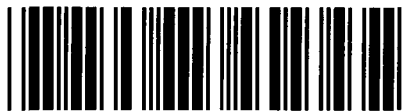




Control Number: 50927



Item Number: 1

Addendum StartPage: 0

PUC DOCKET NO. **50927**

RECEIVED  
2020 JUN 15 AM 9:20  
PUBLIC UTILITY COMMISSION  
FILED CLERK

PETITION BY THE CITY OF	§	BEFORE THE
MESQUITE AND TALTY SPECIAL	§	
UTILITY DISTRICT FOR	§	
APPROVAL OF SERVICE AREA	§	
CONTRACT UNDER TEXAS	§	PUBLIC UTILITY COMMISSION
WATER CODE § 13.248 AND TO	§	
AMEND CERTIFICATES OF	§	
CONVENIENCE AND NECESSITY	§	
IN KAUFMAN COUNTY	§	OF TEXAS
TWC		

**PETITION BY THE CITY OF MESQUITE AND TALTY SPECIAL UTILITY  
DISTRICT FOR APPROVAL OF SERVICE AREA CONTRACT UNDER  
TEXAS WATER CODE § 13.248 AND TO AMEND  
CERTIFICATES OF CONVENIENCE AND NECESSITY IN KAUFMAN COUNTY**

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

COMES NOW, City of Mesquite (City), and hereby files this Petition for Approval of Service Area Contract under Texas Water Code § 13.248 and to Amend Certificates of Convenience and Necessity (CCN) in Kaufman County ("Petition"). In support thereof, City would respectfully show as follows:

**PETITION**

**A. Background**

1. City is authorized to provide retail water service in Kaufman County under CCN No. 10060.
2. City's retail water system serves over 41,000 customers in the Dallas and Kaufman Counties. City's Public Water Supply Identification No. (PWS No.) is PWS No. 0570014.
3. Talty Special Utility District (Talty SUD) is authorized to provide retail water service in Kaufman County under CCN No. 10850 and PWS No. 1290025.

4. The City and Talty SUD have determined that it is in the best interest of each entity that a portion of Talty SUD's service area, along with the customers, customer deposits, and facilities in that area, be transferred to the City. By apportioning the service area, the City and Talty SUD will enhance planning and the development of capital improvement programs, and will permit more depending water service planning that will benefit the public health, safety, and welfare of their respective present and future customers within each entity's water service areas.

5. In order to allow City to provide water service in the area proposed to be transferred, City and Talty SUD have entered into the Agreement Designating Retail Sewer Service Territory ("Agreement") between City and Talty SUD. The Agreement is attached to this Petition as Exhibit 1.

6. As of the Effective Date of the Agreement, until the Transfer Effective Date of the Agreement, Talty SUD will provide water service to the customers in the area to be transferred. On the Transfer Effective Date the City will assume physical control of the facilities and customer connections to be transferred, but in no event will the Transfer Effective Date be more than 45 days after the date the City completes its water line from the City to service the area to be transferred.

7. The City is currently designing a 12 inch water line extension to serve the customers in the area to be transferred to the City from Talty SUD. The City expects to begin construction of the water line in 2022.

8. The Board of Directors of the Talty SUD considered and approved the Agreement on August 19, 2019 and January 27, 2020.

9. City Council of the City of Mesquite approved the Agreement on October 21, 2019.

10. The Agreement provides for the transfer of water service territory from Talty SUD to City. The area to be transferred is identified on the maps attached to this Petition as Exhibit 2 (“Transfer Area”).

11. Twenty-three (23) customer connections will be transferred from Talty SUD to the City of Mesquite. A list of the customer connections to be transferred is attached as Exhibit B to the Agreement (Exhibit 1). Talty SUD will convey to the City approximately 2,700 feet of a six (6) inch water line located along FM7 41, 670 feet of six (6) water line located along Dozier Circle, and 2,810 feet of a six (6) inch water line located along High Country Lane in Kaufman County, Texas. The locations of the facilities to be transferred is attached as Exhibit C to the Agreement (Exhibit 1).

12. Talty holds a \$100 deposit for each of the active customer connections to be transferred. Upon the Transfer Effective Date, the customer deposits associated with the transferred customer connections will be provided to the City and held by the City as deposits for each customer.

**B. Request for Transfer/Decertification**

1. Pursuant to 16 TAC § 24.253(b), the following information is including with this Petition:

- a. a copy of the Agreement, which is attached to this Petition as Exhibit 1;
- b. maps of the requested areas in accordance with 16 TAC § 24.257(a), which are attached to this Petition as Exhibit 2;
- c. affidavit of the General Manager of Talty SUD attesting to the date of the notice of the Talty SUD Board of Director’s meeting approving the Agreement, which is attached as Exhibit 3;

d. copies of Talty SUD's agendas and minutes of the meetings, which are attached as Exhibit 4;

e. affidavit of the Public Works Director of the City of Mesquite attesting to the date of the notice of the City Council meeting approving the Agreement, which is attached as Exhibit 5;

f. copies of the City's agenda and minutes of the meeting, which are attached as Exhibit 6.

2. The City has not included with this Petition notice to the customers to be transferred. The City intends to mail notice of this Petition after the Public Utility Commission (PUC) Staff has approved the form of the notice that is to be sent. An example notice form for the PUC Staff's consideration is attached to this Petition as Exhibit 7. Once notice is mailed, the City will provide an affidavit attesting that notice was mailed to the customer connections for which there are currently active meters.

3. The Petitioner requests that the Commission approve this Petition and decertify the Transfer Area from Talty SUD's CCN No. 10850 and include the Transfer Area in City's CCN No. 10060.

**D. Conclusion**

After notice is provided, the City respectfully requests that the Commission approve the Agreement as provided under Texas Water Code § 13.248 and 16 TAC § 24.2553 and that the Commission enter an order transferring the Transfer Area to City's Sewer CCN No. 10060, as requested, and that all other orders, acts, procedures, and relief be granted as necessary to enforce the Agreement.

Respectfully Submitted,

Emily W. Rogers  
State Bar No. 24002863  
[erogers@bickerstaff.com](mailto:erogers@bickerstaff.com)

Bickerstaff Heath Delgado Acosta LLP  
3711 S. MoPac Expressway  
Building One, Suite 300  
Austin, TX 78746  
Telephone: (512) 472-8021  
Facsimile: (512) 320-5638

By: Emily W. Rogers  
Emily W. Rogers

**CERTIFICATE OF SERVICE**

I certify that a copy of this document was served on all parties of record via email on June 1, 2020, in accordance with the requirements of 16 Tex. Admin. Code § 22.74 and PUC Order No 1 in Docket No. 50664.

Emily W. Rogers  
Emily W. Rogers

# Exhibit 1

10-21-19  
10

**AGREEMENT DESIGNATING RETAIL  
WATER SERVICE TERRITORY  
AND TRANSFERRING FACILITIES AND CUSTOMERS**

THIS AGREEMENT Designating Retail Water Service Territory and Transferring Facilities and Customers is made and executed by and between the Talty Special Utility District (Talty SUD), and the City of Mesquite (City). Talty SUD and the City may be collectively referred to herein as the "Parties."

**I. RECITALS**

WHEREAS, Talty SUD is a conservation and reclamation district in Texas and holds water Certificate of Convenience and Necessity (CCN) No. 10850 (Talty SUD Water CCN);

WHEREAS, the City is a municipal corporation in Texas which holds water CCN No. 10060;

WHEREAS, by apportioning service area, the Parties will enhance the planning and development of capital improvement programs, and water services to be provided to the respective areas;

WHEREAS, this Agreement will accomplish legitimate public purposes of the Parties and will permit more dependable water service planning that will benefit the public health, safety and welfare of their respective present and future customers within each Parties' service area; and

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained in this Agreement, including the recitals set forth above, and other good and valuable consideration, the receipt of which is hereby acknowledged, by their representatives affixing signatures below, Talty SUD and the City agree as follows:

**II. TERMS OF AGREEMENT**

**2.1 Transfer Area.**

(a) Talty SUD hereby agrees to decertify the portion of the Talty SUD Water CCN identified on the attached map, attached hereto and incorporated herein for all purposes as Exhibit A, and transfer the territory identified on Exhibit A to the City.

(b) The area within the Talty SUD Water CCN to be transferred from Talty SUD to the City identified in Exhibits A is designated as the "Transfer Area."

**2.2 Transfer to the City.** Talty SUD and the City agree that, on and after the Transfer Effective Date (as defined in Paragraph 2.5(b)), the City shall have the sole right to provide retail water service within the Transfer Area, and Talty SUD will have no further obligation or right to provide retail water service to any current or future customers in the Transfer Area.

### 2.3 Customers and Facilities in the Transfer Area.

(a) As of the Effective Date of this Agreement (as defined in Paragraph 2.5(a)), Talty SUD serves customer connections in the Transfer Area ("Customer Connections") and shall continue to provide water service to the Customer Connections until the Transfer Effective Date. The customer names, physical addresses, meter sizes, and customer deposits of those Customer Connections are identified on Exhibit B attached hereto.

(b) On the Transfer Effective Date of this Agreement, Talty SUD shall transfer to the City the Customer Connections identified in Exhibit B. On or before the Transfer Effective Date, Talty SUD shall also provide the City with its final meter reading for each Customer Connection. Talty SUD's final utility bill to the customer at each Customer Connection shall be determined using the meter reading as provided in this paragraph. Talty SUD shall not be entitled to receipt of payments for water delivered after the final meter reading provided in this paragraph.

(c) At least ten (10) days before Transfer Effective Date, the Parties shall provide written notice of the transfer to each Customer Connection listed in Exhibit B.

(d) Subject and pursuant to the terms and conditions set forth in this Agreement, on the Transfer Effective Date of this Agreement, Talty SUD shall transfer and the City shall acquire approximately 2,700 feet of a six (6) inch water line located along FM741, 670 feet of six (6) water line located along Dozier Circle, and 2,810 feet of a six (6) inch water line located along High Country Lane in Kaufman County, Texas, with all the taps, meters, and valves and other appurtenances along and on the water line ("Facilities"). A map identifying the location of the water lines and Customer Connections is attached hereto as Exhibit C. Talty SUD shall continue to operate, maintain, possess and use the Facilities after the Effective Date of this Agreement until the Transfer Effective Date, when all of the Customer Connections have been transferred to the City as provided by this Paragraph 2.3. Upon the transfer of all of the Customer Connections to the City on the Transfer Effective Date, Talty SUD shall relinquish physical control over the Facilities and Customer Connections to the City.

(e) On or before the Transfer Effective Date, the Parties shall execute a Bill of Sale and Assignment ("Bill of Sale"), a copy of which is attached as Exhibit D and incorporated into this Agreement, to transfer and assign the Facilities, Customer Connections, and customer deposits to the City. Upon the execution of the Bill of Sale, Talty SUD shall transfer the Facilities, Customer Connections, and customer deposits to the City. The Bill of Sale shall provide for the City's assumption of all of Talty SUD's obligations and liabilities under or related to the Facilities and Customer Connections, except the City does not assume the following:

(i) Any and all suits, actions, losses, damages, claims, or liability of any character, type, or description, including all expenses of litigation, court costs, and attorney's fees, for injury or death to any person, or injury to any property, received or sustained by any person or persons or property, arising out of, or occasioned by, directly or indirectly, the operation of the Facilities and provision of service to the Customer Connections, and accruing prior to the Transfer Effective Date, except to the extent such claims of damages arise from the gross negligence or willful misconduct of the City; and

(ii) Any liability or obligation of Talty SUD, absolute or contingent, known or unknown, arising out of Talty SUD's ownership, operation, and maintenance of the Facilities and the provision of service to the Customer Connections.

(f) On or before the Transfer Effective Date, the Parties shall execute an Assignment of Easements ("Assignment"), a copy of which is attached as Exhibit E and incorporated into this Agreement, to transfer and assign the easements in which the Facilities are located.

2.4 Amendment of CCNs. Within sixty (60) days after the Effective Date of this Agreement, the City shall file a petition with the Public Utility Commission of Texas (PUC) pursuant to Texas Water Code § 13.248 requesting that the PUC designate areas and customers to be served consistent with this Agreement and incorporate this Agreement into the respective CCNs of the Parties (Section 13.248 Petition). The City shall endeavor to obtain PUC approval of the CCN transfers contemplated herein in an expeditious manner and Talty SUD will support the Section 13.248 Petition before the PUC and will cooperate with the City by providing the City and the PUC with any required or requested information needed to complete, file, or review the Section 13.248 Petition, and to obtain its approval by the PUC.

## 2.5 Effective Dates.

(a) This Agreement is effective on the date of the last signatory of this Agreement and enforceable as between Talty SUD and the City following execution by both Parties, and this date is referred to herein as the "Effective Date."

(b) The "Transfer Effective Date" shall be the date the City assumes physical control of the Facilities and Customer Connections. The Parties shall mutually agree to the date of the Transfer Effective Date, but in no event shall the Transfer Effective Date be more than 45 days after the date the City completes the water line from the City to serve the Transfer Area.

