -                                  | \$ 4,417,004        | \$ 4,417,004                       |
| Equipment replacement             | 1,385,257                             | -                   | 1,385,257                          |
| Miscellaneous                     | -                                     | 187,121             | 187,121                            |
| Total operating revenues          | <u>1,385,257</u>                      | <u>4,604,125</u>    | <u>5,989,382</u>                   |
| <b>OPERATING EXPENSES</b>         |                                       |                     |                                    |
| Materials and supplies            | 137,814                               | -                   | 137,814                            |
| Contractual services              | -                                     | 222,517             | 222,517                            |
| Employee health insurance         | -                                     | 4,358,925           | 4,358,925                          |
| Depreciation                      | 689,621                               | -                   | 689,621                            |
| Total operating costs             | <u>827,435</u>                        | <u>4,581,442</u>    | <u>5,408,877</u>                   |
| Operating income                  | <u>557,822</u>                        | <u>22,683</u>       | <u>580,505</u>                     |
| <b>NON-OPERATING REVENUES</b>     |                                       |                     |                                    |
| Investment income                 | <u>218,962</u>                        | <u>33,761</u>       | <u>252,723</u>                     |
| Total non-operating revenues      | <u>218,962</u>                        | <u>33,761</u>       | <u>252,723</u>                     |
| <b>CHANGE IN NET POSITION</b>     | <u>776,784</u>                        | <u>56,444</u>       | <u>833,228</u>                     |
| <b>NET POSITION - BEGINNING</b>   | <u>7,700,363</u>                      | <u>552,615</u>      | <u>8,252,978</u>                   |
| <b>NET POSITION - END OF YEAR</b> | <u>\$ 8,477,147</u>                   | <u>\$ 609,059</u>   | <u>\$ 9,086,206</u>                |

**TOWN OF PROSPER, TEXAS**

COMBINING STATEMENT OF CASH FLOWS - INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

|   | Vehicle<br>& Equipment<br>Replacement | Health<br>Insurance | Total<br>Internal<br>Service Funds |
|---|---------------------------------------|---------------------|------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                                       |                     |                                    |
| Cash received from customers and users  | \$ 1,385,257                          | \$ 4,638,894        | \$ 6,024,151                       |
| Cash payment to suppliers for goods and services  | (149,431)                             | -                   | (149,431)                          |
| Cash payments for health expense  | -                                     | (4,588,766)         | (4,588,766)                        |
| Net cash provided by operating activities   | 1,235,826                             | 50,128              | 1,285,954                          |
| <b>CASH FLOWS FROM CAPITAL &amp; RELATED FINANCING ACTIVITIES</b>                       |                                       |                     |                                    |
| Acquisition and construction of capital assets  | (373,262)                             | -                   | (373,262)                          |
| Net cash used by capital and related financing activities                               | (373,262)                             | -                   | (373,262)                          |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |                                       |                     |                                    |
| Investment purchases  | 757,011                               | (23,198)            | 733,813                            |
| Interest on deposits and investments  | 453,246                               | 283,410             | 736,656                            |
| Net cash provided by investing activities   | 1,210,257                             | 260,212             | 1,470,469                          |
| Net increase in cash and cash equivalents   | 2,072,821                             | 310,340             | 2,383,161                          |
| Cash and cash equivalents at beginning of year  | 2,120,151                             | 458,426             | 2,578,577                          |
| Cash and cash equivalents at end of year  | 4,192,972                             | 768,766             | 4,961,738                          |
| <b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>  |                                       |                     |                                    |
| Operating income  | 557,822                               | 22,683              | 580,505                            |
| Adjustments to reconcile operating income to net cash provided by operating activities: |                                       |                     |                                    |
| Depreciation  | 689,621                               | -                   | 689,621                            |
| Decrease (increase) in accounts receivable  | -                                     | 34,769              | 34,769                             |
| Decrease (increase) in prepaid items  | (11,617)                              | -                   | (11,617)                           |
| Increase (decrease) in accounts payable   | -                                     | (7,324)             | (7,324)                            |
| Net cash provided by operating activities   | \$ 1,235,826                          | \$ 50,128           | \$ 1,285,954                       |



# STATISTICAL SECTION

**STATISTICAL SECTION  
(UNAUDITED)**

This part of the Town’s annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the Town’s overall financial health.

|  | <b><u>Page<br/>Number</u></b> |
|--|-------------------------------|
| <b>Financial Trends</b><br>These schedules contain trend information to help the reader understand how the Town’s financial performance and well-being have changed over time.   | 77                            |
| <b>Revenue Capacity</b><br>These schedules contain information to help the reader assess the Town’s most significant local revenue sources. Although sales taxes are the Town’s most significant local revenue source, information about revenue base is unavailable and information about principal revenue payers is confidential under Texas statutes. Trend information about sales tax revenues is provided in Table 6. Additionally, information about the Town’s second most significant local revenue source, the property tax, is provided. | 87                            |
| <b>Debt Capacity</b><br>These schedules present information to help the reader assess the affordability of the Town’s current levels of outstanding debt and the Town’s ability to issue additional debt in the future.  | 92                            |
| <b>Demographic and Economic Information</b><br>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town’s financial activities take place.  | 99                            |
| <b>Operating Information</b><br>These schedules contain service and infrastructure data to help the reader understand how the information in the Town’s financial report relates to the services the Town provides and the activities it performs.   | 101                           |

Sources –Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Report for the relevant year.

**TOWN OF PROSPER, TEXAS**

## NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)  
 (AMOUNTS EXPRESSED IN THOUSANDS)  
 (UNAUDITED)

|   | Fiscal Year      |                   |                   |                   |
|---|------------------|-------------------|-------------------|-------------------|
|   | 2014             | 2015              | 2016              | 2017              |
| <b>Governmental activities</b>              |                  |                   |                   |                   |
| Net investment in capital assets            | \$ 45,398        | \$ 50,132         | \$ 60,997         | \$ 63,158         |
| Restricted                                  | 13,459           | 18,551            | 14,275            | 7,549             |
| Unrestricted                                | <u>10,126</u>    | <u>11,485</u>     | <u>20,672</u>     | <u>27,898</u>     |
| Total governmental activities net position  | <u>\$ 68,983</u> | <u>\$ 80,168</u>  | <u>\$ 95,944</u>  | <u>\$ 98,605</u>  |
| <b>Business-type activities</b>             |                  |                   |                   |                   |
| Net investment in capital assets            | \$ 19,708        | \$ 21,119         | \$ 4,772          | \$ 12,598         |
| Restricted                                  | -                | -                 | -                 | 4,722             |
| Unrestricted                                | <u>3,584</u>     | <u>3,351</u>      | <u>24,391</u>     | <u>23,010</u>     |
| Total business-type activities net position | <u>\$ 23,292</u> | <u>\$ 24,470</u>  | <u>\$ 29,163</u>  | <u>\$ 40,330</u>  |
| <b>Primary government</b>                   |                  |                   |                   |                   |
| Net investment in capital assets            | \$ 65,106        | \$ 71,251         | \$ 65,769         | \$ 75,756         |
| Restricted                                  | 13,459           | 18,551            | 14,307            | 12,271            |
| Unrestricted                                | <u>13,710</u>    | <u>14,836</u>     | <u>45,031</u>     | <u>50,908</u>     |
| Total primary government net position       | <u>\$ 92,275</u> | <u>\$ 104,638</u> | <u>\$ 125,107</u> | <u>\$ 138,935</u> |

| Fiscal Year |            |            |            |            |            |
|-------------|------------|------------|------------|------------|------------|
| 2018        | 2019       | 2020       | 2021       | 2022       | 2023       |
| \$ 126,774  | \$ 150,815 | \$ 169,774 | \$ 211,506 | \$ 268,677 | \$ 327,743 |
| 2,332       | 1,945      | 5,534      | 6,231      | 3,746      | 6,408      |
| 16,266      | 14,750     | 18,455     | 33,508     | 28,128     | 19,206     |
| \$ 145,372  | \$ 167,510 | \$ 193,763 | \$ 251,245 | \$ 300,551 | \$ 353,357 |
| <br>        | <br>       | <br>       | <br>       | <br>       | <br>       |
| \$ 93,021   | \$ 112,197 | \$ 127,806 | \$ 147,067 | \$ 179,568 | \$ 199,462 |
| -           | -          | -          | -          | -          | 1,925      |
| 14,696      | 12,177     | 14,758     | 24,909     | 20,336     | 25,164     |
| \$ 107,717  | \$ 124,374 | \$ 142,564 | \$ 171,976 | \$ 199,904 | \$ 226,551 |
| <br>        | <br>       | <br>       | <br>       | <br>       | <br>       |
| \$ 219,795  | \$ 263,012 | \$ 297,580 | \$ 358,573 | \$ 448,245 | \$ 527,205 |
| 2,332       | 1,945      | 5,534      | 6,231      | 3,746      | 8,333      |
| 30,962      | 26,927     | 33,213     | 58,417     | 48,464     | 44,370     |
| \$ 253,089  | \$ 291,884 | \$ 336,327 | \$ 423,221 | \$ 500,455 | \$ 579,908 |

**TOWN OF PROSPER, TEXAS**

CHANGE IN NET POSITION  
 LAST TEN FISCAL YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)  
 (AMOUNTS EXPRESSED IN THOUSANDS)  
 (UNAUDITED)

|   | Fiscal Year       |                   |                 |                   |
|---|-------------------|-------------------|-----------------|-------------------|
|   | 2014              | 2015              | 2016            | 2017              |
| <b>Expenses</b>                                 |                   |                   |                 |                   |
| Governmental activities:                        |                   |                   |                 |                   |
| General government                              | \$ 3,698          | \$ 4,922          | \$ 4,884        | \$ 5,884          |
| Public safety                                   | 5,610             | 6,129             | 7,027           | 9,256             |
| Public works                                    | 2,667             | 3,495             | 6,701           | 5,974             |
| Culture and recreation                          | 2,462             | 2,747             | 2,973           | 3,357             |
| Economic development                            | -                 | -                 | 921             | 1,880             |
| Interest on long-term debt                      | 1,119             | 4,409             | 1,571           | 1,774             |
| Total governmental activities expenses          | <u>15,556</u>     | <u>21,702</u>     | <u>24,077</u>   | <u>28,125</u>     |
| Business-type activities:                       |                   |                   |                 |                   |
| Water, sewer, and sanitation                    | 7,464             | 9,282             | 10,522          | 15,209            |
| Total business-type activities expenses         | <u>7,464</u>      | <u>9,282</u>      | <u>10,522</u>   | <u>15,209</u>     |
| Total primary government expenses               | <u>23,020</u>     | <u>30,984</u>     | <u>34,599</u>   | <u>43,334</u>     |
| <b>Program Revenues</b>                         |                   |                   |                 |                   |
| Governmental activities:                        |                   |                   |                 |                   |
| Charges for services:                           |                   |                   |                 |                   |
| General government                              | 2,588             | 3,428             | 4,261           | 4,761             |
| Public safety                                   | 585               | 628               | 796             | 899               |
| Culture and recreation                          | 4                 | 42                | 98              | 148               |
| Economic development                            | -                 | -                 | -               | -                 |
| Public works                                    | -                 | -                 | -               | -                 |
| Operating grants and contributions              | 113               | 101               | 127             | 198               |
| Capital grants and contributions                | <u>5,277</u>      | <u>7,907</u>      | <u>15,639</u>   | <u>6,870</u>      |
| Total governmental activities program revenues  | <u>8,567</u>      | <u>12,106</u>     | <u>20,921</u>   | <u>12,876</u>     |
| Business-type activities:                       |                   |                   |                 |                   |
| Charges for services:                           |                   |                   |                 |                   |
| Water, sewer and sanitation                     | 9,080             | 10,918            | 13,495          | 14,539            |
| Operating grants and contributions              | -                 | -                 | -               | -                 |
| Capital grants and contributions                | <u>3,897</u>      | <u>-</u>          | <u>-</u>        | <u>5,949</u>      |
| Total business-type activities program revenues | <u>12,977</u>     | <u>10,918</u>     | <u>13,495</u>   | <u>20,488</u>     |
| Total primary government program revenues       | <u>21,544</u>     | <u>23,024</u>     | <u>34,416</u>   | <u>33,364</u>     |
| Net (expense) revenue:                          |                   |                   |                 |                   |
| Governmental activities                         | (6,989)           | (6,658)           | (3,156)         | (15,249)          |
| Business-type activities                        | <u>5,513</u>      | <u>1,635</u>      | <u>2,973</u>    | <u>5,279</u>      |
| Total primary government net expense            | <u>\$ (1,476)</u> | <u>\$ (5,023)</u> | <u>\$ (183)</u> | <u>\$ (9,970)</u> |

| Fiscal Year       |                 |                 |                  |                  |                  |  |
|-------------------|-----------------|-----------------|------------------|------------------|------------------|--|
| 2018 <sup>A</sup> | 2019            | 2020            | 2021             | 2022             | 2023             |  |
| \$ 5,633          | \$ 7,937        | \$ 12,036       | \$ 10,516        | \$ 15,610        | \$ 16,247        |  |
| 10,853            | 12,013          | 14,830          | 16,969           | 19,176           | 23,880           |  |
| 4,836             | 5,645           | 6,907           | 9,924            | 18,904           | 17,173           |  |
| 5,226             | 4,687           | 5,297           | 5,852            | 6,733            | 7,516            |  |
| 4,205             | 2,715           | 2,413           | 3,622            | 3,543            | 3,219            |  |
| 2,297             | 3,070           | 3,089           | 3,691            | 3,199            | 3,664            |  |
| <u>33,050</u>     | <u>36,067</u>   | <u>44,572</u>   | <u>50,574</u>    | <u>67,165</u>    | <u>71,699</u>    |  |
| <br>              |                 |                 |                  |                  |                  |  |
| <u>19,487</u>     | <u>23,305</u>   | <u>24,772</u>   | <u>27,480</u>    | <u>30,989</u>    | <u>37,222</u>    |  |
| <u>19,487</u>     | <u>23,305</u>   | <u>24,772</u>   | <u>27,480</u>    | <u>30,989</u>    | <u>37,222</u>    |  |
| <u>52,537</u>     | <u>59,372</u>   | <u>69,344</u>   | <u>78,054</u>    | <u>98,154</u>    | <u>108,921</u>   |  |
| <br>              |                 |                 |                  |                  |                  |  |
| 1,018             | 1,937           | 1,646           | 2,013            | 1,525            | 2,899            |  |
| 518               | 567             | 661             | 1,361            | 1,560            | 1,434            |  |
| 227               | 310             | 114             | 413              | 546              | 691              |  |
| 4,673             | 3,882           | 4,523           | 6,819            | 5,295            | 4,725            |  |
| -                 | 5,609           | 7,447           | 9,252            | 10,011           | 7,671            |  |
| 138               | 156             | 1,253           | 2,488            | 522              | 1,812            |  |
| 9,964             | 13,358          | 16,677          | 39,618           | 46,893           | 40,189           |  |
| <u>16,538</u>     | <u>25,819</u>   | <u>32,321</u>   | <u>61,964</u>    | <u>66,352</u>    | <u>59,421</u>    |  |
| <br>              |                 |                 |                  |                  |                  |  |
| 19,200            | 21,125          | 24,225          | 26,667           | 32,492           | 35,014           |  |
| -                 | -               | -               | 8                | 2                | 3,988            |  |
| <u>12,743</u>     | <u>18,358</u>   | <u>19,031</u>   | <u>31,012</u>    | <u>26,838</u>    | <u>23,765</u>    |  |
| <br>              |                 |                 |                  |                  |                  |  |
| <u>31,943</u>     | <u>39,483</u>   | <u>43,256</u>   | <u>57,687</u>    | <u>59,332</u>    | <u>62,767</u>    |  |
| <br>              |                 |                 |                  |                  |                  |  |
| <u>48,481</u>     | <u>65,302</u>   | <u>75,577</u>   | <u>119,651</u>   | <u>125,684</u>   | <u>122,188</u>   |  |
| <br>              |                 |                 |                  |                  |                  |  |
| (16,512)          | (10,248)        | (12,251)        | 11,390           | (813)            | (12,278)         |  |
| <u>12,456</u>     | <u>16,178</u>   | <u>18,484</u>   | <u>30,207</u>    | <u>28,343</u>    | <u>25,545</u>    |  |
| \$ <u>(4,056)</u> | \$ <u>5,930</u> | \$ <u>6,233</u> | \$ <u>41,597</u> | \$ <u>27,530</u> | \$ <u>13,267</u> |  |

**TOWN OF PROSPER, TEXAS**

CHANGE IN NET POSITION  
 LAST TEN FISCAL YEARS  
 (ACCRUAL BASIS OF ACCOUNTING)  
 (AMOUNTS EXPRESSED IN THOUSANDS)  
 (UNAUDITED)

|   | Fiscal Year      |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|
|   | 2014             | 2015             | 2016             | 2017             |
| <b>General Revenues and Other Changes in Net Position</b> |                  |                  |                  |                  |
| Governmental activities:                                  |                  |                  |                  |                  |
| Taxes   |                  |                  |                  |                  |
| Property taxes  | \$ 8,410         | \$ 9,967         | \$ 12,880        | \$ 14,668        |
| Sales taxes   | 2,807            | 4,355            | 5,609            | 7,038            |
| Franchise fees  | 596              | 737              | 737              | 967              |
| Investment income   | 115              | 160              | 277              | 431              |
| Miscellaneous   | 151              | 501              | 281              | 428              |
| Transfers   | 364              | 521              | (1,751)          | (5,622)          |
| Total governmental activities                             | <u>12,443</u>    | <u>16,241</u>    | <u>18,033</u>    | <u>17,910</u>    |
| Business-type activities:                                 |                  |                  |                  |                  |
| Investment income   | 105              | 80               | 76               | 161              |
| Miscellaneous income                                      | 76               | 114              | 117              | 105              |
| Transfers   | (364)            | (521)            | 1,751            | 5,622            |
| Total business-type activities                            | <u>(183)</u>     | <u>(327)</u>     | <u>1,944</u>     | <u>5,888</u>     |
| Total primary government                                  | <u>12,260</u>    | <u>15,914</u>    | <u>19,977</u>    | <u>23,798</u>    |
| <b>Change in Net Position</b>                             |                  |                  |                  |                  |
| Governmental activities                                   | 5,454            | 9,583            | 14,877           | 2,661            |
| Business-type activities                                  | 5,330            | 1,308            | 4,917            | 11,167           |
| Total primary government                                  | <u>\$ 10,784</u> | <u>\$ 10,891</u> | <u>\$ 19,794</u> | <u>\$ 13,828</u> |

Source: Town financial statements

Note:

A - In 2018, the Town reclassified the Inspections, Code Enforcement, and Planning departments from General Government to Economic Development.

| Fiscal Year      |                  |                  |                  |                  |                  |
|------------------|------------------|------------------|------------------|------------------|------------------|
| 2018             | 2019             | 2020             | 2021             | 2022             | 2023             |
| \$ 17,339        | \$ 21,273        | \$ 24,479        | \$ 26,865        | \$ 30,713        | \$ 38,596        |
| 7,073            | 8,476            | 10,359           | 13,957           | 16,323           | 17,513           |
| 1,706            | 1,671            | 1,795            | 1,962            | 2,427            | 2,931            |
| 658              | 1,269            | 735              | 249              | (100)            | 4,622            |
| 164              | 214              | 248              | 206              | 513              | 186              |
| <u>1,358</u>     | <u>491</u>       | <u>936</u>       | <u>892</u>       | <u>569</u>       | <u>1,235</u>     |
| <u>28,298</u>    | <u>33,394</u>    | <u>38,552</u>    | <u>45,631</u>    | <u>50,445</u>    | <u>65,083</u>    |
| 339              | 750              | 348              | 64               | (138)            | 1,920            |
| 178              | 221              | 293              | 495              | 291              | 418              |
| <u>(1,358)</u>   | <u>(491)</u>     | <u>(936)</u>     | <u>(892)</u>     | <u>(569)</u>     | <u>(1,235)</u>   |
| <u>(841)</u>     | <u>480</u>       | <u>(295)</u>     | <u>(333)</u>     | <u>(416)</u>     | <u>1,103</u>     |
| <u>27,457</u>    | <u>33,874</u>    | <u>38,257</u>    | <u>45,298</u>    | <u>50,029</u>    | <u>66,186</u>    |
| 18,050           | 23,146           | 26,301           | 57,021           | 49,632           | 52,805           |
| <u>15,337</u>    | <u>16,658</u>    | <u>18,189</u>    | <u>29,874</u>    | <u>27,927</u>    | <u>26,648</u>    |
| <u>\$ 33,387</u> | <u>\$ 39,804</u> | <u>\$ 44,490</u> | <u>\$ 86,895</u> | <u>\$ 77,559</u> | <u>\$ 79,453</u> |

**TOWN OF PROSPER, TEXAS**

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(AMOUNTS EXPRESSED IN THOUSANDS)  
(UNAUDITED)

|                                     | Fiscal Year      |                  |                  |                  |
|-------------------------------------|------------------|------------------|------------------|------------------|
|                                     | 2014             | 2015             | 2016             | 2017             |
| <b>General Fund</b>                 |                  |                  |                  |                  |
| Nonspendable                        | \$ 6             | \$ 2             | \$ 3             | \$ 61            |
| Committed                           | 2,152            | 2,588            | 2,966            | 3,696            |
| Assigned                            | -                | -                | -                | -                |
| Unassigned                          | 5,430            | 4,977            | 7,059            | 8,547            |
| Total General Fund                  | <u>\$ 7,588</u>  | <u>\$ 7,567</u>  | <u>\$ 10,028</u> | <u>\$ 12,304</u> |
| <b>All Other Governmental Funds</b> |                  |                  |                  |                  |
| Restricted                          |                  |                  |                  |                  |
| Debt service                        | \$ 1,159         | \$ 1,470         | \$ 1,842         | \$ 2,147         |
| Capital projects                    | 17,699           | 27,414           | 31,040           | 18,009           |
| Courts                              | -                | -                | -                | 35               |
| Police                              | -                | -                | -                | -                |
| Fire                                | -                | -                | -                | -                |
| Grants                              | -                | -                | -                | -                |
| Parks                               | -                | -                | -                | -                |
| Other                               | -                | -                | -                | -                |
| Assigned                            | 2,371            | 2,297            | 7,818            | 10,316           |
| Total All Other Governmental Funds  | <u>\$ 21,229</u> | <u>\$ 31,181</u> | <u>\$ 40,700</u> | <u>\$ 30,507</u> |

Source: Balance Sheets - Governmental Funds in Towns ACFRs.

| Fiscal Year      |                  |                  |                  |                  |                  |
|------------------|------------------|------------------|------------------|------------------|------------------|
| 2018             | 2019             | 2020             | 2021             | 2022             | 2023             |
| \$ 15            | \$ 18            | \$ 15            | \$ 41            | \$ 112           | \$ 144           |
| 4,660            | 4,752            | 5,576            | 6,127            | 7,207            | 8,903            |
| -                | -                | -                | 3,845            | 4,328            | 2,955            |
| <u>8,139</u>     | <u>5,111</u>     | <u>8,333</u>     | <u>10,230</u>    | <u>7,279</u>     | <u>2,688</u>     |
| <u>\$ 12,814</u> | <u>\$ 9,881</u>  | <u>\$ 13,924</u> | <u>\$ 20,243</u> | <u>\$ 18,926</u> | <u>\$ 14,690</u> |
| <br>             |                  |                  |                  |                  |                  |
| \$ 2,558         | \$ 2,557         | \$ 2,619         | \$ 2,640         | \$ 683           | \$ 1,303         |
| 20,152           | 33,032           | 26,850           | 67,586           | 85,522           | 91,841           |
| 44               | 47               | 52               | 47               | 49               | 72               |
| -                | -                | 461              | 602              | 642              | 572              |
| -                | -                | 220              | 427              | 496              | 492              |
| -                | -                | 1                | 3                | 27               | 251              |
| -                | -                | 2,660            | 2,895            | 2,141            | 2,334            |
| -                | -                | 255              | 614              | 213              | 1,845            |
| <u>3,505</u>     | <u>3,278</u>     | <u>-</u>         | <u>-</u>         | <u>-</u>         | <u>-</u>         |
| <u>\$ 26,259</u> | <u>\$ 38,914</u> | <u>\$ 33,118</u> | <u>\$ 74,814</u> | <u>\$ 89,773</u> | <u>\$ 98,710</u> |

**TOWN OF PROSPER, TEXAS**

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(AMOUNTS EXPRESSED IN THOUSANDS)  
(UNAUDITED)

|   | Fiscal Year     |                  |                 |                   |
|---|-----------------|------------------|-----------------|-------------------|
|   | 2014            | 2015             | 2016            | 2017              |
| <b>Revenues</b>   |                 |                  |                 |                   |
| Taxes   | \$ 11,834       | \$ 15,076        | \$ 18,545       | \$ 23,306         |
| Licenses and permits                                    | 2,102           | 2,645            | 3,116           | 3,082             |
| Charges for services                                    | 4,353           | 6,855            | 3,997           | 687               |
| Impact fees   | -               | -                | 9,612           | 4,432             |
| Escrow income   | -               | -                | -               | -                 |
| Intergovernmental                                       | 28              | 29               | 56              | 748               |
| Investment income                                       | 809             | 1,194            | 1,530           | 2,091             |
| Fines, fees, warrants, and seizures                     | 114             | 160              | 276             | 379               |
| Park fees   | -               | -                | -               | -                 |
| Contributions   | 1,216           | 1,358            | 2,539           | 1,459             |
| Miscellaneous   | 151             | 481              | 281             | 428               |
| Total Revenues  | <u>20,607</u>   | <u>27,798</u>    | <u>39,952</u>   | <u>36,612</u>     |
| <b>Expenditures</b>                                     |                 |                  |                 |                   |
| General government                                      | 3,685           | 5,295            | 5,972           | 6,412             |
| Public safety   | 5,137           | 5,722            | 6,693           | 8,873             |
| Public Works  | 912             | 1,424            | 4,447           | 3,541             |
| Culture and recreation                                  | 1,688           | 1,931            | 2,159           | 1,948             |
| Economic development                                    | -               | -                | -               | 1,709             |
| Capital outlay  | 5,719           | 10,104           | 21,565          | 23,767            |
| Debt service  |                 |                  |                 |                   |
| Principal   | 1,638           | 1,623            | 1,860           | 2,363             |
| Interest  | 1,163           | 1,227            | 1,527           | 1,788             |
| Other charges   | 10              | 336              | 153             | 157               |
| Total Expenditures                                      | <u>19,952</u>   | <u>27,662</u>    | <u>44,376</u>   | <u>50,558</u>     |
| Excess of revenues over (under) expenditures            | 655             | 136              | (4,424)         | (13,946)          |
| <b>Other Financing Sources (Uses)</b>                   |                 |                  |                 |                   |
| Transfer in   | 1,571           | 4,104            | 11,704          | 6,928             |
| Transfer out  | (2,009)         | (4,154)          | (13,457)        | (12,630)          |
| Proceeds from insurance                                 | -               | -                | -               | -                 |
| Issuance of debt  | 3,340           | 20,919           | 13,440          | 10,575            |
| Premium (discount) on debt issuance                     | 312             | 2,397            | 1,322           | 1,155             |
| Payments to bond escrow agent                           | (2,592)         | (10,482)         | (2,988)         | -                 |
| Issuance of leases                                      | -               | -                | -               | -                 |
| Issuance of SBITA                                       | -               | -                | -               | -                 |
| Net other financing sources (uses)                      | <u>622</u>      | <u>12,784</u>    | <u>10,021</u>   | <u>6,028</u>      |
| Net change in fund balances                             | <u>\$ 1,277</u> | <u>\$ 12,920</u> | <u>\$ 5,597</u> | <u>\$ (7,918)</u> |
| Debt service as a percentage of noncapital expenditures | <u>19.7%</u>    | <u>16.2%</u>     | <u>14.8%</u>    | <u>15.5%</u>      |

Source: Statement of Revenues, Expenditures, and Changes in Fund Balance for Governmental Funds.

| Fiscal Year     |                  |                   |                  |                  |                 |  |
|-----------------|------------------|-------------------|------------------|------------------|-----------------|--|
| 2018            | 2019             | 2020              | 2021             | 2022             | 2023            |  |
| \$ 26,156       | \$ 31,335        | \$ 36,551         | \$ 42,779        | \$ 49,496        | \$ 58,420       |  |
| 5,468           | 4,739            | 5,552             | 8,146            | 6,679            | 6,435           |  |
| 742             | 713              | 589               | 1,190            | 1,080            | 1,361           |  |
| 5,283           | 5,569            | 7,422             | 9,242            | 10,008           | 7,663           |  |
| -               | 648              | 501               | 580              | -                | 845             |  |
| 493             | 2,942            | 1,068             | 2,678            | 442              | 442             |  |
| 670             | 511              | 679               | 238              | (76)             | 4,369           |  |
| 424             | 1,219            | 328               | 301              | 269              | 431             |  |
| -               | -                | -                 | 411              | 593              | 695             |  |
| 372             | 994              | 185               | 526              | 1,298            | 2,360           |  |
| 176             | 230              | 228               | 278              | 491              | 165             |  |
| <u>39,784</u>   | <u>48,900</u>    | <u>53,103</u>     | <u>66,369</u>    | <u>70,280</u>    | <u>83,186</u>   |  |
| 5,659           | 8,768            | 12,583            | 11,983           | 15,236           | 16,327          |  |
| 10,243          | 11,561           | 15,269            | 15,895           | 18,995           | 23,137          |  |
| 4,210           | 3,308            | 4,676             | 4,985            | 12,571           | 9,415           |  |
| 4,810           | 3,885            | 4,359             | 5,082            | 7,274            | 6,955           |  |
| 7,364           | 2,633            | 2,634             | 3,580            | 3,585            | 3,237           |  |
| 18,782          | 18,748           | 21,608            | 19,313           | 20,304           | 45,548          |  |
| 2,554           | 3,197            | 3,819             | 4,275            | 8,558            | 7,842           |  |
| 2,428           | 2,752            | 3,192             | 3,404            | 4,493            | 5,598           |  |
| 30              | 240              | 175               | 484              | 317              | 377             |  |
| <u>56,080</u>   | <u>55,092</u>    | <u>68,315</u>     | <u>69,001</u>    | <u>91,333</u>    | <u>118,436</u>  |  |
| (16,296)        | (6,192)          | (15,212)          | (2,632)          | (21,053)         | (35,250)        |  |
| 9,975           | 8,805            | 2,955             | 6,397            | 10,253           | 13,379          |  |
| (9,696)         | (10,037)         | (2,019)           | (5,505)          | (9,684)          | (12,144)        |  |
| -               | -                | -                 | -                | 22               | 21              |  |
| 16,305          | 17,135           | 10,875            | 43,110           | 31,600           | 37,630          |  |
| 923             | 1,019            | 1,695             | 4,684            | 2,375            | 1,938           |  |
| -               | -                | -                 | -                | -                | (2,247)         |  |
| -               | -                | -                 | -                | 454              | -               |  |
| -               | -                | -                 | -                | -                | 1,373           |  |
| <u>17,507</u>   | <u>16,922</u>    | <u>13,506</u>     | <u>48,686</u>    | <u>35,020</u>    | <u>39,950</u>   |  |
| \$ <u>1,211</u> | \$ <u>10,730</u> | \$ <u>(1,706)</u> | \$ <u>46,054</u> | \$ <u>13,967</u> | \$ <u>4,700</u> |  |
| <u>16.8%</u>    | <u>18.2%</u>     | <u>16.4%</u>      | <u>16.5%</u>     | <u>19.8%</u>     | <u>19.8%</u>    |  |

**TOWN OF PROSPER, TEXAS**

GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE

LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)  
(AMOUNTS EXPRESSED IN THOUSANDS)  
(UNAUDITED)

| <u>Fiscal Year</u> | <u>Property Tax</u> | <u>Sales Tax</u> | <u>Franchise Fee</u> | <u>Total</u> |
|--------------------|---------------------|------------------|----------------------|--------------|
| 2014               | \$ 8,410            | \$ 2,807         | \$ 596               | \$ 11,813    |
| 2015               | 9,967               | 4,355            | 737                  | 15,059       |
| 2016               | 12,880              | 5,609            | 737                  | 19,226       |
| 2017               | 14,668              | 7,038            | 967                  | 22,673       |
| 2018               | 17,376              | 7,073            | 1,706                | 26,155       |
| 2019               | 21,188              | 8,476            | 1,671                | 31,335       |
| 2020               | 24,397              | 10,359           | 1,795                | 36,551       |
| 2021               | 26,861              | 13,957           | 1,961                | 42,779       |
| 2021               | 30,747              | 16,323           | 2,427                | 49,497       |
| 2023               | 37,976              | 17,513           | 2,931                | 58,420       |

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS  
(AMOUNTS EXPRESSED IN THOUSANDS)  
(UNAUDITED)

| Fiscal Year Ended | Total Estimated Market Value as Assessed | Estimated Market Value Real Property | Estimated Market Value Personal Property | Less: Tax Exempt Real Property | Total Taxable Assessed Value | Total Direct Tax Rate | Taxable Assessed Value as a % of Estimated Market Value |
|-------------------|--|--------------------------------------|--|--------------------------------|------------------------------|-----------------------|---|
| 2014              | \$ 2,161,596                             | \$ 2,118,602                         | \$ 42,994                                | \$ 604,133                     | \$ 1,557,463                 | 0.52000               | 72.05%  |
| 2015              | 2,571,540                                | 2,515,525                            | 56,015                                   | 686,635                        | 1,884,905                    | 0.52000               | 73.30%  |
| 2016              | 3,306,744                                | 3,242,618                            | 64,126                                   | 994,179                        | 2,312,565                    | 0.52000               | 69.93%  |
| 2017              | 3,881,824                                | 3,798,498                            | 83,326                                   | 1,258,940                      | 2,622,884                    | 0.52000               | 67.57%  |
| 2018              | 4,834,664                                | 4,719,450                            | 115,214                                  | 1,486,485                      | 3,348,179                    | 0.52000               | 69.25%  |
| 2019              | 5,589,410                                | 5,418,879                            | 170,531                                  | 1,844,726                      | 3,744,684                    | 0.52000               | 67.00%  |
| 2020              | 6,263,054                                | 6,054,042                            | 209,012                                  | 1,955,590                      | 4,307,464                    | 0.52000               | 68.78%  |
| 2021              | 7,108,809                                | 6,885,262                            | 223,547                                  | 2,310,423                      | 4,798,386                    | 0.52000               | 67.50%  |
| 2022              | 7,977,383                                | 7,746,455                            | 230,929                                  | 2,482,138                      | 5,495,245                    | 0.51000               | 68.90%  |
| 2023              | 10,543,817                               | 10,248,747                           | 295,070                                  | 4,047,064                      | 6,496,753                    | 0.51000               | 61.62%  |

Source: Collin and Denton Appraisal District Certified Totals and Collin County Tax Assessor-Collector Tax Rolls

Taxable Assessed Values are net of local option over-65 exemptions, state mandated agricultural exemptions, and disabled veterans' exemptions. This amount may include senior tax freeze ceiling amounts.

**TOWN OF PROSPER, TEXAS**

PROPERTY TAX RATES  
 DIRECT AND OVERLAPPING GOVERNMENTS  
 (PER \$100 OF ASSESSED VALUE)

LAST TEN FISCAL YEARS  
 (UNAUDITED)

| Fiscal Year | Town of Prosper Tax Rate <sup>1</sup> |              |          | Overlapping Tax Rates <sup>2</sup> |               |
|-------------|---------------------------------------|--------------|----------|------------------------------------|---------------|
|             | General Government                    | Debt Service | Total    | Prosper ISD                        | Collin County |
| 2014        | 0.326191                              | 0.193809     | 0.520000 | 1.670000                           | 0.237500      |
| 2015        | 0.356301                              | 0.163699     | 0.520000 | 1.670000                           | 0.235000      |
| 2016        | 0.361074                              | 0.158926     | 0.520000 | 1.670000                           | 0.225000      |
| 2017        | 0.367500                              | 0.152500     | 0.520000 | 1.670000                           | 0.208395      |
| 2018        | 0.367500                              | 0.152500     | 0.520000 | 1.670000                           | 0.180785      |
| 2019        | 0.367500                              | 0.152500     | 0.520000 | 1.568350                           | 0.174951      |
| 2020        | 0.367500                              | 0.152500     | 0.520000 | 1.492700                           | 0.172531      |
| 2021        | 0.367500                              | 0.152500     | 0.520000 | 1.460300                           | 0.168087      |
| 2022        | 0.328000                              | 0.182000     | 0.510000 | 1.442900                           | 0.152443      |
| 2023        | 0.329830                              | 0.180170     | 0.510000 | 1.442900                           | 0.152443      |

Source: Collin County and Denton County Appraisal Districts.

<sup>1</sup>Tax rate is per \$100 of taxable assessed value.

<sup>2</sup>Overlapping tax rates are those of local and county governments that apply to property owners within the Town of Prosper.

| <u>Overlapping Tax Rates<sup>2</sup></u> |                          | Total Direct<br>& Overlapping<br>Rates<br><u>Collin County</u> | Total Direct<br>& Overlapping<br>Rates<br><u>Denton County</u> |
|--|--------------------------|--|--|
| <u>Collin<br/>College</u>                | <u>Denton<br/>County</u> |  |  |
| 0.083643                                 | 0.284914                 | 2.511143   | 2.474914   |
| 0.081960                                 | 0.262000                 | 2.506960   | 2.452000   |
| 0.081960                                 | 0.248409                 | 2.496960   | 2.438409   |
| 0.081222                                 | 0.237812                 | 2.479617   | 2.427812   |
| 0.081222                                 | 0.225574                 | 2.452007   | 2.415574   |
| 0.081222                                 | 0.225278                 | 2.344523   | 2.313628   |
| 0.081222                                 | 0.224985                 | 2.266453   | 2.237685   |
| 0.081222                                 | 0.233086                 | 2.229609   | 2.213386   |
| 0.081222                                 | 0.217543                 | 2.186565   | 2.213386   |
| 0.081220                                 | 0.189949                 | 2.186563   | 2.142849   |

**TOWN OF PROSPER, TEXAS**

**PROPERTY TAX LEVIES AND COLLECTION**

**LAST TEN FISCAL YEARS  
(UNAUDITED)**

| Fiscal Year Ended | Total Tax Levy for Fiscal Year <sup>1</sup> | Collections within the Fiscal Year of the Levy |                    | Collections in Subsequent Years | Total Collections to Date |                                 |
|-------------------|---|--|--------------------|---------------------------------|---------------------------|---------------------------------|
|                   |   | Amount   | Percentage of Levy |                                 | Amount                    | Percentage of Levy <sup>1</sup> |
| 2014              | \$ 8,217,550                                | \$ 8,174,411                                   | 99.48%             | \$ 348,080                      | \$ 8,522,491              | 103.7%                          |
| 2015              | 9,730,516                                   | 9,704,426                                      | 99.73%             | 417,150                         | 10,121,576                | 104.0%                          |
| 2016              | 12,052,689                                  | 11,922,739                                     | 98.92%             | 387,630                         | 12,310,369                | 102.1%                          |
| 2017              | 14,077,378                                  | 14,052,156                                     | 99.82%             | 313,892                         | 14,366,048                | 102.1%                          |
| 2018              | 17,168,258                                  | 17,119,197                                     | 99.71%             | 347,099                         | 17,466,296                | 101.7%                          |
| 2019              | 20,643,714                                  | 20,590,864                                     | 99.74%             | 324,315                         | 20,915,179                | 101.3%                          |
| 2020              | 23,743,003                                  | 23,705,358                                     | 99.84%             | 49,827                          | 23,755,185                | 100.1%                          |
| 2021              | 26,445,321                                  | 26,370,441                                     | 99.72%             | 35,962                          | 26,406,403                | 99.9%                           |
| 2022              | 30,114,813                                  | 30,045,405                                     | 99.72%             | -                               | 30,045,405                | 99.8%                           |
| 2023              | 37,259,783                                  | 37,161,161                                     | 99.74%             | 563,846                         | 37,725,006                | 101.2%                          |

Note: Taxes stated are for General Fund and Debt Service Funds.

<sup>1</sup>Tax Levy is the original levy as of certification date, and does not include adjustments. The percentage of levy collected may be greater than 100% as payments that relate to levy adjustments are collected.

**TOWN OF PROSPER, TEXAS**

PRINCIPAL PROPERTY TAXPAYERS

FISCAL YEAR END 2023 AND 2014  
(UNAUDITED)

| Taxpayer                             | 2023                   |      |  | 2014                   |      |  |
|--------------------------------------|------------------------|------|--|------------------------|------|--|
|                                      | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| 380 & 289, LP                        | \$ 93,970,197          | 1    | 1.45%                                      | \$ -                   | -    | -  |
| GOP #2 LLC                           | 85,322,624             | 2    | 1.31%                                      | -                      | -    | -  |
| 289 (Preston) & 380 LP               | 80,160,596             | 3    | 1.23%                                      | -                      | -    | -  |
| Orion Prosper Lakes LLC              | 67,704,556             | 4    | 1.04%                                      | -                      | -    | -  |
| Orion Prosper LLC                    | 52,963,242             | 5    | 0.82%                                      | -                      | -    | -  |
| Prosper Younger LLC                  | 33,118,600             | 6    | 0.51%                                      | -                      | -    | -  |
| Crossland Texas Industrial LLC       | 28,345,158             | 7    | 0.44%                                      | -                      | -    | -  |
| Oncor Electric Delivery Co LLC       | 23,702,625             | 8    | 0.36%                                      | -                      | -    | -  |
| BHA Real Estate Holdings LLC         | 22,461,238             | 9    | 0.35%                                      | -                      | -    | -  |
| PS LPT Properties Investors          | 20,556,160             | 10   | 0.32%                                      | -                      | -    | -  |
| Western Rim Investors                | -                      | -    | -  | 46,712,539             | 1    | 3.00%                                      |
| Prosper Land Company LTD             | -                      | -    | -  | 12,958,717             | 2    | 0.83%                                      |
| Meritage Homes of Texas LLC          | -                      | -    | -  | 8,612,625              | 3    | 0.55%                                      |
| D R Horton - Texas LLC               | -                      | -    | -  | 7,896,949              | 4    | 0.51%                                      |
| Beazer Homes Texas LP                | -                      | -    | -  | 7,716,389              | 5    | 0.50%                                      |
| Rosebriar Prosper plaza LP           | -                      | -    | -  | 7,579,560              | 6    | 0.49%                                      |
| Five Sac Self-Storage Corp           | -                      | -    | -  | 7,129,529              | 7    | 0.46%                                      |
| Saddle Creek Investments LTD         | -                      | -    | -  | 7,018,145              | 8    | 0.45%                                      |
| First Texas Homes Inc                | -                      | -    | -  | 6,787,476              | 9    | 0.44%                                      |
| Forestar (USA) Real Estate Group Inc | -                      | -    | -  | 6,616,841              | 10   | 0.42%                                      |
| <b>Totals</b>                        | <b>\$ 508,304,996</b>  |      | <b>7.82%</b>                               | <b>\$ 119,028,770</b>  |      | <b>7.64%</b>                               |

Source: Collin and Denton County Appraisal Districts

**TOWN OF PROSPER, TEXAS**

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS  
 (AMOUNTS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA AMOUNT)  
 (UNAUDITED)

| Fiscal Year | Governmental Activities  |                            |           |        |       |                     |
|-------------|--------------------------|----------------------------|-----------|--------|-------|---------------------|
|             | General Obligation Bonds | Certificates of Obligation | Tax Notes | Leases | SBITA | Premiums/ Discounts |
| 2014        | \$ 11,255                | \$ 15,594                  | \$ 1,080  | \$ -   | \$ -  | \$ 636              |
| 2015        | 25,214                   | 9,678                      | 725       | -      | -     | 2,852               |
| 2016        | 29,095                   | 16,384                     | 365       | -      | -     | 3,984               |
| 2017        | 30,477                   | 28,444                     | -         | -      | -     | 4,865               |
| 2018        | 30,597                   | 37,210                     | -         | -      | -     | 5,796               |
| 2019        | 32,816                   | 48,930                     | -         | -      | -     | 6,122               |
| 2020        | 30,789                   | 58,013                     | -         | -      | -     | 7,425               |
| 2021        | 65,020                   | 62,616                     | -         | -      | -     | 11,587              |
| 2022        | 90,105                   | 60,640                     | -         | 387    | -     | 12,790              |
| 2023        | 120,275                  | 58,636                     | -         | 324    | 824   | 12,018              |

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup>See the Schedule of Demographic and Economic Statistics for personal income and population data.

N/A: Data not available at the time of this publication.

| Business-Type Activities       |                                  |                        |                                |  |                            |
|--------------------------------|----------------------------------|------------------------|--------------------------------|--|----------------------------|
| General<br>Obligation<br>Bonds | Certificates<br>of<br>Obligation | Premiums/<br>Discounts | Total<br>Primary<br>Government | Percentage<br>of Personal<br>Income <sup>1</sup> | Per<br>Capita <sup>1</sup> |
| \$ 35,133                      | \$ -                             | \$ 1,506               | \$ 65,204                      | 124.5%   | 4,351                      |
| 33,106                         | -                                | 1,938                  | 73,513                         | 135.1%   | 4,603                      |
| 8,145                          | 22,966                           | 1,995                  | 82,934                         | 144.3%   | 4,662                      |
| 8,081                          | 23,988                           | 1,951                  | 97,806                         | 157.6%   | 4,851                      |
| 6,388                          | 31,505                           | 2,360                  | 113,856                        | 172.0%   | 5,027                      |
| 5,600                          | 34,490                           | 2,427                  | 130,384                        | 184.0%   | 5,087                      |
| 4,821                          | 32,657                           | 2,281                  | 135,986                        | 178.0%   | 4,792                      |
| 4,020                          | 30,979                           | 2,090                  | 176,312                        | 227.5%   | 5,671                      |
| 3,175                          | 26,120                           | 1,754                  | 194,971                        | 203.7%   | 5,506                      |
| 5,140                          | 42,354                           | 2,179                  | 241,750                        | N/A  | 6,195                      |

RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
 LAST TEN FISCAL YEARS  
 (AMOUNTS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA AMOUNT)  
 (UNAUDITED)

| Fiscal Year | General Obligation Bonds <sup>3</sup> | Certificates of Obligation <sup>3</sup> | Less: Amounts Available in Debt Service Funds | Total     | Percentage of Actual Taxable Value of Property <sup>1</sup> | Per Capita <sup>2</sup> |
|-------------|---------------------------------------|---|---|-----------|---|-------------------------|
| 2014        | \$ 46,388                             | \$ 15,594                               | \$ 1,159                                      | \$ 60,823 | 3.91%   | 4,059                   |
| 2015        | 58,320                                | 9,678                                   | 1,470   | 66,528    | 3.53%   | 4,166                   |
| 2016        | 37,240                                | 39,350                                  | 1,842   | 74,748    | 3.23%   | 4,202                   |
| 2017        | 38,558                                | 52,432                                  | 2,147   | 88,843    | 3.39%   | 4,407                   |
| 2018        | 36,985                                | 68,715                                  | 2,558   | 103,142   | 3.08%   | 4,554                   |
| 2019        | 38,415                                | 83,420                                  | 2,556   | 119,279   | 3.19%   | 4,654                   |
| 2020        | 35,610                                | 90,670                                  | 1,885   | 124,395   | 2.89%   | 4,383                   |
| 2021        | 69,040                                | 93,595                                  | 1,643   | 160,992   | 3.36%   | 5,178                   |
| 2022        | 93,280                                | 86,760                                  | 683   | 179,357   | 3.26%   | 5,000                   |
| 2023        | 125,415                               | 100,990                                 | 1,290   | 225,115   | 3.47%   | 5,796                   |

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

<sup>1</sup>See schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

<sup>2</sup>Population data can be found in the Schedule of Demographic and Economic Statistics.

<sup>3</sup>The amounts do not include the premium portions of the debt.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2023  
(UNAUDITED)

| Governmental Unit                   | Debt Outstanding     | Estimated Percentage Applicable <sup>1</sup> | Estimated Share of Overlapping Debt |
|-------------------------------------|----------------------|--|-------------------------------------|
| Debt repaid with property rates:    |                      |  |                                     |
| Prosper Independent School District | \$ 1,585,950,239     | 68.66%                                       | \$ 1,088,913,434                    |
| Collin County                       | 994,786,478          | 2.11%  | 20,989,995                          |
| Collin College                      | 480,350,000          | 2.11%  | 10,135,385                          |
| Denton County                       | 624,655,000          | 0.23%  | 1,436,707                           |
| Subtotal - overlapping debt         | <u>3,685,741,717</u> |  | <u>1,121,475,521</u>                |
| Town of Prosper direct debt         | \$ 195,871,000       | 100.00%                                      | 195,871,000                         |
| Total direct and overlapping debt   |                      |  | <u>\$ 1,317,346,521</u>             |

Source: Entity adopted budget. Actual amounts of overlapping debt vary based on entity payment schedules and any new issuances.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Town of Prosper. This process recognized that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

<sup>1</sup>The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the Town's taxable assessed value that is within the Town's boundaries and dividing it by the Town's total taxable assessed value.

**TOWN OF PROSPER, TEXAS**

TAX RATE INFORMATION

LAST TEN FISCAL YEARS  
(RATES ROUNDED TO 4 PLACES)  
(UNAUDITED)

|                    | Fiscal Year      |                  |                  |                  |                  |
|--------------------|------------------|------------------|------------------|------------------|------------------|
|                    | 2014             | 2015             | 2016             | 2017             | 2018             |
| Tax Rate Limit     | \$ 2.5000        | \$ 2.5000        | \$ 2.5000        | \$ 2.5000        | \$ 2.5000        |
| Total Tax Rate     | <u>0.5200</u>    | <u>0.5200</u>    | <u>0.5200</u>    | <u>0.5200</u>    | <u>0.5200</u>    |
| Available Tax Rate | <u>\$ 1.9800</u> |

Note: For FY 2018-Present, under Article XI, Section 5 of the Texas Constitution, the maximum tax rate under a home rule charter is \$2.50 per \$100 assessed valuation.

| Fiscal Year      |                  |                  |                  |                  |
|------------------|------------------|------------------|------------------|------------------|
| 2019             | 2020             | 2021             | 2022             | 2023             |
| \$ 2.5000        | \$ 2.5000        | \$ 2.5000        | \$ 2.5000        | \$ 2.5000        |
| <u>0.5200</u>    | <u>0.5200</u>    | <u>0.5200</u>    | <u>0.5100</u>    | <u>0.5100</u>    |
| <u>\$ 1.9800</u> | <u>\$ 1.9800</u> | <u>\$ 1.9800</u> | <u>\$ 1.9900</u> | <u>\$ 1.9900</u> |

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS  
(UNAUDITED)

| Fiscal Year | Population <sup>1</sup> | Personal Income <sup>2</sup><br>(expressed in thousands) | Per Capita Personal Income <sup>2</sup> | School Enrollment <sup>3</sup> | Unemployment Rate <sup>4</sup> |
|-------------|-------------------------|--|---|--------------------------------|--------------------------------|
| 2014        | 14,986                  | \$ 52,359  | \$ 59,146                               | 6,448                          | 4.6%                           |
| 2015        | 15,970                  | 54,420   | 59,532                                  | 7,064                          | 4.4%                           |
| 2016        | 17,790                  | 57,483   | 61,179                                  | 8,254                          | 3.4%                           |
| 2017        | 20,160                  | 62,078   | 64,025                                  | 10,107                         | 3.0%                           |
| 2018        | 22,650                  | 66,212   | 65,874                                  | 12,195                         | 3.0%                           |
| 2019        | 25,630                  | 70,852   | 68,474                                  | 16,695                         | 2.9%                           |
| 2020        | 28,380                  | 76,381   | 71,246                                  | 19,279                         | 5.2%                           |
| 2021        | 31,090                  | 77,500   | 77,006                                  | 22,426                         | 3.6%                           |
| 2022        | 35,410                  | 95,701   | 82,593                                  | 25,312                         | 3.4%                           |
| 2023        | 38,840                  | N/A  | N/A                                     | 27,783                         | 3.9%                           |

<sup>1</sup>Population data estimates from the North Central Texas Council of Governments and Town of Prosper.

<sup>2</sup>Personal income and per capita personal income data not available specific to Prosper. Per capita personal income was obtained from [www.bea.gov](http://www.bea.gov).

<sup>3</sup>Enrollment data comes from Prosper ISD.

<sup>4</sup>September 2022 unemployment rate for Dallas-Plano-Irving, TX Metropolitan Division from the U.S. Bureau of Labor Statistics

N/A: Data not available at the time of this publication.

**TOWN OF PROSPER, TEXAS**

**TABLE 15**

*Item 4.*

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

| Employer                     | 2023         |      |                                     |
|------------------------------|--------------|------|-------------------------------------|
|                              | Employees    | Rank | Percentage of Total Town Employment |
| Prosper ISD                  | 3,334        | 1    | 52.3%                               |
| Kroger (2 locations)         | 416          | 2    | 6.5%                                |
| Town of Prosper              | 393          | 3    | 6.2%                                |
| WalMart                      | 270          | 4    | 4.2%                                |
| Chik Fil A                   | 400          | 5    | 6.3%                                |
| Home Depot                   | 185          | 6    | 2.9%                                |
| Lowe's                       | 141          | 7    | 2.2%                                |
| Cook's Childrens             | 140          | 8    | 2.2%                                |
| Dick's SG - Field and Stream | 78           | 9    | 1.2%                                |
| Longo Toyota                 | 66           | 10   | 1.0%                                |
| <b>Total</b>                 | <b>5,423</b> |      | <b>85.00%</b>                       |

| Employer                 | 2014         |      |                                     |
|--------------------------|--------------|------|-------------------------------------|
|                          | Employees    | Rank | Percentage of Total Town Employment |
| Prosper ISD              | 766          | 1    | 57.1%                               |
| Town of Prosper          | 122          | 3    | 9.1%                                |
| Gentle Creek             | 52           | 4    | 3.9%                                |
| Dairy Manufacturers, Inc | 35           | 5    | 2.6%                                |
| RE/MAX Performance Group | 33           | 2    | 2.5%                                |
| Mahard Egg Farm          | 31           | 6    | 2.3%                                |
| ProBuild                 | 30           | 9    | 2.2%                                |
| Lattimore Materials      | 26           | 7    | 1.9%                                |
| CVS                      | 25           | 8    | 1.9%                                |
| Crossland Construction   | 20           | 10   | 1.5%                                |
| <b>Total</b>             | <b>1,140</b> |      | <b>85.0%</b>                        |

Source: Prosper EDC

\* Employment data is not captured by the workforce commission due to Town's population. Assumes that 15% of the town's workforce does not work for the top 10 employers.

**TOWN OF PROSPER, TEXAS**

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS  
(DOLLAR AMOUNTS BELOW EXPRESSED IN THOUSANDS)  
(UNAUDITED)

| Function/Program                     | Fiscal Year |            |            |            |
|--------------------------------------|-------------|------------|------------|------------|
|                                      | 2014        | 2015       | 2016       | 2017       |
| General Government                   |             |            |            |            |
| Building inspection permits          |             |            |            |            |
| Commercial construction              |             |            |            |            |
| Number of units                      | 29          | 45         | 74         | 108        |
| Total dollar value of permits issued | \$ 19,172   | \$ 50,625  | \$ 122,799 | \$ 95,793  |
| Average value                        | \$ 661      | \$ 1,125   | \$ 1,659   | \$ 887     |
| Residential Construction             |             |            |            |            |
| Number of units                      | 474         | 708        | 648        | 715        |
| Total dollar value of permits issued | \$ 209,949  | \$ 313,681 | \$ 316,039 | \$ 347,484 |
| Average value                        | \$ 443      | \$ 443     | \$ 488     | \$ 486     |
| Public safety                        |             |            |            |            |
| Police                               |             |            |            |            |
| Physical arrests                     | 115         | 128        | 163        | 205        |
| Traffic collisions                   | 279         | 429        | 234        | 322        |
| Number of vehicles                   | 15          | 15         | 15         | 18         |
| Fire                                 |             |            |            |            |
| Number of frontline engines          | 1           | 1          | 2          | 2          |
| Number of reserve engines            | 1           | 1          | 2          | 2          |
| Number of frontline Trucks           | -           | -          | -          | -          |
| Number of frontline Ambulances       | 1           | 1          | 1          | 2          |
| Number of reserve Ambulances         | 1           | 1          | 1          | 1          |
| Number of frontline Brush Trucks     | 1           | 1          | 1          | 2          |
| Number of Station                    | 1           | 1          | 2          | 2          |
| Total incidents/calls for service    | 1,100       | 1,245      | 1,537      | 2,102      |
| Fire                                 | 64          | 30         | 64         | 98         |
| Overpressure/explosion               | 5           | -          | 10         | 10         |
| Rescue & EMS                         | 588         | 583        | 797        | 1,072      |
| Hazardous condition                  | 29          | 37         | 52         | 60         |
| Service call                         | 212         | 136        | 293        | 44         |
| Good intent call                     | 101         | 328        | 168        | 265        |
| False alarm & false call             | 95          | 131        | 140        | 244        |
| Severe weather & natural disaster    | 6           | -          | 13         | 9          |
| Fire marshal                         |             |            |            |            |
| Fire inspections                     | 283         | 156        | 966        | 1,210      |
| Fire safety programs                 | 18          | 24         | 12         | 14         |
| Municipal court                      |             |            |            |            |
| Number of cases filed                | 2,118       | 2,439      | 3,147      | 3,027      |
| Number of cases closed               | 2,954       | 3,605      | 3,534      | 3,019      |
| Public works                         |             |            |            |            |
| Water & Sewer                        |             |            |            |            |
| Linear feet of water lines           | 579,777     | 627,900    | 692,447    | 786,557    |
| Linear feet of sewer lines           | 428,360     | 482,838    | 546,950    | 619,386    |
| Number of hydrants                   | N/A         | N/A        | N/A        | 1,523      |
| Water customers                      | 4,943       | 5,539      | 6,671      | 7,784      |
| Wastewater customers                 | 4,055       | 4,627      | 5,757      | 6,770      |
| Streets                              |             |            |            |            |
| Miles of streets maintain            | 125         | 132        | 141        | 153        |
| Number of traffic signals            | -           | 1          | 2          | 2          |
| Parks                                |             |            |            |            |
| Number of parks                      | 16          | 21         | 22         | 22         |
| Number of playgrounds                | 6           | 7          | 7          | 8          |
| Acreage maintained                   | 146         | 178        | 178        | 190        |

Source: Town of Prosper Department Staff.

N/A: Data not available at the time of this publication.

\* The decrease in residential value of permits issued is due to the passage of House Bill 852 that prohibits municipalities from requiring the value of construction in regards to permitting. Since its passage, many builders do not indicate the value of construction when submitting for permits.

\*\* Safety programs shut down due to the effects of pandemic.

|    |         | Fiscal Year |           |           |           |           |           |    |         |    |         |
|----|---------|-------------|-----------|-----------|-----------|-----------|-----------|----|---------|----|---------|
|    |         | 2018        | 2019      | 2020      | 2021      | 2022      | 2023      |    |         |    |         |
|    | 101     |             | 105       | 105       | 120       | 154       | 134       |    |         |    |         |
| \$ | 112,427 | \$          | 141,609   | \$        | 114,516   | \$        | 382,091   | \$ | 251,432 | \$ | 188,944 |
| \$ | 1,113   | \$          | 1,349     | \$        | 1,091     | \$        | 3,184     | \$ | 1,633   |    |         |
|    | 980     |             | 793       | 938       | 1,402     | 1,011     | 897       |    |         |    |         |
| \$ | 474,515 | \$          | 246,111   | \$        | 1,257     | \$        | -         | \$ | -       | \$ | -       |
| \$ | 484     | \$          | 492       | \$        | 628       | \$        | -         | \$ | -       | \$ | -       |
|    | 253     |             | 208       | 211       | 222       | 398       | 697       |    |         |    |         |
|    | 605     |             | 889       | 874       | 1,042     | 1,395     | 1,103     |    |         |    |         |
|    | 20      |             | 28        | 28        | 32        | 40        | 43        |    |         |    |         |
|    | 2       |             | 2         | 2         | 2         | 2         | 3         |    |         |    |         |
|    | 2       |             | 2         | 2         | 2         | 2         | 2         |    |         |    |         |
|    | -       |             | -         | 1         | 1         | 1         | 1         |    |         |    |         |
|    | 2       |             | 2         | 2         | 2         | 2         | 3         |    |         |    |         |
|    | 1       |             | 1         | 1         | 1         | 2         | 1         |    |         |    |         |
|    | 2       |             | 2         | 2         | 2         | 2         | 2         |    |         |    |         |
|    | 2       |             | 2         | 2         | 2         | 2         | 3         |    |         |    |         |
|    | 2,185   |             | 2,107     | 2,517     | 3,482     | 3,759     | 4,137     |    |         |    |         |
|    | 97      |             | 62        | 74        | 73        | 114       | 80        |    |         |    |         |
|    | 3       |             | 4         | 1         | 2         | 3         | 3         |    |         |    |         |
|    | 1,139   |             | 1,110     | 1,206     | 1,760     | 1,966     | 2,175     |    |         |    |         |
|    | 58      |             | 83        | 103       | 109       | 130       | 151       |    |         |    |         |
|    | 438     |             | 459       | 622       | 809       | 747       | 869       |    |         |    |         |
|    | 219     |             | 161       | 246       | 360       | 480       | 476       |    |         |    |         |
|    | 229     |             | 226       | 256       | 361       | 315       | 378       |    |         |    |         |
|    | 2       |             | 2         | 9         | 8         | 4         | 5         |    |         |    |         |
|    | 1,291   |             | 2,022     | 1,941     | 2,129     | 2,549     | 2,360     |    |         |    |         |
|    | 17      |             | 58        | **        | 29**      | 35**      | 41**      |    |         |    |         |
|    | 3,581   |             | 4,499     | 2,452     | 1,899     | 2,102     | 3,467     |    |         |    |         |
|    | 3,964   |             | 4,814     | 3,091     | 2,584     | 2,417     | 4,858     |    |         |    |         |
|    | 920,859 |             | 1,006,066 | 1,042,324 | 1,057,959 | 1,282,189 | 1,436,160 |    |         |    |         |
|    | 720,466 |             | 752,925   | 822,201   | 834,534   | 1,035,039 | 1,162,748 |    |         |    |         |
|    | 1,910   |             | 2,016     | 2,118     | 2,150     | 2,801     | 2,950     |    |         |    |         |
|    | 8,603   |             | 9,188     | 10,353    | 11,766    | 12,573    | 13,135    |    |         |    |         |
|    | 7,506   |             | 8,131     | 9,223     | 10,640    | 11,825    | 12,384    |    |         |    |         |
|    | 179     |             | 212       | 287       | 330       | 310       | 340       |    |         |    |         |
|    | 3       |             | 3         | 7         | 9         | 10        | 11        |    |         |    |         |
|    | 23      |             | 28        | 28        | 29        | 30        | 35        |    |         |    |         |
|    | 11      |             | 13        | 13        | 14        | 16        | 19        |    |         |    |         |
|    | 218     |             | 225.3     | 245.6     | 246.2     | 480.2     | 655.6     |    |         |    |         |

**TOWN OF PROSPER, TEXAS**

FULL-TIME EQUIVALENT TOWN GOVERNMENT EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS  
(UNAUDITED)

|   | Fiscal Year |            |            |            |
|---|-------------|------------|------------|------------|
|   | 2014        | 2015       | 2016       | 2017       |
| <b>GENERAL FUND</b>                         |             |            |            |            |
| Administration                              | 9           | 10         | 12         | 13         |
| Code Compliance                             | 1           | 1          | 1          | 1          |
| Court                                       | 2           | 2          | 3          | 3          |
| Dispatch                                    | 8           | 8          | 9          | 9          |
| Engineering                                 | 3           | 5          | 6          | 6          |
| Facilities                                  | -           | -          | -          | -          |
| Fire  | 20          | 32         | 33         | 34         |
| Fire Marshal                                | 1           | 1          | 1          | 2          |
| Inspections                                 | 9           | 13         | 13         | 13         |
| Library                                     | 2           | 4          | 3          | 3          |
| Parks                                       | 15          | 16         | 18         | 20         |
| Planning                                    | 3           | 4          | 4          | 4          |
| Police                                      | 15          | 20         | 22         | 27         |
| Streets                                     | 2           | 2          | 3          | 3          |
| <b>Total General Fund</b>                   | <b>89</b>   | <b>117</b> | <b>127</b> | <b>137</b> |
| <b>SPECIAL PURPOSE DISTRICT FUNDS</b>       |             |            |            |            |
| Crime Control                               | -           | -          | -          | -          |
| Fire Control                                | -           | -          | -          | -          |
| <b>Total Special Purpose District Funds</b> | <b>-</b>    | <b>-</b>   | <b>-</b>   | <b>-</b>   |
| <b>ENTERPRISE FUNDS</b>                     |             |            |            |            |
| Storm Drainage                              | 1           | 2          | 2          | 2          |
| Utility Billing                             | 3           | 3          | 3          | 3          |
| Wastewater                                  | 6           | 4          | 4          | 7          |
| Water                                       | 10          | 14         | 15         | 18         |
| Engineering                                 | -           | -          | -          | -          |
| <b>Total Enterprise Fund</b>                | <b>20</b>   | <b>23</b>  | <b>24</b>  | <b>30</b>  |
| <b>CAPITAL PROJECTS FUND</b>                | <b>1</b>    | <b>1</b>   | <b>-</b>   | <b>-</b>   |
| <b>Total</b>                                | <b>110</b>  | <b>140</b> | <b>151</b> | <b>167</b> |

Source: Town of Prosper Annual Budget

| Fiscal Year |            |            |            |            |            |  |
|-------------|------------|------------|------------|------------|------------|--|
| 2018        | 2019       | 2020       | 2021       | 2022       | 2023       |  |
| 17          | 20         | 21         | 25         | 28         | 35         |  |
| 2           | 2          | 3          | 3          | 3          | 4          |  |
| 4           | 4          | 4          | 4          | 5          | 5          |  |
| 9           | 11         | 11         | 13         | 13         | 15         |  |
| 7           | 10         | 12         | 12         | 16         | 16         |  |
| -           | -          | -          | -          | -          | 1          |  |
| 40          | 29         | 35         | 37         | 41         | 52         |  |
| 2           | 3          | 3          | 4          | 4          | 4          |  |
| 15          | 16         | 16         | 18         | 20         | 22         |  |
| 7           | 7          | 7          | 7          | 7          | 8          |  |
| 22          | 26         | 27         | 27         | 32         | 33         |  |
| 5           | 5          | 5          | 5          | 5          | 6          |  |
| 30          | 24         | 28         | 32         | 31         | 29         |  |
| 5           | 6          | 8          | 8          | 10         | 11         |  |
| <u>164</u>  | <u>163</u> | <u>180</u> | <u>195</u> | <u>214</u> | <u>240</u> |  |
| -           | 12         | 12         | 13         | 19         | 24         |  |
| -           | <u>12</u>  | <u>12</u>  | <u>13</u>  | <u>18</u>  | <u>22</u>  |  |
| -           | <u>24</u>  | <u>24</u>  | <u>26</u>  | <u>37</u>  | <u>46</u>  |  |
| 2           | 2          | 2          | 2          | 2          | 2          |  |
| 4           | 4          | 4          | 4          | 5          | 5          |  |
| 9           | 12         | 14         | 15         | 16         | 17         |  |
| 21          | 24         | 25         | 27         | 29         | 30         |  |
| -           | -          | 4          | 4          | 4          | 6          |  |
| <u>36</u>   | <u>42</u>  | <u>49</u>  | <u>52</u>  | <u>56</u>  | <u>60</u>  |  |
| -           | -          | -          | -          | -          | -          |  |
| <u>200</u>  | <u>229</u> | <u>253</u> | <u>273</u> | <u>307</u> | <u>346</u> |  |

**A RESOLUTION BY THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS, ACCEPTING THE FISCAL YEAR 2022-2023 INDEPENDENT AUDIT REPORT AND ACCOMPANYING ANNUAL COMPREHENSIVE FINANCIAL REPORT; MAKING FINDINGS; AUTHORIZING PUBLICATION OF THE AUDIT; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Town Council is required by Section 7.18 of the Town Charter to call for an Independent Audit to be made of all accounts of the Town at the close of each fiscal year, a report of which is to be presented to the Town Council; and

**WHEREAS**, Town staff engaged Weaver and Tidwell LLP., Certified Public Accountants, to complete the Town’s Fiscal Year 2022-2023 Independent Audit; and

**WHEREAS**, the Town Charter requires that upon completion of the audit, a copy of the audited financial statements shall be posted to the Town’s website and copies placed on file in the office of the person performing the duties of Town Secretary, as a public record.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS, THAT:**

**SECTION 1**

The Town Council of the Town of Prosper, Texas, hereby accepts the Town’s Fiscal Year 2022-2023 Annual Comprehensive Financial Report with accompanying audit opinion in compliance with charter requirements.

**SECTION 2**

A copy of the completed audit shall be published immediately on the Town website and copies of the audit placed on file in the office of the person performing the duties of Town Secretary, as a public record.

**SECTION 3**

This Resolution shall take effect from and after the date of its passage.

**DULY PASSED AND APPROVED, BY THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS, ON THIS 12TH DAY OF MARCH, 2024.**

**APPROVED:**

\_\_\_\_\_  
**David F. Bristol, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Michelle Lewis Sirianni, Town Secretary**

**APPROVED AS TO FORM AND LEGALITY:**

\_\_\_\_\_  
**Terrence S. Welch, Town Attorney**



## INFORMATION TECHNOLOGY

**To: Mayor and Town Council**

**From: Leigh Johnson, Director of Information Technology**

**Through: Mario Canizares, Town Manager**

**Re: Town-wide MFA Software Platform Purchase**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 4. Provide Excellent Municipal Services**

**Agenda Item:**

Consider and act upon approving the purchase of a multi-factor authentication (MFA) software platform for staff user accounts.

**Description of Agenda Item:**

In the FY24 budget, an item was approved for a Town-wide MFA software platform for Town staff user accounts. I.T. staff evaluated several platforms and selected one that not only provides the needed additional security but is also scalable up to the point of becoming the primary identify platform for all Town accounts.

**Budget Impact:**

The total cost for a three-year subscription is \$69,031.80 and will be funded from 100-5419-10-05 (IT Licenses)

**Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

**Attached Documents:**

1. SHI Quote
2. Master Subscription Agreement
3. Public Sector MSA Addendum

**Town Staff Recommendation:**

Town Staff recommends approving the purchase of a multi-factor authentication (MFA) software platform for staff user accounts.

**Proposed Motion:**

I move to approve the purchase of a multi-factor authentication (MFA) software platform for staff user accounts.



