



105 N. 4th Street, P.O. Box 349 Gunter, TX 75058-0349
903-433-5185 Fax: 903-433-8039

AGENDA
Gunter City Council Regular Meeting
Thursday, July 2, 2026
6:00 p.m.

Pursuant to Chapter 551 of the Texas Government Code, notice is hereby given of a Regular Meeting of the City Council of the City of Gunter, Texas to be held on July 2, 2026, at 6:00 p.m., in the Gunter Public Safety Building, located at 105 N. 4th Street, Gunter, Texas, at which time the following will be discussed and considered:

Pursuant to Section 551.127, Texas Government Code, one or more Councilmembers or employees may attend this meeting remotely using videoconferencing technology. The video and audio feed of the videoconferencing equipment can be viewed and heard by the public at the address posted above as the location of the meeting.

Welcome to the City Council Meeting. Please sign the Sign-In-Sheet as a record of attendance. If you wish to speak on an open-session agenda item, please fill out the Opinion/Speaker Registration Form and turn it in to the City Secretary before the meeting starts. A card to speak at a public hearing may be submitted any time before the public hearing is closed.

CALL TO ORDER REGULAR CITY COUNCIL MEETING [Mayor will call the meeting to order, establish a quorum if present, and declare notice is legally posted pursuant to the Open Meetings Act. During the course of the meeting, members of the audience wishing to speak must be recognized by the Presiding Officer.]

INVOCATION AND PLEDGE OF ALLEGIANCE

1. **CITIZEN COMMENTS** [The City Council invites citizens to speak to the Council on topics not already scheduled for public hearing or on the agenda. Prior to the meeting, please complete an Opinion/Speaker Registration Form, and present it to the City Secretary. Citizens may address the Council for a maximum of three minutes. Citizen comments shall be made from the podium. Please state your name and address for the record. The Council is unable to respond to or discuss any issues that are brought up during this section that are not on the agenda, other than to make statements of specific factual information in response to a citizen's inquiry or to recite existing policy in response to the inquiry. Citizens comments are governed by the City of Gunter Code of Ordinances Article 1.05.]

AGENDA ITEM COMMENTS [The city council allows citizens to speak before an agenda item. Prior to the meeting, please complete an Opinion/Speaker Registration Form, and present it to the City Secretary. Comments must be on topic. Citizens may address the Council for a maximum of three minutes. Comments shall be made from the podium. Please state your name and address for the record. The Open Meetings Act Section 551.007 allows, but does not require, the City Council members to respond. Citizens comments are governed by the City of Gunter Code of Ordinances Article 1.05.]

REGULAR AGENDA

2. **Director of Parks & Public Services Report:**
 - Parks & Rec Update
 - Streets Update
 - Trash Services
 - Updates for July 4th Celebration with Chamber of Commerce
3. **Director of Planning & Development Report:**
4. **Mayor / Alderman Report:**
5. **PUBLIC HEARING**

REMAIN OPEN AND CONTINUE TO JULY 16, 2026

Public Comments: To hear testimony regarding an ordinance accepting and approving a service and assessment plan and assessment rolls for the Major Improvement Area and Improvement Area #1 of the Taylor Ranch Public Improvement District and levying special assessments against property within the District.

6. **PUBLIC HEARING**

REMAIN OPEN AND CONTINUE TO JULY 16, 2026

Public Comments: To hear testimony regarding an ordinance accepting and approving a service and assessment plan and assessment rolls for the Major Improvement Area and Improvement Area #1 of the Platinum Ranch Public Improvement District and levying special assessments against property within the District.

7. Discuss, consider, and act upon a **Resolution** of the City of Gunter, Texas determining the costs of certain authorized improvements to be financed within The Preserve Public Improvement District; approving a preliminary service and assessment plan, including a proposed assessment roll; directing the filing of the proposed assessment roll with the city secretary to make available for public inspection; noticing a public hearing for August 6, 2026 to consider an ordinance levying assessments on property located within The Preserve Public Improvement District; directing City staff to publish and mail notice of said public hearing; and resolving other matters incident and related thereto.
8. Discuss, consider, and act upon a **Resolution** of the City of Gunter, Texas, approving and authorizing an “Interlocal Cooperative Agreement” between the City of Gunter, Texas and Mustang Special Utility District related to The Preserve Public Improvement District.


9. Discuss, consider, and act upon a Proposed Consent to Addition of Land for Four Seasons Municipal Utility District (MUD) No. 1 of Denton County, into the City of Gunter's ETJ.
10. Discuss, consider, and act upon reappointing the following boards for FY 2026-2028.
 - ***Planning & Zoning***
Place 2 Davida Miorin
11. Discussion regarding Master Fee Schedule.
12. Discussion regarding current and future Portable Temporary Concrete Batch Plants.
13. Discussion regarding a Policy for City Council Closed Sessions.
14. Discuss, consider and act upon an Ordinance authorizing and establishing tiered signatures and countersignature requirements for disbursements.
15. Discuss, consider, and act upon an Ordinance repealing ordinance no. 2023-09-21-01; The Cancellation Provisions of Section 1.03.002; of the Code of Ordinances, and replacing them with provisions governing the cancellation of City Council Meetings.
16. Discuss, consider, and act on determining agenda items to be placed on future City Council meeting agendas and direct the City Secretary as to which future agendas the item should be placed upon.

Upcoming Meetings

- City Council Budget Workshop Tuesday, July 7th 8 am – 12 pm
- City Council Reg. Meeting July 16th 6:00 pm

ADJOURN

I, the undersigned authority, do hereby remained the above Notice of City Council Meeting of the City of Gunter, Texas is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the window of City Hall of said Gunter, Texas, a place convenient to the public, and said Notice was posted on or before June 26, 2026, at 6:00 p.m. and remained so posted continuously for at least seventy-two hours immediately preceding the date of said meeting.



Detra Gaines, City Secretary

If during the course of the meeting covered by this notice, the City Council should determine that a closed or executive meeting or session of the City Council or a consultation with the attorney for the City should be held or is required, then such closed or executive meeting or session or consultation with attorney as authorized by the Texas Open Meetings Act, Texas Government Code 551.001 et. seq., will be held by the City

Council at the date, hour and place given in this notice as the City Council may conveniently meet in such closed or executive meeting or session or consult with the attorney for the City concerning any and all subjects and for any and all purposes permitted by the Act, including, but not limited to, the following sections and purposes:

Texas Government Code Section:

551.071 Private consultation with the City's attorney on any item listed on the agenda or authorized by law.

551.072 For the purpose of discussing the purchase, exchange, lease or value of real property.

551.073 For the purpose of considering a negotiated contract for a prospective gift or donation.

551.074 For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear complaints or charges against a public officer or employee.

551.076 To consider the deployment, specific occasions for implementation, of security personnel or devices.

551.084 For the purpose of excluding witnesses during examination of another witness.

551.087 For the purposes of considering economic development negotiations.

Persons with disabilities who plan to attend this meeting and who may need assistance should contact Detra Gaines, City Secretary, at (903) 433-5185 two working days prior to the meeting so that appropriate arrangements can be made.



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #1

CITIZEN COMMENTS [The City Council invites citizens to speak to the Council on topics not already scheduled for public hearing or on the agenda. Prior to the meeting, please complete an Opinion/Speaker Registration Form, and present it to the City Secretary. Citizens may address the Council for a maximum of three minutes. Citizen comments shall be made from the podium. Please state your name and address for the record. The Council is unable to respond to or discuss any issues that are brought up during this section that are not on the agenda, other than to make statements of specific factual information in response to a citizen's inquiry or to recite existing policy in response to the inquiry. Citizens comments are governed by the City of Gunter Code of Ordinances Article 1.05.]

AGENDA ITEM COMMENTS [The city council allows citizens to speak before an agenda item. Prior to the meeting, please complete an Opinion/Speaker Registration Form, and present it to the City Secretary. Comments must be on topic. Citizens may address the Council for a maximum of three minutes. Comments shall be made from the podium. Please state your name and address for the record. The Open Meetings Act Section 551.007 allows, but does not require, the City Council members to respond. Citizens comments are governed by the City of Gunter Code of Ordinances Article 1.05.]

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #2

Director of Parks & Public Services Report:

- Parks & Rec Update
- Streets Update
- Trash Services
- Updates for July 4th Celebration with Chamber of Commerce

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

Adam Adams, Director of Parks & Public Services

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #3

Director of Planning & Development Report:

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

Eric Wilhite, Director of Planning & Development

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #4

Mayor / Alderman Report:

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #5

PUBLIC HEARING

REMAIN OPEN AND CONTINUE TO JULY 16, 2026

Public Comments: To hear testimony regarding an ordinance accepting and approving a service and assessment plan and assessment rolls for the Major Improvement Area and Improvement Area #1 of the Taylor Ranch Public Improvement District and levying special assessments against property within the District.

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:

**CITY OF GUNTER, TEXAS
NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of the City of Gunter, Texas on July 2, 2026, at or after 6:00 p.m. at the Gunter City Council Chambers, 105 North 4th Street, Gunter, Texas 75058. The public hearing will be held to consider proposed assessments to be levied against the assessable property within the Major Improvement Area and Improvement Area #1 of the Taylor Ranch Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended.

The general nature of the proposed public improvements benefitting the Major Improvement Area of the District to be undertaken at this time (the "Major Improvement Area Projects") include: water improvements, roadway improvements, related soft and miscellaneous costs, and district formation costs. The current estimated costs of the Major Improvement Area Projects are approximately \$1,317,595.

The total cost of the Major Improvement Area Projects, plus the costs of establishing, administering and operating the District and issuing related bonds, including debt service reserve funds, capitalized interest and other costs of issuance (collectively, the "Major Improvement Area Authorized Improvements") is expected to be approximately \$3,000,000. The exact amount will be provided in the approved service and assessment plan.

The general nature of the proposed public improvements benefitting Improvement Area #1 of the District to be undertaken at this time (the "Improvement Area #1 Projects") include: water improvements, sanitary sewer improvements, storm drainage improvements, roadway improvements, related soft and miscellaneous costs, and district formation costs. The current estimated costs of the Improvement Area #1 Projects are approximately \$11,700,540.

The total cost of the Improvement Area #1 Projects, plus the costs of establishing, administering and operating the District and issuing related bonds, including debt service reserve funds, capitalized interest and other costs of issuance (collectively, the "Improvement Area #1 Authorized Improvements") is expected to be approximately \$17,000,000. The exact amount will be provided in the approved service and assessment plan.

The boundaries of the District include approximately 491.423 acres of land generally located north of Foy Wallace Road, south of Little Elm Creek Road and west of Preston Road, and within the corporate boundaries of the City, as more particularly described by a metes and bounds description available at Gunter City Hall located at 105 N. 4th Street, Gunter, Texas 75058 and available for public inspection.

All written or oral objections on the proposed assessments within the District will be considered at the public hearing.

A copy of the proposed (i) Major Improvement Area Assessment Roll, which includes the assessments proposed to be levied against each parcel of land within the Major Improvement Area of the District that benefits from the Major Improvement Area Authorized Improvements and

(ii) Improvement Area #1 Assessment Roll, which includes the assessments proposed to be levied against each parcel of land within Improvement Area #1 of the District that benefits from the Improvement Area #1 Authorized Improvements, are available for public inspection at the office of the City Secretary at Gunter City Hall, 105 North 4th Street, Gunter, Texas 75058.



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #6

PUBLIC HEARING

REMAIN OPEN AND CONTINUE TO JULY 16, 2026

Public Comments: To hear testimony regarding an ordinance accepting and approving a service and assessment plan and assessment rolls for the Major Improvement Area and Improvement Area #1 of the Platinum Ranch Public Improvement District and levying special assessments against property within the District.

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:

**CITY OF GUNTER, TEXAS
NOTICE OF PUBLIC HEARING**

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of the City of Gunter, Texas on July 2, 2026, at or after 6:00 p.m. at the Gunter City Council Chambers, 105 North 4th Street, Gunter, Texas 75058. The public hearing will be held to consider proposed assessments to be levied against the assessable property within the Major Improvement Area and Improvement Area #1 of the Platinum Ranch Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended.

The general nature of the proposed public improvements benefitting the Major Improvement Area of the District to be undertaken at this time (the "Major Improvement Area Projects") include: water improvements, sanitary sewer improvements, storm drainage improvements, roadway improvements, landscaping and open space improvements, acquisition of real property in connection with such improvements, related soft and miscellaneous costs, and district formation costs. The current estimated costs of the Major Improvement Area Projects are approximately \$8,957,543.

The total cost of the Major Improvement Area Projects, plus the costs of establishing, administering and operating the District and issuing related bonds, including debt service reserve funds, capitalized interest and other costs of issuance (collectively, the "Major Improvement Area Authorized Improvements") is expected to be approximately \$13,000,000. The exact amount will be provided in the approved service and assessment plan.

The general nature of the proposed public improvements benefitting Improvement Area #1 of the District to be undertaken at this time (the "Improvement Area #1 Projects") include: water improvements, sanitary sewer improvements, storm drainage improvements, roadway improvements, landscaping and open space improvements, acquisition of real property in connection with such improvements, related soft and miscellaneous costs, and district formation costs. The current estimated costs of the Improvement Area #1 Projects are approximately \$36,716,164.

The total cost of the Improvement Area #1 Projects, plus the costs of establishing, administering and operating the District and issuing related bonds, including debt service reserve funds, capitalized interest and other costs of issuance (collectively, the "Improvement Area #1 Authorized Improvements") is expected to be approximately \$50,000,000. The exact amount will be provided in the approved service and assessment plan.

The boundaries of the District include approximately 1,715.322 acres of land generally located north of Marilee Road, west of Preston Road and east of Grayson County Tollroad, and within the corporate boundaries of the City, as more particularly described by a metes and bounds description available at Gunter City Hall located at 105 N. 4th Street, Gunter, Texas 75058 and available for public inspection.

All written or oral objections on the proposed assessments within the District will be considered at the public hearing.

A copy of the proposed (i) Major Improvement Area Assessment Roll, which includes the assessments proposed to be levied against each parcel of land within the Major Improvement Area of the District that benefits from the Major Improvement Area Authorized Improvements and (ii) Improvement Area #1 Assessment Roll, which includes the assessments proposed to be levied against each parcel of land within Improvement Area #1 of the District that benefits from the Improvement Area #1 Authorized Improvements, are available for public inspection at the office of the City Secretary at Gunter City Hall, 105 North 4th Street, Gunter, Texas 75058.



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #7

Discuss, consider, and act upon a **Resolution** of the City of Gunter, Texas determining the costs of certain authorized improvements to be financed within The Preserve Public Improvement District; approving a preliminary service and assessment plan, including a proposed assessment roll; directing the filing of the proposed assessment roll with the city secretary to make available for public inspection; noticing a public hearing for August 6, 2026 to consider an ordinance levying assessments on property located within The Preserve Public Improvement District; directing City staff to publish and mail notice of said public hearing; and resolving other matters incident and related thereto.

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

Eric Wilhite, Director of Planning & Development

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:

CITY OF GUNTER, TEXAS

RESOLUTION NO. 2026-_____

A RESOLUTION OF THE CITY OF GUNTER, TEXAS DETERMINING THE COSTS OF CERTAIN AUTHORIZED IMPROVEMENTS TO BE FINANCED WITHIN THE PRESERVE PUBLIC IMPROVEMENT DISTRICT; APPROVING A PRELIMINARY SERVICE AND ASSESSMENT PLAN, INCLUDING A PROPOSED ASSESSMENT ROLL; DIRECTING THE FILING OF THE PROPOSED ASSESSMENT ROLL WITH THE CITY SECRETARY TO MAKE AVAILABLE FOR PUBLIC INSPECTION; NOTICING A PUBLIC HEARING FOR AUGUST 6, 2026 TO CONSIDER AN ORDINANCE LEVYING ASSESSMENTS ON PROPERTY LOCATED WITHIN THE PRESERVE PUBLIC IMPROVEMENT DISTRICT; DIRECTING CITY STAFF TO PUBLISH AND MAIL NOTICE OF SAID PUBLIC HEARING; AND RESOLVING OTHER MATTERS INCIDENT AND RELATED THERETO.

WHEREAS, the Public Improvement District Assessment Act, Texas Local Government Code, Chapter 372, as amended (the "PID Act"), authorizes the City of Gunter, Texas (the "City") to create a public improvement district within the corporate boundaries and/or the extraterritorial jurisdiction of the City; and

WHEREAS, after providing notice as required by the PID Act, on June 4, 2026, the City Council of the City (the "City Council") conducted a public hearing to consider a petition received by the City requesting the creation of a public improvement district within the corporate boundaries of the City; and

WHEREAS, following the public hearing, the City Council adopted a resolution (the "Authorization Resolution"), authorizing, establishing, and creating "The Preserve Public Improvement District" (the "District"); and

WHEREAS, the City authorized the creation of the District to finance certain public improvements authorized by the PID Act for the benefit of the property within the District (the "Authorized Improvements"); and

WHEREAS, the City Council and the City staff have been presented a "Preserve Public Improvement District Preliminary Service and Assessment Plan" (the "Preliminary SAP") in the form attached hereto as **Exhibit A**, which (i) identifies the area constituting the District, (ii) identifies the estimated costs of the Authorized Improvements, and (iii) sets forth the proposed assessment roll for the District (the "Proposed Assessment Roll"); and

WHEREAS, the Proposed Assessment Roll states the assessments proposed to be levied against each benefitted parcel of land in the District, as determined by the method of assessment chosen by the City and set forth in the Preliminary SAP; and

WHEREAS, the PID Act requires that the Proposed Assessment Roll be filed with the municipal secretary of the City (the "City Secretary") and be subject to public inspection; and

WHEREAS, the PID Act requires that a public hearing (the "Assessment Hearing") be called to consider proposed assessments to be levied against the benefitted property within the District related to the Authorized Improvements and requires the City Council to hear and pass on any objections to the proposed assessments at, or on the adjournment of, the Assessment Hearing; and

WHEREAS, the PID Act requires that notice of the Assessment Hearing be mailed to property owners liable for assessment and published in a newspaper of general circulation in the City before the tenth (10th) day before the date of the Assessment Hearing.

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

SECTION 1. The recitals set forth above in this Resolution are true and correct and are hereby adopted as findings of the City Council and are incorporated into the body of this Resolution as if fully set forth herein.

SECTION 2. The City Council does hereby accept the Preliminary SAP for the District, including the Proposed Assessment Roll, in a form substantially similar to the attached **Exhibit A** and which is incorporated herein for all purposes. All capitalized terms not otherwise defined herein shall have the meanings given to such terms in the Preliminary SAP.

SECTION 3. The City Council hereby determines that the estimated total costs of the Authorized Improvements to be financed by the District are as set forth in Exhibit B of the Preliminary SAP.

SECTION 4. The City Council's final determination and approval of the costs of the Authorized Improvements, or any portion thereof, shall be subject to and contingent upon City Council's approval of a final, updated Service and Assessment Plan which will include a final Assessment Roll, after the properly noticed and held Assessment Hearing.

SECTION 5. The Proposed Assessment Roll states the assessments and the projected annual installments thereof proposed to be levied against each parcel of land in the District that benefits from the Authorized Improvements, as determined by the method of assessment chosen by the City in the Authorization Resolution and as more fully described in the Preliminary SAP.

SECTION 6. The City Council hereby authorizes and directs the filing of the Proposed Assessment Roll with the City Secretary and directs the City Secretary to make the same available for public inspection.

SECTION 7. The City Council hereby authorizes and calls a public hearing (the Assessment Hearing, as defined above) to be held on **August 6, 2026, at or after 6:00 p.m.** in the Gunter City Council Chambers, 105 North 4th Street, Gunter, Texas 75058, at which, the City Council shall, among other actions, hear and pass on any objections to the proposed assessments, and, upon the adjournment of the Assessment Hearing, the City Council will consider an ordinance levying the assessments as special assessments on property located within the District that benefits from the Authorized Improvements, and which ordinance shall specify the method of payment of the assessments.

SECTION 8. The City Council hereby authorizes and directs the City Secretary or City staff to publish notice of the Assessment Hearing, in substantially the form attached hereto as **Exhibit B** and incorporated herein for all purposes, in a newspaper of general circulation in the City, on or before **July 25, 2026**, as required by Section 372.016(b) of the PID Act.

SECTION 9. When the Proposed Assessment Roll is filed with the City Secretary, the City Council hereby authorizes and directs the City Secretary or City staff, on or before **July 25, 2026**, to mail to owners of property liable for the proposed assessments notice of the Assessment Hearing, as required by Section 372.016(c) of the PID Act.

SECTION 10. City staff is authorized and directed to take such other actions as are required (including, but not limited to, providing notice of the Assessment Hearing as required by the Texas Open Meetings Act) to place the Assessment Hearing on the agenda for the **August 6, 2026** meeting of the City Council.

SECTION 11. This Resolution shall become effective from and after its date of passage in accordance with law.

DULY PASSED, APPROVED AND ADOPTED by the City Council of the City of Gunter, Texas
this the 2nd day of July, 2026.

AYES _____

NAYS _____

ABSTENTIONS _____

CITY OF GUNTER, TEXAS

Karen Souther, Mayor

ATTEST:

Detra Gaines, City Secretary

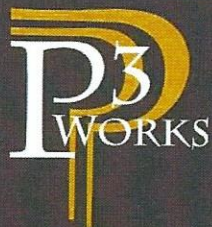
(CITY SEAL)

EXHIBIT A
PRELIMINARY SAP

The Preserve Public Improvement District

PRELIMINARY SERVICE AND ASSESSMENT PLAN

JULY 2, 2026



AUSTIN, TX | NORTH RICHLAND HILLS, TX | HOUSTON, TX

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INTRODUCTION

Capitalized terms used in this Service and Assessment Plan shall have the meanings given to them in **Section I** unless otherwise defined in this Service and Assessment Plan or unless the context in which a term is used clearly requires a different meaning. Unless otherwise defined, a reference to a “Section,” an “Exhibit,” or an “Appendix” shall be a reference to a Section of this Service and Assessment Plan or an Exhibit or Appendix attached to and made a part of this Service and Assessment Plan for all purposes.

On June 4, 2026 the City Council passed and approved Resolution No. _____ authorizing the establishment of the District in accordance with the PID Act, which authorization was effective upon approval in accordance with the PID Act. The purpose of the District is to finance the Actual Costs of Authorized Improvements that confer a special benefit on approximately 59.508 acres located within the corporate limits of the City, as described by the legal description on **Exhibit J** and depicted on **Exhibit A-1**.

The PID Act requires a service plan must (i) cover a period of at least five years; (ii) define the annual indebtedness and projected cost of the Authorized Improvements; and (iii) include a copy of the notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan is contained in **Section IV** and the notice form is attached as **Appendix B**.

The PID Act requires that the Service Plan include an Assessment Plan that assesses the Actual Costs of the Authorized Improvements against the Assessed Property within the District based on the special benefits conferred on such property by the Authorized Improvements. The Assessment Plan is contained in **Section V**.

The PID Act requires an Assessment Roll that states the Assessment against each Parcel as determined by the method chosen by the City Council. The Assessment against each Parcel of Assessed Property must be sufficient to pay the share of the Actual Costs of the Authorized Improvements apportioned to such Parcel and cannot exceed the special benefit conferred on the Parcel by such Authorized Improvements. The Assessment Roll is included as **Exhibit F-1**.

SECTION I: DEFINITIONS

“2026 Assessment Ordinance” means an Assessment Ordinance approved and adopted by the City Council on August 6, 2026, which levied the Assessments against Parcels of Assessed Property and approved this Service and Assessment Plan.

“Actual Costs” mean, with respect to Authorized Improvements, the actual costs of constructing or acquiring such Authorized Improvements paid or incurred by or on behalf of the Developer (either directly or through affiliates), including: (1) the costs for the design, planning, financing, administration/management, acquisition, installation, construction and/or implementation of such Authorized Improvements; (2) the fees paid for obtaining permits, licenses, or other governmental approvals for such Authorized Improvements; (3) the costs for external professional services, such as engineering, geotechnical, surveying, land planning, architectural landscapers, appraisals, legal, accounting, and similar professional services; (4) the costs for all labor, bonds, and materials, including equipment and fixtures, owing to contractors, builders, and materialmen engaged in connection with the acquisition, construction, or implementation of the Authorized Improvements; (5) all related permitting and public approval expenses, and architectural, engineering, consulting, and other governmental fees and charges; and (6) costs to implement, administer, and manage the above-described activities including, but not limited to, a construction management fee equal to four percent (4%) of construction costs if managed by or on behalf of the Developer.

“Additional Interest” means the amount collected by the application of the Additional Interest Rate.

“Additional Interest Rate” means the up to 0.50% additional interest rate that may be charged on Assessments securing PID Bonds pursuant to Section 372.018 of the PID Act.

“Administrator” means the City or independent firm designated by the City who shall have the responsibilities provided in this Service and Assessment Plan, any Indenture, or any other agreement or document approved by the City related to the duties and responsibilities of the administration of the District. The initial Administrator is P3Works, LLC.

“Annual Collection Costs” mean the actual or budgeted costs and expenses related to the operation of the District, including, but not limited to, costs and expenses for: (1) the Administrator; (2) City staff; (3) legal counsel, engineers, accountants, financial advisors, and other consultants engaged by the City; (4) calculating, collecting, and maintaining records with respect to Assessments and Annual Installments; (5) preparing and maintaining records with respect to Assessment Rolls and Annual Service Plan Updates; (6) paying and redeeming PID

Bonds; (7) investing or depositing Assessments and Annual Installments; (8) complying with this Service and Assessment Plan, the PID Act, and any Indenture, with respect to the PID Bonds, including the continuing disclosure requirements; and (9) the paying agent/registrar and Trustee in connection with PID Bonds, including their respective legal counsel. Annual Collection Costs collected but not expended in any year shall be carried forward and applied to reduce Annual Collection Costs for subsequent years.

“Annual Installment” means the annual installment payment of an Assessment as calculated by the Administrator and approved by the City Council, that includes: (1) principal; (2) interest; (3) Annual Collection Costs; and (4) Additional Interest related to the PID Bonds.

“Annual Service Plan Update” means an update to this Service and Assessment Plan prepared no less frequently than annually by the Administrator and approved by the City Council.

“Assessed Property” means any Parcel within the District against which an Assessment is levied.

“Assessment” means the assessment levied against the Parcel of Assessed Property within the District to pay the costs of the Authorized Improvements as specified herein, which Assessment is imposed pursuant to the 2026 Assessment Ordinance and the provisions herein, as shown on the Assessment Roll, subject to reallocation upon the subdivision of such Assessed Property, consolidation of multiple Assessed Properties, or reduction according to the provisions herein and in the PID Act.

“Assessment Plan” means the methodology employed to assess the Actual Costs of the Authorized Improvements against the Assessed Property based on the special benefits conferred on such property by the Authorized Improvements, more specifically set forth and described in **Section V**.

“Assessment Roll” means the assessment roll for the Assessed Property as updated, modified or amended from time to time in accordance with the procedures set forth herein and in the PID Act, including any Annual Service Plan Update. The Assessment Roll is included in this Service and Assessment Plan as **Exhibit F-1**.

“Authorized Improvements” means the costs and improvements authorized by Section 372.003 of the PID Act, including the (1) Public Improvements, (2) Bond Issuance Costs incurred in connection with the issuance of the PID Bonds, and (3) deposit to the administrative fund related to the Assessments, as described in **Section III**, and as further depicted on **Exhibit G-1** and **Exhibit G-2**.