## 2.6 Termination.

(a) Unless the Parties agree in writing to extend this Agreement, this Agreement shall terminate upon the date any order issued by the PUC denying the Section 13.248 Petition is final non-appealable.

(b) Either Party may terminate this Agreement if any hearing request or motion to intervene is granted by the PUC that opposes the granting of the Section 13.248 Petition.

# III. MISCELLANEOUS

3.1 Section 13.248. This Agreement shall be construed and interpreted in accordance with Section 13.248 of the Texas Water Code.

3.2 Applicable Texas Law. This Agreement shall be governed by and construed and enforced under the laws of the State of Texas.

3.3 Performance. The obligations and undertakings of each of the Parties to this Agreement shall be performed in Dallas County, Texas. Except for matters within the jurisdiction of the PUC (or its

successor), the Parties expressly agree that all judicial proceedings to enforce any of the provisions of this Agreement shall take place in Dallas County, Texas.

3.4 Entire Agreement. This Agreement contains the entire agreement of Talty SUD and the City with respect to the subject matter of the Agreement. No Agreement, statement, or promise made by any Party or to any employee, agent, or officer of any Party, that is not contained in this Agreement shall be valid, binding, or of any force or effect. Any amendments to this Agreement must be in writing and signed by the Parties.

3.5 Successors and Assigns. This Agreement shall be binding upon the Parties hereto and their respective successors, heirs, representatives, and assigns.

3.6 Agreement Drafted Equally. This Agreement shall be deemed drafted equally by the 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 either Party shall not apply.

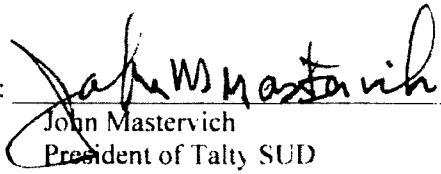
3.7 Severability. Should any provision of this Agreement be declared void by a court of competent jurisdiction, the remaining provisions of this Agreement shall remain in full force and effect.

3.8 Attorneys' Fees. In the event of any suit or other adjudication between the Parties to enforce any claim arising out of this Agreement, or to interpret the terms of this Agreement, the prevailing Party shall be entitled to recover its fees, damages, costs, attorneys' fees, and such other and further relief from the non-prevailing Party, general or special, at law or in equity, to which the prevailing Party may show itself justly entitled.

3.9 Covenant of Authority. The respective signatories to this Agreement covenant that they are fully authorized to sign this Agreement on behalf of their respective Party.


IN WITNESS WHEREOF, this Agreement has been duly executed in multiple counterparts (each of which is to be deemed original for all purposes) by the Parties on the date appearing by each Parties signature.

**TALTY SPECIAL UTILITY DISTRICT**

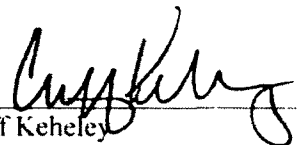
BY:   
John Mastervich  
President of Talty SUD

Date: 01/27/2020

ATTEST:

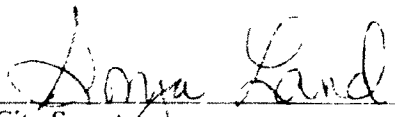
  
Bill Hart  
Board Secretary, Talty SUD

**CITY OF MESQUITE**

BY:   
Cliff Keheley  
City Manager, City of Mesquite

Date: 2-3-2020

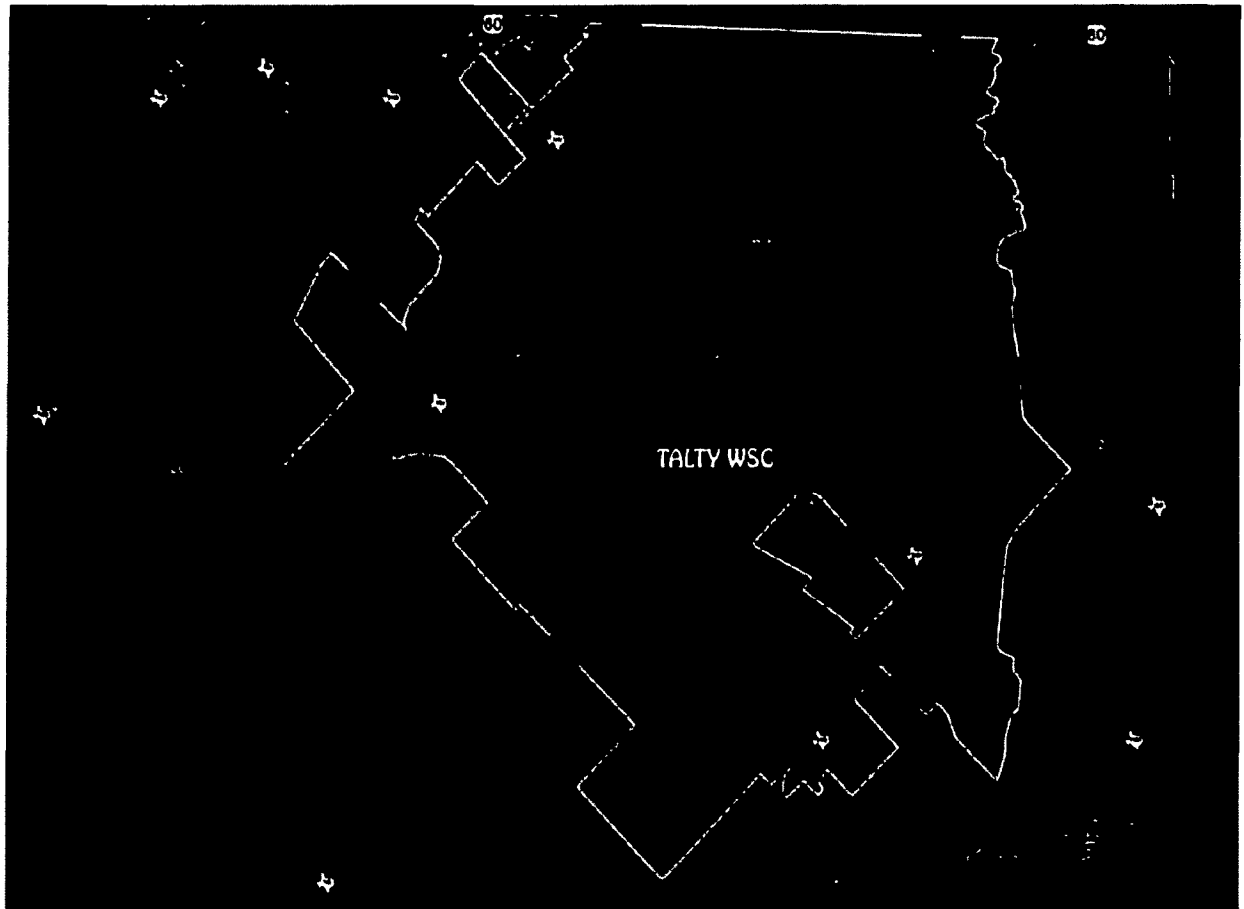
ATTEST:

  
City Secretary

APPROVED AS TO FORM:

  
City Attorney or Designee

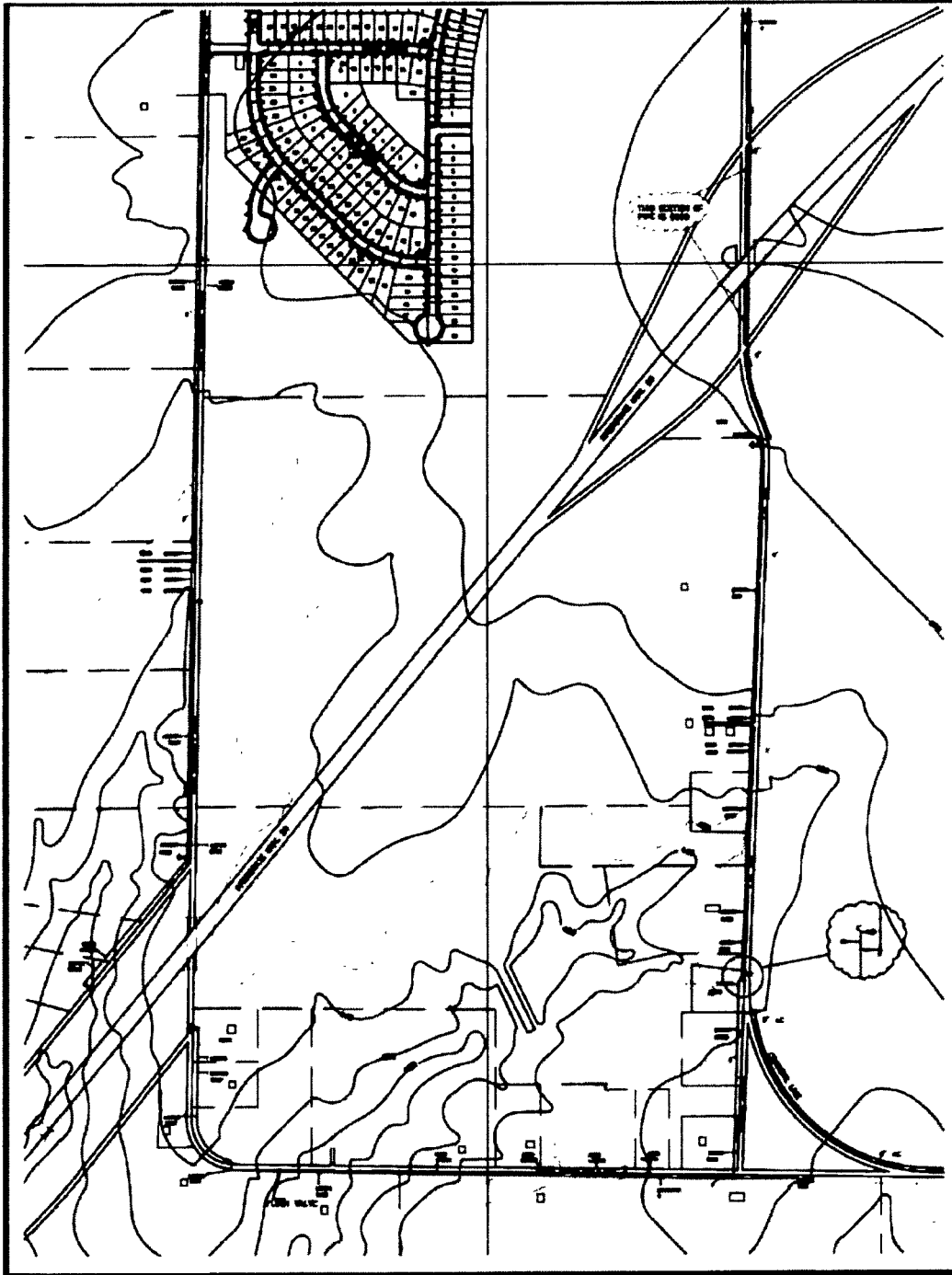
**EXHIBIT A  
TRANSFER AREA**



**EXHIBIT B  
CUSTOMER CONNECTIONS**

Account #	Location #	Name	Address	Street	Meter EID	Status	Meter Size
N/A	100484	N/A	6619	FM741	N/A	Liquidated	N/A
N/A	100521	N/A	6611	FM741	4497830	Liquidated	3/4"x5/8"
N/A	100523	N/A	6575	FM741	4990122	Liquidated	3/4"x5/8"
100765	100765	Statewide Electric % Jessie Foster	6575	FM741	5029325	Active Reserve	3/4"x5/8"
100911	100911	Statewide Electric % Jessie Foster	6575	FM741	12401279	Active Reserve	3/4"x5/8"
100522	100522	Statewide Electric % Jessie Foster	6575	FM741	12402538	Active Reserve	3/4"x5/8"
102873	102873	P McClain Enterprises LLC	6491	FM741	12415160	Active	3/4"x5/8"
100479	100479	Pat New	6405	FM741	12404760	Active	3/4"x5/8"
100524	100524	James Dozier	6261	FM741	13449044	Active	1"
100485L	100485	James Dozier	13012	Dozier Cir.	12406979	Active	3/4"x5/8"
103215	100508	Jennifer Griffin	13108	Dozier Cir.	12401528	Active	3/4"x5/8"
101064	101064	Sigvaldson-Wallace	9160	High Country	12408536	Active	3/4"x5/8"
N/A	100512	N/A	9101	High Country	12406736	Liquidated	3/4"x5/8"
N/A	100513	N/A	0	High Country	N/A	Liquidated	N/A
100774	100774	Nelson Leeman	9198	High Country	12411692	Active	3/4"x5/8"
103147	100499	Robertina Alcauter	9222	High Country	12412316	Active	3/4"x5/8"
100506	100506	Carole Sprague	9300	High Country	12413671	Active	3/4"x5/8"
100503	100503	Charles Gordon	9384	High Country	12403104	Active	3/4"x5/8"
100511	100511	H White Jr	9425	High Country	12414209	Active	3/4"x5/8"
100510	100510	Paul Thomasson	9487	High Country	12412277	Active	3/4"x5/8"
100727	100727	Tom Ray	9557	High Country	12411895	Active	3/4"x5/8"
103216	100493	Jason Gilbert	9556	High Country	12414123	Active	3/4"x5/8"
100496	100496	Jose Cabrera	9588	High Country	12413854	Active	3/4"x5/8"

EXHIBIT C  
FACILITIES



**EXHIBIT D**  
**BILL OF SALE AND ASSIGNMENT**

## **BILL OF SALE AND ASSIGNMENT**

**Date:** 01 / 27, 2020

**Assignor:** TALTU SPECIAL UTILITY DISTRICT, a political subdivision of the State of Texas

**Assignor's Mailing Address:** PO Box 890  
Forney, Texas 75126

**Assignee:** CITY OF MESQUITE, TEXAS, a municipal corporation of the State of Texas

**Assignee's Mailing Address:** 1515 N. Galloway Ave.  
Mesquite, Texas 75149

### **Consideration:**

Ten dollars cash and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

### **Property:**

The property set forth and described in **Exhibit 1** attached hereto and made a part hereof for all purposes.

