



AGENDA **CITY COUNCIL MEETING**

October 17, 2024 | 6:30 PM

Council Chambers

City Hall | 665 Country Club Road, Lucas, Texas

Notice is hereby given that a meeting of the Lucas City Council will be held on Thursday, October 17, 2024, beginning at 6:30pm at Lucas City Hall, 665 Country Club Road, Lucas, Texas 75002-7651, at which time the following agenda will be discussed. As authorized by Section 551.071 of the Texas Government Code, the City Council may convene into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney on any item on the agenda at any time during the meeting. Pursuant to Texas Government Code 551.127, one or more members of the governing body may appear via videoconference call. The presiding officer and a quorum of the City Council will be physically present at this meeting.

If you would like to watch the meeting live, you may go to the City's live streaming link at <https://www.lucastexas.us/departments/public-meetings/>.

How to Provide Input at a Meeting:

Speak In Person: Request to Speak forms will be available at the meeting. Please fill out the form and give to the City Secretary prior to the start of the meeting. This form will also allow a place for comments.

Submit Written Comments: If you are unable to attend a meeting and would like to submit written comments regarding a specific agenda item, email City Secretary Toshia Kimball at tkimball@lucastexas.us by no later than 3:30 pm the day of the meeting. The email must contain the person's name, address, phone number, and the agenda item(s) for which comments will be made. Any requests received after 3:30 pm will not be included at the meeting.

Call to Order

- Roll Call
- Determination of Quorum
- Reminder to turn off or silence cell phones
- Pledge of Allegiance

Citizen Input

1. Citizen Input.

Community Interest

Pursuant to Section 551.0415 of the Texas Government Code, the City Council may report on the following items: 1) expression of thanks, congratulations or condolences; 2) information about holiday schedules; 3) recognition of individuals; 4) reminders about upcoming City Council events; 5) information about community events; and 6) announcements involving imminent threat to public health and safety.

2. Items of Community Interest.

Consent Agenda

All items listed under the consent agenda are considered routine and are recommended to the City Council for a single vote approval. If discussion is desired, an item may be removed from the consent agenda for a separate vote.

3. Consent Agenda:

- A. Approval of minutes of the October 3, 2024, City Council meeting.

Public Hearing

4. Consider the appeal of a Planning and Zoning Commission decision denying a change in zoning from R-2 (Residential 2-acre) to R-1.5 (Residential 1.5-acre) on a tract of land being 11.0438 acres of land located in the Skidmore Addition, Lot 2, Block A, Lucas, Collin County, Texas, more commonly known as 725 Stinson Road and approving adopting Ordinance. **(Development Services Director Joe Hilbourn)**

Regular Agenda

5. Consider annexing the Brockdale Park boat ramp and immediate surrounding areas contiguous with the city limits. **(Development Services Director Joe Hilbourn)**
6. Consider authorizing the City Manager to the following:
1. Enter into an Interlocal Agreement between the City of Lucas and Lovejoy Independent School District for Paladin Drone Services and Equipment.
 2. Enter into an agreement between the City of Lucas, Lovejoy Independent School District, and Paladin Drones, Inc. **(Fire Chief Ted Stephens)**
7. Consider a budget adjustment to FY 24-25 transferring funds from unrestricted water fund reserves to account # 21-8210-490-133, AMI Meter Upgrade in the amount of \$695,193.93 and authorizing the City Manager to enter into a sole source contract with Core and Main for the implementation and upgrade to our Neptune meter reading system from AMR (Automatic Meter Reading/Drive by collection) to AMI (Advanced Metering Infrastructure/ collected with antennas placed throughout city) in the amount not to exceed \$695,193.93. **(Development Services Director Joe Hilbourn, Public Works Supervisor Jeremy Bogle)**
8. Consider authorizing the City Manager to negotiate and enter into an agreement with Schaumburg & Polk, Inc. (SPI) to provide professional services in the amount of \$32,000 for the design of the Estates Road Eight-Inch Waterline Replacement Project and to transfer \$32,000 from Unrestricted Water Fund Reserves to account number 21-8210-490.134 for said project. **(Capital Improvement Projects Manager Patrick Hubbard)**
9. Consider authorizing the City Manager to negotiate and enter into an agreement with Schaumburg & Polk, Inc. (SPI) to provide professional services in the amount of \$9,500 for the design of the North Pump Station Twelve-Inch Waterline Project and to transfer \$9,500 from Unrestricted Water Fund Reserves to account number 21-8210-490.135 for said project. **(Capital Improvement Projects Manager Patrick Hubbard)**
10. Receive a presentation on the 2024 update to the Comprehensive Capital Improvement Plan for the City of Lucas and provide direction to the City Manager. **(Capital Improvement Projects Manager Patrick Hubbard)**

Executive Session

11. Executive Session:

The City Council will convene into executive session pursuant to Section 551.074(a)(1) of the Texas Government Code, Personnel Matters, to review and evaluate the City Manager.

12. Reconvene from Executive Session and take any action necessary as a result of Executive Session.

13. Adjournment.

Certification

I do hereby certify that the above notice was posted in accordance with the Texas Open Meetings Act on the bulletin board at Lucas City Hall, 665 Country Club Road, Lucas, TX 75002 and on the City's website at www.lucastexas.us on or before 5:00 p.m. on October 11, 2024.

Toshia Kimball, City Secretary

In compliance with the American with Disabilities Act, the City of Lucas will provide for reasonable accommodations for persons attending public meetings at City Hall. Requests for accommodations or interpretive services should be directed to City Secretary Toshia Kimball at 972.912.1211 or by email at tkimball@lucastexas.us at least 48 hours prior to the meeting.



City of Lucas

City Council Agenda Request

October 17, 2024

Item No. 01

Requester: Mayor Dusty Kuykendall

Agenda Item Request

Citizen Input.

Background Information

NA

Attachments/Supporting Documentation

NA

Budget/Financial Impact

NA

Recommendation

NA

Motion

NA



City of Lucas

City Council Agenda Request

October 17, 2024

Requester: Mayor Dusty Kuykendall

Agenda Item Request

Items of Community Interest:

Background Information

NA

Attachments/Supporting Documentation

NA

Budget/Financial Impact

NA

Recommendation

NA

Motion

NA



City of Lucas

City Council Agenda Request

October 17, 2024

Item No. 03

Requester: City Secretary Toshia Kimball

Agenda Item Request

Consent Agenda:

- A. Approval of minutes of the October 3, 2024, City Council meeting.

Background Information

NA

Attachments/Supporting Documentation

- 1. Minutes of the October 3, 2024, City Council meeting.

Budget/Financial Impact

NA

Recommendation

City staff recommends approval of the Consent Agenda.

Motion

I make a motion to approve the Consent Agenda as presented.



CITY COUNCIL REGULAR MEETING

October 3, 2024 | 6:30 PM

Council Chambers

City Hall | 665 Country Club Road, Lucas, Texas

City Councilmembers Present:

Mayor Dusty Kuykendall
Mayor Pro Tem Debbie Fisher
Councilmember Chris Bierman
Councilmember Brian Stubblefield
Councilmember Phil Lawrence
Councilmember Tim Johnson
Councilmember Neil Peterson

City Staff Present:

City Manager John Whitsell
Fire Chief Ted Stephens
City Secretary Toshia Kimball
Deputy Christopher Ronan

The regular City Council meeting was called to order at 6:30 pm.

Citizen Input

1. Citizen Input

There were no members of the public wishing to address the City Council.

Community Interest

2. Items of Community Interest

Mayor Kuykendall read the Proclamation declaring October 2024 as Breast Cancer Awareness Month and discussed the following:

- Lucas Farmers Market – October 12, 2024, 8 am – 12pm
- Lucas Fire Rescue Open House – October 6, 2024, 12pm – 4pm
- Movie in the Park – October 18, 2024, 7pm – 9pm
- Early Voting

Sunday (Domingo)	Monday (Lunes)	Tuesday (Martes)	Wednesday (Miércoles)	Thursday (Jueves)	Friday (Viernes)	Saturday (Sábado)
October 20 No Voting (20 de octubre) (Sin votar)	October 21 Early Voting (21 de octubre) (Votación adelantada) 8 am – 5 pm	October 22 Early Voting (22 de octubre) (Votación adelantada) 8 am – 5 pm	October 23 Early Voting (23 de octubre) (Votación adelantada) 8 am – 5 pm	October 24 Early Voting (24 de octubre) (Votación adelantada) 8 am – 5 pm	October 25 Early Voting (25 de octubre) (Votación adelantada) 8 am – 5 pm	October 26 Early Voting (26 de octubre) (Votación adelantada) 7 am – 7 pm
October 27 Early Voting (27 de octubre) (Votación adelantada) 11 am – 5 pm	October 28 Early Voting (28 de octubre) (Votación adelantada) 7am - 7pm	October 29 Early Voting (29 de octubre) (Votación adelantada) 7am - 7pm	October 30 Early Voting (30 de octubre) (Votación adelantada) 7am - 7pm	October 31 Early Voting (31 de octubre) (Votación adelantada) 7am - 7pm	November 1 Early Voting (1 de noviembre) (Votación adelantada) 7am - 7pm	November 2 No Voting (2 de noviembre) (Sin votar)

- Arbor Day and Recycling – November 2, 2024, 9am – 12pm

Consent Agenda

3. Consent Agenda:

A. Approval of minutes of the September 19, 2024, City Council meeting.

MOTION: A motion was made by Councilmember Johnson, seconded by Councilmember Lawrence, to approve Consent Agenda items as presented. The motion passed unanimously by a 7 to 0 vote.

Regular Agenda

4. Presentation regarding the City of Lucas history and preservation.

Mayor Pro Tem Fisher presented information on the history and preservation of the City of Lucas.

No motion was required on this item.

5. To request direction from the City Council on updating the audio and visual in the council chambers.

City Manager John Whitsell presented.

City Council requested that staff provide two options that would increase the efficiency of the audio and visual in the council chambers, and have a vendor provide a demonstration of the upgrade potential.

No motion was required on this item.

6. Consider adopting Resolution #2024-10-00561 to approve nominating a candidate to be a member of the Collin Central Appraisal District Board of Directors.

City Council did not select a candidate to nominate.

Executive Session

7. Executive Session:

As authorized by section 551.071 of the Texas Government Code the City Council may convene into closed Executive Session for the purpose of seeking confidential legal advice from the City Attorney regarding any item on the agenda at any time during the meeting. This meeting is closed to the public as provided in the Texas Government Code.

There was no executive session during this meeting.

8. Reconvene from Executive Session and take any action necessary as a result of the Executive Session.

There was no executive session during this meeting.

9. Adjournment.

MOTION: A motion was made by Councilmember Johnson, seconded by Councilmember Lawrence, to adjourn the meeting at 7:15 pm. The motion passed unanimously by a 7 to 0 vote.

APPROVED:

ATTEST:

Mayor Dusty Kuykendall

Toshia Kimball, City Secretary



City of Lucas

City Council Agenda Request

October 17, 2024

Item No. 04

Requester: Development Services Director Joe Hilbourn

Agenda Item Request

Consider the appeal of a Planning and Zoning Commission decision denying a change in zoning from R-2 (Residential 2-acre) to R-1.5 (Residential 1.5-acre) on a tract of land being 11.0438 acres of land located in the Skidmore Addition, Lot 2, Block A, Lucas, Collin County, Texas, more commonly known as 725 Stinson Road and approving adopting Ordinance.

Background Information

At the Planning and Zoning Commission meeting on September 12, 2024, the Planning and Zoning Commission unanimously denied the request for rezoning.

This lot is 11.0438 acres of land currently zoned R2, and the applicant is considering subdividing the property into five lots. The request does not match the City of Lucas Comprehensive Plan.

This tract is part of the Skidmore addition. The first 20 acres were subdivided in 1973 to the Hickory Hills Country Estates sub-division and were given a designation of R-2 but less than 2-acre lot size on over half of the lots. (see attached plat)

Attachments/Supporting Documentation

1. Public Notice
2. Depiction
3. Legal Description
4. Location Map
5. Hickory Hills Country Estates Plat

Budget/Financial Impact

NA

Recommendation

The proposed zoning request does not comply with the City's Comprehensive Plan, if the City Council approves the change, they should also recommend a change to the Comprehensive Zoning Map to reflect the change.

The Planning and Zoning Commission denied the request unanimously by a 5 to 0 vote.

Motion



City of Lucas

City Council Agenda Request

October 17, 2024

Item No. 04

I make a motion to approve/deny the appeal of a Planning and Zoning Commission decision denying a change in zoning from R-2 (Residential 2-acre) to R-1.5 (Residential 1.5-acre) on a tract of land being 11.0438 acres of land located in the Skidmore Addition, Lot 2, Block A, Lucas, Collin County, Texas, more commonly known as 725 Stinson Road and approving adopting Ordinance.



NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN, that the City Council of the City of Lucas, Texas will conduct a public hearing on Thursday, October 17, 2024, at 6:30 p.m., at Lucas City Hall, 665 Country Club Road, Lucas, Texas to consider an appeal for rezoning a parcel of land that was denied by the Planning and Zoning Commission on September 12, 2024 from R-2 to R-1.5 on a 11.0438 acre tract of land out of the Skidmore Addition in Collin County Texas, being all of that certain tract of land according to the plat thereof recorded in Volume J, Page 420, Map Records, Collin County, Texas, and being more particularly described as follows:

Tract I

Address: 725 Stinson Road, Lot 2, Block A of Skidmore Addition, an Addition to the City of Lucas, Collin County, Texas, according to the plat thereof recorded in Volume J, Page 420, Map Records, Collin County, Texas

Tract II

Address: on Hickory Hill Street, Lot 9A, of Hickory Hill Street, Lot 9A, of Hickory Hill Country Estates, an Addition to the City of Lucas, Collin County, Texas, according to the plat thereof recorded in Volume G, Page 156, Map Records, Collin County, Texas

NOTES: (1) Source bearing is based on recorded plat unless otherwise noted. (2) (CM) = Controlling monument. (3) Surveyor's signature will appear in red ink on original copies. (4) A part of the subject property lies within a Special Flood Hazard Area inundated by 100-year flood per Map Number 48085C0455G of the F.E.M.A. Flood Insurance Rate Maps for Collin County, Texas and Incorporated Areas dated January 19, 1996. (Zone AE). This statement does not imply that the property and/or structures will be free from flooding or flood damage. On occasion, greater floods can and will occur and flood damage. On occasion, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor. (5) Final grade assumed finished floor elevations are at the brick ledge. (6) Drainage arrows, if shown, were determined by elevations shown hereon. (7) Subject property is affected by any and all notes, details, and easements, and other matters, that are shown on or as part of the recorded plat and/or as part of a title commitment/survey request.

CERTIFICATION

On the basis of my knowledge, information and belief, I certify to Abernathy, Roeder, Boyd & Joplin, P.C. that as a result of a survey made on the ground to the normal standard of care of Registered Professional Land Surveyors practicing in the State of Texas, I find the plat hereon is true, correct, and accurate as to the boundaries of the subject property, and if shown, location and type of buildings and visible improvements hereon.

Date:3/9/2005 Revised: _____ Job No. LB49580

Title commitment/Survey Request File No. 1412001274

Those wishing to speak FOR or AGAINST the above item are invited to attend. If you are unable to attend and have comments you may send them to City of Lucas, Attention: City Secretary, Toshia Kimball, 665 Country Club Road, Lucas, Texas 75002, email tkimball@lucastexas.us and it will be presented at the hearing. If you have any questions about the above hearing, you may contact Development Services Director, Joe Hilbourn at jhilbourn@lucastexas.us.

Stinson Rezoning
Depiction



PROPERTY DESCRIPTION

Tract I

Address: 725 Stinson Road, Lot 2, Block A of Skidmore Addition, an Addition to the City of Lucas, Collin County, Texas, according to the plat thereof recorded in Volume J, Page 420, Map Records, Collin County, Texas

Tract II

Address: on Hickory Hill Street, Lot 9A, of Hickory Hill Street, Lot 9A, of Hickory Hill Country Estates, an Addition to the City of Lucas, Collin County, Texas, according to the plat thereof recorded in Volume G, Page 156, Map Records, Collin County, Texas

NOTES: (1) Source bearing is based on recorded plat unless otherwise noted. (2) (CM) = Controlling monument. (3) Surveyor's signature will appear in red ink on original copies. (4) A part of the subject property lies within a Special Flood Hazard Area inundated by 100-year flood per Map Number 48085C0455G of the F.E.M.A. Flood Insurance Rate Maps for Collin County, Texas and Incorporated Areas dated January 19, 1996. (Zone AE). This statement does not imply that the property and/or structures will be free from flooding or flood damage. On occasion, greater floods can and will occur and flood damage. On occasion, greater floods can and will occur and flood heights may be increased by man-made or natural causes. This flood statement shall not create liability on the part of the surveyor. (5) Final grade assumed finished floor elevations are at the brick ledge. (6) Drainage arrows, if shown, were determined by elevations shown hereon. (7) Subject property is affected by any and all notes, details, and easements, and other matters, that are shown on or as part of the recorded plat and/or as part of a title commitment/survey request.

CERTIFICATION

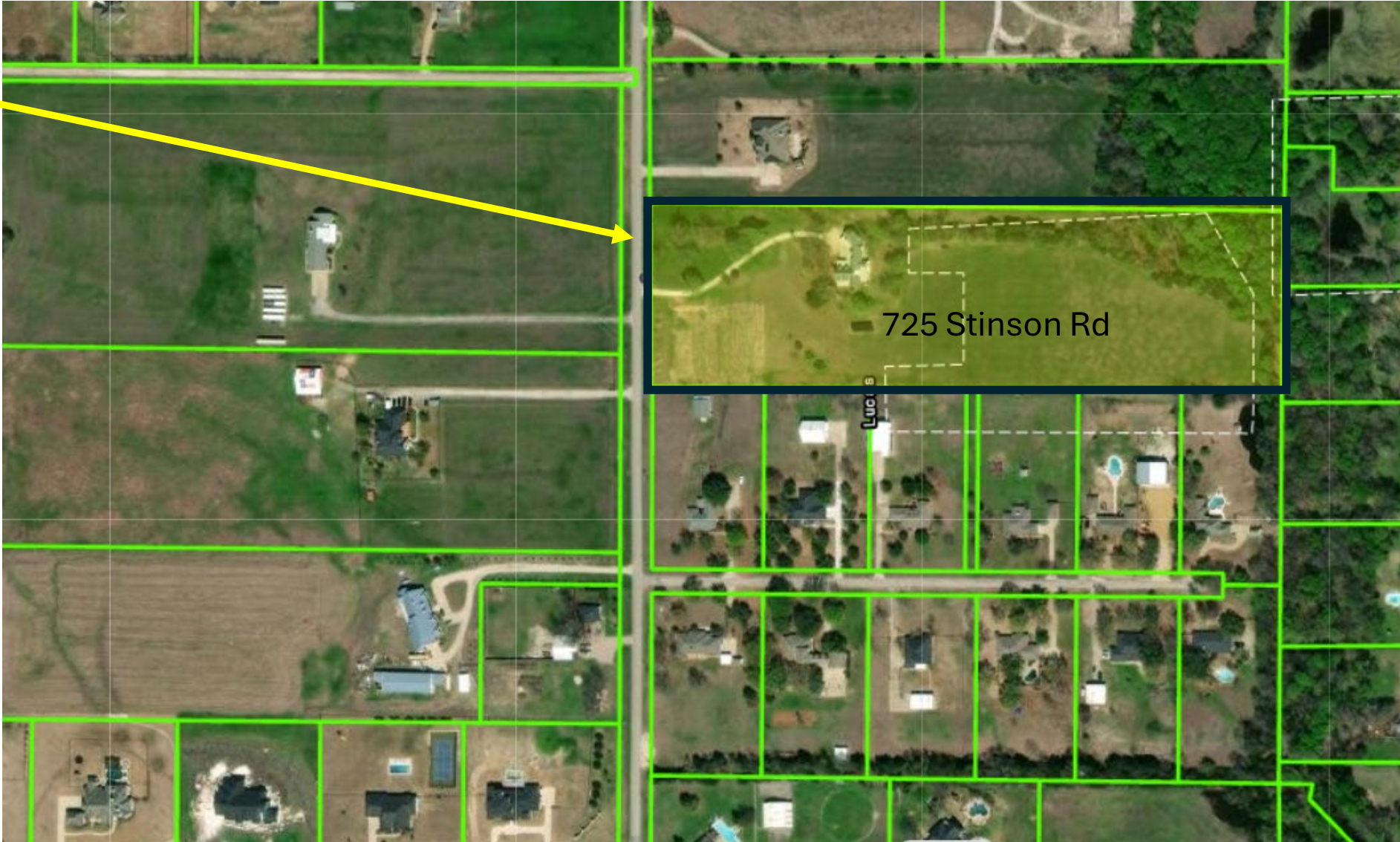
On the basis of my knowledge, information and belief, I certify to Abernathy, Roeder, Boyd & Joplin, P.C. that as a result of a survey made on the ground to the normal standard of care of Registered Professional Land Surveyors practicing in the State of Texas, I find the plat hereon is true, correct, and accurate as to the boundaries of the subject property, and if shown, location and type of buildings and visible improvements hereon.

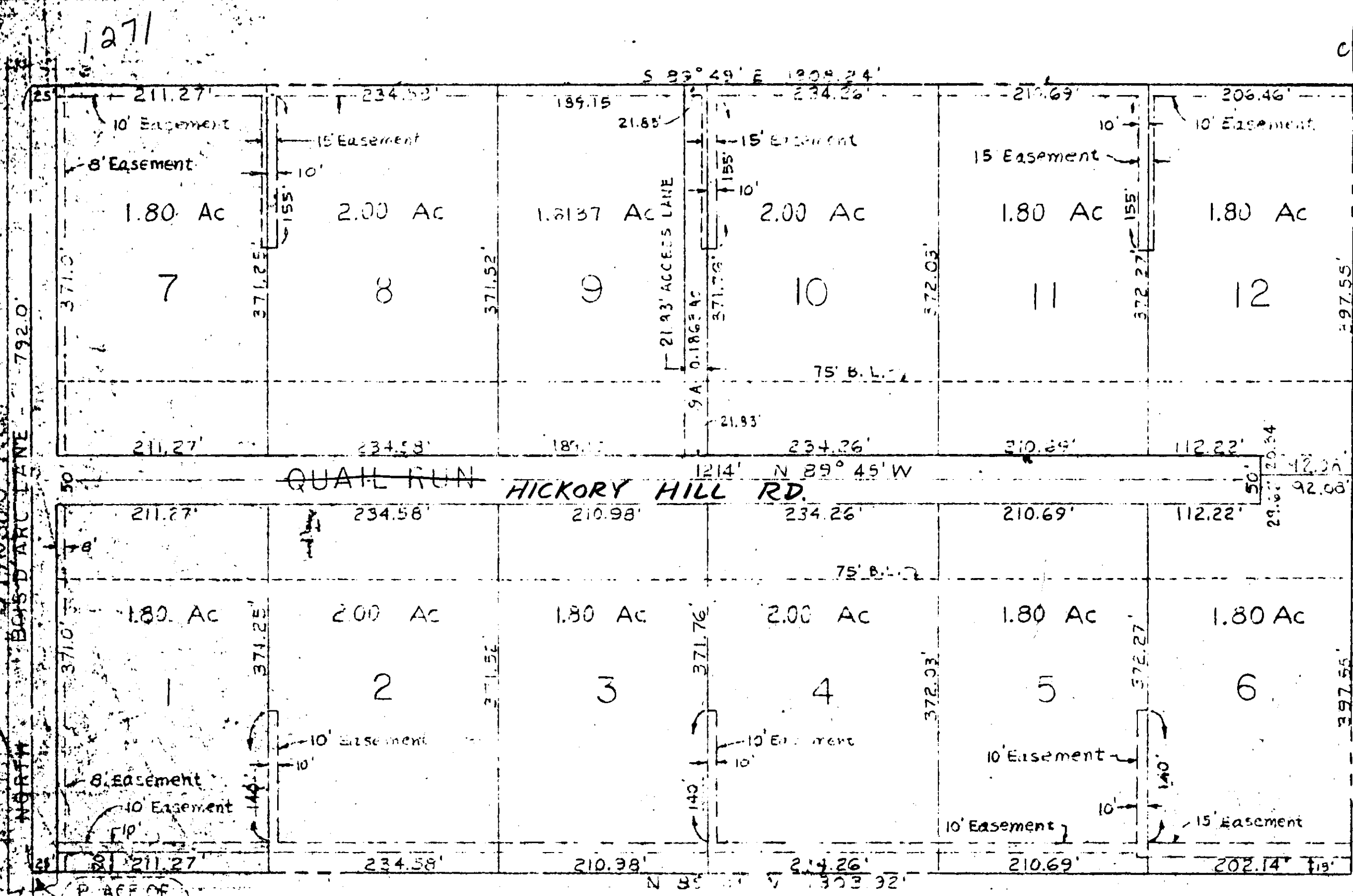
Date: 3/9/2005 Revised: _____ Job No. LB49580

Title commitment/Survey Request File No. 1412001274

Location Map

725 Stinson





CERTIFICATE OF APPROVAL
 Approved this 21 day of SEP, 1983, by the City Council of Lucas, Texas.
 BY [Signature] DEPUTY
[Signature] Mayor
[Signature] Councilman

CERTIFICATE OF APPROVAL
 Approved this 21 day of SEP, 1983, by the City Council of Lucas, Texas.
[Signature] Mayor
[Signature] Councilman

OWNER'S CERTIFICATE

WHEREAS, ROGER SKIDMORE, INCORPORATED, is the owner of a tract of land situated in Collin County, Texas, in the James Lovelady Survey, Abstract No. 534, about one mile south of the Town of Lucas, and being a part of a 34.442 acre tract of land conveyed to said Corporation by Dorothy and R. J. Skidmore by deed dated January 24, 1972, and recorded in Volume 808, Page 454, of the Collin County Deed Records, and being more particularly described by metes and bounds as follows:

BEGINNING at an iron pin set at the Southwest corner of the said 34.442 acre tract of land and in the center of a public road;

THENCE North 792.0 feet with the West line of said 34.442 acre tract of land and in the center of said public road to an iron pin at a Northwest corner of said 34.442 acre tract;

THENCE South 89 deg 49 min East 133.24 feet across an open field to an iron pin set in the East line of said 34.442 acre tract for a corner; said corner being in an old fence;

THENCE South 0 deg 18 min 31 sec West 795.1 feet with the East line of said 34.442 acre tract and with an old fence to an iron pin set at the Southeast corner of said 34.442-acre tract for a corner;

THENCE North 89 deg 41 min West 1528.92 feet with the South line of said 34.442 acre tract and with an old fence and hedge row to the PLACE OF BEGINNING and containing 24.268 acres of land.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That ROGER SKIDMORE, INCORPORATED, does hereby adopt this plat designating the hereinabove described property as HICKORY HILL COUNTRY ESTATES, an addition to the City of Lucas, Texas, and does hereby dedicate to the public use the street shown thereon; and does hereby dedicate the easement strips shown on this plat for the mutual use and accommodation of all public utilities desiring to use, or using same. Any public utility shall have right of ingress and egress to and from said easement strips for constructing, inspecting and maintaining its system without procuring the permission of anyone.

Witness my hand at McKinney, Texas, this 18th day of January, 1983.

ROGER SKIDMORE, INCORPORATED
[Signature]
 ROGER SKIDMORE, President

STATE OF TEXAS
 COUNTY OF COLLIN

Before me, the undersigned, a Notary Public in and for Collin County, Texas, on this day personally appeared ROGER SKIDMORE, INCORPORATED, known to me to be the person and officer whose name is subscribed to the foregoing instrument, and acknowledged to me that the same was the act of the said ROGER SKIDMORE, INCORPORATED, and that he executed the same as the act of such corporation for the purposes and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office, this 18th day of Jan, A.D., 1983.

[Signature]
 Notary Public in and for Collin County, Texas

ENGINEER'S CERTIFICATE

STATE OF TEXAS
 COUNTY OF COLLIN

KNOW ALL MEN BY THESE PRESENTS: THAT I, G.M. GEER, do hereby certify that I prepared this plat from an actual and accurate survey of the land and that the corner monuments shown thereon were properly placed under my personal supervision in accordance with the Subdivision Regulations of the City of Lucas, Texas.

[Signature]
 G.M. GEER, LICENSED STATE LAND SURVEYOR
 AND REGISTERED PUBLIC SURVEYOR
 TEXAS REG. NO. 3258

STATE OF TEXAS
 COUNTY OF COLLIN

Before me, the undersigned, a Notary Public in and for Collin County, Texas, on this day personally appeared G.M. GEER, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purposes and considerations therein expressed.

Given under my hand and seal of office this 18th day of Jan, A.D., 1983.

[Signature]
 Notary Public in and for Collin County, Texas

ACCT #1073

REVISED
 FINAL PLAT
 HICKORY HILL
 COUNTRY ESTATES.

JAMES LOVELADY SURVEY ABSTRACT NO. 534
 LUCAS, COLLIN COUNTY, TEXAS
 SCALE: 1"=100' JAN. 1973
 REVISED AUG. 31, 1983
 ROGER SKIDMORE, INCORPORATED
 OWNERS AND DEVELOPERS
 ROUTE NO. 2
 MCKINNEY, TEXAS
 PHONE 442-2451



City of Lucas Council Agenda Request October 17, 2024

Item No. 05

Requestor: Development Services Director Joe Hilbourn

Agenda Item Request

Consider annexing the Brockdale Park boat ramp and immediate surrounding areas contiguous with the city limits.

Background Information

In May 2016, a meeting was held with representatives from the United States Army Corps of Engineers (USACE) and the City of Lucas to discuss the process to lease property from the United States Army Corps of Engineers. The City of Lucas also expressed an interest in leasing Trinity Trail and work in partnership with the Trinity Trail Preservation Association (TTPA) to preserve the trail for equestrian and pedestrian use but the USACE indicated that it would be unlikely that they would support any lease beyond park boundaries.

The purpose in annexing the Brockdale Park Boat Ramp and surrounding areas is to move forward with the memorandum of understanding (MOU).

Is Council is still interested in entering into an agreement with the Corps of Engineers for maintenance of the Brockdale Park Trailhead?

Attachments/Supporting Documentation

1. U.S Army Corps of Engineer Annexation Fee Letter

Budget/Financial Impact

1. The estimated annual cost of maintenance of the Brockdale Park Boat ramp and surrounding areas is between \$10,000 and \$30,000.

Recommendation

NA

Motion

No motion is required.



DEPARTMENT OF THE ARMY
U.S. ARMY CORPS OF ENGINEERS, FORT WORTH DISTRICT
P.O. BOX 17300
FORT WORTH, TX 76102-0300

September 30, 2024

Real Estate Division

SUBJECT: Lavon Lake, Texas; Request for Administrative Fees

Mr. John Whitsell
City Manager
City of Lucas
665 Country Club Road
Lucas, Texas 75002

Dear Mr. Whitsell:

This letter is regarding the City of Lucas's requested Annexation of Government Fee property at Lavon Lake, Texas. The administrative fee for preparing and processing the annexation documentation is \$3,500. Preparation includes phone calls, e-mails, research, drafting and assembly, reviews, correspondence, paper and electronic records maintenance, mapping, and legal consultation and review. Upon completion of the administrative processing, if unused funds exist, they may be returned upon request.

Please send your payment to the above address, Attention: CESWF-RE-M (Ms. Webb). Make the check or Money order payable to the F&A Officer, USAED, Fort Worth District.

If you have any questions, please contact Ms. Vicki Webb at 817-886-1256 or Victoria.a.webb@usace.army.mil.

Sincerely,


James Miller

Chief, Management and Disposal Branch
Real Estate Division



City of Lucas

City Council Agenda Request

October 17, 2024

Item No. 06

Requester: Ted Stephens, Lucas Fire Chief

Agenda Item Request

Consider authorizing the City Manager to the following:

1. Enter into an Interlocal Agreement between the City of Lucas and Lovejoy Independent School District for Paladin Drone Services and Equipment.
2. Enter into an agreement between the City of Lucas, Lovejoy Independent School District, and Paladin Drones, Inc.

Background Information

Lucas Fire-Rescue has been researching using drone for a couple of years. Initially, the certification requirements were prohibitive to a department our size. Recently, the Federal Aviation Administration created a General Operations “Part 91” that allows for a remote pilot. The Part 91 allows Drones as First Responders (DFR) where a pilot on scene is no longer required. DFR allows a trained pilot to be at a remote location (via the Internet) with a trained Visual Observer.

In recent discussions with the Lovejoy Independent School District (LISD), Lucas Fire-Rescue learned that LISD currently has a drone and one certified pilot. Conversations revealed that the drone could be utilized for various school and City of Lucas events, as well as for emergency responses. However, having certified pilots is both labor-intensive and costly.

Continued discussions with LISD prompted the idea of the possibility of a joint venture where both the City of Lucas and LISD could benefit from sharing pilots, observers, and equipment. An exhaustive search began to locate the best possible solution to training pilots and sharing equipment.

Several drone companies gave demonstrations with Paladin Drone Services rising to the top. There are several reasons for this:

1. Paladin will accept the City of Lucas and Lovejoy ISD as a combined entity.
2. All FAA applications and paperwork (approximately 47 pages) are filed by Paladin on our behalf.
3. All required training is provided by Paladin and included the price.
4. Preventative and general maintenance and replacement batteries are included in the price.
5. A livestream is provided for multiple viewers each time the drone is flown.
6. Paladin will Geo Fence our area.
7. FAA Part 107 certification is not required to be a pilot
8. Trained Pilots can operate the drone remotely via an Internet connection.
9. The onboard camera features 10x optical zoom and 640x512p thermal.
10. The drone can be landed on scene and the batteries hot swapped for continuous operations.
11. After year 1, renewal option for year two and three may be available at only \$10,000.



City of Lucas

City Council Agenda Request

October 17, 2024

Below are the highlights of the program.

1. Joint Venture with Lovejoy ISD
 - a) The Lucas Fire Chief and the LISD Director of Safety shall be the Administrator of the Drone Package and shall assign sub-users and permissions as needed and/or required.
2. The drone may be deployed by the City or LISD for any emergency service or any other purpose, and at any time, under the following conditions:
 - a) Emergency calls for service of the drone will take precedence over any and all planned events;
 - b) Only trained pilots and observers will be allowed to operate the drone;
 - c) Drone pilots and observers shall adhere to all training requirements as set forth by the FAA; and
 - d) Once the deployment is completed, the drone shall be returned to its Housing Location.
 - a. Housing Location. The drone will be housed at Lucas Fire Rescue Station 1 located at 165 Country Club Road, Lucas, Texas 75002. LISD School Marshals and other designated LSD officials, as agreed upon by the Lucas Fire Chief and LISD Director of Safety and Security, shall be provided with an access card to allow for 24-hour access.
3. Privacy Safeguards
 - a) The use of the Unmanned Aircraft System (UAS) potentially involves privacy considerations. Absent an exigent circumstance, operators and observers shall adhere to FAA altitude regulations and shall not intentionally record or transmit images of any location where a person would have a reasonable expectation of privacy (e.g., residence, yard, enclosure). Operators and observers shall take reasonable precautions to avoid inadvertently recording or transmitting images of areas where there is a reasonable expectation of privacy. Reasonable precautions can include, for example, deactivating or turning imaging devices away from such areas or persons during Unmanned Aerial Vehicle (UAV) operations.
4. Training
 - a) All sUAS pilots will receive the following training before serving in an operational capacity:
 - i. Agency sUAS policy / COA contents and provisions.
 - ii. UAS ground training.
 - iii. A minimum of five hours of flight time, five hours of lecture time, and a minimum of 15 successful flights with an agency instructor.
 - iv. UAS night flying training including the use of the live stream program.
 - v. Successfully complete necessary online classes. All completion certificates are to be submitted to the Chief Pilot for retention.
 - vi. Successfully complete a practical UAS test flight with the Chief Pilot demonstrating flight safety, proficiency, and emergency operations.



City of Lucas City Council Agenda Request October 17, 2024

- b) Annual certification is required for pilots to maintain operational status. The Chief Pilot is responsible for organizing and documenting annual recertification sessions.
 - c) The Chief Pilot shall organize quarterly training sessions for all agency pilots to cover safety, FAA rules and regulations, and any relevant case law about sUAS use by public safety personnel.
 - d) Pilots must complete at least one (1) currency event per month utilizing the make and model of the sUAS to be deployed. Currency events include takeoffs, landings, and emergency procedures. Lapsed currency flights will prohibit the pilot from flying in any public safety mission. Pilots who experience a lapse of currency must perform their currency events under the supervision of the Chief Pilot. A pilot shall record proficiency flights in their sUAS logbook with an endorsement from the Chief Pilot.
 - e) A Part 107 Remote Pilot certification issued by the FAA is not required, provided that the pilot is operating under a valid COA issued to the agency.
5. Ease of Use
- a) Controlled either remotely or on the ground
 - i. Remote launch and landing (only need an Internet connection and computer-MDC in each vehicle)
 - ii. Can control at the scene
 - iii. Live stream to appropriate individuals/teams
6. Lucas Fire-Rescue's Standard Operating Guideline (attached)

The Interlocal Agreement with Lovejoy ISD has been approved by Joe Gorfida and by the Lovejoy ISD Attorney. The Paladin Agreement has also been approved by Joe Gorfida and the Lovejoy ISD Attorney.

If approved tonight, Lovejoy ISD will present to the school board next week.

Attachments/Supporting Documentation

- 1. LUCAS Lovejoy Independent School District Interlocal Cooperation Agreement Re Paladin Drone- FINAL
- 2. LUCAS Lovejoy ISD TX Paladin Drones Agreement – FINAL
- 3. Paladin Product Detail Overview
- 4. SOG#02-21 Unmanned Aerial System - Drone Operations

Budget/Financial Impact

- 7. Initial and ongoing costs
 - a) Initial cost (\$29,000) will be equally shared between the City of Lucas and Lovejoy ISD.
 - b) After year 1, renewal option for year two and three may be available at only \$10,000 by "adding on" with a neighboring city/department.
- 8. NO budget adjustment needed.



City of Lucas

City Council Agenda Request

October 17, 2024

Item No. 06

Recommendation

Staff recommends authorizing the City Manager to enter into both agreements as stated.

Motion

I make a motion to authorize the City Manager to enter into an Interlocal Agreement between the City of Lucas and Lovejoy Independent School District for Paladin Drone Services and Equipment AND enter into an agreement between the City of Lucas, Lovejoy Independent School District, and Paladin Drones, Inc.

STATE OF TEXAS §
 §
COUNTY OF COLLIN § **INTERLOCAL COOPERATION AGREEMENT FOR
PALADIN DRONE SERVICES AND EQUIPMENT**

This Interlocal Cooperation Agreement for Paladin Drone Services and Equipment ("Agreement") is made by and between the City of Lucas, Texas ("City") and the Lovejoy Independent School District ("LISD"), (each a "Party" and collectively the "Parties"). acting by and through their duly authorized representatives.

RECITALS

WHEREAS, the City and LISD desire to provide their emergency services with enhanced information and safety procedures when responding to an emergency situation, and to provide greater safety measures for LISD students and the City’s citizens; and

WHEREAS, the City and LISD are willing to purchase a Paladin Launch Package from Paladin, Inc. which shall include a M30T Drone, or similar, with an EXT LTE Module, maintenance, subscription services, pilots, and observers (the “Drone Package”), for shared use with LISD subject to the terms and conditions of this Agreement and the Paladin Purchase Order attached as Exhibit “A”; and

WHEREAS, this Agreement is made pursuant to and under the authority of the Interlocal Cooperation Act of 1971, as amended, and codified in Chapter 792 of the Texas Government Code (the “Act”); and

WHEREAS, the Parties are local governments as defined in §791.003 of the Act, and each are empowered by §791.011 of the Act to contract with each other to provide governmental functions and services such as community celebrations; and

WHEREAS, the City and LISD agree that the shared use of the Drone Package could provide significant margins of safety for their emergency services, LISD students, and the City’s citizens; and

NOW, THEREFORE, in consideration of the mutual promises and benefits contained herein, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Article I
Purchase, Ownership, and Insurance

1.1 Purchase and Ownership. The City and LISD shall purchase and retain shared ownership of the Drone Package to be used and shared between the City and LISD pursuant to the terms of this Agreement. The total purchase price for the Drone Package, including an annual one (1) year subscription fee for a one-year term is Twenty-Nine Thousand Dollars (\$29,000.00) Each Party shall contribute one-half of the purchase price of the Drone Package and the annual subscription fee.

1.2 Insurance. The City will obtain and maintain insurance as required by Paladin on the Drone Package during the Term of this Agreement. LISD will be responsible for obtaining and maintaining any insurance necessary to protect LISD and its personnel during use of the Drone Package.

Article II Term

The Initial Term of this Agreement shall be one (1) year commencing on the date this Agreement is signed by all Parties (the “Effective Date”), unless sooner terminated as provided herein. Thereafter, the Parties may renew this Agreement for two (2) one (1) year terms (each a “Renewal Term”).

Article III Administration of Drone Package

3.1 Administrators. The Lucas Fire Chief and the LISD Director of Safety shall be the Administrator of the Drone Package and shall assign sub-users and permissions as needed and/or required.

3.2 Housing Location. The drone will be housed at Lucas Fire Rescue Station 1 located at 165 Country Club Road, Lucas, Texas 75002. LISD School Marshals and other designated LSD officials, as agreed upon by the Lucas Fire Chief and LISD Director of Safety and Security, shall be provided with an access card to allow for 24-hour access.

3.3 Deployment. The drone may be deployed by the City or LISD for any emergency service or any other purpose, and at any time, under the following conditions:

- (a) Emergency calls for service of the drone will take precedence over any and all planned events;
- (b) Only trained pilots and observers will be allowed to operate the drone;
- (c) Drone pilots and observers shall adhere to all training requirements as set forth by the FAA; and
- (d) Once the deployment is completed, the drone shall be returned to its Housing Location.

3.4 Damage or Destruction. In the event the drone is damaged or destroyed during a deployment, the Party in possession of the drone at that time shall be responsible for the payment of any insurance deductible.

Article IV Termination

Either Party may terminate its rights and obligations under this Agreement by giving ninety (90) days prior written notice to the other Party. Any financial obligations or liability of the other Party shall survive termination of this Agreement.

Article V NO INDEMNIFICATION

THE CITY AND LISD, INCLUDING THEIR RESPECTIVE ELECTED OFFICIALS AND EMPLOYEES, AGREE THAT EACH WILL BE RESPONSIBLE FOR ITS OWN NEGLIGENT ACTS, ERRORS, AND OMISSIONS OR OTHER TORTIOUS CONDUCT IN THE COURSE OF THE PERFORMANCE OF THIS AGREEMENT, WITHOUT WAIVING ANY GOVERNMENTAL IMMUNITIES AVAILABLE TO THE CITY OR LISD UNDER TEXAS LAW OR OTHER APPLICABLE LAWS AND WITHOUT WAIVING ANY AVAILABLE DEFENSES UNDER TEXAS LAW OR OTHER APPLICABLE LAWS. NOTHING IN THIS PARAGRAPH MAY BE CONSTRUED TO CREATE OR GRANT ANY RIGHTS, CONTRACTUAL OR OTHERWISE, IN OR TO ANY THIRD PERSONS OR ENTITIES.

Article VI Financial Obligations

The Parties represent and covenant that their respective financial obligations and liability hereunder shall constitute operating expenses of the Parties' general fund payable from current funds annually budgeted and approved therefor.

Article VII Default

In the event either Party shall fail to perform any financial obligation hereunder, then the non-defaulting Party shall give written notice of such failure, and if the defaulting Party has not cured such failure with ten (10) days after receive of such written notice, the non-defaulting Party shall have the right to cure such failure and recover from the defaulting Party the amount of money paid, if any, by the non-defaulting Party to cure such failure, with interest at the highest rate allowed by law.

Article VIII Miscellaneous

8.1 Successors and Assigns. This Agreement shall be binding on and inure to the benefit of the Parties and their respective heirs, executors, administrators, legal representatives, successors, and assigns. This Agreement may not be assigned without the written consent of the other Party.

8.2 Limitation on Liability. It is acknowledged and agreed by the Parties that the terms hereof are not intended to and shall not be deemed to create a partnership or joint venture among the Parties. It is understood and agreed among the Parties that each Party, in satisfying the conditions of this Agreement, has acted independently, and each Party assumes no responsibilities or liabilities to third Parties in connection with these actions.

8.3 Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations that is granted and assumed under this Agreement.

8.4 Notice. Any notice required or permitted to be delivered hereunder shall be deemed received three (3) days thereafter sent by United States Mail, postage prepaid, certified mail, return receipt requested, addressed to the Party at the address set forth below or on the day actually received when sent by courier or otherwise hand delivered.