Pricing Proposal  
 Quotation #: 24465346  
 Created On: 2/6/2024  
 Valid Until: 4/30/2024

**TX-Town of Prosper**

**Inside Account Executive**

**Harold Keith**

PO BOX 307  
 121 W. BROADWAY  
 Prosper, TX 75078  
 United States  
 Phone: 972-569-1151  
 Fax:  
 Email: hkeith@prospertx.gov

**Alex Jasko**

300 Davidson Ave  
 Somerset, NJ 08873  
 Phone: 732-652-3061  
 Fax:  
 Email: alex\_jasko@shi.com

All Prices are in US Dollar (USD)

| Product   | Qty | Your Price | Total       |
|---|-----|------------|-------------|
| 1 Sandbox - Preview Sandbox<br>Okta - Part#: G009<br>Contract Name: Products and Related Services (Carahsoft)<br>Contract #: DIR-TSO-4288<br>Coverage Term: 3/1/2024 – 2/28/2025<br><b>Note:</b> Year 1                   | 1   | \$2,462.10 | \$2,462.10  |
| 2 IT Products - Adaptive MFA, Users per Month<br>Okta - Part#: G020<br>Contract Name: Products and Related Services (Carahsoft)<br>Contract #: DIR-TSO-4288<br>Coverage Term: 3/1/2024 – 2/28/2025<br><b>Note:</b> Year 1 | 360 | \$45.60    | \$16,416.00 |
| 3 Premier Success Plan - Silver<br>Okta - Part#: G1048<br>Contract Name: Products and Related Services (Carahsoft)<br>Contract #: DIR-TSO-4288<br>Coverage Term: 3/1/2024 – 2/28/2025<br><b>Note:</b> Year 1              | 1   | \$3,332.87 | \$3,332.87  |
| 4 Okta Premier Learning Pass - Prepaid<br>Okta - Part#: G561<br>Contract Name: Products and Related Services (Carahsoft)<br>Contract #: DIR-TSO-4288<br>Coverage Term: 3/1/2024 – 2/28/2025                               | 1   | \$2,398.70 | \$2,398.70  |
| 5 Sandbox - Preview Sandbox<br>Okta - Part#: G009<br>Contract Name: Products and Related Services (Carahsoft)<br>Contract #: DIR-TSO-4288<br>Coverage Term: 3/1/2025 – 2/28/2026<br><b>Note:</b> Year 2                   | 1   | \$2,462.10 | \$2,462.10  |
| 6 IT Products - Adaptive MFA, Users per Month   | 360 | \$45.60    | \$16,416.00 |

Okta - Part#: G020  
 Contract Name: Products and Related Services (Carahsoft)  
 Contract #: DIR-TSO-4288  
 Coverage Term: 3/1/2025 – 2/28/2026  
**Note:** Year 2

Item 5.

|       |   |     |            |             |
|-------|---|-----|------------|-------------|
| 7     | Premier Success Plan - Silver<br>Okta - Part#: G1048<br>Contract Name: Products and Related Services (Carahsoft)<br>Contract #: DIR-TSO-4288<br>Coverage Term: 3/1/2025 – 2/28/2026<br><b>Note:</b> Year 2              | 1   | \$3,332.87 | \$3,332.87  |
| <hr/> |   |     |            |             |
| 8     | Sandbox - Preview Sandbox<br>Okta - Part#: G009<br>Contract Name: Products and Related Services (Carahsoft)<br>Contract #: DIR-TSO-4288<br>Coverage Term: 3/1/2025 – 2/28/2026<br><b>Note:</b> Year 3                   | 1   | \$2,462.10 | \$2,462.10  |
| <hr/> |   |     |            |             |
| 9     | IT Products - Adaptive MFA, Users per Month<br>Okta - Part#: G020<br>Contract Name: Products and Related Services (Carahsoft)<br>Contract #: DIR-TSO-4288<br>Coverage Term: 3/1/2025 – 2/28/2026<br><b>Note:</b> Year 3 | 360 | \$45.60    | \$16,416.00 |
| <hr/> |   |     |            |             |
| 10    | Premier Success Plan - Silver<br>Okta - Part#: G1048<br>Contract Name: Products and Related Services (Carahsoft)<br>Contract #: DIR-TSO-4288<br>Coverage Term: 3/1/2025 – 2/28/2025<br><b>Note:</b> Year 3              | 1   | \$3,332.87 | \$3,332.87  |

|          |             |
|----------|-------------|
| Subtotal | \$69,031.61 |
| Shipping | \$0.00      |
| Total    | \$69,031.61 |

**Additional Comments**

You agree that your purchase and use of the Okta products and services made available in connection with this quote (including any associated Okta offline or mobile components) is subject to and governed by the Okta Master Subscription Terms located at <https://www.okta.com/partners/terms/master-subscription-eu> and the Product Subscription Reference Guide located at <https://www.okta.com/agreements/>. In addition, your purchase and use of certain Okta products and services (e.g. Okta Access Gateway, Okta Mobile, Okta Verify, and Auth0) is subject to and governed by the product-specific Software Order Form Supplements and Terms of Service located at <https://www.okta.com/agreements/>. Okta has a no returns policy. For the avoidance of doubt, SHI is not a party to or responsible for the End User terms.

**Please note: additional manufacturer terms and conditions may apply. Your inside sales team will reach out to you with updates as needed.**

Hardware items on this quote may be updated to reflect changes due to industry wide constraints and fluctuations.

Please note, if Emergency Connectivity Funds (ECF) will be used to pay for all or part of this quote, please let us know as we will need to ensure compliance with the funding program.

Thank you for choosing SHI-GS! The pricing offered on this quote proposal is valid through the expiration date set above. To ensure the best level of service, please provide End User Name, Phone Number, Email Address and applicable Contract Number when submitting a Purchase Order.

SHI Government Solutions, Inc. is 100% Minority Owned, Woman Owned Business.  
TAX ID# 22-3695478; DUNS# 14-724-3096

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*The products offered under this proposal are resold in accordance with the terms and conditions of the Contract referenced under that applicable line item.*

## OKTA, INC.

## MASTER SUBSCRIPTION AGREEMENT

This Master Subscription Agreement (this “Agreement”) is entered into between Okta Inc. (“Okta”) and your organization (“Customer”) as of the Effective Date (as defined below). The individual accepting this Agreement on behalf of Customer represents that they have the authority to bind Customer to this Agreement. If the individual does not have such authority, or if the individual does not agree with the terms and conditions of this Agreement, such individual must not accept this Agreement and may not use the Service and/or any Free Trial.

1. Service and Professional Services.

1.1. Okta’s Obligations. Okta shall make the Service available to Customer pursuant to this Agreement and the applicable Order Form during the Term, and grants to Customer a limited, non-sublicensable, non-exclusive, non-transferable (except as expressly permitted in Section 12.1) right during the Term to allow its Users to access and use the Service in accordance with the Documentation, solely for Customer’s business purposes. Customer agrees that its purchase of the Service or the Professional Services is neither contingent upon the delivery of any future functionality or features nor dependent upon any oral or written public comments made by Okta with respect to future functionality or features. Okta will comply with all Laws applicable to its provision of the Service. Okta shall use commercially reasonable efforts to make the Service available to Customer 24 hours a day, 7 days a week, every day of each year (except for any unavailability caused by a Force Majeure event).

1.2. Customer’s Obligations.

a) Customer is responsible for all activities conducted under its and its Users’ logins to the Service. Customer shall use the Service in compliance with this Agreement, the applicable Order Forms, Documentation, and all applicable Laws and shall not: (i) copy, rent, sell, lease, distribute, pledge, assign, or otherwise transfer, or encumber rights to the Service, or any part thereof, or make it available to anyone other than its Users; (ii) except as otherwise set forth in an Order Form, send or store in the Service any personal health information, credit card data, personal financial data or other sensitive data that may be, without limitation, subject to the Health Insurance Portability and Accountability Act, Gramm-Leach-Bliley Act, or the Payment Card Industry Data Security Standards; (iii) send or store infringing or unlawful material in connection with the Service; (iv) send or store Malicious Code to the Service; (v) attempt to gain unauthorized access to, or disrupt the integrity or performance of, the Service or the data contained therein; (vi) modify, copy or create derivative works based on the Service, or any portion thereof; (vii) access the Service for the purpose of building a competitive product or service or copying its features or user interface; (viii) delete, alter, add to or fail to reproduce in and on the Service the name of Okta and any copyright or other notices appearing in or on the Service or which may be required by Okta at any time.

b) Any use of the Service in breach of this Agreement, Documentation or Order Forms by Customer or Users that in Okta’s judgment threatens the security, integrity or availability of the Service may result in Okta’s immediate suspension of Customer’s access to the Service; however, Okta will use commercially reasonable efforts under the circumstances to provide Customer with notice and an opportunity to remedy such violation or threat prior to such suspension.

1.3. Professional Services. Customer and Okta may enter into Statements of Work that describe the specific Professional Services to be performed by Okta. If applicable, while on Customer premises for Professional Services, Okta personnel shall comply with reasonable Customer rules and regulations regarding safety and conduct made known to Okta in writing prior to such engagement and will, at Customer’s reasonable request, promptly remove from the project any Okta personnel not following such rules and regulations.

1.4. Customer Affiliates. Customer Affiliates may purchase and use the Service and Professional Services subject to the terms of this Agreement by executing Order Forms or Statements of Work hereunder that incorporate by reference the terms of this Agreement, and in each such case, all references in this Agreement to Customer shall be deemed to refer to such Customer Affiliate for purposes of such Order Form(s) or Statement(s) of Work. A Customer Affiliate agrees to be bound by this Agreement and the applicable Order Forms or Statements of Work executed by Customer Affiliate.

2. Purchasing Through an Okta Partner. This Agreement specifies the terms and conditions under which Okta products and services will be provisioned by Okta to Customer, whether purchased directly through Okta or indirectly through a Partner. Purchases through a Partner will be placed through a separate agreement or ordering document between Customer and an Okta Partner (the “Partner Sales Agreement”) which shall address, as between Customer and Partner, any terms and conditions relating to the quantity of products and services purchased, fees, payment (including any applicable refunds), taxes, and renewals. The Partner Sales Agreement is between Customer and the Okta Partner and is not binding on Okta, and any disputes related to the Partner Sales Agreement shall be handled directly between Customer and the Okta Partner. In the event of any conflict between this Agreement and a Partner Sales Agreement, this Agreement shall govern as between Okta and Customer. Customer understands and agrees that certain Okta products or services purchased through a Partner are subject to additional product specific terms available at <https://www.okta.com/agreements> (or its successor site) that may be applicable if purchased by Customer.

3. Security and Support.

3.1. Security. Okta shall maintain appropriate administrative, physical, and technical safeguards to protect the security and integrity of the Service and the Customer Data as described in the applicable Okta Trust and Compliance Documentation. Okta will conform with security protocols which are further described in Okta’s most recently completed Service Organization Control 2 (SOC 2) audit reports or other similar independent third-party annual audit report (“Audit Report”). Upon Customer’s request, Okta shall provide Customer with a copy of Okta’s then-current Audit Report. During the Term, Okta shall not materially diminish the protections provided by the controls set forth in Okta’s then-current Audit Report. Except with respect to a Free Trial, to the extent that Okta processes any Personal Data (as defined in the DPA) on Customer’s behalf in the provision of the Service, the data processing addendum at <https://www.okta.com/trustandcompliance> (“DPA”) as may be updated by Okta if required by applicable Law, which is hereby incorporated by reference, shall apply and the parties agree to comply with such terms. For purposes of the Standard Contractual Clauses attached to the DPA, when and as applicable, Customer and its applicable Affiliates are each the data exporter, and Customer’s signing of or entering into this Agreement, and an applicable Affiliate’s signing of or entering into an Order Form, shall be treated as signing of the Standard Contractual Clauses and their Appendices.

3.2. Support Services. During the applicable Term, Okta shall provide Support Services to Customer in accordance with Okta’s then-current support policy, and as identified in the applicable Order Form. In the event that the level of support is not identified in the Order Form, Customer shall receive a “basic” level of support that is included in the Service at no additional cost. Any updates or modifications to the Support Services will not materially diminish Okta’s responsibilities under the support policy during the applicable Term.

4. Confidentiality. Each party agrees to protect the Confidential Information (as defined below) of the other party in the same manner that it protects the confidentiality of its own proprietary and confidential information of like kind, but in no event using less than a reasonable standard of care. A party shall not disclose or use any Confidential Information of the other party for any purpose outside the scope of this Agreement, without the disclosing party’s prior written permission. A party may disclose the other party’s Confidential Information to its employees, contractors, agents, and Affiliates that have signed an agreement containing disclosure and use provisions substantially similar to those set forth herein and have a “need to know” in order to carry out the purpose of this Agreement. Confidential Information shall not include any information that (a) is or becomes generally known to the public, other than as a result of the act or omission of the receiving party; (b) was rightfully known to a party prior to its disclosure by the other party without breach of any obligation owed to the other party; (c) is lawfully received from a third party without breach of any obligation owed to the other party; or (d) was independently developed by a party without breach of any obligation owed to the other party. If a party is compelled by law to disclose Confidential Information of the other party, it shall provide prior notice of such compelled disclosure (to the extent legally permitted) and reasonable assistance, at the other party’s cost, if the other party wishes to contest the disclosure. Due to the unique nature of the parties’ Confidential Information disclosed hereunder, there may be no adequate remedy at law for a party’s breach of its obligations hereunder, and any such breach may result in irreparable harm to the non-breaching party. Therefore, upon any such breach or threat thereof, the party alleging breach shall be entitled to seek injunctive and other appropriate equitable relief in addition to any other remedies available to it. Confidential Information is and shall remain the property of the disclosing party.

5. Ownership and Feedback.

5.1. Customer Data. As between Okta and Customer, Customer owns its Customer Data. Customer grants to Okta, its Affiliates and applicable contractors a worldwide, limited-term license to host, copy, transmit and display Customer Data, as reasonably necessary for Okta to provide the Service in accordance with this Agreement. Subject to the limited licenses granted herein, Okta acquires no right, title or interest in any Customer Data. Customer shall be responsible for the accuracy, quality and legality of Customer Data and the means by which Customer acquired Customer Data.

5.2. Okta Ownership of the Service. Except for the rights expressly granted under this Agreement, Okta and its licensors retain all right, title, and interest in and to the Service, Documentation and Professional Services, including all related intellectual property rights inherent therein. If Customer purchases Professional Services, Okta grants to Customer a worldwide, non-exclusive, non-transferable (except as expressly permitted in Section 12.1), non-sublicensable right to use the Professional Services solely for Customer's use with the Service. No rights are granted to Customer hereunder other than as expressly set forth in this Agreement.

5.3. Feedback. Okta shall have a royalty-free, worldwide, transferable, sublicenseable, irrevocable, perpetual license to use or incorporate into its products and services any Feedback. Okta shall have no obligation to use Feedback, and Customer shall have no obligation to provide Feedback.

6. Fees, Expenses, and Taxes.

6.1. Fees. Customer agrees to pay Okta all fees set forth in the applicable Order Form ("Fees") in accordance with this Agreement and the Order Form. If not otherwise specified on an Order Form, all such Fees (except Fees subject to a good faith dispute) will be due within thirty (30) days of the invoice date. Except as otherwise specifically provided in this Agreement, all Fees paid and payable to Okta hereunder are non-cancelable and non-refundable. If Customer fails to pay any Fees due under this Agreement by the due date, in addition to any other rights or remedies it may have under this Agreement or by matter of Law, (i) Okta reserves the right to suspend the Service upon thirty (30) days written notice, until such amounts are paid in full, and (ii) Okta will have the right to charge interest at a rate equal to the lesser of one and one-half percent (1.5%) per month or the maximum rate permitted by applicable Law until Customer pays all amounts due; provided that Okta will not exercise its right to charge interest if the applicable charges are under reasonable and good faith dispute and Customer is cooperating diligently to resolve the issue.

6.2. Expenses. Unless otherwise specified in the applicable Statement of Work, upon invoice from Okta, Customer will reimburse Okta for all pre-approved, reasonable expenses incurred by Okta while performing the Professional Services, including without limitation, transportation services, lodging, and meal and out-of-pocket expenses related to the provision of the Professional Services. Okta will include reasonably detailed documentation of all such expenses with each related invoice.

6.3. Taxes. Fees do not include and may not be reduced to account for any taxes including any local, state, federal or foreign taxes, levies, duties or similar governmental assessments of any nature, including value-added, use or withholding taxes (collectively, "Taxes"). Customer is responsible for paying all Taxes associated with its purchases hereunder (excluding taxes based on Okta's net income or property), unless Customer provides Okta with a valid tax exemption certificate authorized by the appropriate taxing authority.

7. Warranties and Disclaimer.

7.1. Warranties.

a) Service. Each party warrants that it has the authority to enter into this Agreement. Okta warrants that during the applicable Term: (i) the Service shall perform materially in accordance with the applicable Documentation; (ii) Okta will employ then-current, industry-standard measures to test the Service to detect and remediate Malicious Code designed to negatively impact the operation or performance of the Service, and (iii) the overall functionality of the Service will not be materially decreased as described in the applicable Documentation. Okta shall use commercially reasonable efforts to correct the non-conforming Service at no additional charge to Customer, and in the event Okta fails to successfully correct the Service within a reasonable time of receipt of written notice from Customer detailing the breach, then Customer shall be entitled to terminate the applicable Order Form as to the non-conforming Service and receive an immediate pro rata refund of any prepaid, unused Fees for the non-conforming Service. The remedies set forth in this subsection will be Customer's sole remedy and Okta's entire liability for breach of these warranties unless the breach of warranties constitutes a material

breach of this Agreement and Customer elects to terminate this Agreement in accordance with Section 11.2 entitled "Termination." The warranties set forth in this subsection shall apply only if the applicable Service has been utilized in accordance with the Documentation, this Agreement and applicable Law.

b) Professional Services. Okta warrants that the Professional Services will be performed in a good and workmanlike manner consistent with applicable industry standards. As Customer's sole remedy and Okta's entire liability for any breach of the foregoing warranty set forth in this Section 7.1(b), Okta will, at its sole option and expense, promptly re-perform the non-conforming Professional Services or refund to Customer the fees paid for the non-conforming Professional Services; provided that Customer notifies Okta no later than thirty (30) days after delivery of such Professional Services.

7.2. Disclaimer. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH UNDER SECTION 7.1(A) AND (B), OKTA AND ITS SUPPLIERS HEREBY DISCLAIM ALL WARRANTIES RELATING TO THE SERVICE, PROFESSIONAL SERVICES OR OTHER SUBJECT MATTER OF THIS AGREEMENT, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF NON-INFRINGEMENT OF THIRD PARTY RIGHTS, TITLE, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. THE PARTIES ARE NOT RELYING AND HAVE NOT RELIED ON ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER REGARDING THE SUBJECT MATTER OF THIS AGREEMENT, EXPRESS OR IMPLIED. OKTA MAKES NO WARRANTY REGARDING ANY NON-OKTA APPLICATION WITH WHICH THE SERVICE MAY INTEROPERATE.

## 8. Limitation of Liability.

8.1. Limitation of Liability. IN NO EVENT SHALL THE AGGREGATE LIABILITY OF EACH PARTY TOGETHER WITH ALL OF ITS AFFILIATES ARISING OUT OF OR RELATED TO THIS AGREEMENT EXCEED THE TOTAL AMOUNT PAID BY CUSTOMER AND ITS AFFILIATES TO OKTA OR TO AN OKTA PARTNER HEREUNDER FOR THE SERVICES GIVING RISE TO THE LIABILITY IN THE TWELVE (12)-MONTH PERIOD PRECEDING THE FIRST INCIDENT OUT OF WHICH THE LIABILITY AROSE. THE FOREGOING LIMITATION SHALL APPLY WHETHER AN ACTION IS IN CONTRACT OR TORT AND REGARDLESS OF THE THEORY OF LIABILITY, BUT WILL NOT LIMIT CUSTOMER'S AND CUSTOMER'S AFFILIATES' PAYMENT OBLIGATIONS UNDER THE 'FEES' SECTION ABOVE AND WILL NOT APPLY TO THE EXTENT PROHIBITED BY LAW.

8.2. Excluded Damages. IN NO EVENT WILL EITHER PARTY (OR OKTA'S THIRD PARTY LICENSORS) BE RESPONSIBLE OR LIABLE WITH RESPECT TO ANY SUBJECT MATTER OF THIS AGREEMENT OR TERMS AND CONDITIONS RELATED THERETO UNDER ANY CONTRACT, NEGLIGENCE, STRICT LIABILITY OR OTHER THEORY FOR ERROR OR INTERRUPTION OF USE, LOSS OR INACCURACY OR CORRUPTION OF DATA, COVER, LOST PROFITS OR REVENUES, OR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHETHER OR NOT A PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGE. THE FOREGOING EXCLUSIONS WILL NOT APPLY TO THE EXTENT PROHIBITED BY LAW.

## 9. Indemnification.

9.1. Okta Indemnification Obligation. Subject to Section 9.3, Okta will defend Customer from any and all Claims brought against Customer alleging that the Service, as provided by Okta to Customer under this Agreement, infringes any patent, copyright, or trademark or misappropriates any trade secret of any third party (each, an "Infringement Claim"). Okta will indemnify Customer for all damages, costs, reasonable attorneys' fees finally awarded by a court of competent jurisdiction, or paid to a third party in accordance with a settlement agreement signed by Okta, in connection with an Infringement Claim. In the event of any such Infringement Claim, Okta may, at its option: (i) obtain the right to permit Customer to continue using the Service, (ii) modify or replace the relevant portion(s) of the Service with a non-infringing alternative having substantially equivalent performance within a reasonable period of time, or (iii) terminate the applicable Order Form as to the infringing Service and provide a pro rata refund of any prepaid, unused Fees for such infringing Service. Notwithstanding the foregoing, Okta will have no liability for any Infringement Claim of any kind to the extent that it results from: (1) modifications to the Service made by a party other than Okta, (2) the combination of the Service with other products, processes or technologies (where the infringement would have been avoided but for such combination), or (3) Customer's use of the Service other than in accordance with the Documentation or this Agreement. The indemnification

obligations set forth in this Section 9.1 are Okta's sole and exclusive obligations, and Customer's sole and exclusive remedies, with respect to infringement or misappropriation of third-party intellectual property rights of any kind.

9.2. Customer Indemnification Obligation. Subject to Section 9.3, Customer will defend Okta from any and all Claims brought against Okta alleging a violation of a third party's rights arising from Customer's provision or use of the Customer Data. Customer will indemnify Okta for all damages, costs, reasonable attorneys' fees finally awarded by a court of competent jurisdiction, or paid to a third party in accordance with a settlement agreement signed by Customer, in connection with such Claims.

9.3. Indemnity Requirements. The party seeking indemnity under this Section 9 ("Indemnitee") must give the other party ("Indemnitor") the following: (a) prompt written notice of any Claim for which the Indemnitee intends to seek indemnity, (b) all cooperation and assistance reasonably requested by the Indemnitor in the defense of the Claim, at the Indemnitor's sole expense, and (c) sole control over the defense and settlement of the Claim, provided that the Indemnitee may participate in the defense of the Claim at its sole expense and any settlement by the Indemnitor does not include an admission of liability by the Indemnitee.

10. Customer Mention. Okta may, upon Customer's prior written consent, use Customer's name to identify Customer as an Okta customer of the Service, including on Okta's public website. Okta agrees that any such use shall be subject to Okta complying with any written guidelines that Customer may deliver to Okta regarding the use of its name and shall not be deemed Customer's endorsement of the Service.

11. Term, Termination, and Effect of Termination.

11.1. Term. The term of this Agreement commences on the Effective Date and continues until the stated term in all Order Forms have expired or have otherwise been terminated. Subscription to the Service commence on the subscription start date and are for the Term as set forth in the applicable Order Form. Except as otherwise specified in an Order Form, subscriptions to the Service will automatically renew for additional terms equal to the expiring Term, unless and until either party gives the other notice of non-renewal at least thirty (30) days prior to the end of the then-current Term.

11.2. Termination. Either party may terminate this Agreement by written notice to the other party (i) in the event the other party materially breaches this Agreement and does not cure such breach within thirty (30) days of such notice, or (ii) immediately in the event the other party becomes the subject of a petition in bankruptcy or any other proceeding relating to insolvency, receivership, liquidation or assignment for the benefit of creditors. Upon any termination for cause by Customer pursuant to this Section 11.2, Okta will refund Customer a pro-rata portion of any prepaid fees that cover the remainder of the applicable Term after the effective date of termination and a pro-rata portion of any prepaid Professional Services fees that cover Professional Services that have not been delivered as of the effective date of termination. For clarity, a breach or termination of any Statement of Work shall not be considered a breach or termination of this Agreement or any Order Form.

11.3. Effect of Termination. Upon expiration or termination of this Agreement for any reason, all rights and subscriptions granted to Customer (including all Order Forms) will immediately terminate and Customer will cease using the Service (except as otherwise permitted in the "Retrieval of Customer Data" section of the 'Trust and Compliance' Documentation) and Okta Confidential Information. Termination for any reason other than termination for cause by Customer pursuant to Section 11.2(i) shall not relieve Customer of the obligation to pay all future amounts due under all Order Forms. The sections titled "Definitions," "Confidentiality," "Ownership and Feedback," "Fees, Expenses, and Taxes," "Disclaimer," "Limitation of Liability," "Indemnification," "Term, Termination, and Effect of Termination," and "General" shall survive any termination or expiration of this Agreement.

12. General

12.1. Assignment. Neither the rights nor the obligations arising under this Agreement are assignable or transferable by Customer or Okta without the other party's prior written consent, which shall not be unreasonably withheld or delayed, and any such attempted assignment or transfer shall be void and without effect. Notwithstanding the foregoing, either party may freely assign this Agreement in its entirety (including all Order Forms), upon notice and without the consent of the other party, to its successor in connection with a merger, acquisition, corporate reorganization, or sale of all or substantially all of its assets, provided that all fees owed and due have been paid (in the case of an assignment by Customer) and the assignee agrees to be bound by all the terms of this Agreement.

12.2. Controlling Law, Attorneys' Fees and Severability. This Agreement and any disputes arising out of or related hereto shall be governed by the laws of the State of California, without giving effect to its conflicts of laws rules or the United Nations Convention on the International Sale of Goods. With respect to all disputes arising out of or related to this Agreement, the parties consent to exclusive jurisdiction and venue in the state and Federal courts located in San Francisco, California. In any action to enforce this Agreement the prevailing party will be entitled to reasonable costs and attorneys' fees. In the event that any of the provisions of this Agreement shall be held by a court or other tribunal of competent jurisdiction to be unenforceable, such provisions shall be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable.

12.3. Notices. All legal notices shall be in writing and effective upon: (i) personal delivery, (ii) one (1) business day after deposit with a recognized overnight courier for U.S. deliveries (or three (3) business days for international deliveries), or (iii) the day of sending by email (except for notices of termination and indemnifiable Claims), if to Okta then to "legal@okta.com", or if to Customer then to the email address on the applicable Order Form or the Service system administrator designated by Customer, with the words "Legal Notice" in the subject line. Billing-related notices to Customer may be provided by email to the relevant billing contact designated by Customer.

12.4. Force Majeure. If the performance of this Agreement or any obligation hereunder (other than obligations of payment) is prevented or restricted by reasons beyond the reasonable control of a party including but not limited to computer related attacks, hacking, or acts of terrorism (a "Force Majeure Event"), the party so affected shall be excused from such performance and liability to the extent of such prevention or restriction.

12.5. Independent Contractors. The parties shall be independent contractors under this Agreement, and nothing herein shall constitute either party as the employer, employee, agent, or representative of the other party, or both parties as joint venturers or partners for any purpose. There are no third-party beneficiaries under this Agreement.

12.6. Export Compliance. Each party represents that it is not named on any U.S. government list of persons or entities with which U.S. persons are prohibited from transacting, nor owned or controlled by or acting on behalf of any such persons or entities, and Customer will not permit any User to access or use the Service in any manner that would cause any party to violate any U.S. or international embargo, export control law, or prohibition.

12.7. U.S. Federal Government End Use Provisions. The Service, including any software or technology provided hereunder for ultimate federal government end use, or that are otherwise subject to the Federal Acquisition Regulations (FAR), are "Commercial Items" as defined in 48 C.F.R. 2.101 and are being provided as commercial computer software and commercial computer software documentation subject to restricted rights described in 48 C.F.R. 2.101, 12.211 and 12.212. If such items are acquired by or on behalf of any agency within the Department of Defense ("DOD"), then they are subject to the terms of the Agreement as specified in 48 C.F.R. 227.7202-3 of the DOD FAR Supplement ("DFARS") and its successors. This Section 12.7 is in lieu of, and supersedes, any other FAR, DFARS, or other clause or provision that addresses government rights in computer software or technical data. If a government agency needs additional rights beyond those customarily given by Okta to the public, Customer must negotiate with Okta a mutually acceptable written addendum to this Agreement specifically granting those rights.

12.8. Anti-Corruption. Customer agrees that it has not received or been offered any illegal or improper bribe, kickback, payment, gift, or thing of value from any of Okta's employees or agents in connection with this Agreement. Reasonable gifts and entertainment provided in the ordinary course of business do not violate the above restriction. If Customer learns of any violation of the above restriction, Customer will use reasonable efforts to promptly notify Okta.

12.9. Free Trials. If Customer uses a Free Trial, then the applicable provisions of this Agreement will govern that Free Trial, and Okta will make such Free Trial available to Customer on a trial basis, free of charge, until the earlier of (a) the end of the free trial period for which Customer agreed to use such Free Trial, (b) the start date of any Service subscription purchased by Customer for such Service, or (c) termination of the Free Trial by Okta in its sole discretion. A free trial period may be extended upon mutual agreement by Okta and Customer. Notwithstanding anything to the contrary in this Agreement, a Free Trial is provided "AS IS." OKTA MAKES NO REPRESENTATION OR WARRANTY AND SHALL HAVE NO INDEMNIFICATION OBLIGATIONS WITH RESPECT TO A FREE TRIAL. OKTA SHALL HAVE NO LIABILITY OF ANY TYPE WITH RESPECT TO A FREE TRIAL, UNLESS SUCH EXCLUSION OF LIABILITY IS NOT ENFORCEABLE UNDER APPLICABLE LAW IN WHICH CASE OKTA'S TOTAL AGGREGATE LIABILITY

ARISING OUT OF OR RELATING TO A FREE TRIAL IS US\$1,000. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN SECTION 8 (“LIMITATION OF LIABILITY”), CUSTOMER SHALL NOT USE THE FREE TRIAL IN A MANNER THAT VIOLATES APPLICABLE LAWS AND WILL BE FULLY LIABLE FOR ANY DAMAGES CAUSED BY ITS USE OF A FREE TRIAL. ANY DATA AND CONFIGURATIONS ENTERED INTO CUSTOMER’S FREE TRIAL ACCOUNT MAY BE PERMANENTLY LOST UPON TERMINATION OF THE FREE TRIAL.

12.10. Entire Agreement. This Agreement, together with the Order Form(s) between Okta and Customer, constitute the entire agreement between the parties hereto pertaining to the subject matter hereof, and any and all prior or contemporaneous written or oral agreements existing between the parties hereto, including any non-disclosure agreement(s), and related to the subject matter hereof are expressly superseded hereby. The parties agree that any term or condition stated in Customer’s purchase order or in any other Customer’s order documentation is void. In the event of any conflict or inconsistency among the following documents, the order of precedence shall be: (1) the applicable Order Form between Okta and Customer, (2) this Agreement, and (3) the Documentation. No modification, amendment or waiver of any provision of this Agreement will be effective unless in writing and signed by both parties hereto. Any failure to enforce any provision of this Agreement shall not constitute a waiver thereof or of any other provision.

13. Definitions.

13.1. “Affiliate” means, with respect to Okta or Customer, any entity that directly or indirectly controls, is controlled by, or is under common control with Okta or Customer, respectively. “Control,” for purposes of this definition, means direct or indirect ownership or control of more than 50% of the voting interests of the subject entity.

13.2. “Free Trial” means any Okta service or functionality that Okta makes available to Customer to try at Customer’s option, at no additional charge, and which is clearly designated as “beta,” “trial,” “pre-GA,” “pilot,” “developer preview,” “free trial,” “evaluation,” “proof of concept (POC),” or by a similar designation.

13.3. “Claims” mean any third-party claims, demands, suits or proceedings.

13.4. “Confidential Information” means (a) Customer Data; (b) the Service, Documentation, and the terms and conditions of this Agreement and all Order Forms including pricing; and (c) each party’s technical and business information (including but not limited to hardware, software, designs, specifications, techniques, processes, procedures, research, development, projects, products or services, business and marketing plans or opportunities, finances, vendors, penetration test results and other security information, defect and support information and metrics, and third party audit reports and attestations) that is designated by the disclosing party as confidential or the receiving party should reasonably know is confidential given the nature of the information and circumstances of disclosure.

13.5. “Customer Data” means all electronic data submitted by or on behalf of Customer to the Service.

13.6. “Documentation” means Okta’s user guides and other end user documentation for the applicable Service available on the online help feature of the Service, as may be updated by Okta from time to time, including without limitation the materials available at <https://support.okta.com>, and the ‘Trust and Compliance’ Documentation available at <https://www.okta.com/trustandcompliance>.

13.7. “Effective Date” means the earlier of the last date this Agreement is executed or the first date of Customer’s access or use of the Service or Free Trial in any manner, as applicable.

13.8. “Feedback” means suggestions, ideas, enhancement requests, feedback, recommendations or other information provided by Customer or its Users relating to the features, functionality or operation of the Service, or the Professional Services.

13.9. “Laws” means any local, state, or national law, treaties and/or regulations applicable to a respective party.

13.10. “Malicious Code” means viruses, worms, time bombs, Trojan horses and other malicious code, files, scripts, agents or programs.

13.11. “Non-Okta Application” means a web-based, offline, mobile, or other software application functionality that is provided by Customer or a third party and interoperates with a Service.

13.12. “Okta Partner” means authorized reseller, distributor or other partner of Okta.

13.13. “Order Form” means an ordering document provided to Customer (directly by Okta or indirectly by an Okta Partner in connection with a Partner Sales Agreement) that specifies the products or services purchased by Customer or any of its Affiliates under this Agreement, including any product specific terms, supplements, or addenda thereto. Order Forms do not include the terms of any preprinted terms on a Customer purchase order or other terms on a purchase order that are additional or inconsistent with the terms of this Agreement.

13.14. “Professional Services” means implementation and configuration services provided by Okta in connection with the Service, as described more fully in a Statement of Work. Professional Services shall not include the Service.

13.15. “Service” means the products and services subscribed to by Customer under an Order Form and made available online by Okta, including associated Okta offline or mobile components, as described in the Documentation. “Service” excludes Professional Services, Support Services, Free Trials, training services, and Non-Okta Applications.

13.16. “Statement of Work” means a document that describes certain Professional Services purchased by Customer under this Agreement and/or pursuant to an Order Form. Each Statement of Work shall incorporate this Agreement by reference.

13.17. “Support Services” means the support services provided by Okta in accordance with Okta’s then-current support policy and as identified in an Order Form.

13.18. “Term” means the term of each subscription to the Service as specified in the applicable Order Form.

13.19. “Users” means individuals (including non-human devices, such as applications or services) who are authorized by Customer to use the Service, for whom a subscription to the Service has been procured. Users may include, for example, Customer’s and its Affiliates’ employees, consultants, clients, external users, contractors, agents, and third parties with which Customer does business.

OKTA, INC.

**U.S. Government Addendum to Okta, Inc. Master Subscription Agreement**

This U.S. government addendum (“Addendum”) is incorporated into and forms part of the Okta, Inc. Master Subscription Agreement, which is generally available at <https://www.okta.com/agreements> (or other such titled written or electronic agreement addressing the same subject matter) between Okta and Customer (“Agreement”) and which governs the provision and use of Okta products or services. Capitalized terms used but not otherwise defined in this Addendum shall have the meanings given to them in the Agreement.

This Addendum applies to United States government customers, including entities of the United States Federal Government (“Federal”), as well as state, local, or public education entities created by the Laws (including constitution or statute) of the applicable state (“SLED”). Okta acknowledges that statutes and regulations governing Federal and SLED customers may sometimes require that certain terms in commercial supplier agreements be limited and may be ineffective and inoperative. Therefore, to the extent the deviations set forth in this Addendum are required by applicable Law, Okta and Customer agree that the following provisions take precedence over any conflicting terms in the Agreement:

1. Business Purpose/Grant of License. Okta acknowledges that references to “business purpose” in the Agreement includes government purposes authorized by applicable Laws.
2. FOIA/Public Disclosure Laws. Notwithstanding any confidentiality obligations in the Agreement, Okta acknowledges that Customer may be compelled to disclose Confidential Information pursuant to the Federal Freedom of Information Act and any state equivalents or other applicable public disclosure Laws. Okta acknowledges that such Confidential Information, including the terms and conditions of the Agreement, related Order Forms, Statements of Work, other attachments, or pricing information, may be disclosed to third parties upon request to the extent compelled by such Laws; provided that, prior to any such disclosure, Customer provides prior written notice of such compelled disclosure (to the extent legally permitted) and reasonable assistance, at Okta’s cost, if Okta wishes to contest the disclosure.
3. Fees and Taxes. Okta understands that Customer may be subject to applicable Laws governing payment, including availability of funds, timing of payments, late payment interest penalties, and taxes.
4. Free Trials. In addition to any terms and conditions set forth in the Agreement governing Free Trials, (i) any Free Trial is offered without any expectation of future payment from Customer, and Okta expressly waives any future claims for payment from Customer in connection with any Free Trial; (ii) any Free Trial is provided to Customer as a Federal or SLED entity and not for the personal benefit of any specific government employee or personnel, (iii) Customer agrees it is legally permitted to receive Free Trials; and (iv) Customer agrees its use of any Free Trial does not create any conflict of interest and shall not adversely impact Okta’s or an Okta Partner’s ability to sell Okta products and services to Customer or any affiliated government entity.
5. Indemnification.
  - (a) No Customer Indemnification Obligation. To the extent applicable Law prohibits Customer from indemnifying Okta, any terms or conditions in the Agreement requiring Customer to indemnify Okta shall be deemed void and not binding against Customer.
  - (b) Take Down Requirement. In the event of any Claims brought against Okta alleging that Customer Data infringes or misappropriates a third party’s intellectual property rights or violates applicable Laws, or arising out of Customer’s use of any Service in breach of the Agreement, the Documentation, or applicable Order Form, Okta may require, by written notice to Customer, that Customer delete from the Service any Customer Data, or cease use of the applicable Service, that is the subject of any Claims. Promptly after receiving any such notice, Customer will delete such Customer Data, or cease such applicable use of the Service, and certify such deletion or cessation to Okta in writing. Okta shall be authorized to provide a copy of such certification to the applicable claimant.
  - (c) Government Control of Defense. Any provision of the Agreement requiring Okta to defend or indemnify Customer is hereby amended, to the extent required by applicable Laws, to provide that the U.S. Department of Justice (for a Federal Customer) or applicable State Attorney General’s Office (for a SLED Customer) has the sole right to represent the respective Federal or SLED entity in litigation and other formal proceedings.
6. Controlling Law, Venue, Disputes, and Attorneys’ Fees. Notwithstanding anything in the Agreement to the contrary:
  - (a) Federal. As it relates to Federal entities, the Agreement and any disputes arising out of or related thereto shall be governed by U.S. Federal Law. Any language requiring dispute resolution in a specific forum or venue that is different from that prescribed by applicable Federal Law is hereby deleted and superseded by the forum or venue required by applicable Law. If Okta believes a Federal Customer

is in breach of the Agreement, it shall pursue its rights under the Contract Disputes Act or other applicable Law while continuing performance as set forth in Federal Acquisition Regulation 52.233-1 (Disputes).

- (b) SLED. As it relates to SLED entities, the Agreement and any disputes arising out of or related thereto shall be governed by the laws of the state pursuant to which Customer is created, or else the state in which Customer's primary headquarters or main office is geographically located. With respect to all disputes arising out of or related to the Agreement, the parties consent to exclusive jurisdiction and venue in the state and federal courts located in such state.
- (c) Attorneys' Fees. Any language requiring Customer to pay Okta's attorneys' fees is hereby deleted.



## PARKS AND RECREATION

**To: Mayor and Town Council**

**From: Dan Baker, Parks and Recreation Director**

**Through: Mario Canizares, Town Manager  
Robyn Battle, Executive Director**

**Re: Custer Rd Median Maintenance Agreement**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 4. Provide Excellent Municipal Services**

**Agenda Item:**

Consider and act upon authorizing the Town Manager to execute a Contract for Services between the Town of Prosper and V&A Landscape and Lawn to provide median maintenance services on Custer Road from US Highway 380 to Frontier Parkway.

**Description of Agenda Item:**

The Town of Prosper, through the Purchasing Department, solicited proposals for the maintenance of medians located on Custer Road from US Highway 380 to Frontier Parkway, within the Town of Prosper and the City of McKinney. V&A Landscape and Lawn has been awarded the contract through the evaluation criteria. The initial term of the contract will be one (1) year, with four (4) optional, one-year renewal periods. V&A Landscape and Lawn currently holds the contract for median maintenance for the Town's medians and along US 380.

This is a cooperative procurement process, with the Town of Prosper serving as the lead agency on behalf of the Town of Prosper and the City of McKinney. The Town of Prosper will administer the contract on behalf of both entities and process payments. It is understood that any reference to the "Town" throughout this document represents both entities. The Town of Prosper will invoice the City of McKinney for 50% of non-extra-territorial jurisdiction (ETJ) adjacent medians. The City of McKinney has chosen not to share in the cost of the ETJ adjacent areas. The Town is in the process of finalizing this agreement with the City of McKinney. The Town will invoice the City of McKinney twice per fiscal year for their share of the maintenance expense.

**Budget Impact:**

Funds are available in the Parks and Recreation account for Contracted Services, Contract will be funded in 100-5480-60-02 in the amount of \$55,875.00.

**Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

**Attached Documents:**

1. Partially Executed Contract for Services with Exhibits
2. Scoring Matrix
3. Bid Tab Pricing

**Town Staff Recommendation:**

Town Staff recommends the Town Council authorize the Town Manager to execute an Agreement between V&A Landscape and Lawn, and the Town of Prosper, Texas, related to the median maintenance on Custer Road from US Highway 380 to Frontier Parkway.

**Proposed Motion:**

I move to authorize the Town Manager to execute an Agreement between V&A Landscape and Lawn, and the Town of Prosper, Texas, related to the median maintenance on Custer Road from US Highway 380 to Frontier Parkway.

**TOWN OF PROSPER  
CONTRACT FOR SERVICES  
BID NO. 2024-14-A CUSTER ROAD MEDIAN MOWING AND MAINTENANCE**

This Contract is made by the **Town of Prosper, Texas**, a municipal corporation ("Town") and **V&A Landscape and Lawn** ("Contractor"). The Town and Contractor agree:

1. **EMPLOYMENT OF THE CONTRACTOR.** The Town agrees to retain the Contractor, and the Contractor agrees to provide services relative to: Custer Road Median Mowing and Maintenance (hereinafter referred to as "Services") in connection with the terms and conditions as set forth in Exhibit A, attached hereto and incorporated by reference.
2. **SCOPE OF SERVICES.** The Services to be performed are specified in Exhibit A. Deviations from the scope of work may be authorized from time to time by the Town in writing.
3. **SCHEDULE OF WORK.** The Contractor agrees to begin work upon receipt of written authorization from the Town. Time is of the essence for this Contract and work is to commence immediately.
4. **CONTRACT PERIOD.** The contract period is for one year from the date of award of the contract. All pricing is to remain firm during the contract period. The contract is renewable for up to four (4) additional one-year terms on an annual basis if written notice of the intent to renew is provided to either party not less than sixty (60) days prior to the termination date.
5. **COMPENSATION.** The contractor's total compensation for services to be performed and expenses to be incurred is specified in Exhibit B.
6. **PAYMENTS.** Payments will be processed on a monthly basis with payment available within thirty (30) days after receipt of the invoice for the previous month's service or as set forth in Exhibit A.
7. **INVOICING.** Invoices should be prepared and submitted to the Town for payment in accordance with Exhibit A. Invoices should be mailed to Town of Prosper, Accounts Payable, P.O. Box 307, Prosper, TX 75078, or emailed to ap@prospertx.gov.
8. **RIGHTS OF WITHHOLDING.** The Town may withhold any payment or partial payment otherwise due the Contractor on account of unsatisfactory performance by the Contractor. The amount to be withheld will be calculated based on the work not performed and the impact to the Town. Any payment or partial payment that may be withheld for unsatisfactory performance can be used to remedy the lack of performance and will not be paid to the Contractor.
9. **INFORMATION PROVIDED BY THE TOWN.** Although every effort has been or will be made to furnish accurate information, the Town does not guarantee the accuracy of information it furnishes to Contractor.
10. **INSURANCE.** The Contractor shall provide proof that it has obtained and will continue to maintain throughout the duration of the Contract the insurance requirements set forth in Exhibit A. Failure to maintain the required insurance may result in immediate termination of the Contract.

11. **INDEMNIFICATION.** As specified in Exhibit A.
12. **TRANSFER OF INTEREST.** Neither Town nor Contractor may assign or transfer its interests in the Contract without the written consent of the other party. Such consent shall not be unreasonably withheld. This Contract is binding on Town, Contractor, and their successors and assigns. Nothing herein is to be construed as creating a personal liability on the part of any Town officer, employee, or agent.
13. **AUDITS AND RECORDS.** At any time during normal business hours and as often as the Town may deem necessary, the Contractor shall make available to the Town for examination all of its records with respect to all matters covered by the Contract and will permit the Town to audit, examine, and make copies, excerpts, or transcripts from such records. The Town may also audit all contracts, invoices, payroll records of personnel, conditions of employment and other data relating to the Contract.
14. **EQUAL EMPLOYMENT OPPORTUNITY.** The Contractor shall not discriminate against any employee or applicant for employment because of age, race, color, religion, sex, national origin, disability, or any other protected characteristic. The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their age, race, color, religion, sex, national origin, disability, or any other protected characteristic. Such actions shall include, but not be limited to the following: employment, promotions, demotion, transfers, recruitment or recruitment advertising, layoffs, terminations, selection for training (including apprenticeships), and participation in recreational activities.

The Contractor agrees to post in conspicuous places, accessible to employees and applicants for employment, notices setting forth the provisions of the nondiscrimination clause. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

The Contractor will cause the foregoing provisions to be inserted in all subcontracts for any work covered by the Contract so that such provisions will be binding upon each subcontractor, except that the foregoing provisions shall not apply to contracts or subcontracts for customary office supplies.

The Contractor shall keep records and submit reports concerning the racial and ethnic origin(s) of applicants employment and employees as the law may require.

15. **TERMINATION OF CONTRACT.** Town may terminate this Contract upon sixty (60) days' written notice to Contractor, except in the event (i) Contractor is in breach of this Contract or (ii) Contractor fails to comply with the terms of Exhibit A. If either of the foregoing conditions exists, the Town shall notify Contractor and Contractor shall be given two (2) days to cure such breach or failure to comply. Should Contractor fail to cure to the satisfaction of the Town, Town may terminate this Contract upon written notice.

Furthermore, the Town retains the right to terminate this Contract at the expiration of each Town budget period (September 30) during the term of this Contract, even without prior notice as described in the preceding sentence.

In the event of any termination hereunder, Contractor consents to Town's selection of another Contractor to assist the Town in any way in completing the Services. The contractor further agrees to cooperate and provide any information requested by Town in connection with the completion of the Services.

Contractor shall be compensated for Services performed and expenses incurred for satisfactory work up to the termination date in that Contractor shall receive a portion of fees and expenses permitted under this Contract in direct proportion to percentage of work actually completed up to the termination date. This provision shall not deprive the Town of any remedies against Contractor that may be available under applicable law.

16. **CONTRACTOR'S REPRESENTATIONS.** Contractor hereby represents to Town that Contractor is financially solvent and possesses sufficient experience, licenses, authority, personnel, and working capital to complete the Services required.
17. **TOWN APPROVAL FOR ADDITIONAL WORK.** No payment, of any nature whatsoever, will be made to Contractor for additional work without the Town's written approval before such work begins.
18. **PERFORMANCE BY CONTRACTOR.** All Services provided by the Contractor hereunder shall be performed in accordance with the highest professional standards and in accordance with Exhibit A, and Contractor shall be responsible for all Services provided hereunder whether such services are provided directly by Contractor or by any subcontractors hired by Contractor. The Contractor shall perform all duties and Services and make all decisions called for hereunder promptly and without unreasonable delay. Contractor shall not utilize subcontractors to perform Services without the Town's prior written consent.
19. **DAMAGE.** In all instances where Town property and/or equipment is damaged by the Contractor's employees, a full report of the facts, extent of the damage and estimated impact on the Contractor's schedule shall be submitted to the Town by 8 a.m. of the following Town business day after the incident. If damage may result in further damage to the Town or loss of Town property, the Contractor must notify Police Dispatch immediately. The Contractor shall be fully liable for all damage to Town property or equipment caused by the Contractor's officers, employees, or agents.
20. **TOWN OBJECTION TO PERSONNEL.** If at any time after entering into this Contract, Town has any reasonable objection to any of Contractor's personnel, or any personnel retained by Contractor, then Contractor shall promptly propose substitutes to whom the Town has no reasonable objection, and the Contractor's compensation shall be equitably adjusted to reflect any difference in the Contractor's costs occasioned by such substitution.
21. **COMPLIANCE WITH LAWS.** The contractor warrants and covenants to the Town that all Services will be performed in compliance with all applicable federal, state, county and Town laws, rules, and regulations including, but not limited to, the Texas Industrial Safety and Health Act and the Workers Right-to-Know Law. All necessary precautions shall be taken to ensure that safety regulations prescribed by OSHA and the Town's representative are followed.
22. **"ANTI-ISRAEL BOYCOTT" PROVISION.** In accordance with Chapter 2270, Texas Government Code, a Texas governmental entity may not enter into a contract with a company for the provision of goods or services unless the contract contains a written verification from the company that it: (1) does not boycott

Israel; and (2) will not boycott Israel during the term of the contract. Chapter 2270 does not apply to a (1) a company that is a sole proprietorship; (2) a company that has fewer than ten (10) full-time employees; or (3) a contract that has a value of less than One Hundred Thousand Dollars (\$100,000.00). Unless the company is not subject to Chapter 2270 for the reasons stated herein, the signatory executing this Contract on behalf of the company verifies by its signature to this Contract that the company does not boycott Israel and will not boycott Israel during the term of this Contract.

23. **IRAN, SUDAN AND FOREIGN TERRORIST ORGANIZATIONS.** If § 2252.153 of the Texas Government Code is applicable to this Contract, by signing below Contractor does hereby represent, verify and warrant that (i) it does not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) it is not listed by the Texas Comptroller under § 2252.153, Texas Government Code, as a company known to have contracts with or provide supplies or services to a "foreign terrorist organization" as defined in § 2252.151 of the Texas Government Code.
24. **PROHIBITION ON CONTRACTS WITH CERTAIN COMPANIES PROVISION.** In accordance with Section 2252.152 of the Texas Government Code, the Parties covenant and agree that Contractor is not on a list maintained by the State Comptroller's Office prepared and maintained pursuant to Section 2252.153 of the Texas Government Code.
25. **NON-BINDING MEDIATION.** In the event of any disagreement or conflict concerning the interpretation of this Contract, and such disagreement cannot be resolved by the Town and the Contractor, the Town and Contractor agree to submit such disagreement to non-binding mediation.
26. **ENTIRE CONTRACT.** This instrument together with Exhibit A attached hereto contains the entire Contract between the Town and Contractor concerning the Services. There will be no understandings or contracts other than those incorporated herein. The Contract may not be modified except by an instrument in writing signed by the parties hereto. In the event of a conflict between an attachment to this Contract and this Contract, this Contract shall control.
27. **MAILING ADDRESSES.** All notices and communications concerning this Contract to be mailed or delivered to the Town shall be sent to the address of the Town as follow, unless and until the Contractor is otherwise notified:

Town of Prosper  
 Attn: Jay Carter, Purchasing Manager  
 P.O. Box 307  
 Prosper, TX 75078  
 jcarter@prospertx.gov

All notices and communications under this Contract to be mailed or delivered to the Contractor shall be sent to the address listed below until the Town is otherwise notified:

V&A Landscape and Lawn  
 Attn: Vincenzo Pascale  
 8287 Falcon Ct.  
 Prosper, TX 75078  
[valandscapeandlawn@gmail.com](mailto:valandscapeandlawn@gmail.com)

Any notices and communications required to be given in writing by one party or the other shall be considered as having been given to the addressee on the date in the notice or communication is placed in the United States Mail or hand delivered.

- 28. **LEGAL CONSTRUCTION.** If any one or more of the provisions contained in the Contract for any reason is held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Contract shall be construed as if such invalid, illegal or unenforceable provision had never been included.
- 29. **GOVERNING LAW.** The validity of this Contract and any of its terms or provisions as well as the rights and duties hereunder, shall be governed by and construed in accordance with Texas law. Venue for this Contract shall be located in Collin County, Texas.
- 30. **COUNTERPARTS.** The Contract may be signed in counterparts, each of which shall be deemed to be an original.
- 31. **EFFECTIVE DATE.** This Contract shall be effective once it is signed by the Town and Contractor.

**AGREED TO BY:**

**V&A LANDSCAPE AND LAWN**

By: *Vincenzo Pascale*  
Vincenzo Pascale

**TOWN OF PROSPER, TEXAS**

By: \_\_\_\_\_  
Mario Canizares  
Town Manager

Date: 2-28-24

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



**2024-14-A**

**North Custer Median Mowing and Maintenance**

Issue Date: 2/4/2024

Questions Deadline: 2/13/2024 12:00 PM (CT)

Response Deadline: 2/20/2024 02:00 PM (CT)

**Contact Information**

Contact: Jay Carter Purchasing Manager

Address: Purchasing Office

Town Hall

3rd Floor

250 W. First St.

P.O. Box 307

Prosper, TX 75078

Phone: (972) 569-1018

Email: [jcarter@prospertx.gov](mailto:jcarter@prospertx.gov)

## Event Information

Item 6.

Number: 2024-14-A  
Title: North Custer Median Mowing and Maintenance  
Type: Request for Proposals  
Issue Date: 2/4/2024  
Question Deadline: 2/13/2024 12:00 PM (CT)  
Response Deadline: 2/20/2024 02:00 PM (CT)  
Notes:

The Town of Prosper is soliciting proposals for the mowing maintenance of medians located on North Custer Road between US380 and East Frontier Parkway, within the Town of Prosper and the City of McKinney, as described in the following specifications. The initial term of the contract will be one (1) year, with four optional, one-year renewal periods. The contract will be awarded to the vendor(s) providing the best value, as determined by the evaluation criteria as stated herein.

This is a cooperative procurement process, with the Town of Prosper serving as the lead agency on behalf of the Town of Prosper and the City of McKinney. The Town of Prosper will administer the contract on behalf of both entities, and process payments. It is understood that any reference to the "Town" throughout this document is representative of both entities.

The cycle frequencies stated herein are an accurate reflection of the Town's anticipated needs. However, these are estimates, and not a commitment. Furthermore, based on need and budget contingencies, cycle frequencies may be adjusted at any time during the contract period. At no time will adjustments to the prices offered be imposed on the Town. Prices will be held firm during the contract period.

The successful vendor will be required to execute a service contract. A sample of a service contract is attached to this RFP in IonWave.

The questions deadline is February 13, 2024, at 12:00PM. The RFP is due on February 20, 2024, by 2:00PM and must be submitted through Ionwave. Submission names will be read at 3:00PM.

Microsoft Teams meeting

**Join on your computer, mobile app or room device**

[Click here to join the meeting](#)

Meeting ID: 217 252 454 58  
Passcode: crSgXe

## II. Scope of Services

### Ship To Information

Contact: Jay Carter, Purchasing Manager

### Billing Information

Contact: Accounts Payable

Address: Purchasing Office  
Town Hall  
3rd Floor  
250 W. First St.  
P.O. Box 307  
Prosper, TX 75078  
Phone: (972) 569-1018  
Email: jcarter@prospertx.gov

Address: Finance  
Town Hall  
3rd Floor  
250 W. First St.  
P.O. Box 307  
Prosper, TX 75078  
Phone: (972) 569-1017  
Email: ap@prospertx.gov

Item 6.

## Bid Attachments

### 2024-14-A North Custer Road Mowing and Median Maintenance.pdf

2024-14-A North Custer Road Mowing and Median Maintenance

Download

### Standard Terms and Conditions for Procurements V 4-24-20.pdf

Standard Terms and Conditions for Procurements

Download

### Standard Contract for Services Version 05-25-2022.docx

Standard Contract for Services Version 05-25-2022

Download

### References Worksheet - fillable.pdf

References Worksheet - fillable

Download

### Machinery and Equipment List Worksheet.pdf

Machinery and Equipment List Worksheet

Download

### CIQ-2021.pdf

Conflict of Interest Questionnaire

Download

### Vendor Information Form.pdf

Vendor Information Form

Download

### Insurance\_Requirements\_for\_General\_Services\_R7-25-19 (1).pdf

Insurance Requirements for General Services

Download

## Requested Attachments

### CIQ-2021 (Conflict of Interest Form)

*(Attachment required)*

CIQ-2021 (Conflict of Interest Form)

### RFP Submission

*(Attachment required)*

All documents related to RFP in one file

## Bid Attributes

### 1 Terms and Conditions Acknowledgement

I have read, understand and agree to all terms and conditions contained in this solicitation.

I Agree

*(Required: Check if applicable)*

**2 Certification**

Item 6.

By checking this box, submitter hereby certifies that he/she understands the specifications, has read the document in its entirety and that the prices contained in this bid/proposal have been carefully reviewed and are submitted as correct and final. Vendor further certifies and agrees to furnish any or all products/services upon which prices are extended at the price offered, in accordance with the terms and conditions contained herein. Vendor agrees that acceptance of any or all items by the Town of Prosper, Texas, within the time frame indicated in this solicitation, constitutes a contract. The individual submitting this bid/proposal certifies that he/she is a legal agent of the company, authorized to submit on behalf of the company, and is legally responsible for the decisions as to the prices and supporting documentation provided.

I Agree  
(Required: Check if applicable)

**3 Addendum No. 1**

By checking this box, vendor acknowledges receipt and understanding of Addendum No. 1 (if issued by the Town of Prosper).

I Agree  
(Optional: Check if applicable)

**4 Addendum No. 2**

By checking this box, vendor acknowledges receipt and understanding of Addendum No. 2 (if issued by the Town of Prosper).

I Agree  
(Optional: Check if applicable)

**5 Addendum No. 3**

By checking this box, vendor acknowledges receipt and understanding of Addendum No. 3 (if issued by the Town of Prosper).

I Agree  
(Optional: Check if applicable)

**6 Addendum No. 4**

By checking this box, vendor acknowledges receipt and understanding of Addendum No. 4 (if issued by the Town of Prosper).

I Agree  
(Optional: Check if applicable)

**7 Addendum No. 5**

By checking this box, vendor acknowledges receipt and understanding of Addendum No. 5 (if issued by the Town of Prosper).

I Agree  
(Optional: Check if applicable)

**Bid Lines**

**1 Turf Maintenance Service**

Quantity: 24 UOM: EA Unit Price: \$  Total: \$

Supplier Notes: \_\_\_\_\_

\_\_\_\_\_

- No bid
- Alternate specification  
(Attach separate sheet)
- Additional notes  
(Attach separate sheet)

**2** Litter and Debris removal for all non-mowing days (52 weeks x 3 times per week=156-31 mowing days = Item 6.)

Quantity: 125 UOM: EA Unit Price: \$  Total: \$

Supplier Notes: \_\_\_\_\_  
 \_\_\_\_\_

No bid  
 Alternate specification  
*(Attach separate sheet)*  
 Additional notes  
*(Attach separate sheet)*

**3** Apply 2 pre-emergent treatments

Quantity: 2 UOM: EA Unit Price: \$  Total: \$

Supplier Notes: \_\_\_\_\_  
 \_\_\_\_\_

No bid  
 Alternate specification  
*(Attach separate sheet)*  
 Additional notes  
*(Attach separate sheet)*

**4** Apply 2 post-emergent treatments and ant bait/mound treatments once per month as needed March through November

Quantity: 2 UOM: EA Unit Price: \$  Total: \$

Supplier Notes: \_\_\_\_\_  
 \_\_\_\_\_

No bid  
 Alternate specification  
*(Attach separate sheet)*  
 Additional notes  
*(Attach separate sheet)*

## Supplier Information

Item 6.

Company Name: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

## Supplier Notes

By submitting your response, you certify that you are authorized to represent and bind your company.

\_\_\_\_\_  
*Print Name*

\_\_\_\_\_  
*Signature*

**Town of Prosper**  
**Request for Proposal No. 2024-14-A**  
**North Custer Road Median Mowing and Maintenance**

**I. Introduction**

The Town of Prosper is soliciting proposals for the mowing maintenance of medians located on North Custer Road between US380 and East Frontier Parkway, within the Town of Prosper and the City of McKinney, as described in the following specifications. The initial term of the contract will be one (1) year, with four optional, one-year renewal periods. The contract will be awarded to the vendor(s) providing the best value, as determined by the evaluation criteria as stated herein.

This is a cooperative procurement process, with the Town of Prosper serving as the lead agency on behalf of the Town of Prosper and the City of McKinney. The Town of Prosper will administer the contract on behalf of both entities, and process payments. It is understood that any reference to the "Town" throughout this document is representative of both entities.

The cycle frequencies stated herein are an accurate reflection of the Town's anticipated needs. However, these are estimates, and not a commitment. Furthermore, based on need and budget contingencies, cycle frequencies may be adjusted at any time during the contract period. At no time will adjustments to the prices offered be imposed on the Town. Prices will be held firm during the contract period.

The successful vendor will be required to execute a service contract. A sample of a service contract is attached to this RFP in IonWave.

The questions deadline is February 13, 2024, at 12:00PM. The RFP is due on February 20, 2024, by 2:00PM and must be submitted through Ionwave. Submission names will be read at 3:00PM.

Microsoft Teams meeting  
**Join on your computer, mobile app or room device**  
[Click here to join the meeting](#)  
 Meeting ID: 217 252 454 58  
 Passcode: crSgXe

**II. Scope of Services**

The successful vendor shall perform all services in accordance with the following conditions, at the locations outlined in Exhibit A:

**A. Turf Maintenance**

1. All turf areas will be mowed, edged, trimmed and blown for each scheduled cycle during the growing season, and as needed during the non-growing season.
2. All major turf areas will be mowed with commercial walk-behind and/or riding mowers.
3. In areas where heavier equipment could potentially damage the turf, line trimmers will be operated.
4. Pre-emergent will be applied once in the Fall and once in the Spring. Post-emergent will

be applied 3 to 4 times throughout the growing season.

**B. Edging**

1. All edging of curbs will be performed with a gas-powered steel blade, for each scheduled cycle during the growing season, and as needed during the non-growing season.

**C. Trash and Debris Removal**

1. All trash and debris, regardless of size, quantity, or type, shall be removed from all turf and bed areas (if applicable), in conjunction with each scheduled turf maintenance cycle during the growing season, and as needed during the non-growing season. Trash is to be removed prior to mowing.

**D. Beds (If applicable)**

1. Beds should be de-weeded, shrubbery/bushes trimmed as needed, ant treatment applied, maintain 3-inches of mulch in all beds, pre-emergent and post-emergent applied when applicable, and trees maintained.

**E. Other Conditions**

1. Unless otherwise instructed, the successful vendor(s) shall accomplish all tasks listed on a regular schedule, as agreed upon by the proposer and the department representative. Any variance from the prescribed schedule will require a minimum of twenty-four hour advance notification to the designated department representative. All mowing is to be accomplished Monday through Saturday, between the hours of 7am-7pm, weather permitting. It will be considered a breach of the contract if the schedule is repeatedly missed.
2. The successful vendor(s) will be required to send an e-mail to a designated Town department representative to report proposed schedules and work accomplished every week that maintenance is accomplished under this agreement. The vendor will be responsible for notifying Town personnel when they are onsite. Failure to follow this will result in a no payment for that week.
3. The successful vendor(s) shall set mowing equipment to a height no less than 2 ½" unless otherwise instructed by the designated Town department representative. All changes in the mowing height are to be approved by the Town department representative. In an effort not to bag lawn clippings, mulching mowers are preferred over mowers that throw clippings into rows.
4. If the mowing and/or bed maintenance is unsatisfactory, the Town reserves the right to reduce payment by 50%.
5. The successful vendor(s) shall furnish all supplies, tools, and equipment to be used on the job.
6. The successful vendor(s) shall comply with all applicable governmental laws and

regulations.

7. The Town shall not be liable for any loss or damage sustained by the successful vendor(s). The successful vendor(s) shall save the Town whole and harmless from any and all claims for liability or damage of whatsoever nature and kind, including cost of court and attorney's fees, suffered or asserted to have been suffered by any person or to any property of any person whomsoever, growing out of or resulting from or in any way connected with the performance of work under this agreement. The successful vendor(s) shall exercise every necessary precaution for the safety of the worksite and the protection of any and all persons and/or property located adjacent to or making passage through the work site.
8. The successful vendor(s) shall fill out invoice forms for monthly payments.
9. The successful vendor(s) shall operate as an independent contractor and not as an agent, representative, partner, or employee of the Town, and shall control the operations at the work site, and be solely responsible for the acts of omissions of the successful vendor(s) employees or agents.
10. Unit prices are to reflect the charges for mowing and associated tasks at each location.
11. A proposal constitutes understanding and acceptance of all terms, conditions, instruction, glossary, specifications, forms, and statements contained in this proposal document.
12. The successful vendor(s) shall exercise extreme caution while working on medians, roadsides, and high traffic areas. TX DOT approved safety vests, traffic cones, and "men working" signage are required when crews are working in any traffic situations.
13. The Town representatives reserves the right to cancel scheduled mowing cycles on a week-to-week basis, based upon need, prevailing weather conditions, and available funding.
14. The service will be monitored by the Town of Prosper Park and Recreation staff. Contact information will be provided to the successful vendor(s).
15. Responses shall include a complete "list of machinery and equipment available" in order to determine whether or not the vendor can adequately perform the necessary work. All equipment the vendor anticipates committing to this contract, if awarded, should be included on the Machinery and Equipment Worksheet (Attachment B). Past experience has shown that it is absolutely essential to have adequate back-up equipment in reserve to allow for breakdowns.
  - a. Insufficient and/or inadequate equipment as determined by the Town is cause for rejection of a proposal.
  - b. All mowers will be finish mowers.
  - c. No tractor drawn mowers will be allowed, unless approved by Parks and Recreation staff.

- d. Contractor equipment must be maintained in good operating condition and in sufficient quantities to adequately perform all services.
  - e. The contractor is responsible for performing scheduled maintenance on all equipment used for the contract. As part of his proposal the contractor must submit proof of an active Preventative Maintenance Equipment Program. Proof of an active and successful Preventative Maintenance Program will be used in evaluation of the proposal.
16. It is mandatory that a review of the contracted area be conducted prior to award of contract. The review shall be attended by the recommended vendor(s) and the Town department representative.
17. Ozone Alert Days: On ozone alert days, vendor(s) is required to refrain from mowing until after 10 A.M., unless diesel powered equipment is used. The North Texas Clean Air Coalition offers an ozone alert hotline at 1-800-960-4247. This number can be called daily for current ozone conditions. It is the responsibility of the successful bidder to be aware of ozone alert conditions. Failure to comply with these standards will be grounds for the following:
- a. The first offense will result in a verbal warning.
  - b. The second offense will result in a written warning.
  - c. The third offense will result in contract termination.
18. After abundant rainfall, it may be necessary to mow selected areas twice per week in lieu of the specified once per week. Town personnel will determine if needed.
19. Hazardous Conditions
- a. The successful vendor(s) will be required to notify the Town department representative immediately of any hazardous conditions and/or damaged Town property prior to leaving the work site. Contact information will be provided to the successful vendor(s).
20. Concurrent Contracts
- a. In the event that any one vendor shall receive contracts for mowing in more than one project area, work shall proceed simultaneously in all such areas assigned.
21. Supervision of Work Crew
- a. The successful vendor(s) shall provide supervision of all work crews at all times while performing work under this contract.
  - b. Personal supervision is not required, provided that communication equipment or other means are provided that enable the work crew to communicate with the successful vendor(s) at all times.

- c. Each work crew shall have a designated person on the work site that has the authority to respond to inquiries about work details or priorities in English.
- d. The successful vendor(s) shall provide the Town department representative with the name and phone number of a designated contact person available during normal business hours.

## 22. Safety Program

- a. The vendor(s) should have an established on-going safety training program that addresses issues such as proper safety equipment, equipment operating procedures, general safety awareness, etc.

## 23. Additional Reporting and Notifications

- a. A chemical record sheet will be provided to the Town once a month showing amounts/rates/types of products used.
- b. A 72-hour notice of chemical application will need to be emailed to all of the contacts for the Town. The Town will need to be onsite to verify application of chemicals.
- c. A call or text to the list of people in the Town responsible for oversight of this contract will be required when the vendor is on site. Failure to comply with this step will result in a no show/no pay for that period.
- d. In the event that a leak is found in the irrigation system in the medians, the vendor must immediately report it to the Town.

### III. Glossary of Terms

- A. Mowing project area shall refer to specific geographic area(s) of the Town designated to receive specified mowing and related services.
- B. Maintenance schedule shall mean the time periods established by the Town for the project year within which all prescribed maintenance activities for each area shall be completed. The successful bidder and area Inspector will agree on a regular day and time for maintenance at each location. If the successful bidder expects to vary from the schedule, he/she shall notify area Inspector 24 hours in advance, so work completion can be inspected in a timely manner.
- C. Concurrent shall refer to all mowing, trimming, edging, and litter removal on any given item being completed on the same day. Should a given area be too large to complete in a single day, any areas that have been mowed must be trimmed, edged, and litter removed on the same day the mowing occurs.
- D. Monthly billing cycle shall refer to each time period in the mowing schedule for the project year. Each time period is defined by a beginning and ending date, in which all prescribed maintenance activities for each area shall be completed.

- E. Inclement weather shall mean rainy weather or when the condition of the soil is such that the rutting of property will not allow cutting of grass to be accomplished satisfactorily.
- F. Trash and litter shall mean any debris, regardless of size or type, within the mowing project area such as paper, cans, bottles, limbs, rocks, etc., which is not intended to be present as part of the landscape. Inclusive of the entire project area including streets, sidewalks, curbs, hillsides, ditches, etc. (Where tree/brush/shrub lines or mowing edge determines the area, the successful bidder will extract litter an additional three (3) feet. Where tree/brush/shrub lines are in front of fence the fence will be the determining boundary). Removal of debris will require sweeping of hard surface areas such as sidewalks.
- G. Trimming shall refer to the cutting or removal of all plant materials immediately adjacent to or under Town structures, trees, poles, tables, signs, fences, shrub beds, or other structures.
- H. Edging shall refer to the vertical removal of any and all plant material which encroaches over or onto sidewalks, curbs, steps, driveways, and pavements. Edges shall be vertical, minimum depth of 1", and minimum width of 1/4". This task must be done neatly to present a clean, crisp appearance, having a smooth line. Line trimmer accepted along fences and poles.
- I. Monofilament Trimming shall refer to trimming grass around fences, buildings, tree wells and posts. Do not directly use around the trunks of trees.