### **Conveyance and Sale:**

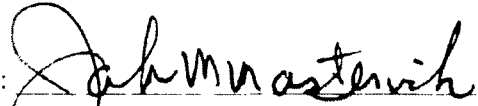
Assignor, for the Consideration and subject to any reservations from conveyance and any exceptions to conveyances, assigns, grants, sells, and conveys to Assignee, the Property, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold it to Assignee and Assignee's heirs, successors, and assigns, and Assignor does hereby bind itself and its successors and assigns to warrant and forever defend the Property to Assignee against every person whomsoever lawfully claiming or to claim the same or any part thereof, by, through or under Assignor, but not otherwise. All other warranties that might arise by common law as well as the warranties in section 5.023 of the Texas Property Code (or its successor) are excluded.

This Bill of Sale and Assignment is subject to the terms and conditions of that certain Agreement Designating Retail Water Service Territory and Transferring Facilities and Customers dated effective the 27 day of JANUARY, 2020 by and between Assignor and Assignee, reference to which is made hereinafter for all purposes.

When the context requires, singular nouns and pronouns include the plural.

This Assignment may be executed in one or more counterparts, each of which shall be deemed an original and will become effective and binding upon the Parties as of the date shown at such time as all the signatories hereto have signed a counterpart of this Agreement.

**TALTY SPECIAL UTILITY DISTRICT**

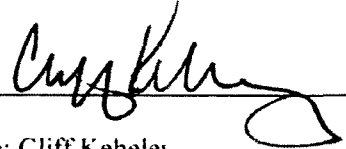
By: 

Printed Name: JOHN M MASTERVICA

Title: PRESIDENT

ACCEPTED as of the date first shown above.

**CITY OF MESQUITE, TEXAS**

By: 

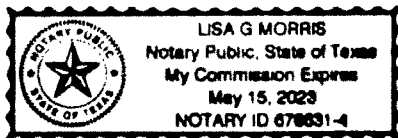
Printed Name: Cliff Keheley

Title: City Manager

**ACKNOWLEDGED:**

STATE OF TEXAS       §  
                                  §  
COUNTY OF KAUFMAN   §

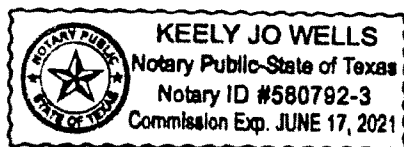
This instrument was acknowledged before me on JANUARY 27 2020 by JOHN MASTALICH, President of Talty Special Utility District, a political subdivision of the State of Texas, on behalf of said water district.



[Signature]  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS       §  
                                  §  
COUNTY OF DALLAS   §

This instrument was acknowledged before me on Feb 3 2020 by Cliff Rehley, City Manager of City of Mesquite, a municipal corporation of the State of Texas, on behalf of said corporation.



[Signature]  
NOTARY PUBLIC, STATE OF TEXAS

**EXHIBIT 1**  
**To**  
**BILL OF SALE AND ASSIGNMENT**  
**Dated**

01 / 27, 2020

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**DESCRIPTION**

1. Customer deposits for the Customer Connections listed in Exhibit 2 to this Bill of Sale and Assignment; and

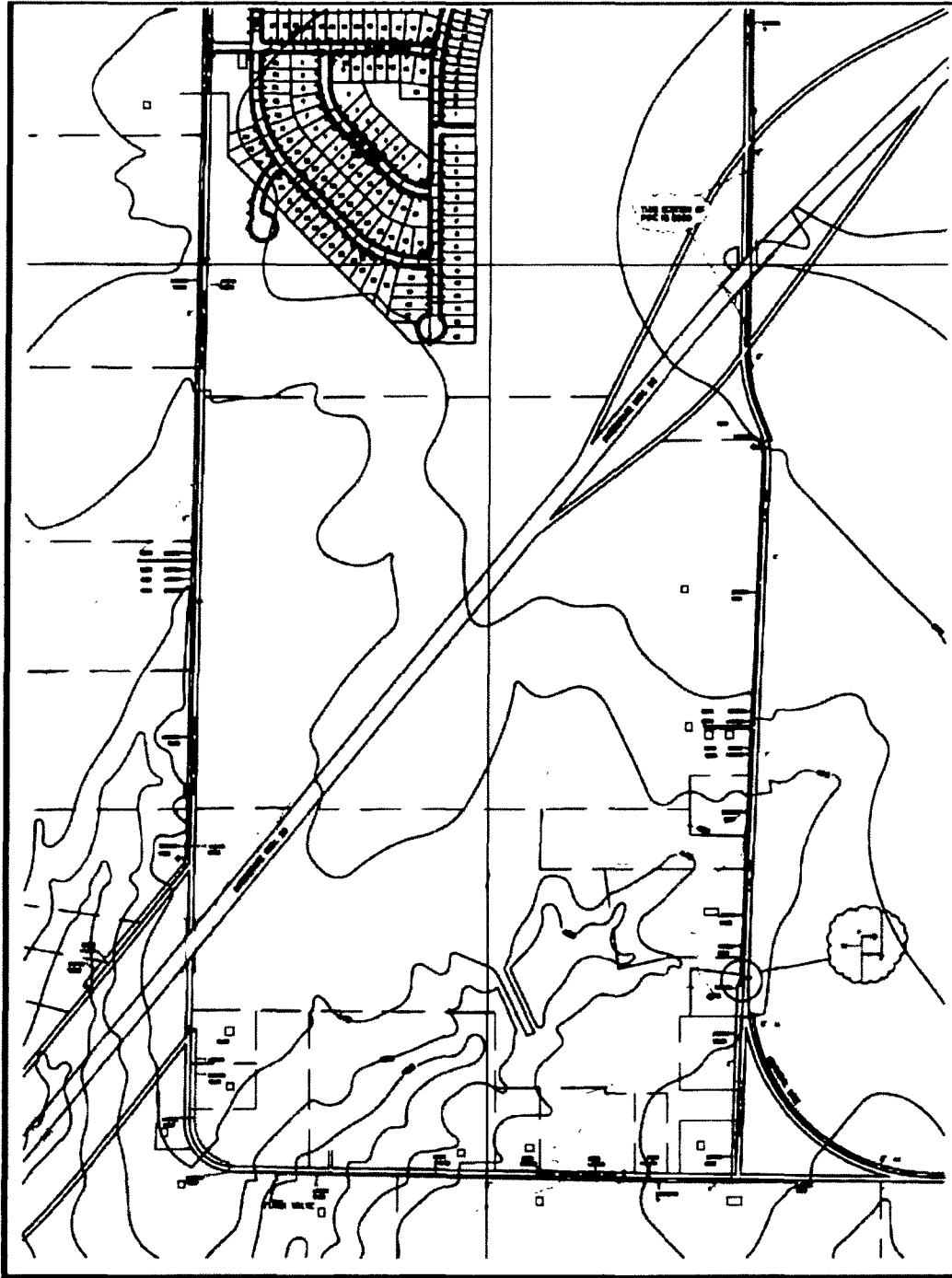
2. The following water lines, and all taps, meters, and valves along and on the water lines, the location of which is shown on Exhibit 3 to this Bill of Sale and Assignment:

Approximately 2,700 feet of a six (6) inch water line located along FM741, 670 feet of six (6) water line located along Dozier Circle, and 2,810 feet of a six (6) inch water line located along High Country Lane in Kaufman County, Texas.

**EXHIBIT 2**  
**To**  
**BILL OF SALE OF ASSIGNMENT**

Account #	Location #	Name	Address	Street	Meter EID	Status	Meter Size
N/A	100484	N/A	6619	FM741	N/A	Liquidated	N/A
N/A	100521	N/A	6611	FM741	4497830	Liquidated	3/4"x5/8"
N/A	100523	N/A	6575	FM741	4990122	Liquidated	3/4"x5/8"
100765	100765	Statewide Electric % Jessie Foster	6575	FM741	5029325	Active Reserve	3/4"x5/8"
100911	100911	Statewide Electric % Jessie Foster	6575	FM741	12401279	Active Reserve	3/4"x5/8"
100522	100522	Statewide Electric % Jessie Foster	6575	FM741	12402538	Active Reserve	3/4"x5/8"
102873	102873	P McClain Enterprises LLC	6491	FM741	12415160	Active	3/4"x5/8"
100479	100479	Pat New	6405	FM741	12404760	Active	3/4"x5/8"
100524	100524	James Dozier	6261	FM741	13449044	Active	1"
100485L	100485	James Dozier	13012	Dozier Cir.	12406979	Active	3/4"x5/8"
103215	100508	Jennifer Griffin	13108	Dozier Cir.	12401528	Active	3/4"x5/8"
101064	101064	Sigvaldson-Wallace	9160	High Country	12408536	Active	3/4"x5/8"
N/A	100512	N/A	9101	High Country	12406736	Liquidated	3/4"x5/8"
N/A	100513	N/A	0	High Country	N/A	Liquidated	N/A
100774	100774	Nelson Leeman	9198	High Country	12411692	Active	3/4"x5/8"
103147	100499	Robertina Alcauter	9222	High Country	12412316	Active	3/4"x5/8"
100506	100506	Carole Sprague	9300	High Country	12413671	Active	3/4"x5/8"
100503	100503	Charles Gordon	9384	High Country	12403104	Active	3/4"x5/8"
100511	100511	H White Jr	9425	High Country	12414209	Active	3/4"x5/8"
100510	100510	Paul Thomasson	9487	High Country	12412277	Active	3/4"x5/8"
100727	100727	Tom Ray	9557	High Country	12411895	Active	3/4"x5/8"
103216	100493	Jason Gilbert	9556	High Country	12414123	Active	3/4"x5/8"
100496	100496	Jose Cabrera	9588	High Country	12413854	Active	3/4"x5/8"

**EXHIBIT 3**  
**To**  
**BILL OF SALE AND ASSIGNMENT**



**EXHIBIT E**  
**ASSIGNMENT OF EASEMENTS**

## ASSIGNMENT OF EASEMENTS

**Date:** 01/17, 2020

**Assignor:** TALTY SPECIAL UTILITY DISTRICT, a political subdivision of the State of Texas

**Assignor's Mailing Address** PO Box 890  
Forney, Texas 75126

**Assignee:** CITY OF MESQUITE, TEXAS, a municipal corporation of the State of Texas

**Assignee's Mailing Address:** 1515 N. Galloway Ave.  
Mesquite, Texas 75149

**Consideration:**

Ten dollars cash and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged.

**Description of Easements:**

Those easements and right-of-way easements in Kaufman County, Texas, more particularly described on **Exhibit 1** attached hereto and incorporated herein by reference for all purposes, together with any and all other easement rights of Assignor related to or associated with the Facilities described in the Agreement Designating Retail Water Service Territory and Transferring Facilities and Customers entered into by and between Assignor and Assignee whether acquired by recorded conveyance, prescription, estoppel, consent, permission to place in public right of way, or otherwise (hereinafter called the "Easement Property").

**Reservation of Rights:** NONE

**ASSIGNMENT:**

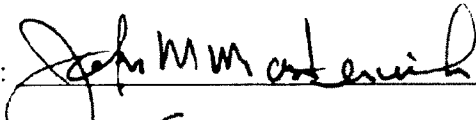
For the Consideration, Assignor grants, conveys, and assigns to Assignee, subject to any reservations herein, all of Assignor's interest in the Easement Property, including, without limitation, all of Assignor's rights of ingress, egress, and regress associated therewith, together with all and singular the rights and appurtenances thereto in any way belonging, to have and to hold the Easement Property to Assignee and Assignee's successors and assigns forever. Assignor binds the Assignor and the Assignor's successor and assigns to warrant and forever defend the title to the Easement Property in Assignee and Assignee's successors and assigns against every person whomever lawfully claiming or to claim the Easement Property or any part of the Easement Property.

This Assignment is subject to the terms and conditions of that certain Agreement Designating Retail Water Service Territory and Transferring Facilities and Customers concerning the Facilities described therein in Kaufman County, Texas dated effective the 27<sup>th</sup> of January 2020 by and between Assignor, as Talty SUD, and Assignee, as City, reference to which is made herein for all purposes.

When the context requires, singular nouns and pronouns include the plural.