If intended for City:

City of Lucas, Texas
Attn: John Whitsell, City Manager
665 Country Club Road
Lucas, Texas 75002-7651
Phone: (972) 912-1212
jwhitsell@lucastexas.us

With copy to:

Joseph J. Gorfida, Jr.
Nichols | Jackson
500 North Akard
Suite 1800
Dallas, Texas 75201
Phone: (214) 965-9900
jgorfida@nicholsjackson.com

If intended for LISD:

Lovejoy Independent School District
Attn: Katie Kordel
Superintendent
259 Country Club Road
Allen, Texas 75002
(469) 742-8003
katie_kordel@lovejoyisd.net

With copy to:

Chad Timmons
Abernathy, Roeder, Boyd & Hullett, P.C.
1700 Redbud Blvd., #300
McKinney, Texas 75069
ctimmons@abernathy-law.com

8.5 Entire Agreement. This Agreement embodies the complete agreement of the Parties hereto, superseding all oral or written, previous and contemporary agreements between the Parties and relating to the matters in this Agreement, and except as otherwise provided herein cannot be modified without written agreement of the Parties to be attached to and made a part of this Agreement.

8.6 Governing Law. The validity of this Agreement and any of its terms and provisions, as well as the rights and duties of the Parties, shall be governed by the laws of the State of Texas; and venue for any action concerning this Agreement shall be in District Court of Collin County, Texas. The Parties agree to submit to the personal and subject matter jurisdiction of said court.

8.7 Amendment. This Agreement may be amended by the mutual written agreement of the Parties.

8.8 Force Majeure. No Party will be liable for any default or delay in the performance of its obligations under this Agreement if and to the extent such default or delay is caused, directly or indirectly, by fire, flood, earthquake, elements of nature or acts of God, riots, civil disorders,

acts of terrorism or any similar cause beyond the reasonable control of such party. provided that the non-performing party is without fault in causing such default or delay. The non-performing Party agrees to use commercially reasonable efforts to recommence performance as soon as possible.

8.9 Legal Construction. In the event anyone or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions, and it is the intention of the Parties to this Agreement that in lieu of each provision that is found to be illegal, invalid, or unenforceable_ a provision be added to this Agreement which is legal, valid and enforceable and is as similar in terms as possible to the provision found to be illegal, invalid or unenforceable.

8.10 Recitals. The recitals to this Agreement are incorporated herein.

8.11 Counterparts. This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but any of the counterparts shall constitute one and the same instrument.

8.12 Exhibits. Any exhibits to this Agreement are incorporated herein by reference for all purposes wherever reference is made to the same.

8.13 Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties set forth in this Agreement shall survive termination.

8.14 Compliance with Laws. The Parties shall -fully comply with all local, state and federal laws, including all codes, ordinances and regulations applicable to this Agreement and the work to be done thereunder, which exist or which may be enacted later by governmental bodies having jurisdiction or authority for such enactment.

8.15 Severability. In the event any section, subsection, paragraph, sentence, phrase or word herein is held invalid, illegal or unconstitutional, the balance of this Agreement shall be enforceable, and shall be enforced as if the Parties intended at all times to delete said invalid section, subsection, paragraph, sentence, phrase or word.

EXECUTED this _____ day of _____, 2024.

City of Lucas, Texas

By: _____
John Whitsell, City Manager

Approved as to Form:

By: _____
Joseph J. Gorfida Jr., City Attorney
(09-05-2024: 4873-9821-1695, v. 1)

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

The forgoing instrument was acknowledged before me this ____ day of _____, 2024, by John Whitsell, City Manager of the City of Lucas, a municipal corporation under the laws of the State of Texas, in such capacity on behalf of such municipal corporation.

Notary Public, State of Texas

My Commission Expires: _____

(Signature Page to Follow)

EXECUTED this _____ day of _____, 2024.

Lovejoy Independent School District

By: _____
Katie Kordel, Superintendent

Approved as to Form:

By: _____
Name: Chad Timmons
Title: Attorney for Lovejoy Independent School District

STATE OF TEXAS §
 §
COUNTY OF COLLIN §

The forgoing instrument was acknowledged before me this ____ day of _____, 2024, by Katie Kordel, Superintendent of Lovejoy Independent School District, on behalf of said independent school district.

Notary Public, State of Texas

My Commission Expires: _____

4873-9821-1695, v. 1

PALADIN ORDER FORM

1. **Parties:** This Agreement (“**Agreement**”) is entered into on **11/01/2024** (“**Effective Date**”), by and between Paladin Drones, Inc., a Delaware corporation having its principal place of business at 11241 Richmond Ave, Ste E102, Houston, TX 77082 (hereinafter, “**Paladin**”) and **The City of Lucas, TX** with an address of **165 Country Club Rd, Lucas TX 75002** and **Lovejoy ISD with and address of 259 Country Club Road, Allen, Texas 75002** (hereinafter, “**Customer**”); and collectively the “**Parties.**”
2. **Consideration.** WHEREAS Customer agrees to pay the amount listed under Exhibit A of this Order Form; AND WHEREAS, Paladin agrees to provide drone services and equipment; THEREFORE, for good and valuable consideration, the sufficiency of which are hereby acknowledged, Customer and Paladin agree as follows:
3. **Definitions.** All definitions under this contract are subject to the definitions listed under the attached Terms and Conditions (hereinafter, “**Exhibit B**”).
4. **Incorporation of Exhibit.** This Agreement includes Paladin Quote (i.e., Exhibit A), Paladin Terms & Conditions (i.e., Exhibit B), and Additional Terms and Conditions (i.e., Exhibit C).
5. **Superseding Clause of Exhibits.** Paladin Terms and Conditions (i.e., Exhibit B), is superseded by Additional Terms and Conditions (i.e., Exhibit C).

Initial Effective Date: 11/01/2024 Final Term End Date: 09/30/2025 Pricing Package: Launch Package		Billing Frequency: Annually Payment Terms: Net 30 days Price: See Exhibit A
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6. **Services.** As part of the Onboarding Services, Paladin will provide Implementation Services. Subject to the terms described infra, Paladin will grant Customer access to the Watchtower software, and provide Support Services during an Active Term. The same will be offered with each Renewal Term.
7. **Fees.** Paladin will charge Customer a recurring Annual Subscription Fee in accordance with this Agreement. Paladin’s offered Price (see Exhibit A) is only available for sixty (60) from the date of the offer. The Subscription Fee has a minimum term of one (1) year from the date set forth in Exhibit B. Renewal Terms will begin on the date of the Renewal Agreement. Customer understands that additional drones can only be added at the beginning of a Term. Upon full payment of any Term, Customer will own the Drone free and clear of any lien or interest by Paladin.
8. **Implementation Services.** During any Active Term, Customer is granted Implementation Services at any time during an Active Term, which include but are not limited to customized

Customer support, training, and Onboarding Services (*see Exhibit B Sec. 1 for details*).

9. **Billing.** Unless otherwise provided in Exhibit C, all Fees will be due and payable in advance on the terms indicated herein, and each invoice will be emailed to the Customer's billing contact indicated below. Customer accepts an emailed invoice as an actual invoice and will not require a written invoice as a condition for payment.
10. **Renewal Term.** The Agreement is subject to renewal on the terms set forth in Exhibit B. The Pricing Package applicable for each Renewal Term will be determined based on the aggregate amount of Customer Selected Applications at the time of renewal. Exhibit A's pricing offer is only available for sixty (60) days from the date of the offer. *See* specific pricing in Exhibit A. The Customer understands that they may add additional Drone(s) throughout any term and that **Adding a Drone will dissolve the remainder of the Active Term and start a Renewal Term from the date of the renewal Agreement's respective Exhibit B.**
11. **Termination.** The Agreement is subject to early termination on the terms set forth in Exhibit B.
12. **Time of the Essence.** Time is of the essence in the performance of Parties' obligations herein.
13. **Entire Agreement.** By executing this Agreement, each party agrees to be bound by its terms, and the Incorporated Documents, collectively the "Agreement." This Agreement contains the entire agreement among the Parties, and no oral statements or prior written matters not specifically incorporated herein shall be of any force and effect. No variation, modification or changes hereof shall be binding on either party hereto, unless set forth in a document executed by the Parties contemporaneously with this Agreement. If there is a conflict between this Agreement and any terms contained in any proposal, invoice or other agreement between Paladin and Customer, the terms of this Agreement shall control, but shall be superseded only by terms in Exhibit C, which shall be Customer's additional terms.
14. **Intellectual Property.** Except for the limited rights and licenses expressly granted to Customer under the Agreement, nothing in the Agreement grants to Customer or any third party any intellectual property rights or other right, title, or interest in or to the Paladin IP.
15. **Important Disclaimers & Limitations.** EXCEPT FOR THE WARRANTIES SET FORTH IN THE TERMS & CONDITIONS, PALADIN IP IS PROVIDED "AS IS," AND PALADIN DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE, INCLUDING ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. IN ADDITION, TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES' LIABILITIES UNDER THE AGREEMENT ARE LIMITED AS SET

FORTH IN THE TERMS & CONDITIONS.

16. Notices. Any Notice delivered under the Agreement will be delivered to the address below each party's signature below.

17. Authority to Execute Agreement. Each of the undersigned represents that they are authorized to (1) execute and deliver this Order Form on behalf of their respective party and (2) bind their respective party to the terms of the Agreement. This Paladin Order Form and any other documents executed and delivered in connection with the Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same Agreement. To the extent permitted by applicable law, electronic signatures may be used for the purpose of executing the Order Form by email or other electronic means. Any document delivered electronically and accepted is deemed to be "in writing" to the same extent and with the same effect as if the document had been signed manually.

(Signature page follows)

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the Effective Date by their duly authorized representatives.

PALADIN DRONES INC.

By:

Name: Divy Shrivatava

Title: CEO

CITY OF LUCAS, TEXAS

By:

Name:

Title:

LOVEJOY ISD

By:

Name:

Title:

The terms and conditions of this Agreement govern all transactions contemplated by this Agreement, including all orders by Customer. Any proposed purchase order and/or other document submitted by Customer is null and void.

Exhibit A
PALADIN QUOTE

[See attached.]



Lucas Fire Dept & Lovejoy ISD, TX

Lucas Fire Dept, TX

165 Country Club Rd
Lucas, TX 75002

Ted Stephens

tstephens@lucastexas.us
972-727-1242

Reference: 20240906-074645058

Quote created: September 6, 2024

Quote expires: December 5, 2024

Quote created by: Matt Griffin

Account Executive

matt.griffin@paladindrone.io

+16037622834

Comments from Matt Griffin

The referenced Quote provides an all-inclusive pricing package with an annual subscription fee for a one (1) year term with the option to renew for two (2) additional twelve (12) month terms. An extra four (4) sets of batteries will also be included in the purchase.

Products & Services

Item & Description	Quantity	Unit Price	Total
Launch Package The Launch Package is an all-inclusive base annual subscription fee which includes one (1) EXT Module, one (1) new M30 drone, connectivity for one (1) drone to Watchtower Software, FAA and BVLOS Compliance review and set-up, delivery, implementation, training, customer support, unlimited users, unlimited data storage, unlimited maintenance, repairs, and battery replacements.	1	\$29,000.00 / year	\$29,000.00 / year
Annual subtotal			\$29,000.00
Total			\$29,000.00

Purchase terms

Questions? Contact me



Matt Griffin

Account Executive

matt.griffin@paladindrone.io

+16037622834

Paladin

11241 Richmond Ave

STE E102

Houston, Texas 77082

United States

Exhibit B
PALADIN Terms and Conditions

[See attached.]

EXHIBIT B
Paladin Terms and Conditions

PALADIN'S GENERAL TERMS & CONDITIONS

Please carefully read these General Terms and Conditions (hereinafter, "**Terms & Conditions**").

By executing the Order Form, the Customer agrees to be bound by these Terms.

1. Definitions and Provisions

Capitalized terms used in the "Agreement" have the meanings set forth in this section.

"Active Term" means a term for which Customer has a current subscription for service from Paladin. Active Terms become "Inactive Terms" upon the completion of their specified period and may be partitioned by several Implementation Periods which are limited by the Term End Date (e.g., If the contract is for three years, the active term shall be the three years, and each year shall be an Implementation Period).

"Add-Ons" means the addition of one or more Drone (e.g., M30, M30T, M350, etc.) and/or Drone with a Docking Station under the Advanced Package.

"Advanced Package" means one of three Package types that includes a Paladin issued M30T Drone, or similar, fitted with an EXT Module and Docking Station. This package does not require Client to provide its own Drone. This is the top package and includes (1) Set-Up of FAA and BVLOS Compliance Documents; (2) In-Person Delivery, Implementation, and Onboarding; (3) Unlimited Training & Customer Support; and (4) Unlimited Users & online cloud storage. Upon payment of the initial Implementation Period Client will own the provided Drone, and EXT module, and Docking Station. At Client's option, it may renew its term and add Add-ons. The Watchtower software will serve the hardware.

"Aggregated Statistics" means data and information related to Customer's use of the Services that are used by Paladin in an aggregate and anonymized manner, including statistical and performance information related to the Services to improve its products and services.

"Agreement" means, collectively and to the extent applicable the Paladin Order Form, these Terms & Conditions (i.e., Exhibit B), Exhibit A, and Exhibit C, and any other Incorporated Documents.

"Application Obligations" means, collectively, Customer's debt, and other financial obligations relevant to the Application Services.

"Application Services" means management and compliance software-as-a-service application. Generally, this refers to but is not limited to the Watchtower software. These services are included during an Active Term.

"Appropriate Security Measures" means, collectively, commercially reasonable technical and physical controls and safeguards intended to protect Customer Data against destruction, loss, unauthorized disclosure, or unauthorized access by employees or contractors employed by Paladin.

"Authorized User" means any of Customer's employees, consultants, contractors, or agents who are authorized by Customer to access and use any of the Services. Additionally, any user of the provided Software, and/or Equipment with the explicit, implicit, or tacit authorization of Customer.

"Confidential Information" means any information in any form related to the Agreement, disclosed by a party (the **"Discloser"**), or disclosed on behalf of such party by its affiliates or representatives, to another (the **"Recipient"**), including without limitation any trade secrets, technology, technical data, source code, object code, software, inventions, know-how, information that Discloser considers and treats as confidential, or that a reasonable person would believe is confidential based on the nature of the information. Confidential Information does not include information that (i) at the time of disclosure, is available to the general public, (ii) becomes available to the general public through no fault of Recipient, (iii) is received by Recipient at any time from a third party without breach of a non-disclosure or confidentiality obligation to Discloser, (iv) is known to Recipient at the time of disclosure, as demonstrated by documentary evidence, (v) is developed independently by Recipient without access to any of Discloser's Confidential Information, or (vi) is approved for disclosure by prior written permission of Discloser or a corporate officer, including without limitation pursuant to the terms of this Agreement.

"Customer" means the person or entity purchasing the Services as identified in the Order Form.

"Customer Data" means, other than Aggregated Statistics, information, data, and other content, in any form or medium, that is transmitted by or on behalf of Customer or an Authorized User through the Services.

"Customer Terms" means any terms or agreements provided by Customer and applicable to the Services but only to the extent such terms or agreements are expressly referenced and incorporated into the Order Form, and/or as contained in Exhibit C. For the avoidance of doubt, "Customer Terms" does not include any purchase order or similar document generated by Customer unless such document is expressly referenced and incorporated into the Order Form.

"Delivery Date" means the first day of delivery of the included equipment.

"Delivery Point" means the location agreed by Parties to be where Customer shall receive their Equipment. If no designation is made then the default delivery point shall be the address listed on the Paladin Purchase Order for Customer.

"Documentation" means any documents, FAA certification and the documents and processes required for the acquisition of such, training materials, information, directions, explanations, or material, concerning the Equipment and/or the Watchtower Products, whether produced by or for Paladin, for the use of the Equipment and/or Watchtower

Software, in whatever form, and including without limitation the Specifications. Including, Paladin's end user documentation and content, regardless of media, relating to the Services made available from time to time on Paladin's website at paladindrone.io.

"Drone" means an unmanned aerial vehicle (UAVs), and refers to Select Drone(s) by Customer.

"Drone as a Service Fees" has the meaning set forth in Section 6 (Prices and Fees) of this Agreement.

"Effective Date" means the date that the Agreement designates in its Terms as "Effective Date". Refer to Exhibit A and C. If no Effective Date is designated by the Parties, then the default Effective Date is the date Client signed the Agreement (i.e., Paladin Purchase Order Form and Exhibit B).

"Equipment" means (1) EXT Module; (2) Select Drone; and/or (3) Docking Station.

"Fee" means an amount owed for services pursuant to the Agreement.

"Feedback" means any comments, questions, suggestions, or similar feedback transmitted in any manner to Paladin, including suggestions relating to features, functionality, or changes to the Paladin IP.

"Governing State" means the State of Texas.

"Government Entity" means any unit of state or local government, including states, counties, cities, towns, villages, school districts, special purpose districts, and any other political or governmental subdivisions and municipal corporations, and any agency, authority, board, or instrumentality of any of the foregoing.

"Implementation Period" for a twelve (12) month period, with each such period beginning, if applicable, on the Effective Date and on each anniversary of the Effective Date thereafter.

"Implementation Services" means the services provided to Customer during an Implementation Period (i.e., on an annual basis as limited by the Term End Date), including tailored Customer support, instructions, review of Application Obligations, and entry of relevant Customer Data.

"Inactive Term" means any period that is not an Active Term and usually follows the end of a subscription period when no renewal for service is made prior to the end of that Active Term.

"Incorporated Documents" means, collectively, Exhibit A, Exhibit B, Exhibit C.

"Initial Term" means the term of the services beginning on the Effective Date and

ending on the term End Date, as established in the Paladin Order Form (see pg. 1, section 5).

"Intellectual Property Rights" means all intellectual property and proprietary rights anywhere in the world under the laws of any state, country, territory, and/or other jurisdiction, as may now exist or hereafter come into existence, whether statutory, common law, or otherwise, including without limitation any and all patent rights (including patent applications and disclosures), copyright rights, trade secret rights, moral rights, know-how, database rights, mask work rights, rights of publicity, Marks (whether registered or unregistered), and all goodwill relating to the foregoing and any and all applications therefore and registrations, renewals, and extensions thereof. "Mark" means any trademark, trade name, trade dress, service mark, corporate name, design, logo, device, domain name, and/or other indicator of the source or origin of any product or service.

"Launch Package" means one of three Package types that includes a Paladin issued M30 Drone fitted with its EXT Module. This package does not require Client to provide its own Drone. This is the middle package and includes (1) Set-Up of FAA and BVLOS Compliance Documents; (2) In-Person Delivery, Implementation, and Onboarding; (3) Unlimited Training & Customer Support; and (4) Unlimited Users & online cloud storage. At the end of the Agreement Term Client will own the provided Drone and EXT module and may at Client's option renew its term and Add-Ons. The Watchtower software will serve the hardware.

"Legal title" means unconditional ownership of a tangible asset.

"Offer" means a conditional proposal made by a Party, which becomes legally binding if accepted by the offeree.

"Onboarding Services" means onboarding services, support, and training as required to make the Application Services available to the Customer during the service Term.

"Order Form" means (1) the order document executed and delivered by Paladin and Customer for the Initial Term or (2) to the extent applicable, any subsequent Order Form document executed and delivered by Paladin and Customer for any Renewal Term.

"Package Type" means the selected package by Customer to facilitate its Drones. Customer may select from the following packages: Turn-Key, Launch, or Advanced.

"Paladin" means Paladin Drones Inc., d/b/a Paladin, a Delaware corporation, and its permitted successor and assigns.

"Paladin IP" means (1) the Services, Documentation, and Feedback, including all ideas, concepts, discoveries, strategies, analyses, research, developments, improvements, data, materials, products, documents, works of authorship, processes, procedures, designs, techniques, inventions, and other intellectual property, whether or not patentable or copyrightable, and all embodiments and derivative works of each of the foregoing in any form and media, that are developed, generated or produced by Paladin arising from or related to the Services, Documentation, or Feedback; and (2) any

intellectual property provided to Customer or any Authorized User in connection with the foregoing other than Customer Data.

"Paladin Order Form" means the document named Paladin Order Form, and incorporated into these terms herein by reference, and which when executed by both parties hereto, shall form a part of Party's Agreement and Parties agree to be subject to its terms.

"Privacy Policy" means, collectively, Paladin's privacy policy and any similar data policies generally applicable to all users of the Application Services, in each case as posted to Paladin's website, in general, and as updated from time to time in accordance with their terms found at <https://paladindrone.io/privacy-policy/>.

"Provided Software" means any software which Paladin has made available by any means to Customer. Generally this refers to but is not limited to the Watchtower software.

"Regular Use" means in accordance with the terms of this Agreement, autonomous flight and manual control of the drone through Paladin's Watchtower Software

"Renewal Agreement" means an Agreement that follows or extends a former Agreement for the purpose of extending or maintaining a service with Paladin.

"Renewal Term" means any Active Term that is renewed subject to the terms of an Agreement, or Renewal Agreement but prior to becoming an Inactive Term.

"Section number (#)" means any section within this document that is referenced to with its section number and/or subsection (e.g., where a section refers to section 3, then this means that the terms in section 3 are to be read to have been replicated in that referencing section).

"Services" means, collectively, the Application Services, the Onboarding Services, the Implementation Services, and the Support Services.

"Select Drones" means Drones that are offered based on the selected Package Type. Not all Drones are available for each package.

"Specifications" means those standards by which the Equipment and Watchtower Products must be operated, as set forth in Schedule C attached hereto and incorporated herein by reference.

"Support Services" means the general maintenance services and technical support provided in connection with the Application.

"Term" means, collectively, the Initial Term and, if applicable, each successive Renewal Term.

"Final Term End Date" means, the date no Renewal Term or Implementation Period shall proceed the last Active Term and the Services will terminate.

"Turn-Key Package" means one of three Package types that allows Customer to

bring their own Drone that is compatible with Paladin's EXT Module. This package is serviced by Paladin's Watchtower Software. This is the basic package and includes (1) Set-Up of FAA and BVLOS Compliance Documents; (2) In-Person Delivery, Implementation, and Onboarding; (3) Unlimited Training & Customer Support; and (4) Unlimited Users & online cloud storage.

"Unlimited Warranty" means during the life of the contract Paladin will repair, or replace, any provided equipment that is acquired under either the Launch Package and Advanced Package. These warranties are applicable only when Customer has used products in accordance with the terms of this agreement.

"User-error" means, while any Select Drone is being operated by a Pilot in Command (PIC) the Drone sustains damage as a result of the PIC's direct control.

"Usage Policy" means, collectively, Paladin's acceptable usage policy, any end user licensing agreement, or any similar policy generally applicable to all end users accessing the Application Services, in each case as posted to Paladin's website and as updated from time to time in accordance with its terms.

"Watchtower Products" means the Watchtower Software.

"Watchtower Software" means the primary software licensed to allow users to interface with Select Drone(s), commission flight, develop, retain, and store data and reports for Parties analysis, view the live stream, and send commands to the drone during active situations.

"Website" means the websites of Paladin Drones, Inc., the primary web page URL of which is <https://paladindrones.io/>.

2. Access and Use.

a. Provision of Access. Subject to the terms and conditions of the Agreement, Paladin grants Customer and Customer's Authorized Users a non-exclusive, non-transferable (except as permitted by this Agreement) right to access and use the Application Services during the Term, solely for Customer's internal use and for the Authorized Users' use in accordance with the Agreement. Paladin will provide to Customer the necessary passwords and network links or connections to allow Customer to access the Application Services. Paladin agrees to provide instructions to the Customer, employees, agents, and related entities bound under the Agreement, to maintain the airworthiness of its drone(s) so that it is in a condition that is ready for service. Paladin will instruct Customer how to maintain all proper licensing and registration for itself and the drones so that they can legally be used for Customer's purposes when called upon.

b. Documentation License. Subject to the terms and conditions of the Agreement, Paladin grants to Customer and Customer's Authorized Users a non-exclusive, non-sublicensable, non-transferable (except as permitted by these Terms) license to use the Documentation during the Term solely for Customer's and its Authorized User's internal business purposes. Paladin does not exercise any control over the Drone or equipment

when it is in flight and Customer while using any features in the Documentation is the sole operator controlling the Drone, and or equipment.

c. Customer Responsibilities. Customer is responsible and solely liable for its Authorized Users' access and use of the Services and Documentation, regardless of whether such use is permitted by the Agreement. Customer must use reasonable efforts to make all Authorized Users aware of the provisions applicable to their use of the Services, including the Incorporated Documents.

d. Use Restrictions. Customer may not at any time, directly or indirectly through any Authorized User, access or use the Services in violation of the Usage Policies, including any attempt to (1) copy, modify, or create derivative works of the Services or Documentation, in whole or in part; (2) sell, license, or otherwise transfer or make available the Services or Documentation except as expressly permitted by the Agreement; or (3) reverse engineer, disassemble, decompile, decode, or otherwise attempt to derive or gain access to any software component of the Services, in whole or in part. During the Term hereof, Customer shall not use the Equipment, Watchtower Products, and/or Documentation for any purposes except as set forth in this Agreement. Without limiting the foregoing and except as otherwise expressly set forth in this Agreement, Customer shall not at any time, directly or indirectly: (i) copy, modify, or create derivative works of the Watchtower Products and/or Documentation, in whole or in part; (ii) rent, lease, lend, sell, sublicense, assign, distribute, publish, transfer, or otherwise make available the Watchtower Products and/or Documentation; (iii) reverse engineer, disassemble, decompile, decode, adapt, or otherwise attempt to derive or gain access to the source code of the Watchtower Products and/or Documentation, in whole or in part; (iv) reverse engineer, disassemble, or gain access to the interior components of the Watchtower Products and/or Documentation; (v) remove any proprietary notices from the Watchtower Products and/or Documentation; or (vi) use the Watchtower Products and/or Documentation in any manner or for any purpose that infringes, misappropriates, or otherwise violates any Intellectual Property Right or other right of any person, or entity, or that violates any applicable law. The Customer is responsible and liable for all uses of the Watchtower Products and/or Documentation resulting from access provided by Customer, directly or indirectly, whether such access or use is permitted by or in violation of this Agreement. Without limiting the generality of the foregoing, Customer is responsible for all acts and omissions of Authorized Users, and any act or omission by an Authorized User that would constitute a breach of this Agreement if taken by Customer will be deemed a breach of this Agreement by Customer.

e. Protection of Equipment Trade Secrets. Customer acknowledges and agrees that the design, construction, and internal components, and other elements, of the Equipment provided under this Agreement are Confidential Information (and may include valuable trade secrets) and, as such, is protected under the terms of this Agreement. Customer agrees that any Disclosure of such would cause Paladin irreparable injury and damage without a need to prove the same. To ensure the protection of such information, Customer acknowledges its duty to implement reasonable precautions not to— open or disassemble the Equipment, nor any piece or component thereof, nor to otherwise investigate the internal components and operations of any of the Equipment. Customer agrees to use reasonable precautions to protect the Equipment from theft, inspection, investigation, discovery of the Equipment's components, design, construction, and/or other

elements, and any unauthorized use.

f. Suspension. Notwithstanding anything to the contrary in the Agreement, Paladin may temporarily suspend Customer's and any Authorized User's access to any or all the Services if:

(1) Customer is more than 45 days late in satisfying: All Application Obligations; Fees then due, or in accordance with, the terms of the Agreement.

(2) Paladin reasonably determines that:

(A) there is a threat or attack on any of the Paladin IP;

(B) Customer's or any Authorized User's use of the Paladin IP disrupts or poses a security risk to the Paladin IP or to any other customer or vendor of Paladin;

(C) Customer, or any Authorized User, is using the Paladin IP for fraudulent or illegal activities; or

(D) Paladin's provision of the Services to Customer or any Authorized User is prohibited by applicable law.

(3) Any vendor of Paladin has suspended or terminated Paladin's access to or use of any third-party services or products required to enable Customer to access the Services (i.e., "**Service Suspension**"). Paladin will use commercially reasonable efforts to—

(i) provide written notice of any Service Suspension to Customer,

(ii) provide updates regarding resumption of access to the Services, and

(iii) resume providing access to the Services as soon as reasonably possible after the event giving rise to the Service Suspension is cured. Paladin is not liable for any damage, losses, or any other consequences that Customer or any Authorized User may incur because of a Service Suspension.

g. Aggregated Statistics. Notwithstanding anything to the contrary in the Agreement, Paladin may monitor Customer's use of the Services and collect and compile Aggregated Statistics. As between Paladin and Customer, all right, title, and interest in Aggregated Statistics, and all intellectual property rights therein, belong to and are retained solely by Paladin. Paladin may compile Aggregated Statistics based on Customer Data input into the Services. Paladin may (1) make Aggregated Statistics publicly available in compliance with applicable law, and (2) use Aggregated Statistics as permitted under applicable law so long as, in each case, Paladin's use of any Aggregated Statistics does not identify the Customer or disclose Customer's Confidential Information.

3. Service Levels and Support. Subject to the terms and conditions of the Agreement, Paladin will use commercially reasonable efforts to make the Application Services and Support Services available. Paladin will assist Customer in applying for FAA BVLOS waivers and instruct Customer to operate equipment in a legal manner. Paladin will start with one deployment location at a time and continue progressively until the agreed upon number of deployment locations for all UAS. In an effort to aid in Paladin's BVLOS process,

Paladin will provide training materials to the Customer which may enable it to self certify employees as Visual Observers (VOs). Paladin will provide training to officers on how to access and utilize the Paladin Watchtower in a “train the trainer” model.

Paladin will teach Customer how to dispatch the Hardware using the Software to emergency calls. Customer warrants that only personnel authorized by Customer may have access to the Live Stream from the drone. Customer will be taught on how to use Paladin’s software to view and stream on any compatible internet-connected device. Paladin will apply for Certificates of Authorization (i.e., “COA”) from the FAA on behalf of Customer and provide related training. Customer understands that Paladin will not provide FAA, Part 107, training. Customer agrees that only Authorized personnel who have undertaken training from Paladin may have access to the Paladin Watchtower software, which can convey the status of the drone, and how to tell the drone to conduct additional maneuvers if needed. All operations will be conducted by a Pilot in Command (PIC), who may be an FAA-certified pilot, and have manual override control of the drone to prevent malfunctions. Customer will provide the PICs needed to sustain this program.

Paladin’s training shall consist of: :

1. Showing how to access Watchtower on their respective internet devices.
2. Showing how to view a live stream through the application.
3. Showing how to control the drone using the application.
4. Showing how to report problems if they come across them on the application.
5. After the initial training, and upon the written request of the Customer, Paladin will schedule a training course for new hires and to aid in maintaining Customer’s FAA compliance.

a. Paladin will provide training for the Customer to use the Equipment. This training will consist of:

1. Going over the maintenance list for the drone, and how to maintain airworthiness.
2. Teaching how to fly the drone autonomously using Watchtower.
3. Teaching how to fly the drone manually using the remote control.
4. Teaching how to fly the drone via LTE.
5. Teaching how to attach, detach, activate, deactivate, the LTE module that attaches to the drone and gives it LTE capabilities.

4. Fees and Payment.

a. Fees. Customer will pay Paladin the fees ("Fees") set forth in the Order Form. Paladin will invoice Customer for all Fees in accordance with the invoicing schedule and requirements set forth in the Agreement (e.g., Exhibit A). Customer must pay all Fees in US dollars, and all Fees are fully earned once paid. To the extent permitted by applicable law, if Customer fails to make any payment when due, Paladin may, without limiting any of its other rights, after a five (5) day grace period, charge interest on the past due amount at the lowest of (1) the rate of 5% per month, (2) the rate established in Exhibit C, or (3) the maximum rate permitted under applicable law. Customer agrees to reimburse Paladin for all costs incurred in collecting any late payments, including, without limitation, reasonable attorneys' fees.

b. **NET 30: PAYMENT IS DUE WITHIN 30 DAYS OF THE PALADIN ORDER FORM'S EFFECTIVE DATE.** The set-up process for all services and software begins upon receipt of the (1) signed Agreement (e.g., Paladin Purchase Order) and (2) the receipt of payment. If applicable, payment must include any Add-On(s) (i.e., physical equipment) purchased by Customer. Refunds are strictly waived by Client and agree that all sales are final. Client has the option to upgrade a Package Type at the end of any 12 month term, during an Active Term. If an upgrade is requested Parties must resign a new Agreement (i.e., Paladin Order Form). Payment is due according to the terms of the Agreement every 12 months from the Effective Date.

c. **Taxes.** All Fees and other amounts payable by Customer under the Agreement are exclusive of taxes and similar assessments. Unless Customer is exempt from making any such payment under applicable law or regulation, Customer is responsible for all applicable sales, use, and excise taxes, and any other similar taxes, duties, and charges of any kind imposed by any federal, state, or local governmental or regulatory authority on any amounts payable by Customer under the Agreement, other than any taxes imposed on Paladin's income. If Customer is a non-government entity, the Agreement Price (e.g., Exhibit A and C) will designate the total tax owed. Client agrees to be solely responsible for any tax obligations relating to its purchase, and if any errors are discovered or later calculated, Client agrees to cure any tax obligations as soon as practicable.

5. **Equipment Provided to Customer**

a. **Conditional Ownership.** Paladin offers to sell to Customer a service Package Type. Based on the selection made by Customer, Paladin shall grant an (1) EXT Module; (2) Select unmanned Drone; and/or (3) Docking Station. In the event Customer selects Add-Ons, they will be granted by Paladin and Legal Title shall pass to the Customer upon full payment of the Initial Term.

b. **Pricing:** Paladin's Order Form shall designate the offered price for services described in its Exhibit A (i.e., part of its Incorporated Documents).

c. **Batteries:** Each year, as specified in the Paladin Order Form, Customer shall be entitled to a designated number of batteries compatible with their Drone. These batteries are included at no additional charge; however, customer shall have the option to purchase extra batteries.

d. **Repairs:** Paladin warrants the repairs of Equipment it provides to the Customer, so long as the Equipment's use was in accordance with this Agreement, and in the event of Equipment damage, such damage is not caused by a 3rd party regardless of if the act was intentional or accidental, or Client's user-error and/or negligence. Autonomous flight in accordance with the proper use of the Watchtower software even if resulting in Equipment damage will be replaced at no cost to Client.

e. **Delivery.** Paladin shall make the Equipment available to Customer at Customer's address set forth in the Paladin Order Form. Transportation and use of the Equipment after delivery at the Delivery Point, shall be entirely at Customer's own risk and expense. If Customer disassembles the Equipment to facilitate transportation, Paladin shall bear no responsibility for reassembly of the Equipment or any related defects. If for any reason Customer fails to accept delivery of the Equipment by the date fixed in the

Agreement or pursuant to Paladin's notice that the Equipment is available at the Delivery Point, or if Paladin is unable to make the Equipment available at the Delivery Point within a reasonable time after the Delivery Date owing to any act or omission of Customer or its representatives, including without limitation the failure to provide appropriate access to Delivery point, facilitation to access Delivery point, instructions, documents, licenses, access, clearance and/or authorizations: (i) Customer shall bear the risk of loss to the Equipment; (ii) the Equipment shall be deemed to have been delivered; and (iii) Paladin, at its option, may store the Equipment until collected by Customer, whereupon Customer shall be liable for all related costs and expenses (including, without limitation, storage and insurance).

6. Loss And Damage Of Equipment

- a. Customer assumes and shall bear the entire risk of loss, damage to, theft or destruction of equipment, from any cause. LOSS OR DAMAGE TO THE EQUIPMENT, OR ANY PART OF IT, SHALL NOT RELIEVE CUSTOMER OF ANY OBLIGATION UNDER THIS AGREEMENT. The customer's obligations with respect to the aforementioned shall commence upon delivery of the equipment.
- b. Customer agrees to immediately notify Paladin of any accident or event of loss or damage involving the Equipment. The notification shall include any information as may be pertinent to Paladin's investigation of such accident, loss, or damage, or which Customer may reasonably require.
- c. Subject to Section 2 supra and in accordance with the terms in Section 9, infra, Paladin offers repairs and replacements to Customer's equipment that was purchased from Paladin and at the time of equipment failure had an Active Term under the Launch package or Advanced package.

7. Confidential Information

a. During any Active Term, either party (the "**Disclosing Party**") may disclose or make available to the other party (the "**Receiving Party**") information about the Disclosing Party's business affairs, products, confidential intellectual property, trade secrets, third-party confidential information, and other sensitive or proprietary information, whether in written, electronic, or other form or media, that is marked, designated, or otherwise identified as "confidential", or which a reasonable person would understand to be confidential or proprietary under the circumstances (collectively, "**Confidential Information**"). Paladin's Confidential information includes the Paladin IP and the Application Services source code and specifications. As used in the Agreement, "Confidential Information" expressly excludes any information that, at the time of disclosure is (1) in the public domain; (2) known to the receiving party at the time of disclosure; (3) rightfully obtained by the Receiving Party on a non-confidential basis from a third party; or (4) independently developed by the Receiving Party.

b. To the extent permitted by applicable law, the Receiving Party will hold the Disclosing Party's Confidential Information in strict confidence and may not disclose the Disclosing Party's Confidential Information to any person or entity, except to the Receiving Party's employees, officers, directors, agents, subcontractors, financial advisors, and

attorneys who have a need to know the Confidential Information for the Receiving Party to exercise its rights or perform its obligations under the Agreement or otherwise in connection with the Paladin's Services and internal operations. Notwithstanding the foregoing, each party may disclose Confidential Information to the limited extent required (1) in order to comply with the order of a court or other governmental body, including a ruling from the Texas Attorney General, or as otherwise necessary to comply with applicable law, provided that the party making the disclosure pursuant to the order must first give written notice to the other party; or (2) to establish a party's rights under the Agreement, including to make required court filings.

c. On the expiration or termination of the Agreement, the Receiving Party must promptly return to the Disclosing Party all copies of the Disclosing Party's Confidential Information, or destroy all such copies and, on the Disclosing Party's request, certify in writing to the Disclosing Party that such Confidential Information has been destroyed. Notwithstanding anything to the contrary in section seven (7), Paladin may store, collect, analyze, and make unrestricted use of any data on its platform for the improvement of its services, customer support, and in accordance with meeting its obligations under this Agreement and under section eight (8)(b).

d. Each party's obligations under this Section are effective as of the Effective Date and will expire three years from the Effective date of the Agreement; provided, however, with respect to any Confidential Information that constitutes a trade secret (as determined under applicable law), such obligations of non-disclosure will survive the termination or expiration of the Agreement indefinitely.

e. Notwithstanding anything in Section seven (7) to the contrary, if Customer is a Government Entity, then Paladin expressly agrees and understands that Customer's obligations under this Section are subject in all respects to, and only enforceable to the extent permitted by, the public records laws, policies, and regulations of the Governing State.

f. **Mutual Restrictions.** Recipient shall use Discloser's Confidential Information only for the purposes of this Agreement (the "**Purpose**"). Except as permitted in this Agreement, Recipient shall not disclose to any third party any of Discloser's Confidential Information that is obtained directly or indirectly from Discloser or its affiliates or representatives. Recipient may only disclose the Confidential Information of Discloser to its representatives who are required to have it to further the Parties' purpose and/or obligations herein. Recipient must inform any such representative of the confidential nature of the information and cause the representative to comply with the terms of this Agreement as if it were the Recipient, and Recipient will be liable for any breach of this Agreement by any such representative, agent, or delegatee. Recipient will exercise the highest degree of care toward the Confidential Information. Recipient agrees to take all reasonable steps to protect the secrecy of, and avoid disclosure or use of, the Discloser's Confidential Information in order to prevent it from falling into the public domain or possession of unauthorized persons. Recipient agrees to immediately notify Discloser in writing of any use and/or disclosure in violation of this Agreement. Each party, however, may disclose Confidential Information of the other pursuant to the order or requirement of a court, federal agency, or other governmental body, provided that the disclosing party gives reasonable

notice to the other party to contest such order or requirement. Recipient agrees and

acknowledges that any such breach or threatened breach of these terms of confidentiality may cause irreparable injury to Discloser so that, in addition to any other remedies available, Discloser may seek injunctive relief against the threatened or actual breach. Without limiting the generality of the foregoing, Customer shall continue to protect the Confidential Information of Paladin in perpetuity, as it relates to trade secrets contained in the Equipment and/or Watchtower Products.

8. Intellectual Property

a. Paladin IP. As between Customer and Paladin, Paladin owns all Paladin IP: rights, title, and interest.

b. Customer Data. As between Parties, Customer owns all right, title, and interest, including all intellectual property rights, in and to the Customer Data. Customer hereby grants to Paladin a non-exclusive, royalty-free, worldwide license to reproduce, distribute, sublicense, modify, prepare derivative works based on, and otherwise use and display the Customer Data and perform all acts with respect to the Customer Data as may be necessary or appropriate for Paladin to improve its Services and provide the Services to Customer.

c. Customer acknowledges and agrees that Paladin and its licensors and suppliers retain and own all rights, legal title, and interests in and to all Intellectual Property Rights therein of the following: (i) the Paladin Website, Watchtower Products, Watchtower Software, Watchtower Website Portal, Paladin Services, and any and all other services and products related thereto; (ii) the components and any and all other materials, content, data and/or information provided and/or made available by Watchtower in connection with any of the foregoing (but excluding content and/or data provided exclusively by Customer and Equipment purchased by Customer); all know-how and proprietary design and configuration of the Equipment; and (iii) any and all configurations, derivative works, developments, modifications, adaptations, changes, alterations, edits, conversions, improvements and/or the like made to, arising out of, and/or resulting from any of the foregoing. All rights not expressly granted under this Agreement, are reserved to Paladin and its licensors and suppliers, and there are no implied rights. Under no circumstances will anything in this Agreement be construed as granting, by implication, estoppel, or otherwise, a right or license to any party's Intellectual Property Rights or proprietary technology other than in strict accordance with the terms of this Agreement. Customers, its Authorized Users, and all other Users acknowledge and agree that Paladin and its licensors, suppliers, vendors, and/or its third party vendors shall own all right, title, and interest in and to all Intellectual Property Rights in and to any suggestions, enhancement requests, feedback, or recommendations provided by Customers, Authorized Users, and/or all other Users relating to the Watchtower Products, and Paladin Services, without any limitations, restrictions, and/or requirement of compensation, including without limitation all unpatented inventions, patent applications, patents, design rights, copyrights, Marks, know-how, and other trade secret rights, and all other Intellectual Property Rights, derivatives or improvements thereof.

d. Effect of Termination. Without limiting either party's obligations this Agreement, Paladin, at no further charge to Customer, will (1) provide Customer with temporary access to the Application Services for up to 60 days after the termination of the

Agreement to permit Customer to retrieve its Customer Data and (2) use commercially reasonable efforts to assist Customer, at Customer's request, with such retrieval. After such a period, Paladin may destroy any Customer Data in accordance with Paladin's data retention policies.

9. Warranties & Disclaimers.

- a. When Customer is engaging in Regular Use through the Watchtower Software, Paladin shall: (A) provide all three packages (i.e., Turn-key, Launch, and Advanced) unlimited updates and repairs of their EXT Module and Watchtower software during any Active Term; (B) provide unlimited repairs to the M30T drone and provide replacement parts and related instructions for any wear and tear on propellers and batteries; and (C) provide to Customers who selected the Advanced Package unlimited repairs to their Docking station.
- b. Notwithstanding the aforementioned, no maintenance or repairs shall be provided in the event of non-regular use, intentional damage, third-party damage, or when Paladin's insurance provider(s) for any reason declines to cover the claim. However, despite the aforementioned, Paladine will reserve the discretion to make repairs despite noncoverage.
- c. Functionality & Service Levels. During the Term, the Application Services will operate in a manner consistent with general industry standards reasonably applicable to the provision of the Application Services and will conform in all material respects to the Documentation. Paladin does not make any representation, warranty, or guarantee regarding availability of the Application Services.
- d. Paladin warrants upon delivery, that at a minimum, all drones are maintained and operated in material accordance with:
 1. All applicable manuals inclusive but not limited to the manufacturers and operators' maintenance manuals;
 2. Mandatory Advisory Circulars or other Airworthiness Directives issued by the FAA;
 3. The manufacturer's airworthiness limitations;
 4. Manufacturer or FAA mandated inspection schedules, overhaul schedules, and calendar retirement dates; and
 5. Service Bulletins.
- e. Customer Warrants and is solely responsible for ensuring that all crew, including pilot in command, visual observer, sensor or payload operator, or other persons necessary for the safe operation of the flight have the qualifications, experience, licenses, and certificates required by applicable Federal Aviation Administration regulations and that all have the necessary skill required to perform their duties.
- f. IN ORDER TO BE IN COMPLIANCE WITH THIS AGREEMENT'S TERMS OF USE, CUSTOMER MUST:
 - i. PER FAA REGULATIONS, A MINIMUM OF ONE PILOT IS REQUIRED TO OPERATE EACH DRONE.
 - ii. WORK WITH PALADIN TO GET BVLOS WAIVERS FOR THE CUSTOMER TO FULLY USE PALADIN'S PRODUCT AND SERVICES.