#### IV. Insurance

ALL RESPONDENTS must submit, with the bid, proof of insurance coverage as stipulated in Exhibit B. Proof shall be by submission of copies of current policies or current Certificates of Insurance, including the effective dates of coverage. Any provisions outlined in Exhibit A will be required of the successful firm only. Prior to the execution of this contract, the successful firm will supply the Purchasing Office with an original certificate of insurance evidencing the stated requirements. This insurance shall be effective for the contract duration and renewal certificates shall also be supplied upon expiration.

#### V. Questions Deadline

The Town of Prosper requires that all questions relating to this bid be submitted in writing to Stephanie Mays, at [purchasing@prospertx.gov](mailto:purchasing@prospertx.gov) or through IonWave by **12:00pm on Tuesday, February 20, 2024**. **No questions will be answered over the phone.** Questions in regard to the specifications will only be accepted until the stated deadline.

#### VI. Submittals

The preferred method for submissions is through IonWave. Submittals will be due on February 20, 2024, by 2:00PM.

The names of the vendors that have submitted responses to the RFP will be read at 3:00PM. The link below will provide access to the response reading. No pricing will be read as there are other criteria that have to be considered.

Microsoft Teams meeting  
**Join on your computer, mobile app or room device**  
[Click here to join the meeting](#)  
 Meeting ID: 217 252 454 58  
 Passcode: crSgXe

In order for your proposals to be considered responsive, the following information should be submitted with your proposal:

- A. Pricing Worksheet (Attachment A)
- B. Machinery and Equipment Worksheet (Attachment B)
  - 1. List the type of equipment to be utilized to service the contract, including the age of equipment.
  - 2. Provide details of established Preventative Equipment Maintenance Program
- C. Vendor Information Worksheet (Attachment C)
- D. Work History and References

Provide a minimum of three (3) current references for the same or similar service as described in this proposal document, preferably for a municipality. Please provide the following information for each reference provided on the References Worksheet (Attachment D):

- 1. Company Name
  - 2. Contact Person
  - 3. Company Address
  - 4. Contact Phone Number
  - 5. Contact Fax Number
  - 6. Effective Dates
  - 7. Description of Services
- E. Additional Information
 

Include any additional information that you feel will assist the Town in the selection process.
- F. Additional Forms
  - 1. Proof of Insurance
  - 2. Certification Form

## VII. Evaluation Criteria

A review committee will judge the merit of proposals received in accordance with the requirements defined herein. Failure of vendor to provide in their proposal any information requested in this CSP may result in disqualification of the proposals. The sole objective of the review committee will be to select the proposal that provides the best value to the Town of Prosper.

The contract will be awarded based on the following evaluation criteria:

- A. Cost as evidenced in VI. Submittals, Section A. (30%)
- B. Equipment as evidenced in VI. Submittals, Section B. (15%)
- C. Staffing as evidence in VI. Submittals, Section C. (20%)
- D. Work History and References as evidenced in VI. Submittals, Section D. (20%)
- E. Ability to meet the Town's needs, as evidenced in VI. Submittals, all sections (15%)

EXHIBIT A

The mowing and other services will start at North Custer and US380 and end at North Custer and East Frontier Parkway



## INSURANCE REQUIREMENTS GENERAL SERVICES

Services performed on Town property, including but not limited to: Installation, Landscape, Maintenance, Custodial, Electrical, Painting, Welding, Plumbing, Transportation, Street Sweeping, Fireworks, Moving, Uniforms, Concessions, etc.

Vendor shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the vendor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by the vendor. A certificate of insurance meeting all requirements and provisions outlined herein shall be provided to the Town prior to any services being performed or rendered. Renewal certificates shall also be supplied upon expiration.

### A. MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. ISO Form Number GL 00 01 (or similar form) covering Commercial General Liability. "Occurrence" form only, "claims made" forms are unacceptable.
2. Workers Compensation insurance as required by the Labor Code of the State of Texas, including Employers' Liability Insurance.
3. Automobile Liability as required by the State of Texas, covering all owned, hired, or non-owned vehicles. Automobile Liability is only required if vehicle(s) will be used under this contract.

### B. MINIMUM LIMITS OF INSURANCE

Vendor shall maintain limits throughout contract not less than:

1. Commercial General Liability: \$500,000 per occurrence / \$1,000,000 in the aggregate for third party bodily injury, personal injury and property damage. Policy will include coverage for:
  - a. Premises / Operations
  - b. Broad Form Contractual Liability
  - c. Products and Completed Operations
  - d. Personal Injury
  - e. Broad Form Property Damage
2. Workers Compensation and Employer's Liability: Workers Compensation limits as required by the Labor Code of the State of Texas and Statutory Employer's Liability minimum limits of \$100,000 each accident, \$300,000 Disease - Policy Limit, and \$100,000 Disease – Each Employee.
3. Automobile Liability: \$500,000 Combined Single Limit. Limits can only be reduced if approved by the Town. Automobile liability shall apply to all owned, hired, and non-owned autos.

### C. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductible or self-insured retention in excess of \$10,000 must be declared to and approved by the Town.

### D. OTHER INSURANCE PROVISIONS

The policies are to contain, or be endorsed to contain the following provisions:

1. General Liability and Automobile Liability Coverages:
  - a. The Town, its officers, officials, employees, boards and commissions and volunteers are to be added as "Additional Insured's" relative to liability arising out of activities performed by or on behalf of the vendor, products and completed

operations of the vendor, premises owned, occupied or used by the vendor. The coverage shall contain no limitations on the scope of protection afforded to the Town, its officers, officials, employees or volunteers.

- b. The vendor's insurance coverage shall be primary insurance in respects to the Town, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Town, its officers, officials, employees or volunteers shall be in excess of the vendor's insurance and shall not contribute with it.
  - c. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Town, its officers, officials, employees, boards, and commissions or volunteers.
  - d. The vendor's insurance shall apply separately to each insured against whom the claim is made or suit is brought, except to the limits of the insured's limit of liability.
2. Workers Compensation and Employer's Liability Coverage:
- The insurer shall agree to waive all rights of subrogation against the Town, its officers, officials, employees and volunteers for losses arising from work performed by the vendor for the Town.

3. All Coverages:

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after 30 days written notice to the Town for all occurrences, except 10 days written notice to the Town for non-payment.

**E. ACCEPTABILITY OF INSURERS**

The Town prefers that insurance be placed with insurers with an A.M. Best's rating of no less than **A- VI**, or better.

**F. VERIFICATION OF COVERAGE**

Upon award of contract the Vendor shall provide the Town certificates of insurance indicating the coverages required. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. Certificates of Insurance similar to the ACORD Form are acceptable. Town will not accept Memorandums of Insurance or Binders as proof of insurance. The Town reserves the right to require complete, certified copies of all required insurance policies at any time.



**Post Emergent Treatment**

Spray or pull any visible weeds from cracks in concrete once per month. Turf spray any visible weeds once per month March through November. Ant bait and ant mound treatments once per month March through November.

Unit Price per Service \$ \_\_\_\_\_



# Attachment C Vendor Information Form

## VENDOR INFORMATION

Number of employees: Full time \_\_\_\_\_

Number of employees: Part time: \_\_\_\_\_

Length of time in business: \_\_\_\_\_

Physical location of business (full address, including city, state & zip code):

\_\_\_\_\_  
\_\_\_\_\_

## VENDOR CONTACTS

The successful vendor must provide, to a designated Park Operations Representative, a valid telephone number and name of designated company representative. The telephone number must be answered on workdays, Monday-Friday, 7:00 AM to 5:00 PM. An alternate or emergency telephone number must also be provided to the Park Operations Representative. Failure to provide this information may be considered a reason to terminate the contract.

Company Representative: \_\_\_\_\_

Company Telephone Number (including are code): \_\_\_\_\_

Emergency Telephone Number (including are code): \_\_\_\_\_

## SUBCONTRACTOR INFORMATION

The Proposer must provide the following information for any portion of work under this contract being subcontracted. **All subcontractors will be approved by the Town of Prosper prior to commencement of work.**

Name: \_\_\_\_\_

Type of Work: \_\_\_\_\_

Amount: \_\_\_\_\_

Portion of work by proposer: \_\_\_\_\_ %

Portion of work by sub-contractor: \_\_\_\_\_ %

## Attachment D References

Item 6.

Please provide at least three (3) references for the same or similar services as the Town has specified in the proposal, in the spaces provided below.

Company Name: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Effective Dates: \_\_\_\_\_  
Description of Services: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Company Name: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Effective Dates: \_\_\_\_\_  
Description of Services: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Company Name: \_\_\_\_\_  
Contact Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
Effective Dates: \_\_\_\_\_  
Description of Services: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Town of Prosper  
RFP No. 2024-14-A  
North Custer Road Median Mowing and Maintenance  
Certification Form**

**Company Information**

The following information must be provided in its entirety for your proposal to be considered:

Company Name: \_\_\_\_\_

Principal Place of Business Address: \_\_\_\_\_

Principal Place of Business City, State, Zip: \_\_\_\_\_

Principal Place of Business Phone Number: \_\_\_\_\_

Principal Place of Business Fax Number: \_\_\_\_\_

Remittance Address (if different from above): \_\_\_\_\_

Remittance City, State, Zip: \_\_\_\_\_

Tax Identification No: \_\_\_\_\_

**Addendums**

If an addendum to this proposal is issued, acknowledge addendum by initialing beside the addendum number:

Add. No. 1 \_\_\_\_\_ Add. No. 2 \_\_\_\_\_ Add. No. 3 \_\_\_\_\_ Add. No. 4 \_\_\_\_\_ Add. No. 5 \_\_\_\_\_

**Certification**

The undersigned hereby certifies that he/she understands the specifications, has read the document in its entirety and that the prices contained in this proposal have been carefully reviewed and are submitted as correct and final. Vendor further certifies and agrees to furnish any or all products/services upon which prices are extended at the price offered, in accordance with the terms and conditions contained herein. Vendor agrees that acceptance of any or all items by the Town of Prosper, Texas, within the time frame indicated in this proposal, constitutes a contract.

The individual signing this proposal certifies that he/she is a legal agent of the company, authorized to submit on behalf of the company, and is legally responsible for the decisions as to the prices and supporting documentation provided.

Authorized Representative:

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Email Address



## 2024-14-A Addendum 1

### V&A Landscape and Lawn Supplier Response

#### Event Information

Number: 2024-14-A Addendum 1  
 Title: North Custer Median Mowing and Maintenance  
 Type: Request for Proposals  
 Issue Date: 2/4/2024  
 Deadline: 2/20/2024 02:00 PM (CT)  
 Notes: The Town of Prosper is soliciting proposals for the mowing maintenance of medians located on North Custer Road between US380 and East Frontier Parkway, within the Town of Prosper and the City of McKinney, as described in the following specifications. The initial term of the contract will be one (1) year, with four optional, one-year renewal periods. The contract will be awarded to the vendor(s) providing the best value, as determined by the evaluation criteria as stated herein.

This is a cooperative procurement process, with the Town of Prosper serving as the lead agency on behalf of the Town of Prosper and the City of McKinney. The Town of Prosper will administer the contract on behalf of both entities, and process payments. It is understood that any reference to the "Town" throughout this document is representative of both entities.

The cycle frequencies stated herein are an accurate reflection of the Town's anticipated needs. However, these are estimates, and not a commitment. Furthermore, based on need and budget contingencies, cycle frequencies may be adjusted at any time during the contract period. At no time will adjustments to the prices offered be imposed on the Town. Prices will be held firm during the contract period. The successful vendor will be required to execute a service contract. A

sample of a service contract is attached to this RFP in IonWave. The questions deadline is February 13, 2024, at 12:00PM. The RFP is due on February 20, 2024, by 2:00PM and must be submitted through lonwave. Submission names will be read at 3:00PM.

Item 6.

Microsoft Teams meeting

**Join on your computer, mobile app or room device**

[Click here to join the meeting](#)

Meeting ID: 217 252 454 58

Passcode: crSgXe

## II. Scope of Services

### Contact Information

Contact: Jay Carter Purchasing Manager

Address: Purchasing Office

Town Hall

3rd Floor

250 W. First St.

P.O. Box 307

Prosper, TX 75078

Phone: (972) 569-1018

Email: [jcarter@prospertx.gov](mailto:jcarter@prospertx.gov)

# V&A Landscape and Lawn Information

Item 6.

Address: 8287 Falcon Ct  
Prosper, TX 75078  
Phone: (214) 675-6103  
Toll Free: (214) 675-6103  
Email: valandscapeandlawn@gmail.com

By submitting your response, you certify that you are authorized to represent and bind your company.

Vincent Pascale

Signature

Submitted at 2/20/2024 05:05:10 AM (CT)

valandscapeandlawn@gmail.com

Email

## Supplier Note

Thank you for this opportunity It has been a pleasure working for The Town of Prosper in the past. Vincent Pascale

## Requested Attachments

### CIQ-2021 (Conflict of Interest Form)

Scan0967.pdf

CIQ-2021 (Conflict of Interest Form)

### RFP Submission

Scan0968.pdf

All documents related to RFP in one file

## Bid Attributes

### 1 Terms and Conditions Acknowledgement

I have read, understand and agree to all terms and conditions contained in this solicitation.

I Agree

### 2 Certification

By checking this box, submitter hereby certifies that he/she understands the specifications, has read the document in its entirety and that the prices contained in this bid/proposal have been carefully reviewed and are submitted as correct and final. Vendor further certifies and agrees to furnish any or all products/services upon which prices are extended at the price offered, in accordance with the terms and conditions contained herein. Vendor agrees that acceptance of any or all items by the Town of Prosper, Texas, within the time frame indicated in this solicitation, constitutes a contract. The individual submitting this bid/proposal certifies that he/she is a legal agent of the company, authorized to submit on behalf of the company, and is legally responsible for the decisions as to the prices and supporting documentation provided.

I Agree

### 3 Addendum No. 1

By checking this box, vendor acknowledges receipt and understanding of Addendum No. 1 (if issued by the Town of Prosper).

I Agree

|          |  |         |
|----------|--|---------|
| <b>4</b> | <b>Addendum No. 2</b><br>By checking this box, vendor acknowledges receipt and understanding of Addendum No. 2 (if issued by the Town of Prosper).<br><input type="checkbox"/> I Agree | Item 6. |
|----------|--|---------|

|          |  |
|----------|--|
| <b>5</b> | <b>Addendum No. 3</b><br>By checking this box, vendor acknowledges receipt and understanding of Addendum No. 3 (if issued by the Town of Prosper).<br><input type="checkbox"/> I Agree |
|----------|--|

|          |  |
|----------|--|
| <b>6</b> | <b>Addendum No. 4</b><br>By checking this box, vendor acknowledges receipt and understanding of Addendum No. 4 (if issued by the Town of Prosper).<br><input type="checkbox"/> I Agree |
|----------|--|

|          |  |
|----------|--|
| <b>7</b> | <b>Addendum No. 5</b><br>By checking this box, vendor acknowledges receipt and understanding of Addendum No. 5 (if issued by the Town of Prosper).<br><input type="checkbox"/> I Agree |
|----------|--|

**Bid Lines**

|          |                          |                                    |   |   |
|----------|--------------------------|------------------------------------|---|---|
| <b>1</b> | Turf Maintenance Service | Quantity: <u>24</u> UOM: <u>EA</u> | Unit Price: <input type="text" value="\$1,500.00"/> | Total: <input type="text" value="\$36,000.00"/> |
|----------|--------------------------|------------------------------------|---|---|

|          |  |                                     |  |   |
|----------|--|-------------------------------------|--|---|
| <b>2</b> | Litter and Debris removal for all non-mowing days (52 weeks x 3 times per week=156-31 mowing days = 125) | Quantity: <u>125</u> UOM: <u>EA</u> | Unit Price: <input type="text" value="\$95.00"/> | Total: <input type="text" value="\$11,875.00"/> |
|----------|--|-------------------------------------|--|---|

|          |                                 |                                   |   |  |
|----------|---------------------------------|-----------------------------------|---|--|
| <b>3</b> | Apply 2 pre-emergent treatments | Quantity: <u>2</u> UOM: <u>EA</u> | Unit Price: <input type="text" value="\$2,000.00"/> | Total: <input type="text" value="\$4,000.00"/> |
|----------|---------------------------------|-----------------------------------|---|--|

|          |  |                                   |   |  |
|----------|--|-----------------------------------|---|--|
| <b>4</b> | Apply 2 post-emergent treatments and ant bait/mound treatments once per month as needed March through November | Quantity: <u>2</u> UOM: <u>EA</u> | Unit Price: <input type="text" value="\$2,000.00"/> | Total: <input type="text" value="\$4,000.00"/> |
|----------|--|-----------------------------------|---|--|

**Response Total: \$55,875.00**

RFP NO. 2024-14-A  
 Custer Road Median Mowing and Maintenance

| <b>EVALUATION MATRIX</b>     |                  | <b>Cut with Craft</b> |                       | <b>Pace Construction Services</b> |                       | <b>Trevino's Landscaping</b> |                       | <b>V&amp;A Landscape and Lawn</b> |                       | <b>Yellowstone Landscape</b> |                       |
|------------------------------|------------------|-----------------------|-----------------------|-----------------------------------|-----------------------|------------------------------|-----------------------|-----------------------------------|-----------------------|------------------------------|-----------------------|
| <b>EVALUATION CRITERIA</b>   | <b>WEIGHTING</b> | <b>POINTS</b>         | <b>WEIGHTED SCORE</b> | <b>POINTS</b>                     | <b>WEIGHTED SCORE</b> | <b>POINTS</b>                | <b>WEIGHTED SCORE</b> | <b>POINTS</b>                     | <b>WEIGHTED SCORE</b> | <b>POINTS</b>                | <b>WEIGHTED SCORE</b> |
| Cost Proposal                | 30%              | 2.61                  | 0.78                  | 3.94                              | 1.18                  | 10.00                        | 3.00                  | 7.49                              | 2.25                  | 5.11                         | 1.53                  |
| Ability to Meet Town's Needs | 15%              | 0.67                  | 0.10                  | 4.67                              | 0.70                  | 6.92                         | 1.04                  | 9.42                              | 1.41                  | 6.92                         | 1.04                  |
| Equipment                    | 15%              | 0.00                  | 0.00                  | 1.00                              | 0.15                  | 7.17                         | 1.08                  | 9.67                              | 1.45                  | 9.83                         | 1.48                  |
| Staffing                     | 20%              | 0.00                  | 0.00                  | 10.00                             | 2.00                  | 6.83                         | 1.37                  | 9.17                              | 1.83                  | 9.83                         | 1.97                  |
| Work History and References  | 20%              | 0.00                  | 0.00                  | 2.00                              | 0.40                  | 0.00                         | 0.00                  | 10.00                             | 2.00                  | 2.00                         | 0.40                  |
| <b>TOTAL</b>                 | <b>100%</b>      |                       | <b>0.88</b>           |                                   | <b>4.43</b>           |                              | <b>6.48</b>           |                                   | <b>8.94</b>           |                              | <b>6.41</b>           |



**TOWN OF PROSPER  
PROPOSAL TABULATION SUMMARY**

Item 6.

|                            |                           |
|----------------------------|---------------------------|
| <b>Solicitation Number</b> | RFP No. 2024-14-A         |
| <b>Solicitation Title</b>  | Custer Road Median Mowing |
| <b>Close Date</b>          | 02/20/2024 2:00PM         |

| <b>Responding Contractor</b> | <b>City</b> | <b>State</b> | <b>Response Submitted</b>  | <b>Response Total</b> |
|------------------------------|-------------|--------------|----------------------------|-----------------------|
| Trevinos Landscaping         | Greenville  | TX           | 2/19/2024 03:14:07 PM (CT) | \$41,850.00           |
| V&A Landscape and Lawn       | Prosper     | TX           | 2/20/2024 05:05:10 AM (CT) | \$55,875.00           |
| Yellowstone Landscape        | Dallas      | TX           | 2/13/2024 10:41:03 AM (CT) | \$81,885.00           |
| Pace Construction Services   | Melissa     | TX           | 2/19/2024 03:44:44 PM (CT) | \$106,100.00          |
| Cut With Craft               | PROSPER     | TX           | 2/20/2024 01:59:57 PM (CT) | \$160,300.00          |

**\*\*All bids/proposals submitted for the designated project are reflected on this tabulation sheet. However, the listing of the bid/proposal on this tabulation sheet shall not be construed as a comment on the responsiveness of such bid/proposal or as any indication that the agency accepts such bid/proposal as being responsive. The agency will make a determination as to the responsiveness of the vendor responses submitted based upon compliance with all applicable laws, purchasing guidelines and project documents, including but not limited to the project specifications and contract documents. The agency will notify the successful vendor upon award of the contract and, as according to the law, all bid/proposal responses received will be available for inspection at that time.**

|  |                                 |
|--|---------------------------------|
| Certified by: Jay Carter, NIGP-CPP, CPPB, C.P.M.<br>Purchasing Manager<br>Town of Prosper, Texas | Certified On: February 20, 2024 |
|--|---------------------------------|



## PUBLIC WORKS

**To: Mayor and Town Council**

**From: Chuck Ewings, Assistant Town Manager**

**Through: Mario Canizares, Town Manager**

**Re: Authorize Payment of Repairs to Wastewater Camera Van**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 4. Provide Excellent Municipal Services**

**Agenda Item:**

Consider and authorize final payment to Coach Specialists of Texas, Inc., for the repair of a 2020 Ford Transit Cargo Van.

**Description of Agenda Item:**

Last June a van public works uses to inspect wastewater lines was involved in an accident when another motorist struck the van causing significant damage. Repairs have been completed and the cost exceeds the authority the Town Manager has to approve, therefore, council must authorize the expense.

The final cost is \$78,419.94 and all except the Town's \$500 deductible has been reimbursed by the Town's insurance provider.

**Budget Impact:**

The budget impact is the \$500 deductible.

**Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

**Attached Documents:**

1. Final Invoice

**Town Staff Recommendation:**

Town Staff recommends authorizing final payment in the amount of \$78,419.94 to Coach Specialists of Texas, Inc., for the repair of the 2020 Ford Transit Cargo Van.

**Proposed Motion:**

Item 7.

I move to authorize final payment in the amount of \$78,419.94 to Coach Specialists of Texas, Inc., for the repair of the 2020 Ford Transit Cargo Van.



# Coach Specialists of Texas, Inc.

Workfile ID: 6b36d8c1  
 PartsShare: 7af5vd

Item 7.

DFW's Elite Coach/RV Center!  
 1570 Highway 157 N. ; Bldg. 100, Mansfield, TX  
 76063  
 Phone: (817) 842-1144  
 FAX: (817) 842-1143

## Final Bill

### RO Number: 10018

|                 |                       |             |              |                |
|-----------------|-----------------------|-------------|--------------|----------------|
| Customer:       | Insurance:            | Adjuster:   | Estimator:   | David Matthews |
| Town of Prosper | GLOBAL RISK SOLUTIONS | Phone:      | Create Date: | 6/20/2023      |
|                 |                       | Claim:      | AU194171     |                |
|                 |                       | Loss Date:  |              |                |
| (214) 250-1252  |                       | Deductible: | 500.00       |                |

2020 FORD Transit Cargo Van T-350 HD EL High Roof 148" WB 10360# GVWR RWD w/Dual Rear Wheels 3D VAN 6-3.5L Turbocharged Gasoline Gasoline Direct Injection White

|          |                   |                  |       |              |       |              |           |
|----------|-------------------|------------------|-------|--------------|-------|--------------|-----------|
| VIN:     | 1FTRS4XG5LKA65320 | Interior Color:  |       | Mileage In:  | 8,468 | Vehicle Out: | 1/31/2024 |
| License: | 1440503           | Exterior Color:  | White | Mileage Out: |       |              |           |
| State:   | TX                | Production Date: |       | Condition:   |       | Job #:       |           |

| Line | Ver | Operation      | Description   | Qty | Extended Price \$ | Part Type | Labor | Type | Paint |
|------|-----|----------------|---|-----|-------------------|-----------|-------|------|-------|
| 1    | S01 |                | *UPDATED RATES*   |     |                   |           |       |      |       |
| 2    | S01 |                |   |     |                   |           |       |      |       |
| 3    | E01 |                | <b>PILLARS, ROCKER &amp; FLOOR</b>  |     |                   |           |       |      |       |
| 4    | S01 | Repair         | LT Aperture panel<br>NOTE: Repair for adjacent welded panel removal/weld burn       |     |                   |           | 3.0   | Body | 4.3   |
| 5    | S01 |                | Add for Clear Coat  |     |                   |           |       |      |       |
| 6    | S01 | Repair         | LT Upper extn high roof<br>NOTE: Repair for adjacent welded panel removal/weld burn |     |                   |           | 2.0   | Body | 1.4   |
| 7    | S01 |                | Add for Clear Coat  |     |                   |           |       |      |       |
| 8    | E01 | Blend          | Fuel door   |     |                   |           |       |      | 0.2   |
| 9    | E01 | Remove/Install | Fuel door   |     |                   |           | 0.0   | Body |       |
| 10   | S01 | Remove/Install | Fuel pocket gas engines   |     |                   |           | 0.4   | Body |       |
| 11   | S01 | Remove/Replace | LT Front Door Opening Lower Blackout Tape   | 1   | 10.00T            | OEM       | 0.2   | Body |       |
| 12   | E01 | Remove/Install | LT Frt rocker mldg  |     |                   |           | 0.0   | Body |       |
| 13   | E01 | Remove/Replace | LT Rear rocker mldg long wheelbase  | 1   | 162.47T           | OEM       | 0.0   | Body |       |
| 14   | E01 | Remove/Install | LT Pillar molding w/o side load door gas engines                                    |     |                   |           | 0.0   | Body |       |
| 15   | S01 | Remove/Install | LT Upr ctr plr trim van medium, high roof   |     |                   |           | 0.2   | Body |       |
| 16   | S01 | Remove/Install | LT Lower trim van medium, high roof   |     |                   |           | 0.2   | Body |       |
| 17   | S01 | Remove/Install | LT Step cover   |     |                   |           | 0.3   | Body |       |
| 18   | S01 | Remove/Install | LT Scuff plate  |     |                   |           | 0.2   | Body |       |
| 19   | S03 | Repair         | LT Reinf bracket  |     |                   |           | 2.0   | Body | 0.3   |
| 20   | S03 |                | Add for Clear Coat  |     |                   |           |       |      | 0.1   |
| 21   | S01 | Remove/Install | LT Upper w'strip medium, high roof  |     |                   |           | 0.2   | Body |       |

T = Taxable Item, RPD = Related Prior Damage, AA = Appearance Allowance, UPD = Unrelated Prior Damage, PDR = Paintless Dent Repair, A/M = Aftermarket, Rechr = Rechromed, Reman = Remanufactured, OEM = New Original Equipment Manufacturer, Recor = Re-cored, RECOND = Reconditioned, LKQ = Like Kind Quality or Used, Diag = Diagnostic, Elec = Electrical, Mech = Mechanical, Ref = Refinish, Struc = Structural

RO Number: 10018

Item 7.

2020 FORD Transit Cargo Van T-350 HD EL High Roof 148" WB 10360# GVWR RWD w/Dual Rear Wheels 3D VAN 6-3.5L Turbocharged Gasoline Gasoline Direct Injection White

|    |     |                |   |   |           |        |       |      |       |
|----|-----|----------------|---|---|-----------|--------|-------|------|-------|
| 22 | S01 | Remove/Install | LT Rear w'strip w/medium, high roof   |   |           |        | 0.2   | Body |       |
| 23 | S01 | Remove/Install | LT Center seal  |   |           |        | 0.2   | Body |       |
| 24 | S01 | Remove/Install | LT Surround w'strip medium, high roof   |   |           |        | 0.0   | Body |       |
| 25 | S01 | Remove/Install | LT Lower seal   |   |           |        | 0.0   | Body |       |
| 26 | E01 |                | <b>FRONT DOOR</b>   |   |           |        |       |      |       |
| 27 | S01 | Blend          | LT Outer panel medium, high roof  |   |           |        |       |      | 1.4   |
| 28 | S01 | Repair         | Remove Decals for Repair/Refinish Access  |   |           |        | 1.0   | Body |       |
| 29 | E01 | Remove/Install | LT Side molding   |   |           |        | 0.3   | Body |       |
| 30 | E01 | Remove/Install | LT Wheel opng mldg  |   |           |        | 0.2   | Body |       |
| 31 | E01 | Remove/Install | LT R&I mirror   |   |           |        | 0.3   | Body |       |
| 32 | E01 | Remove/Install | LT Moveable glass FORD medium, high roof  |   |           |        | 0.0   | Body |       |
| 33 | E01 | Remove/Install | LT Fixed glass FORD medium, high roof   |   |           |        | 0.0   | Body |       |
| 34 | E01 | Remove/Install | LT Window channel medium, high roof   |   |           |        | 1.4   | Body |       |
| 35 | E01 | Remove/Install | LT Handle, outside  |   |           |        | 0.2   | Body |       |
| 36 | S01 | Remove/Install | LT Lock cylinder  |   |           |        | 2.3   | Body |       |
| 37 | E01 | Remove/Install | LT R&I trim panel   |   |           |        | 0.4   | Body |       |
| 38 | E01 |                | <b>SIDE PANEL</b>   |   |           |        |       |      |       |
| 39 | S03 | Remove/Replace | LT Rear panel dual rear wheels w/o window   | 1 | 2,054.60T | OEM    | 31.2  | Body | 8.1   |
| 40 | S01 |                | Overlap Major Non-Adj. Panel  |   |           |        |       |      | (0.2) |
| 41 | E01 |                | Add for Clear Coat  |   |           |        |       |      |       |
| 42 | S01 | Remove/Replace | 3M Panel Bond (#08115)  | 1 | 82.49T    | Other  | 0.0   | Body |       |
| 43 | S01 | Remove/Replace | 3M Heavy Body Seam Sealer (#08308)  | 1 | 59.34T    | Other  | 0.0   | Body |       |
| 44 | S01 | Remove/Replace | 3M Flexible Foam (#08463)   | 1 | 79.49T    | Other  | 2.0   | Body |       |
| 45 | S01 | Repair         | LT Upper extrn<br>NOTE: Repair for adjacent welded panel removal/weld burn  |   |           |        | 3.0   | Body | 3.2   |
| 46 | S01 |                | Add for Clear Coat  |   |           |        |       |      |       |
| 47 | S02 | Remove/Replace | LT Front panel w/o window   | 1 | 834.82T   | OEM    | 3.0   | Body | 5.0   |
| 48 | E01 |                | Overlap Major Non-Adj. Panel  |   |           |        |       |      | (0.2) |
| 49 | E01 |                | Add for Clear Coat  |   |           |        |       |      |       |
| 50 | E01 | Remove/Replace | Deduct for Overlap  |   |           |        | (3.0) | Body |       |
| 51 | S01 | Remove/Replace | 3M Panel Bond (#08115)  | 1 | 82.49T    | Other  | 0.0   | Body |       |
| 52 | S01 | Remove/Replace | 3M Heavy Body Seam Sealer (#08308)  | 2 | 118.68T   | Other  | 0.0   | Body |       |
| 53 | S04 | Remove/Replace | 3M Flexible Foam (#08463)   | 1 | 69.49T    | Other  | 2.0   | Body |       |
| 54 | S04 |                | Shipping on Materials   | 1 | 10.00T    | RECOND |       |      |       |
| 55 | S01 | Repair         | Add for Duplication of Seam Sealer Between Panels<br>NOTE: Per P-Pages, seam sealer application is included. Factory seams have a urethane type sealer between them AFTER the panels have been bonded, foamed and sealed. This sealer is additional and will need to have time allocated for application. |   |           |        | 4.0   | Body |       |
| 56 | S01 | Repair         | LT Extension panel<br>NOTE: Repair for adjacent welded panel removal/weld burn  |   |           |        | 2.0   | Body | 1.9   |
| 57 | S01 |                | Overlap Major Non-Adj. Panel  |   |           |        |       |      | (0.2) |
| 58 | S01 |                | Add for Clear Coat  |   |           |        |       |      |       |

T = Taxable Item, RPD = Related Prior Damage, AA = Appearance Allowance, UPD = Unrelated Prior Damage, PDR = Paintless Dent Repair, A/M = Aftermarket, Rechr = Rechromed, Reman = Remanufactured, OEM = New Original Equipment Manufacturer, Recor = Re-cored, RECOND = Reconditioned, LKQ = Like Kind Quality or Used, Diag = Diagnostic, Elec = Electrical, Mech = Mechanical, Ref = Refinish, Struc = Structural

RO Number: 10018

Item 7.

2020 FORD Transit Cargo Van T-350 HD EL High Roof 148" WB 10360# GVWR RWD w/Dual Rear Wheels 3D VAN 6-3.5L Turbocharged Gasoline  
Gasoline Direct Injection White

|  |     |                |  |   |         |       |      |      |       |
|--|-----|----------------|--|---|---------|-------|------|------|-------|
| 59   | E01 | Remove/Replace | LT Lower panel   | 1 | 80.13T  | OEM   | 3.2  | Body |       |
| 60   | S01 | Remove/Replace | LT Front pillar  | 1 | 516.20T | OEM   | 3.0  | Body | 1.2   |
| 61   | S01 | Remove/Replace | LT Rear lower panel  | 1 | 164.10T | OEM   | 4.4  | Body | 0.3   |
| NOTE: Panel is overlapped by multiple panels and will have to be removed for access to replace wheelhouse, etc. Panel will not be reusable when removed. |     |                |  |   |         |       |      |      |       |
| 62   | S01 |                | Add for Clear Coat   |   |         |       |      |      |       |
| 63   | S01 | Remove/Install | LT Vent  |   |         |       | 0.2  | Body |       |
| 64   | S01 | Repair         | LT Inner wheelhouse dual rear wheels                       |   |         |       | 2.0  | Body | 1.0   |
| 65   | S01 |                | Overlap Minor Panel  |   |         |       |      |      | (0.2) |
| 66   | S01 | Remove/Replace | LT Outer wheelhouse dual rr whls                           | 1 | 225.53T | OEM   | 2.0  | Body | 1.0   |
| 67   | S01 |                | Overlap Minor Panel  |   |         |       |      |      | (0.2) |
| 68   | S01 | Remove/Replace | 3M Flexible Foam (#08463)                                  | 1 | 79.49T  | Other | 2.0  | Body |       |
| 69   | S03 | Remove/Replace | LT Outer wheelhouse lower support                          | 1 | 22.95T  | OEM   | 1.0  | Body | 0.5   |
| 70   | S01 | Repair         | LT Rear pillar (Taillight Pocket)                          |   |         |       | 2.0  | Body | 2.3   |
| NOTE: Repair for adjacent welded panel removal/weld burn   |     |                |  |   |         |       |      |      |       |
| 71   | S01 |                | Overlap Major Non-Adj. Panel                               |   |         |       |      |      | (0.2) |
| 72   | S01 | Remove/Replace | LT Front panel w/o window (Inner)                          | 1 | 598.37T | OEM   | 25.0 | Body | 0.0   |
| 73   | S01 | Refinish       | LT Front panel w/o window (Inner)                          |   |         |       |      |      | 1.2   |
| 74   | S01 | Remove/Replace | LT Center reinf  | 1 | 69.63T  | OEM   | 1.0  | Body | 0.4   |
| 75   | S01 |                | Add for Clear Coat   |   |         |       |      |      |       |
| 76   | S01 | Repair         | LT Center reinf support                                    |   |         |       | 3.0  | Body | 0.3   |
| 77   | S01 |                | Add for Clear Coat   |   |         |       |      |      |       |
| 78   | S01 | Repair         | LT Rear panel w/window (Inner)                             |   |         |       | 4.0  | Body | 0.0   |
| 79   | E01 | Refinish       | LT Rear panel w/window medium roof                         |   |         |       |      |      | 2.5   |
| 80   | S01 | Repair         | LT Rear extn   |   |         |       | 1.5  | Body | 0.3   |
| NOTE: Repair for adjacent welded panel removal/weld burn   |     |                |  |   |         |       |      |      |       |
| 81   | S01 |                | Add for Clear Coat   |   |         |       |      |      |       |
| 82   | S01 | Repair         | Add for Cut Access Holes to Allow for Welding Outer Panels |   |         |       | 4.0  | Body |       |
| 83   | S01 | Repair         | Setback All Side Paneling Factory Wiring                   |   |         |       | 1.5  | Body |       |
| 84   | E01 | Remove/Replace | LT Front molding black                                     | 1 | 217.03T | OEM   | 0.0  | Body |       |
| 85   | S01 | Remove/Replace | LT Side molding dual rear wheels black                     | 1 | 151.80T | OEM   | 0.0  | Body |       |
| 86   | E01 | Remove/Replace | LT Wheel opng mldg black                                   | 1 | 163.38T | OEM   | 0.0  | Body |       |
| 87   | S03 | Remove/Replace | LT Front extn  | 1 | 59.00T  | OEM   | 0.3  | Body | 0.2   |
| 88   | S03 |                | Add for Clear Coat   |   |         |       |      |      | 0.1   |
| 89   | S01 |                | <b>REAR BODY &amp; FLOOR</b>                               |   |         |       |      |      |       |
| 90   | S01 | Repair         | Rear floor pan   |   |         |       | 2.0  | Body | 1.6   |
| 91   | S01 |                | Overlap Major Non-Adj. Panel                               |   |         |       |      |      | (0.2) |
| 92   | S01 |                | <b>BACK DOOR</b>   |   |         |       |      |      |       |
| 93   | S01 | Remove/Install | LT R&I door assy   |   |         |       | 0.7  | Body |       |
| 94   | S01 | Remove/Install | Surround w'strip high roof                                 |   |         |       | 0.5  | Body |       |
| 95   | S01 |                | <b>REAR LAMPS</b>  |   |         |       |      |      |       |
| 96   | S01 | Remove/Install | LT Tail lamp assy dual rear wheels                         |   |         |       | 0.0  | Body |       |
| 97   | S01 |                | <b>REAR BUMPER</b>   |   |         |       |      |      |       |

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RO Number: 10018

Item 7.

2020 FORD Transit Cargo Van T-350 HD EL High Roof 148" WB 10360# GVWR RWD w/Dual Rear Wheels 3D VAN 6-3.5L Turbocharged Gasoline Gasoline Direct Injection White

|     |     |                |   |   |           |        |     |       |
|-----|-----|----------------|---|---|-----------|--------|-----|-------|
| 98  | S01 | Remove/Install | R&I bumper cover  |   |           |        | 0.0 | Body  |
| 99  | S01 | Remove/Install | LT Side extn w/extended frame 180 degree door   |   |           |        | 0.0 | Body  |
| 100 | S01 |                | <b>ELECTRICAL</b>   |   |           |        |     |       |
| 101 | S01 | Remove/Install | D&R Battery   |   |           |        | 0.4 | Mech  |
| 102 | S01 | Sublet         | Diag. Fuel Level Indicator  | 1 | 280.00    | Other  |     |       |
| 103 | E01 |                | <b>FRAME</b>  |   |           |        |     |       |
| 104 | S01 | Repair         | Frame Rack - Setup and Measure  |   |           |        | 2.0 | Frame |
| 105 | S01 | Repair         | Frame Rack - Add for Specialized Clamp Assembly<br>NOTE: 4 clamps @ 2hr/ea  |   |           |        | 8.0 | Frame |
| 106 | S01 | Repair         | Frame Rack - Add for EVO Mounts (3 Clamps)<br>NOTE: 3 EVO mounts @ 2hr/ea. Includes assembly and installation   |   |           |        | 6.0 | Frame |
| 107 | S01 | Repair         | Frame Rack - Pull on LT Front Inner   |   |           |        | 2.0 | Frame |
| 108 | S01 | Repair         | Frame Rack - Pull on LT C-Pillar  |   |           |        | 4.0 | Frame |
| 109 | S01 | Repair         | Frame Rack - Pull on LT Rear Panel  |   |           |        | 4.0 | Frame |
| 110 | S01 | Repair         | Frame Rack - Pull on LT Rear Wheelhouse   |   |           |        | 2.0 | Frame |
| 111 | S01 | Repair         | Floor Setup for Initial Pulls   |   |           |        | 1.5 | Body  |
| 112 | S01 | Repair         | Body Pull on LT Front Panel and C-Pillar  |   |           |        | 1.5 | Body  |
| 113 | E01 |                | <b>MOBILE OFFICE ITEMS</b>  |   |           |        |     |       |
| 114 | S02 | Sublet         | Remove Office Interior for Repair Access  | 1 | 16,380.00 | Other  |     |       |
| 115 | S01 | Remove/Install | 30a Shore Connection Cord   |   |           |        | 1.0 | Body  |
| 116 | S01 | Remove/Install | LT Side Secondary Lights (Mounted to Outer Sidewall)  |   |           |        | 1.0 | Body  |
| 117 | S02 | Sublet         | Reinstall Office Interior After Body Repairs Completed 30,420.00<br>NOTE: No invoice for this as the reassembly hasn't been done yet - price is for pre-quoted hours only, additional materials will be needed to reinstall wall paneling, etc. that were found to be damaged during disassembly. |   |           | Sublet |     |       |
| 118 | S01 |                | <b>WHEELS</b><br>NOTE: All wheels will have to be R&I'd for frame machine access while in clamps  |   |           |        |     |       |
| 119 | S01 | Remove/Install | RT/Front R&I wheel  |   |           |        | 0.1 | Mech  |
| 120 | S01 | Remove/Install | LT/Front R&I wheel  |   |           |        | 0.1 | Mech  |
| 121 | S01 | Remove/Install | RT/Rear R&I wheel (Outer)   |   |           |        |     |       |
| 122 | S01 | Remove/Install | RT/Rear R&I wheel (Inner)   |   |           |        | 0.1 | Mech  |
| 123 | S01 | Remove/Replace | LT/Rear Wheel, steel dual rear wheels silver (Outer)  | 1 | 501.15T   | OEM    | 0.3 | Mech  |
| 124 | S01 | Sublet         | Mount and Balance   | 1 | 25.00     | Other  |     |       |
| 125 | S01 | Remove/Install | LT/Rear R&I wheel (Inner)   |   |           |        |     |       |
| 126 | S03 | Sublet         | 2 Wheel Alignment   | 1 | 311.51    | Other  |     |       |
| 127 | S01 |                | <b>FRONT SUSPENSION</b>   |   |           |        |     |       |
| 128 | S01 | Remove/Install | R&I susp crossmember (Drop)<br>NOTE: Front frame machine clamps mount to the frame at the rear of the crossmember mounting location. Crossmember will have to be dropped to install clamps  |   |           |        | 2.0 | Mech  |
| 129 | S01 |                | <b>REAR SUSPENSION</b>  |   |           |        |     |       |
| 130 | S01 | Remove/Install | RT Leaf spring w/148" wheelbase w/extended  |   |           |        | 0.5 | Mech  |

T = Taxable Item, RPD = Related Prior Damage, AA = Appearance Allowance, UPD = Unrelated Prior Damage, PDR = Paintless Dent Repair, A/M = Aftermarket, Rechr = Rechromed, Reman = Remanufactured, OEM = New Original Equipment Manufacturer, Recor = Re-cored, RECOND = Reconditioned, LKQ = Like Kind Quality or Used, Diag = Diagnostic, Elec = Electrical, Mech = Mechanical, Ref = Refinish, Struc = Structural

**Final Bill**

**RO Number: 10018**

Item 7.

2020 FORD Transit Cargo Van T-350 HD EL High Roof 148" WB 10360# GVWR RWD w/Dual Rear Wheels 3D VAN 6-3.5L Turbocharged Gasoline  
Gasoline Direct Injection White

|     |     |                |  |   |        |          |
|-----|-----|----------------|--|---|--------|----------|
|     |     |                | NOTE: Rear leaf springs will have to be dropped/moved for access to install rear clamps to van (clamps attach at front of spring mounts) |   |        |          |
| 131 | S01 | Remove/Install | LT Leaf spring w/148" wheelbase w/extended   |   |        | 0.6 Mech |
|     |     |                | NOTE: Rear leaf springs will have to be dropped/moved for access to install rear clamps to van (clamps attach at front of spring mounts) |   |        |          |
| 132 | S01 |                | <b>EXHAUST SYSTEM</b>  |   |        |          |
| 133 | S01 | Remove/Install | Muffler & Pipe   |   |        | 0.4 Mech |
|     |     |                | NOTE: Muffler & Pipe will have to be dropped for access to install right rear frame machine clamp  |   |        |          |
| 134 | E01 |                | <b>VEHICLE DIAGNOSTICS</b>   |   |        |          |
| 135 | S03 | Sublet         | Pre-repair scan  | 1 | 130.00 | Sublet   |
| 136 | S03 | Sublet         | Post-repair scan   | 1 | 130.00 | Sublet   |
| 137 | E01 |                | <b>MISCELLANEOUS OPERATIONS</b>  |   |        |          |
| 138 | S01 | Remove/Replace | Cover car/bag  |   |        | OEM 0.2  |
| 139 | S01 |                | Corrosion Protection   |   |        | 0.3      |
| 140 | E01 |                | Hazardous Waste  | 1 | 5.00   | Other    |
| 141 | S01 |                | Tint Paint   |   |        | 0.5      |
| 142 | S01 |                | Denib & Polish   |   |        | 4.0      |

| <b>Estimate Totals</b> | <b>Discount \$</b> | <b>Markup \$</b> | <b>Rate \$</b> | <b>Total Hours</b> | <b>Total \$</b>  |
|------------------------|--------------------|------------------|----------------|--------------------|------------------|
| Parts                  |                    |                  |                |                    | 6,412.63         |
| Labor, Body            |                    |                  | 105.00         | 127.7              | 13,408.50        |
| Labor, Refinish        |                    |                  | 105.00         | 42.4               | 4,452.00         |
| Labor, Frame           |                    |                  | 125.00         | 28.0               | 3,500.00         |
| Labor, Mechanical      |                    |                  | 169.00         | 4.5                | 760.50           |
| Material, Paint        |                    |                  |                |                    | 2,204.80         |
| Miscellaneous          |                    |                  |                |                    | 47,681.51        |
| <b>Subtotal</b>        |                    |                  |                |                    | <b>78,419.94</b> |
| Sales Tax              |                    |                  |                |                    | 0.00             |
| <b>Grand Total</b>     |                    |                  |                |                    | <b>78,419.94</b> |
| Deductible             |                    |                  |                |                    | (500.00)         |
| <b>Net Total</b>       |                    |                  |                |                    | <b>77,919.94</b> |

| <b>Estimate Version</b> | <b>Total \$</b> |
|-------------------------|-----------------|
| Original                | 11,067.71       |
| Supplement S01          | 21,664.47       |
| Supplement S02          | 44,783.75       |
| Supplement S03          | 954.01          |
| Supplement S04          | (50.00)         |

|                                       |                  |
|---------------------------------------|------------------|
| Insurance Total \$:                   | 77,919.94        |
| Received from Insurance \$:           | 0.00             |
| <b>Balance due from Insurance \$:</b> | <b>77,919.94</b> |

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**Final Bill**

**RO Number: 10018**

Item 7.

2020 FORD Transit Cargo Van T-350 HD EL High Roof 148" WB 10360# GVWR RWD w/Dual Rear Wheels 3D VAN 6-3.5L Turbocharged Gasoline  
Gasoline Direct Injection White

|                                     |              |
|-------------------------------------|--------------|
| Customer Total \$:                  | 500.00       |
| Received from Customer \$:          | 0.00         |
| <hr/> Balance due from Customer \$: | <hr/> 500.00 |

In keeping with our pledge to be the front-runner in Collision Repair in the metroplex, we offer a full Limited Lifetime Warranty on the craftsmanship and the reconstruction of your coach.

It is our commitment to you that all aspects of reconstruction and refinishing meets or surpasses original specifications set forth by the manufacturer and the structural integrity of each vehicle is brought back to pre-collision condition.

We also offer a One Year Warranty on all parts that we replace, not including customer supplied parts. Any additional labor or shipping charges involved with replacement of defective or failed customer supplied parts will be vehicle owner's responsibility.

By placing state of the art equipment coupled with professional technicians we guarantee only the finest coach reconstruction & refinishing.

Damage caused by rock chips, environmental fallout or other abuse, neglect of maintenance are not covered. No express or implied written lifetime warranty on exterior seals that require regular maintenance per the vehicle manufacturer. Sealants cannot be guaranteed due to shifting of coach when in motion, varying environmental conditions, etc.

If warranty work is required, it must be completed at the Coach Specialists of Texas location at which original repairs were made. Our Limited Lifetime Warranty is non-transferrable.

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## ENGINEERING SERVICES

**To: Mayor and Town Council**

**From: Chuck Ewings, Assistant Town Manager**

**Through: Mario Canizares, Town Manager**

**Re: Professional Engineering Services Agreement  
Prosper Downtown Parking and Alley Improvements**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 2. Development of Downtown as Destination**

**Agenda Item:**

Consider and act upon authorizing the Town Manager to execute a Professional Engineering Services Agreement between Teague Nall and Perkins, Inc., and the Town of Prosper, Texas, related to the design of the Prosper Downtown Parking Lot and Alley Improvements project.

**Description of Agenda Item:**

Last Fall, the Downtown Advisory Committee was formed to identify projects to improve the downtown area. One of the priorities is providing additional vehicle parking in response to new businesses opening downtown. The Town currently owns a parcel of property on Main Street just south of Broadway that is adjacent to an undeveloped alley that is proposed to be developed into a public parking lot.

The committee requested Town staff seek proposals to design a parking lot and improve the alley. The proposal also includes a design alternative to improve parking lots on private property on the north side of the alley to be constructed if those property owners agree to permit public parking on those lots. As of now, there is no agreement to do so, but the committee wishes to have that option available.

This proposal provides for the design of an asphalt parking lot and a concrete alley connecting Main Street and Coleman Avenue and an alternate to design paved parking areas on the adjacent property to the north of the alley. Exhibit F of the agreement provides an aerial exhibit of the area and proposed scope.

**Budget Impact:**

The cost for the design services is \$122,500 and the funding source is the funds dedicated to the Downtown Advisory Committee for projects in Account No. 100-5480-10-99, that will be transferred into Account No. 750-5410-10-00-2403-ST.

The proposed agreement amount is \$4,400 higher than the amount presented to the advisory committee. This is to allow for phasing of the project and construction management to build the parking area first if utility relocations delay construction of the alley.

**Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the standard Professional Engineering Services Agreement as to form and legality.

**Attached Documents:**

- 1. Professional Engineering Services Agreement

**Town Staff Recommendation:**

Town staff recommends that the Town Council authorize the Town Manager to execute a Professional Engineering Services Agreement between Teague Nall and Perkins, Inc., and the Town of Prosper, Texas, related to the design of the Prosper Downtown Parking Lot and Alley Improvements project.

**Proposed Motion:**

I move to authorize the Town Manager to execute a Professional Engineering Services Agreement between Teague Nall and Perkins, Inc., and the Town of Prosper, Texas, related to the design of the Prosper Downtown Parking Lot and Alley Improvements project.

**PROFESSIONAL ENGINEERING SERVICES AGREEMENT  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND TEAGUE NALL AND PERKINS, INC.  
FOR THE PROSPER DOWNTOWN PARKING LOT AND ALLEY IMPROVEMENTS PROJECT (PRJ# 2403-ST)**

This Agreement for Professional Engineering Services, hereinafter called "Agreement," is entered into by the **Town of Prosper, Texas**, a municipal corporation, duly authorized to act by the Town Council of said Town, hereinafter called "Town," and **Teague Nall and Perkins, Inc.**, a company authorized to do business in Texas, acting through a duly authorized officer, hereinafter called "Consultant," relative to Consultant providing professional engineering services to Town. Town and Consultant when mentioned collectively shall be referred to as the "Parties."

**WITNESSETH:**

**WHEREAS**, Town desires to obtain professional engineering services in connection with the **Prosper Downtown Parking Lot and Alley Improvements Project (Prj# 2403-ST)**, hereinafter called "Project";

For the mutual promises and benefits herein described, Town and Consultant agree as follows:

1. **Term of Agreement.** This Agreement shall become effective on the date of its execution by both Parties, and shall continue in effect thereafter until terminated as provided herein.

2. **Services to be Performed by Consultant.** The Parties agree that Consultant shall perform such services as are set forth and described in **Exhibit A - Scope of Services** and incorporated herein as if written word for word. All services provided by Consultant hereunder shall be performed in accordance with the degree of care and skill ordinarily exercised under similar circumstances by competent members of their profession. In case of conflict in the language of Exhibit A and this Agreement, this Agreement shall govern and control. Deviations from the Scope of Services or other provisions of this Agreement may only be made by written agreement signed by all Parties to this Agreement.

3. **Prompt Performance by Consultant.** Consultant shall perform all duties and services and make all decisions called for hereunder promptly and without unreasonable delay as is necessary to cause Consultant's services hereunder to be timely and properly performed. Notwithstanding the foregoing, Consultant agrees to use diligent efforts to perform the services described herein and further defined in any specific task orders, in a manner consistent with these task orders; however, the Town understands and agrees that Consultant is retained to perform a professional service and such services must be bound, first and foremost, by the principles of sound professional judgment and reasonable diligence.

4. **Compensation of Consultant.** Town agrees to pay to Consultant for satisfactory completion of all services included in this Agreement a total fee of One Hundred and Twenty-Two Thousand and Five Hundred dollars (\$122,500) for the Project as set forth and described in **Exhibit B - Compensation Schedule** and incorporated herein as if written word for word. Lump sum fees shall be billed monthly based on the percentage of completion. Hourly not to exceed fees shall be billed monthly based on hours of work that have been completed. Direct Costs for expenses such as mileage, copies, scans, sub-consultants, and similar costs are included in fees and shall be billed as completed.

Consultant agrees to submit statements to Town for professional services no more than once per month. These statements will be based upon Consultant's actual services performed and reimbursable expenses incurred, if any, and Town shall endeavor to make prompt payments. Each statement submitted by Consultant to Town shall be reasonably itemized to show the amount of work performed during that period. If Town fails to pay Consultant

within sixty (60) calendar days of the receipt of Consultant's invoice, Consultant may, after giving ten (10) days written notice to Town, suspend professional services until paid.

Nothing contained in this Agreement shall require Town to pay for any work that is unsatisfactory as reasonably determined by Town or which is not submitted in compliance with the terms of this Agreement.

The Scope of Services shall be strictly limited. Town shall not be required to pay any amount in excess of the original proposed amount unless Town shall have approved in writing in advance (prior to the performance of additional work) the payment of additional amounts.

5. **Town's Obligations.** Town agrees that it will (i) designate a specific person as Town's representative, (ii) provide Consultant with any previous studies, reports, data, budget constraints, special Town requirements, or other pertinent information known to Town, when necessitated by a project, (iii) when needed, assist Consultant in obtaining access to properties necessary for performance of Consultant's work for Town, (iv) make prompt payments in response to Consultant's statements and (v) respond in a timely fashion to requests from Consultant. Consultant is entitled to rely upon and use, without independent verification and without liability, all information and services provided by Town or Town's representatives.

6. **Ownership and Reuse of Documents.** Upon completion of Consultant's services and receipt of payment in full therefore, Consultant agrees to provide Town with copies of all materials and documents prepared or assembled by Consultant under this Agreement and that Town may use them without Consultant's permission for any purpose relating to the Project. Any reuse of the documents not relating to the Project shall be at Town's risk. Consultant may retain in its files copies of all reports, drawings, specifications and all other pertinent information for the work it performs for Town.

7. **Town Objection to Personnel.** If at any time after entering into this Agreement, Town has any reasonable objection to any of Engineer's personnel, or any personnel, professionals and/or consultants retained by Engineer, Engineer shall promptly propose substitutes to whom Town has no reasonable objection, and Engineer's compensation shall be equitably adjusted to reflect any difference in Engineer's costs occasioned by such substitution.

8. **Insurance.** Consultant shall, at its own expense, purchase, maintain and keep in force throughout the duration of this Agreement applicable insurance policies as described in **Exhibit C - Insurance Requirements** and incorporated herein as if written word for word. Consultant shall submit to Town proof of such insurance prior to commencing any work for Town.

9. **Indemnification.** **CONSULTANT DOES HEREBY COVENANT AND AGREE TO RELEASE, INDEMNIFY AND HOLD HARMLESS TOWN AND ITS OFFICIALS, OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES AND INVITEES FROM AND AGAINST LIABILITY, CLAIMS, SUITS, DEMANDS AND/OR CAUSES OF ACTION, (INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEY'S FEES AND COSTS OF LITIGATION), WHICH MAY ARISE BY REASON OF DEATH OR INJURY TO PROPERTY OR PERSONS BUT ONLY TO THE EXTENT OCCASIONED BY THE NEGLIGENT ACT, ERROR OR OMISSION OF CONSULTANT, ITS OFFICIALS, OFFICERS, AGENTS, EMPLOYEES, INVITEES OR OTHER PERSONS FOR WHOM CONSULTANT IS LEGALLY LIABLE WITH REGARD TO THE PERFORMANCE OF THIS AGREEMENT.**

**IN THE EVENT THAT TOWN AND CONSULTANT ARE CONCURRENTLY NEGLIGENT, THE PARTIES AGREE THAT ALL LIABILITY SHALL BE CALCULATED ON A COMPARATIVE BASIS OF FAULT AND RESPONSIBILITY AND THAT NEITHER PARTY SHALL BE REQUIRED TO DEFEND OR INDEMNIFY THE OTHER PARTY FOR THAT PARTY'S NEGLIGENT OR INTENTIONAL ACTS, ERRORS OR OMISSIONS.**

10. **Notices.** Any notices to be given hereunder by either Party to the other may be affected either by personal delivery, in writing, or by registered or certified mail to the following addresses:

TNP, INC.  
Justin Walton, PE,  
Associate Principal  
825 Watters Creek Blvd.,  
Suite #M300  
Allen, TX 75013  
[jwalton@tnpinc.com](mailto:jwalton@tnpinc.com)

Town of Prosper  
Mario Canizares, Town Manager  
PO Box 307  
Prosper, TX 75078  
[MCanizares@prospertx.gov](mailto:MCanizares@prospertx.gov)

11. **Termination.** The obligation to provide further services under this Agreement may be terminated by either Party in writing upon thirty (30) calendar days notice. In the event of termination by Town, Consultant shall be entitled to payment for services rendered through receipt of the termination notice.

12. **Sole Parties and Entire Agreement.** This Agreement shall not create any rights or benefits to anyone except Town and Consultant, and contains the entire agreement between the Parties. Oral modifications to this Agreement shall have no force or effect.

13. **Assignment and Delegation.** Neither Town nor Consultant may assign its rights or delegate its duties without the written consent of the other Party. This Agreement is binding on Town and Consultant to the extent permitted by law. Nothing herein is to be construed as creating any personal liability on the part of any Town officer, employee or agent.

14. **Texas Law to Apply; Successors; Construction.** This Agreement shall be construed under and in accordance with the laws of the State of Texas. It shall be binding upon, and inure to the benefit of, the Parties hereto and their representatives, successors and assigns. Should any provisions in this Agreement later be held invalid, illegal or unenforceable, they shall be deemed void, and this Agreement shall be construed as if such provision had never been contained herein.

15. **Conflict of Interest.** Consultant agrees that it is aware of the prohibited interest requirement of the Town Charter, which is repeated in **Exhibit D - Conflict of Interest Affidavit** and incorporated herein as if written word for word, and will abide by the same. Further, a lawful representative of Consultant shall execute the Affidavit included in the exhibit. Consultant understands and agrees that the existence of a prohibited interest during the term of this Agreement will render the Agreement voidable.

Consultant agrees that it is further aware of the vendor disclosure requirements set forth in Chapter 176, Local Government Code, as amended, and will abide by the same. In this connection, a lawful representative of Consultant shall execute the Conflict of Interest Questionnaire, Form CIQ, attached hereto as **Exhibit E - Conflict of Interest Questionnaire** and incorporated herein as if written word for word.

16. **Venue.** The Parties herein agree that this Agreement shall be enforceable in Prosper, Texas, and if legal action is necessary to enforce it, exclusive venue shall lie in Collin County, Texas.

17. **Mediation.** In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to submit such disagreement to non-binding mediation.

18. **Prevailing Party.** In the event a Party initiates or defends any legal action or proceeding to enforce or interpret any of the terms of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its reasonable costs and attorney's fees (including its reasonable costs and attorney's fees on any appeal).

19. **"Anti-Israel Boycott" Provision.** In accordance with Chapter 2270, Texas Government Code, a Texas governmental entity may not enter into a contract with a company for the provision of goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. Chapter 2270 does not apply to a (1) a company that is a sole proprietorship; (2) a company that has fewer than ten (10) full-time employees; or (3) a contract that has a value of less than One Hundred Thousand Dollars (\$100,000.00). Unless the company is not subject to Chapter 2270 for the reasons stated herein, the signatory executing this Agreement on behalf of the company verifies by its signature to this Agreement that the company does not boycott Israel and will not boycott Israel during the term of this Agreement.

20. **Signatories.** Town warrants and represents that the individual executing this Agreement on behalf of Town has full authority to execute this Agreement and bind Town to the same. Consultant warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind Consultant to same.

**IN WITNESS WHEREOF**, the Parties, having read and understood this Agreement, have executed such in duplicate copies, each of which shall have full dignity and force as an original, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**Teague Nall and Perkins, Inc.**

**TOWN OF PROSPER, TEXAS**

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

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

Justin Walton, P.E.  
Printed Name

Mario Canizares  
Printed Name

Associate Principal  
Title

Town Manager  
Title

3/6/24  
Date

\_\_\_\_\_  
Date

## EXHIBIT A SCOPE OF SERVICES

### PROFESSIONAL ENGINEERING SERVICES AGREEMENT BETWEEN THE TOWN OF PROSPER, TEXAS, AND TEAGUE NALL AND PERKINS, INC. FOR THE PROSPER DOWNTOWN PARKING LOT AND ALLEY IMPROVEMENTS PROJECT (PRJ# 2403-ST)

#### **I. PROJECT DESCRIPTION**

The TOWN has requested professional engineering and survey services for the design of a new parking lot and improvements to the existing alley east of the existing Prosper Town Hall. The base design includes approximately 11,000 sq ft parking lot between S. Main St. and S. Coleman St., approximately 200 feet North of W. 3<sup>rd</sup> St and construction of approximately 155 feet of alley starting at S. Main St. to provide access to the parking lot. Two alternate options will also be studied as part of this project. Alternate A includes extending the alley approximately 200 feet to S. Coleman St. to provide multiple access points to the parking lot. Alternate B includes studying the existing drainage issues in the empty lot north of the alley and between the two existing buildings north of the alley. Alternate B will include grading improvements for this lot to improve drainage and to construct a parking lot in the area available. An exhibit showing the project location and limits is provided as Exhibit 'F'.

A comprehensive set of contract documents containing the necessary plans, details, and bid documents will be prepared. The Consultant will provide limited support services during the bidding and construction phases. The following services will be provided.

#### **II. TASK SUMMARY**

##### Task 1 – Civil Engineering Design. (30%, 90%, and 100% Design)

Design of a parking lot, approximately 11,000 sq ft, between S. Main St. and S. Coleman St., approximately 200 feet North of W. 3<sup>rd</sup> St and construction of approximately 155 feet of alley to provide access to the parking lot.

1. Provide project management activities as necessary to properly manage the project, including work planning, internal kickoff/QC meeting, periodic internal project progress meetings as required, and providing periodic Project Status Reports to the Town.
2. Review and research previously prepared construction plans, record documents, and other pertinent information related to the project.
3. Site visit to verify survey and assess drainage patterns
4. Review Town design standards.
5. Develop complete and accurate base map in AutoCAD Civil 3D 2023 showing all existing right-of-way (ROW), easements, and utilities.
6. Develop schematic (30%) drainage analysis and storm sewer design, including the following:
  - a. Review and confirm City standard specifications and details
  - b. Delineate drainage basins/sub-basins
  - c. Layout out box culvert extension and headwall location
  - d. Analyze box culvert capacity, starting HGL, and headwater conditions.
  - e. The starting HGL at the existing box culvert will be assumed as the inside top of box.
  - f. Analyze sheet flow and potential discharge locations from the parking lot and alley. It is assumed, per Town direction, that most of the drainage within the project area is to sheet flow to Main Street. If additional storm drain improvements are required beyond what is listed in this scope, design can be provided as an additional service.

- g. Analyze how drainage from parking lot will impact adjacent properties
  - h. Pipe HGL calculations and the storm drain vertical profile will not be included on the 30% schematic plan. This will be provided with 90% and 100% submittals.
7. Prepare a schematic (30%) plan view layout of the proposed improvements. The schematic level plans shall include the proposed plan view and pertinent details to clarify the intent of the design. The 30% layout will include the portion of the alley described in Alternate A. Prepare an opinion of probable construction cost (OPCC) as part of the schematic design. A profile and detailed grading will be provided with the 90% design documents.
  8. Meet with the Town staff to review the schematic (30%) layout and improvements.
  9. This scope includes development of phased construction plans if instructed to do so by the Town. The construction phasing will be dependent on timing of the franchise utility relocations. For the purposes of this contract, Phase 1 would include construction of the parking lot and Phase 2 would include construction of the alley. The phasing may be revised during design but it is assumed that no more than two phases would be required.
  10. Address Town comments/feedback and prepare detailed 90% design documents, including preparing the following sheets.
    - a. Cover sheet
    - b. General Notes/summary of quantities sheet
    - c. Erosion Control Plan
    - d. Demolition plan
    - e. Grading Plan (Parking Lot)
      - Provide spot elevations for top of pavement
      - Ditch grading required for box culvert/headwall
    - f. Drainage Area Map
      - Revise drainage basins as needed
    - g. Storm Drain Calculations sheet
    - h. SD Box Culvert plan and profile sheet
    - i. Alley paving plan and profile sheet
      - Provide top of pavement profile at the alley invert
    - j. Parking lot paving plan sheet
      - Provide typical pavement section
      - Layout parking lot pavement markings
    - k. Civil Detail sheet/s
  11. Revise construction quantities and OPCC and submit 90% design documents to the Town for review and comments. The 90% submittal shall include:
    - a. 90% construction plans
    - b. 90% OPCC
    - c. Special technical specifications, if any.
  12. Receive and review 90% plan comments with Town staff and incorporate them into the final (100%) design documents.
  13. Prepare/finalize the signed and sealed construction documents and submit them to the Town. Bid documents will include construction plans, bid schedule, bid item descriptions, and special technical specifications for items not covered by the standard NCTCOG, Town, or TXDOT specifications.

Task 2 – Alternate A Civil Design. (90% and 100% Design)

Alternate A includes extending the alley approximately 200 feet to S. Coleman St. to provide multiple access points to the parking lot. This task will not be started until Town approval is received.

1. Address Town comments/feedback from 30% plan review and prepare detailed 90% design documents. Alternate A improvements shall be incorporated in the construction plans prepared for Task 1. The following sheets shall be updated:
  - a. Erosion Control Plan
  - b. Demolition plan
  - c. Alley paving plan and profile sheet
  - d. Drainage Area Map
2. Revise construction quantities and OPCC and submit 90% design documents to the Town for review and comments. The 90% submittal shall include:
  - a. 90% construction plans
  - b. 90% OPCC
  - c. Special technical specifications, if any.
3. Receive and review 90% plan comments with Town staff and incorporate them into the final (100%) design documents.
4. Prepare/finalize the signed and sealed construction documents and submit them to the Town. Bid documents will include construction plans, bid schedule, bid item descriptions, and special technical specifications for items not covered by the standard NCTCOG, Town, or TXDOT specifications.

Task 3 – Alternate B Civil Design. (30%, 90%, and 100% Design)

Alternate B includes grading improvements to improve the drainage for the empty lot and buildings north of the alley. This design also includes a new parking lot within the empty lot. This task will not be started until Town approval is received.

1. Develop schematic (30%) drainage analysis, including the following:
  - a. Delineate drainage basins/sub-basins
  - b. Analyze sheet flow and potential discharge locations from the parking lot. It is assumed, per Town direction, that the drainage within the project area is to sheet flow to adjacent public streets and no storm drain infrastructure is anticipated. If storm drain improvements are required, design can be provided as an additional service.
  - c. Analyze how drainage from parking lot will impact adjacent properties
2. Prepare a schematic (30%) plan view layout of the proposed improvements. The schematic level plans shall include the proposed plan view and pertinent details to clarify the intent of the design. Prepare an opinion of probable construction cost (OPCC) as part of the schematic design. Detailed grading will be provided with the 90% design documents.
3. Meet with the Town staff to review the schematic (30%) layout and improvements.
4. Address Town comments/feedback and prepare detailed 90% design documents. Alternate B improvements shall be incorporated in the construction plans prepared for Task 1. The following sheets shall be updated:
  - a. Erosion Control Plan
  - b. Demolition Plan
  - c. Grading Plan
  - d. Drainage Area Map
  - e. Parking lot paving plan sheet
5. Revise construction quantities and OPCC and submit 90% design documents to the Town for review and comments. The 90% submittal shall include:
  - a. 90% construction plans
  - b. 90% OPCC
  - c. Special technical specifications, if any.

6. Receive and review comments with Town staff and incorporate them into the final (100%) design documents.
7. Prepare/finalize the signed and sealed construction documents and submit them to the Town. Bid documents will include construction plans, bid schedule, bid item descriptions, and special technical specifications for items not covered by the standard NCTCOG, Town, or TXDOT specifications.

#### Task 4 – Bid and Construction Phase Services – Phase 1

Provide limited bidding and construction phase services for Phase 1 (Parking lot construction) as follows:

1. Answer contractor questions during the project bidding phase.
2. Review bid tabulation as needed. It is our understanding that the Town will facilitate the bid opening and prepare the bid tabulation.
3. Respond to RFIs as needed.
4. Review Shop drawings as needed.
5. Provide construction observation as requested by the Town staff. These onsite meetings are limited to two (2) meetings, but additional meetings can be provided as Additional Services.
6. Assist Town Staff in conducting a final walkthrough and punch list.
7. Prepare and submit record drawings based on the contractor's markups.

#### Task 5 – Bid and Construction Phase Services – Phase 2

Provide limited bidding and construction phase services for Phase 2 (Alley construction) as follows:

8. Answer contractor questions during the project bidding phase.
9. Review bid tabulation as needed. It is our understanding that the Town will facilitate the bid opening and prepare the bid tabulation.
10. Respond to RFIs as needed.
11. Review Shop drawings as needed.
12. Provide construction observation as requested by the Town staff. These onsite meetings are limited to two (2) meetings, but additional meetings can be provided as Additional Services.
13. Assist Town Staff in conducting a final walkthrough and punch list.
14. Prepare and submit record drawings based on the contractor's markups.