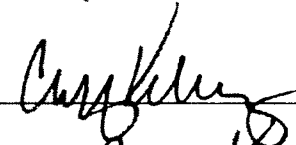
This Assignment may be executed in one or more counterparts, each of which shall be deemed an original and will become effective and binding upon the Parties as of the date shown at such time as all the signatories hereto have signed a counterpart of this Agreement.

TALTY SPECIAL UTILITY DISTRICT

By:   
Printed Name: JOHN M MASFERRER  
Title: PRESIDENT

ACCEPTED as of the date first shown above.

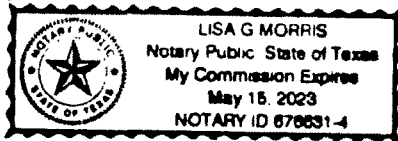
CITY OF MESQUITE, TEXAS

By:   
Printed Name: CLIFF KOWAL  
Title: CITY MANAGER

**ACKNOWLEDGED:**

STATE OF TEXAS       §  
                                  §  
COUNTY OF KAUFMAN   §

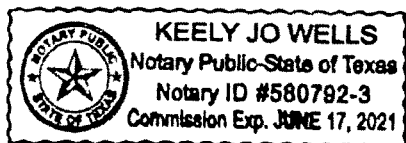
This instrument was acknowledged before me on JANUARY 27 2020 by John J. Johnston, President of Talty Special Utility District, a political subdivision of the State of Texas, on behalf of said water district.



Lisa G Morris  
NOTARY PUBLIC, STATE OF TEXAS

STATE OF TEXAS       §  
                                  §  
COUNTY OF DALLAS   §

This instrument was acknowledged before me on Feb 3 2020 by Criff Kehley, City Manager of City of Mesquite, a municipal corporation of the State of Texas, on behalf of said corporation.



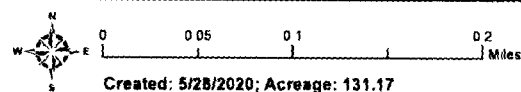
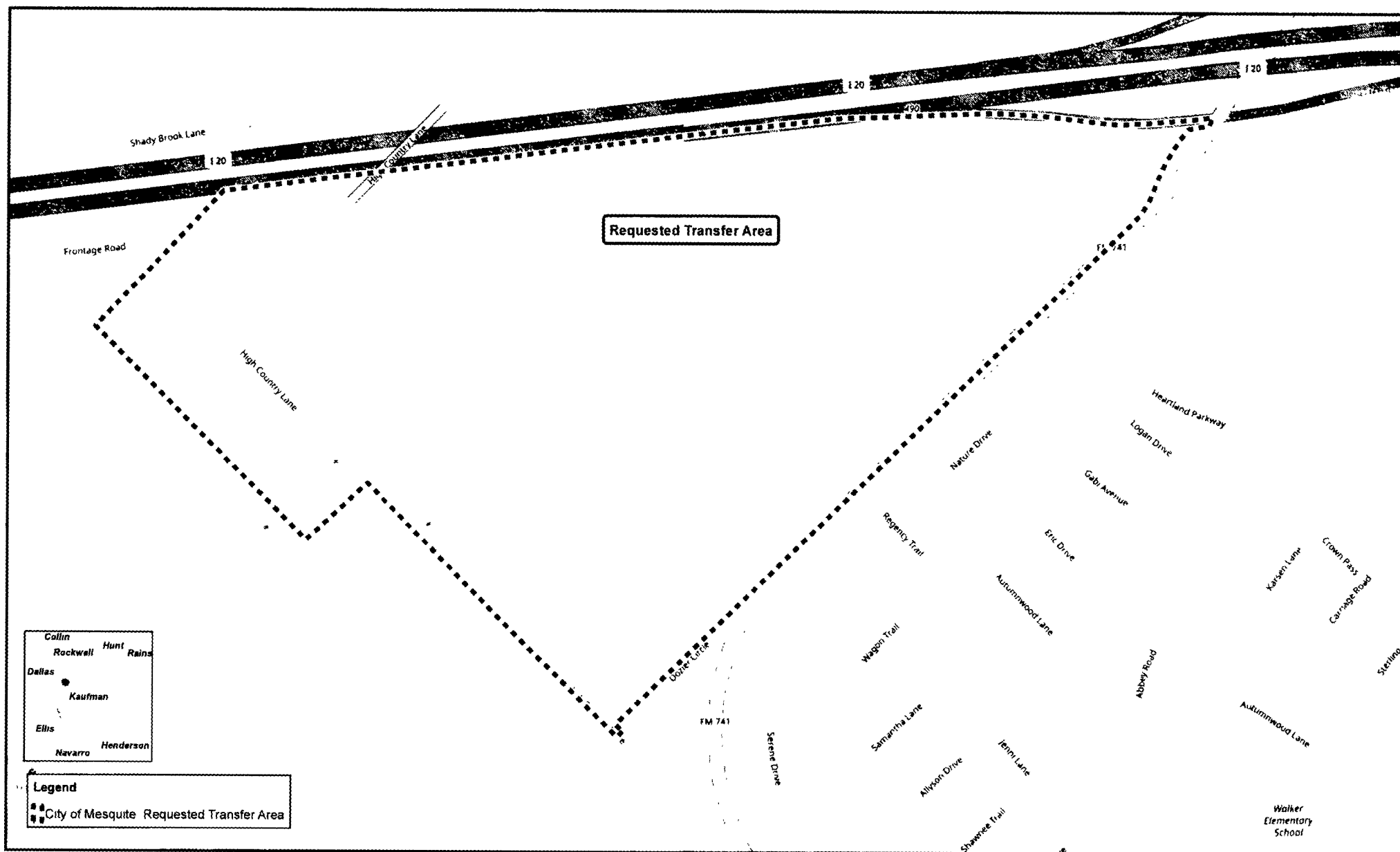
Keely Jo Wells  
NOTARY PUBLIC, STATE OF TEXAS

**EXHIBIT 1**  
**To**  
**ASSIGNMENT OF EASEMENTS**

**EASEMENTS:**

Any and all Right of Ways Easements south of Interstate Highway 20 in which the approximately 2,700 feet of a six (6) inch water line is located along FM741, 670 feet of six (6) water line is located along Dozier Circle, and 2,810 feet of a six (6) inch water line is located along High Country Lane in Kaufman County, Texas.

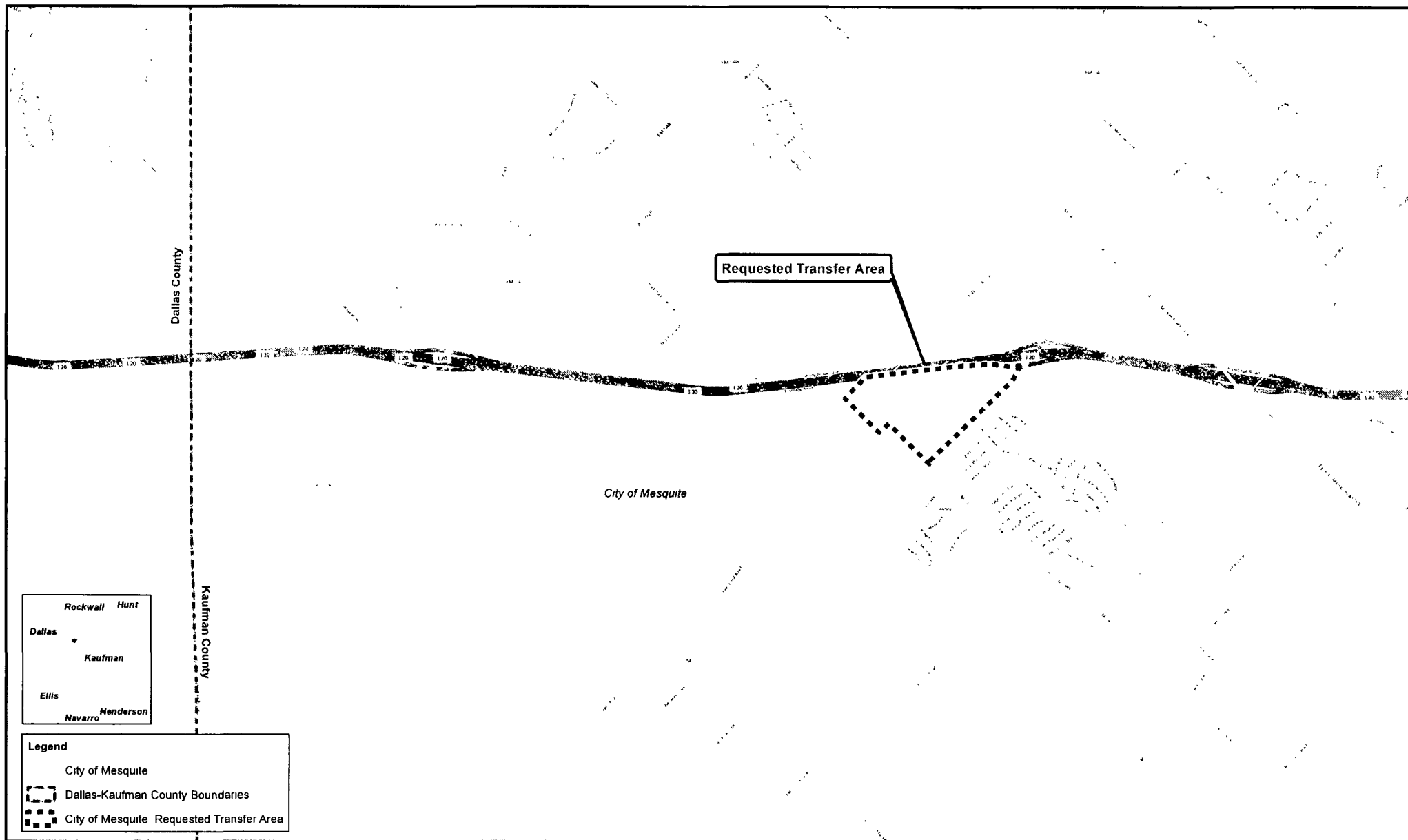
# Exhibit 2



**City of Mesquite**  
**Requested Transfer Area from Talty SUD Water CCN Service Area No. 10850 to**  
**City of Mesquite Water CCN Service Area No. 10060**  
**DETAIL MAP**

© 2020 Bickerstaff Heath Delgado Acosta LLP  
 Data Source: Talty SUD Water CCN No. 10850  
 obtained from PUC Water Utilities Section,  
 Base map is ESRI Open StreetMap.





**City of Mesquite**  
**Requested Transfer Area from Talty SUD Water CCN Service Area No. 10850 to**  
**City of Mesquite Water CCN Service Area No. 10060**  
**GENERAL LOCATION MAP**

© 2020 Bickerstaff Heath Delgado Acosta LLP  
 Data Source Talty SUD Water CCN No. 10850  
 obtained from PUC Water Utilities Section,  
 Base map is ESRI Open StreetMap.



# Exhibit 3

PUC DOCKET NO. \_\_\_\_\_

PETITION BY THE	§	
CITY OF MESQUITE AND	§	
TALTY SPECIAL UTILITY DISTRICT	§	BEFORE THE
FOR APPROVAL OF	§	
SERVICE AREA CONTRACT	§	PUBLIC UTILITY COMMISSION
UNDER TEXAS WATER CODE	§	
§13.248 AND TO AMEND	§	OF TEXAS
CERTIFICATES OF CONVENIENCE	§	
AND NECESSITY IN	§	
KAUFMAN COUNTY	§	

**AFFIDAVIT OF COREY TRAIL**


STATE OF TEXAS	§
	§
COUNTY OF KAUFMAN	§

BEFORE ME, the undersigned notary, personally appeared Corey Trail, the affiant, a person who is known to me. After administering an oath, the affiant testified that:

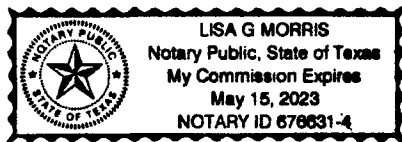
1. "My name is Corey Trail. I am over the age of eighteen years, of sound mind, and am capable of making this affidavit. The facts stated in the affidavit are within my personal knowledge and are true and correct.
2. I am the General Manager for the Talty Special Utility District (Talty SUD), a party to the Agreement Designating Retail Water Service Territory ("Agreement") regarding the transfer of a portion Talty SUD CCN No. 10850 to the City of Mesquite (City) CCN No. 10060.
3. Talty SUD has 23 water customer connections, of which 18 are active or active reserve accounts, in the area to be transferred pursuant to the Agreement.
4. Talty SUD customer deposits for the active water customer connections in the area to be transferred. Each customer deposit is \$100.
5. Talty SUD also has approximately 2,700 feet of a six (6) inch water line located along FM7 41, 670 feet of six (6) water line located along Dozier Circle, and 2,810 feet of a six (6) inch water line located along High Country Lane in the area to be transferred pursuant to the Agreement.
6. The Board of Talty SUD considered the Agreement in open meetings held on August 19, 2019 and January 27, 2020, notices of which were properly posted and held in compliance with the Texas Open Meetings Act, Gov't Code 551.