- iii. TRAIN CUSTOMER TO BE VO'S SO THAT THE CUSTOMER CAN HAVE FAA-COMPLIANT AND SAFE BVLOS OPERATIONS.
- iv. IF CUSTOMER CONNECTS PALADIN'S SOFTWARE TO THEIR COMPUTER AIDED DISPATCH (CAD) SYSTEM OR THIRD PARTY INTEGRATION SOFTWARE (i.e., NON-PALADIN APPLICATION PROGRAM INTERFACE "API"), PALADIN SHALL NOT BE LIABLE FOR ANY RELATED COSTS AND CUSTOMER WILL PROVIDE ACCESS TO SAID CAD SYSTEM OR API. PALADIN SHALL NOT BE LIABLE FOR ANY RELATED COSTS AND CUSTOMER WILL PROVIDE ACCESS AT NO COST TO PALADIN AND FURTHER GRANTS A LICENSE TO PALADIN TO USE ANY CONNECTED API OR CAD SYSTEM TO RETRIEVE LATITUDE, LONGITUDE, AND OTHER INFORMATION ABOUT 911 CALLS AS THEY ARE PLACED.
- v. PALADIN WILL PROVIDE THEIR WATCHTOWER INTERFACE TO COMMAND THE EQUIPMENT AND ALLOW AUTHORIZED USERS TO ACCESS CONTROLS.

g. Security. Paladin has implemented Appropriate Security Measures and has made commercially reasonable efforts to ensure its licensors and hosting providers, as the case may be, have implemented Appropriate Security Measures intended to protect Customer Data.

h. Paladin IP. EXCEPT FOR THE WARRANTIES SET FORTH IN THIS SECTION, PALADIN IP IS PROVIDED "AS IS," AND PALADIN HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS, IMPLIED, STATUTORY, OR OTHERWISE. PALADIN SPECIFICALLY DISCLAIMS ALL IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT, AND ALL WARRANTIES ARISING FROM COURSE OF DEALING, USAGE, OR TRADE PRACTICE. EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN THIS SECTION, PALADIN MAKES NO WARRANTY OF ANY KIND THAT THE PALADIN IP, OR ANY PRODUCTS OR RESULTS OF THE USE THEREOF, WILL MEET CUSTOMER'S OR ANY OTHER PERSON'S REQUIREMENTS, OPERATE WITHOUT INTERRUPTION, ACHIEVE ANY INTENDED RESULT, BE COMPATIBLE OR WORK WITH ANY SOFTWARE, SYSTEM, OR OTHER SERVICES, OR BE SECURE, ACCURATE, COMPLETE, FREE OF HARMFUL CODE, OR ERROR FREE.

i. EXCEPT AS SET FORTH HEREIN AND TO THE EXTENT NOT PROHIBITED BY LAW, ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, ARE DISCLAIMED, INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO ANY SERVICE OFFERED, PROVIDED, OR AVAILABLE. ALL STATEMENTS CONCERNING THE AUTONOMOUS FLIGHT, EQUIPMENT AND PRODUCT COVERED BY THIS WARRANTY, OR STATEMENTS CONTAINED IN ADVERTISING, PAMPHLETS OR OTHER PRINTED MATERIALS DO NOT CONSTITUTE WARRANTIES, AND THE CUSTOMER AND/OR BUYER ACKNOWLEDGE THAT THEY HAVE NO RIGHT TO RELY UPON SAME NOTWITHSTANDING ANY WARRANTY IN THE AGREEMENT AND SECTION 6

SUPRA. PALADIN OR ANY OF ITS SUBSIDIARIES MAKE NO WARRANTY AS TO THE QUALITY OF FLIGHT, DATA COLLECTION, OR ACCESS OF ANY SOFTWARE OR HARDWARE OR OTHER PRODUCTS AND SHALL NOT BE LIABLE FOR ANY LOSSES, SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES, OR FOR ANY LOSS, DAMAGE OR EXPENSE ARISING UNDER OR IN CONNECTION WITH THE SAME. LIABILITY FOR DAMAGES OF ANY KIND SHALL IN NO EVENT EXCEED THE ORIGINAL PURCHASE PRICE OF THE PARTICULAR ORDER. IN PARTICULAR, PALADIN DRONES, INC. OR ANY OF ITS SUBSIDIARIES, AGENTS, OFFICERS, OR CONTRACTORS, OF ANY KIND, SHALL NOT BE LIABLE FOR LOSS OF LIFE, PROPERTY, REVENUES OR PROFITS OR CLAIMS OF ANY THIRD PARTIES.

j. **NO WARRANTY** SHALL APPLY TO (I) DEFECTS, ERRORS, DAMAGES, OR LOSS RESULTING FROM CORRECTIONS, REPAIRS OR SERVICE RELATING TO CUSTOMER'S OR USER'S SYSTEM, COMPUTERS, SERVERS, AND/OR OTHER EQUIPMENT OR CUSTOMER'S USE; (II) ANY ACT OR OMISSION BY ANYONE OTHER THAN CUSTOMER; (III) POWER SHORTAGES, IRREGULARITIES, BUGS, GLITCHES, INACCURACIES, OR FAILURES; (IV) MODIFICATIONS OF THE EQUIPMENT AND WATCHTOWER PRODUCTS BY ANYONE OTHER THAN PALADIN; AND (V) ANY OTHER CAUSE BEYOND PALADIN'S CONTROL NOTWITHSTANDING THE AFOREMENTIONED, IN THE EVENT OF HARDWARE FAILURE OR DESTRUCTION OF THE DRONE, PALADIN WILL PROVIDE REPLACEMENTS SO LONG AS THE TERMS OF AGREEMENT HAVE NOT BEEN BREACHED AND THE FAILURE OR DESTRUCTION WAS NOT THE RESULT OF USER ERROR. PALADIN RESERVES THE RIGHT TO REPLACE EQUIPMENT DAMAGED BY USER ERROR. ANY DAMAGE CAUSED TO EQUIPMENT WHILE USING THE DRONE AS TRAINED BY PALADIN AND WHILE ENGAGING IN AUTOMATED FLIGHT SHALL BE REPAIRED AT NO COST TO CUSTOMER. IN THE EVENT THAT A REPAIR CANNOT BE ACCOMPLISHED THEN PALADIN WILL REPLACE THE DRONE OR EQUIPMENT AT NO COST TO CUSTOMER. CUSTOMER MUST NOTIFY PALADIN OF THE INCIDENT AND CO-OPERATE WITH ANY REASONABLE REQUESTS BY PALADIN TO FACILITATE THE REPAIR OF THE EQUIPMENT PRIOR TO REPLACEMENT.

k. EXCEPT AS MAY BE EXPRESSLY PROVIDED IN SECTION 9 (WARRANTIES) HEREOF, THE EQUIPMENT, WATCHTOWER SOFTWARE, WATCHTOWER PRODUCTS, DOCUMENTATION, SERVICES, AND ALL RELATED PRODUCTS AND SERVICES ARE PROVIDED TO CUSTOMER "AS IS" AND "WITH ALL FAULTS." PALADIN MAKES NO REPRESENTATION OR WARRANTY OR PROMISE WHATSOEVER WITH RESPECT TO, AND HEREBY DISCLAIMS ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, STATUTORY (INCLUDING ALL UCC STATUTES), OR OTHERWISE, INCLUDING ANY WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY; WHETHER EXPRESS OR IMPLIED BY LAW, COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE, OR OTHERWISE.

l. EXCEPT AS MAY BE EXPRESSLY PROVIDED IN SECTION 9(e) (PALADIN WARRANTIES) HEREOF, PALADIN DOES NOT WARRANT THAT THE

WATCHTOWER SOFTWARE AND/OR WATCHTOWER PRODUCTS ARE FREE FROM ERROR OR HARMFUL CODE AND/OR WILL RUN PROPERLY ON, AND/OR INTEROPERATE WITH, ALL HARDWARE AND/OR OPERATING SYSTEMS, THAT SUCH WILL MEET THE REQUIREMENTS OF CUSTOMER, OR OPERATE IN THE COMBINATIONS WHICH MAY BE SELECTED FOR USE BY CUSTOMER OR ANY USER OR THAT THE OPERATIONS OF SUCH WILL BE UNINTERRUPTED OR ERROR FREE OR THAT IT IS SECURE FROM HACKING OR OTHER UNAUTHORIZED INTRUSION.

m. CUSTOMER MUST INFORM PALADIN WHEN PROPELLERS AND BATTERIES EXHIBIT SIGNIFICANT WEAR AND TEAR. THE CONDITION PRECEDENT TO SIGNIFICANT WEAR AND TEAR SHALL MEAN THAT THE OPERATION OF THE EQUIPMENT CANNOT OPERATE AT ITS ORIGINAL CAPACITY AND DURATION. UPON RECEIVING NOTICE, PALADIN SHALL PROVIDE PROPELLERS AND BATTERIES AT NO ADDITIONAL COST. CUSTOMER SHALL INSTALL NEW ACCESSORIES IN A TIMELY MANNER. CUSTOMER MUST PROMPTLY REPORT ANY DAMAGE TO EQUIPMENT AND DATE OF INSTALLATION OR UPGRADE.

10. LIMITATION ON LIABILITY

a. IN NO EVENT SHALL PALADIN BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF, OR RELATING TO, AND/OR IN CONNECTION WITH ANY BREACH OF THIS AGREEMENT, REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER OR NOT PALADIN WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT, OR OTHERWISE) UPON WHICH THE CLAIM IS BASED, AND (D) THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.

b. EXCEPT FOR COSTS DIRECTLY INCURRED BY PALADIN TO FULFILL THE EXPRESS WARRANTY PROVIDED IN SECTION 9(e) (PALADIN WARRANTIES) HEREOF, IN NO OTHER INSTANCE SHALL PALADIN'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO THIS AGREEMENT, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, EXCEED THE AGGREGATE AMOUNTS PAID TO PALADIN HEREUNDER FOR THE CURRENT ACTIVE TERM (I.E., TWELVE MONTHS) OF PALADIN'S PURCHASE ORDER, OR TO THE MAXIMUM LIMIT OF ITS INSURED, OR \$2,000,000.00, WHICHEVER IS LESS. IN NO EVENT WILL PALADIN BE LIABLE UNDER OR IN CONNECTION WITH THE AGREEMENT UNDER ANY LEGAL OR EQUITABLE THEORY, INCLUDING BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, AND OTHERWISE, FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, EXEMPLARY, SPECIAL, ENHANCED, OR PUNITIVE DAMAGES, REGARDLESS OF WHETHER EITHER PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES OR SUCH LOSSES OR DAMAGES WERE OTHERWISE FORESEEABLE. EXCEPT AS EXPRESSLY OTHERWISE PROVIDED IN THIS AGREEMENT.

c. SUCH LIMITED WARRANTY SET FORTH ABOVE SHALL ONLY APPLY IF CUSTOMER (I) NOTIFIES PALADIN IN WRITING OF THE WARRANTY BREACH BEFORE THE EXPIRATION OF THE WARRANTY PERIOD; (II) HAS PROMPTLY INSTALLED ALL UPDATES, UPGRADES, AND/OR MAINTENANCE RELEASES PREVIOUSLY MADE AVAILABLE BY PALADIN; AND (III) AS OF THE DATE OF

NOTIFICATION, IS IN COMPLIANCE WITH ALL TERMS AND CONDITIONS OF THIS AGREEMENT, INCLUDING THE PAYMENT OF ALL PRICES AND FEES THEN DUE AND OWING. Furthermore, such warranty as set forth above shall not apply to the extent that the alleged breach and/or infringement arises and/or results from: (i) combination, operation, or use of the Equipment and/or Watchtower Products in or with, any technology (including any software, hardware, firmware, system, or network) or service not provided by Paladin or specified for Customer's use in the Documentation, unless otherwise expressly permitted by Paladin in writing; (ii) modification of the Equipment and Watchtower Products other than: (a) by Paladin in connection with this Agreement; or (b) with Paladin's express written authorization and in strict accordance with its written directions and specifications; (c) use of any version of the Equipment and/or Watchtower Products other than the most current version or failure to timely implement any modification, update, and/or replacement of such made available by Paladin; (d) negligence, abuse, misapplication, or misuse of the Equipment and/or Watchtower Products or Documentation; (e) use of the Equipment, Watchtower Products, and/or Documentation by or on behalf of Customer that is outside the purpose, scope, or manner of use authorized by this Agreement or in any manner contrary to the Documentation or Paladin's instructions; (f) events or circumstances outside of Paladin's commercially reasonable control (including any third-party hardware, software, or system bugs, defects, or malfunctions); and/or (iii) Open source components or other third-party materials.

d. Paladin exercises no control over the flow of information to or from the Application Service, Paladin's network, or other portions of the Internet. Such flow depends in large part on the performance of Internet services provided or controlled by third parties. At times, actions or inactions of such third parties can impair or disrupt connections to the Internet. Although Paladin will use commercially reasonable efforts to take actions Paladin deems appropriate to remedy and avoid such events, Paladin cannot guarantee that such events will not occur. ACCORDINGLY, PALADIN DISCLAIMS ANY AND ALL LIABILITY RESULTING FROM OR RELATING TO ALL SUCH EVENTS, AND EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE AGREEMENT, ANY OTHER ACTIONS OR INACTIONS CAUSED BY OR UNDER THE CONTROL OF A THIRD PARTY.

11. Indemnification.

a. Paladin Indemnification.

i. PALADIN **AGREES TO INDEMNIFY**, DEFEND, OR HOLD HARMLESS CUSTOMER FROM AND AGAINST ANY AND ALL LOSSES, DAMAGES, LIABILITIES, COSTS (INCLUDING REASONABLE ATTORNEYS' FEES) (COLLECTIVELY, "**LOSSES**") INCURRED BY CUSTOMER RESULTING FROM ANY THIRD-PARTY CLAIM, SUIT, ACTION, OR PROCEEDING ("**THIRD-PARTY CLAIM**") THAT THE APPLICATION SERVICES, OR ANY USE OF THE APPLICATION SERVICES IN ACCORDANCE WITH THE AGREEMENT, INFRINGES OR MISAPPROPRIATES SUCH THIRD PARTY'S US PATENTS, COPYRIGHTS, OR TRADE SECRETS.

ii. Customer will notify Paladin promptly, in writing of any Third-Party Claim, and to the extent permitted by applicable law and without waiving and immunity or defenses available under State or Federal law, agrees to indemnify

Paladin of Third-Party Claim(s). Customer's indemnification obligation under this Section will not apply to the extent that the

alleged infringement arises from Paladin's use of the Application Services with any third party, unless such use is in accordance with this Agreement or intended for the service of Customer. This section will not limit Customer's duty to indemnify Paladin where a claim arises under Paladin's operations as they relate to Section 7, supra.

iii. If such a claim is made as stated above or appears possible, Customer agrees to permit Paladin, at Paladin's sole expense and discretion, to

1. (A) modify or replace the Paladin IP, or component or part of the Paladin IP, to make it non-infringing, or
2. (B) obtain the right for Customer to continue use.
3. (C) If Paladin determines that neither alternative is reasonably available, Paladin may terminate the Agreement in its entirety or with respect to the affected component or part, effective immediately on written notice to Customer, so long as, in each case, Paladin promptly refunds or credits to Customer amounts Customer paid with respect to the Paladin IP that Customer cannot reasonably use as intended under the Agreement.
4. IF LEGALLY PRACTICABLE, ANY REFUND OWED BY PALADIN TO CUSTOMER WILL BE PRORATED, STARTING FROM THE DAY THAT ACTUAL NOTICE IS PROVIDED TO PALADIN IN WRITING OF ANY THEN EXISTING THIRD-PARTY CLAIM.
5. IN THE EVENT THAT PALADIN MUST UNWIND THE AGREEMENT AND REFUND CUSTOMER ALL PAYMENT(S), CUSTOMER MUST RETURN ALL EQUIPMENT PROVIDED IN THE SAME CONDITION IT WAS RECEIVED. IF THE EQUIPMENT IS DAMAGED, THE CUSTOMER AGREES TO ACCEPT THE REFUND OF ALL PAYMENT(S) LESS \$35,000.00 PER DRONE AND DOCKING STATION, OR \$25,000.00 PER DRONE ONLY.

b. Sole Remedy. THE AGREEMENT SETS FORTH CUSTOMER'S SOLE REMEDIES AND PALADIN'S SOLE LIABILITY FOR ANY ACTUAL, THREATENED, OR ALLEGED CLAIMS THAT THE SERVICES INFRINGE, MISAPPROPRIATE, OR OTHERWISE VIOLATE ANY THIRD PARTY'S INTELLECTUAL PROPERTY RIGHTS. IN NO EVENT WILL PALADIN'S AGGREGATE LIABILITY EXCEED \$2,000,000 TO CUSTOMER.

c. Customer Indemnification.

i. TO THE EXTENT PERMITTED BY APPLICABLE LAW AND WITHOUT WAIVING ANY IMMUNITY DEFENSES AVAILABLE TO CUSTOMER UNDER STATE OR FEDERAL LAW, CUSTOMER WILL INDEMNIFY, HOLD HARMLESS, AND, AT PALADIN'S OPTION, DEFEND OR REIMBURSE LEGAL FEES FOR PALADIN FROM AND AGAINST ANY CLAIMS OR LOSSES RESULTING FROM ANY THIRD-PARTY CLAIM. TO THE FULLEST EXTENT PERMITTED BY LAW,

CUSTOMER HEREBY RELEASES

AND FURTHER AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD PALADIN, ITS RELATED ENTITIES AND AFFILIATES AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS (HEREIN COLLECTIVELY REFERRED TO AS THE "INDEMNITEE") FREE AND HARMLESS FROM AND AGAINST ANY AND ALL DAMAGES, LOSSES, PENALTIES, EXPENSES, CLAIMS, DEMANDS, CAUSES OF ACTIONS, SUITS OR OTHER LITIGATION (INCLUDING ALL COSTS THEREOF AND ATTORNEYS' FEES) OF EVERY KIND AND CHARACTER INCLUDING THOSE ASSERTED BY ANY THIRD PARTY, OR CUSTOMER (INCLUDING BUT NOT LIMITED TO, PERSONNEL OF THE CUSTOMER OR ITS ASSIGNEES, LICENSEES, SUBCONTRACTORS AND ALL OTHERS IN PRIVITY WITH CUSTOMER) INCLUDING WITHOUT LIMITATION ANY CLAIMS ON ACCOUNT OF BODILY INJURY, DEATH OR DAMAGE TO OR LOSS OF PROPERTY (HEREIN COLLECTIVELY REFERRED TO AS THE "LOSS") IN ANY WAY OCCURRING, INCIDENT TO, ARISING OUT OF, OR IN CONNECTION WITH (i) A BREACH OF THE WARRANTIES PROVIDED HEREIN BY THE CUSTOMER; (ii) THE OPERATIONS OR SERVICES RENDERED AND/OR PERFORMED OR TO BE PERFORMED BY THE PARTIES IN ACCORDANCE WITH THE AGREEMENT (iii) CUSTOMER'S PERSONNEL, SUBCONTRACTORS, AGENTS, AND LICENSEES; (iv) USER-ERROR; OR (v) ANY NEGLIGENT ACTION, OMISSION, OR BOTH OF THE INDEMNITEE RELATED IN ANY WAY TO THIS AGREEMENT, WHETHER THE INDEMNITEE IS NEGLIGENT IN WHOLE OR IN PART, AND EVEN WHEN THE LOSS IS CAUSED BY THE SOLE FAULT OR NEGLIGENCE (INCLUDING ACTS OR OMISSIONS THAT ARE CHARACTERIZED AS NEGLIGENCE PER SE, NEGLIGENCE PREMISED ON STRICT LIABILITY, OR OTHERWISE) OF THE INDEMNITEE. ANY PAYMENTS BY CUSTOMER UNDER THIS PARAGRAPH ON BEHALF OF THE INDEMNITEE SHALL BE IN ADDITION TO ANY AND ALL OTHER LEGAL REMEDIES AVAILABLE TO THE INDEMNITEE AND SHALL NOT BE CONSIDERED THE INDEMNITEE'S EXCLUSIVE REMEDY.

ii. When Customer Data, or any use of the Customer Data in accordance with the Agreement, infringes or misappropriates ANY such third party's property rights and any Third-Party Claims based on Customer's or any Authorized User's negligence or willful misconduct or use of the Services in a manner not authorized by the Agreement or the State in which the product is used, and/ or Federal Law then Customer agrees to be solely liable and shall hold harmless Paladin. To the extent permitted by applicable law and without waiving and immunity or defenses available under State or federal law, Customer shall indemnify, defend, and hold harmless Paladin and its affiliates, and each of their and their respective officers, directors, employees, agents, subcontractors, permitted successors and permitted assigns from and against any and all expenses, losses, charges, damages, settlements, and/or similar or related costs incurred by Paladin resulting from any claim, allegation, demand, action, process, investigation by a third party. Without limitation to the following, and to the extent permitted by applicable law and without waiving and immunity or defenses available under State or Federal law, Customer agrees to indemnify Paladin when: (i) Customer fails to comply with the Documentation, Specifications, and/or standards for operating the Watchtower Products and/or Equipment; (ii) any

Intellectual Property Rights or other right of any person, or any law, is or will be infringed, misappropriated, or otherwise violated by any: (a) use or combination of the Watchtower Products by or on behalf of Customers or any of its representatives

with any hardware, software, system, network, service, or other matter whatsoever that is neither provided by Paladin nor authorized by Paladin in this Agreement and the Documentation, or otherwise in writing; and (b) information, materials, or technology directly or indirectly provided by Customer or directed by Customer to be installed, combined, integrated, or used with, as part of, or in connection with the Watchtower Products, Equipment, and/or Documentation; (c) relating to all use, negligence, abuse, misapplication, misuse or more culpable act or omission (including recklessness or willful misconduct) by or on behalf of Customers or any of its representatives with respect to the Watchtower Products, Equipment, and/or Documentation or otherwise in connection with this Agreement; or (d) relating to use of the Watchtower Products, Equipment, and/or Documentation by or on behalf of Customer or any of its representatives that is outside the purpose, scope, or manner of use authorized by this Agreement or the Documentation, or in any manner contrary to Paladin's instructions.

12. Term. Except as the parties may otherwise agree in the Order Form, or unless terminated earlier in accordance with the Agreement:

i. The Initial Term of the Agreement will begin on the Effective Date and end on the Final Term End Date of the Paladin Order Form;

ii. The Agreement will automatically renew for successive 12-month Renewal Terms unless either party gives the other party written notice of non-renewal at least 30 days before the expiration of the then-current term.

1. After two renewals access to the Watchtower Portal is automatically revoked if not renewed by the End of the third Term.

2. The foregoing notwithstanding, this Agreement will survive for so long as any Paladin Order Form remains in effect. Paladin Order Form shall expire and/or terminate according to the terms set forth infra.

iii. each Renewal Term will be subject to the same terms and conditions established under the Agreement, with any Fees determined in accordance with Paladin's then-current pricing packages published on Paladin's website and generally applicable to all users of the Services, as provided to Customer at least 60 days before the expiration of the then-current term.

13. Termination. In addition to any other express termination right set forth in the Agreement:

i. Paladin may terminate the Agreement immediately if Customer breaches any of its obligations under the Agreement.

ii. Either party may terminate the Agreement, effective on written notice to the other party, if the other party materially breaches the Agreement, and such breach: (A) is incapable of cure; or (B) being capable of cure, remains uncured 30

days, and the process to cure has not been initiated, after the non-breaching party provides the breaching party with written notice of such breach and demand to cure is sent to the address listed on the Paladin Order Form.

iii. IF:

1. Customer is a governmental entity, and
2. Sufficient funds are not appropriated to pay for Paladin's Services, then Customer may terminate the Agreement at any time without penalty following 30 days prior written notice to Paladin.

iv. Additionally, either party may, to the extent permitted by law, terminate the Agreement, effective immediately on written notice to the other party, if either party becomes subject voluntarily or involuntarily to any proceeding under any domestic bankruptcy.

v. If Customer has made its first Term payment for services covering 12-months, then in all cases of termination Customer will retain Legal Title to the hardware it obtained during that first Term. This includes all accessories provided to Client for the operation of the equipment, and all Services will terminate in accordance with this Agreement. If client purchases "Add-ons" at a later term, then Legal Title to the add-ons shall vest with Client upon full payment of the Active Term incorporating the add-ons. Furthermore, in the event a product is replaced by Paladin the replacement shall remain with Customer, and in all cases the Client shall return the original.

vi. Duties upon-termination. Following any termination, expiration, or cancellation of this Agreement or the licenses granted herein: (i) immediately upon receipt of Paladin's instructions, Customer will destroy or send to Paladin (at Customer's expense) all copies of the Watchtower Software and the Documentation; (ii) Customer's rights to continue to use the Watchtower Products and Documentation shall immediately cease; and (iii) all of Paladin's obligations hereunder shall cease (iv) all equipment in violation of subsection b(v) above must be returned to Paladin at the address provided at that time. As needed to accomplish the return and/or destruction of the Watchtower Software, Paladin may, in its sole discretion and at Customer's expense, provide services to assist Customer.

b. Survival. After this Agreement terminates or expires, the terms of this Agreement that expressly or by their nature contemplate performance after this Agreement terminates or expires will survive and continue in full force and effect. The termination of this Agreement for any reason will not release either Party from any obligations incurred prior to termination of this Agreement or that thereafter may accrue in respect of any act or omission prior to such termination in accordance with this Agreement.

14. Independent Contractor. The parties to the Agreement are independent contractors.

This Agreement does not create a joint venture or partnership between the Parties, and neither Party is, by virtue of the Agreement, authorized as an agent, employee, or representative of the other Party.

Customer shall make use of the services provided in accordance with the specifications of each Purchase Order as an independent contractor, having the sole right to control the details of and manner for performance of the use except that the same must be performed in accordance with the training and scope of use defined in the Agreement. The parties to this Agreement recognize that this Agreement does not create any actual or apparent agency, partnership, franchise, or relationship of employer and employee between the parties. The Customer is not authorized to commit Paladin to any agreements, and Paladin is not authorized to commit the Customer to any agreements, and the Customer shall not represent itself as the agent or legal representative of the Paladin. Further, the Customer shall not be entitled to participate in any of the Paladin benefits, including without limitation any health or retirement plans. The Parties shall not be entitled to any remuneration, benefits, or expenses other than as specifically provided for in this Agreement. Paladin shall not be liable for taxes, Worker's Compensation, unemployment insurance, employer's liability, employer's FICA, social security, withholding tax, or other taxes or withholding for or on behalf of the Customer or any other person consulted or employed by the Customer in performing Services under this Agreement. All such costs shall be the Customer's responsibility. Parties acknowledges that this Agreement and all Purchase Orders and any other Agreed Orders are lump sum contracts, and that Customer shall be solely responsible for all required withholdings including but not limited to taxes, social security taxes, and state unemployment taxes including but not limited to for Customer's employees, agents, or subcontractors, as well as all applicable sales taxes or use taxes on labor provided and materials furnished. No Taxes will be collected or paid by Paladin under this Agreement, except as required by law.

Paladin does not provide Workers Compensation Insurance or Workers Compensation benefits for Customer or its employees. If requested, Customer will furnish Paladin with Certificates of Insurance showing Customer to be covered by Workers' Compensation Insurance in such amounts and types of coverage as Paladin may specify. It is Customer's sole responsibility to: (1) Assume all expenses for any job injury or illness occurring to Customer or any of its employees, agents, officers, and others working under its direction; (2) provide safe working procedures for its employees; and when applicable (3) comply with the requirements of the Occupational Safety and Health Act of 1970 (OSHA). CUSTOMER WARRANTS THAT IT IS ADEQUATELY INSURED FOR INJURY TO ITS EMPLOYEES AND OTHERS INCURRING LOSS OR INJURY AS A RESULT OF THE ACTS OF CUSTOMER OR ITS EMPLOYEES OR SUBCONTRACTORS. CUSTOMER SHALL MAINTAIN ALL WORKERS' COMPENSATION AND LIABILITY INSURANCE AT ALL TIMES WHILE MAKING ANY USE OF SERVICES OR EQUIPMENT.

15. Waiver of Jury: ALL PARTIES ACKNOWLEDGE THAT ALL DISPUTES RELATED TO THIS AGREEMENT OR ARISING FROM THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT MUST BE SUBMITTED TO BINDING ARBITRATION. NOTWITHSTANDING, EACH PARTY HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATION, DIRECTLY OR INDIRECTLY,

ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

16. Choice of Law and Mandatory Venue. This Agreement shall be construed in accordance with the laws of the state of TEXAS. CUSTOMER FURTHER HEREBY ACKNOWLEDGES, CONSENTS, STIPULATES, AND AGREES THAT ANY AND ALL CLAIMS, ACTIONS, PROCEEDINGS OR CAUSES OF ACTIONS RELATING TO THIS AGREEMENT, ANY WORK PERFORMED BY THROUGH OR UNDER CUSTOMER, OR ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT INCLUDING WITHOUT LIMITATION THE VALIDITY, PERFORMANCE, INTERPRETATION, ENFORCEMENT OR ANY COMBINATION THEREOF, SHALL BE SUBMITTED EXCLUSIVELY TO THE JURISDICTION OF THE STATE OF TEXAS OR FEDERAL COURT. THE PARTIES IRREVOCABLY WAIVES THAT ANY PROCEEDING BROUGHT IN TEXAS HAS BEEN BROUGHT IN AN INCONVENIENT OR IMPROPER FORUM.

17. Mediation-Arbitration. Parties agree that all disputes, controversies or claims including any arising out of or relating to Services or Equipment provided by Paladin, its assignees or subcontractors, any warranties (express or implied), any issues or matters arising out of or related to this Agreement, or questions as to its interpretation including any breach thereof (herein referred to collectively as a "Dispute") may be submitted to non-binding mediation. THE SUBMISSION TO MEDIATION OF ANY DISPUTE ARISING DURING AN ACTIVE TERM SHALL NOT DELAY OR OTHERWISE AFFECT THE CONTINUING PERFORMANCE OF SERVICES OR ACCESS TO THE WATCHTOWER SOFTWARE.

18. Entire Agreement: Order of Precedence. The Paladin Order Form, and the Incorporated Documents constitute the complete Agreement between the parties and supersede any prior discussion or representations relating to or regarding the Customer's purchase and use of the Services and equipment. To the extent any conflict exists between the terms of the Agreement, the documents will govern in the following order or precedence: (1) the Paladin Order Form (2) the Customer Terms (i.e., Exhibit C), (3) the Terms & Conditions herein (i.e., Exhibit B), and (4) Paladin Quote (i.e., Exhibit A). No other purchasing order or similar instrument issued by either party in connection with the Services will have any effect on the Agreement or bind the other party in any way. There are no additional agreements of any kind between the parties with respect to the subject matter

hereof. No waiver, amendment, modification or release of any term or provision of this Agreement shall be deemed to have been given or made unless expressly set forth in a written document signed by each of the parties hereto.

19. **Waiver.** No waiver by any party of any of the provisions of the Agreement will be effective unless explicitly set forth in writing and signed by the party so waiving. Except as otherwise set forth in the Agreement, no failure to exercise, delay in exercising, or any partial exercise of any rights, remedy, power, or privilege arising from the Agreement will in any way waive or otherwise limit the future exercise of any right, remedy, power, or privilege available under the Agreement. The failure by either party to enforce any provision of this Agreement will not constitute a waiver of future enforcement of that or any other provision. Except where otherwise specified in writing by the Parties, the rights and remedies granted to a Party under this Agreement are cumulative and in addition to, and not in lieu of, any other rights or remedies which the party may possess at law or in equity.

20. **Amendments And Right to Update:** No amendment to the Paladin Order Form, or the Incorporated Documents will be effective unless it is in writing and signed by an authorized representative of each party. This Agreement may not be supplemented, amended, and/or modified at any time unless the parties hereto execute a written agreement that must— (i) be in a mutually agreed upon written or electronic format, (ii) must be clearly designated as an amendment, addendum, or modification, and (iii) must be signed by an authorized representative of each party. The Parties stipulate and agree that an exchange or series of written or electronic correspondences shall not be deemed to be such a written instrument, for supplemental, amendment or modification purposes. Notwithstanding the aforementioned, Paladin may update the Incorporated Documents from time-to-time following notice to Customer so long as such updates are generally applicable to all users of the Services, however, no unilateral Paladin updates will have any effect to change the existing financial obligations of Customer until the end of an Active Term and following Customer's signed agreement thereto.

21. **Notices.** All notices, requests, consents, claims, demands, and waivers under the Agreement (each, a "**Notice**") must be in writing and addressed to the recipients and addresses set forth for each party on the Order Form. All Notices must be delivered by personal delivery, nationally recognized overnight courier (with all fees pre-paid), or email (with confirmation of transmission by the recipient), or certified or registered mail (in each case, return receipt requested, postage pre-paid). Any notices required or permitted to be given under this Agreement shall be in writing and shall be deemed given if delivered by hand, sent by recognized overnight courier (such as Federal Express), transmitted via facsimile transmission or mailed by certified or registered mail, return receipt requested, in a postage pre-paid envelope. Notices personally delivered or sent by overnight courier shall be deemed given on the date of receipt, notices sent via facsimile transmission shall be deemed given upon transmission and confirmation of receipt and notices sent via certified mail in accordance with the foregoing shall be deemed given when delivered (whether accepted or refused) as established by the U.S. Postal Service return receipt.

22. **Force Majeure.** Except for any obligations to make payments, In no event will either party be liable to the other party, or be deemed to have breached the Agreement, for any

failure or delay in performing its obligations under the Agreement , if and to the extent such failure or delay is caused by any circumstances beyond such party's reasonable control, including acts of God, flood, fire, earthquake, pandemic, epidemic, problems with the Internet, shortages in materials, explosion, war, terrorism, invasion, riot or other civil unrest, strikes, labor stoppages or slowdowns or other industrial disturbances, or passage of law or any action taken by a governmental or public authority, including imposing an embargo.

23. **Severability.** If any provision of the Agreement is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability will not affect any other term or provision of the Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

24. **Assignment.** Either party may assign its rights or delegate its obligations, in whole or in part, on 30 days prior written notice to the other party, to an affiliate or an entity that acquires all or substantially all the business or assets of such party, whether by merger, reorganization, acquisition, sale, or otherwise. Except as stated in this paragraph, neither party may assign any of its rights or delegate any of its obligations under the Agreement without the prior written consent of the other party, which consent may not be unreasonably withheld, conditioned, or delayed. The Agreement is binding on and inures to the benefit of the parties and their permitted successors and assigns. Notwithstanding the aforementioned, if Customer's assignment requires additional services beyond that which were negotiated then Customer and its assignee shall be liable for any additional costs incurred by Paladin to provide the Agreed service(s) during an Active Term.

25. **Marketing.** Subject to Section seven (7) supra, neither party may issue press releases related to the Agreement, conversations, or activities, without the other party's prior written consent. However, either party may include the name and logo of the other party in lists of customers or vendors.

26. **State-Specific Certifications & Agreements.** To the extent required under the laws of the Governing State, Paladin hereby certifies and agrees as follows:

- a. Paladin is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in the Agreement by any governmental department or agency of the Governing State where services are sought;
- b. Paladin will not discriminate against any employee or applicant for employment because of race, ethnicity, gender, gender identity, sexual orientation, age, religion, national origin, disability, color, ancestry, citizenship, genetic information, political affiliation or military/veteran status, or any other status protected by federal, state, or local law.
- c. **Execution.** Any document executed and delivered in connection with the Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. To the extent permitted by applicable law, electronic signatures may be used for the purpose of executing the Order Form by email or other electronic means. Any document delivered electronically and accepted is

deemed to be "in writing" to the same extent and with the same effect as if the document had been signed manually.

27. **Legal Compliance.** Customers agree to comply with applicable laws with respect to the ownership, possessions, and operation of the Equipment. The parties acknowledge and agree that the legal regulation of unmanned drones is evolving, and the parties shall cooperate to seek to comply with applicable laws. The Watchtower Products, Equipment, and all services provided hereunder are subject to all applicable export control laws and regulations, including without limitation those of the United States government. Customer and Authorized Users agree that not to directly or indirectly export, re-export, divert, release, provide access to, transfer or disclose such, or any derivative thereof, to any prohibited or restricted destination, end-use or end-users or to anyone who requires a United States export license or other license, except in accordance with all relevant export control laws and regulations which may require it to obtain necessary licenses, approvals or permissions from the appropriate US governmental authority and all required foreign authorities prior to undertaking such activities.

28. **Watchtower Software License.**

- a. **Grant of License.** Paladin shall grant a license of the Watchtower Software to the Customer in accordance with the terms and conditions outlined in this Agreement.
- b. **FAA Regulatory Waivers.** Paladin will assist the Customer in acquiring FAA regulatory waivers. Except for transfers by error, the Customer shall hold Legal Title to those documents upon their transfer. Paladin will assist the customer in renewing these waivers during the Active Terms of the agreement. The process used to acquire the waivers is confidential information and cannot be shared with any 3rd party without the express permission of Paladin.

29. **Watchtower Software License.** Conditioned upon compliance with the Use Restrictions in Section 2, and payment of all fees then due, and compliance with all other terms and conditions hereof, Paladin shall grant to Customer, during any Active Term of this Agreement, a limited, non-exclusive, revocable, non-sublicensable, and non-transferable license to use the Watchtower Software.

30. **Insurance.**

- a. Customer warrants that it will maintain insurance coverage in accordance with its use and operations and that in the event that Customer's insurance is not able to cover the full extent of the damages or claim that Paladin's insurance shall be called upon to cover the remaining balance of a claim. Notwithstanding the aforementioned, if the claim is not one in which Paladin's coverage may extend, then Customer shall be solely liable for any such claim or damages.
- b. Customer will maintain coverage with an aggregate limit of not less than \$2,000,000.00, per occurrence; and upon Paladin's request will provide proof.
- c. Paladin shall maintain coverage with an aggregate limit of not less than \$2,000,000.00 per occurrence.
- d. Subject to section "a" supra, Paladin's insurance shall pay damages relating to bodily injury or property damage subject to its insurance policy which Customer may request a copy of at any time.

- e. Customer understands that Paladin's coverage shall not apply to: (1) loss of use of any aircraft, drone, or otherwise, which is for a period of less than forty-eight hours; (2) sums attributable to any period an aircraft is not available for flight operations for reasons other than a grounding, or would not have been available for flight operations if no grounding had occurred; (3) loss of use of any aircraft occurring during the period that Paladin did not use all reasonable means to correct and eliminate the cause of the loss of use; (4) loss of use of any aircraft attributable to a culpable failure by Paladin to perform any obligation with respect to making available or delivering products to the owner or operator of such aircraft; (5) loss of use of any military derivative of a civil aircraft unless the grounding also applies to the civil aircraft; (6) loss of use of any launch vehicle, spacecraft product or missile; (7) loss of use of any aircraft operated by Paladin or in its care, custody or control other than aircraft temporarily in Paladin's care, custody or control for modification, repair or inspection relating to grounding; (8) loss of use of any aircraft owned by or loaned to Paladin. For the purposes of this exclusion, any aircraft as to which Paladin has retained title pursuant to a conditional sales contract, chattel mortgage or similar lien, a lease agreement, a consignment agreement or similar contract of bailment, shall be deemed not to be owned by Paladin; (9) any liquidated or stipulated damages or penalties which Paladin is obligated to pay by reason of any contract or agreement, but this exclusion does not apply to any obligation it would have had in the absence of such contract or agreement.
- f. Customer is aware that the aforementioned instances where coverage shall not apply are not every instance where the coverage does not apply and that it is the responsibility of Customer to familiarize itself with the limitations of Paladin's insurance policy.
- g. Paladin makes no representations to Customer relating to which policy it shall acquire and only requires that the insured obtain a policy that is sufficient to meet the foreseeable liabilities under Customer's intended use and operation of any provided equipment, software, or service.
- h. In accordance with section 30, if Paladin is legally obligated to pay damages because of bodily injury or property damage, Paladin's insurance shall have the right and duty to defend any suit seeking those damages.

31. **Consideration of services.** Paladin agrees to provide the services set forth in the Paladin Order Form, and Incorporated Documents. Customer agrees to make all payments in a timely manner pursuant to Section four (4) supra, and cooperate and abide by the requirements and standards, as set forth in this Agreement.

32. **Data Use.** Paladin retains all rights to any data obtained from the provision of the products and services hereunder, including any copyright subject to the following (a) Paladin will only use personally identifiable data (including precise geolocation data), as defined under applicable law, for its internal analytical purposes (e.g., to improve its services), and (b) Paladin will use photographs or videos for its internal purposes and the improvement of services, such as demonstration or marketing, in each case subject to applicable laws (data described in (a) and (b) referred to as "**Data**"). Paladin grants Customer the right to use Data collected from the Services for its own internal purposes, subject to applicable laws. In addition, and without limiting Paladin's restrictions above,

Paladin agrees that it will not resell any Data to any other person or entity without the prior express written permission of the Customer.

33. **Headings**. The parties agree that the captions, headings, and/or titles used in this Agreement are inserted for convenience only and shall not affect the meaning or interpretation of this Agreement.

34. **No Third-Party Beneficiaries**. This Agreement is intended for the benefit of the parties hereto, and those specifically referenced herein, and their respective successors and permitted assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person. The terms and provisions of this Agreement shall not inure to the benefit of any other third person or entity not a signatory to this Agreement.

35. **Joint Participation**. The parties hereto have participated fully in the negotiation and preparation of this Agreement and this Agreement shall not be more strictly construed against either Customer or Paladin.

36. **Counterparts**. This agreement may be executed in one or more counterparts, each counterpart being an original.

37. **Attorney's Fees**. In the case of any breach of this Agreement or other Dispute (as defined herein) the prevailing party shall be entitled to recover its costs of mediation, arbitration, Court, expert witness fees and any necessary and reasonable attorney's fees.

38. **Authority**. Each person executing this Agreement warrants, in his/her individual capacity, that he or she has full legal authority to execute this Agreement for and on behalf of the respective parties and to bind such parties.

Exhibit C
Additional Terms and Conditions

EXHIBIT C

Additional Terms and Conditions

1. Entire Agreement. This Agreement constitutes the sole and only agreement between the Parties and supersedes any prior understandings, written or oral agreements between the Parties with respect to this subject matter.
2. Authorization. Each Party represents that it has full capacity and authority to grant all rights and assume all obligations granted and assumed under this Agreement.
3. Assignment. Paladin may not assign this Agreement in whole or in part without the prior written consent of the Customer. In the event of an assignment by Paladin to which the Customer has consented, the assignee shall agree in writing with the Customer to personally assume, perform, and be bound by all the covenants, and obligations contained in this Agreement.
4. Successors and Assigns. Subject to the provisions regarding assignment, this Agreement shall be binding on and inure to the benefit of the Parties to it and their respective heirs, executors, administrators, legal representatives, successors and assigns.
5. Relationship of Parties. It is understood and agreed by and between the Parties that in satisfying the conditions of this Agreement, Paladin is acting independently, and that the Customer assumes no responsibility or liabilities to any third-party in connection with these actions. All services to be performed by Paladin pursuant to this Agreement shall be in the capacity of an independent contractor, and not as an agent or employee of the Customer. Paladin shall supervise the performance of its services and shall be entitled to control the manner and means by which its services are to be performed, subject to the terms of this Agreement. As such, the Customer shall not: train Paladin, require Paladin to complete regular oral or written reports, require Paladin to devote its full-time services to the Customer, or dictate Paladin's sequence of work or location at which Paladin performs its work.
6. Availability of Funds. If monies are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, this Agreement shall be canceled and Paladin may only be compensated for the reasonable value of any non-recurring costs incurred but not amortized in the price of services delivered under this Agreement or which are otherwise not recoverable. The cost of cancellation may be paid from any appropriations for such purposes.
7. Governing Law; Venue. The laws of the State of Texas shall govern this Agreement; and venue for any Dispute or action concerning this Agreement shall be in Collin County, Texas, unless the subject matter of the dispute is required by law to be filed in federal court, in which case the venue shall be in the United States District Court for the Eastern District of Texas (Sherman Division). The Parties agree to submit to the personal and subject matter jurisdiction of said court.
8. Conflict of Interest. Paladin represents that no official or employee of Paladin has any direct or indirect pecuniary interest in this Agreement.
9. No Waiver of Immunity. Paladin and the Customer agree that the Customer has not waived immunity by entering into and performing their respective obligations under this

Agreement.