“Bond Issuance Costs” means the costs associated with issuing PID Bonds, including, but not limited to, attorney fees, financial advisory fees, consultant fees, initial trustee fee, appraisal fees,

printing costs, publication costs, capitalized interest, reserve fund requirements, underwriter's discount (including the fee to underwriter's counsel), fees charged by the Texas Attorney General, and any other cost or expense incurred by the City directly associated with the issuance of any series of PID Bonds.

"City" means the City of Gunter, Texas.

"City Council" means the governing body of the City.

"County" means Grayson County, Texas.

"Delinquent Collection Costs" mean costs related to the foreclosure on Assessed Property and the costs of collection of delinquent Assessments, delinquent Annual Installments, or any other delinquent amounts due under this Service and Assessment Plan, including penalties and reasonable attorney's fees actually paid, but excluding amounts representing interest and penalty interest.

"Developer" means Fraser Gunter 66, L.L.C., and any successors or assigns thereof that intend to develop the property in the District for the ultimate purpose of transferring title to end users.

"District" means The Preserve Public Improvement District containing approximately 59.508 acres located within the corporate limits of the City, and more specifically described in **Exhibit J** and depicted on **Exhibit A-1**.

"District Formation Costs" means the costs associated with forming the District, including, but not limited to, attorney fees, engineering costs, and any other cost or expense incurred by the City or Developer directly associated with the establishment of the District.

"Engineer's Report" means the report provided by a licensed professional engineer that describes the Public Improvements, including their costs, location, and benefit, and is attached hereto as **Appendix A**.

"Estimated Buildout Value" means the estimated value of an Assessed Property with fully constructed buildings, as provided by the Developer and confirmed by the City Council, by considering such factors as density, lot size, proximity to amenities, view premiums, location, market conditions, historical sales, builder contracts, discussions with homebuilders, reports from third party consultants, or any other factors that, in the judgment of the City, may impact value. The Estimated Buildout Value for each Lot Type is shown on **Exhibit E**.

"Indenture" means an Indenture of Trust entered into between the City and the Trustee in connection with the issuance of each series of PID Bonds, as amended or supplemented from time to time, setting forth the terms and conditions related to a series of PID Bonds.

“Lot” means (1) for any portion of the District for which a final subdivision plat has been recorded in the official plat records or filed in the official public records of the County, a tract of land described by “lot” in such subdivision plat; and (2) for any portion of the District for which a subdivision plat has not been recorded in the official plat records or filed in the official public records of the County, a tract of land anticipated to be described as a “lot” in a final recorded subdivision plat as shown on a concept plan or a preliminary plat. A “Lot” shall not include real property owned by a government entity, even if such property is designated as a separate described tract or lot on a recorded subdivision plat.

“Lot Type” means a classification of final building Lots with similar characteristics (e.g. lot size, home product, Estimated Buildout Value, etc.), as determined at the time of levying the Assessments and confirmed by the City Council. In the case of single-family residential Lots, the Lot Type shall be further defined by classifying the residential Lots by the Estimated Buildout Value of the Lot as provided by the Developer, and confirmed by the City Council, as shown on **Exhibit E**.

“Lot Type 1” means a Lot Type within the District generally marketed to homebuilders as a 60’ Lot. The buyer disclosure for Lot Type 1 is attached in **Appendix B**.

“Lot Type 2” means a Lot Type within the District generally marketed to homebuilders as a 70’ Lot. The buyer disclosure for Lot Type 2 is attached in **Appendix B**.

“Maximum Assessment” means, for each Lot, an Assessment equal to the lesser of (1) the amount calculated pursuant to **Section VI.A**, or (2) for each Lot Type, the amount shown on **Exhibit E**.

“Mustang SUD” means Mustang Special Utility District, its successors and assigns.

“Non-Benefitted Property” means Parcels within the boundaries of the District that accrue no special benefit from the Authorized Improvements as determined by the City Council.

“Notice of Assessment Termination” means a document that shall be recorded in the official public records of the County evidencing the termination of an Assessment, a form of which is attached as **Exhibit H**.

“Offsite Benefited Property” means Parcels adjacent to the District that accrue special benefit from the Offsite Public Improvements as determined by the City Council. The Developer has agreed to pay for the portion of the Actual Costs of the Offsite Public Improvements that benefit the Offsite Benefited Property.

“Offsite Public Improvements” means the costs and improvements authorized by Section 372.003 of the PID Act, that confer special benefit to all of the Assessed Property and Offsite

Benefited Property, as described in **Section III.B**, and as further described on **Exhibit B-1**, and depicted on **Exhibit G-2**.

"Onsite Public Improvements" means the costs and improvements authorized by Section 372.003 of the PID Act, as described in **Section III.A**, and as further described on **Exhibit B-1**, and depicted on **Exhibit G-1**.

"Parcel" or **"Parcels"** means a specific property within the District identified by either a tax parcel identification number assigned by the Grayson Central Appraisal District for real property tax purposes, by legal description, or by lot and block number in a final subdivision plat recorded in the official public records of the County, or by any other means determined by the City.

"PID Act" means Chapter 372, Texas Local Government Code, as amended.

"PID Bonds" means those certain "City of Gunter, Texas, Special Assessment Revenue Bonds, Series 2026 (The Preserve Public Improvement District Project)" that are secured by the Assessments.

"Prepayment" means the payment of all or a portion of an Assessment before the due date of the final Annual Installment thereof. Amounts received at the time of a Prepayment which represent a payment of principal, interest, or penalties on a delinquent installment of an Assessment are not to be considered a Prepayment, but rather are to be treated as the payment of the regularly scheduled Annual Installment.

"Prepayment Costs" means interest, including Additional Interest and Annual Collection Costs, to the date of Prepayment.

"Private Improvements" means improvements required to be constructed, or caused to be constructed, by the Developer that are not Authorized Improvements. Costs of Private Improvements will not be paid nor reimbursed through the collection of Annual Installments or from the proceeds of PID Bonds.

"Public Improvements" means collectively, (1) the Onsite Public Improvements; and (2) the portion of the Offsite Public Improvements allocable to the Assessed Property.

"Service and Assessment Plan" means this The Preserve Public Improvement District Service and Assessment Plan as updated, amended, or supplemented from time to time.

"Service Plan" means the plan described in **Section IV** which covers a period of at least five years and defines the annual indebtedness and projected costs of the Authorized Improvements.

"Trustee" means the trustee or successor trustee under an Indenture.

SECTION II: THE DISTRICT

The District includes approximately 59.508 contiguous acres located within the corporate limits of the City, the boundaries of which are more particularly described on **Exhibit J** and depicted on **Exhibit A-1**. Development of the District is anticipated to include approximately 209 single-family homes, consisting of 186 Lots classified as Lot Type 1 and 23 Lots classified as Lot Type 2.

SECTION III: AUTHORIZED IMPROVEMENTS

Based on information in the Engineer's Report provided by the Developer and its engineers and reviewed by the City staff and by third-party consultants retained by the City, the City has determined that the Authorized Improvements confer a special benefit on the Assessed Property and Offsite Benefited Property. Onsite Public Improvements and Offsite Public Improvements will be designed and constructed in accordance with the City, Texas Department of Transportation, or Mustang SUD's standards, regulations, requirements, and specifications and will be owned and operated by the City or Mustang SUD, as described below. The budget for the Authorized Improvements is shown on **Exhibit B-1**. The allocation of Offsite Public Improvements is shown on **Exhibit B-2**.

A. Onsite Public Improvements

- Street

Access to The Preserve will be available from proposed Oak Street and Maple Street, both on the west side of the development, as well as from proposed Preserve Drive by way of FM Highway 121, also known as East Main Street, on the southeast side of the development. Preserve Drive is the primary connection. All roadways within the development are two lanes. The roads within the development have a 50-foot right-of-way and a pavement width of 30 feet measured from face-of-curb to face-of-curb. The proposed roadways will utilize a curb and gutter section for drainage conveyance to the drainage system. The geometric designs are in accordance with the City standards. The project also includes 4-foot internal sidewalks on both sides of the street. Refer to the construction plans prepared by KFM Engineering & Design for more information regarding roadway design. The construction activities for The Preserve onsite development will include the use of temporary erosion and sediment controls such as stabilized construction entrances, silt fence, rock berms, and inlet protection to minimize the runoff of silt and sediment associated with the construction. Additionally, revegetation of disturbed areas will be provided.

- **Water**

All residential lots within the development will be provided with individual water service connections. 8-inch and 12-inch PVC waterlines located in the public right-of-way will service the development. The water improvements will be designed and constructed in accordance with Texas Commission on Environmental Quality and Mustang SUD standards and specifications and will be owned and operated by Mustang SUD.

- **Sewer**

All residential lots within the development will be provided with individual wastewater service connections. Wastewater service will be provided by 8-inch gravity wastewater lines also within the public right-of-way. The sewer improvements will be designed and constructed in accordance with Texas Commission on Environmental Quality and Mustang SUD standards and specifications and will be owned and operated by Mustang SUD.

- **Drainage**

The drainage conveyance system for the development includes curb and gutter, inlets, and underground storm drains and is designed to convey stormwater runoff generated within the project. The conveyance system has been designed in accordance with the City drainage criteria. The drainage system is within the public right-of-way and will be maintained by the City.

- **District Formation Costs**

District Formation Costs consist of the costs associated with forming the District, including, but not limited to, attorney fees, engineering costs, and any other cost or expense incurred by the City or the Developer directly associated with the establishment of the District.

- **Soft Costs**

Soft costs consist of costs related to designing, constructing, and installing the Onsite Public Improvements of the District including geotechnical report, material testing, inspection fees, permit fees, mobilization, and costs associated with financing the Onsite Public Improvements to the District.

B. Offsite Public Improvements

- **Water**

Offsite water improvements will be required to provide adequate access and utility service connections to the Assessed Property and the Offsite Benefited

Property (the "Project"). These improvements will be made along FM Highway 121. Water improvements include a 12-inch water line connecting to an existing water storage tank. These improvements have been sized to serve only the Project and do not include any oversizing components.

- Sewer

Offsite sewer improvements will be required to provide adequate access and utility service connections to the Project. These improvements will be made along FM Highway 121. This will include a 6-inch wastewater force main that will connect to an existing 8-inch gravity main. These improvements have been sized to serve only the Project and do not include any oversizing components.

C. Bond Issuance Costs

- Debt Service Reserve Fund

Equals the amount to be deposited in a debt service reserve fund under an applicable Indenture in connection with the issuance of PID Bonds.

- Capitalized Interest

Equals the amount required to be deposited for the purpose of paying capitalized interest on a series of PID Bonds under an applicable Indenture in connection with the issuance of such PID Bonds.

- Underwriter's Discount

Equals a percentage of the par amount of a particular series of PID Bonds related to the costs of underwriting such PID Bonds. Includes the fee of counsel to the Underwriter.

- Cost of Issuance

Includes costs of issuing a particular series of PID Bonds, including but not limited to issuer fees, attorney's fees, financial advisory fees, consultant fees, appraisal fees, printing costs, publication costs, City's costs, fees charged by the Texas Attorney General, and any other cost or expense directly associated with the issuance of PID Bonds.

D. Other Costs

- Deposit to Administrative Fund

Equals the amount necessary to fund the first year's Annual Collection Costs for a

particular series of PID Bonds.

SECTION IV: SERVICE PLAN

The PID Act requires the Service Plan to cover a period of at least five years. The Service Plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the District during the five-year period. The Service Plan is also required to include a copy of the buyer disclosure notice form required by Section 5.014 of the Texas Property Code, as amended. The Service Plan must be reviewed and updated in each Annual Service Plan Update. **Exhibit C** summarizes the Service Plan for the District. Per the PID Act and Section 5.014 of the Texas Property Code, as amended, this Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosure for the District. The buyer disclosures are attached hereto as **Appendix B**.

Exhibit D summarizes the sources and uses of funds required to construct the Authorized Improvements and Private Improvements. The sources and uses of funds shown on **Exhibit D** shall be updated in an Annual Service Plan Update to show the amount required to fund the Authorized Improvements and Private Improvements.

SECTION V: ASSESSMENT PLAN

The PID Act allows the City Council to apportion the costs of the Authorized Improvements to the Assessed Property based on the special benefit received from the Authorized Improvements. The PID Act provides that such costs may be apportioned: (1) equally per front foot or square foot; (2) according to the value of property as determined by the City Council, with or without regard to improvements constructed on the property; or (3) in any other manner approved by the City Council that results in imposing equal shares of such costs on property similarly benefited. The PID Act further provides that the City Council may establish by ordinance reasonable classifications and formulas for the apportionment of the cost between the City and the area to be assessed and the methods of assessing the special benefits for various classes of improvements.

This section of this Service and Assessment Plan describes the special benefit received by each Parcel within the District as a result of the Authorized Improvements and provides the basis and justification for the determination that this special benefit equals or exceeds the amount of the Assessments to be levied on the Assessed Property for such Authorized Improvements.

The determination by the City Council of the assessment methodologies set forth below is the result of the discretionary exercise by the City Council of its legislative authority and

governmental powers and is conclusive and binding on the Developer, and all future owners and developers of the Assessed Property.

A. Assessment Methodology

Acting in its legislative capacity and based on information provided by the Developer and its engineers and reviewed by the City staff and by third-party consultants retained by the City, the City Council has determined that the costs related to the Authorized Improvements shall be allocated as follows:

- By the adoption of the 2026 Assessment Ordinance, the costs of Offsite Public Improvements were first allocated to the Assessed Property and Offsite Benefited Property proportionally based upon acreage. The costs of the Offsite Public Improvements allocated to the Assessed Property were then allocated to each Parcel of Assessed Property based on the ratio of the Estimated Buildout Values of each Parcel designated as Assessed Property to the Estimated Buildout Value of all Assessed Property. See **Exhibit B-2** for the allocation of Offsite Public Improvement costs.
- By the adoption of the 2026 Assessment Ordinance, the costs of the Onsite Public Improvements were allocated to each Parcel of Assessed Property based on the ratio of the Estimated Buildout Value of each Parcel designated as Assessed Property to the Estimated Buildout Value of all Assessed Property.

B. Assessments

By the adoption of the 2026 Assessment Ordinance, Assessments were levied on the Assessed Property in the amount shown on the Assessment Roll, attached hereto as **Exhibit F-1**. The projected Annual Installments are shown on **Exhibit F-2**, subject to revisions made during any Annual Service Plan Update. Upon division or subdivision of any Parcel, the Assessments will be reallocated pursuant to **Section VI**.

The Maximum Assessment for each Lot Type is shown on **Exhibit E**. In no case will the Assessment for Lots classified as Lot Type 1 or Lot Type 2, respectively, exceed the corresponding Maximum Assessment for each Lot Type classification.

C. Findings of Special Benefit

Acting in its legislative capacity and based on information provided by the Developer and its engineers and reviewed by the City staff and by third-party consultants retained by the City, the City Council has found and determined the following:

- The costs of the Authorized Improvements equal \$10,743,486, as shown on **Exhibit B-1**; and
- The Assessed Property receives special benefit from the Authorized Improvements equal to or greater than the Actual Cost of the Authorized Improvements; and
- By the adoption of the 2026 Assessment Ordinance, the Assessed Property is allocated 100% of the Assessment levied for the Authorized Improvements which equals \$9,745,000, as shown on the Assessment Roll attached hereto as **Exhibit F-1**; and
- The special benefit (\geq \$10,743,486) received by the Assessed Property from the Authorized Improvements is equal to or greater than the amount of the Assessment (\$9,745,000) levied on the Assessed Property for the Authorized Improvements; and
- At the time the City Council adopted the 2026 Assessment Ordinance, the Developer owned 100% of the Assessed Property. The Developer acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and consented to the imposition of the Assessment to pay for the Actual Costs associated therewith. The Developer ratified, confirmed, accepted, agreed to, and approved: (1) the determinations and findings by the City Council as to the special benefits described herein and the 2026 Assessment Ordinance; (2) the Service and Assessment Plan and the 2026 Assessment Ordinance; and (3) the levying of the Assessment on the Assessed Property.

D. Annual Collection Costs

The Annual Collection Costs shall be paid for annually by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. The Annual Collection Costs shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on Actual Costs incurred in Annual Service Plan Updates.

E. Additional Interest

The interest rate on Assessments securing each respective series of PID Bonds may exceed the interest rate on each respective series of PID Bonds by the Additional Interest Rate. To the extent required by any Indenture, Additional Interest shall be collected as part of each Annual Installment related to the PID Bonds and shall be deposited pursuant to the applicable Indenture.

SECTION VI: TERMS OF THE ASSESSMENTS

Any reallocation of Assessments as described in this **Section VI** shall be considered an administrative action of the City and will not be subject to the notice or public hearing requirements under the PID Act.

A. Reallocation of Assessments

1. *Upon Division Prior to Recording of Subdivision Plat*

Upon the division of any Assessed Property (without the recording of a subdivision plat), the Administrator shall reallocate the Assessment for the Assessed Property prior to the division among the newly divided Assessed Properties according to the following formula:

$$A = B \times (C \div D)$$

Where the terms have the following meanings:

A = the Assessment for the newly divided Assessed Property

B = the Assessment for the Assessed Property prior to division

C = the Estimated Buildout Value of the newly divided Assessed Property

D = the sum of the Estimated Buildout Value for all of the newly divided Assessed Properties

The calculation of the Assessment of an Assessed Property shall be performed by the Administrator and shall be based on the Estimated Buildout Value of that Assessed Property, as provided by the Developer, relying on information from homebuilders, market studies, appraisals, official public records of the County, and any other relevant information regarding the Assessed Property. The Estimated Buildout Value for Lot Type 1 and Lot Type 2 are shown on **Exhibit E** and will not change in future Annual Service Plan Updates, but **Exhibit E** may be updated in future Annual Service Plan Updates to account for additional Lot Types. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly divided Assessed Properties shall equal the Assessment for the Assessed Property prior to subdivision. The calculation shall be made separately for each newly divided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in the Annual Service Plan Update immediately following such reallocation.

2. Upon Subdivision by a Recorded Subdivision Plat

Upon the subdivision of any Assessed Property based on a recorded subdivision plat, the Administrator shall reallocate the Assessment for the Assessed Property prior to the subdivision among the new subdivided Lots based on Estimated Buildout Value according to the following formula:

$$A = [B \times (C \div D)]/E$$

Where the terms have the following meanings:

A = the Assessment for the newly subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the sum of the Estimated Buildout Value of all newly subdivided Lots with the same Lot Type

D = the sum of the Estimated Buildout Value for all of the newly subdivided Lots excluding Non-Benefitted Property

E = the number of newly subdivided Lots with the same Lot Type

Prior to the recording of a subdivision plat, the Developer shall provide the City an Estimated Buildout Value as of the date of the recorded subdivision plat for each Lot created by the recorded subdivision plat. The calculation of the Assessment for a Lot shall be performed by the Administrator and confirmed by the City Council based on Estimated Buildout Value information provided by the Developer, homebuilders, third party consultants, and/or the official public records of the County regarding the Lot. The Estimated Buildout Value for Lot Type 1 and Lot Type 2 are shown on **Exhibit E** and will not change in future Annual Service Plan Updates. The calculation as confirmed by the City Council shall be conclusive and binding.

The sum of the Assessments for all newly subdivided Lots shall not exceed the Assessment for the portion of the Assessed Property subdivided prior to subdivision. The calculation shall be made separately for each newly subdivided Assessed Property. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section

shall be reflected in the Annual Service Plan Update immediately following such reallocation.

3. Upon Consolidation

If two or more Lots or Parcels are consolidated into a single Lot or Parcel, the Administrator shall allocate the Assessments against the Lots or Parcels before the consolidation to the consolidated Lot or Parcel, which allocation shall be approved by the City Council in the next Annual Service Plan Update immediately following such consolidation. The Assessment for any resulting Lot may not exceed the Maximum Assessment for the applicable Lot Type and compliance may require a mandatory Prepayment of Assessments pursuant to **Section VI.C.**

B. Mandatory Prepayment of Assessments

If an Assessed Property or a portion thereof is conveyed to a party that is exempt from payment of the Assessment under applicable law, or the owner causes a Lot, Parcel or portion thereof to become Non-Benefitted Property, the owner of such Lot, Parcel or portion thereof shall pay to the City, or cause to be paid to the City, the full amount of the Assessment, plus all Prepayment Costs and Delinquent Collection Costs for such Assessed Property, prior to any such conveyance or act, and no such conveyance shall be effective until the City receives such payment. Following payment of the foregoing costs in full, the City shall provide the owner with a recordable "Notice of Assessment Termination," a form of which is attached hereto as **Exhibit H.**

C. True-Up of Assessments if Maximum Assessment Exceeded at Plat

Prior to the City approving a final subdivision plat, the Administrator will certify that such plat will not result in the Assessment per Lot for any Lot Type to exceed the Maximum Assessment. If the Administrator determines that the resulting Assessment per Lot for any Lot Type will exceed the Maximum Assessment for that Lot Type, then (1) the Assessment applicable to each Lot Type shall each be reduced to the Maximum Assessment, and (2) the person or entity filing the plat shall pay to the City, or cause to be paid to the City, the amount the Assessment was reduced, plus Prepayment Costs and Delinquent Collection Costs, if any, prior to the City approving the final plat. The City's approval of a plat without payment of such amounts does not eliminate the obligation of the person or entity filing the plat to pay such amounts. At no time shall the aggregate Assessments for any Lot exceed the Maximum Assessment.

D. Reduction of Assessments

If as a result of cost savings or the failure to construct all or a portion of an Authorized Improvement the Actual Costs of any Authorized Improvements are less than the Assessments,

then (i) in the event PID Bonds have not been issued for the purpose of financing Authorized Improvements affected by such reduction in Actual Costs, the City Council shall reduce each Assessment on a pro rata basis such that the sum of the resulting reduced Assessments for all Assessed Property equals the reduced Actual Costs that were expended, or (ii) in the event that PID Bonds have been issued for the purpose of financing Authorized Improvements affected by such reduction in Actual Costs, the Trustee shall apply amounts on deposit in the applicable account of the project fund created under the Indenture relating to such series of PID Bonds that are not expected to be used for the purposes of the project fund as directed by the City pursuant to the terms of such Indenture. Such excess PID Bond proceeds may be used for any purpose authorized by such Indenture. The Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds.

The Administrator shall update (and submit to the City Council for review and approval as part of the next Annual Service Plan Update) the Assessment Roll and corresponding Annual Installments to reflect the reduced Assessments.

E. Prepayment of Assessments

The owner of any Assessed Property may, at any time, pay all or any part of an Assessment in accordance with the PID Act. Prepayment Costs, if any, may be paid from a reserve established under the applicable Indenture. If an Annual Installment has been billed, or the Annual Service Plan Update has been approved by the City Council prior to the Prepayment, the Annual Installment shall be due and payable and shall be credited against the Prepayment.

If an Assessment on an Assessed Property is prepaid in full, with Prepayment Costs, (1) the Administrator shall cause the Assessment to be reduced to zero on said Assessed Property and the Assessment Roll to be revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; (3) the obligation to pay the Assessment and corresponding Annual Installments shall terminate with respect to said Assessed Property; and (4) the City shall provide the owner with a recordable "Notice of Assessment Termination."

If an Assessment on an Assessed Property is prepaid in part with Prepayment Costs: (1) the Administrator shall cause the Assessment to be reduced on said Assessed Property and the Assessment Roll revised accordingly; (2) the Administrator shall prepare the revised Assessment Roll and submit such revised Assessment Roll to the City Council for review and approval as part of the next Annual Service Plan Update; and (3) the obligation to pay the Assessment will be reduced to the extent of the Prepayment made.

F. Payment of Assessment in Annual Installments

Assessments that are not paid in full shall be due and payable in Annual Installments. **Exhibit F-2** shows the estimated Annual Installments. Annual Installments are subject to adjustment in each Annual Service Plan Update.

Prior to the recording of a final subdivision plat, if any Parcel shown on the Assessment Roll is assigned multiple tax parcel identification numbers for billing and collection purposes, the Annual Installment shall be allocated pro rata based on the acreage of the Parcel not including any Non-Benefitted Property as shown by the Grayson Central Appraisal District for each tax parcel identification number.

The Administrator shall prepare and submit to the City Council for its review and approval an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include updated Assessment Rolls and updated calculations of Annual Installments. The Annual Collection Costs for a given Assessment shall be paid by the owner of each Parcel pro rata based on the ratio of the amount of outstanding Assessment remaining on the Parcel to the total outstanding Assessment. Annual Installments shall be reduced by any credits applied under an applicable Indenture, such as capitalized interest, interest earnings on account balances, and any other funds available to the Trustee for such purposes. Annual Installments shall be collected by the City in the same manner and at the same time as ad valorem taxes. Annual Installments shall be subject to the penalties, procedures, and foreclosure sale in case of delinquencies as set forth in the PID Act and in the same manner as ad valorem taxes due and owing to the City. To the extent permitted by the PID Act or other applicable law, the City Council may provide for other means of collecting Annual Installments, but in no case shall the City take any action, or fail to take any action, that would cause it to be in default under any Indenture. Assessments shall have the lien priority specified in the PID Act.

Sales of the Assessed Property for nonpayment of Annual Installments shall be subject to the lien for the remaining unpaid Annual Installments against the Assessed Property, and the Assessed Property may again be sold at a judicial foreclosure sale if the purchaser fails to timely pay any of the remaining unpaid Annual Installments as they become due and payable.

The City reserves the right to refund PID Bonds in accordance with applicable law, including the PID Act. In the event of a refunding, the Administrator shall recalculate, or cause to be recalculated, the principal and interest of the Annual Installments so that total Annual Installments will be sufficient to pay the refunding bonds, and the refunding bonds shall constitute "PID Bonds."

Each Annual Installment of an Assessment, including interest on the unpaid principal of the Assessment, shall be updated annually. Each Annual Installment shall be due when billed and shall be delinquent if not paid prior to February 1 of the following year. The initial Annual Installments of the Assessments shall be due when billed and shall be delinquent if not paid prior to February 1, 2027.

Failure of an owner of an Assessed Property to receive an invoice for an Annual Installment shall not relieve said owner of the responsibility for payment of the Assessment. Assessments, or Annual Installments thereof, that are delinquent shall incur Delinquent Collection Costs.

G. Prepayment as a Result of an Eminent Domain Proceeding or Taking

Subject to applicable law, if any portion of any Parcel of Assessed Property is taken from an owner as a result of eminent domain proceedings or if a transfer of any portion of any Parcel of Assessed Property is made to an entity with the authority to condemn all or a portion of the Assessed Property in lieu of or as a part of an eminent domain proceeding (a **"Taking"**), the portion of the Assessed Property that was taken or transferred (the **"Taken Property"**) shall be reclassified as Non-Benefitted Property.

For the Assessed Property that is subject to the Taking as described in the preceding paragraph, the Assessment that was levied against the Assessed Property (when it was included in the Taken Property) prior to the Taking shall remain in force against the remaining Assessed Property (the Assessed Property less the Taken Property) (the **"Remaining Property"**), following the reclassification of the Taken Property as Non-Benefitted Property, subject to an adjustment of the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. The owner of the Remaining Property will remain liable to pay in Annual Installments, or payable as otherwise provided pursuant to the terms of this Service and Assessment Plan, as updated, and the PID Act, the Assessment that remains due on the Remaining Property, subject to an adjustment in the Assessment applicable to the Remaining Property after any required Prepayment as set forth below. Notwithstanding the foregoing, if the Assessment that remains due on the Remaining Property exceeds the applicable Maximum Assessment, the owner of the Remaining Property will be required to make a Prepayment in an amount necessary to ensure that the Assessment against the Remaining Property does not exceed such Maximum Assessment, in which case the Assessment applicable to the Remaining Property will be reduced by the amount of the partial Prepayment. If the City receives all or a portion of the eminent domain proceeds (or payment made in an agreed sale in lieu of condemnation), such amount shall be credited against the amount of Prepayment, with any remainder credited against the Assessment on the Remaining Property.