#### Task 6 – Survey Topo and Boundary.

1. Establish horizontal control points as needed throughout the project. The basis of bearings will be the Texas Coordinate System of 1983 (North Central Zone; NAD83 (2011) Epoch 2010).
2. Title research and deeds obtained of the subject property and the adjoining property owners.
3. A thorough investigation of boundary markers/corners will be made on the subject property and the adjoining property.
4. A boundary analysis of the property will be made by a Registered Professional Land Surveyor to establish the existing right-of-way.
5. A Property base will be prepared.
6. Establish vertical benchmarks as needed throughout the project.
7. The visible improvements such as curbs, walks, fences, buildings, signs, etc. will be located and shown on the survey.
8. Visible utilities such as power poles, manholes and valves will be located.
9. The property lines identified by the Boundary Verification will be incorporated into the topo.
10. Invert information will be collected for Storm Utilities and Sanitary Sewer Utilities if present on site.
11. Locate trees 6" and larger (Not tagged) within the survey limits.

### Task 7 – Separate Instrument Exhibit

This contract includes up to two (2) separate instrument exhibits. Additional exhibits can be provided as an additional service.

1. Title research and deeds obtained of the subject property and the adjoining property owners.
2. A thorough investigation of boundary markers/corners will be made on the subject property and the adjoining property.
3. A boundary analysis of the property will be made by a Registered Professional Land Surveyor.
4. 5/8" iron rods with plastic caps "TNP" will be set for property corners where or when necessary.
5. A metes and bounds description will be prepared, signed and sealed by a Registered Professional Land Surveyor.
6. A survey sketch will be prepared and signed/sealed by a Registered Professional Land Surveyor.

### Task 8 – SUE Quality Level B

The scope of subsurface utility designating and/or locating services for this project is described below. Survey services to tie utility crossing marks and/or identifiers placed during the subsurface utility designating and/or locating effort will be provided in this contract.

1. Quality Level 'B' through 'D' Utility Information & Designation – TNP will provide utility information, up to QL-"B", for the following areas:
  - a. Area in red on the Vicinity Map, included with this proposal.

This work includes:

- a. Requesting utility records on all crossing utilities from the Client, public utilities and private utility companies known to provide service within the project area, as well as other sources, in an effort to develop a comprehensive inventory of utility systems likely to be encountered. Record documents may include construction plans, system diagrams, distribution maps, transmission maps, geographic information system data, as well as oral descriptions of the existing systems. The depiction of utilities from records (QL-"C" or "D") will be based on thorough field and office activities and shall be based on the most reliable indication of position available.
- b. Visible surface features and appurtenances of subsurface utilities found within the project site will also be evaluated. Using appropriate surface geophysical methods, TNP will search for detectible indications of the location of anticipated subsurface utilities.
- c. Marking all locations that can be validated, using paint, flags, or other devices.
- d. Preparing documentation of the utilities encountered and marked, including their general location, orientation, type & size, if known.
- e. Based on ASCE Standard 38-22 standards, a 2D CADD file and PDF depicting the subsurface utilities designated, signed and sealed by a professional engineer in the state of Texas.

### Task 9 – SUE Quality Level A Test Hole

TNP will excavate by air-vacuum or other minimally invasive methods up to **three (3) test holes**, at locations yet to be determined within the project limits in order to identify the exact horizontal & vertical locations of crucial utility. The location of the tests hole will be outside of any paved area. Also, if locating the end of casing is requested the cost will be based on an hourly charge based on the fee schedule below. This work includes:

- a. Providing all necessary personnel, equipment, supplies, management and supervision needed for the test hole excavation, backfill and restoration.
- b. Coordinating with Client, property owner, and/or permitting authorities, as needed and obtaining any required permits, permission or rights-of-entry with help from The Client
- c. Contacting the appropriate one-call system to request utilities to be marked on-the-ground prior to beginning excavation of test hole.
- d. Providing and utilizing appropriate traffic control devices, as necessary, in conformance with the MUTCD, including any state or locally adopted supplements. (if closures or additional traffic control equipment is needed other than cones additional direct expenses will be charged)
- e. Preparing documentation for each test hole attempted. This documentation will include the horizontal and vertical position of the targeted utility or structure, a general description of the target utility, with condition, material and general orientation noted, a generalized description of the material encountered in the test hole, and any other field observations noted during the excavation.

### **III. DELIVERABLES**

|  |   |
|--|---|
| Task 1 – Civil Engineering Design                    | One (1) PDF copy at each plan submittal stage.<br>Up to three (3) 22x34 hard copies of final signed and sealed documents.   |
| Task 2 – Alternate A Civil Design                    | One (1) PDF copy at each plan submittal stage.<br>Up to three (3) 22x34 hard copies of final signed and sealed documents.   |
| Task 3 – Alternate B Civil Design                    | One (1) PDF copy at each plan submittal stage.<br>Up to three (3) 22x34 hard copies of final signed and sealed documents.   |
| Task 4 – Bid & Construction Phase Services – Phase 1 | One (1) PDF copy of each sheet of the record drawings<br>One (1) DWG of the record drawings base map.<br>One (1) 22x34 hard copy of the record drawings   |
| Task 5 – Bid & Construction Phase Services – Phase 2 | One (1) PDF copy of each sheet of the record drawings<br>One (1) DWG of the record drawings base map.<br>One (1) 22x34 hard copy of the record drawings   |
| Task 6 - Survey Topo and Boundary                    | Existing Property Base and Topographic drawing in digital format showing 1 foot contour intervals and the items listed above for design purposes.<br>(Data will be delivered in Texas Coordinate System of 1983 North Central Zone (4202) scaled to Surface with a combined scale factor supplied.) |
| Task 7 – Separate Instruments Exhibits               | Separate Instrument exhibit and Legal Description for filing.<br>(Data will be delivered in Texas Coordinate System of 1983 North Central Zone (4202) scaled to Surface with a combined scale factor supplied.)   |
| Task 8 - SUE Quality Level B                         | Existing utility plans  |
| Task 9 - SUE Quality Level A Test Hole               | Test Hole summary sheets  |

#### **IV. ASSUMPTIONS/ EXCLUSIONS AND ADDITIONAL SERVICES**

Services not specifically included in section II above shall be considered Additional Services. These Services shall include, but shall not be limited to:

1. Geotechnical investigation and test borings.
2. Environmental services
3. Hydraulics & Hydrology modeling or Flood Study
4. Landscaping improvement plans.
5. Irrigation improvement plans.
6. Storm drain design beyond what is described in this scope.
7. Parking lot light pole design and plans.
8. Traffic management and traffic control plans.
9. Design of parking or paving outside the improvements limits described in this scope.
10. Obtaining permits or coordination with any other agencies.
11. Construction inspection services.
12. Preparation of the bid book is the Town's responsibility. However, the consultant shall provide the bid proposal, bid item descriptions, and special technical specifications (if any).

**EXHIBIT B  
COMPENSATION SCHEDULE**

**PROFESSIONAL ENGINEERING SERVICES AGREEMENT  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND TEAGUE NALL AND PERKINS, INC.  
FOR THE PROSPER DOWNTOWN PARKING LOT AND ALLEY IMPROVEMENTS PROJECT (PRJ# 2403-ST)**

**I. COMPENSATION SCHEDULE**

| Task  | Completion Schedule | Compensation Schedule |
|---|---------------------|-----------------------|
| Notice-to-Proceed   | MARCH 2024          |                       |
| Task 1 - Civil Engineering Design*                          | AUG 2024            | \$35,000              |
| Task 2 - Alternate A Civil Design*                          | AUG 2024            | \$14,000              |
| Task 3 - Alternate B Civil Design*                          | AUG 2024            | \$16,000              |
| Task 4 - Bid and Construction Phase Services – Phase 1*     | FEB 2025            | \$4,400               |
| Task 5 - Bid and Construction Phase Services – Phase 2*     | APR 2025            | \$4,400               |
| Task 6 - Survey Topo & Boundary                             | MAY 2024            | \$20,500              |
| Task 7 - Separate Instrument Exhibits (@ 2,500 per Exhibit) | AUG 2024            | \$5,000               |
| Task 8 - SUE Quality Level B                                | MAY 2024            | \$16,000              |
| Task 9 - SUE Quality Level A Test Hole (3 @ \$2,400 each)   | MAY 2024            | \$7,200               |
| <b>Total Compensation</b>                                   |                     | <b>\$122,500</b>      |

\*The proposed schedule depends on the Town's timely review of each submittal and the Town's decision on the bidding and construction schedule.

**II. COMPENSATION SUMMARY**

| Basic Services (Lump Sum)                                   | Amount           |
|---|------------------|
| Task 1 - Civil Engineering Design                           | \$35,000         |
| Task 2 - Alternate A Civil Design                           | \$14,000         |
| Task 3 - Alternate B Civil Design                           | \$16,000         |
| Task 4 - Bid and Construction Phase Services – Phase 1      | \$4,400          |
| Task 5 - Bid and Construction Phase Services – Phase 2      | \$4,400          |
| Task 6 - Survey Topo & Boundary                             | \$20,500         |
| Task 7 - Separate Instrument Exhibits (@ 2,500 per Exhibit) | \$5,000          |
| Task 8 - SUE Quality Level B                                | \$16,000         |
| Task 9 - SUE Quality Level A Test Hole (3 @ \$2,400 each)   | \$7,200          |
| <b>Total Basic Services:</b>                                | <b>\$122,500</b> |

## EXHIBIT C INSURANCE REQUIREMENTS

Service provider shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the vendor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by the service provider. A certificate of insurance meeting all requirements and provisions outlined herein shall be provided to the Town prior to any services being performed or rendered. Renewal certificates shall also be supplied upon expiration.

### A. MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. ISO Form Number GL 00 01 (or similar form) covering Commercial General Liability. "Occurrence" form only, "claims made" forms are unacceptable, except for professional liability.
2. Workers Compensation insurance as required by the Labor Code of the State of Texas, including Employers' Liability Insurance.
3. Automobile Liability as required by the State of Texas, covering all owned, hired, or non-owned vehicles. Automobile Liability is only required if vehicle(s) will be used under this contract.
4. Professional Liability, also known as Errors and Omissions coverage.

### B. MINIMUM LIMITS OF INSURANCE

Service Provider shall maintain throughout contract limits not less than:

1. Commercial General Liability: \$500,000 per occurrence /\$1,000,000 in the aggregate for third party bodily injury, personal injury and property damage. Policy will include coverage for:
  - a. Premises / Operations
  - b. Broad Form Contractual Liability
  - c. Products and Completed Operations
  - d. Personal Injury
  - e. Broad Form Property Damage
2. Workers Compensation and Employer's Liability: Workers Compensation limits as required by the Labor Code of the State of Texas and Statutory Employer's Liability minimum limits of \$100,000 each accident, \$300,000 Disease- Policy Limit, and \$100,000 Disease- Each Employee.
3. Automobile Liability: \$500,000 Combined Single Limit. Limits can only be reduced if approved by the Town. Automobile liability shall apply to all owned, hired, and non-owned autos.
4. Professional Liability aka Errors and Omissions: \$500,000 per occurrence and in the aggregate.

### C. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductible or self-insured retentions in excess of \$10,000 must be declared to and approved by the Town.

**D. OTHER INSURANCE PROVISIONS**

The policies are to contain, or be endorsed to contain the following provisions:

1. General Liability and Automobile Liability Coverages

- a. The Town, its officers, officials, employees, boards and commissions and volunteers are to be added as "Additional Insured's" relative to liability arising out of activities performed by or on behalf of the provider, products and completed operations of the provider, premises owned, occupied or used by the provider. The coverage shall contain no special limitations on the scope of protection afforded to the Town, its officers, officials, employees or volunteers.
- b. The provider's insurance coverage shall be primary insurance in respects to the Town, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Town, its officers, officials, employees or volunteers shall be in excess of the provider's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Town, its officers, officials, employees, boards and commissions or volunteers.
- d. The provider's insurance shall apply separately to each insured against whom the claim is made or suit is brought, except to the insured's limits of liability.

2. Workers Compensation and Employer's Liability Coverage:

The insurer shall agree to waive all rights of subrogation against the Town, its officers, officials, employees and volunteers for losses arising from work performed by the provider for the Town.

3. All Coverages:

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after 30 days written notice to the Town for all occurrences, except 10 days written notice to the Town for non-payment.

4. Professional Liability and / or Errors and Omissions:

"Claims made" policy is acceptable coverage, which must be maintained during the course of the project, and up to two (2) years after completion and acceptance of the project by the Town.

**E. ACCEPTABILITY OF INSURERS**

The Town prefers that Insurance be placed with insurers with an A.M. Best's rating of no less than **A- VI**, or better.

**F. VERIFICATION OF COVERAGE**

Service Provider shall provide the Town with certificates of insurance indicating the coverages required. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. Certificates of insurance similar to the ACORD Form are acceptable. Town will not accept Memorandums of Insurance or Binders as proof of insurance. The Town reserves the right to require complete, certified copies of all required insurance policies at any time.

Certificate holder to be listed as follows:

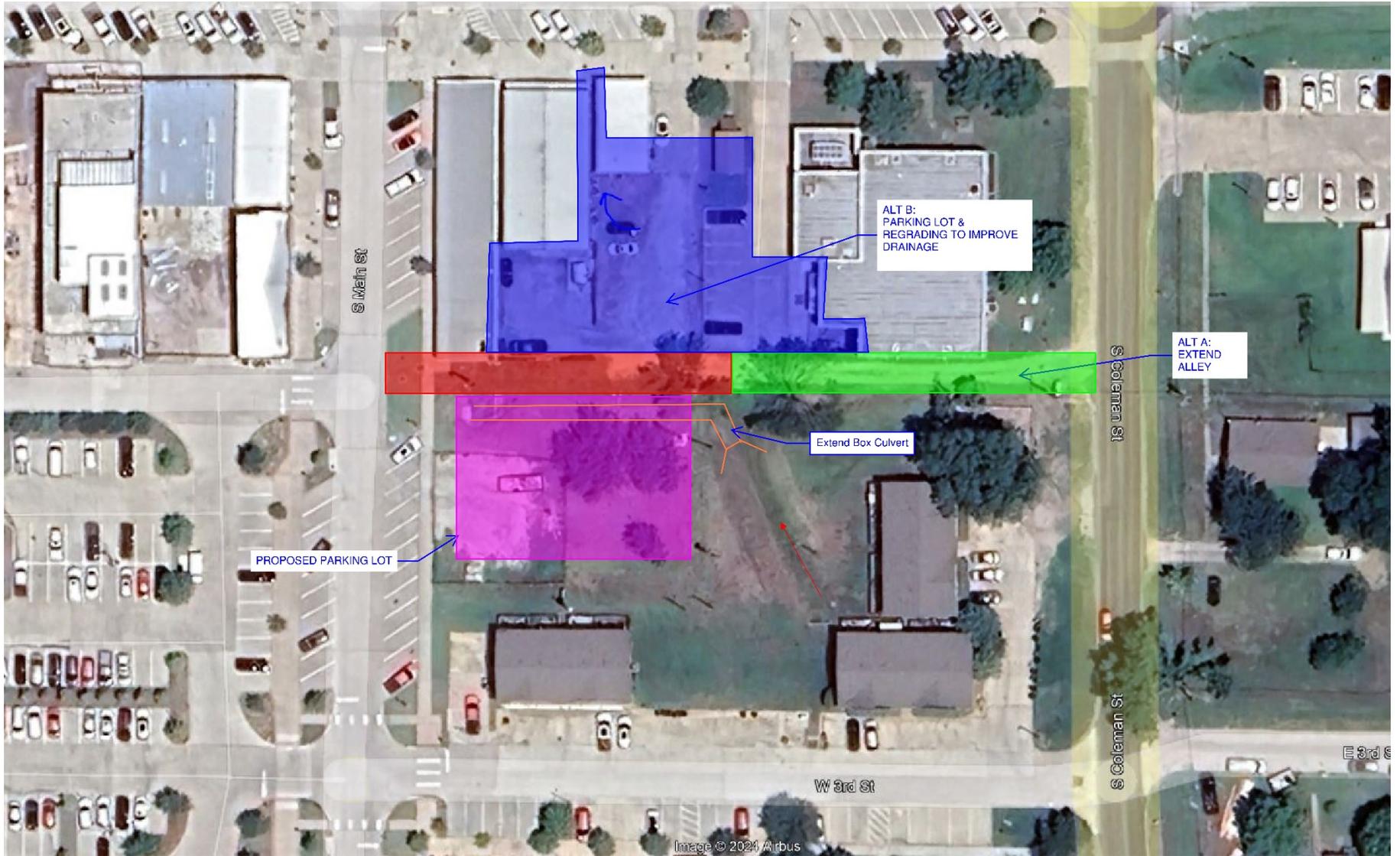
Town of Prosper  
P.O. Box 307  
Prosper, TX 75078



EXHIBIT E  
CONFLICT OF INTEREST QUESTIONNAIRE

| <b>CONFLICT OF INTEREST QUESTIONNAIRE</b>  |   | <b>FORM CIQ</b> |
|--|---|-----------------|
| <b>For vendor doing business with local governmental entity</b>  |   |                 |
| <p><b>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</b></p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>   | <b>OFFICE USE ONLY</b><br><hr/> Date Received |                 |
| <p><b>1 Name of vendor who has a business relationship with local governmental entity.</b></p> <p style="text-align: center;">None</p>   |   |                 |
| <p><b>2</b> <input type="checkbox"/> <b>Check this box if you are filing an update to a previously filed questionnaire.</b> (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)</p>   |   |                 |
| <p><b>3 Name of local government officer about whom the information is being disclosed.</b></p> <p style="text-align: center;">_____</p> <p style="text-align: center;">Name of Officer</p>  |   |                 |
| <p><b>4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</b></p> <p style="margin-left: 40px;">A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p style="margin-left: 80px;"><input type="checkbox"/> Yes      <input checked="" type="checkbox"/> No</p> <p style="margin-left: 40px;">B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p style="margin-left: 80px;"><input type="checkbox"/> Yes      <input checked="" type="checkbox"/> No</p> |   |                 |
| <p><b>5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.</b></p>   |   |                 |
| <p><b>6</b> <input type="checkbox"/> <b>Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).</b></p>   |   |                 |
| <p><b>7</b></p> <div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;"> <p>_____</p> <p>Signature</p> </div> <div style="text-align: center;"> <p>_____</p> <p>with the governmental entity</p> </div> <div style="text-align: center;"> <p>3/6/24</p> <p>_____</p> <p>Date</p> </div> </div>  |   |                 |

EXHIBIT F: PROJECT SCOPE



### EXHIBIT G: SURVEY LIMITS





## ENGINEERING SERVICES

**To: Mayor and Town Council**

**From: Hulon T. Webb, Jr., P.E., Director of Engineering Services**

**Through: Mario Canizares, Town Manager  
Chuck Ewings, Assistant Town Manager**

**Re: Contract Amendment No. 3 – US 380 Deceleration Lane Modifications  
(TranSystems Corporation)**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 1. Acceleration of Infrastructure**

**Agenda Item:**

Consider and act upon authorizing the Town Manager to execute Contract Amendment No. 3 to the Professional Engineering Services Agreement, between TranSystems Corporation dba TranSystems Corporation Consultants, and the Town of Prosper, Texas, related to the design of the US 380 Deceleration Lane Modifications project.

**Description of Agenda Item:**

The Texas Department of Transportation (TxDOT) is currently widening approximately 10.5 miles of US 380 in Denton County from US 377 to CR 26. Within the limits of the Town of Prosper, there are multiple non-residential developments with driveways connecting to US 380. Due to high volume and high speeds along US 380, the Town requires deceleration lanes at all driveways to improve safety for motorists turning right from US 380 into the developments. However, since TxDOT does not require deceleration lanes at non-residential driveways, the design of US 380 did not incorporate ten (10) deceleration lanes to serve several key developments, including CDJR, Cook Children's, Windsong Retail (Home Depot, Kroger), Westfork Retail (LA Fitness) and Westside Addition (Costco). In addition, existing developments like Cook's Children's and Costco, are requesting median openings with left turn lanes to serve their development. Lastly, the proposed development at the northwest corner of US 380 and Teel Parkway (Teel Corner) recently requested that the two (2) deceleration lanes for their development be constructed with the TxDOT project.

For the deceleration lanes, left turn lanes, and median openings to be constructed to serve the above referenced developments, TxDOT will allow the Town to either work through the process of redesigning the plans and providing the funds to TxDOT to construct them with the US 380 widening project or approve a TxDOT driveway permit to allow the Town or development to construct the improvements after TxDOT has completed the project. Since the Town coordinated with many of the developments on escrow agreements for the costs associated with adding the improvements, incorporating the construction of the improvements into TxDOT's project is expected to be the most economical and quickest option.

TranSystems Corporation Consultants is the design engineer for TxDOT on the US 380 widening project and their scope of work for the Town on this project is broken into three (3) phases. On November 7, 2022, a Professional Engineering Services Agreement was approved for Phase I, in the amount of \$24,670, which included the initial evaluation of the proposed ten (10) deceleration lanes requested by the Town from Legacy Drive to FM 1385. The evaluation included identification of potential franchise utility conflicts, right-of-way impacts and ultimate feasibility of adding the requested deceleration lanes for discussion with the Town and TxDOT. Final recommendation from Phase I was that all ten (10) proposed deceleration lanes could be redesigned into the project without significant impacts to the project.

Contract Amendment No. 1, in the amount of \$124,100, approved on June 13, 2023, was for the redesign of the construction plans to include the proposed ten (10) deceleration lanes. Redesign included updating traffic control, roadway plan and profile plans, drainage plans and calculations, signage and pavement marking, and storm water pollution prevention plans. In addition, revisions included estimating final plan quantities and construction costs to be used in the Advanced Funding Agreement (AFA) between TxDOT and the Town. The approval of an AFA with TxDOT is required to include the construction of the deceleration lanes in the US 380 widening project.

Contract Amendment No. 2, in the amount of \$4,340, approved on September 28, 2023, was for additional design options for the redesign of the construction plans for one (1) of the proposed ten (10) deceleration lanes to address comments from TxDOT.

Contract Amendment No. 3, in the amount of \$79,150, is for the redesign of the construction plans to include two (2) left turn lanes and median openings to serve Cook’s Children and Costco. In addition, two (2) deceleration lanes to serve the proposed Teel Corner development on the northwest corner of Teel Parkway and US 380.

**Budget Impact:**

The cost for Contract Amendment No. 3 is \$79,150, and funding is budgeted in Account No. 750-5410-10-00-2302-ST.

**Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the standard Contract Amendment as to form and legality.

**Attached Documents:**

- 1. Contract Amendment No. 3

**Town Staff Recommendation:**

Town staff recommends that the Town Council authorize the Town Manager to execute Contract Amendment No. 3 to the Professional Engineering Services Agreement, between TranSystems Corporation dba TranSystems Corporation Consultants, and the Town of Prosper, Texas, related to the design of the US 380 Deceleration Lane Modifications project.

**Proposed Motion:**

I move to authorize the Town Manager to execute Contract Amendment No. 3 to the Professional Engineering Services Agreement, between TranSystems Corporation dba TranSystems Corporation Consultants, and the Town of Prosper, Texas, related to the design of the US 380 Deceleration Lane Modifications project.

**CONTRACT AMENDMENT #3  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND TRANSYSTEMS CORPORATION  
FOR THE US 380 DECELERATION LANE MODIFICATIONS PROJECT (2302-ST)**

This Contract Amendment for Professional Engineering Services, hereinafter called "Amendment," is entered into by the **Town of Prosper, Texas**, a municipal corporation, duly authorized to act by the Town Council of said Town, hereinafter called "Town," and **TranSystems Corporation dba TranSystems Corporation Consultants**, a company authorized to do business in Texas, acting through a duly authorized officer, hereinafter called "Consultant," relative to Consultant providing professional engineering services to Town. Town and Consultant when mentioned collectively shall be referred to as the "Parties."

**WITNESSETH:**

**WHEREAS**, the Town previously engaged the services of the Consultant to provide engineering services in connection with the **US 380 Deceleration Lanes Modification Project (2302-ST)**, hereinafter called "Project"; and

**WHEREAS**, the Parties previously entered into a professional engineering services agreement regarding the Project on or about November 7, 2022, in the amount of Twenty Four Thousand, Six Hundred Seventy Dollars (\$24,670.00), hereinafter called the "Original Agreement"; and

**WHEREAS**, the Parties now desire to amend the Original Agreement to increase the scope of services and compensation provided to include the redesign/adding proposed deceleration lanes approved by TxDOT and the Town of Prosper to the US 380 construction plans and estimating quantities for construction cost for proposed deceleration lanes (Phase III);

For the mutual promises and benefits herein described, Town and Consultant agree to amend the Original Agreement as follows:

1. **Additional Services to be Performed by Consultant.** The Parties agree that Consultant shall perform such additional services as are set forth and described in **Exhibit A3 - Scope of Services** and incorporated herein as if written word for word. All references in the Original Agreement to "Exhibit A" are hereby amended to state "Exhibits A, A1, A2, and A3."

2. **Additional Compensation of Consultant.** Town agrees to pay to Consultant for the satisfactory completion of all services included in this Amendment a total additional fee of Seventy Nine, One Hundred Fifty Dollars (\$79,150.00) for the additional services as set forth and described in **Exhibit B3 - Compensation Schedule** and incorporated herein as if written word for word. All references in the Original Agreement to "Exhibit B" are hereby amended to state "Exhibits B, B1, B2, and B3."

3. **Revised Compensation for Consultant's Services.** Paragraph 4 of the Original Agreement is hereby amended to increase Consultant's total compensation by deleting "Twenty Four Thousand, Six Hundred Seventy Dollars (\$24,670.00)" and replacing it with "Two Hundred Thirty Two Thousand, Two Hundred Sixty Dollars (\$232,260.00)."

4. **Original Agreement.** All other provisions and terms of the Original Agreement, Contract Amendment No. 1, Contract Amendment No. 2, and Contract Amendment No. 3 shall remain in full force and effect and this Amendment to the Original Agreement shall in no way release, affect, or impair any other provision or

responsibility contained in the Original Agreement.

**IN WITNESS WHEREOF**, the Parties, having read and understood this Amendment, have executed such in duplicate copies, each of which shall have full dignity and force as an original, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

**TRANSYSTEMS CORPORATION dba  
TranSystems Corporation Consultants**

**TOWN OF PROSPER, TEXAS**

By:   
Signature

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

Chad Gartner, P.E.  
Printed Name

Mario Canizares  
Printed Name

Senior Vice President  
Title

Town Manager  
Title

01-31-2024  
Date

\_\_\_\_\_  
Date

**EXHIBIT A3  
SCOPE OF SERVICES**

**CONTRACT AMENDMENT #3  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND TRANSYSTEMS CORPORATION  
FOR THE US 380 DECELERATION LANE MODIFICATIONS PROJECT (2302-ST)**

**I. PROJECT DESCRIPTION**

The US 380 TxDOT project is in Denton County and includes 10.45 centerline miles of state highway improvements from US 377 to west of CR 26. The project work will include redesign and addition of proposed roadway deceleration lanes from FM 1385 to east of Legacy Drive. The project scope includes initial evaluation of deceleration lanes requested by the Town of Prosper (Phase I); and redesign/ adding proposed deceleration lanes including median openings and driveways approved by TxDOT and the Town of Prosper to the US 380 construction plans and estimating quantities and construction cost for proposed deceleration lanes (Phase II & Phase III).

**II. TASK SUMMARY**

Task 5 – Phase III Project Management. Meet with the Town of Prosper and TxDOT staff to discuss redesign evaluation progress, pre-final submittal review comments, and final submittal deliverables (2 meetings assumed). Prepare and provide meeting notes as requested. Evaluate pre-final submittal review comments for resolution. (\*Pre-final submittal review comments by the Town of Prosper and TxDOT assumed to only apply to plan revisions based on requested deceleration lane, median opening, and driveway improvements.)

Task 6 – Phase III Redesign. Add deceleration lane, median opening, and driveway improvements requested by the Town of Prosper to the US 380 construction plans. Prepare and provide plans (11x17 drawings) including quantity revisions and estimated construction costs of requested deceleration lanes, median openings, and driveways. The Town of Prosper will prepare a list of franchise utilities impacted by the requested deceleration lanes, median openings, and driveways based on the provided construction plans and coordinate any franchise utility relocations needed with TxDOT.

**III. DELIVERABLES**

|                                       |   |
|---------------------------------------|---|
| Task 5 – Phase III Project Management | Three (3) PDF copy of meeting notes as requested<br>One (1) Excel file of pre-final submittal review comments with resolution   |
| Task 6 – Phase III Redesign           | One (1) PDF copy of 11x17 revised drawings and quantity changes of requested deceleration lanes<br>One (1) PDF copy of estimated construction costs of requested deceleration lanes, median openings, and driveways |

**EXHIBIT B3  
COMPENSATION SCHEDULE**

**CONTRACT AMENDMENT #3  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND TRANSYSTEMS CORPORATION  
FOR US 380 DECELERATION LANE MODIFICATIONS PROJECT (2302-ST)**

**I. COMPENSATION SCHEDULE**

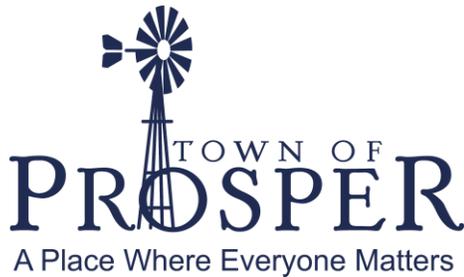
| Task                                  | Completion Schedule | Compensation Schedule |
|---------------------------------------|---------------------|-----------------------|
| Notice-to-Proceed                     | March 13, 2024      |                       |
| Task 5 – Phase III Project Management | March 2024          | \$2,580               |
|                                       | April 2024          | \$1,720               |
|                                       | May 2024            | \$0                   |
|                                       | June 2024           | \$0                   |
| Task 6 – Phase III Redesign           | March 2024          | \$56,140              |
|                                       | April 2024          | \$18,710              |
|                                       | May 2024            | \$0                   |
|                                       | June 2024           | \$0                   |
| <b>Total Compensation</b>             |                     | <b>\$79,150</b>       |

**II. COMPENSATION SUMMARY**

| Basic Services (Lump Sum)             | Amount          |
|---------------------------------------|-----------------|
| Task 5 – Phase III Project Management | \$4,300         |
| Task 6 – Phase III Redesign           | \$74,750        |
| <b>Total Basic Services:</b>          | <b>\$79,050</b> |

| Special Services (Hourly Not-to-Exceed) | Amount     |
|---|------------|
| None                                    | \$0        |
| <b>Total Special Services:</b>          | <b>\$0</b> |

| Direct Expenses               | Amount       |
|-------------------------------|--------------|
| Mileage (Under Task 6)        | \$100        |
| <b>Total Direct Expenses:</b> | <b>\$100</b> |



## ENGINEERING SERVICES

**To: Mayor and Town Council**

**From: Hulon T. Webb, Jr., P.E., Director of Engineering Services**

**Through: Mario Canizares, Town Manager  
Chuck Ewings, Assistant Town Manager**

**Re: Professional Services Agreement  
Craig Road (Preston Road-Fifth Street)**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 1. Acceleration of Infrastructure**

### **Agenda Item:**

Consider and act upon authorizing the Town Manager to execute a Professional Services Agreement between O'Brien Realty Advisors, LLC, and the Town of Prosper, Texas, related to appraisal services for the Craig Road (Preston Road-Fifth Street) project.

### **Description of Agenda Item:**

This project involves the construction of Craig Road from Preston Road to Fifth Street. It will include concrete paving with curb and gutter, underground storm drainage, and the installation of a new 12" water line. The proposed pavement section between Preston Road and Broadway will be a minimum 3-lane couplet (1 lane in each direction with a continuous center turn lane), within a typical 65-foot of right-of-way. Between Broadway and Fifth Street, the proposed pavement section will be 1 lane in each direction without a continuous center turn lane.

This contract provides appraisal services to determine the land value for 13 parcels along Craig Road from Preston Road to Fifth Street. O'Brien Realty Advisors, LLC, has not worked directly with the Town of Prosper on a project, but they have worked with other municipalities in the metroplex with positive results. They are familiar with the project and staff believes that they have the experience and knowledge to perform the work for the Town.

### **Budget Impact:**

The cost for the appraisal services is \$45,500 and the funding source is Account No. 750-5410-10-00-2140-ST

### **Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the standard Professional Services Agreement as to form and legality.

**Attached Documents:**

1. Professional Services Agreement
2. Location Map

**Town Staff Recommendation:**

Town staff recommends that the Town Council authorize the Town Manager to execute a Professional Services Agreement between O'Brien Realty Advisors, LLC, and the Town of Prosper, Texas, related to appraisal services for the Craig Road (Preston Road-Fifth Street) project.

**Proposed Motion:**

I move to authorize the Town Manager to execute a Professional Services Agreement between O'Brien Realty Advisors, LLC, and the Town of Prosper, Texas, related to appraisal services for the Craig Road (Preston Road-Fifth Street) project.

**PROFESSIONAL SERVICES AGREEMENT  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND O'BRIEN REALTY ADVISORS, LLC  
FOR THE CRAIG ROAD (PRESTON ROAD-FIFTH STREET) PROJECT (2140-ST)**

This Agreement for Professional Services, hereinafter called "Agreement," is entered into by the **Town of Prosper, Texas**, a municipal corporation, duly authorized to act by the Town Council of said Town, hereinafter called "Town," and **O'Brien Realty Advisors, LLC**, a company authorized to do business in Texas, acting through a duly authorized officer, hereinafter called "Consultant," relative to Consultant providing professional services to Town. Town and Consultant when mentioned collectively shall be referred to as the "Parties."

**WITNESSETH:**

**WHEREAS**, Town desires to obtain professional services in connection with the **Craig Road (Preston Road-Fifth Street) Project (2140-ST)** hereinafter called "Project";

For the mutual promises and benefits herein described, Town and Consultant agree as follows:

1. **Term of Agreement.** This Agreement shall become effective on the date of its execution by both Parties, and shall continue in effect thereafter until terminated as provided herein.
2. **Services to be Performed by Consultant.** The Parties agree that Consultant shall perform such services as are set forth and described in **Exhibit A - Scope of Services** and incorporated herein as if written word for word. All services provided by Consultant hereunder shall be performed in accordance with the degree of care and skill ordinarily exercised under similar circumstances by competent members of their profession. In case of conflict in the language of Exhibit A and this Agreement, this Agreement shall govern and control. Deviations from the Scope of Services or other provisions of this Agreement may only be made by written agreement signed by all Parties to this Agreement.
3. **Prompt Performance by Consultant.** Consultant shall perform all duties and services and make all decisions called for hereunder promptly and without unreasonable delay as is necessary to cause Consultant's services hereunder to be timely and properly performed. Notwithstanding the foregoing, Consultant agrees to use diligent efforts to perform the services described herein and further defined in any specific task orders, in a manner consistent with these task orders; however, the Town understands and agrees that Consultant is retained to perform a professional service and such services must be bound, first and foremost, by the principles of sound professional judgment and reasonable diligence.
4. **Compensation of Consultant.** Town agrees to pay to Consultant for satisfactory completion of all services included in this Agreement a total fee of Forty-Five Thousand Five Hundred and 00/100 Dollars (\$45,500.00) for the Project as set forth and described in **Exhibit B - Compensation Schedule** and incorporated herein as if written word for word. Lump sum fees shall be billed monthly based on the percentage of completion. Hourly not to exceed fees shall be billed monthly based on hours of work that have been completed. Direct Costs for expenses such as mileage, copies, scans, sub-consultants, and similar costs are included in fees and shall be billed as completed.

Consultant agrees to submit statements to Town for professional services no more than once per month. These statements will be based upon Consultant's actual services performed and reimbursable expenses incurred, if any, and Town shall endeavor to make prompt payments. Each statement submitted by Consultant to Town shall be reasonably itemized to show the amount of work performed during that period. If Town fails to pay Consultant within sixty (60) calendar days of the receipt of Consultant's invoice, Consultant may, after giving ten (10) days written

to Town, suspend professional services until paid.

Nothing contained in this Agreement shall require Town to pay for any work that is unsatisfactory as reasonably determined by Town or which is not submitted in compliance with the terms of this Agreement.

The Scope of Services shall be strictly limited. Town shall not be required to pay any amount in excess of the original proposed amount unless Town shall have approved in writing in advance (prior to the performance of additional work) the payment of additional amounts.

5. **Town's Obligations.** Town agrees that it will (i) designate a specific person as Town's representative, (ii) provide Consultant with any previous studies, reports, data, budget constraints, special Town requirements, or other pertinent information known to Town, when necessitated by a project, (iii) when needed, assist Consultant in obtaining access to properties necessary for performance of Consultant's work for Town, (iv) make prompt payments in response to Consultant's statements and (v) respond in a timely fashion to requests from Consultant. Consultant is entitled to rely upon and use, without independent verification and without liability, all information and services provided by Town or Town's representatives.

6. **Ownership and Reuse of Documents.** Upon completion of Consultant's services and receipt of payment in full therefore, Consultant agrees to provide Town with copies of all materials and documents prepared or assembled by Consultant under this Agreement and that Town may use them without Consultant's permission for any purpose relating to the Project. Any reuse of the documents not relating to the Project shall be at Town's risk. Consultant may retain in its files copies of all reports, drawings, specifications and all other pertinent information for the work it performs for Town.

7. **Town Objection to Personnel.** If at any time after entering into this Agreement, Town has any reasonable objection to any of Engineer's personnel, or any personnel, professionals and/or consultants retained by Engineer, Engineer shall promptly propose substitutes to whom Town has no reasonable objection, and Engineer's compensation shall be equitably adjusted to reflect any difference in Engineer's costs occasioned by such substitution.

8. **Insurance.** Consultant shall, at its own expense, purchase, maintain and keep in force throughout the duration of this Agreement applicable insurance policies as described in Exhibit C - Insurance Requirements and incorporated herein as if written word for word. Consultant shall submit to Town proof of such insurance prior to commencing any work for Town.

9. **Indemnification.** CONSULTANT DOES HEREBY COVENANT AND AGREE TO RELEASE, INDEMNIFY AND HOLD HARMLESS TOWN AND ITS OFFICIALS, OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES AND INVITEES FROM AND AGAINST LIABILITY, CLAIMS, SUITS, DEMANDS AND/OR CAUSES OF ACTION, (INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEY'S FEES AND COSTS OF LITIGATION), WHICH MAY ARISE BY REASON OF DEATH OR INJURY TO PROPERTY OR PERSONS BUT ONLY TO THE EXTENT OCCASIONED BY THE NEGLIGENT ACT, ERROR OR OMISSION OF CONSULTANT, ITS OFFICIALS, OFFICERS, AGENTS, EMPLOYEES, INVITEES OR OTHER PERSONS FOR WHOM CONSULTANT IS LEGALLY LIABLE WITH REGARD TO THE PERFORMANCE OF THIS AGREEMENT.

IN THE EVENT THAT TOWN AND CONSULTANT ARE CONCURRENTLY NEGLIGENT, THE PARTIES AGREE THAT ALL LIABILITY SHALL BE CALCULATED ON A COMPARATIVE BASIS OF FAULT AND RESPONSIBILITY AND THAT NEITHER PARTY SHALL BE REQUIRED TO DEFEND OR INDEMNIFY THE OTHER PARTY FOR THAT PARTY'S NEGLIGENT OR INTENTIONAL ACTS, ERRORS OR OMISSIONS.

10. **Notices.** Any notices to be given hereunder by either Party to the other may be affected either by personal delivery, in writing, or by registered or certified mail to the following addresses:

O'Brien Realty Advisors, LLC  
 Chris Haller  
 3509 Hulen Street, Ste 201  
 Fort Worth, TX 76107  
[challer@obrien-row.com](mailto:challer@obrien-row.com)

Town of Prosper  
 Mario Canizares, Town Manager  
 PO Box 307  
 Prosper, TX 75078  
[mcanizares@prospertx.gov](mailto:mcanizares@prospertx.gov)

11. **Termination.** The obligation to provide further services under this Agreement may be terminated by either Party in writing upon thirty (30) calendar days notice. In the event of termination by Town, Consultant shall be entitled to payment for services rendered through receipt of the termination notice.

12. **Sole Parties and Entire Agreement.** This Agreement shall not create any rights or benefits to anyone except Town and Consultant, and contains the entire agreement between the Parties. Oral modifications to this Agreement shall have no force or effect.

13. **Assignment and Delegation.** Neither Town nor Consultant may assign its rights or delegate its duties without the written consent of the other Party. This Agreement is binding on Town and Consultant to the extent permitted by law. Nothing herein is to be construed as creating any personal liability on the part of any Town officer, employee or agent.

14. **Texas Law to Apply; Successors; Construction.** This Agreement shall be construed under and in accordance with the laws of the State of Texas. It shall be binding upon, and inure to the benefit of, the Parties hereto and their representatives, successors and assigns. Should any provisions in this Agreement later be held invalid, illegal or unenforceable, they shall be deemed void, and this Agreement shall be construed as if such provision had never been contained herein.

15. **Conflict of Interest.** Consultant agrees that it is aware of the prohibited interest requirement of the Town Charter, which is repeated in Exhibit D - Conflict of Interest Affidavit and incorporated herein as if written word for word, and will abide by the same. Further, a lawful representative of Consultant shall execute the Affidavit included in the exhibit. Consultant understands and agrees that the existence of a prohibited interest during the term of this Agreement will render the Agreement voidable.

Consultant agrees that it is further aware of the vendor disclosure requirements set forth in Chapter 176, Local Government Code, as amended, and will abide by the same. In this connection, a lawful representative of Consultant shall execute the Conflict of Interest Questionnaire, Form CIQ, attached hereto as Exhibit E - Conflict of Interest Questionnaire and incorporated herein as if written word for word.

16. **Venue.** The Parties herein agree that this Agreement shall be enforceable in Prosper, Texas, and if legal action is necessary to enforce it, exclusive venue shall lie in Collin County, Texas.

17. **Mediation.** In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to submit such disagreement to non-binding mediation.

18. **Prevailing Party.** In the event a Party initiates or defends any legal action or proceeding to enforce or interpret any of the terms of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its reasonable costs and attorney's fees (including its reasonable costs and attorney's fees on any appeal).

19. "Anti-Israel Boycott" Provision. In accordance with Chapter 2270, Texas Government Code, a Texas governmental entity may not enter into a contract with a company for the provision of goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. Chapter 2270 does not apply to a (1) a company that is a sole proprietorship; (2) a company that has fewer than ten (10) full-time employees; or (3) a contract that has a value of less than One Hundred Thousand Dollars (\$100,000.00). Unless the company is not subject to Chapter 2270 for the reasons stated herein, the signatory executing this Agreement on behalf of the company verifies by its signature to this Agreement that the company does not boycott Israel and will not boycott Israel during the term of this Agreement.

20. IRAN, SUDAN AND FOREIGN TERRORIST ORGANIZATIONS. If § 2252.153 of the Texas Government Code is applicable to this Contract, by signing below Contractor does hereby represent, verify and warrant that (i) it does not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) it is not listed by the Texas Comptroller under § 2252.153, Texas Government Code, as a company known to have contracts with or provide supplies or services to a "foreign terrorist organization" as defined in § 2252.151 of the Texas Government Code.

21. PROHIBITION ON CONTRACTS WITH CERTAIN COMPANIES PROVISION. In accordance with Section 2252.152 of the Texas Government Code, the Parties covenant and agree that Contractor is not on a list maintained by the State Comptroller's Office prepared and maintained pursuant to Section 2252.153 of the Texas Government Code.

22. Signatories. Town warrants and represents that the individual executing this Agreement on behalf of Town has full authority to execute this Agreement and bind Town to the same. Consultant warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind Consultant to same.

IN WITNESS WHEREOF, the Parties, having read and understood this Agreement, have executed such in duplicate copies, each of which shall have full dignity and force as an original, on the \_\_\_\_\_ day of \_\_\_\_\_, 2024.

O'Brien Realty Advisors, LLC

TOWN OF PROSPER, TEXAS

By: Signature   
Printed Name Chris Haller  
Title Sr. Analyst  
Date 2/15/2024

By: \_\_\_\_\_  
Signature  
Mario Canizares  
Printed Name  
Town Manager  
Title  
\_\_\_\_\_  
Date

# OBRIEN

## RIGHT OF WAY VALUATION

February 2, 2024

Ms. Alexis Walker, P.E.  
Town of Prosper, Texas  
250 W. First Street  
Prosper, Texas 75078

Via Email: awalker@prospertx.gov

RE: Proposal for Right of Way Appraisal Services: Town of Prosper, Texas; Craig Road Project.

Dear Ms. Walker,

At your request, we are pleased to provide this real property appraisal and consulting services proposal with regard to the above referenced Town of Prosper, Texas; Craig Road project. Our eminent domain team works diligently to provide a quality appraisal product in a timely manner.

These assignments will be developed and prepared in conformity with and subject to the requirements of the Appraisal Institute's Code of Professional Ethics, the Uniform Standards of Professional Appraisal Practice ("USPAP"), and the Texas Appraiser Licensing and Certification Boards. The consultation will be subject to the additional provisions attached as Attachments I-II.

**Initial Appraisals:** Based on surveys provided, we show a total of 13 parcels or tracts to be appraised and shown on the fee schedule below. We propose to complete these appraisals by May 31, 2024.

| <b>No.</b> | <b>Owner</b>               | <b>Address/Location</b>               | <b>Acquisition</b>                               | <b>Fee</b>      |
|------------|----------------------------|---------------------------------------|--|-----------------|
| 1          | Daniel E. Jackman          | 102 S. Craig Rd.<br>Prosper, TX 75078 | Drainage Easement<br>Temp. Construction Easement | \$3,500         |
| 2          | Prosper Texas Capital, LLC | NEC of E. Broadway and Craig Rd.      | Drainage Easement                                | \$3,500         |
| 3          | Cursum Perficio 1, LLC     | 707 E. Broadway<br>Prosper, TX 75078  | Drainage Easement                                | \$3,500         |
| 4          | Mia Lagrange               | 103 N. Craig Rd.<br>Prosper, TX 75078 | Drainage Easement                                | \$3,500         |
| 5          | Emily Hultman              | 105 N. Craig Rd.<br>Prosper, TX 75078 | Drainage Easement                                | \$3,500         |
| 6          | Byron Dowd                 | 107 N. Craig Rd.<br>Prosper, TX 75078 | ROW Dedication<br>Drainage Easement              | \$3,500         |
| 7          | Wildflower Ventures LLC    | 108 N. Craig Rd.<br>Prosper, TX 75078 | ROW Dedication<br>Drainage Easement              | \$3,500         |
| 8          | Clayton & Megan Walvoord   | 709 E. First St.<br>Prosper, TX 75078 | ROW Dedication<br>Temp. Construction Easement    | \$3,500         |
| 9          | Jimmy Charles Spradley     | 208 N. Craig Rd.<br>Prosper, TX 75078 | ROW Dedication<br>Temp. Construction Easement    | \$3,500         |
| 10         | Bobby D. Jones             | 711 E. Fifth St.<br>Prosper, TX 75078 | ROW Dedication                                   | \$3,500         |
| 11         | Texas Bank                 | 805 E. First St.<br>Prosper, TX 75078 | Sidewalk Easement<br>Temp. Construction Easement | \$3,500         |
| 12         | Griffin 4 Holdings LLC     | 300 S. Craig Rd.<br>Prosper, TX 75078 | Street Easement<br>Temp. Construction Easement   | \$3,500         |
| 13         | 4140 Properties LLC        | 805 E. First St.<br>Prosper, TX 75078 | Water Easement<br>Temp. Construction Easement    | \$3,500         |
|            |                            |                                       | <b>Total</b>                                     | <b>\$45,500</b> |

# OBRIEN

RIGHT OF WAY VALUATION

**Appraisal Updates:** Update fees on appraisals less than a year old will be billed at a rate of 50% of the initial appraisal fee. Update fees on appraisals more than a year old will be billed at the same rate as the initial appraisal fee.

Additional terms and conditions are presented on the following pages.

If the above agreement meets with your approval, please execute this proposal below and return the original.

Should you have any questions or require more information please let us know. We look forward to the opportunity to work with you on this project.

Sincerely,



Matt D. Browne  
Managing Director  
State Certified General Appraiser  
817.332.0200 – Office  
817.691-2393 – Cell  
[mbrowne@obrien-row.com](mailto:mbrowne@obrien-row.com)



Chris B. Haller  
Sr. Analyst  
State Certified General Appraiser  
817.332.0200 – Office  
817.925.2910 – Cell  
[challer@obrien-row.com](mailto:challer@obrien-row.com)

**Project: Town of Prosper – Craig Road Project, Collin County, Texas**

Agreed this, the \_\_\_\_ day of February 2024

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

Authorized Signature

\_\_\_\_\_  
Printed Name



**ATTACHMENT I**

**ADDITIONAL TERMS**

1. Completion Date Estimate: O'Brien Realty Advisors, LLC dba "O'Brien Right of Way Valuation" agrees to use reasonable commercial efforts to complete assignments as per the attached letter agreement. Said completion date is an estimate and does not take into consideration delays beyond the control of O'Brien Right of Way Valuation such as illness, lack of specific necessary data and/or Acts of God.
2. Database: The Client agrees that the data collected by O'Brien Right of Way Valuation in this assignment will remain the property of O'Brien Right of Way Valuation.
3. The Client agrees to pay O'Brien Right of Way Valuation within thirty (30) days after the time the invoice is submitted and acknowledges payment to O'Brien Right of Way Valuation is not contingent upon any set outcome, result or award to the Client.
4. Litigation: In the event O'Brien Right of Way Valuation is called upon to provide testimony or receives a subpoena concerning any suit or proceeding or otherwise become involved in any litigation relating to this engagement or assignment, in which O'Brien Right of Way Valuation is not a party, O'Brien Right of Way Valuation will make every reasonable effort to assist the Client and give such testimony. The Client agrees to compensate O'Brien Right of Way Valuation at its then current rates, on an hourly basis, plus reimbursement for all expenses reasonably incurred as a result of said litigation. In addition to the foregoing, the following terms are applicable:
  - (a) Review and trial preparation (if applicable) in-office, will be billed at standard hourly rates; outside office rates may apply to conferences, depositions and testimony. Our current in-office rates are as follows:
 

|                             |          |
|-----------------------------|----------|
| Mike C. O'Brien/Matt Browne | \$275.00 |
| Director                    | \$250.00 |
| Sr. Analyst                 | \$225.00 |
| Analyst                     | \$175.00 |
| Project manager             | \$90.00  |
  - (b) All fees for reports, conferences and depositions must be paid prior to hearings and trial



- (c) Due to the difficulty associated with accurately forecasting the number of hours which may be required with the research, hearing and/or trial preparation, deposition time, client/expert conferences, etc., we will maintain contemporaneous time and expense records and will provide you invoices on a 10 day billing cycle. The Client agrees to pay O'Brien Right of Way Valuation within thirty (30) days after the time the invoice is submitted and acknowledges payment to O'Brien Right of Way Valuation is not contingent upon any set outcome, result or award to the Client.
5. Limitations of Liability: It is expressly agreed that in any action which may be brought against O'Brien Right of Way Valuation, or their respective officers, owners, managers, directors, agents, subcontractors or employees (the "O'Brien Right of Way Valuation Parties"), arising out of, relating to, or in any way pertaining to this engagement, the appraisal reports, or any estimates or information contained therein, the O'Brien Right of Way Valuation Parties shall not be responsible or liable for an incidental or consequential damages or losses, unless the appraisal was fraudulent or prepared with gross negligence. It is further agreed that the collective liability of the O'Brien Right of Way Valuation Parties in any such action shall not exceed the total fees paid for the assignment under this letter agreement unless the appraisal was fraudulent or prepared with gross negligence. Finally, it is agreed that the fees charged herein are in reliance upon the foregoing limitations of liability.



**ATTACHMENT II**  
**REQUEST FOR INFORMATION**

Following is a list of items we typically request at the outset of a project so we can provide the proposed services within the agreed upon time frame as discussed above. If, at this time, you are certain you will not be providing any specific items noted below, please cross out the item and mark "NA" next to the item so that we will be notified that the information is not available and will not be forthcoming.

1. Property Owner Line List
2. Title Work
3. Surveys and/or plats
4. Easement Document
5. Mapping; alignment sheets showing route, any deed plots or aerials showing boundaries of properties, and any Google kmz. files showing the route and or ownership information.

## EXHIBIT C INSURANCE REQUIREMENTS

Service provider shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the vendor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by the service provider. A certificate of insurance meeting all requirements and provisions outlined herein shall be provided to the Town prior to any services being performed or rendered. Renewal certificates shall also be supplied upon expiration.

### A. MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. ISO Form Number GL 00 01 (or similar form) covering Commercial General Liability. "Occurrence" form only, "claims made" forms are unacceptable, except for professional liability.
2. Workers Compensation insurance as required by the Labor Code of the State of Texas, including Employers' Liability Insurance.
3. Automobile Liability as required by the State of Texas, covering all owned, hired, or non-owned vehicles. Automobile Liability is only required if vehicle(s) will be used under this contract.
4. Professional Liability, also known as Errors and Omissions coverage.

### B. MINIMUM LIMITS OF INSURANCE

Service Provider shall maintain throughout contract limits not less than:

1. Commercial General Liability: \$500,000 per occurrence /\$1,000,000 in the aggregate for third party bodily injury, personal injury and property damage. Policy will include coverage for:
  - a. Premises / Operations
  - b. Broad Form Contractual Liability
  - c. Products and Completed Operations
  - d. Personal Injury
  - e. Broad Form Property Damage
2. Workers Compensation and Employer's Liability: Workers Compensation limits as required by the Labor Code of the State of Texas and Statutory Employer's Liability minimum limits of \$100,000 each accident, \$300,000 Disease- Policy Limit, and \$100,000 Disease- Each Employee.
3. Automobile Liability: \$500,000 Combined Single Limit. Limits can only be reduced if approved by the Town. Automobile liability shall apply to all owned, hired, and non-owned autos.
4. Professional Liability aka Errors and Omissions: \$500,000 per occurrence and in the aggregate.

### C. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductible or self-insured retentions in excess of \$10,000 must be declared to and approved by the Town.

**D. OTHER INSURANCE PROVISIONS**

The policies are to contain, or be endorsed to contain the following provisions:

**1. General Liability and Automobile Liability Coverages**

- a. The Town, its officers, officials, employees, boards and commissions and volunteers are to be added as "Additional Insured's" relative to liability arising out of activities performed by or on behalf of the provider, products and completed operations of the provider, premises owned, occupied or used by the provider. The coverage shall contain no special limitations on the scope of protection afforded to the Town, its officers, officials, employees or volunteers.
- b. The provider's insurance coverage shall be primary insurance in respects to the Town, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Town, its officers, officials, employees or volunteers shall be in excess of the provider's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Town, its officers, officials, employees, boards and commissions or volunteers.
- d. The provider's insurance shall apply separately to each insured against whom the claim is made or suit is brought, except to the insured's limits of liability.

**2. Workers Compensation and Employer's Liability Coverage:**

The insurer shall agree to waive all rights of subrogation against the Town, its officers, officials, employees and volunteers for losses arising from work performed by the provider for the Town.

**3. All Coverages:**

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after 30 days written notice to the Town for all occurrences, except 10 days written notice to the Town for non-payment.

**4. Professional Liability and / or Errors and Omissions:**

"Claims made" policy is acceptable coverage, which must be maintained during the course of the project, and up to two (2) years after completion and acceptance of the project by the Town.

**E. ACCEPTABILITY OF INSURERS**

The Town prefers that Insurance be placed with insurers with an A.M. Best's rating of no less than A- VI, or better.

**F. VERIFICATION OF COVERAGE**

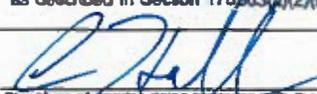
Service Provider shall provide the Town with certificates of insurance indicating the coverages required. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. Certificates of insurance similar to the ACORD Form are acceptable. Town will not accept Memorandums of Insurance or Binders as proof of insurance. The Town reserves the right to require complete, certified copies of all required insurance policies at anytime.

Certificate holder to be listed as follows:

Town of Prosper  
P.O. Box 307  
Prosper, TX 75078

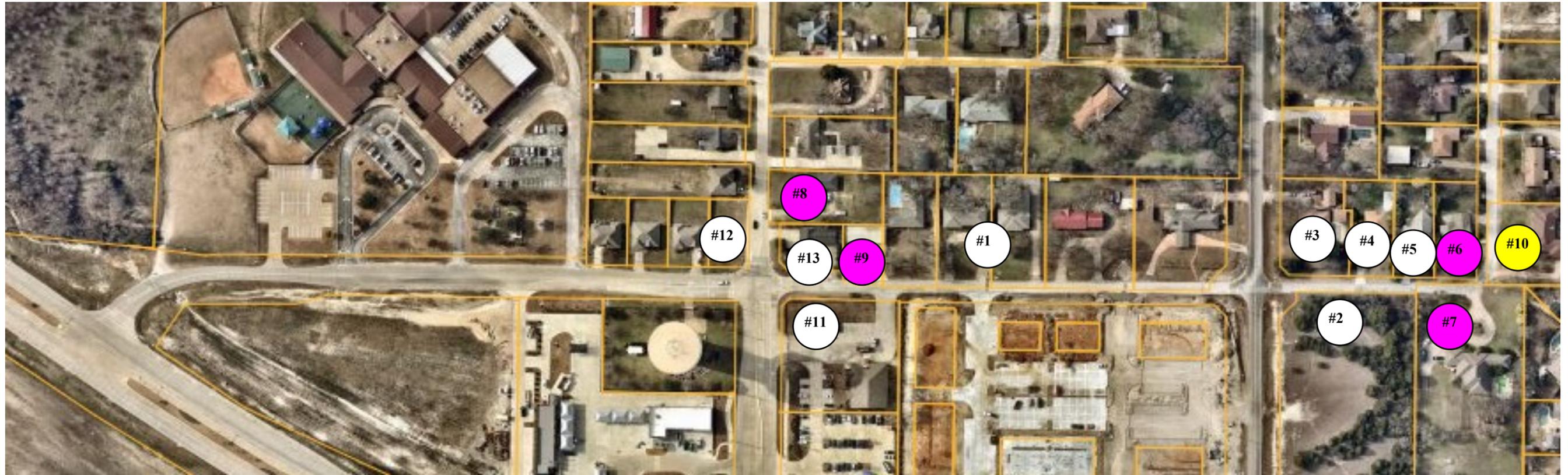


### EXHIBIT E CONFLICT OF INTEREST QUESTIONNAIRE

| <b>CONFLICT OF INTEREST QUESTIONNAIRE</b>   |                        | <b>FORM CIQ</b>   |
|---|------------------------|---|
| For vendor doing business with local governmental entity  |                        |   |
| <p>This questionnaire reflects changes made to the law by H.B. 22, 84th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>   | <b>OFFICE USE ONLY</b> |   |
| <p>1 Name of vendor who has a business relationship with local governmental entity.</p> <p style="text-align: center; font-size: 1.5em; color: blue;">N/A</p>   | <p>Date Received</p>   |   |
| <p>2 <input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)</p>  |                        |   |
| <p>3 Name of local government officer about whom the information is being disclosed.</p> <p style="text-align: center;">_____</p> <p style="text-align: center; font-size: 0.8em;">Name of Officer</p>  |                        |   |
| <p>4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</p> <p style="margin-top: 20px;">A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p style="text-align: center;"> <input type="checkbox"/> Yes      <input type="checkbox"/> No         </p> <p style="margin-top: 10px;">B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p style="text-align: center;"> <input type="checkbox"/> Yes      <input type="checkbox"/> No         </p> |                        |   |
| <p>5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.</p>   |                        |   |
| <p>6 <input type="checkbox"/> Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).</p>  |                        |   |
| <p>7</p> <p style="text-align: center; font-size: 1.5em; color: blue;">  </p> <p style="text-align: center; font-size: 0.8em;">Signature of vendor doing business with the governmental entity</p>   |                        | <p style="text-align: center; font-size: 1.5em; color: blue;">2/19/24</p> <p style="text-align: center; font-size: 0.8em;">Date</p> |



## Craig Road (Preston-Fifth) Right-of-way and Easement Acquisition Overall Location Map



| PARCEL # | OWNER                            | Right- of way (acres) | Drainage Easement (acres) | Temporary Construction Easement (acres) | Water Easement (acres) | Street Easement (acres) | Sidewalk Easement (acres) |
|----------|----------------------------------|-----------------------|---------------------------|---|------------------------|-------------------------|---------------------------|
| 1        | EASTERN HEIGHTS SUBDIVISION      |                       | 0.0180                    | 0.0268                                  |                        |                         |                           |
| 2        | PROSPER TEXAS CAPITAL , LLC      |                       | 0.0545                    |   |                        |                         |                           |
| 3        | TOWSON ADDITION, LOT 2           |                       | 0.0265                    |   |                        |                         |                           |
| 4        | TOWSON ADDITION, LOT 1           |                       | 0.0188                    |   |                        |                         |                           |
| 5        | CRAIG SERIES                     |                       | 0.0172                    |   |                        |                         |                           |
| 6        | PAUL A. BASDEN                   | 0.0072                | 0.0126                    |   |                        |                         |                           |
| 7        | THE MAHARD 2003 PARTNERSHIP, LP  | 0.1262                | 0.0087                    |   |                        |                         |                           |
| 8        | CLAYTON WALVOOD & MEGAN WALVOORD | 0.069                 |                           | 0.0144                                  |                        |                         |                           |
| 9        | JIM C. SPRADLEY & CAROL SPRADLEY | 0.0557                |                           | 0.0278                                  |                        |                         |                           |
| 10       | BOBBY D. JONES & WANDA L. JONES  | 0.0727                |                           |   |                        |                         |                           |
| 11       | TEXAS BANK                       |                       |                           | 0.0476                                  |                        |                         | 0.0352                    |
| 12       | VILLAGE OF PROSPER               |                       |                           | 0.0168                                  |                        | 0.0260                  |                           |
| 13       | STANTON ADDITION                 |                       |                           | 0.0211                                  | 0.0119                 |                         |                           |

- # Right-of-way
- # Right-of-way & Easement
- # Easement

**Professional Services Agreement for**

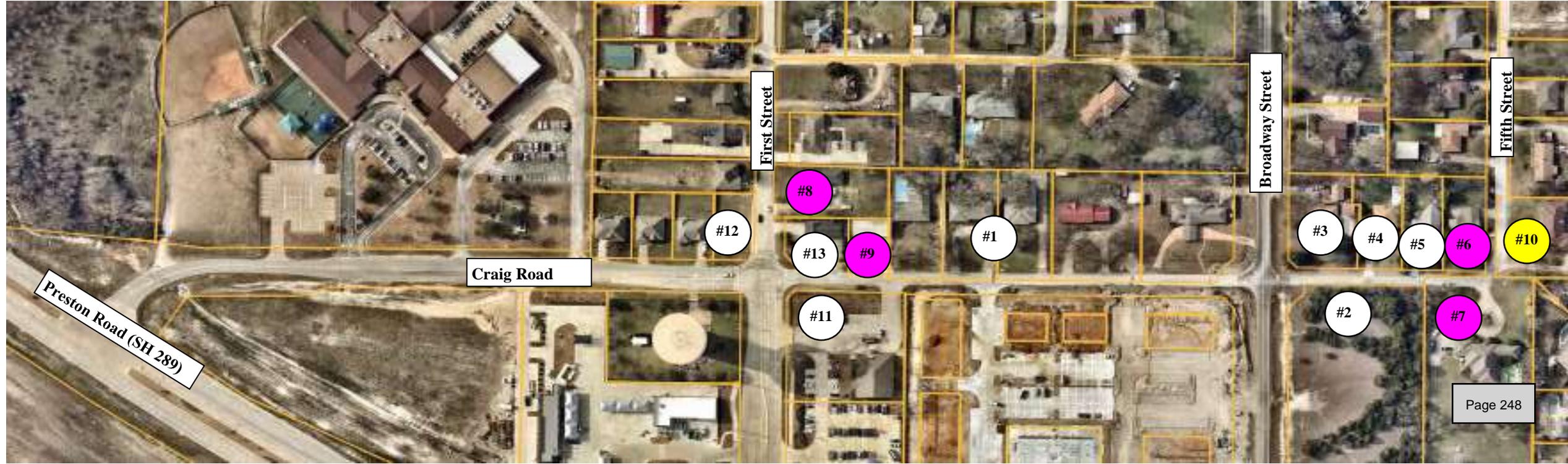
**Appraisal Services**

\$45,500.00

**Recommendation:**

O'Brien Realty Advisors, LLC

-  # Right-of-way
-  # Right-of-way & Easement
-  # Easement





## DEVELOPMENT AND INFRASTRUCTURE SERVICES

**To: Mayor and Town Council**

**From: Chuck Ewings, Assistant Town Manager**

**Through: Mario Canizares, Town Manager**

**Re: Professional Services Agreement  
Updated Assessment of the Development Review Process**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 4. Provide Excellent Municipal Services**

### **Agenda Item:**

Consider and act upon authorizing the Town Manager to execute a Professional Services Agreement between Matrix Consulting Group, Ltd., and the Town of Prosper, Texas, related to the Updated Assessment of the Development Review Process project.

### **Description of Agenda Item:**

In 2021 and 2022, Matrix Consulting Group, Ltd., conducted a customer service survey as well as an operational and process review to examine the quality and type of development applications being received and processed by Town staff. That effort focused on the operational approaches and processes of the Planning, Building, Engineering, Parks and Fire staff involved in the review, permitting, and inspections for development activity. Tasks included interviews with members of staff involved in the development review process, review of applications received by the Town, comparison of Town's development information (forms, checklists, etc.) with industry best practices as well as assessment of review practices to industry best practices in order to develop recommendations to improve practices, processes, and approaches for more efficient and effective operation.

Since 2022, Town staff has implemented many of the recommendations to improve customer service with great success, including but not limited to the following:

- In June 2022, all Development and Zoning applications were required to be submitted with the appropriate Town plan review checklist to ensure all required documentation is provided, or the application would be rejected.
- In August 2022, all plan submittals were required to include all the quality requirements outlined in the applicable plan review checklist. Upon receipt of the 1<sup>st</sup> Submittals, Town staff provides a cursory review of the application and supporting materials to verify whether or not the submittal contains all required documentation and also perform an initial review to ensure the quality requirements outlined in the plan review checklist are included and notify applicants within 72 hours if their application has been accepted or rejected.

With the addition of several new staff in various Town departments that manage the development review process, an updated assessment is recommended. The updated assessment will include the following tasks:

1. Interview Town Council and Staff and Review Prior Recommendation Implementation from 2022 Study.
2. Interview Prior Customers to Understand Their Perspective of Services Provided by the Town.
3. Compare Performance Timelines to other North Texas Cities.
4. Evaluate the Current Operations, Processes, and Staffing Needs.

The final report is anticipated to be complete in June 2024, and will contain the following elements:

- A detailed analysis of the prior recommendation implementation status.
- Summary of the stakeholder feedback themes.
- Performance comparative assessment.
- Detailed analysis of historic workload trends, performance metrics, technology, and staffing needs.

**Budget Impact:**

The cost for the updated assessment is \$34,600 and the funding source is Account No. 100-5410-40-01.

**Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the standard Professional Services Agreement as to form and legality.

**Attached Documents:**

1. Professional Services Agreement

**Town Staff Recommendation:**

Town staff recommends that the Town Council authorize the Town Manager to execute a Professional Services Agreement between Matrix Consulting Group, Ltd., and the Town of Prosper, Texas, related to the Updated Assessment of the Development Review Process project.

**Proposed Motion:**

I move to authorize the Town Manager to execute to execute a Professional Services Agreement between Matrix Consulting Group, Ltd., and the Town of Prosper, Texas, related to the Updated Assessment of the Development Review Process project.

**PROFESSIONAL SERVICES AGREEMENT  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND MATRIX CONSULTING GROUP, LTD.,  
FOR THE UPDATED ASSESSMENT OF THE DEVELOPMENT REVIEW PROCESS**

This Agreement for Professional Services, hereinafter called "Agreement," is entered into by the **Town of Prosper, Texas**, a municipal corporation, duly authorized to act by the Town Council of said Town, hereinafter called "Town," and **Matrix Consulting Group, Ltd.**, a company authorized to do business in Texas, acting through a duly authorized officer, hereinafter called "Consultant," relative to Consultant providing professional services to Town. Town and Consultant when mentioned collectively shall be referred to as the "Parties."

**WITNESSETH:**

**WHEREAS**, Town desires to obtain professional services in connection with the **Updated Assessment of the Development Review Process**, hereinafter called "Project";

For the mutual promises and benefits herein described, Town and Consultant agree as follows:

1. **Term of Agreement.** This Agreement shall become effective on the date of its execution by both Parties, and shall continue in effect thereafter until terminated as provided herein.
2. **Services to be Performed by Consultant.** The Parties agree that Consultant shall perform such services as are set forth and described in Exhibit A - Scope of Services and incorporated herein as if written word for word. All services provided by Consultant hereunder shall be performed in accordance with the degree of care and skill ordinarily exercised under similar circumstances by competent members of their profession. In case of conflict in the language of Exhibit A and this Agreement, this Agreement shall govern and control. Deviations from the Scope of Services or other provisions of this Agreement may only be made by written agreement signed by all Parties to this Agreement.
3. **Prompt Performance by Consultant.** Consultant shall perform all duties and services and make all decisions called for hereunder promptly and without unreasonable delay as is necessary to cause Consultant's services hereunder to be timely and properly performed. Notwithstanding the foregoing, Consultant agrees to use diligent efforts to perform the services described herein and further defined in any specific task orders, in a manner consistent with these task orders; however, the Town understands and agrees that Consultant is retained to perform a professional service and such services must be bound, first and foremost, by the principles of sound professional judgment and reasonable diligence.
4. **Compensation of Consultant.** Town agrees to pay to Consultant for satisfactory completion of all services included in this Agreement a total fee of **Thirty-Four Thousand, Six Hundred Dollars and Zero Cents (\$34,600.00)** for the Project as set forth and described in Exhibit B - Compensation Schedule and incorporated herein as if written word for word. Lump sum fees shall be billed monthly based on the percentage of completion. Hourly not to exceed fees shall be billed monthly based on hours of work that have been completed. Direct Costs for expenses such as mileage, copies, scans, sub-consultants, and similar costs are included in fees and shall be billed as completed.

Consultant agrees to submit statements to Town for professional services no more than once per month. These statements will be based upon Consultant's actual services performed and reimbursable expenses incurred, if any, and Town shall endeavor to make prompt payments. Each statement submitted by Consultant to Town shall be reasonably itemized to show the amount of work performed during that period. If Town fails to pay Consultant

within sixty (60) calendar days of the receipt of Consultant's invoice, Consultant may, after giving ten (10) days written notice to Town, suspend professional services until paid.

Nothing contained in this Agreement shall require Town to pay for any work that is unsatisfactory as reasonably determined by Town or which is not submitted in compliance with the terms of this Agreement.

The Scope of Services shall be strictly limited. Town shall not be required to pay any amount in excess of the original proposed amount unless Town shall have approved in writing in advance (prior to the performance of additional work) the payment of additional amounts.

