Mayor
Duke W. Coon

Mayor Pro Tem
Harry Hardman

Council Member, Place 1
David Hairel

Council Member, Place 2
Shana R. Arthur

Council Member, Place 4
Howard Wood

Council Member, Place 5
Marsha Porter

City Administrator
Gary A. Scott

Deputy City Administrator
Nancy S. Mikeska

Assistant City Administrator
Norman McGuire

City Attorney
Michael T. Garner

Interim City Secretary
Sami H. Quinlan

CITY OF CONROE

CITY OF CONROE
COUNCIL MEETING AGENDA
CITY HALL, COUNCIL CHAMBERS
300 W. DAVIS, CONROE, TX 77301

CONVENES: JUNE 25, 2025 -- 2:00 P.M.
RECONVENES: JUNE 26, 2025 -- 9:30 A.M.

CALL TO ORDER

ROLL CALL

WORK SESSION

CITIZEN INQUIRIES -- NOT TO EXCEED 30 MINUTES

Citizen Inquiries are limited to 3 minutes per person. Speakers are limited to addressing only topics on the current agenda. The Citizen Inquiry Form is available on the table outside of the Council Chambers and must be completed and given to the Police Officer prior to the beginning of the meeting. Persons turning in incomplete Citizen Inquiry Forms will not be called upon to speak.

1. Administrative update
   N. Mikeska

2. Discuss appeals and waivers to denial of an exemption from the temporary moratorium on development.
   N. McGuire

3. Discuss the proposal from Lockwood, Andrews, & Newnam, Inc. (LAN) to conduct a whole system hydraulic water modeling evaluation and provide recommendations.
   N. McGuire

4. Discuss the proposal for Impact Fee Study with Freese and Nichols.
   Mayor Coon

5. Discuss the Advance Funding Agreement with TXDOT for the IH-45 and North Loop 336 Project.
   N. McGuire

6. Discuss a Resolution designating authorized signatories for documents pertaining to the Community Development Block Grant Mitigation (CDBG-MIT-MOD)- Conroe Sewer Improvements Project.
N. McGuire

7. Discuss the proposal for grant management from the Goodman Corporation for the Fiber Connectivity project.
N. McGuire

8. Discuss 10-year agreement for AI Era module enhancement to existing AXON camera contract.
J. Buckholtz

9. Discuss approval of MCHD Fire/EMS Communications Network Agreement fee.
P. Sims

10. Discuss a Resolution adopting the CDBG new Five-Year Consolidated Plan, 2025 thru 2029; and the 2025 CDBG Annual Action Plan and authorizing the Mayor to sign all documents for transmittal to the U. S. Department of Housing and Urban Development and for the acceptance and implementation of the grant.
N. Mikeska

11. Discuss a Resolution consenting to the addition of approximately 29.236 Acres of territory, more or less, within the Boundaries of the Montgomery County Water Control and Improvement District No. 205.
N. Mikeska

12. Discuss Microsoft Licensing Split from EA to AOS-G.
W. Bachmeyer

13. Discuss Monthly Financial Summary Report - May 2025.
A. Gibbs

14. Discuss a Resolution authorizing the City Attorney to execute and deliver a letter consenting to the assignment of the 2019 Tax Abatement Agreement from Conroe Owner, LLC, to Texas Equity Funding SPE Conroe, LLC.
M. Garner

15. Discuss a Resolution to nominate a representative and alternate representative to the Gulf Coast Economic Development District Board of Directors.
M. Garner

16. Discuss a Resolution to nominate a member to the Montgomery County Emergency Communications District Board of Managers.
M. Garner

Recess Open Meeting in order to conduct Closed Executive Session for consultation with attorney to receive legal advice concerning the following threatened, contemplated or pending claims and litigation, and to deliberate other matters as authorized by Texas Government Code Chapter 551 relating to:

17. *SJRA GRP Contract litigation (Sec.551.071).
*QUADVEST, LP, et al vs. SJRA vs. CITY OF CONROE, ET AL (Sec.551.071).
*Legal advice concerning contract provisions related to Hotel Convention Center project and governing documents of the Conroe Local Government Corporation (Sec.551.071).
*Legal advice concerning pending or contemplated litigation. (Sec. 551.071).
*Deliberation concerning the purchase, exchange, lease or value of real property (Sec.551.072).
*Personnel Matters (Sec.551.074).
Mayor Coon

Reconvene Open Meeting

CITIZEN PARTICIPATION - NOT TO EXCEED 30 MINUTES

Citizen Participation comments are limited to 3 minutes per person. Speakers are permitted to make comments or address concerns regarding matters related to city business or affairs that are in the scope of the authority of the City Council. Responses are limited to a recitation of existing policy or a statement of specific factual information given in response to the speaker. The Citizen Participation Form is available on the table outside of the Council Chambers. It must be completed and given to the Police Officer prior to the beginning of the meeting. Persons turning in incomplete Citizen Participation Forms will not be called upon to speak.

Briefing -- The Council will be briefed on and may discuss any item on the Action Agenda.

Council Members Inquiry Time -- Pursuant to Tex. Gov. Code Sec. 551.042 the Mayor or Council Members may inquire about a subject not specifically listed on this agenda. Responses are limited to a recitation of existing policy or a statement of specific factual information given in response to the inquiry. Any deliberation or decision shall be limited to a proposal to place the subject on the agenda of a future meeting.

RECESS

VIDEO CONFERENCE PARTICIPATION ALLOWED:
It is intended that a quorum of the City Council be physically present in the City Council Chambers at all times during the meeting. If a quorum of the Council is physically present then, any other member of the Council, officer or employee of the City may participate in the meeting from a remote location by means of a video conference call if the video and audio feed of the remote participant is broadcast live at the meeting and complies with the provisions of Texas Gov. Code Section 551.127.

EXECUTIVE SESSION
At any time during the WORK SESSION or ACTION AGENDA the City Council may announce it will go into closed session pursuant to Chapter 551 of the Texas Government Code to receive advice from legal counsel, to discuss matters of land acquisition, personnel matters or other lawful matters that are specifically related to items listed on this agenda. Prior to any such closed session the Mayor, in open session, will identify the agenda item to be discussed and the section or sections of Chapter 551 under which the closed discussion is authorized.

Meeting Date: 06/25/2025
Department: Public Works
Contact: Norman McGuire, Asst. City Administrator and Public Works Director
Submitted By: Brandy Taylor, Contract Administrator

Workshop

Item Type: Other

CITY OF CONROE

Item Type: Other
N. McGuire
Joint Meeting: No Joint Meeting

Description
Discuss appeals and waivers to denial of an exemption from the temporary moratorium on development.

Summary / Recommendation
Discuss appeals and waivers to denial of an exemption from the temporary moratorium on development.

Attachments

List of Appeals
1002 Arbor Way
123 Evening Tide Court
421 Northwood Drive

Engineering

CITY OF CONROE

Est. 1904

REQUEST FOR EXCEPTION FROM CITY OF CONROE'S
TEMPORARY MORATORIUM ON DEVELOPMENT
June 26, 2025

Swimming Pools

1. Hinkle Pool Project – 1002 Arbor Way, Conroe (Arbor Place Sec 02)
   Submitted by Anthony & Sylvan Pools on behalf of owner, Candice Hinkle

2. Beaulac Pool Project – 23 Evening Tide Court, Willis, (TWH Sec 02)
   Submitted by owner, Neal Beaulac

3. Garcia Family Project – 421 Northwood Drive, Conroe, (Northwood Acres)
   Submitted by Pool Contractor, Marcela Aldas on behalf of owners, Jose Garcia and Silvia Casas

CITY OF CONROE

Est. 1904

Request for Exception from City of Conroe's Temporary Moratorium

Project Name Hinkle Pool Project

Project Address 1002 Arbor Way, Conroe Texas 77303

Developer/Individual Candice Hinkle

Date of Denial Letter 06-05-2025 Date of Appeal 06-11-2025

Items Submitted

1. Appeal Letter - Received 06-11-2025
2. City's Response Letter to Exception Letter - Denial - 06-05-2025
3. Request for Exception Letter - Stating "No Impact Project" - 06-04-2025
4. Request for Water & Sewer Availability - 06-03-2025
5.
6.
7.

Anthony & Sylvan Pools
1424 W Sam Houston Pkwy N #180
Houston, TX 77043

June 11, 2025

To Conroe City Council,

On behalf of property owner Candace Hinkle, we would like to formally request a waiver in reference to the Temporary Moratorium for a future pool project located at 1002 Arbor Way.

Thank you,

Joni Delatte
Sales Administrator

Engineering

CITY OF CONROE

Est. 1904

June 5, 2025

Re: Request for Exception from the City of Conroe's Temporary Moratorium on Development –1002 Arbor Way, Conroe, TX 77303, Montgomery County, Texas - Swimming Pool Permit

Dear Candace Hinkle:

The City has reviewed your request for an exception from the City of Conroe's temporary moratorium on development for a swimming pool permit at 1002 Arbor Way. At this time the City of Conroe Public Works - Engineering Department are **denying** the request to be exempted from the temporary moratorium for permits to construct new assets. You may appeal this decision or apply for a waiver to the City of Conroe City Council by submitting a formal request to the Engineering Department in accordance with requirements of the moratorium ordinance currently in effect.

The temporary development moratorium was enacted and is enforced to this area served by City water infrastructure as necessary to protect the health, safety and welfare of the Citizens of the City of Conroe. With respect to properties that may be excepted from the provision of the moratorium, the City is still required to deny further development that poses an imminent threat of destruction of property or injury to persons and, therefore, necessary to avoid a public nuisance and to safeguard the public's health, safety and welfare.

While we are actively working to reduce the portion of the city which is impacted by the temporary moratorium on development, the City must ensure that it supplies the current citizens of Conroe with healthy, safe, and potable water.

We appreciate your patience and your interest in developing in the City of Conroe.

Sincerely,

Anne Tran

Anne Tran, P.E., C.F.M.
Sr. Assistant City Engineer
cc: file

Candace Hinkle
1002 Arbor Way
Conroe, TX 77303
Candyh_tx@yahoo.com
936-499-3080

6/4/2025

To:
Engineering Department
City of Conroe
700 Metcalf St.
Conroe, TX 77318

Dear Engineering Team:

I am contacting you regarding the temporary development moratorium put into effect for certain areas in Conroe, in which I reside. Please accept this letter as a request for a waiver for an exception to be granted so that we may obtain a permit to construct a swimming pool in our backyard.

The ordinance restricts additional residential development, but we are requesting an exemption on the grounds that this would be a "No Impact Project" with water being used to fill the pool but not being released, lost, or wasted. We understand the moratorium is a temporary arrangement while new wells are being constructed to meet increasing demand. We are confident that our swimming pool will not place an unreasonable burden on the infrastructure given the existing plans to address capacity issues.

Thank you for your consideration.

Sincerely,

Candace Hinkle (Jun 4, 2025 15:35 CDT)

Candace Hinkle

Hinkle - Moratorium Exception Request Letter

Final Audit Report 2025-06-04

Created:	2025-06-04
By:	Joni Delatte (joni.delatte@anthonysylvan.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAShSvOUwO9ZaBxe4juO9B5Cs0Z0HfjQgr

"Hinkle - Moratorium Exception Request Letter" History

Document created by Joni Delatte (joni.delatte@anthonysylvan.com)
2025-06-04 - 8:11:42 PM GMT

Document emailed to Candace Hinkle (candyh_tx@yahoo.com) for signature
2025-06-04 - 8:11:46 PM GMT

Email viewed by Candace Hinkle (candyh_tx@yahoo.com)
2025-06-04 - 8:34:33 PM GMT

Document e-signed by Candace Hinkle (candyh_tx@yahoo.com)
Signature Date: 2025-06-04 - 8:35:17 PM GMT - Time Source: server

Agreement completed.
2025-06-04 - 8:35:17 PM GMT

Engineering

CITY OF CONROE

Est. 1904

REQUEST FOR WATER & SEWER AVAILABILTY

(PRINT LEGIBLY)

Date: 6/3/25

Requested By: Candace Hinkle

Phone: 936-499-3080

Email Address: candyh_tx@yahoo.com

PROPOSED PROJECT INFORMATION

Property Address or Tax Parcel ID No.: 1002 Arbor Way, Conroe, TX 77303

Project Name: Hinkle Pool Project

Provide a location map using the City of Conroe Map Books located on the city website:

https://www.cityofconroe.org/services/geographic_information_system/map_books.php

ANTICIPATED FLOW

This should be shown as in GPD of average daily demand. **To calculate the GPD, reference the Service Unit Equivalent Table on Page 2 of this request form.**

Water: 36

Sewer: 22

Proposed Development Number: 49 Proposed Development Type: Swimming Pool

Total Acreage: 0.1466 No. of Lots: 1 No. of Reserves: 0

No. of Units: 1 Building Sq. Ft.: 397

Complete this form and email request to: engineering@cityofconroe.org

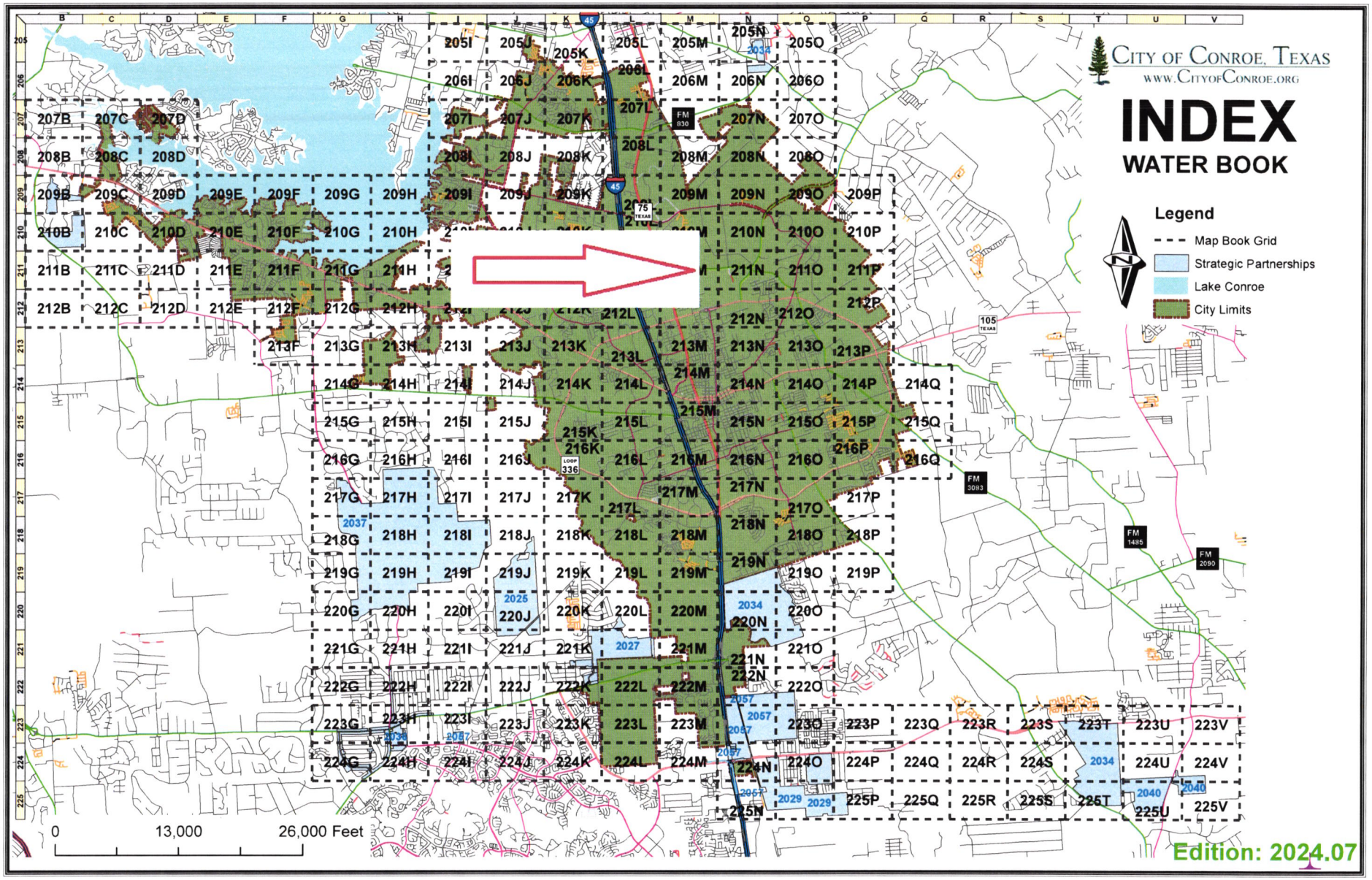
OR

Complete this form and deliver request to: Engineering Department
700 Metcalf St
Conroe, TX 77301

NOTE: *This request is not for fire sprinkler purposes.*

Completion of all fields is required. Incomplete request forms will not be accepted. It may take up to 20-business days to review this request. This letter is only valid for 6-months.

City of Conroe - Service Unit Equivalent Table *Recommended SUs are based on Sewer: 1.0 SU = 275 GPD & Water: 1.0 SU = 450 GPD*			
No.	**Type of Development**	**Service Unit Equivalent**	**Per**
1	Bakery	0.0019	Square Foot
2	Banquet Hall (No Cooking, Warming Kitchen Only)	0.02	Occupant
3	Barber Shop	0.6048	Bowl
4	Beauty Shop or Beauty Salon	0.6048	Bowl
5	Bowling Alley (Dining Additional Charge)	0.8	Lane
6	Car Repair (Office Additional Charge)	0.0002	Square Foot
7	Carwash, Tunnel, Self-Service	8	Carwash
8	Carwash, Tunnel, With Attendant	39.6	Carwash
9	Carwash, Wand Type, Self-Serve	1.54	Carwash Bay
10	Church or Fellowship Hall	0.0037	Occupant
11	Club, Tavern, or Lounge	0.0399	Occupant
12	Concert Hall	0.0399	Occupant
13	Country Club	0.4032	Member
		0.1008	Guest
14	Dance School or Dance Studio	0.0399	Occupant
15	Day Care Center	0.0399	Occupant
16	Dormitory (Dining Additional Charge)	0.3604	Bed
17	Fire Station (Dining Additional Charge)	0.3604	Capita
18	Fitness Center/Club — Freestanding	0.0015	Square Foot
19	Fitness Club — Within Shopping Center	0.0399	Occupant
20	Funeral Home (Services Per Week)	0.39	Service
21	Gas Station with Carwash	11.78	Station
22	Gas Station Without Carwash	2.21	Station
23	Grocery Store, 5,000-28,999 Sq. Ft	0.00033	Square Foot
24	Grocery Store, 29,000 + Sq. Ft	0.0009	Square Foot
25	Homeless Shelter (No Cooking or Dining)	0.1323	Bed
26	Hospital (Dining Additional Charge))	0.8001	Bed
27	Hotel or Motel, With or W/O Kitchenettes	0.7554	Room
28	Manufacturing	0.0002	Square Foot
29	Mobile Home Park	1	Space
30	Movie Theater	0.02	Seat
31	Nail Salon (Manicure or Pedicure)	0.0004	Square Foot
		0.3024	Bowl
32	Nursing Home (Salon & Dining Additional Charge)	0.3604	Bed
33	Office (Includes Studio, Therapy & Massage)	0.000237	Square Foot
34	Park	0.02	Occupant
35	Post Office, Excluding Dock	0.00032	Square Foot
36	Prison	0.3654	Capita
37	Racquetball Court	0.6426	Court
38	Recreational Vehicle Park	0.3	Vehicle
39	Residence, Apartment with Washer / Dryer	0.4762	Unit
40	Residence. Apartment Without Washer /	0.4046	Unit
41	Residence, Condominium	0.4762	Unit
42	Residence, Single Family or Townhouse, up to 3000 Sq. Ft (Additional Charge of 0.0002 SU per Sq. Ft over 3000 Sq. Ft)	1	Unit
43	Restaurant, Fast Food	0.0021	Square Foot
44	Restaurant, Full Service / Dining / Bar Area	0.0033	Square Foot
45	Retail	0.000281	Square Foot
46	School (College, High, Middle, Elementary)	0.0198	Seat
47	Skating Rink	0.02	Capita
48	Stadium	0.0126	Seat
49	Swimming Pool	0.02	Swimmer
50	Toilet (Park Amenity)	0.164	Toilet
51	Transportation Terminal (Dining Additional Charge)	0.02	Passenger
52	Warehouse	0.000121	Square Foot
53	Washeteria	0.5639	Machine
54	Water Dispensing Unit — Freestanding	4.563	Unit


City of Conroe, Texas
www.CityofConroe.org
INDEX
WATER BOOK
Legend
Map Book Grid
Strategic Partnerships
Lake Conroe
City Limits
0
13,000
26,000 Feet
Edition: 2024.07

CITY OF CONROE

Est. 1904

Request for Exception from City of Conroe's Temporary Moratorium

Project Name _____

Project Address _____

Developer/Individual _____

Date of Denial Letter_____ Date of Appeal _____

Items Submitted

1.
2.
3.
4.
5.
6.
7.

NEAL BEAULAC
123 Evening Tide Ct
Willis, Texas 77318
Neal.beaulac@gmail.com
713.492.6384

June 11, 2025

Engineering Department
City of Conroe
700 Metcalf St.
Conroe, TX 77318

Dear Engineering Team:

I am contacting you regarding the water and sewer availability moratorium put into effect regarding the portion of Conroe in which I reside. Please accept this letter as a request for a waiver for an exception to be granted so that we may obtain a permit to construct a swimming pool in our backyard.

Our recent pool application was denied per the ordinance that restricts additional residential development. We are updating our request for an exemption on the grounds that this would be a "No Impact Project"; city water will NOT be used to fill the pool but instead will be trucked in from an outside source. Furthermore, we have removed the autofill feature from the pool system. We understand the moratorium is a temporary arrangement while new wells are being constructed to meet increasing demand. We are confident that our swimming pool will not place any burden on the infrastructure given the existing plans to address capacity issues.

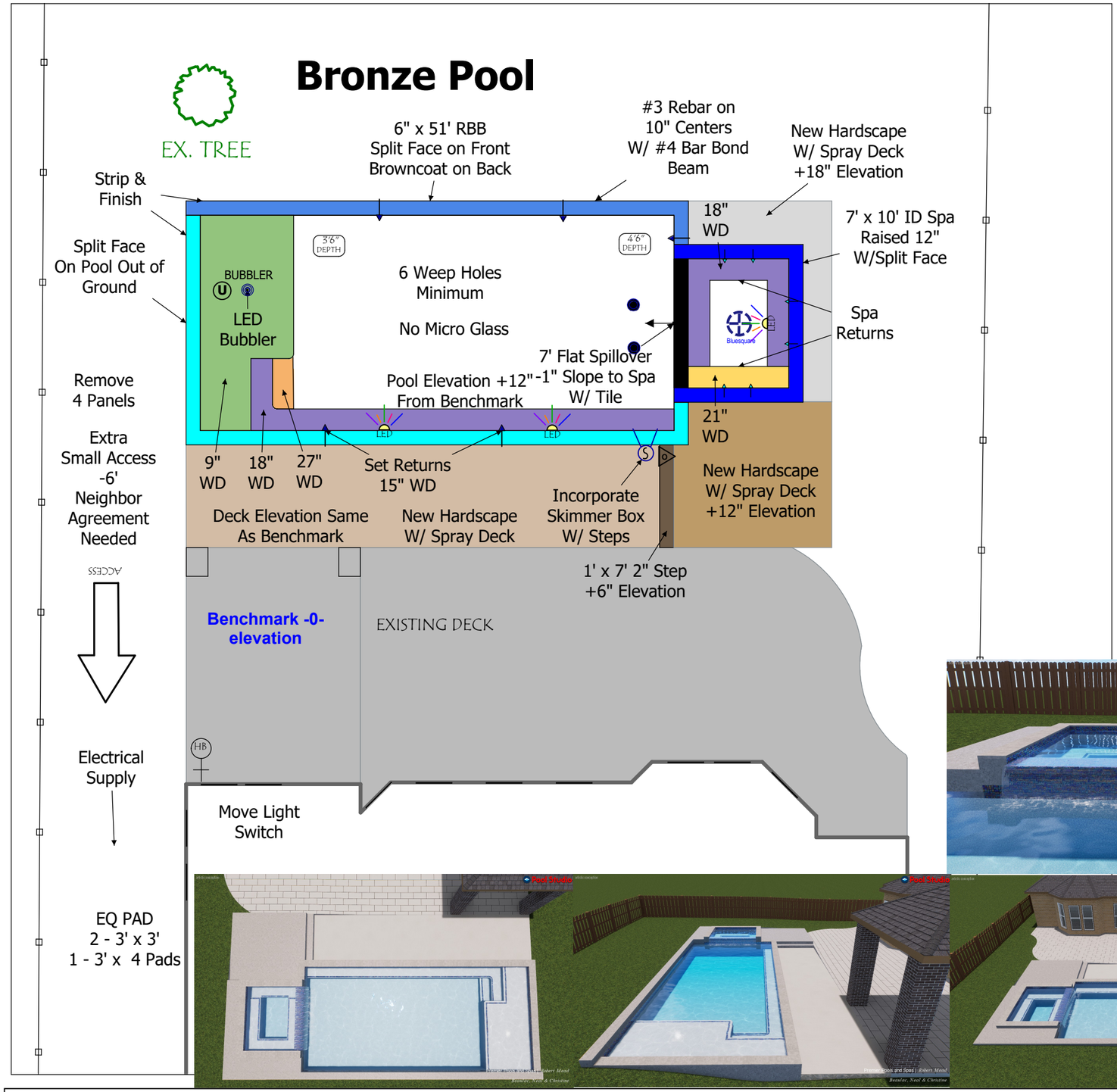
Thank you for your consideration.

Sincerely,

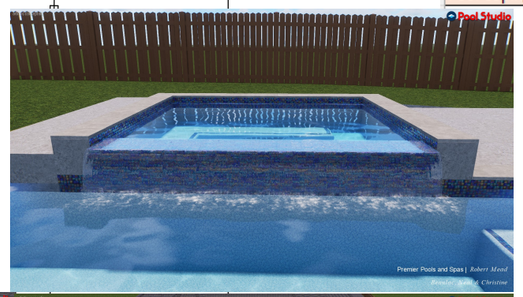


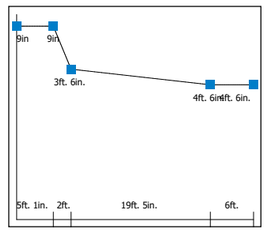
Neal Beaulac

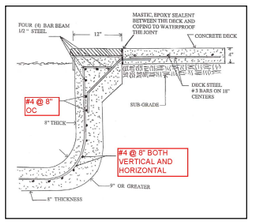
Bronze Pool



Customer:	Neal & Christine Beaulac						
Job Address:	123 Evening Tide CT						
City, Zip	Willis, 77308						
Phone	281-685-5439						
Email	None			Gate Code:	-		
PPAS Contact	Jonathan Ogden jogden@ppas.com 281-507-4807						
Bronze Pool Specifications	Internal Area		879	Gallons	11,445		
Width/Length	16' x 30'						
Depth	3.50	4.00	4.50	Decking			
Surface Area	495	Perimeter	96	SmartDeck	YES	Footage	500
Estimated Yards Shotcrete needed			39.53	Steps	YES	Footage	7
				Turndowns	YES	Footage	35
Excavation				Decco Drains	YES	Footage	35
Remove Dirt	YES	Stumps	No	Number of LED Bubblers	1 in Tanning Ledge		
Fence Down	YES	Fence Up	No	Mastic	YES	Umbrella	3
Remove Con.	No	Footage	0				
Ex Small Access	YES			Spa			
				Raised 12"	YES	Size	7' x 9' ID
Plumbing				Jets	6	Blower	1.5HP
Skimmer 1	70	Skim 2	N/A	Split Level Bench	YES	18" & 21" WD	
Returns	5-6	Main Drain	65				
Bubblers to returns	YES	Run	60	Interior Finish			
Gas	YES	Run	180	Marqius Grand	YES		
Electrical				Equipment			
Sub Panel	YES	Run	85	Equipment Pads - 3' X 3'	2	3' x 4'	1
Move Light Switch	YES	Outlets	0	Pool Pump	Jandy 2.7 VS W/Speed Set		
				Filter	CV 340 Cartridge Filter		
Gunite				Chlorinator	TruChlor		
Tanning	YES	6.5' x 10'		Paramount Clear O3	YES		
Bench	YES	Length	26.0	Heater	YES	Natural Gas	
RBB 6"	YES	Length	51.0	Pool lights	2	24W LED	
Tile & Coping				Spa lights	1	6W LED	
Coping Amount	115.20 sq ft						
Tile Amount	57.6 sq ft						
Pool Coping with no Deck	63 ln ft.						







I (OWNER/S) HAVE REVIEWED AND APPROVE THIS PLAN AS CORRECT WITHIN REASONABLE TOLLERANCE. I UNDERSTAND THAT ANY CHANGES TO THE SHAPE OR LOCATION MAY RESULT IN DELAY OF THE PROJECT AND ADDITIONAL COST.

OWNER APPROVAL:_____ DATE:_____

OWNER APPROVAL:_____ DATE:_____

:ACCESS :RETURN :SPA JET :BUBBLER (E):ELEC METER :GAS METER (J):J-BOX **PR**:PLANTER +0'6":ELEVATIONS (AD):AREA DRAIN :BENCH MARK (R):REMOTE PNL

(VF):SKIMMER :CLEANER (A):AUTOFILL :LIGHT :VGB DRAIN [G]:GAS LINE (U):UMBRELLA SLEEVE :OVERFLOW (HB):HOSE BIB :ELEC. LINE (WF):Waterfall Stub Out 0'6" WD:WATER DEPTH

SCALE 1/8"=1'

Premier Pools & Spas
JONATHAN OGDEN
Construction Supervisor
820 N. Jefferson St.
PO Box 446
La Grange, TX 78945
(281) 507-4807 Cell
(979) 968-8361 Office
(979) 968-5703 Fax
jogden@ppas.com

Engineering

CITY OF CONROE

Est. 1904

June 9, 2025

Re: Request for Exception from the City of Conroe's Temporary Moratorium on Development – 123 Evening Tide Ct., Willis, TX 77318, Montgomery County, Texas - Swimming Pool Permit

To whom it may concern:

The City has reviewed your request for an exception from the City of Conroe's temporary moratorium on development for a swimming pool permit at 123 Evening Tide Ct. At this time the City of Conroe Public Works - Engineering Department are **denying** the request to be exempted from the temporary moratorium for permits to construct new assets. You may appeal this decision or apply for a waiver to the City of Conroe City Council by submitting a formal request to the Engineering Department in accordance with requirements of the moratorium ordinance currently in effect.

The temporary development moratorium was enacted and is enforced to this area served by City water infrastructure as necessary to protect the health, safety and welfare of the Citizens of the City of Conroe. With respect to properties that may be excepted from the provision of the moratorium, the City is still required to deny further development that poses an imminent threat of destruction of property or injury to persons and, therefore, necessary to avoid a public nuisance and to safeguard the public's health, safety and welfare.

While we are actively working to reduce the portion of the city which is impacted by the temporary moratorium on development, the City must ensure that it supplies the current citizens of Conroe with healthy, safe, and potable water.

We appreciate your patience and your interest in developing in the City of Conroe.

Sincerely,

Anne Tran, P.E., C.F.M.
Sr. Assistant City Engineer

cc: file

Engineering

CITY OF CONROE

Est. 1904

REQUEST FOR WATER & SEWER AVAILABILTY

(PRINT LEGIBLY)

Date: _____

Requested By: _____

Phone: _____

Email Address: _____

PROPOSED PROJECT INFORMATION

Property Address or Tax Parcel ID No.: _____

Project Name: _____

Provide a location map using the City of Conroe Map Books located on the city website:

https://www.cityofconroe.org/services/geographic_information_system/map_books.php

ANTICIPATED FLOW

This should be shown as in GPD of average daily demand. **To calculate the GPD, reference the Service Unit Equivalent Table on Page 2 of this request form.**

Water: _____

Sewer: _____

Proposed Development Number: _____ Proposed Development Type: _____

Total Acreage:_____ No. of Lots:_____ No. of Reserves: _____

No. of Units:_____ Building Sq. Ft.: _____

Complete this form and email request to: engineering@cityofconroe.org

OR

Complete this form and deliver request to: Engineering Department
700 Metcalf St
Conroe, TX 77301

NOTE: *This request is not for fire sprinkler purposes.*

Completion of all fields is required. Incomplete request forms will not be accepted. It may take up to 20-business days to review this request. This letter is only valid for 6-months.

City of Conroe - Service Unit Equivalent Table *Recommended SUs are based on Sewer: 1.0 SU = 275 GPD & Water: 1.0 SU = 450 GPD*			
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4	Beauty Shop or Beauty Salon	0.6048	Bowl
5	Bowling Alley (Dining Additional Charge)	0.8	Lane
6	Car Repair (Office Additional Charge)	0.0002	Square Foot
7	Carwash, Tunnel, Self-Service	8	Carwash
8	Carwash, Tunnel, With Attendant	39.6	Carwash
9	Carwash, Wand Type, Self-Serve	1.54	Carwash Bay
10	Church or Fellowship Hall	0.0037	Occupant
11	Club, Tavern, or Lounge	0.0399	Occupant
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		0.1008	Guest
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29	Mobile Home Park	1	Space
30	Movie Theater	0.02	Seat
31	Nail Salon (Manicure or Pedicure)	0.0004	Square Foot
		0.3024	Bowl
32	Nursing Home (Salon & Dining Additional Charge)	0.3604	Bed
33	Office (Includes Studio, Therapy & Massage)	0.000237	Square Foot
34	Park	0.02	Occupant
35	Post Office, Excluding Dock	0.00032	Square Foot
36	Prison	0.3654	Capita
37	Racquetball Court	0.6426	Court
38	Recreational Vehicle Park	0.3	Vehicle
39	Residence, Apartment with Washer / Dryer	0.4762	Unit
40	Residence. Apartment Without Washer /	0.4046	Unit
41	Residence, Condominium	0.4762	Unit
42	Residence, Single Family or Townhouse, up to 3000 Sq. Ft (Additional Charge of 0.0002 SU per Sq. Ft over 3000 Sq. Ft)	1	Unit
43	Restaurant, Fast Food	0.0021	Square Foot
44	Restaurant, Full Service / Dining / Bar Area	0.0033	Square Foot
45	Retail	0.000281	Square Foot
46	School (College, High, Middle, Elementary)	0.0198	Seat
47	Skating Rink	0.02	Capita
48	Stadium	0.0126	Seat
49	Swimming Pool	0.02	Swimmer
50	Toilet (Park Amenity)	0.164	Toilet
51	Transportation Terminal (Dining Additional Charge)	0.02	Passenger
52	Warehouse	0.000121	Square Foot
53	Washeteria	0.5639	Machine
54	Water Dispensing Unit — Freestanding	4.563	Unit

NEAL BEAULAC
123 Evening Tide Ct
Willis, Texas 77318
Neal.beaulac@gmail.com
713.492.6384

May 7, 2025

Engineering Department
City of Conroe
700 Metcalf St.
Conroe, TX 77318

Dear Engineering Team:

I am contacting you regarding the water and sewer availability moratorium put into effect regarding the portion of Conroe in which I reside. Please accept this letter as a request for a waiver for an exception to be granted so that we may obtain a permit to construct a swimming pool in our backyard.

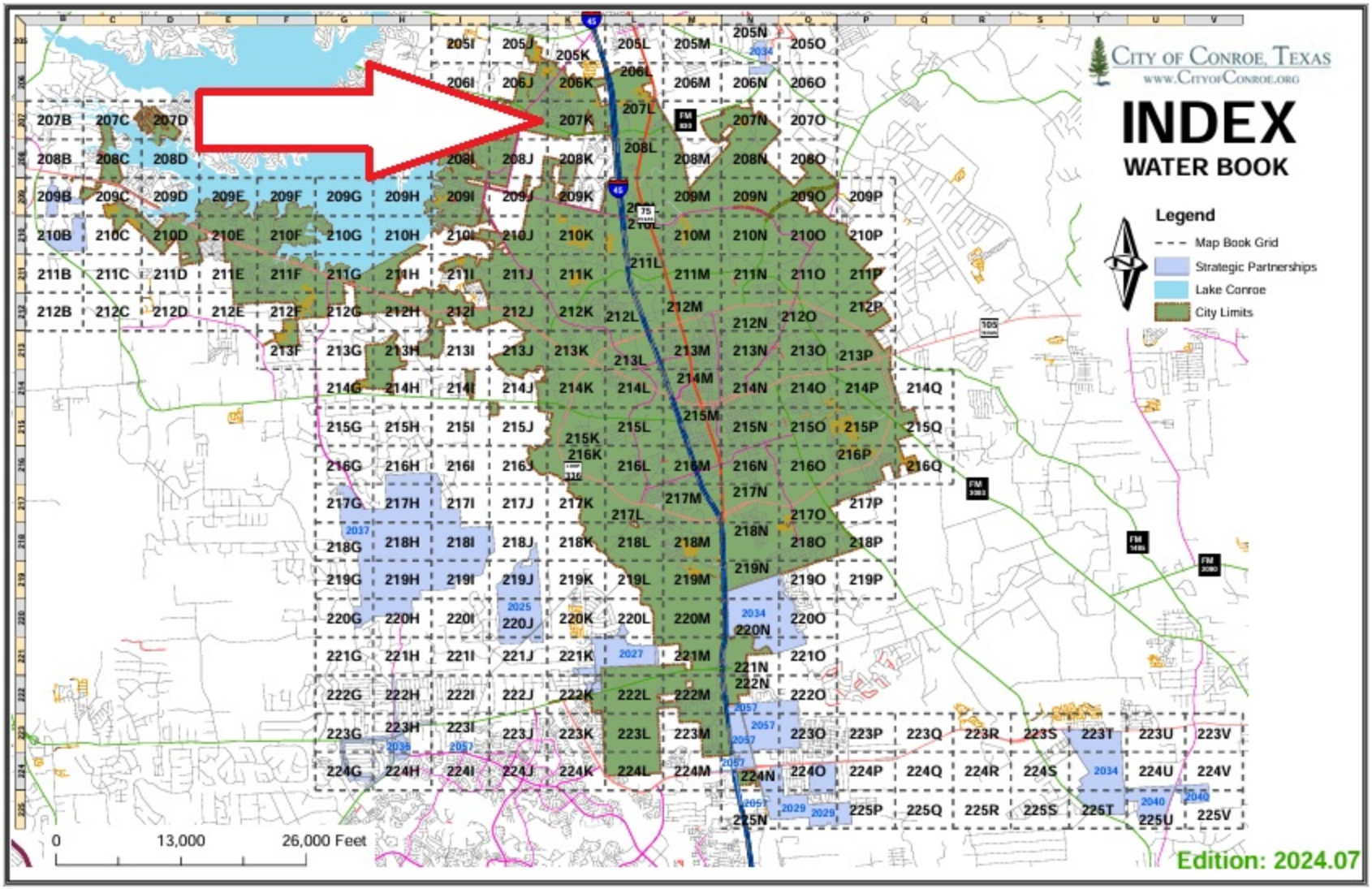
The ordinance restricts additional residential development, but we are requesting an exemption on the grounds that this would be a “No Impact Project”; with water being used to fill the pool but not being released, lost or wasted. We understand the moratorium is a temporary arrangement while new wells are being constructed to meet increasing demand. We are confident that our swimming pool will not place an unreasonable burden on the infrastructure given the existing plans to address capacity issues.

Thank you for your consideration.

Sincerely,



Neal Beaulac


City of Conroe, Texas
www.CityofConroe.org
INDEX
WATER BOOK
Legend
Map Book Grid
Strategic Partnerships
Lake Conroe
City Limits
0
13,000
26,000 Feet
Edition: 2024.07

CITY OF CONROE

Est. 1904

Request for Exception from City of Conroe's Temporary Moratorium

Project Name _____

Project Address _____

Developer/Individual _____

Date of Denial Letter_____ Date of Appeal _____

Items Submitted

1.
2.
3.
4.
5.
6.
7.

POWER VISION
CONTRACTORS LLC

936 445 7295 / 832 663 1921
info@powervisionpools.com
Power Vision Contractors
16420 Many Trees In, Conroe TX 77302

To whom it may Concern:

The intension of this letter is to APPEAL the decision from engineering department to deny our swimming pool Project for the current ordinance 2715-24 for city of Conroe temporary mandatorum. Our Project located at 421 Northwood Dr, falls under the “No impact projects” section on the Exceptions and exemptions.

However we intend to hire a 3th party delivery truck water service proovider to fill up the swimming pool after plaster stage. Once pool has been filled up the water will be ciculating into the filter pump system and WILL NOT be using an autofill system from city water source.

Please reach out with any questons regading this matter.

Thank you,

Marcela Aldas
Power Vision Contractors
Owner

Engineering

CITY OF CONROE

Est. 1904

REQUEST FOR WATER & SEWER AVAILABILTY

(PRINT LEGIBLY)

Date: _____

Requested By: _____

Phone: _____

Email Address: _____

PROPOSED PROJECT INFORMATION

Property Address or Tax Parcel ID No.: _____

Project Name: _____

Provide a location map using the City of Conroe Map Books located on the city website:

https://www.cityofconroe.org/services/geographic_information_system/map_books.php

ANTICIPATED FLOW

This should be shown as in GPD of average daily demand. **To calculate the GPD, reference the Service Unit Equivalent Table on Page 2 of this request form.**

Water: _____

Sewer: _____

Proposed Development Number: _____ Proposed Development Type: _____

Total Acreage:_____ No. of Lots:_____ No. of Reserves: _____

No. of Units:_____ Building Sq. Ft.: _____

Complete this form and email request to: engineering@cityofconroe.org

OR

Complete this form and deliver request to: Engineering Department
700 Metcalf St
Conroe, TX 77301

NOTE: *This request is not for fire sprinkler purposes.*

Completion of all fields is required. Incomplete request forms will not be accepted. It may take up to 20-business days to review this request. This letter is only valid for 6-months.

City of Conroe - Service Unit Equivalent Table *Recommended SUs are based on Sewer: 1.0 SU = 275 GPD & Water: 1.0 SU = 450 GPD*			
No.	**Type of Development**	**Service Unit Equivalent**	**Per**
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3	Barber Shop	0.6048	Bowl
4	Beauty Shop or Beauty Salon	0.6048	Bowl
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6	Car Repair (Office Additional Charge)	0.0002	Square Foot
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8	Carwash, Tunnel, With Attendant	39.6	Carwash
9	Carwash, Wand Type, Self-Serve	1.54	Carwash Bay
10	Church or Fellowship Hall	0.0037	Occupant
11	Club, Tavern, or Lounge	0.0399	Occupant
12	Concert Hall	0.0399	Occupant
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24	Grocery Store, 29,000 + Sq. Ft	0.0009	Square Foot
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53	Washeteria	0.5639	Machine
54	Water Dispensing Unit — Freestanding	4.563	Unit

CITY OF CONROE
RESIDENTIAL BUILDING PERMIT APPLICATION

Use this form for all one and two family new construction, alterations, additions, and renovations; and detached residential accessory structures such as but not limited to: storage buildings, outdoor kitchens, fences over 6 feet in height.

All plans must be designed in accordance with the City of Conroe adopted codes and amendments. The property to be developed must comply with the City of Conroe Subdivision Ordinance, Chapter 94. A building permit may not be issued unless the property has been properly platted and/or you have a Certificate of Compliance. Please contact 936-522-3100 for platting and Certificate of Compliance information.

The permit fees for one and two family dwellings will be based on the total gross square footage (total area of each story under roof) of the building times a rate of $0.64 per square foot. The plan review fee is included in this fee. The permit fees for additions or alterations to one and two family dwellings will be based on the total square footage of the work areas times a rate of $0.64 per square foot. The permit fees for accessory structures such as storage sheds, porches, and patios will be based on the total cost of construction. Please refer to our online permit fee calculator. Input the total cost of construction and it will compute the permit fee for you.

To obtain a Residential Building Permit, the Owner/Developer/Engineer must complete this application including **all necessary accompanying forms that are listed below** and submit in a digital unlocked PDF format by emailing it to permits@cityofconroe.org If the file size is over 10MB you may submit in person on a thumb drive. If submitting a thumb drive in person, please ask for a submittal receipt. Storage devices will not be returned. Additional items may be required, depending on the specific situation. **Submitting an incomplete application will result in your application being denied**. The applicant will receive the City's written comments, and notification of any additional required documents, within 30 business days. Once a permit is issued, the approved plans will be emailed to the applicant and the applicant must print and have a copy available on the job site.

The permit issued for this application becomes null and void if work or authorized construction is not commenced or completed within a period or six months. One six month extension will be granted without penalty for a total permit validity period not to exceed twelve months. Beyond twelve months any extensions shall be requested in writing and justifiable cause must be demonstrated. ½ of the original permit fee must be paid for any extensions beyond 12 months.

Permits for electrical, mechanical, plumbing or other technical code work must be obtained in addition to the building permit. Technical trade permit applications are available on our website or may be obtained at the Permit Office. Trade permit fees are in addition to the building permit fees.

ADDITIONAL FORMS REQUIRED WITH THIS APPLICATION
Water and Sewer Tap Application: This application is required on all new construction or where new water and sewer taps or meters are needed.
Driveway Application: This application is required for all new construction. If a driveway exists, please indicate it on the driveway application.

ALL ITEMS MUST BE ANSWERED BEFORE THE SUBMITTAL WILL BE ACCEPTED.

Note: All applicants must complete and sign this list indicating that the plans were prepared in compliance with the City of Conroe requirements. Applicants shall check their plans against this list before submittal. If compliance is not possible, please indicate and explain.

RESIDENTIAL BUILDING PERMIT CHECKLIST PLEASE PROVIDE ONE UNLOCKED ELECTRONIC PDF SHOWING THE FOLLOWING:				
"N" denotes information required for most new construction. (Additional information may be required.) "R" denotes information required for most interior remodels. (Additional information may be required.)		YES	NO	N/A
N	**Is the property in a Floodplain? If yes, floodplain development permit will be required.**	☐	☒	☐
N,R	One electronic unlocked PDF emailed to permits@cityofconroe.org or on a thumb drive.	☒	☐	☐
N	Water and sewer tap application (if applicable, see page 1.).	☐	☒	☐
N	Driveway application (if applicable, see page 1.).	☐	☒	☐
N	Plot plan of proposed and existing structures with easements, driveways and set-backs shown. Typical set backs from property lines: 25 ft. in front, 5 ft. each side, 10 ft. from the rear. Corner lots: 25 ft. in front, 10 ft. on the minor street side, 5ft other side, 10 ft. from the rear.	☒	☐	☐
N	Structural foundation plans certified by a Licensed Engineer in the State of Texas.	☐	☐	☒
N,R	Designed in accordance with the currently adopted codes and amendments.	☒	☐	☐
N,R	Energy code compliance (example, RES*check*) as published on the *U.S. Department of Energy* website (www.energycodes.gov)	☒	☐	☐
N,R	Framing plan with joist and rafter layout.	☐	☐	☒
N,R	Floor plan showing all existing and all proposed construction with wall details.	☐	☐	☒
N,R	Window sizes shown.	☐	☐	☒
N,R	Tempered glass shown at hazardous locations.	☐	☐	☒
N,R	Electrical plan with smoke detectors shown.	☐	☐	☒
N,R	A plat or re-plat shall be filed in accordance with the City of Conroe Subdivision Ordinance if the lot where the building permit is required is a part of another tract of record. If a recorded plat does not exist you will be required to obtain a Certificate of Compliance.	☐	☐	☒

DESCRIBE IN DETAIL THE NATURE OF THE PROPOSED IMPROVEMENTS:

Inground Swimming Pool with Spa Dimensions 28' x 14'
~~Concrete decking 1,400 sq ft~~

PROJECT INFORMATION	
NUMBER OF BEDROOMS:	NUMBER OF BATHROOMS:
PROPOSED VALUE OF ALL WORK: 72,000.00	GARAGE: ☐ attached ☐ detached
TYPE OF IMPROVEMENT:	**GROSS FLOOR AREA PER FLOOR (ft^2)**
☐ New construction of a one or two family dwelling	1st floor:
☐ New construction of a town house	2nd floor:
☐ New construction of a detached accessory building	3rd floor:
☐ Addition to an existing dwelling	Garage and porches:
☐ Alteration to an existing dwelling	TOTAL:

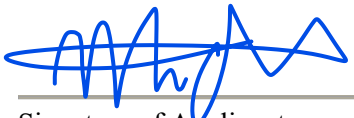
PROJECT LOCATION			
911 Assigned address: 421 Northwood Dr, Conroe TX 77303			
Subdivision: N/A	Lot: 2	Blk: 5	Sec: N/A

OWNER or OWNER'S AGENT INFORMATION		
Name: SILVIA CASAS	Phone: (936)442-1603	Fax:
Address: 421 NORTHWOOD DR, CONROE TX 77303		
Email: SCASAS288@GMAIL.COM		

CONTRACTOR INFORMATION		
Name: POWER VISION POOLS	Phone: 9364457295	Fax:
Address: 16420 MANY TREES LN		
Email: INFO@POWERVISIONPOOLS.COM		

ARCHITECT INFORMATION		
Name: MARCELA ALDAS	Phone: 9364457295	Fax:
Address: 16420 MANY TREES LN CONROE TX 77302		
Email: INFO@POWERVISIONPOOLS.COM		

The undersigned ☐ Owner/ ☐ Agent/ ☒ Contractor/ ☐ Architect of this building, has read all of the information contained in this application, agrees to conform to all applicable laws of the Jurisdiction, and certifies that the information provided herein is true and correct.



Signature of Applicant	Application Date	Phone # (if not listed above)
	4/24/25	9364457295

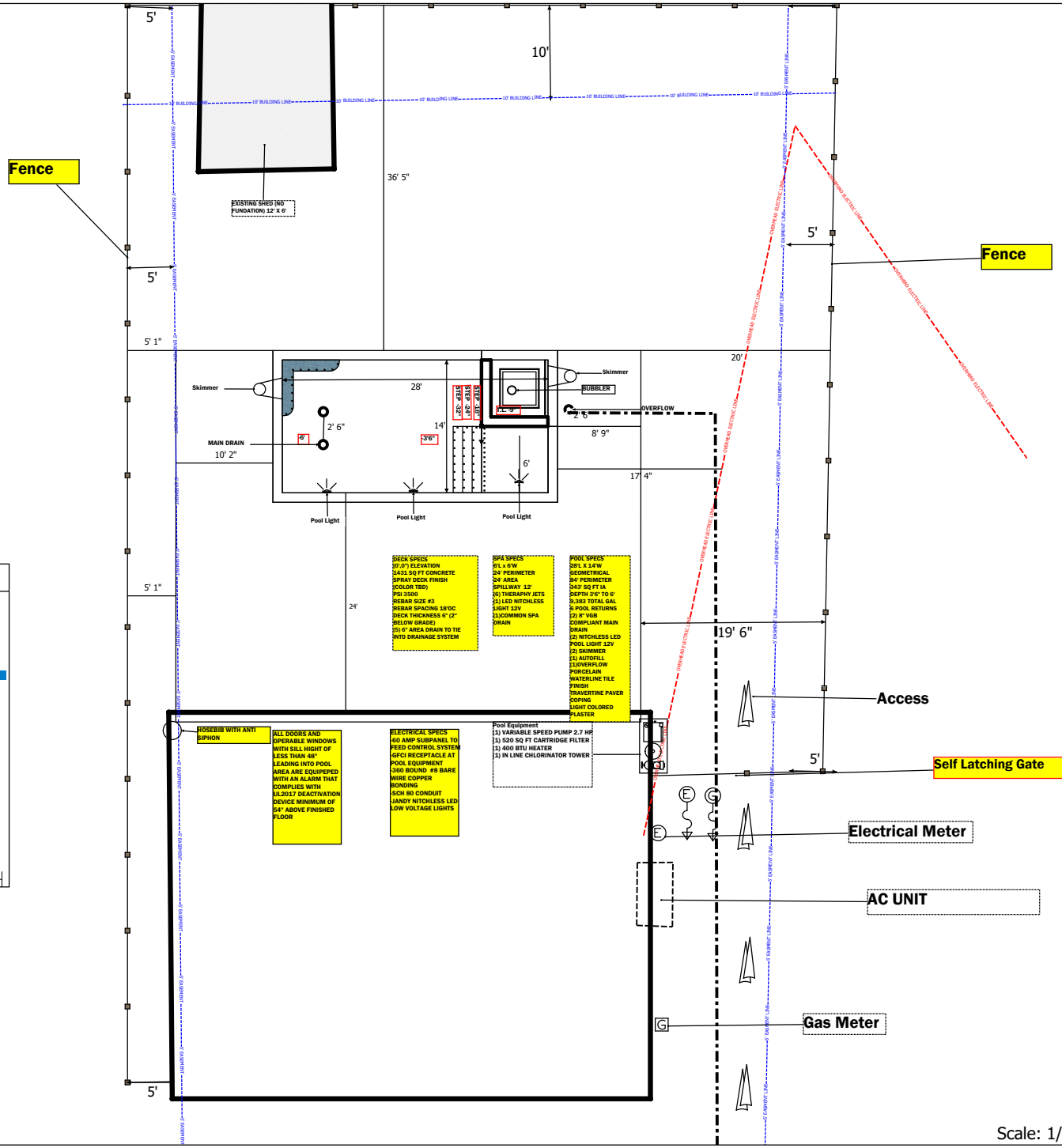
Printed Name	Contact E-Mail (if not listed above)
MARCELA ALDAS	INFO@POWERVISIONPOOLS.COM

All correspondence will be emailed to the applicant.

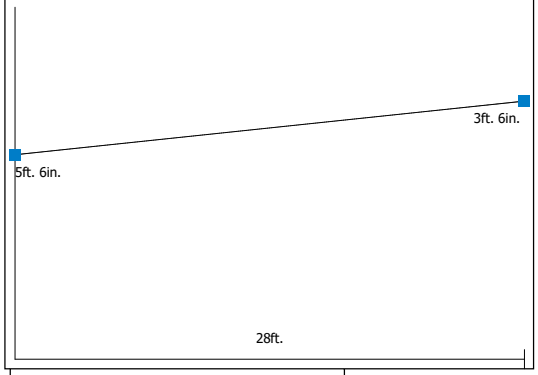
Attach the required forms to accompany this application. (Reference page 1 of this application.)

LAYOUT PLAN

Customer Name: Silvia Garcia
Address: 421 Northwood Dr,
City: Conroe
State/Zip: TX
Phone:
Cell: 936-442-1603
Email:
Alternate Contact:
Job #: Garcia Project



Pool Depth Profile



PowerVision POOLS

Scale: 1/16" = 1 ft

Engineering

CITY OF CONROE

Est. 1904

June 10, 2025

Re: Request for Exception from the City of Conroe's Temporary Moratorium on Development – 421 Northwood Dr., Conroe, TX 77303, Montgomery County, Texas - Swimming Pool Permit

To whom it may concern:

The City has reviewed your request for an exception from the City of Conroe's temporary moratorium on development for a swimming pool permit at 421 Northwood Dr. At this time the City of Conroe Public Works - Engineering Department are **denying** the request to be exempted from the temporary moratorium for permits to construct new assets. You may appeal this decision or apply for a waiver to the City of Conroe City Council by submitting a formal request to the Engineering Department in accordance with requirements of the moratorium ordinance currently in effect.

The temporary development moratorium was enacted and is enforced to this area served by City water infrastructure as necessary to protect the health, safety and welfare of the Citizens of the City of Conroe. With respect to properties that may be excepted from the provision of the moratorium, the City is still required to deny further development that poses an imminent threat of destruction of property or injury to persons and, therefore, necessary to avoid a public nuisance and to safeguard the public's health, safety and welfare.

While we are actively working to reduce the portion of the city which is impacted by the temporary moratorium on development, the City must ensure that it supplies the current citizens of Conroe with healthy, safe, and potable water.

We appreciate your patience and your interest in developing in the City of Conroe.

Sincerely,

Anne Tran, P.E., C.F.M.
Sr. Assistant City Engineer

cc: file

POWER VISION
CONTRACTORS LLC

936 445 7295 / 832 663 1921
info@powervisionpools.com
Power Vision Contractors
16420 Many Trees In, Conroe TX 77302

To whom it may Concern:

The intension of this letter is to authorize the exception to our swimming pool Project for the current ordinance 2715-24 for city of Conroe temporary mandatorum. Our Project located at 421 Northwood Dr, falls under the “No impact projects” section on the Exceptions and exemptions. Which indicates that the ordenance does not apply to the WATER CAPACITY based on the calculations submitted on the “Request for water and sewer avaliability form”.

Thank you,

Marcela Aldas
Power Vision Contractors
Owner

Engineering

CITY OF CONROE

Est. 1904

REQUEST FOR WATER & SEWER AVAILABILTY

(PRINT LEGIBLY)

Date: _____

Requested By: _____

Phone: _____

Email Address: _____

PROPOSED PROJECT INFORMATION

Property Address or Tax Parcel ID No.: _____

Project Name: _____

Provide a location map using the City of Conroe Map Books located on the city website:

https://www.cityofconroe.org/services/geographic_information_system/map_books.php

ANTICIPATED FLOW

This should be shown as in GPD of average daily demand. **To calculate the GPD, reference the Service Unit Equivalent Table on Page 2 of this request form.**

Water: _____

Sewer: _____

Proposed Development Number: _____ Proposed Development Type: _____

Total Acreage:_____ No. of Lots:_____ No. of Reserves: _____

No. of Units:_____ Building Sq. Ft.: _____

Complete this form and email request to: engineering@cityofconroe.org

OR

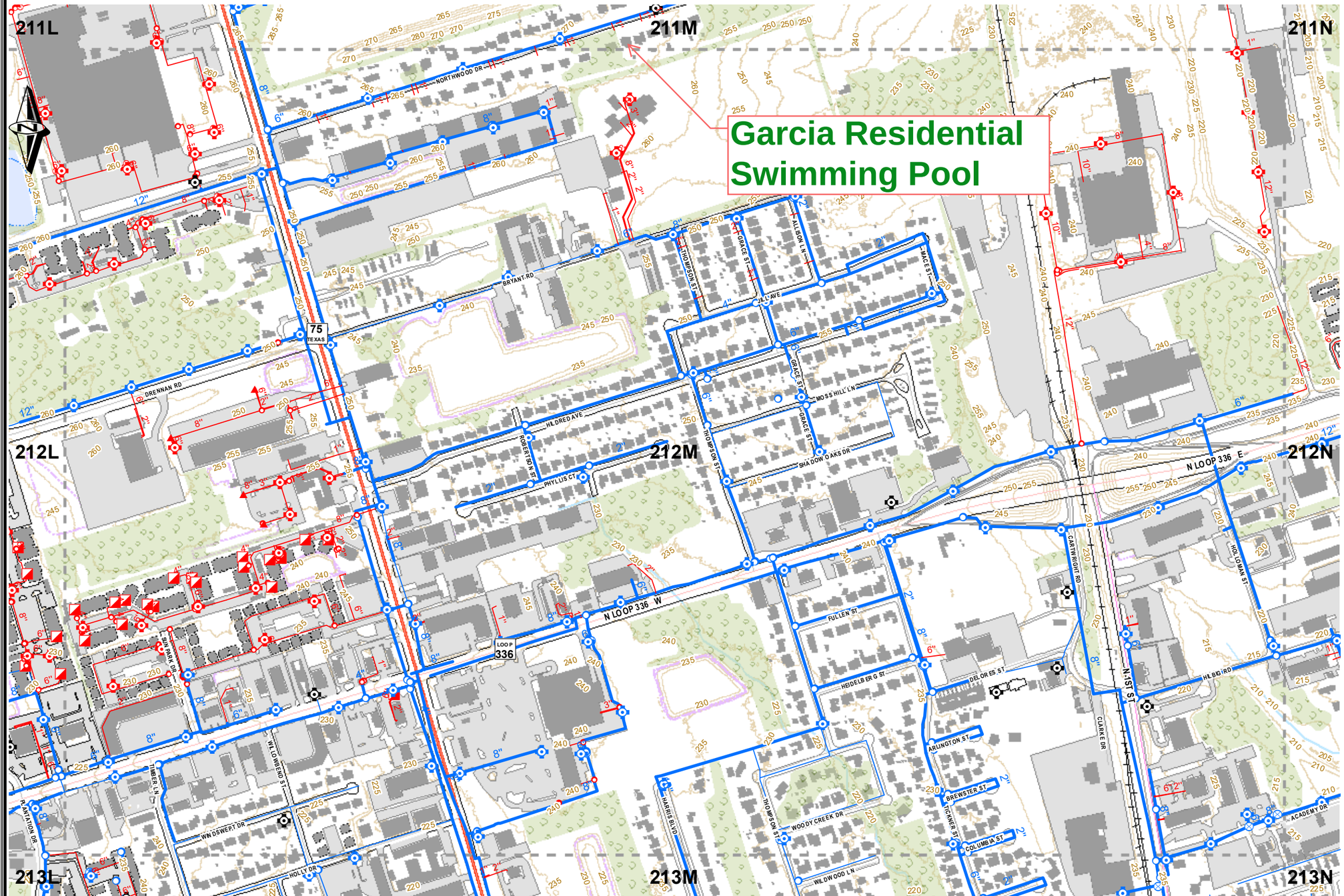
Complete this form and deliver request to: Engineering Department
700 Metcalf St
Conroe, TX 77301

NOTE: *This request is not for fire sprinkler purposes.*

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City of Conroe - Service Unit Equivalent Table *Recommended SUs are based on Sewer: 1.0 SU = 275 GPD & Water: 1.0 SU = 450 GPD*			
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53	Washeteria	0.5639	Machine
54	Water Dispensing Unit — Freestanding	4.563	Unit

The City of Conroe provides this information with the understanding that it is not guaranteed to be accurate, correct or complete. This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. Conclusions drawn from this information are the responsibility of the user. Every effort has been made to ensure the accuracy, correctness and timeliness of the materials presented. The City of Conroe assumes no liability for damages incurred directly or indirectly as a result of incomplete, incorrect or omitted information, even if the City is advised of the possibility that the information may not be accurate. The user of this information assumes all liability for their dependence on this information and assumes all responsibility for its use.



Legend

- Conroe City Limits
- Conroe ETJ
- Water
- Public
- Private
- Unverified
- Private Lake Conroe
- FDC
- Blow Off Valve
- Elevated Storage
- Gate Valve
- Hydrant Valve
- Ground Storage
- Master Meter
- Riser Valve
- Water Treatment Plant
- Water Well
- Unverified
- Private
- Public
- Conroe Pressure Plane
- Water CCN Service Areas

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Notes:
5-Foot contours from City of Conroe/HGAC LiDAR Survey dated 2018.
Wetlands by U.S. Fish and Wildlife Service National Wetlands Inventory.
Flood data by Federal Emergency Management Agency (FEMA).

0 500 1,000 Feet

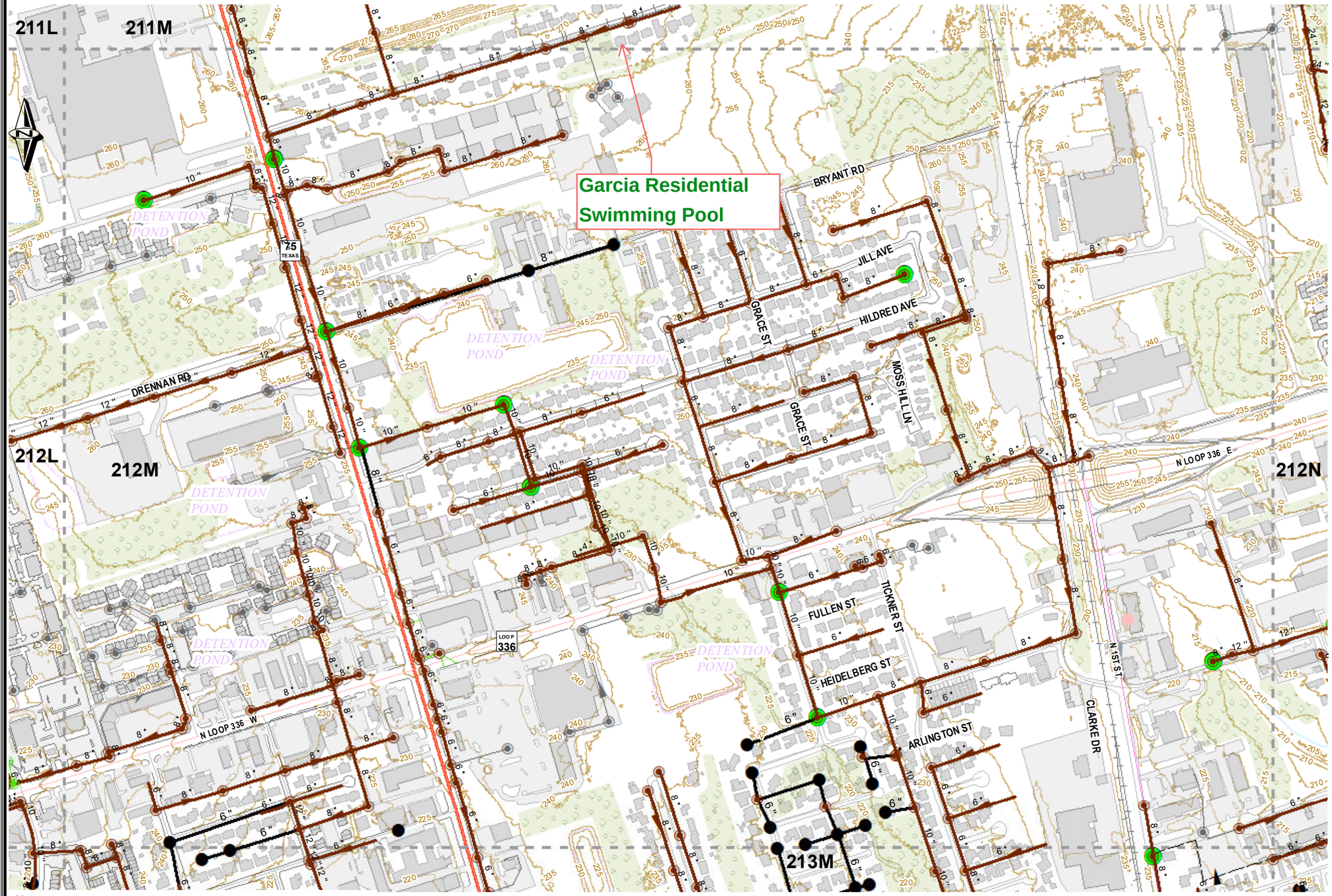
Basemap

- 500-Year Flood
- 100-Year Flood
- FEMA Floodway
- Freshwater Emergent Wetland
- Freshwater Forested/Shrub Wetland
- Other Wetland
- Freshwater Pond
- Lake
- Riverine

CITY OF CONROE, TEXAS
WWW.CITYOFCONROE.ORG

212M
WATER BOOK
Edition: 2024.07

The City of Conroe provides this information with the understanding that it is not guaranteed to be accurate, correct or complete. This product is for informational purposes and may not have been prepared for or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. Conclusions drawn from this information are the responsibility of the user. Every effort has been made to ensure the accuracy, correctness and timeliness of the materials presented. The City of Conroe assumes no liability for damages incurred directly or indirectly as a result of incomplete, incorrect or omitted information, even if the City is advised of the possibility that the information may not be accurate. The user of this information assumes all liability for their dependence on this information and assumes all responsibility for its use.