In all instances the Assessment remaining on the Remaining Property shall not exceed the applicable Maximum Assessment.

By way of illustration, if an owner owns 100 acres of Assessed Property subject to a \$100 Assessment and 10 acres is taken through a Taking, the 10 acres of Taken Property shall be reclassified as Non-Benefitted Property and the remaining 90 acres constituting the Remaining Property shall be subject to the \$100 Assessment (provided that this \$100 Assessment does not exceed the Maximum Assessment on the Remaining Property). If the Administrator determines that the \$100 Assessment reallocated to the Remaining Property would exceed the Maximum Assessment, as applicable, on the Remaining Property by \$10, then the owner shall be required to pay \$10 as a Prepayment of the Assessment against the Remaining Property and the Assessment on the Remaining Property shall be adjusted to \$90.

Notwithstanding the previous paragraphs in this subsection, if the owner of the Remaining Property notifies the City and the Administrator that the Taking prevents the Remaining Property from being developed for any use which could support the Estimated Buildout Value requirement, the owner shall, upon receipt of the compensation for the Taken Property, be required to prepay the amount of the Assessment required to buy down the outstanding Assessment to the applicable Maximum Assessment on the Remaining Property to support the Estimated Buildout Value requirement. The owner will remain liable to pay the Assessment on both the Taken Property and the Remaining Property until such time that such Assessment has been prepaid in full.

Notwithstanding the previous paragraphs in this subsection, the Assessments shall never be reduced to an amount less than the amount required to pay all outstanding debt service requirements on all outstanding PID Bonds.

SECTION VII: ASSESSMENT ROLL

The Assessment Roll is attached as **Exhibit F-1**. The Administrator shall prepare and submit to the City Council for review and approval proposed revisions to the Assessment Roll and Annual Installments for each Parcel as part of each Annual Service Plan Update.

SECTION VIII: ADDITIONAL PROVISIONS

A. Calculation Errors

If the owner of a Parcel claims that an error has been made in any calculation required by this Service and Assessment Plan, including, but not limited to, any calculation made as part of any

Annual Service Plan Update, the owner's sole and exclusive remedy shall be to submit a written notice of error to the Administrator by December 1st of each year in connection with the City Council's approval of that year's calculation. Otherwise, the owner shall be deemed to have unconditionally approved and accepted the calculation. The Administrator shall provide a written response to the City Council and the owner not later than 30 days after receipt of such written notice of error by the Administrator. The City Council shall consider the owner's notice of error and the Administrator's response at a public meeting, and, not later than 30 days after closing such meeting, the City Council shall make a final determination as to whether an error has been made. If the City Council determines that an error has been made, the City Council shall take such corrective action as is authorized by the PID Act, this Service and Assessment Plan, the 2026 Assessment Ordinance, the applicable Indenture, or as otherwise authorized by the discretionary power of the City Council. The determination by the City Council as to whether an error has been made, and any corrective action taken by the City Council, shall be final and binding on the owner and the Administrator.

B. Amendments

Amendments to this Service and Assessment Plan must be made by the City Council in accordance with the PID Act. To the extent permitted by the PID Act, this Service and Assessment Plan may be amended without notice to owners of the Assessed Property: (1) to correct mistakes and clerical errors; (2) to clarify ambiguities; and (3) to provide procedures to collect Assessments, Annual Installments, and other charges imposed by this Service and Assessment Plan.

C. Administration and Interpretation

The Administrator shall: (1) perform the obligations of the Administrator as set forth in this Service and Assessment Plan; (2) administer the District for and on behalf of and at the direction of the City Council; and (3) interpret the provisions of this Service and Assessment Plan. Interpretations of this Service and Assessment Plan by the Administrator shall be in writing and shall be appealable to the City Council by owners of Assessed Property adversely affected by the interpretation. Appeals shall be decided by the City Council after holding a public meeting at which all interested parties have an opportunity to be heard. Decisions by the City Council shall be final and binding on the owners of Assessed Property and developers and their successors and assigns.

D. Form of Buyer Disclosure/Filing and Posting Requirements

Per Section 5.014 of the Texas Property Code, as amended, this Service and Assessment Plan, and any future Annual Service Plan Updates, shall include a form of the buyer disclosures for the

District. The buyer disclosures are attached hereto as **Appendix B**. Within seven days of approval by the City Council, the City shall (1) post a copy of this Service and Assessment Plan or any future Annual Service Plan Updates on the City's internet website and (2) file and record in the real property records of the County this Service and Assessment Plan, or any future Annual Service Plan Updates. This Service and Assessment Plan or any future Annual Service Plan Updates shall be posted, filed, and recorded in their entirety.

E. Severability

If any provision of this Service and Assessment Plan is determined by a governmental agency or court to be unenforceable, the unenforceable provision shall be deleted and, to the maximum extent possible, shall be rewritten to be enforceable. Every effort shall be made to enforce the remaining provisions.

EXHIBITS

The following Exhibits are attached to and made a part of this Service and Assessment Plan for all purposes:

- Exhibit A-1** Map of the District
- Exhibit A-2** Lot Type Classification Map
- Exhibit B-1** Project Costs
- Exhibit B-2** Allocation of Offsite Public Improvements
- Exhibit C** Service Plan
- Exhibit D** Sources and Uses of Funds
- Exhibit E** Maximum Assessment and Tax Rate Equivalent
- Exhibit F-1** Assessment Roll
- Exhibit F-2** Annual Installments
- Exhibit G-1** Map of Onsite Public Improvements
- Exhibit G-2** Map of Offsite Public Improvements
- Exhibit H** Form of Notice of Assessment Termination
- Exhibit I** Debt Service Schedule for PID Bonds
- Exhibit J** District Legal Description

APPENDICES

The following Appendices are attached to and made a part of this Service and Assessment Plan for all purposes:

Appendix A	Engineer's Report
Appendix B	Buyer Disclosures

EXHIBIT A-1 – MAP OF THE DISTRICT

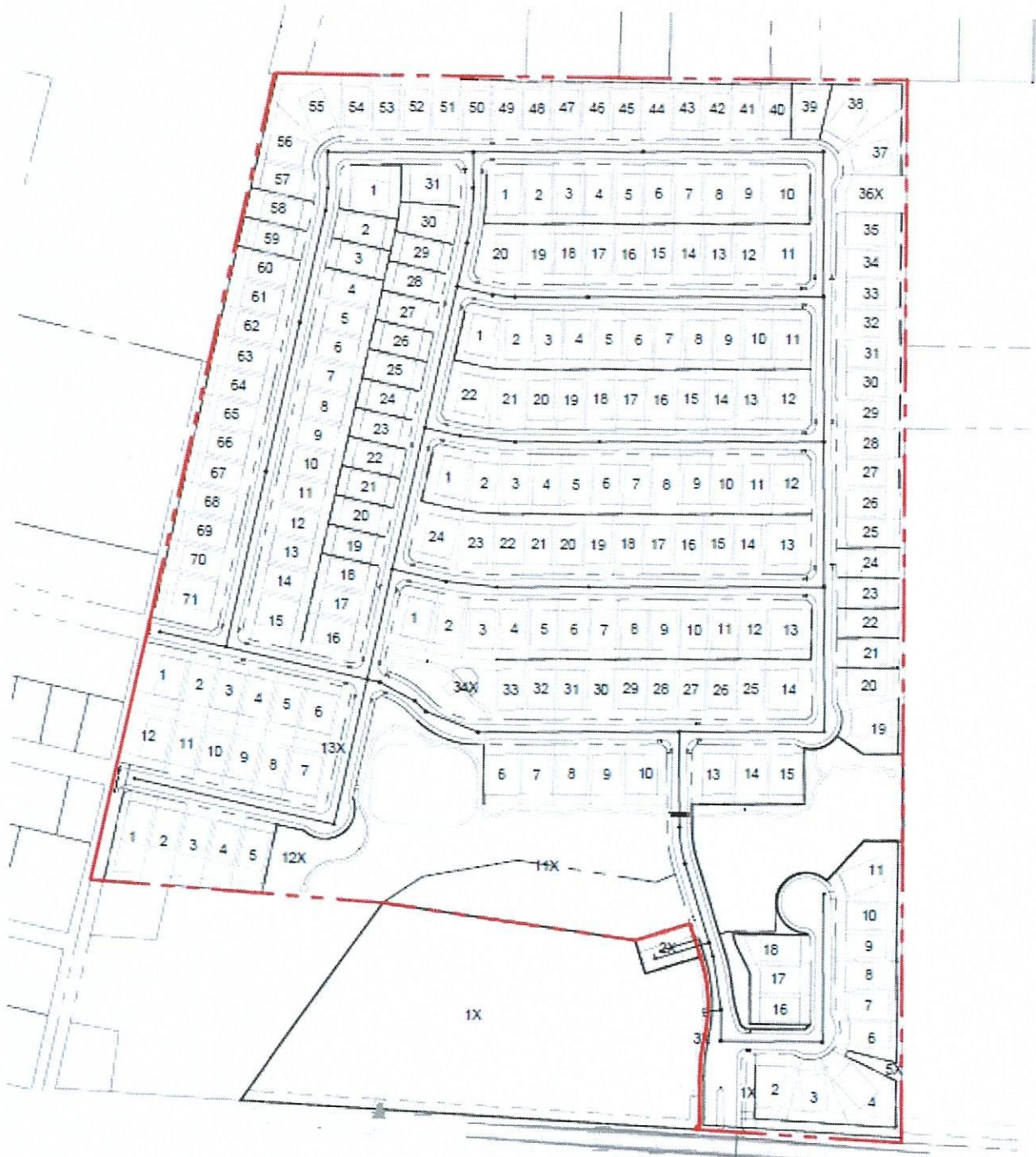


EXHIBIT A-2 – LOT TYPE CLASSIFICATION MAP



EXHIBIT B-1 – PROJECT COSTS

	Total Costs ^[a]	Privately Funded ^[b]	Offsite Benefited Property ^[f]	Authorized Improvements	Authorized Improvements	
					%	Cost
Offsite Improvements						
Water	\$ 388,637	\$ -	\$ 37,726	\$ 350,911	100.00%	\$ 350,911
Sewer	737,150	-	71,558	665,592	100.00%	665,592
	<u>\$ 1,125,787</u>	<u>\$ -</u>	<u>\$ 109,284</u>	<u>\$ 1,016,503</u>		<u>\$ 1,016,503</u>
Onsite Improvements						
Water	\$ 920,987	\$ -	\$ -	\$ 920,987	100.00%	\$ 920,987
Sewer	1,376,655	-	-	1,376,655	100.00%	1,376,655
Storm Drainage	1,739,917	-	-	1,739,917	100.00%	1,739,917
Streets	3,644,951	-	-	3,644,951	100.00%	3,644,951
District Formation Costs	250,000	-	-	250,000	100.00%	250,000
Soft Costs ^[c]	120,238	-	-	120,238	100.00%	120,238
	<u>\$ 8,052,748</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,052,748</u>		<u>\$ 8,052,748</u>
Private Improvements^[b]						
Private Improvements	\$ 7,210,328	\$ 7,210,328	\$ -	\$ -	0.00%	\$ -
	<u>\$ 7,210,328</u>	<u>\$ 7,210,328</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>
Bond Issuance Costs^[d]						
Debt Service Reserve Fund	\$ 708,460	\$ -	\$ -	\$ -		\$ 708,460
Underwriter Discount ^[e]	292,350	-	-	-		292,350
Cost of Issuance	633,425	-	-	-		633,425
	<u>\$ 1,634,235</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 1,634,235</u>
Other Costs^[d]						
Deposit to Administrative Fund	\$ 40,000	\$ -	\$ -	\$ -		\$ 40,000
	<u>\$ 40,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ 40,000</u>
Total	\$ 18,063,098	\$ 7,210,328	\$ 109,284	\$ 9,069,251		\$ 10,743,486

Footnotes:

[a] Per Engineer's Report dated June 3, 2026.

[b] Not reimbursable to the Developer from PID Bonds or Assessments.

[c] Soft Costs include inspection fees, geotechnical, material testing, permit fees, and mobilization.

[d] Preliminary estimates only. Subject to change upon PID Bond issuance.

[e] Includes the fee of counsel to the Underwriter.

[f] The Offsite Benefited Property is allocated a portion of the costs of the Offsite Public Improvements pro rata based on acreage and illustrated on Exhibit B-2. The Developer has agreed to pay for the allocable share of the actual costs of these Offsite Public Improvements that benefit the Offsite Benefited Property and is shown as Developer Contribution - Offsite Benefited Property on Exhibit D. Such costs are not reimbursable to the Developer from PID Bonds or Assessments.

EXHIBIT B-2 – ALLOCATION OF OFFSITE PUBLIC IMPROVEMENTS

Allocation between Assessed Property and Offsite Benefited Property by Acreage

Property Type	Acres ^[a]	% Allocation	Offsite Public Improvements
Assessed Property	51.158	90.29%	\$ 1,016,503
Offsite Benefited Property	5.500	9.71%	\$ 109,284
Total	56.658	100.00%	\$ 1,125,787

Footnotes:

[a] Non-Benefited Property of 8.35 acres not included in calculation

EXHIBIT C -- SERVICE PLAN

	District				
	1/31/2027	1/31/2028	1/31/2029	1/31/2030	1/31/2031
Annual Installment Due					
<i>Series 2026 Bonds</i>					
Principal	\$ 123,000.00	\$ 131,000.00	\$ 139,000.00	\$ 147,000.00	\$ 156,000.00
Interest	584,700.00	577,320.00	569,460.00	561,120.00	552,300.00
(1)	<u>\$ 707,700.00</u>	<u>\$ 708,320.00</u>	<u>\$ 708,460.00</u>	<u>\$ 708,120.00</u>	<u>\$ 708,300.00</u>
Additional Interest	(2) \$ 48,725.00	\$ 48,110.00	\$ 47,455.00	\$ 46,760.00	\$ 46,025.00
Annual Collection Costs	(3) \$ 40,000.00	\$ 40,800.00	\$ 41,616.00	\$ 42,448.32	\$ 43,297.29
Total Annual Installment Due	(4) = (1) + (2) + (3) \$ 796,425.00	\$ 797,230.00	\$ 797,531.00	\$ 797,328.32	\$ 797,622.29

EXHIBIT D – SOURCES AND USES OF FUNDS

	Privately Funded	District	Total
Sources of Funds			
PID Bonds	\$ -	\$ 9,745,000	\$ 9,745,000
Developer Contribution - District ^[a]	-	998,486	998,486
Developer Contribution - Offsite Benefited Property ^[d]	109,284	-	109,284
Developer Contribution - Private Improvements ^[a]	7,210,328	-	7,210,328
Total Sources of Funds	\$ 7,319,612	\$ 10,743,486	\$ 18,063,098
Uses of Funds			
Offsite Improvements	\$ -	\$ 1,016,503	\$ 1,016,503
Onsite Improvements	-	8,052,748	8,052,748
Offsite Benefited Property	109,284	-	109,284
Private Improvements ^[a]	7,210,328	-	7,210,328
	\$ 7,319,612	\$ 9,069,251	\$ 16,388,863
<i>Bond Issuance Costs</i> ^[b]			
Debt Service Reserve Fund	\$ -	\$ 708,460	\$ 708,460
Underwriter Discount ^[c]	-	292,350	292,350
Cost of Issuance	-	633,425	633,425
	\$ -	\$ 1,634,235	\$ 1,634,235
<i>Other Costs</i> ^[b]			
Deposit to Administrative Fund	\$ -	\$ 40,000	\$ 40,000
	\$ -	\$ 40,000	\$ 40,000
Total Uses of Funds	\$ 7,319,612	\$ 10,743,486	\$ 18,063,098

Footnotes:

[a] Not reimbursable to the Developer through Assessments or PID Bonds.

[b] Preliminary estimates only, to be updated upon PID Bond issuance.

[c] Includes the fee of counsel to the Underwriter.

[d] The Developer has agreed to pay for the allocable share of the Actual Costs of these Authorized Improvements that benefit the Offsite Benefited Property; non-reimbursable to the Developer from the collection of Annual Installment or PID Bonds.

EXHIBIT E – MAXIMUM ASSESSMENT AND TAX RATE EQUIVALENT

Lot Type	Units ^(a)	Estimated Appraised Value ^(b)		Estimated Buildout Value ^(b)		Assessment ^(b)		Average Annual Installment		PID TRE
		Per Unit	Total	Per Unit	Total	Per Unit	Total	Per Unit	Total	
Lot Type 1	186	\$ 117,300	\$ 21,817,800	\$ 600,000	\$ 111,600,000	\$ 46,371.64	\$ 8,625,125	\$ 3,779.91	\$ 703,063	\$ 0.629985
Lot Type 2	23	\$ 117,300	\$ 2,697,900	\$ 630,000	\$ 14,490,000	\$ 48,690.22	\$ 1,119,875	\$ 3,968.90	\$ 91,285	\$ 0.629985
Total	209	\$	\$ 24,515,700	\$	\$ 126,090,000	\$	\$ 9,745,000	\$	\$ 794,348	\$ 0.629985

Footnotes:

[a] Per information provided by the Developer on 04/30/2026.

[b] Subject to change based on the final appraisal.

EXHIBIT F-1 – ASSESSMENT ROLL

Property ID ^[a]	Legal Description		Lot Type	Outstanding Assessment	Annual Installment due 1/31/2027
	Block	Lot			
472856	A	1X	Non-Benefitted	\$ -	\$ -
472857	A	2	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472858	A	3	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472859	A	4	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472860	A	5X	Non-Benefitted	\$ -	\$ -
472861	A	6	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472862	A	7	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472863	A	8	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472864	A	9	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472865	A	10	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472866	A	11	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472867	A	12X	Non-Benefitted	\$ -	\$ -
472868	A	13	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472869	A	14	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472870	A	15	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472871	A	16	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472872	A	17	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472873	A	18	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472874	A	19	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472875	A	20	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472876	A	21	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472877	A	22	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472878	A	23	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472879	A	24	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472880	A	25	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472881	A	26	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472882	A	27	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472883	A	28	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472884	A	29	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472885	A	30	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472886	A	31	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472887	A	32	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472888	A	33	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472889	A	34	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472890	A	35	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472891	A	36X	Non-Benefitted	\$ -	\$ -
472892	A	37	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472893	A	38	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472894	A	39	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472895	A	40	Lot Type 1	\$ 46,371.64	\$ 3,789.79

Property ID ^[a]	Legal Description		Lot Type	Outstanding Assessment	Annual Installment due 1/31/2027
	Block	Lot			
472896	A	41	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472897	A	42	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472898	A	43	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472899	A	44	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472900	A	45	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472901	A	46	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472902	A	47	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472903	A	48	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472904	A	49	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472905	A	50	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472906	A	51	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472907	A	52	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472908	A	53	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472909	A	54	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472910	A	55	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472911	A	56	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472912	A	57	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472913	A	58	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472914	A	59	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472915	A	60	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472916	A	61	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472917	A	62	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472918	A	63	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472919	A	64	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472920	A	65	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472921	A	66	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472922	A	67	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472923	A	68	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472924	A	69	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472925	A	70	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472926	A	71	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472927	A	72X	Non-Benefitted	\$ -	\$ -
472928	A	73X	Non-Benefitted	\$ -	\$ -
472929	B	1	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472930	B	2	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472931	B	3	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472932	B	4	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472933	B	5	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472934	B	6	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472935	B	7	Lot Type 2	\$ 48,690.22	\$ 3,979.28

Property ID ^[a]	Legal Description			Outstanding Assessment	Annual Installment due 1/31/2027
	Block	Lot	Lot Type		
472936	B	8	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472937	B	9	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472938	B	10	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472939	B	11	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472940	B	12	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472941	B	13X	Non-Benefitted	\$ -	\$ -
472942	C	1	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472943	C	2	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472944	C	3	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472945	C	4	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472946	C	5	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472947	C	6	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472948	C	7	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472949	C	8	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472950	C	9	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472951	C	10	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472952	C	11X	Non-Benefitted	\$ -	\$ -
472953	C	12X	Non-Benefitted	\$ -	\$ -
472955	D	2X	Non-Benefitted	\$ -	\$ -
472956	D	3X	Non-Benefitted	\$ -	\$ -
472958	E	1	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472959	E	2	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472960	E	3	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472961	E	4	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472962	E	5	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472963	E	6	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472964	E	7	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472965	E	8	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472966	E	9	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472967	E	10	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472968	E	11	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472969	E	12	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472970	E	13	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472971	E	14	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472972	E	15	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472973	E	16	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472974	E	17	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472975	E	18	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472976	E	19	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472977	E	20	Lot Type 1	\$ 46,371.64	\$ 3,789.79

Property ID ^[a]	Legal Description			Outstanding Assessment	Annual Installment due 1/31/2027
	Block	Lot	Lot Type		
472978	E	21	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472979	E	22	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472980	E	23	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472981	E	24	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472982	E	25	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472983	E	26	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472984	E	27	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472985	E	28	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472986	E	29	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472987	E	30	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472988	E	31	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472989	F	1	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472990	F	2	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472991	F	3	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472992	F	4	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472993	F	5	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472994	F	6	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472995	F	7	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472996	F	8	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472997	F	9	Lot Type 1	\$ 46,371.64	\$ 3,789.79
472998	F	10	Lot Type 2	\$ 48,690.22	\$ 3,979.28
472999	F	11	Lot Type 2	\$ 48,690.22	\$ 3,979.28
473000	F	12	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473001	F	13	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473002	F	14	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473003	F	15	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473004	F	16	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473005	F	17	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473006	F	18	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473007	F	19	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473008	F	20	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473009	G	1	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473010	G	2	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473011	G	3	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473012	G	4	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473013	G	5	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473014	G	6	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473015	G	7	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473016	G	8	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473017	G	9	Lot Type 1	\$ 46,371.64	\$ 3,789.79

Property ID ^[a]	Legal Description		Lot Type	Outstanding Assessment	Annual Installment due 1/31/2027
	Block	Lot			
473018	G	10	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473019	G	11	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473020	G	12	Lot Type 2	\$ 48,690.22	\$ 3,979.28
473021	G	13	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473022	G	14	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473023	G	15	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473024	G	16	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473025	G	17	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473026	G	18	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473027	G	19	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473028	G	20	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473029	G	21	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473030	G	22	Lot Type 2	\$ 48,690.22	\$ 3,979.28
473031	H	1	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473032	H	2	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473033	H	3	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473034	H	4	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473035	H	5	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473036	H	6	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473037	H	7	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473038	H	8	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473039	H	9	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473040	H	10	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473041	H	11	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473042	H	12	Lot Type 2	\$ 48,690.22	\$ 3,979.28
473043	H	13	Lot Type 2	\$ 48,690.22	\$ 3,979.28
473044	H	14	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473045	H	15	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473046	H	16	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473047	H	17	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473048	H	18	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473049	H	19	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473050	H	20	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473051	H	21	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473052	H	22	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473053	H	23	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473054	H	24	Lot Type 2	\$ 48,690.22	\$ 3,979.28
473055	I	1	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473056	I	2	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473057	I	3	Lot Type 1	\$ 46,371.64	\$ 3,789.79

Property ID ^[a]	Legal Description		Lot Type	Outstanding Assessment	Annual Installment due 1/31/2027
	Block	Lot			
473058	I	4	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473059	I	5	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473060	I	6	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473061	I	7	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473062	I	8	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473063	I	9	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473064	I	10	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473065	I	11	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473066	I	12	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473067	I	13	Lot Type 2	\$ 48,690.22	\$ 3,979.28
473068	I	14	Lot Type 2	\$ 48,690.22	\$ 3,979.28
473069	I	15	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473070	I	16	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473071	I	17	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473072	I	18	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473073	I	19	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473074	I	20	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473075	I	21	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473076	I	22	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473077	I	23	Lot Type 1	\$ 46,371.64	\$ 3,789.79
473078	I	24X	Non-Benefitted	\$ -	\$ -
Total^[b]				\$ 9,745,000.00	\$ 796,424.38

Footnotes:

[a] Subject to change based on the final certified rolls provided by the County prior to billing.

[b] Totals may not match Service Plan or Annual Installment schedule due to rounding.

EXHIBIT F-2 – ANNUAL INSTALLMENTS

Installment Due 1/31	Principal	Interest ^[a]	Reserve Fund ^[c]	Additional Interest	Annual Collection Costs	Total Annual Installment Due ^[b]
2027	\$ 123,000	\$ 584,700	\$ -	\$ 48,725	\$ 40,000	\$ 796,425
2028	\$ 131,000	\$ 577,320	\$ -	\$ 48,110	\$ 40,800	\$ 797,230
2029	\$ 139,000	\$ 569,460	\$ -	\$ 47,455	\$ 41,616	\$ 797,531
2030	\$ 147,000	\$ 561,120	\$ -	\$ 46,760	\$ 42,448	\$ 797,328
2031	\$ 156,000	\$ 552,300	\$ -	\$ 46,025	\$ 43,297	\$ 797,622
2032	\$ 165,000	\$ 542,940	\$ -	\$ 45,245	\$ 44,163	\$ 797,348
2033	\$ 175,000	\$ 533,040	\$ -	\$ 44,420	\$ 45,046	\$ 797,506
2034	\$ 185,000	\$ 522,540	\$ -	\$ 43,545	\$ 45,947	\$ 797,032
2035	\$ 196,000	\$ 511,440	\$ -	\$ 42,620	\$ 46,866	\$ 796,926
2036	\$ 208,000	\$ 499,680	\$ -	\$ 41,640	\$ 47,804	\$ 797,124
2037	\$ 221,000	\$ 487,200	\$ -	\$ 40,600	\$ 48,760	\$ 797,560
2038	\$ 234,000	\$ 473,940	\$ -	\$ 39,495	\$ 49,735	\$ 797,170
2039	\$ 248,000	\$ 459,900	\$ -	\$ 38,325	\$ 50,730	\$ 796,955
2040	\$ 263,000	\$ 445,020	\$ -	\$ 37,085	\$ 51,744	\$ 796,849
2041	\$ 279,000	\$ 429,240	\$ -	\$ 35,770	\$ 52,779	\$ 796,789
2042	\$ 295,000	\$ 412,500	\$ -	\$ 34,375	\$ 53,835	\$ 795,710
2043	\$ 313,000	\$ 394,800	\$ -	\$ 32,900	\$ 54,911	\$ 795,611
2044	\$ 332,000	\$ 376,020	\$ -	\$ 31,335	\$ 56,010	\$ 795,365
2045	\$ 352,000	\$ 356,100	\$ -	\$ 29,675	\$ 57,130	\$ 794,905
2046	\$ 373,000	\$ 334,980	\$ -	\$ 27,915	\$ 58,272	\$ 794,167
2047	\$ 395,000	\$ 312,600	\$ -	\$ 26,050	\$ 59,438	\$ 793,088
2048	\$ 419,000	\$ 288,900	\$ -	\$ 24,075	\$ 60,627	\$ 792,602
2049	\$ 444,000	\$ 263,760	\$ -	\$ 21,980	\$ 61,839	\$ 791,579
2050	\$ 471,000	\$ 237,120	\$ -	\$ 19,760	\$ 63,076	\$ 790,956
2051	\$ 499,000	\$ 208,860	\$ -	\$ 17,405	\$ 64,337	\$ 789,602
2052	\$ 529,000	\$ 178,920	\$ -	\$ 14,910	\$ 65,624	\$ 788,454
2053	\$ 561,000	\$ 147,180	\$ -	\$ 12,265	\$ 66,937	\$ 787,382
2054	\$ 594,000	\$ 113,520	\$ -	\$ 9,460	\$ 68,275	\$ 785,255
2055	\$ 630,000	\$ 77,880	\$ -	\$ 6,490	\$ 69,641	\$ 784,011
2056	\$ 668,000	\$ 40,080	\$ (708,460)	\$ 3,340	\$ 71,034	\$ 73,994
Total	\$ 9,745,000	\$ 11,493,060	\$ (708,460)	\$ 957,755	\$ 1,622,723	\$ 23,110,078

Footnotes:

[a] Interest is calculated at a 6.00% rate for illustrative purposes and subject to change upon PID Bond issuance.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

[c] Assumes Reserve Fund is fully funded and available to reduce Annual Installments in the final year.