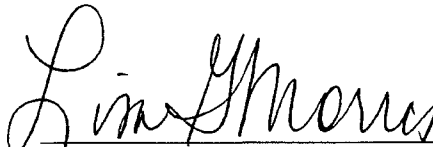
7. Copies of the meeting agendas and minutes for the meetings during which the agreement was discussed are attached hereto. *See* Agenda of Talty SUD August 19, 2019 Meeting, Item 7; Minutes of Talty SUD August 19, 2019 Meeting; Agenda of Talty SUD January 27, 2020 Meeting, Item 9; Minutes of Talty SUD January 27, 2020 Meeting.
8. The City has prepared a certain 'Petition by the City of Mesquite and Talty Special Utility District for Approval of Service Area Contract Pursuant to Texas Water Code § 13.248 and to Amend Certificates of Convenience and Necessity in Kaufman County' (Petition).
9. Talty SUD supports the Petition."

FURTHER AFFIANT SAYETH NOT.

  
\_\_\_\_\_  
Corey Trail, General Manager  
Talty Special Utility District

SWORN AND SUBSCRIBED TO BEFORE ME by COREY TRAIL on  
June 1, 2020.



  
\_\_\_\_\_  
Notary Public State of Texas

# Exhibit 4

# TALTY SPECIAL UTILITY DISTRICT OF KAUFMAN COUNTY

REGULAR BOARD MEETING  
MONDAY, AUGUST 20, 2018 6:00 P.M.  
12475 WINDY LANE  
FORNEY, TEXAS

## AGENDA

This meeting is open to the public and the following items will be covered for consideration and action:

1. Call to Order
2. Public Comments: The Board will hear public comments limited to three minutes per issue, but any discussion shall be limited to the item being placed on a future agenda for further consideration.
3. Consider and act upon the meeting minutes from the July 16, 2018 Meeting.
4. Engineer Report
5. Attorney Report – PUC Rate Appeal Update
6. Consider and act to approve the 2018-2019 Budget.
7. Discuss and act to approve the Annual Performance Review for Corey Trail, General Manager.
8. Consider and act to accept the July, 2018 financials.
9. Monthly Operations Reports from General Manager, Field Supervisor and Office Manager.
10. Adjourn

I, the undersigned, hereby certify that on August 17, 2018, at 2:30 a.m. (p.m.), this Agenda was posted to the Talty Special Utility District website (taltysud.com) and in the front window of the district's regular office, located at 12475 Windy Lane, Forney, Kaufman County, Texas, facing the outside, and visible to the public at all times. It remained posted continuously for at least 72 hours prior to the scheduled time of said meeting.

Talty Special Utility District Board of Directors reserves the right to recess into Executive Session concerning any item listed on this Agenda whenever it is considered necessary and legally justified under the Texas Open Meetings Act, Texas Government Code Section 551.001 et. seq., for any and all purposes permitted by the Act, including but not limited to the following: Section 551.071 - consultation with the District's Attorney; Section 551.072 - deliberations regarding real property; Section 551.074 - deliberations regarding personnel matters of a public officer or employee.

By: Corey Trail  
Corey Trail, General Manager

TALTY SPECIAL UTILITY DISTRICT  
12475 WINDY LANE  
FORNEY, TEXAS 75126  
(972) 552-4422

**REGULAR MEETING OF THE BOARD OF DIRECTORS**

DATE: August 19, 2019

TIME: 6:00 p.m.

PLACE: District offices at 12475 Windy Lane, Forney, Kaufman County, Texas

**MINUTES**

- 1. Call to Order.** President John Mastervich called the meeting to order at 6:00 p.m. Board members present Sidney Schleichach, Bill Hart, Scot Boisvert and Chris Jackson. A quorum was present.

Staff present Corey Trail, General Manager; Shane Carney, Field Superintendent; Lisa Morris, Office Manager; and James Wilson, Attorney.

- 2. Public Comments:** None

- 3. Consider and act upon the Minutes of previous meeting(s).** Bill Hart made a motion, seconded by Scot Boisvert, to approve the meeting minutes as written from July 15, 2019. A vote was taken, and the motion passed 5-0.

- 4. Consider and act to accept the July 2019 financials.** Scot Boisvert made a motion, seconded by Chris Jackson, to accept the July 2019 financials as presented. A vote was taken, and the motion passed 5-0.

- 5. Engineer Report.** Engineer Tyler Hendrickson was not present, so Corey Trail updated the Board on his behalf:

(a) Pump Station #1 improvements – There hasn't been a lot of progress on the improvements that can be seen. They are excavating water lines and electrical lines and working on the road.

(b) Lakewood Trails is finally ready for a final inspection. It was in very bad shape upon the first inspection. The contractor had to go back and dig up every tap because of incorrect installation. We are about to start billing the \$10 Monthly Reserve Service on each of the accounts for Lakewood. Irrigation meters should be installed soon.

- 6. Attorney Report, including but not limited to, substantial changes to PUC water regulations.** Attorney James Wilson updated the Board: Talty SUD is now showing on the Comptroller's Special Purpose District List.

- 7. Consider and act to approve Resolution No. 2019-002, approving an Agreement designating retail water service territory and transferring facilities and customers from Talty Special Utility District to the City of Mesquite.** Bill Hart made a motion, seconded by Sidney Schleichach to approve Resolution No. 2019-002. A vote was taken, and the motion passed 5-0.

Minutes 8/19/2019

8. **Consider and act to approve bids for concrete work in the parking lot.** Sidney Schleich made a motion, seconded by Bill Hart, to accept the bid from Custom Cement Contractors, Inc. in the amount of \$20,947.50 for paving the parking lot. A vote was taken, and the motion passed 5-0.


9. **Consider and act to approve adding a Floating Holiday to the current Holiday Schedule for employees.** Chris Jackson made a motion, seconded by Bill Hart, to approve adding a Floating Holiday to the current Holiday Schedule for employees. This Floating Holiday will be determined by Management at the beginning of each fiscal year. A vote was taken, and the motion passed 5-0.

**10. Monthly Operations Reports from General Manager, Field Supervisor and Office Manager.**

- (a) Corey reported that water loss was at 7-8% this month. There will be big leaks that show up next month. But other than that, the system has been running great.
- (b) Talty conducted Lead/Copper testing and all went great.
- (c) Corey reported that he will have the Budget ready next month to approve.
- (d) Lisa reported that TML Health Benefits will be out on August 28 to go over benefits for the employees.

**11. Adjourn:** John Mastervich adjourned the meeting at 6:53 p.m.

Approved by the Board of Directors of Talty Special Utility District on this 16th day of September 2019.



Bill Hart, Secretary

# TALTY SPECIAL UTILITY DISTRICT OF KAUFMAN COUNTY

## NOTICE OF REGULAR BOARD MEETING MONDAY, JANUARY 27, 2020, 6:00 P.M. 12475 WINDY LANE, FORNEY, TEXAS

### AGENDA

This meeting is open to the public and the following items will be covered for consideration and action:

1. Call to Order
2. Public Comments: The Board will hear public comments limited to three minutes per issue, but any discussion shall be limited to the item being placed on a future agenda for further consideration.
3. Consider and act upon the Minutes of previous meeting(s).
4. Consider and act to accept the November and December 2019 financials.
5. Engineer Report.
6. Attorney Report
7. Discuss and act to approve Ordinance No 2020-001, ordering a General Election to be held on Saturday, May 2, 2020, for the purpose of electing two (2) directors to the Board of Directors of Talty Special Utility District.
8. Discuss and act to appoint an Election Agent for the Saturday, May 2, 2020 General Election.
9. Discuss and act to approve Resolution No. 2020-001, approving an agreement designating retail water service territory and transferring facilities and customers from Talty Special Utility District to the City of Mesquite.
10. Discuss and act on an agreement with Pettitt & Associates for land surveying services related to the Crandall ground storage tank and pump station site.
11. Discuss and act on an agreement with ETTL Engineers & Consultants, Inc. for a geotechnical investigation of the Crandall ground storage tank and pump station site.
12. Consider and act to approve Pay Request Number Two (2) to Baker's Contracting, Inc. for new pumps at Pump Station 1 & 2.
13. Monthly Operations Reports from General Manager, Field Supervisor and Office Manager.
14. Adjourn

I, the undersigned, hereby certify that on January 24, 2020, at 3:30 a.m./6 p.m. this Notice of Meeting and Agenda was posted to the Talty Special Utility District website ([www.taltysud.com](http://www.taltysud.com)) and in the front window of the District's office, located at 12475 Windy Lane, Forney, Kaufman County, Texas, facing the outside, and visible to the public at all times. It remained posted continuously for at least 72 hours prior to the scheduled time of said meeting.

Talty Special Utility District Board of Directors reserves the right to recess into Executive Session concerning any item listed on this Agenda whenever it is considered necessary and legally justified under the Texas Open Meetings Act, Texas Government Code Section 551.001 et. seq., for any and all purposes permitted by the Act, including but not limited to the following: Section 551.071 - consultation with the District's Attorney; Section 551.072 - deliberations regarding real property; Section 551.074 - deliberations regarding personnel matters of a public officer or employee.

By: Corey Traill  
Corey Traill, General Manager

TALTY SPECIAL UTILITY DISTRICT  
12475 WINDY LANE  
FORNEY, TEXAS 75126  
(972) 552-4422

**REGULAR MEETING OF THE BOARD OF DIRECTORS**

DATE: January 27, 2020

TIME: 6:00 p.m.

PLACE: District offices at 12475 Windy Lane, Forney, Kaufman County, Texas

**MINUTES**

- 1. Call to Order.** President John Mastervich called the meeting to order at 6:06 p.m. Board members present: Bill Hart, Scot Boisvert, Sidney Schleichach and Chris Jackson. A quorum was present.

Staff present Corey Trail, General Manager; Lisa Morris, Office Manager; Tyler Hendrickson, Engineer; and Maria Huynh, Attorney.

- 2. Public Comments:** None

- 3. Consider and act upon the Minutes of previous meeting(s).** After review, Bill Hart made a motion, seconded by Sidney Schleichach, to approve the meeting minutes as written from November 18, 2019 as presented. A vote was taken, and the motion passed 5-0.

- 4. Consider and act to accept the November and December 2019 financials.** After review, Sidney Schleichach made a motion, seconded by John Mastervich, to accept the November 2019 and December 2019 financials as presented. A vote was taken, and the motion passed 5-0.

- 5. Engineer Report.** Engineer Tyler Hendrickson was present and gave the following update to the Board:

- (a) On the Pump Station #1 improvements: the building is up, and the roof is up. The pumps are set and we are working to tie-in. We are on schedule for the next two (2) months and should be on-line before March 1, 2020.
- (b) The Goodyear site is on-line as the infrastructure is in and we are billing them.
- (c) The DDX7 project is set to tie-in next month.
- (d) The contracts for Las Lomas and DDX7 should be ready to be approved next month.
- (e) Dollar General Store is planning to build a store on FM 1641 by the water tower. They are requesting two (2) water meters.
- (f) A developer has inquired about a tract of land at I-20 and FM 2932, next to Heartland, to build an industrial park.

- 6. Attorney Report.** Attorney, Maria Huynh, updated the Board:

(a) There is new legislation for having emergency meetings, for specific wording that must now be placed on customers' bills, and for allowing the public to comment on any listed agenda item (called public testimony). Maria will update Corey & Lisa with more info.

(b) The PUC Appeal was abated until February 21, 2020.

**7. Discuss and act to approve Ordinance No. 2020-001, ordering a General Election to be held on Saturday, May 2, 2020 for the purpose of electing two (2) directors to the Board of Directors of Talty Special Utility District.** After review and discussion, Bill Hart made a motion, seconded by Chris Jackson, to adopt Ordinance No. 2020-001 as presented. A vote was taken, and the motion passed 5-0.

**8. Discuss and act to appoint an Election Agent for the Saturday, May 2, 2020 General Election.** After discussion, Bill Hart made a motion, seconded by Sidney Schleichach, to appoint Lisa Morris to serve as Election Agent for the General Election to be held on Saturday, May 2, 2020, until the polls close. A vote was taken, and the motion passed 5-0.

**9. Discuss and act to approve Resolution No. 2020-001, approving an agreement designating retail water service territory and transferring facilities and customers from Talty Special Utility District to the City of Mesquite.** After review and discussion, Bill Hart made a motion, seconded by Scot Boisvert, to approve Resolution No. 2020-001 as presented. A vote was taken, and the motion passed 5-0.

**10. Discuss and act on an agreement with Petitt & Associates for land surveying services related to the Crandall ground storage tank and pump station site.** After review and discussion, Scot Boisvert made a motion, seconded by Chris Jackson, to approve the presented agreement with Petitt & Associates for land surveying services in connection with an approximate 10.06-acre tract of land located at Helms Road & U.S. 80, Kaufman County, Texas. A vote was taken, and the motion passed 5-0.

**11. Discuss and act on an agreement with ETTL Engineers & consultants, Inc. for a geotechnical investigation of the Crandall ground storage tank and pump station site.** After review and discussion, Scot Boisvert made a motion, seconded by Chris Jackson, to approve the presented Proposal for the geotechnical investigation for the City of Crandall GST and Pump Station. A vote was taken, and the motion passed 5-0.