Legend

- Conroe City Limits
- Conroe ETJ
- Water
- Public Improvement Districts
- Conroe TIRZ #2
- Conroe TIRZ #3
- Proposed MUD Districts
- Active MUD Districts
- Inactive MUD Districts

Lift Stations
- PRIVATE
- PUBLIC

Manholes
- PUBLIC
- PRIVATE
- PLANNED
- ABANDONED

Gravity Mains
- PUBLIC
- PRIVATE
- PLANNED
- ABANDONED

Forced Mains
- PRIVATE
- PUBLIC
- UNVERIFIED
- SURVEYED

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Notes:
5-Foot contours from City of Conroe/HGAC LiDAR Survey dated 2018.
Wetlands by U.S. Fish and Wildlife Service National Wetlands Inventory.
Flood data by Federal Emergency Management Agency (FEMA).

0 500 1,000 Feet

Basemap
- FEMA Floodway
- 100-Year Flood
- 500-Year Flood
- Freshwater Emergent Wetland
- Freshwater Forested/Shrub Wetland
- Other Wetland
- Freshwater Pond
- Lake
- Riverine

CITY OF CONROE, TEXAS
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212M
SEWER BOOK
Edition: 2024.08

Workshop

Meeting Date: 06/25/2025
Department: Public Works
Contact: Norman McGuire, Asst. City Administrator and Public Works Director
Submitted By: Brandy Taylor, Contract Administrator

Item Type: Bid Award

N. McGuire

Joint Meeting: No Joint Meeting

Description

Discuss the proposal from Lockwood, Andrews, & Newnam, Inc. (LAN) to conduct a whole system hydraulic water modeling evaluation and provide recommendations.

Summary / Recommendation

Discuss the proposal to conduct a Total System Water Modeling Study for the City's water distribution system. This modeling effort is a critical step toward ensuring long-term planning, operational efficiency, and infrastructure investment based on current and projected water demand, pressure management, and system reliability. This modeling effort directly supports the City's long-term goal of lifting the current development moratorium. By providing a clear and data-driven understanding of water system capacity, constraints, and needs, the model will serve as a foundation for sustainable growth management and infrastructure planning. It will enable staff to make informed decisions about where and when new development can be supported without compromising water service reliability or public safety. Staff recommends the approval of this proposal in the amount of $196,670 to LAN.

Fiscal Impact

Expenditure Amount:	$196,670
Revenue Amount:	
Account Number:	001-1570-8038
Budget Amendment Required Y/N:	N
Financial Review Complete:	MM
Financial Review Notes:	

Attachments

Proposal
Insurance
1295 Form
Sam.gov Status
Vendor Performance Tracking Rating

Docusign Envelope ID: DB76B767-C3FB-43DB-82B3-AFC381B0D5B7

Planning
Engineering
Program Management

February 27, 2025

Mr. Tara Gaha
Project Manager
City of Conroe – Engineering
700 Metcalf St.
Conroe, TX 77301

Reference: **Conroe Whole Water System Hydraulic Evaluation**

Dear Mr. Gaha:

In accordance with the City of Conroe Public Works' (City's) request, Lockwood, Andrews & Newnam, Inc. (LAN) is pleased to submit this proposal to provide professional engineering services for hydraulic water modeling to evaluate the City's water system holistically considering the addition of new water wells and plants across the system.

The Scope of Work is outlined below. The proposed hourly not-to-exceed amount for these items, unless further authorization is obtained, is provided in the table below:

Water System Evaluation Services	**Proposed Amount**
Basic Services	$195,859
Reimbursable Expenses	$51
Total Amount	$196,670

A level of effort that details the requested Whole Water System Hydraulic Evaluation, is provided in Attachment A.

SCOPE OF WORK

The study's primary purpose will be to evaluate the City's water system holistically to confirm whether there are other areas that will require additional supply or infrastructure to meet system needs. The work includes evaluating Conroe's water system for 2027 and 2037 to assess the system's capability to meet flow and TCEQ minimum pressure requirements during peak demands (summer) across the system considering currently planned water plants to be in service in their respective year.

New/proposed water plants and their anticipated in-service date include:

- Water Plant / Elevated Storage Tank 27 – in service Fall 2024
- Water Plant 29 – in service Summer 2025
- Water Plant / Elevated Storage Tank 30 – in service Fall 2025
- Water Plant / Elevated Storage Tank 32 – in service Fall 2026
- Water Plant 33 – in service Summer 2027

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- Water Plant 34 – in service after 2027
- Water Plant 35 – in service after 2027
- Water Plant 36 – in service by 2032

The scope will include an evaluation of the impacts to development given the anticipated in-service schedule (listed above) for the new and proposed water plants.

The evaluation will also consider specific fire flow (FF) scenarios to assess the ability of ground and elevated storage tanks to recover after an event (residential or commercial fire flow). Analyses will be performed utilizing the revised demand basis for single and multi-family residential development based on an assessment of the 2023 summer months' billing data. Calculations within the Northwest and Brass Nail Pressure Planes were completed as part of the Water Plants 32, 33, 34 and 35 evaluations and will be utilized in this study and updated at the start of the analyses with any changes to development plans. Development data will be collected and utilized to develop water demand calculations within the Main Pressure Plane.

A separate analysis will be performed using automated metering data and/or existing water plant discharge flows (hourly data) where available to develop a current diurnal (water usage) pattern for the operational zones. While peak day and average day patterns will be developed for this study and used in future models, analyses to identify system improvements as part of this study will be only be performed using the peak day pattern.

All analyses will utilize existing surface water allocations at the six water plants receiving surface water.

SCOPE OF SERVICES

Task 1.0: Coordination and Review Meetings with City

Meetings will be held with City Staff to include:

a. Project kick-off meeting, including discussion of the City's recommendations on which years would be representative of system usage for the provision of smart meter data
b. Water usage and diurnal pattern development meeting and meeting minutes
c. Preliminary results meeting and meeting minutes
d. Revised results meeting and minutes
e. Additional meetings as needed and minutes (2 maximum)

Task 2.0: Water Demand Calculations and Diurnal Pattern Development

The following tasks will be performed:

a. Develop a map to identify locations City staff would need to provide smart meter data
b. Collect and review smart meter data considering:
    - A maximum of 2 years of hourly flow volume
    - For the City's 20 largest users, and
    - 30 other users across the city to provide a representative sample across each operational zone.

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c. Collect and review 2 years of hourly discharge flow SCADA data for the six water plants receiving surface water
d. Develop peak day diurnal patterns for each Operational Zone or Pressure Plane based on quality of data available
e. Develop average day diurnal patterns for each Operational Zone or Pressure Plane based on quality of data available
f. Collect 2024 monthly billing data to update average demand usage across the water system for the current system model
g. Collect and review data related to revised development plans within the Main Pressure Plane
h. Confirm development plans within the Northwest and Brass Nail Pressure Planes (includes Little Egypt and Silver Springs Operational Zones)
i. Perform water demand calculations within the Main Pressure Planes utilizing the demand projection bases developed in November 2024 for residential and multi-family developments
j. Update water demand calculations within the Northwest and Brass Nail Pressure Planes for any new development plans provided after November 2024 utilizing the demand projection bases developed in November 2024 for residential and multi-family developments
k. Calibrate existing system model utilizing new diurnal patterns and operational conditions. Calibrate model results within +/- 10% of SCADA data for most facilities, tank levels, flows and pressure, where available.

Task 3.0: Merge Hydraulic Models

Multiple models were developed for the City's water system given the urgency in sizing the future Plants 32, 33, 34 and 35 for design. This task will consolidate the various model scenarios and recommended improvements into a single model for a consolidated review of the system. Scope includes:

a. Review of the three models utilized to identify a comprehensive list of scenarios and recommendations to incorporate into a single water system model
b. Merge model layers to incorporate recommended infrastructure
c. Merge future system peak day scenarios
d. Merge future system low-flow (minimum day) scenarios
e. Merge future system fire flow scenarios

Task 4.0: Whole System Analyses

The following scenarios will be assessed, and results prepared and presented as described. The 2027 scenarios include the Silver Springs Bypass, which is planned for completion by Summer of 2025 and is needed until Plants 32 and 33 are in-service:

a. Update model for revised operational conditions & development
b. Scenario 1 - 2027 PD with Plants 27, 29 and EST 30
c. Scenario 2 - 2027 PD plus Fire Flow with Plants 27, 29 and EST 30
d. Scenario 3 - 2037 PD with Plants 27, 29, 33, 34, 35, 36 and ESTs 30 and 32, plus other previously identified water system improvements from the 2022 Master Plan and subsequent studies

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e. Scenario 4 - 2037 PD plus Fire Flow with Plants 27, 29, 33, 34, 35, 36 and ESTs 30 and 32, plus other previously identified water system improvements from the 2022 Master Plan and subsequent studies
f. Identify system deficiencies, system constraints, and additional improvements for 2027 PD, including limitations on development given the anticipated in-service schedule for new and proposed water plants
g. Identify system deficiencies, system constraints, and additional improvements for 2037 PD
h. Work with City staff to evaluate TCEQ Chapter 290 requirements and develop a plan to meet requirements
i. Prepare preliminary results exhibits
j. Prepare preliminary results presentation

Task 5.0: Finalize Scenarios and Recommendations

a. Revise Scenarios 1 - 4 based on preliminary results meeting
b. Alternative scenarios as identified by City staff based on results of Scenarios 1 – 4 (maximum of 2 scenarios)
c. Update improvement recommendations based on final modeling
d. Prepare final results exhibits
e. Prepare final results presentation

Task 6.0: Technical Memorandum

a. Prepare draft technical memorandum
b. Incorporate improvement costs provided by City staff
c. Address city comments on draft and finalize memorandum

Task 7.0: Project Management and Quality Assurance/Quality Control (QA/QC)

Project management will be provided for resource allocation, preparation of deliverables, scheduling, and budget monitoring to support the work identified in this scope of work.

CONSIDERATIONS

Improvements costs to be provided by City of Conroe and incorporated into Technical Memorandum by LAN.

SCHEDULE

Project anticipated to take six months to complete, including time for City reviews. A formal project schedule will be provided at the Project Kick-off meeting.

Docusign Envelope ID: DB76B767-C3FB-43DB-82B3-AFC381B0D5B7

We look forward to working with the City on this project following formal authorization. Should you have any questions, or require additional information, please do not hesitate to contact Dedra Ecklund at 936-703-1002 or me directly at 936-703-1001.

Sincerely,

DocuSigned by:
Melissa Mack
5AD03FA3EFD14D2...

Melissa Mack, P.E.
Vice President, Principal

MCM:dae:bk:cg

Docusign Envelope ID: DB76B767-C3FB-43DB-82B3-AFC381B0D5B7

Attachment A
City of Conroe
Whole Water System Hydraulic Evaluation
Level Of Effort

ATTACHMENT A LEVEL OF EFFORT (Lockwood, Andrews & Newnam)		Project Principal	Senior Project Manager	Sr. / Sup. Engineer	Graduate Engineer	Administrator	Sub-total Man-hours	Subtotal (cost $)
Date:	February 27, 2025							
	Billing Rate per Hour	$380.00	$265.00	$217.00	$150.00	$120.00		
Task No.	**Task Description**							
Task 1.0	**Coordination and Review Meetings* with City**							
a	Project Kick-off	2	2		10	1	15	$2,910.00
b	Water Usage and Diurnal Pattern Development	2	2		8	1	13	$2,610.00
c	Preliminary Results	2	2		14	1	19	$3,510.00
d	Final Results	2	2		10	1	15	$2,910.00
e	Additional Coordination Meetings as needed (max. 2) * Includes meeting preparation and meeting minutes	4	4		14	2	24	$4,920.00
	Subtotal:	12	12	0	56	6	86	**$16,860.00**
Task 2.0	**Water Demand Calculations and Diurnal Pattern Development**							
a	Develop a map to identify locations City staff would need to provide smart meter data	2		2	16		20	$3,594.00
b	Collect and review smart meter data		2		10		12	$2,030.00
c	Collect and review 2 years of hourly discharge flow SCADA data for the six water plants receiving surface water	2	2		20		24	$4,290.00
d	Develop peak day diurnal patterns for each Operational Zone or Pressure Plane based on quality of data available	4	2		36		42	$7,450.00
e	Develop average day diurnal patterns for each Operational Zone or Pressure Plane based on quality of data available	4	2		36		42	$7,450.00
f	Collect 2024 monthly billing data to update average demand usage across the water system for the current system model		2		18		20	$3,230.00
g	Collect and review data related to revised development plans within the Main Pressure Plane	1	2		10		13	$2,410.00
h	Confirm development plans within the Northwest and Brass Nail Pressure Planes (includes Little Egypt and Silver Springs Operational Zones)		1	4	4		9	$1,733.00
i	Perform water demand calculations within the Main Pressure Planes utilizing the demand projection bases developed in November 2024 for residential and multi-family developments	2			18		20	$3,460.00
j	Update water demand calculations within the Northwest and Brass Nail Pressure Planes for any new development plans provided after November 2024 utilizing the demand projection bases developed in November 2024 for residential and multi-family developments	1			10		11	$1,880.00
k	Calibrate existing system model utilizing new diurnal patterns and operational conditions	4	2		40		46	$8,050.00
	Subtotal:	20	15	6	218	0	259	**$45,577.00**

Docusign Envelope ID: DB76B767-C3FB-43DB-82B3-AFC381B0D5B7

Attachment A
City of Conroe
Whole Water System Hydraulic Evaluation
Level Of Effort

ATTACHMENT A LEVEL OF EFFORT (Lockwood, Andrews & Newnam)		Project Principal	Senior Project Manager	Sr. / Sup. Engineer	Graduate Engineer	Administrator	Sub-total Man-hours	Subtotal (cost $)
Date:	February 27, 2025							
	Billing Rate per Hour	$380.00	$265.00	$217.00	$150.00	$120.00		
Task No.	**Task Description**							
Task 3.0	**Merge Hydraulic Models**							
a	Review of the three models utilized to identify a comprehensive list of scenarios and recommendations to incorporate into a single water system model	2			4		6	$1,360.00
b	Merge model layers to incorporate recommended infrastructure		2		8		10	$1,730.00
c	Merge future system peak day scenarios		2		8		10	$1,730.00
d	Merge future system low-flow (minimum day) scenarios		2		8		10	$1,730.00
e	Merge future system fire flow scenarios		2		8		10	$1,730.00
	Subtotal:	**2**	**8**	**0**	**36**	**0**	**46**	**$8,280.00**
Task 4.0	**Whole System Analyses**							
a	Update model for revised operational conditions & development				10		10	$1,500.00
b	Scenario 1 - 2027 PD with Plants 27, 29 and EST 30	4	2		32		38	$6,850.00
c	Scenario 2 - 2027 PD plus Fire Flow with Plants 27, 29 and EST 30	1	2		18		21	$3,610.00
d	Scenario 3 - 2037 PD with Plants 27, 29, 33, 34, 35, 36 and ESTs 30 and 32, plus other previously identified water system improvements from the 2022 Master Plan and subsequent studies	6	2		44		52	$9,410.00
e	Scenario 4 - 2037 PD plus Fire Flow with Plants 27, 29, 33, 34, 35, 36 and ESTs 30 and 32, plus other previously identified water system improvements from the 2022 Master Plan and subsequent studies	1	2		18		21	$3,610.00
f	Identify system deficiencies, system constraints, and additional improvements for 2027 PD, including limitations on development given the anticipated in-service schedule for new and proposed water plants	4	2		24		30	$5,650.00
g	Identify system deficiencies, system constraints, and additional improvements for 2037 PD	4	2		36		42	$7,450.00
h	Work with City staff to evaluate TCEQ Chapter 290 requirements and develop a plan to meet requirements	8	2		20		30	$6,570.00
i	Prepare preliminary results exhibits	2	2		18		22	$3,990.00
j	Prepare preliminary results presentation	8	2		32		42	$8,370.00
	Subtotal:	**38**	**18**	**0**	**252**	**0**	**308**	**$57,010.00**
Task 5.0	**Finalize Scenarios and Recommendations**							
a	Revise Scenarios 1 - 4 based on preliminary results meeting	4	2		48		54	$9,250.00
b	Alternative scenarios as identified by City staff based on results of Scenarios 1 – 4 (maximum of 2 scenarios)	4	2		28		34	$6,250.00
c	Update recommendations based on final modeling	2	4		28		34	$6,020.00
d	Prepare final results exhibits		2		14		16	$2,630.00
e	Prepare final results presentation	4	2		20		26	$5,050.00
	Subtotal:	**14**	**12**	**0**	**138**	**0**	**164**	**$29,200.00**

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Attachment A
City of Conroe
Whole Water System Hydraulic Evaluation
Level Of Effort

ATTACHMENT A LEVEL OF EFFORT (Lockwood, Andrews & Newnam)			Project Principal	Senior Project Manager	Sr. / Sup. Engineer	Graduate Engineer	Administrator	Sub-total Man-hours	Subtotal (cost $)
Date:	February 27, 2025								
	Billing Rate per Hour		$380.00	$265.00	$217.00	$150.00	$120.00		
Task No.	**Task Description**								
Task 6.0	**Technical Memorandum**								
a	Prepare draft technical memorandum		4	16		44		64	$12,360.00
b	Incorporate improvement costs from City staff			2		4		6	$1,130.00
c	Address city comments on draft and finalize memorandum		2	2		20		24	$4,290.00
		Subtotal:	4	20	0	68	0	94	$17,780.00
Task 7.0	**Project Management and Administration**								
a	Project Management and Administration		4	36				40	$11,060.00
b	Quality Control / Quality Assurance		8		36			44	$10,852.00
		Subtotal:	12	36	36	0	0	84	$21,912.00
	Reimbursable Expenses								
1.0	Printing and Reproduction of Deliverables								$51.00
2.0	Mileage								$0.00
		Subtotal:							$51.00
		Total Hours	102.0	121.0	42.0	768.0	6.0	1041.0	
		Total Dollars	$38,760.00	$32,065.00	$9,114.00	$115,200.00	$720.00	$195,859.00	
								Total Project Cost:	**$196,670.00**

CERTIFICATE OF LIABILITY INSURANCE

1/1/2026 | DATE (MM/DD/YYYY) 2/28/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Lockton Companies, LLC 444 W. 47th St., Ste. 900 Kansas City MO 64112-1906 (816) 960-9000 kcasu@lockton.com	CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS:
INSURED 1400482 LOCKWOOD, ANDREWS & NEWNAM, INC. 3700 W. SAM HOUSTON, PKWY SOUTH SUITE 400 HOUSTON TX 77042	INSURER(S) AFFORDING COVERAGE — NAIC # INSURER A : The Continental Insurance Company — 35289 INSURER B : American Casualty Company of Reading, PA — 20427 INSURER C : National Fire Insurance Co of Hartford — 20478 INSURER D : INSURER E : INSURER F :

COVERAGES **CERTIFICATE NUMBER:** 21465518 **REVISION NUMBER:** XXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	[X] COMMERCIAL GENERAL LIABILITY [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [X] PRO-JECT [ ] LOC [ ] OTHER:	N	N	7094841932	1/1/2025	1/1/2026	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG $	$ 1,000,000 $ 300,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $
A	AUTOMOBILE LIABILITY [X] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [ ] HIRED AUTOS ONLY [ ] NON-OWNED AUTOS ONLY	N	N	BUA 7094841929	1/1/2025	1/1/2026	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) $	$ 1,000,000 $ XXXXXXX $ XXXXXXX $ XXXXXXX $ XXXXXXX
A	[X] UMBRELLA LIAB [X] OCCUR [ ] EXCESS LIAB [ ] CLAIMS-MADE [ ] DED [X] RETENTION $ 10,000	N	N	CUE 7095075800	1/1/2025	1/1/2026	EACH OCCURRENCE AGGREGATE $	$ 1,000,000 $ 1,000,000 $ XXXXXXX
B C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y/N [N] N/A If yes, describe under DESCRIPTION OF OPERATIONS below		N	WC 7094841946 WC 7094841963	1/1/2025 1/1/2025	1/1/2026 1/1/2026	[X] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
RE: PROJECT: CONROE WHOLE WATER SYSTEM HYDRAULIC EVALUATION.

CERTIFICATE HOLDER

21465518
CITY OF CONROE
300 W. DAVIS, PO BOX 3066
CONROE, TX 77305

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Joseph M Agnello

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CERTIFICATE OF INTERESTED PARTIES

FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY
CERTIFICATION OF FILING

Certificate Number:
2025-1276081

Date Filed:
03/03/2025

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
Lockwood, Andrews & Newnam, Inc.
Houston, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
City of Conroe

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
03032025
Whole Water System Hydraulic Evaluation

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
Daly, III, Leo A.	Washington, DC United States	X	
Benes, Edward G.	Houston, TX United States	X	
Swafford, C. Wayne	Houston, TX United States	X	
Hennick, Bradley	Toronto Ontario Canada	X	
Commisso, Arty	Toronto Ontario Canada	X	
Faulds, Michael	Toronto Ontario Canada	X	
Gilbreath, Stephen A.	Houston, TX United States	X	

5 Check only if there is NO Interested Party. ☐

6 UNSWORN DECLARATION

My name is Mackrena L. Ramos, and my date of birth is 10/22/1975.

My address is 3700 West Sam Houston Parkway South, Ste 400, Houston, TX, 77042, USA.
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Harris County, State of Texas, on the 4th day of March (month), 2025 (year).

Signature of authorized agent of contracting business entity
(Declarant)

SAM.GOV®

LOCKWOOD ANDREWS & NEWNAM INC

Unique Entity ID	CAGE / NCAGE	Purpose of Registration
H5FREL2JLPU9	**4G408**	**All Awards**
Registration Status	Expiration Date	
Active Registration	**Oct 15, 2025**	
Physical Address	Mailing Address	
3700 W Sam Houston PKWY S STE 400 **Houston, Texas 77042-5121** **United States**	**3700 W Sam Houston PKWY S STE 400** **Houston, Texas 77042-5121** **United States**	

Vendor Performance Tracking System
by Texas SmartBuy

Vendor Grade	Vendor Name	PO Number	PO Amount	Agency Name	Class	Report Grade
B	Lockwood Andrews and Newman Inc	EP020020:27	$ 124,500.00	Gen. Land Off. & Vet. Land Bd. - 305	90600-Architectural Services, Professional; ,92500-Engineering Services, Professional;	B
B	Lockwood Andrews and Newman Inc	515199	$ 458,105.00	Parks & Wildlife Department - 802	92517-Civil Engineering;	D
B	Lockwood Andrews and Newman Inc	EP010836:132	$ 79,973.20	Gen. Land Off. & Vet. Land Bd. - 305	90600	B
B	Lockwood Andrews and Newman Inc	524450	$ 197,893.00	Parks & Wildlife Department - 802		A
B	Lockwood Andrews and Newman Inc	EP010836:6	$ 143,910.00	Gen. Land Off. & Vet. Land Bd. - 305	92533	A
B	Lockwood Andrews and Newman Inc	502881	$ 6,099.00	Parks & Wildlife Department - 802		B

Total $ 1,010,480.20

Meeting Date: 06/25/2025
Department: Public Works
Contact: Norman McGuire, Asst. City Administrator and Public Works Director
Submitted By: Brandy Taylor, Contract Administrator

Workshop

Item Type: Bid Award

Mayor Coon
Joint Meeting: No Joint Meeting

Description
Discuss the proposal for Impact Fee Study with Freese and Nichols.

Summary/Recommendation
Discuss the proposal from Freese and Nichols, Inc. in the amount of $549,500 to conduct a comprehensive Impact Fee Study for the City's water, wastewater, and street systems.
Freese and Nichols was selected through the Sealed Request for Qualifications (RFQ) process, ensuring a transparent and competitive evaluation based on qualifications and experience. This vendor has demonstrated full compliance with all required documentation and regulatory criteria. Freese and Nichols holds a Class "A" vendor rating on Texas SmartBuy, as maintained by the Texas State Comptroller's Office and submitted all the required documents (i.e. Certificate of Insurance, Form 1295 (Certificate of Interested Parties), SAM.gov registration status, confirming active status, not part of a watch or any federal or state debarment lists). The proposed Impact Fee Study will support strategic infrastructure planning and funding mechanisms aligned with anticipated growth, ensuring that new development contributes equitably to the cost of expanding public services. Based on the vendor's strong qualifications, prior Council direction, and successful compliance with all procurement and legal requirements, staff recommends moving forward with the proposal from Freese and Nichols.

1. Is the request necessary?
Yes, this will benefit vital infrastructure throughout the City.

2. Why was the item not budgeted in the normal budget process?
This is a professional service that was not part of the original budget process.

3. Why can a transfer not be made within the department?
This was not budgeted.

Source of Funds & Amount of Amendment Needed:

Reserves: $549,500	Grants: $
Bond Proceeds: $	Additional Revenues: $

5-Year Budget Impact

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Revenues						
Expenditures						
Personnel	$	$	$	$	$	$
Supplies						
Contractual	$549,500					$549,500
Capital						
Total	**$549,500**	**$**	**$**	**$**	**$**	**$549,500**
Net Impact	**($549,500)**	**$**	**$**	**$**	**$**	**($549,500)**

City of Conroe Financial Management Policy, Section V.B. - The budget may be amended by using the following criteria for evaluation of requests. The following questions must be answered by the appropriate department head prior to submittal to the City Council for approval and shall be included as a part of the agenda packet:

The Director of Finance certifies that there are available revenues in excess of those estimated in the budget or that unreserved/unencumbered fund balance is available.

Fiscal Impact

Expenditure Amount: $549,500
Revenue Amount:
Account Number: Multiple - See Notes

Budget Amendment Required Y/N: Y
Financial Review Complete: MM
Financial Review Notes:
001-1800-8060 $230,850; 002-2900-8060 $318,650. Allocation is based on 58% for Water and Wastewater and 42% for Roadway.

Attachments

Proposal
COI
Form 1295
Sam.gov Status
Vendor Performance Tracking Rating

REVIEWED
By Brandy Taylor at 1:01 pm, Jun 16, 2025

FREESE AND NICHOLS

Innovative approaches
Practical results
Outstanding service

10497 Town and Country Way, Suite 500 + Houston, Texas 77024 + 713-600-6800 + FAX 817-735-7491 www.freese.com

June 12, 2025

Brandy Taylor
City of Conroe
401 Sgt. Ed Holcomb Blvd.
Conroe, Texas, 77301

RE: WATER, WASTEWATER, AND ROADWAY IMPACT FEE STUDY; CITY OF CONROE, TEXAS

Dear Ms. Taylor:

Freese and Nichols, Inc. (FNI) is pleased to submit the attached contract proposal, dated June 11th, 2025, for a Water, Wastewater, and Roadway Impact Fee Study for the City of Conroe.

We appreciate this opportunity to assist the City of Conroe. If you are in agreement with the services described in the attached proposal and wish for us to proceed with this project, please return a final professional services agreement for execution. If additional information or clarification is desired, please do not hesitate to contact us at (832) 456-4747 or via e-mail at: ishita.rahman@freese.com.

We are looking forward to working with you on this important study for the City of Conroe.

Sincerely,

Ishita Rahman

Ishita Rahman, PE
Associate/Project Manager
Freese and Nichols, Inc.

Richard Weatherly

Richard Weatherly, PE
Vice President/Principal-In-Charge
Freese and Nichols, Inc.

ATTACHMENT A

CITY OF CONROE
WATER, WASTEWATER, AND ROADWAY IMPACT FEE STUDY
PROFESSIONAL ENGINEERING SCOPE OF SERVICES

PROJECT UNDERSTANDING

Freese and Nichols, Inc. (FNI) will conduct a Water, Wastewater, and Roadway Impact Fee Study (Project) for the City of Conroe (City).

This Scope of Work will address the requirements, as per Chapter 395 of the Texas Local Government Code, for the development of a water, wastewater, and roadway impact fee program in the City of Conroe, Texas. This study will develop land use assumptions for the impact fees calculation and identify impact fee eligible capital improvements plan (CIP) projects from the City's recently completed/ongoing 2022 Water Master Plan Update, 2025 Wastewater Master Plan Update, and the City's Roadway Capital Improvements Program and Thoroughfare Plans. The impact fee study will calculate the maximum allowable water, wastewater, and roadway impact fee per service unit and develop service unit equivalency tables. A credit analysis will be conducted to define collection rate ceilings above the traditional 50% credit.

Public processes facilitated through a Capital Improvement Advisory Committee (CIAC) will assist to guide the preparation of the land use assumptions and capital improvement plans as well as provide recommendations to the City Council on impact fee collection rates. A public hearing process will conclude the study and development of impact fees in Conroe. The project tasks are broken down in **Table 1**:

Table 1: Water, Wastewater, and Roadway Impact Fee Tasks

Task	Task Description
Basic Services	
A	Project Management, Data Collection, and Coordination
B	Stakeholder Coordination
C	Land Use Assumptions Development
D	Water and Wastewater Impact Fee Analysis
E	Roadway Impact Fee Analysis
F	Impact Fee Documentation
G	Impact Fee Public Meetings and Presentations

Items Assumed to be Provided by the City

1. Conroe's existing water system hydraulic model
2. List of ongoing/recently completed water, wastewater, and roadway capital projects with actual/planned costs.
3. Information on annual consolidated financial report, current cash and debt financing, interest earnings, and applicable credits associated with utility service and ad valorem revenues.
4. Current outstanding debt amortization schedules associated with each existing debt financed project.
5. Financing method for all existing and future projects.

Study Assumptions

1. FNI will utilize CIP project recommendations from the City's 2022 Water Master Plan Update, 2025 Wastewater Master Plan Update, and latest adopted Thoroughfare Plan in the calculation of

maximum allowable water, wastewater, and roadway cost per service unit.

2. FNI will utilize the hydraulic water and wastewater models updated as part of the City's 2022 Water Master Plan Update and 2025 Wastewater Master Plan Update, respectively, during the impact fee project utilizations.

BASIC SERVICES: FNI may render the following professional services to the City in connection with the project, described as: **Water, Wastewater, and Roadway Impact Fee Study**.

TASK A: PROJECT MANAGEMENT, DATA COLLECTION AND COORDINATION

A1. Project Kickoff Meeting

FNI will conduct an initial project kick-off meeting with the City to review proposed scope of services, approach, goals and deliverables of the study. FNI will introduce project staff and provide a data request identifying data needs. This meeting will be an in-person meeting with virtual option. The meeting will include discussion of the following:

- Methodology and approach
- Schedule and project communication
- Information and data needs from the City

A2. Project Management and Communication

Throughout the project, monthly status reports will be submitted that summarize the progress and document upcoming tasks. The monthly status updates will outline any upcoming key decisions which require input from or discussion with the City.

- FNI will conduct monthly 30-minute check-in/coordination meetings with the City Project Manager to apprise of project efforts, upcoming efforts, and any project needs.

A3. Data Collection and Review

FNI will coordinate with City staff on obtaining data required for the water, wastewater, and roadway impact fee. FNI will develop a data request that could include the following: available water, wastewater, and roadway inventories, the City's latest GIS data, previous water, wastewater, and roadway studies, information on water, wastewater, and roadway projects currently under design and in construction (including costs), existing and future land use, population, employment, and development information, water and wastewater facility information and operational data, historical water production and wastewater effluent data, information on water meters, monthly water usage and billing addresses, and a monthly count of active water meters. FNI will perform traffic volume data collection at up to thirty (30) locations in the city and coordinate with the City in identifying locations for traffic data collection. Data collected will be limited to PM peak hour directional volume tube counts.

FNI will conduct up to two (2) virtual meetings with City staff on this task.

Task A Products: Project goals, schedule, deliverables, and identification of relevant data needs to City staff.

TASK B: STAKEHOLDER COORDINATION

B1. Additional Stakeholder Coordination Meetings

FNI will prepare for and attend stakeholder coordination meetings to discuss future development plans, water demand and wastewater flow projections, and infrastructure needs.

- Up to six (6) coordination meetings with developers and stakeholders are included. FNI will identify presentation materials to be used that shall be reviewed/approved by the City in advance of meetings. Data collection or other research materials to support such meetings shall be limited. Meetings will be limited to one (1) hour.

Task B Products: Summary and minutes from stakeholder coordination meetings.

TASK C: LAND USE ASSUMPTIONS DEVELOPMENT

The impact fee CIP is required to be based upon a set of adopted land use assumptions (LUAs), which includes a "description of the service area(s) and projections of changes in land use, densities, intensities, and population in the service area over at least a ten-year period." Although no particular format is specified in the Texas statue, the key components of the LUAs include description and analysis of existing conditions, determination of service areas (s) for capital facilities and 10-year growth projections (2025-2035).

C1. Define Impact Fee Service Areas

The impact fee program service area structure will be delineated for roadway, water, and wastewater systems that conform with requirements set forth in Chapter 395, Texas Local Government Code. Water and wastewater service area delineation will consider the City limits, Extraterritorial Jurisdiction (ETJ), and Certificate of Convenience and Necessity (CCN) for water and wastewater.

The roadway service area boundaries will be developed based on the review of the following information:

- Existing traffic survey zones (TSZ from the travel demand model).
- Projected growth patterns.
- Potential roadway projects.
- Existing geographic features.
- Existing thoroughfare system.
- Conformance with legislative requirements.

FNI will conduct one (1) virtual meeting with City staff on this task. Following the completion of this task, City Staff will review and approve the service area structure prior to commencement of supplemental tasks. It is anticipated that the development of one service area structure will be prepared for this task.

C2. Develop Land Use Assumptions

FNI will utilize data provided by the City on land use, existing population and employment, and future growth along with information from developers, the City's latest Water Master Plan Update, Wastewater Master Plan Update, Comprehensive Plan, and data from Houston-Galveston Area Council (H-GAC), as needed, during the land use assumption development process. The City will provide criteria for determination of any

parcel redevelopment potential. Utilizing collected and city-provided information, FNI will develop population and employment projections for the base (2025), 10-year (2035) and buildout planning periods for the water, wastewater, and roadway service areas. Population and employment will be spatially located throughout the service areas.

FNI will utilize this information and equivalent capacity of water meters to establish the service unit equivalents (SUEs) required in Chapter 395 of the Local Government Code for both existing and 10-year growth conditions for water and wastewater.

The LUA will also serve in developing ten-year demands by roadway service area. Net population and employment growth, in conjunction with the land use service unit equivalency table (developed as part of **Task E7**), will be utilized to calculate net VMT growth by service area.

C3. Progress Meeting: Review Land Use Assumptions and Service Unit Projections

FNI will meet with the City to review the land use assumptions, service unit projections by service area, and roadway demand, water demand and wastewater flow projections. This meeting will be an in-person meeting with virtual option. FNI will address comments from City staff and make revisions, as necessary.

Task C Products:

- *Delineation of water, wastewater, and roadway impact fee service area boundaries.*
- *Identification of ten-year land use assumptions for roadway, water, and wastewater impact fee programs.*

FNI will seek City Staff concurrence/sign-off of land use assumptions prior to presentation to the Capital Improvements Advisory Committee (CIAC) for comment and conducting the impact fee calculations.

TASK D: WATER AND WASTEWATER IMPACT FEE ANLAYSIS

D1. Inventory of Water and Wastewater

FNI will develop an inventory of the existing water and wastewater infrastructure for the impact fee service areas. The existing inventory will contain facility names and existing capacity.

D2. Projected Water Demands and Wastewater Flows

FNI will utilize the per-capita residential and non-residential planning criteria from the City's latest water and wastewater master plans and input from City staff to develop future water demands and wastewater flow projections. Existing demand and flow information will be developed using city-provided water production, consumption, and wastewater effluent data. Water demands and wastewater flows will be developed for existing (2025) and 10-year (2035) impact fee planning periods for the water and wastewater impact fee service areas. Buildout projections will also be calculated based on the land use assumptions developed in **Task C2**. The demands and flows will be utilized during the maximum allowable impact fee calculations.

D3. Identify Existing and Future Water and Wastewater Improvements Eligible for Impact Fees

FNI will utilize City-provided list of ongoing and recently completed projects with project details (size,

capacity, extent, GIS shapefiles etc.) and City's total cost for those projects (including design, construction, land acquisition, etc.). FNI will utilize updated water demands and wastewater flows from **Task D2** to analyze the ongoing and recently completed projects for remaining capacity for impact fee cost recovery for 10-year projected growth. FNI will utilize the City's existing water and wastewater hydraulic models during this process.

FNI will identify the 10-year impact fee eligible water and wastewater CIP projects from the 2022 Water Master Plan Update and 2025 Wastewater Master Plan Update. The impact fee eligible projects will be identified based on the updated growth projections developed as part of **Task C2** and utilizing the hydraulic models, as needed. Project sizing will be evaluated with the latest growth projections in the hydraulic model. During this process, FNI will utilize the modeling scenarios developed as part of the master plans and apply the updated impact fee planning period demands and flows to the model to evaluate master plan recommended projects. No updates to project prioritization or routing will be made. FNI will develop updated planning level project costs as needed in 2025 dollars. Large scale citywide maps will be produced showing proposed impact fee eligible project locations.

One (1) capital improvement plan scenario is included as part of this scope. Revisions or additional scenarios will be at additional cost.

D4. Project Meeting: Review Draft Water and Wastewater Impact Fee CIP

FNI will meet with the City to discuss the draft 10-year impact fee eligible water and wastewater CIP. This meeting will be an in-person meeting with virtual option. FNI will solicit comments from the City.

D5. Preparation of Water and Wastewater Impact Fee Project Database

FNI will utilize the information contained in the Capital Improvement Program to develop a water and wastewater projects database for the impact fee. This database will include project name and description, size/capacity, project type, and project cost.

D6. Calculate Water and Wastewater Maximum Allowable Impact Fees

FNI will calculate the portion of the water and wastewater capital project's costs eligible for impact fee cost recovery based on the portion of the project's capacity required to serve growth in the 10-year planning period. FNI will coordinate with the City Finance Department to determine appropriate assumptions for debt service financing.

FNI will calculate maximum allowable water and wastewater impact fees per service unit based on the existing and proposed capital improvement costs to support 10-year growth conditions. FNI will perform an analysis to determine the credit based on utility service revenue that should be included in the calculation to determine the maximum allowable water and wastewater impact fee.

During this process, FNI will utilize city-provided information on annual consolidated financial report, current cash and debt financing, interest earnings, and applicable credits associated with utility service revenues. To perform the credit analysis, FNI will require the City to identify the financing method for all existing and future

projects and provide current outstanding debt amortization schedules associated with each existing debt financed project. The credit analysis will establish the maximum ceiling for impact fees by infrastructure and service area type.

FNI will conduct up to two (2) virtual meeting with the City's finance department for this task.

D7. Progress Meeting: Review Water and Wastewater Impact Fee Calculations

FNI will meet with City staff to review the maximum allowable water and wastewater impact fee calculations. This meeting will be an in-person meeting with virtual option. FNI will address comments from City staff and make revisions, as necessary.

Task D Products:

- *Water and wastewater impact fee eligible CIP projects.*
- *Water and wastewater calculated maximum allowable impact fee per service unit.*

TASK E: ROADWAY IMPACT FEE ANLAYSIS

E1. Inventory of Existing Roadways

FNI will prepare an inventory of existing roadways for each of the service areas. The existing inventory will contain the following information of collector and arterial status roadways by service area:

- Roadway segment name
- Roadway segment limits
- Length (in miles)
- Number of lanes
- Type (divided, undivided, minor arterial, major arterial, etc.)
- Existing traffic volume (by direction during the peak hour)
- Capacity supplied
- Existing deficiencies (in any)

E2. Projected Roadway Demand

The service unit equivalency table (**Task E7**) developed and supplemented with data from the land use assumptions (**Task C**) will serve as the basis for determination of the number of new service units that will be generated within the 10-year planning period. Ten-year demands for the planning period will be generated by roadway service area.

E3. Roadway Impact Fee Capital Improvement Plan (IFCIP)

FNI will work closely with City Staff to prepare a roadway impact fee CIP. This process will be rooted in the recently adopted Thoroughfare Plan and include the identification of specific roadway projects (and proposed project limits), cost estimates, and design characteristics. Planning level cost estimates to be developed include construction, engineering, right-of-way, and debt service. Unit cost data by roadway functional class/facility type will be developed and confirmed by City Staff at the outset of CIP preparation process and serve as a basis for the development of CIP project costs. The following information will be developed:

- Roadway segment name
- Proposed project limits
- Number of lanes
- Length
- Project cost

One (1) capital improvement plan scenario is included as part of this scope. Revisions or additional scenarios will be at additional cost.

E4. Progress Meeting: Review Roadway Impact Fee CIP

FNI will meet with City Staff to discuss draft roadway CIP projects for the impact fee analysis. This meeting will be an in-person meeting with virtual option. City's comment/approval will be solicited.

E5. Preparation of Roadway Impact Fee Project Database

FNI will utilize the information contained in the Capital Improvement Program to develop a roadway projects database for the impact fee and proportionality systems. This database will include for each service area the following information:

- Roadway segment name
- Roadway segment limits
- Number of lanes
- Length
- Type
- Cost
- Number of vehicle-miles of capacity supplied

E6. Calculation of Maximum Cost per Service Unit

Based on the information developed in previous tasks, FNI will calculate the maximum cost per service unit necessitated by growth over the 10-year planning period for each roadway service area. A credit analysis will be performed to determine the maximum cost per service unit defined by state law.

FNI will perform the analysis by using city-provided information on annual consolidated financial report, current cash and debt financing, and applicable credits associated with the use of ad valorem revenues. To perform the credit analysis, FNI will require the City to identify the financing method for all existing and future projects and provide current outstanding debt amortization schedules associated with each existing debt financed project. The credit analysis will establish the maximum ceiling for impact fees by infrastructure and service area type.

E7. Development of Land Use Equivalency Table

FNI will prepare a listing of specific land use type (based on ITE land use categories) and develop a recommended service unit generation rate for each land use. The service unit generation rate will be based on the number of primary trips generated by the land use during the peak hour, and the average trip length

of each trip. Trip generation data will be based on published statistics contained in the ITE Trip Generation Manual, 11th Edition. Trip length data from the National Household Travel Survey (NHTS), travel statistics from the H-GAC regional travel demand model, or data from the Census Bureau will be used to serve as a basis for derived lengths for individual land uses.

A draft listing of land uses will be provided at the outset of study for City Staff review and comment of land uses for inclusion into final documentation. Land use equivalencies will be based solely upon available published data from the ITE Trip Generation Manual, 11th Edition.

E8. Progress Meeting: Review Roadway Impact Fee Calculation

FNI will meet with City Staff to discuss forecasted demand by service area and potential CIP projects to address growth needs. This meeting will be an in-person meeting with virtual option. Based on staff comments, FNI will amend the impact fee CIP projects for comment by CIAC. Note: This meeting will be coordinated with the review of water and wastewater impact fee calculations (see **Task D7**).

Task E Products:

- *Roadway impact fee eligible CIP projects.*
- *Calculated maximum allowable roadway impact fee per service unit by service area.*

TASK F: IMPACT FEE DOCUMENTATION

F1. Conduct Survey of Benchmark Cities for Current Water, Wastewater, and Roadway Impact Fees

FNI will conduct a survey of benchmarked cities (up to eight) and obtain their latest water, wastewater, and roadway impact fees and compare with the calculated maximum allowable Conroe impact fees. Graphs will be prepared for single-family residential land use only.

F2. Develop Draft Water, Wastewater, and Roadway Impact Fee Land Use and CIP Report

FNI will prepare a draft Water, Wastewater, and Roadway Impact Fee LUA and CIP Report documenting water, wastewater, and roadway impact fee land use assumptions and eligible capital improvement costs. One (1) electronic PDF copy will be provided to City staff for review. FNI will incorporate City staff comments.

F3. Progress Meeting: Review Draft Water, Wastewater, and Roadway Impact Fee LUA and CIP Report

FNI will meet with City staff to review City staff's comments on the draft Water, Wastewater, and Roadway Impact Fee LUA and CIP Report . This will be a virtual meeting.

F4. Develop Final Water, Wastewater, and Roadway Impact Fee LUA and CIP Report

FNI will prepare a final Water, Wastewater, and Roadway Impact Fee LUA and CIP Report addressing City's comments and deliver one (1) electronic PDF copy to the City.

F5. Develop Draft Water, Wastewater, and Roadway Impact Fee Report

FNI will prepare a draft Water, Wastewater, and Roadway Impact Fee Report documenting land use assumptions, water, wastewater, and roadway impact fee eligible capital improvement costs, and maximum

allowable water, wastewater, and roadway impact fees. One (1) electronic PDF copy will be provided to City staff for review. FNI will incorporate City staff comments.

F6. Progress Meeting: Review Draft Water, Wastewater, and Roadway Impact Fee Report

FNI will meet with City staff to review City staff's comments on the draft Water, Wastewater, and Roadway Impact Fee Report. This will be a virtual meeting.

F7. Finalize Water, Wastewater, and Roadway Impact Fee Report

FNI will prepare a final Water, Wastewater, and Roadway Impact Fee Report and deliver one (1) electronic PDF copy to the City. The final report shall be sealed by a licensed engineer from the State of Texas.

Task F Products:

- *Draft and Final Water, Wastewater, And Roadway Impact Fee Land Use Assumptions and Capital Improvement Plan Report.*
- *Draft and Final Water, Wastewater, And Roadway Impact Fee Report.*

TASK G: IMPACT FEE PUBLIC MEETINGS AND PRESENTATIONS

State mandate requires via Council Resolution the appointment of the CIAC to provide comment on Land Use Assumptions, Capital Improvement Plans, and the Impact Fee to the City Council. Action will be required of the CIAC for the study to progress through follow-on tasks. FNI will support City Staff with identifying meeting needs (sample agenda language, required action and meeting materials) with CIAC and City Council. FNI will also assist the City with CIAC appointment requirements and provide sample resolution language for staff use in preparation of public resolutions.

G1. Conduct Impact Fee 101 Presentations

FNI will conduct up to two (2) Water, Wastewater, and Roadway Impact Fee 101 presentations to CIAC and/or City Council.

G2. Presentations to Capital Improvements Advisory Committee (CIAC)

Following review of analysis and reports by City Staff, FNI will conduct two (2) presentations of results of the water, wastewater, and roadway impact fee analysis results to the Capital Improvements Advisory Committee (CIAC). The presentations include:

- Presentation on impact fee LUA and CIP
- Presentation on calculated water, wastewater and roadway impact fees

G3. Presentation to Council on Land Use and CIP

FNI will prepare and conduct one (1) presentation on the LUA and CIP to the City Council prior to the public hearing.

G4. Public Hearing on Land Use Assumptions, CIPs, and Impact Fee Calculations

FNI will assist the City in preparing the presentation material for public hearings. FNI will attend two (2) Public Hearings on Impact Fees and be available to answer questions. Costs associated with Public Hearings Notices

are not included in the FNI budget. The public hearings include:

- Public hearing on impact fee Land Use Assumptions and CIP
- Public hearing on calculated water, wastewater and roadway impact fees

G5. Impact Fee Calculator

This task will focus on the development of a fee calculator preloaded with technical data that can be used to facilitate quick calculation of total fees (roadway, water, and wastewater) based on specific development information provided by an applicant. The fee calculator will be prepared using Microsoft Excel. Technical data will include impact fee service areas, adopted cost per service units for roads, water, and wastewater elements, and updated service unit equivalencies.

FNI will conduct up to two (2) virtual meetings with City staff on this task.

Task G Products:

- *Meetings with city staff, advisory committee, and City Council.*
- *Attendance at meetings during the impact fee public processes.*
- *Development of impact fee calculator.*

Summary of Meetings

- Project Kickoff Meeting
- Progress Meeting: Review Land Use Assumptions and Service Unit Projections
- Progress Meeting: Review Draft Water and Wastewater Impact Fee CIP
- Progress Meeting: Review Water and Wastewater Impact Fee Calculations
- Progress Meeting: Review Roadway Impact Fee CIP
- Progress Meeting: Review Roadway Impact Fee Calculation
- Progress Meeting: Review Draft Water, Wastewater, and Roadway Impact Fee LUA and CIP Report
- Progress Meeting: Review Draft Water, Wastewater, and Roadway Impact Fee Report

Additional Meetings:

- Eight (8) monthly 30-minute check-in/coordination meetings with the City's Project Manager
- Up to six (6) coordination meetings with Developers and Stakeholders
- Two (2) virtual meetings regarding data collection with City staff.
- One (1) virtual meeting on impact fee service areas with City staff.
- Two (2) virtual meetings with the City's finance department regarding the impact fee credit analysis.
- Two (2) virtual meetings regarding impact fee calculator.
- Five (5) additional virtual meetings regarding data collection and review of process, results, or presentations with City staff.

Summary of Presentations

- Two (2) Impact Fee 101 Presentations with CIAC and/or City Council
- Two (2) Presentations to the Capital Improvements Advisory Committee (CIAC) on Land Use Assumptions, CIPs, and Maximum Allowable Impact Fees
- One (1) Presentation to City Council on LUA and CIP
- Two (2) Public Hearing Presentations on Land Use Assumptions, CIP, and Impact Fees

List of Deliverables

- Draft Water, Wastewater, and Roadway Impact Fee LUA and CIP Report
- Final Water, Wastewater, and Roadway Impact Fee LUA and CIP Report
- Draft Water, Wastewater, and Roadway Impact Fee Report
- Final Water, Wastewater, and Roadway Impact Fee Report
- Impact Fee Calculator

Summary of Fee for Engineering Services

FNI proposes to perform the **Basic Services** outlined in the above sections for a **total lump sum project fee of $549,500**.

Table 2: Breakdown of Basic Services Fee by Task

Task	Task Description	Lump Sum Fee
A	Project Management, Data Collection, and Coordination	$48,900
B	Stakeholder Coordination	$53,700
C	Land Use Assumptions Development	$58,100
D	Water and Wastewater Impact Fee Analysis	$139,000
E	Roadway Impact Fee Analysis	$100,700
F	Impact Fee Documentation	$78,800
G	Impact Fee Public Meetings and Presentations	$70,300
	Total	**$549,500**

TIME OF COMPLETION: FNI is authorized to commence work on the Project upon execution of this Agreement and agrees to complete the services as follows:

- Draft Water, Wastewater, and Roadway LUA and CIP Report – 360 days after NTP
- Final Water, Wastewater, and Roadway LUA and CIP Report – 15 days after receiving City Comments
- Draft Water, Wastewater, and Roadway Impact Fee Report - 450 days after NTP
- Final Water, Wastewater, and Roadway Impact Fee Report – 15 days after receiving City Comments

If FNI's services are delayed through no fault of FNI, FNI shall be entitled to adjust contract schedule consistent with the number of days of delay. These delays may include but are not limited to delays in City or regulatory reviews, delays on the flow of information to be provided to FNI, governmental approvals, etc. These delays may result in an adjustment to compensation as outlined on the face of this Agreement.

ADDITIONAL SERVICES: Any services performed by FNI that are not included in the Basic Services described above are Additional Services. Fees to perform these services are **not included** in the Basic Services fee shown above.

Additional Services that can performed by FNI, if authorized by City, are described as follows. These services would require additional fee and require an update to the overall project schedule.

- **Additional Presentation(s) to CIAC:** FNI will prepare a presentation and present at additional CIAC meetings as requested by City staff.
- **Additional Presentation(s) to Council:** FNI will prepare a presentation and present at additional

Council meetings as requested by City staff.

- **Additional Traffic Count Data Collection:** FNI will collect additional traffic count data.
- **Additional Stakeholder Coordination Meetings:** FNI will conduct/attend additional stakeholder coordination meetings beyond the four meetings listed in Basic Services scope.
- **New Impact Fee CIP Project Identification**: As part of the Basic Services, FNI will utilize the water, wastewater, and roadway CIP projects already identified in prior studies. FNI can conduct system analysis and develop new proposed CIP projects as an additional service.
- **Other Impact Fee Studies**: If the City desires, FNI will perform a stormwater impact fee study.
- **Other services** that may include economic analysis, ordinance review, policy development support, legal support, noticing support for public meetings, etc.
- **Potential Changes in Impact Fee Legislation:** FNI will advise the city on potential changes in state law regarding the development and implementation of such programs but cannot be held responsible for changes by the State Legislature. This scope is predicated on current state law. Should any change materially affect the development of the impact fee program, FNI will meet with the City to discuss ramifications and necessary budget amendments. If a change in state law occurs, FNI will prepare a budget amendment for execution by the City prior to continuance of work.

FREEAND-02 KSUTTON

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 6/9/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	CONTACT NAME:	
Ames & Gough 8300 Greensboro Drive Suite 980 McLean, VA 22102	PHONE (A/C, No, Ext): (703) 827-2277	FAX (A/C, No): (703) 827-2279
	E-MAIL ADDRESS: admin@amesgough.com	

INSURED	INSURER(S) AFFORDING COVERAGE	NAIC #
Freese and Nichols, Inc. 801 Cherry Street, Suite 2800 Fort Worth, TX 76102	INSURER A : National Fire Insurance Company of Hartford A(XV)	20478
	INSURER B : Valley Forge Insurance Company A(XV)	20508
	INSURER C : Continental Insurance Company A(XV)	35289
	INSURER D : Travelers Casualty and Surety Company A++. XV	19038
	INSURER E :	
	INSURER F :	

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE / X OCCUR X Contractual Liab. GEN'L AGGREGATE LIMIT APPLIES PER: POLICY X PRO-JECT LOC OTHER:			7063394194	10/23/2024	10/23/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ 1,000,000 $ 1,000,000 $ 15,000 $ 1,000,000 $ 2,000,000 $ 2,000,000
B	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY / SCHEDULED AUTOS HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY			7063394177	10/23/2024	10/23/2025	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ 1,000,000 $ $ $
C	X UMBRELLA LIAB X OCCUR EXCESS LIAB CLAIMS-MADE DED X RETENTION $ 10,000			7063394180	10/23/2024	10/23/2025	EACH OCCURRENCE AGGREGATE	$ 10,000,000 $ 10,000,000
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N: N If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		7063394213	10/23/2024	10/23/2025	X PER STATUTE / OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	$ 1,000,000 $ 1,000,000 $ 1,000,000
D	Professional Liab.			107930947	10/23/2024	10/23/2025	Per Claim	5,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

PROFESSIONAL LIABILITY AGGREGATE LIMIT: $10,000,000

RE: Water, Wastewater, and Roadway Impact Fee Study

CERTIFICATE HOLDER

City of Conroe
401 Sgt. Ed Holcomb Blvd
Conroe, TX 77304

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



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CERTIFICATE OF INTERESTED PARTIES

FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY
CERTIFICATION OF FILING

Certificate Number:
2025-1323473

Date Filed:
06/12/2025

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
Freese and Nichols, Inc.
Fort Worth, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
City of Conroe

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
Contract
Water, Wastewater, and Roadway Impact Fee Study

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
Pence, Bob	Fort Worth, TX United States	X	
Coltharp, Brian	Fort Worth, TX United States	X	
Archer, Charles	Raleigh, NC United States	X	
Brown, Jessica	Fort Worth, TX United States	X	
Chambers, Robert	Fort Worth, TX United States	X	
Greer, Alan	Fort Worth, TX United States	X	
Hatley, Tricia	Oklahoma City, OK United States	X	
Payne, Jeff	Fort Worth, TX United States	X	
Reedy, Michael	Houston, TX United States	X	

5 Check only if there is NO Interested Party. ☐

6 UNSWORN DECLARATION

My name is Pam Fordtran, and my date of birth is February 12, 1962.

My address is 800 N. Shoreline, Suite 1600N (street), Corpus Christi (city), TX (state), 78401 (zip code), USA (country).

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Nueces County, State of Texas, on the 12th day of June (month), 2025 (year).

Pam Fordtran

Signature of authorized agent of contracting business entity
(Declarant)

SAM.GOV®

FREESE AND NICHOLS, INC.

Unique Entity ID	CAGE / NCAGE	Purpose of Registration
KKJCTMJ3HZJ4	**094S7**	**All Awards**
Registration Status	Expiration Date	
Active Registration	**May 8, 2026**	
Physical Address	Mailing Address	
801 Cherry ST STE 2800 **Fort Worth, Texas 76102-6803** **United States**	**801 Cherry ST STE 2800** **Fort Worth, Texas 76102-6803** **United States**	

Business Information

Doing Business as	Division Name	Division Number
(blank)	**(blank)**	**(blank)**
Congressional District	State / Country of Incorporation	URL
Texas 12	**Texas / United States**	**http://www.freese.com**

Registration Dates

Activation Date	Submission Date	Initial Registration Date
May 12, 2025	**May 8, 2025**	**Apr 9, 2002**

Entity Dates

Entity Start Date	Fiscal Year End Close Date
Jan 1, 1894	**Dec 31**

Immediate Owner

CAGE	Legal Business Name
(blank)	**(blank)**

Highest Level Owner

CAGE	Legal Business Name
(blank)	**(blank)**

Executive Compensation

In your business or organization's preceding completed fiscal year, did your business or organization (the legal entity to which this specific SAM record, represented by a Unique Entity ID, belongs) receive both of the following: 1. 80 percent or more of your annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements and 2. $25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

No

Does the public have access to information about the compensation of the senior executives in your business or organization (the legal entity to which this specific SAM record, represented by a Unique Entity ID, belongs) through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

Not Selected

Proceedings Questions

Is your business or organization, as represented by the Unique Entity ID on this entity registration, responding to a Federal procurement opportunity that contains the provision at FAR 52.209-7, subject to the clause in FAR 52.209-9 in a current Federal contract, or applying for a Federal grant opportunity which contains the award term and condition described in 2 C.F.R. 200 Appendix XII?

Yes

Does your business or organization, as represented by the Unique Entity ID on this specific SAM record, have current active Federal contracts and/or grants with total value (including any exercised/unexercised options) greater than $10,000,000?

Yes

Within the last five years, had the business or organization (represented by the Unique Entity ID on this specific SAM record) and/or any of its principals, in connection with the award to or performance by the business or organization of a Federal contract or grant, been the subject of a Federal or State (1) criminal proceeding resulting in a conviction or other acknowledgment of fault; (2) civil proceeding resulting in a finding of fault with a monetary fine, penalty, reimbursement, restitution, and/or damages greater than $5,000, or other acknowledgment of fault; and/or (3) administrative proceeding resulting in a finding of fault with either a monetary fine or penalty greater than $5,000 or reimbursement, restitution, or damages greater than $100,000, or other acknowledgment of fault?

No

Exclusion Summary

Active Exclusions Records?

No

SAM Search Authorization

I authorize my entity's non-sensitive information to be displayed in SAM public search results:

Yes

Entity Types

Business Types

Entity Structure
Corporate Entity (Not Tax Exempt)

Entity Type
Business or Organization

Organization Factors
(blank)

Profit Structure
For Profit Organization

Socio-Economic Types

Check the registrant's Reps & Certs, if present, under FAR 52.212-3 or FAR 52.219-1 to determine if the entity is an SBA-certified HUBZone small business concern. Additional small business information may be found in the SBA's Dynamic Small Business Search if the entity completed the SBA supplemental pages during registration.

Financial Information

Accepts Credit Card Payments
No

Debt Subject To Offset
No

EFT Indicator
0000

CAGE Code
094S7

Electronic Funds Transfer

Account Type
Checking

Routing Number
*********14**

Lock Box Number
(blank)

Financial Institution
JPMORGAN CHASE BANK, NA

Account Number
*********67**

Automated Clearing House

Phone (U.S.)
8177357321

Email
AccountsReceivable@Freese.com

Phone (non-U.S.)
(blank)

Fax
8177357480

Remittance Address

FREESE AND NICHOLS, INC.
P.O. Box 980004
Fort Worth, Texas 76198
United States

Taxpayer Information

EIN
*******1935**

Type of Tax
Applicable Federal Tax

Taxpayer Name
FREESE AND NICHOLS INC

Tax Year (Most Recent Tax Year)
2024

Name/Title of Individual Executing Consent
Cfo

TIN Consent Date
May 8, 2025

Address
801 Cherry ST STE 2800
Fort Worth, Texas 76102

Signature
Gwen G Perez

Points of Contact

Accounts Receivable POC

Zuilma Gonzalez, Lead Corporate Accountant
zuilma.gonzalez@freese.com
8177357321

Electronic Business

Zuilma Gonzalez, Lead Corporate Accountant
zuilma.gonzalez@freese.com
8177357321

Freese And Nichols Inc
San Antonio, Texas 78216
United States

Stephanie Stephenson, Senior Contracts
stephanie.stephenson@freese.com
8177357224

Freese And Nichols Inc
801 Cherry ST Suite 2800
Fort Worth, Texas 76102
United States

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Matt C Shafer, Controller
mcs@freese.com
2142172238

Freese And Nichols Inc
801 Cherry ST Suite 2800
Fort Worth, Texas 76102
United States

Maria Aguilar
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3462498367

4055 International Plaza
STE 200
Fort Worth, Texas 76109
United States

Past Performance

John Wolfhope, Program Manager
JSW@freese.com
5126173100

10431 Morado Circle
Suite 300
Austin, Texas 78759
United States

Anthony Risko, Engineer VII
anthony.risko@freese.com
5126173185

Freese And Nichols Inc
10431 Morado CIRCLE, Bldg 5, Suite 300
Austin, Texas 78759
United States

Service Classifications

NAICS Codes

Primary	NAICS Codes	NAICS Title
Yes	**541330**	**Engineering Services**
	541310	**Architectural Services**
	541611	**Administrative Management And General Management Consulting Services**
	541620	**Environmental Consulting Services**

Size Metrics

IGT Size Metrics

Annual Revenue (from all IGTs)
(blank)

Worldwide

Annual Receipts (in accordance with 13 CFR 121)
$36,905,098,828.00

Number of Employees (in accordance with 13 CFR 121)
1291

Location

Annual Receipts (in accordance with 13 CFR 121)
(blank)

Number of Employees (in accordance with 13 CFR 121)
(blank)

Industry-Specific

Barrels Capacity
(blank)

Megawatt Hours
(blank)

Total Assets
(blank)

Electronic Data Interchange (EDI) Information

This entity did not enter the EDI information

Disaster Response

Yes, this entity appears in the disaster response registry.