5. **Town's Obligations.** Town agrees that it will (i) designate a specific person as Town's representative, (ii) provide Consultant with any previous studies, reports, data, budget constraints, special Town requirements, or other pertinent information known to Town, when necessitated by a project, (iii) when needed, assist Consultant in obtaining access to properties necessary for performance of Consultant's work for Town, (iv) make prompt payments in response to Consultant's statements and (v) respond in a timely fashion to requests from Consultant. Consultant is entitled to rely upon and use, without independent verification and without liability, all information and services provided by Town or Town's representatives.

6. **Ownership and Reuse of Documents.** Upon completion of Consultant's services and receipt of payment in full therefore, Consultant agrees to provide Town with copies of all materials and documents prepared or assembled by Consultant under this Agreement and that Town may use them without Consultant's permission for any purpose relating to the Project. Any reuse of the documents not relating to the Project shall be at Town's risk. Consultant may retain in its files copies of all reports, drawings, specifications and all other pertinent information for the work it performs for Town.

7. **Town Objection to Personnel.** If at any time after entering into this Agreement, Town has any reasonable objection to any of Engineer's personnel, or any personnel, professionals and/or consultants retained by Engineer, Engineer shall promptly propose substitutes to whom Town has no reasonable objection, and Engineer's compensation shall be equitably adjusted to reflect any difference in Engineer's costs occasioned by such substitution.

8. **Insurance.** Consultant shall, at its own expense, purchase, maintain and keep in force throughout the duration of this Agreement applicable insurance policies as described in Exhibit C - Insurance Requirements and incorporated herein as if written word for word. Consultant shall submit to Town proof of such insurance prior to commencing any work for Town.

9. **Indemnification.** CONSULTANT DOES HEREBY COVENANT AND AGREE TO RELEASE, INDEMNIFY AND HOLD HARMLESS TOWN AND ITS OFFICIALS, OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES AND INVITEES FROM AND AGAINST LIABILITY, CLAIMS, SUITS, DEMANDS AND/OR CAUSES OF ACTION, (INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEY'S FEES AND COSTS OF LITIGATION), WHICH MAY ARISE BY REASON OF DEATH OR INJURY TO PROPERTY OR PERSONS BUT ONLY TO THE EXTENT OCCASIONED BY THE NEGLIGENT ACT, ERROR OR OMISSION OF CONSULTANT, ITS OFFICIALS, OFFICERS, AGENTS, EMPLOYEES, INVITEES OR OTHER PERSONS FOR WHOM CONSULTANT IS LEGALLY LIABLE WITH REGARD TO THE PERFORMANCE OF THIS AGREEMENT.

IN THE EVENT THAT TOWN AND CONSULTANT ARE CONCURRENTLY NEGLIGENT, THE PARTIES AGREE THAT ALL LIABILITY SHALL BE CALCULATED ON A COMPARATIVE BASIS OF FAULT AND RESPONSIBILITY AND THAT NEITHER PARTY SHALL BE REQUIRED TO DEFEND OR INDEMNIFY THE OTHER PARTY FOR THAT PARTY'S NEGLIGENT OR INTENTIONAL ACTS, ERRORS OR OMISSIONS.

10. **Notices.** Any notices to be given hereunder by either Party to the other may be affected either by personal delivery, in writing, or by registered or certified mail to the following addresses:

Matrix Consulting Group, Ltd.  
 Richard Brady, President  
 1650 S. Amphlett, Suite 213  
 San Mateo, CA 94402  
[rbrady@matrixcg.net](mailto:rbrady@matrixcg.net)

Town of Prosper  
 Mario Canizares, Town Manager  
 PO Box 307  
 Prosper, TX 75078  
[MCanizares@prospertx.gov](mailto:MCanizares@prospertx.gov)

11. **Termination.** The obligation to provide further services under this Agreement may be terminated by either Party in writing upon thirty (30) calendar days notice. In the event of termination by Town, Consultant shall be entitled to payment for services rendered through receipt of the termination notice.

12. **Sole Parties and Entire Agreement.** This Agreement shall not create any rights or benefits to anyone except Town and Consultant, and contains the entire agreement between the Parties. Oral modifications to this Agreement shall have no force or effect.

13. **Assignment and Delegation.** Neither Town nor Consultant may assign its rights or delegate its duties without the written consent of the other Party. This Agreement is binding on Town and Consultant to the extent permitted by law. Nothing herein is to be construed as creating any personal liability on the part of any Town officer, employee or agent.

14. **Texas Law to Apply; Successors; Construction.** This Agreement shall be construed under and in accordance with the laws of the State of Texas. It shall be binding upon, and inure to the benefit of, the Parties hereto and their representatives, successors and assigns. Should any provisions in this Agreement later be held invalid, illegal or unenforceable, they shall be deemed void, and this Agreement shall be construed as if such provision had never been contained herein.

15. **Conflict of Interest.** Consultant agrees that it is aware of the prohibited interest requirement of the Town Charter, which is repeated in **Exhibit D - Conflict of Interest Affidavit** and incorporated herein as if written word for word, and will abide by the same. Further, a lawful representative of Consultant shall execute the Affidavit included in the exhibit. Consultant understands and agrees that the existence of a prohibited interest during the term of this Agreement will render the Agreement voidable.

Consultant agrees that it is further aware of the vendor disclosure requirements set forth in Chapter 176, Local Government Code, as amended, and will abide by the same. In this connection, a lawful representative of Consultant shall execute the Conflict of Interest Questionnaire, Form CIQ, attached hereto as **Exhibit E - Conflict of Interest Questionnaire** and incorporated herein as if written word for word.

16. **Venue.** The Parties herein agree that this Agreement shall be enforceable in Prosper, Texas, and if legal action is necessary to enforce it, exclusive venue shall lie in Collin County, Texas.

17. **Mediation.** In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to submit such disagreement to non-binding mediation.

18. **Prevailing Party.** In the event a Party initiates or defends any legal action or proceeding to enforce or interpret any of the terms of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its reasonable costs and attorney's fees (including its reasonable costs and attorney's fees on any appeal).

19. "Anti-Israel Boycott" Provision. In accordance with Chapter 2270, Texas Government Code, a Texas governmental entity may not enter into a contract with a company for the provision of goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. Chapter 2270 does not apply to a (1) a company that is a sole proprietorship; (2) a company that has fewer than ten (10) full-time employees; or (3) a contract that has a value of less than One Hundred Thousand Dollars (\$100,000.00). Unless the company is not subject to Chapter 2270 for the reasons stated herein, the signatory executing this Agreement on behalf of the company verifies by its signature to this Agreement that the company does not boycott Israel and will not boycott Israel during the term of this Agreement.

20. Signatories. Town warrants and represents that the individual executing this Agreement on behalf of Town has full authority to execute this Agreement and bind Town to the same. Consultant warrants and represents that the individual executing this Agreement on its behalf has full authority to execute this Agreement and bind Consultant to same.

IN WITNESS WHEREOF, the Parties, having read and understood this Agreement, have executed such in duplicate copies, each of which shall have full dignity and force as an original, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Matrix Consulting Group, Ltd

TOWN OF PROSPER, TEXAS

By: Richard Brady  
Signature  
  
Richard Brady  
Printed Name  
  
President  
Title  
  
February 28, 2024  
Date

By: \_\_\_\_\_  
Signature  
  
Mario Canizares  
Printed Name  
  
Town Manager  
Title  
  
\_\_\_\_\_  
Date

## EXHIBIT A SCOPE OF SERVICES

### PROFESSIONAL SERVICES AGREEMENT BETWEEN THE TOWN OF PROSPER, TEXAS, AND MATRIX CONSULTING GROUP, LTD., FOR THE UPDATED ASSESSMENT OF THE DEVELOPMENT REVIEW PROCESS

#### I. PROJECT DESCRIPTION

The following task plan presents the efforts to review the status of recommendations from the 2022 study, engage with recent customers to understand their perceptions, evaluate current processes and technology utilization, and review recent staff review time performance in relation to others in nearby communities.

#### II. TASK SUMMARY

##### **Task 1: Interview Town Council and Staff and Review Prior Recommendation Implementation.**

This task includes two steps: (1) review the prior study recommendations to understand if and how they were implemented and (2) interview Town Council and staff to understand current operational approaches, technology, utilization, workload, challenges, etc.

The first component of this task will involve conducting a workshop with staff to review the previous study's recommendations and determine if and how they have been implemented. This workshop will have representatives from each development function and review each recommendation to determine if it has been fully implemented, partially implemented, or not implemented. For recommendations that have not been implemented, we will discuss if the recommendation is still valid and possible next steps for completion.

Second, we need to develop an understanding of the key issues impacting and shaping service requirements. We will conduct interviews with interested Town Council member to get their feedback on the process. We will also interview representatives from each of the relevant departments/divisions involved in the development review, permitting, and inspection processes to understand their current roles and processes. These interviews will focus on exploring issues and attitudes in the following areas:

- Adequacy of service levels, and perceived gaps in existing levels of service.
- Use of technology in the development process.
- Identification of the workload for staff involved in the review process.
- Document the current coordination mechanism and procedures in place to coordinate service delivery among different departments and divisions.
- Document current performance targets and processing times for key processes and activities.
- Identify current staff allocations by development discipline.

The project team will prepare a current state assessment that presents our understanding of service levels, technology utilization, historic workload, and performance.

## Task 2: Interview Prior Customers to Understand Their Perspective of Services Provided by the Town.

To ensure that the project team has a good understanding of customers' perspectives of the services provided by the Town, we will interview up to 10 recent customers of the development review, permitting, and inspection process. This outreach will include one-on-one (or small group) conversation with individuals who have recently interacted with the development process. The project team will summarize key themes that are discussed as part of these conversations.

## Task 3: Compare Performance Timelines to other North Texas Cities.

In this task the project team will conduct a comparative assessment of performance goals for up to six North Texas jurisdictions and compare them to the Town of Prosper's timeline goals. This outreach will focus on performance goals for planning, building, and engineering application review and inspection performance.

## Task 4: Evaluate the Current Operations, Processes, and Staffing Needs.

This task involves an evaluation of processes, workload, service levels and performance, staff utilization, work practices, and technology use of the development functions. We will address these issues by employing these approaches:

- Evaluate the adequacy of major work practices utilized by each function. This analysis will include the review of three years of workload for each development functional area. Analysis will identify the degree to which key tasks are not being accomplished due to lack of staff and assess the extent to which tasks will be absorbed through streamlining of the work process.
- Analyze response and review timeliness. The focus of this analysis is to conduct an in-depth analysis of response and review timeliness. The project team will evaluate the previous three years' workloads to understand processing timelines by permit type. Analysis will include the timeliness of processing applications (by review entity/function), conducting initial and subsequent application reviews, issuing permits (or approval), scheduling and completion of inspections, and finalizing certificate of occupancies. Also, we will identify where timelines are not in compliance with established performance metrics, adopted local and state ordinance, regulation, or statute, and/or industry best practice. Recommendations may include the identification of new performance metrics to align with the Town's service level expectations and resource availability.
- Evaluate current technology systems. This task will focus on understanding and assessing current technology systems utilized by the Town. The project team will evaluate the current permitting software suite, degree to which GIS is implemented and utilized, how mobile and handheld devices are used in the field (e.g., tablets for inspectors), and the degree to which current systems result in efficient information-sharing and elimination of duplicative input. We will also evaluate opportunities to leverage technology to improve operational efficiencies.
- Evaluate the skill mix of current staff and determine staffing resource needs. Our team will evaluate the adequacy of staffing levels to conduct historical workload needs. In this assessment, we will evaluate whether the staff possess the required skills to perform assigned tasks and the total number of in-house and/or contracted staff to complete the current workload within the adopted timelines. Staffing needs will be provided by position classification and include internal and contracted professional, technical, and administrative positions.

At the conclusion of this task, we will have evaluated all aspects of the development processes and approaches including operational practices, service levels, technology, workflows, and staffing to identify improvement opportunities. Based on our evaluation, we will determine service improvement opportunities and process changes needed for the provision of development review services.

#### **Task 5: Develop a Draft and Final Reports.**

The draft and final reports will contain the following elements:

- A detailed analysis of the prior recommendation implementation status.
- Summary of the stakeholder feedback themes.
- Performance comparative assessment.
- Detailed analysis of historic workload trends, performance metrics, technology, and staffing needs.

Once staff and the internal project steering committee has reviewed the draft project report, we will make revisions, as needed, and finalize the report. We will be available to make a presentation of our findings and recommendations to development staff.

### **III. DELIVERABLES**

**Task 1** – A current state assessment of workload, performance, and technology utilization. Analysis of the previous study recommendation status and possible next steps.

**Task 2** – Summary of customer feedback from conversations identifying key trends and issues related to Town's development processes.

**Task 3** – Comparative analysis of Prosper's development review performance to six other North Texas jurisdictions.

**Task 4** – The deliverable of this task would be a summary of the identified improvement opportunities and proposed adjustments in processes, work practices, service levels, technology, and staffing levels.

**Task 5** – Compile the draft and final reports that includes analysis, recommendations, and presentation of findings.

**EXHIBIT B  
COMPENSATION SCHEDULE**

**PROFESSIONAL SERVICES AGREEMENT  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND MATRIX CONSULTING GROUP, LTD.,  
FOR THE UPDATED ASSESSMENT OF THE DEVELOPMENT REVIEW PROCESS**

**I. COMPENSATION SCHEDULE**

| Task  | Completion Schedule | Compensation Schedule |
|---|---------------------|-----------------------|
| Notice-to-Proceed                                 | March 13, 2024      |                       |
| Task 1 - Staff Interviews, Recommendation Review  | April 2024          | \$5,190               |
| Task 2 - Stakeholder Outreach                     | May 2024            | \$3,460               |
| Task 3 - Timeline Comparison                      | May 2024            | \$3,892               |
| Task 4 - Operations, Process, & Staffing Analysis | June 2024           | \$10,813              |
| Task 5 - Draft & Final Report                     | June 2024           | \$11,245              |
| <b>Total Compensation</b>                         |                     | <b>\$34,600</b>       |

**II. COMPENSATION SUMMARY**

| Basic Services (Lump Sum)                         | Amount          |
|---|-----------------|
| Task 1 - Staff Interviews, Recommendation Review  | \$5,190         |
| Task 2 - Stakeholder Outreach                     | \$3,460         |
| Task 3 - Timeline Comparison                      | \$3,892         |
| Task 4 - Operations, Process, & Staffing Analysis | \$10,813        |
| Task 5 - Draft & Final Report                     | \$11,245        |
| <b>Total Basic Services:</b>                      | <b>\$34,600</b> |

| Special Services (Hourly Not-to-Exceed) | Amount     |
|---|------------|
| None                                    | \$0        |
| <b>Total Special Services:</b>          | <b>\$0</b> |

| Direct Expenses               | Amount     |
|-------------------------------|------------|
| None                          | \$0        |
| <b>Total Direct Expenses:</b> | <b>\$0</b> |

## EXHIBIT C INSURANCE REQUIREMENTS

Service provider shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the vendor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by the service provider. A certificate of insurance meeting all requirements and provisions outlined herein shall be provided to the Town prior to any services being performed or rendered. Renewal certificates shall also be supplied upon expiration.

### A. MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. ISO Form Number GL 00 01 (or similar form) covering Commercial General Liability. "Occurrence" form only, "claims made" forms are unacceptable, except for professional liability.
2. Workers Compensation insurance as required by the Labor Code of the State of Texas, including Employers' Liability Insurance.
3. Automobile Liability as required by the State of Texas, covering all owned, hired, or non-owned vehicles. Automobile Liability is only required if vehicle(s) will be used under this contract.
4. Professional Liability, also known as Errors and Omissions coverage.

### B. MINIMUM LIMITS OF INSURANCE

Service Provider shall maintain throughout contract limits not less than:

1. Commercial General Liability: \$500,000 per occurrence /\$1,000,000 in the aggregate for third party bodily injury, personal injury and property damage. Policy will include coverage for:
  - a. Premises / Operations
  - b. Broad Form Contractual Liability
  - c. Products and Completed Operations
  - d. Personal Injury
  - e. Broad Form Property Damage
2. Workers Compensation and Employer's Liability: Workers Compensation limits as required by the Labor Code of the State of Texas and Statutory Employer's Liability minimum limits of \$100,000 each accident, \$300,000 Disease- Policy Limit, and \$100,000 Disease- Each Employee.
3. Automobile Liability: \$500,000 Combined Single Limit. Limits can only be reduced if approved by the Town. Automobile liability shall apply to all owned, hired, and non-owned autos.
4. Professional Liability aka Errors and Omissions: \$500,000 per occurrence and in the aggregate.

### C. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductible or self-insured retentions in excess of \$10,000 must be declared to and approved by the Town.

**D. OTHER INSURANCE PROVISIONS**

The policies are to contain, or be endorsed to contain the following provisions:

1. General Liability and Automobile Liability Coverages

- a. The Town, its officers, officials, employees, boards and commissions and volunteers are to be added as "Additional Insured's" relative to liability arising out of activities performed by or on behalf of the provider, products and completed operations of the provider, premises owned, occupied or used by the provider. The coverage shall contain no special limitations on the scope of protection afforded to the Town, its officers, officials, employees or volunteers.
- b. The provider's insurance coverage shall be primary insurance in respects to the Town, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Town, its officers, officials, employees or volunteers shall be in excess of the provider's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Town, its officers, officials, employees, boards and commissions or volunteers.
- d. The provider's insurance shall apply separately to each insured against whom the claim is made or suit is brought, except to the insured's limits of liability.

2. Workers Compensation and Employer's Liability Coverage:

The insurer shall agree to waive all rights of subrogation against the Town, its officers, officials, employees and volunteers for losses arising from work performed by the provider for the Town.

3. All Coverages:

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after 30 days written notice to the Town for all occurrences, except 10 days written notice to the Town for non-payment.

4. Professional Liability and / or Errors and Omissions:

"Claims made" policy is acceptable coverage, which must be maintained during the course of the project, and up to two (2) years after completion and acceptance of the project by the Town.

**E. ACCEPTABILITY OF INSURERS**

The Town prefers that Insurance be placed with insurers with an A.M. Best's rating of no less than **A- VI**, or better.

**F. VERIFICATION OF COVERAGE**

Service Provider shall provide the Town with certificates of insurance indicating the coverages required. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. Certificates of insurance similar to the ACORD Form are acceptable. Town will not accept Memorandums of Insurance or Binders as proof of insurance. The Town reserves the right to require complete, certified copies of all required insurance policies at any time.

Certificate holder to be listed as follows:

Town of Prosper  
P.O. Box 307  
Prosper, TX 75078

EXHIBIT D  
CONFLICT OF INTEREST AFFIDAVIT

PROFESSIONAL SERVICES AGREEMENT  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND MATRIX CONSULTING GROUP, LTD.,  
FOR THE UPDATED ASSESSMENT OF THE DEVELOPMENT REVIEW PROCESS

CALIFORNIA

THE STATE OF ~~TEXAS~~ §  
COUNTY OF SAN MATEO §

I, RICHARD BRADY, a member of the Consultant team, make this affidavit and hereby on oath state the following:

I, and/or a person or persons related to me, have the following interest in a business entity that would be affected by the work or decision on the Project (Check all that apply):

- Ownership of 10% or more of the voting shares of the business entity.
- Ownership of \$25,000.00 or more of the fair market value of the business entity.
- Funds received from the business entity exceed 10% of my income for the previous year.
- Real property is involved, and I have an equitable or legal ownership with a fair market value of at least \$25,000.00.
- A relative of mine has substantial interest in the business entity or property that would be affected by my decision of the public body of which I am a member.
- Other: \_\_\_\_\_
- None of the Above.

Upon filing this affidavit with the Town of Prosper, Texas, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573 of the Texas Government Code, is a member of the public body which took action on the agreement.

Signed this 1<sup>st</sup> day of MARCH, 2024

[Signature]  
Signature of Official / Title

BEFORE ME, the undersigned authority, this day personally appeared Richard Brady and on oath stated that the facts hereinabove stated are true to the best of his / her knowledge or belief.

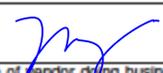
Sworn to and subscribed before me on this 1<sup>st</sup> day of March, 2024



Michelle A Melkun  
Notary Public in and for the State of Texas

My Commission expires: 12/7/24

### EXHIBIT E CONFLICT OF INTEREST QUESTIONNAIRE

| <b>CONFLICT OF INTEREST QUESTIONNAIRE</b>  |   | <b>FORM CIQ</b>  |
|--|---|--|
| <b>For vendor doing business with local governmental entity</b>  |   |  |
| <p><b>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</b></p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>   | <b>OFFICE USE ONLY</b><br><hr/> Date Received |  |
| <p><b>1</b> Name of vendor who has a business relationship with local governmental entity.</p> <p style="text-align: center; font-size: 1.2em;">Matrix Consulting Group, Ltd.</p>  |   |  |
| <p><b>2</b> <input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)</p>  |   |  |
| <p><b>3</b> Name of local government officer about whom the information is being disclosed.</p> <p style="text-align: center; font-size: 1.2em;">N/A</p> <hr style="width: 50%; margin: auto;"/> <p style="text-align: center; font-size: 0.8em;">Name of Officer</p>  |   |  |
| <p><b>4</b> Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</p> <p style="margin-top: 20px;">A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p style="margin-left: 40px;"> <input type="checkbox"/> Yes      <input type="checkbox"/> No </p> <p style="margin-top: 10px;">B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p style="margin-left: 40px;"> <input type="checkbox"/> Yes      <input type="checkbox"/> No </p> |   |  |
| <p><b>5</b> Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.</p>   |   |  |
| <p><b>6</b> <input type="checkbox"/> Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).</p>  |   |  |
| <p><b>7</b></p> <p style="text-align: center; font-size: 1.5em; color: blue;"></p> <hr style="width: 80%; margin: auto;"/> <p style="text-align: center; font-size: 0.8em;">Signature of vendor doing business with the governmental entity</p>   |   | <p style="font-size: 1.2em; text-align: center;">March 4, 2024</p> <hr style="width: 50%; margin: auto;"/> <p style="text-align: center; font-size: 0.8em;">Date</p> |



## ENGINEERING SERVICES

**To: Mayor and Town Council**

**From: Hulon T. Webb, Jr., P.E., Director of Engineering Services**

**Through: Mario Canizares, Town Manager  
Chuck Ewings, Assistant Town Manager**

**Re: Contract for Personal Services  
FM 1461 12-inch Water Line Relocation Project**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 1. Acceleration of Infrastructure**

### **Agenda Item:**

Consider and act upon authorizing the Town Manager to execute a Contract for Personal Services between Universal Field Services, and the Town of Prosper, Texas, related to easement acquisition services for the FM 1461 12-inch Water Line Relocation project.

### **Description of Agenda Item:**

The project involves replacement of approximately 15,700 linear feet of 12-inch water line on FM 1461 (Frontier Parkway) between Preston Road (SH 289) and Custer Road (FM 2478), ahead of the Texas Department of Transportation (TxDOT) widening from a 2-lane asphalt road to 4 lanes divided (ultimate 6 lanes). The current location of the Town has a 12-inch water line is on the south side of FM 1461 adjacent to the existing right-of-way for most of the project limits. Since the proposed roadway widening project will be over or near the existing water line, TxDOT is requiring the water line be relocated outside the limits of the roadway paving.

Since the majority of the existing 12-inch water line is located outside the current TxDOT right-of-way, the Town is eligible to receive reimbursement from TxDOT for expenses related to the water line relocation. Town staff is working with TxDOT on the Standard Utility Agreement that will establish the eligible expenses ratio, currently estimated at 72%. Once the final ratio has been calculated and determined by TxDOT, the Standard Utility Agreement will be presented to the Town Council for consideration.

This contract provides easement acquisition services for 18 parcels along FM 1461 (Frontier Parkway). Universal Field Services has not worked directly with the Town of Prosper on a project, but they have worked with other municipalities in the metroplex with positive results. They are also the firm that assisted TxDOT with acquisitions of right-of-way related to the same project. They are familiar with the project and property owners, and have the experience and knowledge to perform the work for the Town in a timely manner.

**Budget Impact:**

The cost for the easement acquisition services is \$166,000 and the funding source is Account No. 760-5410-10-00-2114WA. The current estimated cost for construction is \$9,000,000, and the Town's budget for easement acquisition and construction is \$3,000,000. Final amount of reimbursement by TxDOT, currently estimated at 72%, will be outlined in the TxDOT Standard Utility Agreement.

**Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality and has confirmed that Acquisition Services are not Professional Services under state law and qualifies as a Personal Service, not subject to the bidding statutes in Chapter 252 of the Local Government Code.

**Attached Documents:**

1. Contract for Personal Services
2. Location Map

**Town Staff Recommendation:**

Town staff recommends that the Town Council authorize the Town Manager to execute a Contract for Personal Services between Universal Field Services, and the Town of Prosper, Texas, related to easement acquisition services for the FM 1461 12-inch Water Line Relocation project.

**Proposed Motion:**

I move to authorize the Town Manager to execute to execute a Contract for Personal Services between Universal Field Services, and the Town of Prosper, Texas, related to easement acquisition services for the FM 1461 12-inch Water Line Relocation project.

**TOWN OF PROSPER  
CONTRACT FOR PERSONAL SERVICES  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND UNIVERSAL FIELD SERVICES  
FOR THE FM 1461 12-inch WATER LINE RELOCATION PROJECT (2114-WA)**

This Contract is made by the **Town of Prosper, Texas**, a municipal corporation ("Town"), and **Universal Field Services** ("Contractor"). The Town and Contractor agree:

1. **RETENTION OF THE CONTRACTOR.** The Town agrees to retain Contractor, and the Contractor agrees to provide services relative to: easement acquisition services for the FM 1461 12-inch Water Line Relocation project (hereinafter referred to as "Services"), as set forth and described in Exhibit A, attached hereto and incorporated by reference.
2. **SCOPE OF SERVICES.** The Services to be performed are more particularly described in Exhibit A. Deviations from the scope of work may be authorized from time to time by the Town in writing.
3. **SCHEDULE OF WORK.** Contractor agrees to begin work upon receipt of written authorization from the Town. Time is of the essence for this Contract and work is to commence immediately.
4. **CONTRACT PERIOD.** The contract period is for one (1) year from date of award of contract. All pricing is to remain firm during the contract period. The contract is renewable for up to one (1) additional one-year terms on an annual basis, if written notice of the intent to renew is provided to either party not less than sixty (60) days prior to the termination date.
5. **COMPENSATION.** Contractor's total compensation for services to be performed and expenses to be incurred is specified in Exhibit B, attached hereto and incorporated by reference.
6. **PAYMENTS.** Payments will be processed on a monthly basis with payment available within thirty (30) days after receipt of the invoice for the previous month's service or as set forth in Exhibit A.
7. **INVOICING.** Invoices should be prepared and submitted to the Town for payment in accordance with Exhibit A. Invoices should be mailed to Town of Prosper, Accounts Payable, P.O. Box 307, Prosper, TX 75078, or emailed to ap@prospertx.gov.
8. **RIGHTS OF WITHHOLDING.** The Town may withhold any payment or partial payment otherwise due the Contractor on account of unsatisfactory performance by Contractor. The amount to be withheld will be calculated based on the work not performed and the impact to the Town. Any payment or partial payment that may be withheld for unsatisfactory performance can be used to remedy the lack of performance and will not be paid to Contractor.
9. **INFORMATION PROVIDED BY THE TOWN.** Although every effort has been or will be made to furnish accurate information, the Town does not guarantee the accuracy of information it furnishes to Contractor.
10. **INSURANCE.** Contractor shall provide proof that it has obtained and will continue to maintain throughout the duration of the Contract the insurance requirements set forth in Exhibit C. Failure to maintain the required insurance may result in immediate termination of the Contract.

11. **INDEMNIFICATION.** CONTRACTOR DOES HEREBY COVENANT AND AGREE TO RELEASE, INDEMNIFY AND HOLD HARMLESS THE TOWN AND ITS OFFICIALS, OFFICERS, AGENTS, REPRESENTATIVES, EMPLOYEES AND INVITEES FROM AND AGAINST LIABILITY, CLAIMS, SUITS, DEMANDS AND/OR CAUSES OF ACTION, (INCLUDING, BUT NOT LIMITED TO, REASONABLE ATTORNEY'S FEES AND COSTS OF LITIGATION), WHICH MAY ARISE BY REASON OF DEATH OR INJURY TO PROPERTY OR PERSONS BUT ONLY TO THE EXTENT OCCASIONED BY THE NEGLIGENT ACT, ERROR OR OMISSION OF CONTRACTOR, ITS OFFICIALS, OFFICERS, AGENTS, EMPLOYEES, INVITEES OR OTHER PERSONS FOR WHOM CONTRACTOR IS LEGALLY LIABLE WITH REGARD TO THE PERFORMANCE OF THIS CONTRACT.

IN THE EVENT THAT THE TOWN AND CONTRACTOR ARE CONCURRENTLY NEGLIGENT, THE PARTIES AGREE THAT ALL LIABILITY SHALL BE CALCULATED ON A COMPARATIVE BASIS OF FAULT AND RESPONSIBILITY AND THAT NEITHER PARTY SHALL BE REQUIRED TO DEFEND OR INDEMNIFY THE OTHER PARTY FOR THAT PARTY'S NEGLIGENT OR INTENTIONAL ACTS, ERRORS OR OMISSIONS.

12. **TRANSFER OF INTEREST.** Neither the Town nor Contractor may assign or transfer its interests in the Contract without the written consent of the other party. Such consent shall not be unreasonably withheld. This Contract is binding on the Town, Contractor, and their successors and assigns. Nothing herein is to be construed as creating a personal liability on the part of any Town officer, employee or agent.
13. **AUDITS AND RECORDS.** At any time during normal business hours and as often as the Town may deem necessary, Contractor shall make available to the Town for examination all of its records with respect to all matters covered by the Contract and will permit the Town to audit, examine and make copies, excerpts, or transcripts from such records. The Town may also audit all contracts, invoices, payroll records of personnel, conditions of employment and other data relating to the Contract.
14. **EQUAL EMPLOYMENT OPPORTUNITY.** Contractor shall not discriminate against any employee or applicant for employment because of age, race, color, religion, sex, national origin, disability or any other protected characteristic. Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their age, race, color, religion, sex, national origin, disability, or any other protected characteristic. Such actions shall include, but not be limited to the following: employment, promotions, demotion, transfers, recruitment or recruitment advertising, layoffs, terminations, selection for training (including apprenticeships), and participation in recreational activities.

Contractor will cause the foregoing provisions to be inserted in all subcontracts for any work covered by the Contract so that such provisions will be binding upon each subcontractor, except that the foregoing provisions shall not apply to contracts or subcontracts for customary office supplies.

15. **TERMINATION OF CONTRACT.** The Town may terminate this Contract upon sixty (60) days' written notice to Contractor, except in the event (i) Contractor is in breach of this Contract or (ii) Contractor fails to comply with the terms of Exhibit A. If either of the foregoing conditions exists, the Town shall notify Contractor and Contractor shall be given two (2) days to cure such breach or failure to comply. Should

Contractor fail to cure to the satisfaction of the Town, the Town may terminate this Contract upon written notice.

Furthermore, the Town retains the right to terminate this Contract at the expiration of each Town budget period (September 30) during the term of this Contract, even without prior notice as described in the preceding sentence.

In the event of any termination hereunder, Contractor consents to the Town's selection of another Contractor to assist the Town in any way in completing the Services. Contractor further agrees to cooperate and provide any information requested by the Town in connection with the completion of the Services.

Contractor shall be compensated for Services performed and expenses incurred for satisfactory work up to the termination date. Contractor shall receive a portion of fees and expenses permitted under this Contract in direct proportion to percentage of work actually completed up to the termination date. This provision shall not deprive the Town of any remedies against Contractor that may be available under applicable law.

16. **CONTRACTOR'S REPRESENTATIONS.** Contractor hereby represents to the Town that Contractor is financially solvent and possesses sufficient experience, licenses, authority, personnel, and working capital to complete the Services required.
17. **TOWN APPROVAL FOR ADDITIONAL WORK.** No payment, of any nature whatsoever, will be made to Contractor for additional work without the Town's written approval before such work begins.
18. **PERFORMANCE BY CONTRACTOR.** All Services provided by Contractor hereunder shall be performed in accordance with the highest professional standards and in accordance with Exhibit A, and Contractor shall be responsible for all Services provided hereunder whether such services are provided directly by Contractor or by any subcontractors hired by Contractor. Contractor shall perform all duties and Services and make all decisions called for hereunder promptly and without unreasonable delay. Contractor shall not utilize subcontractors to perform Services without the Town's prior written consent.
19. **DAMAGE.** In all instances where Town property and/or equipment is damaged by Contractor's employees, a full report of the facts, extent of the damage and estimated impact on Contractor's schedule shall be submitted to the Town by 8 a.m. of the following Town business day after the incident. If damage may result in further damages to the Town or loss of Town property, Contractor must notify Police Dispatch immediately. Contractor shall be fully liable for all damage to Town property or equipment caused by Contractor's officers, employees or agents.
20. **TOWN OBJECTION TO PERSONNEL.** If at any time after entering into this Contract, the Town has any reasonable objection to any of Contractor's personnel, or any personnel retained by Contractor, then Contractor shall promptly propose substitutes to whom the Town has no reasonable objection, and Contractor's compensation shall be equitably adjusted to reflect any difference in Contractor's costs occasioned by such substitution.
21. **COMPLIANCE WITH LAWS.** The contractor warrants and covenants to the Town that all Services will be performed in compliance with all applicable federal, state, county and Town laws, rules, and

regulations including, but not limited to, the Texas Industrial Safety and Health Act and the Workers Right-to-Know Law. All necessary precautions shall be taken to assure that safety regulations prescribed by OSHA and the Town's representative are followed.

22. **“ANTI-ISRAEL BOYCOTT” PROVISION.** In accordance with Chapter 2270, Texas Government Code, a Texas governmental entity may not enter into a contract with a company for the provision of goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. Chapter 2270 does not apply to a (1) a company that is a sole proprietorship; (2) a company that has fewer than ten (10) full-time employees; or (3) a contract that has a value of less than One Hundred Thousand Dollars (\$100,000.00). Unless the company is not subject to Chapter 2270 for the reasons stated herein, the signatory executing this Contract on behalf of Contractor verifies by its signature to this Contract that Contractor does not boycott Israel and will not boycott Israel during the term of this Contract.
23. **IRAN, SUDAN AND FOREIGN TERRORIST ORGANIZATIONS.** If § 2252.153 of the Texas Government Code is applicable to this Contract, by signing below Contractor does hereby represent, verify and warrant that (i) it does not engage in business with Iran, Sudan or any foreign terrorist organization and (ii) it is not listed by the Texas Comptroller under § 2252.153, Texas Government Code, as a company known to have contracts with or provide supplies or services to a “foreign terrorist organization” as defined in § 2252.151 of the Texas Government Code.
24. **PROHIBITION ON CONTRACTS WITH CERTAIN COMPANIES PROVISION.** In accordance with Section 2252.152 of the Texas Government Code, the Parties covenant and agree that Contractor is not on a list maintained by the State Comptroller's Office prepared and maintained pursuant to Section 2252.153 of the Texas Government Code.
25. **CONFLICT OF INTEREST.** Contractor agrees that it is aware of the prohibited interest requirement of the Town Charter, which is repeated in Exhibit D - Conflict of Interest Affidavit and incorporated herein as if written word for word, and will abide by the same. Further, a lawful representative of Contractor shall execute the Affidavit included in the exhibit. Contractor understands and agrees that the existence of a prohibited interest during the term of this Contract will render the Contract voidable.
- Contractor agrees that it is further aware of the vendor disclosure requirements set forth in Chapter 176, Local Government Code, as amended, and will abide by the same. In this connection, a lawful representative of Contractor shall execute the Conflict of Interest Questionnaire, Form CIQ, attached hereto as Exhibit E - Conflict of Interest Questionnaire and incorporated herein as if written word for word.
26. **NON-BINDING MEDIATION.** In the event of any disagreement or conflict concerning the interpretation of this Contract, and such disagreement cannot be resolved by the Town and Contractor, the Town and Contractor agree to submit such disagreement to non-binding mediation.
27. **ENTIRE CONTRACT.** This instrument, together with any exhibits attached hereto, contains the entire Contract between the Town and Contractor concerning the Services. There will be no understandings or contracts other than those incorporated herein. The Contract may not be modified except by an instrument in writing signed by the parties hereto. In the event of a conflict between an attachment to this Contract and this Contract, this Contract shall control.

28. **MAILING ADDRESSES.** All notices and communications concerning this Contract to be mailed or delivered to the Town shall be sent to the address of the Town as follow, unless and until Contractor is otherwise notified:

Town of Prosper  
 Attn: Jay Carter, Purchasing Manager  
 P.O. Box 307  
 Prosper, TX 75078  
 jcarter@prospertx.gov

All notices and communications under this Contract to be mailed or delivered to Contractor shall be sent to the address listed below until the Town is otherwise notified:

Universal Field Services  
 Attn: Colin DuBois, Project Manager  
 4101 McEwen Road, Suite 645  
 Dallas, TX 75244  
 cdubois@ufsrw.com

Any notices and communications required to be given in writing by one party or the other shall be considered as having been given to the addressee on the date in the notice or communication is placed in the United States Mail or hand-delivered.

29. **LEGAL CONSTRUCTION.** If any one or more of the provisions contained in the Contract for any reason is held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof and this Contract shall be construed as if such invalid, illegal or unenforceable provision had never been included.
30. **GOVERNING LAW.** The validity of this Contract and any of its terms or provisions as well as the rights and duties hereunder, shall be governed by and construed in accordance with Texas law. Venue for this Contract shall be located in Collin County, Texas.
31. **COUNTERPARTS.** The Contract may be signed in counterparts, each of which shall be deemed to be an original.
32. **EFFECTIVE DATE.** This Contract shall be effective once it is signed by the Town and Contractor.

**AGREED TO BY:**

**UNIVERSAL FIELD SERVICES**

By:   
Douglas R. Benson  
Executive Vice President

Date: 3-5-2024

**TOWN OF PROSPER, TEXAS**

By: \_\_\_\_\_  
Mario Canizares  
Town Manager

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

**EXHIBIT A  
SCOPE OF SERVICES**

**CONTRACT FOR PERSONAL SERVICES  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND UNIVERSAL FIELD SERVICES  
FOR THE FM 1461 12-inch WATER LINE RELOCATION PROJECT (2114-WA)**

**I. PROJECT DESCRIPTION**

TxDOT currently has FM 1461 (Frontier) under design to become a six-lane divided roadway instead of the two-lane asphalt roadway it currently is. As part of the project, the Town needs to relocate an existing 12-inch water line that is currently in a dedicated easement that will be within TxDOT right-of-way and under the roadway paving in some sections. To relocate the existing waterline requires the acquisition of a dedicated water easement and/or temporary construction easement where there will not be adequate room for the line to remain in the TxDOT right-of-way or we cannot utilize our existing easement.

**II. TASK SUMMARY**

Task 1 – Acquisitions. Provide Acquisition Services necessary for the acquisition of permanent and temporary easements for eighteen (18) referenced properties for the project.

The Parcels are as follows:

| Parcel # | Listed Owner  | Property Type               |
|----------|---|-----------------------------|
| 1        | Remington Preston LLC                               | Vacant - Commercial         |
| 2-A      | Meritage Homes of Texas LLC/Frontier Estates, Ph. 2 | Subdivision land            |
| 2-B      | Meritage Homes of Texas LLC/Frontier Estates, Ph. 3 | Subdivision land            |
| 3-A      | 3 A&B Christian Chapel Assembly of God              | Vacant                      |
| 3-B      | 4 A&B Christian Chapel Assembly of God              | Church                      |
| 4        | White R L Living Trust (TCE)                        | Residential/Agricultural    |
| 5        | Jianming HE & Cynthia Zheng (TCE)                   | Residential - large acreage |
| 6        | DA Hood Trust (TCE)                                 | Residential - large acreage |
| 7        | Scott M & Christy Jo Zuehl (TCE)                    | Residential                 |
| 8        | Twin Creeks Prosper LLC.                            | Subdivision land            |
| 9        | Arshad Niaz   | Residential                 |
| 10-A     | OM Frontier Estates LLC                             | Subdivision land            |
| 10-B     | OM Frontier Estates LLC                             | Subdivision land            |
| 11       | Amberwood Farms Homeowners Assn Inc (TCE)           | Subdivision land            |
| 12       | Rodney W & Charla Dunn                              | Residential                 |
| 13       | Luis C & Claudia Nava                               | Residential                 |
| 14       | Phillip Johnson                                     | Residential                 |
| 15       | Kamboji Abhimanyu (TCE)                             | Residential                 |
| 16       | QSI Partners LLC (TCE)                              | Residential                 |
| 17       | Nancy Cashon (TCE)                                  | Residential                 |
| 18       | Prosper Storage LP (TCE)                            | Self Storage                |

**EXHIBIT B  
COMPENSATION SCHEDULE**

**CONTRACT FOR PERSONAL SERVICES  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND UNIVERSAL FIELD SERVICES  
FOR THE FM 1461 12-inch WATER LINE RELOCATION PROJECT (2114-WA)**

**I. COMPENSATION SCHEDULE**

| Task                          | Completion Schedule | Compensation Schedule |
|-------------------------------|---------------------|-----------------------|
| Notice-to-Proceed             | March 2024          |                       |
| Task 1 – Acquisition Services | June 2024           | \$72,000              |
| <b>Total Compensation</b>     |                     | <b>\$72,000</b>       |

**II. COMPENSATION SUMMARY**

| Basic Services (Lump Sum)    | Amount           |
|------------------------------|------------------|
| Parcel No. 1                 | \$8,000          |
| Parcel No. 2A & 2B           | \$12,000         |
| Parcel No. 3A & 3B           | \$10,000         |
| Parcel No. 4                 | \$10,000         |
| Parcel No. 5                 | \$10,000         |
| Parcel No. 6                 | \$10,000         |
| Parcel No. 7                 | \$10,000         |
| Parcel No. 8                 | \$10,000         |
| Parcel No. 9                 | \$8,000          |
| Parcel No. 10A & 10B         | \$12,000         |
| Parcel No. 11                | \$8,000          |
| Parcel No. 12                | \$8,000          |
| Parcel No. 13                | \$8,000          |
| Parcel No. 14                | \$8,000          |
| Parcel No. 15                | \$8,000          |
| Parcel No. 16                | \$8,000          |
| Parcel No. 17                | \$8,000          |
| Parcel No. 18                | \$10,000         |
| <b>Total Basic Services:</b> | <b>\$166,000</b> |

| <b>Special Services (Hourly Not-to-Exceed)</b> | <b>Amount</b> |
|--|---------------|
| None   | \$0           |
| <b>Total Special Services:</b>                 | <b>\$0</b>    |

| <b>Direct Expenses</b>        | <b>Amount</b> |
|-------------------------------|---------------|
| None                          | \$0           |
| <b>Total Direct Expenses:</b> | <b>\$0</b>    |

## EXHIBIT C INSURANCE REQUIREMENTS

Service provider shall procure and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the vendor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be borne by the service provider. A certificate of insurance meeting all requirements and provisions outlined herein shall be provided to the Town prior to any services being performed or rendered. Renewal certificates shall also be supplied upon expiration.

### A. MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. ISO Form Number GL 00 01 (or similar form) covering Commercial General Liability. "Occurrence" form only, "claims made" forms are unacceptable, except for professional liability.
2. Workers Compensation insurance as required by the Labor Code of the State of Texas, including Employers' Liability Insurance.
3. Automobile Liability as required by the State of Texas, covering all owned, hired, or non-owned vehicles. Automobile Liability is only required if vehicle(s) will be used under this contract.
4. Professional Liability, also known as Errors and Omissions coverage.

### B. MINIMUM LIMITS OF INSURANCE

Service Provider shall maintain throughout contract limits not less than:

1. Commercial General Liability: \$500,000 per occurrence /\$1,000,000 in the aggregate for third party bodily injury, personal injury and property damage. Policy will include coverage for:
  - a. Premises / Operations
  - b. Broad Form Contractual Liability
  - c. Products and Completed Operations
  - d. Personal Injury
  - e. Broad Form Property Damage
2. Workers Compensation and Employer's Liability: Workers Compensation limits as required by the Labor Code of the State of Texas and Statutory Employer's Liability minimum limits of \$100,000 each accident, \$300,000 Disease- Policy Limit, and \$100,000 Disease- Each Employee.
3. Automobile Liability: \$500,000 Combined Single Limit. Limits can only be reduced if approved by the Town. Automobile liability shall apply to all owned, hired, and non-owned autos.
4. Professional Liability aka Errors and Omissions: \$500,000 per occurrence and in the aggregate.

### C. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductible or self-insured retentions in excess of \$10,000 must be declared to and approved by the Town.

**D. OTHER INSURANCE PROVISIONS**

The policies are to contain, or be endorsed to contain the following provisions:

1. General Liability and Automobile Liability Coverages

- a. The Town, its officers, officials, employees, boards and commissions and volunteers are to be added as "Additional Insured's" relative to liability arising out of activities performed by or on behalf of the provider, products and completed operations of the provider, premises owned, occupied or used by the provider. The coverage shall contain no special limitations on the scope of protection afforded to the Town, its officers, officials, employees or volunteers.
- b. The provider's insurance coverage shall be primary insurance in respects to the Town, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the Town, its officers, officials, employees or volunteers shall be in excess of the provider's insurance and shall not contribute with it.
- c. Any failure to comply with reporting provisions of the policy shall not affect coverage provided to the Town, its officers, officials, employees, boards and commissions or volunteers.
- d. The provider's insurance shall apply separately to each insured against whom the claim is made or suit is brought, except to the insured's limits of liability.

2. Workers Compensation and Employer's Liability Coverage:

The insurer shall agree to waive all rights of subrogation against the Town, its officers, officials, employees and volunteers for losses arising from work performed by the provider for the Town.

3. All Coverages:

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be suspended, voided, canceled or non-renewed by either party, reduced in coverage or in limits except after 30 days written notice to the Town for all occurrences, except 10 days written notice to the Town for non-payment.

4. Professional Liability and / or Errors and Omissions:

"Claims made" policy is acceptable coverage, which must be maintained during the course of the project, and up to two (2) years after completion and acceptance of the project by the Town.

**E. ACCEPTABILITY OF INSURERS**

The Town prefers that Insurance be placed with insurers with an A.M. Best's rating of no less than A- VI, or better.

**F. VERIFICATION OF COVERAGE**

Service Provider shall provide the Town with certificates of insurance indicating the coverages required. The certificates are to be signed by a person authorized by that insurer to bind coverage on its behalf. Certificates of insurance similar to the ACORD Form are acceptable. Town will not accept Memorandums of Insurance or Binders as proof of insurance. The Town reserves the right to require complete, certified copies of all required insurance policies at any time.

Certificate holder to be listed as follows:

Town of Prosper  
P.O. Box 307  
Prosper, TX 75078

EXHIBIT D  
CONFLICT OF INTEREST AFFIDAVIT

CONTRACT FOR PERSONAL SERVICES  
BETWEEN THE TOWN OF PROSPER, TEXAS, AND UNIVERSAL FIELD SERVICES  
FOR THE FM 1461 12-inch WATER LINE RELOCATION PROJECT (2114-WA)

THE STATE OF TEXAS                    §  
   §  
COUNTY OF Collin                    §

I, Douglas R. Benson, a member of the Consultant team, make this affidavit and hereby on oath state the following:

I, and/or a person or persons related to me, have the following interest in a business entity that would be affected by the work or decision on the Project (Check all that apply):

- Ownership of 10% or more of the voting shares of the business entity.
- Ownership of \$25,000.00 or more of the fair market value of the business entity.
- Funds received from the business entity exceed 10% of my income for the previous year.
- Real property is involved, and I have an equitable or legal ownership with a fair market value of at least \$25,000.00.
- A relative of mine has substantial interest in the business entity or property that would be affected by my decision of the public body of which I am a member.
- Other: \_\_\_\_\_.
- None of the Above.

Upon filing this affidavit with the Town of Prosper, Texas, I further affirm that no relative of mine, in the first degree by consanguinity or affinity, as defined in Chapter 573 of the Texas Government Code, is a member of the public body which took action on the agreement.

Signed this 5 day of March, 2024.

Douglas R. Benson  
Signature of Official / Title

BEFORE ME, the undersigned authority, this day personally appeared Douglas R. Benson and on oath stated that the facts hereinabove stated are true to the best of his / her knowledge or belief.

Sworn to and subscribed before me on this 5 day of March, 2024.

Carolyn Jones  
Notary Public in and for the State of Texas  
My Commission expires: 22003969



EXHIBIT E  
CONFLICT OF INTEREST QUESTIONNAIRE

| <b>CONFLICT OF INTEREST QUESTIONNAIRE</b>   |                      | <b>FORM CIQ</b> |
|---|----------------------|-----------------|
| For vendor doing business with local governmental entity  |                      | OFFICE USE ONLY |
| <p>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>   | <p>Date Received</p> |                 |
| <p><b>1</b> Name of vendor who has a business relationship with local governmental entity.</p> <p style="text-align: center; font-size: 1.2em;">Universal Field Services, Inc.</p>  |                      |                 |
| <p><b>2</b> <input type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)</p>   |                      |                 |
| <p><b>3</b> Name of local government officer about whom the information is being disclosed.</p> <p style="text-align: center; font-size: 1.2em;">N/A</p> <p style="text-align: center; font-size: 0.8em;">Name of Officer</p>   |                      |                 |
| <p><b>4</b> Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</p> <p style="text-align: center; font-size: 1.2em;">N/A</p> <p>A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p style="text-align: center;"> <input type="checkbox"/> Yes      <input type="checkbox"/> No         </p> <p>B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p style="text-align: center;"> <input type="checkbox"/> Yes      <input type="checkbox"/> No         </p> |                      |                 |
| <p><b>5</b> Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.</p> <p style="text-align: center; font-size: 1.2em;">N/A</p>   |                      |                 |
| <p><b>6</b> <input type="checkbox"/> Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).</p>   |                      |                 |
| <p><b>7</b></p> <div style="display: flex; justify-content: space-between;"> <div style="text-align: center;"> <p style="font-size: 0.8em;">Signature of vendor doing business with the governmental entity</p> </div> <div style="text-align: center;"> <p style="font-size: 1.2em; margin: 0;">March 5, 2024</p> <p style="font-size: 0.8em; margin: 0;">Date</p> </div> </div>   |                      |                 |



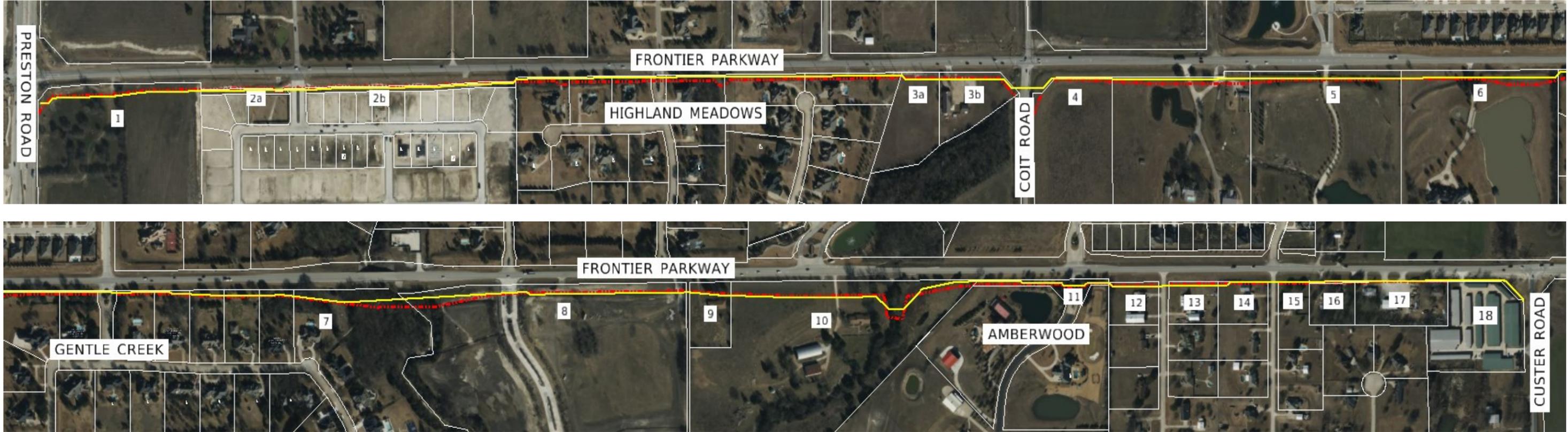
# FM 1461 Water Line Easement Acquisition

## Overall Location Map

TxDOT PROPOSED ROW LINE -----

PROPOSED WATERLINE ALIGNMENT -----

\* TEMPORARY CONSTRUCTION EASEMENT ONLY



| PARCEL # | OWNER   | PARCEL # | OWNER                               | PARCEL # | OWNER              |
|----------|---|----------|-------------------------------------|----------|--------------------|
| 1        | REMINGTON PRESTON LLC                                 | 7*       | ZUEHL SCOTT M & CHRISTY JO ZUEHL    | 15*      | KAMBOJI ABHIMANYU  |
| 2a       | MERITAGE HOMES OF TEXAS LLC/ FRONTIER ESTATES PHASE 2 | 8        | TWIN CREELS PROSPER LLC             | 16*      | QSI PARTNERS LLC   |
| 2b       | MERITAGE HOMES OF TEXAS LLC/ FRONTIER ESTATES PHASE 2 | 9        | NIAZ ARSHAD                         | 17*      | CASHON NANCY       |
| 3a       | CHRISTIAN CHAPEL ASSEMBLY OF GOD                      | 10       | OM FRONTIER ESTATES LLC             | 18*      | PROPSER STORAGE LP |
| 3b       | CHRISTIAN CHAPEL ASSEMBLY OF GOD                      | 11*      | AMBERWOOD FARMS HOMEOWNERS ASSN INC |          |                    |
| 4*       | WHITE R L LIVING TRUST                                | 12       | DUNN RODNEY W & CHARLA              |          |                    |
| 5*       | HE JIANMING   | 13       | NAVA LUIS C & CLAUDIA               |          |                    |
| 6*       | DA HOOD TRUST   | 14       | JOHNSON PHILLIP                     |          |                    |



## ENGINEERING SERVICES

**To:** Mayor and Town Council

**From:** Hulon T. Webb, Jr., P.E., Director of Engineering Services

**Through:** Mario Canizares, Town Manager  
Chuck Ewings, Assistant Town Manager

**Re:** First Amendment - Roadway Impact Fee Agreement  
(DNT Frontier Retail Center)

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 1. Acceleration of Infrastructure**

**Agenda Item:**

Consider and act upon authorizing the Town Manager to execute the First Amendment to the Roadway Impact Fee Agreement between DNT Frontier, LP, and the Town of Prosper, Texas, related to the construction of the DNT Backer Road to serve the DNT Frontier Retail Center development.

**Description of Agenda Item:**

At the October 10, 2023, Town Council meeting, the Town Council approved a Roadway Impact Fee Agreement with DNT Frontier, LP, the developer that is developing the DNT Frontier Retail Center south of Frontier Parkway and east of the Dallas North Tollway. In order to facilitate the development, they have agreed to construct the DNT Backer Road adjacent to their development from Frontier Parkway to the southern property line of the development.

The original Roadway Impact Fee Agreement mistakenly did not include the standard provision that in the event that full credits and reimbursements have not been made to DNT Frontier, LP, by the Town after the expiration of ten (10) years from the date of the Town's acceptance of the roadway, the Town will reimburse DNT Frontier, LP, any shortfall. The proposed amendment to the Roadway Impact Fee Agreement adds the standard provision to the agreement.

**Budget Impact:**

The total estimated cost for the design and construction of the DNT Backer Road is \$2,152,156.50. The current anticipated roadway impact fees owed by the DNT Frontier Retail Center development as well as the adjacent property to the east also included in the area of reimbursement is \$2,579,931.60.

**Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has reviewed the agreement as to form and legality.

**Attached Documents:**

1. Town of Prosper Thoroughfare Plan
2. First Amendment Roadway Impact Fee Agreement

**Town Staff Recommendation:**

Town staff recommends that the Town Council authorize the Town Manager to execute the First Amendment to the Roadway Impact Fee Agreement between DNT Frontier, LP, and the Town of Prosper, Texas, related to the construction of the DNT Backer Road to serve the DNT Frontier Retail Center development.

**Proposed Motion:**

I move to authorize the Town Manager to execute the First Amendment to the Roadway Impact Fee Agreement between DNT Frontier, LP, and the Town of Prosper, Texas, related to the construction of the DNT Backer Road to serve the DNT Frontier Retail Center development.

Town of Prosper Thoroughfare Plan  
(DNT Frontier Retail Center)



**FIRST AMENDMENT TO ROADWAY IMPACT FEE AGREEMENT**  
**(DNT FRONTIER RETAIL CENTER)**

**THIS FIRST AMENDMENT TO ROADWAY IMPACT FEE AGREEMENT** (“Agreement”) is made and entered into this 29<sup>th</sup> day of February, 2024, by and between the **TOWN OF PROSPER, TEXAS** (“Prosper” or the “Town”), and **DNT FRONTIER, LP**, a Texas limited partnership (“Developer”), collectively referred to as the “Parties.”

**WITNESSETH:**

**WHEREAS**, the Parties entered into a Roadway Impact Fee Agreement for the Frontier Retail Center on or about October 10, 2023 (“the Original Agreement”); and

**WHEREAS**, the Parties wish to clarify certain provisions of the Original Agreement, as referenced herein; and

**WHEREAS**, all remaining provisions of the Original Agreement shall remain in full force and effect, except to the extent referenced herein.

**NOW, THEREFORE**, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Town and Developer covenant and agree as follows:

**1. Amendment to Paragraph 4 of the Original Agreement.** Paragraph 4 of the Original Agreement is hereby amended in its entirety to read as follows:

**4. Reimbursements from Roadway Impact Fees.**

(a) Any reimbursement to Developer contemplated by this Agreement from someone other than the Developer, who shall receive credit of roadway impact fees as stated in Paragraph 3, shall come only from Roadway Impact Fees collected by the Town from eligible development expenses as described in this Agreement within FRC in the service area to be served by the Roadway Improvements as shown on **Exhibit C**, attached hereto. The Town will use its reasonable efforts to pay the Developer any reimbursement quarterly and as applicable, on January 15, April 15, July 15, and October 15 of each year beginning the first quarterly date after the Town accepts the Roadway Improvements. The reimbursement of roadway impact fees for the Roadway Improvements shall cease when the amount of credits and reimbursement equals the total sum of the construction costs as defined above. Attached hereto and incorporated by reference is **Exhibit D**, which exhibit reflects the current Estimated Construction Costs and anticipated roadway impact fees to be collected by Town and reimbursed to the Developer by the Town.

(b) Developer and Town acknowledge and agree that: (i) the Roadway Impact Fees credited and reimbursed may be less than the Roadway Improvement Costs to which Developer is entitled and Town does not guarantee the amount of Roadway Impact Fees that will be credited and reimbursed; (ii) after a period of ten (10) years, any shortfall between the Roadway Impact Fees credited and reimbursed and the Roadway Improvement Costs shall be paid to Developer from Town; and (iii) Roadway Impact Fees owed on the Property shall be paid in accordance with the Impact Fee Ordinance.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]**

**IN WITNESS WHEREOF**, the Parties hereto have caused this document to be executed as of the Effective Date.

**THE TOWN OF PROSPER, TEXAS**

By: \_\_\_\_\_  
Name: Mario Canizares  
Title: Town Manager

**STATE OF TEXAS**            )  
  )  
**COUNTY OF COLLIN**        )

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2024, by Mario Canizares, Town Manager for the Town of Prosper, Texas, on behalf of the Town of Prosper, Texas.

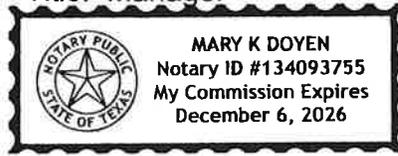
\_\_\_\_\_  
Notary Public, State of Texas  
My commission expires: \_\_\_\_\_

**DNT FRONTIER, LP,**  
a Texas limited partnership

By: DNT Frontier GP, LLC,  
A Texas limited liability company  
Its general partner

By:   
Printed Name: David Fogel  
Title: Manager

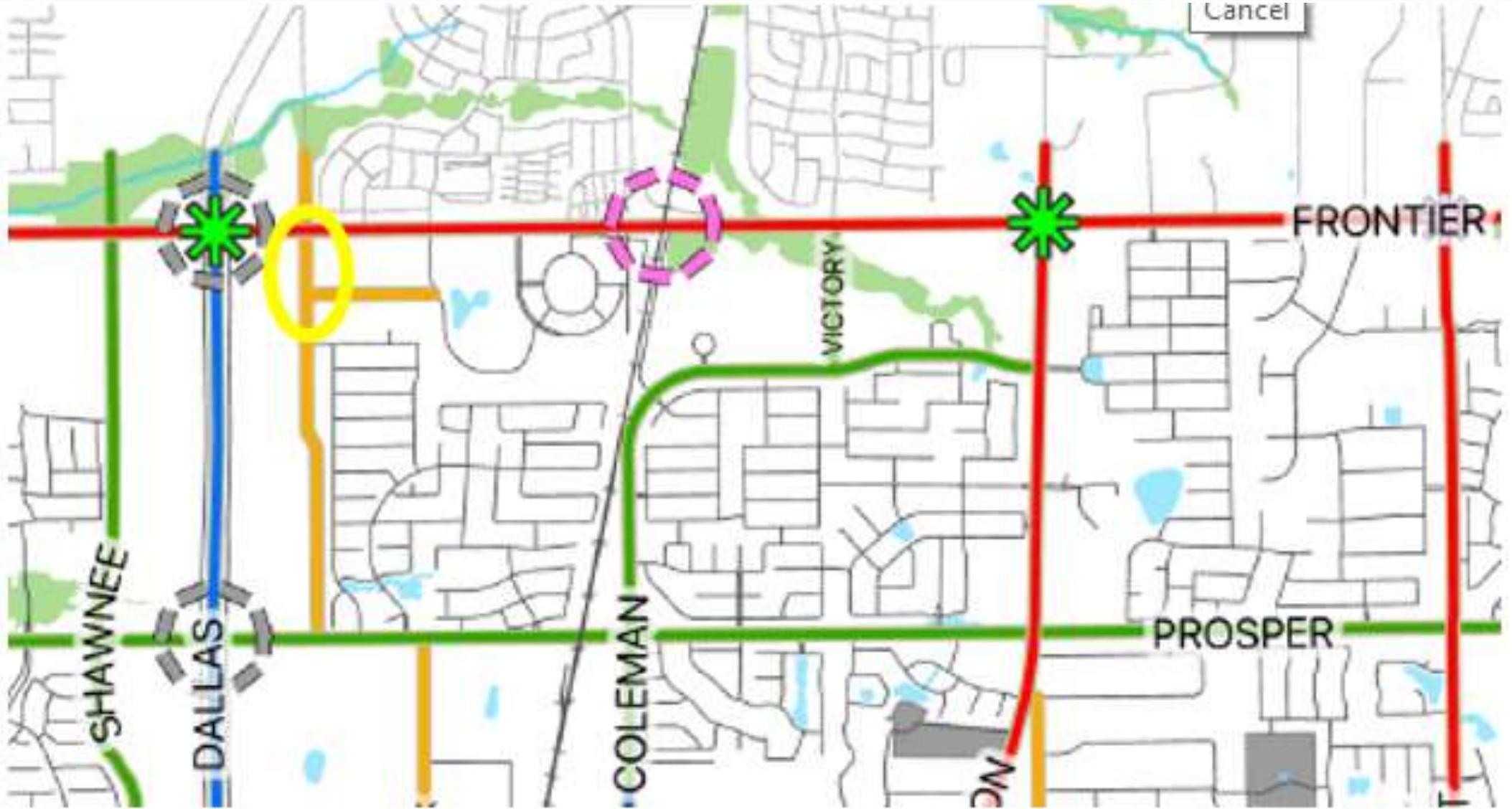
STATE OF TEXAS           )  
  )  
COUNTY OF DALLAS       )



Before me, the undersigned authority, a notary public in and for the State of Texas, on this day personally appeared David Fogel, Manager of DNT Frontier GP, LLC, the general partner of DNT Frontier, LP, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration expressed, and in the capacity therein stated, on behalf of such entity.

Given under my hand and seal of office this 29<sup>th</sup> day of February, 2024.

  
Notary public in and for the State of Texas  
My commission expires: 12/6/26





## ENGINEERING SERVICES

**To:** Mayor and Town Council

**From:** Hulon T. Webb, Jr., P.E., Director of Engineering Services

**Through:** Mario Canizares, Town Manager  
Chuck Ewings, Assistant Town Manager

**Re:** First Amendment – Water Impact Fee Agreement  
(DNT Frontier Retail Center)

Town Council Meeting – March 12, 2024

**Strategic Visioning Priority: 1. Acceleration of Infrastructure**

### **Agenda Item:**

Consider and act upon authorizing the Town Manager to execute the First Amendment to the Water Impact Fee Agreement between DNT Frontier, LP, and the Town of Prosper, Texas, related to the construction of a water line to serve the DNT Frontier Retail Center development.

### **Description of Agenda Item:**

At the November 14, 2023, Town Council meeting, the Town Council approved a Water Impact Fee Agreement with DNT Frontier, LP, the developer that is developing the DNT Frontier Retail Center south of Frontier Parkway and east of the Dallas North Tollway. In order to facilitate the development, they agreed to construct a 12" water line from the Dallas North Tollway across their property, connecting to an existing water line in Frontier Park.

The original Water Impact Fee Agreement mistakenly did not include the standard provision that in the event that full credits and reimbursements have not been made to DNT Frontier, LP, by the Town after the expiration of ten (10) years from the date of the Town's acceptance of the water line, the Town will reimburse DNT Frontier, LP, any shortfall. The proposed amendment to the Water Impact Fee Agreement adds the standard provision to the agreement.

### **Budget Impact:**

The estimated cost for the design and construction of the extension of approximately 2,562 feet of a 12" water line is \$343,542. The current anticipated water impact fees owed by the DNT Frontier Retail Center development as well as the adjacent property to the east also included in the area of reimbursement is \$309,476.

### **Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has reviewed the agreement as to form and legality.

**Attached Documents:**

1. Town of Prosper Water System Capital Improvement Plan
2. First Amendment Water Impact Fee Agreement

**Town Staff Recommendation:**

Town staff recommends that the Town Council authorize the Town Manager to execute the First Amendment to the Water Impact Fee Agreement between DNT Frontier, LP, and the Town of Prosper, Texas, related to the construction of a water line to serve the DNT Frontier Retail Center development.

**Proposed Motion:**

I move to authorize the Town Manager to execute the First Amendment to the Water Impact Fee Agreement between DNT Frontier, LP, and the Town of Prosper, Texas, related to the construction of a water line to serve the DNT Frontier Retail Center development.



**FIRST AMENDMENT TO WATER IMPACT FEE AGREEMENT**  
**(DNT FRONTIER RETAIL CENTER)**

**THIS FIRST AMENDMENT TO WATER IMPACT FEE AGREEMENT** (“Agreement”) is made and entered into this 29<sup>th</sup> day of February, 2024, by and between the **TOWN OF PROSPER, TEXAS** (“Prosper” or the “Town”), and **DNT FRONTIER, LP**, a Texas limited partnership (“Developer”), collectively referred to as the “Parties.”

**WITNESSETH:**

**WHEREAS**, the Parties entered into a Water Impact Fee Agreement for the Frontier Retail Center on or about November 14, 2023 (“the Original Agreement”); and

**WHEREAS**, the Parties wish to clarify certain provisions of the Original Agreement, as referenced herein; and

**WHEREAS**, all remaining provisions of the Original Agreement shall remain in full force and effect, except to the extent referenced herein.

**NOW, THEREFORE**, in consideration of the foregoing premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Town and Developer covenant and agree as follows:

1. **Amendment to Paragraph 4 of the Original Agreement.** Paragraph 4 of the Original Agreement is hereby amended in its entirety to read as follows:

4. **Reimbursements from Water Impact Fees.**

(a) Any reimbursement to Developer contemplated by this Agreement from someone other than the Developer, who shall receive credit of water impact fees as stated in Paragraph 3, shall come only from Water Impact Fees collected by the Town from eligible development expenses as described in this Agreement within FRC in the service area to be served by the Water Improvements as shown on **Exhibit C**, attached hereto. The Town will use its reasonable efforts to pay the Developer any reimbursement quarterly and as applicable, on January 15, April 15, July 15, and October 15 of each year beginning the first quarterly date after the Town accepts the Water Improvements. The reimbursement of water impact fees for the Water Improvements shall cease when the amount of credits and reimbursement equals the total sum of the construction costs as defined above. Attached hereto and incorporated by reference is **Exhibit D**, which exhibit reflects the current Estimated Construction Costs and anticipated water impact fees to be collected by Town and reimbursed to the Developer by the Town.

(b) Developer and Town acknowledge and agree that: (i) the Water Impact Fees credited and reimbursed may be less than the Water Improvement Costs to which Developer is entitled and Town does not guarantee the amount of Water Impact Fees that will be credited and reimbursed; (ii) after a period of ten (10) years, any shortfall between the Water Impact Fees credited and reimbursed and the Water Improvement Costs shall be paid to Developer from Town; and (iii) Water Impact Fees owed on the Property shall be paid in accordance with the Impact Fee Ordinance.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]**

**IN WITNESS WHEREOF**, the Parties hereto have caused this document to be executed as of the Effective Date.

**THE TOWN OF PROSPER, TEXAS**

By: \_\_\_\_\_  
Name: Mario Canizares  
Title: Town Manager

**STATE OF TEXAS**            )  
  )  
**COUNTY OF COLLIN**        )

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2024, by Mario Canizares, Town Manager for the Town of Prosper, Texas, on behalf of the Town of Prosper, Texas.

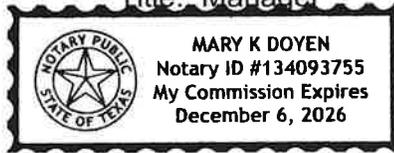
\_\_\_\_\_  
Notary Public, State of Texas  
My commission expires: \_\_\_\_\_

**DNT FRONTIER, LP,**  
a Texas limited partnership

By: DNT Frontier GP, LLC,  
A Texas limited liability company  
Its general partner

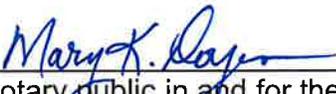
By:   
Printed Name: David Fogel  
Title: Manager

**STATE OF TEXAS** )  
 )  
**COUNTY OF DALLAS** )



Before me, the undersigned authority, a notary public in and for the State of Texas, on this day personally appeared David Fogel, Manager of DNT Frontier GP, LLC, the general partner of DNT Frontier, LP, known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he executed the same for the purpose and consideration expressed, and in the capacity therein stated, on behalf of such entity.