10. Indemnification. **PALADIN DOES HEREBY COVENANT AND CONTRACT TO WAIVE ANY AND ALL CLAIMS, RELEASE, DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CUSTOMER, ITS OFFICERS, EMPLOYEES, AND AGENTS, FROM AND AGAINST ALL LIABILITY, CAUSES OF ACTION, CITATIONS, CLAIMS, COSTS, DAMAGES, DEMANDS, EXPENSES, FINES, JUDGMENTS, LOSSES, PENALTIES OR SUITS, TO THE EXTENT CAUSED BY OR RESULTING FROM THE NEGLIGENCE, INTENTIONAL TORT, INTELLECTUAL PROPERTY INFRINGEMENT, OR FAILURE TO PAY A SUBCONTRACTOR OR SUPPLIER COMMITTED BY PALADIN, ITS AGENT, ITS CONSULTANTS AND CONTRACTORS UNDER CONTRACT, OR ANY OTHER ENTITY OVER WHICH PALADIN EXERCISES CONTROL.**

INDEMNIFIED ITEMS SHALL INCLUDE REASONABLE ATTORNEYS' FEES AND COSTS, COURT COSTS, AND SETTLEMENT COSTS IN PROPORTION TO PALADIN'S LIABILITY.

PALADIN'S OBLIGATIONS UNDER THIS SECTION SHALL NOT BE LIMITED TO THE LIMITS OF COVERAGE OF INSURANCE MAINTAINED OR REQUIRED TO BE MAINTAINED BY PALADIN UNDER THIS AGREEMENT. THIS PROVISION SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT.

11. Insurance. Paladin shall during the term hereof maintain in full force and effect the following insurance: (i) a commercial general liability policy of insurance for bodily injury, death and property damage including the property of the Customer, its officers, contractors, agents and employees (collectively referred to as the "Customer") insuring against all claims, demands or actions relating to the work and services provided by Paladin pursuant to this Agreement with a minimum combined single limit of not less than \$2,000,000.00 per occurrence for injury to persons (including death), and for property damage and \$2,000,000.00 aggregate including products and completed operations coverage of \$1,000,000.00. This policy shall be primary to any policy or policies carried by or available to the Customer; (ii) policy of automobile liability insurance covering any vehicles owned, non-owned and hired and/or operated by Paladin, its officers, agents, and employees, and used in the performance of this Agreement with policy limits of not less than \$1,000,000.00 combined single limit for bodily injury, death and property damage; (iii) statutory Worker's Compensation Insurance at the statutory limits and Employers Liability covering all of Paladin's employees involved in the provision of services under this Agreement with policy limit of not less than \$1,000,000.00; and (iv) Professional Liability with policy limit of not less than \$2,000,000.00 per claim and \$2,000,000.00 in the aggregate, covering negligent acts, errors and omissions by Paladin, its contractors, sub-contractors, consultants and employees in the performance of services pursuant to this Agreement.

All insurance shall be endorsed to provide the following provisions: (1) name the Customer, its officers, and employees as additional insureds as to all applicable coverage with the exception of Workers Compensation Insurance and Professional Liability; (2) provide for a waiver of subrogation against the Customer for injuries, including death, property damage, or any other loss to the extent the same is covered by the proceeds of insurance, except for Professional Liability Insurance. A specific endorsement needs to be added to all policies, with a copy of the endorsement provided to the Customer that indicates the insurance company will provide to the Customer at least a thirty (30) day prior written notice for cancellation, non-renewal, and/or

material changes of the policy. In the event the companies providing the required insurance are prohibited by law to provide any such specific endorsements, Paladin shall provide at least thirty (30) days prior written notice to the Customer of any cancellation, non-renewal and/or material changes to any of the policies of insurance.

All insurance companies providing the required insurance shall be authorized to transact business in Texas and rated at least "A" by AM Best or other equivalent rating service. All policies must be written on a primary basis, non-contributory with any other insurance coverage and/or self-insurance maintained by the Customer.

A certificate of insurance and copies of policy endorsements evidencing the required insurance shall be submitted to the Customer prior to commencement of services. On every date of renewal of the required insurance policies, Paladin shall cause a certificate of insurance and policy endorsements to be issued evidencing the required insurance herein and delivered to the Customer. In addition, Paladin shall, within ten (10) business days after written request, provide the Customer with certificates of insurance and policy endorsements for the insurance required herein.

11. Compliance with Federal, State & Local Laws. Paladin shall comply in performance of services under the terms of this Agreement with all applicable laws, ordinances and regulations, judicial decrees or administrative orders, and codes of federal, state, and local governments, including all applicable federal clauses.

12. Amendments. This Agreement may be amended by the mutual written agreement of the Parties.

13. Severability. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions, and the Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained in it.

14. Survival of Covenants. Any of the representations, warranties, covenants, and obligations of the Parties, as well as any rights and benefits of the Parties, pertaining to a period of time following the termination of this Agreement shall survive termination.

15. Recitals. The recitals to this Agreement are incorporated herein.

16. Notice. Any notice required or permitted to be delivered hereunder may be sent by first class mail, overnight courier or by confirmed telefax or facsimile to the address specified below, or to such other Party or address as either Party may designate in writing, and shall be deemed received three (3) days after delivery set forth herein:

If intended for City:

City of Lucas, Texas
Attn: John Whitsell, City Manager
665 Country Club Road
Lucas, Texas 75002
Phone:(972) 912-1212

With copy to:

Joseph J. Gorfida, Jr.
Nichols | Jackson L.L.P.
500 North Akard Street, Suite 1800
Dallas, Texas 75201
Phone: (214) 965-9900

jwhitsell@lucastexas.us

jgorfida@nicholsjackson.com

If intended for LISD:

If intended for Paladin:

Lovejoy Independent School District
Attn: Katie Kordel
Superintendent
259 Country Club Road
Allen, Texas 75002
Phone: (469) 742-8003

Paladin Drones, Inc.
Attn: Matt Griffin
Account Executive
11241 Richmond Avenue, Suite E102
Houston, Texas 77082
Phone: (603) 762-2834

Katie_kordel@lovejoyisd.net

matt.griffin@paladindrones.io

With a copy to: ctimmons@abernathy-law.com

17. Counterparts. This Agreement may be executed by the Parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute one and the same instrument. Each counterpart may consist of any number of copies hereof each signed by less than all, but together signed by all of the Parties hereto.

18. Exhibits. The exhibit attached hereto is incorporated herein and made a part hereof for all purposes.

19. Audits and Records. Paladin agrees that during the term hereof, the Customer and its representatives may, during normal business hours and as often as deemed necessary, inspect, audit, examine and reproduce any and all of Paladin's records relating to the services provided pursuant to this Agreement for a period of one year following the date of completion of services as determined by the Customer or date of termination if sooner.

20. Force Majeure. No Party will be liable for any default or delay in the performance of its obligations under this Agreement if and to the extent such default or delay is caused, directly or indirectly, by fire, flood, earthquake, elements of nature or acts of God, riots, civil disorders, acts of terrorism or any similar cause beyond the reasonable control of such Party, provided that the non-performing Party is without fault in causing such default or delay. The non-performing Party agrees to use commercially reasonable efforts to recommence performance as soon as possible.

21. Prohibition of Boycott Israel, Boycott Israel, Boycott Energy Companies, and Prohibition of Discrimination Against Firearm Entities and Firearm Trade Associations.

(a) Paladin verifies that it does not Boycott Israel and agrees that during the term of the Agreement will not Boycott Israel as that term is defined in Texas Government Code Section 808.001, as amended.

(b) Paladin verifies that it does not Boycott Energy Companies and agrees that during the term of this Agreement will not Boycott Energy Companies as that term is defined in Texas Government Code Section 809.001, as amended.

(c) Paladin verifies that it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association as those terms are defined in Texas Government Code Section 2274.001, as amended; and (ii) will not discriminate during the term of this Agreement against a firearm entity or firearm trade association.

(d) This section does not apply if Paladin is a sole proprietor, a non-profit entity, or a governmental entity; and only applies if: (i) Paladin has ten (10) or more fulltime employees and (ii) this Agreement has a value of \$100,000.00 or more to be paid under the terms of this Agreement.

22. No Excluded Nation or Foreign Terrorist Organization. Paladin certifies that Paladin is not engaged in active business operations within the Sudan, Iran, or a foreign terrorist organization and is not listed on the list of prohibited entities prepared and maintained by the Texas Comptroller of Public Accounts pursuant to Texas Government Code §§806.051, 807.051, or 2252.153.



THE COMPLETE DFR SYSTEM

LTE Enabled UAVs Empowering Public Safety

Drone as a First Responder (DFR) technology giving first responders a live overhead view before they arrive on scene

EXT

LTE
MODULE

LIMITLESS RANGE. UNLIMITED POSSIBILITIES

Extend the operating range of your DJI M30 or M300 with Paladin's new EXT LTE Module.

With a quick and simple installation of the LTE module to the drone's PSDK port, you can now leverage the stable connection of LTE to fly further and see more without relying on traditional radio frequencies. Starting a Drone as a First Responder (DFR) program and flying BVLOS is now as simple as that.



Easy To Install

Quick and simple installation via the PSDK port.



Extend Your Range

Extend the operating range of your DJI M30 or M300



NO RIPOC

Eliminate the need for a Remote-Pilot-in-Charge



3-Mile Radius

With DFR, safely travel a 3-mile radius from your home base

WATCHTOWER

FLY, STREAM, AND MANAGE DATA

Watchtower is Paladin's DFR software where control of your LTE-enabled drone, view of the live video feed, and data management takes place. The ability to control the drone's location with the click of a button from anywhere in the country makes this system an easy-to-use force multiplier that can relay critical information minutes before humans arrive on scene.

Watchtower is designed to be as simple as possible and works to lower the risk of human error through autonomous flight.



Fly from Anywhere

Fly from anywhere with an LTE connection.



Integrates with DJI

Control them from a computer or smartphone



Full Gimbal Control

Users have full Gimbal control with the click of a mouse



Unlimited viewers

anyone with access can watch the live video feed anywhere

KNIGHTHAWK

LTE-ENABLED UAV FOR DFR

Specifically designed for Beyond Visual Line of Sight (BVLOS) missions, Knighthawk uses an LTE connection which allows it to reach the 3-mile radius limit required by the FAA with ease.

With a 55 minute battery life with payload, users have ample time for the majority of situations to gather intel. Knighthawk is manufactured in Houston, TX USA and has accomplished over 1800 Drone as First Responder (DFR) BVLOS missions.



55-min Flight Time

Allows time for missions and multiple missions in one flight



Advanced Gimbal

Camera features 10x optical zoom & 640x512p thermal



BVLOS flight

1st ever BVLOS waiver in Class B airspace authorized by the FAA



3-Mile Radius

LTE allows 3-mile radius from its home base

FAA

PROGRAM & SETUP

The FAA can be a daunting agency to navigate without prior experience. We get beyond visual line of sight (BVLOS) 91.113b exemptions on the Certificate of Authorization (COA) or Jurisdictional COA (JCOA) on behalf of our partner public safety agencies and then transfer it to their CAPS account. Whether you have no prior waivers from the FAA or have had a COA for a year, we take care of the whole process.

- 1. Discovery Call:** What is the your organization trying to accomplish? What is the geographical layout of the city? Hospital heliports? Major airports? Regional airports? Metropolitan vs suburban?
- 2. Paperwork:** We need three documents from the department all of which should take less than 1 hour of work.
- 3. Concept of Operations (CONOPS):** this is the application we create for our customers based on their specified launch locations. It is a 20+ page document that outlines how you plan to operate safely beyond visual line of sight. When and how do you plan to operate BVLOS? For what missions and why? What aircrafts are you using? What visual observer mitigations do you plan on using? What safety mitigations does the tech have? What happens if there is a loss of connection? What are the see and avoid procedures you need in place?
- 4. Team Meeting:** A while back, each agency needed to have a meeting with 30 FAA members to summarize the CONOPS. In the last few applications we've submitted, we did not need to have a waiver team meeting.



Lucas Fire-Rescue Standard Operating Guidelines



SOG#02-21 – UNMANNED AERIAL SYSTEMS (UAS) – DRONE OPERATIONS

Effective Date: November 1, 2024 **Revision Date:** 10/01/2024 **Reviewed Date:** 10/17/2024

- Purpose:** The deployment of Unmanned Aerial Systems (UAS), commonly referred to as "drones," have become more commonplace in the fire service. These systems offer strategic and tactical insight into ongoing critical events that may assist in reducing injuries or death to those involved and more efficient handling of a variety of situations. The purpose of this document is to guide the agency and set parameters for the proper use of UAS equipment.
- Policy** It is the policy of Lucas Fire-Rescue to establish a UAS unit utilizing trained UAS pilots to assist in fire operations and general public safety missions. Safety above all else, is the primary concern in each activity, regardless of the nature of the task. Only trained and authorized personnel may deploy a Lucas Fire-Rescue UAS in the performance of official duties.
- Scope:** This policy shall apply to all Lucas Fire-Rescue (LFR) missions flown within the City Limits, the City ETJ and City Department specific boundaries, e.g. Lucas Fire-Rescue's fire district. The policy also applies when LFR personnel use a City of Lucas UAS under the authority and at the request of another jurisdiction with which the City has a mutual aid agreement. Given that the FAA requires any UAS flown under a Certificate of Waiver or Authorization (COA) to be owned by or leased for a period of at least 90 days by the organization possessing the COA, no LFR owned UAS may be flown under another organization's COA. The Fire Chief may authorize additional City missions on an "as needed" basis.
- Privacy:** The use of the UAS potentially involves privacy considerations. Absent an exigent circumstance, operators and observers shall adhere to FAA altitude regulations and shall not intentionally record or transmit images of any location where a person would have a reasonable expectation of privacy (e.g., residence, yard, enclosure). Operators and observers shall take reasonable precautions to avoid inadvertently recording or transmitting images of areas where there is a reasonable expectation of privacy. Reasonable precautions can include, for example, deactivating or turning imaging devices away from such areas or persons during UAS operations.

Prohibited Use:

The UAS video equipment shall not be used:

- A. To conduct random surveillance activities.
- B. To target a person based solely on individual characteristics, such as, but not limited to race, ethnicity, national origin, religion, disability, gender or sexual orientation.
- C. To harass, intimidate or discriminate against any individual or group.
- D. To conduct personal business of any type.
- E. The UAS shall not be weaponized.

Resources: Policy #00-08 800, NFPA 2400, SOG #05-09

DEFINITIONS

Unmanned Aircraft System (UAS)- An all-encompassing description that encapsulates the aircraft or UAV, the ground-based controller, the system of communications connecting the two and the personnel who operate the UAV itself, maintain the UAV and who supervise the staff involved in the operation of the UAV.

Unmanned Aerial Vehicle (UAV)- any powered aerial vehicle that does not carry a human operator, uses aerodynamic forces to provide vehicle lift, can be programmed to fly autonomously or can be piloted remotely, may be expendable or recoverable and can serve as a platform for devices or systems which are capable of:

1. Photographing persons, objects or mapping surface or geological formations and storing or transmitting captured images;
2. Tracking or detecting persons or objects using infrared, thermal or any similar storing or transmitting the captured information;
3. Engaging in a real-time video recording of the movements of persons or objects and storing or transmitting the captured information; and
4. Detecting and capturing arial, digital and other forms of communication and storing or transmitting the captured communications.

Digital Media Evidence (DME)- Digital recordings or images taken with a camera affixed to the UAV.

UAS Flight Crewmember- A pilot, visual observer, or other person assigned duties for a UAV for the purpose of a flight or training exercise.

Chief Pilot- The individual who is responsible for the overall UAS management, training, documentation, maintenance, and operations.

Pilot in Charge (PIC)- An individual who is solely responsible for all aspects of the UAV, including but not limited to safety, flight operation, flight planning, and reporting of an individual mission. The Pilot in Charge is the final authority to determine if a specific mission can/will be flown.

Pilot- An adequately trained individual who operates the UAV under the general supervision of the Chief Pilot.

Visual Observer (VO)- Individuals assigned to identify if the flight path is clear of obstacles for the UAV during flight operations and report any safety issues or concerns that may affect the flight of the UAV. The visual observer can be any trained Visual Observer. Concerns can include birds, aircraft, utility poles, towers, or any unforeseen circumstances.

Public Safety Agency- Any local, state, or regional agency or entity that responds to or plans responses to emergencies.

Certificates of Waiver or Authorization (COA)- An authorization issued by the Air Traffic Organization to a public operator for a specific unmanned aerial activity.

Federal Aviation Administration- More commonly known as the FAA, a National Authority with powers to regulate all aspects of civil aviation.

Drone as a First Responder (DFR)- program to increase public safety efficiency and productivity through the integration of UAS technology with the traditional public safety function. DFR provides public safety officials a real time operating picture enabling faster decision making and rapid resource deployment.

Loss of Link (LOL)- When the UAV has lost wireless connection to the remote operated by the PIC. LOL will immediately begin RTH sequence.

Return to Home (RTH)- The initial launching location of the UAV prior to each flight.

Temporary Flight Restriction (TFR)- A TFR may be requested by the PIC to the FAA during extenuating circumstance flights to prohibit other aircraft from entering into the operations area when the aircraft could pose a risk to the operations being conducted on scene.

National Airspace System (NAS)- The airspace is owned and regulated by the Federal Government specifically the FAA. From the ground upward (no defined height limit) is within the jurisdiction of the FAA.

Notice To Airmen (NOTAM)- A notice filed with the FAA to alert aircraft pilots of potential hazards along or near a flight route or at a location that could affect the safety of a flight.

I. ADMINISTRATION OF DRONE PACKAGE

- A. Administrators. The Lucas Fire Chief and the Lovejoy Independent School District Director of Safety Security shall be the Administrator of the Drone Package and shall assign sub-users and permissions as needed and/or required.
- B. Housing Location. The drone will be housed at Lucas Fire-Rescue Station 1 located at 165 Country Club Road, Lucas, Texas 75002. LISD School Marshals and other designated LISD

officials, as agreed upon by the Lucas Fire Chief and LISD Director of Safety and Security, shall be provided with an access card to allow for 24-hour access.

- C. Deployment. The drone may be deployed by the City or LISD for any emergency service or any other purpose, and at any time, under the following conditions:
 - 1. Emergency calls for service of the drone will take precedence over any and all planned events;
 - 2. Only trained pilots and observers will be allowed to operate the drone;
 - 3. Drone pilots and observers shall adhere to all training requirements as set forth by the FAA; and
 - 4. Once the deployment is completed, the drone shall be returned to its Housing Location.

II. ORGANIZATION

- A. The Lucas Fire-Rescue UAS program consists of the following team members:
 - 1. Fire Chief
 - 2. Chief Pilot
 - 3. Pilots
 - 4. Visual Observers
- B. The Fire Chief will designate the person to serve as the Chief Pilot. The Chief Pilot shall be responsible for the overall management and supervision of all unmanned aircraft operations and be responsible for UAS registration and COA updates and renewals.
- C. The Chief Pilot will designate pilots who will be responsible for UAS updates, general UAV upkeep, UAV training, tracking, and monthly flight reporting.

III. UAV MINIMUM SPECIFICATIONS

- A. All UAV acquired by Lucas Fire-Rescue shall meet specifications required by the Federal Aviation Administration (FAA).
- B. All UAVs acquired by the agency must have an application that allows the UAV to autonomously fly back to a pre-determined takeoff point upon losing controller contact.
- C. UAS pilots shall not operate equipment in an unsafe manner or in violation of FAA rules.

IV. CERTIFICATION

- A. Lucas Fire-Rescue shall obtain all necessary COA from the FAA before the use of a UAS. The Chief Pilot is responsible for maintaining all records, verifying agency compliance, and reporting agency status to Chief Officers.
- B. Before operating an agency UAV, pilots must be certified through the Lucas Fire-Rescue UAS training program and demonstrate a working knowledge of the agency policy, procedures, and

provisions of the FAA COA issued to the agency.

- C. During operations, UAS pilots may only operate the specific UAV model in which they have received training and all necessary Lucas Fire-Rescue certifications.

V. PILOTS

- A. The appropriate staffing of pilots is determined by the Fire Chief and Chief Pilot and may be adjusted at any time to meet agency needs.
- B. All agency pilots are responsible for ensuring that UAS operations abide by the provisions of the COA issued to the agency.
- C. The pilot's primary duty is the safe and effective operation of the agency's UAV. Pilots must always operate following manufacturer recommendations, FAA regulations, COA conditions, Texas state law, and agency guidelines.
- D. For independent operations, pilot certifications require the logged completion of a minimum of one (1) currency event flight per month. Currency events include but are not limited to landings, takeoffs, and emergency procedures.
- E. If the UAS is requested and an off-duty pilot accepts the mission, he/she becomes the Pilot in Charge (PIC) and would be required to follow the same city and department policies and guidelines as an on-duty employee.
- F. Pilots can be temporarily removed from active flight status at any time by the Chief Pilot. The Chief Pilot shall document the removal of the pilot's operational status and shall update the agency document system to reflect the change.
- G. Pilots may have their flying privileges revoked by the Fire Chief, or their designee, if deemed appropriate. Pilots will be notified in writing or via email. In addition, a pilot's privileges of flying LFR missions may be suspended or revoked if, in the sole opinion of the Fire Chief, or their designee, the pilot is unwilling or unable to conduct flight operations in a safe and legal manner due to past performance, lack of currency, medical conditions or any other reasonable cause. A pilot's refusal to fly for safety reasons may not be cited as cause to remove the pilot's flying privileges.

VI. VISUAL OBSERVERS

- A. All Pilots in Charge (PIC) shall designate a visual observer responsible for assisting the pilot in scanning the airspace surrounding the UAS operational area. The PIC, when operating the UAV on location, may also serve as the VO.
- B. If the PIC is remote, no UAV operations will be conducted without a designated VO. Generally, VOs and the PIC will remain in contact with each other. However, a PIC and visual observer may communicate via cellular phone or radio if necessary.

- C. The visual observer will immediately notify the PIC of any obstructions, objects, and other aircraft in the airspace surrounding the UAV operations.

VII. CHIEF PILOT

- A. Is responsible for documenting and storing all records for agency UAS via our Records Management System (RMS).
- B. Will provide training to all agency UAS pilots, ensuring all personnel involved with flight operations understand applicable regulatory requirements along with safety precautions, policies, and procedures.
- C. Will ensure all flight logs, pilot currency records, UAS maintenance records, and other related records are up to date and kept in our RMS with the UAS Chief Pilot.
- D. Will ensure maintenance of all agency UAS, and that firmware on both UAS and ground control units are up to date and performed according to manufacturer recommendations.
- E. Will provide technical assistance and guidance as needed.

VIII. TRAINING

- A. All UAS pilots will receive the following training before serving in an operational capacity:
 - 1. Agency UAS policy / COA contents and provisions.
 - 2. UAV ground training.
 - 3. A minimum of five hours of flight time, five hours of lecture time, and a minimum of 15 successful flights with an agency instructor.
 - 4. UAS night flying training including the use of the live stream program.
 - 5. Successfully complete necessary online classes. All completion certificates are to be submitted to the Chief Pilot for retention.
 - 6. Successfully complete a practical UAS test flight with the Chief Pilot demonstrating flight safety, proficiency, and emergency operations.
- B. Annual certification is required for pilots to maintain operational status. The Chief Pilot is responsible for organizing and documenting annual recertification sessions.
- C. The Chief Pilot shall organize quarterly training sessions for all agency pilots to cover safety, FAA rules and regulations, and any relevant case law about UAS use by public safety personnel.
- D. Pilots must complete at least one (1) currency event per month utilizing the make and model of the UAV to be deployed. Currency events include takeoffs, landings, and emergency procedures. Lapsed currency flights will prohibit the pilot from flying in any public safety mission. Pilots who experience a lapse of currency must perform their currency events under

the supervision of the Chief Pilot. A pilot shall record proficiency flights in their UAS logbook with an endorsement from the Chief Pilot.

- E. A Part 107 Remote Pilot certification issued by the FAA is not required, provided that the pilot is operating under a valid COA issued to the agency.

IX. DEPLOYMENT MODALITIES

- A. On-duty fire department shift personnel shall be responsible for ensuring UAS is in “launch-ready” state. This includes monitoring battery levels and swapping the batteries when there is an approximate 20% drop in battery power. Battery levels can be checked manually or remotely to maintain operational readiness.
- B. During weekday office hours, fire administration staff may serve as the PIC and VO to ensure the UAV can launch successfully.
 - 1. A qualified pilot may serve as a remote PIC only if available with a VO on location.
- C. After office hours, the UAV will be set outside on the launch pad to ensure there are no staff response delays when dispatched to an emergency call.
 - 1. A qualified pilot may serve as a remote PIC only if available with a VO on location.
 - 2. At approximately 0730 hours, or earlier, the UAV will be set to “launch ready” status and placed on the launch pad.
 - 3. At approximately 2000 hours, or later, the UAV will be stowed in the mechanical room for overnight safekeeping.
- D. On duty fire department pilots shall continually monitor weather conditions. If dangerous weather conditions are forecasted, the UAV shall be stowed indoors.
- E. The PIC shall make the GO/NO GO decision based on the current and forecasted weather conditions.
- F. The PIC shall monitor current weather conditions and potential changes while flying a mission or training and shall land the UAV if dangerous weather is imminent.
- G. No operations from a moving vehicle or watercraft can be conducted.

X. MISSIONS

- A. Requests for the use of the UAS must follow the guidelines outlined within this order. Acceptable UAS missions include:
 - 1. Search and Rescue- To assist in missing person investigations, missing swimmers, suicidal persons, lost persons, and other search and rescue missions.
 - 2. Situational Awareness- To assist officials in understanding the nature, scale, and scope of the incident, and for the planning and coordinating of an effective response.
 - 3. Tactical Deployment- To support the tactical deployment of public safety personnel and equipment in emergencies (e.g., incidents involving motor vehicle crashes, structure

- fires, water-flow alarms, commercial fire alarms, etc.).
4. Visual Perspective- To provide an aerial visual perspective to assist personnel in traffic incident management, crowd control, or other unusual circumstances.
 5. Scene Documentation- To document a crash scene, fire scene, natural disaster scene, or other incidents.
 6. Aerial Photography- To obtain still photography or video when appropriate.
 7. Medical Calls - To assist medical personnel with situational awareness.
 8. Other Incidents - Any other incident approved by the Fire Chief or their designee that would benefit the public safety objective by providing an aerial visual perspective.
 9. The UAS may be utilized for fire pre-planning within the Lucas Fire response area at any time under civil Part 91 rules after obtaining permission from the individual property owner for the property being flown over to obtain permission.
 10. At any time prior to or during a flight operation, the PIC, VO, or Incident Commander can make a determination to not launch or cease all UAS activities in the interest of public safety.
- B. Before approving the use of a UAS, pilots must evaluate the practical application of a deployment and assess the likelihood of achieving successful and beneficial outcomes.
- C. The PIC has the final authority to determine whether conditions and circumstances are safe to conduct the flight.
- D. Any equipment issues, malfunctions, or maintenance concerns that impact the safe operation of the UAV shall result in the UAV being removed from “flight-ready” status. These issues shall be immediately reported in the RMS via a support ticket and assigned to the Chief Pilot. The Chief Pilot is responsible for ensuring that the appropriate maintenance is performed before the UAV is returned in-service in the RMS and the support ticket is closed upon completion.
- E. Working Around Other Aircraft
1. The UAV shall not interfere with the flight operations of any fixed wing or rotary wing aircraft. The PIC must yield the right-of-way to other aircraft, manned or unmanned. If another aircraft enters the UAV operations, the PIC is responsible for yielding the right-of-way and ceasing all operations until the air space is clear.
 2. The PIC may request a TFR from the FAA if other aircraft are likely to interfere with the emergency scene operations during a large-scale incident. However, an air branch must be established within the command structure.
 3. The PIC is responsible for continuously maintaining awareness of the “National Airspace” during flight operations. This includes being vigilant for the potential intrusion of the UAV into the flight path or operational area of any other aircraft to ensure safe and compliant operations.
- F. All deployments and flights of the UAS will be documented in the appropriate log, including but not limited to the name of the deploying pilot, date, time, location, and reason for the deployment.

XI. MINIMUM FLIGHT CREW REQUIREMENTS

- A. The minimum crew on all UAS operations will be a UAV pilot and a visual observer.
 - 1. The PIC, when operating the UAV on location, may also serve as the VO.
- B. The UAV pilot and the visual observer, if required, will work together to accomplish the objectives of the mission safely.

XII. ASSISTING OTHER CITY AGENCIES

- A. The UAS systems maintained and operated by Lucas Fire-Rescue are available to assist any entity of the City of Lucas (Engineering, Public Works, Development Services, etc.) as needed. Such requests can be made through the Fire Chief or their designee.

XIII. ASSISTING OUTSIDE AGENCIES

- A. At no time shall the UAS be “loaned out” or provided to any other agency for use outside the City of Lucas. However, the UAS may be made available to assist other local public safety agencies through mutual aid agreements, provided that a certified Lucas Fire-Rescue PIC operates the aircraft following established procedures.

XIV. DIGITAL MEDIA EVIDENCE RETENTION AND MANAGEMENT

- A. Pilots shall process all digital recordings obtained through a UAS in the same manner as all digital recordings.
- B. All images recorded by agency UAS are the sole property of Lucas Fire-Rescue. The sharing of pictures, videos, and collected data shall be per agency orders, rules, and regulations.
- C. A copy of any electronic recording(s) taken during UAS activities may be placed on Lucas Fire-Rescue’s computer network, maintained by the City of Lucas, to be utilized for training purposes.
- D. Requests for copies of stored electronic recordings from UAS flights shall require a written request from the requestor and reviewed by the Records Retention Clerk following all City of Lucas, State, and Federal rules regarding records release. The only exception to a written request would be in order to provide a certified copy of a recording to another public safety agency if the UAS flight occurred within their primary jurisdiction during a mutual aid incident.
- E. All digital media evidence shall be handled per the provisions of the records management Policy #00-08 800 and SOG #05-09.

XV. SYSTEM EMERGENCY PROCEDURES

- A. Normal mission planning procedures include consideration of emergencies for each phase of the flight. The UAS systems provide continuous air vehicle status and present warnings and indications of various emergency conditions. During flight, PICs must maintain situational awareness and monitor data to notice anomalies as soon as they develop. Examples include:
1. Loss of Link
Upon a loss of link between the UAV and the controller, the aircraft will begin a predetermined Loss of Link (LOL) action. The LOL landing location is always the same as the launch (RTH) location of the aircraft. The only modification that can be made to this flight path is to override the RTH upon regaining signal and land the aircraft immediately to identify the problem.
 2. Structural Flight Control Failure/Propulsion Failure – In the event of a failure, the aircraft will immediately terminate flight operations and safely land as quickly as possible.
 3. Tablet Controller Failure
Upon reaching the location, the aircraft will go into a hover and the PIC at that time can initiate an automatic touchdown/landing of the aircraft.
 4. Altitude Hold Failure
Upon entering LOL the aircraft will immediately climb to the pre-programmed “safe” altitude and will proceed directly to the Launch (RTH) location.

XVI. AIR TRAFFIC CONTROL COMMUNICATIONS / NOTAM REQUIREMENTS

- A. Notice To Airmen (NOTAM) is not required under our Part 91 certification. However, the Incident Commander may issue a NOTAM prior to conducting a UAS operation. If the Incident Commander decides a NOTAM should be issued, he/she may not issue the NOTAM more than 72 hours in advance, and not less than 24 hours.
- B. NOTAMs may be issued by contacting the NOTAM Flight Service Station at 1-877-487-6867 or can be filed online in advance through www.1800WxBrief.com
1. Required Information for NOTAM
 - i. Name and address of the pilot filing the NOTAM request.
 - ii. Location of flight, altitude, and operating area.
 - iii. Time and nature of the activity.
 2. Once a NOTAM has been issued, the Incident Commander is responsible for canceling the NOTAM when UAS operations are completed or will not be conducted. If the NOTAM covers multiple date spans, it must remain active unless otherwise modified or canceled based on the operational timeline.
 3. PICs and/or VOs should monitor the Aircraft band radio during flights (if available) on the appropriate channel in order to monitor local air traffic. UNICOM frequencies can be determined from various websites. Should it become necessary to contact one or more of the ATC facilities or aircraft near a flight operation, VHF radio communication via the appropriate frequency shall be the preferred method of contact. In lieu of radio communications, traditional or cellular phone contact shall be made with the local Air

Traffic Control (ATC).

4. Local ATC possibly affected: McKinney Municipal Airport (TKI) 972-562-7952.
 5. No flights can be conducted over any portion of the airport property or anywhere near the extended runway centerlines without prior communications with ATC and before a NOTAM is issued. McKinney ATC should be contacted at least one hour prior to any operation within 5NM of the airport for flight approval.
- C. Due to the immediacy of some emergency management operations, the NOTAM notification requirement may be issued as soon as practical before flight. If the issuance of a NOTAM may endanger the safety of persons on the ground, it may be excluded. If the NOTAM is not issued, justification must be provided to the FAA upon request as to why a NOTAM was not issued and should be documented in the Flight Log.

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City of Lucas

City Council Agenda Request

October 17, 2024

Item No. 07

Requester: Development Services Director Joe Hilbourn
Public Works Supervisor Jeremy Bogle

Agenda Item Request

Consider a budget adjustment to FY 24-25 transferring funds from unrestricted water fund reserves to account # 21-8210-490-133, AMI Meter Upgrade in the amount of \$695,193.93 and authorizing the City Manager to enter into a sole source contract with Core and Main for the implementation and upgrade to our Neptune meter reading system from AMR (Automatic Meter Reading/Drive by collection) to AMI (Advanced Metering Infrastructure/ collected with antennas placed throughout city) in the amount not to exceed \$695,193.93.

Background Information

Core and Main attended the September 5, 2024, City Council Meeting to present the benefits of implementing Advanced Metering Infrastructure (AMI) for the city and its residents. With AMI, the city would gain access to real-time hourly data for every account in its system, which would expedite the meter reading process by eliminating the need for trucks to drive by read the meters. Additionally, AMI would enable the city to monitor compliance with the water conservation plan, making it easier to enforce penalties on users who do not adhere to designated watering days and times. This is a significant advantage for promoting water conservation throughout the community. For residents, AMI offers access to real-time water usage data through an online portal, allowing them to track their consumption throughout the month. Residents can set customizable alerts to notify them when their usage exceeds set thresholds, helping to prevent unexpected spikes in their water bill. They can also receive alerts for potential leaks in their system, allowing them to address issues promptly and avoid larger bills. This online platform empowers residents to manage their water usage effectively and stay within their desired budget for monthly water expenses. Furthermore, the system enables the city to proactively warn residents of any issues or leaks in their systems, or if they are inadvertently watering outside of designated times.

The minimum potential cost is \$604,049.39 and maximum cost is \$695,193.93.

Attachments/Supporting Documentation

1. Minutes of the September 5, 2024, City Council meeting.
2. Sole Source Bid Proposal for Lucas AMI from Core and Main (Sole provider of all Neptune infrastructure and meters)
3. Sole Source Bid Proposal for Lucas AMI No Cellular from Core and Main (Sole provider of all Neptune infrastructure and meters)



City of Lucas

City Council Agenda Request

October 17, 2024

Item No. 07

Budget/Financial Impact

- A. Move \$695,193.93 from the unrestricted water fund reserves to account # 21-8210-490-133 AMI Meter Upgrade
- B. Ongoing annual cost of AMI \$9,880.11

Recommendation

Staff recommends approving the transfer of funds from unrestricted water fund reserves to account # 21-8210-490-133, AMI Meter Upgrade.

Motion

I hereby make a motion to approve/deny a budget adjustment to FY 24-25 transferring funds from unrestricted water fund reserves to account # 21-8210-490-133, AMI Meter Upgrade in the amount of \$695,193.93 and authorizing the City Manager to enter into a sole source contract with Core and Main for the implementation and upgrade to our Neptune meter reading system from AMR (Automatic Meter Reading/Drive by collection) to AMI (Advanced Metering Infrastructure/collected with antennas placed throughout city) in the amount not to exceed \$695,193.93.



Bid Proposal for Lucas AMI/Cellular Updated 8/12/2024

CUSTOMER	CITY OF LUCAS 665 COUNTRY CLUB DR LUCAS, TX 75002	Job Lucas AMI/Cellular Updated 8/12/2024 Lucas, TX Bid Date: 05/24/2022 Bid #: 2362378
	Sales Representative Rudolph James (M) 469-601-2737 (T) 817-595-0580 Rudolph.James@coreandmain.com	Core & Main 6959 State Hwy 276 Royse City, TX 75189 (T) 9726352722
CONTACT	Budgetary Numbers Only.	
NOTES		



Bid Proposal for Lucas AMI/Cellular Updated 8/12/2024

CITY OF LUCAS**Job Location:** Lucas, TX**Bid Date:** 05/24/2022**Core & Main** 2362378**Core & Main**

6959 State Hwy 276

Royse City, TX 75189

Phone: 9726352722**Fax:** 9726359325

Seq#	Qty	Description	Units	Price	Ext Price
10		GATEWAYS			
20	7	NEPT R900 GATEWAY V4 ETHERNET 13458-100	EA	10,700.00	74,900.00
30	7	NEPTUNE 13146-100 R900 GATEWAY RF ANTENNA	EA	520.00	3,640.00
40	7	13070-100 OUTDOOR UPS SYSTEM	EA	3,300.00	23,100.00
50	7	R900 GATEWAY 5 YR EXT WARRANTY	EA	4,400.00	30,800.00
		SUBTOTAL			132,440.00
60		CELL RETRO MTRS (EST. COST)			
70	294	13964-200 CELLULAR MIU PIT VERSION 6' WIRE W/ 2' ANT	EA	205.00	60,270.00
80	294	T-10 REGISTER RETROFIT	EA	129.00	37,926.00
		SUBTOTAL			98,196.00
90		GATEWAY INSTALL			
100	7	GATEWAY INSTALL + MOBILIZATION	EA	61,942.36	433,596.52
		SUBTOTAL			433,596.52
110		METER RETROFIT INSTALL			
120	294	RETROFIT INSTALL	EA	43.75	12,862.50
130	1	RETROFIT INSTALL MOBILIZATION	EA	3,750.00	3,750.00
		SUBTOTAL			16,612.50
140		NEPTUNE 360 AMI SUBSCRIPTION			
150	2553	360 AMI SUBSCRIPTION	EA	3.87	9,880.11
		SUBTOTAL			9,880.11
160		N 360 + FIRSTNET CELLULAR DATA PLAN			
170	294	FIRST NET ANNUAL PER METER	EA	15.20	4,468.80
		Sub Total			695,193.93
		Tax			0.00
		Total			695,193.93

UNLESS OTHERWISE SPECIFIED HEREIN, PRICES QUOTED ARE VALID IF ACCEPTED BY CUSTOMER AND PRODUCTS ARE RELEASED BY CUSTOMER FOR MANUFACTURE WITHIN THIRTY (30) CALENDAR DAYS FROM THE DATE OF THIS QUOTATION. CORE & MAIN LP RESERVES THE RIGHT TO INCREASE PRICES TO ADDRESS FACTORS, INCLUDING BUT NOT LIMITED TO, GOVERNMENT REGULATIONS, TARIFFS, TRANSPORTATION, FUEL AND RAW MATERIAL COSTS. DELIVERY WILL COMMENCE BASED UPON MANUFACTURER LEAD TIMES. ANY MATERIAL DELIVERIES DELAYED BEYOND MANUFACTURER LEAD TIMES MAY BE SUBJECT TO PRICE INCREASES AND/OR APPLICABLE STORAGE FEES. THIS BID PROPOSAL IS CONTINGENT UPON BUYER'S ACCEPTANCE OF SELLER'S TERMS AND CONDITIONS OF SALE, AS MODIFIED FROM TIME TO TIME, WHICH CAN BE FOUND AT: <https://coreandmain.com/TandC/>



MINUTES **CITY COUNCIL REGULAR MEETING**

September 5, 2024 | 6:30 PM

Council Chambers

City Hall | 665 Country Club Road, Lucas, Texas

City Councilmembers Present:

Mayor Dusty Kuykendall
Mayor Pro Tem Debbie Fisher
Councilmember Chris Bierman
Councilmember Neil Peterson
Councilmember Phil Lawrence
Councilmember Tim Johnson

City Staff Present:

City Manager John Whitsell
City Attorney Joe Gorfida
Development Services Director Joe Hilbourn
CIP Manager Patrick Hubbard
Public Works Supervisor Jeremy Bogle
Communications Specialist Joshua Menhennett

City Councilmembers Absent:

Councilmember Brian Stubblefield

The regular City Council meeting was called to order at 6:30 pm.

Citizen Input

1. Citizen Input

There was no citizen input at this meeting.

Community Interest

2. Items of Community Interest

Communications Specialist Joshua Menhennett was recognized for completing his Masters of Public Administration degree from the University of Texas at Tyler in early August.

Mayor Kuykendall gave items of community interest including:

- Lucas Farmers Market – 9/11 Memorial Public Safety Event
- Public Lands Trail Cleanup

Consent Agenda

3. Consent Agenda:

- A. Approval of minutes of the August 14, 2024, City Council Special meeting.**
- B. Approval of minutes of the August 15, 2024, City Council meeting.**
- C. Approval of minutes of the August 26, 2024, City Council Special meeting.**
- D. Consider the approval of Resolution #R-2024-09-00560 of the City Council of the City of Lucas, Texas, establishing rules of order and procedures for City Council meetings.**

Mayor Pro Tem Fisher requested to pull Consent Agenda Item D as a separate item.

MOTION: A motion was made by Mayor Pro Tem Fisher, seconded by Councilmember Lawrence, to approve Consent Agenda items A, B, C, as presented with the amended corrections on Consent Agenda Item B. The motion passed unanimously by a 6 to 0 vote.

Consent Agenda Item D: Resolution #R-2024-09-00560

Mayor Pro Tem Fisher advised that not all suggested changes were made to the resolution. City Attorney Joe Gorfida suggested the below changes.

Section II – AGENDA PREPARATION Paragraph II, Section 3

The request and documentation will be reviewed by the City Manager and Mayor prior to being placed on the agenda. If the City Manager and/or Mayor determines that additional clarity and/or supporting documentation is necessary for the agenda item, the City Manager or Mayor shall timely notify the requestor to avoid delaying the item to the next regular meeting. If the requested documentation is not timely received in the appropriate format by the following Tuesday, the requested item may be delayed from inclusion on the agenda until the next regular meeting.

MOTION: A motion was made by Mayor Pro Tem Fisher, seconded by Councilmember Lawrence to approve Consent Agenda Item D as presented by City Attorney Joe Gorfida. The motion passed unanimously by a 6 to 0 vote.

Regular Agenda

4. Consider approval of the special events planning calendar for fiscal year 2024/25.

MOTION: A motion was made by Councilmember Johnson, seconded by Councilmember Lawrence, to approve the special events planning calendar for fiscal year 2024/25 as presented. The motion passed unanimously by a 6 to 0 vote.

5. Consider providing a recommendation to staff for future budget amendments for the purchase and implementation of Advanced Metering Infrastructure (AMI) for the City of Lucas water utility system.

Representatives from HD Supply presented.

MOTION: A motion was made by Mayor Kuykendall, seconded by Councilmember Lawrence, to approve directing staff to bring forward an amendment to the Fiscal Year 2024-2025 Budget to include funding for the purchase and implementation of Advanced Metering Infrastructure (AMI) for the City of Lucas water utility system at the October 17, 2024, City Council meeting. The motion passed unanimously by a 6 to 0 vote.

6. Consider adopting Ordinance #2024-09-01006 amending the City of Lucas Code of Ordinances, Appendix C titled “Fee Schedule.”

MOTION: A motion was made by Councilmember Johnson, seconded by Mayor Pro Tem Fisher, to approve adopting Ordinance #2024-09-01006 amending the City of Lucas

Code of Ordinances, Appendix C titled "Fee Schedule." The motion passed unanimously by a 6 to 0 vote.

7. **Discuss and consider approving the recommendation of the Selection Review Committee to award by resolution a contract with Traylor and Associates Incorporated for administrative services pertaining to the application and implementation, if awarded, of the City's 2025-2026 TxCDBG grant from the Texas Department of Agriculture and authorizing the execution of a contract.**

MOTION: A motion was made by Councilmember Lawrence, seconded by Mayor Kuykendall, to approve the recommendation of the Selection Review Committee to award by resolution a contract with Traylor and Associates Incorporated for administrative services pertaining to the application and implementation, if awarded, of the City's 2025-2026 TxCDBG grant from the Texas Department of Agriculture and authorizing the execution of a contract. The motion passed unanimously by a 6 to 0 vote.