Bonding Levels	Dollars
(blank)	**(blank)**

States	Counties	Metropolitan Statistical Areas
North Carolina	**(blank)**	**(blank)**
Oklahoma		
Texas		

Vendor Performance Tracking System(VPTS)
by Texas SmartBoard

Vendor Grade	Vendor Name	Agency Name	PO Number	PO Amount	Contract Id	Report Grade	Vendor Address	Vendor City	Date Published
A	FREESE AND NICHOLS INC	Gen. Land Off. & Vet. Land Bd. - 305	20-094-002-D493	$ 11,021,984.00	20-094-002-D493	B	PO Box 980004	FORT WORTH	4/30/2025
A	FREESE AND NICHOLS INC	Texas Military Department - 401	20-01835	$ 96,333.00	CFMO20-ENG(AE)-15	B	801 Cherry Street, Suite 2800	FORT WORTH	10/31/2024
A	FREESE AND NICHOLS INC	Texas Military Department - 401	22-02327	$ 83,100.00	CFMO22-ENG-AE-14	B	801 Cherry Street, Suite 2800	FORT WORTH	10/23/2024
A	FREESE AND NICHOLS INC	Texas Historical Commission - 808	21-00884	$ 345,969.00	808-21-201548	B	4055 Internation PLZ., Suite 200	FORT WORTH	9/17/2024
A	FREESE AND NICHOLS INC	Gen. Land Off. & Vet. Land Bd. - 305	EP020020:30	$ 90,891.41	22-004-011-D690	B	10431 Morado Circle	FORT WORTH	7/25/2024
A	FREESE AND NICHOLS INC	Gen. Land Off. & Vet. Land Bd. - 305	EP017862:8	$ 11,021,984.00	20-094-002-D493	B	10431 Morado Circle	Austin	7/19/2024
A	FREESE AND NICHOLS INC	Texas Military Department - 401	20-02180	$ 62,330.00	CFMO20-ENG(AE)-17	A	4055 INTERNATIONAL PLZ STE200	FORT WORTH	3/27/2024
A	FREESE AND NICHOLS INC	Texas Military Department - 401	22-03320	$ 90,034.00	CFMO22-ENG-AE-21	A	4055 International Plaza	FORT WORTH	3/1/2024
A	FREESE AND NICHOLS INC	Texas Military Department - 401	22-03968	$ 71,256.00	CFMO22-ENG-AE-23	A	4055 INTERNATIONAL PLAZA	FORT WORTH	3/1/2024
A	FREESE AND NICHOLS INC	Parks & Wildlife Department - 802	23617	$ 83,273.94	517201	A	PO Box 980004	FORT WORTH	2/1/2024
A	FREESE AND NICHOLS INC	Texas Military Department - 401	18-00825	$ 1,167,879.00	TMD18-0003-ENG(AE)	A	4055 International plaza	FORT WORTH	1/30/2024
A	FREESE AND NICHOLS INC	Texas Military Department - 401	20-01527	$ 1,254,080.02	CFMO20-ENG(AE)-06	A	4055 INTERNATIONAL PLZ	FORT WORTH	8/21/2023
A	FREESE AND NICHOLS INC	Texas Military Department - 401	22-03471	$ 395,703.00	CFMO22-ENG(AE)-19	A	4055 International Plaze	FORT WORTH	6/6/2023
A	FREESE AND NICHOLS INC	Gen. Land Off. & Vet. Land Bd. - 305	EP017862:8	$ 11,021,984.00	20-094-002-D493	A	10431 Morado Circle, Building 5, Suite 300	FORT WORTH	4/26/2023
A	FREESE AND NICHOLS INC	Gen. Land Off. & Vet. Land Bd. - 305	EP017862:4	$ 5,997,290.00	20-094-002-C898	A	10431 Morado Circle, Building 5, Suite 300	Austin	3/7/2023
A	FREESE AND NICHOLS INC	Texas Military Department - 401	18-03076	$ 97,777.15	TMD18-ENV-10	A	4055 International Plaza, Suite 200	FORT WORTH	2/10/2023
A	FREESE AND NICHOLS INC	Texas Military Department - 401	17-02278	$ 39,002.00	TMD17-0016-ENG(AE)	B	4055 International Plaza STE 200	FORT WORTH	9/19/2022
A	FREESE AND NICHOLS INC	Texas Military Department - 401	TMD17-0015-ENG(AE)	$ 82,524.00	TMD17-0015-ENG(AE)	B	4055 International Plaza STE 200	FORT WORTH	9/19/2022
A	FREESE AND NICHOLS INC	Texas Military Department - 401	TMD17-0014-ENG(AE)	$ 152,232.00	TMD17-0014-ENG(AE)	B	PO BOX 980004	FORT WORTH	9/19/2022
A	FREESE AND NICHOLS INC	Texas Military Department - 401	17-01324	$ 87,114.00	TMD17-0001-ENG(AE)	B	4055 International Plaza STE 200	FORT WORTH	9/19/2022
A	FREESE AND NICHOLS INC	Texas Military Department - 401	21-02590	$ 200,078.00	CFMO21-ENG(AE)-17	A	4055 international plz ste 200	FORT WORTH	9/15/2022
A	FREESE AND NICHOLS INC	Texas Military Department - 401	21-01213	$ 149,986.00	CFMO21-ENG(AE)-03	B	801 Cherry St	FORT WORTH	9/14/2022
A	FREESE AND NICHOLS INC	Texas Facilities Commission - 303	303-2-7025 Assn1	$ 25,084.00	22-008-000	A	10431 Morado Circle	Austin	7/20/2022
A	FREESE AND NICHOLS INC	Tx Comm On Environ Quality - 582	582-20-13329	$ 273,050.00	582-20-13329	A	10814 Jollyville Rd Bldg 4, Ste 100	Austin	6/6/2022
A	FREESE AND NICHOLS INC	Tx Comm On Environ Quality - 582	582-20-13330	$ 628,254.00	582-20-13330	A	10814 Jollyville Rd Bldg 4, Ste 100	Austin	6/6/2022
A	FREESE AND NICHOLS INC	Texas Soil & Water Conservation Board - 592	FNWO-79016-4-FED	$ 644,674.00	FNWO-7916-4-FED	A	PO Box 980004	FORT WORTH	5/25/2022
A	FREESE AND NICHOLS INC	Texas Soil & Water Conservation Board - 592	79016-9ESF	$ 192,180.00	79016-9ESF	A	PO Box 980004	FORT WORTH	5/25/2022

Vendor Performance Tracking System(VPTS)
by Texas SmartBoard

A	FREESE AND NICHOLS INC	Texas Soil & Water Conservation Board - 592	79016-2-ESF	$ 4,226,834.00	79016-2-ESF	A	P.O. Box 980004	FORT WORTH	5/24/2022
A	FREESE AND NICHOLS INC	Texas Soil & Water Conservation Board - 592	79016-3-ESF	$ 869,984.00	79016-3-ESF	A	PO Box 980004	FORT WORTH	5/24/2022
A	FREESE AND NICHOLS INC	Gen. Land Off. & Vet. Land Bd. - 305	EP010836:126	$ 115,379.93	18-127-027-C987	B	10431 Morado Circle	Austin	5/16/2022
A	FREESE AND NICHOLS INC	Gen. Land Off. & Vet. Land Bd. - 305	EP017862:4	$ 6,769,450.00	20-094-002-C898	A	10431 Morado Circle	FORT WORTH	4/20/2022
A	FREESE AND NICHOLS INC	Texas Military Department - 401	18-01215	$ 929,402.10	TMD18-01215-ENG(AE)-0	A	PO BOX 980004	FORT WORTH	3/30/2022
A	FREESE AND NICHOLS INC	Texas Military Department - 401	18-00312	$ 987,524.48	TMD17-0046-ENG(AE)	C	980004	FORT WORTH	3/21/2022
A	FREESE AND NICHOLS INC	Gen. Land Off. & Vet. Land Bd. - 305	EP010836:74	$ 1,863,977.20	18-127-027-B892	A	10431 Morado Circle	Austin	1/24/2022
A	FREESE AND NICHOLS INC	Water Development Board - 580	2021602444	$ 127,317.00	2021602444	A	1251 Sadler Dr.	San Marcos	1/3/2022
A	FREESE AND NICHOLS INC	Gen. Land Off. & Vet. Land Bd. - 305	EP010836:44	$ 299,293.00	18-127-027-B770	C	10431 Morado Circle	Austin	10/19/2021
A	FREESE AND NICHOLS INC	Gen. Land Off. & Vet. Land Bd. - 305	EP010836:11	$ 2,260,139.64	18-127-027-A967	A	10431 Morado Circle	Austin	10/19/2021
A	FREESE AND NICHOLS INC	Texas Military Department - 401	18-01227	$ 19,702.50	TMD18-ENG(AE)-06	A	4055 International Plaza, Suite 2	FORT WORTH	9/28/2021
A	FREESE AND NICHOLS INC	Water Development Board - 580	2100012466	$ 159,840.00	2100012466	A	10431 Morado Circle, Suite 300	Austin	9/28/2021
A	FREESE AND NICHOLS INC	Gen. Land Off. & Vet. Land Bd. - 305	EP017862:2	$ 650,000.00	20-094-002-C452	A	801 Cherry St # 2800, Fort Worth, TX 76102	FORT WORTH	9/17/2021
A	FREESE AND NICHOLS INC	Texas Military Department - 401	401-4-4600	$ 188,888.99	TX14-ENG(AE)-24	A	4055 International Plaza, Suite 2	FORT WORTH	7/2/2021
A	FREESE AND NICHOLS INC	Texas Military Department - 401	18-01217	$ 763,686.06	TMD18-01217-ENG(AE)	A	4055 International Plaza, Suite 2	FORT WORTH	7/2/2021
A	FREESE AND NICHOLS INC	Gen. Land Off. & Vet. Land Bd. - 305	EP010836:52	$ 299,464.80	18-127-027-B820	A	4055 International Plaza, Suite 200	FORT WORTH	6/30/2021

Total $ 65,906,930.22

Meeting Date: 06/25/2025
Department: Public Works
Contact: Norman McGuire, Asst. City Administrator and Public Works Director
Submitted By: Brandy Taylor, Contract Administrator

Workshop

Item Type: Resolution

CITY OF CONROE

Item Type: Resolution
N. McGuire
Joint Meeting: No Joint Meeting

Description
Discuss the Advance Funding Agreement with TXDOT for the IH-45 and North Loop 336 Project.

Summary / Recommendation
Discuss entering into an Advance Funding Agreement (AFA) with the Texas Department of Transportation (TxDOT) for the IH-45 at North Loop 336 project, designated as STBG 0675-08-128. The construction phase of the project is fully funded through the TxDOT Surface Transportation Block Grant (STBG) Program, with a total estimated cost of $1,794,079. In the event project costs exceed this amount, Transportation Development Credits (TDCs) totaling $305,156 will be used to offset any local match requirements, ensuring the City incurs no out-of-pocket expenses for construction. The City is responsible for funding the design and material testing components of the project. Overall funding is administered through the Houston-Galveston Area Council (H-GAC) Spend-Down Program, with TxDOT overseeing distribution. The scope of work includes widening the existing lanes approaching the bridge on both the east and west sides of IH-45, as well as upgrading the traffic signals to improve traffic flow and safety. The City will manage the bidding and construction phases. This project is an approved Capital Improvement Plan (CIP) project.

Attachments

Resolution
TXDOT - Advance Funding Agreement

CERTIFICATE FOR RESOLUTION

I.

On the ___ day of June, 2025, the City Council of the City of Conroe, Texas, consisting of the following qualified members, to-wit: **Duke W. Coon, Mayor; Harry Hardman, Mayor Pro Tem; Council Members, David Hairel, Shana R. Arthur, Howard Wood and Marsha Porter,** did convene in public session in the Council Chambers of the City Hall at 300 West Davis in Conroe, Texas. The roll being first called, a quorum was established, all members being present except to wit: _____. The Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

II.

WHEREUPON, AMONG OTHER BUSINESS transacted, the Council considered adoption of the following written Resolution, to-wit:

RESOLUTION NO. ____-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS, AUTHORIZING EXECUTION OF AN ADVANCE FUNDING AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION REGARDING SURFACE TRANSPORATION BLOCK GRANT PROJECT 0675-08-128 - CITY OF CONROE IH-45 AT STATE LOOP 336 NORTH PROJECT.

III.

Upon motion of Council Member _____**,** seconded by Council Member _____, all members present voted for adoption of the Resolution. A majority of those Council Members present having voted for adoption, the presiding officer declared the Resolution passed and adopted.

IV.

A true, full and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate.

SIGNED AND SEALED this ____ day of June, 2025.

_____
SAMI H. QUINLAN, Interim City Secretary

RESOLUTION NO. ____-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS, AUTHORIZING EXECUTION OF AN ADVANCE FUNDING AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION REGARDING SURFACE TRANSPORATION BLOCK GRANT PROJECT 0675-08-128 - CITY OF CONROE IH-45 AT STATE LOOP 336 NORTH PROJECT.

WHEREAS, The Houston-Galveston Area Council's Transportation Policy Council has authorized the City of Conroe to receive Surface Transportation Block Grant (STBG) funds for the IH-45 at SL336 N Project (the "Project"); and

WHEREAS, the STBG funds require a local match, the local match is comprised of a Regional Strategic Transportation Fund Program Contribution and Transportation Development Credits; and

WHEREAS, the City of Conroe is responsible for all non-reimbursable costs and 100% of overruns, if any; and

WHEREAS, the City of Conroe City Council desires to reaffirm its support of the Project and approve and authorize the execution of an Advance Funding Agreement (AFA) with Texas Department of Transportation for the Project (TxDOT).

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS:

Section 1. The City Council of the City of Conroe appoints the Engineering Department Manager, or their appointee, to manage the contracting and oversee construction in accordance with the requirements of the Project.

Section 2. The City Council of the City of Conroe authorizes the City Administrator or their appointee to enter into an AFA with TxDOT for this Project.

Section 3. This resolution shall be effective immediately from adoption.

PASSED AND APPROVED this the ___ day of June, 2025.

_____
DUKE W. COON, Mayor

APPROVED AS TO FORM: ATTEST:

_____ _____
MICHAEL T. GARNER, City Attorney SAMI H. QUINLAN, Interim City Secretary

TxDOT:					Federal Highway Administration:	
CCSJ #	0675-08-128	AFA ID	Z00011660		CFDA No.	20.205
AFA CSJs	0675-08-128				CFDA Title	Highway Planning and Construction
District #	12	Code Chart 64#	09550			
Project Name	IH 45 at North SL 336				*AFA Not Used For Research & Development*	

STATE OF TEXAS §

COUNTY OF TRAVIS §

ADVANCE FUNDING AGREEMENT
For
A CARRY OVER SPEND DOWN PROJECT USING SURFACE TRANSPORTATION BLOCK GRANT FUNDING
On-System

THIS AGREEMENT (Agreement) is made by and between the State of Texas, acting by and through the **Texas Department of Transportation** called the "State", and the **City of Conroe**, acting by and through its duly authorized officials, called the "Local Government". The State and Local Government shall be collectively referred to as "the parties" hereinafter.

WITNESSETH

WHEREAS, federal law establishes federally funded programs for transportation improvements to implement its public purposes, and

WHEREAS, the Texas Transportation Code, Section 201.103 establishes that the State shall design, construct and operate a system of highways in cooperation with local governments, and Section 222.052 authorizes the Texas Transportation Commission to accept contributions from political subdivisions for development and construction of public roads and the state highway system within the political subdivision, and

WHEREAS, federal and state laws require local governments to meet certain contract standards relating to the management and administration of State and federal funds, and

WHEREAS, the Texas Transportation Commission has codified 43 TAC, Rules 15.50-15.56 that describe federal, state, and local responsibilities for cost participation in highway improvement and other transportation projects, and

WHEREAS, the Texas Transportation Commission passed Minute Order Number **116752** authorizing the State to undertake and complete a highway improvement or other transportation project generally described as **an intersection improvement.** The portion of the project work covered by this Agreement is identified in the Agreement, Article 3, Scope of Work (Project), and

WHEREAS, the Governing Body of the Local Government has approved entering into this Agreement by resolution, ordinance, or commissioners court order dated _____**, 2025**, which is attached to and made a part of this Agreement as Attachment C, Resolution, Ordinance, or Commissioners Court Order (Attachment C). A map showing the Project location appears in Attachment A, Location Map Showing Project (Attachment A), which is attached to and made a part of this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties, to be by them respectively kept and performed as set forth in this Agreement, it is agreed as follows:

AGREEMENT

1. Responsible Parties:

For the Project covered by this Agreement, the parties shall be responsible for the following work as stated in the article of the Agreement referenced in the table below:

1	**Local Government***	Utilities	Article 8
2.	**Local Government***	Environmental Assessment and Mitigation	Article 9
3.	**Local Government***	Architectural and Engineering Services	Article 11
4.	**Local Government**	Construction Responsibilities	Article 12
5.	**Local Government***	Right of Way and Real Property	Article 14

An asterisk next to the party responsible for specific work in the above table indicates that the associated specific work is not anticipated as part of the Project and is therefore not included in the budget; however, the party indicated will be responsible for that specific work if that work is not the subject of another agreement and the State determines that the specific work has become necessary to successful completion of the Project.

2. Period of the Agreement

This Agreement becomes effective when signed by the last party whose signing makes the Agreement fully executed. This Agreement shall remain in effect until the Project is completed or unless terminated as provided below.

3. Scope of Work

The scope of work for the Project consists of the construction of intersection improvements including replacement of signals and ADA compliant crosswalks at IH 45 at North State Loop 336 as shown in Attachment A.

4. Project Sources and Uses of Funds

The total estimated cost of the Project is shown in Attachment B, Project Budget (Attachment B) which is attached to and made a part of this Agreement.

A. If the Local Government will perform any work under this Agreement for which reimbursement will be provided by or through the State, the Local Government must complete training. If federal funds are being used, the training must be completed before federal spending authority is obligated. Training is complete when at least one individual who is working actively and directly on the Project successfully completes and receives a certificate for the course entitled “Local Government Project Procedures and Qualification for the Texas Department of Transportation” and retains qualification in accordance with applicable TxDOT

procedures. Upon request, the Local Government shall provide the certificate of qualification to the State. The individual who receives the training certificate may be an employee of the Local Government or an employee of a firm that has been contracted by the Local Government to perform oversight of the Project. The State in its discretion may deny reimbursement if the Local Government has not continuously designated in writing a qualified individual to work actively on or to directly oversee the Project.

B. The expected cash contributions from the federal government, the State, the Local Government, or other parties are shown in Attachment B. The State will pay for only those Project costs that have been approved by the Texas Transportation Commission. For projects with federal funds, the State and the federal government will not reimburse the Local Government for any work performed before the federal spending authority is formally obligated to the Project by the Federal Highway Administration (FHWA). After federal funds have been obligated, the State will send to the Local Government a copy of the formal documentation showing the obligation of funds including federal award information. The Local Government is responsible for 100% of the cost of any work performed under its direction or control before the federal spending authority is formally obligated.

C. Attachment B shows, by major cost categories, the cost estimates and the party responsible for performing the work for each category. These categories may include but are not limited to: (1) costs of real property; (2) costs of utility work; (3) costs of environmental assessment and remediation; (4) cost of preliminary engineering and design; (5) cost of construction and construction management; and (6) any other local project costs.

D. The State will be responsible for securing the federal and State share of the funding required for the development and construction of the local Project. If the Local Government is due funds for expenses incurred, these funds will be reimbursed to the Local Government on a cost basis.

E. The Local Government will be responsible for all non-federal or non-State participation costs associated with the Project, unless otherwise provided for in this Agreement or approved otherwise in an amendment to this Agreement. For items of work subject to specified percentage funding, the Local Government shall only in those instances be responsible for all Project costs that are greater than the maximum State and federal participation specified in Attachment B and for overruns in excess of the amount specified in Attachment B to be paid by the Local Government.

F. The budget in Attachment B will clearly state all items subject to fixed price funding, specified percentage funding, and the periodic payment schedule, when periodic payments have been approved by the State.

G. When the Local Government bears the responsibility for paying cost overruns, the Local Government shall make payment to the State within thirty (30) days from the receipt of the State's written notification of additional funds being due.

H. When fixed price funding is used, the Local Government is responsible for the fixed price amount specified in Attachment B. Fixed prices are not subject to adjustment unless (1) differing site conditions are encountered; (2) further definition of the Local Government's requested scope of work identifies greatly

differing costs from those estimated; (3) work requested by the Local Government is determined to be ineligible for federal participation; or (4) the adjustment is mutually agreed to by the State and the Local Government.

I. Prior to the performance of any engineering review work by the State, the Local Government will pay to the State the amount specified in Attachment B. At a minimum, this amount shall equal the Local Government's funding share for the estimated cost of preliminary engineering performed or reviewed by the State for the Project. At least sixty (60) days prior to the date set for receipt of the construction bids, the Local Government shall remit its remaining financial share for the State's estimated construction oversight and construction cost.

J. The State will not execute the contract for the construction of the Project until the required funding has been made available by the Local Government in accordance with this Agreement.

K. Whenever funds are paid by the Local Government to the State under this Agreement, the Local Government shall remit a check or warrant made payable to the "Texas Department of Transportation" or may use the State's Automated Clearing House (ACH) system for electronic transfer of funds in accordance with instructions provided by TxDOT's Finance Division. The funds shall be deposited and managed by the State and may only be applied by the State to the Project.

L. The State will not pay interest on any funds provided by the Local Government.

M. If a waiver for the collection of indirect costs for a service project has been granted under 43 TAC §15.56, the State will not charge the Local Government for the indirect costs the State incurs on the Project, unless this Agreement is terminated at the request of the Local Government prior to completion of the Project.

N. If the Local Government is an Economically Disadvantaged County (EDC) and if the State has approved adjustments to the standard financing arrangement, this Agreement reflects those adjustments.

O. Where the Local Government is authorized to perform services under this Agreement and be reimbursed by the State, the Local Government is authorized to submit requests for reimbursement by submitting the original of an itemized invoice, in a form and containing all items required by the State, no more frequently than monthly and no later than ninety (90) days after costs are incurred. If the Local Government submits invoices more than ninety (90) days after the costs are incurred and if federal funding is reduced as a result, the State shall have no responsibility to reimburse the Local Government for those costs.

P. Upon completion of the Project, the State will perform a final accounting of the Project costs for all items of work with specified percentage funding. Any funds due by the Local Government, the State, or the federal government for these work items will be promptly paid by the owing party.

Q. The state auditor may conduct an audit or investigation of any entity receiving funds from the State directly under this Agreement or indirectly through a subcontract under this Agreement. Acceptance of funds directly under this Agreement or indirectly through a subcontract under this Agreement acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit or investigation must provide

the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

R. Payment under this Agreement beyond the end of the current fiscal biennium is subject to availability of appropriated funds. If funds are not appropriated, this Agreement shall be terminated immediately with no liability to either party.

5. Termination of This Agreement

This Agreement shall remain in effect until the Project is completed and accepted by all parties, unless:

A. The Agreement is terminated in writing with the mutual consent of the parties;

B. The Agreement is terminated by one party because of a breach, in which case any costs incurred because of the breach shall be paid by the breaching party;

C. The Local Government elects not to provide funding after the completion of preliminary engineering, specifications, and estimates (PS&E) and the Project does not proceed because of insufficient funds, in which case the Local Government agrees to reimburse the State for its reasonable actual costs incurred during the Project; or

D. The Agreement is terminated by the State because the parties are not able to execute a mutually agreeable amendment when the costs for Local Government requested items increase significantly due to differing site conditions, determination that Local government requested work is ineligible for federal or state cost participation, or a more thorough definition of the Local Government's proposed work scope identifies greatly differing costs from those estimated. The State will reimburse Local Government remaining funds to the Local Government within ninety (90) days of termination; or

E. The Project is inactive for thirty-six (36) consecutive months or longer and no expenditures have been charged against federal funds, in which case the State may in its discretion terminate this Agreement.

6. Amendments

Amendments to this Agreement due to changes in the character of the work, terms of the Agreement, or responsibilities of the parties relating to the Project may be enacted through a mutually agreed upon, written amendment.

7. Remedies

This Agreement shall not be considered as specifying the exclusive remedy for any agreement default, but all remedies existing at law and in equity may be availed of by either party to this Agreement and shall be cumulative.

8. Utilities

The party named in Article 1, Responsible Parties, under AGREEMENT shall be responsible for the adjustment, removal, or relocation of utility facilities in accordance with applicable state laws, regulations, rules, policies, and procedures, including any cost to the State of a delay resulting from the Local Government's failure to ensure that utility facilities are adjusted, removed, or relocated before the scheduled beginning of construction. The Local Government will not be reimbursed with federal or State funds for the cost of required utility work. The Local Government must obtain advance

approval for any variance from established procedures. Before a construction contract is let, the Local Government shall provide, at the State's request, a certification stating that the Local Government has completed the adjustment of all utilities that must be adjusted before construction is commenced.

9. Environmental Assessment and Mitigation

Development of a transportation project must comply with the National Environmental Policy Act and the National Historic Preservation Act of 1966, which require environmental clearance of federal-aid projects. The party named in Article 1, Responsible Parties, under AGREEMENT is responsible for the following:

A. The identification and assessment of any environmental problems associated with the development of a local project governed by this Agreement.
B. The cost of any environmental problem's mitigation and remediation.
C. Providing any public meetings or public hearings required for the environmental assessment process. Public hearings will not be held prior to the approval of the Project schematic.
D. The preparation of the NEPA documents required for the environmental clearance of this Project.

If the Local Government is responsible for the environmental assessment and mitigation, before the advertisement for bids, the Local Government shall provide to the State written documentation from the appropriate regulatory agency or agencies that all environmental clearances have been obtained.

10. Compliance with Accessibility Standards

All parties to this Agreement shall ensure that the plans for and the construction of all projects subject to this Agreement are in compliance with standards issued or approved by the Texas Department of Licensing and Regulation (TDLR) as meeting or consistent with minimum accessibility requirements of the Americans with Disabilities Act (P.L. 101-336) (ADA).

11. Architectural and Engineering Services

The party named in Article 1, Responsible Parties, under AGREEMENT has responsibility for the performance of architectural and engineering services. The engineering plans shall be developed in accordance with the applicable State's *Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges* and the special specifications and special provisions related to it. For projects on the State highway system, the design shall, at a minimum conform to applicable State manuals. For projects not on the State highway system, the design shall, at a minimum, conform to applicable American Association of State Highway and Transportation Officials (AASHTO) design standards.

In procuring professional services, the parties to this Agreement must comply with federal requirements cited in 23 CFR Part 172 if the Project is federally funded and with Texas Government Code 2254, Subchapter A, in all cases. Professional contracts for federally funded projects must conform to federal requirements, specifically including the provision for participation by Disadvantaged Business Enterprises (DBEs), ADA, and

environmental matters. If the Local Government is the responsible party, the Local Government shall submit its procurement selection process for prior approval by the State. All professional services contracts must be reviewed and approved by the State prior to execution by the Local Government.

12. Construction Responsibilities

The party named in Article 1, Responsible Parties, under AGREEMENT is responsible for the following:

A. Advertise for construction bids, issue bid proposals, receive and tabulate the bids, and award and administer the contract for construction of the Project. Administration of the contract includes the responsibility for construction engineering and for issuance of any change orders, supplemental agreements, amendments, or additional work orders that may become necessary subsequent to the award of the construction contract. In order to ensure federal funding eligibility, projects must be authorized by the State prior to advertising for construction.

B. If the State is the responsible party, the State will use its approved contract letting and award procedures to let and award the construction contract.

C. If the Local Government is the responsible party, the Local Government shall submit its contract letting and award procedures to the State for review and approval prior to letting.

D. If the Local Government is the responsible party, the State must concur with the low bidder selection before the Local Government can enter into a contract with the vendor.

E. If the Local Government is the responsible party, the State must review and approve change orders.

F. Upon completion of the Project, the party responsible for constructing the Project will issue and sign a “Notification of Completion” acknowledging the Project’s construction completion and submit certification(s) sealed by a professional engineer(s) licensed in the State of Texas.

G. For federally funded contracts, the parties to this Agreement will comply with federal construction requirements cited in 23 CFR Part 635 and with requirements cited in 23 CFR Part 633, and shall include the latest version of Form “FHWA-1273” in the contract bidding documents. If force account work will be performed, a finding of cost effectiveness shall be made in compliance with 23 CFR 635, Subpart B.

13. Project Maintenance

The Local Government shall be responsible for maintenance of locally owned roads and locally owned facilities after completion of the work. The State shall be responsible for maintenance of the State highway system after completion of the work if the work was on the State highway system, unless otherwise provided for in existing maintenance agreements with the Local Government.

14. Right of Way and Real Property

The party named in Article 1, Responsible Parties, under AGREEMENT is responsible for the provision and acquisition of any needed right of way or real property.

The Local Government shall be responsible for the following:

A. Right of way and real property acquisition shall be the responsibility of the Local Government. Title to right of way and other related real property must be acceptable to the State before funds may be expended for the improvement of the right of way or real property.

B. If the Local Government is the owner of any part of the Project site under this Agreement, the Local Government shall permit the State or its authorized representative access to occupy the site to perform all activities required to execute the work.

C. All parties to this Agreement will comply with and assume the costs for compliance with all the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Title 42 U.S.C.A. Section 4601 et seq., including those provisions relating to incidental expenses incurred by the property owners in conveying the real property to the Local Government and benefits applicable to the relocation of any displaced person as defined in 49 CFR Section 24.2(g). Documentation to support such compliance must be maintained and made available to the State and its representatives for review and inspection.

D. The Local Government shall assume all costs and perform necessary requirements to provide any necessary evidence of title or right of use in the name of the Local Government to the real property required for development of the Project. The evidence of title or rights shall be acceptable to the State, and be free and clear of all encroachments. The Local Government shall secure and provide easements and any needed rights of entry over any other land needed to develop the Project according to the approved Project plans. The Local Government shall be responsible for securing any additional real property required for completion of the Project.

E. In the event real property is donated to the Local Government after the date of the State's authorization, the Local Government will provide all documentation to the State regarding fair market value of the acquired property. The State will review the Local Government's appraisal, determine the fair market value and credit that amount towards the Local Government's financial share. If donated property is to be used as a funding match, it may not be provided by the Local Government. The State will not reimburse the Local Government for any real property acquired before execution of this Agreement and the obligation of federal spending authority.

F. The Local Government shall prepare real property maps, property descriptions, and other data as needed to properly describe the real property and submit them to the State for approval prior to the Local Government acquiring the real property. Tracings of the maps shall be retained by the Local Government for a permanent record.

G. The Local Government agrees to make a determination of property values for each real property parcel by methods acceptable to the State and to submit to

the State a tabulation of the values so determined, signed by the appropriate Local Government representative. The tabulations shall list the parcel numbers, ownership, acreage and recommended compensation. Compensation shall be shown in the component parts of land acquired, itemization of improvements acquired, damages (if any) and the amounts by which the total compensation will be reduced if the owner retains improvements. This tabulation shall be accompanied by an explanation to support the determined values, together with a copy of information or reports used in calculating all determined values. Expenses incurred by the Local Government in performing this work may be eligible for reimbursement after the Local Government has received written authorization by the State to proceed with determination of real property values. The State will review the data submitted and may base its reimbursement for parcel acquisitions on these values.

H. Reimbursement for real property costs will be made to the Local Government for real property purchased in an amount not to exceed eighty percent (80%) of the cost of the real property purchased in accordance with the terms and provisions of this Agreement. Reimbursement will be in an amount not to exceed eighty percent (80%) of the State's predetermined value of each parcel, or the net cost of the parcel, whichever is less. In addition, reimbursement will be made to the Local Government for necessary payments to appraisers, expenses incurred in order to assure good title, and costs associated with the relocation of displaced persons and personal property as well as incidental expenses.

I. If the Project requires the use of real property to which the Local Government will not hold title, a separate agreement between the owners of the real property and the Local Government must be executed prior to execution of this Agreement. The separate agreement must establish that the Project will be dedicated for public use for a period of not less than 10 (ten) years after completion. The separate agreement must define the responsibilities of the parties as to the use of the real property and operation and maintenance of the Project after completion. The separate agreement must be approved by the State prior to its execution. A copy of the executed agreement shall be provided to the State.

15. Insurance

If this Agreement authorizes the Local Government or its contractor to perform any work on State right of way, before beginning work, the entity performing the work shall provide the State with a fully executed copy of the State's Form 1560 Certificate of Insurance verifying the existence of coverage in the amounts and types specified on the Certificate of Insurance for all persons and entities working on State right of way. This coverage shall be maintained until all work on the State right of way is complete. If coverage is not maintained, all work on State right of way shall cease immediately, and the State may recover damages and all costs of completing the work.

16. Notices

All notices to either party shall be delivered personally or sent by certified or U.S. mail, postage prepaid, addressed to that party at the following address:

Local Government:	**State:**
City of Conroe ATTN: Engineering Manager 300 West Davis St. Conroe, TX 77305	Texas Department of Transportation ATTN: Director of Contract Services 125 E. 11th Street Austin, TX 78701

All notices shall be deemed given on the date delivered in person or deposited in the mail, unless otherwise provided by this Agreement. Either party may change the above address by sending written notice of the change to the other party. Either party may request in writing that notices shall be delivered personally or by certified U.S. mail, and that request shall be carried out by the other party.

17. Legal Construction

If one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions and this Agreement shall be construed as if it did not contain the invalid, illegal, or unenforceable provision.

18. Responsibilities of the Parties

The State and the Local Government agree that neither party is an agent, servant, or employee of the other party, and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

19. Ownership of Documents

Upon completion or termination of this Agreement, all documents prepared by the State shall remain the property of the State. All data and information prepared under this Agreement shall be made available to the State without restriction or limitation on their further use. All documents produced or approved or otherwise created by the Local Government shall be transmitted to the State, in the format directed by the State, on a monthly basis or as required by the State. The originals shall remain the property of the Local Government. .

20. Compliance with Laws

The parties to this Agreement shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of this Agreement. When required, the Local Government shall furnish the State with satisfactory proof of this compliance.

21. Sole Agreement

This Agreement constitutes the sole and only agreement between the parties and supersedes any prior understandings or written or oral agreements respecting the Agreement's subject matter.

22. Cost Principles

In order to be reimbursed with federal funds, the parties shall comply with the cost principles established in 2 CFR 200 that specify that all reimbursed costs are allowable, reasonable, and allocable to the Project.

23. Procurement and Property Management Standards

The parties to this Agreement shall adhere to the procurement and property management standards established in 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and to the Texas Uniform Grant Management Standards. The State must pre-approve the Local Government's procurement procedures for purchases to be eligible for state or federal funds.

24. Inspection of Books and Records

The parties to this Agreement shall maintain all books, documents, papers, accounting records, and other documentation relating to costs incurred under this Agreement and shall make such materials available to the State, the Local Government, and, if federally funded, the FHWA and the U.S. Office of the Inspector General or their duly authorized representatives for review and inspection at its office during the Agreement period and for seven (7) years from the date of final reimbursement by FHWA under this Agreement or until any impending litigation or claims are resolved. Additionally, the State, the Local Government, and the FHWA and their duly authorized representatives shall have access to all the governmental records that are directly applicable to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

25. Civil Rights Compliance

The parties to this Agreement are responsible for the following:

A. Compliance with Regulations: Both parties will comply with the Acts and the Regulations relative to Nondiscrimination in Federally-assisted programs of the U.S. Department of Transportation (USDOT), the Federal Highway Administration (FHWA), as they may be amended from time to time, which are herein incorporated by reference and made part of this Agreement.

B. Nondiscrimination: The Local Government, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Local Government will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.

C. Solicitations for Subcontracts, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Local Government for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier will be notified by the Local Government of the Local Government's obligations under this Agreement and the Acts and Regulations relative to Nondiscrimination on the grounds of race, color, or national origin.

D. Information and Reports: The Local Government will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and facilities as may be determined by the State or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations or directives. Where any information required of the Local Government is in the exclusive possession of another who fails or refuses to furnish this information, the Local Government will so certify to the State or the FHWA, as appropriate, and will set forth what efforts it has made to obtain the information.

E. Sanctions for Noncompliance: In the event of the Local Government's noncompliance with the Nondiscrimination provisions of this Agreement, the State will impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:
1. withholding of payments to the Local Government under the Agreement until the Local Government complies and/or
2. cancelling, terminating, or suspending of the Agreement, in whole or in part.

F. Incorporation of Provisions: The Local Government will include the provisions of paragraphs (A) through (F) in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Local Government will take such action with respect to any subcontract or procurement as the State or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Local Government becomes involved in, or is threatened with, litigation with a subcontractor or supplier because of such direction, the Local Government may request the State to enter into such litigation to protect the interests of the State. In addition, the Local Government may request the United States to enter into such litigation to protect the interests of the United States.

26. Pertinent Non-Discrimination Authorities

During the performance of this Agreement, each party, for itself, its assignees, and successors in interest agree to comply with the following nondiscrimination statutes and authorities; including but not limited to:

A. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (pro-hibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.

B. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of federal or federal-aid programs and projects).

C. Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), as amended, (prohibits discrimination on the basis of sex).

D. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.) as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27.

E. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age).

F. Airport and Airway Improvement Act of 1982, (49 U.S.C. Chapter 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex).

G. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the federal-aid recipients, subrecipients and contractors, whether such programs or activities are federally funded or not).

H. Titles II and III of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38.

I. The Federal Aviation Administration's Nondiscrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex).

J. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations.

K. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, the parties must take reasonable steps to ensure that LEP persons have meaningful access to the programs (70 Fed. Reg. at 74087 to 74100).

L. Title IX of the Education Amendments of 1972, as amended, which prohibits the parties from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.).

27. Disadvantaged Business Enterprise (DBE) Program Requirements

If federal funds are used:

A. The parties shall comply with the Disadvantaged Business Enterprise Program requirements established in 49 CFR Part 26.

B. The Local Government shall adopt, in its totality, the State's federally approved DBE program.

C. The Local Government shall incorporate into its contracts with subproviders an appropriate DBE goal consistent with the State's DBE guidelines and in consideration of the local market, project size, and nature of the goods or services to be acquired. The Local Government shall submit its proposed scope of services and quantity estimates to the State to allow the State to establish a DBE goal for each Local Government contract with a subprovider. The Local Government shall be responsible for documenting its actions.

D. The Local Government shall follow all other parts of the State's DBE program referenced in TxDOT Form 2395, Memorandum of Understanding Regarding the

Adoption of the Texas Department of Transportation's Federally-Approved Disadvantaged Business Enterprise by Entity, and attachments found at web address http://ftp.dot.state.tx.us/pub/txdot-info/bop/dbe/mou/mou_attachments.pdf.

E. The Local Government shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any U.S. Department of Transportation (DOT)-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The Local Government shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in award and administration of DOT-assisted contracts. The State's DBE program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in this Agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Local Government of its failure to carry out its approved program, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).

F. Each contract the Local Government signs with a contractor (and each subcontract the prime contractor signs with a sub-contractor) must include the following assurance: *The contractor, sub-recipient, or sub-contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as the recipient deems appropriate*.

28. Debarment Certifications

If federal funds are used, the parties are prohibited from making any award at any tier to any party that is debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, "Debarment and Suspension." By executing this Agreement, the Local Government certifies that it and its principals are not currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549 and further certifies that it will not do business with any party, to include principals, that is currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549. The parties to this Agreement shall require any party to a subcontract or purchase order awarded under this Agreement to certify its eligibility to receive federal funds and, when requested by the State, to furnish a copy of the certification.

If state funds are used, the parties are prohibited from making any award to any party that is debarred under the Texas Administrative Code, Title 34, Part 1, Chapter 20, Subchapter G, Rule §20.585 and the Texas Administrative Code, Title 43, Part 1, Chapter 9, Subchapter G.

29. Lobbying Certification

If federal funds are used, in executing this Agreement, each signatory certifies to the best of that signatory's knowledge and belief, that:

A. No federal appropriated funds have been paid or will be paid by or on behalf of the parties to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with federal contracts, grants, loans, or cooperative agreements, the signatory for the Local Government shall complete and submit the Federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

C. The parties shall require that the language of this certification shall be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and all sub-recipients shall certify and disclose accordingly. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Title 31 U.S.C. §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

30. Federal Funding Accountability and Transparency Act Requirements

If federal funds are used, the following requirements apply:

A. Any recipient of funds under this Agreement agrees to comply with the Federal Funding Accountability and Transparency Act (FFATA) and implementing regulations at 2 CFR Part 170, including Appendix A. This Agreement is subject to the following award terms: http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22705.pdf and http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22706.pdf.

B. The Local Government agrees that it shall:

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

3. Report the total compensation and names of its top five executives to the State if:
   i. More than 80% of annual gross revenues are from the federal government, and those revenues are greater than $25,000,000; and
   ii. The compensation information is not already available through reporting to the U.S. Securities and Exchange Commission.

31. Single Audit Report

If federal funds are used:

A. The parties shall comply with the single audit report requirements stipulated in 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

B. If threshold expenditures of $750,000 or more are met during the fiscal year, the Local Government must submit a Single Audit Report and Management Letter (if applicable) to TxDOT's Compliance Division, 125 East 11th Street, Austin, TX 78701 or contact TxDOT's Compliance Division by email at singleaudits@txdot.gov.

C. If expenditures are less than the threshold during the Local Government's fiscal year, the Local Government must submit a statement to TxDOT's Compliance Division as follows: "We did not meet the $_____ expenditure threshold and therefore, are not required to have a single audit performed for FY _____."

D. For each year the Project remains open for federal funding expenditures, the Local Government will be responsible for filing a report or statement as described above. The required annual filing shall extend throughout the life of the Agreement, unless otherwise amended or the Project has been formally closed out and no charges have been incurred within the current fiscal year.

TxDOT:					Federal Highway Administration:	
CCSJ #	0675-08-128	AFA ID	Z00011660		CFDA No.	20.205
AFA CSJs	0675-08-128				CFDA Title	Highway Planning and Construction
District #	12	Code Chart 64#	09550			
Project Name	IH 45 at North SL 336				*AFA Not Used For Research & Development*	

32. Signatory Warranty

Each signatory warrants that the signatory has necessary authority to execute this Agreement on behalf of the entity represented.

Each party is signing this Agreement on the date stated under that party's signature.

THE STATE OF TEXAS	THE LOCAL GOVERNMENT
Signature	Signature
Typed or Printed Name	Duke W. Coon Typed or Printed Name
Typed or Printed Title	Mayor Typed or Printed Title
Date	Date

TxDOT:					Federal Highway Administration:	
CCSJ #	0675-08-128	AFA ID	Z00011660		CFDA No.	20.205
AFA CSJs	0675-08-128				CFDA Title	Highway Planning and Construction
District #	12	Code Chart 64#	09550			
Project Name	IH 45 at North SL 336				*AFA Not Used For Research & Development*	

ATTACHMENT A
LOCATION MAP SHOWING PROJECT



Attachment A:
CSJ: 0675-08-128
Construct intersection improvements including replacement signals and ADA compliant crosswalks.

MONTGOMERY COUNTY

Texas Department of Transportation

TxDOT:					Federal Highway Administration:	
CCSJ #	0675-08-128	AFA ID	Z00011660		CFDA No.	20.205
AFA CSJs	0675-08-128				CFDA Title	Highway Planning and Construction
District #	12	Code Chart 64#	09550			
Project Name	IH 45 at North SL 336				*AFA Not Used For Research & Development*	

ATTACHMENT B
PROJECT BUDGET

Costs will be allocated based on 100% Federal funding and 0% Local Government funding until the federal funding reaches the maximum obligated amount. The Local Government will then be responsible for 100% of the costs, including overruns.

Description	Total Estimated Cost	Federal Participation Cost		State Participation Cost		Local Participation Cost	
Engineering (by Local Government)	$ 100,000	0%	$ -	0%	$ -	100%	$ 100,000
Construction (by Local Government)	$ 1,455,778	100%	$ 1,455,778	0%	$ -	0%	TDC 291,156
Subtotal	$ 1,555,778		$ 1,455,778		$ -		$100,000 TDC 291,156
Engineering Direct State Costs	$ 80,000	0%	$ -	0%		100%	$ 80,000
Environmental Direct State Costs	$ 5,000	0%	$ -	0%		100%	$ 5,000
Utility Direct State Costs	$ 500	0%	$ -	0%		100%	$ 500
Right of Way Direct State Costs	$ 500	0%	$ -	0%		100%	$ 500
Construction Direct State Costs	$ 70,000	100%	$ 70,000	0%	$ -	0%	TDC 14,000
Indirect State Costs	$ 82,301	0%	$ -	100%	$ 82,301	0%	$ -
TOTAL	**$ 1,794,079**		**$ 1,525,778**		**$ 82,301**		**$186,000 TDC 305,156**

Transportation Development Credits (TDCs) in the amount of 305,156 will be used for the Local Government's 20% contribution.

Total Federal Reimbursable Costs = $1,525,778
Total Federal Reimbursable Costs to the Local Government = 1,369,778

Payment by the Local Government to the State = $0
This is an estimate. The final amount of Local Government participation will be based on actual costs.

TxDOT:					Federal Highway Administration:	
CCSJ #	0675-08-128	AFA ID	Z00011660		CFDA No.	20.205
AFA CSJs	0675-08-128				CFDA Title	Highway Planning and Construction
District #	12	Code Chart 64#	09550			
Project Name	IH 45 at North SL 336				*AFA Not Used For Research & Development*	

ATTACHMENT C
RESOLUTION, ORDINANCE, OR COMMISSIONERS COURT ORDER

CERTIFICATE FOR RESOLUTION

I.

On the ___ day of May, 2025, the City Council of the City of Conroe, Texas, consisting of the following qualified members, to-wit: **Duke W. Coon, Mayor; Harry Hardman, Mayor Pro Tem; Council Members, David Hairel, Shana R. Arthur, Howard Wood and Marsha Porter,** did convene in public session in the Council Chambers of the City Hall at 300 West Davis in Conroe, Texas. The roll being first called, a quorum was established, all members being present except to wit: _____. The Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

II.

WHEREUPON, AMONG OTHER BUSINESS transacted, the Council considered adoption of the following written Resolution, to-wit:

RESOLUTION NO. ____-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS, AUTHORIZING EXECUTION OF AN ADVANCE FUNDING AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION REGARDING SURFACE TRANSPORATION BLOCK GRANT PROJECT 0675-08-128 - CITY OF CONROE IH-45 AT STATE LOOP 336 NORTH PROJECT.

III.

Upon motion of Council Member _____, seconded by Council Member _____, all members present voted for adoption of the Resolution. A majority of those Council Members present having voted for adoption, the presiding officer declared the Resolution passed and adopted.

IV.

A true, full and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate.

SIGNED AND SEALED this ____ day of May, 2025.

_____
SAMI H. QUINLAN, Interim City Secretary

TxDOT:					Federal Highway Administration:	
CCSJ #	0675-08-128	AFA ID	Z00011660		CFDA No.	20.205
AFA CSJs	0675-08-128				CFDA Title	Highway Planning and Construction
District #	12	Code Chart 64#	09550			
Project Name	IH 45 at North SL 336				*AFA Not Used For Research & Development*	

RESOLUTION NO. ____-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS, AUTHORIZING EXECUTION OF AN ADVANCE FUNDING AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION REGARDING SURFACE TRANSPORATION BLOCK GRANT PROJECT 0675-08-128 - CITY OF CONROE IH-45 AT STATE LOOP 336 NORTH PROJECT.

WHEREAS, The Houston-Galveston Area Council's Transportation Policy Council has authorized the City of Conroe to receive Surface Transportation Block Grant (STBG) funds for the IH-45 at SL336 N Project (the "Project"); and

WHEREAS, the STBG funds require a local match, the local match is comprised of a Regional Strategic Transportation Fund Program Contribution and Transportation Development Credits; and

WHEREAS, the City of Conroe is responsible for all non-reimbursable costs and 100% of overruns, if any; and

WHEREAS, the City of Conroe City Council desires to reaffirm its support of the Project and approve and authorize the execution of an Advance Funding Agreement (AFA) with Texas Department of Transportation for the Project (TxDOT).

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS:

Section 1. The City Council of the City of Conroe appoints the Engineering Department Manager, or their appointee, to manage the contracting and oversee construction in accordance with the requirements of the Project.

Section 2. The City Council of the City of Conroe authorizes the City Administrator or their appointee to enter into an AFA with TxDOT for this Project.

Section 3. This resolution shall be effective immediately from adoption.

PASSED AND APPROVED this the ___ day of May, 2025.

_____
DUKE W. COON, Mayor

APPROVED AS TO FORM: ATTEST:

_____ _____
MICHAEL T. GARNER, City Attorney SAMI H. QUINLAN, Interim City Secretary

Meeting Date: 06/25/2025
Department: Public Works
Contact: Norman McGuire, Asst. City Administrator and Public Works Director
Submitted By: Brandy Taylor, Contract Administrator

Workshop

Item Type: Resolution

Item Type: Resolution
N. McGuire
Joint Meeting: No Joint Meeting

Description
Discuss a Resolution designating authorized signatories for documents pertaining to the Community Development Block Grant Mitigation (CDBG-MIT-MOD)- Conroe Sewer Improvements Project.

Summary / Recommendation
Discuss a Resolution designating authorized signatories for documents pertaining to the Community Development Block Grant Mitigation (CDBG-MIT-MOD)-Conroe Sewer Improvements Project. This document is update signatory authority for the grant.

Attachments

Resolution

CERTIFICATE FOR RESOLUTION

I.

On the ___ day of June, 2025, the City Council of the City of Conroe, Texas, consisting of the following qualified members, to-wit: **Duke W. Coon, Mayor; Harry Hardman, Mayor Pro Tem; Council Members, David Hairel, Shana R. Arthur, Howard Wood and Marsha Porter,** did convene in public session in the Council Chambers of the City Hall at 300 West Davis in Conroe, Texas. The roll being first called, a quorum was established, all members being present except to wit: _____. The Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

II.

WHEREUPON, AMONG OTHER BUSINESS transacted, the Council considered adoption of the following written Resolution, to-wit:

RESOLUTION NO. ____-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS, DESIGNATING AUTHORIZED SIGNATORIES FOR CONTRACTUAL DOCUMENTS AND DOCUMENTS FOR REQUESTING FUNDS PERTAINING TO THE COMMUNITY DEVELOPMENT BLOCK GRANT MITIGATION – CONROE SEWER IMPROVEMENTS PROJECT.

III.

Upon motion of Council Member _____, seconded by Council Member _____, all members present voted for adoption of the Resolution. A majority of those Council Members present having voted for adoption, the presiding officer declared the Resolution passed and adopted.

IV.

A true, full and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate.

SIGNED AND SEALED this ____ day of June, 2025.

_____
SAMI H. QUINLAN, Interim City Secretary

RESOLUTION NO. ____-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS, DESIGNATING AUTHORIZED SIGNATORIES FOR CONTRACTUAL DOCUMENTS AND DOCUMENTS FOR REQUESTING FUNDS PERTAINING TO THE COMMUNITY DEVELOPMENT BLOCK GRANT MITIGATION – CONROE SEWER IMPROVEMENTS PROJECT.

WHEREAS, the City of Conroe has received a Community Development Block Grant – Regional Mitigation Method of Distribution (CDBG-MIT-MOD) award to provide infrastructure improvements; and

WHEREAS, it is necessary to appoint individuals to execute contractual documents and documents for requesting funds; and

WHEREAS, the City of Conroe acknowledges that, if an authorized signatory of the City changes due to elections, illness, resignations, or otherwise, the City must provide:

1. a resolution stating who the new authorized signatory is (not required if this original resolution names only the title and not the name of the signatory); and
2. a revised Depository/Authorized Signatories Designation Form.

WHEREAS, the City of Conroe City Council desires to reaffirm its support of the Project and approve and authorize the execution of an Advance Funding Agreement (AFA) with Texas Department of Transportation for the Project (TxDOT).

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS:

Section 1. The Mayor, Assistant City Administrator/Director of Public Works and the Senior Assistant City Engineer are authorized to execute contractual documents associated with the Community Development Block Grant - Mitigation Program.

Section 2. The Senior Assistant City Engineer is authorized to execute environmental review documents and to certify to environmental clearance matters associated with the CDBG-MIT-MOD project.

Section 3. The Chief Financial Officer, Finance Manager and Grant Accountant will be authorized to execute the State of Texas Purchase Voucher and Request for Payment Form documents required for requesting funds approved in the Community Development Block Grant Mitigation (CDBG-MIT-MOD) project.

Section 4. This resolution shall be effective immediately from adoption.

[Execution on the following page]

PASSED AND APPROVED this the ___ day of June, 2025.

_____
DUKE W. COON, Mayor

APPROVED AS TO FORM:

_____
MICHAEL T. GARNER, City Attorney

ATTEST:

_____
SAMI H. QUINLAN, Interim City Secretary

CITY OF CONROE

Workshop

Item Type: Bid Award

Meeting Date: 06/25/2025
Department: Public Works
Contact: Norman McGuire, Asst. City Administrator and Public Works Director
Submitted By: Brandy Taylor, Contract Administrator

N. McGuire

Joint Meeting: No Joint Meeting

Description

Discuss the proposal for grant management from the Goodman Corporation for the Fiber Connectivity project.

Summary / Recommendation

Discuss the proposal for full grant reporting services for the Fiber Connectivity Project, which is supported by Congressman Luttrell's office. While staff initially requested assistance solely with the Advance Funding Agreement to expedite TXDOT approval, the project's reporting requirements now necessitate expanding the scope. Therefore, staff recommends approving a total contract amount of $95,175 to The Goodman Corporation. This project is included in the current Capital Improvement Plan (CIP).

Fiscal Impact

Expenditure Amount: $95,175
Revenue Amount:
Account Number: Multiple - See Below
Budget Amendment Required Y/N: N
Financial Review Complete: MM
Financial Review Notes:
610/8070/9030/I96=$47,587.50 610/8070/9030/I97=$47,587.50

Attachments

Proposal
Insurance
1295 Form
Sam.gov Status
Insurance

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PROJECT SCOPE

City of Conroe, Texas
Loop 336 Fiber
Earmark Grant Coordination and Management
Amendment #1

March 2025

The Goodman Corporation (TGC) assisted the City of Conroe in securing $2M in Federal Highway Administration (FHWA) funding for the extension of 7.4 miles of fiber for traffic signal interconnectivity purposes along Loop 336. This funding will improve traffic signal interconnectivity as well as provide the opportunity for improved internet access to adjacent and connecting City of Conroe facilities. This first amendment adds additional TGC responsibilities to Tasks 2 and 4. This is because the City will be managing this project as a 'local-let.' Letting and managing the project locally means that the City will be directly responsible for bid and construction phase federal compliance requirements. TGC will assist the City in meeting and documenting these requirements. New activities, added by this amendment, are identified in blue within the scope.

Task 1 – Grant Initiation and Coordination

Description:

- Coordinate with TxDOT on the award of funding and coordinate project intake to include the provision of administrative planning and grant documentation (TIP and STIP actions) requirements to the Houston-Galveston Area Council (H-GAC).
- Coordinate with City staff to define project scope, limits, and cost estimate in relation to the grant. Assist City Engineer in the development of scope of work for City related responsibilities (design/PS&E preparation, bid phase assistance, supplemental construction management assistance).
- Define and document City/TxDOT roles and responsibilities in consultation with agencies. This scope assumes that the City will lead project design and TxDOT will let and manage construction.
- Facilitate project kick-off meeting with TxDOT.
- Facilitate Advance Funding Agreement with TxDOT (serves as grant agreement) and complete required Council resolution(s) and Project Oversight documentation forms.

Task 2 – Federal Compliance Oversight and Paperwork (Design and Bid Phases)

Description:

- Coordinate with project engineer on design requirements and TxDOT process through project development.
- Participate in project design meetings and document same (as required).
- Complete project compliance documentation through design and bid phase.

- Assist in the City in financial and budget management associated with the project.
- Guide the City and the Engineer of Record through project letting approval and documentation in accordance with the TxDOT Local Government Project Procedures (LGPP) guidelines.
- Oversee bid document development, including front end documents (City of Conroe specifications with TxDOT LG special provisions), and bid documents distribution.
- Coordinate with TxDOT for Federal Project Approval & Agreement (FPAA) and State Letter of Authority (SLOA).
- Assist with advertising, pre-bid meeting, addenda as required, and bid opening, tabulation and analysis.
- Consult with the City on project bid results and concurrence with low bidder.

Task 3 – National Environmental Policy Act (NEPA) Clearance

Description:

This project assumes a level of effort commensurate with a Categorical Exclusion (CE) and a 'checklist' process given this work will occur entirely within existing and otherwise disturbed right-of-way. This task excludes the facilitation of a public meeting, completion of Phase I and Phase II Environmental Site Assessments, species/habitat field surveys, archeological or historic surveys beyond the initial SHPO submittal, air quality analysis beyond CE level (i.e., hot spot, mobile source air toxics, or carbon monoxide traffic/air quality analysis), wetland and/or stream delineation, Army Corps of Engineers jurisdictional determination and/or permitting, Waters of the U.S. delineation, or Coast Guard permitting. If required or necessary, TGC will submit additional task orders for these activities.

Task 4 – Construction Phase Compliance

Description:

Construction phase services require contract administration activities associated with the LGPP responsibilities due to the project receiving federal aid through TxDOT. This task is organized to fulfill the responsibilities of the LGPP Project Manager (PM) and/or Qualified Person (QP). The three main areas of support to the City include Contract Administration, Contract Compliance Activities, and Project Close-out. This task excludes any engineering activities. This scope assumes a six-month construction duration. The work breakdown for each construction phase LGPP activity is as follows:

Contract Administration:

i. Assist with contract execution and Notice to Proceed (NTP)
ii. Conduct project meetings w/ TxDOT and/or City (project coordination, pre-construction, project progress)
iii. Monitor and report on project environmental, materials, construction, supervision, safety, and quality standards and performance
iv. Review and verify construction records and documentation
v. Monitor, review, approve, and report on requests, employment, debarment, performance, payment, and agreements of prime contractor and all subcontractors
vi. Review, approve, and document progress payments and ensure prompt payment
vii. Monitor retainage, contract time, contract changes, and claims

viii. Maintain construction phase documentation according to LGPP requirements and obtain TxDOT approval as required for changes to the contract or project

Contract Compliance:

i. Monitor contract price; review all change orders with City and TxDOT
ii. Monitor and report on all requirements related to federal-aid (FHWA 1273) and TxDOT provisions as detailed in the project manual
iii. Verify all DBEs certified in TUCP; maintain monthly DBE reporting
iv. Confirm EEO compliance in contracts and on work site
v. Inspect temporary traffic controls for compliance with TCP
vi. Manage material source verification and monitor compliance with Buy America provision
vii. Review and record contractor and subcontractor weekly certified payrolls and conduct monthly labor interviews (up to 6 site visits)

Project Close-out:

i. Conduct project review, including TxDOT notification, inspection, records review, final request for reimbursement, and coordinating adjustments or corrections per TxDOT comments
ii. Complete final close-out, including coordinating for Statement of Cost (SOC) including related coordination with TxDOT, H-GAC, and Congressman Luttrell's office.
iii. Provide project records to City for audit file

Deliverables:

i. Monthly progress reports
ii. DBE/subcontractor utilization reports
iii. LGPP reports
iv. Project final close-out audit file

Project Schedule

This work will be completed in parallel with the project design, bid, and construction process.

Project Budget

Progress payments will be provided monthly per the table below. Invoices, including progress reports, will be provided each month. The costs within this scope are inclusive of all direct and indirect costs (e.g., travel, overhead, printing).

Task	Description	Original Cost	Amended Cost
1	Grant Initiation and Coordination	$5,000	$5,000
2	Federal Compliance Oversight and Paperwork (Design and Bid)	$7,500	$38,000
3	National Environmental Policy Act (NEPA) Clearance	$3,500	$3,500
4	Construction Phase Compliance	$4,250	$48,675
	Total Authorized	**$20,250**	**$95,175**
	Total Amendment Amount	**$74,925**	

Level of Effort

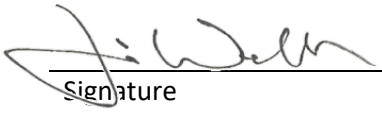
Loop 336 Earmark Grant Coordination and Management							
Category	**Category Rate**	**Task 1** **Grant Coord**	**Task 2** **Fed Comp**	**Task 3** **NEPA**	**Task 4** **Const Comp**	**General** **ODC**	**Totals**
Admin I	$95.33				40		$3,813
Associate I	$103.27						
Associate II	$119.16						
Associate III	$142.99				120		$17,216
Senior Associate I	$158.88						
Senior Associate II	$174.77			16.48			$2,880
Senior Associate III	$190.66		40.25				$7,675
Principal I	$206.55	11.00	16.00	3.00	15.00		$9,295
Principal II	$246.27	6.00					$1,478
Principal III	$293.08	4.27	6.00				$3,009
Engineer Associate I	$103.27						
Engineer Associate II	$119.16		12.00		6.00		$2,145
Engineer Associate III	$146.96						
Engineer Senior Associate I	$162.85						
Engineer Senior Associate II	$178.74						
Engineer Senior Associate III	$198.60		120		120		$47,664
Engineer Principal I	$214.49						
Engineer Principal II	$254.21						
Engineer Principal III	$309.82						
Staff Hours By Task		21	194	19	301	536	$95,175
Subtotals							
Subtotal: Staff Expense		$5,000	$38,000	$3,500	$48,675		$95,175
Subtotal: Other Direct Expenses							
Subtotal: Sub-Contractor							
Totals		**$5,000**	**$38,000**	**$3,500**	**$48,675**		**$95,175**

Accepted for the City of Conroe, Texas

Signature Date

Print

Accepted for The Goodman Corporation



March 31, 2025

Signature Date

Jim Webb, AICP, ENV SP

Print

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 03/04/2025

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Automatic Data Processing Insurance Agency, Inc. 1 Adp Boulevard Roseland NJ 07068	**CONTACT NAME:** Automatic Data Processing Insurance Agency, Inc. **PHONE (A/C, No, Ext):** 1-800-524-7024 **FAX (A/C, No):** **E-MAIL ADDRESS:**
INSURED Goodman Corporation 3200 Travis St. Ste 200 Houston TX 77006	**INSURER(S) AFFORDING COVERAGE** / **NAIC #** **INSURER A :** Charter Oak Fire Insurance Company 25615 **INSURER B :** **INSURER C :** **INSURER D :** **INSURER E :** **INSURER F :**

COVERAGES **CERTIFICATE NUMBER:** 4165444 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☐ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER:						EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG	$ $ $ $ $ $
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	$ $ $ $
	☐ **UMBRELLA LIAB** ☐ OCCUR ☐ **EXCESS LIAB** ☐ CLAIMS-MADE ☐ DED ☐ RETENTION $						EACH OCCURRENCE AGGREGATE	$ $
A	**WORKERS COMPENSATION AND EMPLOYERS' LIABILITY** ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? **Y / N** N **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	Y	UB-8M59888A-24-42	12/20/2024	12/20/2025	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ 1,000,000 $ 1,000,000 $ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

This certificate has a blanket Waiver of Subrogation for the following state(s) :CT,OR,TX

CERTIFICATE HOLDER

City of Conroe
300 W Davis St

Conroe TX 77301

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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CERTIFICATE OF INTERESTED PARTIES

FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY
CERTIFICATION OF FILING

Certificate Number:
2025-1318485

Date Filed:
06/02/2025

Date Acknowledged:

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
The Goodman Corporation
Houston, TX United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.
City of Conroe

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
Admin. Grant/Funding Services
Loop 336 Fiber Earmark Grant Coordination and Management Amendent 1

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
Goodman, Barry	Houston, TX United States	X	

5 Check only if there is NO Interested Party. ☐

6 UNSWORN DECLARATION

My name is Barry Goodman, and my date of birth is 11/22/1946.

My address is 12712 Cedar Street 2 (street), Austin (city), TX (state), 78732 (zip code), USA (country).

I declare under penalty of perjury that the foregoing is true and correct.

Executed in Travis County, State of Texas, on the 2nd day of June (month), 2025 (year).

Signature of authorized agent of contracting business entity
(Declarant)

THE GOODMAN CORP

Unique Entity ID	CAGE / NCAGE	Purpose of Registration
VXDQMJ5T1ML3	**7C2Q9**	**Federal Assistance Awards Only**
Registration Status	Expiration Date	
Active Registration	**Dec 11, 2025**	
Physical Address	Mailing Address	
3200 Travis ST STE 200 **Houston, Texas 77006-3654** **United States**	**3200 Travis ST STE 200** **Houston, Texas 77006** **United States**	

Business Information

Doing Business as	Division Name	Division Number
(blank)	**(blank)**	**(blank)**
Congressional District	State / Country of Incorporation	URL
Texas 07	**Texas / United States**	**(blank)**

Registration Dates

Activation Date	Submission Date	Initial Registration Date
Dec 13, 2024	**Dec 11, 2024**	**Feb 9, 2015**

Entity Dates

Entity Start Date	Fiscal Year End Close Date
Jun 29, 1981	**Dec 31**

Immediate Owner

CAGE	Legal Business Name
(blank)	**(blank)**

Highest Level Owner

CAGE	Legal Business Name
(blank)	**(blank)**

Executive Compensation

In your business or organization's preceding completed fiscal year, did your business or organization (the legal entity to which this specific SAM record, represented by a Unique Entity ID, belongs) receive both of the following: 1. 80 percent or more of your annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements and 2. $25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

No

Does the public have access to information about the compensation of the senior executives in your business or organization (the legal entity to which this specific SAM record, represented by a Unique Entity ID, belongs) through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986?

Not Selected

Proceedings Questions

Is your business or organization, as represented by the Unique Entity ID on this entity registration, responding to a Federal procurement opportunity that contains the provision at FAR 52.209-7, subject to the clause in FAR 52.209-9 in a current Federal contract, or applying for a Federal grant opportunity which contains the award term and condition described in 2 C.F.R. 200 Appendix XII?

No

Does your business or organization, as represented by the Unique Entity ID on this specific SAM record, have current active Federal contracts and/or grants with total value (including any exercised/unexercised options) greater than $10,000,000?

Not Selected

Within the last five years, had the business or organization (represented by the Unique Entity ID on this specific SAM record) and/or any of its principals, in connection with the award to or performance by the business or organization of a Federal contract or grant, been the subject of a Federal or State (1) criminal proceeding resulting in a conviction or other acknowledgment of fault; (2) civil proceeding resulting in a finding of fault with a monetary fine, penalty, reimbursement, restitution, and/or damages greater than $5,000, or other acknowledgment of fault; and/or (3) administrative proceeding resulting in a finding of fault with either a monetary fine or penalty greater than $5,000 or reimbursement, restitution, or damages greater than $100,000, or other acknowledgment of fault?

Not Selected

Exclusion Summary

Active Exclusions Records?

No

SAM Search Authorization

I authorize my entity's non-sensitive information to be displayed in SAM public search results:

Yes

Entity Types

Business Types

Entity Structure
Corporate Entity (Not Tax Exempt)

Entity Type
Business or Organization

Organization Factors
(blank)

Profit Structure
For Profit Organization

Socio-Economic Types

Check the registrant's Reps & Certs, if present, under FAR 52.212-3 or FAR 52.219-1 to determine if the entity is an SBA-certified HUBZone small business concern. Additional small business information may be found in the SBA's Dynamic Small Business Search if the entity completed the SBA supplemental pages during registration.

Financial Information

Accepts Credit Card Payments
No

Debt Subject To Offset
No

EFT Indicator
0000

CAGE Code
7C2Q9

Electronic Funds Transfer

Account Type
Checking

Routing Number
*********48**

Lock Box Number
(blank)

Financial Institution
WELLS FARGO BANK, NA

Account Number
*********91**

Automated Clearing House

Phone (U.S.)
5123447710

Email
(blank)

Phone (non-U.S.)
(blank)

Fax
(blank)

Remittance Address

THE GOODMAN CORPORATION
3200 Travis Street STE 200
Houston, Texas 77006
United States

Taxpayer Information

EIN
*******9805**

Type of Tax
Applicable Federal Tax

Taxpayer Name
Goodman Corporation

Tax Year (Most Recent Tax Year)
2023

Name/Title of Individual Executing Consent
Coo

TIN Consent Date
Dec 11, 2024

Address
3200 Travis Street
Houston, Texas 77006

Signature
Wendy OBrian

Points of Contact

Accounts Receivable POC

Wendy O'Brian
wobrian@thegoodmancorp.com
7139517951

Electronic Business

Wendy O'Brian
wobrian@thegoodmancorp.com
7139517951

3200 Travis Street STE 200
Houston, Texas 77006
United States

Government Business

Wendy O'Brian
wobrian@thegoodmancorp.com
7139517951

3200 Travis Street STE 200
Houston, Texas 77006
United States

Service Classifications

NAICS Codes

Primary	NAICS Codes	NAICS Title

Size Metrics

IGT Size Metrics

Annual Revenue (from all IGTs)
(blank)

Worldwide

Annual Receipts (in accordance with 13 CFR 121)
(blank)

Number of Employees (in accordance with 13 CFR 121)
(blank)

Location

Annual Receipts (in accordance with 13 CFR 121)
(blank)

Number of Employees (in accordance with 13 CFR 121)
(blank)

Industry-Specific

Barrels Capacity
(blank)

Megawatt Hours
(blank)

Total Assets
(blank)

Electronic Data Interchange (EDI) Information

This entity did not enter the EDI information

Disaster Response

This entity does not appear in the disaster response registry.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 11/20/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Arthur J. Gallagher Risk Management Services, LLC
14550 Torrey Chase Boulevard
Suite 410
Houston TX 77014

CONTACT NAME: Sandra Nolton
PHONE (A/C, No, Ext): 281-655-6828 **FAX (A/C, No):** 281-655-6835
E-MAIL ADDRESS: Sandra_Nolton@ajg.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : Hartford Fire Insurance Company	19682
INSURER B : Old Republic Union Insurance Company	31143
INSURER C :	
INSURER D :	
INSURER E :	
INSURER F :	

INSURED GOODCOR-01
The Goodman Corporation
3200 Travis St
Suite 200
Houston TX 77006-3636

COVERAGES **CERTIFICATE NUMBER:** 335878258 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X **COMMERCIAL GENERAL LIABILITY** [ ] CLAIMS-MADE [X] OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: [ ] POLICY [X] PRO-JECT [ ] LOC [ ] OTHER:	Y	Y	83SBATY4504	12/26/2024	12/26/2025	EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG 	$ 1,000,000 $ 300,000 $ 10,000 $ 1,000,000 $ 2,000,000 $ 2,000,000 $
A	**AUTOMOBILE LIABILITY** [ ] ANY AUTO [ ] OWNED AUTOS ONLY [ ] SCHEDULED AUTOS [X] HIRED AUTOS ONLY [X] NON-OWNED AUTOS ONLY			83SBATY4504	12/26/2024	12/26/2025	COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) 	$ 1,000,000 $ $ $ $
A	X **UMBRELLA LIAB** [X] OCCUR **EXCESS LIAB** [ ] CLAIMS-MADE [ ] DED [X] RETENTION $ 10,000			83SBATY4504	12/26/2024	12/26/2025	EACH OCCURRENCE AGGREGATE 	$ 2,000,000 $ 2,000,000 $
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y / N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? [ ] **(Mandatory in NH)** If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					[ ] PER STATUTE [ ] OTH-ER E.L. EACH ACCIDENT E.L. DISEASE - EA EMPLOYEE E.L. DISEASE - POLICY LIMIT	 $ $ $
B	Professional Liability			ORDUPL00004300	10/13/2024	10/13/2025	Each Claim/Aggregate BI /PD Each Claim/Agg Retention	$2,000,000 $100,000 $25,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Certificate holder is named as Additional Insured, Waiver of Subrogation and coverage is Primary and Non-Contributory with respect to General Liability and Hired/Non-Owned Automobile as per written contract and as per forms SS0008 (04/05). A thirty (30) day notice of cancellation except ten (10) days for non-payment of premium applies as per form SS1011 (10/15). General Liability aggregate limits apply per project as per written contract and per form SS0433. Automobile and Umbrella are follow-form. Professional Liability: Claims Made, Retroactive date: 10/13/16, Deductible: $25,000

CERTIFICATE HOLDER

City of Conroe
300 W. Davis – 3rd Floor
Conroe TX 77305
USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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Meeting Date: 06/25/2025
Department: Police
Contact: Jon Buckholtz, Police Chief
Submitted By: Jon Buckholtz, Police Chief

Workshop

Item Type: Other

J. Buckholtz

Joint Meeting: No Joint Meeting

Description

Discuss 10-year agreement for AI Era module enhancement to existing AXON camera contract.