EXHIBIT G-1 – MAP OF ONSITE PUBLIC IMPROVEMENTS

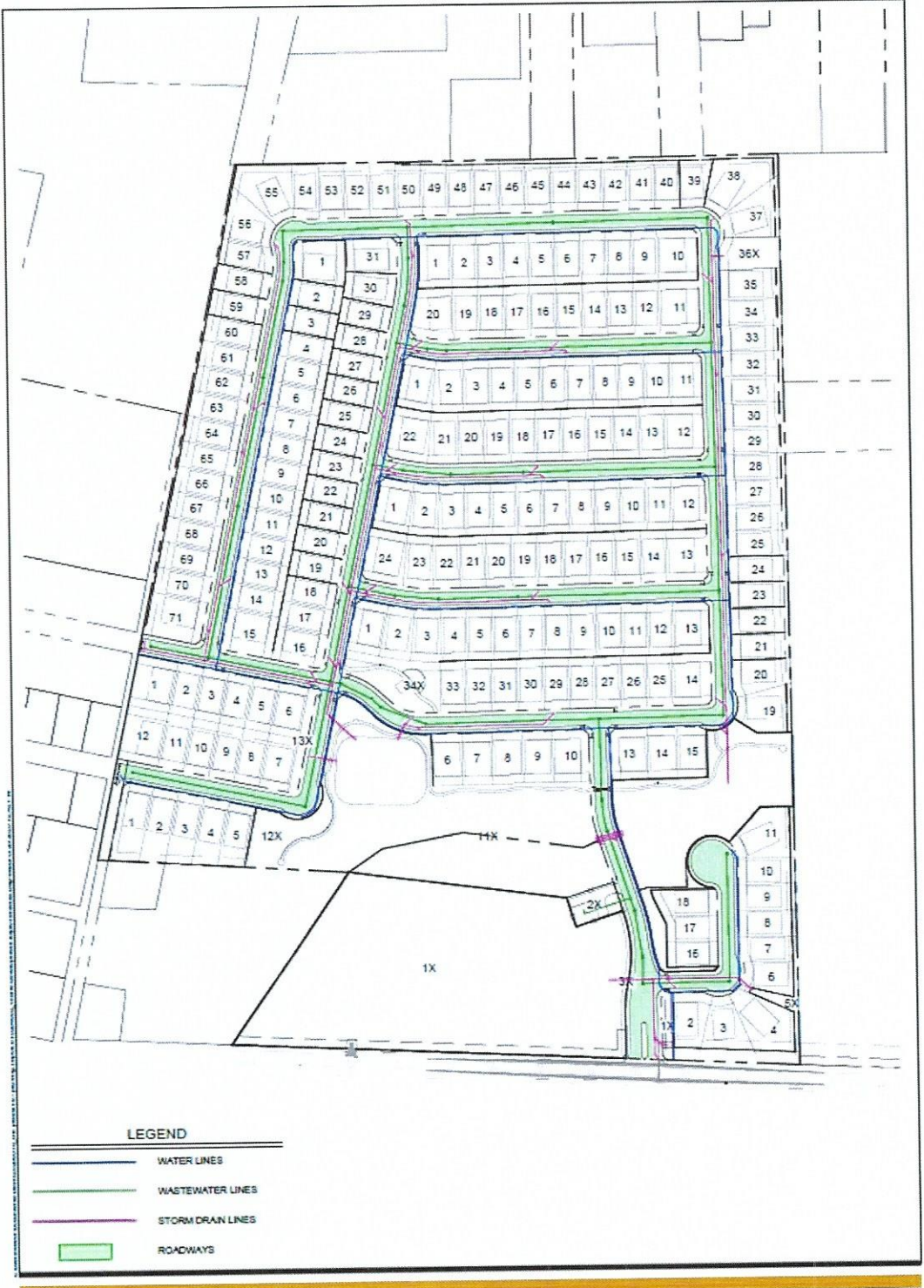


EXHIBIT G-2 – MAP OF OFFSITE PUBLIC IMPROVEMENTS

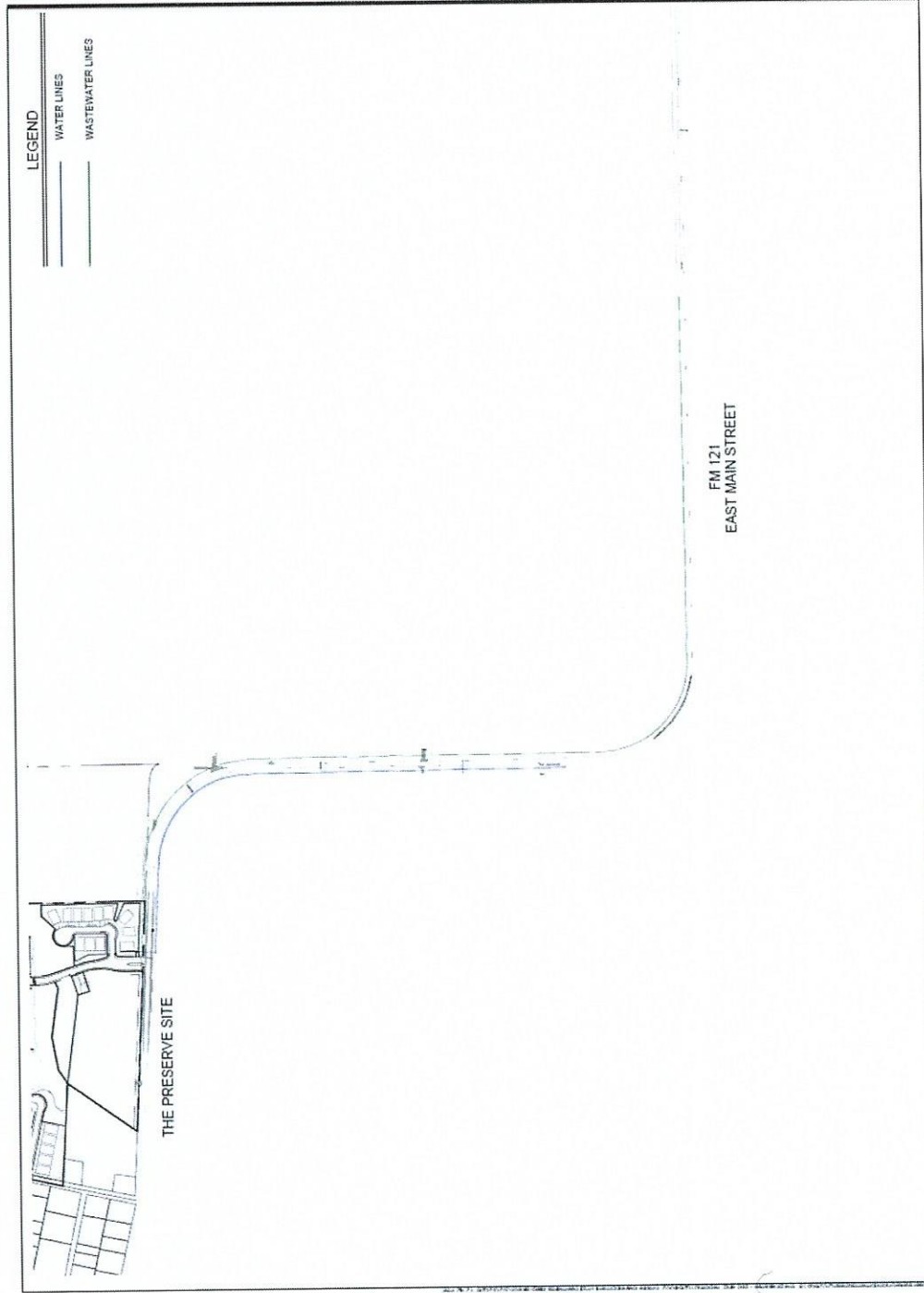


EXHIBIT H – FORM OF NOTICE OF ASSESSMENT TERMINATION



P3Works, LLC
9284 Huntington Square, Suite 100
North Richland Hills, TX 76182

[Date]
Grayson County Clerk's Office
Honorable [County Clerk]
Courthouse, Ground Floor
100 W. Houston, Ste. 17
Sherman, TX 75090

Re: City of Gunter Lien Release documents for filing

Dear Ms./Mr. [County Clerk]

Enclosed is a lien release that the City of Gunter is requesting to be filed in your office. Lien release for [insert legal description]. Recording Numbers: [Plat]. Please forward copies of the filed documents to my attention:

City of Gunter
Attn: City Secretary
105 N 4th St, Gunter, TX 75058

Please contact me if you have any questions or need additional information.

Sincerely,
[Signature]

P3Works, LLC
(817) 393-0353
Admin@P3-Works.com
www.P3-Works.com

and

WHEREAS, the Lien Amount has been paid in full.

RELEASE

NOW THEREFORE, for and in consideration of the full payment of the Lien Amount, the City hereby releases and discharges, and by these presents does hereby release and discharge, the Lien to the extent that it affects and encumbers the Property.

EXECUTED to be **EFFECTIVE** this the ____ day of _____, 20__.

CITY OF GUNTER, TEXAS,
A Texas general law municipality,

By: _____
[Mayor Name], Mayor

ATTEST:

[Secretary Name], City Secretary

STATE OF TEXAS §
 §
COUNTY OF GRAYSON §

This instrument was acknowledged before me on the ____ day of _____, 20__, by the Mayor for the City of Gunter, Texas, a Texas general law municipality, on behalf of said municipality.

Notary Public, State of Texas

EXHIBIT I – DEBT SERVICE SCHEDULE FOR PID BONDS

[To be provided at pricing.]

EXHIBIT J – LEGAL DESCRIPTION

BEING all of that certain tract of land situated in the HT&B RR Co Survey, Abstract No. 1437 and in the HT&B RR Co Survey, Abstract No. 606, Grayson County, Texas, and being a portion of a called 66.38 acre tract of land described in the deed to John Autry E. Etal, recorded in Volume 3888, Page 37, Official Records of Grayson County, Texas, as described in Volume 2311, Page 488, Real Property Records of Grayson County, Texas, and being more particularly described as follows:

BEGINNING at a steel fence corner post found in the North right-of-way line of F.M. Highway No. 121 (a called 60-foot wide right-of-way - also known as East Main Street) at the southeast corner of said 66.38 acre tract and the southwest corner of the remainder of a called 51.48 acre tract of land described in the deed to Marilyn Davis, recorded in Volume 2249, Page 355, said Real Property Records;

THENCE North $87^{\circ} 18' 23''$ West, with the south line of said 66.38 acre and the north line of said F.M. 121, a distance of 405.15 feet to a 1/2-inch iron rod with a cap stamped "RPLS 66677" set (hereinafter referred to as capped iron rod set);

THENCE over and across said 66.38 acre tract, the following courses:

1. North $00^{\circ} 25' 27''$ West, a distance of 107.14 feet to the beginning of a curve to the right;
2. THENCE With said curve to the right, having a radius of 310.00 feet, a central angle of $11^{\circ} 52' 46''$, an arc length of 64.27 feet, a chord that bears North $05^{\circ} 30' 56''$ East, a distance of 64.16 feet to a capped iron rod set at the end of said curve;
3. North $11^{\circ} 27' 20''$ East, a distance of 16.26 feet to a capped iron rod set at the beginning of a curve to the left;
4. THENCE With said curve to the left, having a radius of 290.00 feet, a central angle of $29^{\circ} 28' 09''$, an arc length of 149.16 feet, a chord that bears North $03^{\circ} 16' 45''$ West, a distance of 147.52 feet to a capped iron rod set at the end of said curve;
5. North $18^{\circ} 00' 51''$ West, a distance of 80.50 feet;
6. South $71^{\circ} 58' 34''$ West, a distance of 115.00 feet;
7. North $82^{\circ} 34' 41''$ West, a distance of 509.16 feet to a metal fence corner post found for corner;

THENCE North $86^{\circ} 30' 30''$ West, with a southerly line of said 66.38 acre tract, a distance of 586.16 feet to a mag nail set for corner in the west line of said 66.38 acre tract and in the centerline of 8th Street (a 16-foot wide asphalt road);

THENCE North 11° 53' 52" East, with the west line of said 66.38 acre tract, a distance of 1654.31 feet to a 1/2- inch capped iron rod found stamped "RPLS 6578" at the northwest corner of said 66.38 acre tract;

THENCE with the north line of said 66.38 acre tract, the following courses:

1. South 89° 45' 23" East, a distance of 8.70 feet to a 1/2-inch capped iron rod found stamped "RPLS 6578";
2. South 89° 44' 08" East, a distance of 76.28 feet to a 1/2-inch iron rod found;
3. North 89° 38' 14" East, a distance of 622.34 feet to a 1/2-inch iron rod found;
4. North 89° 22' 37" East, a distance of 294.98 feet to a capped iron rod set;
5. North 89° 14' 10" East, a distance of 261.79 feet to a capped iron rod set at the northeast corner of said 66.38 acre tract and an interior corner of a called 10.539 acre tract of land described in deed to Shashi Chadha, as Trustee of the Shashi Chadha 2004 Trust, recorded in Instrument No. 2018-27861, said Official Records;

THENCE South 00° 38' 17" East, with the east line of said 66.38 acre tract, a distance of 2124.85 feet to the POINT OF BEGINNING and enclosing 59.508 acres (2,592,178 square feet) of land, more or less.

APPENDIX A – ENGINEER’S REPORT

[Remainder of page left intentionally blank.]

PID Engineering Report

The Preserve
E. Main Street
Gunter, Grayson County, Texas

Prepared For:

Fraser Capital, LLC
17250 North Dallas Parkway
Dallas, Texas 75248

Prepared By:

KFM Engineering & Design
3501 Olympus Blvd., Suite 100
Dallas, TX 75019
Mark Shaw, PE
Elia Keur, EIT

Project Number: 01.0264.002
Date: June 3, 2026



Table of Contents

1. Introduction.....	3
2. PID Overview.....	3
3. Improvement Area Description.....	3
4. Onsite Development Improvements.....	3
5. Offsite Development Improvements.....	4
6. Funding Sources.....	4

Appendices

- Appendix A: The Preserve Area Location Map
- Appendix B: PID Boundary Map
- Appendix C: Legal Description
- Appendix D Concept Plan
- Appendix E: Development Improvements Map - Onsite
- Appendix F: Development Improvements Map - Offsite
- Appendix G: Engineer's Opinion of Probable Cost – Onsite PID
- Appendix H: Engineer's Opinion of Probable Cost – Offsite
- Appendix I: Engineer's Opinion of Probable Cost – Private
- Appendix J: Engineer's Opinion of Probable Cost – Lift Station
- Appendix K: Construction Schedule

1. Introduction

The proposed development, located in the City of Gunter in Grayson County, encompasses approximately 66.6 acres of land. The plan consists of approximately 5.5 acres of commercial space, 209 single family lots and associated roadway, drainage, water, and wastewater improvements. The site is generally bound along the South by FM Highway 121 (East Main Street) and extends northward to include a mix of undeveloped and rural land. A location map is provided in Appendix A.

2. PID Overview

The project will be developed within the Preserve Public Improvement District (PID), which will serve as the primary funding mechanism for the improvements made. The PID has been established in accordance with City of Gunter regulations and will allow for the financing of the improvements through assessments levied on benefiting properties within the district.

The PID is anticipated to fund all public improvements made including roadway infrastructure, water and wastewater utilities, and storm drainage. These improvements will be designed and constructed to meet the standards of the City of Gunter. The district will provide a structured approach to funding and implementing infrastructure necessary to support the development of this site.

3. Improvement Area Description

The Improvement area consists of two parts, the onsite improvements and the offsite improvements. It is located less than a mile east of Massey Road, along FM Highway 121 as well as to the north, reaching some more undeveloped land. Refer to Appendices E and F for a map of the development improvements.

4. Onsite Development Improvements

Streets

Access to The Preserve will be available from proposed Oak Street and Maple Street, both on the West side of the development, as well as from proposed Preserve Drive by way of F.M. Highway No. 121 (East Main Street), on the Southeast side of the development. Preserve Drive is the primary connection. All roadways within the development are two lanes. The roads within the development have a 50-foot right-of-way and a pavement width of 30 feet measured from face-of-curb to face-of-curb.

The proposed roadways will utilize a curb and gutter section for drainage conveyance to the drainage system. The geometric designs are in accordance with the City of Gunter standards. The project also includes 4' internal sidewalks on both sides of the street. Refer to the construction plans prepared by KFM Engineering & Design for more information regarding roadway design.

The construction activities for The Preserve onsite development will include the use of temporary erosion and sediment controls such as stabilized construction entrances, silt fence, rock berms, and inlet protection to minimize the runoff of silt and sediment associated with the construction. Additionally, revegetation of disturbed areas will be provided.

Water and Wastewater

All residential lots within the development will be provided with individual water and wastewater service connections. 8" and 12" PVC waterlines located in the public right-of-way will service the development. Wastewater service will be provided by 8" gravity wastewater lines also within the public right-of-way.

Drainage System

The drainage conveyance system for the development includes curb and gutter, inlets, and underground storm drains and is designed to convey stormwater runoff generated within the project. The conveyance system has been designed in accordance with the City of Gunter drainage criteria. The drainage system is within the public right-of-way and will be maintained by City of Gunter.

District Formation Costs

District Formation Costs consist of the costs associated with forming the District, including, but not limited to, attorney fees, engineering costs, and any other cost or expense incurred by the City of the Developer directly associated with the establishment of the District.

5. Offsite Development Improvements

Offsite improvements will be required to provide adequate access and utility service connections to the development. These improvements will be made along FM Highway 121. This will include a 6" wastewater force main that will connect to an existing 8" gravity main. Water improvements include a 12" water line connecting to an existing water storage tank. These improvements have been sized to serve only the project.

6. Funding Sources

In addition to PID, the project will be funded using a developer loan, Mustang Special Utilities District Connection fee credits, investor cash, and developer equity. The Engineer's Opinion of Probable Cost for both onsite and offsite are included as Appendix G and H. Lastly, Appendix I contains a schedule for construction of the development improvements.

Appendix A:

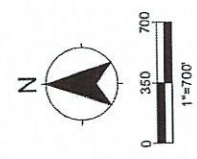
The Preserve Area Location Map

KFM
3651 GUNTER BLVD, SUITE 100
DALLAS, TEXAS 75249
PHONE: (469) 894-0536
WWW.KFMC.COM
TYPE # F2082.1
TIPELS # 10194934

PROJECT
THE PRESERVE
GUNTER, TX

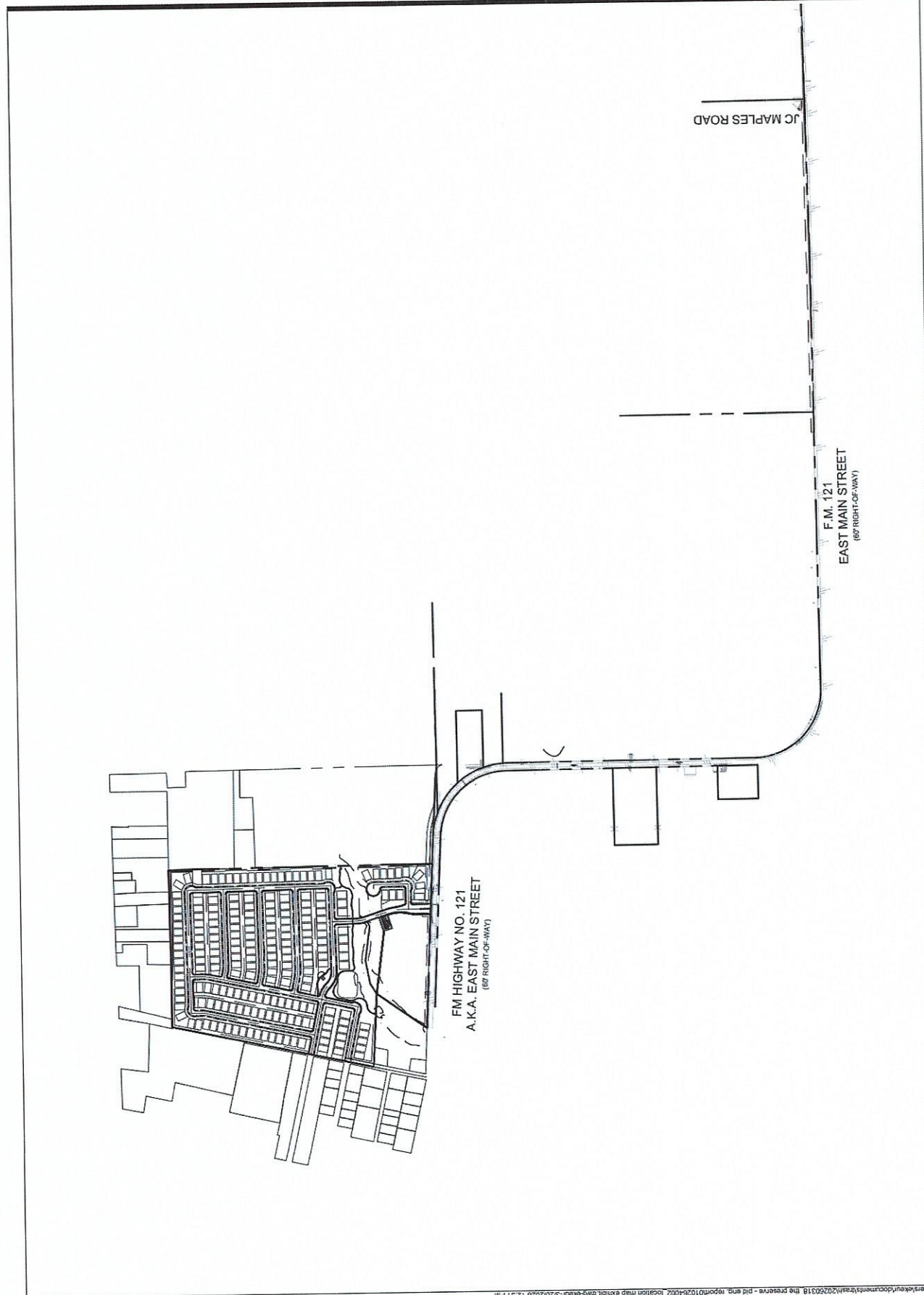
TITLE
LOCATION MAP

CLIENT
FRASER
CAPITAL, LLC



PROJECT NUMBER
010164002
DATE
2/26/03/20
SHEET

EXH 01

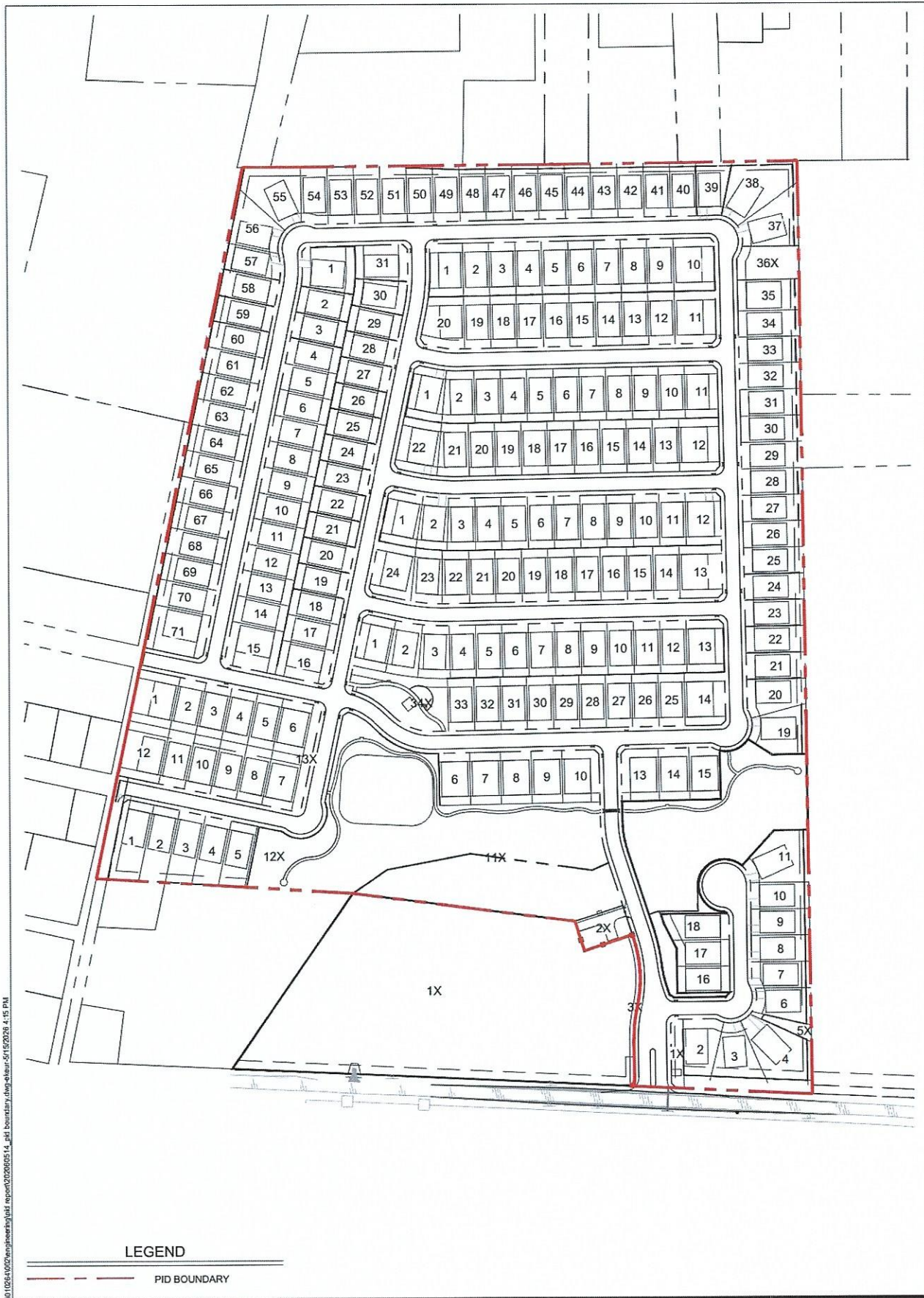


PID Engineering Report
The Preserve



Appendix B:

PID Boundary Map



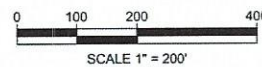
I:\1010264002\mplem\dwg\dwg\report\20260515_pid_boundary.dwg - 5/15/2026, 4:15 PM

KFM
CONSULTANTS & DESIGN
 3501 OLYMPUS BLVD, SUITE 100
 DALLAS, TEXAS 75019
 PHONE: (469) 899-0536
 WWW.KFM-LLC.COM
 TBPE #: F-20821
 TBPELS #: 10194934