**12. Consider and act to approve Pay Request Number Two (2) to Baker's Contracting, Inc. for new pumps at Pump Station 1 & 2.** After review and discussion, Scot Boisvert made a motion, seconded by Sidney Schleichach, to approve the presented Pay Request Number Two (2), in the amount of \$69,660.00 to Baker's Contracting, Inc. A vote was taken, and the motion passed 5-0.

**13. Monthly Operations Reports from General Manger, Field Supervisor and Office Manager.**

(a) Corey reported that the water loss was excellent at 9.37% for November and 8.81% for December.

(b) The system is running well.

(c) We were hit in December with a ransomware virus which has taken several weeks to recover from. Corey is researching to purchase another server in order to have a backup. A new malware scan has been installed on every computer in order to help eliminate this from happening again in the future.

(  
(d) Lisa informed the Board that Karla Bowsher has terminated her employment and a position in the office will be open soon.

**14. Adjourn:** John Mastervich adjourned the meeting at 7:15 p.m.

**Approved** by the Board of Directors of Talty Special Utility District on this 17th day of February 2020.



\_\_\_\_\_  
Bill Hart, Secretary

# Exhibit 5

PUC DOCKET NO. \_\_\_\_\_

PETITION BY THE	§	
CITY OF MESQUITE AND	§	
TALTY SPECIAL UTILITY DISTRICT	§	BEFORE THE
FOR APPROVAL OF	§	
SERVICE AREA CONTRACT	§	PUBLIC UTILITY COMMISSION
UNDER TEXAS WATER CODE	§	
§13.248 AND TO AMEND	§	OF TEXAS
CERTIFICATES OF CONVENIENCE	§	
AND NECESSITY IN	§	
KAUFMAN COUNTY	§	


**AFFIDAVIT OF MATTHEW HOLZAPFEL**

STATE OF TEXAS	§
	§
COUNTY OF DALLAS	§

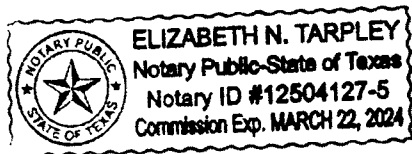
BEFORE ME, the undersigned notary, personally appeared Matthew Holzapfel, the affiant, a person who is known to me. After administering an oath, the affiant testified that:

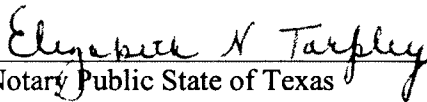
1. "My name is Matthew Holzapfel. I am over the age of eighteen years, of sound mind, and am capable of making this affidavit. The facts stated in the affidavit are within my personal knowledge and are true and correct.
2. I am the Director of Public Works for the City of Mesquite (City), a party to the Agreement Designating Retail Water Service Territory ("Agreement") regarding the transfer of a portion Talty Special Utility District (Talty SUD) CCN No. 10850 to the City of Mesquite CCN No. 10060.
3. City's retail water system serves over 41,000 customers in the Dallas and Kaufman Counties.
4. The City is currently designing a 12-inch water line extension to provide water service to the customers in the area to be transferred from Talty to the City. The City expects to begin construction of the water line in 2022.
5. The Mesquite City Council considered the Agreement in an open meeting held on October 21, 2019, notice of which was properly posted and held in compliance with the Texas Open Meetings Act, Gov't Code 551.
6. A copy of the meeting agenda and minutes for the meeting during which the item was discussed is attached hereto. *See* Agenda of the City's October 21, 2019 Meeting, Item 10; Minutes of the City's October 21, 2019 Meeting."

FURTHER AFFIANT SAYETH NOT.

 P.E.  
Matthew Holzapfel, Director of Public Works  
City of Mesquite

SWORN AND SUBSCRIBED TO BEFORE ME by Matthew Holzapfel on June 1, 2020.



  
Notary Public State of Texas

# Exhibit 6



# City of Mesquite, Texas

## Meeting Agenda

### City Council

---

Monday, October 21, 2019

5:00 PM

City Hall | Council Chamber  
757 N. Galloway | Mesquite, Texas

---

#### PRE-MEETING - TRAINING ROOMS A&B - 5:00 P.M.

##### AGENDA REVIEW

##### STAFF PRESENTATIONS

- 1      19-4451      Receive briefing regarding a proposed Historic Preservation Ordinance and Downtown Overlay ordinance.
- 2      19-4459      Receive presentation of new communication tools proposed for the City Council.

#### EXECUTIVE SESSION - EXECUTIVE CONFERENCE ROOM - 5:00 P.M.

In accordance with Chapter 551 of the Texas Government Code, the City Council reserves the right to adjourn into executive session to discuss any of the following:

- Pending and/or Contemplated Litigation
- Purchase, Exchange, Lease or Value of Real Property
- Personnel Matters
- Economic Development

#### REGULAR CITY COUNCIL MEETING - CITY COUNCIL CHAMBER - 7:00 P.M.

##### INVOCATION

Rocky Pope, Pastor, Inspiration Church, Mesquite, Texas.

##### PLEDGE OF ALLEGIANCE

Members of the Mesquite AMBUCS.

##### PRESENTATIONS

- 3      19-4336      Presentation of donation to the Mesquite Veterans Memorial campaign by Mesquite AMBUCS.

##### SPECIAL RECOGNITION

- 4      19-4436      Recognize Addressing Mesquite Day Platinum Level Sponsors.

**SPECIAL ANNOUNCEMENTS**

This time is reserved for special announcements and recognition of individuals or groups.

**CITIZENS FORUM**

At this time a number of citizens not to exceed 10 shall be allowed to speak on any matter other than items on the agenda, personnel matters, matters under litigation or matters concerning the purchase, exchange, lease or value of real property for a length of time not to exceed three minutes on a first-come, first-served basis. Citizens addressing the Council through a translator will be allowed six minutes. No Council action or discussion is to be taken until such matter is placed on the Agenda and posted in accordance with law.

**CONSENT AGENDA**

(All items on the Consent Agenda are routine items and may be approved with one motion; however, should any member of the Council or any individual wish to discuss any item, said item may be removed from the consent Agenda by motion of the City Council. Any individual desiring to address the City Council regarding an item on the Consent Agenda shall do so on a first-come, first-served basis. Comments are limited to three minutes, except a speaker addressing the Council through a translator will be allowed six minutes.)

- 5     19-4413           Minutes of the regular City Council meeting held October 7, 2019.

Attachments:       10.07.2019m

- 6     19-4438           An ordinance, on first reading, granting to Oncor Electric Delivery Company, LLC, its successors and assigns, the nonexclusive right to use and occupy rights-of-way within the City of Mesquite, Dallas County, Texas, for the construction and operation of an electric transmission and distribution system, prescribing conditions governing the use of the public rights-of-way, providing for compensation therefore, providing for an effective date and a term of said franchise, providing for written acceptance of this franchise, finding that the meetings at which this ordinance is passed are open to the public, and providing for severability.

Attachments:       Ordinance

Current Franchise Ordinance

- 7     19-4422           An ordinance adopting the General Government Policies and Procedures Manual with amendments.

Attachments:       Ordinance

Manual - Redlined Version

- 8     19-4428           A resolution authorizing the City Manager to execute Amendment No. 2 to the Dallas Area Household Hazardous Waste Network Interlocal Agreement with Dallas County for Fiscal Year 2019-20 for an amount not to exceed \$111,200.00.

**Attachments:**ResolutionCity Shares of Fixed Operational Costs.pdf

- 9      19-4431      Bid No. 2019-112 - Annual Grinding of Brush.  
(Authorize the City Manager to finalize and execute a contract with GWG Wood Group, Inc. in the amount of \$247,786.56. The term of this contract is for a one-year period with four additional one-year renewal options. The City Manager is authorized to exercise the renewal options, subject to annual appropriation of sufficient funds.)

**Attachments:**Bid Tabulation 2019-112

- 10     19-4433      Authorize the City Manager to finalize and execute an Agreement Designating Retail Water Service Territory and Transferring Facilities and Customers with Talty Special Utility District for a limited transfer of Certificate of Convenience and Necessity (CCN) area and associated infrastructure and easements to the City of Mesquite.

**Attachments:**Location MapAgreement

- 11     19-4450      Authorize the City Manager to finalize and execute an amendment to a contract with Garver, LLC, for a Biological Assessment for the Town East Trail project in the amount of \$7,822.00.

**PUBLIC HEARINGS**

(City Council may approve a different zoning district than the one requested, except that the different district may not (1) have a maximum structure height or density that is higher than the one requested; or (2) change the uses to include nonresidential when the request is for solely residential uses or vice versa.)

- 12     19-4441      Conduct a public hearing and consider Application No. Z0819-0104, submitted by John Jordan of The Nehemiah Company, for a change of zoning from Agricultural to Planned Development district to allow a mixed use planned development, located at 17101 Interstate Highway 20.  
(No responses in favor or in opposition to the application have been received from property owners within the statutory notification area. The Planning and Zoning Commission recommends approval of the application with certain stipulations.)
- 13     19-4439      Conduct a public hearing and consider an application for Zoning Text Amendment No. 2019-05 amending Section 4-100, Overlay Districts; Section 4-400, Historic Landmark Overlay District Regulations; Section 5-400, Board and Commission Established; Section 6-102, Definitions; and a new Part 8, Local Register of Mesquite Landmarks and Historic Designations, all pertaining to new and revised regulations for historic preservation.
- 14     19-4447      Conduct a public hearing and consider a resolution approving a grant pursuant to the Downtown Mesquite Façade Improvement Program to

promote local economic development and stimulate business and commercial activity in the City of Mesquite, authorizing the City Manager to finalize and execute a Downtown Mesquite Façade Improvement Program Grant Agreement (Chapter 380 Agreement) for such purposes with George Boyce for façade improvements to the building located at 202 West Davis Street, Mesquite, Texas 75149 and authorizing the City Manager to administer the agreement on behalf of the City.

**Attachments:**ResolutionRendering - 202 W. Davis St.**15      19-4449**

Conduct a public hearing and consider a resolution approving a grant pursuant to the Downtown Mesquite Façade Improvement Program to promote local economic development and stimulate business and commercial activity in the City of Mesquite, authorizing the City Manager to finalize and execute a Downtown Mesquite Façade Improvement Program Grant Agreement (Chapter 380 Agreement) for such purposes with Bill Metzger for façade improvements to the building located at 105 West Main Street, Mesquite, Texas 75149 and authorizing the City Manager to administer the agreement on behalf of the City.

**Attachments:**ResolutionRendering - 105 W. Main St.

At this time, any individual wishing to discuss any matter on the agenda, with the exception of public hearings, shall be allowed to speak for a length of time not to exceed three minutes on a first-come, first-served basis. Citizens addressing the Council through a translator will be allowed six minutes. Anyone desiring to speak on an item scheduled for a public hearing is requested to hold their comments until the public hearing on that item.

**ADJOURNMENT****NOTICE OF EXECUTIVE SESSION****Pending and Contemplated Litigation**

Pursuant to Section 551.071 of the Texas Government Code, the City Council will meet in closed session to consider pending or contemplated litigation subjects or settlement offers. The following cases/subjects may be discussed:

1. James H. Watson and Others Similarly Situated v. City of Allen, City of Amarillo, City of Arlington, City of Austin, City of Balch Springs, City of Balcones Heights, City of Bastrop, City of Baytown, City of Bedford, City of Burleson, City of Cedar Hill, City of Cleveland, City of Conroe, City of Coppell, City of Corpus Christi, City of Dallas, City of Denton, City of Diboll, City of Duncanville, City of El Paso, City of Elgin, City of Farmers Branch, City of Fort Worth, City of Frisco, City of Garland, City of Grand Prairie, City of Haltom City, City of Humble, City of Hurst, City of Hutto, City of Irving, City of Jersey Village, City of Killeen, City of League City, City of Little Elm, City of Longview, City of Lufkin, City of Magnolia, City of Marshall, City of Mesquite, City of North Richland Hills, City of Plano, City of Port Lavaca, City of Richardson, City of Richland Hills, City of Roanoke, City of Round Rock, City of Southlake, City of Sugar Land, City of Tomball, City of University Park, City of Watauga, City of Willis, Redflex Traffic Systems, Inc., American Traffic Solutions, Inc., American Traffic Solutions, LLC, Xerox State & Local Solutions, Inc., f/k/a ACS State & Local Solutions, Inc., and the State of Texas – Filed 4-28-15
2. Kathy Dyer and Robert Dyer, Individually and as Representative of the Estate of Graham Dyer v. City of Mesquite, Texas; Jack Fyall; Richard Houston; Alan Gafford; Zachary Scott; William Heidelberg; Paul Polish; Joe Baker; Bill Hedgpeth – Filed 8-12-15; on appeal to the U.S. Court of Appeals for the Fifth Circuit, Case No. 19-10280
3. Petition of the Cities of Garland, Mesquite, Plano, and Richardson appealing 2017 wholesale rates implemented by the North Texas Municipal Water District, PUC Docket No. 46662 – Filed 12-14-16
4. Derick Wiley v. City of Mesquite – AAA Case No. 01-17-0007-6614 – Filed 12-5-17; SOA Hearing Docket No. 407-18-1726.F5
5. Petition of the Cities of Garland, Mesquite, Plano and Richardson appealing 2018 Wholesale Water Rates implemented by North Texas Municipal Water District, PUC Docket No. 47863 (Appealing Wholesale Water Rates for 2018) – Filed 12-15-17
6. Lyndo Jones v. City of Mesquite, Texas, and Derrick Wiley – Filed 1-18-18
7. City of Mesquite v. Govind Group Corp., and 3629 E. US Highway 80, Mesquite, Texas 75150 in rem – Filed 3-1-18
8. Haley Gregory v. City of Mesquite, EEOC #450-2018-06081 – Filed 7-25-18
9. City of Mesquite v. Govind Group Corp. – Filed 8-31-18
10. City of Allen, City of Arlington, City of Bedford, City of Belton, City of Carrollton, City of Cedar Hill, City of Colleyville, City of Coppell, City of Dalworthington Gardens, City of Euless, City of Fort Worth, City of Garland, City of Grand Prairie, City of Harker Heights, City of Hutto, City of Irving, City of Killeen, City of Lewisville, City of Mesquite, City of Rockwall, City of Rowlett, City of Waco and City of Wichita Falls, Texas v. Time Warner Cable Texas, LLC d/b/a Spectrum and Charter Communications – Filed 10-19-18
11. City of Mesquite v. NPRodeo Holdings, LLC – Filed 10-31-18
12. James Murphy v. Officer Eric Zimmerman, Officer Nicholas Sierra, Officer Colton Ables, Officer Alex Berg, Officer C. M. Copeland, Officer B. S. Smith, and the City of Mesquite, Texas – Filed 11-2-18
13. Tejas Motel, LLC v. City of Mesquite, acting by and through its Board of Adjustment – Filed 11-8-18; on appeal to the Court of Appeals for the Fifth District at Dallas, Case No. 05-19-00667-CV
14. Tony Hobbs v. Kyle Warren, City of Garland and City of Mesquite – Filed 1-7-19
15. City of Mesquite, Texas v. Extra Property Holdings, LLC, and Compass Bank – Filed 4-30-19
16. Petition of Magali Villarreal (MISD Bus Accident on 10-3-2018), Cause No. DC-19-06974 – Filed 5-15-19
17. Patricia Brennan and Alyssa Sanders, Individually and as Heirs of Natalie Sanders v. City of Mesquite, Texas; Victor Palascios; Kyle Stone; Layton Winters; Peter Velasquez; Michael Kelly; Sherry Green; Marcelet Martin – Filed 5-24-19
18. Patrish Ervin and John Dawson v. Mr. Phillip Aultman, Mesquite Police Department and the City of Mesquite – Filed 5-31-19

**Personnel Matters**

Pursuant to Section 551.074 of the Texas Government Code, the City Council may consider the appointment, evaluation, employment, reassignment, duties, discipline or dismissal of the City Manager, City Attorney, Municipal Court Judge, City Secretary, members of the various City boards and commissions, and City officers or other employees. A complete list of the members of the City boards and commissions is on file in the City Secretary's office.

**Economic Development**

Pursuant to Section 551.087 of the Texas Government Code, the City Council will meet in closed session to consider commercial or financial information regarding business prospects or projects. The following subjects may be discussed:

- 16     19-4402**        Discuss economic development incentives for a prospective retail shopping center redevelopment project at the intersection of Town East Boulevard and Gus Thomasson Road.

Following discussions in executive session, the City Council will reconvene in open session where any final action regarding executive session items will be taken.

The City Council reserves the right to adjourn into executive session at any time during the course of this meeting to discuss any of the matters posted on this agenda, when such executive session is authorized by Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations regarding Real Property), 551.073 (Deliberations regarding Gifts or Donations), 551.074 (Personnel Matters), 551.076 (Deliberations regarding Security Devices or Security Audits) and 551.087 (Economic Development); Texas Tax Code Section 321.3022 (Sales Tax Information) and Texas Government Code Section 418.183(f) (Emergency Management).

The City Hall is wheelchair accessible. Any requests for sign interpretive services must be made 48 hours in advance of the meeting. To make arrangements, call the City Secretary's office at 972-216-6244 or TDD 1-800-735-2989.

Pursuant to Section 30.06, Penal Code (trespass by license holder with a concealed handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a concealed handgun.

Conforme a la Sección 30.06 del Código Penal (entrada ilegal de persona titular de licencia con arma de fuego oculta), personas con licencia según el Sub-capítulo H, Capítulo 411, Código de Gobierno (ley de permiso para portar arma de fuego), no deben entrar a esta propiedad portando un arma de fuego oculta.

Pursuant to Section 30.07, Penal Code (trespass by license holder with an openly carried handgun), a person licensed under Subchapter H, Chapter 411, Government Code (handgun licensing law), may not enter this property with a handgun that is carried openly.

Conforme a la Sección 30.07 del Código Penal (entrada ilegal de persona titular de licencia con arma de fuego a la vista), personas con licencia según el Sub-capítulo H, Capítulo 411, Código de Gobierno (ley de permiso para portar arma de fuego), no deben entrar a esta propiedad portando una arma de fuego a la vista.

Pursuant to Section 551.007(c) of the Texas Local Government Code, any member of the public wishing to address the City Council through the use of a translator is granted at least twice the amount of time as a member of the public who does not require the assistance of a translator.



# City of Mesquite, Texas

## Minutes - Final City Council

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Monday, October 21, 2019

5:00 PM

City Hall | Council Chamber  
757 N. Galloway | Mesquite, Texas

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Present: Mayor Stan Pickett and Councilmembers Tandy Boroughs, Robert Miklos, Jeff Casper, Bruce Archer and Dan Aleman, City Manager Cliff Keheley and City Secretary Sonja Land.

Absent: Councilmember Greg Noschese.

### **PRE-MEETING - TRAINING ROOMS A&B - 5:00 P.M.**

#### **AGENDA REVIEW**

#### **STAFF PRESENTATIONS**

- 1                      Receive briefing regarding a proposed Historic Preservation Ordinance and Downtown Overlay ordinance.
- 2                      Receive presentation of new communication tools proposed for the City Council.

### **EXECUTIVE SESSION - EXECUTIVE CONFERENCE ROOM - 6:44 P.M.**

Mayor Pickett announced that the City Council would meet in Executive Session pursuant to Section 551.087 of the Texas Government Code to consider commercial or financial information regarding business prospects or projects (Item No. 16 – Discuss economic development incentives for a prospective retail shopping center redevelopment project at the intersection of Town East Boulevard and Gus Thomasson Road); whereupon, the City Council proceeded to meet in the Executive Conference Room. After the closed meeting ended at 7:01 p.m., the City Council reconvened in Open Session.

No executive action was necessary.

### **REGULAR CITY COUNCIL MEETING - CITY COUNCIL CHAMBER - 7:05 P.M.**

#### **INVOCATION**

Rocky Pope, Pastor, Inspiration Church, Mesquite, Texas.

#### **PLEDGE OF ALLEGIANCE**

Members of the Mesquite AMBUCS.

**PRESENTATIONS**

- 3 Presentation of donation to the Mesquite Veterans Memorial campaign by Mesquite AMBUCS.

Mr. Dittman stated that the Mesquite AMBUCS is a service organization dedicated to providing mobility to disabled individuals. Therapeutic trykes are provided to children and veterans to help with mobility issues, ramps are constructed for immobile residents at owner-occupied homes and scholarships of over \$30,000.00 are presented each year to Mesquite Independent School District students, who are studying to become physical and occupational therapists. Mr. Dittman presented a check in the amount of \$10,000.00 to the Mesquite Veterans Memorial Campaign. He added that the donation consists of \$5,000.00 from the Mesquite AMBUCS organization and an equal match of \$5,000.00 from individual AMBUCS members. Mayor Pickett accepted the donation along with Randy Lawson, Babette Bradshaw and Lois Buford, representing the Heroes of Mesquite.

**SPECIAL RECOGNITION**

- 4 Recognize Addressing Mesquite Day Platinum Level Sponsors.

Yolanda Wilson, Manager of Neighborhood Vitality, stated that the 15th Annual Addressing Mesquite Day (AMD) was held Saturday, October 12, 2019. AMD involves volunteers who provide senior citizens, veterans, disabled homeowners and single parents with landscape maintenance and minor exterior home repairs. This year, over 100 property owners were assisted through this program. Ms. Wilson introduced AMD Platinum Level Sponsors, who donated \$5,000.00 or more on behalf of their organization – Jonathan Fredi representing Atmos Energy, Ron McCarty representing Elliott's Hardware and Mary Bradford representing Home Depot and Team Depot Foundation. Mr. McCarty and Ms. Bradford were unable to attend tonight's meeting. Mayor Pickett presented Mr. Fredi with a plaque of appreciation.

**SPECIAL ANNOUNCEMENTS**

- 1) Mayor Pickett recognized the members of Boy Scout Troop 746, who were in attendance tonight.
- 2) Mayor Pickett stated that over the past 15 years, the Annual Addressing Mesquite Day events has helped over 1,100 senior citizens, single parents, military veterans and disabled citizens. On Saturday, October 12, 2019, over 1,100 volunteers performed landscape maintenance and minor exterior home repairs on over 100 homes. This would not have been possible without dedicated volunteers and corporate sponsors.
- 3) Mr. Archer stated that the 2nd Annual Mesquite Entrepreneurs Day will be held on Tuesday, November 12, 2019, from 4:00 p.m. to 8:00 p.m., at the Mesquite Arts Center. Activities include a series of mini workshops, resource tables, collaboration sessions and networking for those who own or want to start a small business. Tickets are \$20.00 each and includes bilingual presentation materials and services, as well as dinner.
- 4) Mr. Aleman invited citizens to join Vision Mesquite for the next Mayor's Prayer Breakfast on Monday, October 28, 2019, at 7:30 a.m., at the Mesquite Arts Center. The free breakfast will feature a teacher from the Mesquite Independent School District who has started an inspirational program at Mesquite High School called "Reading Our Way Out: Liberation Through Literacy."

5) Mr. Boroughs stated that the Mesquite Metro Airport hosted the "Challenge Air" event this past Saturday, October 19, 2019. Over 100 special needs children and their families participated in various activities including co-piloting an airplane. Mr. Boroughs thanked community volunteers, sponsors and local pilots for their donations, time and resources to make this a very special event.

6) Mr. Casper announced that early voting for the November 5, 2019, election began today and concludes Friday, November 1, 2019, at Lakeside Activity Center, 101 Holley Park Drive, and Florence Recreation Center, 2501 Whitson Way. Dallas and Kaufman County Election Departments offer county-wide vote centers for Mesquite registered voters to vote at any polling location, during early voting or on election day, in the county where they reside. He encouraged citizens to take this opportunity to vote.

7) Mr. Miklos stated that several events are taking place on Saturday, October 26, 2019. In the morning, citizens can shop at the Marketplace in Downtown Mesquite. During the day, stop by the Mesquite Main Library and purchase books at the Friends of the Mesquite Public Library's Fall Book Sale. In the afternoon, visit the Mesquite Arts Center for the Day of the Dead Celebration and that night, enjoy the Mesquite Symphony Orchestra at the Mesquite Arts Center. He encouraged citizens to take advantage of these events.

8) Mayor Pickett invited citizens to attend the Veterans Day event on Saturday, November 9, 2019, at 11:00 a.m., at City Lake Park, which includes the groundbreaking for the new Mesquite Veterans Memorial, live music by the Dallas Heritage band and a free lunch provided by the Mesquite Fire Corps volunteers. An announcement will be made soon regarding the sale of bricks which will have a permanent place at the new memorial.

#### **CITIZENS FORUM**

1) O. Zabayar, 6533 Los Rios Drive, and I. B. E., 642 Elderwood Loop, expressed concerns regarding increased water bills.

2) Roger Melend, 2504 Cottonwood Drive, suggested that the Animal Services Division use the statistical measurement of live release rate rather than save rate.

#### **CONSENT AGENDA**

##### **Approval of the Consent Agenda**

**Mr. Archer moved to approve the items on the Consent Agenda, as follows. Motion was seconded by Mr. Aleman and approved unanimously.**

**5** Minutes of the regular City Council meeting held October 7, 2019.

**Approved on the Consent Agenda.**

**6** An ordinance, on first reading, granting to Oncor Electric Delivery Company, LLC, its successors and assigns, the nonexclusive right to use and occupy rights-of-way within the City of Mesquite, Dallas County, Texas, for the construction and operation of an electric transmission and distribution system, prescribing conditions governing the use of the public rights-of-way, providing for compensation therefore, providing for an effective date and a term of said franchise, providing for written acceptance of this franchise, finding that the meetings at which this ordinance is passed are open to the public, and providing for severability.