Given under my hand and seal of office this 29<sup>th</sup> day of February, 2024.

  
Notary public in and for the State of Texas  
My commission expires: 12/6/26



## ENGINEERING SERVICES

**To: Mayor and Town Council**

**From: Hulon T. Webb, Jr., P.E., Director of Engineering Services**

**Through: Mario Canizares, Town Manager  
Chuck Ewings, Assistant Town Manager**

**Re: Appoint Capital Improvements Advisory Committee**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 4. Provide Excellent Municipal Services**

**Agenda Item:**

Consider and act upon the appointment of members to the Capital Improvements Advisory Committee, relative to the update of the Town's impact fee ordinance, as required by Chapter 395 of the Texas Local Government Code.

**Description of Agenda Item:**

On February 14, 2023, the Town Council approved a professional services agreement with Freese & Nichols, Inc., regarding the update of the Town's water, wastewater, and roadway impact fees. Chapter 395 of the Texas Local Government Code requires that the Town Council appoint a Capital Improvements Advisory Committee (CIAC) to serve in an advisory capacity to the Council. The CIAC will meet with Town staff and Freese & Nichols throughout the impact fee update process and will advise the Town Council on the land use assumptions, capital improvement plans, and impact fee rates.

Chapter 395 provides for two membership options for the CIAC. The first option is an ad-hoc committee of at least five members where not less than 40% of the membership consists of representatives of the real estate, development, or building industries and at least one representative from the Town's ETJ. The second option is an ad-hoc committee consisting of the Planning & Zoning Commission, where at least one member is a representative of the real estate, development, or building industries, and an additional representative from the Town's ETJ.

Staff recommends that Town Council utilize the second option and appoint the Planning & Zoning Commission plus one additional ETJ representative to the Capital Improvement Advisory Committee:

Planning & Zoning Commission

- Glen Blanscet
- Josh Carson
- Brandon Daniel
- John Hamilton
- Sekou Harris
- Damon Jackson

- Cameron Reeves

ETJ Representative

- Tanner Andregg – lives in Artesia and works for Pogue Construction

**Budget Impact:**

There is no budgetary impact affiliated with this item.

**Legal Obligations and Review:**

The Town Council is required to appoint a Capital Improvements Advisory Committee in compliance with Chapter 395 of the Texas Local Government Code.

**Town Staff Recommendation:**

Town staff recommends that the Town Council appoint members to the Capital Improvement Advisory Committee, relative to the update of the Town's impact fee ordinance, as required by Chapter 395 of the Texas Local Government Code.

**Proposed Motion:**

I move to appoint the following members to the Capital Improvement Advisory Committee:

From the Planning & Zoning Commission

- Glen Blanscet
- Josh Carson
- Brandon Daniel
- John Hamilton
- Sekou Harris
- Damon Jackson
- Cameron Reeves

From the ETJ

- Tanner Andregg



## PLANNING

**To: Mayor and Town Council**

**From: David Hoover, AICP, Director of Development Services**

**Through: Mario Canizares, Town Manager  
Chuck Ewings, Assistant Town Manager**

**Re: Amend Planned Development-111 Regarding the Number of Contiguous Units that Constitute a Row of Townhomes**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 3. Commercial Corridors are ready for Development**

**Agenda Item:**

Conduct a public hearing and consider and act upon a request to amend the number of contiguous units that constitute a row of Townhomes in Planned Development-111 (PD-111), Ordinance No. 2021-52, located north of US 380 (University Drive) and west of Lakewood Drive. (ZONE-24-0003)

**Future Land Use Plan:**

The Future Land Use Plan recommends US 380 Highway District and Medium Density Residential.

**Zoning:**

The property is zoned Planned Development-111 (Single Family/Mixed Use).

**Thoroughfare Plan:**

This property has direct access to Lakewood Drive and the future extension of Richland Boulevard.

**Parks Master Plan:**

The Parks Master Plan does not indicate a park is needed on the subject property.

**Legal Obligations and Review:**

Notification was provided as required by the Zoning Ordinance and state law. Staff received one phone call from a citizen with questions about the item. No emails or letters have been received from the public in either support or opposition to this request to date.

**Attached Documents:**

1. Aerial & Zoning Maps
2. Exhibit A – Preliminary Plat (D22-0003) Staff Report & Meeting Minutes

**Description of Agenda Item:**

Staff proposes a text amendment to the Townhome component of Planned Development-111. Currently, the Planned Development standards state that the maximum number of Townhome units in a row is seven (7) and is silent regarding the minimum number of attached units. When a Planned Development does not specifically address a standard, the Zoning Ordinance requirements are applied. In this case, the Zoning Ordinance states that the minimum number of units in a Townhome is three (3).

**Zoning Ordinance, Chapter 3, Section 2 (Definitions)**

Townhome (Single Family Dwelling, Attached) means a structure located on a lot with fee simple ownership and containing three to eight dwelling units with each unit designed for occupancy by one family and each unit attached to another by a common wall.

On March 1, 2022, the developer requested Planning & Zoning Commission consideration to approve a Preliminary Plat (D22-0003) for a 154-lot Townhome subdivision called The Dominion at Brookhollow. The lots were designed to accommodate two (2) attached units. The Staff Report for this project states, "townhome units in this development consist of two (2) attached units per building." The preliminary plat was approved on the Consent Agenda by a vote of 6-0.

Staff recommends the following modification to the language in the Planned Development so that it aligns with the intent of the development and the approved Preliminary Plat.

**Current:**

Maximum Adjoined Units: Buildings shall be a maximum of seven (7) connected residential units with a minimum of fourteen feet (14') of separation between buildings.

**Proposed:**

Minimum and Maximum Adjoined Units: Buildings shall be two (2) to seven (7) connected residential units with a minimum of fourteen feet (14') of separation between buildings.

**Planning & Zoning Recommendation:**

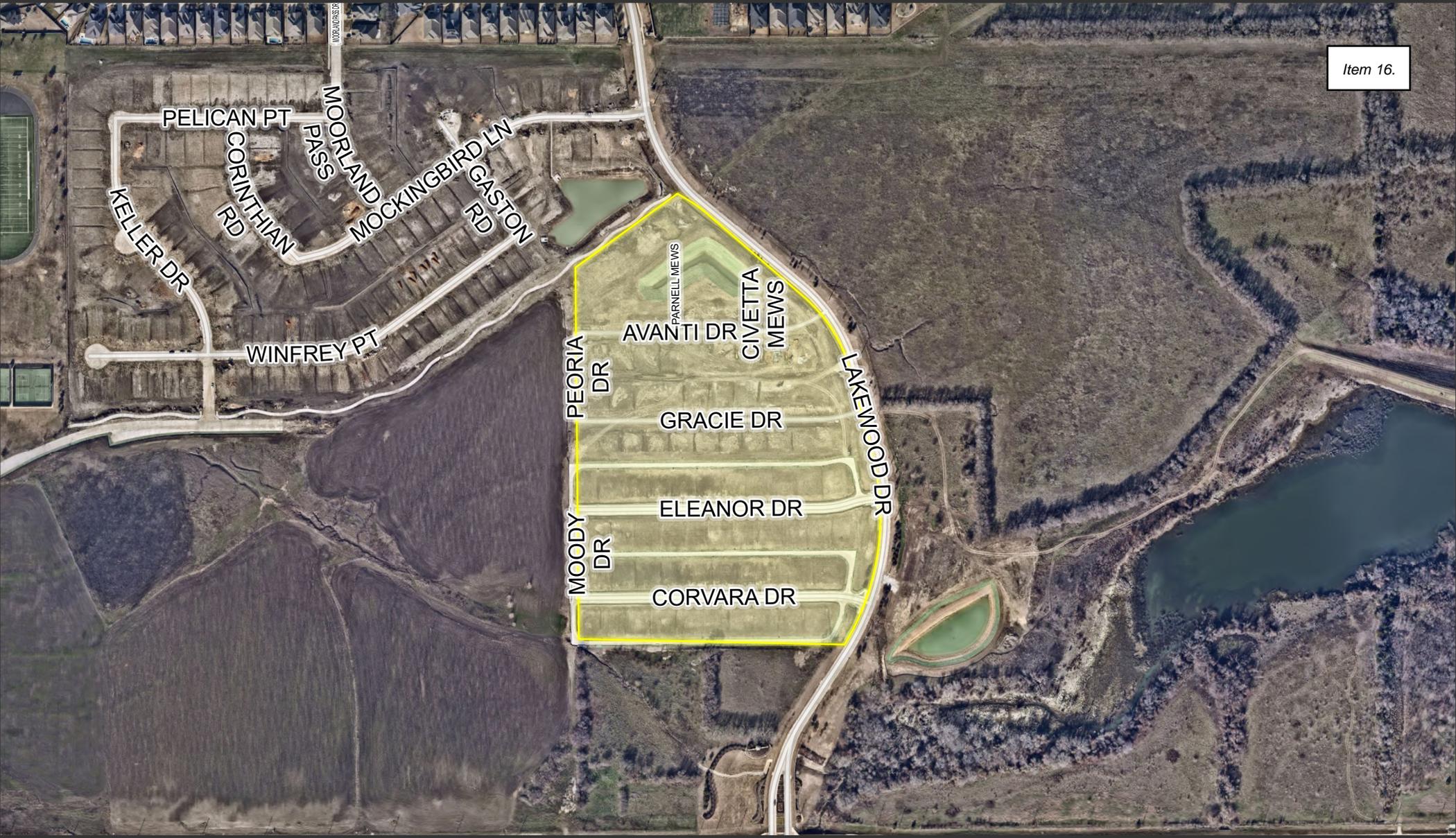
The Planning & Zoning Commission unanimously recommended approval of this item by a vote of 7-0 at their meeting on March 5, 2024

**Town Staff Recommendation:**

Town Staff recommended approval of the request to amend the number of contiguous units that constitute a row of Townhomes in Planned Development-111 (PD-111), Ordinance No. 2021-52, located north of US 380 (University Drive) and west of Lakewood Drive.

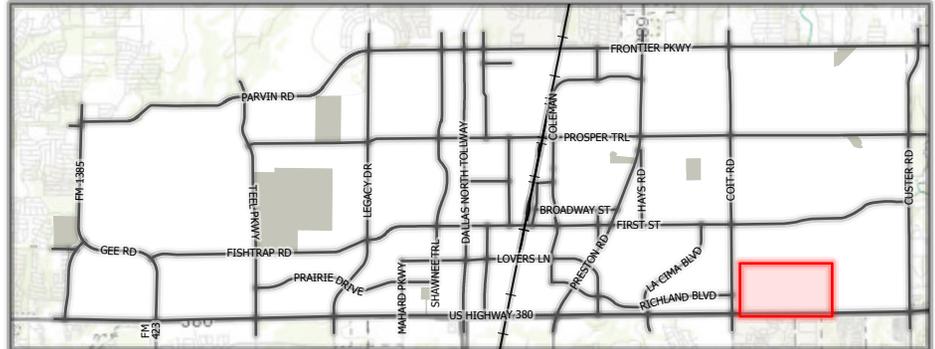
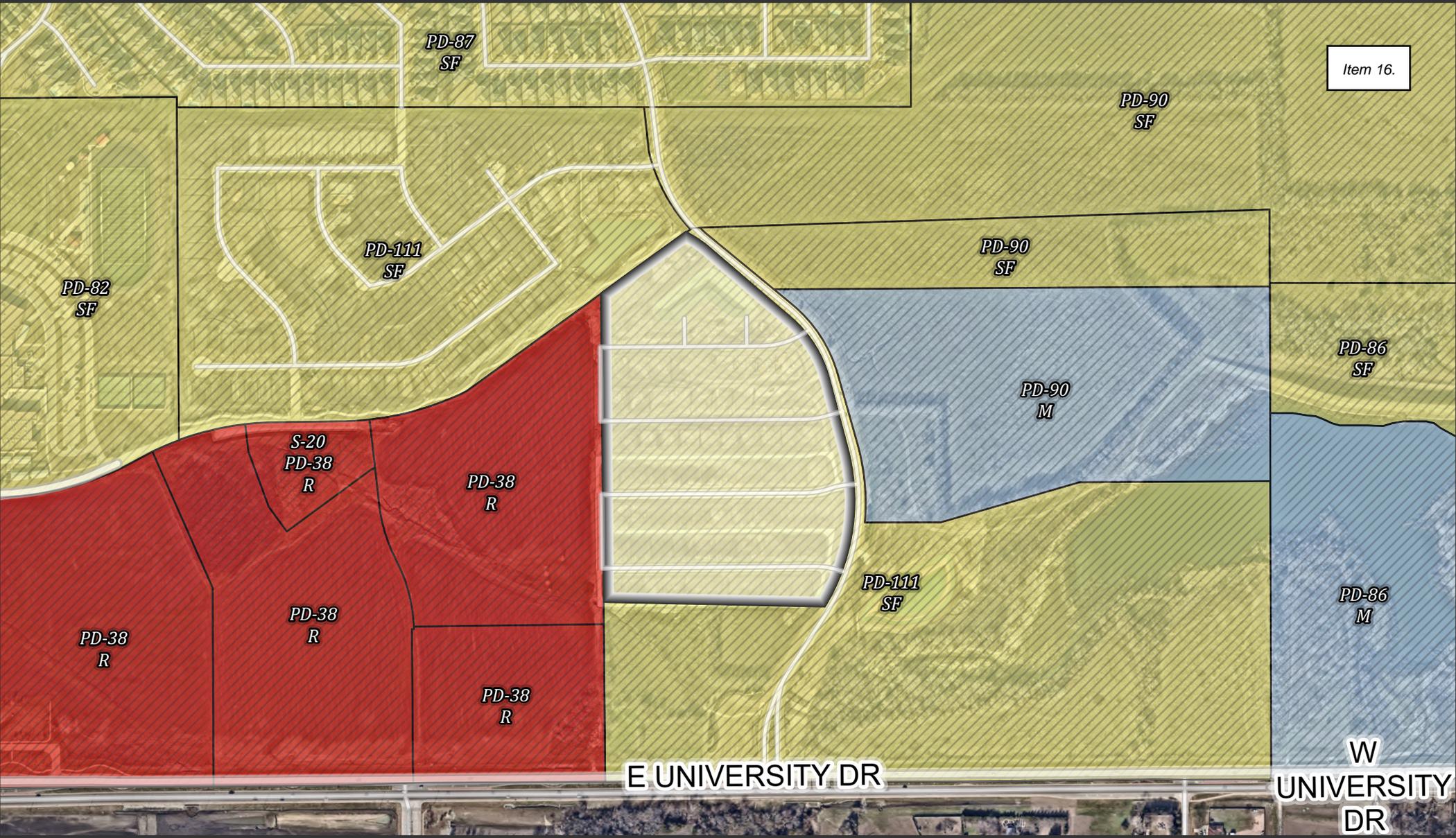
**Proposed Motion:**

I move to approve/deny the request to amend the number of contiguous units that constitute a row of Townhomes in Planned Development-111 (PD-111), Ordinance No. 2021-52, located north of US 380 (University Drive) and west of Lakewood Drive.



This map for illustration purposes only

**ZONE-24-0003**  
 Dominion at Brookhollow



**ZONE-24-0003**  
 Dominion at Brookhollow  
 Planned Development

Page 299

This map for illustration purposes only



# PLANNING

To: Planning & Zoning Commission

Item No. 3b

From: David Soto, Senior Planner

Through: Alex Glushko, AICP, Planning Manager

Re: Planning & Zoning Commission Meeting – March 1, 2022

**Agenda Item:**

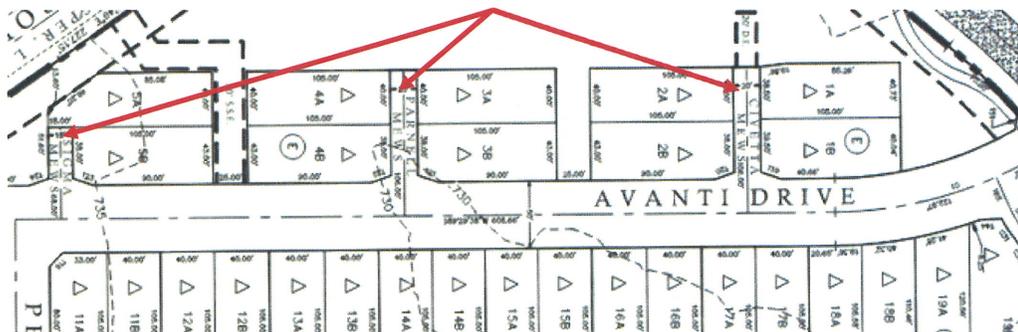
Consider and act upon a Preliminary Plat for Dominion at Brookhollow, for 154 townhome lots, and seven (7) HOA/open space lots, on 27.7± acres, located on the west side of Lakewood Drive, north of US 380. The property is zoned Planned Development-111 (PD-111). (D22-0003).

**Description of Agenda Item:**

Planned Development-111 was approved in September 2021, which allowed for the reallocation and reduction of total townhome lots to 225 located on the subject property. The proposed Preliminary Plat shows 154 townhomes lots and seven (7) HOA/open space lots. The townhome units in this development consist of two (2) attached units per building. Access is provided from Richland Boulevard and Lakewood Drive.

As shown below, ten (10) of the proposed townhome lots do not front on a public street, and instead front on a common area, also known as a mews, which is owned and maintained by the Homeowner’s Association. The Subdivision Ordinance requires all lots to front on a public street; however, the ordinance also provides for a waiver to this requirement, either administratively or by Town Council. It is not uncommon for townhome lots to front onto a mews. The existing townhome development located in Windsong Ranch also includes the same condition. Staff is supportive of this request, and is recommending Planning & Zoning Commission approval of the plat, subject to approval of a waiver by the appropriately deemed authority.

HOA Common Area/Mews Frontage



**Attached Documents:**

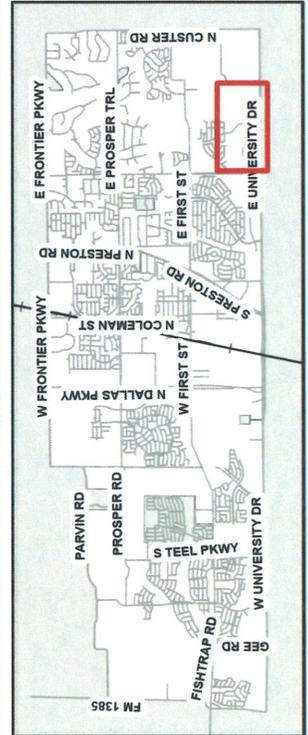
1. Location Map
2. Preliminary Plat

**Staff Recommendation:**

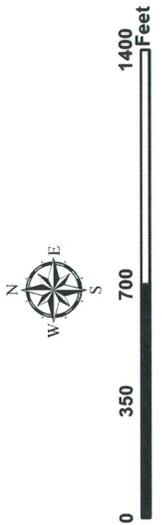
Staff recommends approval of the Preliminary Plat subject to:

1. Approval of a subdivision waiver to allow lots to front on a mews in lieu of a public street.
2. Staff approval of all additions and/or alterations to the easements and dedications on the Preliminary Plat, including hike and bike trail easements on open space lots.
3. Staff approval of all preliminary water, sewer, and drainage plans.

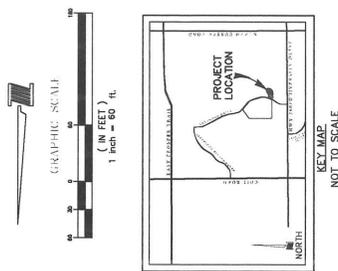
# D22-0003 - Dominion at Brookhollow



This map is for illustration purposes only.





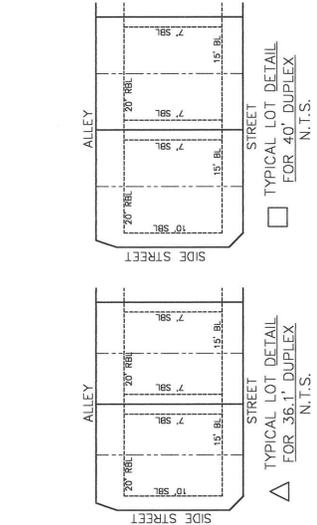
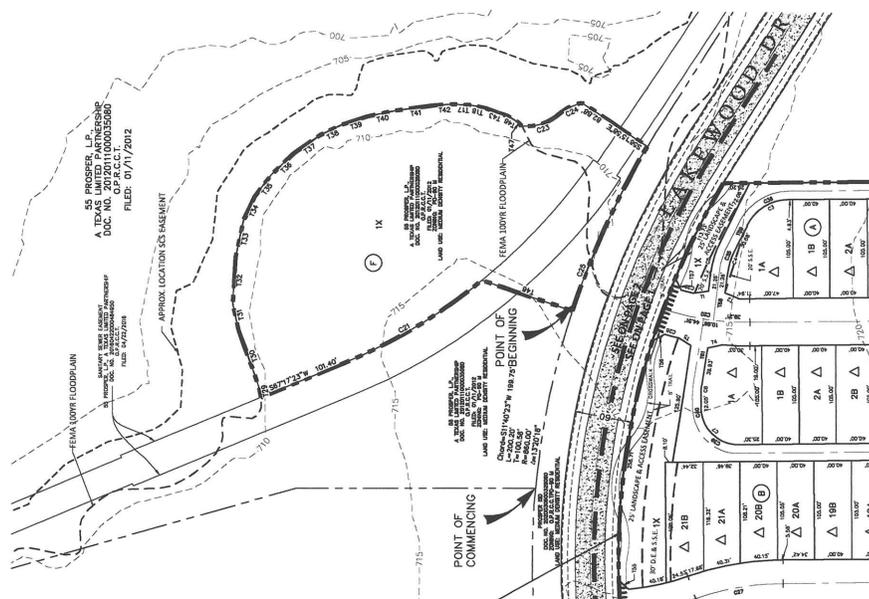


65 PROSSER, L.P.  
3794 UNIT C STREET, HIGHWAY 67,  
GLEN ROSE, TX 76043.  
CONTACT: AARON RICHARDS  
PHONE: 254-897-7881

ENGINEER/APPLICANT  
DOWDEY, ANDERSON & ASSOCIATES, INC.  
525 Village Creek Drive, Suite 200, P.O. Box 75983, 75731-0594  
STATE REGISTRATION NUMBER: F-399

CONTACT: ARON HUNSMCKER

Item 16.



LOT AREA TABLE

| LOT BLOCK AREA (SF) | AREA (AC) |      |      |
|---------------------|-----------|------|------|
| 12A                 | C         | 3989 | 0.09 |
| 12B                 | C         | 4000 | 0.10 |
| 12C                 | C         | 4000 | 0.10 |
| 12D                 | C         | 4000 | 0.10 |
| 12E                 | C         | 4000 | 0.10 |
| 12F                 | C         | 4000 | 0.10 |
| 12G                 | C         | 4000 | 0.10 |
| 12H                 | C         | 4000 | 0.10 |
| 12I                 | C         | 4000 | 0.10 |
| 12J                 | C         | 4000 | 0.10 |
| 12K                 | C         | 4000 | 0.10 |
| 12L                 | C         | 4000 | 0.10 |
| 12M                 | C         | 4000 | 0.10 |
| 12N                 | C         | 4000 | 0.10 |
| 12O                 | C         | 4000 | 0.10 |
| 12P                 | C         | 4000 | 0.10 |
| 12Q                 | C         | 4000 | 0.10 |
| 12R                 | C         | 4000 | 0.10 |
| 12S                 | C         | 4000 | 0.10 |
| 12T                 | C         | 4000 | 0.10 |
| 12U                 | C         | 4000 | 0.10 |
| 12V                 | C         | 4000 | 0.10 |
| 12W                 | C         | 4000 | 0.10 |
| 12X                 | C         | 4000 | 0.10 |
| 12Y                 | C         | 4000 | 0.10 |
| 12Z                 | C         | 4000 | 0.10 |

LOT AREA TABLE

| LOT BLOCK AREA (SF) | AREA (AC) |      |      |
|---------------------|-----------|------|------|
| 1A                  | C         | 3989 | 0.09 |
| 1B                  | C         | 4000 | 0.10 |
| 1C                  | C         | 4000 | 0.10 |
| 1D                  | C         | 4000 | 0.10 |
| 1E                  | C         | 4000 | 0.10 |
| 1F                  | C         | 4000 | 0.10 |
| 1G                  | C         | 4000 | 0.10 |
| 1H                  | C         | 4000 | 0.10 |
| 1I                  | C         | 4000 | 0.10 |
| 1J                  | C         | 4000 | 0.10 |
| 1K                  | C         | 4000 | 0.10 |
| 1L                  | C         | 4000 | 0.10 |
| 1M                  | C         | 4000 | 0.10 |
| 1N                  | C         | 4000 | 0.10 |
| 1O                  | C         | 4000 | 0.10 |
| 1P                  | C         | 4000 | 0.10 |
| 1Q                  | C         | 4000 | 0.10 |
| 1R                  | C         | 4000 | 0.10 |
| 1S                  | C         | 4000 | 0.10 |
| 1T                  | C         | 4000 | 0.10 |
| 1U                  | C         | 4000 | 0.10 |
| 1V                  | C         | 4000 | 0.10 |
| 1W                  | C         | 4000 | 0.10 |
| 1X                  | C         | 4000 | 0.10 |
| 1Y                  | C         | 4000 | 0.10 |
| 1Z                  | C         | 4000 | 0.10 |

LOT AREA TABLE

| LOT BLOCK AREA (SF) | AREA (AC) |      |      |
|---------------------|-----------|------|------|
| 1A                  | C         | 3989 | 0.09 |
| 1B                  | C         | 4000 | 0.10 |
| 1C                  | C         | 4000 | 0.10 |
| 1D                  | C         | 4000 | 0.10 |
| 1E                  | C         | 4000 | 0.10 |
| 1F                  | C         | 4000 | 0.10 |
| 1G                  | C         | 4000 | 0.10 |
| 1H                  | C         | 4000 | 0.10 |
| 1I                  | C         | 4000 | 0.10 |
| 1J                  | C         | 4000 | 0.10 |
| 1K                  | C         | 4000 | 0.10 |
| 1L                  | C         | 4000 | 0.10 |
| 1M                  | C         | 4000 | 0.10 |
| 1N                  | C         | 4000 | 0.10 |
| 1O                  | C         | 4000 | 0.10 |
| 1P                  | C         | 4000 | 0.10 |
| 1Q                  | C         | 4000 | 0.10 |
| 1R                  | C         | 4000 | 0.10 |
| 1S                  | C         | 4000 | 0.10 |
| 1T                  | C         | 4000 | 0.10 |
| 1U                  | C         | 4000 | 0.10 |
| 1V                  | C         | 4000 | 0.10 |
| 1W                  | C         | 4000 | 0.10 |
| 1X                  | C         | 4000 | 0.10 |
| 1Y                  | C         | 4000 | 0.10 |
| 1Z                  | C         | 4000 | 0.10 |

LOT AREA TABLE

| LOT BLOCK AREA (SF) | AREA (AC) |      |      |
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| 1H                  | C         | 4000 | 0.10 |
| 1I                  | C         | 4000 | 0.10 |
| 1J                  | C         | 4000 | 0.10 |
| 1K                  | C         | 4000 | 0.10 |
| 1L                  | C         | 4000 | 0.10 |
| 1M                  | C         | 4000 | 0.10 |
| 1N                  | C         | 4000 | 0.10 |
| 1O                  | C         | 4000 | 0.10 |
| 1P                  | C         | 4000 | 0.10 |
| 1Q                  | C         | 4000 | 0.10 |
| 1R                  | C         | 4000 | 0.10 |
| 1S                  | C         | 4000 | 0.10 |
| 1T                  | C         | 4000 | 0.10 |
| 1U                  | C         | 4000 | 0.10 |
| 1V                  | C         | 4000 | 0.10 |
| 1W                  | C         | 4000 | 0.10 |
| 1X                  | C         | 4000 | 0.10 |
| 1Y                  | C         | 4000 | 0.10 |
| 1Z                  | C         | 4000 | 0.10 |

LOT AREA TABLE

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| 1D                  | C         | 4000 | 0.10 |
| 1E                  | C         | 4000 | 0.10 |
| 1F                  | C         | 4000 | 0.10 |
| 1G                  | C         | 4000 | 0.10 |
| 1H                  | C         | 4000 | 0.10 |
| 1I                  | C         | 4000 | 0.10 |
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| 1K                  | C         | 4000 | 0.10 |
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| 1M                  | C         | 4000 | 0.10 |
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| 1O                  | C         | 4000 | 0.10 |
| 1P                  | C         | 4000 | 0.10 |
| 1Q                  | C         | 4000 | 0.10 |
| 1R                  | C         | 4000 | 0.10 |
| 1S                  | C         | 4000 | 0.10 |
| 1T                  | C         | 4000 | 0.10 |
| 1U                  | C         | 4000 | 0.10 |
| 1V                  | C         | 4000 | 0.10 |
| 1W                  | C         | 4000 | 0.10 |
| 1X                  | C         | 4000 | 0.10 |
| 1Y                  | C         | 4000 | 0.10 |
| 1Z                  | C         | 4000 | 0.10 |

HOA LOT AREA TABLE

| LOT BLOCK AREA (SF) | AREA (AC) |      |      |
|---------------------|-----------|------|------|
| 1A                  | C         | 3989 | 0.09 |
| 1B                  | C         | 4000 | 0.10 |
| 1C                  | C         | 4000 | 0.10 |
| 1D                  | C         | 4000 | 0.10 |
| 1E                  | C         | 4000 | 0.10 |
| 1F                  | C         | 4000 | 0.10 |
| 1G                  | C         | 4000 | 0.10 |
| 1H                  | C         | 4000 | 0.10 |
| 1I                  | C         | 4000 | 0.10 |
| 1J                  | C         | 4000 | 0.10 |
| 1K                  | C         | 4000 | 0.10 |
| 1L                  | C         | 4000 | 0.10 |
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| 1T                  | C         | 4000 | 0.10 |
| 1U                  | C         | 4000 | 0.10 |
| 1V                  | C         | 4000 | 0.10 |
| 1W                  | C         | 4000 | 0.10 |
| 1X                  | C         | 4000 | 0.10 |
| 1Y                  | C         | 4000 | 0.10 |
| 1Z                  | C         | 4000 | 0.10 |

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| 1U                  | C         | 4000 | 0.10 |
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| 1W                  | C         | 4000 | 0.10 |
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| 1J                  | C         | 4000 | 0.10 |
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| 1O                  | C         | 4000 | 0.10 |
| 1P                  | C         | 4000 | 0.10 |
| 1Q                  | C         | 4000 | 0.10 |
| 1R                  | C         | 4000 | 0.10 |
| 1S                  | C         | 4000 | 0.10 |
| 1T                  | C         | 4000 | 0.10 |
| 1U                  | C         | 4000 | 0.10 |
| 1V                  | C         | 4000 | 0.10 |
| 1W                  | C         | 4000 | 0.10 |
| 1X                  | C         | 4000 | 0.10 |
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| 1I                  | C         | 4000 | 0.10 |
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| 1Q                  | C         | 4000 | 0.10 |
| 1R                  | C         | 4000 | 0.10 |
| 1S                  | C         | 4000 | 0.10 |
| 1T                  | C         | 4000 | 0.10 |
| 1U                  | C         | 4000 | 0.10 |
| 1V                  | C         | 4000 | 0.10 |
| 1W                  | C         | 4000 | 0.10 |
| 1X                  | C         | 4000 | 0.10 |
| 1Y                  | C         | 4000 | 0.10 |
| 1Z                  | C         | 4000 | 0.10 |

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| 1D                  | C         | 4000 | 0.10 |
| 1E                  | C         | 4000 | 0.10 |
| 1F                  | C         | 4000 | 0.10 |
| 1G                  | C         | 4000 | 0.10 |
| 1H                  | C         | 4000 | 0.10 |
| 1I                  | C         | 4000 | 0.10 |
| 1J                  | C         | 4000 | 0.10 |
| 1K                  | C         | 4000 | 0.10 |
| 1L                  | C         | 4000 | 0.10 |
| 1M                  | C         | 4000 | 0.10 |
| 1N                  | C         | 4000 | 0.10 |
| 1O                  | C         | 4000 | 0.10 |
| 1P                  | C         | 4000 | 0.10 |
| 1Q                  | C         | 4000 | 0.10 |
| 1R                  | C         | 4000 | 0.10 |
| 1S                  | C         | 4000 | 0.10 |
| 1T                  | C         | 4000 | 0.10 |
| 1U                  | C         | 4000 | 0.10 |
| 1V                  | C         | 4000 | 0.10 |
| 1W                  | C         | 4000 | 0.10 |
| 1X                  | C         | 4000 | 0.10 |
| 1Y                  | C         | 4000 | 0.10 |
| 1Z                  | C         | 4000 | 0.10 |

STREET CURVE TABLE

| CURVE | DELTA     | RADIUS  | TANGENT | LENGTH  | CHORD               |
|-------|-----------|---------|---------|---------|---------------------|
| C1    | 137.5313° | 300.00' | 38.81'  | 108.73' | 132.20276' W 75.50' |
| C2    | 107.9736° | 300.00' | 47.98'  | 94.38'  | 107.9736° W 84.00'  |
| C3    | 103.3323° | 300.00' | 46.88'  | 81.45'  | 107.9736° W 85.34'  |
| C4    | 187.1111° | 300.00' | 48.58'  | 98.78'  | 187.1111° W 85.34'  |
| C5    | 237.1818° | 450.00' | 82.73'  | 108.89' | 187.1111° W 85.34'  |
| C6    | 173.5322° | 450.00' | 52.27'  | 104.07' | 187.1111° W 85.34'  |

ALLEY CURVE TABLE

| CURVE | DELTA     | RADIUS  | TANGENT | LENGTH | CHORD              |
|-------|-----------|---------|---------|--------|--------------------|
| C7    | 183.2529° | 85.00'  | 14.02'  | 27.79' | 183.2529° W 27.81' |
| C8    | 67.8115°  | 50.00'  | 33.80'  | 14.50' | 183.2529° W 27.81' |
| C9    | 80.0000°  | 48.00'  | 48.00'  | 78.97' | 183.2529° W 27.81' |
| C10   | 80.0000°  | 48.00'  | 48.00'  | 78.97' | 183.2529° W 27.81' |
| C11   | 80.0000°  | 48.00'  | 48.00'  | 78.97' | 183.2529° W 27.81' |
| C12   | 77.1111°  | 250.00' | 15.48'  | 33.38' | 183.2529° W 27.81' |
| C13   | 147.3707° | 100.00' | 13.89'  | 27.81' | 183.2529° W 27.81' |
| C14   | 90.0000°  | 48.00'  | 48.00'  | 78.97' | 183.2529° W 27.81' |
| C15   | 38.9363°  | 25.00'  | 6.71'   | 13.03' | 183.2529° W 27.81' |
| C16   | 109.3910° | 48.00'  | 65.78'  | 81.00' | 183.2529° W 27.81' |
| C17   | 147.1071° | 85.00'  | 10.07'  | 20.04' | 183.2529° W 27.81' |

LOT CURVE TABLE

| CURVE | DELTA    | RADIUS | TANGENT | LENGTH             | CHORD |
|-------|----------|--------|---------|--------------------|-------|
| C18   | 60.0000° | 40.00' | 62.82'  | 14.00272' E 56.97' |       |
| C19   | 60.0000° | 40.00' | 62.82'  | 14.00272' E 56.97' |       |





**MINUTES**  
**Regular Meeting of the**  
**Prosper Planning & Zoning Commission**  
 Prosper Town Hall  
 Council Chambers  
 250 W. First Street, Prosper, Texas  
 Tuesday, March 1, 2022, 6:00 p.m.

**1. Call to Order/ Roll Call**

The meeting was called to order at 6:00 p.m.

Commissioners present: Chair Brandon Daniel, Vice-Chair Sarah Peterson, Secretary Mike Pettis, Doug Charles, Sekou Harris (arrived at 6:04 p.m.), Damon Jackson, and Chris Kern.

Staff present: Alex Glushko, Planning Manager; David Soto, Senior Planner; and Evelyn Mendez, Planning Technician.

**2. Recitation of the Pledge of Allegiance.**

**3. CONSENT AGENDA**

- 3a. Consider and act upon minutes from the February 15, 2022, Planning & Zoning Commission Regular meeting.**
- 3b. Consider and act upon a Preliminary Plat for Dominion at Brookhollow, for 154 townhome lots, and seven (7) HOA/open space lots, on 27.7± acres, located on the west side of Lakewood Drive, north of US 380. The property is zoned Planned Development-111 (PD-111). (D22-0003).**
- 3c. Consider and act upon a Site Plan for a multitenant retail/medical office building (Preston Commons), on 1.6± acres, located on the northwest corner of Preston Road and Broadway Street. The property is zoned Retail (R). (D22-0007).**
- 3d. Consider and act upon a Final Plat for Preston Commons, Block A, Lot 1, on 1.6± acres, located on the northwest corner of Preston Road and Broadway Street. The property is zoned Retail (R). (D22-0008).**
- 3e. Consider and act upon a Site Plan for a Golf Bay at Prosper High School, on 103.0± acres, located on the southwest corner of Frontier Parkway and Victory Way. The property is zoned Planned Development-22 (PD-22). (D22-0012).**

Commissioner Kern requested Items 3c. and 3d. be pulled from the Consent Agenda.

Motion by Peterson, second by Charles, to approve Items 3a., 3b., and 3e., subject to staff recommendations. Motion approved 6-0.

*Soto:* Provided details regarding the Items 3c. and 3d.

Motion by Kern, second by Pettis, to approve the Consent Agenda Items 3c. and 3d., subject to staff recommendations. Motion approved 7-0.

**REGULAR AGENDA**

4. **Consider and act upon a Site Plan, Landscape Plan, and Façade Plan for a restaurant with drive-through service (Salad and Go), in the Shops at Prosper Trail development, on 1.1± acres, located on the east side of Preston Road, north of Prosper Trail. The property is zoned Planned Development-68 (PD-68) and Specific Use Permit-39 (S-39). (D22-0011).**

*Soto:* Summarized the request, presented exhibits, and recommended approval.

Motion by Peterson, second by Charles, to approve the Item 4, subject to staff recommendations. Motion approved 7-0.

5. **Consider and act upon a Preliminary Site Plan for an office development (CHC Prosper Trail), including Solid Living Screening, on 4.0± acres, located on the north side of Prosper Trail, west of Shawnee Trail. The property is zoned Office (O). (D21-0136).**

*Soto:* Summarized the request, presented exhibits, and recommended approval.

*Matt Moore (Applicant):* Provided information regarding the proposed development and solid living screening.

Motion by Peterson, second by Kern, to approve the Item 5, subject to staff recommendations. Motion approved 7-0.

6. **Consider and act upon a Site Plan for a restaurant (Prosper Wine House), on 0.2± acres, located on the south side of Broadway Street, west of Main Street. The property is zoned Downtown Retail (DTR). (D22-0009).**

*Glushko:* Summarized the request, presented exhibits, and recommended approval.

*Michael Lopez (Applicant):* Provided information regarding the proposed development and building design.

Motion by Pettis, second by Jackson, to approve the Item 6, subject to staff recommendations. Motion approved 7-0.

7. **Conduct a Public Hearing and consider and act upon a request for a Specific Use Permit for a Restaurant with Drive-Through Service, in Victory at Frontier, on 1.6± acres, located on the south side of Frontier Parkway, west of Preston Road. The property is zoned Planned Development-10 (PD-10). (S22-0001).**

*Soto:* Summarized the request, presented exhibits, and recommended approval.

*Bobby Mendoza (Applicant):* Provided information regarding the proposed request.

Commissioners expressed concern regarding traffic flow and the segmented development of the project overall.

Chair Daniel opened the Public Hearing.

There being no speakers, the Public Hearing was closed.

Motion by Kern, second by Charles, to deny Item 7. Motion failed 3-4. Commissioners Harris, Peterson, Pettis, and Jackson voted in opposition.

Motion by Harris, second by Peterson to approve Item 7. Motion failed 2-4. Commissioners Charles, Kern, Pettis, and Daniel voted in opposition.

Motion by Pettis, second by Daniel, to table Item 7 and continue the Public Hearing to the April 5, 2022 Planning & Zoning Commission meeting, requesting the proposed building be relocated within the development. Motion approved 5-2. Commissioners Peterson and Harris voted in opposition.

- 8. **Conduct a Public Hearing, and consider and act upon a request to amend Planned Development-94 (PD-94), for the Westside Development, on 64.5± acres, northeast corner of US 380 and FM 1385, regarding hotel uses and development standards. (Z22-0001).**

*Glushko:* Summarized the request, presented exhibits, and recommended approval.

*Ronald Smith (Mays and Associates):* Provided information regarding the proposed request.

Chair Daniel opened the Public Hearing.

There being no speakers, the Public Hearing was closed.

Motion by Pettis, second by Jackson, to approve Item 8, subject to staff recommendations. Motion approved 7-0.

- 9. **Review actions taken by the Town Council and possibly direct Town Staff to schedule topic(s) for discussion at a future meeting.**

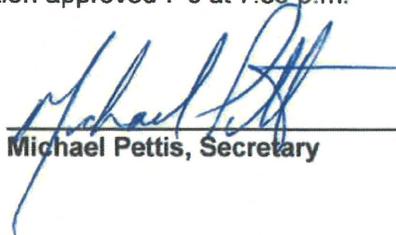
*Glushko:* Provided a summary of recent action taken by Town Council.

- 10. **Adjourn.**

Motion by Pettis, second by Harris, to adjourn. Motion approved 7-0 at 7:33 p.m.



Evelyn Mendez, Planning Technician



Michael Pettis, Secretary



## PLANNING

**To: Mayor and Town Council**

**From: David Hoover, AICP, Director of Development Services**

**Through: Mario Canizares, Town Manager  
Chuck Ewings, Assistant Town Manager**

**Re: Specific Use Permit Ordinance for Windsong Ranch Office Addition**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 3. Commercial Corridors are ready for Development**

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**Agenda Item:**

Consider and act upon an ordinance granting a Specific Use Permit (SUP) for Retail Stores and Shops, Dry Cleaning, Minor, and Gymnastics/Dance Studio uses, with building size and placement as shown on the Site Plan, Exhibit "B," and a living screen as shown on the Landscape Plan, Exhibit "C," on 3.6± acres on Windsong Ranch Office Addition, Block A, Lot 2, located south of Parvin Road and east of North Teel Parkway. The property is zoned Planned Development-103 (PD-103) Windsong Ranch Office. (ZONE-23-0023)

**Description of Agenda Item:**

On January 9, 2024, the Town Council approved the proposed Specific Use Permit by a vote of 7-0.

An ordinance has been prepared accordingly. The Development Agreement between the Town of Prosper and SKS Prosper Teelpkwy Retail Holdings, LLC. is also on the March 12, 2024, Town Council agenda for consideration.

**Budget Impact:**

There is no budgetary impact affiliated with this item.

**Legal Obligations and Review:**

Town Attorney, Terrence Welch of Brown & Hofmeister, L.L.P., has approved the standard ordinance as to form and legality.

**Attached Documents:**

1. Ordinance
2. Ordinance Exhibits

**Town Staff Recommendation:**

Town Staff recommends approval of an ordinance granting a Specific Use Permit (SUP) for Retail Stores and Shops, Dry Cleaning, Minor, and Gymnastics/Dance Studio uses, with building size

and placement as shown on the Site Plan, Exhibit "B," and a living screen as shown on the Landscape Plan, Exhibit "C," on 3.6± acres on Windsong Ranch Office Addition, Block A, Lot 2, located south of Parvin Road and east of North Teel Parkway.

Item 17.

**Proposed Motion:**

I move to approve/deny an ordinance granting a Specific Use Permit (SUP) for Retail Stores and Shops, Dry Cleaning, Minor, and Gymnastics/Dance Studio uses, with building size and placement as shown on the Site Plan, Exhibit "B," and a living screen as shown on the Landscape Plan, Exhibit "C," on 3.6± acres on Windsong Ranch Office Addition, Block A, Lot 2, located south of Parvin Road and east of North Teel Parkway.

TOWN OF PROSPER, TEXAS

ORDINANCE NO. 2024-\_\_

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS, AMENDING PROSPER’S ZONING ORDINANCE BY GRANTING A SPECIFIC USE PERMIT (SUP) TO ALLOW RETAIL STORES AND SHOPS, DRY CLEANING, MINOR, AND GYMNASISTICS/DANCE STUDIO USES ON A TRACT OF LAND CONSISTING OF 3.6 ACRES, MORE OR LESS, IN THE AARON ROBERTS SURVEY, ABSTRACT NO. 1115, TOWN OF PROSPER, DENTON COUNTY, TEXAS; DESCRIBING THE TRACT TO BE REZONED; PROVIDING FOR A PENALTY FOR THE VIOLATION OF THIS ORDINANCE; PROVIDING FOR REPEALING, SAVING AND SEVERABILITY CLAUSES; PROVIDING FOR AN EFFECTIVE DATE OF THIS ORDINANCE; AND PROVIDING FOR THE PUBLICATION OF THE CAPTION HEREOF.**

**WHEREAS**, the Town Council of the Town of Prosper, Texas (the “Town Council”) has investigated and determined that the Zoning Ordinance should be amended; and

**WHEREAS**, the Town of Prosper, Texas (“Prosper”) has received a request from Kimley-Horn and Associates, Inc. (“Applicant”) for a Specific Use Permit (SUP) for Retail Stores and Shops, Dry Cleaning, Minor, and Gymnastics/Dance Studio uses to be located on a tract of land zoned Planned Development-103 (PD-103), consisting of 3.6 acres of land, more or less, in the Aaron Roberts Survey, Abstract No. 1115, in the Town of Prosper, Denton County, Texas, and being more particularly described in Exhibit “A,” attached hereto and incorporated herein for all purposes; and

**WHEREAS**, the Town Council has investigated and determined that the facts contained in the request are true and correct; and

**WHEREAS**, all legal notices required to grant a Specific Use Permit (SUP) have been given in the manner and form set forth by law, Public Hearings have been held, and all other requirements of notice and completion of such procedures have been fulfilled; and

**WHEREAS**, the Town Council has further investigated into and determined that it will be advantageous and beneficial to Prosper and its inhabitants to rezone this property as set forth below.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS; THAT:**

**SECTION 1**

Findings Incorporated. The findings set forth above are incorporated into the body of this Ordinance as if fully set forth herein.

**SECTION 2**

Specific Use Permit Granted. The Town’s Zoning Ordinance is amended as follows: Applicant is granted a Specific Use Permit (SUP) to allow Retail Stores and Shops, Dry Cleaning, Minor, and Gymnastics/Dance Studio uses, on a tract of land zoned Planned Development-103 (PD-103), consisting of 3.6 acres of land, more or less, in the Aaron Roberts Survey, Abstract No.

1115, in the Town of Prosper, Denton County, Texas, and being more particularly described in Exhibit "A," attached hereto and incorporated herein for all purposes as if set forth verbatim.

The development plans, standards, and uses for the Property in this Specific Use Permit shall conform to, and comply with 1) the Site Plan, attached hereto as Exhibit "B," 2) the Landscape Plan, attached hereto as Exhibit "C," and 3) the Façade Plan, attached hereto as Exhibit "D," which are incorporated herein for all purposes as if set forth verbatim, subject to the following conditions of approval by the Town Council:

1. The building size and placement shall be as shown on the Site Plan, Exhibit "B."
2. A living screen shall be installed as shown on the Landscape Plan, Exhibit "C."
3. Approval of a Development Agreement, including, but not limited to building materials and prohibited uses.

All development plans, standards, and uses for the Property shall comply fully with the requirements of all ordinances, rules, and regulations of the Town of Prosper, as they currently exist or may be amended.

Two (2) original, official, and identical copies of the zoning exhibit map are hereby adopted and shall be filed and maintained as follows:

- a. One (1) copy shall be filed with the Town Secretary and retained as an original record and shall not be changed in any manner.
- b. One (1) copy shall be filed with the Building Official and shall be maintained up-to-date by posting thereon all changes and subsequent amendments for observation, issuing building permits, certificates of compliance and occupancy, and enforcing the zoning ordinance. Reproduction for information purposes may from time-to-time be made of the official zoning district map.

### **SECTION 3**

No Vested Interest/Repeal. No developer or property owner shall acquire any vested interest in this Ordinance or in any other specific regulations contained herein. Any portion of this Ordinance may be repealed by the Town Council in the manner provided for by law.

### **SECTION 4**

Unlawful Use of Premises. It shall be unlawful for any person, firm, or corporation to make use of said premises in some manner other than as authorized by this Ordinance, and shall be unlawful for any person, firm, or corporation to construct on said premises any building that is not in conformity with the permissible uses under this Zoning Ordinance.

### **SECTION 5**

Penalty. Any person, firm, corporation, or business entity violating this Ordinance or any provision of Prosper's Zoning Ordinance, as amended, shall be deemed guilty of a misdemeanor, and upon conviction thereof shall be fined any sum not exceeding Two Thousand Dollars (\$2,000.00). Each continuing day's violation under this Ordinance shall constitute a separate

offense. The penal provisions imposed under this Ordinance shall not preclude Prosper from filing suit to enjoin the violation. Prosper retains all legal rights and remedies available to it pursuant to local, state, and federal law.

**SECTION 6**

Severability. Should any section, subsection, sentence, clause, or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. Prosper hereby declares that it would have passed this Ordinance, and each section, subsection, clause, or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses, and phrases be declared unconstitutional or invalid.

**SECTION 7**

Savings/Repealing Clause. Prosper’s Zoning Ordinance shall remain in full force and effect, save and except as amended by this or any other Ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict; but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the appeal prevent a prosecution from being commenced for any violation if occurring prior to the repealing of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

**SECTION 8**

Effective Date. This Ordinance shall become effective from and after its adoption and publications as required by law.

**DULY PASSED, APPROVED, AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF PROSPER, TEXAS, ON THIS 12TH DAY OF MARCH, 2024.**

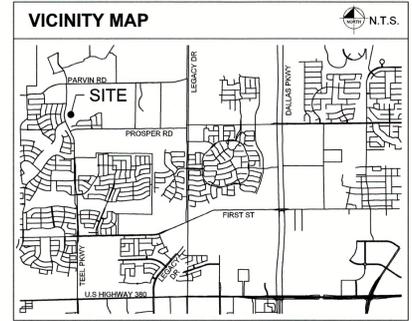
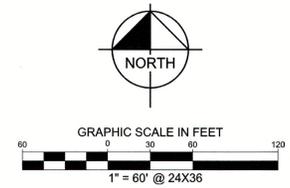
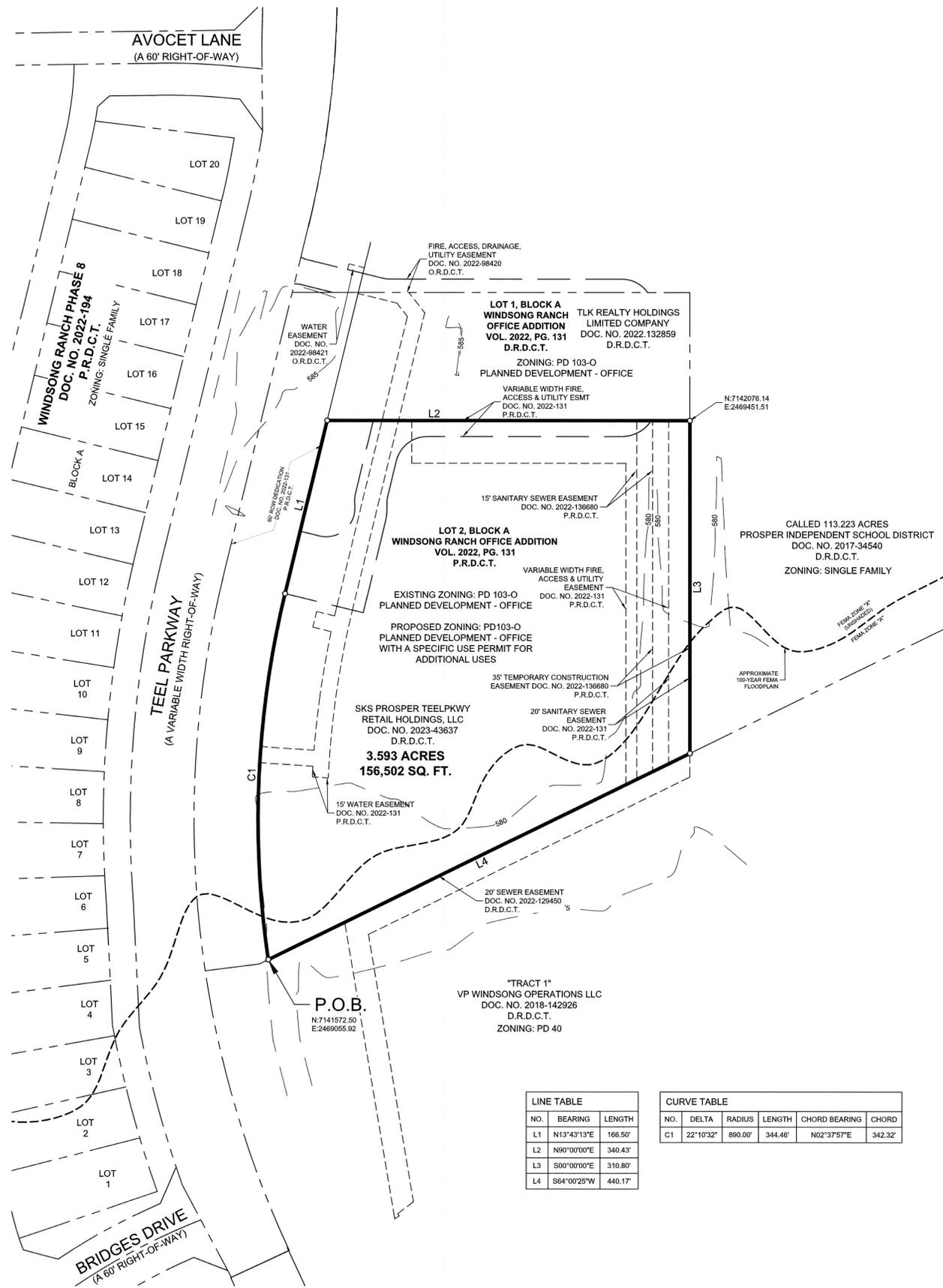
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**David F. Bristol, Mayor**

**ATTEST:**

\_\_\_\_\_  
**Michelle Lewis Sirianni, Town Secretary**

**APPROVED AS TO FORM AND LEGALITY:**

\_\_\_\_\_  
**Terrence S. Welch, Town Attorney**



**LEGEND**

|            |  |
|------------|--|
| P.R.D.C.T. | PLAT RECORDS, DENTON COUNTY, TEXAS     |
| D.R.D.C.T. | DEED RECORDS, DENTON COUNTY, TEXAS     |
| O.R.D.C.T. | OFFICIAL RECORDS, DENTON COUNTY, TEXAS |
| DOC. NO.   | DOCUMENT NUMBER                        |
| VOL. PG.   | VOLUME AND PAGE                        |
| P.O.B.     | POINT OF BEGINNING                     |

**LINE TYPE LEGEND**

|         |                       |
|---------|-----------------------|
| ---     | SUBJECT BOUNDARY LINE |
| - - - - | EASEMENT LINE         |
| ---     | PROPERTY LINE         |

**PROPERTY DESCRIPTION**

BEING a tract of land situated in the Aaron Roberts Survey, Abstract No. 1115, Town of Prosper, Denton County, Texas, and being all of Lot 2, Block A of the Windsong Ranch Office Addition, an addition to the Town of Prosper, Denton County, Texas, according to the plat thereof recorded in Document No. 2022-131, Plat Records, Denton County, Texas, and being more particularly described as follows:

**BEGINNING** at a point in the east right-of-way line of Teel Parkway (a variable width right-of-way) at the southwest corner of said Lot 2, Block A, same being the southeast corner of a 60-foot Right-of-Way Dedication recorded in said Document No. 2022-131, and being in the north line of that certain tract of land designated as "Tract 1" as described in the Special Warranty Deed to VP WINDSONG OPERATIONS LLC, recorded in Document No. 2018-142926, Deed Records, Denton County, Texas, and being at the beginning of a non-tangent curve to the right with a radius of 890.00 feet, a central angle of 22°10'32", and a chord bearing and distance of North 02°37'57" East, 342.32 feet;

**THENCE** with said east right-of-way line and the west line of said Lot 2, Block A, the following courses and distances: In a northerly direction, with said non-tangent curve to the right, an arc distance of 344.46 feet to a point for corner;

North 13°43'13" East, a distance of 166.50 feet to the northwest corner of said Lot 2, Block A, same being the southwest corner of Lot 1, Block A of the aforementioned Windsong Ranch Office Addition;

**THENCE** with the common line of said Lot 1 and 2, Block A, North 90°00'00" East, a distance of 340.43 feet to the southeast corner of said Lot 1, Block A, and the northeast corner of said Lot 2, Block A, and being in the west line of a called 113.223 acre tract of land described in the Special Warranty Deed to PROSPER INDEPENDENT SCHOOL DISTRICT, recorded in Document No. 2017-34540, Deed Records, Denton County, Texas;

**THENCE** with the west line of said 113.223 acre tract, South 00°00'00" East, a distance of 310.80 feet to the southwest corner of said 113.223 acre tract, same being in the north line of said "Tract 1", and being at the southeast corner of said Lot 2, Block A;

**THENCE** with the common line of said "Tract 1" and said Lot 2, Block A, South 64°00'25" West, a distance of 440.17 feet to the **POINT OF BEGINNING** and containing a computed area of 156,502 square feet or 3.593 acres of land.

**FLOOD STATEMENT:**

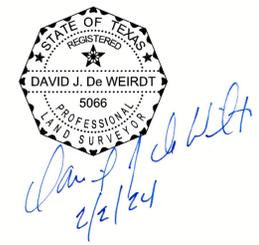
According to Federal Emergency Management Agency's Flood Insurance Rate Map No. 48121C0290G and 48121C0430G, for DENTON County, Texas, and incorporated areas, dated April 18, 2011, this property is located within Zone X (unshaded) and a portion of this land is located in Zone A. Zone X (unshaded) is defined as "Areas determined to be outside the 0.2% annual chance floodplain" and Zone A defined as "Special flood hazard areas (SFHAs) subject to inundation by the 1% annual chance flood (No Base Flood Elevations determined)". Zone A defined as "Special flood hazard areas (SFHAs) subject to inundation by the 1% annual chance flood (No Base Flood Elevations determined)". If this site is not within an identified special flood hazard area, this flood statement does not imply that the property and/or the structures thereon will be free from flooding or flood damage. On rare occasions, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor.

**NOTES:**

Bearing system based on the State Plane Coordinate System of 1983, Texas North Central Zone (4202), North American Datum of 1983 (2011).

The grid coordinates shown are based upon the Texas State Plane Coordinate System, North Central Zone, North American Datum of 1983, U.S. Survey Feet (sFT), no scale and no projection.

This document was prepared under 22 TAC §138.95, does not reflect the results of an on the ground survey, and is not to be used to convey or establish interests in real property except those rights and interests implied or established by the creation or reconfiguration of the boundary of the political subdivision for which it was prepared.



| NO. | BEARING     | LENGTH  |
|-----|-------------|---------|
| L1  | N13°43'13"E | 166.50' |
| L2  | N90°00'00"E | 340.43' |
| L3  | S00°00'00"E | 310.80' |
| L4  | S64°00'25"W | 440.17' |

| NO. | DELTA     | RADIUS  | LENGTH  | CHORD BEARING | CHORD   |
|-----|-----------|---------|---------|---------------|---------|
| C1  | 22°10'32" | 890.00' | 344.46' | N02°37'57"E   | 342.32' |

**EXHIBIT A**  
**ZONE-23-0023**  
 WINDSONG RANCH OFFICE ADDITION  
 BLOCK A, LOT 2  
 3.593 ACRES  
 AARON ROBERTS SURVEY, ABSTRACT NO. 1115  
 CITY OF PROSPER, DENTON COUNTY, TEXAS

**Kimley»Horn**

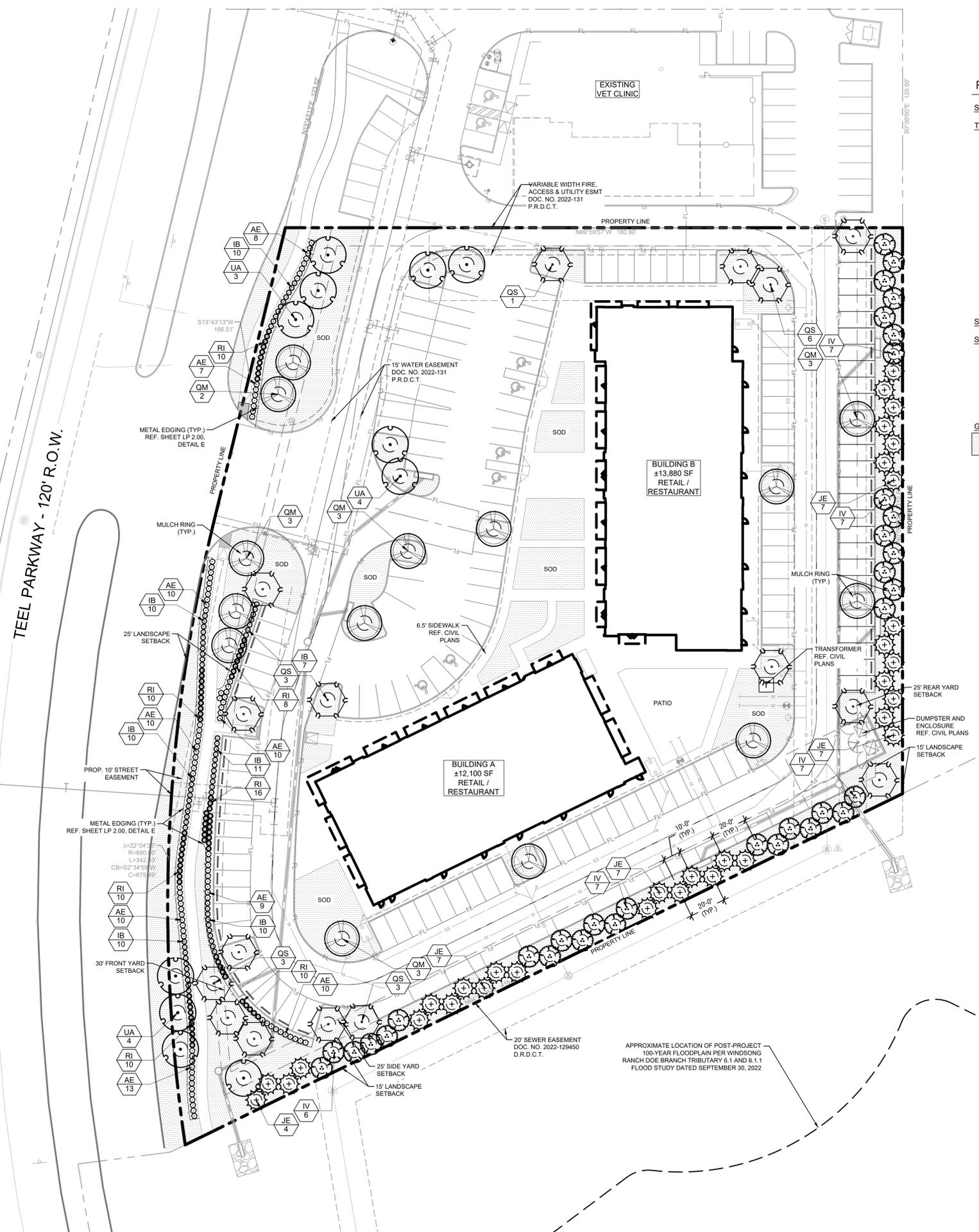
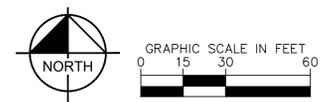
|          |          |            |           |             |           |
|----------|----------|------------|-----------|-------------|-----------|
| Scale    | Drawn by | Checked by | Date      | Project No. | Sheet No. |
| 1" = 60' | AEL      | DJD        | Feb. 2024 | 064620300   | 1 OF 2    |

**OWNER:**  
 SKS PROSPER TEELPKWY HOLDING, LLC  
 603 E BROADWAY STREET  
 PROSPER, TEXAS 75078  
 CONTACT SHREE RAMA  
 PH. (956) 220-4194

**SURVEYOR:**  
 DAVID J. DE WEIRDT  
 REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5066  
 13455 NOEL ROAD  
 TWO GALLERIA OFFICE TOWER, SUITE 700  
 DALLAS, TEXAS 75240  
 PH. (972) 770-1300  
 david.deweirdt@kimley-horn.com



This document, together with the concepts and designs presented herein, is intended only for the specific purpose and client for which it was prepared. Reuse of and improper reliance on this document without written authorization and adaptation by Kimley-Horn and Associates, Inc. shall be without liability to Kimley-Horn and Associates, Inc.