TITLE
PID BOUNDARY

PROJECT
 THE PRESERVE
 GUNTER, TX

CLIENT
 FRASER CAPITAL, LLC



PROJECT NUMBER:
 010264002
 DRAWN BY: EM

DATE:
 2026/05/15
 SHEET:

EXH 01

Appendix C:

Legal Description

PROPERTY DESCRIPTION

BEING A TRACT OF LAND SITUATED IN THE HT&B RR CO SURVEY, ABSTRACT NO. 1437 AND IN THE HT&B RR CO SURVEY, ABSTRACT NO. 606, GRAYSON COUNTY, TEXAS, AND BEING ALL OF A CALLED 59.508 ACRE TRACT OF LAND DESCRIBED AS TRACT 1, IN THE DEED TO FRASER GUNTER 66, LLC, RECORDED IN INSTRUMENT NO. 2024-33153, OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, TEXAS AND ALL OF A CALLED 7.058 ACRE TRACT OF LAND DESCRIBED AS TRACT 2, IN THE DEED TO 27 HOLDINGS LLC, RECORDED IN INSTRUMENT NO. 2024-34915, OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A STEEL FENCE CORNER POST FOUND IN THE NORTH RIGHT-OF-WAY LINE OF F.M. HIGHWAY NO. 121 (EAST MAIN STREET, 60-FOOT WIDE RIGHT-OF-WAY) AT THE SOUTHEAST CORNER OF SAID 59.508 ACRE TRACT AND THE SOUTHWEST CORNER OF THE REMAINDER OF A CALLED 51.48 ACRE TRACT OF LAND DESCRIBED IN THE DEED TO MARILYN DAVIS, RECORDED IN VOLUME 2249, PAGE 355, SAID REAL PROPERTY RECORDS;

THENCE NORTH $87^{\circ} 18' 22''$ WEST, WITH THE SOUTH LINE OF SAID 59.508 ACRE AND THE NORTH LINE OF SAID F.M. 121, A DISTANCE OF 415.15 FEET TO A CALCULATED POINT;

THENCE CROSSING THROUGH SAID 59.508 ACRE TRACT THE FOLLOWING COURSES AND DISTANCES:

1. NORTH $46^{\circ} 08' 04''$ EAST, A DISTANCE OF 13.75 FEET TO A CALCULATED POINT;
2. NORTH $00^{\circ} 25' 27''$ WEST, A DISTANCE OF 97.14 FEET TO A CALCULATED POINT OF CURVATURE;
3. ALONG A TANGENTIAL CURVE TO THE RIGHT, HAVING A RADIUS OF 310.00 FEET, AN ARC LENGTH OF 35.04 FEET, A DELTA ANGLE OF $06^{\circ} 28' 37''$, AND A CHORD WHICH BEARS, NORTH $02^{\circ} 48' 52''$ EAST, A DISTANCE OF 35.03 FEET TO CALCULATED POINT OF CURVATURE;
4. ALONG A NON-TANGENTIAL CURVE TO THE RIGHT, HAVING A RADIUS OF 310.00 FEET, AN ARC LENGTH OF 29.23 FEET, A DELTA ANGLE OF $05^{\circ} 24' 09''$, AND A CHORD WHICH BEARS, NORTH $08^{\circ} 45' 15''$ EAST, A DISTANCE OF 29.22 FEET TO CALCULATED POINT OF TANGENCY;
5. NORTH $11^{\circ} 27' 20''$ EAST, A DISTANCE OF 16.26 FEET TO A CALCULATED POINT OF CURVATURE;
6. ALONG A TANGENTIAL CURVE TO THE LEFT, HAVING A RADIUS OF 290.01 FEET, AN ARC LENGTH OF 77.20 FEET, A DELTA ANGLE OF $15^{\circ} 15' 04''$, AND A CHORD WHICH BEARS, NORTH $03^{\circ} 49' 46''$ EAST, A DISTANCE OF 76.97 FEET TO CALCULATED POINT OF CURVATURE;

7. ALONG A NON-TANGENTIAL CURVE TO THE LEFT, HAVING A RADIUS OF 289.99 FEET, AN ARC LENGTH OF 71.96 FEET, A DELTA ANGLE OF 14°13'05", AND A CHORD WHICH BEARS, NORTH 10°54'18" WEST, A DISTANCE OF 71.78 FEET TO CALCULATED POINT OF TANGENCY;
8. NORTH 17°56'57" WEST, A DISTANCE OF 10.50 FEET TO A CALCULATED POINT;
9. SOUTH 71°58'34" WEST, PASSING AT A DISTANCE OF 10.00 FEET THE NORTHEAST CORNER OF A CALLED 7.058 ACRE TRACT OF LAND DESCRIBED IN THE DEED AS (TRACT 2) TO 27 HOLDINGS, LLC, RECORDED IN INSTRUMENT NO. 2024-34915, O.P.R.G.C.T., CONTINUEING IN ALL A DISTANCE OF 115.00 FEET TO A CALCULATED POINT IN THE SOUTH LINE OF SAID 59.508 ACRE TRACT, SAME BEING IN THE NORTH LINE OF SAID 7.058 ACRE TRACT,

THENCE WITH THE SOUTH LINE OF SAID 59.508 ACRE TRACT, SAME BEING THE NORTH LINE OF SAID 7.058 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

1. NORTH 18°01'26" WEST, A DISTANCE OF 70.00 FEET TO A CALCULATED POINT;
2. NORTH 82°34'41" WEST, A DISTANCE OF 509.16 FEET TO A METAL FENCE CORNER POST FOUND;

THENCE NORTH 86° 30' 30" WEST, WITH A SOUTHERLY LINE OF SAID 59.508 ACRE TRACT, A DISTANCE OF 586.16 FEET TO A MAG NAIL SET FOR CORNER IN THE WEST LINE OF SAID 59.508 ACRE TRACT AND IN THE CENTERLINE OF 9TH STREET (16-FOOT WIDE RIGHT OF WAY);

THENCE NORTH 11° 53' 52" EAST, WITH THE WEST LINE OF SAID 59.508 ACRE TRACT, A DISTANCE OF 1654.31 FEET TO A 1/2-INCH CAPPED IRON ROD FOUND STAMPED "RPLS 6578" AT THE NORTHWEST CORNER OF SAID 59.508 ACRE TRACT;

THENCE WITH THE NORTH LINE OF SAID 59.508 ACRE TRACT, THE FOLLOWING COURSES:

1. SOUTH 89° 45' 23" EAST, A DISTANCE OF 8.70 FEET TO A 1/2-INCH CAPPED IRON ROD FOUND STAMPED "RPLS 6578";
2. SOUTH 89° 44' 08" EAST, A DISTANCE OF 76.28 FEET TO A 1/2-INCH IRON ROD FOUND;
3. NORTH 89° 38' 14" EAST, A DISTANCE OF 622.34 FEET TO A 1/2-INCH IRON ROD FOUND;
4. NORTH 89° 22' 37" EAST, A DISTANCE OF 294.98 FEET TO A CAPPED IRON ROD SET;

5. NORTH 89° 14' 10" EAST, A DISTANCE OF 261.79 FEET TO A CAPPED IRON ROD SET AT THE NORTHEAST CORNER OF SAID 59.508 ACRE TRACT AND SAME BEING THE NORTHEAST CORNER OF A CALLED 10.539 ACRE TRACT OF LAND DESCRIBED IN DEED TO SHASHI CHADHA, AS TRUSTEE OF THE SHASHI CHADHA 2004 TRUST, RECORDED IN INSTRUMENT NO. 2018-27861, OFFICIAL PUBLIC RECORDS OF GRAYSON COUNTY;

THENCE SOUTH 00° 38' 17" EAST, WITH THE EAST LINE OF SAID 59.508 ACRE TRACT, A DISTANCE OF 2124.85 FEET TO THE POINT OF BEGINNING AND ENCLOSING 59.694 ACRES (2,600,276 SQUARE FEET) OF LAND, MORE OR LESS.

Appendix D:

Concept Plan



3501 OLYMPIUS BLVD
 SUITE 100
 DALLAS, TEXAS 75245
 PHONE: (469) 999-0536
 WWW.KFMALL.COM
 TYPE #: F-20821

PROJECT
THE PRESERVE
 DARTMOUTH

TITLE
SITE PLAN

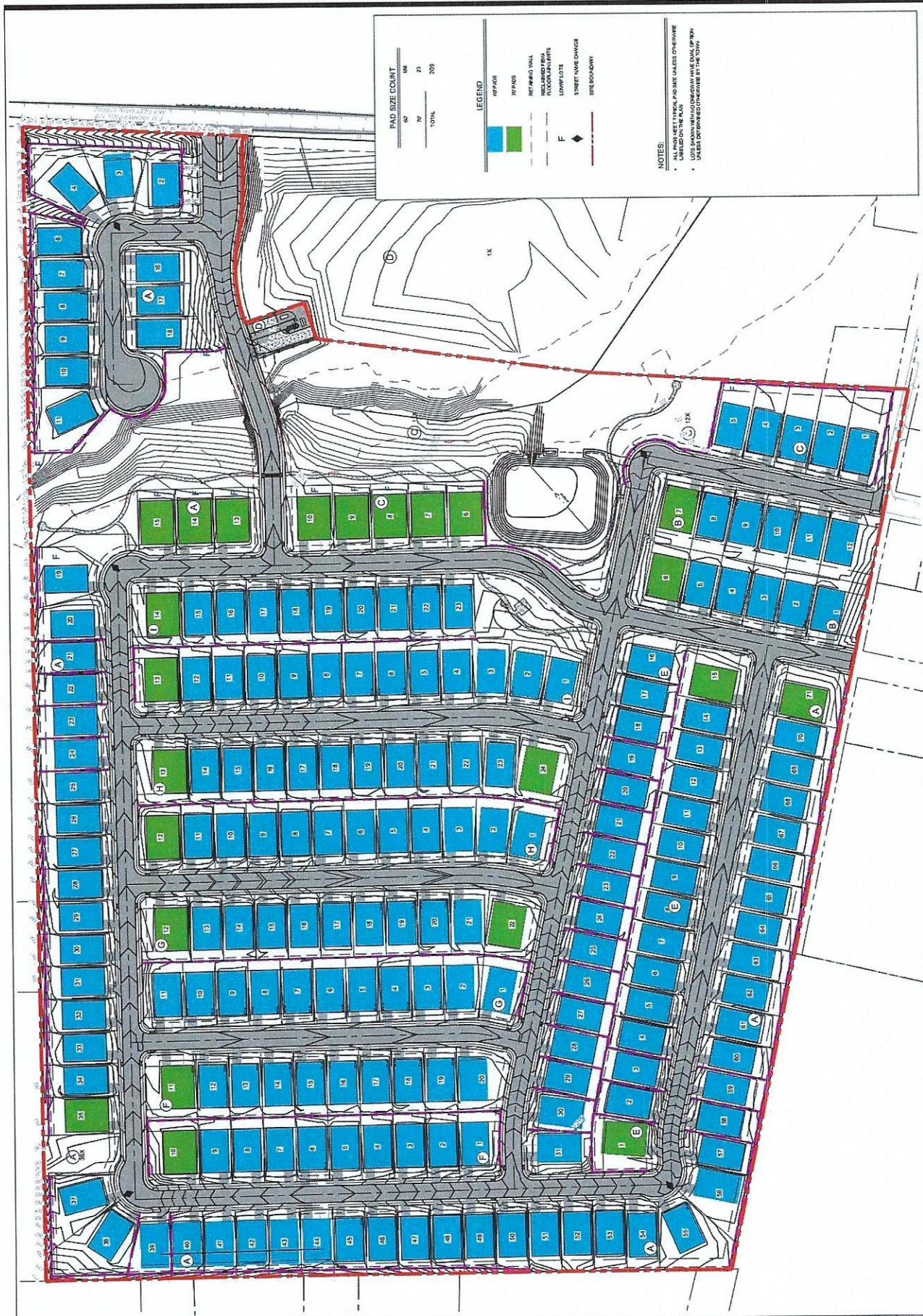
CLIENT
FRASER CAPITAL LLC.



SCALE 1" = 40'

DATE: 01/20/21
 DRAWN BY: [blank]
 CHECKED BY: [blank]
 SCALE: 1" = 40'
 SHEET: 01
 TOTAL SHEETS: 01

ENR 01



PAD SIZE COUNT

60'	100
70'	23
TOTAL	209

LEGEND

- OFFICES
- ROFFICES
- NET AREA WALL
- NET AREA TERRACE
- FLOOR AREA PER LOT
- LOW FLOORS
- STREET NAME CHANGE
- SITE BOUNDARY

NOTES:

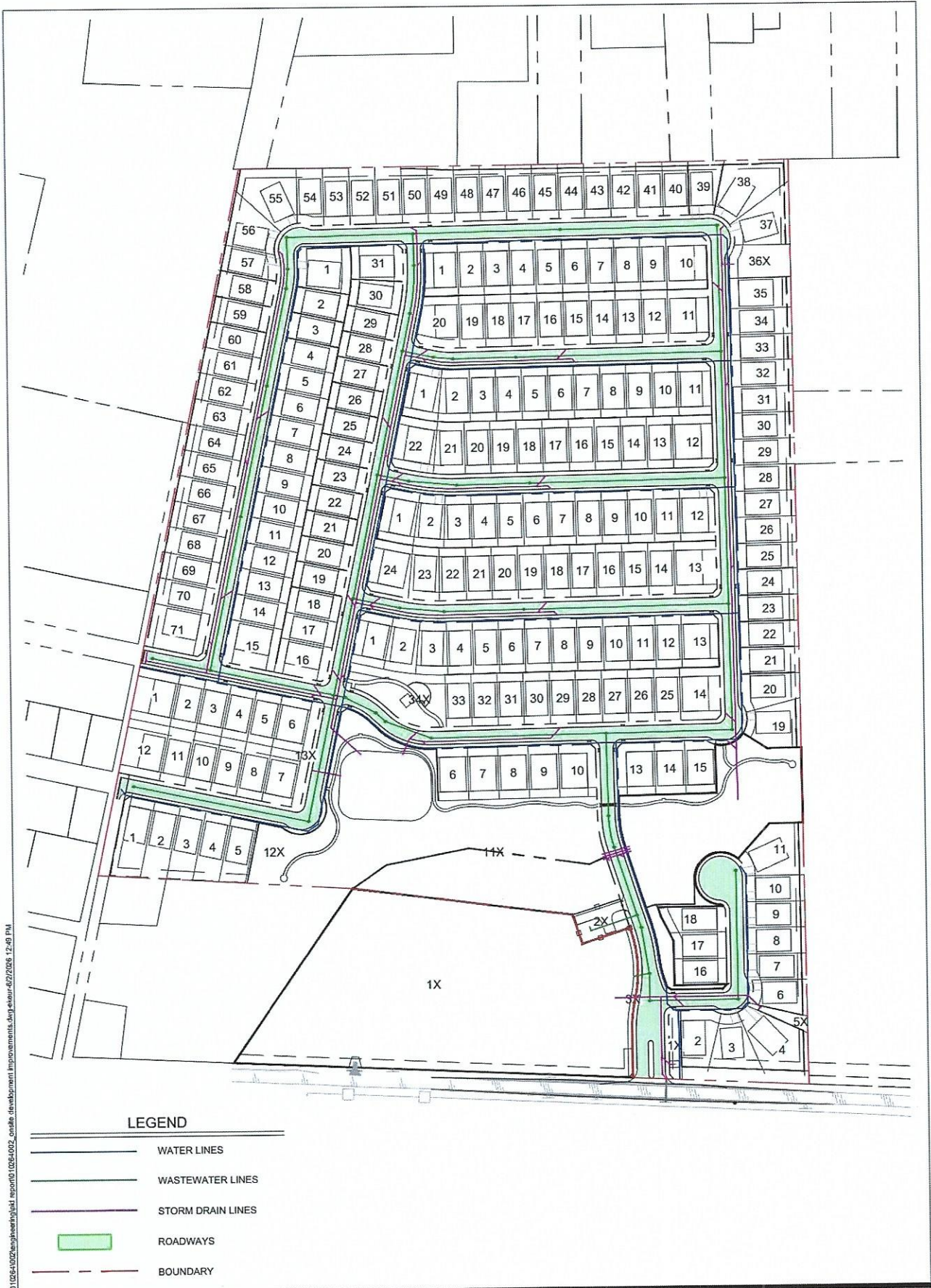
- * ALL PAD SIZES ARE APPROXIMATE. PAD SIZES MAY VARY SLIGHTLY FROM THOSE SHOWN ON THIS PLAN.
- * LOT DIMENSIONS AND CORNER POINTS HAVE BEEN OBTAINED FROM THE TOWN ENGINEER'S SURVEY.
- * UNLESS OTHERWISE NOTED, ALL DIMENSIONS ARE IN FEET.



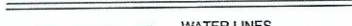
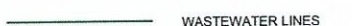


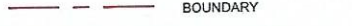
Appendix E:

Development Improvements Map - Onsite

p:\10264\02\engineer\hjd\reports\10264-002_on-site_development_improvements.dwg:dwg:6/2/2006 12:49 PM



LEGEND

-  WATER LINES
-  WASTEWATER LINES
-  STORM DRAIN LINES
-  ROADWAYS
-  BOUNDARY

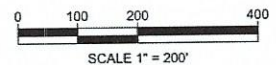


3501 OLYMPUS BLVD, SUITE 100
 DALLAS, TEXAS 75019
 PHONE: (469) 899-0536
 WWW.KFM-LC.COM
 TBPE #: F-20821
 TBPELS #: 10194934

TITLE
IMPROVEMENT MAP
ONSITE

PROJECT
 THE PRESERVE
 GUNTER, TX

CLIENT
 FRASER CAPITAL, LLC



PROJECT NUMBER:
 010264002
 DRAWN BY: EAK

DATE:
 2026/06/02
 SHEET:

EXH 01

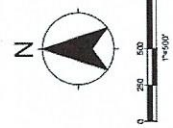
Appendix F:

Development Improvements Map - Offsite

PROJECT
THE PRESERVE
 GUNTER, TX

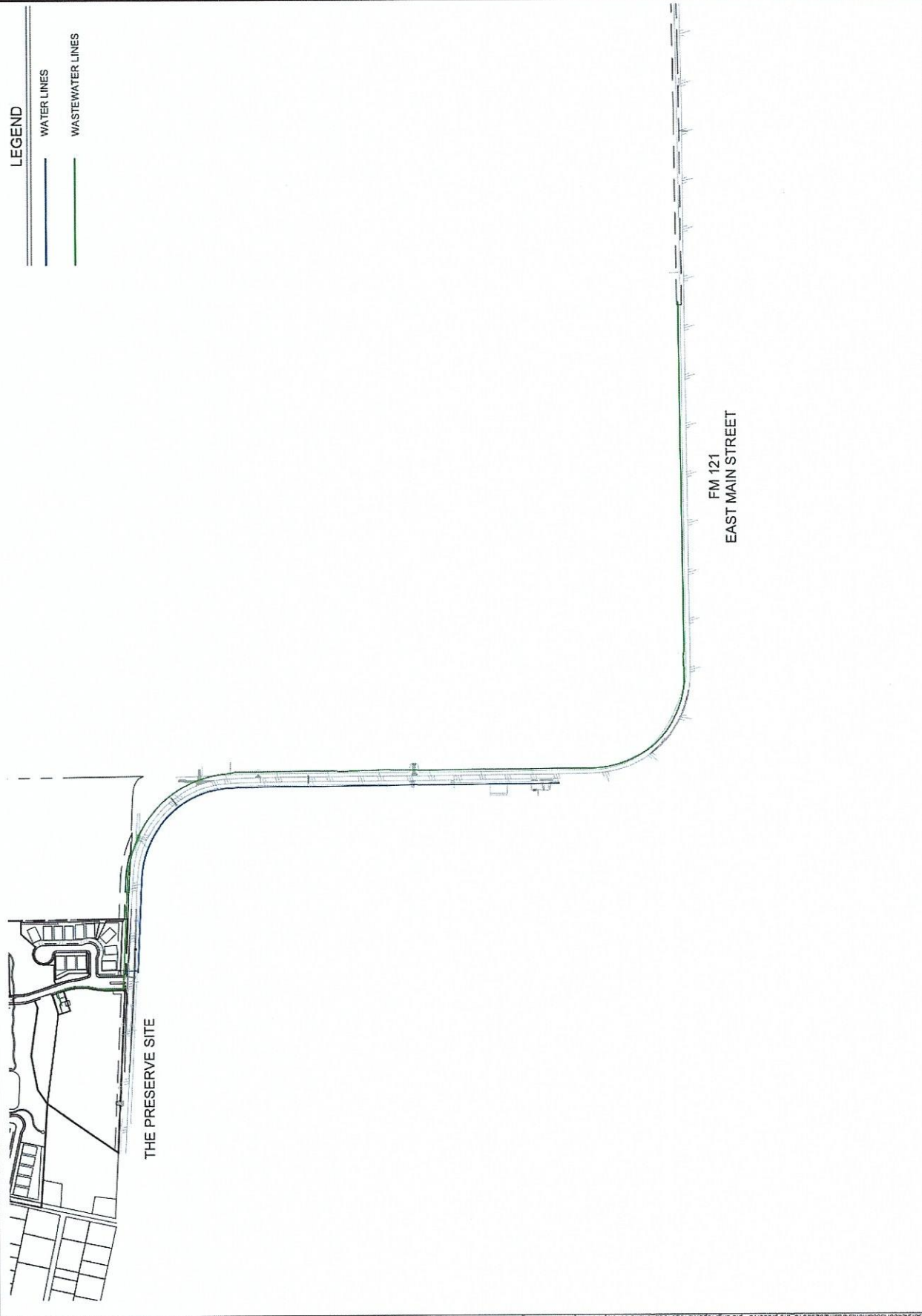
TITLE
**IMPROVEMENT
 AREA MAP**
 OFFSITE

CLIENT
FRASER CAPITAL



PROJECT NUMBER:
 010084003
 DATE:
 2/06/03/20
 SHEETS

EXH 01





Appendix G:

Engineer's Opinion of Probable Cost – Onsite PID

Project Name: The Preserve
Client Name: Fraser Capital LLC
City: Gunter, TX
County: Grayson County

Date: June 3, 2026
Project Number: 01.0264.002

THE PRESERVE - ONSITE IMPROVEMENTS - SINGLE FAMILY (PID)

Water System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
12" P.V.C. WATER LINE	LF	2240	\$73.75	\$165,200.00
8" P.V.C. WATER LINE	LF	8950	\$45.60	\$408,120.00
6" P.V.C. WATER LINE	LF	17	\$21.27	\$361.59
16" STEEL CASING OPEN CUT	LF	85	\$275.00	\$23,375.00
12" GATE VALVE & BOX	EA	6	\$3,800.00	\$22,800.00
8" GATE VALVE & BOX	EA	28	\$2,125.00	\$59,500.00
REMOVE PLUG & CONNECT TO 6" WATER LINE	EA	1	\$5,000.00	\$5,000.00
FIRE HYDRANT ASSEMBLY (INCLUDES 6" GATE VALVE) PER MSUD DETAILS	EA	28	\$6,840.00	\$191,520.00
CONCRETE ENCASEMENT ON 12" WL	LF	30	\$100.00	\$3,000.00
TESTING (EXCLUDING GEOTECH.)	LF	11207	\$2.00	\$22,414.00
TRENCH SAFETY	LF	11207	\$0.10	\$1,120.70
MAINTENANCE BOND	LS	1	\$18,576.05	\$18,576.05
SUB-TOTAL				\$920,987.34

Note: Water lines include all fittings

Wastewater System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
8" P.V.C. PIPE (SDR-26)	LF	9870	\$69.20	\$683,004.00
6" FORCE MAIN (SDR-26)	LF	860	\$53.20	\$45,752.00
16" STEEL CASING OPEN CUT	LF	70	\$280.00	\$19,600.00
8" PLUG	EA	1	\$253.00	\$253.00
4' DIA. WW MANHOLE	EA	17	\$8,180.00	\$139,060.00
5' DIA. WW MANHOLE w/ DROP INLET	EA	6	\$15,100.00	\$90,600.00
5' DIA. WW MANHOLE	EA	21	\$14,560.00	\$305,760.00
CONCRETE ENCASEMENT	LF	570	\$100.00	\$57,000.00
CONNECT TO EXISTING SEWER LINE	EA	2	\$1,181.40	\$2,362.80
TESTING (EXCLUDING GEOTECH.)	LF	10730	\$3.00	\$32,190.00
TRENCH SAFETY	LF	10730	\$0.10	\$1,073.00
SUB-TOTAL				\$1,376,654.80

Storm Drain System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
12" R.C.P.	LF	295	\$97.50	\$28,762.50
18" R.C.P.	LF	2171	\$64.00	\$138,944.00
21" R.C.P.	LF	417	\$71.00	\$29,607.00
24" R.C.P.	LF	697	\$78.00	\$54,366.00
30" R.C.P.	LF	2300	\$102.00	\$234,600.00
42" R.C.P.	LF	464	\$164.00	\$76,096.00
48" R.C.P.	LF	1042	\$197.00	\$205,274.00
6'x6' RCB	LF	66	\$1,650.00	\$108,900.00
5'X3' RCB	LF	178	\$376.00	\$66,928.00
10' CURB INLET	EA	42	\$10,005.00	\$420,210.00
4'x4' AREA INLET	EA	2	\$7,360.00	\$14,720.00
4'x4' GRATE INLET	EA	1	\$9,660.00	\$9,660.00
12" AREA DRAIN	EA	3	\$1,650.00	\$4,950.00
2' WIDE CONCRETE FLUME	LF	285	\$28.75	\$8,193.75
4' SDMH	EA	12	\$7,360.00	\$88,320.00
5' SDMH	EA	3	\$9,085.00	\$27,255.00
12" SLOPED HEADWALL	EA	1	\$4,715.00	\$4,715.00
18" SLOPED HEADWALL	EA	1	\$5,060.00	\$5,060.00
24" SLOPED HEADWALL	EA	1	\$5,405.00	\$5,405.00
30" SLOPED HEADWALL	EA	2	\$5,635.00	\$11,270.00
48" SLOPED HEADWALL	EA	1	\$7,705.00	\$7,705.00
42" SLOPED HEADWALL	EA	1	\$7,015.00	\$7,015.00
7'X7' JUNCTION BOX	EA	1	\$10,065.00	\$10,065.00
TRIPLE 6'X6' HEADWALL W/ PARALLEL WINGWALLS	EA	2	\$18,400.00	\$36,800.00
EXTEND EX 30" TXDOT HEADWALL +/- 20'	EA	1	\$46,560.00	\$46,560.00
ROCK RIP-RAP	SY	600	\$104.00	\$62,400.00
TESTING & TV INSPECTION	LF	7260	\$3.50	\$25,410.00
TRENCH SAFETY	LF	7260	\$0.10	\$726.00
SUB-TOTAL				\$1,739,917.25

Roadway and Paving Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
6" REINFORCED CONCRETE STREET PVMT. W/ CURB & GUTTER	SY	37.035	\$47.00	\$1,740,645.00
6" LIME-STABILIZED SUBGRADE (INCL. LIME)	SY	38.096	\$4.95	\$188,575.20
HYDRATED LIME (40 LB/SY)	TON	761.92	\$325.00	\$247,624.00
CONCRETE SIDEWALK - 4FT WIDE (4" THICK)	SY	1,585	\$65.20	\$103,342.00
BARRIER FREE RAMP	EA	49	\$2,430.00	\$119,070.00
TRAFFIC HANDLING	LS	1	\$72,600.00	\$72,600.00
TYPE III BARRICADE AT DEADEND STREET	EA	1	\$3,730.00	\$3,730.00
STREET HEADER	LF	31	\$15.00	\$465.00
TXDOT TURN LANE	EA	1	\$285,000.00	\$285,000.00
MAINTENANCE BOND	LS	1	\$29,500.00	\$29,500.00
SUB-TOTAL				\$2,790,551.20