**Approved on the Consent Agenda.**

AN ORDINANCE, ON FIRST READING, OF THE CITY OF MESQUITE, TEXAS, GRANTING TO ONCOR ELECTRIC DELIVERY COMPANY LLC, ITS SUCCESSORS AND ASSIGNS, THE NON-EXCLUSIVE RIGHT TO USE AND OCCUPY RIGHTS-OF-WAY WITHIN THE CITY OF MESQUITE FOR THE CONSTRUCTION AND OPERATION OF AN ELECTRIC TRANSMISSION AND DISTRIBUTION SYSTEM; PRESCRIBING CONDITIONS GOVERNING THE USE OF THE PUBLIC RIGHTS-OF-WAY; PROVIDING FOR COMPENSATION THEREFORE; PROVIDING FOR AN EFFECTIVE DATE AND A TERM OF SAID FRANCHISE; PROVIDING FOR WRITTEN ACCEPTANCE OF THIS FRANCHISE; FINDING THAT THE MEETING AT WHICH THIS ORDINANCE IS PASSED IS OPEN TO THE PUBLIC; AND PROVIDING FOR SEVERABILITY.

- 7 An ordinance adopting the General Government Policies and Procedures Manual with amendments.

Approved on the Consent Agenda.

Ordinance No. 4729, AN ORDINANCE OF THE CITY OF MESQUITE, TEXAS, ADOPTING THE GENERAL GOVERNMENT POLICIES AND PROCEDURES MANUAL WITH AMENDMENTS; PROVIDING A REPEALER CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING AN EFFECTIVE DATE. (Ordinance No. 4729 recorded in Ordinance Book No. 118.)

- 8 A resolution authorizing the City Manager to execute Amendment No. 2 to the Dallas Area Household Hazardous Waste Network Interlocal Agreement with Dallas County for Fiscal Year 2019-20 for an amount not to exceed \$111,200.00.

Approved on the Consent Agenda.

Resolution No. 70-2019, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENT NO. 2 TO THE DALLAS AREA HOUSEHOLD HAZARDOUS WASTE NETWORK INTERLOCAL AGREEMENT WITH DALLAS COUNTY FOR FISCAL YEAR 2019-20 FOR AN AMOUNT NOT TO EXCEED \$111,200.00. (Resolution No. 70-2019 recorded in Resolution Book No. 58.)

- 9 Bid No. 2019-112 - Annual Grinding of Brush.  
(Authorize the City Manager to finalize and execute a contract with GWG Wood Group, Inc. in the amount of \$247,786.56. The term of this contract is for a one-year period with four additional one-year renewal options. The City Manager is authorized to exercise the renewal options, subject to annual appropriation of sufficient funds.)

Approved on the Consent Agenda.

- 10 Authorize the City Manager to finalize and execute an Agreement Designating Retail Water Service Territory and Transferring Facilities and Customers with Talty Special Utility District for a limited transfer of Certificate of Convenience and Necessity (CCN) area and associated infrastructure and easements to the City of Mesquite.

Approved on the Consent Agenda.

- 11 Authorize the City Manager to finalize and execute an amendment to a contract with Garver, LLC, for a Biological Assessment for the Town East Trail project in the amount of \$7,822.00.

**Approved on the Consent Agenda.**

## **PUBLIC HEARINGS**

- 12 Conduct a public hearing and consider Application No. Z0819-0104, submitted by John Jordan of The Nehemiah Company, for a change of zoning from Agricultural to Planned Development district to allow a mixed use planned development, located at 17101 Interstate Highway 20.  
(No responses in favor or in opposition to the application have been received from property owners within the statutory notification area. The Planning and Zoning Commission recommends approval of the application with certain stipulations.)

**Mr. Archer moved to postpone consideration of Application No. Z0819-0104, submitted by John Jordan of The Nehemiah Company, for a change of zoning from Agricultural to Planned Development district to allow a mixed use planned development, located at 17101 Interstate Highway 20 to the November 4, 2019, City Council meeting. Motion was seconded by Mr. Casper and approved unanimously.**

- 13 Conduct a public hearing and consider an application for Zoning Text Amendment No. 2019-05 amending Section 4-100, Overlay Districts; Section 4-400, Historic Landmark Overlay District Regulations; Section 5-400, Board and Commission Established; Section 6-102, Definitions; and a new Part 8, Local Register of Mesquite Landmarks and Historic Designations, all pertaining to new and revised regulations for historic preservation.

**Mr. Archer moved to postpone consideration of Zoning Text Amendment No. 2019-05 amending Section 4-100, Overlay Districts; Section 4-400, Historic Landmark Overlay District Regulations; Section 5-400, Board and Commission Established; Section 6-102, Definitions; and a new Part 8, Local Register of Mesquite Landmarks and Historic Designations, all pertaining to new and revised regulations for historic preservation to the November 4, 2019, City Council meeting. Motion was seconded by Mr. Aleman and approved unanimously.**

- 14 Conduct a public hearing and consider a resolution approving a grant pursuant to the Downtown Mesquite Façade Improvement Program to promote local economic development and stimulate business and commercial activity in the City of Mesquite, authorizing the City Manager to finalize and execute a Downtown Mesquite Façade Improvement Program Grant Agreement (Chapter 380 Agreement) for such purposes with George Boyce for façade improvements to the building located at 202 West Davis Street, Mesquite, Texas 75149 and authorizing the City Manager to administer the agreement on behalf of the City.

**Mr. Aleman left the meeting.**

**A public hearing was held to consider a Downtown Mesquite Façade Improvement Program Grant Agreement (Chapter 380 agreement) with George Boyce for façade improvements to the building located at 202 West Davis Street.**

Beverly Abell, Downtown Development Manager, stated that appearance or place is a number one factor in the development of downtown districts. In May 2019, the City Council approved a Façade Grant Improvement Program, which offers a 50 percent reimbursement for all approved enhancements up to a total reimbursement of \$20,000.00. Ms. Abell reviewed the grant process.

Ms. Abell stated that the 2,900-square-foot building, located at 202 West Davis Street, was constructed in 1939 and served as the frozen food locker building. The proposed project includes a soft wash of the bricks and the addition of two green awnings over the windows. The project's estimate is \$5,601.94, which allows for a grant reimbursement of \$2,800.97.

No one appeared regarding the proposed Chapter 380 agreement.

Mr. Miklos moved to approve Resolution No. 71-2019, with the following changes on Page 7 of the agreement: (1) "Work Commencement Date" shall be changed from January 19, 2020, to April 19, 2020; (2) Commence the Work within ninety (90) days to one hundred eighty (180) days; (3) expiration of such ninety (90) days to one hundred eighty (180) days; (4) "Work Completion Date" shall be changed from April 19, 2020, to July 19, 2020; (5) Complete the Work within one hundred eighty (180) days to two hundred seventy (270) days from the Grant Approval Date and (6) expiration of such one hundred eighty (180) days to two hundred seventy (270) days, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING A GRANT PURSUANT TO THE DOWNTOWN MESQUITE FAÇADE IMPROVEMENT PROGRAM TO PROMOTE LOCAL ECONOMIC DEVELOPMENT AND STIMULATE BUSINESS AND COMMERCIAL ACTIVITY IN THE CITY OF MESQUITE; AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE A DOWNTOWN MESQUITE FAÇADE IMPROVEMENT PROGRAM GRANT AGREEMENT (CHAPTER 380 AGREEMENT) FOR SUCH PURPOSES WITH GEORGE BOYCE FOR FAÇADE IMPROVEMENTS TO THE BUILDING LOCATED AT 202 WEST DAVIS STREET, MESQUITE, TEXAS 75149; AND AUTHORIZING THE CITY MANAGER TO ADMINISTER THE AGREEMENT ON BEHALF OF THE CITY. Motion was seconded by Mr. Boroughs. On call for a vote on the motion, the following votes were cast:

Ayes: Miklos, Boroughs, Pickett, Archer, Casper

Nays: None

Abstentions: Aleman

Motion carried. (Resolution No. 71-2019 recorded in Resolution Book No. 58.)

15

Conduct a public hearing and consider a resolution approving a grant pursuant to the Downtown Mesquite Façade Improvement Program to promote local economic development and stimulate business and commercial activity in the City of Mesquite, authorizing the City Manager to finalize and execute a Downtown Mesquite Façade Improvement Program Grant Agreement (Chapter 380 Agreement) for such purposes with Bill Metzger for façade improvements to the building located at 105 West Main Street, Mesquite, Texas 75149 and authorizing the City Manager to administer the agreement on behalf of the City.

A public hearing was held to consider a Downtown Mesquite Façade Improvement Program Grant Agreement (Chapter 380 agreement) with Bill Metzger for façade improvements to the building located at 105 West Main

Street.

Beverly Abell, Downtown Development Manager, stated that this 1,775-square-foot building, located at 105 West Main Street and formally known as the NAPA store, is in a highly visible location near Main Street and Galloway Avenue. The applicant utilized the design assistance offered by the Texas Main Street Program. The proposed project includes a bronze metal canopy with custom brackets, installed signage, three overhead gooseneck-style lights, and façade paint and repairs. The project's estimate is \$13,133.10, which allows for a grant reimbursement of \$6,566.55.

Melvin Sheer, 612 West Main Street and 611 West Davis Street, expressed opposition to the proposed improvements to the downtown area.

Mayor Pickett explained to Mr. Sheer that the item he is referring to is the proposed downtown overlay district, which was postponed earlier in this meeting to the November 4, 2019, City Council meeting. He invited Mr. Sheer to attend the November 4, 2019, City Council meeting to discuss his concerns.

No others appeared regarding the proposed Chapter 380 agreement.

Mr. Casper moved to approve Resolution No. 72-2019, A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MESQUITE, TEXAS, APPROVING A GRANT PURSUANT TO THE DOWNTOWN MESQUITE FAÇADE IMPROVEMENT PROGRAM TO PROMOTE LOCAL ECONOMIC DEVELOPMENT AND STIMULATE BUSINESS AND COMMERCIAL ACTIVITY IN THE CITY OF MESQUITE; AUTHORIZING THE CITY MANAGER TO FINALIZE AND EXECUTE A DOWNTOWN MESQUITE FAÇADE IMPROVEMENT PROGRAM GRANT AGREEMENT (CHAPTER 380 AGREEMENT) FOR SUCH PURPOSES WITH BILL METZGER FOR FAÇADE IMPROVEMENTS TO THE BUILDING LOCATED AT 105 WEST MAIN STREET, MESQUITE, TEXAS 75149; AND AUTHORIZING THE CITY MANAGER TO ADMINISTER THE AGREEMENT ON BEHALF OF THE CITY. Motion was seconded by Mr. Boroughs. On call for a vote on the motion, the following votes were cast:

Ayes: Casper, Boroughs, Pickett, Archer, Miklos

Nays: None

Abstentions: Aleman

Motion carried. (Resolution No. 72-2019 recorded in Resolution Book No. 58.)

## ADJOURNMENT

Mr. Aleman entered the meeting.

Mr. Casper moved to adjourn the meeting. Motion was seconded by Mr. Boroughs and approved unanimously. The meeting adjourned at 7:55 p.m.

Attest:

Approved:

\_\_\_\_\_  
Sonja Land, City Secretary

\_\_\_\_\_  
Stan Pickett, Mayor

# Exhibit 7

Docket No. \_\_\_\_\_

**NOTICE TO CURRENT CUSTOMERS**

**NOTICE OF APPLICATION TO AMEND WATER CERTIFICATES OF CONVENIENCE  
AND NECESSITY IN DALLAS COUNTY, TEXAS**

To:

Date Notice Mailed: \_\_\_\_\_, 2020

The City of Mesquite (City), Certificate of Convenience and Necessity (CCN) No. 10060, and Talty Special Utility District (District), CCN No. 10850, have submitted an application with the Public Utility Commission of Texas pursuant to Tex. Water Code § 13.248, for approval of a contract service agreement to amend their water CCN service areas in Dallas County.

The requested area is located approximately \_\_\_\_ miles \_\_\_\_ of \_\_\_\_\_, Texas, and is generally bounded on the north by \_\_\_\_\_; on the east by \_\_\_\_\_; on the south by \_\_\_\_\_; and on the west by \_\_\_\_\_.

The City is acquiring water service territory, customers, and facilities from the District.

This contract service agreement will have the following effect on the customers' rates and services:

See attached City rates.

See enclosed map of the requested area.

*Persons who wish to intervene in the proceeding or comment upon action sought should contact the Public Utility Commission of Texas, P.O. Box 13326, Austin, Texas 78711-3326, or call the Public Utility Commission at (512) 936-7120 or (888) 782-8477. Hearing- and speech-impaired individuals with text telephones (TTY) may contact the commission at (512) 936-7136. The deadline for intervention in the proceeding is thirty (30) days from the mailing or publication of notice, whichever occurs later, unless otherwise provided by the presiding officer. You must send a letter requesting intervention to the commission which is received by that date.*

If a valid public hearing is requested, the Commission will forward the application to the State Office of Administrative Hearings (SOAH) for a hearing. If no settlement is reached and an evidentiary hearing is held, SOAH will submit a recommendation to the Commission for final decision. An evidentiary hearing is a legal proceeding similar to a civil trial in state district court.