### PLANT SCHEDULE

| SYMBOL               | CODE  | QTY       | BOTANICAL / COMMON NAME                               | ROOT        | CAL.    | SIZE        | REMARKS  |
|----------------------|-------|-----------|---|-------------|---------|-------------|--|
| <b>TREES</b>         |       |           |   |             |         |             |  |
|                      | UA    | 11        | ULMUS PARVIFOLIA 'ALLEE' / ALLEE LACEBARK ELM         | B & B       | 3" CAL. | 14'-16' HT. | STRONG CENTRAL LEADER, FULL AND MATCHING                                     |
|                      | QM    | 14        | QUERCUS MACROCARPA / BURR OAK                         | B & B       | 3" CAL. | 14'-16' HT. | STRONG CENTRAL LEADER, FULL AND MATCHING                                     |
|                      | JE    | 32        | JUNIPERUS VIRGINIANA / EASTERN RED CEDAR              | B & B       | 3" CAL. | 10'-12' HT. | STRONG CENTRAL LEADER, FULL AND MATCHING                                     |
|                      | QS    | 16        | QUERCUS SHUMARDII / SHUMARD RED OAK                   | B & B       | 3" CAL. | 14'-16' HT. | STRONG CENTRAL LEADER, FULL AND MATCHING                                     |
|                      | IV    | 34        | ILEX VOMITORIA / YAUPON HOLLY                         | CONT.       | 3" CAL. | 8'-10' HT.  | MULTI-TRUNK (3-5 STEMS), FULL AND MATCHING                                   |
| <b>SHRUBS</b>        |       |           |   |             |         |             |  |
|                      | IB    | 68        | ILEX CORNUTA 'BURFORDII NANA' / DWARF BURFORD HOLLY   | 5 GAL. MIN. | 36" HT. | 36" O.C.    | FULL AND MATCHING  |
|                      | AE    | 87        | ABELIA X GRANDIFLORA 'EDWARD GOUCHER' / GLOSSY ABELIA | 5 GAL. MIN. | 36" HT. | 36" O.C.    | FULL AND MATCHING  |
|                      | RI    | 74        | RAPHIOLEPIS INDICA 'CLARA' / INDIAN HAWTHORN          | 5 GAL. MIN. | 36" HT. | 36" O.C.    | FULL AND MATCHING  |
| <b>GROUND COVERS</b> |       |           |   |             |         |             |  |
|                      | SOD   | 34,786 SF | CYNODON DACTYLON / COMMON BERMUDA GRASS               | N/A         | N/A     | N/A         | SOD TO HAVE TIGHT, SAND FILLED JOINTS AND BE FREE OF WEEDS.                  |
|                      | SE    | TBD       | STEEL EDGE  |             |         |             | 3/16" X 6" BLACK (CONTRACTOR TO INSTALL ALL LANDSCAPE BEDS ADJACENT TO SOD.) |
|                      | MULCH | TBD       | SHREDDED HARDWOOD MULCH                               |             |         |             | 3" DEPTH   |

#### TOWN OF PROSPER LANDSCAPE GENERAL NOTES

Standard language and/or notations, as follows:

- Plant material shall be measured and sized according to the latest edition of the American Standard for Nursery Stock (ANSI Z60.1).
- All plant substitutions are subject to Town approval and must be specified on the approved landscape plan.
- Ground covers used in lieu of turf grass must provide complete coverage within one (1) year of planting and maintain adequate coverage as approved by the Town.
- Trees must be planted four (4) feet or greater from curbs, sidewalks, utility lines, screening walls, and all structures. Single-trunk trees shall have a single, straight leader, and all trees shall be full, with balanced canopy. Major damage to trunk(s), or branches, will be cause for denial.
- All root flares shall be set at three (3) to four (4) inches above surrounding grade. The tree pit shall be backfilled with native topsoil free of rock and other debris. Burlap, twine, and wire baskets shall be severed and removed from the top of the root ball.
- A 3-4" layer of mulch shall be provided around the base of the planted tree. The mulch shall be pulled back 1-2" from the trunk of the tree.
- No person(s) or entity may use improper or malicious maintenance or pruning techniques including, but not limited to: topping or other non symmetrical trimming of trees, damage from a backhoe, or use of fire or poison. Follow the American Standard for Nursery Stock (ANSI Z60.1) guidelines on pruning and maintenance.
- Topsoil shall be a minimum of eight (8) inches in depth in planting areas. Soil shall be free of stones, roots, and clods and any other foreign material that is not beneficial for plant growth.
- All plant beds shall be top-dressed with a minimum of three (3) inches of mulch.
- Trees overhanging walks and parking shall have a minimum clear branch height of seven (7) feet. Trees overhanging public street pavement drive aisles and fire lanes shall have a minimum clear branch height of fourteen (14) feet.
- A visibility triangle must be provided at all intersections, where shrubs are not to exceed thirty (30) inches in height, and trees shall have a minimum clear trunk height of nine (9) feet.
- Trees planted on a slope shall have the tree well at the average grade of the uphill slope.
- All areas of less than three (3) feet in width shall be grass, groundcover, or some type of decorative river rock, pavers, or concrete.
- The owner, tenant, and/or their agents, if any, shall be jointly and severally responsible for the maintenance, establishment, and permanence of plant material. All landscaping shall be caused for in a neat and orderly at all times including, but not limited to, mowing, edging, pruning, fertilizing, watering, de-weeding, and trash removal.
- Plant material that is damaged, destroyed, or removed shall be replaced with plants meeting minimum specifications per landscape plan. All turfground cover areas are to be established prior to receipt of Certificate of Occupancy, unless otherwise approved by the Town.
- An automatic irrigation system shall be provided to irrigate all landscape areas into streets, sidewalks, or alleys.
- No planting areas shall exceed 3:1 slope (3 ft horizontal to 1 ft vertical).
- Earthen berms shall not include construction debris.
- All walkways shall meet ADA and TAS requirements.
- Landscape installation must comply with approved landscape plans, and as-built plans submitted to Parks and Recreation, prior to final acceptance by the Town and/or obtaining a Certificate of Occupancy.
- Final inspection and approval of screening walls, irrigation, and landscape is subject to all public utilities, including but not limited to manholes, valves, water meters, cleanouts, and other appurtenances being accessible, adjusted to grade, and to the Town of Prosper Public Works Department standards.
- IMPORTANT: MINIMUM STANDARDS FOR PLANTS, AS SET FORTH IN THE ZONING ORDINANCE AND APPROVED LANDSCAPE PLANS ARE TAKEN SERIOUSLY BY THE TOWN AND PARKS AND RECREATION. INSTALLING INFERIOR PLANTS WITHOUT WRITTEN APPROVAL FROM A PARKS REPRESENTATIVE MAY RESULT IN REJECTION OF SOME OR ALL PLANTS, THEREBY DELAYING RECEIPT OF A CERTIFICATE OF OCCUPANCY. ARCHITECTS AND LANDSCAPE CONTRACTORS ARE STRONGLY ENCOURAGED TO NOTIFY THE PARKS DEPARTMENT TO DISCUSS POSSIBLE DEFICIENCIES PRIOR TO INSTALLATION.**
- Call Parks and Recreation at (972) 569-1160 at least forty-eight (48) hours prior to the following inspections:
  - Proposed trail alignment
  - Berm construction & grading
  - Erosion release
  - Final inspection

**NO EXISTING TREES ON SITE**

#### Town of Prosper, Texas - Landscape Data Table

Zoning/Proposed Use : PD-103, Restaurant/Retail  
Site Area : 3.59 AC (156,504.12 SF)

|   | REQUIRED                   | PROVIDED                   |
|---|----------------------------|----------------------------|
| <b>Section 2 - Landscaping</b>  |                            |                            |
| 2.6 C. Non-residential landscaped area requirements   |                            |                            |
| 1. Perimeter requirements   |                            |                            |
| Landscaped area consisting of living trees, turf, or other living ground cover and being at least 25 ft. in width shall be provided adjacent to and outside of the right-of-way on property located adjacent to a major or minor thoroughfare   | Yes                        | Yes                        |
| Teel Parkway: Major Thoroughfare  |                            |                            |
| One large tree (3" caliper min.) per 30 LF of roadway frontage shall be planted within the required landscape area. Trees may be planted in groups.   | 16 trees (3" caliper min.) | 16 trees (3" caliper min.) |
| Teel Parkway: 458 LF / 30 LF = 16 trees   |                            |                            |
| A min. of 15 shrubs (5 gallon min.) shall be planted for each 30 feet of LF.  | 229 shrubs (5 gallon min.) | 229 shrubs (5 gallon min.) |
| Teel Parkway: 458 LF / 30 LF = 15.27 LF   |                            |                            |
| 15.27 LF * 15 = 229 shrubs  |                            |                            |
| Parking abutting the landscape area shall be screened from the adjacent roadway (shrubs or berms)   | Yes                        | Yes                        |
| Where a non-residential development is adjacent to the property line of residential zoned parcels or areas shown as residential on the future land use plan, one large tree, 3" in caliper min. will be planted on 30' centers in a 15' landscape area.   | Yes                        | 66 Evergreen Trees         |
| 2. Interior parking requirements  |                            |                            |
| 15 SF of landscaping for each parking space shall be provided within the paved boundaries of the parking lot area   | Yes                        | Yes                        |
| Landscaped islands shall be located at the terminus of all parking rows, and shall contain at least one large tree (3" caliper min.) with no more than 15 parking spaces permitted in a continuous row without being interrupted by a landscaped island. Where there is a min. 8' wide landscape median between two rows of head-in parking, landscaped islands are required every 20 spaces.   | Yes                        | Yes                        |
| Landscaped islands shall be a min. of 160 SF, not less than 9' wide   | Yes                        | Yes                        |
| At least 1 large tree (3" caliper min.), within 150' of every parking space   | Yes                        | Yes                        |
| 5 A. Screening Fences and Walls   |                            |                            |
| When a boundary of a multifamily, institutional, or non-residential use sides or backs to a property that is zoned or designated on the future land use plan for residential (non-multifamily) uses, or when any institutional or non-residential use sides or backs to a MF District, a solid screening wall or fence of not less than six feet nor more than eight feet in height shall be erected on the property line separating these uses | Yes                        | Yes                        |



**EXHIBIT C**  
**ZONE-23-0023**  
**LANDSCAPE PLAN**  
**TEEL PARKWAY RETAIL**  
**WINDSONG RANCH OFFICE ADDITION**  
**BLOCK A, LOT 2**  
**Being 3.593 Acres Out Of The**  
**AARON ROBERTS SURVEY Abstract No. 1115**  
**Town of Prosper, Denton County, Texas**  
**Submitted: DECEMBER 5, 2023**

**Owner:**  
 SKS Prosper Teelpkwy Retail Holdings, LLC.  
 603 E Broadway Street  
 Prosper, Texas 75078  
 Contact: Shree Rama  
 Phone: (956) 220-4194

**Engineer/Surveyor:**  
 Kimley-Horn and Associates, Inc.  
 13455 Noel Road, Two Galleria Office Tower  
 Dallas, Texas 75240  
 Contact: Jeff Dolan, P.E.  
 Phone: (972) 770-1300

Item 17.
DATE

No.
REVISIONS

© 2023 KIMLEY-HORN AND ASSOCIATES, INC.  
13455 NOEL ROAD, SUITE 700, DALLAS, TX 75240  
PHONE: 972-770-1300 FAX: 972-239-3820  
WWW.KIMLEY-HORN.COM

**LANDSCAPE PLAN**

TEEL PARKWAY  
RETAIL  
PREPARED FOR  
SKS PROSPER TEEL PKWY  
PROSPER, TEXAS

SHEET NUMBER
LP 1.00

Page 316





06 SOUTH ELEVATION  
3/32" = 1'-0"



05 EAST ELEVATION  
3/32" = 1'-0"

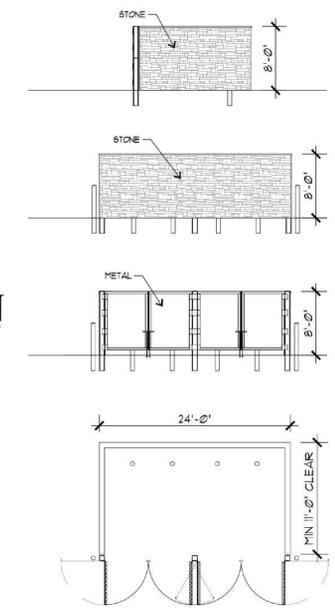
|                                  | SOUTH  |       | WEST   |       | NORTH FRONT |       | EAST   |       |
|----------------------------------|--------|-------|--------|-------|-------------|-------|--------|-------|
|                                  | SF     | %     | SF     | %     | SF          | %     | SF     | %     |
| TOTAL                            | 4059   |       | 1825   |       | 4147        |       | 1866   |       |
| WINDOWS & DOORS                  | 173    |       | 544    |       | 1388        |       | 491    |       |
| TOTAL LESS WINDOWS & DOORS       | 3886.0 |       | 1281   |       | 2759        |       | 1375   |       |
| PRIMARY MASONRY                  |        |       |        |       |             |       |        |       |
| BRICK                            | 2071   | 53.28 | 566    | 44.15 | 773         | 28.02 | 714    | 51.97 |
| STONE                            | 1200   | 30.87 | 395    | 30.81 | 724         | 26.24 | 521    | 37.92 |
| CONCRETE / STUCCO                | 616    | 15.85 | 301    | 23.48 | 1218        | 44.15 | 139    | 10.12 |
| PRIMARY MASONRY TOTAL (MIN. SIZ) | 3887   | 100.0 | 1262   | 98.4  | 2715        | 98.4  | 1374   | 100.0 |
| SECONDARY                        |        |       |        |       |             |       |        |       |
| ROOF/PARAPET COPING              | 0      | 0.00  | 20     | 1.56  | 44          | 1.59  | 0      | 0.00  |
| TOTAL                            | 0.0    | 0.0   | 20.0   | 1.6   | 44.0        | 1.6   | 0.0    | 0.0   |
| TOTAL                            | 3887.0 | 100   | 1282.0 | 100   | 2759.0      | 100   | 1374.0 | 100   |



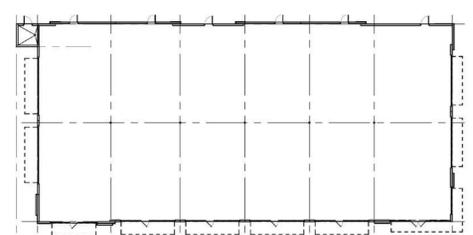
04 WEST ELEVATION  
3/32" = 1'-0"



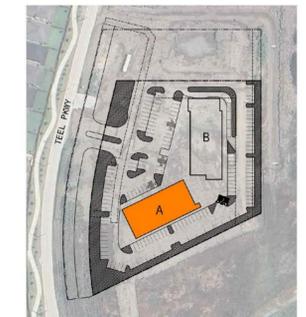
03 NORTH ELEVATION FRONT  
3/32" = 1'-0"



01 DUMPSTER  
3/32" = 1'-0"



02 BUILDING OUTLINE BUILDING A  
1/32" = 1'-0"



KEY PLAN  
1" = 200'

CITY OF PROSPER FACADE PLAN STANDARD LANGUAGE AND/OR NOTATIONS:  
 1. THIS FACADE PLAN IS FOR CONCEPTUAL PURPOSES ONLY. ALL BUILDING PLANS REQUIRE REVIEW AND APPROVAL FROM THE BUILDING INSPECTIONS DIVISIONS.  
 2. ALL MECHANICAL EQUIPMENT SHALL BE SCREENED FROM PUBLIC VIEW. ROOFTOP MOUNTED EQUIPMENT SHALL BE SCREENED BY A PARAPET WALL OR SCREENING WALL. SCREENING WALLS SHALL BE THE SPECIFICATIONS OF THE ZONING ORDINANCE.  
 3. WHEN PERMITTED, EXPOSED UTILITY BOXES AND CONDUITS SHALL BE PAINTED TO MATCH THE BUILDING.  
 4. ALL SIGNAGE AREAS AND LOCATIONS ARE SUBJECT TO APPROVAL BY THE BUILDING INSPECTIONS DIVISION.  
 5. WINDOWS SHALL HAVE A MAXIMUM EXTERIOR VISIBLE REFLECTIVITY OF 10% PERCENT.  
 6. ANY DEVIATION FROM THE APPROVED FACADE PLAN WILL REQUIRE RE-APPROVAL BY THE TOWN OF PROSPER.

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OWNER:  
 SKS PROSPER TEELPKWY RETAIL, LLC  
 7251 SHOESTRING DRIVE  
 FRISCO, TEXAS 75036  
 PHONE: 956-220-4194  
 CONTACT: KALYAN AKKASANI  
 KALYAN@EPIMONI.CO

APPLICANT (CIVIL ENGINEER):  
 KIMLEY HORN  
 13455 NOEL ROAD  
 TWO GALLERIA OFFICE TOWER  
 SUITE 700  
 DALLAS, TEXAS 75240  
 PHONE: (845) 218-5083  
 CONTACT: ABBE LUEBBERT, P.E.  
 ABBE.LUEBBERT@KIMLEY-HORN.COM

ARCHITECT:  
 GSO ARCHITECTS  
 5310 HARVEST HILL ROAD, SUITE 228  
 DALLAS, TEXAS 75230  
 PHONE: (972) 992-6015  
 CONTACT: LISA SWIFT  
 LSWIFT@GSOARCHITECTS.COM

EXHIBIT D  
 PROSPER CASE NO.: ZONE-23-0023  
**PRELIMINARY FACADE PLAN**  
**TEEL PARKWAY RETAIL - BUILDING A**  
**WINDSONG RANCH COMMERCIAL ADDITION BLOCK A, LOT 2**  
 3.593 ACRES



05 EAST ELEVATION  
3/32" = 1'-0"



04 NORTH ELEVATION  
3/32" = 1'-0"

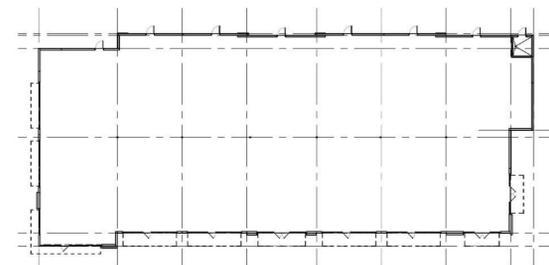
|                                  | sq     | %     | sq           | %     | sq     | %     | sq     | %     |
|----------------------------------|--------|-------|--------------|-------|--------|-------|--------|-------|
|                                  | SOUTH  |       | WEST (FRONT) |       | NORTH  |       | EAST   |       |
| TOTAL                            | 1926   |       | 4701         |       | 1626   |       | 4588   |       |
| WINDOWS & DOORS                  | 170    |       | 1551         |       | 520    |       | 194    |       |
| TOTAL LESS WINDOWS & DOORS       | 1756.0 |       | 3150         |       | 1306   |       | 4394   |       |
| BRICK                            | 475    | 27.03 | 813          | 25.82 | 594    | 45.45 | 2490   | 56.84 |
| STONE                            | 1208   | 68.75 | 987          | 31.34 | 362    | 27.70 | 1281   | 29.15 |
| CONCRETE/STUCCO                  | 74     | 4.21  | 1303         | 41.38 | 330    | 25.25 | 616    | 14.02 |
| PRIMARY MASONRY TOTAL (MIN. 80%) | 1757   | 100.0 | 3103         | 98.5  | 1286   | 98.4  | 4395   | 100.0 |
| ROOF/PARAPET COPING              | 0      | 0.00  | 46           | 1.46  | 21     | 1.61  | 0      | 0.00  |
| SECONDARY                        |        |       |              |       |        |       |        |       |
| TOTAL                            | 0.0    | 0.0   | 46.0         | 1.5   | 21.0   | 1.6   | 0.0    | 0.0   |
| TOTAL                            | 1757.0 | 100   | 3149.0       | 100   | 1307.0 | 100   | 4395.0 | 100   |



03 SOUTH ELEVATION  
3/32" = 1'-0"



02 WEST ELEVATION FRONT  
3/32" = 1'-0"



01 BUILDING OUTLINE  
BUILDING B  
1/32" = 1'-0"



KEY PLAN  
SCALE: 1" = 200'

- CITY OF PROSPER FACADE PLAN STANDARD LANGUAGE AND/OR NOTATIONS:
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  5. WINDOWS SHALL HAVE A MAXIMUM EXTERIOR VISIBLE REFLECTIVITY OF TEN (10) PERCENT.
  6. ANY DEVIATION FROM THE APPROVED FACADE PLAN WILL REQUIRE RE-APPROVAL BY THE TOWN OF PROSPER.

OWNER:  
SKS PROSPER TEELPKWY RETAIL, LLC  
7251 SHOESTRING DRIVE  
FRISCO, TEXAS 75038  
PHONE: 956-220-4194  
CONTACT: KALYAN AKKASANI  
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KIMLEY HORN  
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TYVO GALLERIA OFFICE TOWER  
SUITE 700  
DALLAS, TEXAS 75240  
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CONTACT: ABBIE LUEBBERT, P.E.  
ABBIE.LUEBBERT@KIMLEY-HORN.COM

ARCHITECT:  
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5310 HARVEST HILL ROAD, SUITE 228  
DALLAS, TEXAS 75230  
PHONE: (972) 392-8015  
CONTACT: LISA SWIFT  
LSWIFT@GSOARCHITECTS.COM

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EXHIBIT D  
PROSPER CASE NO.: ZONE-23-0023  
**PRELIMINARY FACADE PLAN**  
TEEL PARKWAY RETAIL - BUILDING B  
WINDSONG RANCH COMMERCIAL ADDITION BLOCK A, LOT 2  
3.593 ACRES



MANUFACTURED STONE:  
PROVIA 'NATURAL CUT' FERNWOOD



TEXTURED TILT PANEL OR STUCCO  
COLOR 1



TEXTURED TILT PANEL OR STUCCO  
COLOR 2



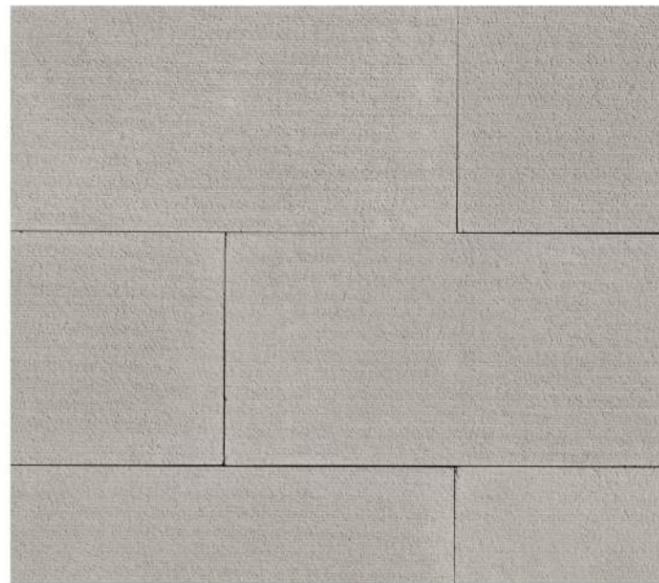
CAST STONE  
CUSTOM COLOR MATCH ACCENT TRIM/BRICK



METAL TRIM  
CANOPY / COPING



STONE COLOR 1:  
SMOOTH STONE:  
ELDORADO STONE MARQUEE24 DOVETAIL



STONE COLOR 2:  
SMOOTH STONE:  
ELDORADO STONE ZEN24 NICKEL



ACCENT BRICK:  
ROBEN - BLACK NUANCED SMOOTH



FIELD BRICK:  
ROBEN - MANCHESTER



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EXHIBIT D  
PROSPER CASE NO.: ZONE-23-0023  
PRELIMINARY FACADE SAMPLE BOARD  
TEEL PARKWAY RETAIL  
WINDSONG RANCH COMMERCIAL ADDITION BLOCK A, LOT 2  
3.593 A



## PLANNING

**To: Mayor and Town Council**

**From: David Hoover, AICP, Director of Development Services**

**Through: Mario Canizares, Town Manager  
Chuck Ewings, Assistant Town Manager**

**Re: Development Agreement - Windsong Ranch Office Addition**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 3. Commercial Corridors are ready for Development**

**Agenda Item:**

Consider and act upon authorizing the Town Manager to execute a Development Agreement between SKS Prosper Teelpkwy Retail Holdings, LLC, and the Town of Prosper relative to Windsong Ranch Office Addition, Block A, Lot 2.

**Description of Agenda Item:**

On January 9, 2024, the Town Council approved the proposed Specific Use Permit by a vote of 7-0. A Development Agreement has been prepared accordingly.

The ordinance for this Specific Use Permit request (ZONE-23-0023) is also on the March 12, 2024, Town Council agenda for consideration.

**Budget Impact:**

There is no budgetary impact affiliated with this item.

**Legal Obligations and Review:**

Terrence Welch of Brown & Hofmeister, L.L.P., has approved the attached documents as to form and legality.

**Attached Documents:**

1. Development Agreement

**Town Staff Recommendation:**

Town Staff recommends that the Town Council authorize the Town Manager to execute a Development Agreement between SKS Prosper Teelpkwy Retail Holdings, LLC, and the Town of Prosper relative to Windsong Ranch Office Park, Block A, Lot 2.

**Proposed Motion:**

I move to authorize/not authorize the Town Manager to execute a Development Agreement between SKS Prosper Teelpkwy Retail Holdings, LLC, and the Town of Prosper relative to Windsong Ranch Office, Block A, Lot 2.

## DEVELOPMENT AGREEMENT

**THIS DEVELOPMENT AGREEMENT** (“Agreement”) is entered into by and between the Town of Prosper, Texas (“Town”), and SKS Prosper Teelpkwy Retail Holdings, LLC, (“Developer”) (individually, a “Party” and collectively, the “Parties”) to be effective (the “Effective Date”) on the latest date executed by a Party.

**WHEREAS**, the Town is a home-rule municipal corporation, located in Collin County and Denton County, Texas, organized and existing under the laws of the State of Texas; and

**WHEREAS**, Developer is developing in the Town a retail development on an approximate 3.593-acre tract of land generally located south of Parvin Road and east of North Teel Parkway in the Town (the “Property”), and a legal description and depiction of the Property is attached hereto as Exhibit A and incorporated by reference; and

**WHEREAS**, the foregoing Property was rezoned by the Town Council on or about January 9, 2024, when the Town Council approved a Specific Use Permit for the Property, and this Agreement seeks to incorporate, in part, the negotiated and agreed upon development standards contained in the underlying zoning ordinance, as may be amended, and/or this Development Agreement, to recognize Developer’s reasonable investment-backed expectations in the Development, as may be amended, and as more fully described herein.

**NOW, THEREFORE**, in consideration of the foregoing premises, and for other good and valuable consideration the receipt and adequacy of which are hereby acknowledged, the Parties to this Agreement agree as follows:

**1. Development Standards.** Any structure built on the Property shall comply with the elevations and building materials requirements contained in Exhibit B, attached hereto and incorporated herein; however, in no event shall the amount of stucco exceed fifteen percent (15%) of any elevation of any structure constructed on the Property. The Parties agree and acknowledge that the provisions of this Paragraph shall apply to any structure constructed subsequent to the execution of this Agreement. Nothing in this Agreement shall be deemed to modify or otherwise amend any zoning regulation duly adopted by the Town, previously or in the future.

**2. Maintenance of Landscape Areas.**

A. Developer agrees to maintain all Landscape Areas (including all vegetation) on the Property, as referenced and/or depicted in the applicable zoning ordinance, as amended, free of weeds, tall grass, rubbish, brush and other objectionable, unsightly or unsanitary matter, as defined in Article 6.03 of Chapter 6 of the Town’s Code of Ordinances, as amended. Further, Developer agrees that landscape maintenance obligations referenced herein include mulching of Landscape Areas, prompt replacement

of dead or dying vegetation with new vegetation, mowing of Landscape Areas, where required, and other routine and regular maintenance of plants and other vegetation.

B. In the event that any Landscape Area or plants or vegetation is/are not properly maintained in accordance with this Agreement, the Town may give written notice to Developer of such failure to maintain and Developer shall promptly address such failure, taking into account the type(s) and species of such plants and vegetation and applicable planting cycles of same. After such notice, and Developer's failure to address same, Developer agrees and acknowledges that the Town shall have the right to go onto Developer's property and replace, replant or otherwise address such failure to maintain any Landscape Area or plants or vegetation, with an invoice of costs incurred by the Town being promptly provided by the Town to Developer. In the event Developer does not pay such invoice within thirty (30) days of receipt by Developer, the Town may file a lien on the Property for the costs it incurred for the work done, including a reasonable administrative fee. Any failure to maintain any Landscape Area, plants or vegetation shall not be considered a default in accordance with Paragraph 7 of this Agreement, shall not be subject to the mediation requirement contained in Paragraph 16 and any obligations referenced in said Paragraphs shall not be applicable to this Paragraph 2.

C. Notwithstanding any provision in this Paragraph to the contrary, the Town specifically reserves the right to take enforcement action and/or file a complaint against Developer in the Town's municipal court (or other appropriate forum) relative to weeds, tall grass, rubbish, brush and other objectionable, unsightly or unsanitary matter on the Property, in accordance with Article 6.03 of Chapter 6 of the Town's Code of Ordinances, as amended.

**3. Certain Business Establishments Prohibited.** Developer agrees and acknowledges that it will not lease, sell or otherwise permit or authorize on the Property any of the following business establishments: (1) credit access businesses, as defined in Texas Finance Code § 393.601, as amended, including but not limited to payday lending businesses, "cash for title" lenders, and credit services businesses, as defined in Texas Finance Code § 393.001, as amended); (2) body art facilities; (3) smoke or vape shops; (4) any business entity that sells drug paraphernalia; (5) any business establishment offering gaming or slot machines; (6) sex shops, including but not limited to business entities whose primary purpose is the sale of lewd merchandise; (7) pawn shops; and (8) business entities which primarily utilize outdoor storage or displays. Further, Developer agrees and acknowledges that it will not lease, sell or otherwise permit or authorize on the Property a package liquor store, which for purposes of this Agreement is defined as any business entity that is required to obtain a Package Store Permit (P) from the Texas Alcoholic Beverage Commission for the off-premises consumption of alcohol. Nothing in this Agreement shall be deemed to modify or otherwise amend any zoning regulation duly adopted by the Town, previously or in the future.

**4. Covenant Running with the Land.** The terms, conditions, rights, obligations, benefits, covenants and restrictions of the provisions of this Agreement shall be deemed covenants running with the land, and shall be binding upon and inure to the

benefit of the Developer and its heirs, representatives, successors and assigns. This Agreement shall be deemed to be incorporated into each deed and conveyance of the Property or any portion thereof hereafter made by any other Developers of the Property, regardless of whether this Agreement is expressly referenced therein.

**5. Applicability of Town Ordinances.** Developer shall develop the Property, and construct all structures on the Property, in accordance with all applicable Town ordinances and building/construction codes.

**6. Rough Proportionality.** Developer hereby agrees that any land or property donated and/or dedicated to the Town pursuant to this Agreement, whether in fee simple or otherwise, including any easements (as may be reflected in any Final Plat), relative to any development on the Property is roughly proportional to the need for such land and Developer hereby waives any claim therefor that it may have. Developer further acknowledges and agrees that all prerequisites to such a determination of rough proportionality have been met, and that any costs incurred relative to said donation are related both in nature and extent to the impact of the development referenced herein. Both Developer and the Town further agree to waive and release all claims one may have against the other related to any and all rough proportionality and individual determination requirements mandated by the United States Supreme Court in *Dolan v. City of Tigard*, 512 U.S. 374 (1994), and its progeny, as well as any other requirements of a nexus between development conditions and the provision of roadway services to the Property.

**7. Exactions/Infrastructure Costs.** Both the Town and Developer have been represented by legal counsel in the negotiation of this Agreement and been advised or each has had the opportunity to have legal counsel review this Agreement and advise them, regarding Developer's and the Town's rights under Texas and federal law. Developer and the Town hereby waive any requirement that the other retain a professional engineer, licensed pursuant to Chapter 1001 of the Texas Occupations Code, to review and determine that the exactions are roughly proportional or roughly proportionate to the proposed development's anticipated impact. Developer specifically reserves its right to appeal the apportionment of municipal infrastructure costs in accordance with § 212.904 of the Texas Local Government Code and any exemptions from impact fees under current or future law; however, notwithstanding the foregoing and to the extent permitted by law, Developer hereby releases the Town from any and all liability under § 212.904 of the Texas Local Government Code, as amended, regarding or related to the cost of those municipal infrastructure requirements imposed by this Agreement.

**8. Default.** No Party shall be in default under this Agreement until notice of the alleged failure of such Party to perform has been given (which notice shall set forth in reasonable detail the nature of the alleged failure) and until such Party has been given a reasonable time to cure the alleged failure (such reasonable time determined based on the nature of the alleged failure, but in no event less than thirty (30) days after written notice of the alleged failure has been given). In addition, no Party shall be in default under this Agreement if, within the applicable cure period, the Party to whom the notice was

given begins performance and thereafter diligently and continuously pursues performance until the alleged failure has been cured. If either Party is in default under this Agreement, the other Party shall have the right to enforce the Agreement in accordance with applicable law, provided, however, in no event shall any Party be liable for consequential or punitive damages.

**9. Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Denton County, Texas. Exclusive venue for any action arising under this Agreement shall lie in Denton County, Texas.

**10. Notice.** Any notices required or permitted to be given hereunder (each, a "Notice") shall be given by certified or registered mail, return receipt requested, to the addresses set forth below or to such other single address as either party hereto shall notify the other:

If to the Town:           The Town of Prosper  
250 W. First Street  
P.O. Box 307  
Prosper, Texas 75078  
Attention: Town Manager

If to Developer:       SKS Prosper Teelpkwy Retail Holdings, LLC  
7251 Shoestring Drive  
Frisco, Texas 75036  
Attention: Shree Rama

**11. Prevailing Party.** In the event any person initiates or defends any legal action or proceeding to enforce or interpret any of the terms of this Agreement, the prevailing party in any such action or proceeding shall be entitled to recover its reasonable costs and attorney's fees (including its reasonable costs and attorney's fees on any appeal).

**12. Entire Agreement.** This Agreement contains the entire agreement between the Parties hereto with respect to development of the Property and supersedes all prior agreements, oral or written, with respect to the subject matter hereof. The provisions of this Agreement shall be construed as a whole and not strictly for or against any Party.

**13. Savings/Severability.** In the event any provision of this Agreement shall be determined by any court of competent jurisdiction to be invalid or unenforceable, the Agreement shall, to the extent reasonably possible, remain in force as to the balance of its provisions as if such invalid provision were not a part hereof.

**14. Binding Agreement.** A telecopied facsimile of a duly executed counterpart of this Agreement shall be sufficient to evidence the binding agreement of each party to

the terms herein, including without limitation a scanned copy sent via electronic mail by either Party.

**15. Authority to Execute.** This Agreement shall become a binding obligation on the Parties upon execution by all Parties hereto. The Town warrants and represents that the individual executing this Agreement on behalf of the Town has full authority to execute this Agreement and bind the Town to the same. Developer warrants and represents that the individual executing this Agreement on behalf of Developer has full authority to execute this Agreement and bind the Developer and Owner of the Property to the same. The Town Council hereby authorizes the Town Manager of the Town to execute this Agreement on behalf of the Town.

**16. Filing in Deed Records.** This Agreement, and any and all subsequent amendments to this Agreement, shall be filed in the deed records of Denton County, Texas.

**17. Mediation.** In the event of any disagreement or conflict concerning the interpretation of this Agreement, and such disagreement cannot be resolved by the signatories hereto, the signatories agree to submit such disagreement to nonbinding mediation.

**18. Notification of Sale or Transfer; Assignment of Agreement.** Except with respect to a sale or transfer to a related entity of Developer, Developer shall notify the Town in writing of any sale or transfer of all or any portion of the Property, within ten (10) business days of such sale or transfer. Developer has the right (from time to time without the consent of the Town, but upon written notice to the Town) to assign this Agreement, in whole or in part, and including any obligation, right, title, or interest of Developer under this Agreement, to any person or entity (an "Assignee") that is or will become an Developer of any portion of the Property or that is an entity that is controlled by or under common control with Developer. Each assignment shall be in writing executed by Developer and the Assignee and shall obligate the Assignee to be bound by this Agreement. Except with respect to a sale or transfer to a related entity of Developer, a copy of each assignment shall be provided to the Town within ten (10) business days after execution. Provided that the successor Developer assumes the liabilities, responsibilities, and obligations of the assignor under this Agreement and/or the building has been constructed on the Property as provided in this Agreement, the assigning party will be released from any rights and obligations under this Agreement as to the Property that is the subject of such assignment, effective upon such transfer. No assignment by Developer shall release Developer from any liability that resulted from an act or omission by Developer that occurred prior to the effective date of the assignment. Developer shall maintain true and correct copies of all assignments made by Developer to Assignees, including a copy of each executed assignment and the Assignee's Notice information.

**19. Sovereign Immunity.** The Parties agree that the Town has not waived its sovereign immunity from suit by entering into and performing its obligations under this Agreement.

**20. Effect of Recitals.** The recitals contained in this Agreement: (a) are true and correct as of the Effective Date; (b) form the basis upon which the Parties negotiated and entered into this Agreement; (c) are legislative findings of the Town Council; and (d) reflect the final intent of the Parties with regard to the subject matter of this Agreement. In the event it becomes necessary to interpret any provision of this Agreement, the intent of the Parties, as evidenced by the recitals, shall be taken into consideration and, to the maximum extent possible, given full effect. The Parties have relied upon the recitals as part of the consideration for entering into this Agreement and, but for the intent of the Parties reflected by the recitals, would not have entered into this Agreement.

**21. Consideration.** This Agreement is executed by the Parties hereto without coercion or duress and for substantial consideration, the sufficiency of which is forever confessed.

**22. Counterparts.** This Agreement may be executed in a number of identical counterparts, each of which shall be deemed an original for all purposes. A facsimile signature will also be deemed to constitute an original.

**23. Amendment.** This Agreement shall not be modified or amended except in writing signed by the Parties. A copy of each amendment to this Agreement, when fully executed and recorded, shall be provided to each Party, Assignee and successor Developer of all or any part of the Property; however, the failure to provide such copies shall not affect the validity of any amendment.

**24. Miscellaneous Drafting Provisions.** This Agreement shall be deemed drafted equally by all Parties hereto. The language of all parts of this Agreement shall be construed as a whole according to its fair meaning, and any presumption or principle that the language herein is to be construed against any Party shall not apply.

**IN WITNESS WHEREOF**, the parties hereto have caused this document to be executed as of the date referenced herein.

**TOWN:**

**THE TOWN OF PROSPER, TEXAS**

By: \_\_\_\_\_  
Name: Mario Canizares  
Title: Town Manager

**STATE OF TEXAS        )**  
                                  )  
**COUNTY OF COLLIN    )**

This instrument was acknowledged before me on the \_\_\_\_ day of \_\_\_\_\_, 2024, by Mario Canizares, Town Manager of the Town of Prosper, Texas, on behalf of the Town of Prosper, Texas.

\_\_\_\_\_  
Notary Public, State of Texas  
My Commission Expires: \_\_\_\_\_

**DEVELOPER:**

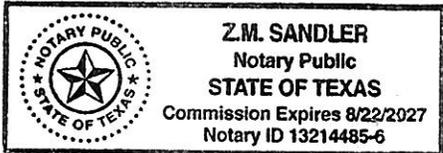
**SKS Prosper Teelpkwy Retail Holdings, LLC**

By: K. Routh  
Name: Shree Rama  
Title: Manager

STATE OF TEXAS       )  
                                  )  
COUNTY OF Collin    )

This instrument was acknowledged before me on the 22<sup>nd</sup> day of February, 2024, by Shree Rama in his capacity as Manager of SKS Prosper Teelpkwy Retail Holdings, LLC, known to be the person whose name is subscribed to the foregoing instrument, and that he executed the same on behalf of and as the act of Developer.

[Signature]  
Notary Public, State of Texas  
My Commission Expires: 08/22/2027



**Exhibit A**

**(Property Legal Description)**

**BEING** a tract of land situated in the Aaron Roberts Survey, Abstract No. 1115, Town of Prosper, Denton County, Texas, and being all of Lot 2, Block A of the Windsong Ranch Office Addition, an addition to the Town of Prosper, Denton County, Texas, according to the plat thereof recorded in Document No. 2022-131, Plat Records, Denton County, Texas, and being more particularly described as follows:

**BEGINNING** at a point in the east right-of-way line of Teel Parkway (a variable width right-of-way) at the southwest corner of said Lot 2, Block A, same being the southeast corner of a 60-foot Right-of-Way Dedication recorded in said Document No. 2022-131, and being in the north line of that certain tract of land designated as "Tract 1" as described in the Special Warranty Deed to VP WINDSONG OPERATIONS LLC, recorded in Document No. 2018-142926, Deed Records, Denton County, Texas, and being at the beginning of a non-tangent curve to the right with a radius of 890.00 feet, a central angle of 22°10'32", and a chord bearing and distance of North 02°37'57" East, 342.32 feet;

**THENCE** with said east right-of-way line and the west line of said Lot 2, Block A, the following courses and distances:

In a northerly direction, with said non-tangent curve to the right, an arc distance of 344.46 feet to a point for corner;

North 13°43'13" East, a distance of 166.50 feet to the northwest corner of said Lot 2, Block A, same being the southwest corner of Lot 1, Block A of the aforementioned Windsong Ranch Office Addition;

**THENCE** with the common line of said Lot 1 and 2, Block A, North 90°00'00" East, a distance of 340.43 feet to the southeast corner of said Lot 1, Block A, and the northeast corner of said Lot 2, Block A, and being in the west line of a called 113.223 acre tract of land described in the Special Warranty Deed to PROSPER INDEPENDENT SCHOOL DISTRICT, recorded in Document No. 2017-34540, Deed Records, Denton County, Texas;

**THENCE** with the west line of said 113.223 acre tract, South 00°00'00" East, a distance of 310.80 feet to the southwest corner of said 113.223 acre tract, same being in the north line of said "Tract 1", and being at the southeast corner of said Lot 2, Block A;

**THENCE** with the common line of said "Tract 1" and said Lot 2, Block A, South 64°00'25" West, a distance of 440.17 feet to the **POINT OF BEGINNING** and containing a computed area of 156,502 square feet or 3.593 acres of land.

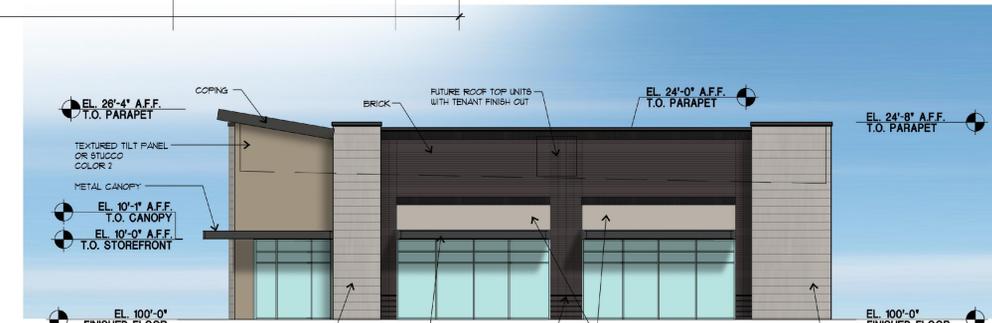


06 SOUTH ELEVATION  
3/32" = 1'-0"



05 EAST ELEVATION  
3/32" = 1'-0"

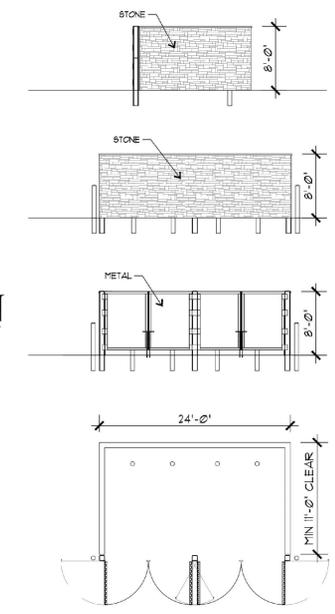
|                                  | SOUTH  |       | WEST   |       | NORTH/FRONT |       | EAST   |       |
|----------------------------------|--------|-------|--------|-------|-------------|-------|--------|-------|
|                                  | SF     | %     | SF     | %     | SF          | %     | SF     | %     |
| TOTAL                            | 4059   |       | 1825   |       | 4147        |       | 1866   |       |
| WINDOWS & DOORS                  | 173    |       | 544    |       | 1388        |       | 491    |       |
| TOTAL LESS WINDOWS & DOORS       | 3886.0 |       | 1281   |       | 2759        |       | 1375   |       |
| PRIMARY MASONRY                  |        |       |        |       |             |       |        |       |
| BRICK                            | 2071   | 53.28 | 566    | 44.15 | 773         | 28.02 | 714    | 51.97 |
| STONE                            | 1200   | 30.87 | 395    | 30.81 | 724         | 26.24 | 521    | 37.92 |
| CONCRETE / STUCCO                | 616    | 15.85 | 301    | 23.48 | 1218        | 44.15 | 139    | 10.12 |
| PRIMARY MASONRY TOTAL (MIN. SIZ) | 3887   | 100.0 | 1262   | 98.4  | 2715        | 98.4  | 1374   | 100.0 |
| ROOF/PARAPET COPING              | 0      | 0.00  | 20     | 1.56  | 44          | 1.59  | 0      | 0.00  |
| SECONDARY                        |        |       |        |       |             |       |        |       |
| TOTAL                            | 0.0    | 0.0   | 20.0   | 1.6   | 44.0        | 1.6   | 0.0    | 0.0   |
| TOTAL                            | 3887.0 | 100   | 1282.0 | 100   | 2759.0      | 100   | 1374.0 | 100   |



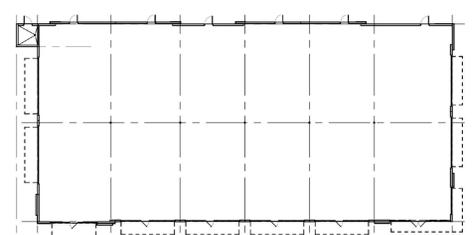
04 WEST ELEVATION  
3/32" = 1'-0"



03 NORTH ELEVATION FRONT  
3/32" = 1'-0"



01 DUMPSTER  
3/32" = 1'-0"



02 BUILDING OUTLINE  
1/32" = 1'-0"



KEY PLAN  
1" = 20'

- CITY OF PROSPER FACADE PLAN STANDARD LANGUAGE AND/OR NOTATIONS:
1. THIS FACADE PLAN IS FOR CONCEPTUAL PURPOSES ONLY. ALL BUILDING PLANS REQUIRE REVIEW AND APPROVAL FROM THE BUILDING INSPECTIONS DIVISIONS.
  2. ALL MECHANICAL EQUIPMENT SHALL BE SCREENED FROM PUBLIC VIEW. ROOFTOP MOUNTED EQUIPMENT SHALL BE SCREENED BY A PARAPET WALL OR SCREENING WALL. SCREENING WALLS SHALL BE THE SPECIFICATIONS OF THE ZONING ORDINANCE.
  3. WHEN PERMITTED, EXPOSED UTILITY BOXES AND CONDUITS SHALL BE PAINTED TO MATCH THE BUILDING.
  4. ALL SIGNAGE AREAS AND LOCATIONS ARE SUBJECT TO APPROVAL BY THE BUILDING INSPECTIONS DIVISION.
  5. WINDOWS SHALL HAVE A MAXIMUM EXTERIOR VISIBLE REFLECTIVITY OF TEN (10) PERCENT.
  6. ANY DEVIATION FROM THE APPROVED FACADE PLAN WILL REQUIRE RE-APPROVAL BY THE TOWN OF PROSPER.

**GSO ARCHITECTS**  
DALLAS, TX 972.385.9651  
www.GSOarchitects.com  
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OWNER:  
SKS PROSPER TEELPKWY RETAIL, LLC  
7251 SHOESTRING DRIVE  
FRISCO, TEXAS 75036  
PHONE: 956-220-4194  
CONTACT: KALYAN AKKASANI  
KALYAN@EPIMONI.CO

APPLICANT (CIVIL ENGINEER):  
KIMLEY HORN  
13455 NOEL ROAD  
TWO GALLERIA OFFICE TOWER  
SUITE 700  
DALLAS, TEXAS 75240  
PHONE: (845) 218-5063  
CONTACT: ABBE LUEBBERT, P.E.  
ABBE.LUEBBERT@KIMLEY-HORN.COM

ARCHITECT:  
GSO ARCHITECTS  
5310 HARVEST HILL ROAD, SUITE 228  
DALLAS, TEXAS 75230  
PHONE: (972) 992-6015  
CONTACT: LISA SWIFT  
LSWIFT@GSOARCHITECTS.COM

**Exhibit B**  
**Page 1 of 3**  
**(Building Materials/Elevations)**

PROSPER CASE NO.: ZONE-23-0023  
**PRELIMINARY FACADE PLAN**  
**TEEL PARKWAY RETAIL - BUILDING A**  
**WINDSONG RANCH COMMERCIAL ADDITION BLOCK A, LOT 2**  
3.593 ACRES



**05 EAST ELEVATION**  
3/32" = 1'-0"



**04 NORTH ELEVATION**  
3/32" = 1'-0"

|                                  | SOUTH  |       | WEST FRONT |       | NORTH  |       | EAST   |       |
|----------------------------------|--------|-------|------------|-------|--------|-------|--------|-------|
|                                  | SF     | %     | SF         | %     | SF     | %     | SF     | %     |
| TOTAL                            | 1926   |       | 4701       |       | 1826   |       | 4588   |       |
| WINDOWS & DOORS                  | 170    |       | 1551       |       | 520    |       | 194    |       |
| TOTAL LESS WINDOWS & DOORS       | 1756.0 |       | 3150       |       | 1306   |       | 4394   |       |
| PRIMARY MASONRY                  |        |       |            |       |        |       |        |       |
| BRICK                            | 475    | 27.03 | 813        | 25.82 | 594    | 45.45 | 2490   | 56.84 |
| STONE                            | 1208   | 68.75 | 987        | 31.34 | 362    | 27.70 | 1281   | 29.15 |
| CONCRETE/STUCCO                  | 74     | 4.21  | 1303       | 41.38 | 330    | 25.25 | 616    | 14.02 |
| PRIMARY MASONRY TOTAL (MIN. 80%) | 1757   | 100.0 | 3103       | 98.5  | 1286   | 98.4  | 4395   | 100.0 |
| SECONDARY                        |        |       |            |       |        |       |        |       |
| ROOF/PARAPET COPING              | 0      | 0.00  | 46         | 1.46  | 21     | 1.61  | 0      | 0.00  |
| TOTAL                            | 0.0    | 0.0   | 46.0       | 1.5   | 21.0   | 1.6   | 0.0    | 0.0   |
| TOTAL                            | 1757.0 | 100   | 3149.0     | 100   | 1307.0 | 100   | 4395.0 | 100   |



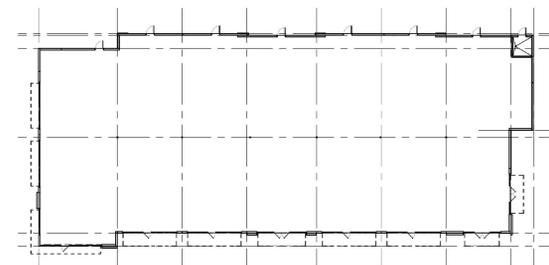
**03 SOUTH ELEVATION**  
3/32" = 1'-0"



**02 WEST ELEVATION**  
3/32" = 1'-0" FRONT



**KEY PLAN**  
SCALE: 1"=200'



**01 BUILDING OUTLINE**  
1/32" = 1'-0" BUILDING B

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OWNER:  
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**Exhibit B**  
**Page 2 of 3**  
**(Building Materials/Elevations)**

PROSPER CASE NO.: ZONE-23-0023  
**PRELIMINARY FACADE PLAN**  
**TEEL PARKWAY RETAIL - BUILDING B**  
**WINDSONG RANCH COMMERCIAL ADDITION BLOCK A, LOT 2**  
3.593 ACRES



MANUFACTURED STONE:  
PROVIA 'NATURAL CUT' FERNWOOD



TEXTURED TILT PANEL OR STUCCO  
COLOR 1



TEXTURED TILT PANEL OR STUCCO  
COLOR 2



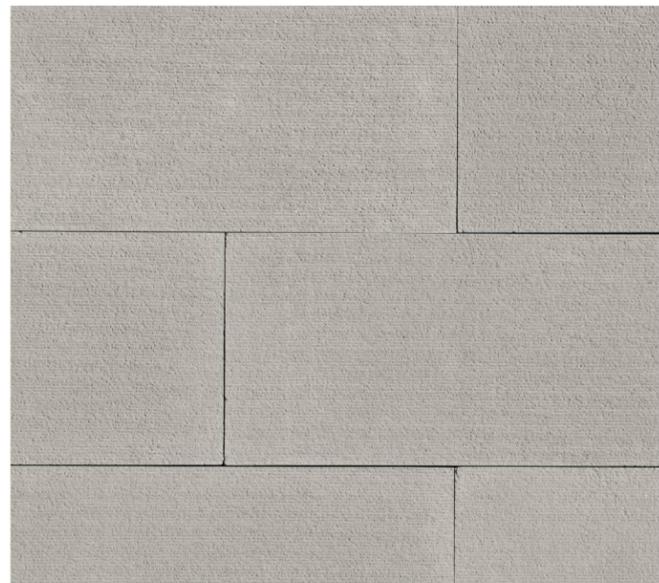
CAST STONE  
CUSTOM COLOR MATCH ACCENT TRIM/BRICK



METAL TRIM  
CANOPY / COPING



STONE COLOR 1:  
SMOOTH STONE:  
ELDORADO STONE MARQUEE24 DOVETAIL



STONE COLOR 2:  
SMOOTH STONE:  
ELDORADO STONE ZEN24 NICKEL



ACCENT BRICK:  
ROBEN - BLACK NUANCED SMOOTH



FIELD BRICK:  
ROBEN - MANCHESTER



## PLANNING

**To: Mayor and Town Council**

**From: David Hoover, AICP, Director of Development Services**

**Through: Mario Canizares, Town Manager  
Chuck Ewings, Assistant Town Manager**

**Re: Notice of Appeals**

**Town Council Meeting – March 12, 2024**

**Strategic Visioning Priority: 3. Commercial Corridors are ready for Development**

**Agenda Item:**

Consider and act upon whether to direct staff to submit a written notice of appeals on behalf of the Town Council to the Development Services Department, pursuant to Chapter 4, Section 1.5(C)(7) and 1.6(B)(7) of the Town's Zoning Ordinance, regarding action taken by the Planning & Zoning Commission on Preliminary Site Plans and Site Plans.

**Description of Agenda Item:**

Attached are the Preliminary Site Plans and Site Plans that were acted on by the Planning & Zoning Commission on March 5, 2024. Per the Zoning Ordinance, the Town Council can direct staff to submit a written notice of appeal on behalf of the Town Council to the Development Services Department for any Preliminary Site Plans and Site Plans acted on by the Planning & Zoning Commission.

**Budget Impact:**

There is no budgetary impact affiliated with this item.

**Attached Documents:**

1. DEVAPP-24-0002 – Site Plan for Parvin Pittman Addition, Block 22, Lot 7R (Approved 7-0)
2. DEVAPP-24-0012 – Prosper High School & Middle School Addition, Block 1, Lot 1R-1 (Approved 7-0)

**Town Staff Recommendation:**

Town Staff recommends the Town Council take no action on this item.

**Proposed Motion:**

N/A



SEE LANDSCAPE PLAN FOR ADDITIONAL LANDSCAPING/HARDSCAPING INFO.

SITE DATA SUMMARY

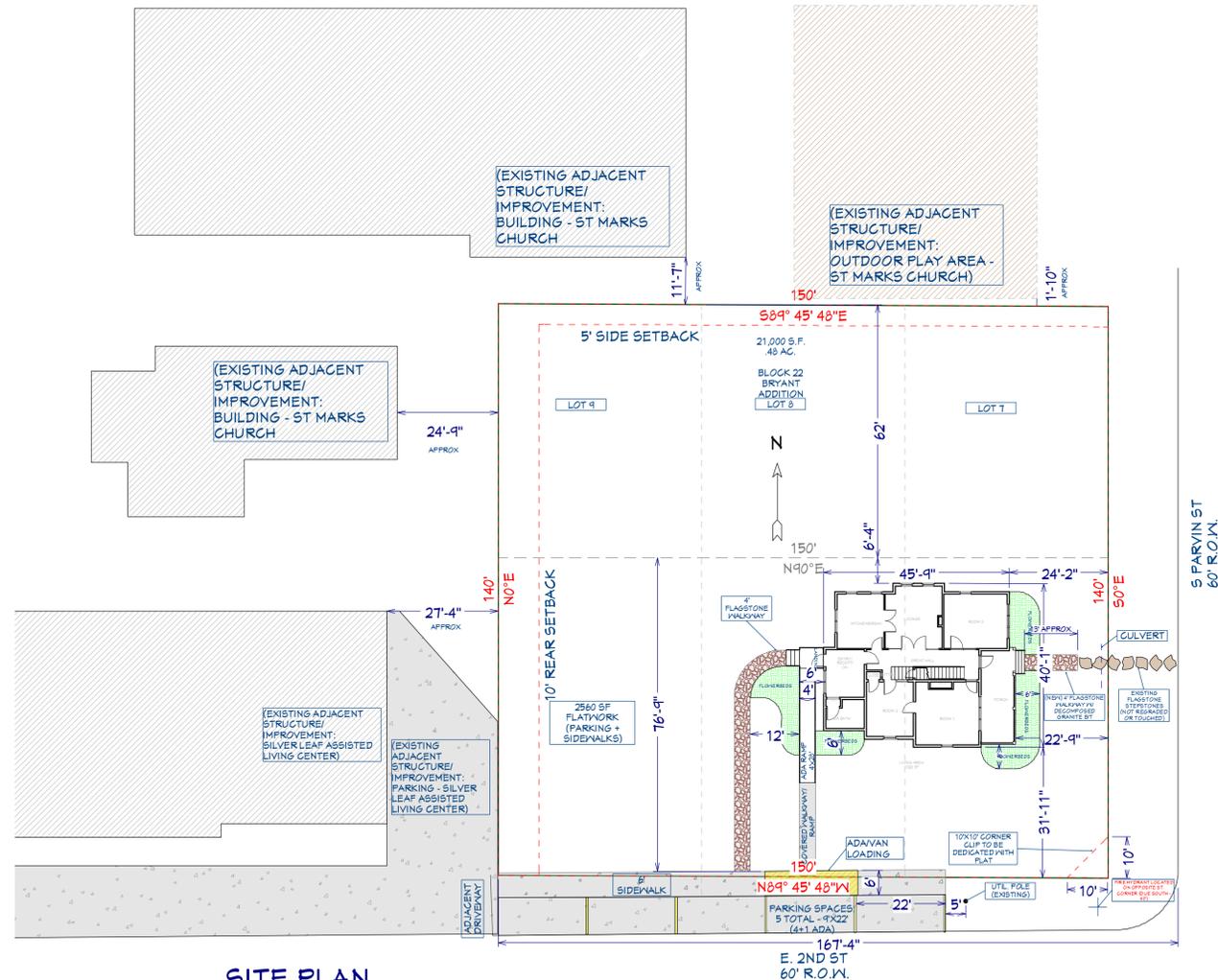
|                                |                      |
|--------------------------------|----------------------|
| ZONING:                        | DOWNTOWN OFFICE      |
| PROPOSED USE:                  | OFFICE               |
| LOT AREA:                      | 21,000 SF, .48 ACRE  |
| BUILDING AREA:                 | 1734 SF (GROSS)      |
| OPEN SPACE REQUIRED:           | 7% MINIMUM           |
| OPEN SPACE PROVIDED:           | 90%                  |
| OFFICE AREA:                   | 1326 SF              |
| BUILDING HEIGHT:               | 27' (2 STORIES)      |
| LOT COVERAGE:                  | 8%                   |
| FLOOR AREA RATIO:              | .08                  |
| TOTAL PARKING REQUIRED:        | 4 SPACES (REGULAR)   |
| TOTAL PARKING PROVIDED:        | 4 SPACES * (REGULAR) |
| HANDICAP PARKING REQUIRED:     | 1 SP.                |
| HANDICAP PARKING PROVIDED:     | 1 SP.*               |
| SQ. FT. OF IMPERVIOUS SURFACE: | 2379 SF              |

\*ON-STREET PARKING LOCATED IN RIGHT-OF-WAY CANNOT BE RESTRICTED AND SHALL BE OPEN TO THE PUBLIC

TOWN OF PROSPER NOTES:

- All development standards shall follow Town Standards.
- Landscaping shall conform to landscape plans approved by the Town of Prosper.
- All development standards shall follow Fire Requirements per the Town of Prosper.
- Handicapped parking areas and building accessibility shall conform to the Americans with Disabilities Act (ADA) and with the requirements of the current, adopted Building Code.
- All signage is subject to Building Official approval.
- Impact fees will be assessed in accordance with the land use classification(s) identified on the Site Data Summary Table; however, changes to the proposed land use at the time of CO and/or finish-out permit may result in additional impact fees and/or parking requirements.
- The approval of a Preliminary Site Plan shall be effective for a period of two (2) years from the date that the Preliminary Site Plan is approved by the Planning & Zoning Commission, at the end of which time the applicant must have submitted and received the approval of a Site Plan by the Planning & Zoning Commission. If a site plan is not approved within such two (2) year period, the Preliminary Site Plan approval is null and void. If Site Plan approval is only for a portion of the property, the approval of the Preliminary Site Plan for the remaining property shall be null and void.
- Open Space requirements shall follow the Zoning Ordinance, per tract. Open Space shall not include vehicular paving, required parking lot landscape islands, building footprint, utility yards, required landscape setbacks, sidewalks\*, and detention pond \*

Any revision to this plan will require Town approval and will require revisions to any corresponding plans to avoid conflicts between plans.



SITE PLAN



VICINITY MAP

SUBJECT PROPERTY

GRAPHIC SHEET SCALE



1 INCH = 20 FT. (IN FEET)

FLOOD PLAIN NOTE: No 100 year floodplain exists on this property

OWNER: PITTMAN FINANCIAL PLANNING 202 S PARVIN ST PROSPER, TX

APPLICANT: PITTMAN FINANCIAL PLANNING 202 S PARVIN ST PROSPER, TX

ENGINEER: NAVEEN KHAMMAMPATI, P.E., CFM TURNKEY TRACT #2770 MAIN ST., #171 FRISCO, TEXAS 75033

TOWN OF PROSPER SUBMITTAL INFORMATION

PROJECT NO. DEVAPP-24-0002

REV 08

HOME DESIGNED BY: AARON HAMILTON ABIDE HOME DESIGNS ROYSE CITY, TX / 972-533-0959 AARON@ABIDEHOMEDESIGNS.COM

SITE PLAN

202 S. PARVIN ST BRYANT FIRST ADDN, LOT 7,8&9, BLOCK 22, .48 AC PROSPER, COLLIN, TEXAS



DATE:

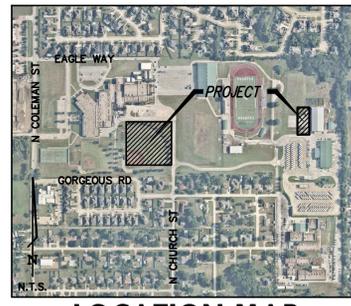
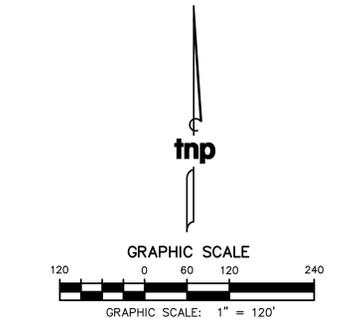
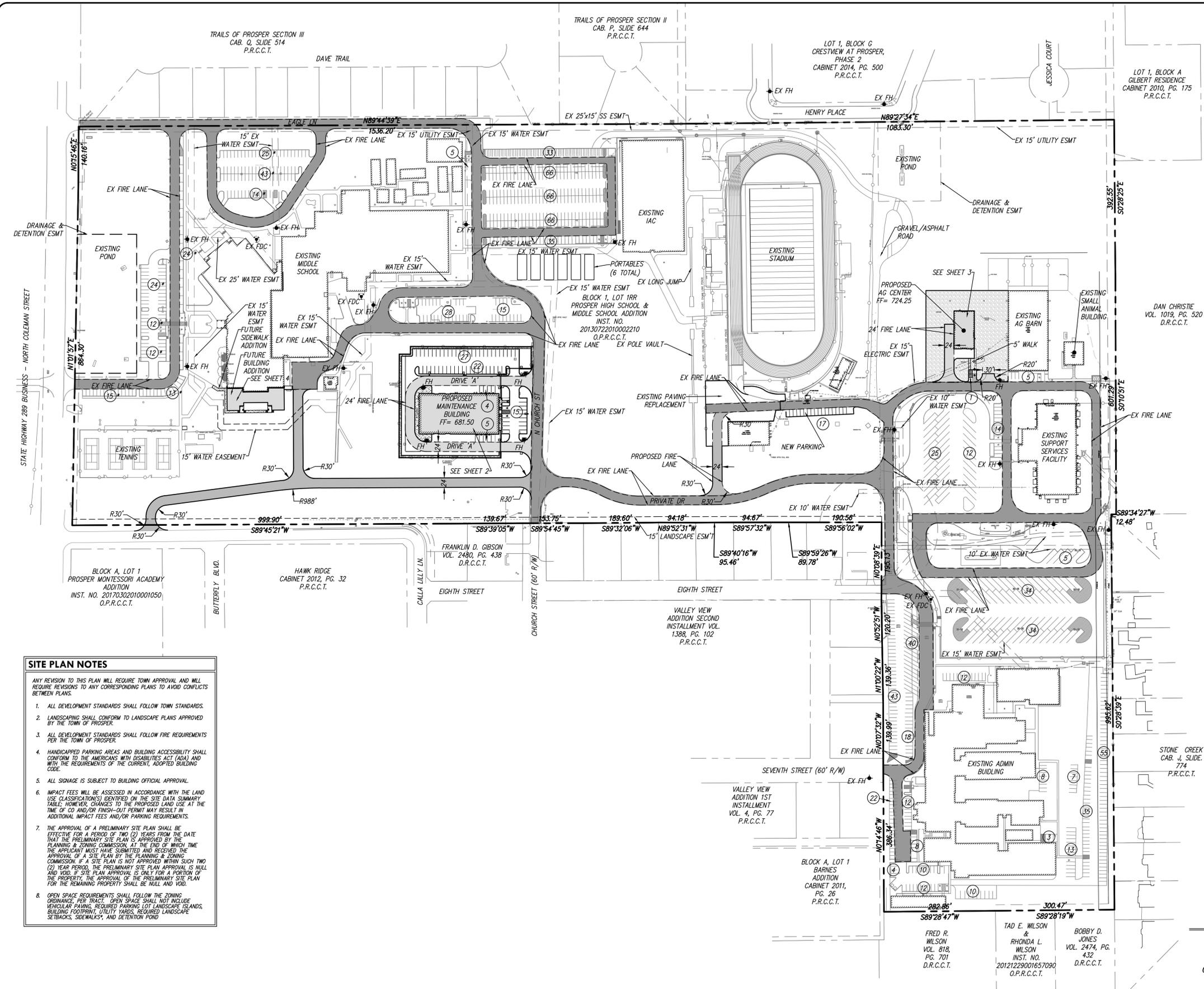
2/27/2024

SCALE:

1/4"=1'

SHEET:

1



**SITE DATA SUMMARY**

|                         |   |
|-------------------------|---|
| ZONING:                 | SF-15   |
| PROPOSED USE:           | MAINTENANCE BUILDING & AGRICULTURAL CENTER  |
| GROSS LOT AREA:         | 73,821 ACRES (3,215,622 SF)   |
| BUILDING AREA:          | MAINTENANCE BLDG 24,587 SF<br>AGRICULTURAL CENTER 4,845 SF<br>CLASSROOM ADDITION 4,154 SF |
| OPEN SPACE REQUIRED:    | 312,700.88 SF   |
| OPEN SPACE PROVIDED:    | 1,431,578.58 SF   |
| TOTAL IMPERVIOUS COVER: | 1,695,430.22 SF   |
| TOTAL LOT COVERAGE:     | 403,249.24 SF (ALL BLDGS)   |

**LEGEND**

- PROPOSED FIRE LANE & UTILITY EASEMENT
- EXISTING FIRE LANE & UTILITY EASEMENT
- PROPOSED FLATWORK
- FIRE HYDRANT
- PARKING COUNT
- MIDDLE SCHOOL PARKING COUNT

**PARKING DATA**

**PROVIDED PARKING**

|                             |              |
|-----------------------------|--------------|
| TOTAL EX STANDARD PARKING   | = 798 SPACES |
| TOTAL EX HANDICAP PARKING   | = 29 SPACES  |
| TOTAL PROP STANDARD PARKING | = 88 SPACES  |
| TOTAL PROP HANDICAP PARKING | = 3 SPACES   |
| TOTAL BUS PARKING           | = 241 SPACES |
| TOTAL EXISTING PARKING      | = 827 SPACES |
| TOTAL PROPOSED PARKING      | = 91 SPACES  |

**ROGERS MIDDLE SCHOOL PARKING**

**CALCULATIONS:**

|   |              |
|---|--------------|
| EXISTING CLASSROOMS:                          | = 58         |
| NEW CLASSROOMS:                               | = 6          |
| TOTAL CLASSROOMS:                             | = 64         |
| TOTAL PARKING REQUIRED (1.5 SPACES/CLASSROOM) | = 96 SPACES  |
| TOTAL PARKING PROVIDED                        | = 182 SPACES |

**FEMA NOTE**  
 BASED ON THE FEMA FLOOD MAP SERVICE CENTER, THE SUBJECT TRACT OF LAND SHOWN HEREON LIES WITHIN ZONE "X" UNSHADED, DEFINED AS "AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE OF FLOODPLAIN" AS IDENTIFIED BY THE CURRENT FEDERAL EMERGENCY MANAGEMENT AGENCY, FLOOD INSURANCE RATE MAP, MAPS NO. 48120C0202, EFFECTIVE DATE OF APRIL 18, 2011, FOR COLLIN COUNTY, TEXAS, AND INCORPORATED AREAS.

**SITE PLAN FOR PROSPER HIGH SCHOOL & MIDDLE SCHOOL ADDITION BLOCK 1, LOT 1R-1 TOWN OF PROSPER, COLLIN COUNTY, TEXAS CASE No. DEVAPP-24-0012**

**DATE PREPARED: FEB 2024**

**ARCHITECT:**  
 VLK ARCHITECTS, INC.  
 5801 TRINITYSON HWY #100  
 PLANO, TX 75024  
 972.265.1885  
 CONTACT: LARRY BLOOM, AIA, NCARB.

**ENGINEER:**  
 TRAGUE NALL & PERKINS, INC.  
 5237 N RIVERSIDE DRIVE, SUITE 100  
 FORT WORTH, TEXAS 76137  
 817.336.5773  
 CONTACT: AMANDA M. MULLEN P.E.

**SURVEYOR:**  
 TRAGUE NALL & PERKINS, INC.  
 825 WATTERS CREEK BLVD., STE. M300  
 ALLEN, TEXAS 75013  
 214.461.9919  
 CONTACT: BRIAN J. MADDOX II, R.P.L.S.

**LANDSCAPE ARCHITECT:**  
 TRAGUE NALL & PERKINS, INC.  
 5237 N RIVERSIDE DRIVE, SUITE 100  
 FORT WORTH, TEXAS 76137  
 817.336.5773  
 CONTACT: JOE MADRID, R.L.A.

**OWNER/APPLICANT:**  
 PROSPER I.S.D.  
 605 E. SEVENTH STREET  
 PROSPER, TEXAS 75078  
 PHONE: 469.219.2000  
 CONTACT: DR. GREG BRADLEY

FRED R. WILSON VOL. 818, PG. 701 D.R.C.C.T.  
 TAD E. WILSON & RHONDA L. WILSON INST. NO. 20121229001657090 O.P.R.C.C.T.  
 BOBBY D. JONES VOL. 2474, PG. 432 D.R.C.C.T.

- SITE PLAN NOTES**
- ANY REVISION TO THIS PLAN WILL REQUIRE TOWN APPROVAL AND WILL REQUIRE REVISIONS TO ANY CORRESPONDING PLANS TO AVOID CONFLICTS BETWEEN PLANS.
  - ALL DEVELOPMENT STANDARDS SHALL FOLLOW TOWN STANDARDS.
  - LANDSCAPING SHALL CONFORM TO LANDSCAPE PLANS APPROVED BY THE TOWN OF PROSPER.
  - ALL DEVELOPMENT STANDARDS SHALL FOLLOW FIRE REQUIREMENTS PER THE TOWN OF PROSPER.
  - HANDICAPPED PARKING AREAS AND BUILDING ACCESSIBILITY SHALL CONFORM TO THE AMERICANS WITH DISABILITIES ACT (ADA) AND WITH THE REQUIREMENTS OF THE CURRENT, ADOPTED BUILDING CODE.
  - ALL SIGNAGE IS SUBJECT TO BUILDING OFFICIAL APPROVAL.
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  - OPEN SPACE REQUIREMENTS SHALL FOLLOW THE ZONING ORDINANCE PER TRACT. OPEN SPACE SHALL NOT INCLUDE VEHICULAR PARKING, REQUIRED PARKING LOT LANDSCAPE ISLANDS, BUILDING FOOTPRINT, UTILITY YARDS, REQUIRED LANDSCAPE SETBACKS, SIDEWALKS, AND DETENTION POND.

| no. | revision | by | date |
|-----|----------|----|------|
|     |          |    |      |

**teague nall and perkins, inc**  
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 GBPE: PFO07431; TBAE: BR 2673

**Prosper Independent School District**

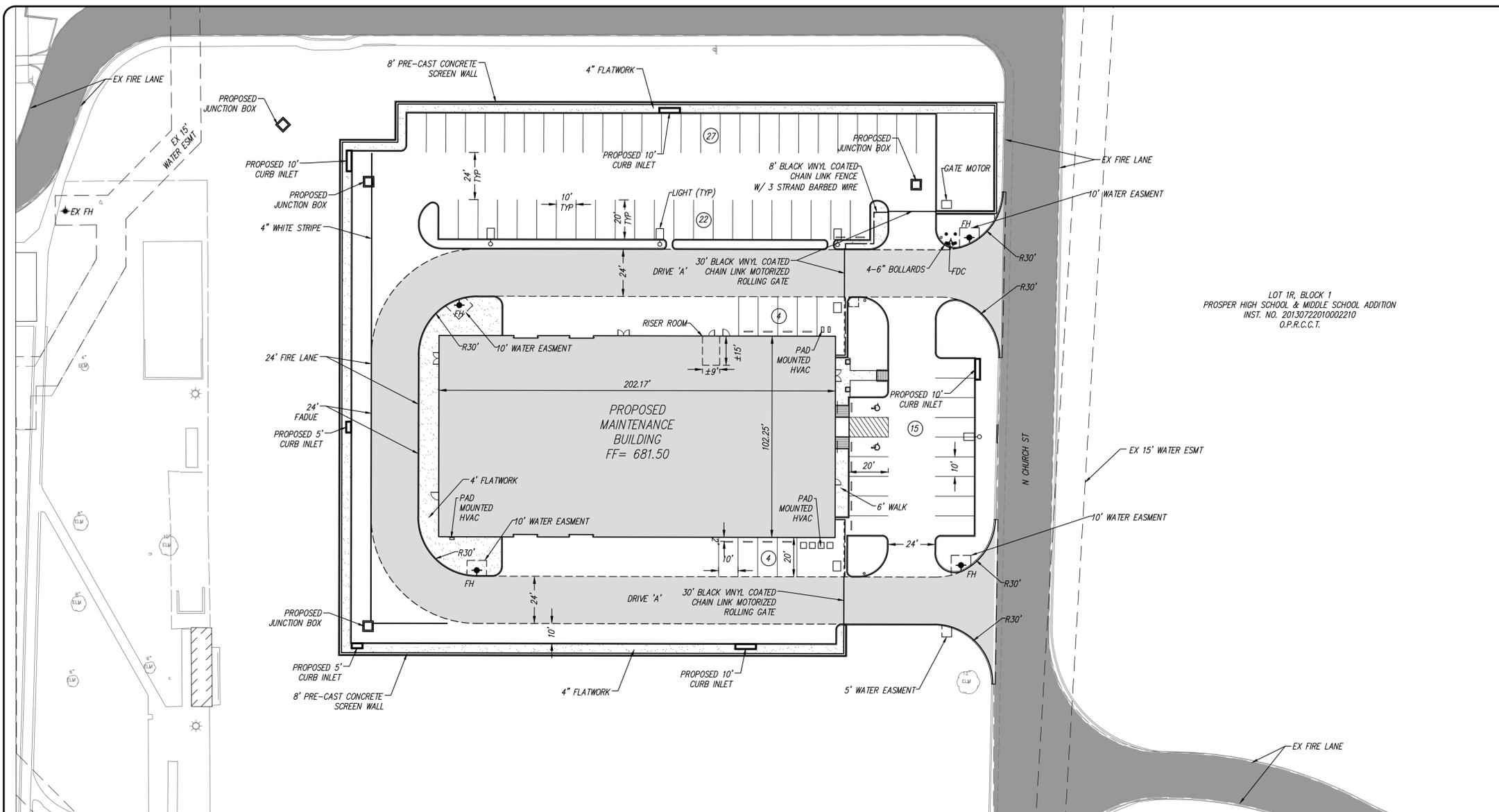
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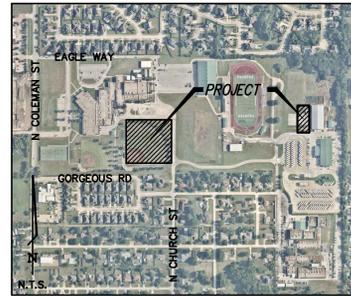
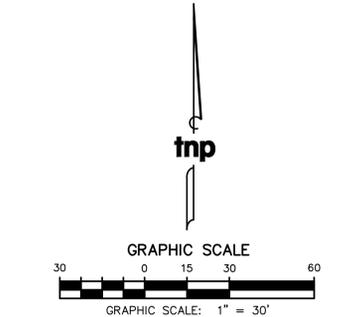
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 AMANDA M. MULLEN, P.E. Date: FEB 2024  
 Tx. Reg. # 123232

**Town of Prosper, Texas**  
 Prosper Independent School District  
**PROSPER REYNOLDS MIDDLE SCHOOL**  
**OVERALL SITE PLAN**

tnp project  
 VLK23267  
 sheet  
**01**



LOT 1R, BLOCK 1  
 PROSPER HIGH SCHOOL & MIDDLE SCHOOL ADDITION  
 INST. NO. 20130722010002210  
 O.P.R.C.C.T.