Earthwork, Erosion, and Sedimentation Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
CLEARING AND GRUBBING	ACRE	12	\$3,900.00	\$46,800.00
DEMUCK PONDS	EA	2	\$8,900.00	\$17,800.00
EXCAVATION DIRT	CY	149,793	\$2.90	\$434,399.70
EXCAVATE FROM ONSITE STOCKPILE & PROCESS	CY	50,000	\$2.90	\$145,000.00
EROSION CONTROL	LS	1	\$125,400.00	\$125,400.00
SWPPP/NOI FEES/INSPECTIONS	LS	1	\$5,000.00	\$5,000.00
GEOTECHNICAL REPORT	LS	1	\$30,000.00	\$30,000.00
MAINTENANCE BOND	LS	1	\$50,000.00	\$50,000.00
SUB-TOTAL				\$854,399.70

Fees & Permits

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
GENERAL PERMIT FFES	LS	1	\$5,000.00	\$5,000.00
DISTRICT FORMATION FEES	LS	1	\$250,000.00	\$250,000.00
MOBILIZATION	%	1.5	\$7,682,510.29	\$115,237.65
SUB-TOTAL				\$370,237.65

SUMMARY - PID

Total Single-Family - Water Improvements	\$920,987.34
Total Single-Family - Wastewater Improvements	\$1,376,654.80
Total Single-Family - Storm Improvements	\$1,739,917.25
Total Single-Family - Roadway and Paving Improvements	\$2,790,551.20
Total Single-Family - Earthwork & ES Improvements	\$854,399.70

Total Single-Family PID Bid

\$8,052,747.94

Appendix H:

Engineer's Opinion of Probable Cost – Offsite

Project Name: The Preserve Offsites
 Client Name: Fraser Capital LLC
 City: Gunter, TX
 County: Grayson County, Texas

Date: May 20, 2026
 Project Number: 01.0264.002

THE PRESERVE OFFSITE WATER & WASTEWATER IMPROVEMENTS

Water System Cost (OFFSITE)

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
12" P.V.C. WATER LINE	LF	3220	\$91.00	\$293,020.00
12" GATE VALVE & BOX	EA	5	\$3,800.00	\$19,000.00
AIR RELEASE VALVE	EA	3	\$4,065.00	\$12,195.00
FLUSH VALVE	EA	2	\$2,440.00	\$4,880.00
REMOVE PLUG & CONNECT TO EXISTING 12" WATER LINE	EA	1	\$1,500.00	\$1,500.00
CONNECT TO GROUND STORAGE TANK/PUMP STATION	EA	1	\$1,500.00	\$1,500.00
BORE WATERLINE UNDER E MAIN STREET	LF	60	\$615.00	\$36,900.00
SILT FENCE	LF	3220	\$4.00	\$12,880.00
TESTING (EXCLUDING GEOTECH.)	LF	3220	\$2.00	\$6,440.00
TRENCH SAFETY	LF	3220	\$0.10	\$322.00
SUB-TOTAL				\$388,637.00

Note: Water lines include all fittings

Wastewater Forcemain Cost (OFFSITE)

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
6" PVC FORCE MAIN (INCLUDING ARV AND ISOLATION VALVES)	LF	6100	\$72.30	\$441,030.00
TWO-WAY FORCEMAIN CLEAN-OUT ASSEMBLY	EA	3	\$38,260.00	\$114,780.00
8" SDR26 PVC PIPE	LF	30	\$95.00	\$2,850.00
CONNECT TO EXISTING 8" WWFM	EA	1	\$1,500.00	\$1,500.00
8" CHECK VALVE	EA	1	\$5,250.00	\$5,250.00
SILT FENCE	LF	6100	\$4.00	\$24,400.00
BORE WATERLINE UNDER EXISTING DRIVES/FENCES	LF	120	\$585.00	\$70,200.00
TESTING (EXCLUDING GEOTECH.)	LF	6100	\$3.00	\$18,300.00
AIR RELEASE VALVE	EA	2	\$11,635.00	\$23,270.00
COMBO AIR/VAC RELEASE VALVE	EA	1	\$14,260.00	\$14,260.00
TRENCH SAFETY	LF	6100	\$0.10	\$610.00
BONDS	EA	1	\$20,700.00	\$20,700.00
SUB-TOTAL				\$737,150.00

SUMMARY

Total Offsite - Water Improvements	\$388,637.00
Total Offsite - Wastewater Improvements	\$737,150.00
Total Offsite Bid	\$1,125,787.00

Appendix I:

Engineer's Opinion of Probable Cost – Private

THE PRESERVE - ONSITE IMPROVEMENT - SINGLE FAMILY (PRIVATE)

Water System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
1" PVC DOMESTIC SERVICE FOR IRRIGATION	EA	1	\$685.00	\$685.00
1" PVC DOMESTIC SERVICE	EA	11	\$685.00	\$7,535.00
BULLHEAD METER DOMESTIC SERVICE	EA	99	\$1,200.00	\$118,800.00
8" PLUG	EA	1	\$500.00	\$500.00
4" IRR SLEEVE	LF	255	\$30.00	\$7,650.00
6" IRR SLEEVE	LF	255	\$33.00	\$8,415.00
2" IRR SLEEVE	EA	1	\$2,015.00	\$2,015.00
			SUB-TOTAL	\$145,600.00

Note: Water lines include all fittings

Wastewater System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
4" SERVICE LINES	EA	209	\$1,055.00	\$220,495.00
			SUB-TOTAL	\$220,495.00

Storm Drain System Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
DETENTION POND W/ CONTROL STRUCTURE	EA	1	\$80,730.00	\$80,730.00
			SUB-TOTAL	\$80,730.00

Dry Utility Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
GAS SERVICE	LOT	209		\$0.00
ELECTRICAL SERVICE	LOT	209		\$0.00
STREET LIGHT	EA	25		\$0.00
			SUB-TOTAL	\$0.00

Earthwork, Erosion, and Sedimentation Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
CLEARING AND GRUBBING	ACRE	46	\$3,900.00	\$179,400.00
ROUGH LOT GRADING	LOT	209	\$300.00	\$62,700.00
FINAL LOT GRADING	LOT	209	\$300.00	\$62,700.00
PAD MOISTURE CONDITIONING (6' DEEP)	LOT	209	\$2,685.00	\$561,165.00
RETAINING WALLS	LS	1	\$1,996,747.00	\$1,996,747.00
627 SCRAPER	HR	60	\$275.00	\$16,500.00
850 DOZER	LF	70	\$195.00	\$13,650.00
INSTALL 6 MIL POLY	LOT	209	\$620.00	\$129,580.00
INSTALLATIONS	LOT	209	\$600.00	\$125,400.00
CONSTRUCTION MATERIAL TESTING	LOT	209	\$675.00	\$141,075.00
			SUB-TOTAL	\$3,288,917.00

Landscape/Hardscape Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
Landscape/Hardscape	LS	1	\$1,610,000.00	\$1,610,000.00
			SUB-TOTAL	\$1,610,000.00

Offsite Private

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
FIRE HYDRANT ASSEMBLY (INCLUDES 6" GATE VALVE)	EA	4	\$7,130.00	\$7,130.00
			SUB-TOTAL	\$7,130.00

Fees & Permits

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
MOBILIZATION	%	1.5	\$5,345,742.00	\$80,186.13
			SUB-TOTAL	\$80,186.13

SUMMARY - PRIVATE

Total Single-Family - Water Improvements	\$145,600.00
Total Single-Family - Wastewater Improvements	\$220,495.00
Total Single-Family - Storm Improvements	\$80,730.00
Total Single-Family - Dry Utility Improvements	\$0.00
Total Single-Family - Earthwork & ES Improvements	\$3,288,917.00
Total Single-Family - Landscape/Hardscape Improvements	\$1,610,000.00
Total Single-Family Private Bid	\$5,425,928.13

Appendix J:

Engineer's Opinion of Probable Cost – Lift Station



Project Name: The Preserve Lift station
 Client Name: Fraser Capital LLC
 City: Gunter, TX
 County: Grayson County

Date: May 19, 2026
 Project Number: 01.0264.002

THE PRESERVE - LIFT STATION

Lift Station Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
GENERAL CONDITIONS	EA	1	\$92,000.00	\$92,000.00
WET WELL	EA	1	\$277,000.00	\$277,000.00
VALVE VAULT	EA	1	\$99,400.00	\$99,400.00
PUMPS AND PIPING	LS	1	\$485,000.00	\$485,000.00
GENERATOR	LS	1	\$108,600.00	\$108,600.00
ELECTRICAL	LS	1	\$415,000.00	\$415,000.00
SCADA	LS	1	\$78,200.00	\$78,200.00
ODOR CONTROL	LS	1	\$41,400.00	\$41,400.00
YARD PIPING	LS	1	\$41,400.00	\$41,400.00
YARD SURFACE	LS	1	\$40,250.00	\$40,250.00
YARD FENCING	LS	0	\$126,500.00	\$0.00
WATER SERVICE	LS	1	\$5,750.00	\$5,750.00
DRIVEWAY PAVING	SY	200	\$255.00	\$51,000.00
SITE GRADING	LS	1	\$14,000.00	\$14,000.00
START UP	LS	1	\$5,500.00	\$5,500.00
			SUB-TOTAL	\$1,754,500.00

Miscellaneous Cost

ITEM	UNIT	QUANTITY	UNIT PRICE	TOTAL
MAINTENANCE BOND	LS	1	\$29,900.00	\$29,900.00
			SUB-TOTAL	\$29,900.00

SUMMARY

Total Lift Station - Lift Station Costs	\$1,754,500.00
Total Lift Station - Miscellaneous Costs	\$29,900.00
Total Lift Station Bid	\$1,784,400.00

Appendix K:

Construction Schedule

The Preserve, Gunter Texas		Work Days												
209 lots, Single Phase		2026	2026	2026	2026	2026	2026	2026	2026	2026	2026	2026	2026	2026
Development Time Table		Jan.	Feb.	Mar.	APR.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec	
03/11/26		2026	2026	2026	2026	2026	2026	2026	2026	2026	2026	2026	2026	
Year		2026	2026	2026	2026	2026	2026	2026	2026	2026	2026	2026	2026	
Monthly		Jan.	Feb.	Mar.	APR.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec	
TxDOT Permit	KFM		Donation Agreement Resubmitted, Civil plans Resubmitted, Grading & Hydrology Questions	Drainage Released: All Agreements corrected and pending with TxDOT Austin										
Address Plat	KFM	TCOG	TBC	FEMA Verified Recipient, KFM following up						FEMA PACKAGE APPROVAL DATE				
KFM FEMA LOMR	KFM		FEMA Package Resubmitted											
Erosion Control	SWEC	CULVERTS	ENTRY	LOTS	TxDOT	TxDOT	ROW	CURLEX	MAINTAIN	MAINTAIN	MAINTAIN			
Lot Maintenance, Mowing (BTLC, Contract #2)	BTLC	Winter TxDOT Mix	MAINTAIN	Summer TxDOT Mix	SEED	SEED	SEED	MAINTAIN	MAINTAIN	SEED	MAINTAIN			
Retaining Walls	Wallico	UNDER CONSTRUCTION		Issue at SH 121						TBC DATE				
RW Ramps	Wallico													
Sanitary Sewer	KCK	UNDER CONSTRUCTION	99%	100%										
Offsite Force Main	KCK	UNDER CONSTRUCTION	10%	90%										
Strom Drainage (Pipe & Inlets)	KCK	UNDER CONSTRUCTION	90%	99%										
TxDOT Drainage Structures SH 121	KCK		TBC	50%										
Detention Pond, Final Grade	KCK	UNDER CONSTRUCTION	TBC	50%										
Onsite Water	KCK	UNDER CONSTRUCTION	90%	100%										
Offsite Water, Bores	KCK	UNDER CONSTRUCTION	99%	99%										
Conduit Crossings for Electric (Vaquero)	Vaquero			Starting	TBC DATE									
Offsite Lift Station	KCK	DRAWINGS	START	Delayed									TBC DATE	
SH 121 Turn Lanes	GM		Drainage structures by KCK	Delayed										
Batch Plant Construction	GM	Approved BY City		Delayed										
Balance	GM			Delayed										
Liming	GM			Delayed										
Trim	GM			Delayed										
Paving	GM				START									
DA Ramps and Sidewalks	GM				START									
Complete Inlets	KCK													
Set Water Cans	KCK													
Lot Benching Final	FCS													
Electrical Conduits	Vaquero													
Electric Transformers	GCEC	Offsite Poles Started Located on GCEC Poles	Delayed											
Telephone/Internet/Cable	GCEC													
Pull Electric & Communications	Vaquero													
Terminate Lines	GCEC													
Street Lights	Onsight													
Street Signs	Onsight													
Mail Boxes	Onsight													
Hardscape, Landscape Install Dates	ERW	SEED	WALLS	SEED	OPEN SPACE	PARK	IRRIGATION	TREES	LANDSCAPE	SOD	WATER			
Early Building Permits	Fraser									TBC DATE				
Pump and Haul	MSUD		Approved Vendor											
Clear Up, For Final Inspection	Fraser													
As Builts	KFM													
City Acceptance	Fraser													
Final Plat	KFM												Contract Date	

APPENDIX B – BUYER DISCLOSURES

Forms of the buyer disclosures for the following Lot Types are found in this appendix:

- Lot Type 1
- Lot Type 2

[Remainder of page left intentionally blank.]

**THE PRESERVE PUBLIC IMPROVEMENT DISTRICT – LOT TYPE 1 BUYER
DISCLOSURE**

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest.

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
THE CITY OF GUNTER, TEXAS
CONCERNING THE FOLLOWING PROPERTY

STREET ADDRESS

LOT TYPE 1 PRINCIPAL ASSESSMENT: \$46,371.64

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Gunter, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *The Preserve Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Gunter. The exact amount of each annual installment will be approved each year by the City of Gunter City Council in the annual service plan update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City of Gunter.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Grayson County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Grayson County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS

§

COUNTY OF _____

§

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Grayson County.

ANNUAL INSTALLMENTS - LOT TYPE 1

Installment Due 1/31	Principal	Interest ^[a]	Additional Interest	Annual Collection Costs	Total Annual Installment Due ^[b]
2027	\$ 585.30	\$ 2,782.30	\$ 231.86	\$ 190.34	\$ 3,789.79
2028	\$ 623.36	\$ 2,747.18	\$ 228.93	\$ 194.15	\$ 3,793.62
2029	\$ 661.43	\$ 2,709.78	\$ 225.81	\$ 198.03	\$ 3,795.06
2030	\$ 699.50	\$ 2,670.09	\$ 222.51	\$ 201.99	\$ 3,794.09
2031	\$ 742.33	\$ 2,628.12	\$ 219.01	\$ 206.03	\$ 3,795.49
2032	\$ 785.15	\$ 2,583.58	\$ 215.30	\$ 210.15	\$ 3,794.19
2033	\$ 832.74	\$ 2,536.47	\$ 211.37	\$ 214.35	\$ 3,794.94
2034	\$ 880.32	\$ 2,486.51	\$ 207.21	\$ 218.64	\$ 3,792.68
2035	\$ 932.67	\$ 2,433.69	\$ 202.81	\$ 223.01	\$ 3,792.18
2036	\$ 989.77	\$ 2,377.73	\$ 198.14	\$ 227.47	\$ 3,793.12
2037	\$ 1,051.63	\$ 2,318.34	\$ 193.20	\$ 232.02	\$ 3,795.19
2038	\$ 1,113.49	\$ 2,255.25	\$ 187.94	\$ 236.66	\$ 3,793.34
2039	\$ 1,180.11	\$ 2,188.44	\$ 182.37	\$ 241.40	\$ 3,792.31
2040	\$ 1,251.49	\$ 2,117.63	\$ 176.47	\$ 246.23	\$ 3,791.81
2041	\$ 1,327.62	\$ 2,042.54	\$ 170.21	\$ 251.15	\$ 3,791.53
2042	\$ 1,403.76	\$ 1,962.88	\$ 163.57	\$ 256.17	\$ 3,786.39
2043	\$ 1,489.41	\$ 1,878.66	\$ 156.55	\$ 261.30	\$ 3,785.92
2044	\$ 1,579.82	\$ 1,789.29	\$ 149.11	\$ 266.52	\$ 3,784.75
2045	\$ 1,674.99	\$ 1,694.50	\$ 141.21	\$ 271.85	\$ 3,782.56
2046	\$ 1,774.92	\$ 1,594.00	\$ 132.83	\$ 277.29	\$ 3,779.05
2047	\$ 1,879.61	\$ 1,487.51	\$ 123.96	\$ 282.84	\$ 3,773.91
2048	\$ 1,993.81	\$ 1,374.73	\$ 114.56	\$ 288.49	\$ 3,771.60
2049	\$ 2,112.78	\$ 1,255.10	\$ 104.59	\$ 294.26	\$ 3,766.73
2050	\$ 2,241.26	\$ 1,128.34	\$ 94.03	\$ 300.15	\$ 3,763.77
2051	\$ 2,374.49	\$ 993.86	\$ 82.82	\$ 306.15	\$ 3,757.33
2052	\$ 2,517.25	\$ 851.39	\$ 70.95	\$ 312.27	\$ 3,751.86
2053	\$ 2,669.52	\$ 700.36	\$ 58.36	\$ 318.52	\$ 3,746.76
2054	\$ 2,826.55	\$ 540.19	\$ 45.02	\$ 324.89	\$ 3,736.64
2055	\$ 2,997.86	\$ 370.59	\$ 30.88	\$ 331.39	\$ 3,730.72
2056	\$ 3,178.68	\$ 190.72	\$ 15.89	\$ 338.01	\$ 3,723.31
Total	\$ 46,371.64	\$ 54,689.79	\$ 4,557.48	\$ 7,721.74	\$ 113,340.65

Footnotes:

[a] Interest is calculated at a 6.00% rate for illustrative purposes and subject to change upon PID Bond issuance.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice
of Obligation to Pay Improvement District Assessment

**THE PRESERVE PUBLIC IMPROVEMENT DISTRICT - LOT TYPE 2 BUYER
DISCLOSURE**

NOTICE OF OBLIGATIONS RELATED TO PUBLIC IMPROVEMENT DISTRICT

A person who proposes to sell or otherwise convey real property that is located in a public improvement district established under Subchapter A, Chapter 372, Local Government Code (except for public improvement districts described under Section 372.005), or Chapter 382, Local Government Code, shall first give to the purchaser of the property this written notice, signed by the seller.

For the purposes of this notice, a contract for the purchase and sale of real property having a performance period of less than six months is considered a sale requiring the notice set forth below.

This notice requirement does not apply to a transfer:

- 1) under a court order or foreclosure sale;
- 2) by a trustee in bankruptcy;
- 3) to a mortgagee by a mortgagor or successor in interest or to a beneficiary of a deed of trust by a trustor or successor in interest;
- 4) by a mortgagee or a beneficiary under a deed of trust who has acquired the land at a sale conducted under a power of sale under a deed of trust or a sale under a court-ordered foreclosure or has acquired the land by a deed in lieu of foreclosure;
- 5) by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
- 6) from one co-owner to another co-owner of an undivided interest in the real property;
- 7) to a spouse or a person in the lineal line of consanguinity of the seller;
- 8) to or from a governmental entity; or
- 9) of only a mineral interest, leasehold interest, or security interest.

The following notice shall be given to a prospective purchaser before the execution of a binding contract of purchase and sale, either separately or as an addendum or paragraph of a purchase contract. In the event a contract of purchase and sale is entered into without the seller having provided the required notice, the purchaser, subject to certain exceptions, is entitled to terminate the contract.

A separate copy of this notice shall be executed by the seller and the purchaser and must be filed in the real property records of the county in which the property is located at the closing of the purchase and sale of the property.

AFTER RECORDING¹ RETURN TO:

NOTICE OF OBLIGATION TO PAY IMPROVEMENT DISTRICT ASSESSMENT TO
THE CITY OF GUNTER, TEXAS
CONCERNING THE FOLLOWING PROPERTY

STREET ADDRESS

LOT TYPE 2 PRINCIPAL ASSESSMENT: \$48,690.22

As the purchaser of the real property described above, you are obligated to pay assessments to the City of Gunter, Texas, for the costs of a portion of a public improvement or services project (the "Authorized Improvements") undertaken for the benefit of the property within *The Preserve Public Improvement District* (the "District") created under Subchapter A, Chapter 372, Local Government Code.

AN ASSESSMENT HAS BEEN LEVIED AGAINST YOUR PROPERTY FOR THE AUTHORIZED IMPROVEMENTS, WHICH MAY BE PAID IN FULL AT ANY TIME. IF THE ASSESSMENT IS NOT PAID IN FULL, IT WILL BE DUE AND PAYABLE IN ANNUAL INSTALLMENTS THAT WILL VARY FROM YEAR TO YEAR DEPENDING ON THE AMOUNT OF INTEREST PAID, COLLECTION COSTS, ADMINISTRATIVE COSTS, AND DELINQUENCY COSTS.

The exact amount of the assessment may be obtained from the City of Gunter. The exact amount of each annual installment will be approved each year by the City of Gunter City Council in the annual service plan update for the District. More information about the assessments, including the amounts and due dates, may be obtained from the City of Gunter.

Your failure to pay any assessment or any annual installment may result in penalties and interest being added to what you owe or in a lien on and the foreclosure of your property.

¹ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Grayson County when updating for the Current Information of Obligation to Pay Improvement District Assessment.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

The undersigned seller acknowledges providing this notice to the potential purchaser before the effective date of a binding contract for the purchase of the real property at the address described above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER]²

² To be included in copy of the notice required by Section 5.014, Tex. Prop. Code, to be executed by seller in accordance with Section 5.014(a-1), Tex. Prop. Code.

[The undersigned purchaser acknowledges receipt of this notice before the effective date of a binding contract for the purchase of the real property at the address described above. The undersigned purchaser acknowledged the receipt of this notice including the current information required by Section 5.0143, Texas Property Code, as amended.

DATE:

DATE:

SIGNATURE OF PURCHASER

SIGNATURE OF PURCHASER

STATE OF TEXAS

§

§

COUNTY OF _____

§

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]³

³ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Grayson County.

[The undersigned seller acknowledges providing a separate copy of the notice required by Section 5.014 of the Texas Property Code including the current information required by Section 5.0143, Texas Property Code, as amended, at the closing of the purchase of the real property at the address above.

DATE:

DATE:

SIGNATURE OF SELLER

SIGNATURE OF SELLER

STATE OF TEXAS §
 §
COUNTY OF _____ §

The foregoing instrument was acknowledged before me by _____ and _____, known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument, and acknowledged to me that he or she executed the same for the purposes therein expressed.

Given under my hand and seal of office on this _____, 20__.

Notary Public, State of Texas]⁴

⁴ To be included in separate copy of the notice required by Section 5.0143, Tex. Prop. Code, to be executed at the closing of the purchase and sale and to be recorded in the deed records of Grayson County.

ANNUAL INSTALLMENTS - LOT TYPE 2

Installment Due 1/31	Principal	Interest^[a]	Additional Interest	Annual Collection Costs	Total Annual Installment Due^[b]
2027	\$ 614.56	\$ 2,921.41	\$ 243.45	\$ 199.86	\$ 3,979.28
2028	\$ 654.53	\$ 2,884.54	\$ 240.38	\$ 203.85	\$ 3,983.30
2029	\$ 694.50	\$ 2,845.27	\$ 237.11	\$ 207.93	\$ 3,984.81
2030	\$ 734.48	\$ 2,803.60	\$ 233.63	\$ 212.09	\$ 3,983.80
2031	\$ 779.44	\$ 2,759.53	\$ 229.96	\$ 216.33	\$ 3,985.26
2032	\$ 824.41	\$ 2,712.76	\$ 226.06	\$ 220.66	\$ 3,983.90
2033	\$ 874.38	\$ 2,663.30	\$ 221.94	\$ 225.07	\$ 3,984.69
2034	\$ 924.34	\$ 2,610.84	\$ 217.57	\$ 229.57	\$ 3,982.32
2035	\$ 979.30	\$ 2,555.37	\$ 212.95	\$ 234.16	\$ 3,981.79
2036	\$ 1,039.26	\$ 2,496.62	\$ 208.05	\$ 238.85	\$ 3,982.77
2037	\$ 1,104.21	\$ 2,434.26	\$ 202.86	\$ 243.62	\$ 3,984.95
2038	\$ 1,169.16	\$ 2,368.01	\$ 197.33	\$ 248.50	\$ 3,983.00
2039	\$ 1,239.11	\$ 2,297.86	\$ 191.49	\$ 253.47	\$ 3,981.93
2040	\$ 1,314.06	\$ 2,223.51	\$ 185.29	\$ 258.54	\$ 3,981.40
2041	\$ 1,394.00	\$ 2,144.67	\$ 178.72	\$ 263.71	\$ 3,981.10
2042	\$ 1,473.95	\$ 2,061.03	\$ 171.75	\$ 268.98	\$ 3,975.71
2043	\$ 1,563.88	\$ 1,972.59	\$ 164.38	\$ 274.36	\$ 3,975.22
2044	\$ 1,658.82	\$ 1,878.76	\$ 156.56	\$ 279.85	\$ 3,973.98
2045	\$ 1,758.74	\$ 1,779.23	\$ 148.27	\$ 285.45	\$ 3,971.69
2046	\$ 1,863.67	\$ 1,673.70	\$ 139.48	\$ 291.15	\$ 3,968.00
2047	\$ 1,973.59	\$ 1,561.88	\$ 130.16	\$ 296.98	\$ 3,962.61
2048	\$ 2,093.50	\$ 1,443.47	\$ 120.29	\$ 302.92	\$ 3,960.18
2049	\$ 2,218.42	\$ 1,317.86	\$ 109.82	\$ 308.98	\$ 3,955.07
2050	\$ 2,353.32	\$ 1,184.75	\$ 98.73	\$ 315.15	\$ 3,951.96
2051	\$ 2,493.22	\$ 1,043.55	\$ 86.96	\$ 321.46	\$ 3,945.19
2052	\$ 2,643.11	\$ 893.96	\$ 74.50	\$ 327.89	\$ 3,939.46
2053	\$ 2,803.00	\$ 735.37	\$ 61.28	\$ 334.44	\$ 3,934.10
2054	\$ 2,967.88	\$ 567.19	\$ 47.27	\$ 341.13	\$ 3,923.47
2055	\$ 3,147.75	\$ 389.12	\$ 32.43	\$ 347.96	\$ 3,917.26
2056	\$ 3,337.62	\$ 200.26	\$ 16.69	\$ 354.92	\$ 3,909.48
Total	\$ 48,690.22	\$ 57,424.28	\$ 4,785.36	\$ 8,107.82	\$ 119,007.69

Footnotes:

[a] Interest is calculated at a 6.00% rate for illustrative purposes and subject to change upon PID Bond issuance.

[b] The figures shown above are estimates only and subject to change in Annual Service Plan Updates. Changes in Annual Collection Costs, reserve fund requirements, interest earnings, or other available offsets could increase or decrease the amounts shown.