Summary / Recommendation

If approved, will give us enhanced abilities for Officer body-worn video cameras to include transcription, two-way translation for victims speaking unknown languages in emergency conditions, report and form filling module that will essentially be a "force multiplier" reducing report writing time by 25-50 percent as well as jail processing paperwork. Half of an officer's time is spent writing reports and this will cut that substantially. Additional modules for records, legal Team, and municipal court functionality will be included. The 10 year contract is able to be cancelled at any point for non-appropriations.

Fiscal Impact

Expenditure Amount:	$3,247,926.50
Revenue Amount:	
Account Number:	001-1201-8041
Budget Amendment Required Y/N:	N
Financial Review Complete:	MM
Financial Review Notes:	

Attachments

AI ERA Plan
AXON Purchase Agreement

Axon Enterprise, Inc.
17800 N 85th St.
Scottsdale, Arizona 85255
United States
VAT: 86-0741227
Domestic: (800) 978-2737
International: +1.800.978.2737

Q-700636-45820MA

Issued: 06/12/2025

Quote Expiration: 06/30/2025

Estimated Contract Start Date: 10/01/2025

Account Number: 106723

Payment Terms: N30

Mode of Delivery: UPS-GND

Credit/Debit Amount: $0.00

SHIP TO	BILL TO
Conroe PD 2300 PLANTATION DR CONROE, TX 77303-1070 USA	Conroe Police Dept. - TX 300 W Davis St Conroe TX 77301-2803 USA Email:

SALES REPRESENTATIVE	PRIMARY CONTACT
Matt Appelbaum Phone: Email: mappelbaum@axon.com Fax:	Jon Buckholtz Phone: (936) 522-3200 Email: jbuckholtz@cityofconroe.org Fax: (936) 5223376

Quote Summary

Program Length	120 Months
TOTAL COST	$3,247,926.50
ESTIMATED TOTAL W/ TAX	$3,247,926.50

Discount Summary

Average Savings Per Year	$293,123.35
TOTAL SAVINGS	$2,931,233.50

Payment Summary

Date	Subtotal	Tax	Total
Sep 2025	$282,351.32	$0.00	$282,351.32
Oct 2026	$282,351.30	$0.00	$282,351.30
Oct 2027	$282,351.30	$0.00	$282,351.30
Oct 2028	$282,351.30	$0.00	$282,351.30
Oct 2029	$353,086.88	$0.00	$353,086.88
Oct 2030	$353,086.88	$0.00	$353,086.88
Oct 2031	$353,086.88	$0.00	$353,086.88
Oct 2032	$353,086.88	$0.00	$353,086.88
Oct 2033	$353,086.88	$0.00	$353,086.88
Oct 2034	$353,086.88	$0.00	$353,086.88
Total	**$3,247,926.50**	**$0.00**	**$3,247,926.50**

Quote Unbundled Price:	**$6,179,160.00**
Quote List Price:	**$3,649,356.00**
Quote Subtotal:	**$3,247,926.50**

Pricing

All deliverables are detailed in Delivery Schedules section lower in proposal

Item	Description	Qty	Term	Unbundled	List Price	Net Price	Subtotal	Tax	Total
Program									
S00007	AXON AI - AI ERA LEADERS	170	120	$302.90	$178.89	$159.21	$3,247,926.50	$0.00	$3,247,926.50
Total							**$3,247,926.50**	**$0.00**	**$3,247,926.50**

Delivery Schedule

Software

Bundle	Item	Description	QTY	Estimated Start Date	Estimated End Date
AXON AI - AI ERA LEADERS	101740	AXON - AI SOFTWARE LICENSE	170	10/01/2025	09/30/2035

Services

Bundle	Item	Description	QTY
AXON AI - AI ERA LEADERS	101741	AXON - AI PROFESSIONAL SERVICES	170

Shipping Locations

Location Number	Street	City	State	Zip	Country
1	2300 PLANTATION DR	CONROE	TX	77303-1070	USA

Payment Details

Sep 2025

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 1	S00007	AXON AI - AI ERA LEADERS	170	$282,351.32	$0.00	$282,351.32
Total				**$282,351.32**	**$0.00**	**$282,351.32**

Oct 2026

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 2	S00007	AXON AI - AI ERA LEADERS	170	$282,351.30	$0.00	$282,351.30
Total				**$282,351.30**	**$0.00**	**$282,351.30**

Oct 2027

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 3	S00007	AXON AI - AI ERA LEADERS	170	$282,351.30	$0.00	$282,351.30
Total				**$282,351.30**	**$0.00**	**$282,351.30**

Oct 2028

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 4	S00007	AXON AI - AI ERA LEADERS	170	$282,351.30	$0.00	$282,351.30
Total				**$282,351.30**	**$0.00**	**$282,351.30**

Oct 2029

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 5	S00007	AXON AI - AI ERA LEADERS	170	$353,086.88	$0.00	$353,086.88
Total				**$353,086.88**	**$0.00**	**$353,086.88**

Oct 2030

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 6	S00007	AXON AI - AI ERA LEADERS	170	$353,086.88	$0.00	$353,086.88
Total				**$353,086.88**	**$0.00**	**$353,086.88**

Oct 2031

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 7	S00007	AXON AI - AI ERA LEADERS	170	$353,086.88	$0.00	$353,086.88
Total				**$353,086.88**	**$0.00**	**$353,086.88**

Oct 2032

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 8	S00007	AXON AI - AI ERA LEADERS	170	$353,086.88	$0.00	$353,086.88
Total				**$353,086.88**	**$0.00**	**$353,086.88**

Oct 2033

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 9	S00007	AXON AI - AI ERA LEADERS	170	$353,086.88	$0.00	$353,086.88
Total				**$353,086.88**	**$0.00**	**$353,086.88**

Oct 2034

Invoice Plan	Item	Description	Qty	Subtotal	Tax	Total
Annual Payment 10	S00007	AXON AI - AI ERA LEADERS	170	$353,086.88	$0.00	$353,086.88
Total				**$353,086.88**	**$0.00**	**$353,086.88**

Tax is estimated based on rates applicable at date of quote and subject to change at time of invoicing. If a tax exemption certificate should be applied, please submit prior to invoicing.

Contract BuyBoard Contract 743-24 is incorporated by reference into the terms and conditions of this Agreement. In the event of conflict the terms of Axon's Master Services and Purchasing Agreement shall govern.

Standard Terms and Conditions

Axon Enterprise Inc. Sales Terms and Conditions

Axon Master Services and Purchasing Agreement:

This Quote is limited to and conditional upon your acceptance of the provisions set forth herein and Axon's Master Services and Purchasing Agreement (posted at https://www.axon.com/sales-terms-and-conditions), as well as the attached Statement of Work (SOW) for Axon Fleet and/or Axon Interview Room purchase, if applicable. In the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern to the extent it includes the products and services being purchased and does not conflict with the Axon Customer Experience Improvement Program Appendix as described below.

ACEIP:

The Axon Customer Experience Improvement Program Appendix, which includes the sharing of de-identified segments of Agency Content with Axon to develop new products and improve your product experience (posted at www.axon.com/legal/sales-terms-and-conditions), is incorporated herein by reference. By signing below, you agree to the terms of the Axon Customer Experience Improvement Program.

Acceptance of Terms:

Any purchase order issued in response to this Quote is subject solely to the above referenced terms and conditions. By signing below, you represent that you are lawfully able to enter into contracts. If you are signing on behalf of an entity (including but not limited to the company, municipality, or government agency for whom you work), you represent to Axon that you have legal authority to bind that entity. If you do not have this authority, please do not sign this Quote.

Signature

Date Signed

6/12/2025



This Master Services and Purchasing Agreement ("**Agreement**") is between Axon Enterprise, Inc. ("**Axon**"), and the Customer listed below or, if no Customer is listed below, the customer on the Quote (as defined below) ("**Customer**"). This Agreement is effective as of the later of the (a) last signature date on this Agreement or (b) date of acceptance of the Quote ("**Effective Date**"). Axon and Customer are each a "**Party**" and collectively "**Parties**". This Agreement governs Customer's purchase and use of the Axon Devices and Services detailed in the Quote. It is the intent of the Parties that this Agreement will govern all subsequent purchases by Customer for the same Axon Devices and Services in the Quote, and all such subsequent quotes accepted by Customer shall be also incorporated into this Agreement by reference as a Quote. The Parties agree as follows:

1. **Definitions**.

   1.1. "**Axon Cloud Services**" means Axon's web services, including, but not limited to, Axon Evidence, Axon Records, Axon Dispatch, FUSUS services, and interactions between Axon Evidence and Axon Devices or Axon client software. Axon Cloud Service excludes third-party applications, hardware warranties, and my.evidence.com.

   1.2. "**Axon Device**" means all hardware provided by Axon under this Agreement. Axon-manufactured Devices are a subset of Axon Devices.

   1.3. "**Quote**" means an offer to sell and is only valid for devices and services on the offer at the specified prices. Any inconsistent or supplemental terms within Customer's purchase order in response to a Quote will be void. Orders are subject to prior credit approval. Changes in the deployment estimated ship date may change charges in the Quote. Shipping dates are estimates only. Axon is not responsible for typographical errors in any Quote by Axon, and Axon reserves the right to cancel any orders resulting from such errors.

   1.4. "**Services**" means all services provided by Axon under this Agreement, including software, Axon Cloud Services, and professional services.

2. **Term**. This Agreement begins on the Effective Date and continues until all subscriptions hereunder have expired or have been terminated ("**Term**").

   2.1. All subscriptions including Axon Evidence, Axon Fleet, Officer Safety Plans, Technology Assurance Plans, and TASER 7 or TASER 10 plans begin on the date stated in the Quote. Each subscription term ends upon completion of the subscription stated in the Quote ("**Subscription Term**").

   2.2. Upon completion of the Subscription Term, the Subscription Term will automatically renew for an additional 5-year term ("**Renewal Term**"). For purchase of TASER 7 or TASER 10 as a standalone, Axon may increase pricing to its then-current list pricing for any Renewal Term. For all other purchases, Axon may increase pricing on all line items in the Quote by up to 3% at the beginning of each year of the Renewal Term. New devices and services may require additional terms. Axon will not authorize services until Axon receives a signed Quote or accepts a purchase order, whichever is first.

3. **Payment**. Axon invoices for Axon Devices upon shipment, or on the date specified within the invoicing plan in the Quote. Payment is due net 30 days from the invoice date. Axon invoices for Axon Cloud Services on an upfront annual basis prior to the beginning of the Subscription Term and upon the anniversary of the Subscription Term. Payment obligations are non-cancelable. Unless otherwise prohibited by law, Customer will pay interest on all past-due sums at the lower of one-and-a-half percent (1.5%) per month or the highest rate allowed by law. Customer will pay invoices without setoff, deduction, or withholding. If Axon sends a past due account to collections, Customer is responsible for collection and attorneys' fees.

4. **Taxes**. Customer is responsible for sales and other taxes associated with the order unless Customer provides Axon a valid tax exemption certificate.

5. **Shipping**. Axon may make partial shipments and ship Axon Devices from multiple locations. All shipments are EXW (Incoterms 2020) via common carrier. Title and risk of loss pass to Customer upon Axon's delivery to the common carrier. Customer is responsible for any shipping charges in the Quote.

6. **Returns**. All sales are final. Axon does not allow refunds or exchanges, except warranty returns or as provided by state or federal law.

7. **Warranty**.

   7.1. **Limited Warranty**. Axon warrants that Axon-manufactured Devices, except for TASER devices covered under the Taser Appendix, are free from defects in workmanship and materials for one (1) year from the date of Customer's receipt, except Signal Sidearm which Axon warrants for thirty (30) months from Customer's receipt and Axon-manufactured accessories, which Axon warrants for ninety (90) days from Customer's receipt, respectively, from the date of Customer's receipt. Extended warranties run from the expiration of the one- (1-)

year hardware warranty through the extended warranty term purchased.

7.2. Disclaimer. All software and Axon Cloud Services are provided "AS IS," without any warranty of any kind, either express or implied, including without limitation the implied warranties of merchantability, fitness for a particular purpose and non-infringement. Axon Devices and Services that are not manufactured, published or performed by Axon ("Third-Party Products") are not covered by Axon's warranty and are only subject to the warranties of the third-party provider or manufacturer. If Customer purchases Axon Loki, Customer acknowledges the Loki device is designed for operation in enclosed, controlled environments and must be used in compliance with all applicable laws and safety guidelines. Operation in open or unapproved areas may result in signal interference, loss of control, or damage, and Axon assumes no liability for improper use, including any resulting harm or regulatory violations.

7.3. **Claims**. If Axon receives a valid warranty claim for an Axon-manufactured Device during the warranty term, Axon's sole responsibility is to repair or replace the Axon-manufactured Device with the same or like Axon-manufactured Device, at Axon's option. A replacement Axon-manufactured Device will be new or like new. Axon will warrant the replacement Axon-manufactured Device for the longer of (a) the remaining warranty of the original Axon-manufactured Device or (b) ninety (90) days from the date of repair or replacement.

7.3.1. If Customer exchanges an Axon Device or part, the replacement item becomes Customer's property, and the replaced item becomes Axon's property. Before delivering an Axon-manufactured Device for service, Customer must upload Axon-manufactured Device data to Axon Evidence or download it and retain a copy. Axon is not responsible for any loss of software, data, or other information contained in storage media or any part of the Axon-manufactured Device sent to Axon for service.

7.4. **Spare Axon Devices**. At Axon's reasonable discretion, Axon may provide Customer a predetermined number of spare Axon Devices as detailed in the Quote ("**Spare Axon Devices**"). Spare Axon Devices are intended to replace broken or non-functioning units while Customer submits the broken or non-functioning units, through Axon's warranty return process. Axon will repair or replace the unit with a replacement Axon Device. Title and risk of loss for all Spare Axon Devices shall pass to Customer in accordance with shipping terms of this Agreement. Axon assumes no liability or obligation in the event Customer does not utilize Spare Axon Devices for the intended purpose.

7.5. **Limitations**. Axon's warranty excludes damage related to: (a) failure to follow Axon Device use instructions; (b) Axon Devices used with equipment not manufactured or recommended by Axon; (c) abuse, misuse, or intentional damage to Axon Device; (d) force majeure; (e) Axon Devices repaired or modified by persons other than Axon without Axon's written permission; or (f) Axon Devices with a defaced or removed serial number. Axon's warranty will be void if Customer resells Axon Devices.

7.5.1. **To the extent permitted by law, the above warranties and remedies are exclusive. Axon disclaims all other warranties, remedies, and conditions, whether oral, written, statutory, or implied. If statutory or implied warranties cannot be lawfully disclaimed, then such warranties are limited to the duration of the warranty described above and by the provisions in this Agreement. Customer confirms and agrees that, in deciding whether to sign this Agreement, Customer has not relied on any statement or representation by Axon or anyone acting on behalf of Axon related to the subject matter of this Agreement that is not in this Agreement.**

7.5.2. **Axon's cumulative liability to any party for any loss or damage resulting from any claim, demand, or action arising out of or relating to this Agreement will not exceed the purchase price paid to Axon for the Axon Device, or if for Services, the amount paid for such Services over the twelve (12) months preceding the claim. Neither Party will be liable for special, indirect, incidental, punitive or consequential damages, however caused, whether for breach of warranty or contract, negligence, strict liability, tort or any other legal theory.**

7.6. **Online Support Platforms**. Use of Axon's online support platforms (e.g., Axon Academy and MyAxon) is governed by the Axon Online Support Platforms Terms of Use Appendix available at www.axon.com/sales-terms-and-conditions.

7.7. **Third-Party Software and Services**. Use of software or services other than those provided by Axon is governed by the terms, if any, entered into between Customer and the respective third-party provider, including, without limitation, the terms applicable to such software or services located at www.axon.com/sales-terms-and-conditions, if any.

7.8. **Axon Aid**. Upon mutual agreement between Axon and Customer, Axon may provide certain products and services to Customer, as a charitable donation under the Axon Aid program. In such event, Customer expressly waives and releases any and all claims, now known or hereafter known, against Axon and its officers, directors, employees, agents, contractors, affiliates, successors, and assigns (collectively, "**Releasees**"), including but

not limited to, on account of injury, death, property damage, or loss of data, arising out of or attributable to the Axon Aid program whether arising out of the negligence of any Releasees or otherwise. Customer agrees not to make or bring any such claim against any Releasee, and forever release and discharge all Releasees from liability under such claims. Customer expressly allows Axon to publicly announce its participation in Axon Aid and use its name in marketing materials. Axon may terminate the Axon Aid program without cause immediately upon notice to the Customer.

8. **Free Trial.**

   8.1. **Trial Period and License.** At any time during the Term, Customer and Axon may elect to enter a free trial of Axon Devices and Services new to the Customer for a designated period ("**Trial Period**") as described in a quote issued ("**Trial Quote**"). During the Trial Period, Axon grants Customer a nonexclusive, terminable, non-transferable, license to use new Axon Devices and Services provided for trial to the Customer ("**Trial Products**"). Trial Products may include Axon beta software or firmware which additional terms may be required and included within the Trial Quote. Axon may limit the number of Trial Products Customer receives within the Trial Quote. Axon may supply refurbished Trial Products. ALL FREE TRIAL PRODUCTS INCLUDING, WITHOUT LIMITATION, AXON CLOUD SERVICES, ARE PROVIDED "AS IS" AND TO THE EXTENT NOT PROHIBITED BY LAW, AXON DISCLAIMS ALL LIABILITY REGARDLESS OF THE CLAIM.

   8.2. **Trial Quote Termination**. Upon at least 10 business days' prior written notice to Axon at any time prior to the end of the Trial Period, Customer may as its sole option, terminate the free Trial Period and underlying Trial Quote associated with the Trial Products for convenience. Customer's rights to the Trial Products will immediately terminate at the end of the Trial Period, and Customer will return any Trial Products hardware to Axon within 10 days after the effective date of such termination or at the end of the Trial Period, excluding used CEW cartridges. If any individual component of the Trial Products is not returned, Axon will invoice Customer the MSRP of the unreturned items. Customer agrees to pay the invoice along with any applicable taxes and shipping. Customer will return the Trial Products to Axon in good working condition, minus normal wear and tear. Axon may charge Customer if there is damage beyond normal wear and tear. Any Customer Content shall be stored and returned pursuant to the Axon Cloud Services Terms of Use Appendix.

9. **Statement of Work**. Certain Axon Devices and Services, including, but not limited to, Axon Interview Room, Axon Channel Services, Axon Justice Implementation, FUSUS, and Axon Fleet, may require a Statement of Work that details Axon's Service deliverables ("**SOW**"). In the event Axon provides an SOW to Customer, Axon is only responsible for the performance of Services described in the SOW. Additional services outside of the SOW, Quote, or this Agreement are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in fees or schedule. Any applicable SOW is incorporated into this Agreement by reference.

10. **Axon Device Warnings**. See www.axon.com/legal for the most current Axon Device warnings.

11. **Design Changes**. Axon may make design changes to any Axon Device or Service without notifying Customer or making the same change to Axon Devices and Services previously purchased by Customer.

12. **Combined Offerings**. Some offerings in a Quote combine existing and pre-released Axon Devices or Services. Some offerings may not be available at the time of Customer's purchase. Axon will not provide a refund, credit, or additional discount beyond what is in the Quote due to delay of availability or Customer's choice not to utilize any portion of a combined offering.

13. **Insurance**. Axon will maintain General Liability, Workers' Compensation, and Automobile Liability insurance. Upon request, Axon will supply certificates of insurance.

14. **IP Rights**. Axon owns and reserves all right, title, and interest in Axon-manufactured Devices and Services and suggestions to Axon, including all related intellectual property rights. Customer will not cause any Axon proprietary rights to be violated.

15. **IP Indemnification**. Axon will indemnify Customer against all claims, losses, and reasonable expenses from any third-party claim alleging that the use of Axon-manufactured Devices, Axon Cloud Services or Axon software ("**Axon Products**") infringes or misappropriates the third-party's intellectual property rights. Customer must promptly provide Axon with written notice of such claim, tender to Axon the defense or settlement of such claim at Axon's expense and cooperate fully with Axon in the defense or settlement of such claim. Axon's IP indemnification obligations do not apply to claims based on (a) modification of Axon Products by Customer or a third-party not approved by Axon; (b) use of Axon Products in combination with hardware or services not approved by Axon; (c) use of Axon Products other than as permitted in this Agreement; or (d) use of Axon Products that is not the most current software release provided by Axon.

16. **Customer Responsibilities**. Customer is responsible for (a) Customer's use of Axon Devices; (b) Customer or a Customer authorized user's breach of this Agreement or violation of applicable law; (c) disputes between Customer

and a third-party over Customer's use of Axon Devices; (d) secure and sustainable destruction and disposal of Axon Devices at Customer's cost; and (e) any regulatory violations or fines, as a result of improper destruction or disposal of Axon Devices.

17. **Termination**.

17.1. **For Breach**. A Party may terminate this Agreement for cause if it provides thirty (30) days written notice of the breach to the other Party, and the breach remains uncured thirty (30) days after written notice. If Customer terminates this Agreement due to Axon's uncured breach, Axon will refund prepaid amounts on a prorated basis based on the effective date of termination.

17.2. **By Customer**. If sufficient funds are not appropriated or otherwise legally available to pay the fees, Customer may terminate this Agreement. Customer will deliver notice of termination under this section as soon as reasonably practicable.

17.3. **Effect of Termination**. Upon termination of this Agreement, Customer rights immediately terminate. Customer remains responsible for all fees incurred before the effective date of termination. If Customer purchases Axon Devices for less than the manufacturer's suggested retail price ("**MSRP**") and this Agreement terminates before the end of the Term, Axon will invoice Customer the difference between the MSRP for Axon Devices procured, including any Spare Axon Devices, and amounts paid towards those Axon Devices. Only if terminating for non-appropriation, Customer may return Axon Devices to Axon within thirty (30) days of termination. MSRP is the standalone price of the individual Axon Device at the time of sale. For multiple Axon Devices that may be combined as a single offering on a Quote, MSRP is the standalone price of all individual components.

18. **Confidentiality**. "**Confidential Information**" means nonpublic information designated as confidential or, given the nature of the information or circumstances surrounding disclosure, should reasonably be understood to be confidential. Each Party will take reasonable measures to avoid disclosure, dissemination, or unauthorized use of the other Party's Confidential Information. Unless required by law, neither Party will disclose the other Party's Confidential Information during the Term and for five (5) years thereafter. To the extent permissible by law, Axon pricing is Confidential Information and competition sensitive. If Customer receives a public records request to disclose Axon Confidential Information, to the extent allowed by law, Customer will provide notice to Axon before disclosure. Axon may publicly announce information related to this Agreement.

19. **General**.

19.1. **Force Majeure**. Neither Party will be liable for any delay or failure to perform due to a cause beyond a Party's reasonable control.

19.2. **Independent Contractors**. The Parties are independent contractors. Neither Party has the authority to bind the other. This Agreement does not create a partnership, franchise, joint venture, Customer, fiduciary, or employment relationship between the Parties.

19.3. **Third-Party Beneficiaries**. There are no third-party beneficiaries under this Agreement.

19.4. **Non-Discrimination**. Neither Party nor its employees will discriminate against any person based on race; religion; creed; color; sex; gender identity and expression; pregnancy; childbirth; breastfeeding; medical conditions related to pregnancy, childbirth, or breastfeeding; sexual orientation; marital status; age; national origin; ancestry; genetic information; disability; veteran status; or any class protected by local, state, or federal law.

19.5. **Compliance with Laws**. Each Party will comply with all applicable federal, state, and local laws, including without limitation, import and export control laws and regulations as well as firearm regulations and the Gun Control Act of 1968. Customer acknowledges that Axon Devices and Services are subject to U.S. and international export control laws, including the U.S. Export Administration Regulations (EAR) and International Traffic in Arms Regulations (ITAR). Customer represents and warrants that neither it nor any End User is a "Restricted Person," meaning any individual or entity that (1) is subject to U.S. sanctions or trade restrictions, (2) appears on any U.S. government restricted party list, (3) engages in prohibited weapons proliferation activities, or (4) is owned or controlled by, or acting on behalf of, such persons or entities. Customer must promptly notify Axon of any change in status, and Axon may terminate this Agreement if Customer or any End User becomes a Restricted Person or violates export laws.

19.6. **Assignment**. Neither Party may assign this Agreement without the other Party's prior written consent. Axon may assign this Agreement, its rights, or obligations without consent: (a) to an affiliate or subsidiary; or (b) for purposes of financing, merger, acquisition, corporate reorganization, or sale of all or substantially all its assets. This Agreement is binding upon the Parties respective successors and assigns.

19.7. **Waiver**. No waiver or delay by either Party in exercising any right under this Agreement constitutes a waiver of that right.

19.8. **Severability**. If a court of competent jurisdiction holds any portion of this Agreement invalid or unenforceable, the remaining portions of this Agreement will remain in effect.

19.9. **Survival**. The following sections will survive termination: Payment, Warranty, Axon Device Warnings, Indemnification, IP Rights, Customer Responsibilities and any other Sections detailed in the survival sections of the Appendices.

19.10. **Governing Law**. The laws of the country, state, province, or municipality where Customer is physically located, without reference to conflict of law rules, govern this Agreement and any dispute arising from it. The United Nations Convention for the International Sale of Goods does not apply to this Agreement.

19.11. **Notices**. All notices must be in English. Notices posted on Customer's Axon Evidence site are effective upon posting. Notices by email are effective on the sent date of the email. Notices by personal delivery are effective immediately. Notices to Customer shall be provided to the address on file with Axon. Notices to Axon shall be provided to Axon Enterprise, Inc. Attn: Legal, 17800 North 85th Street, Scottsdale, Arizona 85255 with a copy to legal@axon.com.

19.12 **Entire Agreement**. This Agreement, the Appendices, including any applicable Appendices not attached herein for the products and services purchased, which are incorporated by reference and located in the Master Purchasing and Services Agreement located at https://www.axon.com/sales-terms-and-conditions,Quote and any SOW(s), represents the entire agreement between the Parties. This Agreement supersedes all prior agreements or understandings, whether written or verbal, regarding the subject matter of this Agreement. This Agreement may only be modified or amended in a writing signed by the Parties.

Each Party, by and through its respective representative authorized to execute this Agreement, has duly executed and delivered this Agreement as of the date of signature.

AXON:

Axon Enterprise, Inc.

Signature: _____

Name: _____

Title: _____

Date: _____

CUSTOMER:

_____

Signature: _____

Name: _____

Title: _____

Date: _____

Axon Cloud Services Terms of Use Appendix

1. **Definitions.**

   1.1. “Data Controller” means the natural or legal person, public authority, or any other body which alone or jointly with others determines the purposes and means of the processing of Personal Data.

   1.2. “Data Processor” means a natural or legal person, public authority or any other body which processes Personal Data on behalf of the Data Controller.

   1.3. "Customer Content" is data uploaded into, ingested by, or created in Axon Cloud Services within Customer’s tenant, including media or multimedia uploaded into Axon Cloud Services by Customer. Customer Content includes Evidence but excludes Non-Content Data.

   1.4. "Evidence" is media or multimedia uploaded into Axon Evidence as 'evidence' by Customer. Evidence is a subset of Customer Content.

   1.5. “End User” means the natural person subject to Customer’s authorized license grant who ultimately uses the Cloud Services as provided under this Agreement. End Users must adhere to the terms of use and are subject to any usage restrictions or limitations specified in this Agreement.

   1.6. "Non-Content Data" is data, configuration, and usage information about Customer’s Axon Cloud Services tenant, Axon Devices and client software, and users that is transmitted or generated when using Axon Devices. Non-Content Data includes data about users captured during account management and customer support activities. Non-Content Data does not include Customer Content.

   1.7. "Personal Data" means any information relating to an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural or social identity of that natural person.

   1.8. "Provided Data" means de-identified, de-personalized, data derived from Customer's TASER energy weapon deployment reports, related TASER energy weapon logs, body-worn camera footage, and incident reports.

   1.9. “Subprocessor” means any third party engaged by the Data Processor to assist in data processing activities that the Data Processor is carrying out on behalf of the Data Controller.

   1.10. "Transformed Data" means the Provided Data used for the purpose of quantitative evaluation of the performance and effectiveness of TASER energy weapons in the field across a variety of circumstances.

2. **Access**. Upon Axon granting Customer a subscription to Axon Cloud Services, Customer may access and use Axon Cloud Services to store and manage Customer Content. Customer may not exceed more End Users than the Quote specifies. Axon Air requires an Axon Evidence subscription for each drone operator. For Axon Evidence access granted solely for TASER, Customer may access and use Axon Evidence only to store and manage TASER CEW and TASER CAM data ("**TASER Data**") and Customer may not upload non-TASER Data to Axon Evidence

3. **Customer Owns Customer Content**. Customer controls and owns all rights, title, and interest in Customer Content. Except as outlined herein, Axon obtains no interest in Customer Content, and Customer Content is not Axon’s business records. Customer is solely responsible for uploading, sharing, managing, and deleting Customer Content. Axon will only have access to Customer Content for the limited purposes set forth herein. Customer agrees to allow Axon access to Customer Content to (a) perform troubleshooting, maintenance, or diagnostic screenings; and (b) enforce this Agreement or policies governing use of the Axon products.

4. **Security**. Axon will implement commercially reasonable and appropriate measures to secure Customer Content against accidental or unlawful loss, access or disclosure. Axon will maintain a comprehensive information security program to protect Axon Cloud Services and Customer Content including logical, physical access, vulnerability, risk, and configuration management; incident monitoring and response; encryption of uploaded digital evidence; security education; and data protection. Axon agrees to the Federal Bureau of Investigation Criminal Justice Information Services Security Addendum for its digital evidence or records management systems.

5. **Customer Responsibilities**. Customer is responsible for (a) ensuring Customer owns Customer Content or has the necessary rights to use Customer Content (b) ensuring no Customer Content or Customer End User’s use of Customer Content or Axon Cloud Services violates this Agreement or applicable laws; (c) maintaining necessary

computer equipment and Internet connections for use of Axon Cloud Services and (d) verify the accuracy of any auto generated or AI-generated reports. If Customer becomes aware of any violation of this Agreement by an End User, Customer will immediately terminate that End User's access to Axon Cloud Services.

5.1. Customer will also maintain the security of End User usernames and passwords and security and access by end users to Customer Content. Customer is responsible for ensuring the configuration and utilization of Axon Cloud Services meet applicable Customer regulation and standards. Customer may not sell, transfer, or sublicense access to any other entity or person. If Customer provides access to unauthorized third-parties, Axon may assess additional fees along with suspending Customer's access. Customer shall contact Axon immediately if an unauthorized party may be using Customer's account or Customer Content, or if account information is lost or stolen.

5.2 To the extent Customer uses the Axon Cloud Services to interact with YouTube®, such use may be governed by the YouTube Terms of Service, available at https://www.youtube.com/static?template=terms.

6. **Privacy**. Customer's use of Axon Cloud Services is subject to the Axon Cloud Services Privacy Policy, a current version of which is available at https://www.axon.com/legal/cloud-services-privacy-policy. Customer agrees to allow Axon access to Non-Content Data from Customer to (a) perform troubleshooting, maintenance, or diagnostic screenings; (b) provide, develop, improve, and support current and future Axon products and related services; and (c) enforce this Agreement or policies governing the use of Axon products.

7. **Axon Body Wi-Fi Positioning**. Axon Body cameras may offer a feature to enhance location services where GPS/GNSS signals may not be available, for instance, within buildings or underground. Customer administrators can manage their choice to use this service within the administrative features of Axon Cloud Services. If Customer chooses to use this service, Axon must also enable the usage of the feature for Customer's Axon Cloud Services tenant. Customer will not see this option with Axon Cloud Services unless Axon has enabled Wi-Fi Positioning for Customer's Axon Cloud Services tenant.

8. **Storage**. For Axon Unlimited Device Storage subscriptions, Customer may store unlimited data in Customer's Axon Evidence account only if the Axon Device data is shared to Customer through Axon Evidence from a partner agency using Axon Evidence, or the data originates from Axon Capture or an Axon Device. Axon may charge Customer additional fees for exceeding purchased storage amounts. Axon may place Customer Content that Customer has not viewed or accessed for six (6) months into archival storage. Customer Content in archival storage will not have immediate availability and may take up to twenty-four (24) hours to access.

9. **Third-Party Unlimited Storage**. For Third-Party Unlimited Storage the following restrictions apply: (i) it may only be used in conjunction with a valid Axon Evidence user license; (ii) is limited to data of the law enforcement Customer that purchased the Third-Party Unlimited Storage and the Axon Evidence End User; (iii) Customer is prohibited from storing data for other customers or law enforcement agencies; and (iv) Customer may only upload and store data that is directly related to (1) the investigation of, or the prosecution or defense of a crime, (2) common law enforcement activities, or (3) any Customer Content created by Axon Devices or Axon Evidence.

10. **Location of Storage**. Axon may transfer Customer Content to third-party subprocessors for storage. Axon will determine the locations of data centers for storage of Customer Content. If Customer is located in the United States, Canada, or Australia, Axon will ensure all Customer Content stored in Axon Cloud Services remains in the country where Customer is located. Ownership of Customer Content remains with Customer.

11. **Suspension**. Axon may temporarily suspend Customer's or any End User's right to access or use any portion or all of Axon Cloud Services immediately upon notice, if Customer or End User's use of or registration for Axon Cloud Services may (a) pose a security risk to Axon Cloud Services or any third-party; (b) adversely impact Axon Cloud Services, the systems, or content of any other customer; (c) subject Axon, Axon's affiliates, or any third-party to liability; or (d) be fraudulent. Customer remains responsible for all fees incurred through suspension. Axon will not delete Customer Content because of suspension, except as specified in this Agreement.

12. **Axon Cloud Services Warranty**. Axon disclaims any warranties or responsibility for data corruption or errors before Customer uploads data to Axon Cloud Services. Service Offerings will be subject to the Axon Cloud Services Service Level Agreement, a current version of which is available at https://www.axon.com/products/axon-evidence/sla.

13. **Roles of the Parties.** To the extent that Customer is the Data Controller of Personal Data, Axon is its Data Processor. To the extent that Customer is a Data Processor of Personal Data, Axon is its Subprocessor. Notwithstanding the foregoing, to the extent any usage data (including query logs and metadata) and/or operations data (including billing and support data) in connection with Customer's use of the Services (collectively "**Usage and Operations Data**") is

considered Personal Data, Axon is an independent Data Controller and shall Process such data in accordance with the Agreement and applicable data protection laws to develop, improve, support, and operate its products and services. For the avoidance of doubt, Axon will not disclose any Usage and Operations Data that includes confidential information with a third party except (a) in accordance with the relevant confidentiality provisions in the Agreement, or (b) to the extent the Usage and Operations Data is, in accordance with applicable data protection laws, anonymized, de-identified, and/or aggregated such that it can no longer directly or indirectly identify Customer or any particular individual.

14. **TASER Data Science Program**. Axon will provide a quantitative evaluation on the performance and effectiveness of TASER energy weapons in the field across a variety of circumstances.

    If Customer purchases the TASER Data Science Program, Customer grants Axon, its affiliates, and assignees an irrevocable, perpetual, fully paid, royalty-free, and worldwide right and license to use Provided Data solely for the purposes of this Agreement and to create Transformed Data. Customer shall own all rights and title to Provided Data. Axon shall own all rights and title to Transformed Data and any derivatives of Transformed Data.

    Axon grants to Customer an irrevocable, perpetual, fully paid, royalty-free, license to use to TASER Data Science report provided to Customer for its own internal purposes. **The Data Science report is provided "as is" and without any warranty of any kind.**

    In the event Customer seeks Axon's deletion of Provided Data, it may submit a request to privacy@axon.com. Where reasonably capable of doing so, Axon will implement the request but at a minimum will not continue to collect Provided Data from Customer.

15. **Axon Records**. Axon Records is the software-as-a-service product that is generally available at the time Customer purchases an OSP 7 or OSP 10 plan. During Customer's Axon Records Subscription Term, if any, Customer will be entitled to receive Axon's Update and Upgrade releases on an if-and-when available basis.

    15.1., The Axon Record subscription begins on the later of the (1) start date of the Quote, or (2) the date Axon provisions Axon Records to Customer. The Axon Records Subscription Term will end upon the completion of the Axon Records Subscription as documented in the Quote, or if purchased as part of an OSP 7 or OSP 10 plan, upon completion of the OSP 7 or OSP 10 Term ("**Axon Records Subscription Term**")

    15.2. An "**Update**" is a generally available release of Axon Records that Axon makes available from time to time. An "**Upgrade**" includes (i) new versions of Axon Records that enhance features and functionality, as solely determined by Axon; and/or (ii) new versions of Axon Records that provide additional features or perform additional functions. Upgrades exclude new products that Axon introduces and markets as distinct products or applications.

    15.3. New or additional Axon products and applications, as well as any Axon professional services needed to configure Axon Records, are not included as part of the Axon Records Subscription.

    15.4. End Users of Axon Records may upload files to entities (incidents, reports, cases, etc) in Axon Records with no limit to the number of files and amount of storage. Notwithstanding the foregoing, Axon may limit usage should the Customer exceed an average rate of one-hundred (100) GB per user per year of uploaded files. Axon will not bill for overages.

16. **Axon Cloud Services Restrictions**. Customer and Customer End Users (including employees, contractors, agents, officers, volunteers, and directors), may not, or may not attempt to:

    16.1. copy, modify, tamper with, repair, or create derivative works of any part of Axon Cloud Services;

    16.2. reverse engineer, disassemble, or decompile Axon Cloud Services or apply any process to derive any source code included in Axon Cloud Services, or allow others to do the same;

    16.3. access or use Axon Cloud Services with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas;

    16.4. use Axon Cloud Services as a service bureau, or as part of a Customer infrastructure as a service;

    16.5. use trade secret information contained in Axon Cloud Services, except as expressly permitted in this Agreement;

    16.6. access Axon Cloud Services to build a competitive device or service or copy any features, functions, or graphics of Axon Cloud Services;

16.7. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon's or Axon's licensors on or within Axon Cloud Services; or

16.8. use Axon Cloud Services to store or transmit infringing, libelous, or other unlawful or tortious material; material in violation of third-party privacy rights; or malicious code.

16.9. **Draft One.** Axon may impose usage restrictions if a single user generates more than three hundred (300) reports per month for two or more consecutive months.

17. **After Termination**. Axon will not delete Customer Content for ninety (90) days following termination. Axon Cloud Services will not be functional during these ninety (90) days other than the ability to retrieve Customer Content. Customer will not incur additional fees if Customer downloads Customer Content from Axon Cloud Services during this time. Axon has no obligation to maintain or provide Customer Content after these ninety (90) days and will thereafter, unless legally prohibited, delete all Customer Content. Upon request, Axon will provide written proof that Axon successfully deleted and fully removed all Customer Content from Axon Cloud Services.

18. **Post-Termination Assistance**. Axon will provide Customer with the same post-termination data retrieval assistance that Axon generally makes available to all customers. Requests for Axon to provide additional assistance in downloading or transferring Customer Content, including requests for Axon's data egress service, will result in additional fees and Axon will not warrant or guarantee data integrity or readability in the external system.

19. **U.S. Government Rights**. If Customer is a U.S. Federal department or using Axon Cloud Services on behalf of a U.S. Federal department, Axon Cloud Services is provided as a "commercial item," "commercial computer software," "commercial computer software documentation," and "technical data", as defined in the Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement. If Customer is using Axon Cloud Services on behalf of the U.S. Government and these terms fail to meet the U.S. Government's needs or are inconsistent in any respect with federal law, Customer will immediately discontinue use of Axon Cloud Services.

20. **Survival**. Upon any termination of this Agreement, the following sections in this Appendix will survive: Customer Owns Customer Content, Privacy, Storage, Axon Cloud Services Warranty, Customer Responsibilities and Axon Cloud Services Restrictions.

Axon Customer Experience Improvement Program Appendix

1. **Axon Customer Experience Improvement Program (ACEIP)**. The ACEIP is designed to accelerate Axon's development of technology, such as building and supporting automated features, to ultimately increase safety within communities and drive efficiency in public safety. To this end, subject to the limitations on Axon as described below, Axon, where allowed by law, may make limited use of Customer Content from all of its customers to provide, develop, improve, and support current and future Axon products (collectively, "ACEIP Purposes"). However, at all times, Axon will comply with its obligations pursuant to the Axon Cloud Services Terms of Use Appendix to maintain a comprehensive data security program (including compliance with the CJIS Security Policy for Criminal Justice Information), privacy program, and data governance policy, including high industry standards of de-identifying Personal Data, to enforce its security and privacy obligations for the ACEIP. ACEIP has 2 tiers of participation, Tier 1 and Tier 2. By default, Customer will be a participant in ACEIP Tier 1. If Customer does not want to participate in ACEIP Tier 1, Customer can revoke its consent at any time. If Customer wants to participate in Tier 2, as detailed below, Customer can check the ACEIP Tier 2 box below. If Customer does not want to participate in ACEIP Tier 2, Customer should leave box unchecked. At any time, Customer may revoke its consent to ACEIP Tier 1, Tier 2, or both Tiers.

2. **ACEIP Tier 1.**

   2.1. When Axon uses Customer Content for the ACEIP Purposes, Axon will extract from Customer Content and may store separately copies of certain segments or elements of the Customer Content (collectively, "**ACEIP Content**"). When extracting ACEIP Content, Axon will use commercially reasonable efforts to aggregate, transform or de-identify Customer Content so that the extracted ACEIP Content is no longer reasonably capable of being associated with, or could reasonably be linked directly or indirectly to a particular individual ("**Privacy Preserving Technique(s)**"). For illustrative purposes, some examples are described in footnote 1[1]. For clarity, ACEIP Content will still be linked indirectly, with an attribution, to the Customer from which it was extracted. This attribution will be stored separately from the data itself, but is necessary for and will be solely used to enable Axon to identify and delete all ACEIP Content upon Customer request. Once de-identified, ACEIP Content may then be further modified, analyzed, and used to create derivative works. At any time, Customer may revoke the consent granted herein to Axon to access and use Customer Content for ACEIP Purposes. Within 30 days of receiving the Customer's request, Axon will no longer access or use Customer Content for ACEIP Purposes and will delete any and all ACEIP Content. Axon will also delete any derivative works which may reasonably be capable of being associated with, or could reasonably be linked directly or indirectly to Customer. In addition, if Axon uses Customer Content for the ACEIP Purposes, upon request, Axon will make available to Customer a list of the specific type of Customer Content being used to generate ACEIP Content, the purpose of such use, and the retention, privacy preserving extraction technique, and relevant data protection practices applicable to the Customer Content or ACEIP Content ("**Use Case**"). From time to time, Axon may develop and deploy new Use Cases. At least 30 days prior to authorizing the deployment of any new Use Case, Axon will provide Customer notice (by updating the list of Use Case at https://www.axon.com/aceip and providing Customer with a mechanism to obtain notice of that update or another commercially reasonable method to Customer designated contact) ("**New Use Case**").

   2.2. **Expiration of ACEIP Tier 1**. Customer consent granted herein will expire upon termination of the Agreement. In accordance with section 1.1.1, within 30 days of receiving the Customer's request, Axon will no longer access or use Customer Content for ACEIP Purposes and will delete ACEIP Content. Axon will also delete any derivative works which may reasonably be capable of being associated with, or could reasonably be linked directly or indirectly to, Customer.

3. **ACEIP Tier 2**. In addition to ACEIP Tier 1, if Customer wants to help further improve Axon's services, Customer may choose to participate in Tier 2 of the ACEIP. ACEIP Tier 2 grants Axon certain additional rights to use Customer

[1] For example; (a) when extracting specific text to improve automated transcription capabilities, text that could be used to directly identify a particular individual would not be extracted, and extracted text would be disassociated from identifying metadata of any speakers, and the extracted text would be split into individual words and aggregated with other data sources (including publicly available data) to remove any reasonable ability to link any specific text directly or indirectly back to a particular individual; (b) when extracting license plate data to improve Automated License Plate Recognition (ALPR) capabilities, individual license plate characters would be extracted and disassociated from each other so a complete plate could not be reconstituted, and all association to other elements of the source video, such as the vehicle, location, time, and the surrounding environment would also be removed; (c) when extracting audio of potential acoustic events (such as glass breaking or gun shots), very short segments (<1 second) of audio that only contains the likely acoustic events would be extracted and all human utterances would be removed.

Content, in addition to those set forth in Tier 1 above, without the guaranteed deployment of a Privacy Preserving Technique to enable product development, improvement, and support that cannot be accomplished with aggregated, transformed, or de-identified data.

☐ Check this box if Customer wants to help further improve Axon's services by participating in ACEIP Tier 2 in addition to Tier 1. Axon will not enroll Customer into ACEIP Tier 2 until Axon and Customer agree to terms in writing providing for such participation in ACEIP Tier 2.

Professional Services Appendix

If any of the Professional Services specified below are included on the Quote, this Appendix applies.

1. **Utilization of Services**. Customer must use professional services as outlined in the Quote and this Appendix within six (6) months of the Effective Date.

2. **Axon Full Service (Axon Full Service)**. Axon Full Service includes advance remote project planning and configuration support and up to four (4) consecutive days of on-site service and a professional services manager to work with Customer to assess Customer's deployment and determine which on-site services are appropriate. If Customer requires more than four (4) consecutive on-site days, Customer must purchase additional days. Axon Full Service options include:

System set up and configuration • Instructor-led setup of Axon View on smartphones (if applicable) • Configure categories and custom roles based on Customer need • Register cameras to Customer domain • Troubleshoot IT issues with Axon Evidence and Axon Dock ("**Dock**") access • One on-site session included
Dock configuration • Work with Customer to decide the ideal location of Docks and set configurations on Dock • Authenticate Dock with Axon Evidence using admin credentials from Customer • On-site assistance, not to include physical mounting of docks
Best practice implementation planning session • Provide considerations for the establishment of video policy and system operations best practices based on Axon's observations with other customers • Discuss the importance of entering metadata in the field for organization purposes and other best practices for digital data management • Provide referrals of other customers using the Axon camera devices and Axon Evidence • Recommend rollout plan based on review of shift schedules
System Admin and troubleshooting training sessions Step-by-step explanation and assistance for Customer's configuration of security, roles & permissions, categories & retention, and other specific settings for Axon Evidence
Axon instructor training (Train the Trainer) Training for Customer's in-house instructors who can support Customer's Axon camera and Axon Evidence training needs after Axon has fulfilled its contractual on-site obligations
Evidence sharing training Tailored workflow instruction for Investigative Units on sharing cases and evidence with local prosecuting agencies
Users go-live training and support sessions • Assistance with device set up and configuration • Training on device use, Axon Evidence, and Evidence Sync
Implementation document packet Axon Evidence administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide
Post go-live review

3. **Body-Worn Camera Starter Service (Axon Starter)**. Axon Starter includes advance remote project planning and configuration support and one (1) day of on-site Services and a professional services manager to work closely with Customer to assess Customer's deployment and determine which Services are appropriate. If Customer requires more than one (1) day of on-site Services, Customer must purchase additional on-site Services. The Axon Starter options include:

System set up and configuration (Remote Support) • Instructor-led setup of Axon View on smartphones (if applicable) • Configure categories & custom roles based on Customer need

• Troubleshoot IT issues with Axon Evidence and Dock access
Dock configuration • Work with Customer to decide the ideal location of Dock setup and set configurations on Dock • Authenticate Dock with Axon Evidence using "Administrator" credentials from Customer • Does not include physical mounting of docks
Axon instructor training (Train the Trainer) Training for Customer's in-house instructors who can support Customer's Axon camera and Axon Evidence training needs after Axon's has fulfilled its contracted on-site obligations
User go-live training and support sessions • Assistance with device set up and configuration • Training on device use, Axon Evidence, and Evidence Sync
Implementation document packet Axon Evidence administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide

4. **Body-Worn Camera Virtual 1-Day Service (Axon Virtual)**. Axon Virtual includes all items in the BWC Starter Service Package, except one (1) day of on-site services.

5. **CEW Services Packages**. CEW Services Packages are detailed below:

System set up and configuration • Configure Axon Evidence categories & custom roles based on Customer need. • Troubleshoot IT issues with Axon Evidence. • Register users and assign roles in Axon Evidence. • **For the CEW Full Service Package**: On-site assistance included • **For the CEW Starter Package**: Virtual assistance included
Dedicated Project Manager Assignment of specific Axon representative for all aspects of planning the rollout (Project Manager). Ideally, Project Manager will be assigned to Customer 4–6 weeks before rollout
Best practice implementation planning session to include: • Provide considerations for the establishment of CEW policy and system operations best practices based on Axon's observations with other customers • Discuss the importance of entering metadata and best practices for digital data management • Provide referrals to other customers using TASER CEWs and Axon Evidence • **For the CEW Full Service Package:** On-site assistance included • **For the CEW Starter Package:** Virtual assistance included
System Admin and troubleshooting training sessions On-site sessions providing a step-by-step explanation and assistance for Customer's configuration of security, roles & permissions, categories & retention, and other specific settings for Axon Evidence
Axon Evidence Instructor training • Provide training on the Axon Evidence to educate instructors who can support Customer's subsequent Axon Evidence training needs. • **For the CEW Full Service Package:** Training for up to 3 individuals at Customer • **For the CEW Starter Package:** Training for up to 1 individual at Customer
TASER CEW inspection and device assignment Axon's on-site professional services team will perform functions check on all new TASER CEW Smart weapons and assign them to a user on Axon Evidence.
Post go-live review **For the CEW Full Service Package**: On-site assistance included. **For the CEW Starter Package**: Virtual assistance included.

6. **Smart Weapon Transition Service**. The Smart Weapon Transition Service includes:

Archival of CEW Firing Logs Axon's on-site professional services team will upload CEW firing logs to Axon Evidence from all TASER CEW Smart Weapons that Customer is replacing with newer Smart Weapon models.

Return of Old Weapons
Axon's on-site professional service team will ship all old weapons back to Axon's headquarters. Axon will provide Customer with a Certificate of Destruction

*Note: CEW Full Service packages for TASER 7 or TASER 10 include Smart Weapon Transition Service instead of 1-Day Device Specific Instructor Course.

7. **VR Services Package.** VR Service includes advance remote project planning and configuration support and one (1) day of on-site service and a professional services manager to work with Customer to assess Customer's deployment and determine which Services are appropriate. The VR Service training options include:

System set up and configuration (Remote Support) • Instructor-led setup of Axon VR headset content • Configure Customer settings based on Customer need • Troubleshoot IT issues with Axon VR headset
Axon instructor training (Train the Trainer) Training for up to five (5) Customer's in-house instructors who can support Customer's Axon VR CET and SIM training needs after Axon's has fulfilled its contracted on-site obligations
Classroom and practical training sessions Step-by-step explanation and assistance for Customer's configuration of Axon VR CET and SIM functionality, basic operation, and best practices

8. **Axon Air, On-Site Training.** Axon Air, On-Site training includes advance remote project planning and configuration support and one (1) day of on-site Services and a professional services manager to work closely with Customer to assess Customer's deployment and determine which Services are appropriate. If Customer requires more than one (1) day of on-site Services, Customer must purchase additional on-site Services. The Axon Air, On-Site training options include:

System set up and configuration (Remote Support) • Instructor-led setup of Axon Air App (ASDS) • Configure Customer settings based on Customer need • Configure drone controller • Troubleshoot IT issues with Axon Evidence
Axon instructor training (Train the Trainer) Training for Customer's in-house instructors who can support Customer's Axon Air and Axon Evidence training needs after Axon's has fulfilled its contracted on-site obligations
Classroom and practical training sessions Step-by-step explanation and assistance for Customer's configuration of Axon Respond+ livestreaming functionality, basic operation, and best practices

9. **Axon Air, Virtual Training.** Axon Air, Virtual training includes all items in the Axon Air, On-Site Training Package, except the practical training session, with the Axon Instructor training for up to four hours virtually.

10. **Signal Sidearm Installation Service**.

    a. **Purchases of 50 SSA units or more**: Axon will provide one (1) day of on-site service and one professional services manager and will provide train the trainer instruction, with direct assistance on the first of each unique holster/mounting type. Customer is responsible for providing a suitable work/training area.

    b. **Purchases of less than 50 SSA units:** Axon will provide a 1-hour virtual instruction session on the basics of installation and device calibration**.**

11. **Axon Justice Implementation.** Axon Justice Implementation includes advanced remote project planning, configuration support, and training. Axon Justice Implementation includes**:**

System set up and configuration • Axon performs discovery to understand and document the Agency's needs. • Axon collaborates with the Client to configure workflows, permissions, and privileges within Axon Evidence based on the Client's needs. • Axon will facilitate a workflow discussion with the core admin team.

Disclosures • Axon enables the Client to share digital evidence to the defense through the following methods as determined by Client and Axon: 1. Public Defender Case Sharing 2. Disclosure Portal 3. Download Links
Training • Agency Trainers. Axon works with the Agency to identify the Agency trainers receiving instruction on the product. Axon provides a training guide that outlines the covered topics, intended audience, facility needs, and duration of the training. Axon will schedule a cadence of remote training sessions as needed, which are not to exceed three (3) 2-hour training sessions for Agency staff. Each session can accommodate up to 20 users and will train them in full system functionality. Training sessions provided by Axon are conducted on consecutive weekdays (Tuesday-Thursday) during normal business hours (9am-6pm with an hour break in between sessions). After the initial training, is responsible for any future training. Axon provides all training materials for successful training. • Partner Agencies: Axon will provide Train the Trainer training to the Agency so that it is equipped to train and support their partner agencies. Ensuring the partner agencies are trained to follow the ingestion method is the Agency's responsibility.
Go-Live Plan Axon works in partnership with the Agency to build, coordinate, and execute a Go-Live plan to ensure successful system acceptance. Axon coordinates the Go-Live event.
Implementation document packet Axon Evidence administrator guides, camera implementation guides, network setup guide, sample policies, and categories & roles guide
Post go-live review

12. **Out of Scope Services**. Axon is only responsible to perform the professional services described in the Quote, this Appendix, and any applicable SOW. Any additional professional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in the charges or schedule.

13. **Delivery of Services**. Axon personnel will work Monday through Friday, 8:30 a.m. to 5:30 p.m., except holidays. Axon will perform all on-site tasks over a consecutive timeframe. Axon will not charge Customer travel time by Axon personnel to Customer premises as work hours.

14. **Access Computer Systems to Perform Services**. Customer authorizes Axon to access relevant Customer computers and networks, solely for performing the Services. Axon will work to identify as soon as reasonably practicable resources and information Axon expects to use and will provide an initial itemized list to Customer. Customer is responsible for and assumes the risk of any problems, delays, losses, claims, or expenses resulting from the content, accuracy, completeness, and consistency of all data, materials, and information supplied by Customer.

15. **Site Preparation**. Axon will provide a hardcopy or digital copy of current user documentation for the Axon Devices ("**User Documentation**"). User Documentation will include all required environmental specifications for the professional services and Axon Devices to operate per the Axon Device User Documentation. Before installation of Axon Devices (whether performed by Customer or Axon), Customer must prepare the location(s) where Axon Devices are to be installed ("**Installation Site**") per the environmental specifications in the Axon Device User Documentation. Following installation, Customer must maintain the Installation Site per the environmental specifications. If Axon modifies Axon Device User Documentation for any Axon Devices under this Agreement, Axon will provide the update to Customer when Axon generally releases it

16. **Acceptance**. When Axon completes professional services, Axon will present an acceptance form ("**Acceptance Form**") to Customer. Customer will sign the Acceptance Form acknowledging completion. If Customer reasonably believes Axon did not complete the professional services in substantial conformance with this Agreement, Customer must notify Axon in writing of the specific reasons for rejection within seven (7) calendar days from delivery of the Acceptance Form. Axon will address the issues and re-present the Acceptance Form for signature. If Axon does not receive the signed Acceptance Form or written notification of reasons for rejection within seven (7) calendar days of

delivery of the Acceptance Form, Axon will deem Customer to have accepted the professional services.

17. **Customer Network**. For work performed by Axon transiting or making use of Customer's network, Customer is solely responsible for maintenance and functionality of the network. In no event will Axon be liable for loss, damage, or corruption of Customer's network from any cause.

Technology Assurance Plan Appendix

If Technology Assurance Plan ("**TAP**") or a combined offering including TAP is on the Quote, this appendix applies.

1. **TAP Warranty**. The TAP specific warranty is an extended warranty that starts at the end of the one- (1-) year hardware limited warranty.
2. **Officer Safety Plan**. If Customer purchases an Officer Safety Plan ("**OSP**"), Customer will receive the deliverables detailed in the Quote. Customer must accept delivery of the TASER CEW and accessories as soon as available from Axon.
3. **OSP 7 or OSP 10 Term**. OSP 7 or OSP 10 begins on the date specified in the Quote ("**OSP Term**").
4. **TAP BWC Refresh**. If Customer has no outstanding payment obligations and purchased TAP, Axon will provide Customer a new Axon body-worn camera ("**BWC Refresh**") as scheduled in the Quote. If Customer purchased TAP, Axon will provide a BWC Refresh that is the same or like Axon Device, at Axon's option. Axon makes no guarantee the BWC Refresh will utilize the same accessories or Axon Dock.
5. **TAP Dock Refresh**. If Customer has no outstanding payment obligations and purchased TAP, Axon will provide Customer a new Axon Dock as scheduled in the Quote ("**Dock Refresh**"). Accessories associated with any Dock Refreshes are subject to change at Axon discretion. Dock Refreshes will only include a new Axon Dock Bay configuration unless a new Axon Dock core is required for BWC compatibility. If Customer originally purchased a single-bay Axon Dock, the Dock Refresh will be a single-bay Axon Dock model that is the same or like Axon Device, at Axon's option. If Customer originally purchased a multi-bay Axon Dock, the Dock Refresh will be a multi-bay Axon Dock that is the same or like Axon Device, at Axon's option.
6. **Refresh Delay**. Axon may ship the BWC and Dock Refreshes as scheduled in the Quote without prior confirmation from Customer unless the Parties agree in writing otherwise at least ninety (90) days in advance. Axon may ship the final BWC and Dock Refreshes as scheduled in the Quote sixty (60) days before the end of the Subscription Term without prior confirmation from Customer.
7. **Upgrade Change**. If Customer wants to upgrade Axon Device models from the current Axon Device to an upgraded Axon Device, Customer must pay the price difference between the MSRP for the current Axon Device and the MSRP for the upgraded Axon Device. If the model Customer desires has an MSRP less than the MSRP of the offered BWC Refreshes or Dock Refresh, Axon will not provide a refund. The MSRP is the MSRP in effect at the time of the upgrade.
8. **Return of Original Axon Device**. Within thirty (30) days of receiving a BWC or Dock Refresh, Customer must return the original Axon Devices to Axon or destroy the Axon Devices and provide a certificate of destruction to Axon including serial numbers for the destroyed Axon Devices. If Customer does not return or destroy the Axon Devices, Axon will deactivate the serial numbers for the Axon Devices received by Customer.
9. **Termination**. If Customer's payment for TAP, OSP, or Axon Evidence is more than thirty (30) days past due, Axon may terminate TAP or OSP. Once TAP or OSP terminates for any reason:
   - 9.1. TAP and OSP coverage terminate as of the date of termination and no refunds will be given.
   - 9.2. Axon will not and has no obligation to provide the Upgrade Models.
   - 9.3. Customer must make any missed payments due to the termination before Customer may purchase any future TAP or OSP.

TASER Device Appendix

This TASER Device Appendix applies to Customer's TASER 7/ 10, OSP 7/10, OSP Plus, or OSP 7/10 Plus Premium purchase from Axon, if applicable.

1. **Duty Cartridge Replenishment Plan**. If the Quote includes "**Duty Cartridge Replenishment Plan**", Customer must purchase the plan for each CEW user. A CEW user includes officers that use a CEW in the line of duty and those that only use a CEW for training. Customer may not resell cartridges received. Axon will only replace cartridges used in the line of duty.

2. **Training**. If the Quote includes a TASER On Demand Certification subscription, Customer will have on-demand access to TASER Instructor and TASER Master Instructor courses only for the duration of the TASER Subscription Term. Axon will issue a maximum of ten (10) TASER Instructor vouchers and ten (10) TASER Master Instructor vouchers for every thousand TASER Subscriptions purchased. Customer shall utilize vouchers to register for TASER courses at their discretion; however, Customer may incur a fee for cancellations less than 10 business days prior to a course date or failure to appear to a registered course. The voucher has no cash value. Customer cannot exchange voucher for any other Device or Service. Any unused vouchers at the end of the Term will be forfeited. A voucher does not include any travel or other expenses that might be incurred related to attending a course.

3. **Limited Warranty**.
   3.1. **"Deployment**" means use of the TASER weapon resulting in the discharge of the conducted energy weapon ("**CEW**") cartridge probe. For TASER 10 each probe discharged is consider one Deployment and for TASER 7 the dual probe discharged is considered one Deployment.
   3.2. **Single User Warranty**. If the TASER Device is assigned and used by a single user, Axon warrants that Axon-manufactured TASER Device is free from defects in workmanship and materials for the earlier of: (i) one (1) year from the date of Customer's receipt or (ii) 100 Deployments per year or a total of 500 Deployments over 5 years.
   3.3. **Pooled User Warranty**. If the TASER Device is assigned and used by multiple users, Axon warrants that Axon-manufactured TASER Device is free from defects in workmanship and materials for the earlier of: (i) one (1) year from the date of Customer's receipt or (ii) 100 Deployments per year or a total of 500 Deployments over 5 years.
   3.4. **Training User Devices**. If the TASER Device is used for training, Axon warrants that Axon-manufactured TASER Device is free from defects in workmanship and materials for the earlier of: (i) one (1) year from the date of Customer's receipt or (ii) 100 Deployments per year or a total of 500 Deployments over 5 years.
   3.5. **CEW Cartridges**. Used CEW cartridges are deemed to have operated properly.
   3.6. **Miscellaneous**. The following sections the Warranty Section in the MSPA shall apply to the TASER Devices: Disclaimer, Claims, Spare Axon Devices and Limitations.
   3.7. **Registration**. Prior to use of the TASER Device, Customer must register each TASER Device in TASER Device Axon Evidence tenancy as a single user, pooled or training device. Failure to properly register the TASER Device prior to its use may void the warranty at Axon's sole discretion.

4. **Extended Warranty**. If the Quote includes an extended warranty, the extended warranty coverage period begins upon the expiration of the Limited Warranty. Each additional year of the warranty purchased will be in accordance with the applicable Limited Warranty category above. The maximum warranty period for an individual TASER Device will be five (5) years including the initial Limited Warranty.

5. **Trade-in**. If the Quote contains a discount on CEW-related line items and that discount is contingent upon the trade-in of hardware, Customer must return used hardware and accessories associated with the discount ("**Trade-In Units**") to Axon within the below prescribed timeline. Customer must ship batteries via ground shipping. Axon will provide Customer with a pre-paid shipping label for the return of the Trade-In Units. If Axon does not receive Trade-In Units within the timeframe below, Axon will invoice Customer the value of the trade-in credit. Customer may not destroy Trade-In Units and receive a trade-in credit.

Customer Size	**Days to Return from Start Date of TASER 10 Subscription**
Less than 100 officers	60 days
100 to 499 officers	90 days
500+ officers	180 days

6. **TASER Device Subscription Term**. The TASER Device Subscription Term for a standalone TASER Device purchase begins on shipment of the TASER Device. The TASER Device Subscription Term for OSP 7/10 begins on the OSP 7/10 start date.

7. **Access Rights**. Upon Axon granting Customer a TASER Device Axon Evidence subscription, Customer may access and use Axon Evidence for the storage and management of data from TASER Devices during the TASER Device Subscription Term. Customer may not exceed the number of End Users the Quote specifies.

8. **Customer Warranty.** If Customer is located in the US, Customer warrants and acknowledges that TASER 10 is classified as a firearm and is being acquired for official Customer use pursuant to a law enforcement agency transfer under the Gun Control Act of 1968.

9. **Purchase Order.** To comply with applicable laws and regulations, Customer must provide a purchase order to Axon prior to shipment of TASER 10.

10. **Apollo Grant (US only).** If Customer has received an Apollo Grant from Axon, Customer must pay all fees in the Quote prior to upgrading to any new TASER Device offered by Axon.