8. **Consider providing dinner meals for City Councilmembers prior to City Council meetings.**

Mayor Kuykendall read email into the record from Ms. Kendal Simpson a City of Lucas resident. Ms. Simpson supports eliminating Agenda Item #8 from the city's budget.

Councilmember Johnson requested to amend the motion to include, "and staff attending meetings."

MOTION: A motion was made by Councilmember Lawrence, seconded by Mayor Pro Tem Fisher, to approve providing meals to all councilmembers and staff attending meeting before all City Council meetings. Mayor Kuykendall, Councilmember Peterson and Councilmember Bierman are opposed. Mayor Pro Tem Fisher, Councilmember Johnson and Councilmember Lawrence are in favor. The motion was tied and did not pass by a 3 to 3 vote.

9. **Consider nominations to the Texas Municipal League Intergovernmental Risk Pool of Trustees.**

MOTION: A motion was made by Mayor Kuykendall, seconded by Mayor Pro Tem Fisher, to nominate:

- Robert S. Davis for Place 11
- Allison Heyward for Place 12
- Harlan Jefferson for Place 13
- Mike Land for Place 14

on the TML Intergovernmental Risk Pool Board to serve for a period of six years with a term ending October 1, 2030. The motion passed unanimously by a 6 to 0 vote.

Executive Session

10. Executive Session:

The City Council will convene into Executive Session pursuant to Section 551.074(a))1) of the Texas Government Code, Personnel Matters, to deliberate the opening on the Parks and Open Space Board.

The City Council will convene into Executive Session pursuant to Section 551.074(a))1) of the Texas Government Code, Personnel Matters, to review and evaluate the City Managers 90-day job performance.

The Parks and Open Space Board is not a governing body and is unable to be discussed in Executive Session. Mayor Kuykendall suggested to post for 30 days to the public. Alternate Number 2 is open for the Parks and Open Space Board.

Mayor Kuykendall convened into Executive Session at 8:10 pm.

11. Reconvene from Executive Session and take any action necessary as a result of the Executive Session.

Mayor Kuykendall reconvened from Executive Session at 8:35 pm.

12. Adjournment.

MOTION: A motion was made by Councilmember Johnson, seconded by Mayor Kuykendall, to adjourn the meeting at 8:35 pm. The motion passed unanimously by a 6 to 0 vote.

APPROVED:



Mayor Dusty Kuykendall

ATTEST:



Toshia Kimball, City Secretary





Bid Proposal for Lucas AMI Conversion

CUSTOMER	CITY OF LUCAS 665 COUNTRY CLUB DR LUCAS, TX 75002	Job Lucas AMI Conversion Lucas, TX Bid Date: 09/09/2024 Bid #: 3746733
	Sales Representative Rudolph James (M) 469-601-2737 (T) 817-595-0580 Rudolph.James@coreandmain.com	Core & Main 6959 State Hwy 276 Royse City, TX 75189 (T) 9726352722
CONTACT		
NOTES		



Bid Proposal for Lucas AMI Conversion

CITY OF LUCAS**Job Location:** Lucas, TX**Bid Date:** 09/09/2024**Core & Main Bid #:** 3746733**Core & Main**

6959 State Hwy 276

Royse City, TX 75189

Phone: 9726352722**Fax:** 9726359325

Seq#	Qty	Description	Units	Price	Ext Price
10		R900 GATEWAYS			
20	7	NEPTUNE 13458-000 GATEWAY V4 CELLULAR (CDMA/GPRS)	EA	12,512.28	87,585.96
30	7	NEPT R900 GATEWAY RF ANTENNA 13146-100	EA	424.50	2,971.50
40	7	13070-100 OUTDOOR UPS SYSTEM	EA	2,961.75	20,732.25
50	7	13727-001 5-YR EXT. WARRANTY	EA	4,000.00	28,000.00
SUBTOTAL					139,289.71
60		GATEWAY INSTALLATION			
70	7	GATEWAY INSTALL + MOBILIZATION	EA	61,942.08	433,594.56
SUBTOTAL					433,594.56
80		SOFTWARE			
90	1	14099-001 N360 SET-UP FEE	EA	1,817.65	1,817.65
100	2847	14099-114 AMI N360 ANNUAL SUB	EA	3.87	11,017.89
110	1	14099-203 MY360 SET-UP FEE	EA	3,511.37	3,511.37
120	1	14099-304 MY360 ANNUAL SUB	EA	5,454.55	5,454.55
130	1	14099-204 SINGLE SIGN-ON SETUP	EA	5,852.28	5,852.28
140	1	14099-205 MY360 SSO ANNUAL	EA	1,755.69	1,755.69
150	1	14099-201 MY360 TRAINING	EA	1,755.69	1,755.69
SUBTOTAL					31,165.12
SUBTOTAL					604,049.39
Sub Total					604,049.39
Tax					0.00
Total					604,049.39

UNLESS OTHERWISE SPECIFIED HEREIN, PRICES QUOTED ARE VALID IF ACCEPTED BY CUSTOMER AND PRODUCTS ARE RELEASED BY CUSTOMER FOR MANUFACTURE WITHIN THIRTY (30) CALENDAR DAYS FROM THE DATE OF THIS QUOTATION. CORE & MAIN LP RESERVES THE RIGHT TO INCREASE PRICES TO ADDRESS FACTORS, INCLUDING BUT NOT LIMITED TO, GOVERNMENT REGULATIONS, TARIFFS, TRANSPORTATION, FUEL AND RAW MATERIAL COSTS. DELIVERY WILL COMMENCE BASED UPON MANUFACTURER LEAD TIMES. ANY MATERIAL DELIVERIES DELAYED BEYOND MANUFACTURER LEAD TIMES MAY BE SUBJECT TO PRICE INCREASES AND/OR APPLICABLE STORAGE FEES. THIS BID PROPOSAL IS CONTINGENT UPON BUYER'S ACCEPTANCE OF SELLER'S TERMS AND CONDITIONS OF SALE, AS MODIFIED FROM TIME TO TIME, WHICH CAN BE FOUND AT: <https://coreandmain.com/TandC/>



City of Lucas

City Council Agenda Request

October 17, 2024

Requester: Capital Improvement Projects Manager Patrick Hubbard

Agenda Item Request

Consider authorizing the City Manager to negotiate and enter into an agreement with Schaumburg & Polk, Inc. (SPI) to provide professional services in the amount of \$32,000 for the design of the Estates Road Eight-Inch Waterline Replacement Project and to transfer \$32,000 from Unrestricted Water Fund Reserves to account number 21-8210-490.134 for said project.

Background Information

The City of Lucas 2023 Comprehensive Capital Improvement Plan (CIP) calls for the completion of four Water projects in Fiscal Year 2024-2025. This was discussed with City Council in the Capital Budget presentation on May 16, 2024, and during the Budget Presentation given on July 18, 2024.

These 4 items are as follows:

- **Estates Eight-Inch Waterline Replacement**
- Repaint McGarity 350,000 Ground Storage Tank
- Repaint McGarity 200,000 Gallon Ground Storage
- North Pump Station Twelve-Inch Waterline

Staff received the included proposal from Schaumburg & Polk, Inc. (SPI) to provide design services for the Estates Eight-Inch Waterline Replacement with the intent to begin design in the first quarter of Fiscal Year 2024-2025.

This project replaces an existing Asbestos Cement (AC) pipe and all connected service lines or other fixtures on Estates Road. This is the only remaining segment of AC water line in the Lucas water system.

Attachments/Supporting Documentation

1. Comprehensive CIP Project Description Sheet
2. Project Proposal from Schaumburg & Polk, Inc. (SPI)

Budget/Financial Impact

The proposed scope has a fee of \$32,000 broken down as described in the Project Proposal from Schaumburg & Polk, Inc. (SPI) included as Attachment 2 to this item. This funding is proposed to come from Unrestricted Water Fund Reserves. The preliminary cost estimate for this project, provided by Birkhoff, Hendricks and Carter Engineering, LLP (BHC Engineering), was \$272,638 in 2023 dollars.



City of Lucas

City Council Agenda Request

October 17, 2024

Recommendation

It is the recommendation of staff to authorize the City Manager to negotiate and enter into an agreement with Schaumburg & Polk, Inc. (SPI) to provide professional services for the design the Estates Road Eight-Inch Waterline Replacement Project

Motion

I make a motion to approve/deny authorizing the City Manager to negotiate and enter into an agreement with Schaumburg & Polk, Inc. (SPI) to provide professional services in the amount of \$32,000 for the design of the Estates Road Eight-Inch Waterline Replacement Project and to transfer \$32,000 from Unrestricted Water Fund Reserves to account number 21-8210-490.134 for said project.

ESTATES ROAD EIGHT-INCH WATERLINE REPLACEMENT				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2024-2025	W-03	Water	Planning	High
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$272,638			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Replacement of asbestos waterline on Estates Road.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2024-2025			2024-2025	
PROJECT MANAGER: Public Works Director				



September 21, 2024

Mr. Joe Hilbourn
Development Services Director
City of Lucas
665 Country Club Road
Lucas, Texas 75002

Re: Estates Road Water Line Replacement
Proposal for Engineering and Surveying Services

Dear Joe:

Per your request, we have prepared this proposal for providing engineering and surveying services associated with the design and preparation of plans and specifications for the proposed 8-inch polyvinyl chloride (PVC) water line to replace the existing A/C water line along Estates Road. It is our understanding that the City would like for the proposed replacement water line to be extended across Country Club Road to tie into the existing transmission water line on the east side of Country Club Road.

The City has made significant improvements to the City water system in recent years. Several major water line projects have been completed. These projects involved the replacement of A/C water lines and undersized water lines with larger more dependable PVC water lines. Per the City's CIP, the A/C water line along Estates Road is now scheduled for replacement at this time. Completion of this project will further improve water supply, improve water pressure, and enhance fire protection in this area. Also, replacement of this water line is critical at this time in order to make way for upcoming street improvements on Estates Road.

Schaumburg & Polk, Inc. (SPI) will provide the following services in order to prepare for the construction of the proposed Estates Road Replacement Water Line:

- ❖ Perform field survey to identify topographical information required for detail design.
- ❖ Design and prepare plans for the proposed 8-inch replacement water line.
- ❖ Prepare the project manual and specifications for the project.
- ❖ Prepare exhibits required for an application to TxDOT for the utility crossing of FM 1378.
- ❖ Provide construction administration services, including services during advertisement and services during construction.

SPI proposes to complete the surveying and engineering services for this project for the following fees:

❖ Surveying Services	\$ 6,000
❖ Design Services	\$ 22,000
❖ Construction Administration Services	<u>\$ 4,000</u>

TOTAL FIXED FEE:	\$ 32,000
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Mr. Joe Hilbourn
Development Services Director
City of Lucas
September 21, 2024

Assumptions

The following assumptions have been made in preparing this proposal:

- ❖ Preparation of easement documents are not included in this proposal.
- ❖ Services to perform a boundary solution for the subdivision and to identify the right-of-way for Estates Road are not included in this proposal.
- ❖ Geotechnical services are not included in this proposal.
- ❖ Full time inspection services during construction are not included in this proposal.

Terms and Conditions

Terms and conditions for the professional engineering and surveying services to be provided for this project will be included in the Professional Services Agreement for this project. Acceptance of this proposal will be confirmed by the execution of the Professional Services Agreement for the project. Receipt of a fully executed copy of the Professional Services Agreement will be considered authorization for SPI to proceed with performing the services for this project.

Very truly yours,

Michael R. Burge

Michael R. Burge, P.E.
Vice President/Project Manager

MRB:mrh



City of Lucas

City Council Agenda Request

October 17, 2024

Requester: Capital Improvement Projects Manager Patrick Hubbard

Agenda Item Request

Consider authorizing the City Manager to negotiate and enter into an agreement with Schaumburg & Polk, Inc. (SPI) to provide professional services in the amount of \$9,500 for the design of the North Pump Station Twelve-Inch Waterline Project and to transfer \$9,500 from Unrestricted Water Fund Reserves to account number 21-8210-490.135 for said project.

Background Information

The City of Lucas 2023 Comprehensive Capital Improvement Plan (CIP) calls for the completion of four Water projects in Fiscal Year 2024-2025. This was discussed with City Council in the Capital Budget presentation on May 16, 2024, and during the Budget Presentation given on July 18, 2024.

These 4 items are as follows:

- Estates Eight-Inch Waterline Replacement
- Repaint McGarity 350,000 Ground Storage Tank
- Repaint McGarity 200,000 Gallon Ground Storage
- **North Pump Station Twelve-Inch Waterline**

Staff received the included proposal from Schaumburg & Polk, Inc. (SPI) to provide design services for the Estates Eight-Inch Waterline Replacement with the intent to begin design in the first quarter of Fiscal Year 2024-2025.

This project improves the efficiency of water flow at the North Pump Station and eliminates a dead-end water line. Dead-end water lines are segments of water line that do not loop into other lines. This allows water at the end of the line to accumulate sediment and lose its concentration of chlorine. Staff must routinely flush all dead-end water lines to counteract this challenge.

Attachments/Supporting Documentation

1. Comprehensive CIP Project Description Sheet
2. Project Proposal from Schaumburg & Polk, Inc. (SPI)

Budget/Financial Impact

The proposed scope has a fee of \$9,500 broken down as described in the Project Proposal from Schaumburg & Polk, Inc. (SPI) included as Attachment 2 to this item. This funding is proposed to come from Unrestricted Water Fund Reserves. The preliminary cost estimate for this project, provided by Birkhoff, Hendricks and Carter Engineering, LLP (BHC Engineering), was \$81,360 in 2023 dollars.



City of Lucas

City Council Agenda Request

October 17, 2024

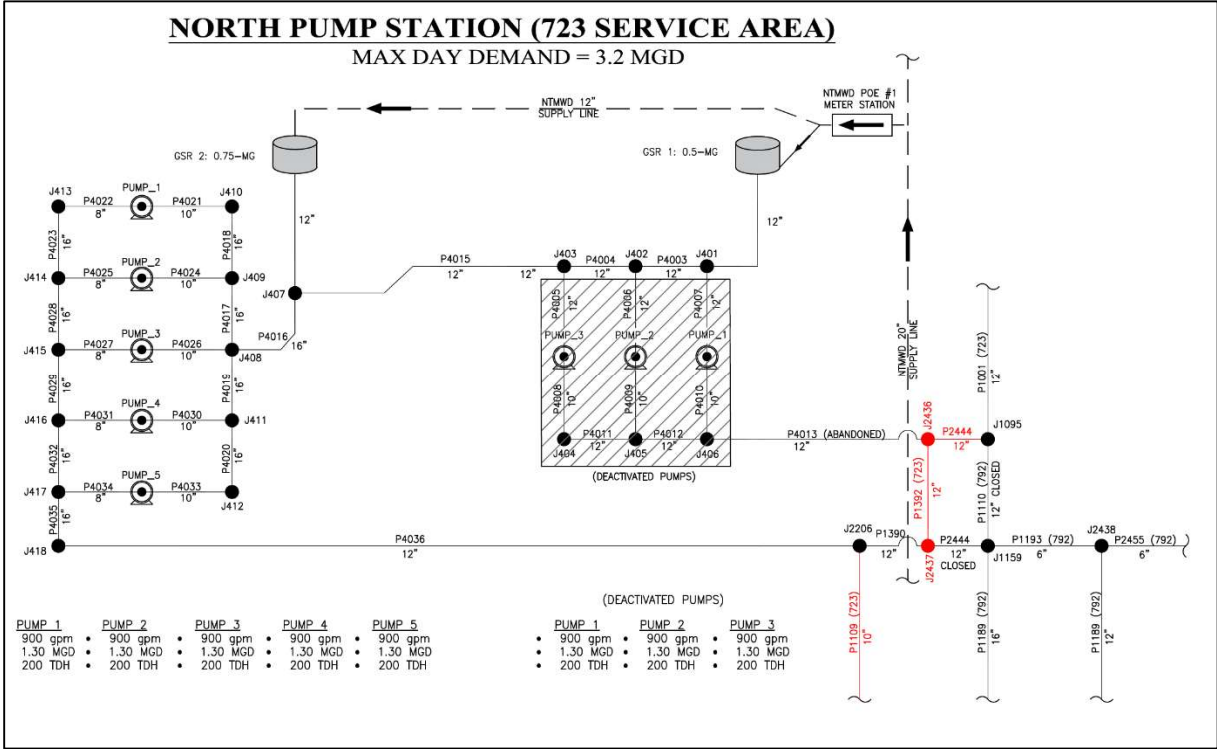
Recommendation

It is the recommendation of staff to authorize the City Manager to negotiate and enter into an agreement with Schaumburg & Polk, Inc. (SPI) to provide professional services for the design of the North Pump Station Twelve-Inch Waterline Project.

Motion

I make a motion to approve/deny authorizing the City Manager to negotiate and enter into an agreement with Schaumburg & Polk, Inc. (SPI) to provide professional services in the amount of \$9,500 for the design of the North Pump Station Twelve-Inch Waterline Project and to transfer \$9,500 from Unrestricted Water Fund Reserves to account number 21-8210-490.135 for said project.

NORTH PUMP STATION TWELVE INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2024-2025	W-06	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$81,360			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Looping of twelve-inch Water Line at the North Pump Station site.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2024-2025			2024-2025	
PROJECT MANAGER: Public Works Director				



September 22, 2024

Mr. Joe Hilbourn
Development Services Director
City of Lucas
665 Country Club Road
Lucas, Texas 75002

Re: North Pump Station Water Line Loop
Proposal for Engineering and Surveying Services

Dear Joe:

Per your request, we have prepared this proposal for providing engineering and surveying services associated with the design and preparation of plans and specifications for a proposed water line loop at the North Pump Station site. There is a dead-end water line at the site, and it is our understanding that the City would like to install a new water line in order to eliminate this dead-end water line. Presently, the City has to periodically flush this dead-end water line in order to clear out water that has backed up into this dead-end water line.

Completion of this project will eliminate this dead-end line, which will eliminate the need to periodically flush this dead-end line. Also, since this dead-end water line is connected to the existing 12-inch transmission water line on the east side of Country Club Road, connecting this dead-end line to the discharge line from the pump station will allow the pump station to be directly connected to the 12-inch transmission water line on the east side of Country Club Road.

Schaumburg & Polk, Inc. (SPI) will provide the following services in order to prepare the plans and specifications for the construction of the proposed Water Line Loop at the North Pump Station site:

- ❖ Perform field survey to identify topographical information required for detail design.
- ❖ Design and prepare plans for the proposed water line loop.
- ❖ Prepare the project manual and specifications for the project.
- ❖ Provide construction administration services, including services during advertisement and services during construction.

SPI proposes to complete the surveying and engineering services for this project for the following fees:

❖ Surveying Services	\$ 1,500
❖ Design Services	\$ 6,000
❖ Construction Administration Services	\$ 2,000
TOTAL FIXED FEE:	\$ 9,500

Mr. Joe Hilbourn
Development Services Director
City of Lucas
September 22, 2024

Assumptions

The following assumptions have been made in preparing this proposal:

- ❖ Preparation of easement documents are not included in this proposal.
- ❖ Geotechnical services are not included in this proposal.
- ❖ Full time inspection services during construction are not included in this proposal.

Terms and Conditions

Terms and conditions for the professional engineering and surveying services to be provided for this project will be included in the Professional Services Agreement for this project. Acceptance of this proposal will be confirmed by the execution of the Professional Services Agreement for the project. Receipt of a fully executed copy of the Professional Services Agreement will be considered authorization for SPI to proceed with performing the services for this project.

Very truly yours,

Michael R. Burge

Michael R. Burge, P.E.
Vice President/Project Manager

MRB:mrh



City of Lucas

City Council Agenda Request

October 17, 2024

Item No. 10

Requester: Capital Improvement Projects Manager Patrick Hubbard

Agenda Item Request

Receive a presentation on the 2024 update to the Comprehensive Capital Improvement Plan for the City of Lucas and provide direction to the City Manager.

Background Information

Staff has completed an annual status update to the five-year Comprehensive Capital Improvement Plan (CIP). This report reconciles and compiles the current Comprehensive Plan, Water Master Plan, and the projects included in the current impact fee calculation, along with past projects and other identified community needs so as to provide a broad range of capital projects to be undertaken by the city both over the next five years and through to buildout.

A project included in the CIP must have a minimum cost of \$5,000 and must result in either the creation of a new fixed asset or the enhancement of an existing fixed asset. The typical life expectancy of a capital project is 20 years, but it varies depending on the classification of the asset and its specific design.

The projects listed in this version of the CIP are those which have already been vetted and established through policy processes. The scope of this annual update is limited to changes in project details and is not a revision to project strategy or priority. The only exception to this approach is the Walking Loop Extension (P-02) which had been identified as a 2024-2025 project but was not prioritized in the current year and, therefore, needed to be shifted to a later year. The updated plan includes a section titled “2024 Update Summary” that provides a summary of all revisions since 2023. This can be found on pages 3 and 4 of the attached document.

The City of Lucas Web Map Portal also now features a shapefile containing all current and planned CIP projects. This shapefile is accessible at the following hyperlink or from the City of Lucas website homepage: <https://gissolutions.halff.com/portal/apps/sites/#/lucas>

Attachments/Supporting Documentation

1. 2024 Update – Comprehensive Capital Improvement Plan (CIP)

Budget/Financial Impact

The CIP includes cost estimates for each capital project which can be used to help identify future revenue needs. Please refer to the CIP for specific costs related to each capital project.



City of Lucas
City Council Agenda Request
October 17, 2024

Item No. 10

Recommendation

NA

Motion

No Motion is Required.



CITY OF LUCAS

COMPREHENSIVE CAPITAL IMPROVEMENT PLAN

2024 UPDATE
(2023 PLAN CYCLE)



Silver Certified City for the Keep
Lucas Beautiful Program through
the Scenic Texas Organization



Governor's Community
Achievement Award from TxDOT
and Keep Texas Beautiful



ISO Class 1 Rating
Highest Public Protection
Classification Rating Achievable



Lucas Farmers Market
International City/County
Management Association's 2022
Community Partnership Award

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Water Projects.....	Page 36
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Parks, Trails and Open Space Projects.....	Page 77

2024 Update Summary

The following charts summarize all project changes as of October 1, 2024, which coincides with the beginning of Fiscal Year 2024-2025. All changes reflected in the charts below are also reflected in the corresponding project sections and project pages.

Status Changes

Project Number	Project Name	Previous Project Status	New Project Status
W-01	Parker Road twelve Inch Waterline Phase One - Section Two	Construction	Complete
P-01	Paving of Back Parking Lot	Planning	Complete
W02	723 Service Area 0.75 MG Elevated Storage Tank (East of Country Club)	Design	Construction
W-03	Estates Road Eight-Inch Waterline Replacement	Planning	Design
W-04	Repaint McGarity 350,000 Ground Storage Tank	Planning	Design
W-05	Repaint McGarity 200,000-Gallon Ground Storage Tank	Planning	Design
W-06	North Pump Station twelve-inch water line	Planning	Design
WW-01	Osage Lane Lift Station (formerly Hunt Lift Station)	Planning	Design
P-04	Forest Creek Park - Replacement of Playground Equipment	Planning	Design
P-05	East Winningkoff Trail Loop (formerly Trinity Trail Connect Phase 1)	Planning	Design

Schedule Changes

Project Number	Project Name	Previous Begin Year	New Begin Year	Previous End Year	New End Year
R-01	West Lucas Road from Angel Parkway to Country Club Road	Unchanged	Unchanged	2024-2025	2026-2027
W-04	Repaint McGarity 350,000 Ground Storage Tank	Unchanged	Unchanged	2024-2025	2025-2026
W-05	Repaint McGarity 200,000-Gallon Ground Storage Tank	Unchanged	Unchanged	2024-2025	2025-2026
WW-01	Osage Lane Lift Station (formerly Hunt Lift Station)	Contingent on Development	2023-2024	Contingent on Development	2024-2025
P-02	Walking Loop Extension	2024-2025	2028-2029 or Later	2024-2025	2028-2029 or Later
P-04	Forest Creek Park - Replacement of Playground Equipment	Contingent on Grant Funding	2024-2025	Contingent on Grant Funding	2024-2025
P-05	East Winningkoff Trail Loop (formerly Trinity Trail Connect Phase 1)	Contingent on Grant Funding	2023-2024	Contingent on Grant Funding	2024-2025

Cost Estimate Updates

Project Number	Project Name	Previous Cost Estimate	Current Cost Estimate	Actual Cost
R-01	West Lucas Road from Angel Parkway to Country Club Road	\$13,906,701	\$22,677,850	Pending
P-01	Paving of Back Parking Lot	\$119,040	\$109,040	\$109,040

Overview of Comprehensive CIP

The Comprehensive Capital Improvement Plan (CIP) for the City of Lucas is an integral part of the community planning process. The CIP links local infrastructure investments with comprehensive plan goals, land use ordinances, and economic development efforts. The CIP bridges the gap between planning and financing as well as between the visions of the comprehensive plan and the fiscal and engineering realities of improving and expanding community facilities. The CIP is developed through a policy process which outlines clear and consistent procedures for proposing, evaluating, and adopting capital projects, thereby maximizing long-term public benefit.

The Comprehensive CIP is a five-year planning document adopted by the City Council for capital improvements related to City roadway, stormwater, water, wastewater and park systems including infrastructure and facilities. A project included in the CIP must have a minimum cost of \$5,000 and must result in either the creation of a new fixed asset or the enhancement of an existing fixed asset. The typical life expectancy of a capital project is 20 years, but it varies depending on the classification of the asset and its specific design.

Examples of capital projects include construction or expansion of public buildings, the acquisition of land for public use, water system improvements, sewer mains, street construction and drainage culvert construction. Examples of enhancements to existing fixed assets include the reconstruction of streets, upgrading of playground facilities and upsizing of drainage culverts.

The Comprehensive CIP is distinct from the Capital Improvement Budget. The Capital Improvement Budget is prepared each year in conjunction with the annual Operating Budget. It generally includes only those projects listed for completion in the current year of the Comprehensive CIP. The Capital Improvement Budget will address additional capital needs that are not included in the Comprehensive CIP, such as equipment and vehicles.

This Comprehensive CIP is also distinct from the Capital Improvement Plan (CIP) produced for the purposes of developing a calculation of impact fees as defined in Chapter 395 of the Texas Local Government Code. An impact fee is a charge or assessment imposed by a political subdivision for new development within its service area in order to generate revenue for funding or recouping the costs of capital improvements of facility expansions necessitated by and attributable to the new development. This Comprehensive CIP uses a broader definition of eligible projects and, therefore, includes many projects that are not eligible for impact fee funding.

Goals

The following goals ensure consistency when establishing and prioritizing CIP activities:

1. Preserve public health, welfare, and safety - providing the basic services that ensure public health, welfare, and safety is the fundamental responsibility of local government.
2. Anticipate the demands of growth – informed by the comprehensive plan, the capital improvement plan empowers investment in community facilities and infrastructure needed to meet growth demands.
3. Support economic development – the quality of public infrastructure and services, fiscal soundness, and availability of public amenities are major drivers of the overall attractiveness and value of both residential and nonresidential properties in a community. Stakeholder investment and retention are heavily influenced by capital improvements that enhance the quality of life and sustainability of the community.
4. Develop a fair distribution of capital costs - the CIP process allows for public discussion of the preferred means of distributing capital costs over time. Funding strategies to consider include:
 - a. Annually, the City earmarks funds in the unrestricted fund balance to save for future projects.
 - b. Issuance of debt that is paid by both existing and future users of the facility.
 - c. User fees may be deemed more appropriate than broad based taxes.
 - d. Federal or state funds may also be available to help finance specific projects.

The CIP process can promote discussion of funding strategies and provide for a linkage between revenue policy and expenditure policy by tying expenditure forecasting to potential revenues over the short, medium and long terms.

Development Process

The CIP outlines the major utility infrastructure, streets and drainage, buildings, parks, and other improvements needed to meet stakeholder needs, growth demands, and state and federal regulatory obligations.

The Capital Improvement Projects Manager (CIP Manager) coordinates the annual update and adoption of the five-year CIP. The City Manager will lead the review and prioritization of capital projects for City Council consideration. The Finance Director, Public Works Director, Development Services Director, CIP Manager, and the City Manager shall prioritize and rank projects according to the considerations listed in the project goals section. The CIP includes all costs associated with the design, right-of-way acquisition, and construction of a project, as well as any pertinent operating and maintenance costs that impact future operating budgets. The following guidelines will be used for developing the CIP:

- a. Identify capital improvements based on the City of Lucas Comprehensive Plan, Impact Fee Report and any other adopted city plan. These plans are developed through a participative process that invites the residents, elected officials and other stakeholders to provide input on community priorities.
- b. Identify projects based on system models, repair and maintenance records, and known growth demands.
- c. Prioritize projects based on city staff, board and commission, and public input as informed by adopted plans, best practices and studies.

The CIP will be submitted to City Council for review, revision, and approval. It will be reviewed and revised annually to include updated information.

CIP Amendment

Amendments to the CIP effecting the current fiscal year must be recommended by the City Manager and approved by the City Council through a budget amendment. Amendments will be considered according to the CIP goals as previously identified. Higher priority will be given to projects necessary for the public health and safety, based on funding availability.

Any plan must be based upon an estimate of certain characteristics. These characteristics may change and vary from time to time and when they do, the CIP should be updated. It may require that certain proposed improvements be implemented immediately or even delayed. Further, this plan is meant to be flexible. It is to be used as a tool to help establish a course of action.

CIP Prioritization

Using the criteria identified in the Project Criteria section of this document will assist staff and ultimately the elected officials in rating each project to facilitate prioritization. There are various rating schemes available for establishing capital improvements priorities. The following set of standards are used as the evaluation method for the city:

- **High** - essential capital improvements projects needed to promote and/or protect the public welfare and safety. Projects classified under this category are projects of the highest priority and should be completed as soon as is practicable.
- **Medium** - necessary capital improvements are projects which are needed to optimize and conserve existing resources, provide substantial improvements, or make better use of existing resources. Projects of this type include improvements which are considered necessary for a progressive growing community but do not have an immediate negative impact on public welfare in their absence.
- **Low** - desirable capital improvements are projects which protect property, replace obsolete facilities, reduce operating costs and add to the attractiveness of the community. Projects of this type are not considered high priority and may be delayed or removed from the CIP as funding changes. Conversely, these types of projects can be brought forth when budget surpluses or additional funding sources are identified.

CIP Project Funding

All capital project expenditures must be appropriated in the capital budget. The Finance Director and City Manager must certify the availability of resources before any capital project contract is presented to the City Council for approval. The following are the primary options for funding CIP projects:

- General and Proprietary Revenue
 - Reserve Funds (Proprietary or General)
- Debt
 - General Obligation Bonds
 - Certificates of Obligation
- Impact Fees (Water or Roadway)
- Agency Partnerships (Grants, Interlocal Agreements)

Recognizing that long-term debt is usually a more expensive financing method, alternative financing sources will be explored before debt is issued. When debt is issued, it will be used to acquire major assets with expected lifespans equaling or exceeding the average length of the debt issue. Impact fees, assessments, pro-rata charges, or other fees may be used to fund capital projects. The City Council may also evaluate the use of unrestricted general fund reserves to facilitate funding.

Impact Fees

Chapter 395 of the Texas Local Government Code describes the procedures Texas cities must follow in order to create and implement impact fees. Senate Bill 243 (SB 243) amended Chapter 395 in September 2001 to define an Impact Fee as “a charge or assessment imposed by a political subdivision against new development in order to generate revenue for funding or recouping the cost of roadway improvements or facility expansion necessitated by and attributable to the new development.”

The City of Lucas employed Birkhoff Hendricks and Carter, L.L.P. (BHC) and Lee Engineering, L.L.C, to draft the current impact fee report titled ***Water and Roadway Impact Fee Update 2022-2023*** using a methodology consistent with Chapter 395 of the Texas Local Government Code and based on the city’s Land Use Assumptions. These firms, led by BHC, developed a list of applicable CIP project and established a Land Use Equivalency Table.

The last City of Lucas Roadway and Water Impact Fee update was approved by the City Council on March 2, 2023, and subsequently adopted Ordinance 2023-03-00974 on March 16, 2023, which did the following:

- Amended the Code of Ordinances by amending Article 10 titled “Subdivisions” by amending Article 10.02, titled “Impact Fees”
- Amended Section 10.02.002 to add a definition for “Impact Fee Study”
- Amended and updated the appendices, Appendix C, titled “Fee Schedule” as follows:
 - Amended Article 10.000, titled “Road Impact Fees by Land Use” Section 10.100 titled “Road Impact Fees by Land Use” by updating and adopting the revised Roadway Impact Fee Update and the impact fee land use assumptions therein;
 - Amended Appendix “C” titled “Fee Schedule” by amending Article 11.000 titled “Water Impact Fee by Meter Size” and by amending Section 11.100 titled “Water Impact Fee by Meter Size”
- Updated and adopted the revised Water Impact Fee and the Impact Fee Land Use Assumptions therein

The following updated impact fees are in effect:

- **Road Service Unit of \$504.00 per vehicle mile**
(For example, to calculate the impact fee for a single-family home, take the service unit of \$504.00 x 2.82 per development unit equaling an impact fee of \$1,421.28)
- **Water Service Unit of \$13,119.00**
(For example, to calculate the impact fee for a one-inch water meter take the service unit of \$13,119.00 x 1 Living Unit Equivalent equaling an impact fee of \$13,119.00.)

Chapter 395 mandates that impact fees be reviewed and updated at least every five (5) years. Therefore, the City of Lucas will need to review and update its current impact fees by March 2, 2028.

Roadway Projects

The following pages are a reference guide that summarizes the CIP Roadway Projects. It indicates the fiscal year in which the project is scheduled to begin, a project number for identification purposes, the recommended priority of implementation, the preliminary estimated costs for improvements, and the anticipated funding sources. Some projects may be phased across multiple fiscal years. Cost estimates are adjusted to current year dollar value and are subject to inflation, which may result in a higher cost during the year of construction. Likewise, cost estimates include any additive alternates and contingences that may apply to the project. Projects early in the planning phase may contain generic descriptions.



(Image: Winningkoff Road at Snider Lane)

Roadway Projects by Fiscal Year

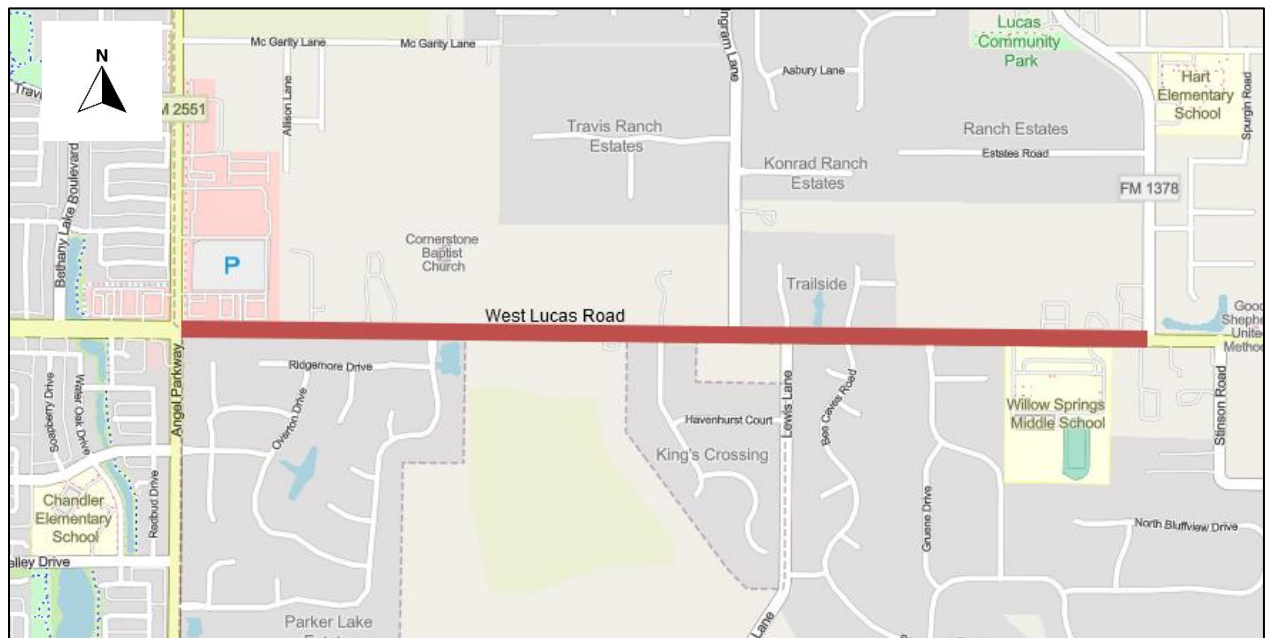
The following chart summarizes the fiscal years in which each project is schedule to take place. Those that are not yet scheduled for completion are scheduled as “2028-2029 or Later.” These projects are needed for the buildout of the city or have been identified as long-term needs and may be rescheduled to an earlier fiscal year depending on the availability of funding for capital projects or the emerging need of the city. Those projects classified as “Contingent” are generally those projects necessitated by or that will be completed in conjunction with future land development, future modifications to other infrastructure, or the availability of grant funds. Some projects may be phased across multiple fiscal years, may span multiple years or may be moved forward into future fiscal years in future versions of this report. Estimated costs figures include multi-year cost totals. Cost estimates are adjusted to current year dollar value and are subject to inflation, which may result in a higher cost during the year of construction. Likewise, cost estimates include any additive alternates and contingences that may apply to the project. Roadway projects include all associated drainage improvements, real estate activity and utility relocation required for the projects.

Begin Fiscal Year	End Fiscal Year	Project Number	Priority	Project Name	Estimated Total Cost
2020-2021	2026-2027	R-01	High	West Lucas Road from Angel Parkway to Country Club Road	\$ 22,677,850
2025-2026	2027-2028	R-02	High	Forest Grove Road from Country Club to Mary Lee Lane	\$ 5,626,500
2028-2029 or Later	2028-2029 or Later	R-03	Medium	Stinson Road Northern Section from Bentwater Drive to the Reverse Curve	\$ 3,306,426
2028-2029 or Later	2028-2029 or Later	R-04	Medium	Stinson Road from Bristol Park to Bentwater Drive excluding the Stinson Road bridge over Muddy Creek	\$ 3,208,004
2028-2029 or Later	2028-2029 or Later	R-05	Medium	Winningkoff Road Southern Section from East Lucas Road to the Reverse Curve	\$ 4,124,577
2028-2029 or Later	2028-2029 or Later	R-06	Medium	Country Club Road and Forest Grove Road Intersection Improvements	\$ 2,458,300

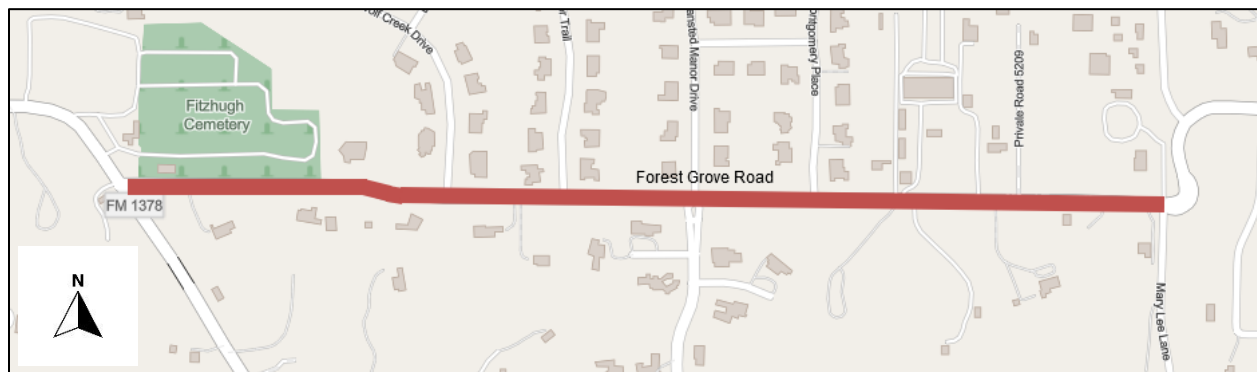
Begin Fiscal Year	End Fiscal Year	Project Number	Priority	Project Name	Estimated Total Cost
2028-2029 or Later	2028-2029 or Later	R-07	Medium	Ingram Lane and Estates Parkway Intersection Improvements	\$ 2,458,300
2028-2029 or Later	2028-2029 or Later	R-08	Medium	Country Club Road and Estelle Lane Intersection Improvements	\$ 2,458,300
2028-2029 or Later	2028-2029 or Later	R-09	Medium	West Lucas Road and Ingram Lane Intersection Improvements	\$ 1,990,125
2028-2029 or Later	2028-2029 or Later	R-10	Low	Future Loop from Orr Road to East Winningkoff Road	\$ 3,836,900
2028-2029 or Later	2028-2029 or Later	R-11	Low	Country Club Road and Rock Ridge Road Intersection Improvements	\$ 2,458,300
2028-2029 or Later	2028-2029 or Later	R-12	Low	East Lucas Road and Winningkoff Road Intersection Improvements	\$ 2,458,300
2028-2029 or Later	2028-2029 or Later	R-13	Low	East Lucas Road and Brockdale Park Road Intersection Improvements	\$ 2,458,300
Contingent on Development	Contingent on Development	R-14	High	Stinson Connection to West Lucas Road	[ESTIMATE PENDING]
Contingent on Development	Contingent on Development	R-15	Low	Allison Lane from Estates Parkway to West Lucas Road	\$ 4,575,000
Contingent on Development	Contingent on Development	R-16	Low	Highland Drive from Stinson Road to Southview Drive	\$ 4,331,171
Contingent on Development	Contingent on Development	R-17	Low	McGarity Lane Realignment to Travis Drive	\$ 250,000
Contingent on Highway Widening	Contingent on Highway Widening	R-18	Low	Blondy Jhune Road and Country Club Road Intersection Improvements	\$ 2,458,300

Roadway Project Summaries

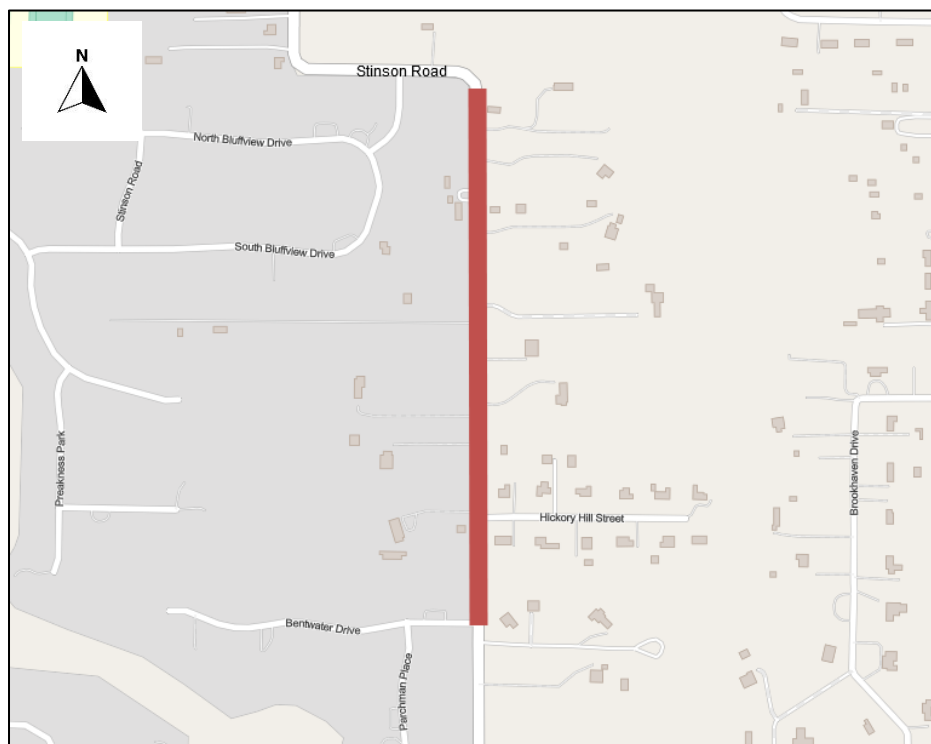
WEST LUCAS ROAD FROM ANGEL PARKWAY TO COUNTRY CLUB ROAD WIDENING				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2020-2021	R-01	Roadway	Design	High
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$22,677,850		General Obligation Bonds Certificates of Obligation General Fund Reserves Outside Agency Interlocal Agreements/Grants Roadway Impact Fee Eligible		
PROJECT DESCRIPTION				
Widening of West Lucas Road from Country Club Road to Angel Parkway from two lane roadway to four lane divided roadway.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2020-2021		2026-2027		
PROJECT MANAGER: Public Works Director				