Annual Installment Schedule to Notice
of Obligation to Pay Improvement District Assessment

EXHIBIT B

CITY OF GUNTER, TEXAS NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN THAT a public hearing will be conducted by the City Council of the City of Gunter, Texas on August 6, 2026, at or after 6:00 p.m. at the Gunter City Council Chambers, 105 North 4th Street, Gunter, Texas 75058. The public hearing will be held to consider proposed assessments to be levied against the assessable property within The Preserve Public Improvement District (the "District") pursuant to the provisions of Chapter 372 of the Texas Local Government Code, as amended.

The general nature of the proposed public improvements benefitting the District to be undertaken at this time (the "Public Improvements") include: water improvements, sewer improvements, drainage improvements, street and roadway improvements, related soft and miscellaneous costs, and district formation costs. The current estimated costs of the Public Improvements are approximately \$9,069,251.

The total cost of the Public Improvements, plus the costs of establishing, administering and operating the District and issuing related bonds, including debt service reserve funds, capitalized interest and other costs of issuance (collectively, the "Authorized Improvements") is expected to be approximately \$11,000,000. The exact amount will be provided in the approved service and assessment plan.

The boundaries of the District include approximately 59.508 acres of land generally located north of F.M. 121 and east of 9th Street, and located within the corporate limits of the City, as more particularly described by a metes and bounds description available at Gunter City Hall located at 105 N. 4th Street, Gunter, Texas 75058 and available for public inspection.

All written or oral objections on the proposed assessments within the District will be considered at the public hearing.

A copy of the proposed Assessment Roll, which includes the assessments proposed to be levied against each parcel of land within the District that benefits from the Authorized Improvements, is available for public inspection at the office of the City Secretary at Gunter City Hall, 105 North 4th Street, Gunter, Texas 75058.



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #8

Discuss, consider, and act upon a **Resolution** of the City of Gunter, Texas, approving and authorizing an “Interlocal Cooperative Agreement” between the City of Gunter, Texas and Mustang Special Utility District related to The Preserve Public Improvement District.

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

Eric Wilhite, Director of Planning & Development

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:

CITY OF GUNTER, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF GUNTER, TEXAS, APPROVING AND AUTHORIZING AN "INTERLOCAL COOPERATIVE AGREEMENT" BETWEEN THE CITY OF GUNTER, TEXAS AND MUSTANG SPECIAL UTILITY DISTRICT

WHEREAS, on June 4, 2026 the City Council (the "City Council") of the City of Gunter, Texas (the "City") adopted a resolution creating The Preserve Public Improvement District (the "PID") in accordance with Chapter 372, Texas Local Government Code, as amended; and

WHEREAS, certain improvements being constructed for the benefit of the property within the PID will, upon completion, be dedicated to Mustang Special Utility District ("Mustang") and Mustang will own, operate, and maintain the improvements for the benefit of the homeowners in the PID as permitted by Chapter 372, Texas Local Government Code, as amended; and

WHEREAS, the City desires to approve the "Interlocal Cooperative Agreement" by and between the City and Mustang to be effective as of July 2, 2026 (the "Agreement"), which describes the dedication of the improvements and the obligations of Mustang to own, operate and maintain the improvements; and

WHEREAS, the Agreement constitutes an interlocal cooperative agreement as authorized pursuant to the provisions of Chapter 791, Texas Government Code, as amended; and

WHEREAS, the adoption of the Agreement is hereby found and determined to be in the best interest of the residents of the PID; and

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

SECTION 1. The findings and premises contained in the preamble above are hereby deemed to be true and correct and incorporated herein.

SECTION 2. The Agreement, in a form substantially similar to the agreement attached hereto as **Exhibit A**, is hereby approved, and the Mayor or Mayor Pro-Tem are each authorized to execute such Agreement on behalf of the City with such changes as may be necessary to carry out the purpose of the Agreement as approved by the Mayor or Mayor Pro-Tem, such approval to be evidenced by the execution thereof.

SECTION 3. This Resolution shall become effective from and after its date of passage in accordance with law.

[Remainder of page intentionally left blank; signature page follows]

DULY PASSED, APPROVED AND ADOPTED by the City Council of the City of Gunter, Texas
this the 2nd day of July, 2026.

AYES _____

NAYS _____

ABSTENTIONS _____

CITY OF GUNTER, TEXAS

Karen Souther, Mayor

ATTEST:

Detra Gaines, City Secretary

(CITY SEAL)

EXHIBIT A

INTERLOCAL COOPERATIVE AGREEMENT

INTERLOCAL COOPERATIVE AGREEMENT

This interlocal cooperative agreement (the *Agreement*), made to be effective as of the 2nd day of July, 2026, is by and between the City of Gunter, Texas, a Texas general-law municipality (the *City*), and Mustang Special Utility District, a special utility district created pursuant to a special act of the Texas Legislature and political subdivision of the State of Texas (*Mustang SUD*), for the purpose of memorializing the terms pursuant to which certain public improvements within The Preserve Public Improvement District (the *District*) will be owned, operated and maintained by Mustang SUD. (The City and Mustang SUD may be referred to individually as a *Party* or collectively as the *Parties*).

RECITALS

WHEREAS, Fraser Gunter 66, LLC, a Texas limited liability company (including its designated successors and assigns, the *Developer*), are developing a total of approximately 59.508 acres of land currently located within the corporate boundaries of the City (the *Property*); and

WHEREAS, in response to a petition filed by the owner of the property and by a resolution adopted by the City Council of the City (the *City Council*) on June 4, 2026, the City created the District to finance certain public improvements for the benefit of the Property (the *Public Improvements*), pursuant to and in accordance with the provisions of Chapter 372, Texas Local Government Code, as amended (*Chapter 372*); and

WHEREAS, a portion of the Public Improvements benefitting the District consisting of water and sanitary sewer improvements (the *Utilities*), as further described in the Service and Assessment Plan (the *Service and Assessment Plan*) in substantially the form attached hereto as Exhibit A and in the final form attached to the Ordinance adopted by the City on August 6, 2026 levying the assessments against the property located within the District, are expected to be dedicated to and owned, operated, and maintained by Mustang SUD for the benefit of the residents of the District; and

WHEREAS, to memorialize the conditions by which Mustang SUD will own, operate and maintain the Utilities, the Parties hereto now desire to enter into this Agreement; and

WHEREAS, this Agreement shall constitute an interlocal cooperative agreement as authorized pursuant to the provisions of Chapter 791, Texas Government Code, as amended; and

WHEREAS, the adoption of this Agreement is hereby found and determined to be in the best interest of the residents of the District; and

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

SECTION 1: Definition and Use of Terms. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, (a) the capitalized terms used but not defined in this Agreement shall have the respective meanings assigned thereto in the Service and Assessment Plan, which definitions are hereby incorporated by reference for all

purposes as though reproduced herein; (b) all references in this Agreement to designated *Sections, Schedules, Exhibits*, and other subdivisions are to the designated Sections, Schedules, Exhibits, and other subdivisions of this Agreement as originally adopted; and (c) the words *herein, hereof*, and *hereunder* and other words of similar import refer to this Agreement as a whole and not to any particular Section or other subdivision.

SECTION 2: Representations.

2.1 Representations of the City. The City hereby represents to the Parties that:

- (a) The City is a political subdivision and a general-law municipality under the laws of the State of Texas and is duly qualified and authorized to carry out the governmental functions and operations as contemplated by this Agreement.
- (b) The City has the power, authority, and legal right to enter into and perform under this Agreement and the execution, delivery, and performance hereof have been duly authorized.
- (c) The City has the authority to own and operate the Utilities within the City's jurisdiction.
- (d) The City has the authority to enter into an agreement with Mustang SUD for the provision of governmental services, including water and sanitary sewer services.
- (e) This Agreement has been duly authorized, executed, and delivered and constitutes a legal, valid, and binding obligation of the City enforceable in accordance with its terms.

2.2 Representations of Mustang SUD. Mustang SUD hereby represents to the Parties that:

- (a) Mustang SUD is a political subdivision and is duly authorized, created, and existing in good standing under the laws of the State of Texas and is duly qualified and authorized to carry out the governmental functions and operations as contemplated by this Agreement.
- (b) Mustang SUD has the power, authority, and legal right to enter into and perform under this Agreement and the execution, delivery, and performance hereof have been duly authorized.
- (c) Mustang SUD has the authority to own and operate the Utilities within the City's corporate boundaries.
- (d) Mustang SUD has a Certificate of Convenience and Necessity from the Texas Commission on Environmental Quality (*TCEQ*) necessary to provide retail water and sanitary sewer services to the Property.

(e) Mustang SUD has the authority to enter into an agreement with the City for the provision of governmental services, including water and sanitary sewer services.

(f) This Agreement has been duly authorized, executed, and delivered and constitutes a legal, valid, and binding obligation of Mustang SUD enforceable in accordance with its terms.

SECTION 3: Findings. Each of the Parties hereby finds that the Utilities are being provided to or for the benefit of the residents of the District located within the corporate boundaries of the City.

SECTION 4: Agreement of the Parties. The Parties hereby agree that the Developer has constructed or will construct the Utilities pursuant to the Service and Assessment Plan and applicable City, Mustang SUD, and TCEQ standards. In consideration for Mustang SUD's ownership, operation and maintenance of the Utilities in accordance with the terms of this Agreement, the Utilities will be conveyed to Mustang SUD upon completion, final inspection and acceptance by Mustang SUD. Other than the consideration referenced in this Section, no additional consideration will be required in connection with such conveyance.

SECTION 5: Term of this Agreement. This Agreement shall be for a term of the later of 31 years or until any bonds (or refunding bonds issued to refund any bonds) issued to finance the construction of the Utilities are no longer outstanding.

SECTION 6: Obligations of Mustang SUD. The obligations of Mustang SUD pursuant to the terms of this Agreement shall be limited to the provision of water and sanitary sewer services to the residents of the District through the ownership, operation and maintenance of the Utilities, subject to and in accordance with any applicable regulatory rules and regulations (including Mustang SUD's rules and regulations).

SECTION 7: Liability of the City. To the extent not limited by State law, neither the City nor any director, officer, employee, or agent of the City shall be responsible for any liability arising from the Utilities or this Agreement.

SECTION 8: Amendment. This Agreement may be amended, modified, revised or changed by written instrument executed by both of the Parties.

SECTION 9: Addresses and Notice. Unless otherwise provided herein, any notice, communication, request, reply, or advice (herein severally and collectively, for convenience, called *Notice*) herein provided or permitted to be given, made or accepted by any Party to any other Party must be in writing and may be given or be served by depositing the same in the United States mail postpaid and registered or certified and addressed to the Party to be notified, with return receipt requested, or by delivering the same to an officer of such Party, addressed to the Party to be notified. Notice deposited in the mail in the manner hereinabove described shall be conclusively deemed to be effective, unless otherwise stated herein, from and after the expiration of three days after it is so deposited. Notice given in any other manner shall be effective only if and when received by the Party to be notified. For the purposes of Notice, the addresses of the Parties hereto shall, until changed as hereinafter provided, be as follows:

A. If to the City, to:

City of Gunter, Texas
105 N. 4th Street
Gunter, Texas 75058
Attention: Eric Wilhite

With a copy to:

Norton Rose Fulbright US LLP
Attn: Kristen Savant
2200 Ross Avenue, Suite 3600
Dallas, Texas 75201
Facsimile: (214) 855-8200

D. If to Mustang SUD, to:

Mustang Special Utility District
Attn: General Manager
7985 F.M. 2931
Aubrey, Texas 76227

The Parties hereto shall have the right from time to time and at any time to change their respective addresses and each shall have the right to specify as its address any other address by at least ten (10) days' written notice to the other Party hereto.

SECTION 10: Counterparts. This Agreement may be executed in any number of counterparts, each of such counterparts shall for all purposes be deemed to be an original, and all such counterparts shall together constitute one and the same instrument.

SECTION 11: Entire Agreement. This Agreement contains the entire agreement between the Parties pertaining to the subject matter hereof and fully supersedes all prior agreements and understandings between the Parties pertaining to such subject matter.

SECTION 12: Captions. The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent and for any purpose, to limit or define the text of any Section or any Subsection hereof.

SECTION 13: Incorporation of Preamble Recitals. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Agreement for all purposes and are adopted as a part of the judgment and findings of the respective governing body of each Party hereto.

SECTION 14: Inconsistent Provisions. All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Agreement are hereby repealed to the extent of such conflict, and the provisions of this Agreement shall be and remain controlling as to the matters provided herein.

SECTION 15: Governing Law. This Agreement shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

SECTION 16: Jurisdiction and Venue. Jurisdiction and venue for any action to enforce or construe this Agreement shall be exclusively vested in the State District Court located in Grayson County, Texas.

SECTION 17: Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Agreement and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Parties hereby declare that this Agreement would have been enacted without such invalid provision.

SECTION 18: Construction. Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa. This Agreement and all the terms and provisions hereof shall be construed to effectuate the purposes set forth herein and to sustain the validity of this Agreement.

SECTION 19: Compliance with Texas Open Meetings Act. It is officially found, determined, and declared that the meeting of each governing body of the Parties at which this Agreement was adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Agreement, was given, all as required by Chapter 551, as amended, Texas Government Code.

[The remainder of this page intentionally left blank.]

CITY OF GUNTER, TEXAS

Mayor

Attest:

City Secretary

[CITY SEAL]

MUSTANG SPECIAL UTILITY
DISTRICT

President, Board of Directors

Attest:

Secretary/Treasurer, Board of Directors

(SEAL)

EXHIBIT A

SERVICE AND ASSESSMENT PLAN
THE PRESERVE PUBLIC IMPROVEMENT DISTRICT



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #9

Discuss, consider, and act upon a Proposed Consent to Addition of Land for Four Seasons Municipal Utility District (MUD) No. 1 of Denton County, into the City of Gunter's ETJ.

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

Eric Wilhite, Director of Planning & Development

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:

COATS | ROSE

A PROFESSIONAL CORPORATION

MARSHALL F. ALEXANDER
ASSOCIATE

RECEIVED

JUN - 8 2026

MALEXANDER@COATSROSE.COM
DIRECT: (972) 419-4717
FAX: (972) 702-0662

June 03, 2026

Certified Article Number

9414 7266 9904 2234 3139 75

SENDER'S RECORD

VIA CERTIFIED MAIL

Ms. Detra Gaines
City Secretary
City of Gunter
105 N. 4th Street
P.O. Box 349
Gunter, Texas 75058

Re: Proposed Consent to Addition of Land into the Four Seasons Municipal Utility
District No. 1 of Denton County

Dear Ms. Gaines,

This firm represents Four Seasons Ranch, Ltd. Please accept our client's Petition for Consent to Addition of Land into the Four Seasons Municipal Utility District No. 1 of Denton County. I have also enclosed five (5) copies of a Certificate of Receipt of said Petition. I would appreciate it if you would sign these certificates and return them to me in the enclosed overnight envelope.

We respectfully request that consideration of this Petition for Consent to Addition of Land into the Four Seasons Municipal Utility District No. 1 of Denton County be included on the next City Council agenda.

Our office and our client look forward to working with the City to obtain consent for this annexation of land, and if you need any additional information, please contact me at (972) 419-4717.

Very truly yours,



Marshall F. Alexander

Enclosures:

16000 NORTH DALLAS PARKWAY, SUITE 350, DALLAS, TEXAS 75248
PHONE: (972) 788-1600 FAX: (972) 702-0662
coatsrose.com

HOUSTON | AUSTIN | DALLAS | CINCINNATI

006938.000001\4932-4519-3650.v1

PETITION FOR CONSENT TO
ADDITION OF LAND TO A MUNICIPAL UTILITY DISTRICT

TO THE HONORABLE MAYOR AND CITY
COUNCIL OF THE CITY OF GUNTER, TEXAS:

The undersigned, Four Seasons Ranch, Ltd., a Texas limited partnership (the "Property Owner"), petitions the City of Gunter, Texas for its consent to the addition of land to the Four Seasons Municipal Utility District No. 1 of Denton County. In support of this Petition, the Property Owner would show the following:

I.

The land sought to be added to the District (the "Property") is described by metes and bounds in Exhibit "A", attached hereto and made a part hereof for all purposes.

II.

The Property lies wholly within Grayson County, Texas, and within the extraterritorial jurisdiction of the City of Gunter, Texas, as such term is determined pursuant to Chapter 42 V.T.C.A. Local Government Code.

III.

Property Owner constitutes a majority of value of the holders of title to the Property as shown by the Grayson County Tax Rolls and conveyances of record.

IV.

The District is organized for the purposes found in Texas Water Code, Chapters 49 and 54, to provide for:

- (1) the control, storage, preservation, and distribution of its storm water and floodwater, the water of its rivers and streams for irrigation, power and all other useful purposes;
- (2) the reclamation and irrigation of its arid, semiarid, and other land needing irrigation;
- (3) the reclamation and drainage of its overflowed land and other land needing drainage;
- (4) the conservation and development of its forests, water, and hydroelectric power;
- (5) the navigation of its inland and coastal water;

- (6) the control, abatement, and change of any shortage or harmful excess of water;
- (7) the protection, preservation, and restoration of the purity and sanitary condition of water within the state;
- (8) the preservation of all natural resources of the state; and
- (9) the construction, operation and maintenance of roads serving the District.

The District is empowered and authorized to purchase, construct, acquire, own, operate, maintain, repair, improve, or extend inside and outside its boundaries any and all works, improvements, facilities, plants, equipment, and appliances necessary to accomplish the purposes of its creation.

V.

The general nature of the work to be done to serve the Property at the present time is the construction, maintenance and operation of a waterworks system for domestic and commercial purposes; the construction, maintenance and operation of a sanitary sewer collection system and sewage disposal plant; the control, abatement and amendment of the harmful excess of waters and the reclamation and drainage of overflowed lands within the lands to be included within the District; and the construction, installation, maintenance, purchase and operation of roads, and of such additional facilities, systems, plants and enterprises as shall be consistent with the purposes for which the District is organized.

VI.

There is a necessity for the improvements above described because the Property is located within an area that is experiencing substantial and sustained residential growth, is urban in nature and is not supplied with adequate water, sanitary sewer, drainage and road facilities and services. The health and welfare of the future inhabitants of the Property requires the acquisition and installation of an adequate waterworks, sanitary sewer, storm drainage and road facilities.

The purchase, construction, extension, improvement, maintenance and operation of such waterworks system and storm and sanitary sewer collection and disposal systems will conserve and preserve the natural resources of this State by promoting and protecting the purity and sanitary condition of the State's waters and will promote and protect the public health and welfare of the community; therefore, a public necessity exists for the inclusion of the Property within the District.

VII.

Said proposed improvements are practicable and feasible, in that the terrain of the Property is of such a nature that the waterworks system, sanitary system, storm sewer system, and road facilities can be constructed at a reasonable cost; and said land will be rapidly developed for residential purposes.

82

VIII.

A preliminary investigation has been instituted to determine the cost of the project attributable to the Property, and it is now estimated by those filing this Petition, from such information as they have at this time, that the ultimate cost of the development contemplated will be approximately \$75,000,000.

WHEREFORE, the undersigned respectfully prays that this Petition be granted in all respects and that the City Council of the City of Gunter, Texas, adopt a resolution giving its written consent to the addition of the Property to the District.

“PROPERTY OWNER”

FOUR SEASONS RANCH, LTD.,
a Texas limited partnership

By: Four Seasons Ranch Management, L.L.C.,
a Texas limited liability company
its General Partner

By: *S. Netzer, manager*
Name: Shula Netzer
Title: Manager

SN

EXHIBIT "A"
LEGAL DESCRIPTION

BEING A 135.886 ACRE TRACT OF LAND SITUATED IN THE CHARLES MASON SURVEY, ABSTRACT NO. 858 AND THE W.M. WELLS SURVEY, ABSTRACT NO. 1354 AND BEING PART OF AN 1115.294 ACRE TRACT OF LAND CONVEYED TO FOUR SEASONS RANCH, LTD. AS RECORDED IN COUNTY CLERK'S FILE NO. 2009-30094, OFFICIAL PUBLIC RECORDS, DENTON COUNTY, TEXAS AND RECORDED IN VOLUME 4613, PAGE 294, DEED RECORDS, GRAYSON COUNTY TEXAS AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 1/2" STEEL SQUARE TUBING FOUND FOR THE NORTHERNMOST NORTHEAST CORNER OF SAID 1115.294 ACRE TRACT AND BEING THE INTERSECTION OF BEREND ROAD AND BLAINE ROAD;

THENCE, SOUTH 00 DEGREES 07 MINUTES 51 SECONDS EAST, ALONG AN EAST LINE OF SAID 1115.294 ACRE TRACT AND WITH THE CENTER OF SAID BLAINE ROAD, A DISTANCE OF 2818.67 FEET TO A 1/2" STEEL SQUARE TUBING FOUND FOR AN INTERIOR ELL CORNER OF SAID 1115.294 ACRE TRACT. SAID POINT BEING ON A NORTHERLY LINE OF FOUR SEASONS RANCH MUNICIPAL UTILITY DISTRICT NO. 1 OF DENTON COUNTY, CREATED BY H.B. 4069, ARTICLE 8, SECTION 8.01, SUBTITLE F, TITLE 6, CHAPTER 8208, ADOPTED TO LAW IN 2007 & BEING A CALLED 979.408 ACRES;

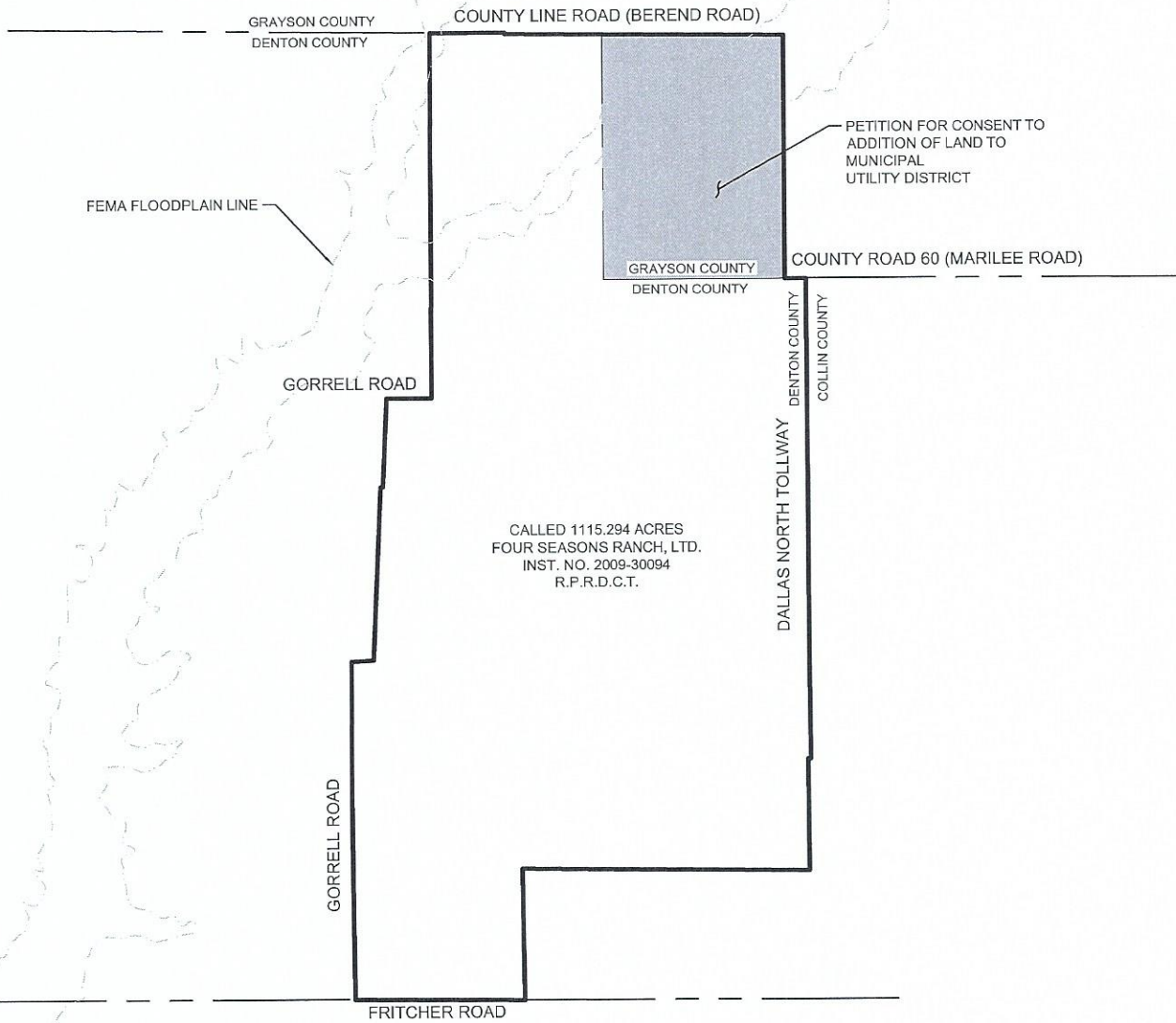
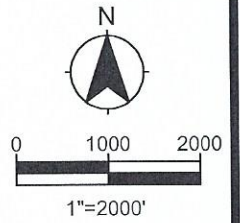
THENCE, OVER AND ACROSS SAID 1115.294 ACRE TRACT, THE FOLLOWING COURSES AND DISTANCES:

SOUTH 89 DEGREES 45 MINUTES 28 SECONDS WEST, ALONG SAID NORTHERLY LINE OF FOUR SEASONS RANCH MUNICIPAL UTILITY DISTRICT NO. 1, A DISTANCE OF 2100.00 FEET TO A POINT FOR AN INTERIOR ELL CORNER OF SAID FOUR SEASONS RANCH MUNICIPAL UTILITY DISTRICT NO. 1;

NORTH 00 DEGREES 07 MINUTES 51 SECONDS WEST, ALONG AN EASTERLY LINE OF SAID FOUR SEASONS RANCH MUNICIPAL UTILITY DISTRICT NO. 1, A DISTANCE OF 2818.67 FEET TO A POINT FOR THE NORTHEAST CORNER OF SAID FOUR SEASONS RANCH MUNICIPAL UTILITY DISTRICT NO. 1. SAID POINT BEING ON THE NORTH LINE OF SAID 1115.294 ACRE TRACT AND THE COMMON SOUTH LINE OF A 100.000 ACRE TRACT OF LAND CONVEYED TO PELZEL FAMILY LIMITED PARTNERSHIP #1, AS RECORDED IN VOLUME 3629, PAGE 25, DEED RECORDS, GRAYSON COUNTY, TEXAS. SAID POINT BEING IN THE CENTERLINE OF AFORESAID BEREND ROAD;

THENCE, NORTH 89 DEGREES 45 MINUTES 28 SECONDS EAST, ALONG THE NORTH LINE OF SAID 1115.294 ACRE TRACT AND THE COMMON SOUTH LINE OF SAID 100.000 ACRE TRACT, THE COMMON SOUTH LINE OF A 19.990 ACRE TRACT OF LAND CONVEYED TO CLAYTON EDWIN KENIFF, AS RECORDED IN VOLUME 2715, PAGE 343, DEED RECORDS GRAYSON COUNTY, TEXAS, THE COMMON SOUTH LINE OF A 20 ACRE TRACT OF LAND CONVEYED AS "FIRST TRACT" TO PELZEL FAMILY LIMITED PARTNERSHIP #1, AS RECORDED IN VOLUME 3629, PAGE 25, DEED RECORDS, GRAYSON COUNTY, TEXAS AND WITH SAID BEREND ROAD, A DISTANCE OF 2100.00 FEET TO THE **POINT OF BEGINNING** AND CONTAINING A CALCULATED AREA OF 5,919,196 SQUARE FEET OR 135.886 ACRES OF LAND.