11. **Termination**. If payment for TASER Device is more than thirty (30) days past due, Axon may terminate Customer's TASER Device plan by notifying Customer. Upon termination for any reason, then as of the date of termination:

    11.1. TASER Device extended warranties and access to Training Content will terminate. No refunds will be given.
    11.2. Customer will be responsible for payment of any missed payments due to the termination before being allowed to purchase any future TASER Device plan.
    11.3. Axon will invoice Customer the remaining MSRP for TASER Devices received before termination. If terminating for non-appropriation, Axon will not invoice Customer if Customer returns the TASER Device, rechargeable battery, holster, dock, core, training suits, and unused cartridges to Axon within thirty (30) days of the date of termination.

Axon Auto-Tagging Appendix

If Auto-Tagging is included on the Quote, this Appendix applies.

1. **Scope.** Axon Auto-Tagging consists of the development of a module to allow Axon Evidence to interact with Customer's Computer-Aided Dispatch ("**CAD**") or Records Management Systems ("**RMS**"). This allows End Users to auto-populate Axon video meta-data with a case ID, category, and location-based on data maintained in Customer's CAD or RMS.

2. **Support**. For thirty (30) days after completing Auto-Tagging Services, Axon will provide up to five (5) hours of remote support at no additional charge. Axon will provide free support due to a change in Axon Evidence, if Customer maintains an Axon Evidence and Auto-Tagging subscription. Axon will not provide support if a change is required because Customer changes its CAD or RMS.

3. **Changes**. Axon is only responsible to perform the Services in this Appendix for Auto-Tagging or applicable SOW. Any additional Services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in fees or schedule.

4. **Customer Responsibilities**. Axon's performance of Auto-Tagging Services requires Customer to:

   4.1. Make available relevant systems, including Customer's current CAD or RMS, for assessment by Axon (including remote access if possible);

   4.2. Make required modifications, upgrades or alterations to Customer's hardware, facilities, systems and networks related to Axon's performance of Auto-Tagging Services;

   4.3. Provide access to the premises where Axon is performing Auto-Tagging Services, subject to Customer safety and security restrictions, and allow Axon to enter and exit the premises with laptops and materials needed to perform Auto-Tagging Services;

   4.4. Provide all infrastructure and software information (TCP/IP addresses, node names, network configuration) necessary for Axon to provide Auto-Tagging Services;

   4.5. Promptly install and implement any software updates provided by Axon;

   4.6. Ensure that all appropriate data backups are performed;

   4.7. Provide assistance, participation, and approvals in testing Auto-Tagging Services;

   4.8. Provide Axon with remote access to Customer's Axon Evidence account when required;

   4.9. Notify Axon of any network or machine maintenance that may impact the performance of the module at Customer; and

   4.10. Ensure reasonable availability of knowledgeable staff and personnel to provide timely, accurate, complete, and up-to-date documentation and information to Axon.

5. **Access to Systems**. Customer authorizes Axon to access Customer's relevant computers, network systems, and CAD or RMS solely for performing Auto-Tagging Services. Axon will work diligently to identify the resources and information Axon expects to use and will provide an initial list to Customer. Customer is responsible for and assumes the risk of any problems, delays, losses, claims, or expenses resulting from the content, accuracy, completeness, and consistency of all data, materials, and information supplied by Customer.

Axon Fleet Appendix

If Axon Fleet 2, Axon Fleet 3, or any future generation of Axon Fleet (collectively, "**Axon Fleet**") is included on the Quote, this Appendix applies.

1. **Customer Responsibilities**.

   1.1. Customer must ensure its infrastructure and vehicles adhere to the minimum requirements to operate Axon Fleet as established by Axon during the qualifier call and on-site assessment at Customer and in any technical qualifying questions. If Customer's representations are inaccurate, the Quote is subject to change.

   1.2. Customer is responsible for providing a suitable work area for Axon or Axon third-party providers to install Axon Fleet systems into Customer vehicles. Customer is responsible for making available all vehicles for which installation services were purchased, during the agreed upon onsite installation dates, Failure to make vehicles available may require an equitable adjustment in fees or schedule.

2. **Cradlepoint**. If Customer purchases Cradlepoint Enterprise Cloud Manager, Customer will comply with Cradlepoint's end user license agreement. The term of the Cradlepoint license may differ from the Axon Evidence Subscription. If Customer requires Cradlepoint support, Customer will contact Cradlepoint directly. By accepting a Quote including Cradlepoint products, Customer designates and authorizes Axon as its partner of record for purposes of Cradlepoint product renewals, support coordination, and other relevant functions. This designation applies to all Cradlepoint products acquired by Customer during the Subscription Term of the applicable Quote whether directly from Cradlepoint, through Axon, or through any third-party vendor or distributor. Axon shall have no liability to Customer or any third party arising out of or relating to Axon's acts or omissions as the Partner of Record. Customer has the right to opt out of this authorization at any time by providing prior written notification to both Axon and Cradlepoint. Upon such notification, the designation will be removed. This authorization remains effective until formally removed in accordance with this section or as otherwise agreed between the parties in the Agreement.

3. **Third-party Installer**. Axon will not be liable for the failure of Axon Fleet hardware to operate per specifications if such failure results from installation not performed by, or as directed by Axon.

4. **Wireless Offload Server.**

   4.1. **License Grant**. Axon grants Customer a non-exclusive, royalty-free, worldwide, perpetual license to use Wireless Offload Server ("**WOS**"). "Use" means storing, loading, installing, or executing WOS solely for data communication with Axon Devices for the number of licenses purchased. The WOS term begins upon the start of the Axon Evidence Subscription.

   4.2. **Restrictions**. Customer may not: (a) modify, alter, tamper with, repair, or create derivative works of WOS; (b) reverse engineer, disassemble, or decompile WOS, apply any process to derive the source code of WOS, or allow others to do so; (c) access or use WOS to avoid incurring fees or exceeding usage limits; (d) copy WOS in whole or part; (e) use trade secret information contained in WOS; (f) resell, rent, loan or sublicense WOS; (g) access WOS to build a competitive device or service or copy any features, functions or graphics of WOS; or (h) remove, alter or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within WOS.

   4.3. **Updates**. If Customer purchases WOS maintenance, Axon will make updates and error corrections to WOS ("**WOS Updates**") available electronically via the Internet or media as determined by Axon. Customer is responsible for establishing and maintaining adequate Internet access to receive WOS Updates and maintaining computer equipment necessary for use of WOS. The Quote will detail the maintenance term.

   4.4. **WOS Support**. Upon request by Axon, Customer will provide Axon with access to Customer's store and forward servers solely for troubleshooting and maintenance.

5. **Axon Vehicle Software**.

   5.1. **License Grant**. Axon grants Customer a non-exclusive, royalty-free, worldwide, perpetual license to use ViewXL or Dashboard (collectively, "**Axon Vehicle Software**".) "Use" means storing, loading, installing, or executing Axon Vehicle Software solely for data communication with Axon Devices. The Axon Vehicle Software term begins upon the start of the Axon Evidence Subscription.

   5.2. **Restrictions**. Customer may not: (a) modify, alter, tamper with, repair, or create derivative works of Axon Vehicle Software; (b) reverse engineer, disassemble, or decompile Axon Vehicle Software, apply any process

to derive the source code of Axon Vehicle Software, or allow others to do so; (c) access or use Axon Vehicle Software to avoid incurring fees or exceeding usage limits; (d) copy Axon Vehicle Software in whole or part; (e) use trade secret information contained in Axon Vehicle Software; (f) resell, rent, loan or sublicense Axon Vehicle Software; (g) access Axon Vehicle Software to build a competitive device or service or copy any features, functions or graphics of Axon Vehicle Software; or (h) remove, alter or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within Axon Vehicle Software.

6. **Acceptance Checklist**. If Axon provides services to Customer pursuant to any statement of work in connection with Axon Fleet, within seven (7) days of the date on which Customer retrieves Customer's vehicle(s) from the Axon installer, said vehicle having been installed and configured with tested and fully and properly operational in-car hardware and software identified above, Customer will receive a Professional Services Acceptance Checklist to submit to Axon indicating acceptance or denial of said deliverables.

7. **Axon Fleet Upgrade**. If Customer has no outstanding payment obligations and has purchased the "Fleet Technology Assurance Plan" (Fleet TAP), Axon will provide Customer with the same or like model of Fleet hardware ("**Axon Fleet Upgrade**") as scheduled on the Quote.

   7.1. If Customer would like to change models for the Axon Fleet Upgrade, Customer must pay the difference between the MSRP for the offered Axon Fleet Upgrade and the MSRP for the model desired. The MSRP is the MSRP in effect at the time of the upgrade. Customer is responsible for the removal of previously installed hardware and installation of the Axon Fleet Upgrade.

   7.2. Within thirty (30) days of receiving the Axon Fleet Upgrade, Customer must return the original Axon Devices to Axon or destroy the Axon Devices and provide a certificate of destruction to Axon, including serial numbers of the destroyed Axon Devices. If Customer does not destroy or return the Axon Devices to Axon, Axon will deactivate the serial numbers for the Axon Devices received by Customer.

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Axon Respond Appendix

This Axon Respond Appendix applies to Axon Respond, Axon Respond Device Plus, and Device Connectivity if any are included on the Quote.

1. **Axon Respond Subscription Term**. If Customer purchases Axon Respond as part of a combined offering on a Quote, the Axon Respond subscription begins on the later of the (1) start date of that offering within the Quote, or (2) date Axon provisions Axon Respond to Customer. If Customer purchases Axon Respond as a standalone, the Axon Respond subscription begins the later of the (1) date Axon provisions Axon Respond to Customer, or (2) first day of the month following the Effective Date. The Axon Respond subscription term will end upon the completion of the Axon Evidence Subscription associated with Axon Respond.

2. **Scope of Axon Respond**. The scope of Axon Respond is to assist Customer with real-time situational awareness during critical incidents to improve officer safety, effectiveness, and awareness. In the event Customer uses Axon Respond outside this scope, Axon may initiate good-faith discussions with Customer on upgrading Customer's Axon Respond to better meet Customer's needs.

3. **Axon Body LTE Requirements**. Axon Respond is only available and usable with an LTE enabled body-worn camera. Axon is not liable if Customer utilizes the LTE device outside of the coverage area or if the LTE carrier is unavailable. LTE coverage is only available in the United States, including any U.S. territories. Axon may utilize a carrier of Axon's choice to provide LTE service. Axon may change LTE carriers during the Term without Customer's consent.

4. **Axon Fleet LTE Requirements.** Axon Respond is only available and usable with a Fleet 3 system configured with LTE modem and service. Customer is responsible for providing LTE service for the modem. Coverage and availability of LTE service is subject to Customer's LTE carrier.

5. **Axon Respond Service Limitations**. Customer acknowledges that LTE service is made available only within the operating range of the networks. Service may be temporarily refused, interrupted, or limited because of: (a) facilities limitations; (b) transmission limitations caused by atmospheric, terrain, other natural or artificial conditions adversely affecting transmission, weak batteries, system overcapacity, movement outside a service area or gaps in coverage in a service area, and other causes reasonably outside of the carrier's control such as intentional or negligent acts of third parties that damage or impair the network or disrupt service; or (c) equipment modifications, upgrades, relocations, repairs, and other similar activities necessary for the proper or improved operation of service.

   5.1. With regard to Axon Body, Partner networks are made available as-is and the carrier makes no warranties or representations as to the availability or quality of roaming service provided by carrier partners, and the carrier will not be liable in any capacity for any errors, outages, or failures of carrier partner networks. Customer expressly understands and agrees that it has no contractual relationship whatsoever with the underlying wireless service provider or its affiliates or contractors and Customer is not a third-party beneficiary of any agreement between Axon and the underlying carrier.

6. **Termination**. Upon termination of this Agreement, or if Customer stops paying for Axon Respond or combined offerings that include Axon Respond, Axon will end Axon Respond services, including any Axon-provided LTE service.

Add-on Services Appendix

This Appendix applies if Axon Community Request, Axon Redaction Assistant, and/or Axon Performance are included on the Quote.

1. **Subscription Term**. If Customer purchases Axon Community Request, Axon Redaction Assistant, or Axon Performance as part of OSP 7 or OSP 10, the subscription begins on the later of the (1) start date of the OSP 7 or OSP 10 Term, or (2) date Axon provisions Axon Community Request, Axon Redaction Assistant, or Axon Performance to Customer.

   1.1. If Customer purchases Axon Community Request, Axon Redaction Assistant, or Axon Performance as a standalone, the subscription begins the later of the (1) date Axon provisions Axon Community Request, Axon Redaction Assistant, or Axon Performance to Customer, or (2) first day of the month following the Effective Date.

   1.2. The subscription term will end upon the completion of the Axon Evidence Subscription associated with the add-on.

2. **Axon Community Request Storage**. For Axon Community Request, Customer may store an unlimited amount of data submitted through the public portal ("**Portal Content**"), within Customer's Axon Evidence instance. The post-termination provisions outlined in the Axon Cloud Services Terms of Use Appendix also apply to Portal Content.

3. **Performance Auto-Tagging Data**. In order to provide some features of Axon Performance to Customer, Axon will need to store call for service data from Customer's CAD or RMS.

Axon Auto-Transcribe Appendix

This Appendix applies if Axon Auto-Transcribe is included on the Quote.

1. **Subscription Term.** If Customer purchases Axon Auto-Transcribe as part of a combined offering in a Quote or Axon Cloud Services subscription, the subscription begins on the later of the (1) start date of the combined offering in the Quote or Axon Cloud Services license term, or (2) date Axon provisions Axon Auto-Transcribe to Customer. If Customer purchases Axon Auto-Transcribe minutes as a standalone, the subscription begins on the date Axon provisions Axon Auto-Transcribe to Customer.

   1.1. If Customer cancels Auto-Transcribe services, any amounts owed by the Parties will be based on the amount of time passed under the annual subscription, rather than on the number of minutes used, regardless of usage.

2. **Auto-Transcribe A-La-Carte Minutes.** Upon Axon granting Customer a set number of minutes, Customer may utilize Axon Auto-Transcribe, subject to the number of minutes allowed on the Quote. Customer will not have the ability to roll over unused minutes to future Auto-Transcribe terms. Axon may charge Customer additional fees for exceeding the number of purchased minutes. Axon Auto-Transcribe minutes expire one year after being provisioned to Customer by Axon.

3. **Axon Unlimited Transcribe.** Upon Axon granting Customer an Unlimited Transcribe subscription to Axon Auto-Transcribe, Customer may utilize Axon Auto-Transcribe with no limit on the number of minutes. Unlimited Transcribe includes automatic transcription of all Axon BWC and Axon Capture footage. With regard to Axon Interview Room, Axon Fleet, Axon Community Request, or third-party transcription, transcription must be requested on demand. Notwithstanding the foregoing, Axon may limit usage after 5,000 minutes per user per month for multiple months in a row. Axon will not bill for overages.

4. **Warranty.** Axon disclaims all warranties, express or implied, for Axon Auto-Transcribe.

Axon Virtual Reality Content Terms of Use Appendix

If Virtual Reality is included on the Quote, this Appendix applies.

1. **Term**. The Quote will detail the products and license duration, as applicable, of the goods, services, and software, and contents thereof, provided by Axon to Customer related to virtual reality (collectively, "**Virtual Reality Media**").

2. **Headsets**. Customer may purchase additional virtual reality headsets from Axon. In the event Customer decides to purchase additional virtual reality headsets for use with Virtual Reality Media, Customer must purchase those headsets from Axon.

3. **License Restrictions**. All licenses will immediately terminate if Customer does not comply with any term of this Agreement. If Customer utilizes more users than stated in this Agreement, Customer must purchase additional Virtual Reality Media licenses from Axon. Customer may not use Virtual Reality Media for any purpose other than as expressly permitted by this Agreement. Customer may not:

   3.1. modify, tamper with, repair, or otherwise create derivative works of Virtual Reality Media;

   3.2. reverse engineer, disassemble, or decompile Virtual Reality Media or apply any process to derive the source code of Virtual Reality Media, or allow others to do the same;

   3.3. copy Virtual Reality Media in whole or part, except as expressly permitted in this Agreement;

   3.4. use trade secret information contained in Virtual Reality Media;

   3.5. resell, rent, loan or sublicense Virtual Reality Media;

   3.6. access Virtual Reality Media to build a competitive device or service or copy any features, functions, or graphics of Virtual Reality Media; or

   3.7. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within Virtual Reality Media or any copies of Virtual Reality Media.

4. **Privacy**. Customer's use of the Virtual Reality Media is subject to the Axon Virtual Reality Privacy Policy, a current version of which is available at https://www.axon.com/axonvrprivacypolicy.

5. **Termination**. Axon may terminate Customer's license immediately for Customer's failure to comply with any of the terms in this Agreement.

Axon Evidence Local Software Appendix

This Appendix applies if Axon Evidence Local is included on the Quote.

1. **License**. Axon owns all executable instructions, images, icons, sound, and text in Axon Evidence Local. All rights are reserved to Axon. Axon grants a non-exclusive, royalty-free, worldwide right and license to use Axon Evidence Local. "Use" means storing, loading, installing, or executing Axon Evidence Local exclusively for data communication with an Axon Device. Customer may use Axon Evidence Local in a networked environment on computers other than the computer it installs Axon Evidence Local on, so long as each execution of Axon Evidence Local is for data communication with an Axon Device. Customer may make copies of Axon Evidence Local for archival purposes only. Customer shall retain all copyright, trademark, and proprietary notices in Axon Evidence Local on all copies or adaptations.
2. **Term**. The Quote will detail the duration of the Axon Evidence Local license, as well as any maintenance. The term will begin upon installation of Axon Evidence Local.
3. **License Restrictions**. All licenses will immediately terminate if Customer does not comply with any term of this Agreement. Customer may not use Axon Evidence Local for any purpose other than as expressly permitted by this Agreement. Customer may not:
   - 3.1. modify, tamper with, repair, or otherwise create derivative works of Axon Evidence Local;
   - 3.2. reverse engineer, disassemble, or decompile Axon Evidence Local or apply any process to derive the source code of Axon Evidence Local, or allow others to do the same;
   - 3.3. access or use Axon Evidence Local to avoid incurring fees or exceeding usage limits or quotas;
   - 3.4. copy Axon Evidence Local in whole or part, except as expressly permitted in this Agreement;
   - 3.5. use trade secret information contained in Axon Evidence Local;
   - 3.6. resell, rent, loan or sublicense Axon Evidence Local;
   - 3.7. access Axon Evidence Local to build a competitive device or service or copy any features, functions, or graphics of Axon Evidence Local; or
   - 3.8. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon or Axon's licensors on or within Axon Evidence Local or any copies of Axon Evidence Local.
4. **Support**. Axon may make available updates and error corrections ("**Updates**") to Axon Evidence Local. Axon will provide Updates electronically via the Internet or media as determined by Axon. Customer is responsible for establishing and maintaining adequate access to the Internet to receive Updates. Customer is responsible for maintaining the computer equipment necessary to use Axon Evidence Local. Axon may provide technical support of a prior release/version of Axon Evidence Local for six (6) months from when Axon made the subsequent release/version available.
5. **Termination**. Axon may terminate Customer's license immediately for Customer's failure to comply with any of the terms in this Agreement. Upon termination, Axon may disable Customer's right to login to Axon Evidence Local.

Axon Application Programming Interface Appendix

This Appendix applies if Axon's API Services or a subscription to Axon Cloud Services are included on the Quote.

1. **Definitions**.

   1.1. "**API Client**" means the software that acts as the interface between Customer's computer and the server, which is already developed or to be developed by Customer.

   1.2. "**API Interface**" means software implemented by Customer to configure Customer's independent API Client Software to operate in conjunction with the API Service for Customer's authorized Use.

   1.3. "**Axon Evidence Partner API, API or Axon API**" (collectively "**API Service**") means Axon's API which provides a programmatic means to access data in Customer's Axon Evidence account or integrate Customer's Axon Evidence account with other systems.

   1.4. "**Use**" means any operation on Customer's data enabled by the supported API functionality.

2. **Purpose and License**.

   2.1. Customer may use API Service and data made available through API Service, in connection with an API Client developed by Customer. Axon may monitor Customer's use of API Service to ensure quality, improve Axon devices and services, and verify compliance with this Agreement. Customer agrees to not interfere with such monitoring or obscure from Axon Customer's use of API Service. Customer will not use API Service for commercial use.

   2.2. Axon grants Customer a non-exclusive, non-transferable, non-sublicensable, worldwide, revocable right and license during the Term to use API Service, solely for Customer's Use in connection with Customer's API Client.

   2.3. Axon reserves the right to set limitations on Customer's use of the API Service, such as a quota on operations, to ensure stability and availability of Axon's API. Axon will use reasonable efforts to accommodate use beyond the designated limits.

3. **Configuration**. Customer will work independently to configure Customer's API Client with API Service for Customer's applicable Use. Customer will be required to provide certain information (such as identification or contact details) as part of the registration. Registration information provided to Axon must be accurate. Customer will inform Axon promptly of any updates. Upon Customer's registration, Axon will provide documentation outlining API Service information.

4. **Customer Responsibilities**. When using API Service, Customer and its End Users may not:

   4.1. use API Service in any way other than as expressly permitted under this Agreement;

   4.2. use in any way that results in, or could result in, any security breach to Axon;

   4.3. perform an action with the intent of introducing any virus, worm, defect, Trojan horse, malware, or any item of a destructive nature to Axon Devices and Services;

   4.4. interfere with, modify, disrupt or disable features or functionality of API Service or the servers or networks providing API Service;

   4.5. reverse engineer, decompile, disassemble, or translate or attempt to extract the source code from API Service or any related software;

   4.6. create an API Interface that functions substantially the same as API Service and offer it for use by third parties;

   4.7. provide use of API Service on a service bureau, rental or managed services basis or permit other individuals or entities to create links to API Service;

   4.8. frame or mirror API Service on any other server, or wireless or Internet-based device;

   4.9. make available to a third-party, any token, key, password or other login credentials to API Service;

   4.10. take any action or inaction resulting in illegal, unauthorized or improper purposes; or

   4.11. disclose Axon's API manual.

5. **API Content**. All content related to API Service, other than Customer Content or Customer's API Client content, is considered Axon's API Content, including:

5.1. the design, structure and naming of API Service fields in all responses and requests;

5.2. the resources available within API Service for which Customer takes actions on, such as evidence, cases, users, or reports;

5.3. the structure of and relationship of API Service resources; and

5.4. the design of API Service, in any part or as a whole.

6. **Prohibitions on API Content**. Neither Customer nor its End Users will use API content returned from the API Interface to:

6.1. scrape, build databases, or otherwise create permanent copies of such content, or keep cached copies longer than permitted by the cache header;

6.2. copy, translate, modify, create a derivative work of, sell, lease, lend, convey, distribute, publicly display, or sublicense to any third-party;

6.3. misrepresent the source or ownership; or

6.4. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices).

7. **API Updates**. Axon may update or modify the API Service from time to time ("**API Update**"). Customer is required to implement and use the most current version of API Service and to make any applicable changes to Customer's API Client required as a result of such API Update. API Updates may adversely affect how Customer's API Client access or communicate with API Service or the API Interface. Each API Client must contain means for Customer to update API Client to the most current version of API Service. Axon will provide support for one (1) year following the release of an API Update for all depreciated API Service versions.

Advanced User Management Appendix

This Appendix applies if Axon Advanced User Management is included on the Quote.

1. **Scope**. Advanced User Management allows Customer to (a) utilize bulk user creation and management, (b) automate user creation and management through System for Cross-domain Identity Management ("**SCIM**"), and (c) automate group creation and management through SCIM.
2. **Advanced User Management Configuration**. Customer will work independently to configure Customer's Advanced User Management for Customer's applicable Use. Upon request, Axon will provide general guidance to Customer, including documentation that details the setup and configuration process.

FUSUS Appendix

1. **Access**. Upon Axon granting Customer a subscription to FUSUS cloud services in the Quote, Customer may access and use FūsusONE Real Time Interoperability Solution services to for the purpose of viewing and managing Customer Content. Some Customer content contained in Axon Evidence may not be accessible or transferable to the FUSUS cloud services.

2. **Product Limits**. The following limitations apply to the below products:

	Lite	Basic	Pro	Enterprise	Enterprise Plus
Total Number of Managed End Points	150	150	500	1500	4500
Max Number of Video Streams Connected	0	150	500	1500	4500
Indefinite Cloud Storage		2TB	5TB	10TB	30TB

Overages may result in additional fees or the need to upgrade products

3. **Disclaimer**. Customer is responsible for use of any internet access devices and/or all third-party hardware, software, services, telecommunication services (including Internet connectivity), or other items used by Customer to access the service ("Third-Party Components") are the sole and exclusive responsibility of Customer, and Axon has no responsibility for such Third-party Components, FUSUS cloud services, or Customer relationships with such third parties. Customer agrees to at all times comply with the lawful terms and conditions of agreements with such third parties. Axon does not represent or warrant that the FUSUS cloud services and the Customer Content are compatible with any specific third-party hardware or software or any other Third-Party Components. Customer is responsible for providing and maintaining an operating environment as reasonably necessary to accommodate and access the FUSUS cloud services.

4. **Data Privacy**. Axon may collect, use, transfer, disclose and otherwise process Customer Content in the context of facilitating communication of data with Customer through their use of FUSUS cloud services FUSUS app (iOS or Android interface), complying with legal requirements, monitoring the Customer's use of FUSUS systems, and undertaking data analytics. Customer Content saved in Axon Cloud Services is the sole property of Customer and may not be distributed by Axon to any third parties outside of the Customer's organization without the Customer's expressed written consent.

Axon Channel Services Appendix

This Appendix applies if Customer purchases Axon Channel Service, as set forth on the Quote.

1. Definitions.

   1.1. "**Axon Digital Evidence Management System**" means Axon Evidence or Axon Evidence Local, as specified in the attached Channel Services Statement of Work.

   1.2. "**Active Channel**" means a third-party system that is continuously communicating with an Axon Digital Evidence Management System.

   1.3. "**Inactive Channel**" means a third-party system that will have a one-time communication to an Axon Digital Evidence Management System.

2. **Scope**. Customer currently has a third-party system or data repository from which Customer desires to share data with Axon Digital Evidence Management. Axon will facilitate the transfer of Customer's third-party data into an Axon Digital Evidence Management System or the transfer of Customer data out of an Axon Digital Evidence Management System as defined in the Channel Services Statement of Work ("**Channel Services SOW**"). Channel Services will not delete any Customer Content. Customer is responsible for verifying all necessary data is migrated correctly and retained per Customer policy.

3. **Changes**. Axon is only responsible to perform the Services described in this Appendix and Channel Services SOW. Any additional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in the charges or schedule.

4. **Purpose and Use**. Customer is responsible for verifying Customer has the right to share data from and provide access to third-party system as it relates to the Services described in this Appendix and the Channel Services SOW. For Active Channels, Customer is responsible for any changes to a third-party system that may affect the functionality of the channel service. Any additional work required for the continuation of the Service may require additional fees. An Axon Field Engineer may require access to Customer's network and systems to perform the Services described in the Channel Services SOW. Customer is responsible for facilitating this access per all laws and policies applicable to Customer.

5. **Project Management**. Axon will assign a Project Manager to work closely with Customer's project manager and project team members and will be responsible for completing the tasks required to meet all contract deliverables on time and budget.

6. **Warranty.** Axon warrants that it will perform the Channel Services in a good and workmanlike manner.

7. **Monitoring**. Axon may monitor Customer's use of Channel Services to ensure quality, improve Axon devices and services, prepare invoices based on the total amount of data migrated, and verify compliance with this Agreement. Customer agrees not to interfere with such monitoring or obscure from Axon Customer's use of channel services.

8. **Customer's Responsibilities.** Axon's successful performance of the Channel Services requires Customer:

   8.1. Make available its relevant systems for assessment by Axon (including making these systems available to Axon via remote access);

   8.2. Provide access to the building facilities and where Axon is to perform the Channel Services, subject to safety and security restrictions imposed by the Customer (including providing security passes or other necessary documentation to Axon representatives performing the Channel Services permitting them to enter and exit Customer premises with laptop personal computers and any other materials needed to perform the Channel Services);

   8.3. Provide all necessary infrastructure and software information (TCP/IP addresses, node names, and network configuration) for Axon to provide the Channel Services;

   8.4. Ensure all appropriate data backups are performed;

   8.5. Provide Axon with remote access to the Customer's network and third-party systems when required for Axon to perform the Channel Services;

   8.6. Notify Axon of any network or machine maintenance that may impact the performance of the Channel Services; and

   8.7. Ensure the reasonable availability by phone or email of knowledgeable staff, personnel, system administrators,

and operators to provide timely, accurate, complete, and up-to-date documentation and information to Axon (these contacts are to provide background information and clarification of information required to perform the Channel Services).

VIEVU Data Migration Appendix

This Appendix applies if Customer purchases Migration services, as set forth on the Quote.

1. **Scope**. Customer currently has legacy data in the VIEVU solution from which Customer desires to move to Axon Evidence. Axon will work with Customer to copy legacy data from the VIEVU solution into Axon Evidence ("**Migration**"). Before Migration, Customer and Axon will work together to develop a Statement of Work ("**Migration SOW**") to detail all deliverables and responsibilities. The Migration will require the availability of Customer resources. Such resources will be identified in the SOW. On-site support during Migration is not required. Upon Customer's request, Axon will provide on-site support for an additional fee. Any request for on-site support will need to be pre-scheduled and is subject to Axon's resource availability.

   1.1. A small amount of unexposed data related to system information will not be migrated from the VIEVU solution to Axon Evidence. Upon request, some of this data can be manually exported before Migration and provided to Customer. The Migration SOW will provide further detail.

2. **Changes**. Axon is only responsible to perform the Services described in this Appendix and Migration SOW. Any additional services are out of scope. The Parties must document scope changes in a written and signed change order. Changes may require an equitable adjustment in the charges or schedule.

3. **Project Management**. Axon will assign a Project Manager to work closely with Customer's project manager and project team members and will be responsible for completing the tasks required to meet all contract deliverables on time and budget.

4. **Downtime**. There may be downtime during the Migration. The duration of the downtime will depend on the amount of data that Customer is migrating. Axon will work with Customer to minimize any downtime. Any VIEVU mobile application will need to be disabled upon Migration.

5. **Functionality Changes**. Due to device differences between the VIEVU solution and the Axon's Axon Evidence solution, there may be functionality gaps that will not allow for all migrated data to be displayed the same way in the user interface after Migration.

6. **Acceptance**. Once the Migration is complete, Axon will notify Customer and provide an acceptance form. Customer is responsible for verifying that the scope of the project has been completed and all necessary data is migrated correctly and retained per Customer policy. Customer will have ninety (90) days to provide Axon acceptance that the Migration was successful, or Axon will deem the Migration accepted.

   6.1. In the event Customer does not accept the Migration, Customer agrees to notify Axon within a reasonable time. Customer also agrees to allow Axon a reasonable time to resolve any issue. In the event Customer does not provide Axon with a written rejection of the Migration during these ninety (90) days, Customer may be charged for additional monthly storage costs. After Customer provides acceptance of the Migration, Axon will delete all data from the VIEVU solution ninety (90) days after the Migration.

7. **Post-Migration**. After Migration, the VIEVU solution may not be supported and updates may not be provided. Axon may end of life the VIEVU solution in the future. If Customer elects to maintain data within the VIEVU solution, Axon will provide Customer ninety (90) days' notice before ending support for the VIEVU solution.

8. **Warranty.** Axon warrants that it will perform the Migration in a good and workmanlike manner.

9. **Monitoring**. Axon may monitor Customer's use of Migration to ensure quality, improve Axon Devices and Services, prepare invoices based on the total amount of data migrated, and verify compliance with this Agreement. Customer agrees not to interfere with such monitoring or obscure Customer's use of Migration from Axon.

Axon Technical Account Manager Appendix

This Appendix applies if Axon Support Engineer services are included on the Quote.

1. **Axon Technical Account Manager Payment.** Axon will invoice for Axon Technical Account Manager ("**TAM**") services, as outlined in the Quote, when the TAM commences work on-site at Customer.

2. **Full-Time TAM Scope of Services.**

   2.1. A Full-Time TAM will work on-site four (4) days per week, unless an alternate schedule or reporting location is mutually agreed upon by Axon and Customer.

   2.2. Customer's Axon sales representative and Axon's Customer Success team will work with Customer to define its support needs and ensure the Full-Time TAM has skills to align with those needs. There may be up to a six- (6-) month waiting period before the Full-Time TAM can work on-site, depending upon Customer's needs and availability of a Full-Time TAM.

   2.3. The purchase of Full-Time TAM Services includes two (2) complimentary Axon Accelerate tickets per year of the Agreement, so long as the TAM has started work at Customer, and Customer is current on all payments for the Full-Time TAM Service.

   2.4. The Full-Time TAM **Service options are listed below:**

Ongoing System Set-up and Configuration Assisting with assigning cameras and registering docks Maintaining **Customer's Axon Evidence account** Connecting Customer to "Early Access" programs for new devices
Account Maintenance Conducting on-site training on new features and **devices for Customer leadership team(s)** Thoroughly documenting issues and workflows and suggesting new workflows to improve **the effectiveness of the Axon program** Conducting weekly meetings to cover current issues and program status
Data Analysis Providing on-demand Axon usage data to identify trends and insights for improving daily workflows Comparing **Customer's Axon usage and trends to peers to establish best practices** Proactively monitoring the health of Axon equipment and coordinating returns when needed
Direct Support Providing on-site, Tier 1 and Tier 2 (as defined in Axon's Service Level Agreement) technical support for Axon Devices Proactively monitoring the health of **Axon equipment** Creating and monitoring RMAs **on-site** Providing Axon app support Monitoring and testing new firmware and workflows before they are released to Customer's production environment
Customer Advocacy Coordinating bi-**annual voice of customer meetings with Axon's Device Management team** Recording and tracking Customer feature requests and major bugs

3. **Regional TAM Scope of Services**

   3.1. A Regional TAM will work on-site for three (3) consecutive days per quarter. Customer must schedule the on-site days at least two (2) weeks in advance. The Regional TAM will also be available by phone and email during regular business hours up to eight (8) hours per week.

   3.2. There may be up to a six- (6-) month waiting period before Axon assigns a Regional TAM to Customer, depending upon the availability of a Regional TAM.

   3.3. The purchase of Regional TAM Services includes two (2) complimentary Axon Accelerate tickets per year of the Agreement, so long as the TAM has started work at Customer and Customer is current on all payments for the Regional TAM Service.

   3.4. The Regional TAM service options are listed below:

Account Maintenance Conducting remote training on new features and **devices for Customer's leadership** Thoroughly documenting issues and workflows and suggesting new **workflows to improve the effectiveness of the Axon program** Conducting weekly conference calls to cover **current issues and program status** Visiting Customer quarterly (up to 3 consecutive days) to perform a quarterly business review, discuss Customer's goals for your Axon program, and continue to ensure a successful deployment of Axon Devices
Direct Support **Providing remote, Tier 1 and Tier 2 (As defined Axon's Service Level Agreement) technical support for Axon Devices** Creating and monitoring RMAs remotely
Data Analysis Providing quarterly Axon **usage data to identify trends and program efficiency opportunities** Comparing **Customer's Axon usage and trends to peers to establish best practices** Proactively monitoring the health of Axon equipment and coordinating returns when needed
Customer Advocacy Coordinating bi-yearly Voice of **Customer meetings with Device Management team** Recording and tracking Customer feature requests and major bugs

4. **Out of Scope Services.** The TAM is responsible to perform only the Services described in this Appendix. Any additional Services discussed or implied that are not defined explicitly in this Appendix will be considered out of the scope.
5. **TAM Leave Time**. The TAM will be allowed up seven (7) days of sick leave and up to fifteen (15) days of vacation time per each calendar year. The TAM will work with Customer to coordinate any time off and will provide Customer with at least two (2) weeks' notice before utilizing any vacation days.

Axon Investigate Appendix

If the Quote includes Axon's On Prem Video Suite known as Axon Investigate or Third Party Video Support License, the following appendix shall apply.

1. **License Grant**. Subject to the terms and conditions specified below and upon payment of the applicable fees set forth in the Quote, Axon grants to Customer a nonexclusive, nontransferable license to install, use, and display the Axon Investigate software ("**Software**") solely for its own internal use only and for no other purpose, for the duration of subscription term set forth in the Quote. This Agreement does not grant Customer any right to enhancements or updates, but if such are made available to Customer and obtained by Customer they shall become part of the Software and governed by the terms of this Agreement.

2. **Third-Party Licenses**. Axon licenses several third-party codecs and applications that are integrated into the Software. Users with an active support contract with Axon are granted access to these additional features. By accepting this agreement, Customer agrees to and understands that an active support contract is required for all of the following features: DNxHD output formats, decoding files via the "fast indexing" method, proprietary file metadata, telephone and email support, and all future updates to the software. If Customer terminates the annual support contract with Axon, the features listed above will be disabled within the Software. It is recommended that users remain on an active support contract to maintain the full functionality of the Software.

3. **Restrictions on Use**. Customer may not permit any other person to use the Software unless such use is in accordance with the terms of this Agreement. Customer may not modify, translate, reverse engineer, reverse compile, decompile, disassemble or create derivative works with respect to the Software, except to the extent applicable laws specifically prohibit such restrictions. Customer may not rent, lease, sublicense, grant a security interest in or otherwise transfer Customer's rights to or to use the Software. Any rights not granted are reserved to Axon.

4. **Term**. For purchased perpetual Licenses only—excluding Licenses leased for a pre-determined period, evaluation licenses, companion licenses, as well as temporary licenses--the license shall be perpetual unless Customer fails to observe any of its terms, in which case it shall terminate immediately, and without additional prior notice. The terms of Paragraphs 1, 2, 3, 5, 6, 8 and 9 shall survive termination of this Agreement. For licenses leased for a pre-determined period, for evaluation licenses, companion licenses, as well as temporary licenses, the license is granted for a period beginning at the installation date and for the duration of the evaluation period or temporary period as agreed between Axon and Customer.

5. **Title**. Axon and its licensors shall have sole and exclusive ownership of all right, title, and interest in and to the Software and all changes, modifications, and enhancements thereof (including ownership of all trade secrets and copyrights pertaining thereto), regardless of the form or media in which the original or copies may exist, subject only to the rights and privileges expressly granted by Axon. This Agreement does not provide Customer with title or ownership of the Software, but only a right of limited use.

6. **Copies**. The Software is copyrighted under the laws of the United States and international treaty provisions. Customer may not copy the Software except for backup or archival purposes, and all such copies shall contain all Axon's notices regarding proprietary rights as contained in the Software as originally provided to Customer. If Customer receives one copy electronically and another copy on media, the copy on media may be used only for archival purposes and this license does not authorize Customer to use the copy of media on an additional server.

7. **Actions Required Upon Termination**. Upon termination of the license associated with this Agreement, Customer agrees to destroy all copies of the Software and other text and/or graphical documentation, whether in electronic or printed format, that describe the features, functions and operation of the Software that are provided by Axon to Customer ("**Software Documentation**") or return such copies to Axon. Regarding any copies of media containing regular backups of Customer's computer or computer system, Customer agrees not to access such media for the purpose of recovering the Software or online Software Documentation.

8. **Export Controls**. None of the Software, Software Documentation or underlying information may be downloaded or otherwise exported, directly or indirectly, without the prior written consent, if required, of the office of Export Administration of the United States, Department of Commerce, nor to any country to which the U.S. has embargoed goods, to any person on the U.S. Treasury Department's list of Specially Designated Nations, or the U.S. Department of Commerce's Table of Denials.

9. **U.S. Government Restricted Rights**. The Software and Software Documentation are Commercial Computer Software provided with Restricted Rights under Federal Acquisition Regulations and Customer supplements to them. Use, duplication or disclosure by the U.S. Government is subject to restrictions as set forth in subparagraph (c)(1)(ii) of the Rights in Technical Data and Computer Software clause at DFAR 255.227-7013 et. Seq. or 252.211-7015, or

subparagraphs (a) through (d) of the Commercial Computer Software Restricted Rights at FAR 52.227-19, as applicable, or similar clauses in the NASA FAR Supplement. Contractor/manufacturer is Axon Enterprise, Inc., 17800 North 85th Street, Scottsdale, Arizona 85255.

My90 Terms of Use Appendix

Definitions.

1.1. "**My90**" means Axon's proprietary platform and methodology to obtain and analyze feedback, and other related offerings, including, without limitation, interactions between My90 and Axon products.

1.2. "**Recipient Contact Information**" means contact information, as applicable, including phone number or email address (if available) of the individual whom Customer would like to obtain feedback.

1.3. "**Customer Data**" means

1.3.1. "My90 Customer Content" which means data, including Recipient Contact Information, provided to My90 directly by Customer or at their direction, or by permitting My90 to access or connect to an information system or similar technology. My90 Customer Content does not include My90 Non-Content Data.

1.3.2. "My90 Non-Content Data" which means data, configuration, and usage information about Customer's My90 tenant, and client software, users, and survey recipients that is Processed (as defined in Section 1.6 of this Appendix) when using My90 or responding to a My90 Survey. My90 Non-Content Data includes data about users and survey recipients captured during account management and customer support activities. My90 Non-Content Data does not include My90 Customer Content.

1.3.3. "Survey Response" which means survey recipients' response to My90 Survey.

1.4. "**My90 Data**" means

1.4.1. "My90 Survey" which means surveys, material(s) or content(s) made available by Axon to Customer and survey recipients within My90.

1.4.2. "Aggregated Survey Response" which means Survey Response that has been de-identified and aggregated or transformed so that it is no longer reasonably capable of being associated with, or could reasonably be linked directly or indirectly to, a particular individual.

1.5. "**Personal Data**" means any information relating to an identified or identifiable natural person. An identifiable natural person is one who can be identified, directly or indirectly, in particular by reference to an identifier such as a name, an identification number, location data, an online identifier or to one or more factors specific to the physical, physiological, genetic, mental, economic, cultural, or social identity of that natural person.

1.6. "**Processing**" means any operation or set of operations which is performed on data or on sets of data, whether or not by automated means, such as collection, recording, organization, structuring, storage, adaptation or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure, or destruction.

1.7. "**Sensitive Personal Data**" means Personal Data that reveals an individual's health, racial or ethnic origin, sexual orientation, disability, religious or philosophical beliefs, or trade union membership.

2. **Access**. Upon Axon granting Customer a subscription to My90, Customer may access and use My90 to store and manage My90 Customer Content, and applicable My90 Surveys and Aggregated Survey Responses. This Appendix is subject to the Terms and Conditions of Axon's Master Service and Purchasing Agreement or in the event you and Axon have entered into a prior agreement to govern all future purchases, that agreement shall govern.

3. **IP address**. Axon will not store survey respondents' IP address.

4. **Customer Owns My90 Customer Content**. Customer controls or owns all right, title, and interest in My90 Customer Content. Except as outlined herein, Axon obtains no interest in My90 Customer Content, and My90 Customer Content is not Axon's business records. Except as set forth in this Agreement, Customer is responsible for uploading, sharing, managing, and deleting My90 Customer Content. Axon will only have access to My90 Customer Content for the limited purposes set forth herein. Customer agrees to allow Axon access to My90 Customer Content to (a) perform troubleshooting, maintenance, or diagnostic screenings; and (b) enforce this Agreement or policies governing use of My90 and other Axon products.

5. **Details of the Processing**. The nature and purpose of the Processing under this Appendix are further specified

in Schedule 1 Details of the Processing, to this Appendix.

6. **Security**. Axon will implement commercially reasonable and appropriate measures to secure Customer Data against accidental or unlawful loss, access, or disclosure. Axon will maintain a comprehensive information security program to protect Customer Data including logical, physical access, vulnerability, risk, and configuration management; incident monitoring and response; security education; and data protection. Axon will not treat Customer Data in accordance with FBI CJIS Security Policy requirements and does not agree to the CJIS Security Addendum for this engagement or any other security or privacy related commitments that have been established between Axon and Customer, such as ISO 27001 certification or SOC 2 Reporting.

7. **Privacy**. Customer use of My90 is subject to the My90 Privacy Policy, a current version of which is available at https://www.axon.com/legal/my90privacypolicy. Customer agrees to allow Axon access to My90 Non-Content Data from Customer to (a) perform troubleshooting, maintenance, or diagnostic screenings; (b) provide, develop, improve, and support current and future Axon products including My90 and related services; and (c) enforce this Agreement or policies governing the use of My90 or other Axon products.

8. **Location of Storage**. Axon may transfer Customer Data to third-party subcontractors for Processing. Axon will determine the locations for Processing of Customer Data. For all Customer, Axon will Process and store Customer Data within the country in which Customer is located. Ownership of My90 Customer Content remains with Customer.

9. **Required Disclosures**. Axon will not disclose Customer Data that Customer shares with Axon except as compelled by a court or administrative body or required by any law or regulation. Axon will notify Customer if any disclosure request is received for Customer Data so Customer may file an objection with the court or administrative body, unless prohibited by law.

10. **Data Sharing**. Axon may share data only with entities that control or are controlled by or under common control of Axon, and as described below:

    10.1. Axon may share Customer Data with third parties it employs to perform tasks on Axon's behalf to provide products or services to Customer.

    10.2. Axon may share Aggregated Survey Response with third parties, such as other Axon customers, local city agencies, private companies, or members of the public that are seeking a way to collect analysis on general policing and community trends. Aggregated Survey Response will not be reasonably capable of being associated with or reasonably be linked directly or indirectly to a particular individual.

11. **License and Intellectual Property**. Customer grants Axon, its affiliates, and assignees the irrevocable, perpetual, fully paid, royalty-free, and worldwide right and license to use Customer Data for internal use including but not limited to analysis and creation of derivatives. Axon may not release Customer Data to any third party under this right that is not aggregated and de-identified. Customer acknowledges that Customer will have no intellectual property right in any media, good or service developed or improved by Axon. Customer acknowledges that Axon may make any lawful use of My90 Data and any derivative of Customer Data including, without limitation, the right to monetize, redistribute, make modification of, and make derivatives of the surveys, survey responses and associated data, and Customer will have no intellectual property right in any good, service, media, or other product that uses My90 Data.

12. **Customer Use of Aggregated Survey Response**. Axon will make available to Customer Aggregated Survey Response and rights to use for any Customer purpose.

13. **Data Subject Rights**. Taking into account the nature of the Processing, Axon shall assist Customer by appropriate technical and organizational measures, insofar as this is reasonable, for the fulfilment of Customer's obligation to respond to a Data Subject Request regarding any Personal Data contained within My90 Customer Content. If in regard to My90 Customer Content, Axon receives a Data Subject Request from Customer's data subject to exercise one or more of its rights under applicable Data Protection Law, Axon will redirect the data subject within seventy-two (72) hours, to make its request directly to Customer. Customer will be responsible for responding to any such request.

14. **Assistance with Requests Related to My90 Customer Content**. With regard to the processing of My90 Customer Content, Axon shall, if not prohibited by applicable law, notify Customer without delay after receipt, if Axon: (a) receives a request for information from the Supervisory Authority or any other competent authority regarding My90 Customer Content; (b) receives a complaint or request from a third party regarding the obligations of Customer or Axon under applicable Data Protection Law; or (c) receives any other communication which directly or indirectly pertains to My90 Customer Content or the Processing or protection of My90 Customer Content. Axon

shall not respond to such requests, complaints, or communications, unless Customer has given Axon written instructions to that effect or if such is required under a statutory provision. In the latter case, prior to responding to the request, Axon shall notify Customer of the relevant statutory provision and Axon shall limit its response to what is necessary to comply with the request.

15. **Axon Evidence Partner Sharing**. If Axon Evidence partner sharing is used to share My90 Customer Content, Customer will manage the data sharing partnership with Axon and access to allow only for authorized data sharing with Axon. Customer acknowledges that any applicable audit trail on the original source data will not include activities and processing performed against the instances, copies or clips that has been shared with Axon. Customer also acknowledges that the retention policy from the original source data is not applied to any data shared with Axon. Except as provided herein, data shared with Axon may be retained indefinitely by Axon.
16. **Data Retention**. Phone numbers provided to Axon directly by Customer or at their direction, or by permitting My90 to access or connect to an information system or similar technology will be retained for twenty-four (24) hours. Axon will not delete Aggregated Survey Response for four (4) years following termination of this Agreement. There will be no functionality of My90 during these four (4) years other than the ability to submit a request to retrieve Aggregated Survey Response. Axon has no obligation to maintain or provide Aggregated Survey Response after these four years and may thereafter, unless legally prohibited, delete all Aggregated Survey Response.
17. **Termination**. Termination of an My90 Agreement will not result in the removal or modification of previously shared My90 Customer Content or the potential monetization of Survey Response and Aggregated Survey Response.
18. **Managing Data Shared**. Customer is responsible for:
    18.1. Ensuring My90 Customer Content is appropriate for use in My90. This includes, prior to sharing: (a) applying any and all required redactions, clipping, removal of metadata, logs, etc. and (b) coordination with applicable public disclosure officers and related legal teams;
    18.2. Ensuring that only My90 Customer Content that is authorized to be shared for the purposes outlined is shared with Axon. Customer will periodically monitor or audit this shared data;
    18.3. Using an appropriately secure data transfer mechanism to provide My90 Customer Content to Axon;
    18.4. Immediately notifying Axon if My90 Customer Content that is not authorized for sharing has been shared. Axon may not be able to immediately retrieve or locate all instances, copies or clips of My90 Customer Content in the event Customer requests to un-share previously shared My90 Customer Content;
19. **Prior to enrollment in My90**. Prior to enrolling in My90, Customer will:
    19.1. determine how to use My90 in accordance with applicable laws and regulations including but not limited to consents, use of info or other legal considerations;
    19.2. develop a set of default qualification criteria of what My90 Customer Content may be shared with Axon; and
    19.3. assign responsibilities for managing what My90 Customer Content is shared with Axon and educate users on what data may or not be shared with Axon.
20. **Customer Responsibilities**. Customer is responsible for:
    20.1. ensuring no My90 Customer Content or Customer End User's use of My90 Customer Content or My90 violates this Agreement or applicable laws;
    20.2. providing, and will continue to provide, all notices and has obtained, and will continue to obtain, all consents and rights necessary under applicable laws for Axon to process Customer Data in accordance with this Agreement; and
    20.3. maintaining necessary computer equipment and Internet connections for use of My90. If Customer becomes aware of any violation of this Agreement by an End User, Customer will immediately terminate that End User's access to My90. Customer will also maintain the security of End User's usernames and passwords and security and access by End Users to My90 Customer Content. Customer is responsible for ensuring the configuration and utilization of My90 meets applicable Customer regulations and standards. Customer may not sell, transfer, or sublicense access to any other entity or person. Customer shall contact

Axon immediately if an unauthorized party may be using Customer's account or My90 Customer Content or if account information is lost or stolen.

21. **Suspension**. Axon may temporarily suspend Customer's or any End User's right to access or use any portion or all of My90 immediately upon notice, if Customer or End User's use of or registration for My90 may (a) pose a security risk to Axon products including My90, or any third-party; (b) adversely impact My90, the systems, or content of any other customer; (c) subject Axon, Axon's affiliates, or any third-party to liability; or (d) be fraudulent. Customer remains responsible for all fees, if applicable, incurred through suspension. Axon will not delete My90 Customer Content or Aggregated Survey Response because of suspension, except as specified in this Agreement.

22. **My90 Restrictions.** Customer and Customer End Users , may not, or may not attempt to:

    22.1. copy, modify, tamper with, repair, or create derivative works of any part of My90;

    22.2. reverse engineer, disassemble, or decompile My90 or apply any process to derive any source code included in My90, or allow others to do the same;

    22.3. access or use My90 with the intent to gain unauthorized access, avoid incurring fees or exceeding usage limits or quotas;

    22.4. use trade secret information contained in My90, except as expressly permitted in this Agreement;

    22.5. access My90 to build a competitive product or service or copy any features, functions, or graphics of My90;

    22.6. remove, alter, or obscure any confidentiality or proprietary rights notices (including copyright and trademark notices) of Axon's or Axon's licensors on or within My90; or

    22.7. use My90 to store or transmit infringing, libelous, or other unlawful or tortious material; to store or transmit material in violation of third-party privacy rights; or to store or transmit malicious code.

Schedule 1- Details of the Processing

1. **Nature and Purpose of the Processing.** To help Customer obtain feedback from individuals, such as members of their community, staff, or officers. Features of My90 may include:

   1.1 Survey Tool where Customer may create, distribute, and analyze feedback from individuals it designates. Customer may designate members of the community, staff or officers from whom they would like to obtain feedback;

   1.2 Creation of custom forms for surveys. Customer may select questions from a list of pre-drafted questions or create their own;

   1.3 Distribution of survey via multiple distribution channels such as text message;

   1.4 Ability to access and analyze Survey Response. Axon may also provide Customer Aggregated Survey Responses which contain analysis and insights from the Survey Response;

   1.5 Direct integrations into information systems including Computer Aided Dispatch ("**CAD**"). This will enable Customer to share contact information easily and quickly with Axon of any individuals from whom it wishes to obtain feedback, enabling Axon to communicate directly with these individuals;

   1.6 Data Dashboard Beta Test ("**Data Dashboard**") where Survey Response and Aggregated Survey Response will be displayed for Customer use. Customer will be able to analyze, interpret, and share results of the Survey Response. My90 may provide beta versions of the Data Dashboard that are specifically designed for Customer to test before they are publicly available;

   1.7 Survey Responses will be aggregated and de-identified and may be subsequently distributed and disclosed through various mediums to: (1) Customer; (2) other Axon Customer; (3) private companies; and (4) members of the public. The purpose of disclosure is to provide ongoing insights and comparisons on general policing and community trends. Prior to disclosing this information, Axon will ensure that the Survey Response has been de-identified and aggregated or transformed so that it is no longer reasonably capable of being associated with, or could reasonably be linked directly or indirectly to a particular individual; and

   1.8 Provide services and materials to engage Customer stakeholders, market the partnership to the public, and facilitate training.

Axon Event Offer Appendix

If the Agreement includes the provision of, or Axon otherwise offers, ticket(s), travel and/or accommodation for select events hosted by Axon ("Axon Event"), the following shall apply:

1. **General**. Subject to the terms and conditions specified below and those in the Agreement, Axon may provide Customer with one or more offers to fund Axon Event ticket(s), travel and/or accommodation for Customer-selected employee(s) to attend one or more Axon Events. By entering into the Agreement, Customer warrants that it is appropriate and permissible for Customer to receive the referenced Axon Event offer(s) based on Customer's understanding of the terms and conditions outlined in this Axon Event Offer Appendix.
2. **Attendee/Employee Selection**. Customer shall have sole and absolute discretion to select the Customer employee(s) eligible to receive the ticket(s), travel and/or accommodation that is the subject of any Axon Event offer(s).
3. **Compliance**. It is the intent of Axon that any and all Axon Event offers comply with all applicable laws, regulations and ethics rules regarding contributions, including gifts and donations. Axon's provision of ticket(s), travel and/or accommodation for the applicable Axon Event to Customer is intended for the use and benefit of Customer in furtherance of its goals, and not the personal use or benefit of any official or employee of Customer. Axon makes this offer without seeking promises or favoritism for Axon in any bidding arrangements. Further, no exclusivity will be expected by either party in consideration for the offer. Axon makes the offer with the understanding that it will not, as a result of such offer, be prohibited from any procurement opportunities or be subject to any reporting requirements. If Customer's local jurisdiction requires Customer to report or disclose the fair market value of the benefits provided by Axon, Customer shall promptly contact Axon to obtain such information, and Axon shall provide the information necessary to facilitate Customer's compliance with such reporting requirements.
4. **Assignability**. Customer may not sell, transfer, or assign Axon Event ticket(s), travel and/or accommodation provided under the Agreement.
5. **Availability.** The provision of all offers of Axon Event ticket(s), travel and/or accommodation is subject to availability of funds and resources. Axon has no obligation to provide Axon Event ticket(s), travel and/or accommodation.
6. **Revocation of Offer**. Axon reserves the right at any time to rescind the offer of Axon Event ticket(s), travel and/or accommodation to Customer if Customer or its selected employees fail to meet the prescribed conditions or if changes in circumstances render the provision of such benefits impractical, inadvisable, or in violation of any applicable laws, regulations, and ethics rules regarding contributions, including gifts and donations.

Axon Training Pod Appendix

1. **Customer Responsibilities**. Customer is responsible for: (i) all permits to use the Axon Training Pod; (ii) complying with all applicable laws pertaining to the use of the Axon Training Pod; (iii) any maintenance required for the Axon Training Pod; and (iv) disposal of the Axon Training Pod.

2. **Warranties**. **TO THE EXTENT NOT PROHIBITED BY LAW, AXON TRAINING POD IS SOLD "AS IS" WITHOUT WARRANTY OF ANY KIND, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT.**

3. **Placement**. Axon will make its best efforts to work with Customer on the initial placement of the Axon Training Pod. After the initial placement, it is the Customer's responsibility to make any adjustments to the Axon Training Pod's placement.

Appendix for AI Technology

This AI Appendix shall only apply to Customers who license Axon Cloud Services in a Quote that specifically utilize AI Technology. Unless explicitly defined otherwise, capitalized terms used in this Appendix have the same meaning as those in the Agreement.

1. **Definitions**

1.1 AI Technology. Refers to artificial intelligence functionalities embedded in Axon's Cloud Services, which may include: (a) Enhanced Evidence Management; (b) AI-powered redaction tools; (c) Large Language Model-based tools (e.g., "Draft One" "Policy Chat"); (d) Predictive Analytics for operational insights; or (e) Natural Language Processing (NLP) for text and speech analysis.

1.2 Model Drift. The degradation of AI model performance due to changes in input data or external conditions, requiring retraining or updates.

1.3 **Bias Mitigation.** Strategies and techniques used to identify, measure, and minimize bias in AI Technology.

2. **Scope and Usage**

2.1 **Integration.** Axon AI Technology is intended to improve public safety, streamline operations, and ensure data accuracy. The AI functionalities will only be used as described in the Agreement or applicable documentation.

2.2 **Data Use.** Axon acts as a Data Processor for AI Technology. All inquiries submitted are processed solely to provide accurate responses based on Customer Content submitted. Customer remains the Data Controller of all Customer Content. Axon and Axon's subprocessors do not train their models on Customer Content. Customers who elect to participate in Axon's ACEIP program can enter into custom agreements to assist in product development efforts like AI model training. Even in those cases, Axon operates carefully on redacted data and not on Customer Content.

2.3 **Automatic Data Collection.** AI Technology may automatically collect Non-Content Data about user interactions with the service and their devices to enhance the functionality and security of the system. The details collected include, but are not limited to, the following:

2.3.1 User Engagement and Activity Metrics. AI Technology may track key engagement statistics, including Daily Active Users (DAUs), Weekly Active Users (WAUs), and Monthly Active Users (MAUs). Additional metrics include new user activations, repeat usage rates, total queries submitted, follow-up query volume, session lengths, retention rates, and user satisfaction ratings (e.g., thumbs up/down feedback).

2.3.2 Sales and Adoption Tracking. Axon monitors the number of licenses and agencies purchasing the service, including those in trial phases, fully deploying the service, and conversion rates from trials to paid subscriptions.

2.3.3 End User inputs. Axon may process de-identified end-user inputs to the AI Technology, excluding Customer Content or any data that directly or indirectly identifies individuals.

3. **Axon Responsibilities**

3.1 **Ethical AI Development.** Axon shall: (a) Follow its responsible innovation framework; (b) Engage with the Ethics and Equity Advisory Council (EEAC) for feedback; (c) Conduct testing to minimize bias and ensure reliability; and (d) Implement Bias Mitigation techniques in model development and deployment.

3.2 **Security Program.** Axon will maintain a comprehensive information security program, including logical and physical access, vulnerability, risk, and configuration management; incident monitoring and response; encryption of digital evidence; and security education.

3.3 **Transparency.** Axon will provide documentation describing AI functionalities and their intended use and disclose any material limitations, risks, or Model Drift incidents.

3.4 **Incident Response.** Axon will promptly address and rectify anomalies in AI functionalities, as outlined in its incident management procedures.

3.5 **Compliance.** Axon will ensure compliance with applicable laws, regulations, and standards, including but not limited to the EU AI Act, NIST AI standards, and ISO/IEC 27001.

4. **Customer Responsibilities**

4.1 **Ownership of Customer Content.** Customer controls and owns all rights, title, and interest in Customer Content. Axon obtains no interest in Customer Content and will only access Customer Content for limited purposes as outlined in the Agreement.

4.2 **Use of AI Technologies.** Customer must: (a) review AI-generated outputs to ensure accuracy and appropriateness; (b) maintain control over Customer Content shared with AI Technologies (c) comply with applicable laws when using Axon AI Technology and Axon Services; (d) monitor for potential issues with AI outputs, including false positives or negatives; (e) actively opt-in for programs involving data sharing through Axon's ACEIP program; and (f) provide timely feedback on Axon AI Technology performance.

4.3 **Restrictions**. AI Technology is not designed for emergencies, and in such cases, users should contact appropriate emergency services directly. Axon disclaims liability for queries containing prohibited content, such as hate, sexual material, or violence, and reserves the right to restrict such usage.

5. **Policy Chat.** This section outlines the specific terms and conditions related to the use of Policy Chat by the Customer. By utilizing Policy Chat, the Customer agrees to comply with the following provisions:

5.1 **License and Content Restrictions**. Any uploads beyond 5,000 pages may be limited by Axon. It is the Customer's responsibility to manage uploads to ensure system efficiency and compliance with these terms.

5.2 **Data Processing.** Inquiries submitted to Policy Chat are processed solely to provide accurate responses based on existing policy documents provided by the Customer. The Customer remains the Data Controller of all policy content, and Axon's role is strictly limited to facilitating access to this information through Policy Chat.

5.3 **Policy Chat Restrictions.** The information provided by Policy Chat is for informational purposes only and is based on the policy documents uploaded by the Customer. Axon does not guarantee the accuracy, completeness, or timeliness of the information, and disclaims all liability for any reliance placed on such information. Policy Chat is not a substitute for official policy documents, legal advice, or comprehensive training. Users should consult their supervisors, legal advisors, or official sources for the most accurate and up-to-date policy guidance. Changes to policies may not be reflected immediately, and it is the Customer's responsibility to ensure data integrity by uploading the most current documents and removing outdated versions.

6. **Draft One.** Specifically for Customers who utilize Draft One, Axon may impose usage restrictions if a single user generates more than three hundred (300) reports per month for two or more consecutive months.

7. **Brief One.** Brief One includes automatic summarization of all products that can be transcribed. If Customer subscribes to Brief One within a Quote, Customer may utilize Brief One with no limit on the number of pieces of evidence or cases. Notwithstanding the foregoing, Axon may limit evidence and case summaries for cases with over one thousand (1000) pieces of evidence or after three hundred (300) cases per End User per month for two (2) consecutive months in a row.

8. Amendments. Axon reserves the right to amend this Appendix to reflect changes in applicable laws or improvements in AI Technologies. Axon will provide at least 30 days' notice for any substantive changes. Continued use of Axon Devices and Services after the effective date constitutes acceptance of the updated terms.

Dedrone Product Appendix

If the Quote includes Dedrone Hardware, Dedrone Software, and/or Airspace Security as a Service (collectively "Dedrone Products"), this appendix and the following additional terms shall apply.

1. **Definitions**

1.1 **"Dedrone Data"** means data that Axon maintains regarding a wide variety of drone models and manufacturers in the marketplace ("DedroneDNA", formerly "DroneDNA"), as well as usability information that Axon collects regarding the performance of the Dedrone Software and Dedrone Hardware, aggregate or de-identified Collected Data compiled or used by Axon in accordance with Section 4.2, and any other information that Axon makes available to Customer by means of the Dedrone Software

1.2 **"Dedrone Hardware**" means the Axon drone detection hardware sensor or mitigation products set forth on a Quote and does not include any Third-Party Hardware.

1.3 **"Sensor"** means a radio frequency, video, radar or other hardware sensor for drone detection purchased by Customer from Axon or obtained from any third-party vendor.

1.4 **"Dedrone Software**" means (i) Axon's proprietary drone-tracking software, known as DedroneTracker (formerly DroneTracker), whether deployed on-premise or hosted by Axon as a cloud-based solution, (ii) Axon's video analytics software (currently known as Analytics Server), and/or (iii) software and/or firmware deployed or installed on the Dedrone Hardware or available for download and installation onto Customer's Third-Party Hardware.

1.5 **"Third-Party Hardware"** means hardware products owned by Customer or purchased by Customer from third parties that are used by Customer in conjunction with the Software.

2. **Customer License**

2.1 **Software License.** Subject to the terms of this Agreement, Axon grants Customer a royalty-free, nonexclusive, nontransferable, worldwide right during each Quote Term to use the Dedrone Software, including the Dedrone Data and Collected Data, subject to the terms of the Agreement and this Appendix (the "License"). Customer must purchase a License to the Software for each unit of Dedrone Hardware and/or Third-Party Hardware using Dedrone Software. Accordingly, Customer may only use the Software quantity and type of Hardware and/or Third-Party Hardware units specified on the applicable Quote. If Customer purchases additional Licenses during a current Term, the Term of the new License(s) will be pro-rated to terminate at the end of the then-current License Term. Use of the Dedrone Software is subject to the terms of the Agreement between the parties

2.2 **Restrictions.** Customer will not: (i) use (or allow a third party to use) the Dedrone Products in order to monitor the availability, security, performance, or functionality of the Dedrone Products, or for any other benchmarking or competitive purposes; (ii) market, sublicense, resell, lease, loan, transfer, or otherwise commercially exploit the Dedrone Products; (iii) modify, create derivative works, decompile, reverse engineer, attempt to gain access to the source code, or copy the Dedrone Products or any of their components; (iv) use the Dedrone Products to conduct any fraudulent, malicious, or illegal activities; or (v) use the Dedrone Products in contravention of any applicable laws or regulations (each of (i) through (v), a ("Prohibited Use").

3. **Customer Obligations**

3.1 **Compliance.** Customer will use the Dedrone Products only in accordance with applicable specifications (the "Specifications") and in compliance with all applicable laws, including all applicable export laws and regulations of the United States or any other country. Customer acknowledges that due to the nascent nature of drone detection and mitigation technologies applicable laws and regulations may be changing or emerging over time, and agrees that it is Customer's responsibility to keep itself aware and remain compliant with the current laws and regulations that may apply, including but not limited to those that may apply to advanced features available at Customer's option in the Dedrone Software. Customer will ensure that none of the Dedrone Products are directly or indirectly exported, re-exported, or used to provide services in violation of such export laws and regulations. Axon reserves the right to suspend use of any Dedrone Products operating in violation of such

laws, following written notice to Customer. If Customer uses a radio jammer, or any other controlled device, in connection with the Dedrone Software, Customer represents to Axon that it is authorized to do so by the relevant authorities, that it will do so only in accordance with such authorization, and it will provide supporting documentation regarding such authorization upon request. Customer may be required to obtain legal authorization before any purchase or use of hardware sold by third parties. Axon shall not be liable if any government export authorization is delayed, denied, revoked, restricted or not renewed, nor shall any such delay, denial, revocation, restriction or non-renewal shall not constitute a breach of the Agreement by Axon.