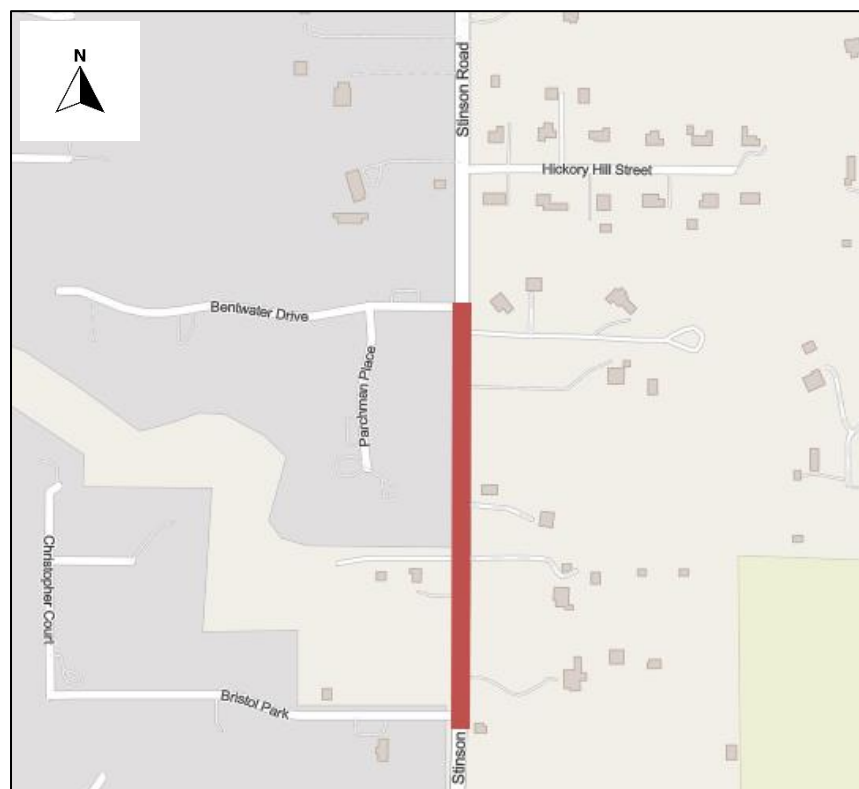
FOREST GROVE ROAD FROM COUNTRY CLUB TO MARY LEE LANE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2025-2026	R-02	Roadway	Planning	High
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$5,626,500		General Obligation Bonds Certificates of Obligation General Fund Reserves Outside Agency Interlocal Agreements/Grants Roadway Impact Fee Eligible		
PROJECT DESCRIPTION				
Replace existing asphalt roadway with a concrete roadway from Country Club Road to Mary Lee Lane.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2025-2026		2027-2028		
PROJECT MANAGER: Public Works Director				



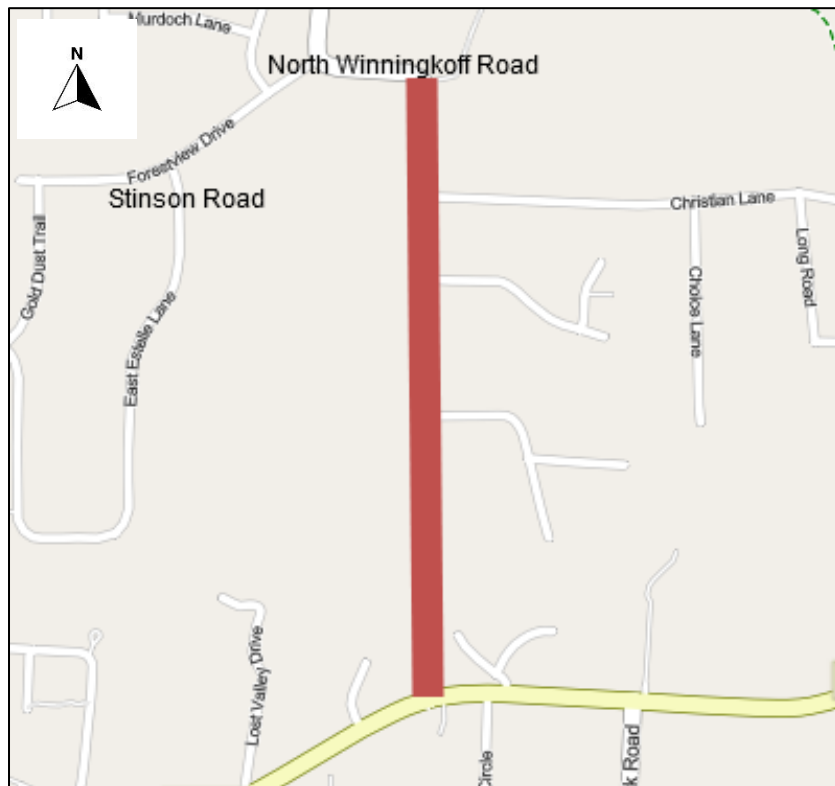
STINSON ROAD NORTHERN SECTION FROM BENTWATER DRIVE TO THE REVERSE CURVE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	R-03	Roadway	Planning	Medium
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$3,306,426			General Obligation Bonds	
			Certificates of Obligation	
			General Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Replace existing asphalt roadway with a concrete, two-lane roadway from Bentwater Drive to the reverse curve at 405 Stinson Road. This is a straight and flat roadway with no four-way intersections.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



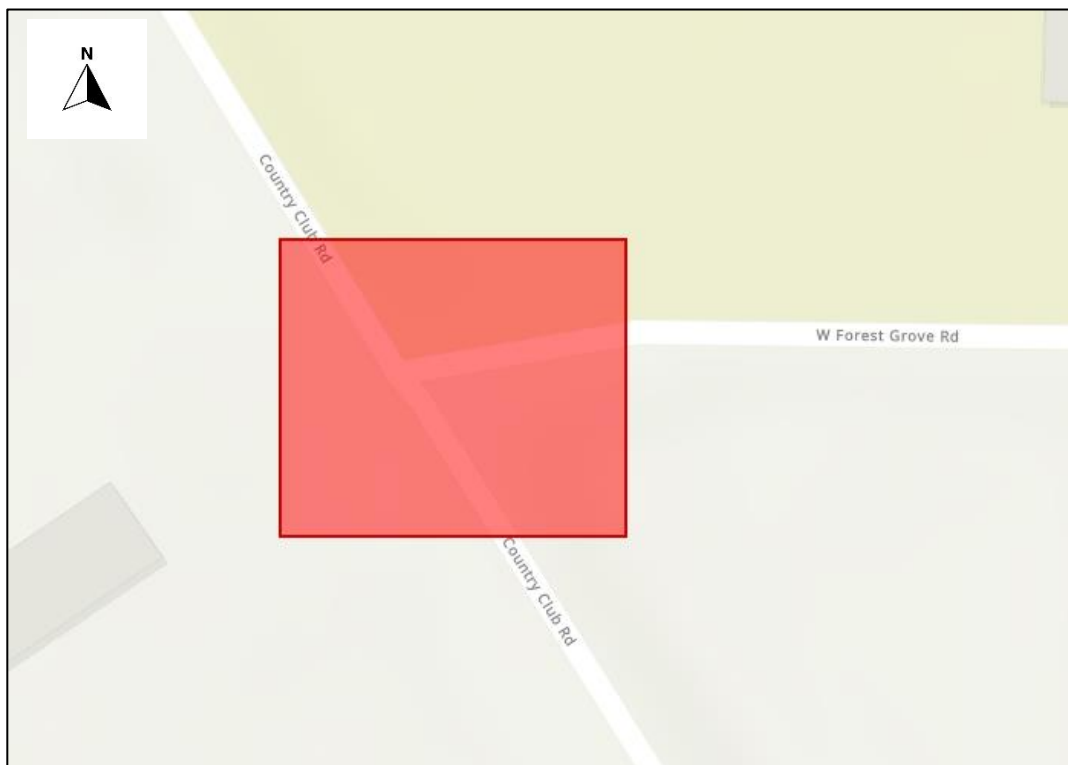
STINSON ROAD FROM BRISTOL PARK TO BENTWATER DRIVE EXCLUDING THE STINSON ROAD BRIDGE OVER MUDDY CREEK				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	R-04	Roadway	Planning	Medium
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$3,208,004			General Obligation Bonds	
			Certificates of Obligation	
			General Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Reconstruction of Stinson Road from Bentwater Drive to the Stinson Road Bridge over Muddy Creek to remove the existing asphalt roadway and construct a concrete roadway.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



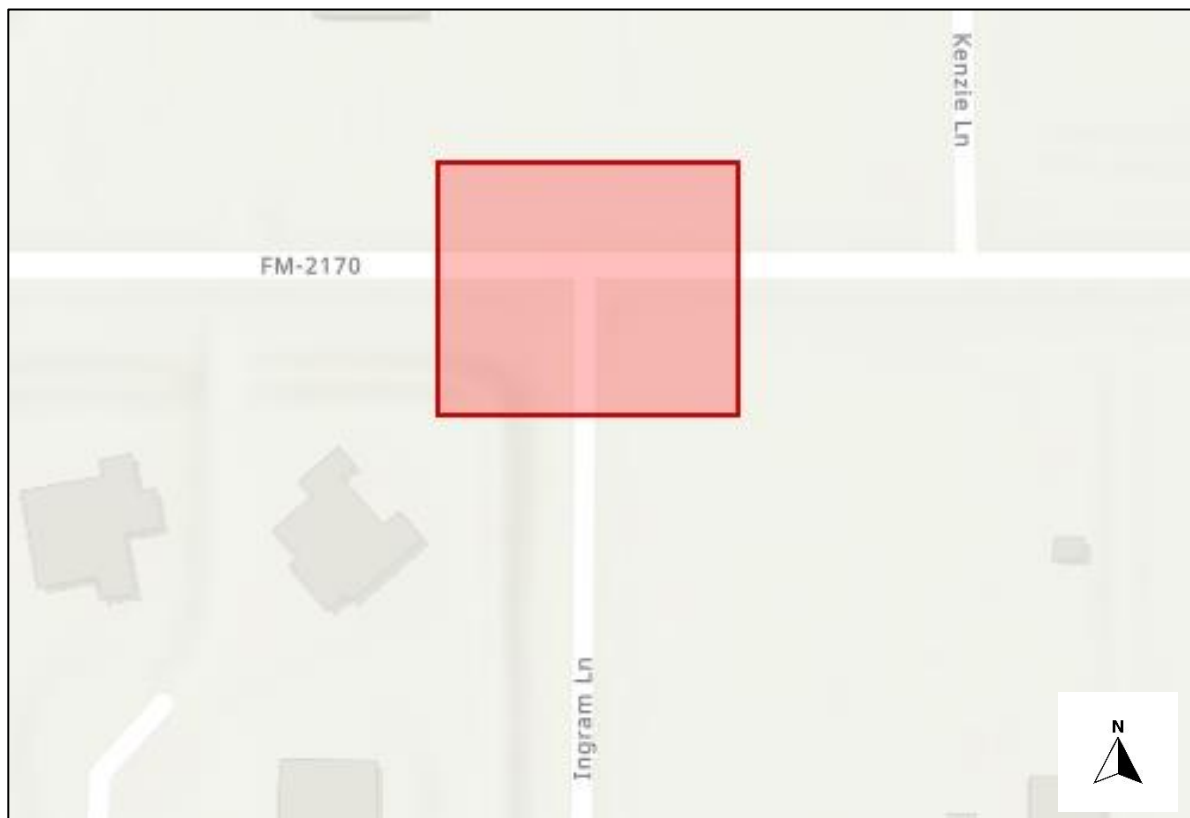
WINNINGKOFF ROAD SOUTHERN SECTION FROM EAST LUCAS ROAD TO THE REVERSE CURVE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	R-05	Roadway	Planning	Medium
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$4,124,577		General Obligation Bonds Certificates of Obligation General Fund Reserves Outside Agency Interlocal Agreements/Grants		
PROJECT DESCRIPTION				
Reconstruction of Winningkoff Road south of the reverse curve to the intersection with East Lucas Road to remove the existing asphalt roadway and construct a concrete roadway.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2028-2029 or Later		2028-2029 or Later		
PROJECT MANAGER: Public Works Director				



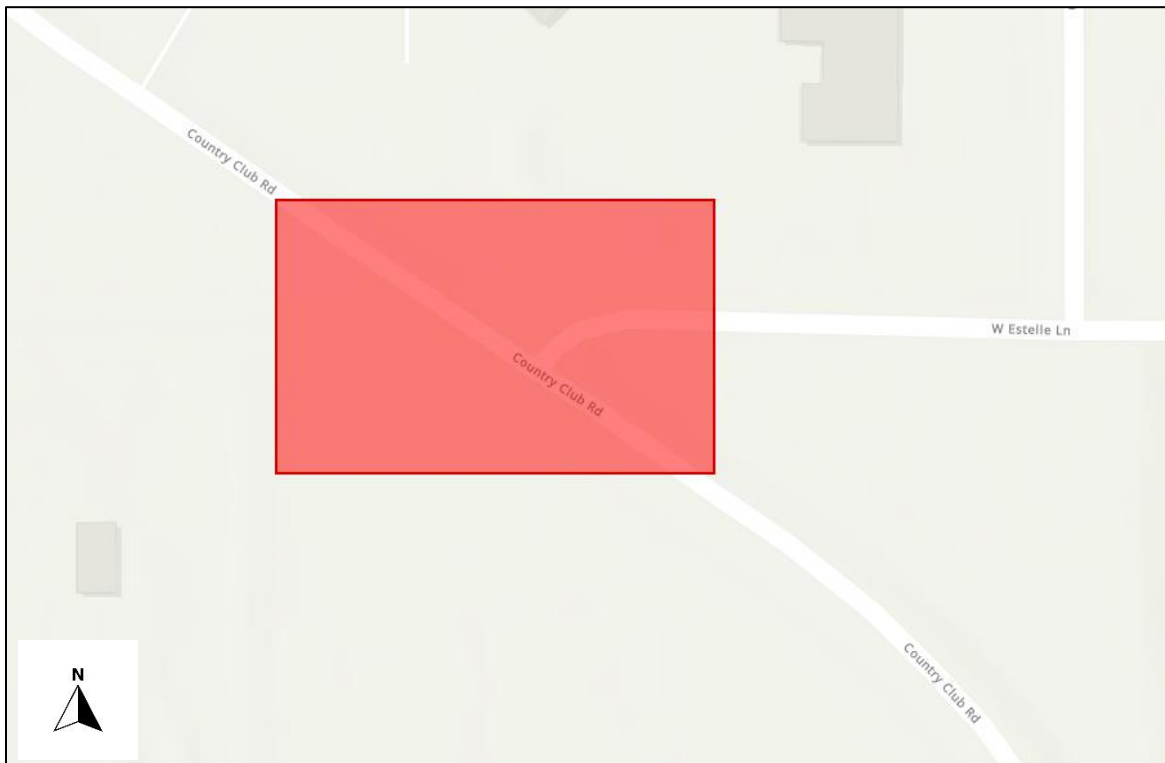
COUNTRY CLUB ROAD AND FOREST GROVE ROAD INTERSECTION IMPROVEMENTS				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	R-06	Roadway	Planning	Medium
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$2,458,300		General Obligation Bonds Certificates of Obligation General Fund Reserves Outside Agency Interlocal Agreements/Grants Roadway Impact Fee Eligible		
PROJECT DESCRIPTION				
Install Left and Right Turn Lanes at the intersection of Country Club Road and Forest Grove Road.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2028-2029 or Later		2028-2029 or Later		
PROJECT MANAGER: Public Works Director				



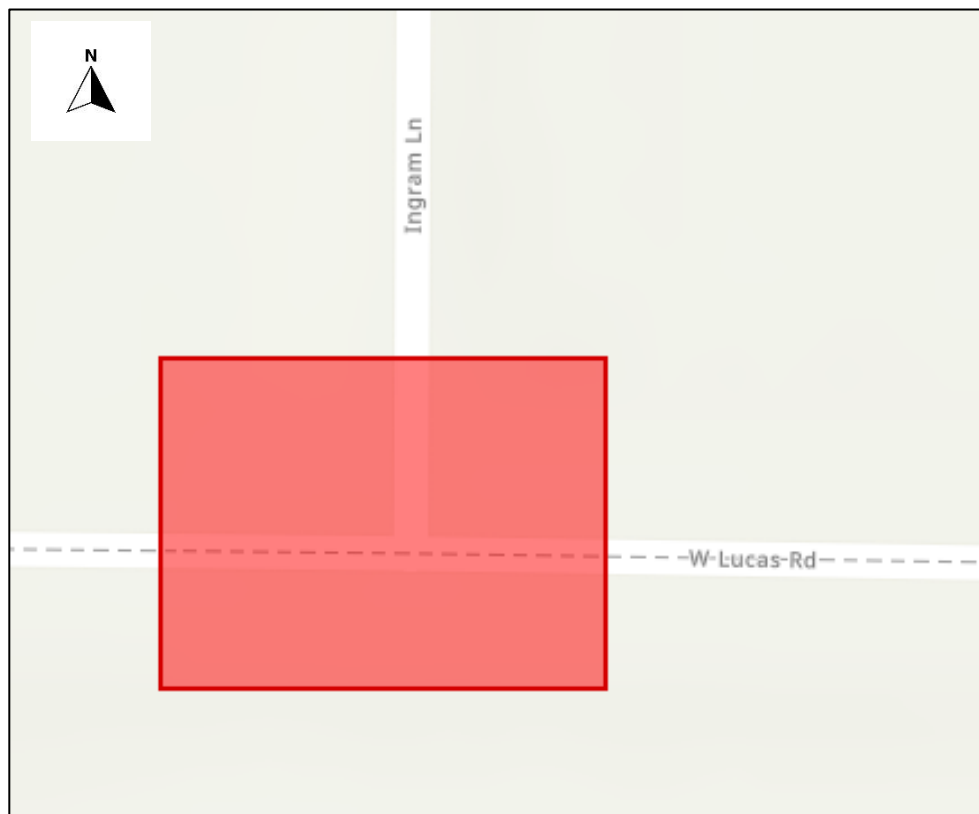
INGRAM LANE AND ESTATES PARKWAY INTERSECTION IMPROVEMENTS				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	R-07	Roadway	Planning	Medium
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$2,458,300		General Obligation Bonds Certificates of Obligation General Fund Reserves Outside Agency Interlocal Agreements/Grants Roadway Impact Fee Eligible		
PROJECT DESCRIPTION				
Install Left and Right Turn Lanes at intersection of Ingram Lane and Estates Parkway.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2028-2029 or Later		2028-2029 or Later		
PROJECT MANAGER: Public Works Director				



COUNTRY CLUB ROAD AND ESTELLE LANE INTERSECTION IMPROVEMENTS				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	R-08	Roadway	Planning	Medium
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$2,458,300			General Obligation Bonds	
			Certificates of Obligation	
			General Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Roadway Impact Fee Eligible	
PROJECT DESCRIPTION				
Install Left and Right Turn Lanes and provide realignment to a 90 degree, “T” intersection to resolve line of sight issues at intersection of Country Club Road and Estelle Lane.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



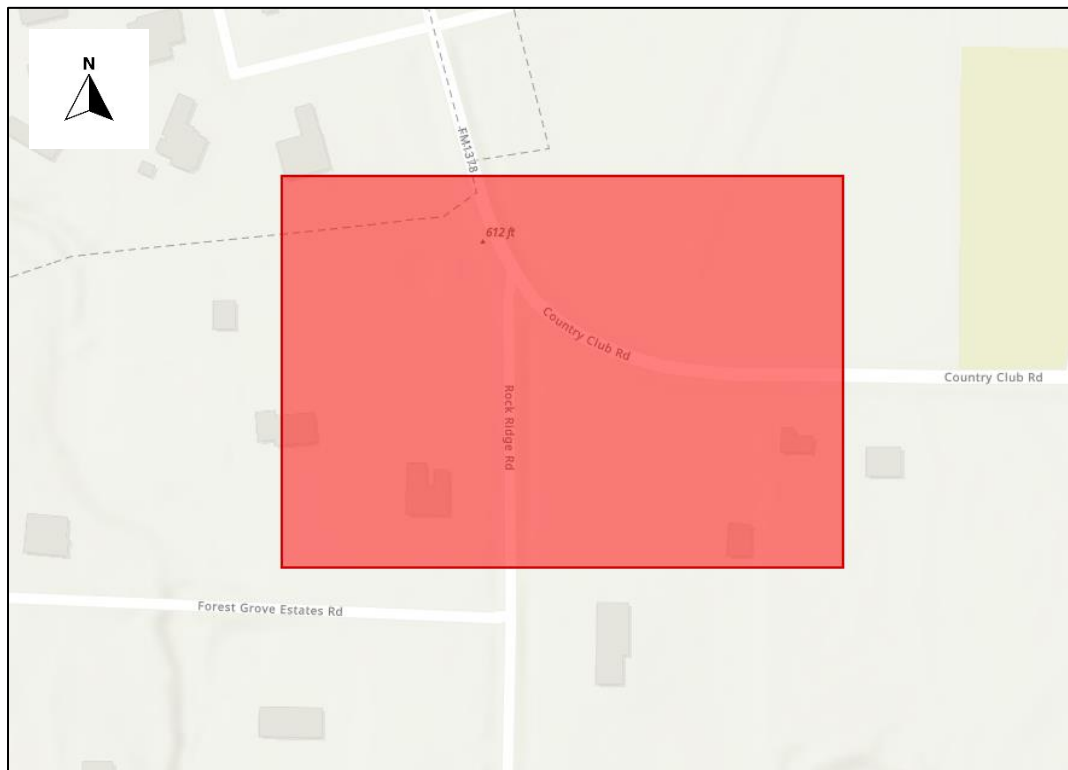
West Lucas Road and Ingram Lane Intersection Improvements				
Project Summary				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	R-09	Roadway	Planning	Medium
Fiscal Overview				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$1,990,125			General Obligation Bonds	
			Certificates of Obligation	
			General Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Roadway Impact Fee Eligible	
Project Description				
Install Left and Right Turn Lanes at intersection of West Lucas Road and Ingram Lane.				
Project Schedule				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
Project Manager: Public Works Director				



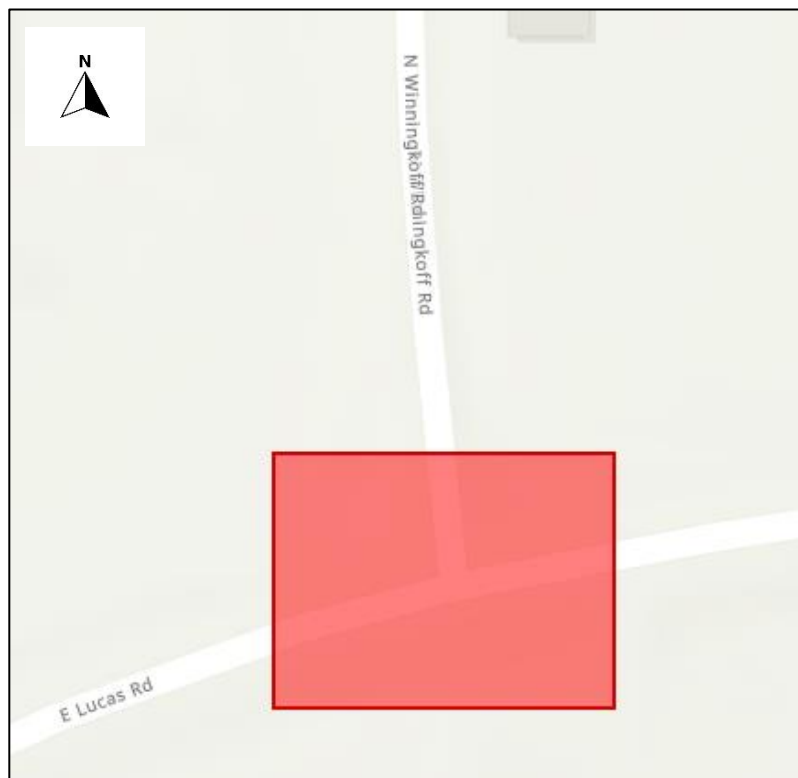
FUTURE LOOP FROM ORR ROAD TO EAST WINNINGKOFF ROAD NEW ROAD CONSTRUCTION				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	R-10	Roadway	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$3,836,900			General Obligation Bonds Certificates of Obligation General Fund Reserves Outside Agency Interlocal Agreements/Grants Roadway Impact Fee Eligible	
PROJECT DESCRIPTION				
Construct 2-Lane Undivided Roadway from Orr Road to East Winningkoff Road as identified in the City of Lucas Thoroughfare Plan.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



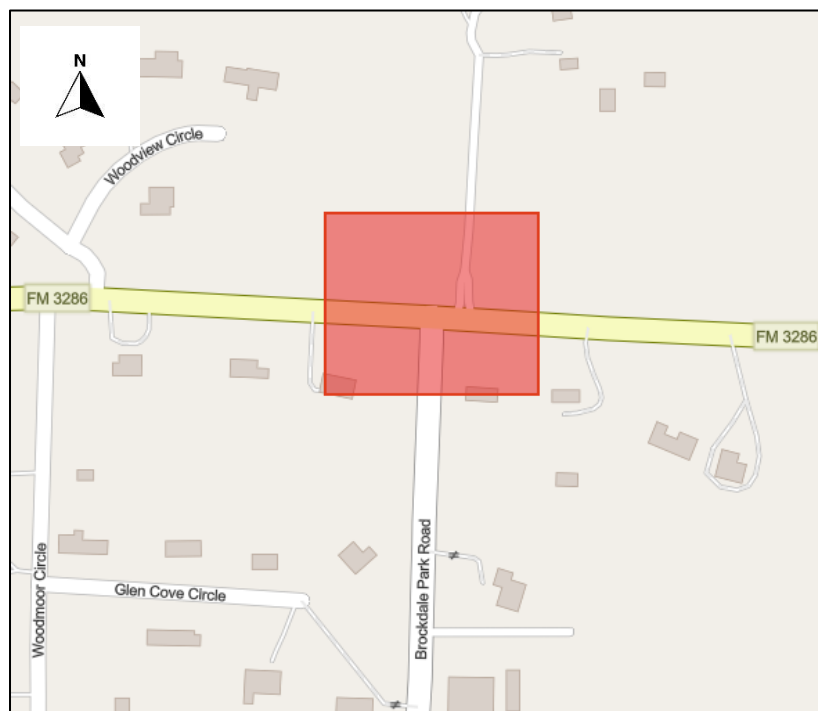
COUNTRY CLUB ROAD AND ROCK RIDGE ROAD INTERSECTION IMPROVEMENTS				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	R-11	Roadway	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$2,458,300		General Obligation Bonds Certificates of Obligation General Fund Reserves Outside Agency Interlocal Agreements/Grants Roadway Impact Fee Eligible		
PROJECT DESCRIPTION				
Install Left and Right Turn Lanes at intersection of Country Club Road and Rock Ridge Road.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2028-2029 or Later		2028-2029 or Later		
PROJECT MANAGER: Public Works Director				



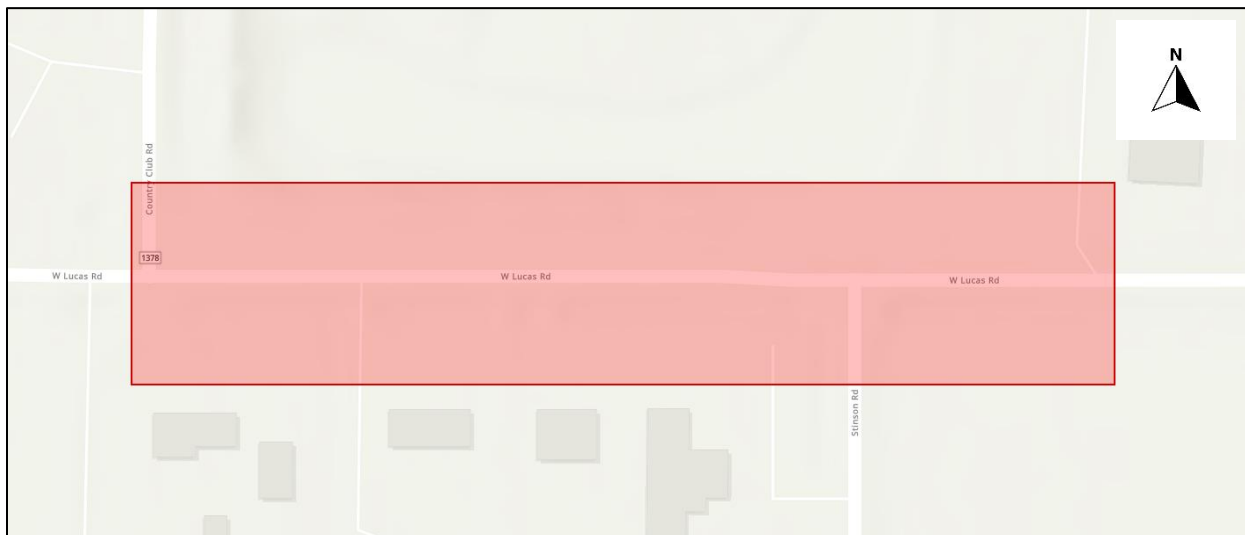
EAST LUCAS ROAD AND WINNINGKOFF ROAD INTERSECTION IMPROVEMENTS				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	R-12	Roadway	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$2,458,300			General Obligation Bonds	
			Certificates of Obligation	
			General Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Roadway Impact Fee Eligible	
PROJECT DESCRIPTION				
Install Left and Right Turn Lanes at intersection of East Lucas Road and Winningkoff Road.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



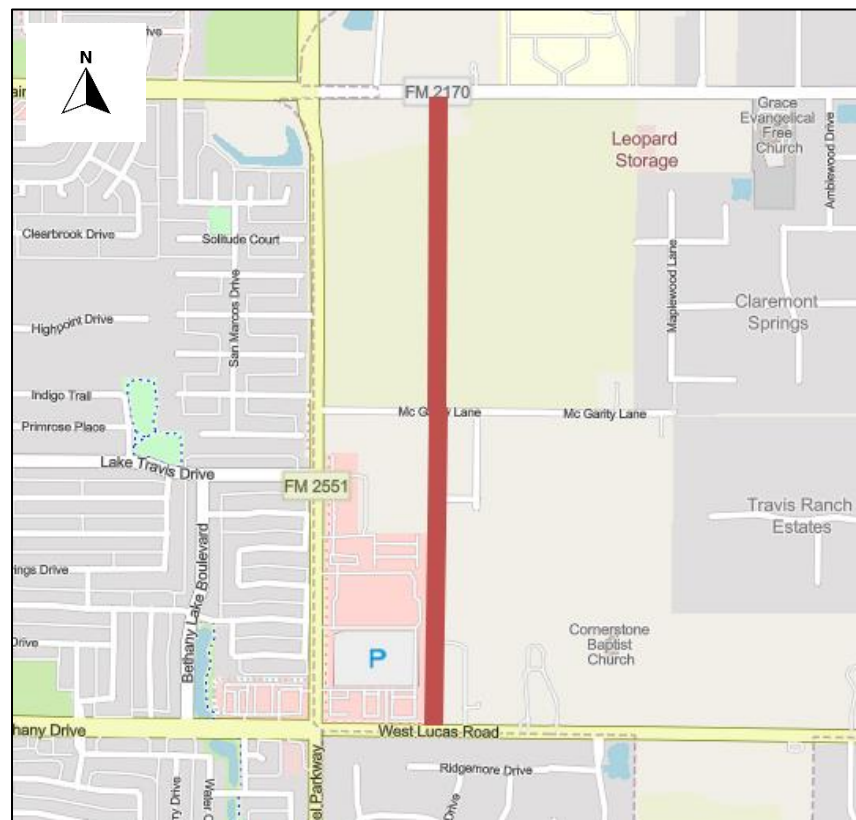
EAST LUCAS ROAD AND BROCKDALE PARK ROAD INTERSECTION IMPROVEMENTS				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
Contingent on Roadway Widening	R-13	Roadway	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$2,458,300		General Obligation Bonds Certificates of Obligation General Fund Reserves Outside Agency Interlocal Agreements/Grants Roadway Impact Fee Eligible		
PROJECT DESCRIPTION				
Install Left and Right Turn Lanes at intersection of East Lucas Road and Brockdale Park Road. This project would commence in the event that East Lucas Road is widened by TxDOT.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
Contingent on Roadway Widening		Contingent on Roadway Widening		
PROJECT MANAGER: Public Works Director				



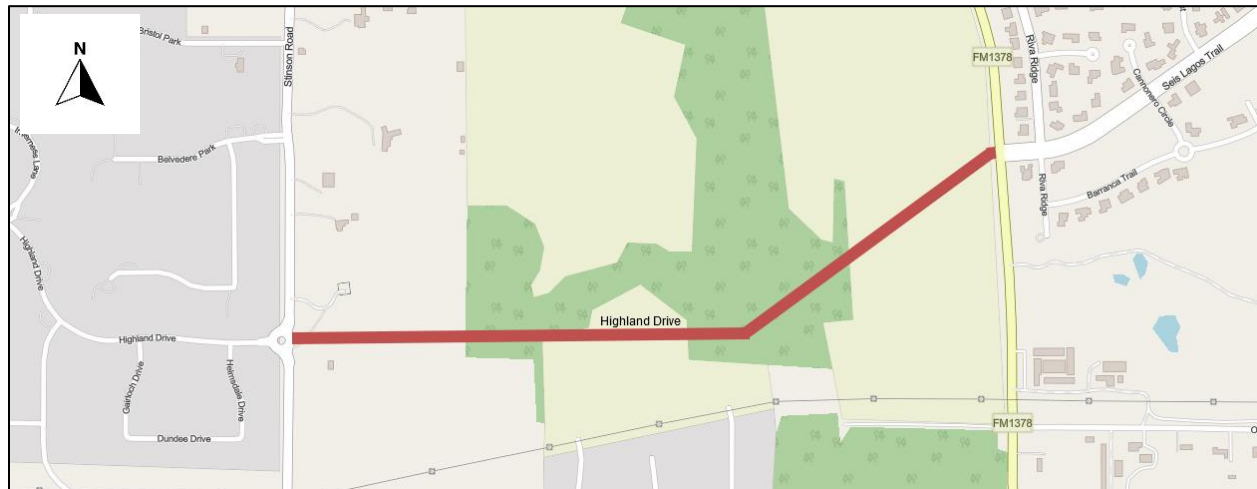
STINSON CONNECTION TO WEST LUCAS ROAD				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
Contingent on Development	R-14	Roadway	Planning	
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
[ESTIMATE PENDING]		General Obligation Bonds Certificates of Obligation General Fund Reserves Outside Agency Interlocal Agreements/Grants Roadway Impact Fee Eligible		
PROJECT DESCRIPTION				
Realignment of intersection of Stinson Road and West Lucas Road.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
Contingent on Development		Contingent on Development		
PROJECT MANAGER: Public Works Director				



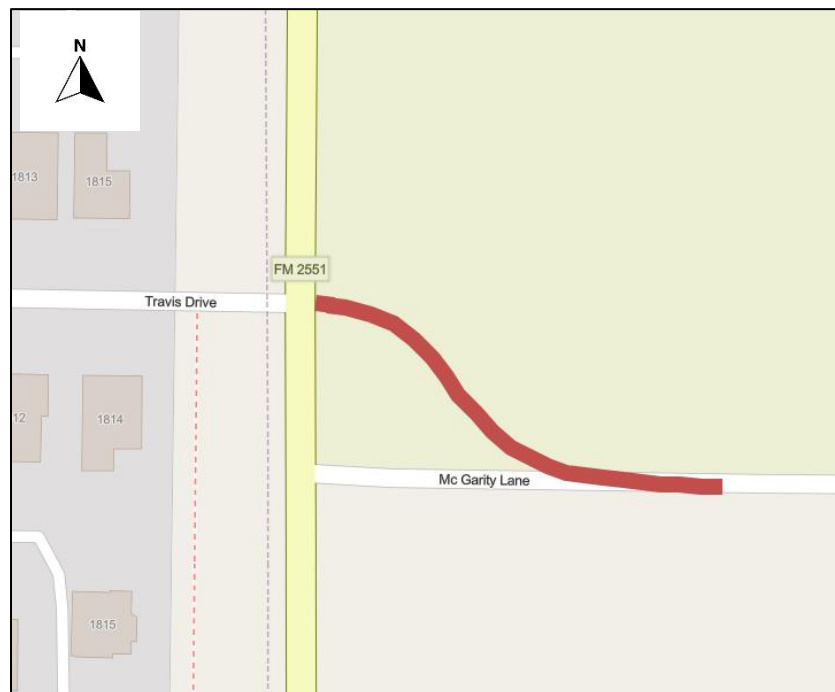
ALLISON LANE FROM ESTATES PARKWAY TO WEST LUCAS ROAD				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
Contingent on Development	R-15	Roadway	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$4,575,000			General Obligation Bonds	
			Certificates of Obligation	
			General Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Roadway Impact Fee Eligible	
PROJECT DESCRIPTION				
Construct two lane undivided roadway as identified in City of Lucas Thoroughfare Plan.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
Contingent on Development			Contingent on Development	
PROJECT MANAGER: Public Works Director				



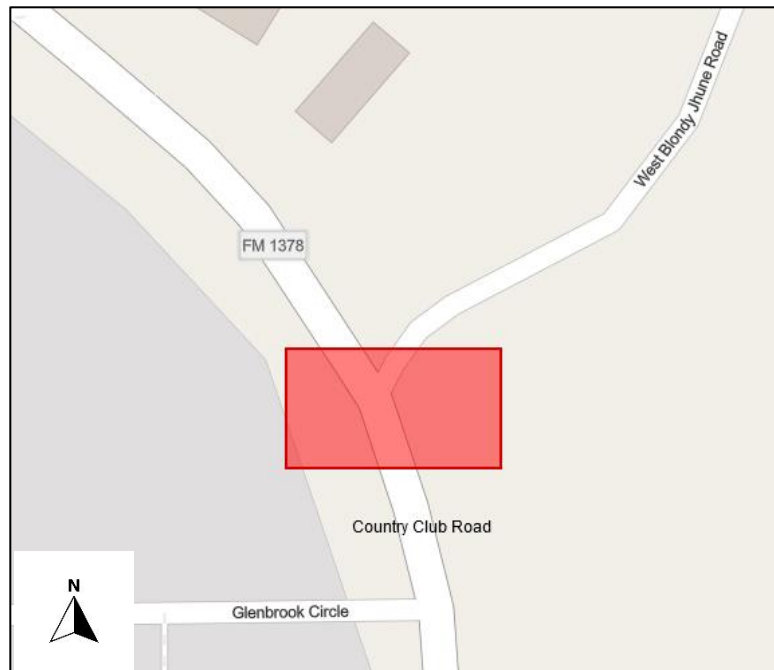
HIGHLAND DRIVE FROM STINSON ROAD TO SOUTHVIEW DRIVE NEW ROAD CONSTRUCTION				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	R-16	Roadway	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$4,331,170.80			General Obligation Bonds Certificates of Obligation General Fund Reserves Outside Agency Interlocal Agreements/Grants Roadway Impact Fee Eligible	
PROJECT DESCRIPTION				
Construct 2-Lane Undivided Roadway from Stinson Road to Southview Drive as identified in the City of Lucas Thoroughfare Plan.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



MCGARITY LANE REALIGNMENT TO TRAVIS DRIVE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
Contingent on Development	R-17	Roadway	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$250,000		General Obligation Bonds Certificates of Obligation General Fund Reserves Outside Agency Interlocal Agreements/Grants		
PROJECT DESCRIPTION				
Realignment of McGarity lane at intersection with Angel Parkway to line up with Travis Drive in Allen. This will help to improve the flow of traffic at this intersection.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
Contingent on Development		Contingent on Development		
PROJECT MANAGER: Public Works Director				



BLONDY JHUNE ROAD AND COUNTRY CLUB ROAD INTERSECTION IMPROVEMENTS				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
Contingent on Roadway Widening	R-18	Roadway	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$2,458,300		General Obligation Bonds Certificates of Obligation General Fund Reserves Outside Agency Interlocal Agreements/Grants Roadway Impact Fee Eligible		
PROJECT DESCRIPTION				
Install Left and Right Turn Lanes at the intersection of Blondy Jhune Road and Country Club Road in the event of future TxDOT expansion of Country Club Road. Project would proceed only if TxDOT expands Country Club Road (FM 1378).				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
Contingent on Roadway Widening		Contingent on Roadway Widening		
PROJECT MANAGER: Public Works Director				



Stormwater Projects (Drainage, Culverts and Bridges)

The following pages are a reference guide that summarizes the CIP Stormwater (Drainage and Bridges) Projects. It indicates the fiscal year in which the project is scheduled to begin, a project number for identification purposes, the recommended priority of implementation, the preliminary estimated costs for improvements, and the anticipated funding sources. Some projects may be phased across multiple fiscal years. Cost estimates are adjusted to current year dollar value and are subject to inflation, which may result in a higher cost during the year of construction. Likewise, cost estimates include any additive alternates and contingences that may apply to the project. Projects early in the planning phase may contain generic descriptions.



(Image: White Rock Creek at Snider Bridge)

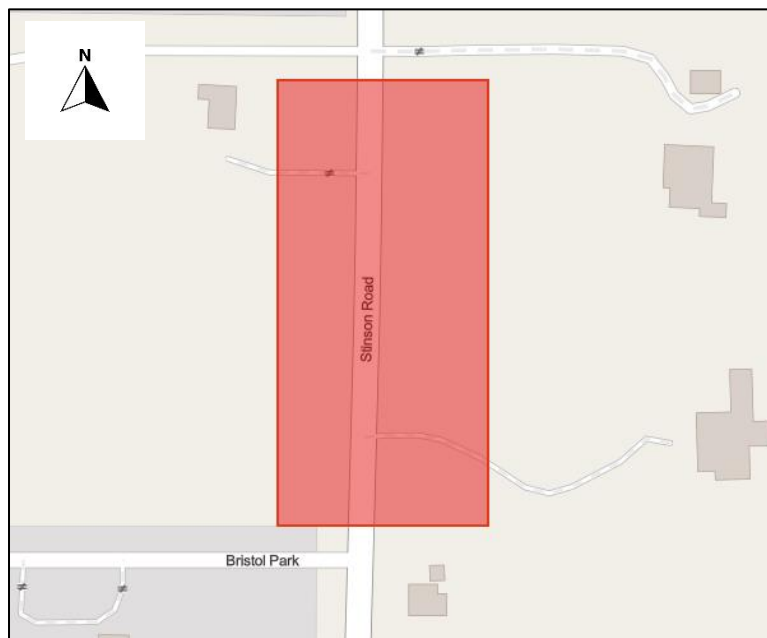
Stormwater Projects by Fiscal Year

The following chart summarize the fiscal years in which each project is schedule to take place. Those that are not yet scheduled for completion are scheduled as “2028-2029 or Later.” These projects are needed for the buildout of the city or have been identified as long-term needs and may be rescheduled to an earlier fiscal year depending on the availability of funding for capital projects or the emerging need of the city. Those projects classified as “Contingent” are generally those projects necessitated by or that will be completed in conjunction with future land development, future modifications to other infrastructure, or the availability of grant funds. Some projects may be phased across multiple fiscal years, may span multiple years or may be moved forward into future fiscal years in future versions of this report. Estimated costs figures include multi-year cost totals. Cost estimates are adjusted to current year dollar value and are subject to inflation, which may result in a higher cost during the year of construction. Likewise, cost estimates include any additive alternates and contingences that may apply to the project.