**LOCATION MAP**  
 NOT TO SCALE

| SITE DATA SUMMARY |   |
|-------------------|---|
| ZONING:           | SF-15   |
| PROPOSED USE:     | MAINTENANCE BUILDING                          |
| BUILDING AREA:    | MAINTENANCE BLDG<br>24,587 SF                 |
| BUILDING HEIGHT:  | 32' 4" MAX<br>27' 11.37" MED<br>23' 6.75" MIN |

| LEGEND |                                       |
|--------|---------------------------------------|
|        | PROPOSED FIRE LANE & UTILITY EASEMENT |
|        | EXISTING FIRE LANE & UTILITY EASEMENT |
|        | PROPOSED FLATWORK                     |
|        | FIRE HYDRANT                          |
|        | PARKING COUNT                         |

| PARKING DATA                    |           |
|---------------------------------|-----------|
| <b>PROVIDED PARKING</b>         |           |
| TOTAL PROP STANDARD PARKING =   | 71 SPACES |
| TOTAL PROP HANDICAP PARKING =   | 2 SPACES  |
| TOTAL PROPOSED PARKING =        | 73 SPACES |
| <b>REQUIRED PARKING</b>         |           |
| REQUIRED PARKING =              | 25 SPACES |
| (1 PARKING SPOT PER 1,000 SQFT) |           |

**FEMA NOTE**  
 BASED ON THE FEMA FLOOD MAP SERVICE CENTER, THE SUBJECT TRACT OF LAND SHOWN HEREON LIES WITHIN ZONE "X" UNSHADED, DEFINED AS AREAS DETERMINED TO BE OUTSIDE THE 0.2% ANNUAL CHANCE OF FLOODPLAIN AS IDENTIFIED BY THE CURRENT FEDERAL EMERGENCY MANAGEMENT AGENCY; FLOOD INSURANCE RATE MAP, MAPS NO. 481020430S, EFFECTIVE DATE OF APRIL 18, 2011, FOR COLLIN COUNTY, TEXAS, AND INCORPORATED AREAS.

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**SITE PLAN  
 FOR PROSPER HIGH SCHOOL  
 & MIDDLE SCHOOL ADDITION  
 BLOCK 1, LOT 1R-1  
 TOWN OF PROSPER, COLLIN  
 COUNTY, TEXAS  
 CASE No. DEVAPP-24-0012**

**DATE PREPARED: FEB 2024**

|  |   |
|--|---|
| <b>ARCHITECT:</b><br>VJK ARCHITECTS, INC.<br>5801 TENNYSON PKWY #100<br>PLANO, TX 75024<br>972.265.1885<br>CONTACT: LARRY BLOOM, AIA, NCARB.   | <b>SURVEYOR:</b><br>TEAGUE NALL & PERKINS, INC.<br>825 WATTERS CREEK BLVD., STE. M300<br>ALLEN, TEXAS 75013<br>214.461.9818<br>CONTACT: BRIAN J. MADDOX II, R.P.L.S.      |
| <b>OWNER/APPLICANT:</b><br>PROSPER I.S.D.<br>605 E. SEVENTH STREET<br>PROSPER, TEXAS 75078<br>PHONE: 469.219.2000<br>CONTACT: DR. GREG BRADLEY | <b>ENGINEER:</b><br>TEAGUE NALL & PERKINS, INC.<br>5237 N RIVERSIDE DRIVE, SUITE 100<br>FORT WORTH, TEXAS 76137<br>817.336.5773<br>CONTACT: AMANDA M. MULLEN P.E.         |
|  | <b>LANDSCAPE ARCHITECT:</b><br>TEAGUE NALL & PERKINS, INC.<br>5237 N RIVERSIDE DRIVE, SUITE 100<br>FORT WORTH, TEXAS 76137<br>817.336.5773<br>CONTACT: JOE MADRID, R.L.A. |

| no. | revision | by | date |
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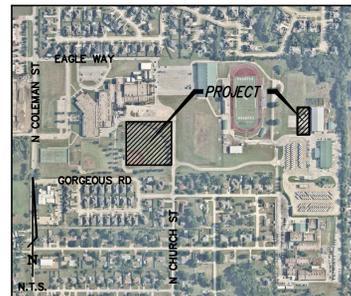
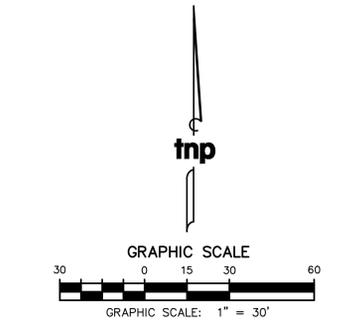
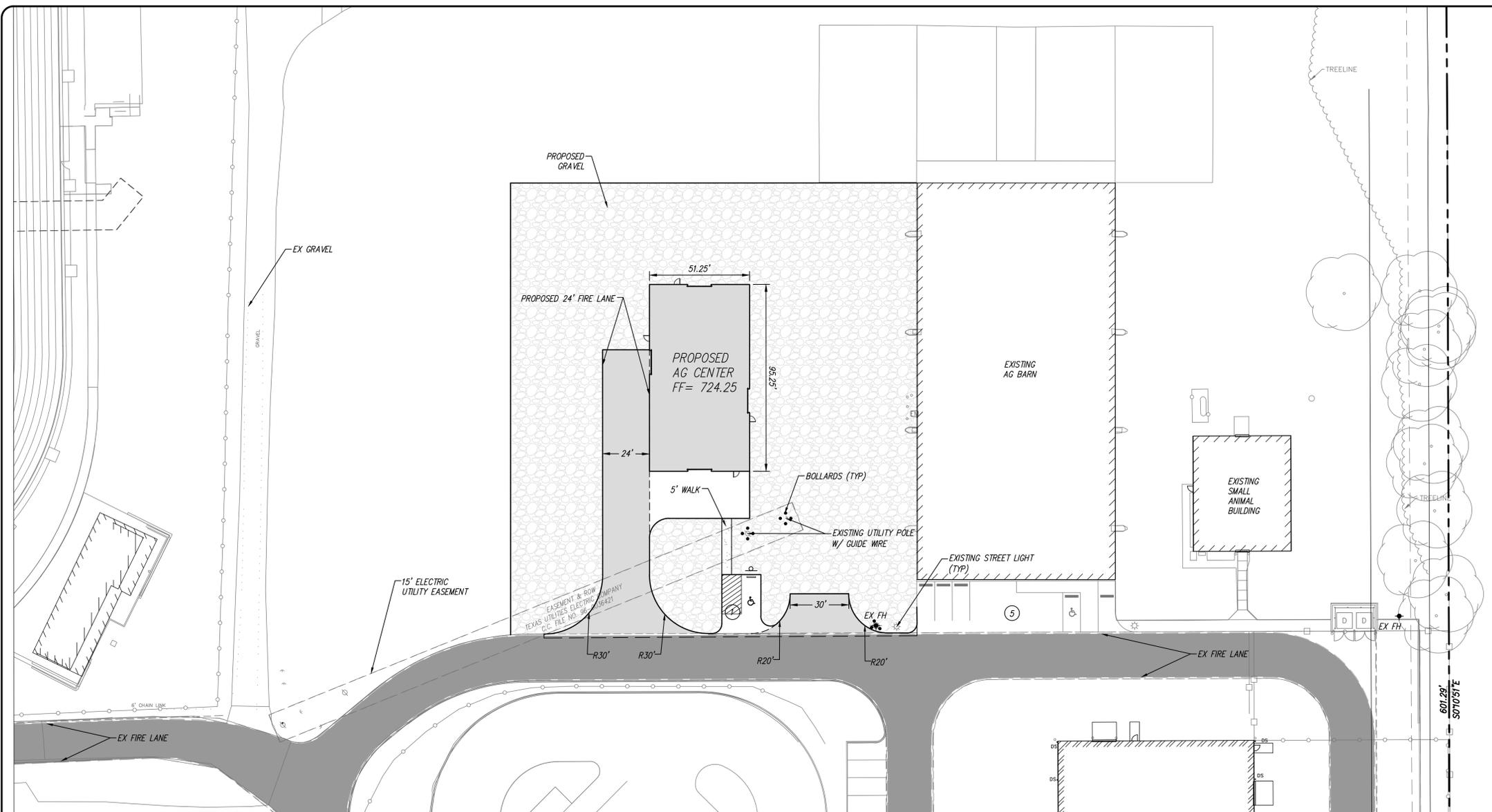


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 AMANDA M. MULLEN, P.E. Date: JAN 2024  
 Tx. Reg. # 123232

**Town of Prosper, Texas**  
 Prosper Independent School District  
**PROSPER REYNOLDS MIDDLE SCHOOL**  
**MAINTENANCE FACILITY SITE PLAN**

tnp project  
 VLK23267  
 sheet  
**02**

tnp Project VLK23267 PROSPER, TX PROSPER REYNOLDS MIDDLE SCHOOL Page 338



**SITE DATA SUMMARY**

|                  |   |
|------------------|---|
| ZONING:          | SF-15   |
| PROPOSED USE:    | AGRICULTURAL CENTER                           |
| BUILDING AREA:   | AGRICULTURAL CENTER<br>4,845 SF               |
| BUILDING HEIGHT: | 23' 9.5" MAX<br>21' 5.6" MED<br>19' 1.75" MIN |

**LEGEND**

|  |                                       |
|--|---------------------------------------|
|  | PROPOSED FIRE LANE & UTILITY EASEMENT |
|  | EXISTING FIRE LANE & UTILITY EASEMENT |
|  | PROPOSED FLATWORK                     |
|  | FIRE HYDRANT                          |
|  | PARKING COUNT                         |

**PARKING DATA**

|                             |            |
|-----------------------------|------------|
| <b>PROVIDED PARKING</b>     |            |
| TOTAL EX STANDARD PARKING   | = 4 SPACES |
| TOTAL EX HANDICAP PARKING   | = 1 SPACES |
| TOTAL PROP STANDARD PARKING | = 1 SPACES |
| TOTAL EXISTING PARKING      | = 5 SPACES |
| TOTAL PROPOSED PARKING      | = 1 SPACES |

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**SITE PLAN  
FOR PROSPER HIGH SCHOOL  
& MIDDLE SCHOOL ADDITION  
BLOCK 1, LOT 1R-1  
TOWN OF PROSPER, DENTON  
COUNTY, TEXAS  
CASE No. (DEVAPP-24-0012)**

**DATE PREPARED: FEB 2024**

|  |   |   |   |
|--|---|---|---|
| <b>ARCHITECT:</b><br>VLK ARCHITECTS, INC.<br>5801 TENNYSON PKWY #100<br>PLANO, TX 75024<br>972.265.1885<br>CONTACT: LARRY BLOOM, AIA, NCARB.   | <b>ENGINEER:</b><br>TEAGUE NALL & PERKINS, INC.<br>5237 N RIVERSIDE DRIVE, SUITE 100<br>FORT WORTH, TEXAS 76137<br>817.336.5773<br>CONTACT: AMANDA M. MULLEN P.E. | <b>SURVEYOR:</b><br>TEAGUE NALL & PERKINS, INC.<br>825 WATERS CREEK BLVD., STE. M300<br>ALLEN, TEXAS 75013<br>214.461.9918<br>CONTACT: BRIAN J. MADDOX II, R.P.L.S. | <b>LANDSCAPE ARCHITECT:</b><br>TEAGUE NALL & PERKINS, INC.<br>5237 N RIVERSIDE DRIVE, SUITE 100<br>FORT WORTH, TEXAS 76137<br>817.336.5773<br>CONTACT: JOE MADRID, R.L.A. |
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| no. | revision | by | date |
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**teague nall and perkins, inc**  
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TBPELS: ENGR F-230; SURV 10011600, 10011601, 10194381  
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**Prosper Independent School District**

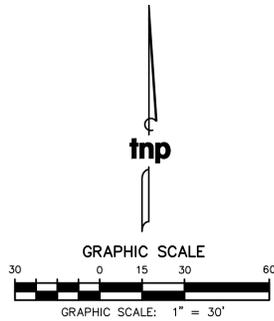
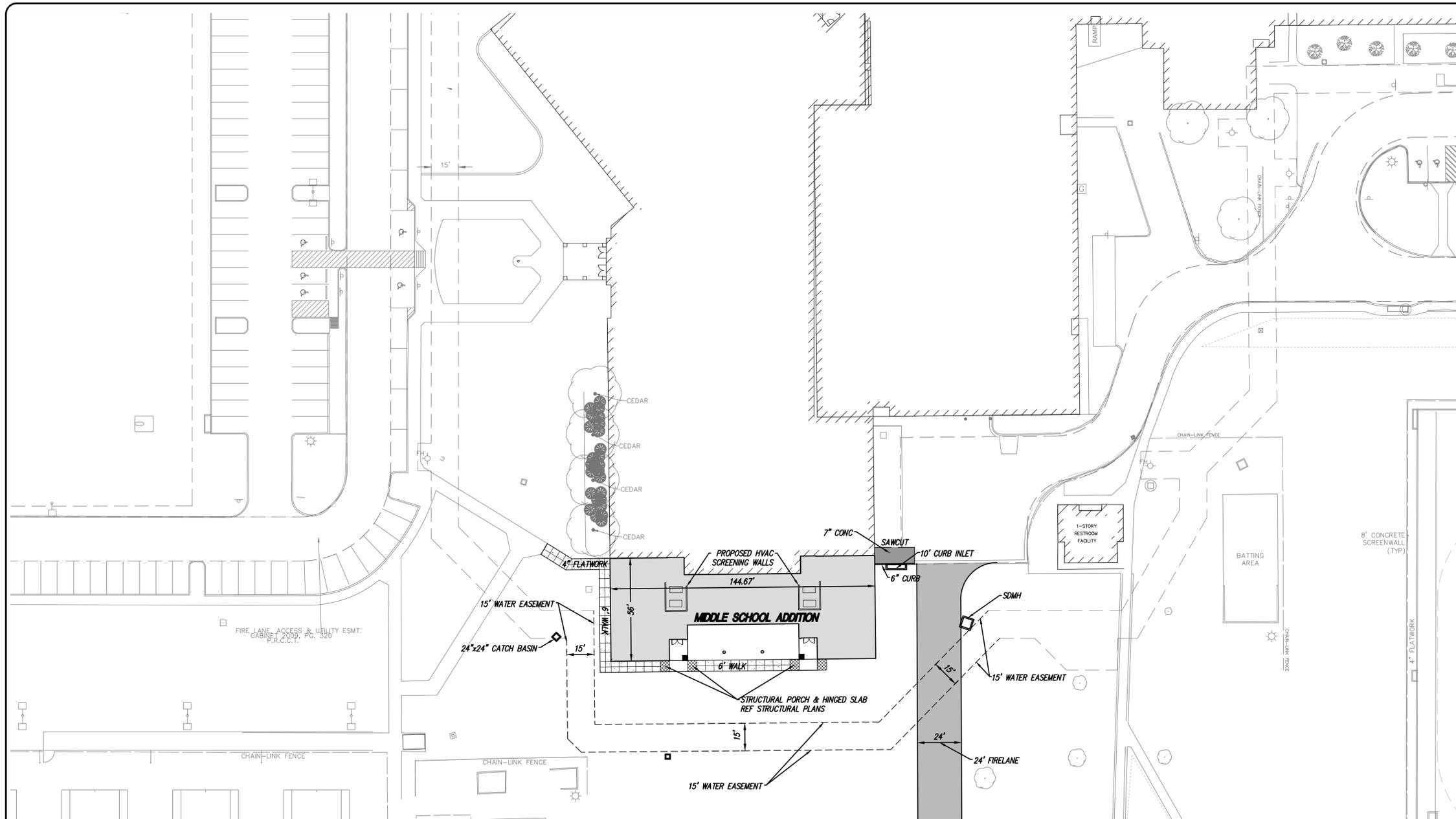
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date  
FEB 2024



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AMANDA M. MULLEN, P.E. Date: FEB 2024  
Tx. Reg. # 123232

**Town of Prosper, Texas**  
Prosper Independent School District  
**PROSPER REYNOLDS MIDDLE SCHOOL**  
**AGRICULTURAL CENTER SITE PLAN**

tnp project  
VLK23267  
sheet  
**03**



| LEGEND |                      |
|--------|----------------------|
|        | 4" CONCRETE FLATWORK |
|        | 7" CONCRETE PAVING   |
|        | SAWED DUMMY JOINT    |

| SITE DATA SUMMARY |  |
|-------------------|--|
| ZONING:           | SF-15  |
| PROPOSED USE:     | SCHOOL BUILDING                                    |
| BUILDING AREA:    | CLASSROOM ADDITION<br>(4-6 CLASSROOMS)<br>5,650 SF |
| BUILDING HEIGHT:  | 17' 8"   |

| PARKING DATA                        |                                       |
|-------------------------------------|---------------------------------------|
| <b>PROVIDED PARKING</b>             |                                       |
| TOTAL EX STANDARD PARKING           | = 798 SPACES                          |
| TOTAL EX HANDICAP PARKING           | = 29 SPACES                           |
| TOTAL PROP STANDARD PARKING         | = 88 SPACES                           |
| TOTAL PROP HANDICAP PARKING         | = 3 SPACES                            |
| TOTAL BUS PARKING                   | = 241 SPACES                          |
| TOTAL EXISTING PARKING              | = 827 SPACES                          |
| TOTAL PROPOSED PARKING              | = 91 SPACES                           |
| <b>ROGERS MIDDLE SCHOOL PARKING</b> |                                       |
| <b>CALCULATIONS:</b>                |                                       |
| EXISTING CLASSROOMS:                | = 58                                  |
| NEW CLASSROOMS:                     | = 6                                   |
| TOTAL CLASSROOMS:                   | = 64                                  |
| TOTAL PARKING REQUIRED              | = 96 SPACES<br>(1.5 SPACES/CLASSROOM) |
| TOTAL PARKING PROVIDED              | = 182 SPACES                          |

**SITE PLAN  
FOR PROSPER HIGH SCHOOL  
& MIDDLE SCHOOL ADDITION  
BLOCK 1, LOT 1R-1  
TOWN OF PROSPER, COLLIN  
COUNTY, TEXAS  
CASE No. DEVAPP-24-0012**

**DATE PREPARED: FEB 2024**

**OWNER/APPLICANT:**  
PROSPER I.S.D  
605 EAST SEVENTH STREET  
PROSPER, TEXAS 75078  
CONTACT: DR. GREG BRADLEY  
PHONE: 469.219.200

**ENGINEER:**  
  
teague nall & perkins  
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Fort Worth, Texas 76137  
817.336.5773 ph 817.336.2813 fx  
TBPE Registration No. F-230  
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GBPE: PEF007431; TBAE: BR 2673



**Prosper  
Independent  
School  
District**

scale  
horiz  
**1"=30'**  
vert  
N/A  
date  
**JAN 2024**



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AMANDA M. MULLEN, P.E. Date: JAN 2024  
Tx. Reg. # 123232

**Town of Prosper, Texas**  
Prosper Independent School District  
PROSPER REYNOLDS MIDDLE SCHOOL  
**CLASSROOM ADDITION  
SITE PLAN**

tnp project  
HUC23594  
sheet  
**04**



## PLANNING

**To:** Mayor and Town Council

**From:** David Hoover, AICP, Director of Development Services

**Through:** Mario Canizares, Town Manager  
Chuck Ewings, Assistant Town Manager

**Re:** Specific Use Permit for Licensed Childcare Center

Town Council Meeting – March 12, 2024

**Strategic Visioning Priority: 3. Commercial Corridors are ready for Development**

**Agenda Item:**

Conduct a public hearing and consider and act upon a request for a Specific Use Permit (SUP) for a Child Care Center, Licensed use on 9.7± acres, on Collin County School Land Survey, Abstract 147, Tracts 145, 168, and 172, located 305± south of First Street and the east side of Church Street. (ZONE-23-0035)

**Future Land Use Plan:**

The Future Land Use Plan recommends Town Center. The proposed zoning request conforms to the Future Land Use Plan.

**Zoning:**

The property is zoned Single-Family 15 (SF-15).

**Thoroughfare Plan:**

This property has direct access to Church Street.

**Parks Master Plan:**

The Parks Master Plan does not indicate a park is needed on the subject property.

**Budget Impact:**

There is no budgetary impact affiliated with this item.

**Legal Obligations and Review:**

Notification was provided as required by the Zoning Ordinance and state law. Staff has not received any response to the proposed zoning request to date.

**Attached Documents:**

1. Aerial & Zoning Maps
2. Survey
3. Site Plan

**Description of Agenda Item:**

The purpose of this request is to obtain a Specific Use Permit to continue the operation of a licensed child-care center at First Baptist Church. Currently, the church operates First Friends Preschool out of classrooms in both their main building and temporary building. A Specific Use Permit is required for a licensed child-care center unless it is operated by an independent school district.

**Compatibility:**

This zoning change would not be seen as out of character with the existing neighborhood due to compatibility with the uses in the surrounding area. The property to the north is a family resource center operated by Prosper ISD. Additionally, an elementary school, Rucker Elementary, is located to the east of the property. The similarity of these surrounding uses emphasizes that a licensed child-care center is compatible with the area.

The zoning and land use of the surrounding properties are as follows:

|                         | <b>Zoning</b>          | <b>Current Land Use</b>               | <b>Future Land Use Plan</b> |
|-------------------------|------------------------|---------------------------------------|-----------------------------|
| <b>Subject Property</b> | Single Family-15       | House of Worship                      | Town Center                 |
| <b>North</b>            | Downtown Office        | Family Resource Center (PISD)         | Town Center                 |
| <b>East</b>             | Single Family-15       | Elementary School (Rucker Elementary) | Town Center                 |
| <b>South</b>            | Planned Development-67 | Vacant                                | Town Center                 |
| <b>West</b>             | Planned Development-67 | Vacant                                | Town Center                 |

**History:**

In 2016, a temporary building was permitted for First Baptist Church due to temporary buildings being allowed by right for houses of worship. These temporary buildings have a life span of three years and must be renewed at the end of the three-year period. Additionally, a one-year extension can be granted at the end of the three-year period instead of renewing. The church’s temporary building was permitted in 2016 and in 2019. Then in 2022, a one-year extension was granted for the temporary building.

Throughout this time, First Baptist operated their licensed child-care center out of both their main building and temporary building. A Specific Use Permit is required for a licensed child-care center that is not operated by an independent school district.

When the church came back to renew the temporary building in 2023, Staff determined that a Specific Use Permit was needed for the child-care center.

**Conditions:**

Town Staff recommends that the following condition(s) be part of the Specific Use Permit.

- Condition 1: The Specific Use Permit will expire two years after Town Council approval.

**Specific Use Permit Criteria:**

The Zoning Ordinance contains the following four (4) criteria to be considered in determining the validity of an SUP request.

1. *Is the use harmonious and compatible with its surrounding existing uses or proposed uses?*
  - *Yes, a family resource center operated by Prosper ISD is directly to the north of the church. Additionally, Rucker Elementary is directly to the east of the church. The adjacent educational uses indicate that a licensed child-care center is an appropriate use and consistent with the surrounding area.*
2. *Are the activities requested by the applicant normally associated with the requested use?*
  - *Yes, it is common practice for houses of worship to have licensed child-care centers associated with them. Churches within the Town such as Prosper United Methodist Church (Specific Use Permit-3), St. Paul's Episcopal Church (Specific Use Permit-10), and St. Martin de Porres Catholic Church (Specific Use Permit-15) all have an educational or licensed child-care component.*
3. *Is the nature of the use reasonable?*
  - *Yes, a licensed child-care use is compatible with the surrounding area and commonly associated with houses of worship.*
4. *Has any impact on the surrounding area been mitigated?*
  - *The Specific Use Permit will have a two-year expiration date which should cause the permanent building to be constructed within that time frame.*

Staff believes the applicant has satisfied the criteria and recommends approval of the request.

**Planning & Zoning Recommendation:**

The Planning & Zoning Commission unanimously recommended approval of this item by a vote of 7-0 at their meeting on February 20, 2024, subject to the following condition(s):

1. The Specific Use Permit will expire two years after Town Council approval.

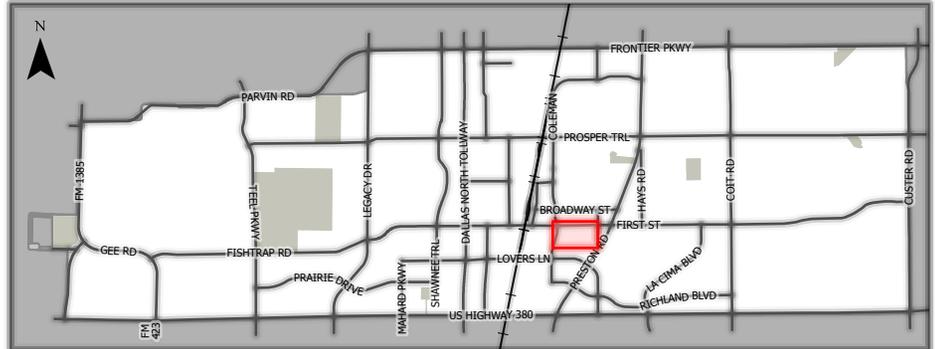
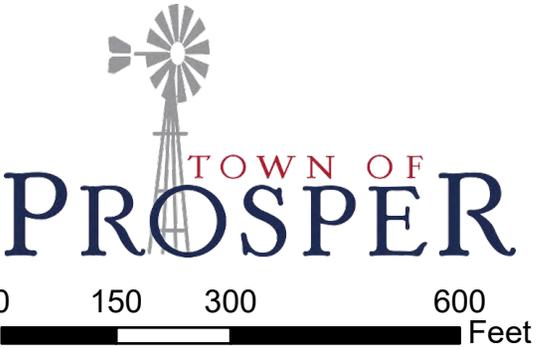
**Town Staff Recommendation:**

Town Staff recommended approval of the request for a Specific Use Permit for a Child Care Center, Licensed use on 9.7± acres, on Collin County School Land Survey, Abstract 147, Tracts 145, 168, and 172, located 305± south of First Street and the east side of Church Street to the Planning & Zoning Commission, subject to the following conditions:

1. The Specific Use Permit will expire two years after Town Council approval.
2. The temporary building will be removed once the Specific Use Permit expires.
3. Upon expiration of the Specific Use Permit, a one-year extension may be granted by the Planning & Zoning Commission if progress has been made.

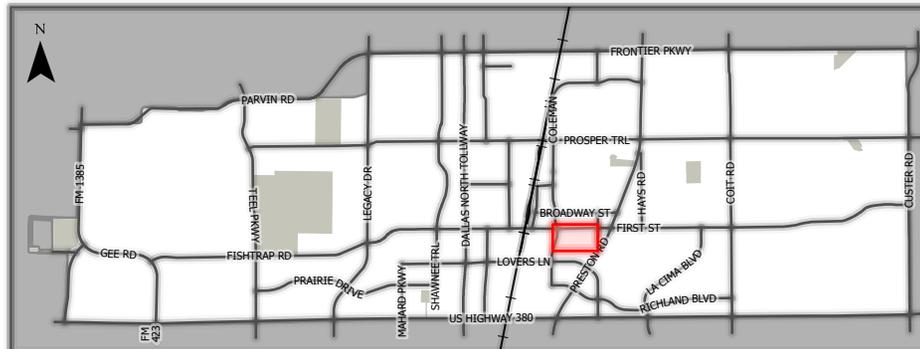
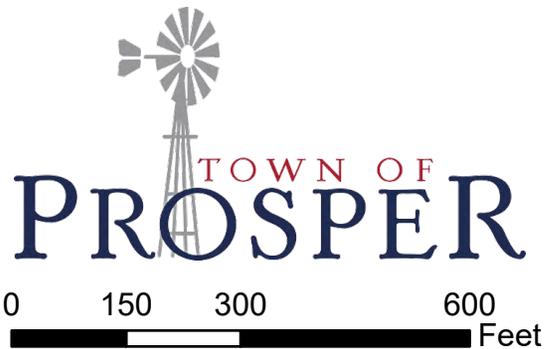
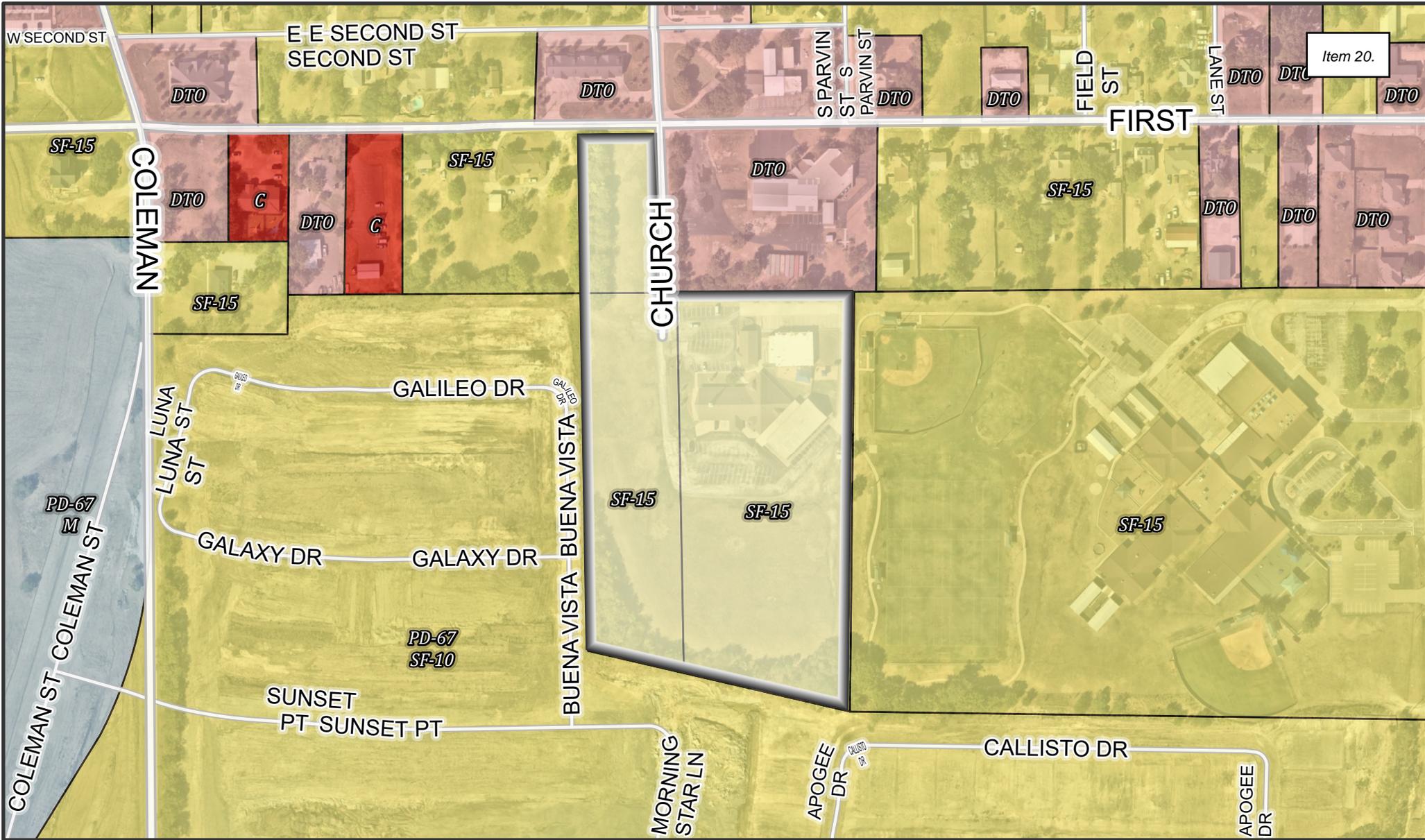
**Proposed Motion:**

I move to approve/deny the request for a Specific Use Permit (SUP) for a Child Care Center, Licensed use on 9.7± acres, on Collin County School Land Survey, Abstract 147, Tracts 145, 168, and 172, located 305± south of First Street and the east side of Church Street.



This map for illustration purposes only

**ZONE-23-0035**  
**FIRST BAPTIST CHURCH**  
**CHILDCARE**



**ZONE-23-0035**  
**FIRST BAPTIST CHURCH**  
**CHILDCARE**

This map for illustration purposes only



**AREA NOTE:**

The area (acres) shown hereon is based on the mathematical closure of the courses and distances reflected on this Survey. It does not include the tolerances that may be present due to positional accuracy of the boundary monuments in place.

**REFERENCE BEARING NOTE:**

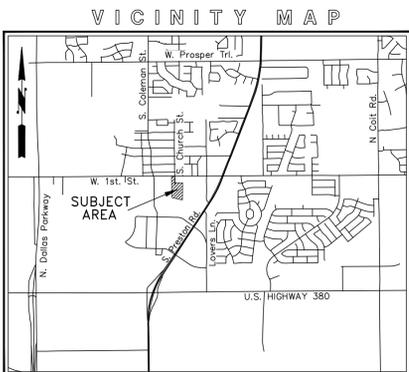
The bearings and coordinates shown hereon are Geodetic and derived from GPS observations and measurements from City of Celina Control Monument No. 1, NAD-83, Texas State Plane Coordinate System, North Central Zone (4202).

**FLOOD ZONE NOTE:**

This Surveyor has reviewed Flood Insurance Rate Map No. 48085C0235J (effective date June 2, 2009) published by the Federal Emergency Management Administration for Collin County, Texas and based upon said scaled map and graphic plotting, such review revealed that the subject parcel lies within "ZONE X" (Un-Shaded) and is outside of the 100 Year Flood Plain and is determined to be outside the 0.2% annual chance floodplain.

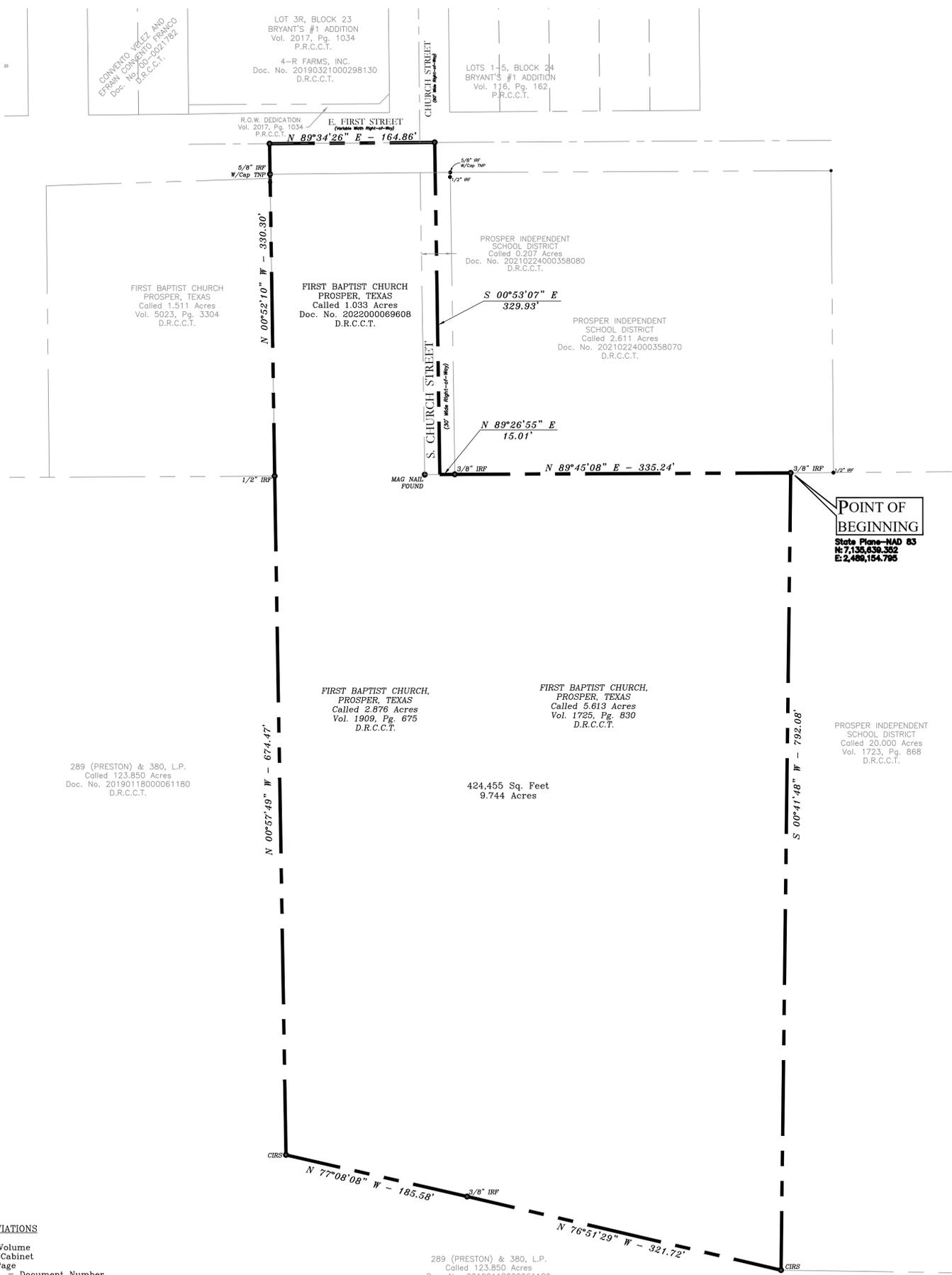
**MONUMENT NOTE:**

All lot corner monuments set by this Surveyor are 1/2 inch diameter rebar, 18 inches long, topped with a red plastic cap, stamped "RPLS 4701" or if in concrete pavement, a mag nail with a steel washer, stamped "RPLS 4701", unless otherwise noted.



**ABBREVIATIONS**

- Vol. = Volume
- Cab. = Cabinet
- Pg. = Page
- Doc. No. = Document Number
- P.R.C.C.T. = Plat Records, Collin County, Texas
- D.R.C.C.T. = Deed Records, Collin County, Texas
- CM = Controlling Monument
- CIRS = 1/2" Iron Rod Set with Red Plastic Cap Stamped "RPLS 4701"
- MNF = Mag Nail Found with Steel Washer Stamped "RPLS 4701"
- RPLS = Registered Professional Land Surveyor
- 4701 = The License Number for this Registered Professional Land Surveyor
- HALFF = 1/2" Iron Rod Found with Yellow Plastic Cap Stamped "HALFF ASSOC."
- HZ = 5/8" Iron Rod Found with Yellow Plastic Cap Stamped "HUITT-ZOLLERS"



**LEGAL DESCRIPTION**

SITUATED in the City of Prosper, in the Collin County School Land Survey, Abstract No. 147 of Collin County, Texas and being all of that certain called 5.613 acre tract of land, described in a deed to First Baptist Church, Prosper, Texas, recorded in Volume 1725, Page 830, Deed Records, Collin County, Texas (D.R.C.C.T.) and all of that certain called 2.876 acre tract of land, described in a deed to First Baptist Church, Prosper, Texas, recorded in Volume 1909, Page 675, D.R.C.C.T. and all of that certain called 1.033 acre tract of land, described in a deed to First Baptist Church, Prosper, Texas, recorded in Document No. 2022000069608, D.R.C.C.T. and also including a portion of E. First Street and a portion of S. Church Street and the consolidation of these tracts of land being more particularly described by metes & bounds as follows:

BEGINNING at a 3/8 inch iron rod found for the northeast corner of the above described 5.613 acre First Baptist Church, Prosper, Texas (hereinafter referred to as "FBCP") tract, on the south line of that certain called 2.611 acre tract described in a deed to Prosper Independent School District, recorded in Document No. 20210224000358070, D.R.C.C.T. and same being the northwest corner of that certain called 20.000 acre tract of land described in a deed to Prosper Independent School District (hereinafter referred to as "Prosper ISD"), recorded in Volume 1723, Page 868, D.R.C.C.T.;

THENCE: South 00 deg. 41 min. 48 sec. West, along the common line of said 5.613 acre FBCP tract and said 20.000 acre Prosper ISD tract, a distance of 792.08 feet to a 1/2 inch iron rod, topped with a red plastic cap, stamped "RPLS 4701", set for the southeast corner of said 5.613 acre FBCP tract and the southwest corner of said 20.000 acre Prosper ISD tract and said point also being on the easterly north line of that certain called 123.850 acre tract of land described in a deed to 289 (Preston) & 380, L.P., recorded in Document No. 20190118000061180, D.R.C.C.T.;

THENCE: North 76 deg. 51 min. 29 sec. West, along the common line of said 5.613 acre FBCP tract and said 123.850 acre tract, a distance of 321.72 feet to a 3/8 inch iron rod found for the southwest corner of said 5.613 acre FBCP tract and the southeast corner of the above described 2.876 acre FBCP tract;

THENCE: North 77 deg. 08 min. 08 sec. West, along the common line of said 2.876 acre FBCP tract and said 123.850 acre tract, a distance of 185.58 feet to a 1/2 inch iron rod, topped with a red plastic cap, stamped "RPLS 4701", set for the southwest corner of said 2.876 acre FBCP tract and an inside ell corner of said 123.850 acre 289 (Preston) & 380, L.P. tract;

THENCE: North 00 deg. 57 min. 49 sec. West, continuing along said common line, a distance of 674.47 feet to a 1/2 inch iron rod found for the northwest corner of said 2.876 acre FBCP tract and the most northern northeast corner of said 123.850 acre tract and said point also being the southeast corner of that certain called 1.511 acre tract described in a deed to First Baptist Church, Prosper, Texas, recorded in Volume 5023, Page 5304, D.R.C.C.T. and the southwest corner of the above described 1.033 acre tract;

THENCE: North 00 deg. 52 min. 10 sec. West, along the common line of said 1.511 acre tract and said 1.033 acre tract, at a distance of 291.96 feet, passing a 1/2 inch iron rod found for reference, at a distance of 299.93 feet, passing a 5/8 inch iron rod, topped with a yellow plastic cap, stamped "TNP", found on the south right-of-way line of E. First Street (a variable width right-of-way), for the northwest corner of said 1.033 acre tract and continuing on for a total distance of 330.30 feet to a point in the center of E. First Street;

THENCE: North 89 deg. 34 min. 26 sec. East, along the center of said E. First Street, a distance of 164.86 feet to a point for corner at the centerline intersection of said E. First Street and S. Church Street;

THENCE: South 00 deg. 53 min. 07 sec. East, departing from said E. First Street, along the centerline of said S. Church Street, a distance of 329.93 feet to point for corner on the south line of said S. Church Street and the north line of the above described 2.876 acre FBCP tract;

THENCE: North 89 deg. 26 min. 55 sec. East, along the south line of said S. Church Street and the north line of said 2.876 acre FBCP tract, a distance of 15.01 feet to a 3/8 inch iron rod found for the northeast corner of said 2.876 acre FBCP tract, the southwest corner of the above described 2.611 acre Prosper ISD tract and the northwest corner of said 5.613 acre FBCP tract;

THENCE: North 89 deg. 45 min. 08 sec. East, along the common line of said 5.613 acre FBCP tract and said 2.611 acre Prosper ISD tract, a distance of 335.24 feet to the POINT OF BEGINNING and containing 424,455 square feet or 9.744 acres of land.

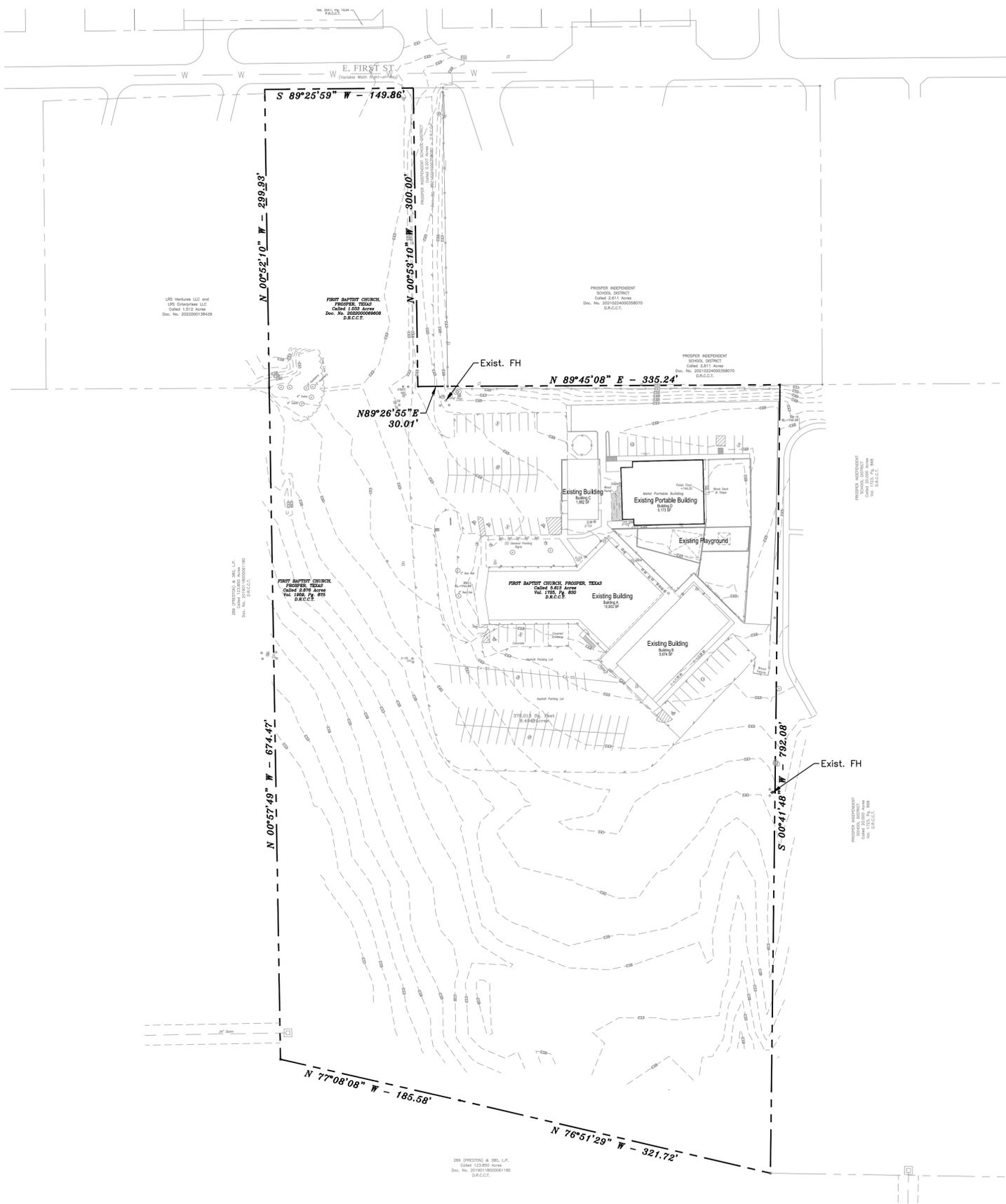
**ZONING EXHIBIT "A"**

**FIRST BAPTIST CHURCH, PROSPER, TEXAS**  
9.744 ACRES  
situated in the  
Collin County School Land Survey, Abstract No. 147  
City of Prosper, Collin County, Texas

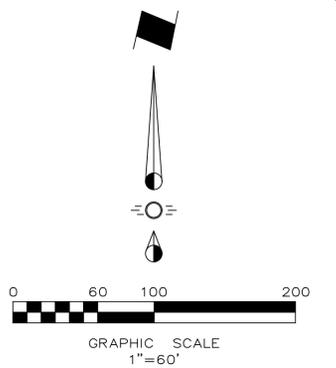
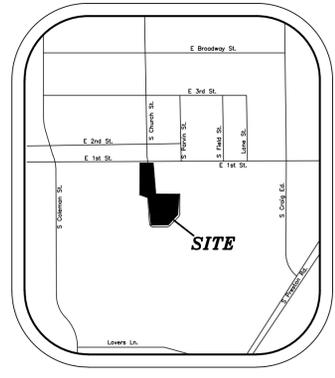


CASE NO. ZONE-23-0035

| Drawn by  | Date       | Scale    | Job      | Title             | Sheet    |
|-----------|------------|----------|----------|-------------------|----------|
| Mark Hask | 01/17/2024 | 1" = 40' | 2022-017 | 2022-017-ZONE.DWG | Page 347 |



**Note:**  
The thoroughfare alignment(s) shown on this exhibit are for illustration purposes and do not set the alignment. The alignment is determined at the time of Final Plat.



**TOWN OF PROSPER STANDARD NOTES:**

- It is not the intent of these construction notes to cover details and/or specification requirements of the Town of Prosper. All work and materials shall be in accordance with the Town's standard specifications, general design standards, ordinances, rules, policies, requirements and regulations, as well as any other applicable state and/or federal rules, regulations and/or requirements, as they exist or may be amended. If the above item is not covered in the plans or the above referenced document, the most current North Central Texas Council of Governments (NCTCOG) Standard Specifications for Public Works Construction shall apply with concurring notification to the Director of Engineering Services and the Engineer of Record. Engineering drawings shall govern for construction of all Civil Improvements. The Director of Engineering Services shall have the final decision on all construction materials, methods, and procedures.
- The existence and locations of all underground utilities shown on the drawings were obtained from available records and are approximate. Neither the owner nor the engineer assumes any responsibility for utilities not shown or not in the location shown. The Contractor shall determine the depth and location of existing underground utilities prior to trenching and shall be required to take any precautionary measures to protect all lines shown and/or any other underground utilities not of record or not shown on the plans. Contractor shall be responsible for contacting all franchise and Town utilities 48 hours prior to construction (Texas 8-1-1).
- Any Contractor/Subcontractor performing work on this project shall familiarize themselves with the site and shall be solely responsible for any damage to existing facilities resulting directly or indirectly from his operations. Said existing improvements shall include but not be limited to berms, ditches, fences, irrigation and plants. Any removal or damage to existing improvements shall be replaced or repaired by the Contractor at his expense and shall be approved by the Town of Prosper.
- All construction, testing, and materials shall meet or exceed all requirements of the Town of Prosper. Prior to any construction, the Contractor shall be familiar with the Contract Documents and Specifications, the Plans (including all notes), the Town of Prosper's Specifications, and any other applicable standards or specifications relevant to the proper completion of the work specified. Failure on the part of the Contractor to be familiar with all Standards and Specifications pertaining to this work shall in no way relieve the Contractor of responsibility for performing the work in accordance with all such applicable Standards and Specifications.
- All testing shall be done by an approved laboratory at the expense of the Contractor. The Town will only accept signed original copies of all testing reports for review.
- The Contractor shall be responsible for furnishing and installing all temporary and permanent traffic control in accordance with the minimum requirements of the latest revision of the Texas Manual on Uniform Traffic Control Handbook. All reference for using Texas Department of Transportation (TxDOT) standards and construction details shall be the latest revisions and/or amendments thereof. The Town of Prosper uses thermoplastic markings in lieu of paint. The G-3 minimum sign size shall be the standard size in the manual. Details are available upon request for the type of button patterns and posts and connections required for the signs.
- The Contractor shall make every effort to impede traffic on existing streets, alleys, or fire lanes open to the public. In the event the construction work requires the closure of an existing street, alley, or fire lane, the Contractor shall request the road closure through the Town 72 hours prior to the requested closure. If the closure eliminates the second point of access to the existing buildings with a certificate of occupancy, then the access may not be closed for more than fortyeight (48) hours and will require Fire Chief/Fire Marshal approval in either case. Unless otherwise specified by the Town, all other streets or alleys may not be closed for more than seventy-two (72) hours.
- If the Contractor needs to shut off any residential or non-residential water service in order to make a connection to an existing water main, the Town and Fire Chief/Fire Marshal must grant approval of the specific length of time water will be shut off. Contact the Fire Marshal's office to coordinate shutdowns at <https://www.prosper.tx.gov/fire-department/fire-marshal/>.
- The Contractor shall obtain all necessary permits for private facilities as required by the Town of Prosper Building Inspections Department and/or Fire Marshal's Office. Approval of civil plans do not constitute approval to install private improvements such as fire protection electrical work retaining walls, irrigation and/or fencing. Any component of design found in the civil plans are for reference only and shall require permits prior to installation. Contractor shall contact the Building Inspections Department and/or Fire Marshal's Office to determine what additional approvals are required.
- Working time is defined as the time during the day, except holidays, in which the Contractor shall be permitted to work. Unless otherwise approved, normal work hours will be 7:00 am to 7:00 pm Monday through Friday. Contractor will be permitted to work weekend hours between 8:00 am and 5:00 pm on Saturdays provided Contractor supplies written notification to the Town of Prosper Engineering Construction Inspector of the Contractor's intent to work and identifies the specific weekend days and hours it plans to work on before 12:00 noon of the immediately preceding Thursday. The Contractor will not be allowed to work Town of Prosper holidays unless an exception is given by the Town, and it is the Contractor's responsibility to verify the Town's holiday schedule. The consequences of work being performed without the benefit of inspection on Saturdays, Sundays, or holidays may be the removal of all work performed without the appropriate inspection, as determined by the Prosper Engineering Construction Inspector.
- If any conflict arises between these general notes and any other notes found in the plans, the Town General Notes shall take precedence. However, the Director of Engineering Services has the authority to review and approve legitimate conflict in project specific notes if needed. For CIP Projects, the controlling order of precedence will be as specified in the Contract Documents.
- It is the Contractor's responsibility to maintain a neat and accurate record of construction for the Record Drawings that will be submitted to the Town. Prior to final acceptance, the Contractor's redlines shall be provided to the Engineer of Record for incorporation into the Record Drawings. Record Drawings including redline updates shall be provided to the Prosper Engineering Construction Inspector at least one day prior to the scheduled final walk through inspection.

**LEGEND**

- Firelane
- Proposed Sidewalk
- Ex. Concrete
- Proposed Retaining Wall
- Proposed Wheel Stop Typical
- Existing Fire Hydrant
- Proposed Fire Hydrant
- Barrier Free Ramp

**SYNOPSIS**

|                                       |  |            |           |            |          |            |          |            |          |                         |                  |
|---------------------------------------|--|------------|-----------|------------|----------|------------|----------|------------|----------|-------------------------|------------------|
| Address:                              | 601 Church Street<br>Prosper, Texas 75078  |            |           |            |          |            |          |            |          |                         |                  |
| Zoning:                               | SF-15  |            |           |            |          |            |          |            |          |                         |                  |
| Proposed Use:                         | Church w/ Daycare  |            |           |            |          |            |          |            |          |                         |                  |
| Lot Area:                             | 9,527 Acres (414,983 sf)   |            |           |            |          |            |          |            |          |                         |                  |
| Existing Building Areas:              | <table border="0"> <tr> <td>Building A</td> <td>10,002 sf</td> </tr> <tr> <td>Building B</td> <td>5,674 sf</td> </tr> <tr> <td>Building C</td> <td>1,882 sf</td> </tr> <tr> <td>Building D</td> <td>5,173 sf</td> </tr> <tr> <td><b>Total Bldg Area:</b></td> <td><b>22,731 sf</b></td> </tr> </table> | Building A | 10,002 sf | Building B | 5,674 sf | Building C | 1,882 sf | Building D | 5,173 sf | <b>Total Bldg Area:</b> | <b>22,731 sf</b> |
| Building A                            | 10,002 sf  |            |           |            |          |            |          |            |          |                         |                  |
| Building B                            | 5,674 sf   |            |           |            |          |            |          |            |          |                         |                  |
| Building C                            | 1,882 sf   |            |           |            |          |            |          |            |          |                         |                  |
| Building D                            | 5,173 sf   |            |           |            |          |            |          |            |          |                         |                  |
| <b>Total Bldg Area:</b>               | <b>22,731 sf</b>   |            |           |            |          |            |          |            |          |                         |                  |
| Square Footage of Impervious Surface: | 25.84% (107,215 sf)  |            |           |            |          |            |          |            |          |                         |                  |
| Lot Coverage:                         | 5.48% (Total Bldg Area 22,731 sf)  |            |           |            |          |            |          |            |          |                         |                  |
| Floor Area Ratio:                     | 0.055 : 1  |            |           |            |          |            |          |            |          |                         |                  |
| Required Parking:                     | Church (1 Per 3 Seats) (300/3) = 100 Spcs.   |            |           |            |          |            |          |            |          |                         |                  |
| Parking Required Total:               | 100 Parking Spaces (5 HC)  |            |           |            |          |            |          |            |          |                         |                  |
| Parking Provided Total:               | 122 Parking Spaces (5 HC)  |            |           |            |          |            |          |            |          |                         |                  |

**ENGINEER:**

Cross Engineering Consultants, Inc.  
1720 W. Virginia Street  
McKinney, Texas 75069  
Phone (972) 562-4409  
Contact: Casey McBroom, P.E.

**OWNER:**

First Baptist Church of Prosper  
601 S. Church St.  
Prosper, Texas 75078  
Phone (972) 347-2481  
Contact: William S. Meers

**SURVEYOR:**

Ringley & Associates  
701 S. Tennessee St.  
McKinney, TX. 75069  
Phone (972) 542-1266  
Contact: Lawrence Ringley



(@ least 72 hours prior to digging)

**BENCHMARKS:**

- MON-3 = Celina Monument #3 is a bronze disk set in concrete on the same property line as the City of Celina Wilson Creek Lift Station, 440'± west of the intersection of Frontier Parkway and Pebble Creek Drive, 20'± southeast of the southeast corner of an 8' screening wall column, 46'± northeast of a gate keypad, 45'± northwest of a power pole.  
Elev.=676.10
- BM-1 = "X" on west edge of concrete sidewalk, 10.5'± west of the west center wall of the main church building.  
Elev.=744.68
- BM-2 = "X" on north edge of concrete sidewalk in the middle of a curve on the east adjoining property, 49'± south of the northeast corner of the subject property.  
Elev.=745.39

CASE NO. ZONE-23-0035

| Issue Dates: | Revision & Date: |
|--------------|------------------|
| 1 11/08/2023 | 1                |
| 2 01/09/2024 | 2                |
| 3            | 3                |
| 4            | 4                |
| 5            | 5                |
| 6            | 6                |

**CROSS ENGINEERING CONSULTANTS**  
1720 W. Virginia Street  
972.562.4409  
McKinney, Texas 75069  
Texas P.E. Firm No. F-5935

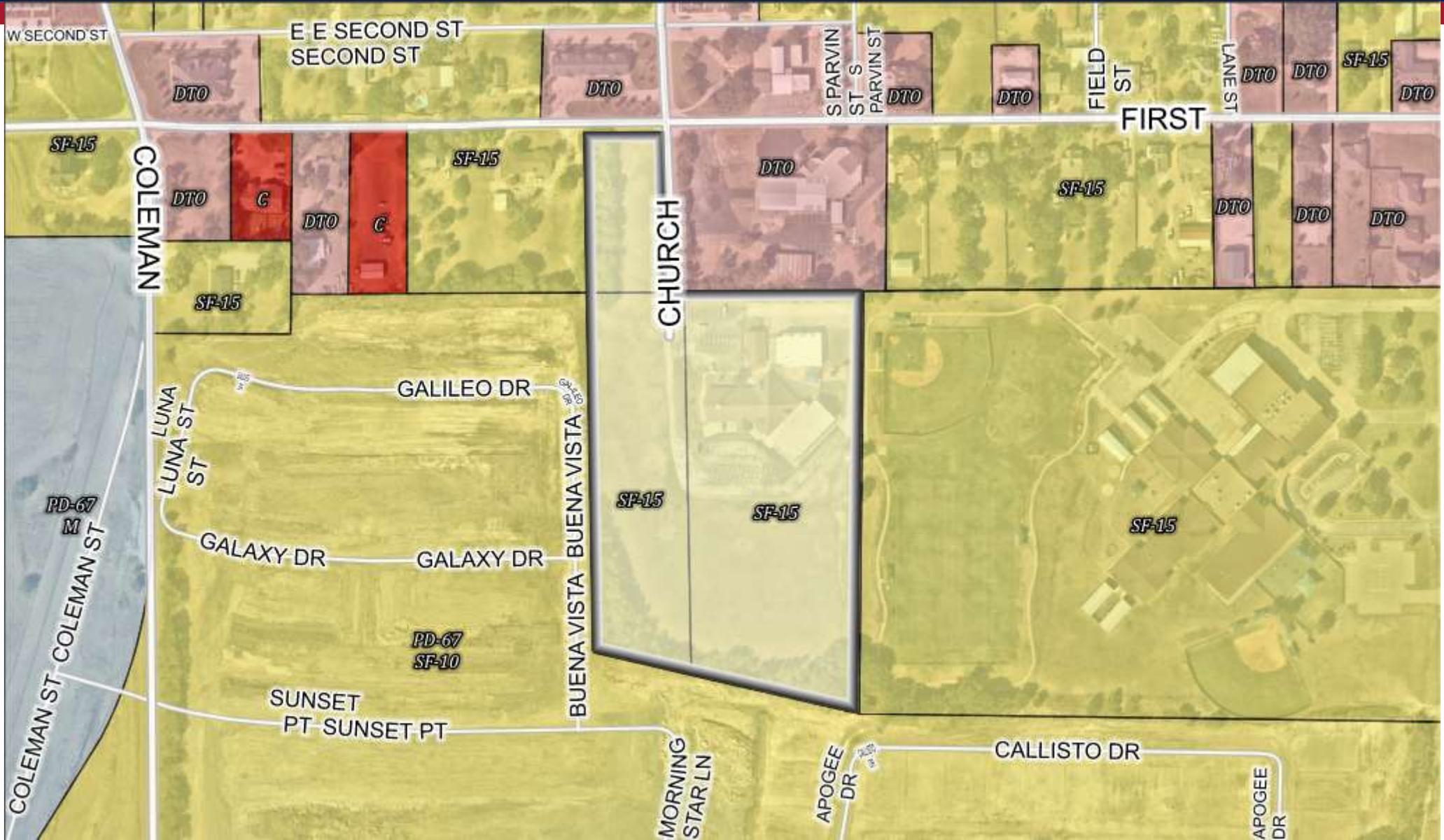
|           |             |        |
|-----------|-------------|--------|
| Drawn By: | Checked By: | Scale: |
| C.E.C.I.  | C.E.C.I.    | 1"=60' |

THIS DOCUMENT IS RELEASED FOR THE PURPOSE OF INTERIM REVIEW UNDER THE AUTHORITY OF CASEY R. MCBROOM, P.E. NO. 110104 ON 01/09/24. IT IS NOT TO BE USED FOR CONSTRUCTION PURPOSES.

**EXHIBIT B - SITE PLAN**  
FIRST BAPTIST CHURCH OF PROSPER EXPANSION  
FIRST BAPTIST CHURCH OF PROSPER  
PROSPER, TEXAS

Sheet No.  
Project No. 22016





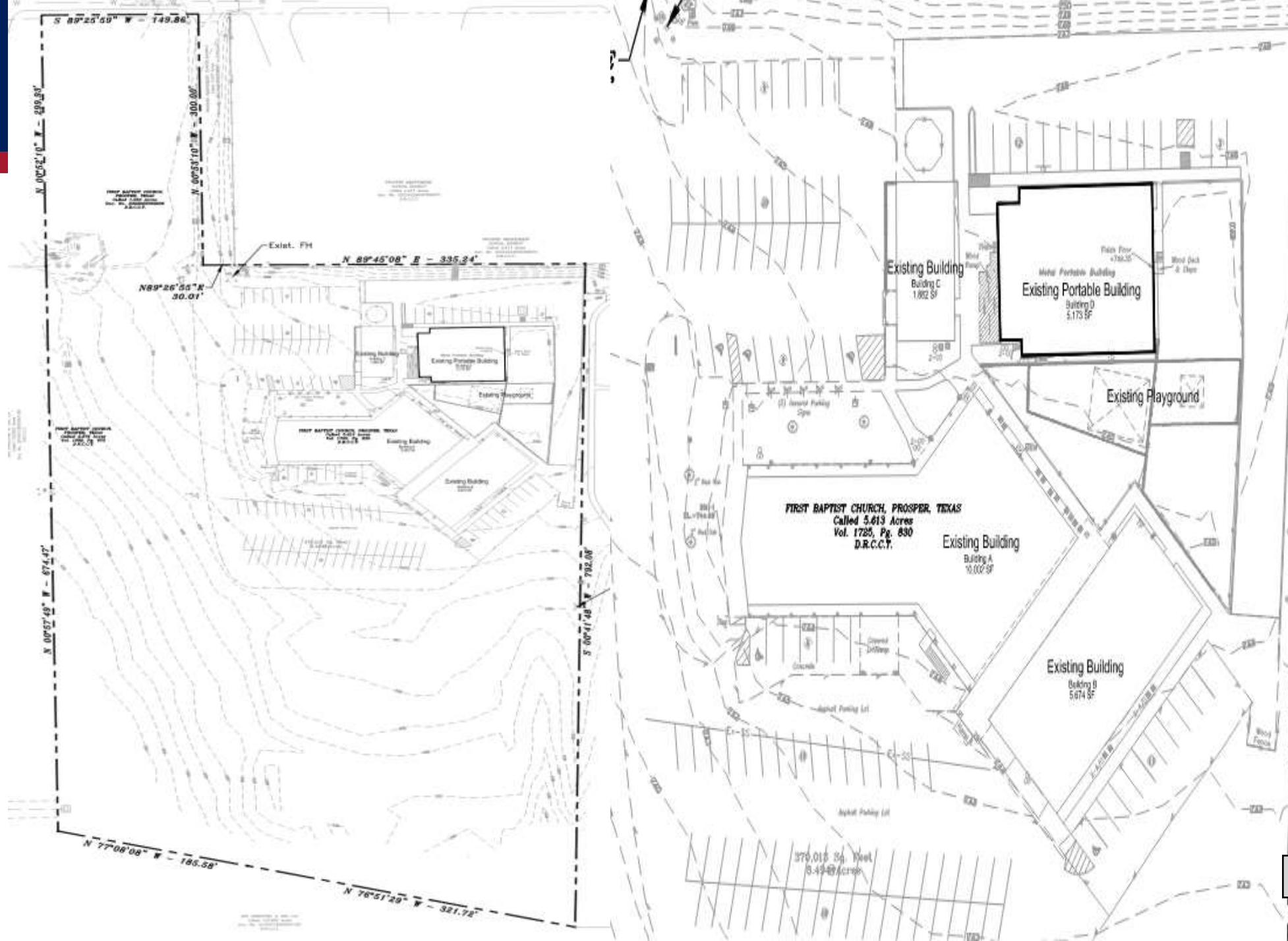
## Surrounding Area

|                         | Zoning                                       | Current Land Use                           |
|-------------------------|--|--|
| <b>Subject Property</b> | Single Family-15                             | House of Worship<br>(First Baptist Church) |
| <b>North</b>            | Downtown Office                              | Family Resource Center<br>(Prosper ISD)    |
| <b>East</b>             | Single Family-15                             | Elementary School<br>(Rucker Elementary)   |
| <b>South</b>            | Planned Development-67<br>(Single Family-10) | Vacant<br>(Starview Phase 1)               |
| <b>West</b>             | Planned Development-67<br>(Single Family-10) | Vacant<br>(Starview Phase 2)               |

# Proposal

## Specific Use Permit:

- Licensed Child-Care Center
  - Conducted out of both the main building and the portable building.
- Temporary Building
  - The portable building is also used for church purposes.



# Zoning Ordinance

## Child Care Center, Licensed:

- Specific Use Permit required for licensed childcare center not operated by an independent school district.

## Temporary Buildings:

- Temporary buildings are permitted by right for houses of worship. They require a Specific Use Permit for a private use.
  - Permits for house of worship temporary buildings last for three years.
  - A one-year extension can be granted at the end of the three-year term.

# History

## Child Care Center, Licensed:

- First Friends Preschool in operation since 2016.

## Temporary Building:

- First permitted in 2016 and then again in 2019.
- One-year extension granted in 2022.

## Determination:

- In 2023, Staff determined a Specific Use Permit would be required for the licensed child-care center.

# Specific Use Permit Criteria

## Evaluation:

- ***1. Is the use harmonious and compatible with its surrounding existing uses or proposed uses?***
  - Yes, adjacent educational uses show consistency with surrounding uses.
- ***2. Are the activities requested by the applicant normally associated with the requested use?***
  - Yes, other churches (United Methodist, St. Paul's, St. Martin, etc.) have a SUP for similar uses.
- ***3. Is the nature of the use reasonable?***
  - Yes, this is shown by consistency with surrounding uses and common association with churches.
- ***4. Has any impact on the surrounding area been mitigated?***
  - Yes, the expiration date should cause the permanent structure to be constructed within that time.

# Conditions

## Staff Recommendations to Planning & Zoning:

- **Condition 1**
  - The Specific Use Permit will expire two years after Town Council approval.
- **Condition 2**
  - The temporary building will be removed once the Specific Use Permit expires.
- **Condition 3**
  - Upon expiration of the Specific Use Permit, a one-year extension may be granted by the Planning & Zoning Commission if progress has been made.

# Planning & Zoning Commission

## Recommendation:

- Approval (7-0) subject to the following condition(s)
  - The Specific Use Permit will expire two years after Town Council approval.

# Conclusion

## Notices:

- Friday, February 9<sup>th</sup>

## Citizen Response:

- None

## Recommendation:

- Approval