3.2 **Computing Environment.** Customer is responsible for the maintenance and security of its own network and computing environment that it uses to host and/or access the Dedrone Products and for ensuring that any Third-Party Hardware meets the necessary specifications for use with the Dedrone Software.

4. **Data Protection**

4.1 **Data.** If Customer licenses Dedrone Software, as part of its operation, the Dedrone Software may collect and send to servers owned, operated or controlled by Axon data or other information regarding Customer's use of the Dedrone Software, which may include (i) information generated by each Sensor deployed by Customer, including information related to the date, time, and duration of the detection of the drone, as well as the locations of the detected drones and remote controls and of the Sensor itself (collectively, "Sensor Data"), and (ii) video recording of the detected drones, including flight path ("Video Data") (Sensor Data and Video Data are collectively referred to as "Collected Data").

4.2 **Use of Collected Data**. Axon has the right to use Collected Data for any purpose, including: (i) improving any Dedrone Product; (ii) analyzing any Dedrone Product or the performance of any Dedrone Product; or (iii) compiling or using aggregate or de-identified Collected Data with other customers, or government and law enforcement entities, with or without compensation. Customer acknowledges that Axon may learn from the performance or use of any Dedrone Product, and Axon shall have the sole right to exploit any modification, enhancement or improvement of any Dedrone Product resulting from such learning.

4.3 **User Data**. To the extent Axon uses User login information, including name, email, username, and password (collectively, "User Data") for any purpose other than to provide services to the Customer, such User Data will be deidentified and anonymized, and will not be identified as having come from Customer, except that Axon may disclose User Data where Axon, in good faith, believes that the law or legal process (such as a court order, search warrant or subpoena) requires Axon to do so.

4.4 **Security**. Axon maintains industry standard physical, technical, and administrative safeguards (the "Security Measures") to protect Collected Data.

4.5 **No Access.** Except for User Data, Axon does not (and will not) collect, process, store, or otherwise have access to any personal information, about End Users or users of Customer's products or services.

5. **Ownership.**

5.1 **Axon Property**. Axon owns and retains all right, title, and interest in and to the Dedrone Data, Collected Data, the Dedrone Software, and all intellectual property embodied in the Dedrone Hardware, if the Dedrone Hardware is provided by Axon. Except for the limited license granted to Customer in Section 2.1, Axon does not by means of this Agreement or otherwise transfer or license any rights in the Dedrone Products to Customer, whether by implication, estoppel or otherwise. To the maximum extent permitted by applicable law Customer will take no action inconsistent with Axon intellectual property rights in the Dedrone Products or any Dedrone Data.

5.2 **Customer Property**. Customer owns and retains all right, title, and interest in and to the User Data and does not by means of this Agreement or otherwise transfer any rights in the User Data to Axon, except for the limited rights set forth in Section 4.3.

6. **Government Restricted Rights**. To the extent that Customer is an agency or instrumentality of the U.S. government, the parties agree that the Dedrone Software and documentation are commercial computer software

and commercial computer software documentation, respectively, and Customer's rights therein are as specified in this License, per FAR 12.212 and DFARS 227.7202-3, as applicable, or in the case of NASA, subject to NFS 1852.22.

7. **Updates.** The Dedrone Software may include functionality that allows it to automatically download updates that may be made available by Axon. Customer consents to the installation of such functionality.

Meeting Date: 06/25/2025
Department: Fire
Contact: Paul Sims, Fire Chief
Submitted By: Meloney Taylor, Secretary - Fire

Workshop

Item Type: Presentation

Item Type: Presentation
P. Sims
Joint Meeting: No Joint Meeting

Description
Discuss approval of MCHD Fire/EMS Communications Network Agreement fee.

Summary / Recommendation
Discuss approval of MCHD Fire/EMS Communications Network Agreement fee $85,000.00.

Attachments

MCHD Inv#3764
MCHD-Fire EMS Communication Amendment

Montgomery County Hospital District
Submit payment to:
P.O. Box 478
Conroe, TX 77305
Phone: (936) 523-5000

INVOICE

Invoice Date	6/5/2025
Invoice ID	3764
Amount Due: $ 85,000.00	Page 1

CUSTOMER	SHIP TO
Conroe Fire Department P. O. Box 3066 Conroe, TX 77305	

Please detach and return this portion with your remittance

Customer ID	Customer PO No.	Order Date	Shipped Via	FOB
CFD		6/5/2025		

Terms	Due Date	If Paid By	Deduct	Sold By
Net 30	7/5/2025		$ 0.00	

Item No.	Description	Qty	Unit	Unit Price	Discount	Extended Price
5780	Fire/EMS Communications Network Agreement October 1, 2024 - September 30, 2025	1.00				$85,000.00

Fire/EMS Communications Agreement

Subtotal	$85,000.00
Sales Tax	$0.00
Total	$85,000.00
Total Due	$85,000.00

Printed on 6/5/2025

FIRST AMENDMENT TO FIRE/EMS COMMUNCIATIONS AGREEMENT

This First Amendment To FIRE/EMS COMMUNICATIONS AGREEMENT ("Amendment"), to be effective as of October 1, 2016 (the "Effective Date"), is made and entered into by and between Montgomery County Hospital District ("MCHD") and the City of Conroe, Texas, ("Member") acting for and on behalf of the Conroe Fire Department.

WHEREAS, the Parties seek to revise section 2.1 of the FIRE/EMS COMMUNICATIONS AGREEMENT ("Agreement") previously executed by the parties effective October 1, 2006 to change the annual payment paid by Member to MCHD in exchange for Member's use of the FIRE/EMS Communications Network.

NOW, THEREFORE, in consideration of the foregoing, the provisions contained herein and the mutual benefits to be derived from this Agreement, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, Member agree as follows:

1. Section 2.1 of the Agreement is hereby amended to provide as follows:

   1. In exchange for the use of the Fire/EMS Communications Network, Member shall pay the District an annual contract rate of $85,000 for the term of this Agreement, including any renewal terms.

2. Section 2.2 of the Agreement is hereby amended to provide as follows:

   2.2 All fees payable to the District shall be payable on or before April 1st, of each year this agreement remains in effect.

3. Remainder of Agreement Unaffected. Other than as set forth herein, the Agreement shall continue in force per its original terms. This Amendment shall be incorporated into the Agreement by reference for all purposes.

Each of the parties has duly executed and delivered this Agreement to be effective on the Effective Date.

MONTGOMERY COUNTY HOSPITAL DISTRICT

By _____
Name: Randy Johnson
Title: Chief Executive Officer

CITY OF CONROE, TEXAS

By: _____
Name: Toby Powell
Title: mayor

ATTEST:

By: _____
Name: Soco M. Gorjon
Title: City Secretary

Meeting Date: 06/25/2025
Department: Community Development
Contact: Nancy Mikeska, Deputy City Administrator and Community Development Director
Submitted By: Nancy Mikeska, Deputy City Administrator and Community Development Director

Workshop

Item Type: Resolution

Item Type: Resolution
N. Mikeska
Joint Meeting: No Joint Meeting

Description
Discuss a Resolution adopting the CDBG new Five-Year Consolidated Plan, 2025 thru 2029; and the 2025 CDBG Annual Action Plan and authorizing the Mayor to sign all documents for transmittal to the U. S. Department of Housing and Urban Development and for the acceptance and implementation of the grant.

Summary / Recommendation
Discuss a Resolution adopting the CDBG new Five-Year Consolidated Plan, 2025 thru 2029; and the 2025 CDBG Annual Action Plan and authorizing the Mayor to sign all documents for transmittal to the U. S. Department of Housing and Urban Development and for the acceptance and implementation of the grant.

Attachments

2025 CDBG 5-Year Plan Resolution
2025 2029 5 Year Consolidated Plan & 2025 Annual Action Plan
2025 Housing Target Area

CERTIFICATE FOR RESOLUTION

I.

On the 26th day of June, 2025, the City Council of the City of Conroe, Texas, consisting of the following qualified members, to-wit: **Duke W. Coon, Mayor; Harry Hardman, Mayor Pro Tem; Council Members Howard Wood, Marsha Porter, David Hairel, and Shana Arthur** did convene in public session in the Council Chamber of the City Hall at 300 West Davis in Conroe, Texas. The roll being first called, a quorum was established, all members being present except . The Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

II.

WHEREUPON, AMONG OTHER BUSINESS transacted, the Council considered adoption of the following written Resolution, to-wit:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS, APPROVING THE 2025-2029 CDBG FIVE-YEAR CONSOLIDATED PLAN AND THE 2025 CDBG ANNUAL ACTION PLAN; AUTHORIZING SUBMISSION TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; AUTHORIZING THE MAYOR TO SIGN ALL FORMS AND CERTIFICATIONS PERTAINING TO SUBMISSION AND IMPLEMENTATION OF THE PLAN; PROVIDING FOR EFFECTIVE DATE AND OTHER RELATED MATTERS.

III.

Upon motion of , seconded by Council Member , all members present voted for adoption of the Resolution, except the following: No one voted against and no one abstained. A majority of those Council Members present having voted for adoption, the presiding officer declared the Resolution passed and adopted.

IV.

A true, full and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate.

SIGNED AND SEALED this 26th day of June, 2025.

_____
SAMI QUNLAN, Asst. City Secretary

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS, APPROVING THE 2025-2029 CDBG FIVE-YEAR CONSOLIDATED PLAN AND THE 2025 CDBG ANNUAL ACTION PLAN; AUTHORIZING SUBMISSION TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; AUTHORIZING THE MAYOR TO SIGN ALL FORMS AND CERTIFICATIONS PERTAINING TO SUBMISSION AND IMPLEMENTATION OF THE PLAN; PROVIDING FOR EFFECTIVE DATE AND OTHER RELATED MATTERS.

* * * * * * * * * *

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS:

Section 1. The 2025-2029 CDGB Consolidated Five-Year Plan for the City of Conroe and the 2025 CDBG Annual Action Plan, a copy of which the Executive Summary is to be attached hereto as Exhibit A and incorporated herein by reference, is hereby approved and adopted.

Section 2. The Mayor of the City of Conroe is hereby authorized and directed to submit such plans to the United States Department of Housing and Urban Development and is authorized to sign all forms and certifications pertaining to the submission of such plan.

Section 3. This resolution shall be effective immediately upon adoption.

PASSED AND APPROVED this the 26th day of June, 2025.

_____
Duke W. Coon, Mayor

APPROVED AS TO FORM:

_____
MICHAEL GARNER, City Attorney

ATTEST:

_____
SAMI QUINLAN, Asst. City Secretary

City of Conroe

2025-2029 Housing and Community Development Needs & Strategy

Five-Year Consolidated Plan



Changing Lives One Family at a Time.



Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

Our mission is to be a City where Citizens can live, work, and relax in a safe and harmonious environment today and for generations to come.

In the furtherance of our mission, the City of Conroe is pleased to present the 2025-2029 5-Year comprehensive housing and community development needs assessment and strategy. Also known as the Consolidated Plan.

The Consolidated Plan allows for jurisdictions receiving federal funding as part of the Community Development Block Grant (CDBG), Home Investments In Partnerships (Home), Emergency Solution Grants (ESG), and Housing Opportunities For Persons With HIV/AIDS (HOPWA) programs to submit one consolidated plan for these four independent grant programs. The Consolidated Plan estimates a jurisdictions housing and community development needs, concentrating on low-to-moderate income persons, over a five year period. After assessing the housing market, current facilities and services and determining the needs of low-to-moderate income residents, jurisdictions must then prioritize the needs of low-to-moderate income persons. Upon explaining the basis for assigning relative prioritization of these needs, jurisdictions will then prepare a strategy to meet those needs. This strategy will detail how federal housing and community development funds will be allocated during the period of the strategic plan section of the Consolidated Plan.

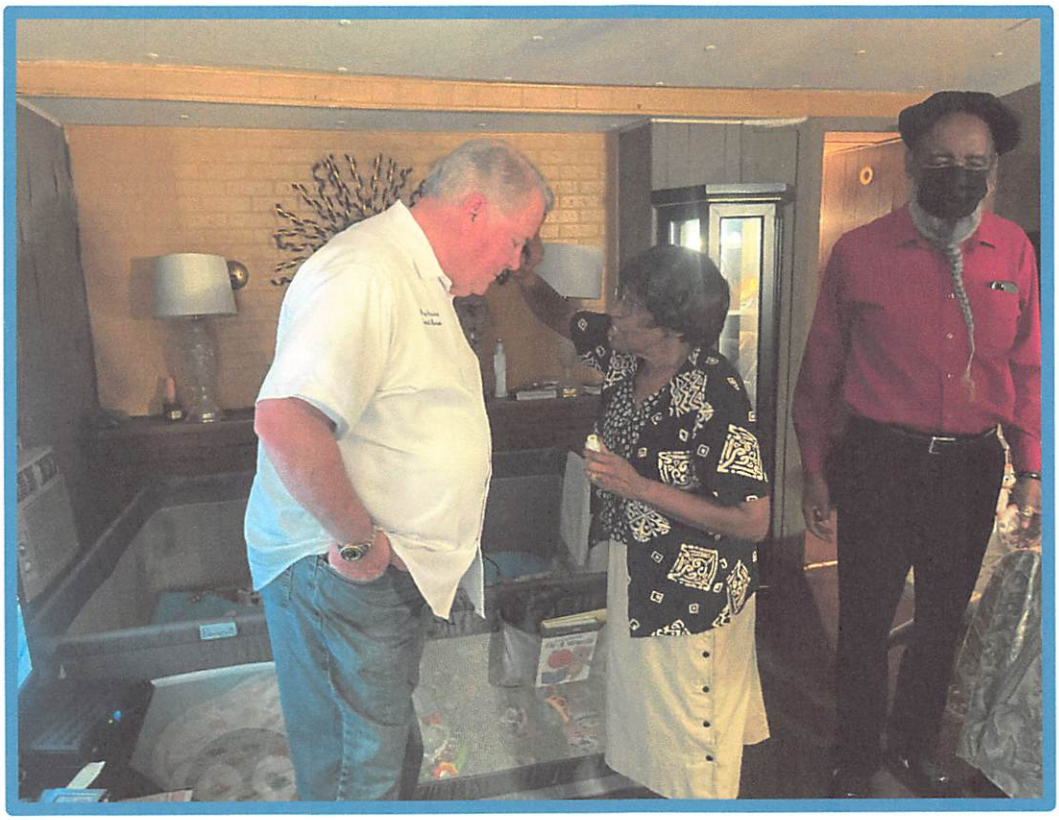
The City of Conroe is a recipient of CDBG funds. The City of Conroe's Community Development Department (CDD) is responsible for preparing and submitting the Consolidated Plan to the U.S. Department of Housing and Urban Development (HUD). The CDD was created by City Ordinance in 1974, and it has continued to play a vital role in stimulating growth and maintaining a quality living environment throughout the City since its inception. The Community Development Department has many diverse Community related responsibilities and is guided by the Deputy City Administrator and Director of Community Development, Nancy S. Mikeska.

The Community Development Department is often considered the heart of the City, working out in the Community on a daily basis with initiatives as diverse as a Community Clean-Up Event with Mayor Coon, to growing our Downtown on a live music night, to Planning for the future of Conroe 20 years out. Our goal is to create conditions of economic and social standards that produce tangible and sustainable benefits for the Community and the City as a whole.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The City of Conroe receives a relatively limited amount of funds to address the needs of low to moderate income people. Through planning and input from local residents, as well as a Citizens Advisory Board, assisting low-income homeowners to maintain their current housing has been established as the priority need. The objective is to provide decent affordable housing for 10 households over the period of the strategic plan with the outcome being sustainability. This is a win, win for the City and our low-income citizens because we remove a dilapidated structure that is unsafe, unsightly and too far gone to rehabilitate and re-construct a decent, safe and sanitary structure that will provide a home for the family today and increase the affordable housing stock for the long term. Funds will also be allocated with the objective of providing a

suitable living environment to 5,700 persons living within the Dugan Area and the Madeley Quarter with the outcome of sustainability.



3. Evaluation of past performance

The most significant factor in determining the projects and goals for the City of Conroe's CDBG funds is the average annual allocation. Over the prior 5 years, the average annual allocation was $660,756. As the City of Conroe is rapidly growing with affordable rental units in the development pipeline, through consultation with its Citizen Advisory Board, the City of Conroe continues to make the preservation of single-family owner units the highest priority for CDBG funds. The CDBG Program is the only program in the City that prioritizes keeping people in their home.

During the last 5-year period 10 housing units were planned for rehabilitation. The City exceeded this goal by four units over the period of the strategic plan.

During the final year of the Five-Year Plan, the City was successful starting four (4) single family residential units. The completion of these units is anticipated in Program Year 2024, even though

there was a delay in construction, due to the need to secure a new contractor who was qualified to assist with the housing program. Additionally, target area neighborhoods continued to benefit from the City's clean-up program.

4. Summary of citizen participation process and consultation process

The 2025 5-year needs assessment and strategic plan was developed beginning in January of 2025. A Public Hearing was held on March 24, 2025, at the CK Ray Recreation Center in order to receive public input and to review and in order to conduct a City Needs Assessment for the City's new Five- Year Consolidated Plan and the 2025 Annual Action Plan. A second Public Hearing was held April 2, 2025, at the Oscar Johnson Jr., Community Center to seek further community input from a different area of the City. A third Needs Assessment Public Hearing was held on April 15, 2025, at the City Hall. Multiple citizens attend at the various public meetings providing input and guidance from the public perspective. Staff was able to discuss the future of Conroe's CDBG.

Citizens were given a month to make comments about the projects to be undertaken during the Strategic Plan period. The Plan was presented in an Open City Council Session after notification to the Public. City Council Meetings are live and are also live streamed on the City TV Channel.

5. Summary of public comments

At the hearings, the overwhelming comments were positive and supported continuing the Housing Program. Citizens' number one concern was whether the funding would be cut due to the new president and the federal cuts that were occurring. Citizens who hoped to be included in the Housing Program were genuinely concerned that they would not receive housing assistance. There were no written comments received at the Hearings or via mail. The foundation of the City's Five-Year Strategic Plan was on target and received complete citizen support. There were other general comments received during the review period about the services available from other programs and the general process of CDBG. There were also several inquiries about the Community Clean-Up Project. The Clean-Up project was explained.

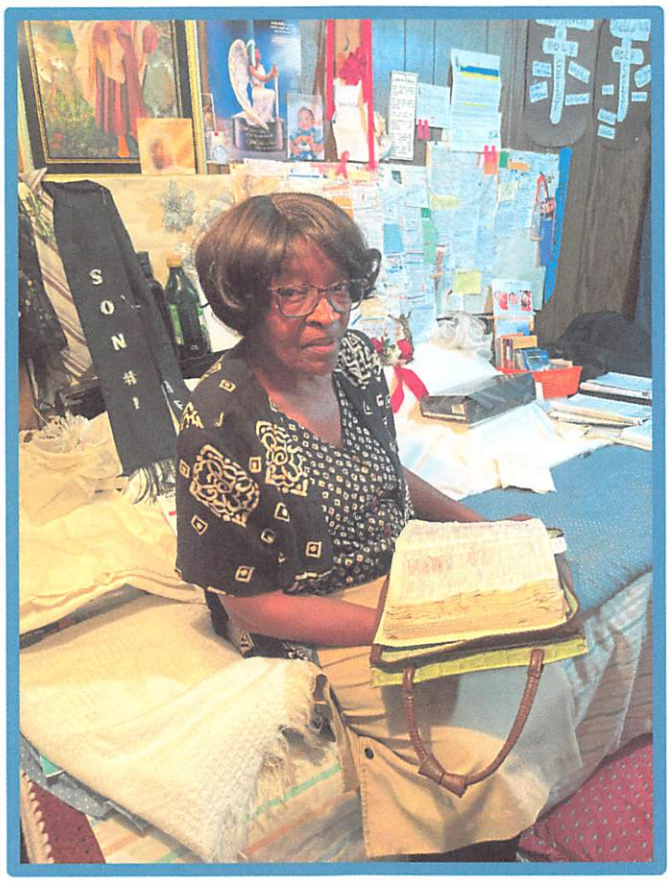
6. Summary of comments or views not accepted and the reasons for not accepting them

At each of the Public Hearings there were comments received regarding the Housing Program: the funding, the process, potential federal cuts, and the future of CDBG. There were no comments or views expressed against the City's proposed Strategic Plan. There were no comments or views expressed concerning needs or the allocation of funds or the assigning of relative priority towards those needs that were chosen to not address. The City recognizes it cannot serve or meet all needs with such a small Entitlement Grant. However, we do value the

input of our citizens and at times, even if the City cannot assist with CDBG funds, the City can refer the citizens to the right agency for possible assistance.

7. Summary

The process for this new 5-Year Consolidated Plan has been much easier than the previous 5-Year Plan that was created during an historic pandemic. The City continues to focus our CDBG program on seniors and low-income citizens and continue to work with the most vulnerable group of citizens. The City has prioritized our Housing Program since 1999. It has been a blessing to our City and to the families who have received new homes. Imagine living in your home as an elderly person when your home has holes in the floor and in the roof. On behalf of our citizens, we are grateful for these funds.

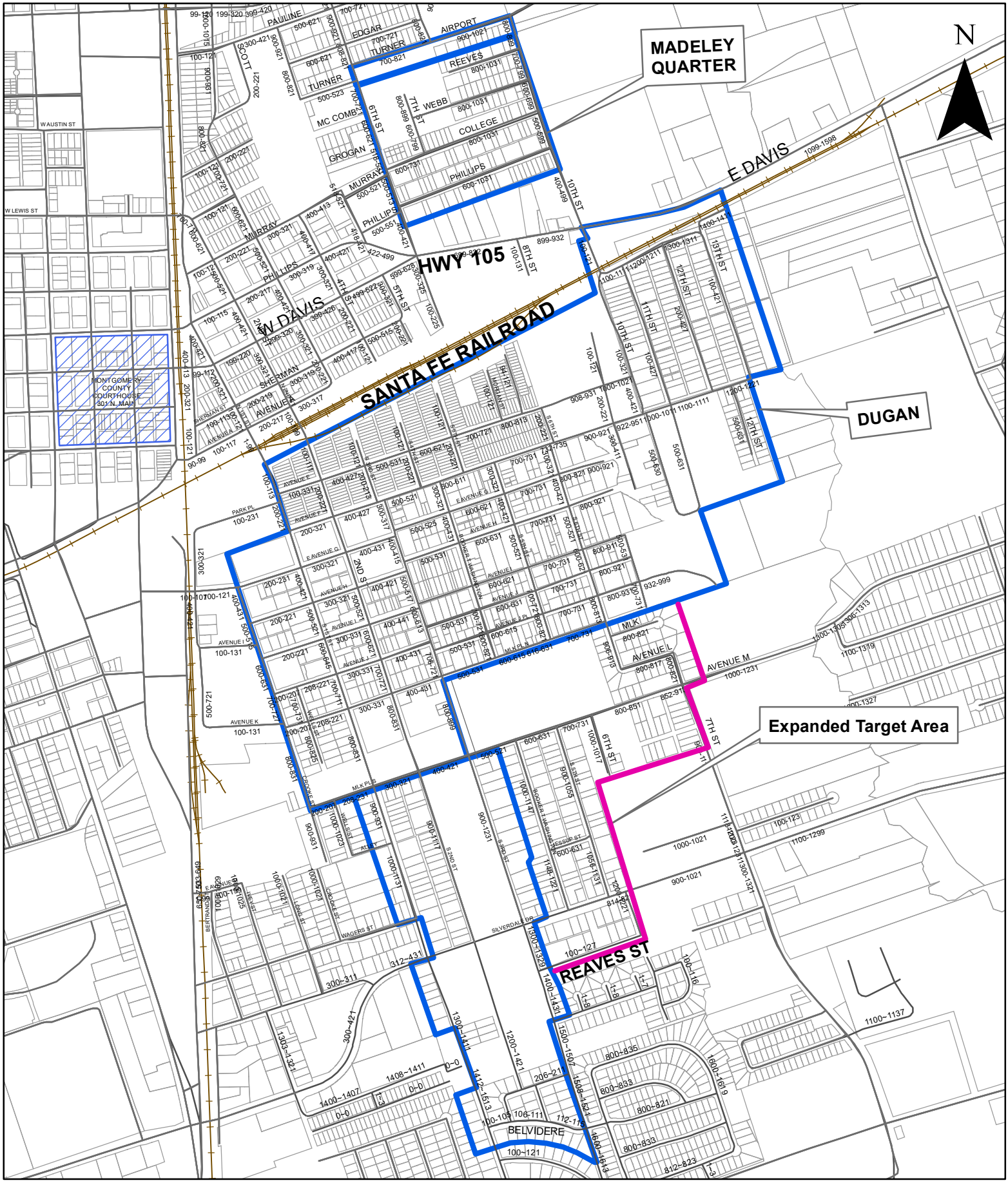


To Conroe CDBG Clients, a CDBG home is not just a place to live, it is an answer to a prayer and a permanent place for their family.

2025 APPROVED CDBG FUNDED PROJECTS
ANNUAL ACTION PLAN ACTIVITIES

CDBG

(1) Public Services	
a. Clean-Up & Demolition Project	$ 10,000.00
(2) Housing Program – Relocation and Reconstruction	$567,502.00
(3) Administration	$144,375.00
TOTAL CDBG 2025 FUNDS AVAILABLE	$721,877.00



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Legend

SantaFe Railroad

Target Areas:

- Existing Area - Madeley Quarter
- Existing Area - Dugan Area
- Expanded Target Area

City of Conroe
CDBG Housing Program
Target Area
2025 Approved

CITY OF CONROE, TEXAS
WWW.CITYOFCONROE.ORG

Meeting Date: 06/25/2025
Department: Community Development
Contact: Nancy Mikeska, Deputy City Administrator and Community Development Director
Submitted By: Nancy Mikeska, Deputy City Administrator and Community Development Director

Workshop

Item Type: Resolution

Item Type: Resolution
N. Mikeska
Joint Meeting: No Joint Meeting

Description
Discuss a Resolution consenting to the addition of approximately 29.236 Acres of territory, more or less, within the Boundaries of the Montgomery County Water Control and Improvement District No. 205.

Summary / Recommendation
Discuss a Resolution consenting to the addition of approximately 29.236 Acres of territory, more or less, within the Boundaries of the Montgomery County Water Control and Improvement District No. 205.

Attachments

Resolution Adding 29+ Acres to MCW&ID No 205
MCW&ID No 205 Petition
MCW&ID No 205 Adding 29+ Acres M & B
MCW&ID No 205 Adding 29+0 Acres Survey 1
MCW&ID No 205 Adding 29+0 Acres Survey 2

CERTIFICATE FOR RESOLUTION

I.

On the 26th day of June 2025, the City Council of the City of Conroe, Texas consisting of the following qualified members, to-wit: **Duke W. Coon, Mayor; Harry Hardman, Mayor Pro Tem, Council Members Howard Wood, Shana Arthur, David Hairel and Marsha Porter**, did convene in public session in the Council Chambers of the City Hall at 300 West Davis in Conroe, Texas. The roll being first called, a quorum was established, all members being present except the following, to wit: _____**.** The Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

II.

WHEREUPON, AMONG OTHER BUSINESS transacted, the Council considered adoption of the following written Resolution, to-wit:

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS, CONSENTING TO THE ADDITION OF TERRITORY WITHIN THE BOUNDARIES OF THE MONTGOMERY COUNTY WATER CONTROL & IMPROVEMENT DISTRCIT NO. 205.

III.

Upon motion of Council Member _____, seconded by Council Member _____, all members present voted for adoption of the Resolution, except the following: No one voted against and no one abstained. A majority of those Council Members present having voted for adoption, the presiding officer declared the Resolution passed and adopted.

IV.

A true, full and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate.

SIGNED AND SEALED this 26th day of May, 2025.

_____

SAMI H. QUINLAN, Assistant City Secretary

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS, CONSENTING TO THE ADDITION OF TERRITORY WITHIN THE BOUNDARIES OF THE MONTGOMERY COUNTY WATER CONTROL & IMPROVEMENT DISTRCIT NO. 205.

* * * * * * * * * * *

WHEREAS, by Resolution No. 4366-17, passed and approved on December 14, 2017 (the "Resolution"), the City Council of the City of Conroe, Texas, granted its consent to the creation of Montgomery County Municipal Utility District No. 152, a portion of which subdivided into MUD 152A (the "District"); and

WHEREAS, such consent was given upon and subject to the terms and conditions set forth in the Resolution (the "Consent Conditions"); and

WHEREAS, such terms and conditions include, among other matters, the requirement that the City's written consent be granted by resolution or ordinance of the City Council prior to the annexation of additional land to the District; and

WHEREAS, by petition dated March 20, 2025, a copy of which petition is attached hereto as Exhibit A and incorporated herein by reference, TPHTL, HBL, LLC, a Delaware limited liability company joined by the District has requested the City's consent to the District's annexation of 29.236 acres of land described in the petition attached hereto as Exhibit A and incorporated herein by reference, said land to be annexed and included within the boundaries of the District and made subject to the previously established Consent Conditions prescribed by the Resolution; and

WHEREAS, the City Council finds and determines that it is in the public interest to grant the petition and permit the land described in Exhibit A to be included within the boundaries of the District;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS:

Section 1. All of the matters and facts set out in the preamble hereof are true and correct.

Section 2. The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Act, Chapter 551, Government Code, as amended, and that this meeting has been open to the public as required by law at all times during which this Resolution and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 3. The District agrees to not to alter the District boundaries, whether sub-dividing, increasing/adding, or decreasing the boundaries, without the consent of the City, regardless of legislative or state granted authority to do so.

Section 4. The City Council of the City of Conroe, Texas, hereby consents to the District's annexation of the lands described by metes and bounds in the Petition attached hereto as Exhibit A, said consent being given subject to the Consent Conditions heretofore established by the Ordinance which conditions are extended and made applicable to the property described in the attached Petition upon the annexation of such property by the District. At the District's request, this consent is given with conditions to allow the District to move forward subject to this consent being automatically revoked if the District does not complete the annexation within 180 days of the date of this Resolution otherwise to remain in full force and effect.

Section 5. This Resolution shall be effective immediately upon adoption.

PASSED AND APPROVED this the 22nd day of May, 2025.

_____
DUKE W. COON, Mayor

APPROVED AS TO FORM:

_____
Mike Garner, City Attorney

ATTEST:

_____
SAMI H. QUINLAN, Assistant City Secretary

PETITION FOR CONSENT TO INCLUDE ADDITIONAL LAND IN
MONTGOMERY COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 205

THE STATE OF TEXAS §
§
COUNTY OF MONTGOMERY §

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF CONROE, TEXAS:

TPHTL HBL, LLC, a Delaware limited liability company, being the holder of title to all of, and therefore, a majority in value of the land hereinafter described, as such values are indicated by the tax rolls of the central appraisal district of Montgomery County, Texas ("Landowner"), and Montgomery County Water Control and Improvement District No. 205 ("District") (Landowner and District hereinafter called "Petitioner"), acting pursuant to the provisions of Section 42.0425, Texas Local Government Code, respectfully petition for consent to include additional land in a water control and improvement district. In support of this petition, Petitioner shows as follows:

I.

The District, to which the land hereinafter described is sought to be annexed, exists under the terms and provisions of Article XVI, Section 59 of the Constitution of Texas and Chapters 49 and 51, Texas Water Code, as amended and was organized, created and established as a conservation and reclamation district by an Act of the 87th Texas Legislature, Codified at Chapter 9082, Texas Special District Local Laws Code. Landowner is the sole owner and holder of fee simple title to the land sought to be annexed to the District, as indicated by the tax rolls of the central appraisal district of Montgomery County, Texas. Landowner represents and warrants that the lienholder consenting to this petition below by separate instrument is the only holder of liens against the land sought to be annexed.

II.

The land sought to be added to the District contains approximately 29.236 acres of land, more or less, and lies wholly within Montgomery County, Texas. No part of said area is within the limits of any incorporated city or town. Under the provisions of Vernon's Texas Civil Statutes, Local Government Code, Section 42.001 et seq., as amended, said area is within the extraterritorial jurisdiction of the City of Conroe and is not within such jurisdiction of any other city. All of the territory to be annexed may properly be annexed to the District.

III.

The land sought to be added to the area of the District is described by metes and bounds in Exhibit "A" attached hereto and incorporated herein for all purposes.

IV.

The general nature of the work proposed to be done in the area sought to be annexed shall be the purchase, construction, acquisition, repair, extension and improvement of land, easements, works, improvements, facilities, plants, equipment and appliances necessary to:

(1) gather, conduct, divert and control local storm water or other harmful excesses of water in the area;

(2) finance, develop and maintain recreational facilities for the people of the District if and as allowed by applicable law;

(3) design, acquire, construct, finance and issue bonds for roads pursuant to applicable law, as amended ("Road Powers"), if, and when required; and

(4) to provide such other facilities, systems, plants and enterprises as shall be consistent with the purposes for which the District is created and permitted under state law.

V.

The area of the District is urban in nature, is within the growing environs of the City of Conroe and is in close proximity to populous and developed sections of Montgomery County. The District's area will, within the immediate future, experience a substantial and sustained residential and commercial growth. Therefore, there is a necessity for the improvements described above for the following reasons:

(1) The land sought to be added to the District is not supplied with adequate drainage facilities nor is it presently economically feasible for such facilities to be added to said land. The health and welfare of the present and future inhabitants of the District, the land sought to be added to the District, and of territories adjacent thereto require the installation and acquisition of adequate drainage facilities for and within the land sought to be added to the District.

(2) The present and future inhabitants of the District, the land sought to be added to the District, and of territories adjacent thereto require recreational facilities, as same are necessary and desirable for the health and well-being of such inhabitants. The land sought to be added to the District does not currently include adequate recreational facilities.

(3) The present and future inhabitants of the District, the land sought to be added to the District and of territories adjacent thereto require adequate road facilities, as same are necessary and desirable for the health and welfare of such inhabitants, and for the orderly growth of residential and commercial development within the area and territories adjacent thereto. Road Powers are of necessity to the land within the District and the land sought to be added to the District as such powers will allow the District to construct, acquire, improve, and provide financing for

road facilities that may not otherwise be constructed in a manner that will proactively address safety, capacity, durability, economic feasibility, and regional mobility issues.

A public necessity exists for the addition of said lands to the District to promote and protect the purity and sanitary condition of the State's waters and the public health and welfare of the community, by and through the purchase, construction, extension, improvement, maintenance and operation of drainage facilities, recreational facilities (if allowed by applicable law), and road facilities.

VI.

The Petitioner agrees and hereby covenants that if the requested consent to the annexation of the land to the District is given, the Petitioner will adopt and abide by the conditions set forth in City of Conroe City Council Ordinance No. 2600-21.

VII.

It is now estimated by the Petitioner from such information as is available at this time, that the amount of bonds necessary to be issued to finance development costs contemplated within the area proposed to be annexed will be approximately $3,685,000.

WHEREFORE, Petitioner respectfully prays that this petition be granted in all respects and that the City of Conroe, Texas give its consent to the annexation of the aforesaid land into said District.

Dated this the ___ day of _____, 2025.

TPHTL HBL LLC,
a Delaware limited liability company

By: Toll HBL LLC
a Delaware limited liability company
its Administrative Member

By: JJ Jenkins
Name: Jimmie F. Jenkins
Title: Vice President

Petitioner

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on this 20 day of March, 2025, by Jimmie F. Jenkins, Vice President of Toll HBL, LLC, a Delaware limited liability company, as Administrative Member of TPHTL HBL, LLC, a Delaware limited liability company, on behalf of such entities.

TIFFANY KAY BRANDT
Notary Public, State of Texas
Comm. Expires 08-16-2026
Notary ID 128018170

Tiffany Kay Brandt
Notary Public in and for the
State of Texas

(SEAL)

JJJ

MONTGOMERY COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 205

By: _____
Name: Erica Sinner
Title: President, Board of Directors

By: _____
Name: Chad Collins
Title: Secretary, Board of Directors

(SEAL)

THE STATE OF Texas §
§
COUNTY OF Harris §

This instrument was acknowledged before me on this 18th day of December, 2024, by Erica Sinner, President of MONTGOMERY COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 205, on behalf of said district.

_____
Notary Public in and for the
State of Texas

JENNIFER COREY SPEARS
NOTARY ID #12860765-8
My Commission Expires
July 10, 2027
(SEAL)

The undersigned, being the holder of liens against the property described in the foregoing Petition for Consent to Include Additional Land in Montgomery County Water Control and Improvement District No. 205 hereby acknowledge and consent to said Petition.

Attest:

U.S. BANK NATIONAL ASSOCIATION
a national banking association

By: _____

Name: _____

Title: SVP

NOTARY ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA

COUNTY OF ORANGE

On MARCH 27, 2025, before me, DEANNA ROSE PEREZ, a Notary Public, personally appeared DAVID PROWSE, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

DEANNA ROSE PEREZ
COMM. #2417378
Notary Public - California
Orange County
My Comm. Expires Sep. 21, 2026

Signature

(Seal)

Exhibit A

A PARCEL CONTAINING 29.236 ACRES OR 1,273,539 SQUARE FEET OF LAND BEING OUT OF THAT CERTAIN TRACT CONVEYED TO TLM-GP TOWNSEN RD LLC AS RECORDED IN DOC 2021142928 OF THE OFFICIAL PUBLIC RECORDS OF MONTGOMERY COUNTY (OPRMC), SITUATED IN MONTGOMERY COUNTY SCHOOL LAND SURVEY, ABSTRACT 350, MONTGOMERY COUNTY, TEXAS; said parcel being further described by metes and bounds as follows: (Bearings refer to Texas Coordinate System of 1983, Central Zone)

COMMENCING at a found 3/4-inch iron rod in the southeast right-of-way line of SH 99 (Grand Parkway, 400-foot right-of-way per Doc 2014083410 and 2014096826 OPRMC) for the west corner of said TLM-GP Townsen RD LLC tract and the north corner of a certain tract conveyed to TPHTL HBL, LLC as recorded in Doc 2020148153 OPRMC;

THENCE South 60°16'34" East, along the common line of said TLM-GP Townsen RD LLC tract and said TPHTL HBL, LLC tract, a distance of 2,501.45 feet to a set 3/8-inch iron rod with cap stamped "Landtech" for the **POINT OF BEGINNING** and the west corner of the herein described parcel;

1. **THENCE** North 41°31'19" East, a distance of 199.03 feet to a set 3/8-inch iron rod with cap stamped "Landtech" in the southeast line of a 60-foot Trunkline Gas Company pipe line easement as recorded in Volume 302 Page 597 and Volume 303 Page 188 of the Deed Records of Montgomery County;

2. **THENCE** North 66°21'09" East, along the southeast line of said 60-foot Trunkline Gas Company pipe line easement, a distance of 274.93 feet to a set 3/8-inch iron rod with cap stamped "Landtech";

3. **THENCE** North 50°39'58" East, continuing along the southeast line of said 60-foot Trunkline Gas Company pipe line easement, a distance of 59.22 feet to a set 3/8-inch iron rod with cap stamped "Landtech";

4. **THENCE** North 48°21'07" West, a distance of 60.75 feet to a set 3/8-inch iron rod with cap stamped "Landtech" in the northwest line of said 60-foot Trunkline Gas Company pipe line easement;

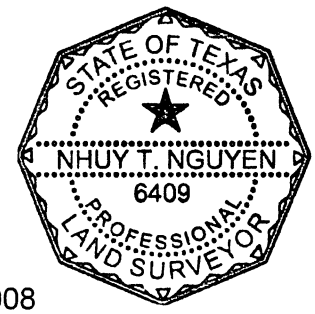
5. **THENCE** North 50°39'58" East, along the northwest line of said 60-foot Trunkline Gas Company pipe line easement, a distance of 499.89 feet to a set 3/8-inch iron rod with cap stamped "Landtech";

6. **THENCE** North 50°22'02" East, continuing along the northwest line of said 60-foot Trunkline Gas Company pipe line easement, a distance of 701.33 feet to a set 3/8-inch iron rod with cap stamped "Landtech" in the survey line, the west line of a certain tract conveyed to TPHTL HBL, LLC as recorded in Doc 2020148150 OPRMC and the east line of said TLM-GP Townsen RD LLC tract for the north corner of the herein described parcel;

7. **THENCE** South 01°53'31" East, along the survey line, the common line of said TLM-GP Townsen RD LLC tract and said TPHTL HBL, LLC tract, a certain tract conveyed to Montgomery County Municipal Utility District No. 152C as recorded in Doc 2022116180 OPRMC, a distance of 1,886.48 feet to a found 3/4-inch iron rod for the south corner of said TLM-GP Townsen RD LLC tract and the herein described parcel;

8. **THENCE** North 60°16'34" West, along the common line of said TLM-GP Townsen RD LLC tract and said TPHTL HBL, LLC tract, a distance of 1,581.32 feet to the **POINT OF BEGINNING**, and containing 29.236 acres (1,273,539 square feet) of land.

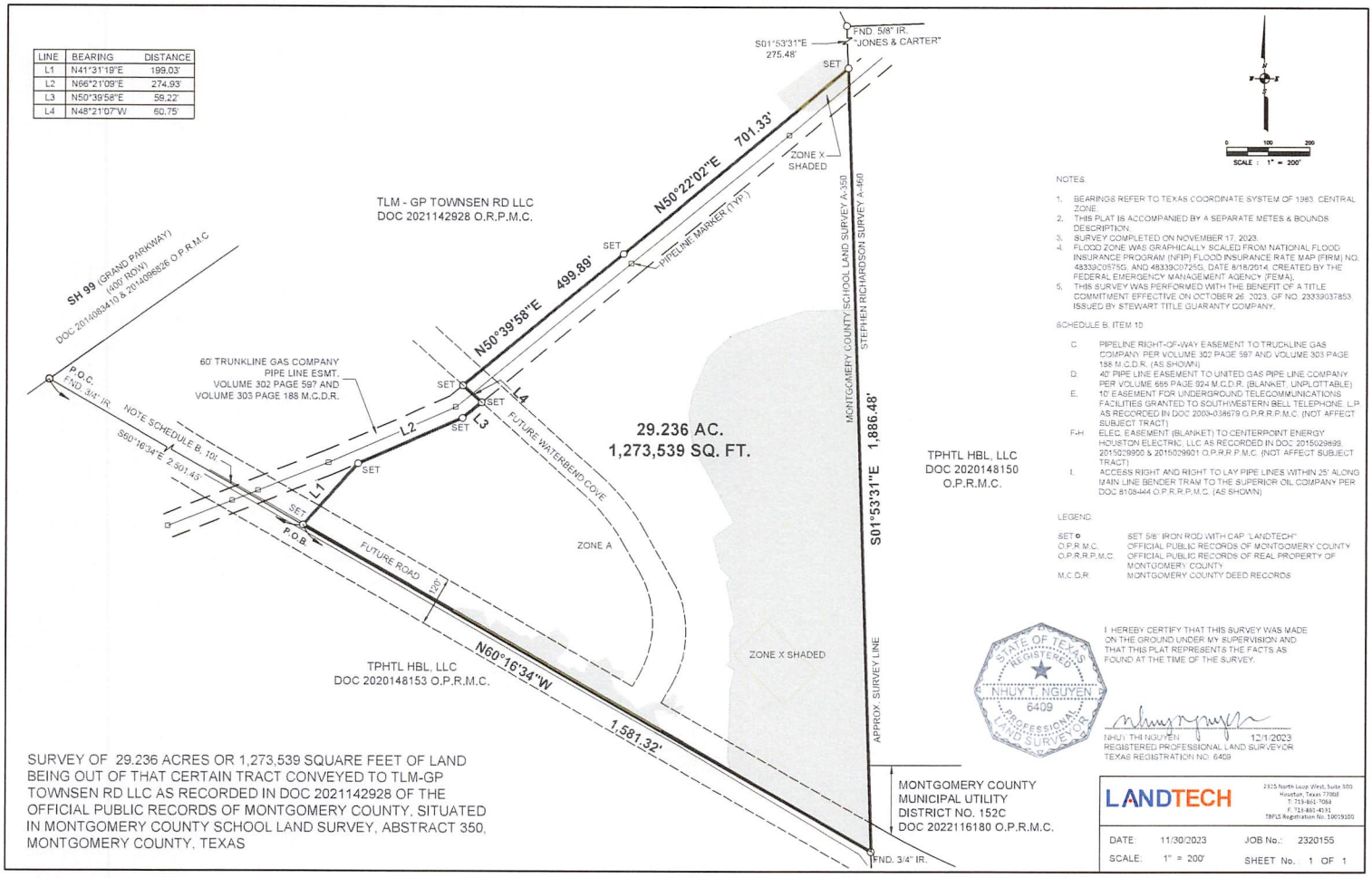
Fieldwork completed on November 17, 2023



12/1/23

Nhuy Thi Nguyen
Texas Registered Professional Land Surveyor 6409

Landtech, Inc.
2525 North Loop West, Suite 300 | Houston, TX 77008
Phone: 713-861-7068 | TBPLS Firm No. 10019100
S:\2023\2320155\SURVEY\SURVEY\BNDY\29.236 ac FN.docx
LCI Project No. 21-2-0061



NOTES:

1. BEARINGS REFER TO TEXAS COORDINATE SYSTEM OF 1983, CENTRAL ZONE.
2. THIS PLAT IS ACCOMPANIED BY A SEPARATE METES & BOUNDS DESCRIPTION.
3. SURVEY COMPLETED ON NOVEMBER 17, 2023.
4. FLOOD ZONE WAS GRAPHICALLY SCALED FROM NATIONAL FLOOD INSURANCE PROGRAM (NFIP) FLOOD INSURANCE RATE MAP (FIRM) NO. 48339C0575G, AND 48339C0725G, DATE 8/18/2014, CREATED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA).
5. THIS SURVEY WAS PERFORMED WITH THE BENEFIT OF A TITLE COMMITMENT EFFECTIVE ON OCTOBER 26, 2023, GF NO. 23339037853, ISSUED BY STEWART TITLE GUARANTY COMPANY.

SCHEDULE B, ITEM 10

- C. PIPELINE RIGHT-OF-WAY EASEMENT TO TRUCKLINE GAS COMPANY PER VOLUME 302 PAGE 597 AND VOLUME 303 PAGE 188 M.C.D.R. (AS SHOWN)
- D. 40' PIPE LINE EASEMENT TO UNITED GAS PIPE LINE COMPANY PER VOLUME 666 PAGE 924 M.C.D.R. (BLANKET, UNPLOTTABLE)
- E. 10' EASEMENT FOR UNDERGROUND TELECOMMUNICATIONS FACILITIES GRANTED TO SOUTHWESTERN BELL TELEPHONE, L.P. AS RECORDED IN DOC 2003-038679 O.P.R.R.P.M.C. (NOT AFFECT SUBJECT TRACT)
- F+H. ELEC. EASEMENT (BLANKET) TO CENTERPOINT ENERGY HOUSTON ELECTRIC, LLC AS RECORDED IN DOC 2015029999, 2015029990 & 2015029901 O.P.R.R.P.M.C. (NOT AFFECT SUBJECT TRACT)
- I. ACCESS RIGHT AND RIGHT TO LAY PIPE LINES WITHIN 25' ALONG MAIN LINE BENDER TRAM TO THE SUPERIOR OIL COMPANY PER DOC 8108444 O.P.R.R.P.M.C. (AS SHOWN)

LEGEND:

SET ○	SET 5/8" IRON ROD WITH CAP "LANDTECH"
O.P.R.M.C.	OFFICIAL PUBLIC RECORDS OF MONTGOMERY COUNTY
O.P.R.R.P.M.C.	OFFICIAL PUBLIC RECORDS OF REAL PROPERTY OF MONTGOMERY COUNTY
M.C.D.R.	MONTGOMERY COUNTY DEED RECORDS

SURVEY OF 29.236 ACRES OR 1,273,539 SQUARE FEET OF LAND BEING OUT OF THAT CERTAIN TRACT CONVEYED TO TLM-GP TOWNSEN RD LLC AS RECORDED IN DOC 2021142928 OF THE OFFICIAL PUBLIC RECORDS OF MONTGOMERY COUNTY, SITUATED IN MONTGOMERY COUNTY SCHOOL LAND SURVEY, ABSTRACT 350, MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS REGISTERED NHUY T. NGUYEN 6409 PROFESSIONAL LAND SURVEYOR

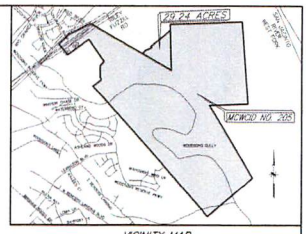
I HEREBY CERTIFY THAT THIS SURVEY WAS MADE ON THE GROUND UNDER MY SUPERVISION AND THAT THIS PLAT REPRESENTS THE FACTS AS FOUND AT THE TIME OF THE SURVEY.

NHUY THI NGUYEN 12/1/2023
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NO. 6409

LANDTECH
2925 North Loop West, Suite 500
Houston, Texas 77008
T: 713-861-7064
F: 713-861-4131
TBPLS Registration No. 10019100

DATE:	11/30/2023	JOB No.:	2320155
SCALE:	1" = 200'	SHEET No.	1 OF 1

S:\2023\2320155\CADD\2320155 HUTTO _ PARCEL 1.dwg



VICINITY MAP

SCALE: 1" = 400'

CALLED 50.0 ACRES
(TRACT 1)
TLM-GP TOWNSEN RD, LLC
SPECIAL WARRANTY DEED
OCTOBER 6, 2021
CF No. 2021142928
MCOPRRP

REMAINDER OF A
CALLED 967 ACRES
MONTGOMERY S&G 2, LLC
SPECIAL WARRANTY DEED
NOVEMBER 9, 2018
CF No. 2018109131
MCOPRRP

CALLED 108.9 ACRES
(TRACT 2)
TLM-GP TOWNSEN RD, LLC
SPECIAL WARRANTY DEED
OCTOBER 6, 2021
CF No. 2021142928
MCOPRRP

N 87°56'56" E 3444.04'

N 70°06' E 1110.0'

N 47°30' E 800.4'

S 57°27' E 4397'

S 01°53'31" E 1380.38'

S 01°53'31" W 3711.28'

S 01°12'39" W 1549.45'

S 00°30' W 199.3'

N 01°53'31" W 183.41'

S 87°53'33" W 3611.10'

S 04°20' E 3894.25'

EAST 746.4'

EAST 1009.6'

N 60°16'34" E 1581.32'

N 38°35' W 6026.4'

S 3726'

N 51°30' E 2736'

S 51°30' W 2736'

S 12°00' E 4024'

N 38°35'20" W 4526.14'

S 52°41' W 2791.2'

L1 L2 L3 L4 L5 L6 L7 L8 L9 L10 L11 L12 L13 L14 L15 L16

POB TRACT 3

POB TRACT 5

POB TRACT 1

POB TRACT 4

POB TRACT 2

EXISTING MCWCID NO. 205 (SEE DETAIL)

(SAVE AND EXCEPT)
TRACT 3
45.98± ACRES

CALLED 45.98 ACRES
CONROE INDEPENDENT
SCHOOL DISTRICT
AGREED FINAL JUDGEMENT
(CAUSE NO. 15-06-06177)
JANUARY 19, 2017
CF NO. 2017011000
MCOPRRP

TRACT 1
364.7± ACRES

REMAINDER OF A
CALLED 364.7 ACRES
WINNIE HELEN HILLIARD, ET AL
(75% INTEREST)
GENERAL WARRANTY DEED
AUGUST 14, 1987
CF NO. 8737411
MCOPRRP

REMAINDER OF A
CALLED 364.7 ACRES
BELL ENDEAVORS, LTD.
(25% INTEREST)
SPECIAL WARRANTY DEED
FEBRUARY 20, 2004
CF NO. 2004-021196
MCOPRRP

TRACT 5
27.24± ACRES

TRACT 4
315.26± ACRES

CALLED 320.833 ACRES
BAHR CAPITAL INTERESTS, LTD.
JACK K. LEEKA
JACK KEITH LEEKA, JR., AND
ELIZABETH LEEKA ALBERT,
CO-TRUSTEES OF THE LEEKA
REVOCABLE TRUST AGREEMENT
WARRANTY DEEDS
CF No. 2006-003150
CF No. 2006-003151
CF No. 2016042197
MCOPRRP

TRACT 2
330.6± ACRES

CALLED 330.6 ACRES
WINNIE HELEN HILLIARD, ET AL
(75% INTEREST)
GENERAL WARRANTY DEED
AUGUST 14, 1987
CF NO. 8737411
MCOPRRP

CALLED 330.6 ACRES
BELL ENDEAVORS, LTD.
(25% INTEREST)
SPECIAL WARRANTY DEED
FEBRUARY 20, 2004
CF NO. 2004-021196
MCOPRRP

LOT 5
CALLED 0.1132 ACRE
CHAD COLLINS
SPECIAL WARRANTY DEED
WITH VENDOR'S LIEN
FEBRUARY 15, 2022
CF No. 2022029040
MCOPRRP

LOT 4
CALLED 0.1132 ACRE
ERICA SINNES
SPECIAL WARRANTY DEED
WITH VENDOR'S LIEN
FEBRUARY 3, 2022
CF No. 2022015371
MCOPRRP

LOT 3
CALLED 0.1132 ACRE
DANA NEUNEKER
SPECIAL WARRANTY DEED
WITH VENDOR'S LIEN
JUNE 13, 2022
CF No. 2022073443
MCOPRRP

LOT 2
CALLED 0.1132 ACRE
ALENE EFAW
SPECIAL WARRANTY DEED
WITH VENDOR'S LIEN
JANUARY 3, 2022
CF No. 2022012481
MCOPRRP

LOT 1
CALLED 0.1132 ACRE
ELAINE BALAGIA
SPECIAL WARRANTY DEED
WITH VENDOR'S LIEN
DECEMBER 14, 2023
CF No. 2023126444
MCOPRRP

DETAIL

LEGEND

CF No.	CLERK'S FILE NUMBER
MCOPRRP	MONTGOMERY COUNTY OFFICIAL PUBLIC RECORDS OF REAL PROPERTY
POB	POINT OF BEGINNING

LINE	BEARING	DISTANCE
L1	N 41°42'31" W	1865.72'
L2	N 54°48'40" E	1157.39'
L3	N 35°11'20" W	300.00'
L4	N 54°48'40" E	150.00'
L5	S 35°11'20" E	1513.02'
L6	S 54°48'44" W	14.10'
L7	S 38°13'15" W	273.54'
L8	S 01°17'04" E	500.95'
L9	S 17°49'28" E	153.77'
L10	S 54°48'40" W	493.78'
L11	N 41°31'19" E	199.03'
L12	N 68°21'09" E	274.83'
L13	N 50°39'58" E	56.26'
L14	N 48°21'07" E	60.75'
L15	N 50°39'58" E	499.89'
L16	N 50°22'02" E	701.33'

	Tract No. 1.....	± 364.7 Acres
	Tract No. 2.....	± 330.6 Acres
	Tract No. 4.....	± 315.26 Acres
	Tract No. 5.....	± 29.24 Acres
(SAVE & EXCEPT)	Tract No. 3.....	± 45.98 Acres
	DISTRICT TOTAL	± 993.82 Acres

I, William B. Awalt, a Registered Professional Land Surveyor, do hereby certify that this map accurately describes the boundaries of the MONTGOMERY COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NUMBER 205.

WITNESS MY HAND AND SEAL THIS 20th DAY OF February, 2025.

STATE OF TEXAS
WILLIAM B. AWALT
6738
REGISTERED PROFESSIONAL LAND SURVEYOR

William B. Awalt
Registered Professional Land Surveyor
No. 6738

This document was prepared under 22 TAC 663.21, 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 political subdivision for which it was prepared.

BOUNDARY MAP
OF
MONTGOMERY COUNTY WATER CONTROL
AND IMPROVEMENT DISTRICT No. 205
CONTAINING
APPROXIMATELY 993.82 ACRES
OUT OF THE
THOMAS F. JOHNSON SURVEY, A-299
MONTGOMERY COUNTY SCHOOL LAND SURVEY, A-350
MONTGOMERY COUNTY SCHOOL LAND SURVEY, A-351
STEPHEN RICHARDSON SURVEY, A-460
MONTGOMERY COUNTY, TEXAS
FEBRUARY 2025

QUIDDITY
Texas Board of Professional Engineers and Land Surveyors
Registration No. F-23915 & 10194230
3171 Seventeen Road, Suite 400, The Woodlands, TX 77380 281.363.8070

CITY OF CONROE

Workshop

Item Type: Other

Meeting Date: 06/25/2025
Department: IT Department
Contact: Westley Bachmeyer, Int. Asst. Director of IT
Submitted By: Westley Bachmeyer, Int. Asst. Director of IT

W. Bachmeyer

Joint Meeting: No Joint Meeting

Description

Discuss Microsoft Licensing Split from EA to AOS-G.

Summary / Recommendation

Staff recommends restructuring Microsoft licensing by moving Microsoft 365 cloud services (Exchange Online, Teams, and OneDrive) to a standalone Agreement for Online Services - Government (AOS-G), while continuing to use the existing Enterprise Agreement (EA) for on-premises systems for Windows Server, SQL, and Client Access Licenses. Licensing restructure will not exceed budgeted FY25 software services funding. This change improves financial efficiency, compliance posture, and operational agility.

Fiscal Impact

Expenditure Amount:	$327,007
Revenue Amount:	0
Account Number:	001-1130-8041
Budget Amendment Required Y/N:	N
Financial Review Complete:	MM

Financial Review Notes:

Licensing restructure will not exceed budgeted FY25 software services funding. This represents a shift from EA to AOS-G cloud licensing while retaining on-premise coverage under the EA.

Attachments

Bid Tabulation
Support Memo Purchasing
RFP Contract Details

2024-2025 Microsoft 365 Tabulation	QUANTITY	Golden Five	LiftOff	Cyprotek Technologies	Dan Tech		
Licenses		$ 286,178.49	$ 315,959.40	NB	NB		
Support Price		$ 60,000.00					
Virtual or Instructor Led Training	**day**	$ 1,600.00					
Vendor did not return pricing, proposal requirements or signatures.							

Purchasing

CITY OF CONROE

Est. 1904

TO: Chris Shively, Director of I.T.

FROM: Kristina Colville, CPPO, CPPB, Assistant Director of Purchasing

CC: Gary Scott, City Administrator
Nancy Mikeska, Assistant City Administrator/Director of Community Development

DATE: April 7, 2025

RE: Vendor Recommendation – Microsoft 365 Licensing and Support Services

Council Approval: X Yes _____ No

Sealed Proposals were successfully received on March 27, 2025. The Purchasing department reviewed and compared pricing.

The following vendors responded to the request:

Golden Five	
Licenses	$286,178.49
Support	$60,000.00
Virtual or Instructor Led Training/ Day	$1,600.00
LiftOff	
Licenses	$315,959.40
Cyprotek Technologies	No Bid
Dan Tech	No Bid

After careful consideration, we recommend Liftoff as the best and most cost-effective option. LiftOff provides support and training at no additional charge. Following a comprehensive review, the Purchasing department has confirmed that LiftOff has fully met all specified bid requirements.

RFP #0313-2025

City of Conroe, Texas

MICROSOFT 365 LICENSING AND SUPPORT SERVICES

1667 Patrice Circle
Crofton, MD 21114

Ron Braatz, President
410.419.1591
rbraatz@liftoffonline.com



3/27/2025

City of Conroe, Texas

P.O. Box 3066

Conroe, TX 77305

Dear Purchasing and IT Departments:

LiftOff is pleased to present this proposal to the City of Conroe, Texas for the Microsoft 365 licensing project. We are the best Microsoft AOS-G partner to assist you with your Microsoft licensing needs. Here's why:

- **Expert (and fast) AOS-G Licensing Team:** LiftOff is an authorized reseller and top partner in the Microsoft 365 AOS-G licensing program. Our fully-staffed licensing team usually responds to quote requests within a couple of hours. After client approval, licenses are automatically provisioned in the tenant in 12-24 hours. LiftOff licensing experts also frequently respond to client questions involving the often-complex Microsoft menu of products. Our goal is to have our clients clearly understand every product in which they're interested so nothing is purchased that isn't needed.

- **Texas Experience:** We've worked with over 50 State and Local Governments in Texas. These include McLennan County, City of Greenville, Johnson County, Atascosa County, Hood County, Chambers County, among many others.

- **State and Local Government Experience and Understanding of Government Requirements:** Among Microsoft partners, LiftOff has the most experience working with State and Local Governments (SLGs) across the country. We have partnered with over 750 cities, counties, villages, boroughs, townships, District Attorneys, and water authorities as they moved to Microsoft 365. We understand the unique requirements of government organizations including compliance archiving, eDiscovery fulfillment, data security, identity protection steps such as multi-factor authentication, Data Loss Prevention, and other compliance needs.

- **Microsoft Training and Support** – LiftOff's licensing clients receive no-cost benefits from LiftOff. These include annual system health checks, exclusive quarterly webinar invitations, training for new IT staff, how-to videos/documents for admins and end users, and much more. Please see applicable section below.

- **Laser-Focused on Microsoft 365** -- LiftOff is a partner that is 100% focused on helping organizations move to the Microsoft Cloud and remain happy once they're there. This is our core business and our primary focus. It's literally the only thing we do.

Please feel free to contact me with questions on our proposal. We look forward to working with you.

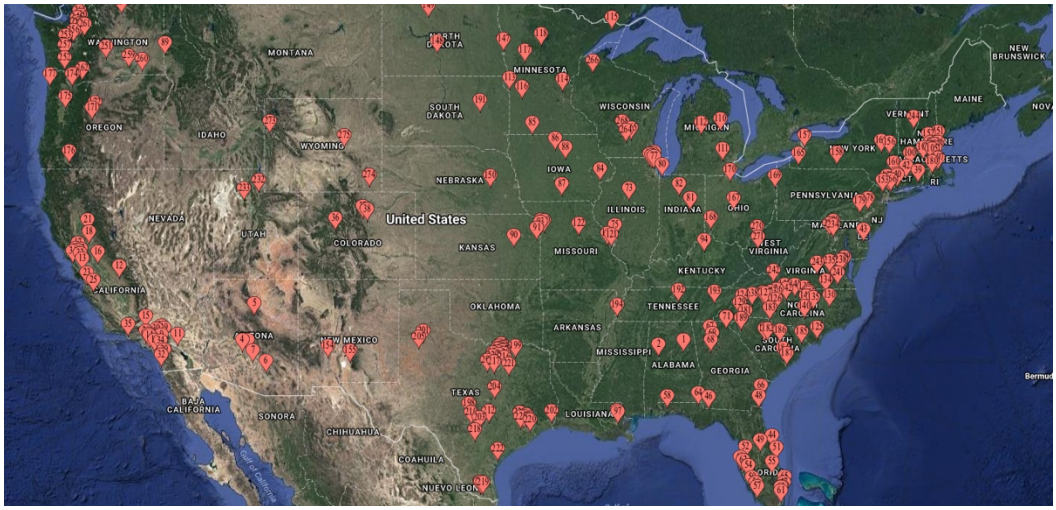
Sincerely,



Ronald C. Braatz, President
rbraatz@liftoffonline.com
410.419.1591

1. LiftOff Overview

LiftOff is a Microsoft partner that was founded 15 years ago by Ron Braatz, a former Microsoft employee who saw the huge investment Microsoft was making in cloud technologies. Ron started LiftOff to help organizations leverage the enterprise-level features, functionality and security of the Microsoft cloud.
Although LiftOff is a small business located in Maryland, our client-reach hits 48 of the 50 U.S. States. In Texas alone, we've helped over 50 State and Local Governments procure Microsoft 365 licensing and move their users and accompanying data to the Microsoft cloud.
The map below shows the breadth of our work taking hundreds of public clients successfully to the secure Microsoft Government Community Cloud.



A few years ago, in recognition of LiftOff's excellence and achievement in producing exceptional results for Government customers, LiftOff was awarded the U.S. State & Local Government "Rising Star" Partner of the Year Award from Microsoft.





We've also become subject matter experts in Microsoft 365 and Azure. LiftOff team members have presented at several State IT conferences including South Carolina, Illinois and at the annual MISAC conference in California.

Key Personnel

Ron Braatz, President



Over the years, Ron has worked for some of the leading technology companies in the world including Microsoft, Siebel (Oracle), and IBM. He has held roles in sales and marketing, partner mentoring and readiness, and technical consulting. Ron worked for five years at Microsoft in the Business Solutions Division as a Solution Specialist. Prior to founding LiftOff, he served as the CTO at a government contractor where he led several IT eLearning projects for The Department of Homeland Security and Health and Human Services. Ron holds a Master's Degree in Technology Education from Johns Hopkins University and has taught courses at the high school and college graduate level.

Brian Reilly, Microsoft 365 Senior Engineer



Brian has nearly three decades of experience in IT project management and delivery, IT training, client development and public relations. Over the past 14 years with LiftOff, Brian has deployed over 500 clients to Microsoft 365 (commercial, GCC and GCC High clouds) and led both IT and end-user trainings on Microsoft systems. He has degrees from Salisbury University and the University of Maryland, and an MBA from the École Nationale des Ponts et Chaussées in Paris where he studied International Business.

Tom Erdely, Microsoft 365 Senior Engineer



Tom is a Microsoft Certified Systems Engineer & Certified Cloud Administrator with over 25 years of experience working with Microsoft systems including Active Directory, Exchange, Azure and Microsoft 365. Over the years, he has served as the lead managing engineer for several Managed Service Providers providing systems solutions and support for many organizations. Previously, Tom designed and managed a shared services provider in Stavanger, Norway providing storage, email and remote desktop solutions to many organizations in the region.

Colin Flanagan, National Accounts Manager



Colin has over 25 years of experience as a top sales and service manager. He has a passion for helping businesses find solutions to increase productivity and profits. A Microsoft 365 Licensing specialist, Colin is an expert in navigating Microsoft's AOS-G program, which places government agencies and government contractors into Microsoft's exclusive Government Community Cloud and GCC High datacenters. A graduate of the University of Maryland, he has built an extensive list of contacts that he can leverage to help solve complex issues. Colin is a lifelong dirt bike enthusiast and enjoys participating in sporting and charity events with his family.