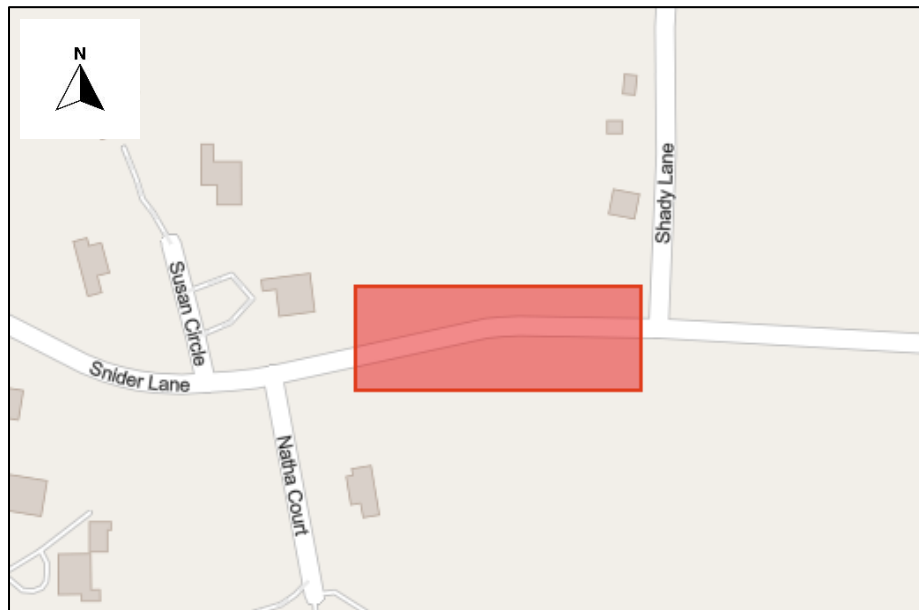
Begin Year	End Year	Project Number	Priority	Project Name	Estimated Total Cost
2028-2029 or Later	2028-2029 or Later	B-01	Medium	Stinson Bridge over Muddy Creek	\$ 6,579,529
2028-2029 or Later	2028-2029 or Later	B-02	Medium	Snider Bridge Replacement	\$ 6,906,966
2028-2029 or Later	2028-2029 or Later	B-03	Low	Winningkoff Bridge Replacement	\$ 5,826,166

Stormwater Project Summaries

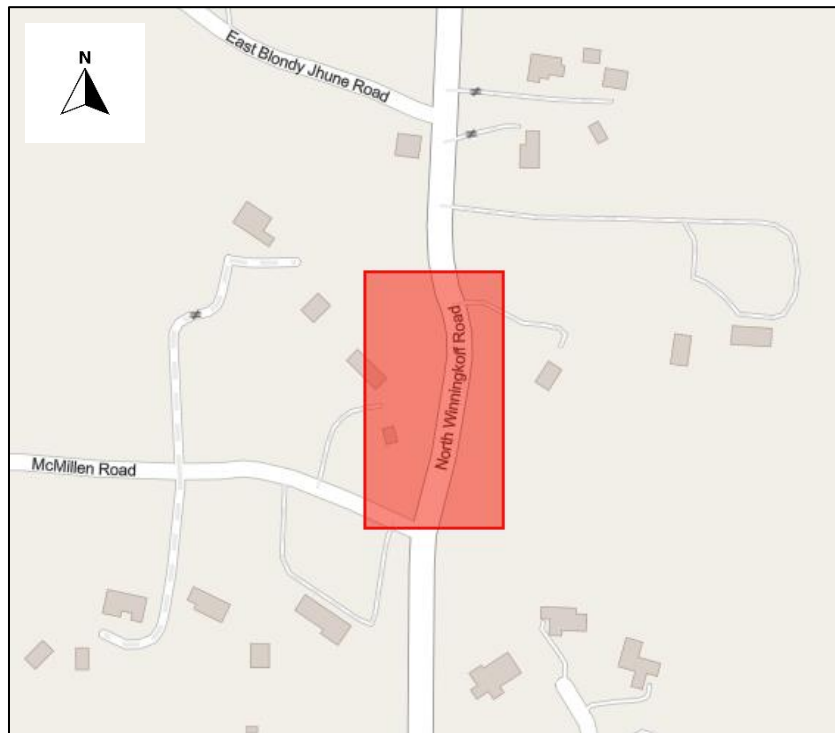
STINSON BRIDGE OVER MUDDY CREEK				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	B-01	Stormwater	Designed	Medium
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$6,579,529			General Obligation Bonds	
			Certificates of Obligation	
			General Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Reconstruction of Stinson Bridge and Approach.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



SNIDER BRIDGE REPLACEMENT				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	B-02	Stormwater	Designed	Medium
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$6,906,966			General Obligation Bonds	
			Certificates of Obligation	
			General Fund Reserves	
			Outside Agency Interlocal agreements/Grants	
PROJECT DESCRIPTION				
Reconstruction of Snider Bridge and Approach.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



WINNINGKOFF BRIDGE REPLACEMENT				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	B-03	Stormwater	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$5,826,166			General Obligation Bonds	
			Certificates of Obligation	
			General Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Replacement of Winningkoff Bridge and Approach.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



Water Projects

The following pages are a reference guide that summarizes the Water Projects. It indicates the fiscal year in which the project is scheduled to begin, a project number for identification purposes, the recommended priority of implementation, the preliminary estimated costs for improvements, and the anticipated funding sources. Some projects may be phased across multiple fiscal years. Cost estimates are adjusted to current year dollar value and are subject to inflation, which may result in a higher cost during the year of construction. Likewise, cost estimates include any additive alternates and contingences that may apply to the project. Projects early in the planning phase may contain generic descriptions.



(Image: Winningkoff Water Tower)

Water Projects by Fiscal Year

The following chart summarizes the fiscal years in which each project is schedule to take place. Those that are not yet scheduled for completion are scheduled as “2028-2029 or Later.” These projects are needed for the buildout of the city or have been identified as long-term needs and may be rescheduled to an earlier fiscal year depending on the availability of funding for capital projects or the emerging need of the city. Those projects classified as “Contingent” are generally those projects necessitated by or that will be completed in conjunction with future land development, future modifications to other infrastructure, or the availability of grant funds. Some projects may be phased across multiple fiscal years, may span multiple years or may be moved forward into future fiscal years in future versions of this report. Estimated costs figures include multi-year cost totals. Cost estimates are adjusted to current year dollar value and are subject to inflation, which may result in a higher cost during the year of construction. Likewise, cost estimates include any additive alternates and contingences that may apply to the project.

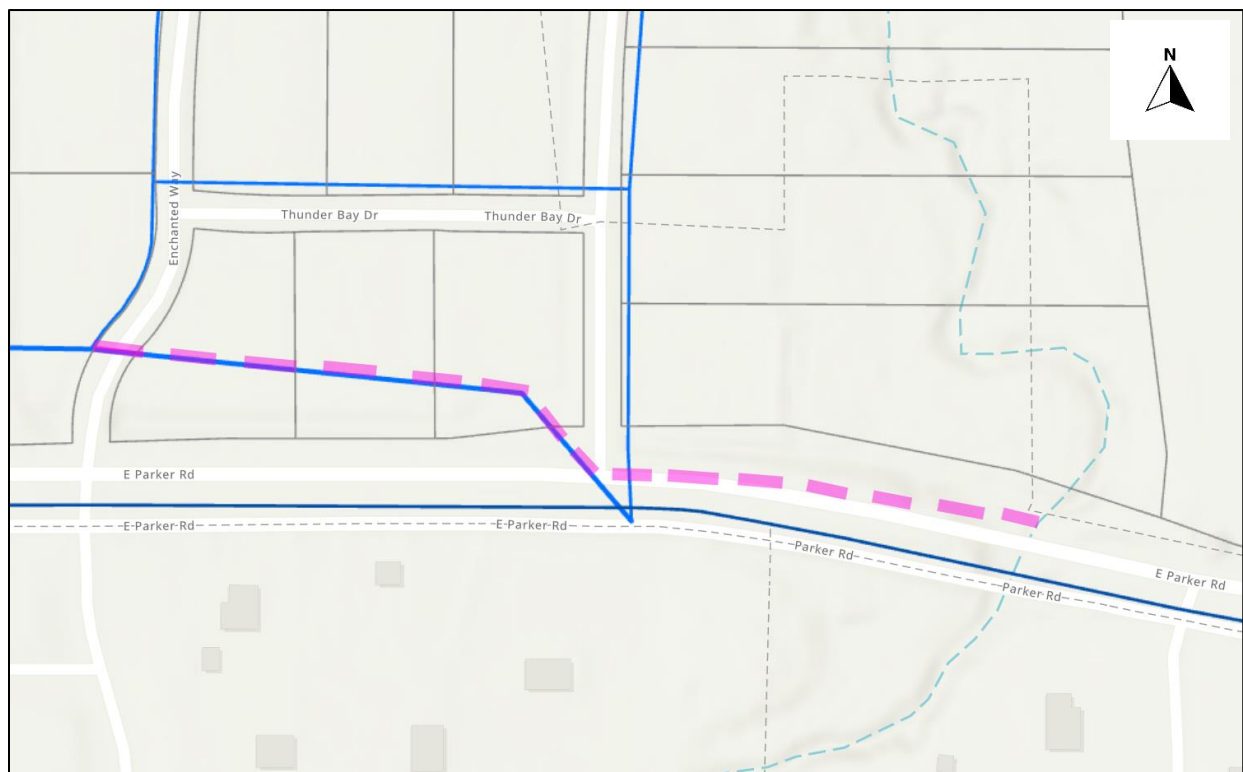
Begin Fiscal Year	End Fiscal Year	Project Number	Priority	Project Name	Estimated Total Cost
2021-2022	2023-2024 COMPLETE	W-01	Medium	Parker Road twelve Inch Waterline Phase One - Section Two	\$ 981,454
2022-2023	2023-2024	W-02	High	723 Service Area 0.75 MG Elevated Storage Tank (East of Country Club)	\$ 7,500,000
2024-2025	2024-2025	W-03	High	Estates Road Eight-Inch Waterline Replacement	\$ 272,638
2024-2025	2025-2026	W-04	High	Repaint McGarity 350,000 Ground Storage Tank	\$ 268,732
2024-2025	2025-2026	W-05	Medium	Repaint McGarity 200,000-Gallon Ground Storage Tank	\$ 176,440
2024-2025	2024-2025	W-06	Low	North Pump Station twelve-inch water line	\$ 81,360
2025-2026	2025-2026	W-07	Medium	Estates Parkway to Glenbrook Circle and Glenbrook Circle to Country Club Road sixteen-inch water line	\$ 946,391
2025-2026	2025-2026	W-08	Medium	Brockdale Park Road to Lakeview Drive eight-inch water lines	\$ 940,392
2026-2027	2026-2027	W-09	Low	Silver Creek Circle to White Rock Trail eight-inch water line	\$ 174,220

Begin Fiscal Year	End Fiscal Year	Project Number	Priority	Project Name	Estimated Total Cost
2027-2028	2027-2028	W-10	Low	Hickory Hill Street eight-inch water line	\$ 546,100
2028-2029 or Later	2028-2029 or Later	W-11	Low	Manor Lane Eight Inch Waterline --	\$ 368,922
2028-2029 or Later	2028-2029 or Later	W-12	Low	Shiloh Drive/Toole Drive Six-Inch Waterline Replacement and Braeburn Way Eight Inch Waterline Loop	\$ 222,553
2028-2029 or Later	2028-2029 or Later	W-13	Low	Repaint North Pump Station 750,000 Gallon Ground Storage Tank	\$ 480,969
2028-2029 or Later	2028-2029 or Later	W-14	Low	PR 5252 Six Inch Waterline Replacement	\$ 109,855
2028-2029 or Later	2028-2029 or Later	W-15	Low	Repaint North Pump Station 500,000 Gallon Ground Storage Tank	\$ 349,148
2028-2029 or Later	2028-2029 or Later	W-16	Low	Forest Grove Road to Orr Road twelve-inch water line	\$ 842,111
2028-2029 or Later	2028-2029 or Later	W-17	Low	Orr Road to Welborn Lane twelve-inch water line	\$ 1,383,432
2028-2029 or Later	2028-2029 or Later	W-18	Low	Shady Creek Circle to Forest Grove Lane eight-inch water line	\$ 719,449
2028-2029 or Later	2028-2029 or Later	W-19	Low	Estates Parkway parallel sixteen-inch water line to Country Club Road	\$ 923,952
2028-2029 or Later	2028-2029 or Later	W-20	Low	Rock Ridge Road twelve-inch water line and Rock Ridge Road to Lovejoy High School twelve-inch water line	\$ 1,644,956
2028-2029 or Later	2028-2029 or Later	W-21	Low	Holyoak Lane to Daytona Avenue eight-inch Water line	\$ 1,069,816
2028-2029 or Later	2028-2029 or Later	W-22	Low	West Lucas Road to Stinson Road Parallel twelve-inch water line	\$ 538,996

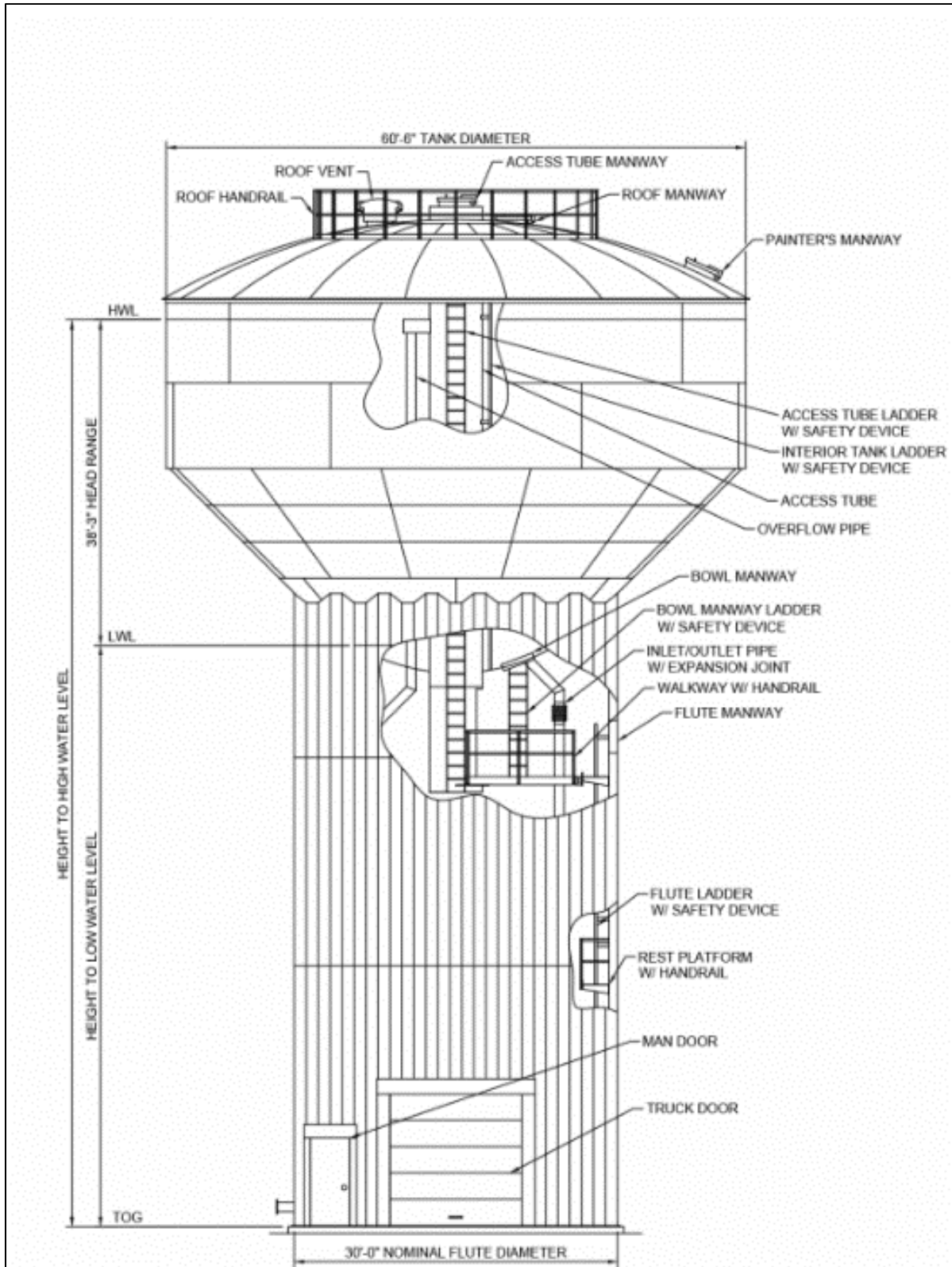
Begin Fiscal Year	End Fiscal Year	Project Number	Priority	Project Name	Estimated Total Cost
2028-2029 or Later	2028-2029 or Later	W-23	Low	Graham Lane to Rock Ridge Court Replacement eight-inch water line	\$ 1,496,134
2028-2029 or Later	2028-2029 or Later	W-24	Low	Rollingwood Circle, Choice Lane, and Lakeview Drive six-inch water lines	\$ 551,434
2028-2029 or Later	2028-2029 or Later	W-25	Low	Chisholm Trail and Caman Park eight-inch water line	\$ 567,997
2028-2029 or Later	2028-2029 or Later	W-26	Low	Ingram Lane, McGarity Lane and West Lucas Road replacement water line	\$ 1,856,736
2028-2029 or Later	2028-2029 or Later	W-27	Low	Estates Parkway eight-inch water line	\$ 512,603
2028-2029 or Later	2028-2029 or Later	W-28	Low	792 Service Area 0.50 MG Elevated Storage Tank (West of Country Club)	\$ 4,093,152
2028-2029 or Later	2028-2029 or Later	W-29	Low	McGarity Pump Station 0.50 MG Ground Storage Tank	\$ 3,960,000
Contingent on Development	Contingent on Development	W-30	Low	Blondy Jhune Road to Wendy Lane eight-inch water lines	\$ 426,877
Contingent on Development	Contingent on Development	W-33-31	Low	Angel Parkway eight inch and twelve-inch water lines	\$ 1,311,093
Contingent on Development	Contingent on Development	W-34-32	Low	Stinson Road extension twelve-inch water line	\$ 487,235
Contingent on Development	Contingent on Development	W-35-33	Low	Muddy Creek to Southview Drive twelve-inch water line	\$ 1,050,210
Contingent on Development	Contingent on Development	W-36-34	Low	Highland Drive to Lewis Lane eight-inch water line	\$ 722,413

Water Project Summaries

PARKER ROAD TWLEVE INCH WATERLINE PHASE 1 - SECTION 2				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2021-2022	W-01	Water	Complete	Medium
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$981,454			General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Construction of new water line from Enchanted Creek Phase Two Subdivision to Muddy Creek to be completed concurrent with development.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2021-2022			2023-2024	
PROJECT MANAGER: Public Works Director				



723 SERVICE AREA 0.75 MG ELEVATED STORAGE TANK (EAST OF COUNTRY CLUB)				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2022-2023	W-02	Water	Construction	High
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$7,500,000		General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants Water Impact Fee Eligible		
PROJECT DESCRIPTION				
Construction of new 0.75 Million Gallon Elevation Storage Tank on the East side of Country Club Road.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2022-2023		2023-2024		
PROJECT MANAGER: Public Works Director				



ESTATES ROAD EIGHT-INCH WATERLINE REPLACEMENT				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2024-2025	W-03	Water	Design	High
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$272,638			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Replacement of asbestos waterline on Estates Road.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2024-2025			2024-2025	
PROJECT MANAGER: Public Works Director				



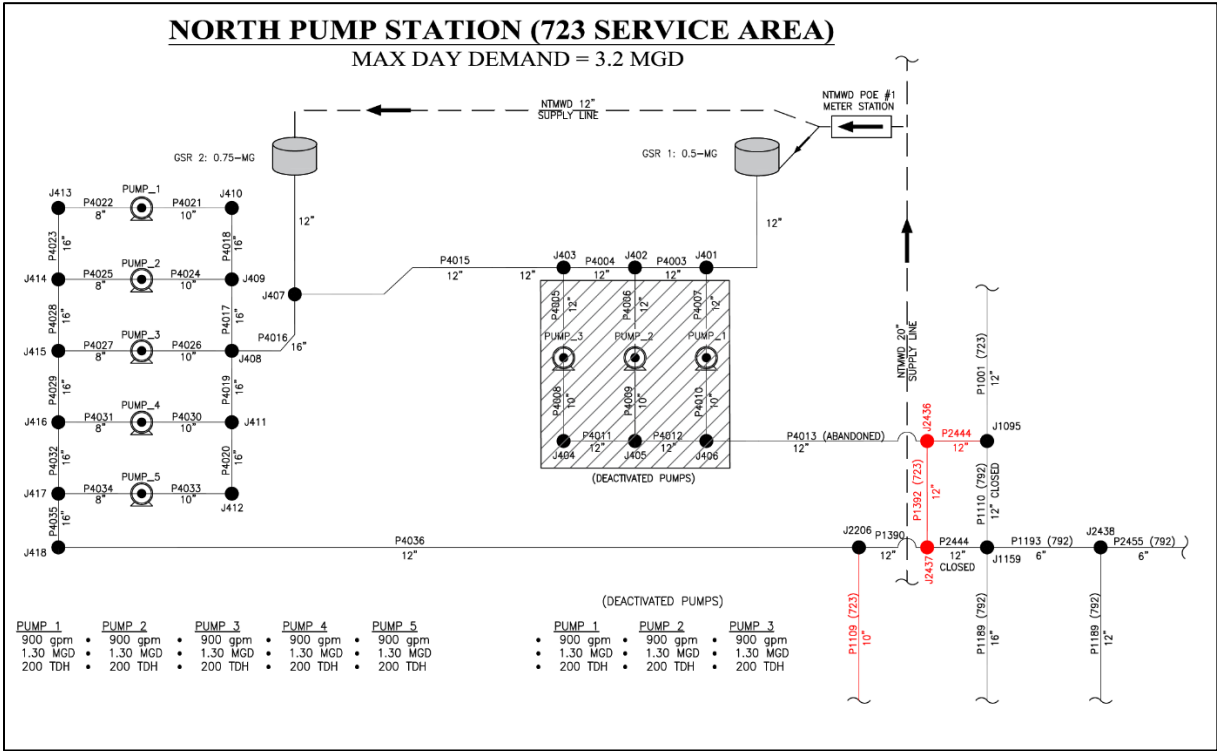
REPAINT MCGARITY 350,000 GROUND STORAGE TANK				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2024-2025	W-04	Water	Design	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$268,732			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Repaint of the McGarity Pump Station's 350,000 Ground Storage Tank.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2024-2025			2025-2026	
PROJECT MANAGER: Public Works Director				



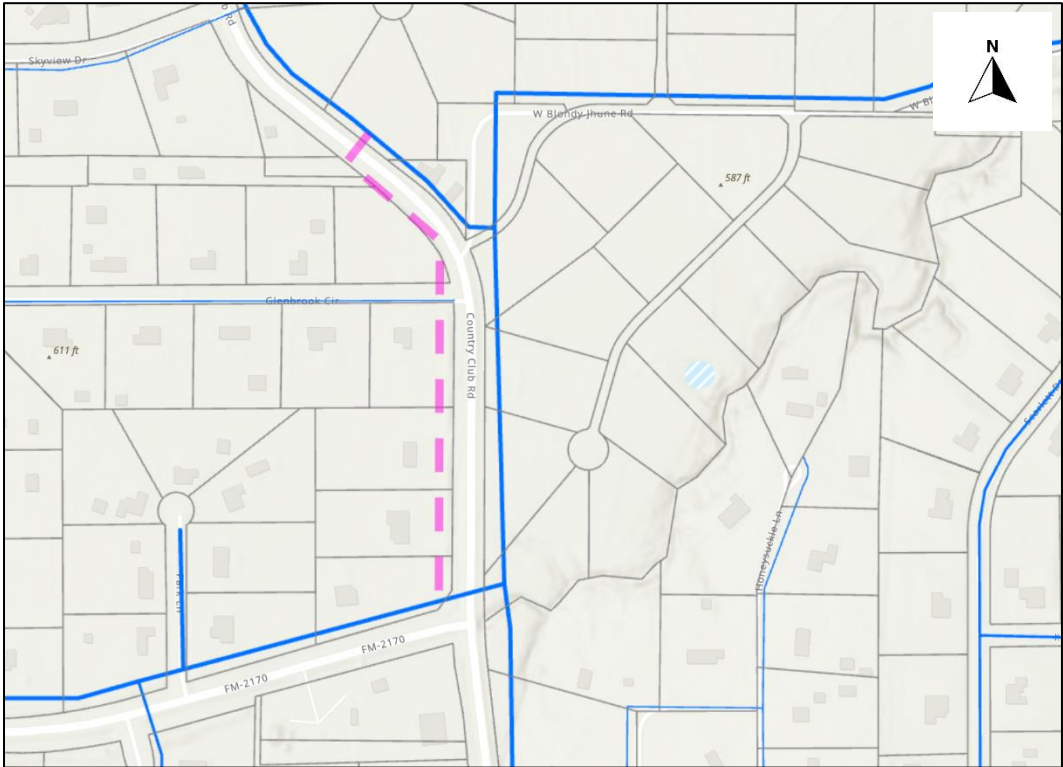
REPAINT MCGARITY 200,000-GALLON GROUND STORAGE TANK				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2024-2025	W-05	Water	Design	Medium
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$176,440			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Repainting of McGarity Pump Station's 200,000-gallon ground storage tank.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2024-2025			2025-2026	
PROJECT MANAGER: Public Works Director				



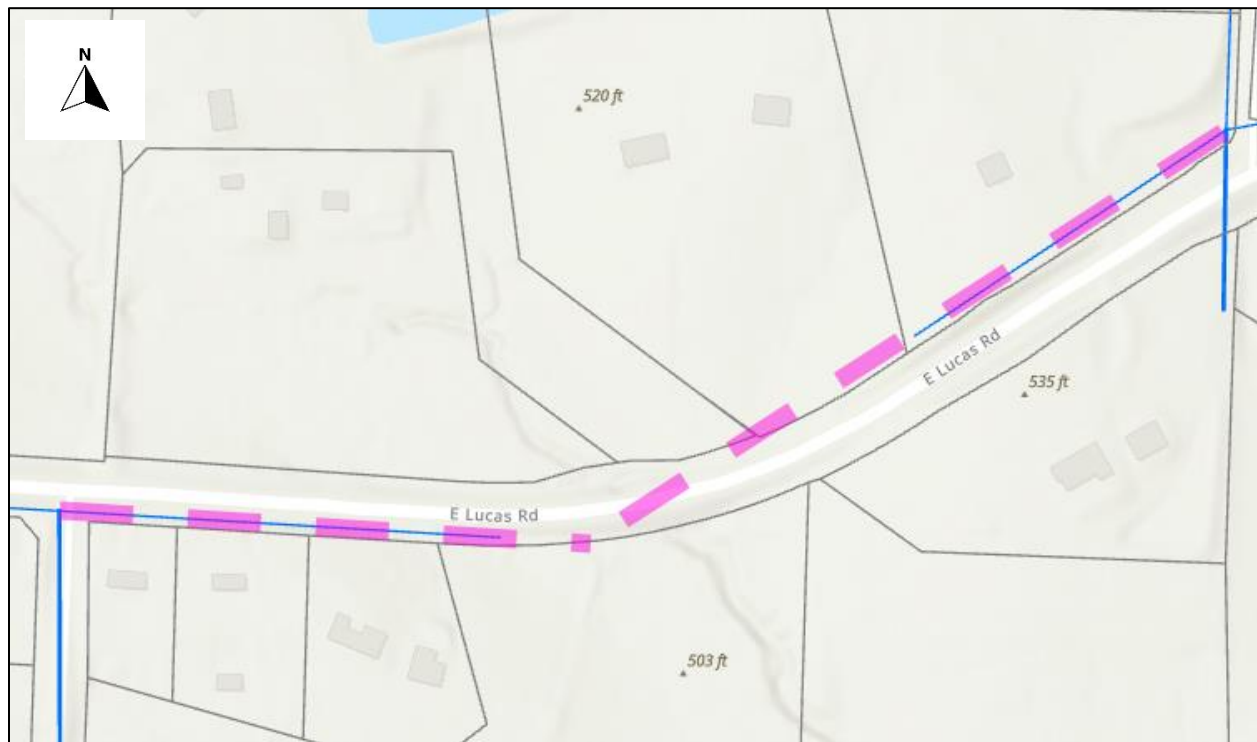
NORTH PUMP STATION TWELVE INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2024-2025	W-06	Water	Design	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$81,360			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Looping of twelve-inch Water Line at the North Pump Station site.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2024-2025			2024-2025	
PROJECT MANAGER: Public Works Director				



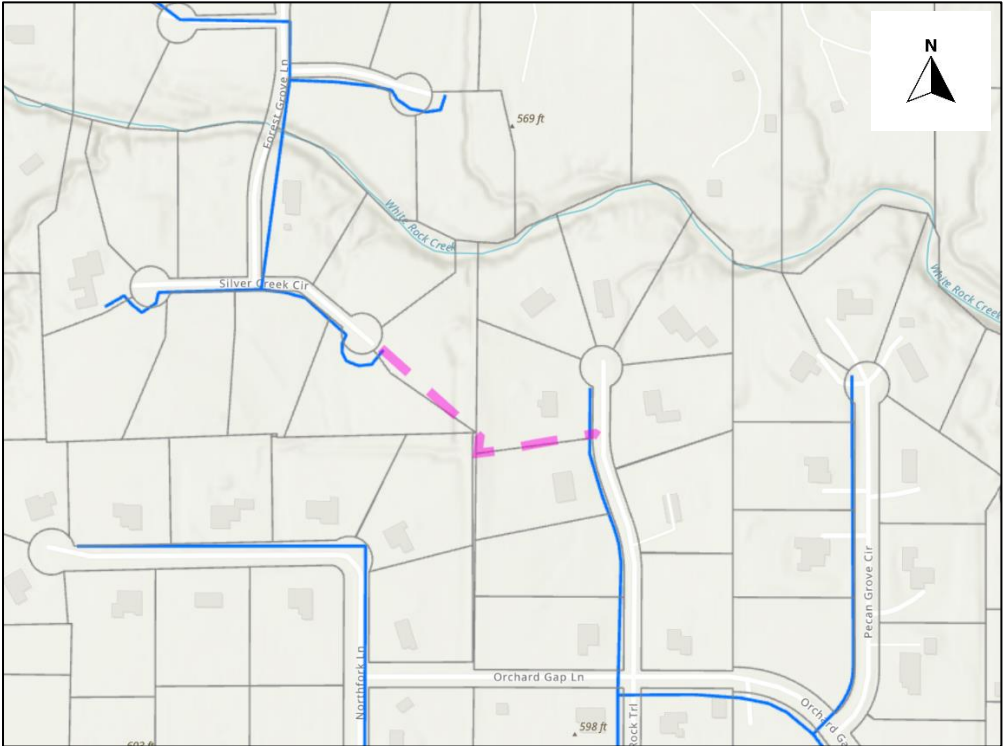
ESTATES PARKWAY TO GLENBROOK CIRCLE AND GLENBROOK CIRCLE TO COUNTRY CLUB ROAD SIXTEEN INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2024-2025	W-07	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$946,391		General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants Water Impact Fee Eligible		
PROJECT DESCRIPTION				
Construction of new sixteen-inch water line from Estates Parkway to Glenbrook Circle and Glenbrook Circle to Country Club Road.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2024-2025		2025-2026		
PROJECT MANAGER: Public Works Director				



BROCKDALE PARK ROAD TO LAKEVIEW DRIVE EIGHT INCH WATER LINES				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2025-2026	W-08	Water	Planning	Medium
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$940,392			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Looping and upsizing of water line from Brockdale Park Road to Lakeview Drive by replacing two two-inch lines and connecting lines with an eight-inch line.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2025-2026			2025-2026	
PROJECT MANAGER: Public Works Director				



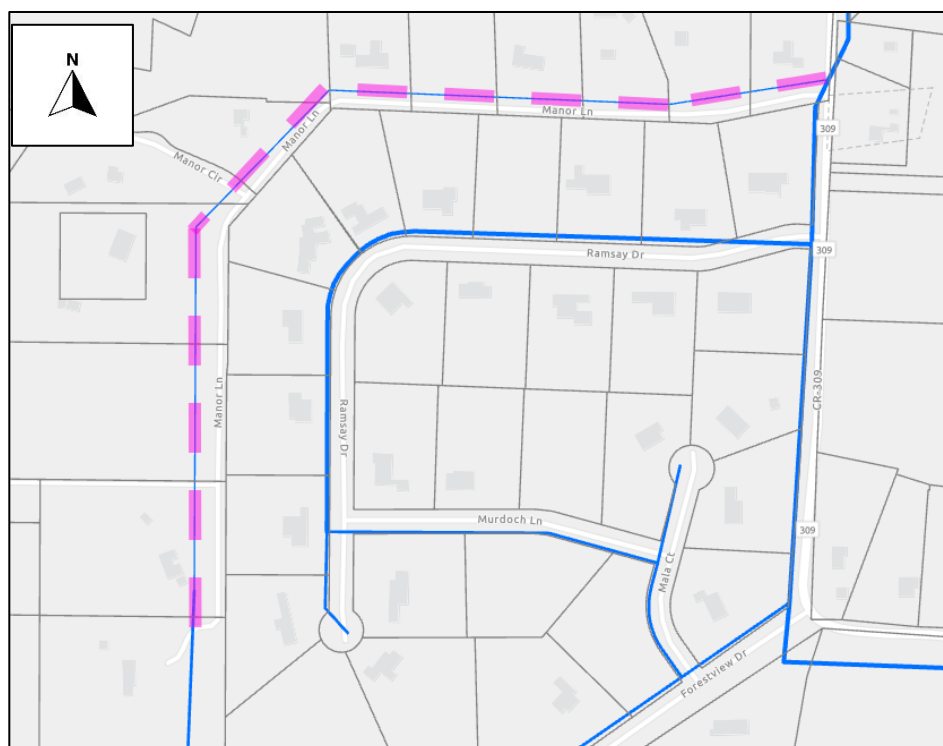
SILVER CREEK CIRCLE TO WHITE ROCK TRAIL EIGHT INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2026-2027	W-09	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$174,220			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Construction of new eight-inch water line from Silver Creek Circle to White Rock Trail.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2026-2027			2026-2027	
PROJECT MANAGER: Public Works Director				



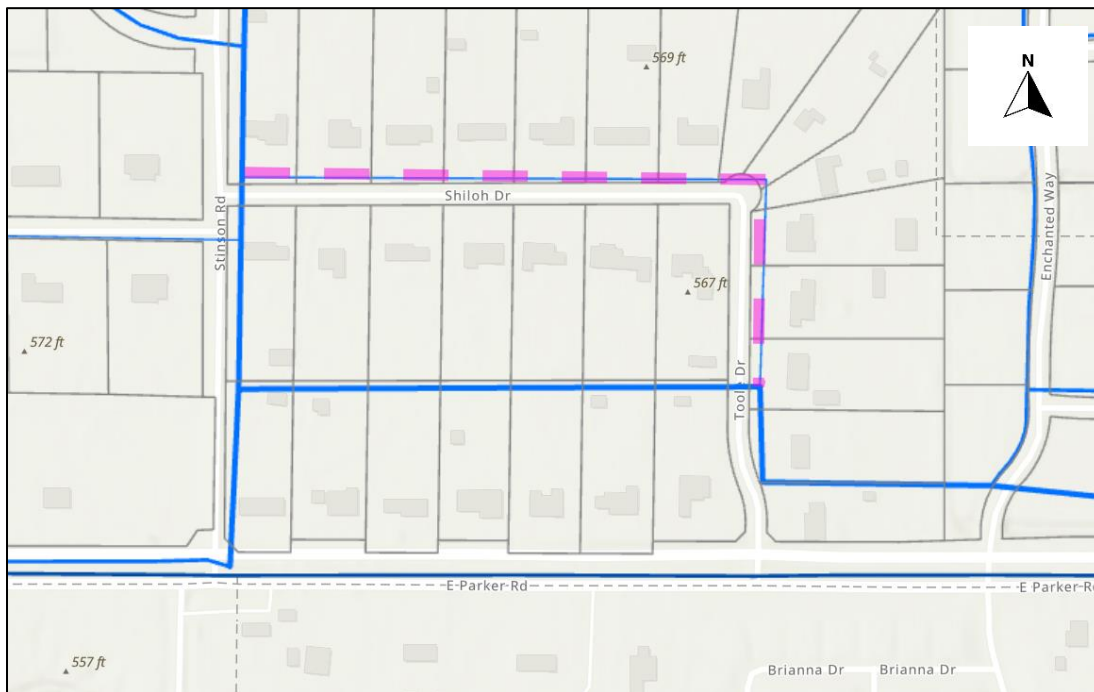
HICKORY HILL STREET EIGHT INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2027-2028	W-10	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$546,100		General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants Water Impact Fee Eligible		
PROJECT DESCRIPTION				
Looping of water line on Hickory Hill Street				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2027-2028		2027-2028		
PROJECT MANAGER: Public Works Director				



MANOR LANE EIGHT-INCH WATERLINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-11	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$368,922		General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants		
PROJECT DESCRIPTION				
Upsizing of a four-inch waterline to an eight-inch water line, adding fire hydrants, and improving the water looping between Estelle Lane and Winningkoff Road.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2028-2029 or Later		2028-2029 or Later		
PROJECT MANAGER: Public Works Director				



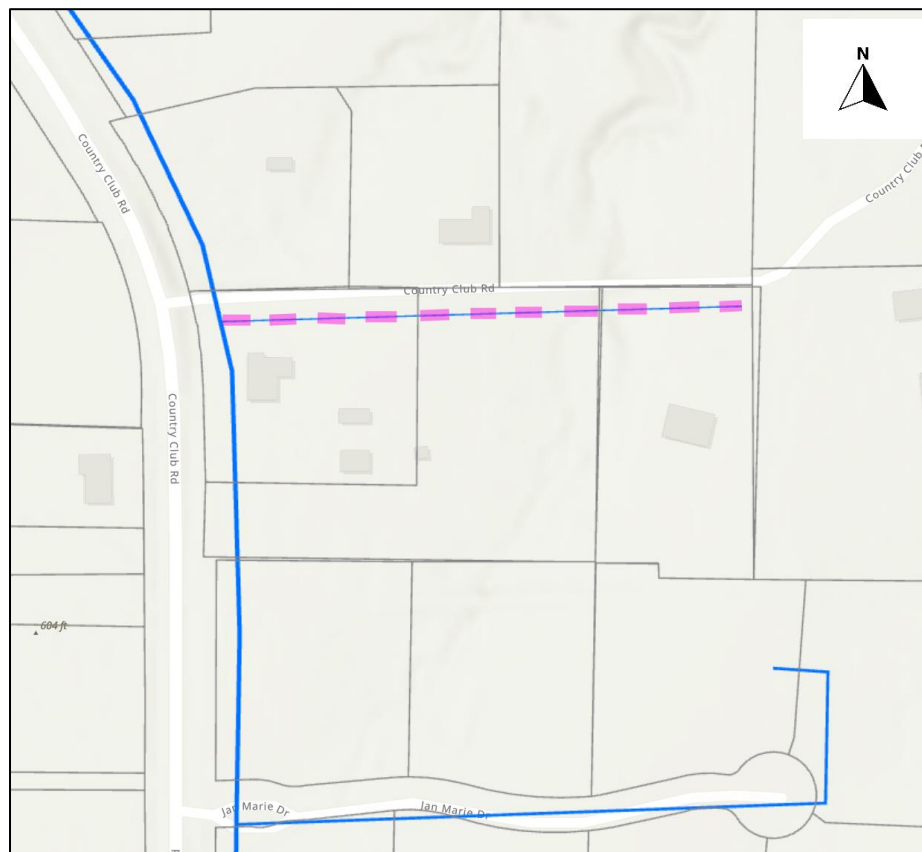
SHILOH DRIVE AND TOOLE DRIVE EIGHT-INCH WATERLINE UPSIZING				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-12	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$222,553		General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants		
PROJECT DESCRIPTION				
Upsizing of Shiloh and Toole Water line from four inches to eight inches.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2028-2029 or Later		2028-2029 or Later		
PROJECT MANAGER: Public Works Director				



REPAINT NORTH PUMP STATION 750,000 GALLON GROUND STORAGE TANK				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-13	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$480,969			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Repaint of the North Pump Station's 750,000 Gallon Ground Storage Tank.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



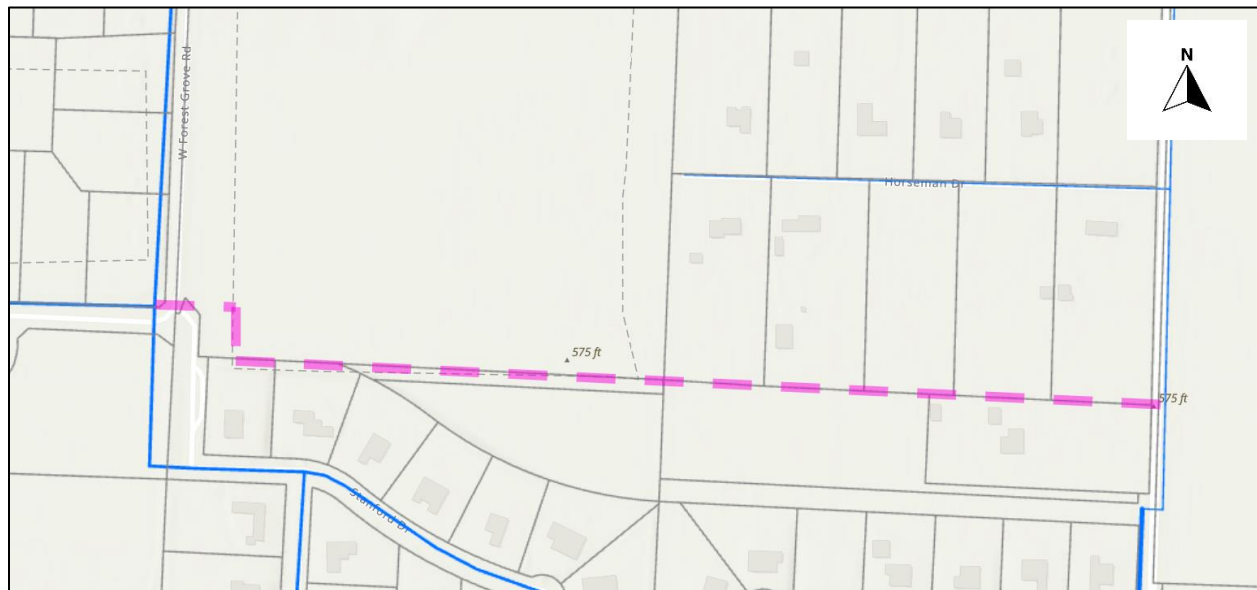
PRIVATE ROAD 5252 SIX-INCH WATERLINE REPLACEMENT				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-14	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$109,855			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Upsizing of waterline at PR 5252 from 2-inches to six inches.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



REPAINT NORTH PUMP STATION 500,000 GALLON GROUND STORAGE TANK				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-15	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$349,148			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Repaint of the North Pump Station's 500,000 Gallon Ground Storage Tank.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



FOREST GROVE ROAD TO ORR ROAD TWELVE INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-16	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$842,111		General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants Water Impact Fee Eligible		
PROJECT DESCRIPTION				
Construction of new twelve-inch water line from Forest Grove Road to Orr Road.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2028-2029 or Later		2028-2029 or Later		
PROJECT MANAGER: Public Works Director				



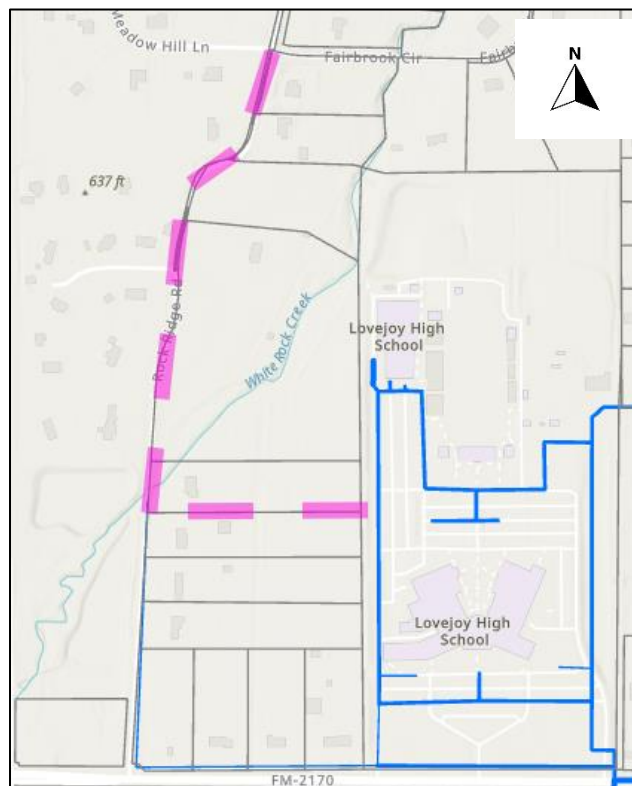
ORR ROAD TO WELBORN LANE TWELVE INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-17	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$1,383,432		General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants Water Impact Fee Eligible		
PROJECT DESCRIPTION				
Construction of new twelve-inch water line road from Orr Road to Welborn Lane.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2028-2029 or Later		2028-2029 or Later		
PROJECT MANAGER: Public Works Director				