Kristina Murphy and Nicole Gillespie, National Accounts Liaisons

Kristina and Nicole wear many hats at LiftOff, but they’re primarily responsible for keeping the firm’s State and Local Government clients happy. They are Microsoft 365 licensing subject matter experts, answering licensing questions, quickly sending add-on quotes, and processing annual renewals. Understanding Microsoft 365 licensing SKUs and pricing is complex. Kristina and Nicole pride themselves on guiding our clients to the correct products, saving them time and money.

2. LiftOff Experience in Texas (and beyond)

LiftOff is grateful to have helped so many clients move to the Microsoft cloud over the last 15 years. We have partnered with over 750 state and local governments in 48 of the 50 states as they moved to Microsoft 365. We understand the unique requirements of government organizations including compliance archiving, eDiscovery fulfillment, data security, identity protection steps such as multi-factor authentication, Data Loss Prevention, and other compliance needs.

Today, much of the work we do is has been referred to us from other happy clients.

In states like Texas, Florida, Washington, and Iowa where we've worked with so many State and Local Governments and all of our clients seem to know each other and talk regularly, word gets around that LiftOff is a great partner to have for a Microsoft 365 licensing and deployment project.

Here are a few clients quotes illustrating this that we've gathered over the years:

"We are so thankful we had Liftoff to help us to make the transition as smooth as possible."
-Aleta Floyd, IT Director, Santa Rosa County



"Their response time was great and they were dedicated to a job well done. Personable. Extremely knowledgeable."
-IT Director, County in South Carolina

"LiftOff explained some very important details that were not clear in the public documentation. The information is probably out there, but there are so many places to find each piece that it was tying up a lot of my time sorting that out. Once I contacted LiftOff, the issues were taken care of."
-Jim Tyree, Improvement District in Florida

"Liftoff is great! Ron and Brian know their stuff and are dedicated to ensuring that each client gets all the time and attention they need to feel comfortable with the process before, during, and after the migration. They care about their clients and making sure things go according to plan, and it really shows in their work. Outstanding!"
-Director of Information Technology, Washington, DC

Texas Experience

LiftOff has helped over 50 other Texas State and Local Governments move to the Microsoft cloud over the years. Our clients have included counties, cities, towns, villages, boroughs, district attorneys' offices, and water districts. SLGs in Texas we've worked with include McLennan County, Johnson County, Atascosa County, Hood County, Chambers County, among many others:



LiftOff Experience in Texas

City of Bedford
City of Corinth
City of Farmers Branch
City of Fredericksburg
City of Greenville
City of McAllen
City of Petersburg
City of Port Arthur
City of Schertz
City of Temple
South Plains Assn of Govt
Trinity River Authority
City of Granbury
City of Bellaire
City of Bellaire PD
City of Boerne
Trophy Club
Caldwell County Appraisal District
City of Sugar Land
City of Katy
City of Addison
City of Lancaster
McLennan County
Johnson County
Atascosa County
City of Donna
City of Alvin
City of Rice
Aransas Pass PD
City of Lake Worth
The Colony
City of Rosenberg
City of Katy PD
Town of Providence Village
Credit Union of Texas (CUTX)
City of Benbrook
City of Flower Mound
Hidalgo County Regional Mobility Authority (RMA)
McKinney Housing Authority
City of Seabrook
Hood County
City of Brenham
City of University Park
Chambers County
City of Deer Park
City of Kerrville

3. Licensing Approach

LiftOff is one of the leading Microsoft partners certified to sell AOS-G licensing. This enables state and local governments to purchase Microsoft licensing from a qualified Microsoft partner and have their tenant placed in either the Government Community Cloud (GCC) or the GCC High.

Our goal is to have our clients clearly understand every product in which they're interested so nothing is purchased that isn't needed.

Typically, a licensing engagement begins with a call with Ron Braatz who will discuss client licensing goals, the complex menu of Microsoft 365 products/features, and monthly/annual costs.

Colin, Nicole, or Kristina will then follow up with an official quote. Once approved by the client, the tenant/licenses are usually provisioned quickly.

Features of LiftOff's AOS-G licensing program include:

- **Flexible, 1-year agreement:** Licenses and add-ons can be added anytime during the one-year commitment period, but they cannot be removed. At annual renewal, you can upsize, downsize, or even cancel.
- **3-year price lock:** Protection against Microsoft price increases. The price you pay in year one will carry through for three years.
- **No minimum add-ons:** Add one license or 1,000 licenses. We're happy to help with whatever you need!
- **Fast response:** The fully staffed LiftOff licensing team usually responds to quote requests within a couple of hours. After approval, licenses are normally available directly in your tenant within a day.
- **Included Microsoft technical support:** Microsoft is your main method of technical support. They are available 24x7x365.
- **LiftOff licensing benefits:** When you license with LiftOff, you'll receive a ton of included value-added benefits. See below.

LiftOff Licensing Benefits

Here's why you should work with us. These are all included as part of our licensing package:

Annual license review: Prior to your annual renewal, we will offer expert licensing advice for your renewals and your best options for sizing, upgrading (or downgrading). We will work with you to ensure you don't overspend on things you don't need!

LiftOff quarterly webinars: Stay up-to-date on advanced features and functionality in Microsoft 365. Wondering about conditional access policies? Curious about sensitivity labels? Interested in Data Loss Prevention? Our expert engineers will keep you informed and follow up with helpful links, documents, and a recorded copy of the webinar.

Security breach recovery assistance: Do you suspect one of your users has been compromised? LiftOff can provide steps that may help mitigate the fallout from a successful phishing campaign.

Microsoft 365 IT admin training: LiftOff will provide training for your existing IT staff as well as new staff. We will cover common tasks for managing your environment including on-boarding and off-boarding new users, managing your data, and securing your environment.

Microsoft 365 annual system health check: LiftOff can provide yearly checkups of your Microsoft 365 cloud tenant to ensure everything is set up with best practices and that any new options and features are enabled and properly configured.

Data preservation and retrieval best practices: LiftOff will assist with configuring your organization’s Microsoft 365 retention/preservation policies. Additionally, we will advise on the proper ways to retrieve preserved data.

End user training videos: LiftOff provides end user training videos for the most common Microsoft 365 products such as desktop Office applications including Outlook, Office Online, Teams and Outlook Web App.

Microsoft tech notifications: We will proactively alert your organization for recommended changes to your environment to ensure you remain secure, compliant and up-to-date (Updating TLS, SMTP Relay, etc.).

Entra AD Connect services: LiftOff can consult with your organization regarding the deployment of Microsoft Entra Connect. If your organization is already relying on Entra Connect, LiftOff will ensure that the service works a

New Microsoft product info: As new Microsoft products become available (such as Copilot for GCC), LiftOff will provide information and guidance regarding options available to you.

4. Support Services

During a full licensing and migration/deployment project, LiftOff trains our clients' IT Staff in the management and administration of the Microsoft cloud environment. We cover everything from setting up best-in-class cybersecurity policies, to configuring retention policies in order to meet public records requests.

We are subject matter experts in the Microsoft 365 cloud.

For licensing-only clients where LiftOff did NOT assist with the cutover to Microsoft, we offer an initial system assessment to discuss LiftOff recommended security and compliance best practices and configurations.

Microsoft 365 Technical Support

Despite the comprehensive training described above, our clients may still need occasional support from LiftOff, especially for critical events and other tasks. We've helped customers during off-hours and late nights when their systems were compromised. We've helped customers solve difficult cloud issues with FOIA and Public Record requests. There's an occasional new IT hire that we've trained. Many times, a server hosting Entra AD Connect goes down. We love to help our licensing clients if we can and will make our best effort to assist you.

One of the great benefits of licensing through LiftOff's AOS-G program is that it includes 24x7x365 technical support at no cost directly from Microsoft engineers. So, in the event of an emergency or an issue that clearly needs Microsoft involvement, you would work directly with Microsoft on the resolution.

Microsoft 365 Licensing Support

LiftOff is grateful to have over 800 clients that trust us with their Microsoft 365 licensing needs.

We are your sole method of support for anything having to do with licensing – initial order processing, add-on orders, renewals, and any sort of licensing issue you may have. Call us anytime or reach us directly through an always monitored distribution list 365licensing@liftoffonline.com .

Occasionally, there's a licensing issue that only Microsoft can assist with. Since we've been doing this for so long, we have many relationships at Microsoft to help get these challenging issues escalated and quickly resolved.

5. Pricing

Microsoft 365 Licensing via LiftOff's AOS-G Program

Year 1	Quantity	Months	MS Retail Price per Month/license	MS Retail Price per Year	LiftOff Discount	LiftOff Discount Price per Year
Microsoft 365 G5	326	12	$ 62.70	$ 245,282.40	10%	$ 220,754.16
Microsoft 365 G3	16	12	$ 39.60	$ 7,603.20	10%	$ 6,842.88
Microsoft 365 F3	321	12	$ 8.60	$ 33,127.20	10%	$ 29,814.48
Microsoft 365 F1	135	12	$ 2.40	$ 3,888.00	10%	$ 3,499.20
Exchange Online Plan 2	1	12	$ 7.50	$ 90.00	10%	$ 81.00
M365 F5 Security + Compliance Add-on	321	12	$ 13.90	$ 53,542.80	10%	$ 48,188.52
M365 G5 Security GCC Per User	16	12	$ 13.20	$ 2,534.40	10%	$ 2,280.96
Power BI Pro GCC	25	12	$ 9.40	$ 2,820.00	10%	$ 2,538.00
Teams AC with Dial Out US/CA GCC	467	12	$ -	$ -	10%	$ -
Teams Rooms Pro GCC Per Device	3	12	$ 44.00	$ 1,584.00	10%	$ 1,425.60
Teams Phone with Calling GCC	3	12	$ 16.50	$ 594.00	10%	$ 534.60
			RETAIL TOTAL	$ 351,066.00	DISCOUNT TOTAL	**$ 315,959.40**

Licensing Notes:

- LiftOff is a top Microsoft license reseller having placed hundreds of state and local governments into the GCC.
- LiftOff's licensing clients receive many benefits including low/no-cost data migration projects, annual Microsoft 365 system health checks, access to exclusive quarterly webinars/trainings, Entra AD connect expertise, and general Microsoft 365 troubleshooting assistance, among many other value adds.
- LiftOff's maintains a dedicated licensing team that responds to questions and add-on orders within a few hours.

6. References

LiftOff has completed well over 1,000 Microsoft 365 projects. Roughly 750 have been for State and Local Governments. These projects have included AOS-G licensing as well as migration/deployment services. We therefore have many references that we can supply.

LiftOff provides Microsoft 365 licensing services to the three Texas gov projects below. Please let us know if you would like to contact them and we'll supply contact information.

Client name/contact
McLennan County, Texas. John Carter, Director of Information Technology

Project description
LiftOff partnered with McLennan County to license and migrate 1,400 users from a legacy MDaemon system to the Microsoft Government Community Cloud. The Microsoft 365 licensing landscape included Office 365 G1, Office 365 G3, and Entra Premium.

Client name/contact
Atascosa County, Texas. Justin Vasquez, IT Manager

Project description
Atascosa County is a very unique client for LiftOff. After helping them license and move 300 users to Microsoft 365 many years ago, the County moved licensing to an Enterprise Agreement with the Texas DIR. However, they recently moved their licensing back to LiftOff's AOS-G program to take advantage of our licensing speed, flexibility, and Microsoft 365 licensing client benefits. The licensing landscape is Office 365 G3 and Entra Premium.

Client name/contact
City of Greenville, Texas. Steve Saenz, IT Manager

Project description
The City of Greenville, TX has been a LiftOff licensing client for nearly 10 years. The licensing landscape includes Exchange Online Plan 1, Office 365 G3, Office 365 F3, Archiving, MS Apps, and Entra Premium.

7. Compliance

LiftOff has been involved with the Microsoft AOS-G program since the very beginning and was one of the first partners approved for the program. Presently, we have well over 800 clients that license with LiftOff through this program.

Please see this link for an approved list of Microsoft AOS-G partners:

https://learn.microsoft.com/en-us/azure/azure-government/documentation-government-csp-list#approved-aos-g-partners

8. Required Forms

Bid Agreement and Certification:

The Undersigned Agrees That:

A. No Federal, State, County or Municipal taxes have been included in the quoted prices and none will be added.

B. Prices in this Proposal have not knowingly been disclosed with any other provider and will not be prior to award.

C. Prices in this Proposal have been arrived at independently, without consultation, communication or agreement for the purpose of restricting competition.

D. No attempt has been made nor will be to induce any other person or firm to submit a Proposal for the purpose of restricting competition.

E. The individual signing this Proposal certifies that it/she is a legal agent of the proposer, authorized to represent the proposer and is legally responsible for the offer with regard to supporting documentation and prices provided.

By my signature below I agree to comply with all the following specifications, terms and conditions pertaining to this Bid.

LiftOff, LLC	Ronald C. Braatz
(Company Name)	(Name of Authorized Agent – Printed)
1667 Patrice Circle	
(Street Address / P.O. Box)	(Authorized Agent Signature)
Crofton, MD 21114	3/27/2025
(City / State / Zip Code)	(Date)
410.419.1591	
(Phone)	

By the signature affixed below, Addendum No. 1 is hereby incorporated into and made a part of the above referenced solicitation.

ACKNOWLEDGED:_____

Authorized Signature_____

Printed Name_____ Ronald C. Braatz

Respondent/Contractor LiftOff. LLC

Date_____ 3/27/2025 _____

Kristina Colville 02/27/25

Kristina Colville, Assistant Director of Purchasing

By the signature affixed below, Addendum No. 1 is hereby incorporated into and made a part of the above referenced solicitation.

Authorized Signature_____ Printed Name Ronald C. Braatz

Respondent/Contractor LiftOff, LLC

Date_____ 3/27/2025 _____

Kristina Colville 03/06/25

Kristina Colville, Assistant Director of Purchasing

CITY OF CONROE
Est. 1904

City of Conroe
PO Box 3066
Conroe, Texas 77305

ADDENDUM NO. 3
DATE ISSUED: 03/13/25

PROJECT NAME: RFP 0313-2025MICROSOFT 365 LICENSING AND SUPPORT

This revision shall be considered part of the contract documents for the above-named project, and shall be incorporated integrally with the previously issued documents. Wherein provisions of the revisions differ from the provisions of the original documents and/or the provisions of previously issued addendum, the provisions of this revision shall govern and take precedence.

Did read 03/13/2025

Should read 03/27/2025

By the signature affixed below, Addendum No. 3 is hereby incorporated into and made a part of the above referenced solicitation.

ACKNOWLEDGED:_____

Authorized Signature_____ _____

Printed Name_____ Ronald C. Braatz

Respondent/Contractor__ LiftOff, LLC

Date_____ 3/27/2025

Stephanie Ramirez/Buyer II

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

OFFICE USE ONLY
CERTIFICATION OF FILING

Certificate Number:
2025-1321174

Date Filed:
06/07/2025

Date Acknowledged:
06/09/2025

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

LiftOff, LLC
Crofton, MD United States

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

City of Conroe, Texas

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.

RFP #0313-2025
RFP #0313-2025, Microsoft 365 Licensing and Support Services

4 Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
		Controlling	Intermediary
Braatz, Ronald	Crofton, MD United States	X	
Braatz, Kathleen	Crofton, MD United States	X	

5 Check only if there is NO Interested Party. ☐

6 UNSWORN DECLARATION

My name is _____, and my date of birth is _____.

My address is _____, _____, _____, _____, _____.
(street) (city) (state) (zip code) (country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in _____County, State of _____, on the _____day of _____, 20_____.
(month) (year)

_____
Signature of authorized agent of contracting business entity
(Declarant)

Meeting Date: 06/25/2025
Department: Finance
Contact: Ariel Gibbs, Chief Financial Officer
Submitted By: Michael Monteilh, Finance Manager

Workshop

Item Type: Presentation

Item Type: Presentation
A. Gibbs
Joint Meeting: No Joint Meeting

Description
Discuss Monthly Financial Summary Report - May 2025.

Summary / Recommendation
Discuss Monthly Financial Summary Report - May 2025.

Attachments

MFSR - May 2025

CITY OF CONROE
Est. 1904

Monthly Financial Summary Report

May 2025

Fiscal Year 2025

300 W. Davis St. | P.O. Box 3066 | Conroe, TX 77305 | T: 936.522.3000 | www.cityofconroe.org

CITY OF CONROE
Est. 1904

To: **Mayor & City Council**

From: **Ariel Gibbs, Director of Finance**

Date: **June 18, 2025**

Subject: **Financial Summary Report for May 2025**

Attached is the Financial Summary Report for May 2025. This report aims to summarize the City's financial activities and provide current, accurate information for the Council, administration, and citizens.

The report is organized into four main sections:

I- General Fund's Financial Statements
   1. Balance Sheet
   2. Statement of Revenue, Expenditures and Changes in Fund Balance

II- Water and Sewer Operating Fund's Financial Statements
   1. Balance Sheet
   2. Statement of Revenue, Expenditures and Changes in Fund Balance

III- Main Revenues
   1. Sales Tax
   2. Property Tax
   3. Permits
   4. Water
   5. Wastewater

IV- CIP Report

300 W. Davis St. ¦ P.O. Box 3066 ¦ Conroe, TX 77305 ¦ T: 936.522.3000 ¦ www.cityofconroe.org

CITY OF CONROE
Est. 1904

As of May 31, 2025:

- ✓ The General Fund's fund balance stands at $105,513,520.12. May 2025 has a positive net income of $466,436 and the year-to-date (YTD) net income shows a gain of $23,660,651.12.
- ✓ The Water and Sewer Operating Fund's net position is 175,992,902.91, with a gain of $3,259,230.48 in May 2025, but the YTD net income reflects a gain of $1,833,529.91.
- ✓ Sales tax revenue for May 2025 decreased by $254,947.53 compared to the same month last year. However, the YTD sales tax revenue has increased by $1,282,351.00 (3%) compared to the previous year.
- ✓ YTD permit revenues have risen by $442,516.86 (8%) compared to the prior year.
- ✓ YTD water revenues have increased by $424,214.72 (3%) compared to the previous year.
- ✓ YTD sewer revenues have grown by $3,807,978.01 (21%) compared to the prior year.
- ✓ Project Types' Remaining Balances:

Project Type	Sum of Budget, Inception to Date	Sum of Expenditures + Encumbrances ITD	Sum of Remaining Balance
Drainage	$ 5,565,000.00	$ 4,931,068.61	$ 633,931.39
Facilities	58,594,060.00	49,932,448.39	8,661,611.61
Parks	41,914,500.00	40,509,437.87	1,405,062.13
Sewer	147,417,544.00	123,752,666.61	23,664,877.39
Signals	8,001,000.00	3,055,018.08	4,945,981.92
Streets	63,819,000.00	31,903,170.05	31,915,829.95
Water	110,227,000.00	91,557,712.31	18,669,287.69
Total	**$ 435,538,104.00**	**$ 345,641,521.92**	**$ 89,896,582.08**

300 W. Davis St. ¦ P.O. Box 3066 ¦ Conroe, TX 77305 ¦ T: 936.522.3000 ¦ www.cityofconroe.org



CITY OF CONROE

Est. 1904

GENERAL FUND'S FINANCIAL STATEMENTS

300 W. Davis St. ¦ P.O. Box 3066 ¦ Conroe, TX 77305 ¦ T: 936.522.3000 ¦ www.cityofconroe.org

Account	Name	Balance	
Fund: 001 - GENERAL FUND			
Assets			
Category: 10 - ASSET			
001-1001	Claim on CASH	-9,412,182.83	
001-1002	PETTY CASH	950.00	
001-1005	RETURNED CHECKS	125.27	
001-1006	CASH BOX/DRAWER	3,705.00	
001-1007	JACK KIOSK CASH	600.00	
001-1012	COC Sweep Alternative	1,218,449.44	
001-1100	PROPERTY TAX REC. CURR.	893,846.89	
001-1101	PROPERTY TAX REC. DEL.	938,446.05	
001-1103	ALLOW FOR PROP TAX REC	-114,086.97	
001-1105	ACCOUNTS RECEIVABLE	10,178.00	
001-1109	ACCTS REC-LEASES - GASB	2,972,542.99	
001-1110	LEASE RECEIVABLE	122,610.98	
001-1111	ACTIVENET RECEIVABLES	93,448.85	
001-1113	UNAPPLIED CASH (AR MISC)	-93,387.14	
001-1116	MISC. RECEIVABLE	1,620.20	
001-1121	COMMISSIONS RECEIVABLE - TAX OFFICE	27,089.20	
001-1140	RECEIVABLE ALARMS	228,925.50	
001-1145	GRANT RECEIVABLE	13,643.60	
001-1502	PREPAID RENT	78,990.00	
001-1505	DUE FROM OTHER GOVTS	12,198,680.76	
001-1510	INTEREST RECEIVABLE	17,925.10	
001-1516	DUE FROM EMPLOYEES	-1,075.62	
001-1517	PREPAID POSTAGE	10,972.08	
001-1550	INVENTORY - GAS	101,160.46	
001-1551	INVENTORY - MISC (NON W/S)	5,210.63	
001-1555	INVESTMENTS - TEXPOOL	19,058,803.35	
001-1560	INVESTMENTS-CERT. OF DEPOSIT	17.16	
001-1561	INVESTMENTS - TEXSTAR	25,349,178.71	
001-1562	INVESTMENTS - T CLASS/MBIA	14,610,681.16	
001-1566	INVESTMENTS-TEXAS CLASS GOVT FUND	18,565,743.91	
001-1567	INVESTMENTS - LOGIC	17,427,661.61	
001-1602	INVESTMENTS - TREAS NOTE	12,780,050.66	
001-1606	INVESTMENTS FFCBC	1,500,000.00	
001-1608	INVESTMENTS FHLBC	2,000,000.00	
	Total Category 10 - ASSET:	**120,610,525.00**	
	Total Assets:	**120,610,525.00**	**120,610,525.00**
Liability			
Category: 20 - LIABILITY			
001-2010	ACCOUNTS PAYABLE	10,393.01	
001-2020	CASH BOND LIABILITY	1,203.00	
001-2023	CISD FINE LIABILITY	-50.00	
001-2027	STATE COURT COSTS	136,888.83	
001-2028	STATE CHILD SAFETY SEAT	10,545.89	
001-2030	PARK DEPOSIT LIABILITY	62,673.00	
001-2031	REFUNDABLE DEPOSITS	600.00	
001-2037	REIMB PERF/MAINT BONDS	162,083.80	
001-2075	SALES TAX LIABILITY	-125.08	
001-2080	SALES TAX LIAB-GARBAGE	55,836.73	
001-2100	DUE TO OTHER GOVERNMENTS	-2,293.12	
001-2103	TRAPS - EVENT HOST	-2,711.15	
001-2153	DUE TO FUND 9	3,049,669.83	

Account	Name	Balance
001-2275	UNCLAIMED PROPERTY	58,542.62
001-2277	CATASTROPHIC LEAVE PAYABLE	31,156.24
001-2699	ADVANCES FROM OTHER FUNDS	16,000,000.00
001-2900	DEFERRED TAXES	1,892,238.98
001-2901	DEFERRED REV-REFUSE COLL	525,204.05
001-2924	DEF REV-ENTERGY FRANCHISE	1,917,775.91
001-2930	DEFERRED LEASE REVENUE	2,973,784.61
	Total Category 20 - LIABILITY:	**26,883,417.15**
	Total Liability:	**26,883,417.15**
Equity		
Category: 30 - EQUITY		
001-3410	INVENTORIES	106,371.00
001-3420	PREPAID ITEMS	105,174.00
001-3455	SEIZED ASSETS	2,037,468.36
001-3460	RED LIGHT CAMERAS	254,183.00
001-3466	STATE FRANCHISE 1% PEG FEE	741,080.87
001-3467	TREE MITIGATION REVENUE	870,996.20
001-3469	SEV PAY 2% SINKING FUND	28,528.00
001-3474	TREE ENFORCEMENT	390,934.12
001-3600	UNASSIGNED	65,531,721.18
	Total Category 30 - EQUITY:	**70,066,456.73**
	Total Beginning Equity:	**70,066,456.73**
Total Revenue		103,159,205.23
Total Expense		79,498,554.11
Revenues Over/Under Expenses		**23,660,651.12**
	Total Equity and Current Surplus (Deficit):	**93,727,107.85**
	Total Liabilities, Equity and Current Surplus (Deficit):	**120,610,525.00**

CITY OF CONROE

CITY OF CONROE
FISCAL YEAR 2024-2025
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
PERIOD ENDING 5-31-2025

GENERAL FUND

SOURCE OF FUNDS	ACTUAL MAY 2025	ACTUAL MAY 2024	VARIANCE 1 FAVORABLE (UNFAVORABLE)	%	ACTUAL YTD 2025	ACTUAL YTD 2024	VARIANCE 2 FAVORABLE (UNFAVORABLE)	%	ANNUAL BUDGET	BUDGET REMAINING	%
REVENUES:											
CURRENT TAXES	$ 231,671.05	$ 630.52	$ 231,040.53	36643%	$ 45,034,439.45	$ 41,590,739.62	$ 3,443,699.83	8%	$ 46,105,668.00	$ 1,071,228.55	98%
DELINQUENT TAX	22,557.46	(44,007.93)	66,565.39	-151%	197,827.70	124,864.78	72,962.92	58%	83,716.00	(114,111.70)	236%
FRANCHISE FEES	1,291,846.59	1,195,360.24	96,486.35	8%	3,958,039.71	5,540,246.19	(1,582,206.48)	-29%	9,381,741.00	5,423,701.29	42%
NETWORK NODES RECEIPTS	-	350.00	(350.00)		500.00	850.00	(350.00)	-41%	2,250.00	1,750.00	22%
SALES TAX	4,932,911.66	5,124,122.30	(191,210.64)	-4%	35,897,358.50	34,903,838.86	993,519.64	3%	50,731,281.00	14,833,922.50	71%
MIXED BEVERAGE	45,445.32	48,685.76	(3,240.44)	-7%	241,135.93	257,737.01	(16,601.08)	-6%	519,054.00	277,918.07	46%
IN LIEU OF TAXES	-	-	-		-	1,743,665.00	(1,743,665.00)	-100%	2,018,475.00	2,018,475.00	0%
LICENSES	1,000.00	899.71	100.29	11%	3,281.50	14,169.12	(10,887.62)	-77%	21,370.00	18,088.50	15%
PERMITS	481,643.48	572,795.52	(91,152.04)	-16%	5,852,532.54	5,412,291.49	440,241.05	8%	8,055,818.00	2,203,285.46	73%
STORM WATER PERMITS	16,750.00	16,721.80	28.20	0%	163,209.25	204,403.25	(41,194.00)	-20%	306,152.00	142,942.75	53%
WRECKER/TAXI PERMITS	75.00	260.00	(185.00)	-71%	1,895.00	3,525.00	(1,630.00)	-46%	3,871.00	1,976.00	49%
ALARM PERMITS-NEW/RENEWAL	7,771.33	8,315.00	(543.67)	-7%	58,889.24	62,784.74	(3,895.50)	-6%	113,843.00	54,953.76	52%
EXCESSIVE ALARM FEES	50.00	3,900.00	(3,850.00)	-99%	18,250.00	33,000.00	(14,750.00)	-45%	64,438.00	46,188.00	28%
REFUSE COLLECTION	54,610.93	53,403.04	1,207.89	2%	374,533.70	355,929.95	18,603.75	5%	586,408.00	211,874.30	64%
COPIES	6,956.95	695.25	6,261.70	901%	14,413.37	11,418.60	2,994.77	26%	15,051.00	637.63	96%
PLANNING & ZONING FEES	120,304.02	137,643.58	(17,339.56)	-13%	1,011,220.85	928,847.33	82,373.52	9%	1,271,024.00	259,803.15	80%
CODE ENFORCEMENT FEE	-	-	-		335.00	-	335.00		-	(335.00)	
SERVICE CHARGES	126.50	156.50	(30.00)	-19%	809.50	898.00	(88.50)	-10%	1,261.00	451.50	64%
TICKET SALES	436.00	(868.43)	1,304.43	-150%	76,548.99	68,762.13	7,786.86	11%	166,056.00	89,507.01	46%
TICKET SALES - FIXED ROUTE	2,204.15	2,653.67	(449.52)	-17%	16,403.19	13,764.12	2,639.07	19%	16,973.00	569.81	97%
TICKET SALES - ADA	914.93	4,664.33	(3,749.40)	-80%	7,056.08	5,814.79	1,241.29	21%	7,085.00	28.92	100%
COMMUTER SERVICE FARES	1,789.00		1,789.00		3,283.00	-	3,283.00		-	(3,283.00)	
TRAFFIC & CRIMINAL FINES	117,455.55	109,698.17	7,757.38	7%	995,482.32	992,069.78	3,412.54	0%	1,381,460.00	385,977.68	72%
COMMERCIAL VEHICLE FINES	462.00	1,079.00	(617.00)	-57%	4,598.84	7,759.57	(3,160.73)	-41%	12,269.00	7,670.16	37%
INTEREST ON INVESTMENTS	370,046.41	415,493.94	(45,447.53)	-11%	2,653,850.46	2,530,040.06	123,810.40	5%	1,407,473.00	(1,246,377.46)	189%
PENALTY & INTEREST	37,099.57	21,361.86	15,737.71	74%	196,623.74	194,482.28	2,141.46	1%	190,645.00	(5,978.74)	103%
LEASE INCOME	120,835.19	27,610.96	93,224.23	338%	419,411.17	282,667.16	136,744.01	48%	230,000.00	(189,411.17)	182%
PROCEEDS-SALES OF CAP. ASSETS	-	-	-		-	232,698.22	(232,698.22)	-100%		-	
RENTALS	40,808.77	33,340.88	7,467.89	22%	243,887.91	152,812.06	91,075.85	60%	258,920.00	15,032.09	94%
RECREATIONAL	60,762.33	101,211.31	(40,448.98)	-40%	320,710.91	529,208.47	(208,497.56)	-39%	1,161,856.00	841,145.09	28%
PARKS PROGRAMS	116,054.09	145,616.37	(29,562.28)	-20%	956,921.29	1,175,356.34	(218,435.05)	-19%	2,095,447.00	1,138,525.71	46%
PARKS DONATIONS	127.09	14,617.95	(14,490.86)	-99%	97,066.51	135,872.87	(38,806.36)	-29%	81,012.00	(16,054.51)	120%
ANIMAL SHELTER FEES	13,705.00	-	13,705.00		47,354.00	30,150.00	17,204.00	57%	40,200.00	(7,154.00)	118%
TREE MITIGATION REVENUE	-	-	-		-	37,944.50	(37,944.50)	-100%	113,005.00	113,005.00	0%
TREE ENFORCEMENT REVENUE	-	22,850.00	(22,850.00)		12,000.00	57,850.00	(45,850.00)	-79%	57,850.00	45,850.00	21%
UNANTICIPATED REVENUES	4,408.80	47,007.94	(42,599.14)	-91%	160,718.23	121,582.79	39,135.44	32%	160,240.00	(478.23)	100%
SHORT & OVER	6.67	(24.09)	30.76	-128%	59.57	693.24	(633.67)	-91%	-	(59.57)	
DONATIONS	1,450.14	1,069.66	380.48	36%	89,969.27	28,839.75	61,129.52	212%	12,000.00	(77,969.27)	750%
SEIZED ASSETS - INTERGOV	1,853.80	6,103.51	(4,249.71)	-70%	86,602.34	41,987.93	44,614.41	106%	-	(86,602.34)	
INTERGOVERNMENTAL - LOCAL	311,368.55	234,647.67	76,720.88	33%	1,928,307.20	1,896,124.54	32,182.66	2%	2,752,486.00	824,178.80	70%
INTERGOVERNMENTAL - STATE	-	-	-		626,305.84	66,741.37	559,564.47	838%	122,832.00	(503,473.84)	510%
INTERGOVERNMENTAL - FEDERAL	711,480.61	9,592.72	701,887.89	7317%	835,887.60	754,801.45	81,086.15	11%	294,675.00	(541,212.60)	284%
INSURANCE PROCEEDS	10,548.25	24,900.35	(14,352.10)	-58%	161,003.53	152,951.56	8,051.97	5%	82,853.00	(78,150.53)	194%
TRANSFER IN	44,659.00	103,874.08	(59,215.08)	-57%	390,482.00	901,936.64	(511,454.64)	-57%	1,059,747.00	669,265.00	37%
TOTAL REVENUES:	**9,182,196.19**	**8,446,433.14**	**735,763.05**	**9%**	**103,159,205.23**	**101,602,120.56**	**1,557,084.67**	**2%**	**130,986,505.00**	**27,827,299.77**	**79%**

CITY OF CONROE
FISCAL YEAR 2024-2025
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
PERIOD ENDING 5-31-2025

GENERAL FUND

SOURCE OF FUNDS	ACTUAL MAY 2025	ACTUAL MAY 2024	VARIANCE 1 FAVORABLE (UNFAVORABLE)	%	ACTUAL YTD 2025	ACTUAL YTD 2024	VARIANCE 2 FAVORABLE (UNFAVORABLE)	%	ANNUAL BUDGET	BUDGET REMAINING	%
EXPENDITURES											
1041 - ADMINISTRATION	48,034.89	26,658.83	21,376.06	80%	500,650.83	493,424.99	7,225.84	1%	860,186.00	359,535.17	58%
1042 - MAYOR AND CITY COUNCIL	62,816.97	73,913.63	(11,096.66)	-15%	509,466.28	627,502.03	(118,035.75)	-19%	1,111,590.00	602,123.72	46%
1043 - COMMUNICATIONS	18,577.15	26,648.75	(8,071.60)	-30%	109,487.88	155,693.89	(46,206.01)	-30%	171,014.00	61,526.12	64%
1044 - TRANSPORTATION	258,588.75	107,999.38	150,589.37	139%	1,853,968.96	1,304,478.94	549,490.02	42%	3,196,175.00	1,342,206.04	58%
1050 - DOWNTOWN DEVELOPMENT	15,613.71	13,369.59	2,244.12	17%	117,367.70	123,296.56	(5,928.86)	-5%	530,362.00	412,994.30	22%
1060 - LEGAL	68,970.56	51,843.38	17,127.18	33%	523,134.25	460,149.56	62,984.69	14%	923,351.00	400,216.75	57%
1070 - MUNICIPAL COURT	80,158.18	84,252.86	(4,094.68)	-5%	721,100.61	805,297.55	(84,196.94)	-10%	1,440,303.00	719,202.39	50%
1080 - FACILITIES MANAGEMENT	91,106.21	124,212.03	(33,105.82)	-27%	617,559.60	818,898.23	(201,338.63)	-25%	1,342,074.00	724,514.40	46%
1100 - FINANCE	197,749.30	139,286.90	58,462.40	42%	1,734,188.83	1,853,826.10	(119,637.27)	-6%	2,742,271.00	1,008,082.17	63%
1110 - CDBG ADMINISTRATION	18,778.49	12,508.20	6,270.29	50%	119,141.11	120,747.17	(1,606.06)	-1%	271,471.00	152,329.89	44%
1120 - PURCHASING-WAREHOUSE	144,784.70	32,431.57	112,353.13	346%	602,487.79	379,019.07	223,468.72	59%	857,670.00	255,182.21	70%
1130 - INFORMATION TECHNOLOGY	231,245.69	332,736.37	(101,490.68)	-31%	3,988,449.23	2,845,188.10	1,143,261.13	40%	5,323,952.00	1,335,502.77	75%
1160 - HUMAN RESOURCES	128,875.90	89,298.02	39,577.88	44%	887,369.06	821,135.71	66,233.35	8%	1,295,002.00	407,632.94	69%
1201 - POLICE ADMINISTRATION	245,321.69	198,903.71	46,417.98	23%	1,157,289.89	1,261,042.63	(103,752.74)	-8%	2,035,846.00	878,556.11	57%
1202 - POLICE SUPPORT SERVICES	158,416.90	239,444.01	(81,027.11)	-34%	1,383,748.68	1,492,502.64	(108,753.96)	-7%	1,994,555.00	610,806.32	69%
1203 - POLICE PATROL	1,272,740.81	1,384,623.85	(111,883.04)	-8%	12,580,530.21	12,045,814.99	534,715.22	4%	18,704,912.00	6,124,381.79	67%
1204 - POLICE INVESTIGATIVE SERVICES	467,764.05	443,083.33	24,680.72	6%	4,031,403.57	3,853,107.28	178,296.29	5%	5,801,742.00	1,770,338.43	69%
1206 - POLICE ANIMAL SERVICES	93,600.61	59,918.03	33,682.58	56%	534,653.95	519,774.19	14,879.76	3%	1,170,473.00	635,819.05	46%
1209 - COMMERCIAL VEHICLE ENFORCEMENT P	10,537.95	2,414.62	8,123.33	336%	100,564.55	156,284.27	(55,719.72)	-36%	117,651.00	17,086.45	85%
1300 - FIRE	2,059,946.74	2,101,604.54	(41,657.80)	-2%	16,169,353.00	16,306,529.42	(137,176.42)	-1%	25,340,663.00	9,171,310.00	64%
1400 - PARKS & RECREATION ADMINISTRATION	41,438.77	66,507.86	(25,069.09)	-38%	533,068.34	710,463.84	(177,395.50)	-25%	1,085,174.00	552,105.66	49%
1410 - CK RAY RECREATION CENTER	149,171.63	113,993.60	35,178.03	31%	776,353.32	801,423.08	(25,069.76)	-3%	1,242,683.00	466,329.68	62%
1420 - OSCAR JOHNSON COMM CENTER	124,032.07	120,708.10	3,323.97	3%	799,643.21	862,765.04	(63,121.83)	-7%	1,724,631.00	924,987.79	46%
1430 - SENIOR CENTER	19,736.72	15,767.04	3,969.68	25%	157,514.02	147,930.39	9,583.63	6%	284,724.00	127,209.98	55%
1440 - AQUATIC CENTER	86,401.16	112,460.05	(26,058.89)	-23%	681,272.90	863,570.18	(182,297.28)	-21%	1,446,902.00	765,629.10	47%
1450 - PARKS OPERATIONS	273,216.87	295,672.45	(22,455.58)	-8%	1,846,850.13	2,055,636.67	(208,786.54)	-10%	3,246,911.00	1,400,060.87	57%
1460 - WESTSIDE RECREATION CENTER	37,800.44	76,532.38	(38,731.94)	-51%	472,706.61	689,793.15	(217,086.54)	-31%	1,122,861.00	650,154.39	42%
1500 - COMMUNITY DEVELOPMENT	133,170.19	103,342.51	29,827.68	29%	976,671.37	1,014,008.12	(37,336.75)	-4%	2,171,809.00	1,195,137.63	45%
1530 - DRAINAGE MAINTENANCE	59,033.87	63,727.77	(4,693.90)	-7%	545,666.03	641,443.42	(95,777.39)	-15%	1,464,027.00	918,360.97	37%
1540 - STREETS MAINTENANCE	305,306.73	357,303.30	(51,996.57)	-15%	2,900,858.55	2,740,942.64	159,915.91	6%	5,702,052.00	2,801,193.45	51%
1550 - SIGNAL MAINTENANCE	61,816.40	84,273.36	(22,456.96)	-27%	621,875.98	572,104.62	49,771.36	9%	1,606,000.00	984,124.02	39%
1560 - SIGN MAINTENANCE	63,565.52	59,433.82	4,131.70	7%	547,175.87	550,130.22	(2,954.35)	-1%	903,929.00	356,753.13	61%
1570 - ENGINEERING	250,715.12	269,750.65	(19,035.53)	-7%	2,362,664.36	2,286,253.16	76,411.20	3%	4,260,392.00	1,897,727.64	55%
1580 - BUILDING INSPECTIONS & PERMITS	353,074.41	148,896.88	204,177.53	137%	1,457,354.22	1,244,839.29	212,514.93	17%	2,219,137.00	761,782.78	66%
1700 - WAREHOUSE STOCK	320,736.30	(62,550.71)	383,287.01	-613%	114,062.92	(287,156.91)	401,219.83	-140%	-	(114,062.92)	
1800 - GF NON-DEPARTMENTAL	762,914.29	887,096.79	(124,182.50)	-14%	16,462,900.30	14,145,821.22	2,317,079.08	16%	23,588,249.00	7,125,348.70	70%
TOTAL EXPENDITURE:	**8,715,759.74**	**$ 8,258,067.45**	**457,692.29**	**6%**	**$ 79,498,554.11**	**$ 75,483,681.45**	**4,014,872.66**	**5%**	**$ 127,300,744.00**	**47,802,189.89**	**62%**
EXCESS/DEFIC:	466,436.45	$ 188,365.69	278,070.76	148%	$ 23,660,651.12	$ 26,118,439.11	(2,457,787.99)		$ 3,685,761.00	(19,974,890.12)	
FUND BALANCE, BEGINNING	105,047,083.67	93,148,034.42			81,852,869.00	67,217,961.00					
FUND BALANCE, ENDING	**$ 105,513,520.12**	**$ 93,336,400.11**			**$ 105,513,520.12**	**$ 93,336,400.11**					



CITY OF CONROE

Est. 1904

WATER AND SEWER OPERATING FUND'S FINANCIAL STATEMENTS

300 W. Davis St. ¦ P.O. Box 3066 ¦ Conroe, TX 77305 ¦ T: 936.522.3000 ¦ www.cityofconroe.org

City of Conroe, TX

Balance Sheet
Account Summary
As Of 05/31/2025

Account	Name	Balance	
Fund: 002 - WATER & SEWER OPERATING			
Assets			
Category: 10 - ASSET			
002-1001	Claim on CASH	9,443,276.55	
002-1006	CASH BOX/DRAWER	3,400.00	
002-1007	JACK KIOSK CASH	1,200.00	
002-1012	COC Sweep Alternative	635,255.26	
002-1102	ALLOW FOR UNCOLL. ACCT.	-184,000.00	
002-1104	A/R-UTILITY REFUNDS DUE	-2,720.34	
002-1105	ACCOUNTS RECEIVABLE	6,204,838.98	
002-1106	W/S RECEIVABLES-ACCRUAL	2,975,882.56	
002-1107	ACCTS REC - UTILITY AMP	51,603.09	
002-1108	ACCTS REC - UNAPP UTIL CREDITS	-399,435.15	
002-1109	ACCTS REC-MISC UB/PW ADM	94,040.72	
002-1110	LEASE RECEIVABLE	150.00	
002-1116	MISC. RECEIVABLE	104,299.32	
002-1132	ALLOW S. ASSESS REC	2,249.33	
002-1148	AR SENT TO COLLECTIONS	955,720.85	
002-1510	INTEREST RECEIVABLE	1,758.24	
002-1518	PREPAID RETAINER FOR MAILINGS	8,000.00	
002-1552	INVENTORY - WATER & SEWER	2,035,259.90	
002-1555	INVESTMENTS - TEXPOOL	2,532,621.42	
002-1561	INVESTMENTS - TEXSTAR	14,829,532.76	
002-1562	INVESTMENTS - T CLASS/MBIA	7,977,158.25	
002-1566	INVESTMENTS-TEXAS CLASS GOVT FUND	17,845,579.39	
002-1567	INVESTMENTS - LOGIC	6,006,779.50	
002-1602	INVESTMENTS - TREAS NOTE	4,889,921.88	
002-1606	INVESTMENTS FFCBC	2,007,048.42	
002-1701	N/R WOODLAND ESTATES	7,182.95	
002-1705	DEFERRED OUTFLOWS - CONTRIBUTIONS	900,528.00	
002-1706	DEFERRED OUTFLOWS - OPEB CONTRIBUT	360,892.00	
002-1708	ALLOW FOR UNCOLL. ACCT.	-7,182.95	
002-1710	DEFERRED OUTFLOWS - OTHER PENSION	1,562,714.00	
002-1715	DEFERRED OUTFLOWS - OTHER OPEB	369,428.00	
002-1818	INTANG. ASSETS-INDEFINITE LIFE	1,266,848.11	
002-1830	LAND	2,701,906.08	
002-1835	BUILDING & IMPROVEMENTS	8,924,881.61	
002-1839	CONSTRUCTION IN PROGRESS	66,739,231.34	
002-1840	INFRASTRUCTURE	417,667,841.24	
002-1858	MACHINERY & EQUIPMENT	13,174,798.50	
002-1860	RIGHT-OF-USE ASSET	40,859.96	
002-1861	SUBSCRIPTION ASSETS	58,921.40	
002-1940	ACCUM. AMORT. - LEASES	-20,068.98	
002-1941	ACCUMULATED AMORT.-SUBSCRIPTIONS	-26,241.85	
002-1950	ACCUM. DEPR - BUILDINGS	-1,529,401.66	
002-1960	ACCUM. DEPR.-MACHINERY & EQUIP.	-7,676,080.81	
002-1970	ACCUM. DEPR. - INFRASTRUCTURE	-143,888,779.67	
	Total Category 10 - ASSET:	**438,647,698.20**	
	Total Assets:	**438,647,698.20**	**438,647,698.20**
Liability			
Category: 20 - LIABILITY			
002-2009	AP ACCRUALS	1,140,281.59	
002-2010	ACCOUNTS PAYABLE	6,936.53	
002-2017	AQUA TEXAS LIABILITY	1,180.00	

Account	Name	Balance
002-2021	SJRA-GRP CONTRACT LIABILITY	29,205,925.70
002-2035	W/S DEPOSIT LIABILITY	1,682,948.97
002-2037	REIMB PERF/MAINT BONDS	92,715.75
002-2235	COMPENSATED ABSENCES	38,037.00
002-2236	NON-CURR COMP ABSENCES	1,869,882.52
002-2248	SUBSCRIPTION LIABILITY - CURRENT	20,275.63
002-2249	LEASE LIABILITY - CURRENT	8,110.36
002-2252	NON-CURRENT OPEB LIABILITY	2,001,517.00
002-2253	NET PENSION LIABILITY/TMRS	5,212,982.00
002-2560	LEASE LIABILITY	13,195.29
002-2810	DEFERRED INFLOWS - OTHER PENSION	153,682.00
002-2815	DEFERRED INFLOWS - OTHER OPEB	713,344.00
	Total Category 20 - LIABILITY:	**42,161,014.34**
	Total Liability:	**42,161,014.34**

Equity

Category: 30 - EQUITY

002-3160	FUND BALANCE/UNRESERVED	658,764.14
002-3300	NET ASSETS INV CAP ASSETS	393,994,389.81
	Total Category 30 - EQUITY:	**394,653,153.95**
	Total Beginning Equity:	**394,653,153.95**
Total Revenue		50,693,305.12
Total Expense		48,859,775.21
Revenues Over/Under Expenses		**1,833,529.91**
	Total Equity and Current Surplus (Deficit):	**396,486,683.86**
	Total Liabilities, Equity and Current Surplus (Deficit):	**438,647,698.20**

CITY OF CONROE
FISCAL YEAR 2024-2025
STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
PERIOD ENDING 5-31-2025

WATER AND SEWER OPERATING FUND

SOURCE OF FUNDS	ACTUAL MAY 2025	ACTUAL MAY 2024	VARIANCE 1 FAVORABLE (UNFAVORABLE)	%	ACTUAL YTD 2025	ACTUAL YTD 2024	VARIANCE 2 FAVORABLE (UNFAVORABLE)	%	ANNUAL BUDGET	BUDGET REMAINING	%
REVENUES:											
WATER CHARGES	$ 1,873,078.38	1,656,074.09	$ 217,004.29	13%	$ 13,320,416.10	$ 12,891,064.21	$ 429,351.89	3%	$ 22,223,248.00	$ 8,902,831.90	60%
GR WATER CONSERVATION FEE	26,041.44	22,519.26	3,522.18	16%	183,040.67	173,567.61	9,473.06	5%	301,816.00	118,775.33	61%
MFR LIFELINE CREDIT	(1,471.63)	-	(1,471.63)		(7,027.16)	-	(7,027.16)		-	7,027.16	
SEWER CHARGES	2,984,633.98	2,294,778.11	689,855.87	30%	21,592,890.30	17,784,912.29	3,807,978.01	21%	29,799,921.00	8,207,030.70	72%
SURFACE WATER FEE	1,378,408.57	1,291,164.12	87,244.45	7%	9,705,218.66	9,935,493.29	(230,274.63)	-2%	16,072,979.00	6,367,760.34	60%
MFR LIFELINE CREDIT - SEWER	(4,902.81)	-	(4,902.81)		(23,411.41)	-	(23,411.41)		-	23,411.41	
WATER TAPS	44,715.00	82,768.75	(38,053.75)	-46%	542,457.50	718,811.81	(176,354.31)	-25%	936,970.00	394,512.50	58%
SEWER TAPS	2,400.00	4,200.00	(1,800.00)	-43%	29,700.00	35,545.00	(5,845.00)	-16%	72,624.00	42,924.00	41%
RECONNECTS	525.00	385.00	140.00	0%	4,250.00	2,759.99	1,490.01	54%	3,642.00	(608.00)	117%
SERVICE CHARGES	75,021.00	67,515.62	7,505.38	11%	585,890.25	526,002.12	59,888.13	11%	782,405.00	196,514.75	75%
PRETREATMENT FEES	15,980.30	20,047.04	(4,066.74)		242,203.70	201,508.13	40,695.57	20%	324,404.00	82,200.30	75%
INTEREST ON INVESTMENTS	182,335.00	234,786.30	(52,451.30)	-22%	1,664,688.71	1,446,348.17	218,340.54	15%	783,658.00	(881,030.71)	212%
PENALTY & INTEREST	57,050.27	61,724.56	(4,674.29)	-8%	470,786.67	436,164.15	34,622.52	8%	670,975.00	200,188.33	70%
IRRIGATION VIOLATIONS	-	-	-	0%	115,600.00	-	115,600.00		-	(115,600.00)	
LEASE INCOME	-	-	-		-	150.00	(150.00)	-100%	300.00	300.00	0%
UNANTICIPATED REVENUES	11.00	9,090.25	(9,079.25)	-100%	17,003.57	14,375.36	2,628.21	18%	30,482.00	13,478.43	56%
SHORT & OVER	13.00	(79.91)	92.91	-116%	167.35	(54.53)	221.88	-407%	-	(167.35)	
INTERGOVERNMENTAL - LOCAL	255,171.84	254,697.01	474.83	0%	2,108,335.57	1,961,921.78	146,413.79	7%	2,926,671.00	818,335.43	72%
INSURANCE PROCEEDS	-	7,298.92	(7,298.92)	-100%	-	7,298.92	(7,298.92)	-100%			
TRANSFER IN	17,636.83	3,399.42	14,237.41	419%	141,094.64	27,195.36	$ 113,899.28	419%	211,642.00	70,547.36	67%
TOTAL REVENUES:	6,906,647.17	6,010,368.54	896,278.63	15%	50,693,305.12	46,163,063.66	4,530,241.46	10%	75,141,737.00	24,448,431.88	67%
EXPENDITURES											
2800 - UTILITY BILLING	279,463.00	237,897.66	41,565.34	17%	2,048,497.66	1,773,840.93	274,656.73	15%	3,115,333.00	1,066,835.34	66%
2810 - PUBLIC WORKS	235,399.59	132,959.42	102,440.17	77%	1,613,464.54	1,018,858.43	594,606.11	58%	2,622,188.00	1,008,723.46	62%
2820 - WATER	443,022.18	581,066.08	(138,043.90)	-24%	4,587,114.93	3,480,270.42	1,106,844.51	32%	6,933,808.00	2,346,693.07	66%
2821 - SURFACE WATER	1,612,266.66	1,522,281.42	89,985.24	6%	11,403,994.65	9,903,229.29	1,500,765.36	15%	19,008,685.00	7,604,690.35	60%
2880 - CONROE CENTRAL WASTEWATER PLANT	149,791.29	190,429.13	(40,637.84)	-21%	1,294,169.90	1,137,891.08	156,278.82	14%	2,190,748.00	896,578.10	59%
2881 - SOUTHWEST WASTEWATER PLANT	279,998.82	243,393.86	36,604.96	15%	2,136,639.96	1,688,893.63	447,746.33	27%	3,410,543.00	1,273,903.04	63%
2882 - SEWER	200,819.82	161,391.02	39,428.80	24%	1,450,596.96	1,206,092.13	244,504.83	20%	3,269,629.00	1,819,032.04	44%
2883 - PUMP & MOTOR MAINTENANCE	137,071.19	105,341.52	31,729.67	30%	946,212.20	771,841.66	174,370.54	23%	1,597,513.00	651,300.80	59%
2900 - W&S NON-DEPARTMENTAL	309,584.14	5,597,942.01	(5,288,357.87)	-94%	23,379,084.41	24,701,096.05	(1,322,011.64)	-5%	33,611,569.00	10,232,484.59	70%
TOTAL EXPENDITURE:	3,647,416.69	$ 8,772,702.12	(5,125,285.43)	-58%	$ 48,859,775.21	$ 45,682,013.62	3,177,761.59	7%	$ 75,760,016.00	26,900,240.79	64%
EXCESS/DEFIC:	3,259,230.48	$ (2,762,333.58)	6,021,564.06	-218%	$ 1,833,529.91	$ 481,050.04	1,352,479.87		$ (618,279.00)	(2,451,808.91)	
NET POSITION, BEGINNING	172,733,672.43	151,253,298.62			174,159,373.00	148,009,915.00					
NET POSITION, ENDING	**$ 175,992,902.91**	**$ 148,490,965.04**			**$ 175,992,902.91**	**$ 148,490,965.04**					

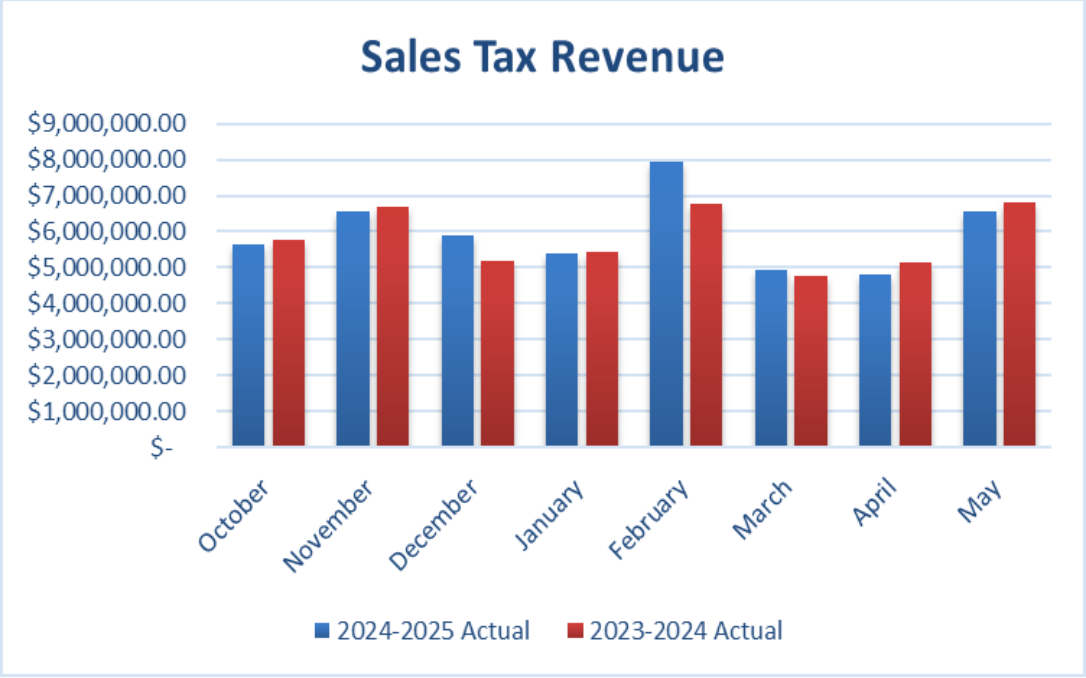
CITY OF CONROE
Est. 1904

MAIN REVENUES

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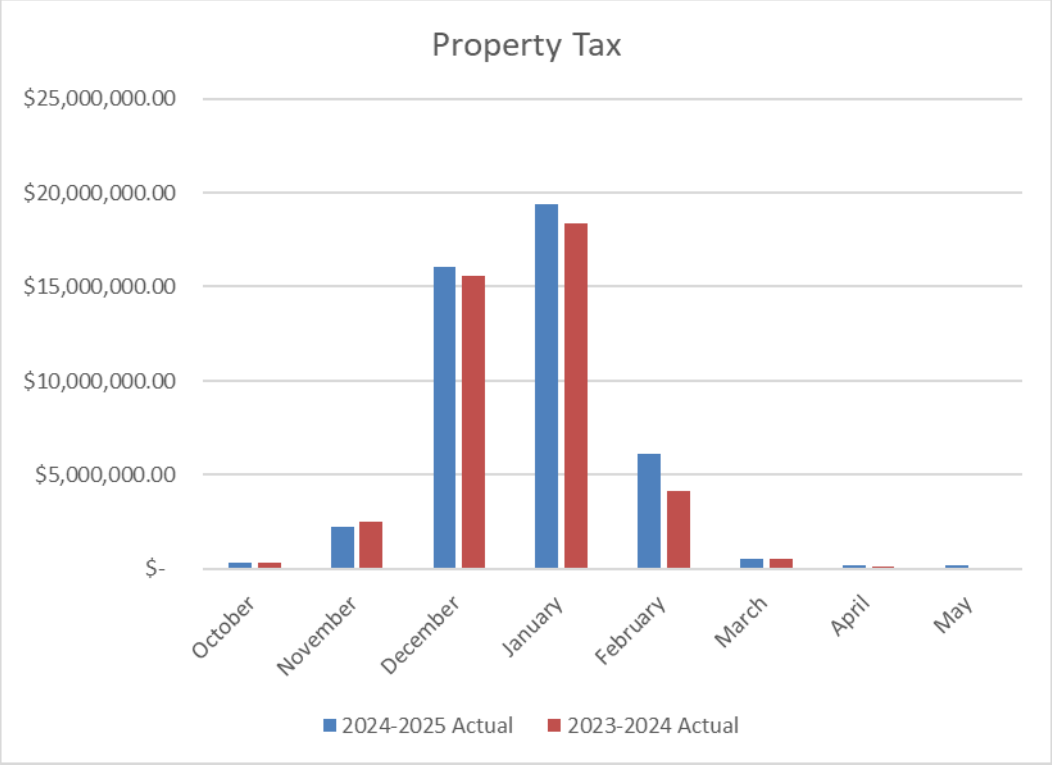
SALES TAX COMPARISON

Cash Basic	FY2025			FY2024			Variance	Percentage Increase/ (Decrease)
	General Fund	CIDC	Sales Tax Revenue	General Fund	CIDC	Sales Tax Revenue		
October	$ 4,245,704.45	$ 1,415,234.82	$ 5,660,939.27	$ 4,315,781.54	$ 1,438,593.84	$ 5,754,375.38	$ (93,436.11)	-2%
November	4,918,758.18	1,639,586.05	6,558,344.23	5,001,088.83	1,667,029.60	6,668,118.43	(109,774.20)	-2%
December	4,422,166.99	1,474,055.66	5,896,222.65	3,881,242.64	1,293,747.55	5,174,990.19	721,232.46	14%
January	4,055,517.36	1,351,839.12	5,407,356.48	4,089,197.87	1,363,065.97	5,452,263.84	(44,907.36)	-1%
February	5,963,854.92	1,987,951.64	7,951,806.56	5,082,134.06	1,694,044.68	6,776,178.74	1,175,627.82	17%
March	3,742,735.16	1,205,236.58	4,947,971.74	3,563,229.55	1,187,743.19	4,750,972.74	196,999.00	4%
April	3,615,709.78	1,205,236.58	4,820,946.36	3,847,042.07	1,282,347.37	5,129,389.44	(308,443.08)	-6%
May	4,932,911.66	1,644,303.89	6,577,215.55	5,124,122.30	1,708,040.78	6,832,163.08	(254,947.53)	-4%
TOTAL	**35,897,358.50**	**11,923,444.34**	**47,820,802.84**	**34,903,838.86**	**11,634,612.98**	**46,538,451.84**	**1,282,351.00**	**3%**
YEARLY BUDGET	**50,731,281.00**	**16,819,540.00**	**67,550,821.00**	**51,329,552.00**	**17,146,376.00**	**68,475,928.00**		
BALANCE	**$ 14,833,922.50**	**$ 4,896,095.66**	**$ 19,730,018.16**	**$16,425,713.14**	**$ 5,511,763.02**	**$21,937,476.16**		



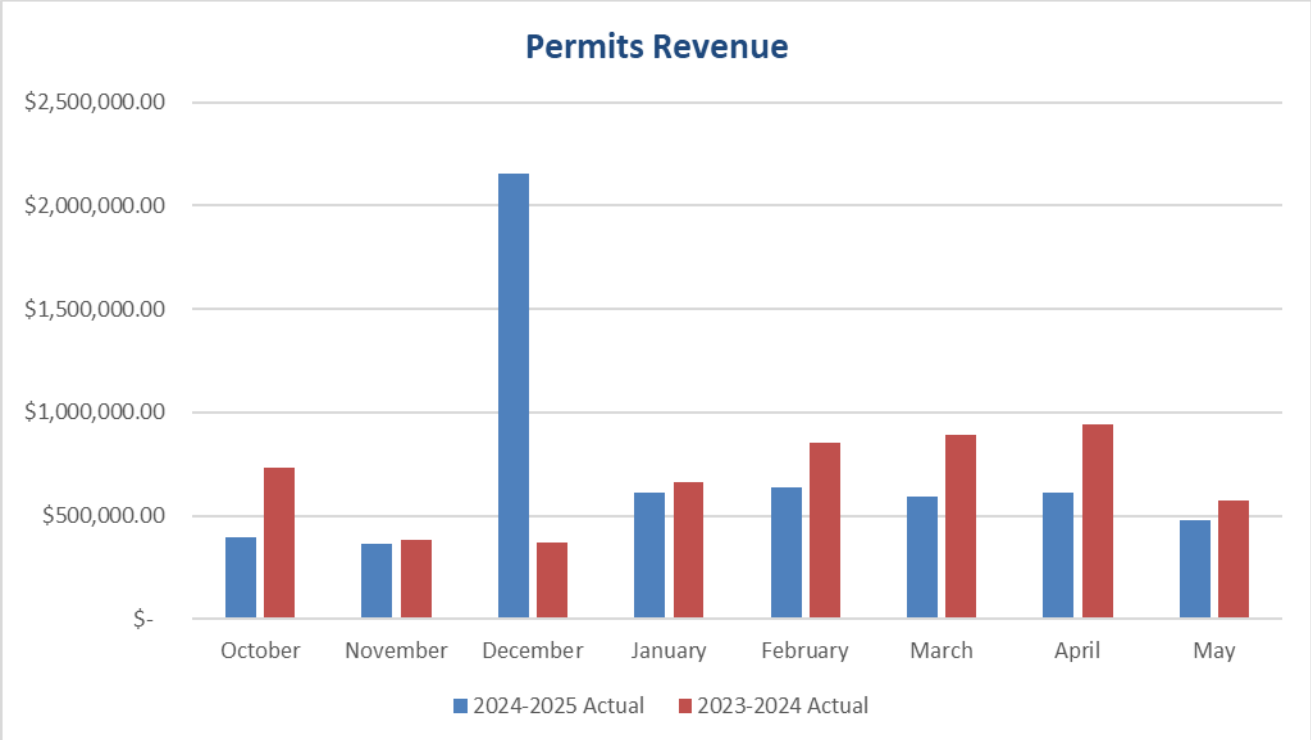
PROPERTY TAX COMPARISON

Cash Basic	FY2025 General Fund	FY2024 General Fund	Variance	Percentage Increase/ (Decrease)
October	$ 327,679.00	$ 311,350.38	$ 16,328.62	5%
November	2,224,129.22	2,499,717.89	$ (275,588.67)	-11%
December	16,026,310.32	15,599,142.15	$ 427,168.17	3%
January	19,375,739.47	18,376,305.01	$ 999,434.46	5%
February	6,110,256.60	4,149,618.93	$ 1,960,637.67	47%
March	512,764.11	548,948.85	$ (36,184.74)	-7%
April	225,889.68	105,025.94	$ 120,863.74	115%
May	231,671.05	630.52	231,040.53	36643%
TOTAL	**45,034,439.45**	**41,748,578.40**	**3,285,861.05**	**8%**
YEARLY BUDGET	**46,105,668.00**	**42,522,573.00**		
BALANCE	**$ 1,071,228.55**	**$ 773,994.60**		



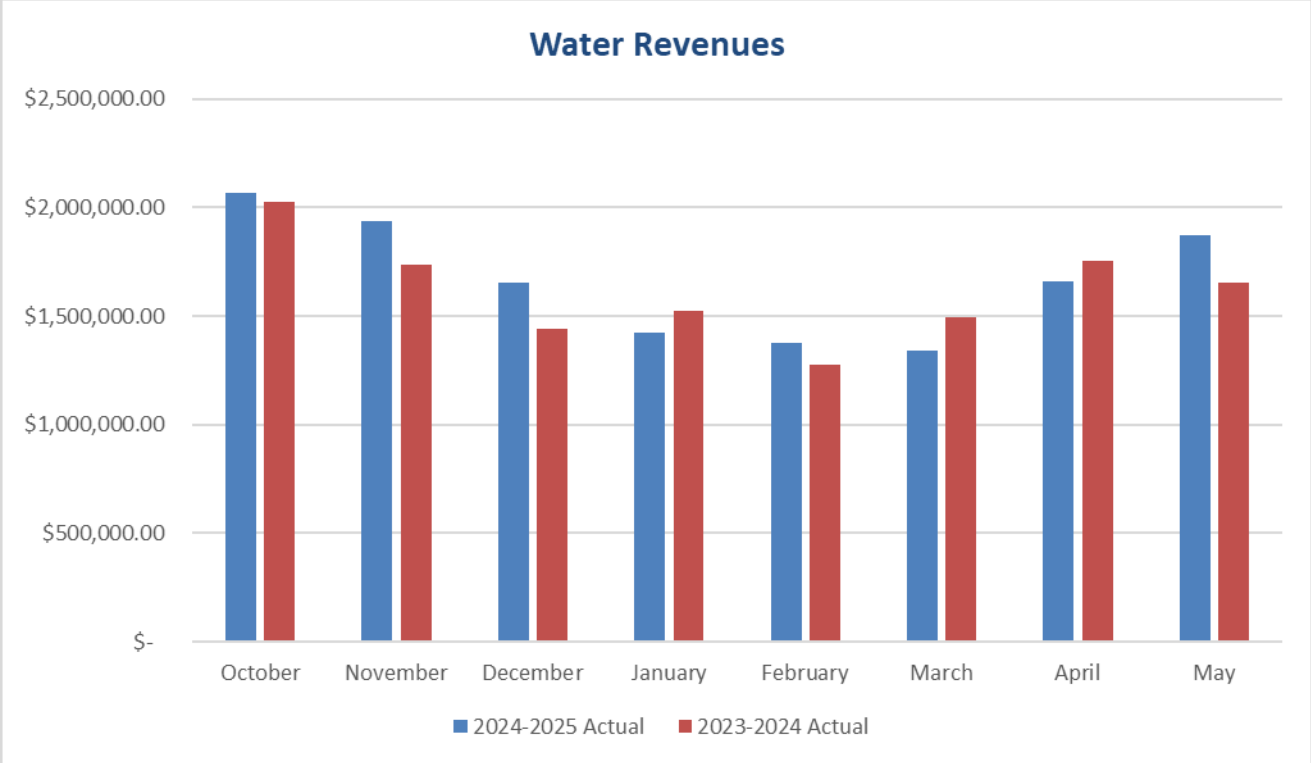
Permits- General Fund

Cash Basic	FY2025	FY2024	Variance	Percentage Increase/ (Decrease)
October	$ 396,149.83	$ 731,281.97	$ (335,132.14)	-46%
November	363,572.96	384,096.58	$ (20,523.62)	-5%
December	2,155,414.15	371,159.91	$ 1,784,254.24	481%
January	609,881.82	665,621.37	$ (55,739.55)	-8%
February	637,907.43	853,502.89	$ (215,595.46)	-25%
March	595,422.09	890,838.20	$ (295,416.11)	-33%
April	614,816.59	942,995.05	$ (328,178.46)	-35%
May	481,643.48	572,795.52	(91,152.04)	-16%
TOTAL	**5,854,808.35**	**5,412,291.49**	**442,516.86**	**8%**
YEARLY BUDGET	**8,055,818.00**	**7,060,634.00**		
BALANCE	**$ 2,201,009.65**	**$ 1,648,342.51**		



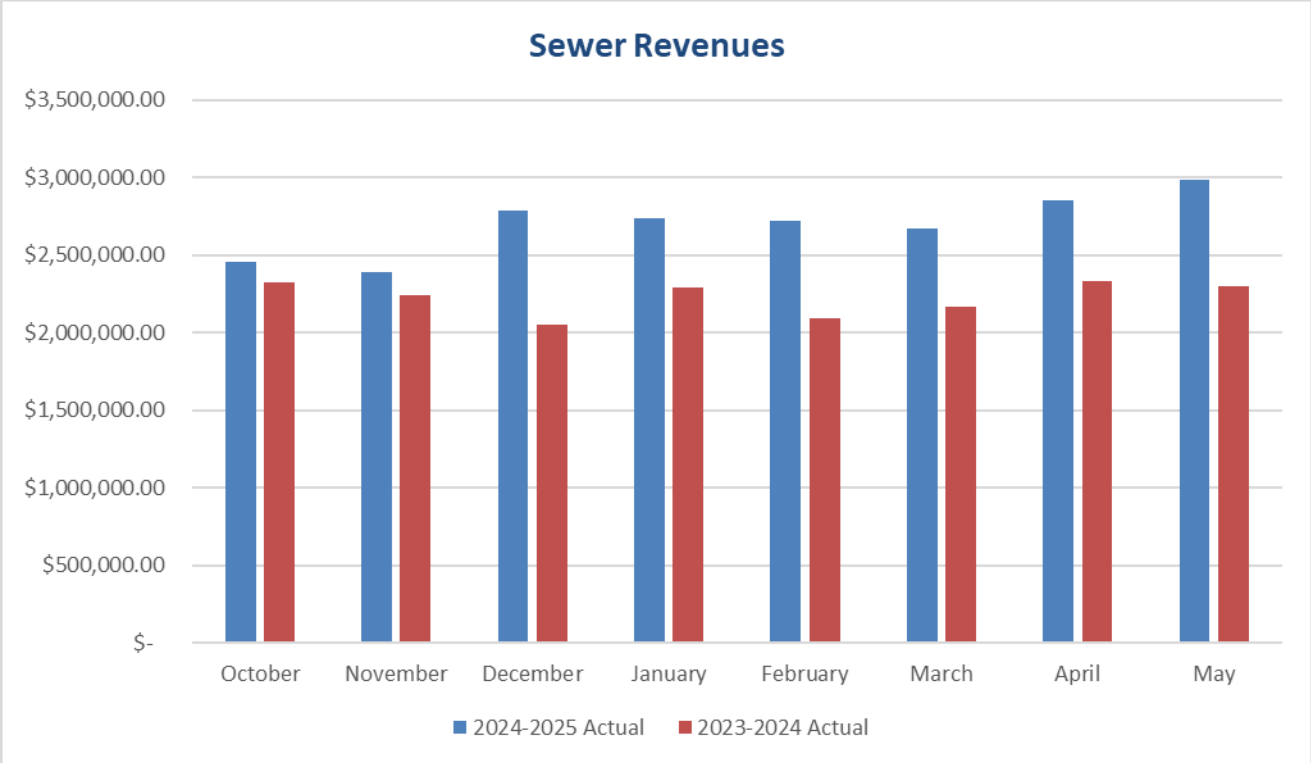
Water Revenues- W& S Operating Fund

Cash Basic	FY2025	FY2024	Variance	Percentage Increase/ (Decrease)
October	$ 2,063,684.91	$ 2,024,471.47	$ 39,213.44	2%
November	1,934,470.49	1,733,024.98	$ 201,445.51	12%
December	1,655,628.68	1,442,055.20	$ 213,573.48	15%
January	1,424,046.40	1,520,640.41	$ (96,594.01)	-6%
February	1,373,970.60	1,275,310.04	$ 98,660.56	8%
March	1,338,911.17	1,492,628.94	$ (153,717.77)	-10%
April	1,656,625.47	1,751,996.25	$ (95,370.78)	-5%
May	1,873,078.38	1,656,074.09	217,004.29	13%
TOTAL	**13,320,416.10**	**12,896,201.38**	**424,214.72**	**3%**
YEARLY BUDGET	**22,223,248.00**	**18,366,343.00**		
BALANCE	**$ 8,902,831.90**	**$ 5,470,141.62**		



Sewer Revenues- W& S Operating Fund

Cash Basic	FY2025	FY2024	Variance	Percentage Increase/ (Decrease)
October	$ 2,457,947.55	$ 2,325,200.32	$ 132,747.23	6%
November	2,390,269.82	2,238,932.64	$ 151,337.18	7%
December	2,782,167.88	2,050,060.08	$ 732,107.80	36%
January	2,731,812.08	2,288,018.56	$ 443,793.52	19%
February	2,719,305.18	2,088,250.05	$ 631,055.13	30%
March	2,672,591.72	2,166,873.27	$ 505,718.45	23%
April	2,854,162.09	2,332,799.26	$ 521,362.83	22%
May	2,984,633.98	2,294,778.11	689,855.87	30%
TOTAL	**21,592,890.30**	**17,784,912.29**	**3,807,978.01**	**21%**
YEARLY BUDGET	**29,799,921.00**	**24,750,102.00**		
BALANCE	**$ 8,207,030.70**	**$ 6,965,189.71**		





CITY OF CONROE

Est. 1904

CIP REPORTS

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Project Name	Project Type	Budget, Inception to Date	FY 24-25 Enc	FY 24-25 Exp	FY 24-25 YTD Total	Expenditures + Encumbrances ITD	Remaining Balance	ITD as % of Budget
Rehab - Alligator Creek Phase 1	Drainage	5,215,000	22,179	86,673	108,852	4,756,869	458,131	91%
BRIC-FMA Grants	Drainage	350,000	170,290	2,650	172,940	174,200	175,800	50%
Conroe Municipal Center - HVAC Replacements and Upgrades	Facilities	2,750,000	87,358	285,216	372,574	2,758,352	(8,352)	100%
Conroe Convention Center & Parking Garage	Facilities	32,333,000	249,553	-	249,553	32,322,604	10,396	100%
Flood Protection - Police Training Facility/Gun Range	Facilities	1,752,000	-	-	-	1,739,603	12,397	99%
Conroe Hotel	Facilities	10,194,060	164,777	(0)	164,777	10,114,610	79,450	99%
City Hall 1st Floor Improvements	Facilities	500,000	-	-	-	119,166	380,834	24%
Fire Department - Fire Station #8	Facilities	9,779,000	36,434	209,226	245,660	1,590,188	8,188,812	16%
Police Station - Parking Lot Expansion and Improvements	Facilities	1,286,000	750,572	462,659	1,213,231	1,287,926	(1,926)	100%
Oscar Johnson, Jr. Community Center	Parks	41,509,500	3,956,342	6,429,680	10,386,022	40,288,271	1,221,229	97%
Restroom Building for Carl Barton, Jr. Park	Parks	205,000	-	-	-	197,230	7,770	96%
Westside Recreation Center-HVAC	Parks	200,000	-	23,936	23,936	23,936	176,064	12%
Lift Station Expansion and Install Force Main - Forest Creek	Sewer	1,804,000	1,592,330	8,641	1,600,971	1,804,299	(299)	100%
Gravity Main Replacement - Silverdale	Sewer	2,031,000	69,125	619,041	688,166	2,033,004	(2,004)	100%
SSOI Program - Section 9	Sewer	1,342,000	287,022	338,133	625,155	1,346,315	(4,315)	100%
Lift Station Consolidation - Area No. 02	Sewer	309,000	-	-	-	309,277	(277)	100%
Lift Station Consolidation - Area No. 03	Sewer	2,092,000	1,412,286	-	1,412,286	2,092,181	(181)	100%
Treatment Plant - Construction of New Plant - Phase IV	Sewer	72,144,000	-	-	-	71,992,597	151,403	100%
Trunk Line Replacement - Stewarts Creek - Avenue M to Ed Kharbat	Sewer	11,882,000	-	-	-	11,880,621	1,379	100%
Lift Station Upgrade - Camp Silver Springs	Sewer	1,473,000	-	-	-	1,472,458	542	100%
SSOI Program - Section 10	Sewer	850,000	-	-	-	-	850,000	0%
Wastewater Treatment Plant - Pine Lake Cove	Sewer	1,129,000	209,654	-	209,654	1,113,360	15,640	99%
Gravity Main Replacement - Upper Stewart Creek Phase 1	Sewer	13,162,000	26,978	48,759	75,738	12,765,964	396,036	97%
Lift Station and Gravity Main Improvement - Timber Pointe/MUD 183	Sewer	7,513,000	6,175,140	-	6,175,140	6,175,140	1,337,860	82%
Trunk Line Rehab - Lower Stewarts Creek - South Loop 336 to IH 45	Sewer	7,583,000	(237,614)	(23,687)	(261,301)	5,570,545	2,012,455	73%
Gravity Main Replacement - Grand Lake Creek	Sewer	2,720,000	609	-	609	352,046	2,367,954	13%
Gravity Main Replacement - Downtown Area Phase 2 - North of Highway 105 - Mit/MOD Grant	Sewer	7,500,000	27,100	-	27,100	48,000	7,452,000	1%
Lift Station Expansion - SH 105 West	Sewer	2,558,000	38,000	-	38,000	123,750	2,434,250	5%
Sewer Line Rehab - Rivershire Subdivision	Sewer	5,000,000	3,185,340	72,675	3,258,015	3,785,565	1,214,435	76%
Sewer Line Extension - McCaleb Road	Sewer	3,640,000	-	-	-	-	3,640,000	0%
Lift Station & Force Main Upgrades - Crighton Road - Congressional Earmark	Sewer	1,800,000	-	-	-	-	1,800,000	0%
Sewer Line Relocation - IH - 45 Utility Relocation TxDOT	Sewer	$ 142,544	142,544	-	142,544	142,544	-	100.0%
Lift Station Repair - SW Wastewater Treatment Plant	Sewer	743,000.00	645,025	99,975	745,000	745,000	(2,000)	100%
Traffic Signal Upgrade - FM 830 and SH-75	Signals	456,000	(0)	36,463	36,463	434,904	21,096	95%
Signal - Seven Coves at Farrel Road - CIDC	Signals	463,000	2,791	25,600	28,391	451,478	11,522	98%
Signal Upgrades - City Wide Flashing Yellow Arrows - 5 Year Plan	Signals	1,777,000	3,673	700	4,373	1,500,619	276,381	84%
Signal System Upgrades - City Wide Radars - 5 Year Plan	Signals	516,000	17,395	-	17,395	217,535	298,465	42%
Signals Upgrades - IH-45 at North Loop 336	Signals	1,675,000	70,971	1,192	72,163	188,688	1,486,312	11%
Fiber Connectivity - South Loop 336 - East - Congressional Earmark	Signals	1,154,000	136,022	5,000	141,022	141,022	1,012,978	12%
Signal Upgrades - Mast Arms - Phase 1	Signals	578,000	-	-	-	-	578,000	0%
Fiber Connectivity - South Loop 336 - West - Congressional Earmark	Signals	1,382,000	120,772	-	120,772	120,772	1,261,228	9%
Signal - SH 105 East at 6th Street	Signals	$ -	-	-	-	-	-	0.0%
Signal - Metcalf at SH 75	Signals	$ -	-	-	-	-	-	0.0%

Project Name	Project Type	Budget, Inception to Date	FY 24-25 Enc	FY 24-25 Exp	FY 24-25 YTD Total	Expenditures + Encumbrances ITD	Remaining Balance	ITD as % of Budget
Roadway Extension - Pacific Street	Streets	154,000	-	-	-	154,597	(597)	100%
Underground Electrical Conversion - Downtown Alleys	Streets	7,971,000	495,011	127,864	622,875	7,973,248	(2,248)	100%
Sidewalk - Davis - From Pacific to 10th Street	Streets	1,561,000	(18,140)	-	(18,140)	1,537,649	23,351	99%
Street Realignment - Dallas and Roberson Intersection	Streets	738,000	96,201	33,508	129,709	722,050	15,950	98%
Street Rehab - Lake Conroe Forest Phase 1	Streets	4,750,000	453,481	2,662,031	3,115,512	3,896,905	853,095	82%
Street Rehab - Sunset Ridge	Streets	2,931,000	-	-	-	2,053,241	877,759	70%
Street Rehab - Tanglewood-Briarwood Phase 1A	Streets	3,759,000	20,270	197,036	217,306	2,493,313	1,265,687	66%
Street Rehab - East Semands Street Area	Streets	4,632,000	926,432	1,525,435	2,451,867	2,451,867	2,180,133	53%
Road Widening with Improvements - Old Conroe Road South Section - HGAC Participation	Streets	11,990,000	3,088,199	-	3,088,199	5,129,889	6,860,111	43%
Road Widening with Improvements - TIRZ #3 - Old Conroe Road North Section - HGAC Participation	Streets	14,515,000	2,285,346	224,426	2,509,772	4,917,590	9,597,410	34%
Street Rehab and Drainage Upgrades - FM 1488 Area - Congressional Earmark	Streets	1,360,000	84,760	15,240	100,000	156,375	1,203,625	11%
Street Rehab - Valwood Drive - Congressional Earmarks	Streets	5,218,000	129,019	127,821	256,840	256,840	4,961,160	5%
Street Rehab - Lake Conroe Forest Phase 2	Streets	248,000	-	-	-	149,100	98,900	60%
Street Rehab - Tanglewood-Briarwood Phase 2B	Streets	89,000	-	-	-	10,506	78,494	12%
Street Rehab - Tanglewood-Briarwood Phase 2A	Streets	1,551,000	-	-	-	-	1,551,000	0%
Roadway Extension - David Memorial	Streets	32,000	-	-	-	-	32,000	0%
Street Rehab - Glenwood Park	Streets	2,320,000	-	-	-	-	2,320,000	0%
Water Extension - Old Montgomery Road - Developer Agreement	Water	-	-	-	-	-	-	0%
Water Line Extension - Dream Center	Water	388,000	-	-	-	-	388,000	0%
Water Line Relocation - SH 105 East	Water	2,842,000	-	-	-	2,841,964	36	100%
Water Plant # 29 - Seven Coves Area - CIDC	Water	9,605,000	3,085,903	3,318,958	6,404,861	9,621,491	(16,491)	100%
Water Line Extension - FM 2854 - Developer Agreement - MUD 183	Water	1,625,000	1,625,000	-	1,625,000	1,625,000	-	100%
Water Line Extension - Old Highway 105 - Developer Agreement - MUD 183	Water	741,000	741,000	-	741,000	741,000	-	100%
Water Well Re-Drilling - Plant #14	Water	6,087,000	5,944,910	81,790	6,026,700	6,086,900	100	100%
Water Plant # 30 - Moran Ranch	Water	11,733,000	2,482,444	2,658,476	5,140,921	11,732,596	404	100%
Water Rehab - Tanglewood Phase 2	Water	721,000	-	-	-	713,015	7,986	99%
Water Well & Plant - Pine Lake Cove	Water	2,246,000	923,643	-	923,643	2,211,207	34,793	98%
Ameresco AMI/Water Meter Project	Water	16,220,000	-	-	-	15,848,335	371,665	98%
Water Plant - Conroe Industrial Park West - CIDC	Water	11,054,000	317,769	80,531	398,300	10,367,965	686,035	94%
Water Line Rehab - East Semands Street Area	Water	2,883,000	-	-	-	2,651,391	231,610	92%
Water Line Extension - Water Well No. 24 Blending	Water	2,955,000	50,421	1,942	52,363	2,652,962	302,038	90%
Water Plant #31 - Wedgewood Point	Water	500,000	8,500	27,208	35,708	131,774	368,226	26%
Water Line Rehab - Conroe Hospital Area	Water	3,419,000	5,225	43,559	48,784	195,452	3,223,548	6%
Water Well Re-Drilling - Plant #6	Water	6,267,000	6,164,350	57,000	6,221,350	6,270,450	(3,450)	100%
Water Plant #32 - Howard Hughes	Water	7,810,000	14,022,106	32,350	14,054,456	14,054,456	(6,244,456)	180%
Water Plant #35 - East SH 242 Area	Water	3,000,000	-	-	-	-	3,000,000	0%
Water Plant #33 - Longmire Road League Line	Water	8,000,000	-	-	-	-	8,000,000	0%
Water Well # 20 Rehab	Water	494,000	493,979	-	493,979	493,979	21	100.0%
South Loop 336 Utility Relocation	Water	1,378,000	1,177,814	232,330	1,410,144	1,410,144	(32,144)	102%
Water Plant #34 - McCaleb Road	Water	3,000,000	1,169,750	19,250	1,189,000	1,189,000	1,811,000	40%
Water Well Re-Drilling and Control Building - Plant #5	Water	723,000	-	-	-	-	723,000	0.0%
Water Line Silver Springs - Bypass (Water Plant No. 15)	Water	719,000	718,632	-	718,632	718,632	368	99.9%
Water Plant #17 MCC Panel and Equipment	Water	91,000	-	-	-	-	91,000	0.0%
AFA TXDOT - Utility Relocation SH75 South 3083 to League Line	Water	5,726,000	-	-	-	-	5,726,000	0.0%
		$ 435,538,104	**$ 65,854,693**	**$ 20,199,289**	**$ 86,053,982**	**$ 345,641,522**	**$ 89,896,582**	

Meeting Date: 06/25/2025
Department: Legal
Contact: Mike Garner, City Attorney
Submitted By: Mike Garner, City Attorney

Workshop

Item Type: Resolution

Item Type: Resolution
M. Garner
Joint Meeting: No Joint Meeting

Description
Discuss a Resolution authorizing the City Attorney to execute and deliver a letter consenting to the assignment of the 2019 Tax Abatement Agreement from Conroe Owner, LLC, to Texas Equity Funding SPE Conroe, LLC.

Summary / Recommendation
This resolution will authorize the City Attorney to execute and deliver a letter consenting to the assignment of the 2019 Tax Abatement Agreement from Conroe Owner, LLC, to Texas Equity Funding SPE Conroe, LLC upon the successful Purchase and Sale Leaseback Transaction and requiring Texas Equity Funding SPE Conroe, LLC, to assume the obligations of Conroe Owner, LLC, under the 2019 Tax Abatement Agreement with the City Conroe.

Attachments

Dynamic/Garner/CIDC
Dynamic/Garner/CIDC

Legal Department

CITY OF CONROE

Est. 1904

June 26, 2025

Joseph F. Suarez
Texas Tissue Converting, LLC
1101 Conroe Park West Drive
Conroe, Texas 77303

RE: Second Assignment of City of Conroe Tax Abatement Agreement

Dear Mr. Suarez,

The City of Conroe is in receipt of your letter dated May 20, 205 regarding the Tax Abatement Agreement dated November 14, 2019.

As stated in the letter, Conroe Owner, LLC, owns property located at 1101 Conroe Park W. Drive in the City of Conroe and leases the property to Texas Tissue Converting, LLC. You advise that Conroe Owner, LLC, is selling the property to Texas Tissue Converting, LLC, who will in turn convey the property to Texas Equity Funding SPE Conroe, LLC, in a "Purchase and Sale-Leaseback Transaction." Finally, your letter requests that the City of Conroe, by written consent, allow Conroe Owner, LLC, to assign its interest in the 2019 Tax Abatement Agreement to Texas Equity Funding SPE Conroe, LLC.

Your request was presented to the City of Conroe City Council for consideration on Thursday, June 26, 2025. Consistent with Articles 4(k) and 10 of the 2019 Tax Abatement Agreement, the City Council has approved your request subject to:

1. The successful closing of the Purchase and Sale-Leaseback Transaction described in your May 20, 2025, letter; and
2. The requirement that Texas Equity Funding SPE Conroe, LLC, assumes the obligations of Conroe Owner, LLC, under the 2019 Tax Abatement Agreement with the City Conroe.

Please notify the City of Conroe when the Purchase and Sale-Leaseback Transaction has been closed and the assignment has been completed.

Sincerely,

Michael T. Garner
City Attorney

CC: Tammy McRae
Tax Assessor-Collector
County of Montgomery
400 N. San Jacinto Street
Conroe, Texas 77301

Conroe Owner, LLC
c/o Artemis Real Estate Partners
2000 Avenue of the Stars, Suite 630 North
Los Angeles, California 90067
Attn. Chris Smith

TEXAS TISSUE CONVERTING LLC
1101 Conroe Park West Drive
Conroe, Texas 77303

RECEIVED
MAY 23 2025
CITY OF CONROE
LEGAL DEPARTMENT

May 20, 2025

Mr. Gary Scott
City Administrator
City of Conroe
300 W. Davis
Conroe, Texas 77301

Re: Proposed Assignment of City of Conroe Tax Abatement Agreement

Dear Mr. Scott:

Conroe Owner, LLC ("Assignor"), as landlord (and successor in interest to Conroe BTS, LLC, the original landlord), and Texas Tissue Converting, LLC ("Tenant"), as tenant, are parties to that certain Industrial Triple Net Lease dated August 27, 2019 (as amended, the "Lease"), pursuant to which Assignor leases to Tenant approximately 403,200 rentable square feet of space (the "Premises"), located in the building (the "Building") located at 1101 Conroe Park W. Drive, Conroe, Texas 77303 and being more specifically described in the Lease (collectively, the "Property"). Assignor and Tenant are also parties to that certain Tax Abatement Agreement dated November 14, 2019 (the "Tax Abatement Agreement"), with the City of Conroe (the "City"), which was assigned to Assignor (with the City's consent) by Conroe BTS, LLC, on February 25, 2021, and which benefits Assignor, Tenant and the Building.

Tenant has a purchase option under the Lease and Tenant intends to exercise such option and, in connection with the closing of such purchase, execute a simultaneous sale-leaseback transaction whereby Tenant will sell the Property to Tenet Equity Funding SPE Conroe, LLC, a Delaware limited liability company ("New Owner") and enter into a new lease with New Owner, as landlord, and Tenant, as tenant (collectively, the "Purchase and Sale-Leaseback Transaction"). New Owner is a subsidiary of Tenet Equity, a leading provider of flexible, long-term capital to middle-market companies for single tenant real estate. In connection with the closing of the Purchase and Sale-Leaseback Transaction, Assignor will transfer its interest as "Owner" in the Tax Abatement Agreement to New Owner, and New Owner will assume in writing Assignor's obligations as "Owner" under the Tax Abatement Agreement. The City's consent is required for the proposed assignment of Assignor's interest as "Owner" under the Tax Abatement Agreement.

Accordingly, conditioned upon the closing of the Purchase and Sale-Leaseback Transaction, Tenant respectfully requests the City consent to the assignment of Assignor's interest as "Owner" under the Tax Abatement Agreement. Tenant appreciates the City's consideration of this consent request.

Please feel free to contact the undersigned at joseph.suarez@texastissue.com or (281) 821-0429 if you have any questions or require any additional information in order to evaluate this consent request. Thank you very much for your attention in this matter.

Sincerely,

Joseph Suarez
Texas Tissue Converting LLC

cc: Michael Garner
City Attorney
City of Conroe
300 W. Davis
Conroe, Texas 77301

Tammy McRae
Tax Assessor-Collector
County of Montgomery
400 N. San Jacinto
Conroe, Texas 77301

Conroe Owner, LLC
c/o Artemis Real Estate Partners
2000 Avenue of the Stars, Suite 630 North
Los Angeles, California 90067
Attention: Chris Smith

STATE OF TEXAS §
COUNTY OF MONTGOMERY §

TAX ABATEMENT AGREEMENT

This tax abatement agreement (this "Agreement") is made and effective on the 14th day of November, 2019, by and between the City of Conroe, Texas, a home rule municipality organized and existing under the laws of the State of Texas, hereinafter called "City", and Conroe BTS, LLC ("Landlord") and Texas Tissue Converting, LLC ("Tenant"). Landlord intends to acquire the Property that is the subject of this Agreement and construct certain Improvements to be occupied by Tenant under a long term lease agreement. Landlord and Tenant are hereinafter collectively referred to as "Owner" and the parties shall be jointly responsible for the performance of the Owner's obligations under this Agreement.

WHEREAS, by Resolution 4405-18 adopted on November 8, 2018 the City elected to participate in tax abatement and adopted guidelines and criteria for tax abatement (the "Guidelines") which are incorporated into this Agreement by reference, and

WHEREAS, Owner owns or is under contract to purchase certain land in the City that is located in the Conroe Park North Industrial Park - 610 Acre Expansion Area Tax Abatement Reinvestment Zone designated by City of Conroe Ordinance No. 2479-19 adopted on September 12, 2019, which land together with all existing or future improvements is herein referred to as the "Property", and

WHEREAS, Owner is expected to construct certain buildings, structures and site improvements on the land with a value of $25,000,000 and to attach thereto certain Fixed Personal Property with an initial value of $40,000,000; and

WHEREAS, Owner will directly employ a minimum of 50 full time employees on the Property before the end of the third year after it commences business operations, and

WHEREAS, Owner has agreed to comply with certain performance standards for investment and job retention in return for obtaining tax abatement, and

WHEREAS, the City has reviewed the Owner's application for tax abatement ("Application"), which is fully incorporated into this Agreement, and the City finds that the Project described therein satisfies the Guidelines and qualifies for tax abatement.

NOW, THEREFORE, in consideration of the mutual covenants and promises herein, City and Owner agree as follows:

Article 1. Authorization

This Agreement is authorized by Chapter 312 of the Texas Tax Code (the "Property Redevelopment and Tax Abatement Act") and by Resolution No. 4405-18 adopted by the City Council on November 8, 2018.

Article 2. Definitions

- "Abatement Period" – the period beginning on January 1, 2020, and ending on December 31, 2027.

- "Added Value" – for a given year is the Certified Full Market Appraised Value of all Eligible Property on the Property minus the Base Year Value. Added Value is determined without consideration of the value of the land or other Ineligible Property.

- "Affiliate" means, with respect to any Person, any other Person or entity controlling, controlled by or under common control with such Person. For purposes of this definition, (i) the term "control" (and correlative terms) means the ownership of 50% or more of the equity interests in a Person and (ii) the term "Person" means an individual, partnership, limited partnership, limited liability company, corporation, trust, trustee, executor, administrator or other legal personal representative or governmental authority, however designated or constituted.

- "Application" – the application for tax abatement submitted by Owner and all amendments, supplements and information submitted in conjunction with the application for tax abatement.

- "Base Year Value" – the Certified Full Market Appraised Value of all Eligible Property as valued on January 1 of the year in which this Agreement becomes effective, which the parties stipulate is $0. The Base Year Value includes all existing buildings, structures, site improvements and Fixed Personal Property but excludes the value of the land or other Ineligible Property located on the land as of the valuation date.

- "Certified Full Market Appraised Value" – the Property's taxable property's appraised value before abatements, special use valuations, or exemptions are given as determined by Montgomery Central Appraisal District ("MCAD").

- "Fixed Personal Property" -- personal property that has been attached to land or

improvements in a manner that:

- Would cause damage to the property if the fixture were to be removed;
- Renders use of the fixture essential to the use of the property; or
- Is attached in such a manner as to indicate that the party who installed the article intended for it to become a part of the real property.

"Fixed Personal Property" includes all replacements and accessions to personal property otherwise qualifying as Fixed Personal Property.

- "Full Time Job" – a position of employment with Owner at the Property that provides at least 1,560 compensable hours of work per year (including vacation, sick leave or other hours of compensable leave) with a minimum straight time hourly rate of $15.00 per hour excluding employer contributions for insurance or other benefits of employment. Only permanent jobs in the direct employ of an entity that is a party to this Agreement or an entity that is Affiliated with Tenant shall be considered Full Time Jobs.
- "Property" – that certain 30 acres parcel of land, more or less, out of and a part of the William Starrock Survey, Abstract 486, Montgomery County, Texas being more particularly described in Exhibit A attached to this Agreement.
- "Improvements" - means buildings, structures or site improvements on the Property.
- "Ineligible Property" - has the meaning assigned to that term by the Guidelines.
- "Project" – the construction of Improvements consisting of an approximately 400,000 square foot manufacturing facility for paper converting and the installation of associated Fixed Personal Property equipment used in the converting process.
- "Eligible Property" - means buildings, structures, site improvements or Fixed Personal Property constructed on or attached to the Property. The term does not include land or other Ineligible Property.

Article 3. Owner's Representations

Owner represents that:

- it has a valid contract to purchase the Property and Owner will not be purchasing the Property or undertaking the Project in the City of Conroe without the tax abatement;
- the Property is currently located within the boundaries of a reinvestment zone designated within the last five years by the City of Conroe; and
- no interest in the Property is held or leased by a member of the City Council.

Article 4. Terms of this Agreement

a. Owner agrees to invest not less than $25 million to construct the Improvements and to install on the Property certain Fixed Personal Property with an initial value of at least $40,000,000.

b. Subject to delays arising from events of force majeure, Owner agrees to substantially complete construction of the Project and commence regular business operations on the Property on or before January 1, 2022, and to continue such business operations through the end of the Abatement Period.

d. Not later than the date(s) indicated below the Owner agrees to directly employ and thereafter maintain the specified number of Full Time Jobs with the associated annual payroll shown below:

No. of Full Time Jobs	*Payroll*	*Date*
Fifty (50)	$2,155,800	January 1, 2024

e. Owner agrees to maintain the Project's Eligible Property in good repair and condition during the period of construction, upon completion of the Project, and at all times through the end of the third calendar year after the end of the Abatement Period.

f. Owner agrees that the Project's Eligible Property shall be constructed, installed, and operated in accordance with all applicable federal, state, and local laws and regulations.

g. Owner shall not allow any ad valorem taxes levied on its taxable property or the Project to become delinquent, shall timely file all required rendition statements to

the appropriate authority, and shall timely apply each year to the Montgomery Central Appraisal District for an exemption based on the tax abatement herein granted.

h. Owner shall allow the City's employees, agents, and representatives access to the Property and the Project and to Owner's business records at any reasonable time to ensure Owner's compliance with the terms of this Agreement.

i. Owner shall allow the Montgomery Central Appraisal District's employees, agents, and representatives access to the Property and the Project and to Owner's business records at any reasonable time to aid Montgomery Central Appraisal District in ensuring Owner's compliance with the terms of this Agreement.

j. Tenant shall provide Montgomery Central Appraisal District with a full detailed cost report on all Improvements upon completion and all personal property costs (including Fixed Personal Property) upon installation.

k. This Agreement is not assignable and it is automatically terminated upon the sale or conveyance of the Property unless the Buyer has first obtained the City's prior written consent to the assignment of this Agreement and the Buyer has agreed to assume the obligations of the Owner under this Agreement. The recapture provisions of this Agreement survive its termination.

Article 5. Tax Abatement

a. If Owner completes the Project in accordance with the terms of this Agreement, then City agrees to abate its ad valorem taxes on the Added Value resulting from the Project's Eligible Property. **Taxes on the land, business personal property (other than Fixed Personal Property) and inventory shall not be abated.** This tax abatement is granted according to the following schedule:

Tax Year	Percent Abated
2020	100%
2021	100%
2022	100%
2023	100%
2024	80%
2025	60%
2026	40%
2027	20%

b. For each year during the Abatement Period, the tax abatement shall not apply to the Base Year Value, which value shall be fully taxable. The Property's taxable

appraised values shall be determined by the Montgomery Central Appraisal District, subject to Owner's respective rights under the Texas Tax Code to protest and appeal those values.

c. Notwithstanding anything else to the contrary in this Agreement, the tax abatement shall not apply to property that is ineligible under the City's Guidelines as described in Section III(e) "Ineligible Property" of the Guidelines. Such property shall be fully taxable.

Article 6. Reporting Requirements

a. Tenant shall provide annual written reports to the City during the term of this Agreement, which reports shall be due on July 1 of each year. The first report shall be due on July 1, 2020, and the last report shall be due on July 1, 2028. The reports shall be submitted to the County Tax Assessor and Conroe City Administrator. Except where otherwise noted, each report shall contain the following information:

b. A statement of the status of completion of the Project;

c. The number of Tenant's or Tenant's Affiliates' full time employees working at the Property during each quarter of the previous year;

d. The amount invested in the Property and/or the Project during the previous year;

e. The status of the Property's use during the year preceding the report;

f. Any change in the identity of Tenant's respective principals since the last report (except for changes that affect less than 10% of the respective Tenant's Ownership);

g. Any significant change to Tenant's financial status;

h. Any other change to Tenant's Tax Abatement Application;

i. Any other information as reasonably requested in writing by the City Administrator or City Council; and

j. A statement signed by authorized officers of Tenant, certifying that Tenant is in compliance with each term of this Agreement.

Upon the City's written request, Owner shall also provide to the City any

supporting documentation and information deemed reasonably necessary by the City to review Owner's compliance with this Agreement, including but not limited to: payroll records, updated financial statements, employee personnel records, and loan or financing records and documentation. Upon Owner's request, any such information deemed confidential by law may be made available for the City's review in Owner's offices in the City.

Article 7. Event of Default

The City may declare a default upon the occurrence of any one or more of the following circumstances:

a. If the number of persons directly employed by Tenant or Tenant's Affiliates in Full Time Jobs that actually work or office at the Project falls below the minimum number of required Full Time Jobs for a single consecutive period in excess of thirty (30) days, or more than five (5) times during the Abatement Period regardless of the length of the periods of noncompliance.

b. If construction of the Project does not proceed as planned;

c. If, at any time during the Abatement Period, Owner refuses, fails or neglects to comply with any of the terms of this Agreement, including without limitation, failing to pay any and all ad valorem taxes on the any real or personal property owned, possessed or controlled by Owner located on the Property or the Project before delinquency;

d. If, at any time during the Abatement Period, Owner fails to pay before delinquency any ad valorem taxes owed to City or any other taxing jurisdiction located in City on any real or personal property owned by Owner;

e. If, at any time during the Abatement Period, any representation or warranty made by Owner in this Agreement is or becomes false or misleading in any material respect;

f. If, at any time during the Abatement Period, Owner applies for and receives any form of tax exemption that would reduce the taxes otherwise payable to City on any new personal property or inventory produced, stored, or maintained at the site of this Property, excluding, however, pollution control exemptions, Freeport exemptions, tax exemptions for Federal Income Taxes, Excise Taxes, or other existing tax exemptions received by Owner on or before the date of execution of this Agreement;

h. Subject to delays arising from events of force majeure, if construction of the Project is not substantially completed and regular business operations have not commenced by January 1, 2022;

i. If, on or after January 1, 2022 the Added Value resulting from the Project falls below $25 million;

j. If Owner attempts to assign this Agreement or the abatement without the City's prior written approval.

If the City declares Owner in default of this Agreement, the City shall notify Owner of the default by giving written notice to Landlord and Tenant, which notice shall specify each default. Owner shall have thirty (30) days from the date of the notice to cure all defaults. If any Owner proceeds diligently, but fails to cure every default within the thirty (30) day period, the City may, at the option of City Council, extend the time for curing the default for a second thirty (30) day period, so long as such Owner commences to cure such uncured defaults within the initial thirty (30) day period and pursues such cure to completion. The City is under no obligation to extend the period for curing any default.

If all the defaults are not cured to the City's satisfaction, the City shall have the right to pursue any one or more of the following remedies: (a) terminate the Agreement; (b) terminate Owner's, right to any future abatement under the Agreement without terminating the Agreement; and/or (c) pursue any and all remedies allowed under the Agreement and under Texas law. The City's rights under this Article are cumulative and the exercise of one or more rights does not preclude the City from exercising any other right.

If this Agreement is terminated under this Article, the City shall be entitled to recapture any and all City ad valorem taxes which have been abated under this Agreement (being the base amount of ad valorem taxes that would have been due if not abated and if timely paid for each such year of abatement), which amount shall be delinquent if not paid by Owner on or before the first (1st) day of the next month after the date of mailing of written notice of termination of this Agreement and recapture of taxes that will provide for at least twenty-one (21) days for the payment of the previously abated taxes. If the amount of the abated ad valorem taxes becomes delinquent pursuant to the immediately preceding sentence, then penalty and interest at the rate prescribed by the Texas Tax Code for delinquent ad valorem taxes shall commence to accrue from such delinquency date until such amounts are fully paid, and, in addition, the City shall be entitled to recover attorneys' fees in accordance with the Texas Tax Code on

delinquent taxes in connection with the collection of such amounts. The City's right under this Agreement to recapture abated taxes with any penalty, interest and attorney's fees if applicable as provided immediately above shall survive the amendment, revision, expiration, or termination of this Agreement. The aggregate amount of ad valorem taxes which have been abated under this Agreement, which the City has a right to recapture, together with penalty, interest and attorney's fees if applicable as provided above, shall be a lien against the against the Property, Improvements and/or Fixed Personal Property (as assessed) in the same manner as if the taxes on the Property, Improvements and/or Fixed Personal Property were not abated.

Article 8. Notice

All notices shall be in writing and delivered by certified mail, return receipt requested, or by hand-delivery with written receipt, to the following address:

To Landlord:	Conroe BTS, LLC 4400 Post Oak Parkway, Suite 2350 Houston, Texas 77027 Attn: Brian W. McMackin Email: brian@pinchal-co.com
With a Copy to:	Hunton Andrews Kurth LLP 4200 Travis Street, Suite 4201 Houston, Texas 77002 Attn: Michael A. Boyd Email: MichaelBoyd@HuntonAK.com
To Tenant:	Texas Tissue Converting, LLC Attn: Joseph Suarez 1521 Greens Road, #300 Houston, Texas 77032 Email: joseph.suarez@texastissue.com
With a copy to:	CBRE Attn: Alex Frei, Sr. Vice President 321 North Clark Street, Suite 3400 Chicago, IL 60654 Email: alex.frei@cbre.com

To the City: Paul Virgadamo, City Administrator
City of Conroe
300 W. Davis
Conroe, Texas 77301

With a copy to: Marcus L. Winberry, City Attorney
City of Conroe
300 W. Davis
Conroe, Texas 77301
Email: mwinberry@cityofconroe.org

Tammy McRae, Tax Assessor-Collector
400 N. San Jacinto
Conroe, Texas 77301
Tammy.McRae@mctx.org

All notices shall be deemed given upon deposit in the United States mail or upon receipt of hand-delivery. Either party may designate a different address by giving the other party ten (10) days written notice.

Article 9. Jurisdiction and Venue

This Agreement shall be governed and construed according to the laws of the State of Texas, and exclusive venue for resolving any dispute under this Agreement shall lie in a court of competent jurisdiction in Montgomery County.

Article 10. Assignment

Neither this Agreement nor the tax abatement granted herein may be assigned without the City's prior written consent.

Article 11. Indemnification

LANDLORD AND TENANT ("INDEMNITOR," WHETHER ONE OR MORE) AGREES TO DEFEND AND INDEMNIFY THE CITY FROM AND AGAINST ALL CLAIMS, DEMANDS, DAMAGES, LOSSES, AND EXPENSES, INCLUDING COURT COSTS AND REASONABLE ATTORNEYS' FEES, AND ALL LOSS, DAMAGE, INJURY, OR DEATH RESULTING THEREFROM TO OWNER'S PROPERTY OR PERSONNEL, THIRD PERSONS, OR THE PROPERTY OR

PERSONNEL OF AGENTS, EMPLOYEES, OR CONTRACTORS OF OWNER ARISING OUT OF OR IN CONNECTION WITH AND DURING THE OPERATIONS UNDER THIS AGREEMENT AND ATTRIBUTABLE TO THE NEGLIGENCE OR MISCONDUCT OF THE INDEMNITOR OR ITS OFFICERS, EMPLOYEES, AGENTS, CONTRACTORS OR INVITEES, EXCEPT TO THE EXTENT ATTRIBUTABLE TO THE NEGLIGENCE OR MISCONDUCT OF THE CITY OR ITS OFFICERS, EMPLOYEES, AGENTS, CONTRACTORS OR INVITEES, OR AS OTHERWISE SPECIFICALLY PROVIDED IN THIS AGREEMENT.

Article 12. Miscellaneous

a. The recitals to the Agreement are fully incorporated into this Agreement.

b. This Agreement contains every term agreed to by the parties related to the subject matter of this Agreement. This Agreement supersedes all prior communications, discussions, and preliminary understandings between the parties with respect to the subject matter addressed in this Agreement, whether oral or written. This Agreement may not be amended or modified except in writing, signed by both parties hereto.

c. Failure to insist on strict performance of any of the terms of this Agreement will not operate as a waiver of any subsequent default or failure of performance. No waiver by the City of any right under this Agreement will be deemed to be either a waiver of any other right or provision or a waiver of that same right or provision at any other time.

d. Except as specifically provided herein, nothing in this Agreement shall be construed to alter or affect Owner's obligations to comply with any local ordinance or with any law or regulation of the State of Texas or of the United States of America.

e. This Agreement does not and is not intended to confer any rights upon any person or entity other than the parties.

f. If one or more of the provisions in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such holding shall not affect any other provision hereof, and this Agreement shall be construed as if it had never contained such invalid, illegal, or unenforceable provision.

g. This Agreement is binding upon the parties and their respective successors and permitted assigns.

This Agreement is executed by the parties and is effective on the date first set forth above.

[Signatures are contained on separate execution page(s)]

EXECUTED this 7th day of January 2019.

Conroe BTS, LLC

By: _____
Name: Brian McMahan
Title: Vice President

ATTEST:

Karen Ward

Texas Tissue Converting, LLC

By: _____
Name: Joseph F. Seguez
Title: Chief Financial Officer

ATTEST:

Paola Garcia

Paola G. Lopez
Commission # GG302289
Expires: February 14, 2023
Bonded Thru Aaron Notary

EXECUTED this 7th day of January, 2019.

CITY OF CONROE, TEXAS

By: _____
Toby Powell, Mayor

ATTEST:

_____
Sodo Gorjon, City Secretary

Exhibit A
Description of the Property

BEING 30.00 ACRES OF LAND IN THE WILLIAM STARROCK SURVEY, A-486, MONTGOMERY COUNTY, TEXAS, SAID 30.00 ACRES BEING OUT OF THE CONROE INDUSTRIAL DEVELOPMENT CORPORATION 310.2467 ACRE TRACT OF LAND DEED OF WHICH IS RECORDED UNDER COUNTY CLERK'S FILE NUMBER 2018-035428, MONTGOMERY COUNTY REAL PROPERTY RECORDS, SAID 30.00 ACRES BEING DESCRIBED MORE PARTICULARLY AS FOLLOWS:

BEGINNING at a 5/8" iron rod found with a cap stamped " Moyer " for the North corner of Restricted Commercial Reserve " A ", Conroe Park North, Section 7, a Subdivision, map of which is recorded in Cabinet Z, Sheet 2591, Montgomery County Map Records, said 5/8" iron rod being in the Southeast line of the Chemical Specialists 37.81 acre tract of land, deed of which is recorded under County Clerk's File Number 2003-081870, Montgomery County Real Property Records and being the West corner of the said 310.2467 acre tract, the West corner of the herein described tract;

THENCE N. 42° 16' 17" E., along said Southeast line, a Northwest line of the said 310.2467 acre tract, passing at 637.15 feet a ¾" iron pipe found for the East corner of the said 37.81 acre tract, the South corner of the Chemical Specialist and Development Inc. 3.427 acre tract of land, deed of which is recorded under County Clerk's File Number 2013-095805, Montgomery County Real Property Records, passing at 1,316.35 feet a ½" iron rod found for the East corner of the said 3.427 acre tract, the South corner of Lot 62, Crystal Springs, Section 3, a Subdivision, map of which is recorded in Cabinet D, Sheet 139, Montgomery County Map Records and continuing in all for a distance of 1,370.24 feet to a ½" iron rod set for the North corner of the herein described tract;

THENCE S. 41° 59' 45" E., leaving the above mentioned line, across the said 310.2467 acre tract for a distance of 1,057.64 feet to a ½" iron rod set for the East corner of the herein described tract, in the Northeast line of Conroe Park West Extension Phase 1 and Pollock Drive Extension, a Street dedication plat recorded in Cabinet Z, Sheet 6060, Montgomery County Map Records;

THENCE S. 48° 00'15" W., along said Northeast line for a distance of 1,083.17 feet to a 5/8" iron rod found with a cap stamped " Landtech " for the beginning of a curve to the left;

THENCE in a Southwesterly direction, continuing with said Northeast line, along said curve to the left having a radius of 860.00 feet, a central angle of 05° 43' 38", for an arc length of 85.97 feet, chord bears S. 45° 08' 20" W., 85.93 feet to a 5/8" iron rod found with a cap stamped " Landtech " for the end of curve;

THENCE S. 42° 32' 48" W., continuing along said Northeast line for a distance of 100.44 feet to a 5/8" iron rod found with a cap stamped " Moyer " for the South corner of the herein described tract, the East corner of said Restricted Commercial Reserve " A " , in a Southerly line of the said 310.2467 acre tract, at the North end of Conroe Park West Drive, (100' Cab Z, Sht. 1691, M.C.M. R) from whence a 5/8" iron rod found for a South corner of the 310.2467 acre tract bears S. 47° 46' 33" E., 9.44 feet;

THENCE N. 47° 46' 33" W., along the Northeast line of said Restricted Commercial Reserve " A ", the Southwest line of the 310.2467 acre tract for a distance of 939.39 feet to the POINT OF BEGINNING and containing in all 30.00 acres of land.

Agenda Submittal Form

CITY OF CONROE

☐ **Workshop** ■ **Regular Council**

Meeting Date:	2/11/21
Department:	CEDC
Contact:	Danielle Scheiner

☐ Ordinance ☐ Resolution
☐ Presentation ☐ Bid Award
☐ Hearing ■ Consent
☐ Exec. Session ☐ Other

Description

Consider and approve request from Conroe BTS, LLC for assignment of existing tax abatement and incentive agreements to Conroe Owner, LLC.

Summary

As part of its recapitalization and permanent financing with respect to the Building, Assignor proposes to transfer the Building, its interest as "Landlord" in the Lease, and its interest as "Owner" in the Tax Abatement Agreement, to a new entity, Conroe Owner, LLC, a Delaware limited liability company. Conroe Owner, LLC is a joint venture limited liability company in which the affiliates of the existing principals of Conroe BTS, LLC - Pinchal & Company, LLC and Artemis Capital Partners - will be members. Conroe Owner, LLC will assume Assignor's obligations as "Landlord" under the Lease and as "Owner" under the Tax Abatement Agreement pursuant to the form of assignment and assumption agreement.

Recommendation

Staff recommends approval of this assignment

Fiscal Impact

☐ **Yes** ■ **No** *(impact is in potential for deferred tax revenue)*

Expenditure Amount:		Revenue Amount:	$
Account Number:			

Is a Budget Amendment Required? ☐ **Yes** ■ **No** *(If yes, please see attached **Agenda Item Budget Amendment Form**)*

Financial Review Complete: _____

Attachments

Letter requesting assignment to Conroe Owner, LLC

Danielle Scheiner

Submitted By:

Admin:

CITY OF CONROE

Est. 1904

February 22, 2021

CONROE BTS, LLC
c/o Pinchal & Company, LLC
4400 Post Oak Parkway, Suite 2350
Houston, Texas 77027

Dear Mr. McMackin:

This letter responds to your letter dated January 7, 2021 requesting the approval from the City of Conroe, Texas for a proposed assignment by Conroe BTS, LLC ("Assignor") to Conroe Owner, LLC, of the Assignor's interest in a certain Industrial Triple Net Lease dated August 27, 2019 for the building and premises located at 1101 Conroe Park W. Drive in Conroe, Texas along with the Assignor's interests and obligations as Owner under a certain Tax Abatement Agreement dated November 14, 2019.

The Conroe City Council approved your request on February 11, 2021, subject to the successful closing of the transaction described in your January 7, 2021 letter and subject to the requirement that Conroe Owner, LLC assumes the obligations of the Owner under the Tax Abatement Agreement with the City of Conroe as set forth in the assignment and assumption agreement enclosed with your January 7, 2021 letter.

Please notify the City of Conroe advise when the assignment has been completed.

Sincerely,

Paul Virgadamo
City Administrator

Cc: CMcCloed@andrewskurth.com
Danielle Scheiner, CEDC

CONROE BTS, LLC
c/o Pinchal & Company, LLC
4400 Post Oak Parkway, Suite 2350
Houston, Texas 77027

January 7, 2021

Mr. Paul Virgadamo
City Administrator
City of Conroe
300 W. Davis
Conroe, Texas 77301

Re: Proposed Assignment of City of Conroe Tax Abatement Agreement

Dear Mr. Virgadamo:

Conroe BTS, LLC ("Assignor"), as landlord, and Texas Tissue Converting, LLC ("Tenant"), as tenant, executed that certain Industrial Triple Net Lease dated August 27, 2019 (as amended, the "Lease"), pursuant to which Assignor leases to Tenant, approximately 403,200 rentable square feet of space (the "Premises"), located in the building (the "Building") located at 1101 Conroe Park W. Drive, Conroe, Texas 77303 and being more specifically described in the Lease. The Lease is for a term that commences on March 1, 2021 and expires on February 28, 2041, unless sooner terminated, or extended, as provided in the Lease. Assignor and Tenant have also executed that certain Tax Abatement Agreement dated November 14, 2019 (the "Tax Abatement Agreement") with the City of Conroe, Texas, benefitting Assignor, Tenant and the Building.

As part of its recapitalization and permanent financing with respect to the Building, Assignor proposes to transfer the Building, its interest as "Landlord" in the Lease, and its interest as "Owner" in the Tax Abatement Agreement, to a new entity, Conroe Owner, LLC, a Delaware limited liability company. Conroe Owner, LLC is a joint venture limited liability company in which the affiliates of the existing principals of Conroe BTS, LLC - Pinchal & Company, LLC and Artemis Capital Partners - will be members. Conroe Owner, LLC will assume Assignor's obligations as "Landlord" under the Lease and as "Owner" under the Tax Abatement Agreement pursuant to the form of assignment and assumption agreement enclosed with this letter. The City of Conroe's consent is required for the proposed assignment of Assignor's interest as "Owner" under the Tax Abatement Agreement. Accordingly, conditioned upon the closing of the transfer of the Building to Conroe Owner, LLC, Assignor respectfully requests the City of Conroe's consent to the assignment of Assignor's interest as "Owner" under the Tax Abatement Agreement. Assignor appreciates the City of Conroe's consideration of this consent request. Please feel free to call the undersigned at (713) 961-4488 if you have any questions or require any additional information in order to evaluate this consent request. Thank you very much for your attention in this matter.

Sincerely,

Brian W. McMackin
Vice President
Conroe BTS, LLC

cc: Marcus L. Winberry
City Attorney
City of Conroe
300 W. Davis
Conroe, Texas 77301
Email: mwinberry@cityofconroe.org

Tammy McRae
Tax Assessor-Collector
County of Montgomery
400 N. San Jacinto
Conroe, Texas 77301
Email: tammy.mcrae@mctx.org

Joseph Suarez
Texas Tissue Converting, LLC
1521 Greens Road, #300
Houston, Texas 77032
Email: joseph.suarez@texastissue.com

Meeting Date: 06/25/2025
Department: Legal
Contact: Mike Garner, City Attorney
Submitted By: Mike Garner, City Attorney

Workshop

Item Type: Resolution

Item Type: Resolution
M. Garner
Joint Meeting: No Joint Meeting

Description
Discuss a Resolution to nominate a representative and alternate representative to the Gulf Coast Economic Development District Board of Directors.

Summary / Recommendation
This resolution will nominate a representative and alternate representative to the Gulf Coast Economic Development District Board of Directors. The Directors for the GCEDD Board serve three-year terms and are made up of local government unit elected officials or employees.

Attachments

Dynamic/Garner/City Council
Dynamic/Garner/City Council
Dynamic/Garner/City Council

CERTIFICATE FOR RESOLUTION

I.

On the ____ day of June, 2025, the City Council of the City of Conroe, Texas consisting of the following qualified members, to-wit: **Duke W. Coon, Mayor; Harry Hardman, Mayor Pro Tem; Council Members David Hairel, Shana R. Arthur, Howard Wood, and Marsha Porter**, did convene in public session in the Council Chambers of the City Hall at 300 West Davis in Conroe, Texas. The roll being first called, a quorum was established, all members being present**.** The Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

II.

WHEREUPON, AMONG OTHER BUSINESS transacted, the Council considered adoption of the following written Resolution, to-wit:

RESOLUTION NO. ____-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS, NOMINATING A REPRESENTAIVE AND ALTERNATE REPRESENTATIVE TO THE GULF COAST ECONOMIC DEVELOPMENT DISTRICT BOARD OF DIRECTORS.

III.

Upon motion of Council Member _____, seconded by Council Member _____, all members present voted for adoption of the resolution, except the following: No one voted against, and no one abstained. A majority of those Council Members present having voted for adoption, the presiding officer declared the resolution passed and adopted.

IV.

A true, full and correct copy of the resolution adopted at the Meeting is attached to and follows this Certificate.

SIGNED AND SEALED this ____ day of June, 2025.

_____

SAMI QUINLAN, Interim City Secretary

RESOLUTION NO. ____-25

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS, NOMINATING A REPRESENTAIVE AND ALTERNATE REPRESENTATIVE TO THE GULF COAST ECONOMIC DEVELOPMENT DISTRICT BOARD OF DIRECTORS.

* * * * * * * * * * * * * * * *

WHEREAS, the Gulf Coast Economic Development District (the "District") serves Austin, Brazoria, Chambers, Colorado, Fort Bend, Galveston, Harris, Liberty, Matagorda, Montgomery, Walker, Waller, and Wharton Counties with the purpose of:

(a) promote economic growth in the Gulf Coast State Planning Region of Texas;

(b) increase employment opportunities for unemployed and underemployed persons;

(c) assist and coordinate economic development planning efforts of local governments and local economic development organizations;

(d) coordinate economic development planning with transportation planning, community development programs, job training programs, small business development programs and other programs and activities which might stimulate the region's economic betterment;

(e) implement an economic development technical assistance program which includes workshops, assistance in implementing economic programs, and assistance to local organizations applying for grant assistance for economic development purposes;

(f) develop a regional Comprehensive Economic Development Strategy;

(g) conduct other activities supporting the region's economic development goals and objectives; and

(h) All other rights and powers granted to the District as a non-profit organization incorporated under the Texas Non–Profit Corporation Act.

WHEREAS, the District's Board of Directors serve a three-year term and a simple majority of the Board of Directors shall be composed of an elected officials or employees of local government units; and

WHEREAS, The District's Board of Directors exercise, conduct and control the corporate powers, business and property of the Board and serves as the policy making body of the District.

[Continued on next page]

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY

OF CONROE, TEXAS, AS FOLLOWS:

Section 1: The facts and matters set forth in the recitals are true and correct.

Section 2: The City Council of the City of Conroe makes the following nominations to the District's Board of Directors:

a. _____ to serve as the primary representative.

b. _____ to serve as the alternative representative.

Section **3**: The City Secretary shall notify the Houston-Galveston Area Council of these nominations.

PASSED AND APPROVED this the _____ day of June, 2025.

_____
DUKE W. COON, Mayor

APPROVED AS TO FORM: ATTEST:

_____ _____
MICHAEL T. GARNER, City Attorney SAMI A. QUINLAN, Interim City Secretary

ADVISORY COMMITTEE NOMINATION FORM

Please return to Houston-Galveston Area Council by **May 31.** Mail, Fax or email, attention William Matthews, 3555 Timmons Ln, Ste 120, Houston, TX 77027 ▪ 713-499-6668 ▪ Fax 713-993-2414 ▪ William.Matthews@h-gac.com ▪ To obtain more information about advisory committees, please visit https://www.h-gac.com/board-of-directors/advisory-committees

Committee Name:

Brief Description of Committee:

Would you like to re-nominate the current representative(s) listed below for the **May 2025-2028 term?**

Current Representative(s)	**Representing**	**Nominated by**	**Re-nominate**
Vacant (Primary)			☐ Yes ☐ No
Vacant (Alternate)			☐ Yes ☐ No

If you selected **no**, please list the new nominee(s) in the space provided:

Primary

Name		Organization	
Address		Title	
City		Phone	
State		Zip	
Representing		Email	

Alternate

Name		Organization	
Address		Title	
City		Phone	
State		Zip	
Representing		Email	

_____ _____

Nominator's Signature Date

_____

Please Print Nominator Name

Gulf Coast Economic Development District



WHAT IS THE GULF COAST ECONOMIC DEVELOPMENT DISTRICT BOARD?

The Gulf Coast Economic Development District (GCEDD) makes recommendations on issues of economic development to assist and advise elected officials in their decision-making responsibilities. The district also helps bolster our local economy by providing loans for qualified business owners and local governments.

WHAT DOES THE BOARD DO?

- Promote economic growth in the Gulf Coast State Planning Region of Texas.
- Increase employment opportunities
- Assist and coordinate economic development planning efforts of local governments and local economic development organizations.
- Coordinate economic development planning with transportation programs, job training programs, small business development programs and other programs and activities which might stimulate the region's economic betterment.
- Implement an economic development technical assistance program which includes workshops, assistance in implementing economic programs, and assistance to local organizations applying for grant assistance for economic development purposes.

HOW LONG DOES A MEMBER SERVE?

A member serves for a three-year term. There are no limits to the number of terms a member may serve.

CURRENT REPRESENTATION NEEDS

- Chambers, Conroe and Wharton counties
- Economic Development Corporations
- Institutions of post-secondary education

WHEN DOES GCEDD MEET?

Meetings are held quarterly on the 4th Wednesday of Jan., April, July, and Oct., at 10:00 a.m. Written notice of time, place, and purpose of the meeting shall be sent in advance of each meeting.

WHERE DOES GCEDD MEET?

Meetings are currently held in a hybrid setting. Members may attend virtually via Zoom or in person at the H-GAC offices located at:

3555 Timmons Lane
2nd Floor Conference Rooms 2-B/C
Houston, Texas 77027

April and November meetings are held as in-person only meetings.

WHO CAN I CONTACT FOR MORE INFORMATION?

For questions or additional information, please contact Darryl Briscoe at 713-499-6686 or Darryl.Briscoe@h-gac.com

VISIT OUR WEBSITE

Gulf Coast Economic Development District

Meeting Date: 06/25/2025
Department: Legal
Contact: Mike Garner, City Attorney
Submitted By: Mike Garner, City Attorney

Workshop

Item Type: Resolution

Item Type: Resolution
M. Garner
Joint Meeting: CIDC

Description
Discuss a Resolution to nominate a member to the Montgomery County Emergency Communications District Board of Managers.

Summary / Recommendation
This resolution will nominate an individual to serve as one of two municipal positions on the Montgomery County Emergency Communications District Board of Managers. This term will begin on October 1, 2025, and expire on September 30, 2027.

Attachments

Dynamic/Garner/City Council
Dynamic/Garner/City Council

CERTIFICATE FOR RESOLUTION

I.

On the ___ day of June, 2025, the City Council of the City of Conroe, Texas, consisting of the following qualified members, to-wit: **Duke W. Coon, Mayor; Harry Hardman, Mayor Pro Tem; Council Members, David Hairel, Shana R. Arthur, Howard Wood and Marsha Porter,** did convene in public session in the Council Chambers of the City Hall at 300 West Davis in Conroe, Texas. The roll being first called, a quorum was established, all members being present except to wit: _____. The Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

II.

WHEREUPON, AMONG OTHER BUSINESS transacted, the Council considered adoption of the following written Resolution, to-wit:

RESOLUTION NO. _____ - 25

RESOLUTION NOMINATING AN INDIVIDUAL TO SERVE AS A CITY REPRESENTATIVE ON THE MONTGOMERY COUNTY EMERGENCY COMMUNICATION DISTRICT BOARD OF MANAGERS.

III.

Upon motion of Council Member _____, seconded by Council Member _____, all members present voted for adoption of the Resolution, except the following: No one voted against and no one abstained. A majority of those Council Members present having voted for adoption, the presiding officer declared the Resolution passed and adopted.

IV.

A true, full and correct copy of the Resolution adopted at the Meeting is attached to and follows this Certificate.

SIGNED AND SEALED this _____ day of June, 2025.

_____

SAMI H. QUINLAN, Interim City Secretary

RESOLUTION NO. _____ - 25

RESOLUTION NOMINATING AN INDIVIDUAL TO SERVE AS A CITY REPRESENTATIVE ON THE MONTGOMERY COUNTY EMERGENCY COMMUNICATION DISTRICT BOARD OF MANAGERS.

* * * * * * * * * *

WHEREAS, the Montgomery County Emergency Communication District (MCECD) coordinates and administers the 9-1-1 system for all of Montgomery County; and

WHEREAS, the MCECD is governed by a five-member Board of Managers appointed for staggered two-year terms, to include two members appointed by the municipalities, pursuant to Section 772.306(c), Texas Local Government Code; and

WHEREAS, the MCECD has asked the City of Conroe to nominate an individual to two serve on the MCECD Board of Managers, said term beginning October 1, 2025, and expiring on September 30, 2027.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONROE, TEXAS:

Section 1. The City Council nominates the following person to serve as one of two city representatives on the Montgomery County Emergency Communication District Board of Managers:

A. _____

Section 2. This resolution shall be effective from adoption and the City Secretary is directed to notify the MCECD of this nomination.

PASSED AND APPROVED this the ___ day of June, 2025.

_____
DUKE W. COON, Mayor

APPROVED AS TO FORM: ATTEST:

_____ _____
MICHAEL T. GARNER, City Attorney SAMI H. QUINLAN, Interim City Secretary

May 29, 2025

City of Conroe, TX
Mayor Duke W. Coon

CC: Sami Quinlan

The term for one of the two city representatives on the Montgomery County Emergency Communication District (MCECD) Board of Managers will expire soon. The cities are currently represented by Paul Virgadamo and Kathie Reyer. Mr. Virgadamo's term will end on September 30, 2025.

The cities may now begin the process to elect one representative for the two-year term which begins October 1, 2025. All appointments are governed by Texas Health and Safety Code, Section 772.306 (c). The statute does not specify any requirements for members of the Board of Managers. Mr. Virgadamo may be re-elected or a new representative can be chosen.

At this time, MCECD is accepting nominations from cities. This is step one in a two-step process. Once all cities have had an opportunity to submit a nomination, a ballot with all the nominees will be provided for casting your city's vote.

Enclosed is a nomination form for the MCECD Board of Managers. Your city may name one person to represent the cities in the county. The representative will serve a two-year term beginning October 1, 2025.

MCECD administers and manages the 9-1-1 network for all of Montgomery County. It is governed by a five member Board of Managers appointed for staggered terms of two (2) years. Besides the two city representatives, two are appointed by the County Commissioners Court, and the remaining member is appointed by the county fire chiefs. (All appointments are governed by Texas Health and Safety Code, Section 772.306 (c).) The board currently consists of the following persons:

- Elected by the cities: Paul Virgadamo and Kathie Reyer
- Appointed by the Commissioners Court: Bobby Powell and Ryan Gable
- Appointed by the fire departments: Doug Adams

Please complete and return the enclosed nomination form as soon as possible but no later than Friday, July 18, 2025.

If you should have any questions, please call me at (936) 523-5915. Thank you for your consideration in this matter.

Sincerely,

Chip VanSteenberg
Executive Director

JUN 11 2025
cm
CITY OF CONROE
CITY SECRETARY'S OFFICE

Montgomery County Emergency Communication District
2257 N Loop 336 W #140144
Conroe, Texas 77304
(936) 523-5912 Fax: (936) 539-9111

Cities of Montgomery County
9-1-1 Board of Managers Appointment
To serve the two-year term
October 1, 2025 – September 30, 2027

NOMINATION FORM

Nominee: _____

Name: _____

City of _____

_____

By:

Date: _____

Printed Name: _____

Signature: _____

Please complete and fax to (936) 539-9111, no later than close of business on Friday, July 11, 2025, or email to abarocio@mc911.org.

Meeting Date: 06/25/2025
Department: Legal
Contact: Mike Garner, City Attorney
Submitted By: Yanira Peres-Gutierrez, Adm. Assistant - Legal

Workshop

Item Type: Executive Session

Item Type: Executive Session
Mayor Coon
Joint Meeting: No Joint Meeting

Description
*SJRA GRP Contract litigation (Sec.551.071).
*QUADVEST, LP, et al vs. SJRA vs. CITY OF CONROE, ET AL (Sec.551.071).
*Legal advice concerning contract provisions related to Hotel Convention Center project and governing documents of the Conroe Local Government Corporation (Sec.551.071).
*Legal advice concerning pending or contemplated litigation. (Sec. 551.071).
*Deliberation concerning the purchase, exchange, lease or value of real property (Sec.551.072).
*Personnel Matters (Sec.551.074).

Summary / Recommendation
*SJRA GRP Contract litigation (Sec.551.071). *QUADVEST, LP, et al vs. SJRA vs. CITY OF CONROE, ET AL (Sec.551.071). *Legal advice concerning contract provisions related to Hotel Convention Center project and governing documents of the Conroe Local Government Corporation (Sec.551.071). *Legal advice concerning pending or contemplated litigation. (Sec. 551.071). *Deliberation concerning the purchase, exchange, lease or value of real property (Sec.551.072). *Personnel Matters (Sec.551.074).