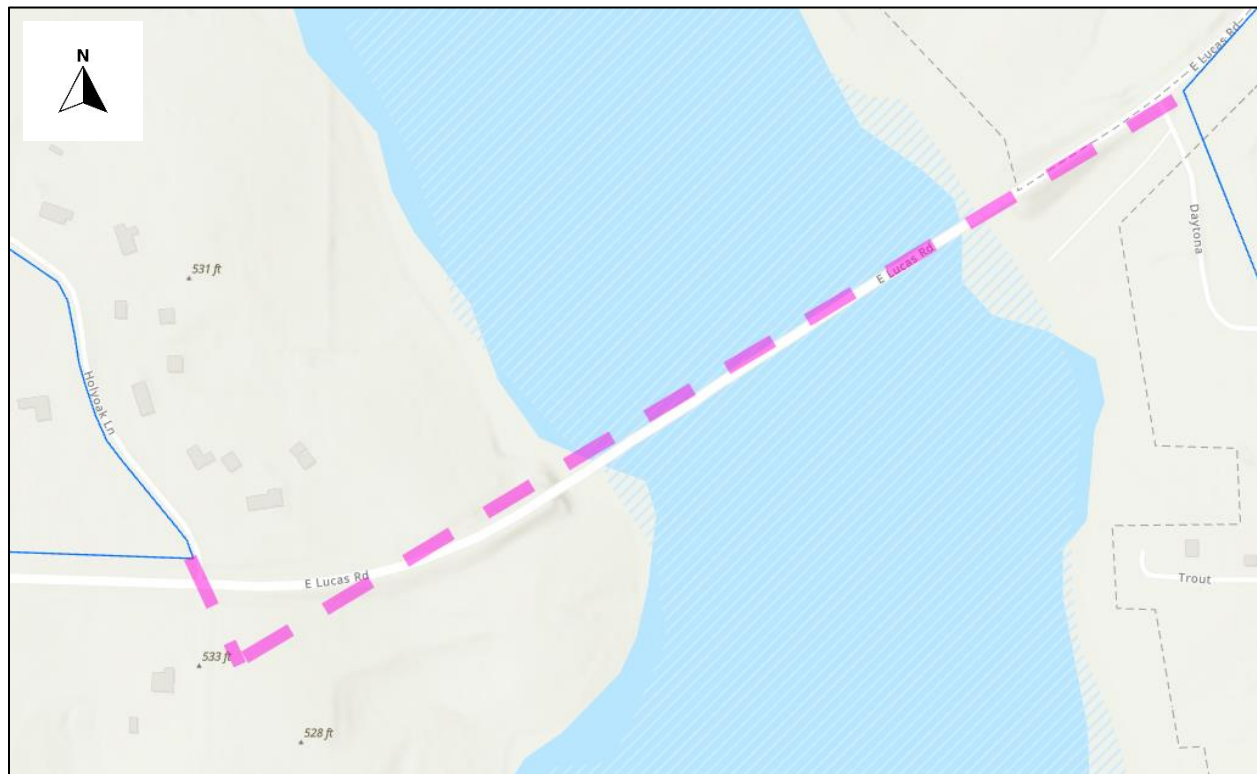
ESTATES PARKWAY PARALLEL SIXTEEN INCH WATER LINE TO COUNTRY CLUB ROAD				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-18	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$923,952			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Upsizing of water line parallel to Estates Parkway to sixteen inches.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



ROCK RIDGE ROAD TWELVE INCH WATER LINE AND ROCK RIDGE ROAD TO LOVEJOY HIGH SCHOOL TWELVE INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-20	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$1,644,956			General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Looping of water line between Rock Ridge Road and Lovejoy High School.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



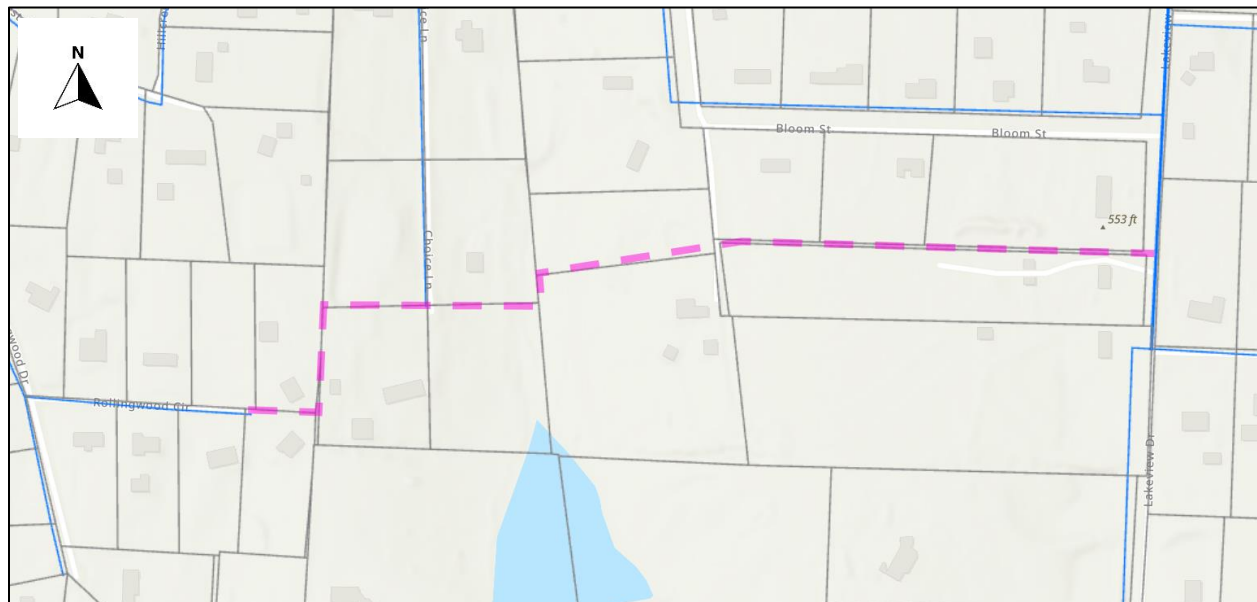
HOLYOAK LANE TO DAYTONA AVENUE EIGHT INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-22	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$1,069,816			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Looping of water line from Holyoak Lane to Daytona Avenue.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



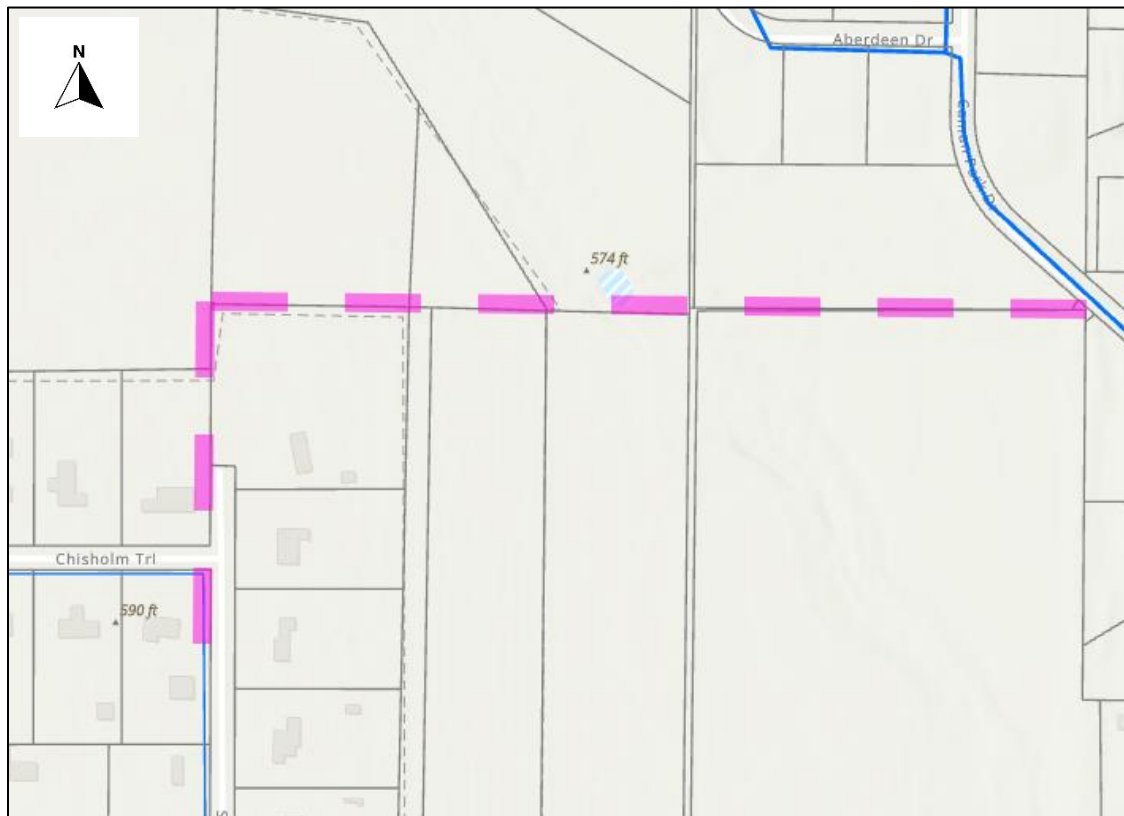
GRAHAM LANE TO ROCK RIDGE COURT REPLACEMENT EIGHT INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-23	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$1,496,134			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Replacement and looping of water lines at Graham Lane and Rock Ridge Court.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



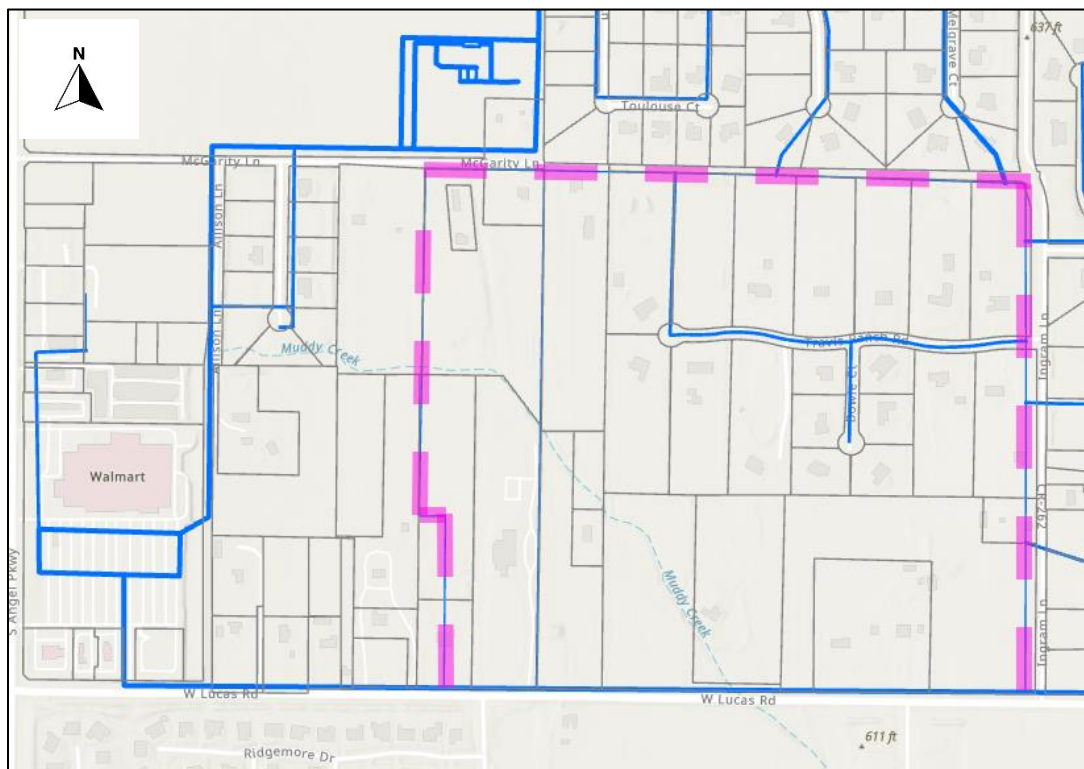
ROLLINGWOOD CIRCLE, CHOICE LANE, AND LAKEVIEW DRIVE SIX INCH WATER LINES				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-24	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$551,434			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Looping of water lines on Rollingwood Circle, Choice Lane and Lakeview Drive.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



CHISHOLM TRAIL AND CAMAN PARK EIGHT INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-25	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$567,997			General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Looping of water lines on Chisholm Trail and Caman Park.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



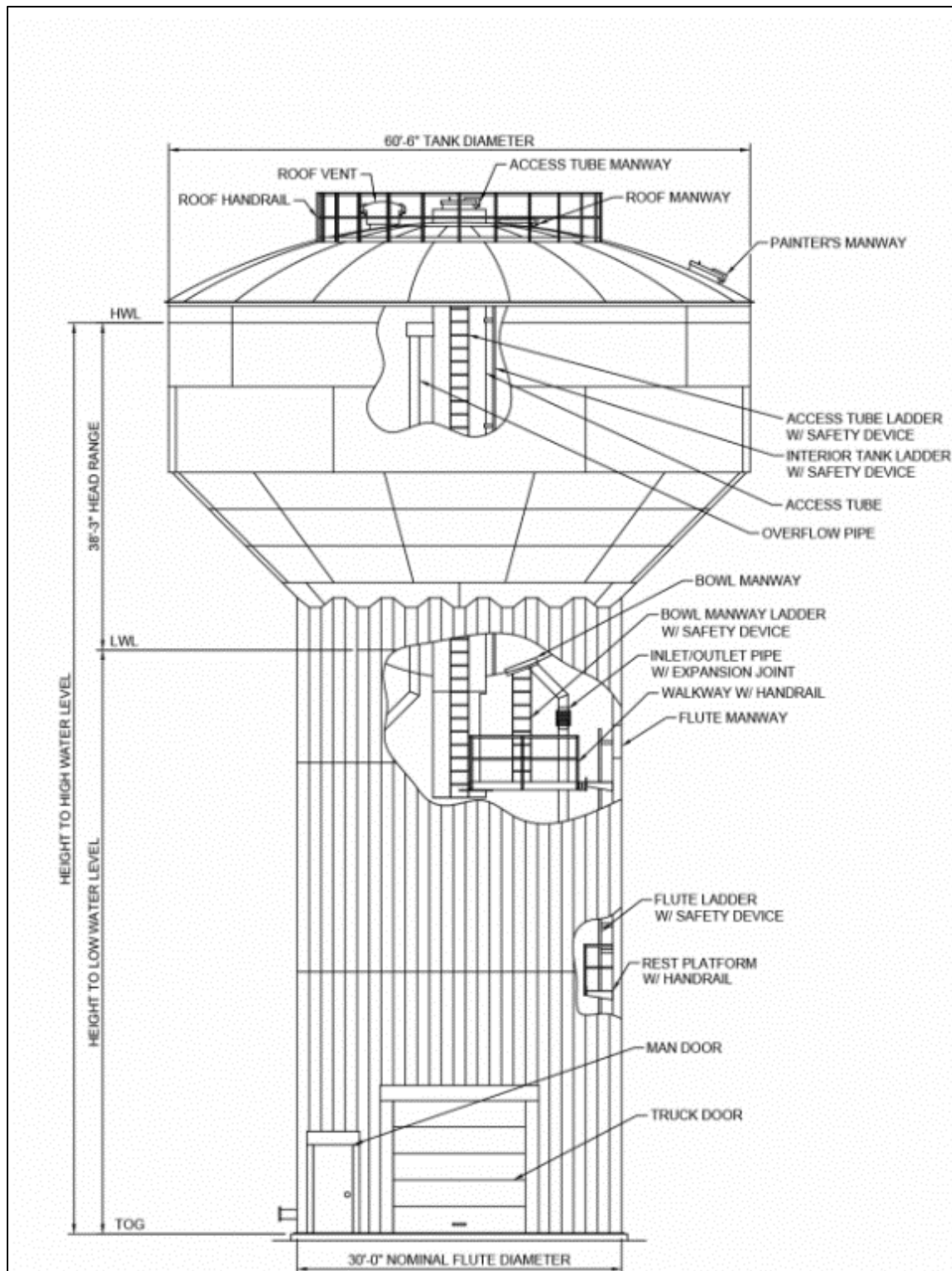
INGRAM LANE, MCGARITY LANE AND WEST LUCAS ROAD UPSIZED WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-26	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$1,856,736			General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Upsizing of water lines on Ingram Lane, McGarity Lane and West Lucas Road.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



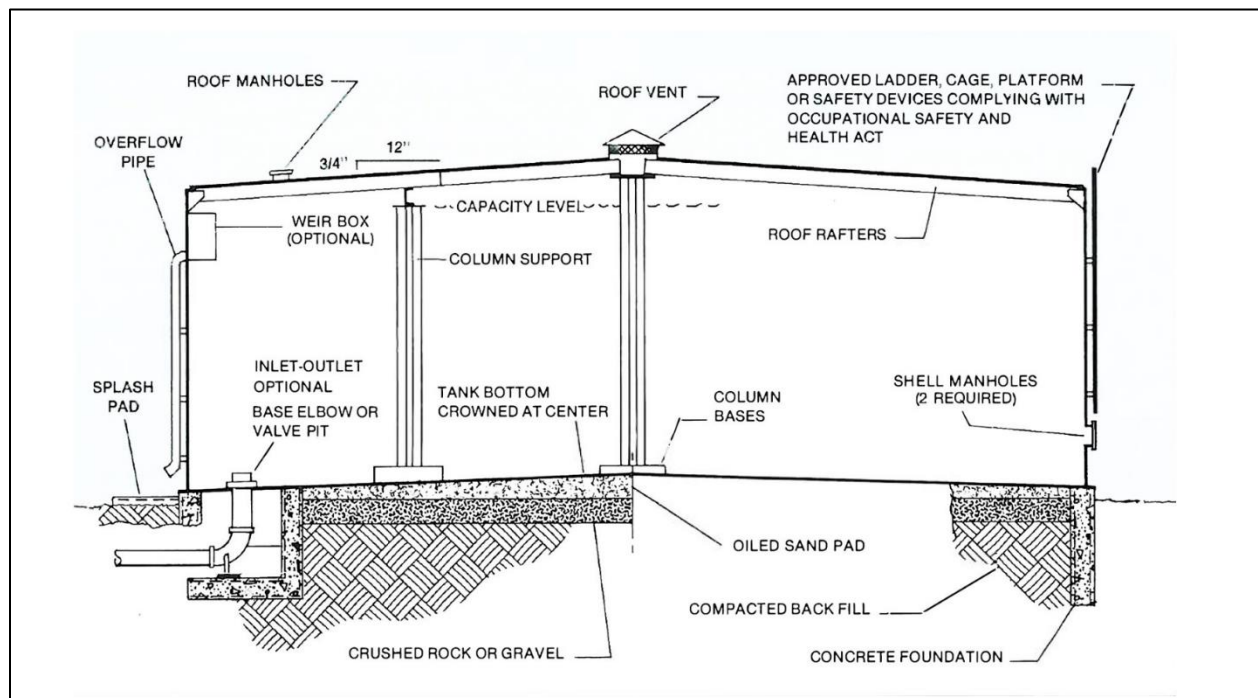
ESTATES PARKWAY EIGHT INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-27	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$512,603			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Upsizing of water lines on Estates Parkway From Lovejoy High School to Rock Ridge Road and connection to new water line on south side of Estates Parkway.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



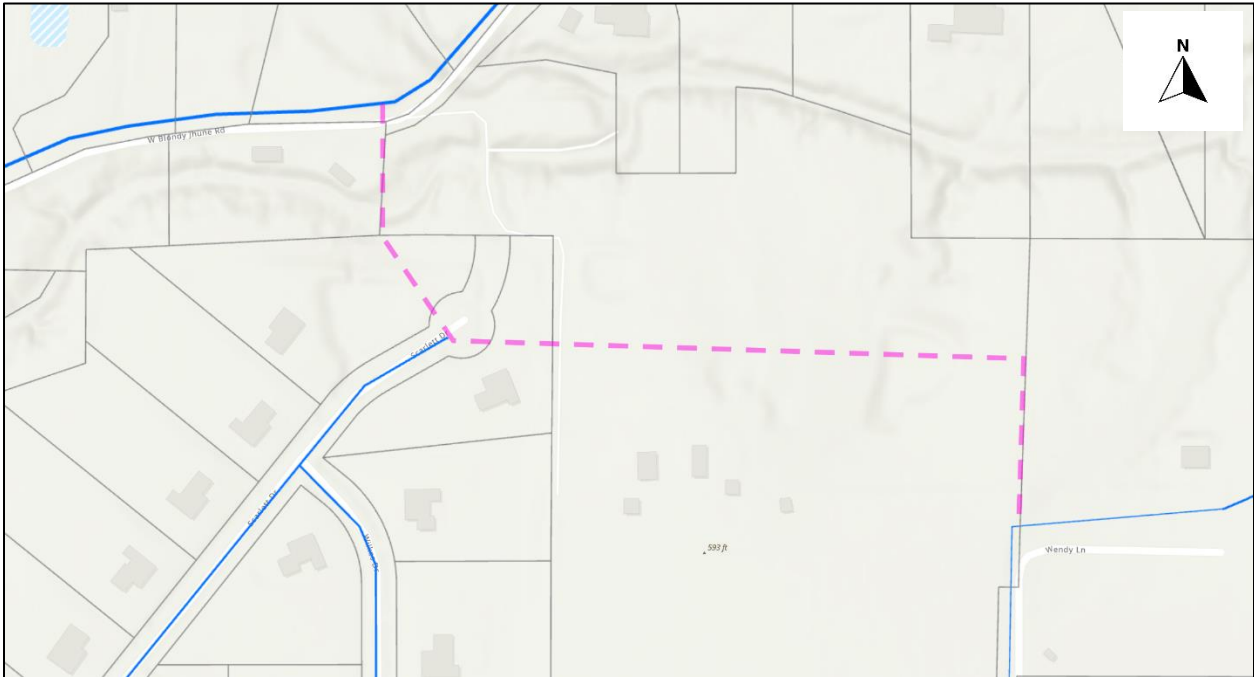
792 SERVICE AREA 0.50 MG ELEVATED STORAGE TANK (WEST OF COUNTRY CLUB)				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-28	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$4,093,152		General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants Water Impact Fee Eligible		
PROJECT DESCRIPTION				
Construction of new 0.50 Million Gallon Elevation Storage Tank on the West side of Country Club Road.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
2028-2029 or Later		2028-2029 or Later		
PROJECT MANAGER: Public Works Director				



MCGARITY PUMP STATION 0.50 MG GROUND STORAGE TANK				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	W-29	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$3,960,000			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Construction of new 0.50 Million Gallon Ground Storage Tank at the McGarity Pump Station.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



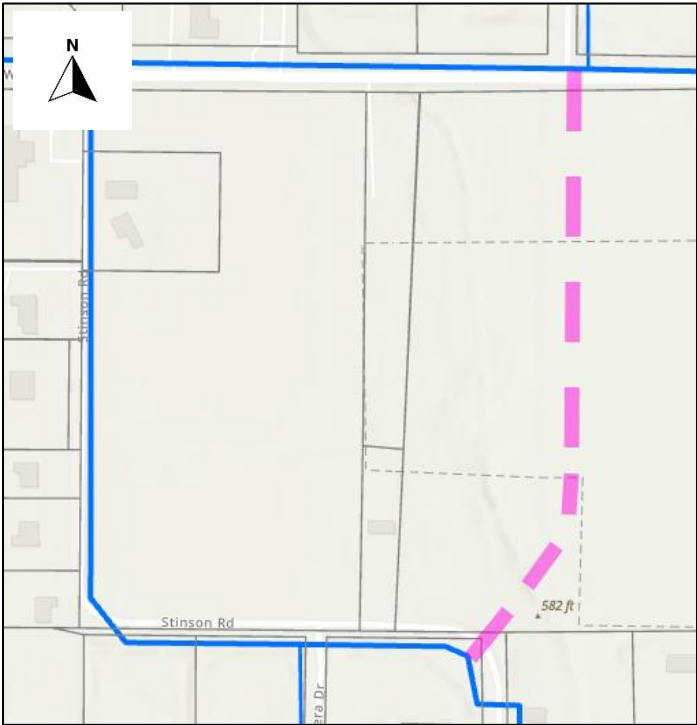
BLONDY JHUNE ROAD TO WENDY LANE EIGHT INCH WATER LINES				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
Contingent on Development	W-30	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$426,877			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Looping between Blondy Jhune Road and Wendy Lane.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
Contingent on Development			Contingent on Development	
PROJECT MANAGER: Public Works Director				



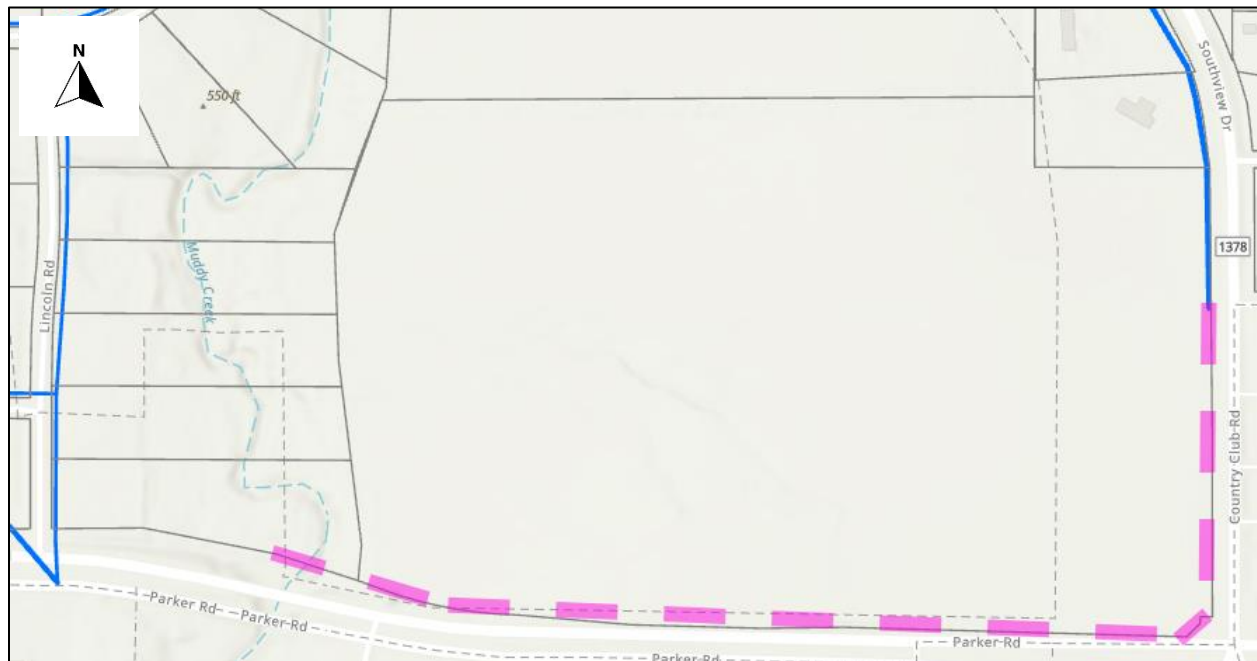
ANGEL PARKWAY EIGHT INCH AND TWELVE INCH WATER LINES				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
Contingent on Development	W-31	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$1,311,093			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
			Water Impact Fee Eligible	
PROJECT DESCRIPTION				
Construction of new eight inch and twelve-inch waterlines on Angel Parkway to add system capacity.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
Contingent on Development			Contingent on Development	
PROJECT MANAGER: Public Works Director				



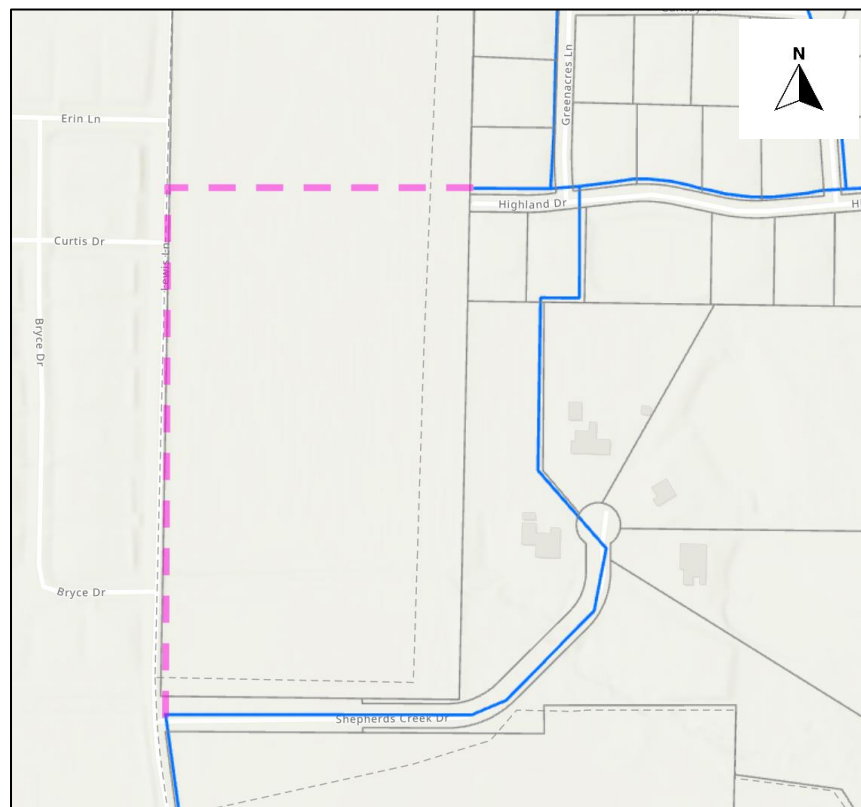
STINSON ROAD EXTENSION TWELVE INCH WATER LINE TO WEST LUCAS ROAD				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
Contingent on Development	W-32	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$487,235		General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants Water Impact Fee Eligible		
PROJECT DESCRIPTION				
Extension of Stinson Road water line North from reverse curve to West Lucas Road in line with Edgewood Lane and in conjunction with future development of vacant tract.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
Contingent on Development		Contingent on Development		
PROJECT MANAGER: Public Works Director				



MUDDY CREEK TO SOUTHVIEW DRIVE TWELVE INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
Contingent on Development	W-33	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$1,050,210		General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants Water Impact Fee Eligible		
PROJECT DESCRIPTION				
Looping of water line from Muddy Creek (P1398) to Southview Drive.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
Contingent on Development		Contingent on Development		
PROJECT MANAGER:				
Public Works Director				



HIGHLAND DRIVE TO LEWIS LANE EIGHT INCH WATER LINE				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
Contingent on Development	W-34	Water	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)		Possible Sources of Funding		
\$722,413		General Obligation Bonds Certificates of Obligation Proprietary Fund Reserves Outside Agency Interlocal Agreements/Grants Water Impact Fee Eligible		
PROJECT DESCRIPTION				
Construction of eight-inch water line from Highland Drive to Lewis Lane.				
PROJECT SCHEDULE				
Project Begin Year		Project End Year		
Contingent on Development		Contingent on Development		
PROJECT MANAGER: Public Works Director				



Wastewater Project Listing

The following pages are a reference guide that summarizes the Wastewater Projects. It indicates the fiscal year in which the project is scheduled to begin, a project number for identification purposes, the recommended priority of implementation, the preliminary estimated costs for improvements, and the anticipated funding sources. Some projects may be phased across multiple fiscal years. Cost estimates are adjusted to current year dollar value and are subject to inflation, which may result in a higher cost during the year of construction. Likewise, cost estimates include any additive alternates and contingences that may apply to the project. Projects early in the planning phase may contain generic descriptions.



(Image: Manhole at Lucas Retail Addition)

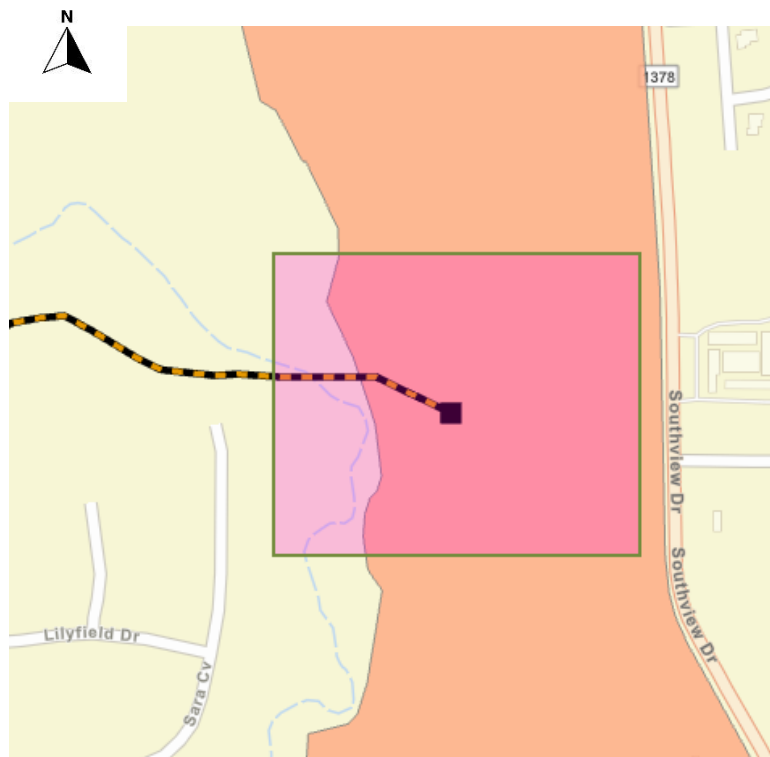
Wastewater Projects by Fiscal Year

The following chart summarizes the fiscal years in which each project is schedule to take place. Those that are not yet scheduled for completion are scheduled as “2028-2029 or Later.” These projects are needed for the buildout of the city or have been identified as long-term needs and may be rescheduled to an earlier fiscal year depending on the availability of funding for capital projects or the emerging need of the city. Those projects classified as “Contingent” are generally those projects necessitated by or that will be completed in conjunction with future land development, future modifications to other infrastructure, or the availability of grant funds. Some projects may be phased across multiple fiscal years, may span multiple years or may be moved forward into future fiscal years in future versions of this report. Estimated costs figures include multi-year cost totals. Cost estimates are adjusted to current year dollar value and are subject to inflation, which may result in a higher cost during the year of construction. Likewise, cost estimates include any additive alternates and contingences that may apply to the project.

Begin Year	End Year	Project Number	Priority	Project Name	Estimated Total Cost
2023-2024	2024-2025	WW-01	High	Osage Lane Lift Station	\$ 510,500

Wastewater Project Summaries

OSAGE LANE LIFT STATION				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2023-2024	WW-01	Wastewater	Design	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$510,500			General Obligation Bonds	
			Certificates of Obligation	
			Proprietary Fund Reserves	
			Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Construction and entry into service of Hunt Lift Station to utilize existing force main and structure located at project site.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2023-2024			2024-2025	
PROJECT MANAGER: Public Works Director				



Parks, Open Space and Trails Project Listing

The following pages are a reference guide that summarizes the Parks, Open Space and Trails Projects. It indicates the fiscal year in which the project is scheduled to begin, a project number for identification purposes, the recommended priority of implementation, the preliminary estimated costs for improvements, and the anticipated funding sources. Some projects may be phased across multiple fiscal years. Cost estimates are adjusted to current year dollar value and are subject to inflation, which may result in a higher cost during the year of construction. Likewise, cost estimates include any additive alternates and contingences that may apply to the project. Projects early in the planning phase may contain generic descriptions.



(Image: Lucas Community Park Sign)

Parks, Trails and Open Space Projects By Fiscal Year

The following chart summarizes the fiscal years in which each project is schedule to take place. Those that are not yet scheduled for completion are scheduled as “2028-2029 or Later.” These projects are needed for the buildout of the city or have been identified as long-term needs and may be rescheduled to an earlier fiscal year depending on the availability of funding for capital projects or the emerging need of the city. Those projects classified as “Contingent” are generally those projects necessitated by or that will be completed in conjunction with future land development, future modifications to other infrastructure, or the availability of grant funds. Some projects may be phased across multiple fiscal years, may span multiple years or may be moved forward into future fiscal years in future versions of this report. Estimated costs figures include multi-year cost totals. Cost estimates are adjusted to current year dollar value and are subject to inflation, which may result in a higher cost during the year of construction. Likewise, cost estimates include any additive alternates and contingences that may apply to the project.

Begin Year	End Year	Project Number	Priority	Project Name	Estimated Total Cost
2023-2024	2023-2024 COMPLETE	P-01	Low	Community Park - Paving of Back Parking Lot	\$ 109,040
2028-2029 or Later	2028-2029 or Later	P-02	Low	Community Park - Walking Loop Extension	\$ 21,252
2028-2029 or Later	2028-2029 or Later	P-03	Low	Community Park - Installation of New Playground Equipment for Ages two to six	\$ 200,000
2024-2025	2024-2025	P-04	Medium	Forest Creek Park - Replacement of Playground Equipment	\$ 236,326
2023-2024	2024-2025	P-05	Medium	East Winningkoff Trail Loop	\$ 1,111,952
Contingent on Grant Funding	Contingent on Grant Funding	P-06	Low	Trails - Central Loop	\$ 1,568,944
Contingent on Grant Funding	Contingent on Grant Funding	P-07	Low	Trails - Southern Trail (Willow Springs Middle School to Southview Drive)	\$ 1,047,707

Parks, Trails and Open Space Project Summaries

Community Park:

PAVING OF BACK PARKING LOT				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2023-2024	P-01	Parks, Open Space and Trails	Complete	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$109,040			General Fund Reserves Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Asphalt overlay of existing gravel parking lot at Community Park.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2023-2024			2023-2024	
PROJECT MANAGER: Public Works Director				



WALKING LOOP EXTENSION				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	P-02	Parks, Open Space and Trails	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$21,252			General Fund Reserves Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Construction of walking path extension from existing sidewalk to along the East side of the pavilion at Lucas Community Park with possible inclusion of underground electrical and lighting.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



INSTALLATION OF NEW PLAYGROUND EQUIPMENT FOR AGES TWO TO SIX				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2028-2029 or Later	P-03	Parks, Open Space and Trails	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$200,000			General Fund Reserves Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Complete installation of new playground equipment to accommodate children aged two to six at the Community Park, including installation of play surface, at Lucas Community Park.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2028-2029 or Later			2028-2029 or Later	
PROJECT MANAGER: Public Works Director				



Forest Creek Park:

FOREST CREEK PARK - REPLACEMENT OF PLAYGROUND EQUIPMENT				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2024-2025	P-04	Parks, Open Space and Trails	Design	Medium
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$236,326			General Fund Reserves Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Complete installation of new playground equipment at Forest Creek Park to include two sets of playground equipment for kids aged two to six and for kids aged five to twelve, including restoration of bedding material.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2024-2025			2024-2025	
PROJECT MANAGER: Public Works Director				



Trail Network:

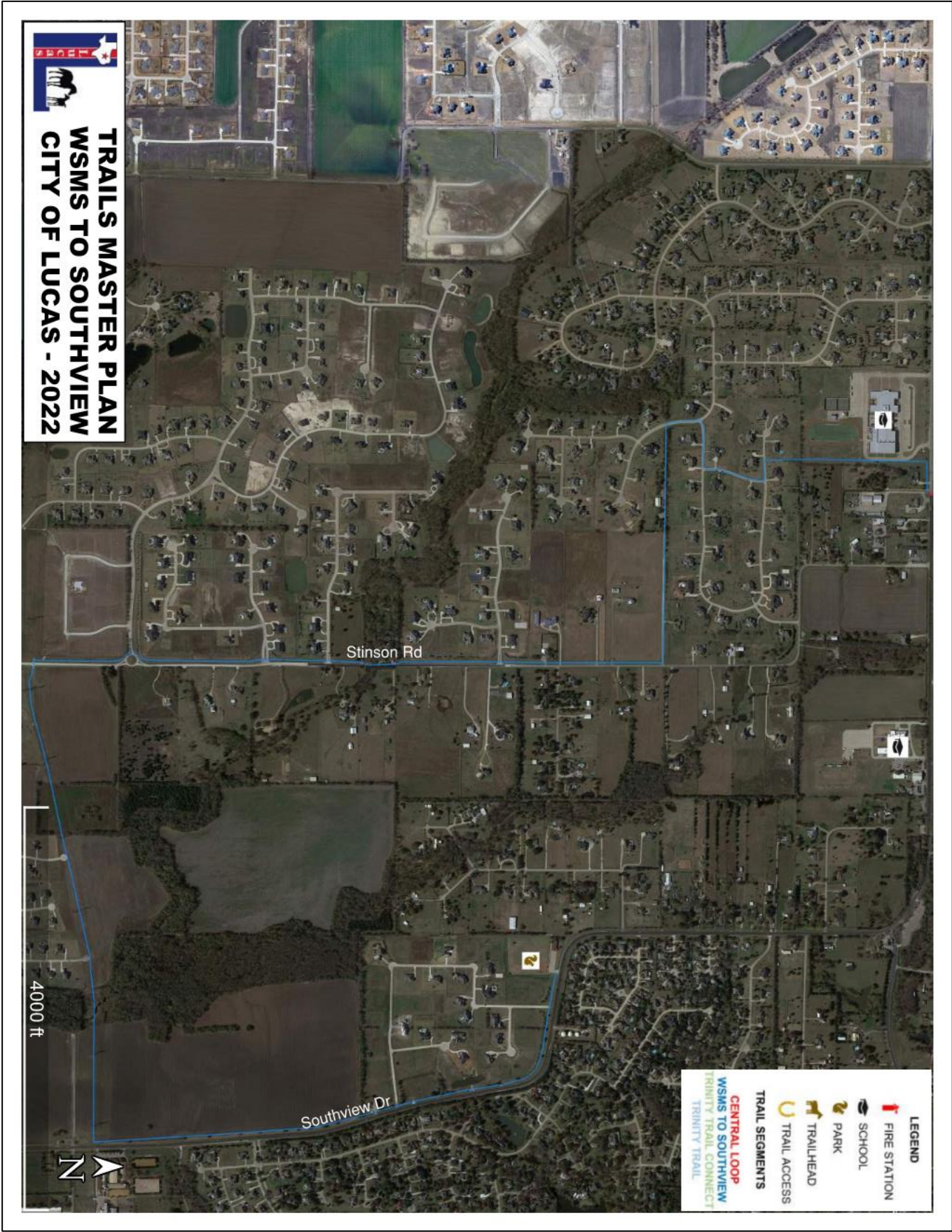
EAST WINNINGKOFF TRAIL LOOP				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
2023-2024	P-05	Parks, Open Space and Trails	Design	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$1,111,952			General Fund Reserves Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Construction of decomposed granite walking trail to connect segments of Northeast Lucas to the Trinity Trail consistent with the Trails Master Plan.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
2023-2024			2024-2025	
PROJECT MANAGER: Public Works Director				



CENTRAL LOOP TRAIL				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
Contingent on Grant Funding	P-06	Parks, Open Space and Trails	Planning	Low
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$1,568,944			General Fund Reserves Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Construction of decomposed granite walking trail to establish pedestrian and recreational access around the city's main commercial, cultural and civic resources consistent with the Trails Master Plan.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
Contingent on Grant Funding			Contingent on Grant Funding	
PROJECT MANAGER: Public Works Director				



SOUTHERN TRAIL (WILLOW SPRINGS MIDDLE SCHOOL TO SOUTHVIEW DRIVE)				
PROJECT SUMMARY				
Starting in Fiscal Year	Project No.	Category	Project Status	Priority
Contingent on Grant Funding	P-07	Parks, Open Space and Trails	Planning	
FISCAL OVERVIEW				
Estimated Total Cost (2023 Dollars)			Possible Sources of Funding	
\$1,047,707			General Fund Reserves Outside Agency Interlocal Agreements/Grants	
PROJECT DESCRIPTION				
Construction of decomposed granite walking trail to establish pedestrian and recreational access between Willow Springs Middle School, southern neighborhoods, Southview Drive and Kenneth R Lewis Park as identified in the Trails Master Plan.				
PROJECT SCHEDULE				
Project Begin Year			Project End Year	
Contingent on Grant Funding			Contingent on Grant Funding	
PROJECT MANAGER: Public Works Director				





City of Lucas

City Council Agenda Request

October 17, 2024

Item No. 11

Requestor: Mayor Dusty Kuykendall

Agenda Item Request

Executive Session:

The City Council will convene into Executive Session pursuant to Section 551.074(a)(1) of the Texas Government Code, Personnel Matters, to review and evaluate the City Manager.

Background Information

NA

Attachments/Supporting Documentation

NA

Budget/Financial Impact

NA

Recommendation

NA

Motion

NA



City of Lucas

City Council Agenda Request

October 17, 2024

Item No. 12

Requester: City Council

Agenda Item Request

Reconvene from Executive Session and take any action necessary as a result of the Executive Session.

Background Information

NA

Attachments/Supporting Documentation

NA

Budget/Financial Impact

NA

Recommendation

NA

Motion

NA