THIS DOCUMENT WAS PREPARED UNDER 22 TAC 663.21, DOES NOT REFLECT THE RESULTS OF AN ON THE GROUND SURVEY, AND IS NOT TO BE USED TO CONVEY OR ESTABLISH INTERESTS IN REAL PROPERTY EXCEPT THOSE RIGHTS AND INTERESTS IMPLIED OR ESTABLISHED BY THE CREATION OR RECONFIGURATION OF THE BOUNDARY OF THE POLITICAL SUBDIVISION FOR WHICH IT WAS PREPARED.



NOTE

FOR EXHIBIT PURPOSES ONLY. THIS IS NOT BASED ON AN ON-THE-GROUND SURVEY.



3501 OLYMPUS BLVD., SUITE 100
 DALLAS, TEXAS 75019
 PHONE: (469) 899-0536
 TBPE #: F-20821 TBPELS #: 10194934

GRAYSON COUNTY ANNEXATION

PROJECT NO.	DATE	DRAWN BY	REVIEW BY	SCALE	SHEET
N/A	6/19/2026	JWH	KFM	1" = 2000'	1 OF 1
REVISION	DATE	DESCRIPTION			
1.					
2.					



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #10

Discuss, consider, and act upon reappointing the following boards for FY 2026-2028.

- *Planning & Zoning*
Place 2 Davida Miorin

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

Eric Wilhite, Director of Planning & Development

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:

Detra Gaines

From: Davida Miorin
Sent: Wednesday, June 24, 2026 1:20 PM
To: Detra Gaines; Eric Wilhite
Subject: Re: Resignation from P&Z for the City of Gunter, TX (6/12/26)

Detra,

After lengthy consideration and discussions with my spouse, I have decided to rescind my resignation from the City of Gunter P and Z board.

Please advise if there are any issues with this decision. Thank you for your kind assistance.

Best Regards,

Davida O. Miorin
903.744.4164

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From: Detra Gaines <citysecretary@ci.gunter.tx.us>
Sent: Saturday, 13 June 2026 10:40:15
To: Davida Miorin <davida.miorin@ci.gunter.tx.us>
Subject: RE: Resignation from P&Z for the City of Gunter, TX (6/12/26)

Good morning, and sure hate to hear this news. You do have until Thursday morning to reach out to me and reconsider your resignation. I feel you have been a huge asset to the P & Z, and will continue to do so. Have a wonderful weekend!

Thank You,

Detra Gaines, TRMC

City Secretary
903-433-5185



ATTENTION PUBLIC OFFICIALS: A "REPLY TO ALL" OF THIS E-MAIL COULD LEAD TO VIOLATIONS OF THE TEXAS OPEN MEETINGS ACT. PLEASE REPLY ONLY TO THE SENDER.

Confidentiality notice: This email and any files accompanying its transmission are intended only for the recipient to whom it was addressed. This email may contain information that is legally privileged, confidential, or exempt from disclosure under applicable law. If you are not the intended recipient, be advised that the unauthorized use, disclosure, duplication, distribution, or the taking of any action in reliance on this information is strictly prohibited. If you have received this in error, please notify the sender by return email and then remove it immediately from your system.



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #11

Discussion regarding Master Fee Schedule.

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

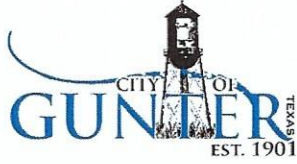
Karen Souther, Mayor

Eric Wilhite, Director of Planning & Development

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #12

Discussion regarding current and future Portable Temporary Concrete Batch Plants.

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

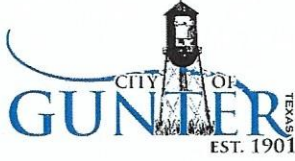
Karen Souther, Mayor

Eric Wilhite, Director of Planning & Development

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #13

Discussion regarding a Policy for City Council Closed Sessions.

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #14

Discuss, consider and act upon an Ordinance authorizing and establishing tiered signatures and countersignature requirements for disbursements.

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:

CITY OF GUNTER, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF GUNTER, TEXAS, ADOPTING PAYMENT PROCEDURES UNDER TEXAS LOCAL GOVERNMENT CODE § 105.074(g); DESIGNATING THE OFFICER AUTHORIZED TO DIRECT PAYMENT OF MUNICIPAL FUNDS; ESTABLISHING TIERED SIGNATURE AND COUNTERSIGNATURE REQUIREMENTS FOR DISBURSEMENTS BASED ON DOLLAR THRESHOLDS; REQUIRING ALDERMAN PARTICIPATION IN HIGHER-TIER DISBURSEMENTS; DESIGNATING AUTHORIZED SIGNATORIES AND PROVIDING A PROCEDURE FOR THEIR AMENDMENT; PROVIDING FOR DEPOSITORY IMPLEMENTATION AND RECORDKEEPING; REQUIRING A MONTHLY DISBURSEMENT REGISTER AND PUBLIC POSTING OF ALL EXPENDITURES; PROVIDING FOR ENFORCEMENT AND THE EFFECT OF VIOLATIONS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

Commented [1]: Justified it

Commented [2]: Reply to Adam Adams (06/16/2026, 13:44): "..."
I had it centered for a reason.

WHEREAS, the City of Gunter, Texas (the “City”), is a Type A general-law municipality organized and operating under the Texas Local Government Code; and

WHEREAS, at the election held May 2, 2026, the voters of the City approved a proposition adopting the council–city manager form of government under Chapter 25 of the Texas Local Government Code, and the City is implementing that form of government; and

WHEREAS, Local Government Code Section 25.029 authorizes the governing body to ensure administrative efficiency of municipal affairs with respect to the City Manager; and

WHEREAS, pursuant to Section 25.051(c), Chapter 25 of the Local Government Code does not limit the authority of the governing body to prescribe powers and duties of municipal officers; and

WHEREAS, Texas Local Government Code Section 22.075(b) provides that a payment shall not be made without showing the purpose of the payment and without the direction of the governing body; and

WHEREAS, Texas Local Government Code Chapter 105, pursuant to Section 105.002, applies to the funds of any municipality; and

WHEREAS, Texas Local Government Code Section 105.074 provides that municipal funds may be disbursed only at the direction of a designated officer, and Subsection (g) of that section authorizes the governing body of a municipality, notwithstanding Subsections (b) through (f), to adopt procedures governing the method by which the designated officer is authorized to direct payments from municipal funds, governing the

method of payment of obligations of the City, and that the governing body determines are necessary to ensure the safety and integrity of the payment process; and

WHEREAS, the City Council finds that a graduated system of payment controls—permitting efficient processing of routine disbursements by a designated officer while requiring countersignatures, including the participation of an elected alderman, for disbursements above defined dollar thresholds—is necessary to ensure the safety and integrity of the payment process, fiscal accountability, transparency, and proper oversight of public funds; and

WHEREAS, the City Council further finds that, as a matter of the payment procedures adopted under this Ordinance, no single officer should have authority to direct or complete disbursements of City funds without the concurrence required by this Ordinance;

WHEREAS, the City Council finds that the office of Mayor under the council-manager form of government adopted by the City is properly suited to directing or initiating the City’s payment obligations as Designated Officer, but the Council further finds it necessary to the safety and integrity of the payment process that the office directing or initiating a payment never also be the office finally authorizing its release, and accordingly finds that the Mayor shall not serve as a signing or countersigning authority on any disbursement under this Ordinance; and

WHEREAS, the City Council further finds that the residents of the City are entitled to convenient and timely public access to a complete record of how City funds are spent, and that routine public disclosure of all disbursements is itself a necessary safeguard of the safety and integrity of the payment process; and

WHEREAS, the City Council further finds that compliance with the payment procedures adopted by this Ordinance is an official duty of every officer and employee of the City who participates in the payment process, and that violations of these procedures are serious matters with real consequences;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GUNTER, TEXAS:

SECTION 1. DEFINITIONS. As used in this Ordinance:

- (a) **“Disbursement”** means any payment or transfer of City funds, including but not limited to checks, drafts, warrants, wire transfers, automated clearing house (ACH) transactions, electronic funds transfers, debit card or purchasing card settlements, and any other monetary authorization drawn on any account or fund of the City held at any depository.
- (b) **“Designated Officer”** means the officer identified in Section 2 of this Ordinance for purposes of directing payment of municipal funds under Texas Local Government Code Section 105.074.
- (c) **“Signature”** means a manual signature or, for electronic disbursements, a documented written or electronic approval attributable to a specific authorized individual and retained in the City’s records, as provided in Section 8.

Commented [3]: May result in civil, and or criminal penalties.

Commented [4]: Reply to Adam Adams (06/16/2026, 13:49): "..."
No, I worded it appropriately. It may result in criminal penalties, but that is not a city question. The city question is that city-based consequences can occur.

(d) “Warrant” means the City’s written or electronic payment authorization record or instrument issued by the City, delivered to the depository (e.g. the bank), directing payment of a City obligation to a specific payee, including but not limited to a check, a bank draft, ACH transfer authorization, or wire transfer authorization, as applicable.

SECTION 2. DESIGNATED OFFICER. For purposes of directing payment of municipal funds, the Designated Officer of the City shall be the first of the following offices that exists and is then filled:

(a) the Mayor, acting in the capacity of Designated Officer only and not as a signatory;

~~(a) the City Manager;~~(b) the City Manager;

~~(b) the City Treasurer, if that office has been created and is filled;~~(c) the City Treasurer, if that office has been created and is filled;

~~(c) the Mayor Pro Tem;~~(d) the Mayor Pro Tem.

If none of the foregoing offices is filled, the City Council shall by ordinance designate an officer of the City to serve as Designated Officer until one of the offices listed above is filled.

Designation as the Designated Officer under this Section confers no signatory authority. Signatory authority is governed exclusively by Section 4.

SECTION 3. TIERED SIGNATURE REQUIREMENTS. No disbursement of City funds shall be made except in accordance with the following requirements. The applicable tier shall be determined by the amount of the disbursement, and no disbursement shall be divided, structured, or sequenced solely for the purpose of avoiding a higher tier. Nothing in this Section requires or authorizes discussion, deliberation, or consultation among Alderman Signatories regarding a specific disbursement outside a meeting properly posted under the Texas Open Meetings Act; each Alderman Signatory shall evaluate the supporting documentation independently and shall not condition that Alderman’s signature on consultation with any other Alderman Signatory. In accordance with Section 22.073(d) the City Secretary shall prepare all warrants and countersign same.

(a) **Tier 1 — Routine Disbursements (less than \$6,000).** Any disbursement in an amount up to and including \$5,999.99 shall require the signature of the Designated Officer and the City Secretary.

(b) **Tier 2 — Moderate Disbursements (\$6,000 to \$29,999.99).** Any disbursement in an amount of \$6,000.00 up to and including \$29,999.99 shall be countersigned by one person in addition to those required in Tier 1. Such countersignature shall be of an Alderman Signatory designated under Section 4, and each must be the signature of a different person.

(c) **Tier 3 — Large Disbursements (\$30,000 and above).** Any disbursement in an amount of \$30,000.00 or more shall be countersigned by one person in addition to those required in Tier 2, at least two of which shall be that of an Alderman

Commented [5]: Detra said that the treasurer can not be on both on bank rec and also a bank signature

Commented [6]: Reply to Adam Adams (06/16/2026, 15:55): "..."
Treasurer can, but should not, separation of duties is better if not on both sides, but that was not really the thrust of this ordinance. Nevertheless, I’ve changed the language.

Commented [7]: The Mayor precedes the Mayor Pro-tem this should be the Mayor or Mayor Pro-tem

Commented [8]: Reply to Adam Adams (06/16/2026, 13:14): "..."
No, the point of this was to limit the mayor. But, since I took the Treasurer out, I’ve put the mayor back in. The other option is to only have two positions in the cascade.

Signatory designated under Section 4, and each must be the signature of a different person. For purposes of this subsection, if the Mayor Pro Tem has signed in the capacity of Designated Officer under Section 2, that signature satisfies one of the two Alderman Signatory requirements of this subsection, and only one additional Alderman Signatory shall be required.

~~(d) **Threshold Adjustment.** The City Council may adjust the dollar thresholds established in this Section by resolution adopted at a regular or special meeting and recorded in the official minutes, without formal amendment of this Ordinance. Any adjusted thresholds shall be communicated in writing to the City's depository as provided in Section 8.~~ The City Council may adjust the dollar thresholds established in this Section only by amendment of this Ordinance. Any adjusted thresholds shall be communicated in writing to the City's depository as provided in Section 8.

Commented [9]: This could create a quorum violation as written it could be a decision or action taken by three Council persons

Commented [10]: Reply to Adam Adams (06/16/2026, 13:16): "..."
No, this will not create a quorum. Signing checks is not deliberating. But, it is not necessary to have 3 aldermen, so it is a moot point.

Commented [11]: I thought only an ordinance could modify an ordinance and a resolution a resolution

Commented [12]: Reply to Adam Adams (06/16/2026, 13:18): "..."
Meh... better to be clean and not have questions.

SECTION 4. AUTHORIZED SIGNATORIES. Signatures required by Section 3 shall be provided by individuals in the following categories:

(a) **Alderman Signatories.** One or more duly elected members of the City Council (aldermen) designated by the City Council by action recorded in the minutes to serve as authorized countersignatories. In the absence of any authorized countersignatories, all alderman duly elected shall be the authorized countersignatories.

(b) **Administrative Signatories.** The Designated Officer, and such other administrative officers of the City as the City Council designates by action recorded in the minutes, which may include the City Manager, the City Treasurer, the City Secretary, or another administrative officer of the City.

(c) **Reconciliation Conflict.** No individual who performs bank reconciliation duties for the City, regardless of title, may serve as an Administrative Signatory under this Section.

~~(e)-(d)~~ **Mayor Not a Signatory.** The Mayor is not an authorized signatory under the payment procedures adopted by this Ordinance and shall not sign or countersign any disbursement of City funds under this Ordinance. This subsection is adopted as a payment-control procedure under Tex. Loc. Gov't Code § 105.074(g) and does not purport to alter any duty or authority arising under other applicable law.

Commented [13]: Again I don't understand an Ordinance barring the Mayor. Didn't think there was authority for doing this

Commented [14]: Reply to Adam Adams (06/16/2026, 13:20): "..."
The entire point is to not let the mayor spend money, since she clearly has abused that authority in a gross manner. How do you think we got two ambulances sitting in the fire house?

SECTION 5. INITIAL DESIGNATION; AMENDMENT.

(a) **Initial Signatories.** Upon adoption of this Ordinance, the City Council designates the following individuals as initial authorized signatories:

Alderman Signatory: _____, Alderman, City of Gunter;

Alderman Signatory: _____, Alderman, City of Gunter;

Administrative Signatory: _____,

_____, City of Gunter.

(b) **Amendment.** The City Council may add, remove, or substitute authorized signatories in either category by majority vote at any regular or special meeting. Any change is effective upon adoption and shall be recorded in the official minutes.

SECTION 6. DIRECTION OF PAYMENT; SUPPORTING DOCUMENTATION.

(a) The Designated Officer shall direct payments only for obligations lawfully incurred by the City and consistent with the City’s adopted budget and applicable law, including Chapter 102 and Chapter 252 of the Texas Local Government Code. Each disbursement shall be supported by an invoice, payroll record, contract, council authorization, or other documentation sufficient to identify the payee, amount, purpose, and funding source, and such documentation shall be retained in the City’s records and made available to any alderman upon request.

Commented [15]: Detra will print a report within two business day after checks are cut which is currently every Thursday. The rest of this we currently do.

(b) Any Tier 3 transaction shall be made available to all members of the governing body, without demand, upon the earliest opportunity but no later than the upon the final countersigning.

Commented [16]: This is the same as section 6b

SECTION 7. MONTHLY DISBURSEMENT REGISTER; PUBLIC POSTING.

(a) **Register Required.** Not later than the twentieth (20th) day following the end of each calendar month, the Designated Officer shall prepare a register of all disbursements of City funds made during that month, from all accounts and funds of the City. The register shall state, for each disbursement: the date; the payee; the amount; a plain-language description of the purpose; the fund or account from which it was paid; the applicable tier under Section 3; and the names of the individuals whose signatures or approvals authorized it. The applicable tier and the names of authorizing individuals may be added to the register manually, including for disbursements identified by sorting the register by amount, and need not be generated automatically by any accounting or banking system.

Commented [17]: Reply to Adam Adams (06/16/2026, 14:53): "..."
No, it is very different. 6(a) is a pull, 6(b) is a push.

(b) **Presentation to Council.** The register shall be included in the agenda packet for, and presented at, the next regular meeting of the City Council following its preparation.

Commented [18]: Detra said the report generated wont be able to show tiers nor signators on tiers but is the same as the one I sent you initially

(c) **Public Posting.** The register shall be posted on the City’s public website, in a location readily accessible from the City’s home page, not later than the date it is presented to the City Council, and shall remain posted and publicly accessible for not less than five (5) years. A printed copy of each register shall also be available for public inspection at City Hall during regular business hours. Information may be redacted from the publicly posted register only to the extent its disclosure is prohibited or excepted by applicable law, and any redaction shall be noted on the register together with the legal basis for it.

Commented [19]: Reply to Adam Adams (06/16/2026, 14:53): "..."
The report can make a spreadsheet, and it can be done manually when there is a purchase over \$30k. It will not happen that often. And it should be possible to run two reports, one for under \$30, and one for \$30k+

(d) **No Omissions.** No disbursement shall be omitted from the register on grounds of confidentiality, sensitivity, or any other basis; where law restricts disclosure of particular details, the disbursement shall nonetheless be listed with its date, amount, and fund, and the restricted details redacted as provided in Subsection (c).

Commented [20]: It needs to be within two business days of when it is presented to Council. The available copy should just be part of the open record request system as staff doesn't need to accompany people when they request this.

Commented [21]: Reply to Adam Adams (06/16/2026, 14:54): "..."
No, the whole point of this is that everyone knows, and does NOT have to ask for it. It is PUBLIC for a reason.

Such restrictions shall be based on and limited to that described in a legal opinion issued by the City Attorney.

SECTION 8. DEPOSITORY IMPLEMENTATION AND RECORDKEEPING. The City Secretary shall, to the extent possible in accordance with the ability of each depository:

- (a) file a certified copy of this Ordinance, and of any resolution adjusting thresholds or amending signatories, with each depository institution holding City funds;
- (b) cause specimen signature cards or equivalent authorization records for all authorized signatories to be executed and maintained with each depository;
- (c) obtain written confirmation from each depository of the authorized signatories and applicable signature requirements; and

~~(d) for wire transfers, ACH transactions, and other electronic disbursements, configure and maintain with each depository, to the fullest extent the depository's systems permit, dual-control settings under which one authorized individual initiates a disbursement and a different authorized individual reviews and releases it, and in all events establish internal controls sufficient to ensure that each electronic disbursement receives the approvals required by Section 3 before funds are transferred, with each approval documented and retained. These requirements are adopted pursuant to Tex. Loc. Gov't Code § 105.074(g) and (h).~~ (d) for wire transfers, ACH transactions, and other electronic disbursements, configure and maintain with each depository dual-control settings under which one authorized individual initiates a disbursement and a different authorized individual reviews and releases it, to the extent the depository's systems permit. Regardless of depository capability, no electronic disbursement shall be initiated until the approvals required by Section 3 have been obtained internally, with each approval documented in writing or by other verifiable record, retained, and reported on the register required by Section 7. The individual who initiates or releases an electronic disbursement is accountable for confirming that the required internal approvals were obtained before doing so, and acts outside the scope of authority under Section 9 if that individual initiates or releases a disbursement without them. These requirements are adopted pursuant to Tex. Loc. Gov't Code § 105.074(g) and (h).

SECTION 9. ENFORCEMENT; EFFECT OF VIOLATION.

- (a) **Official Duty.** Compliance with this Ordinance is an official duty of every officer and employee of the City who directs, signs, initiates, approves, releases, records, or reports any disbursement of City funds, and is a condition of the lawful and proper performance of the duties of each such officer and employee.
- (b) **Unauthorized Acts.** Any disbursement made without the signatures or approvals required by this Ordinance is unauthorized. An officer or employee who directs, signs, initiates, releases, or completes a disbursement in violation of this Ordinance, or who knowingly fails to prepare, present, or post the register required by Section 7, acts outside the scope of his or her authority and in violation of an

Commented [22]: This one is not possible with the electronic disbursements for things such as payroll, TMRS, Sec of State etc. The process of multiple people being involved in this is not practical.

Commented [23]: Reply to Adam Adams (06/16/2026, 14:57): "..."
As I noted in the beginning of the section "to the extent possible" but I've added more clarifying language. The point of all this is that someone's name be associated with the transaction and the names go in the transaction report that gets published under 7(c)

official duty owed to the City.

(c) **Consequences.** A violation of this Ordinance constitutes a serious breach of official duty, including neglect of duty and failure to perform duties required by ordinance. A knowing or willful violation, or a pattern of violations, shall be grounds for disciplinary action up to and including removal from a position of City employment or other action authorized by applicable law, and may further constitute incompetency or official misconduct within the meaning of applicable law. Each disbursement made, and each register omitted or falsified, in violation of this Ordinance constitutes a separate violation.

(d) **Restoration; Referral.** An officer or employee who directs or completes an unauthorized disbursement may be held personally responsible for restoration of the funds to the City to the extent permitted by law, and the City Council may direct that the matter be referred to appropriate authorities.

(e) **No Ratification by Payment.** Payment or processing of a disbursement by a depository does not authorize, ratify, or waive any violation of this Ordinance, and no officer or employee may rely on a depository's payment of an item as evidence that the disbursement was authorized.

- Commented [24]:** These sections appear to contain items that would be addressed under employee policies of the city and fall within the auspices of HR. Probably would use the word penalty rather than consequences.
- Commented [25]:** Reply to Adam Adams (06/16/2026, 13:29): "..."
No, probably would not use the word "Penalty" -- that veers into penal questions and away from an HR approach. Consequence is adequate for the intended purpose.
- Commented [26]:** Neither one of us really understands this item
- Commented [27]:** Reply to Adam Adams (06/16/2026, 16:14): "..."
Ratification by payment means that if the bank processed it, it is valid. This section specifically refutes that argument. Even if the bank processes the payment if the underlying internal city authority was lacking, the action will NOT be ratified and the actor cannot claim it was somehow sanctioned just because the bank processed the check.

SECTION 10. SCOPE; RELATION TO OTHER LAW. This Ordinance establishes payment procedures adopted under Tex. Loc. Gov't Code § 105.074(g) and applies to all accounts and funds of the City held at any depository. This Ordinance does not alter any state or federal law governing particular restricted funds or transactions, and to the extent of any conflict with such law, this ordinance adds additional control measures to the extent allowed, and the other law controls as to the affected fund or transaction.

SECTION 11. SUPERSESION OF PRIOR PAYMENT PROCEDURES. To the extent any prior ordinance, resolution, policy, practice, or depository authorization of the City permitted any single person to sign, direct, or authorize disbursements of City funds, such prior payment procedures are superseded and of no further effect as procedures of the City.

SECTION 12. SEVERABILITY. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of this Ordinance and the application of its provisions to other persons or circumstances shall not be affected.

SECTION 13. EFFECTIVE DATE. This Ordinance takes effect immediately upon its adoption by the City Council of the City of Gunter, Texas. The City Secretary shall record this Ordinance in the official minutes and ordinance records of the City and shall transmit it to the City's depository as provided in Section 8. The first register required by Section 7 shall cover the first full calendar month beginning after the effective date of this Ordinance.

PASSED AND APPROVED this _____ day of _____, 2026, by the City Council of the City of Gunter, Texas.

AYES _____

NAYS _____

ABSTENTIONS _____

Mayor, City of Gunter

ATTEST:

City Secretary, City of Gunter



CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #15

Discuss, consider, and act upon an Ordinance repealing ordinance no. 2023-09-21-01; The Cancellation Provisions of Section 1.03.002; of the Code of Ordinances, and replacing them with provisions governing the cancellation of City Council Meetings.

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS:

CITY OF GUNTER, TEXAS
ORDINANCE NO. 2023-09-21-01

AN ORDINANCE OF THE CITY OF GUNTER AMENDING CHAPTER 1 “GENERAL PROVISIONS”, ARTICLE 1.03 “CITY COUNCIL”, SECTION 1.03.002 “DATE, TIME AND PLACE OF MEETINGS” OF THE CODE OF ORDINANCES, CITY OF GUNTER, TEXAS, TO PROVIDE REGULATIONS FOR CANCELLATIONS OF MEETINGS; PROVIDING A SAVINGS/REPEALING CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE; AND FINDING AND DETERMING THE MEETING AT WHICH THIS ORDINANCE IS ADOPTED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW.

WHEREAS, the City of Gunter is a Type A General Law Municipality located in Grayson County created in accordance with provisions of the Texas Local Government Code and operating pursuant to the enabling legislation of the State of Texas (“City”); and

WHEREAS, Texas Local Government Code Section 51.001(1) provides that the governing body of a municipality may adopt, publish, amend, or repeal an ordinance, rule or police regulations that is for the good government, peace or order of the municipality and is necessary or proper for carrying out a power granted by law to the municipality or to an office or department of the municipality; and

WHEREAS, the City Council desires to amend Chapter 1 “General Provisions”, Article 1.03 “City Council”, Section 1.03.002 “Date, time and place of meetings” of the Code of Ordinances to provide guidelines for cancellations of meetings; and

WHEREAS, in order to best provide for the administration of meetings of the City Council, the City Council has investigated and determined that it is in the best interests of the City to adopt this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GUNTER, TEXAS:

SECTION 1. Findings Incorporated. The findings set forth above are incorporated as if fully set forth herein.

SECTION 2: Amendment to Section 1.03.002. Chapter 1 “General Provisions”, Article 1.03 “City Council”, Section 1.03.002 “Date, time and place of meetings” of the Code of Ordinances is hereby amended to read in its entirety as follows, with additions indicated by underline:

“The city council hereby determines that the city council shall have its regular meetings on the third Thursday of each calendar month. When appropriate, the mayor or mayor pro tem may instruct the city secretary not to schedule and post a regular meeting, including but not limited to when the meeting would fall during the holidays, when it is known that a quorum will not be available or when there is not sufficient city business to warrant a meeting. Additional meetings

of the city council may be scheduled as deemed appropriate and in accordance with state law. The exact time and location for each meeting shall be posted in accordance with the Texas Open Meetings Act. Meetings shall be cancelled only in the absence of the mayor, and with the written consent of the mayor and/or two council members, unless otherwise required by law (e.g., a quorum is not present).”

SECTION 3: Savings/Repealing.

All provisions of any ordinance in conflict with this Ordinance are hereby repealed to the extent they are in conflict; but such repeal shall not abate any pending prosecution for violation of the repealed ordinance, nor shall the repeal prevent a prosecution from being commenced for any violation if occurring prior to the repeal of the ordinance. Any remaining portions of said ordinances shall remain in full force and effect.

SECTION 4: Severability.

Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional, illegal or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. City hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

SECTION 5: Effective Date.


This Ordinance shall take effect immediately from and after its passage and publication as provided by law.

SECTION 6. Open Meeting.

That it is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public as required by law, and that public notice of the time, place, and purpose of said meeting was given, all as required by Section 551.041, Texas Government Code.


PASSED AND ADOPTED by the City Council of the City of Gunter, Grayson County, Texas, on this Friday of October, 2023.

Approved:

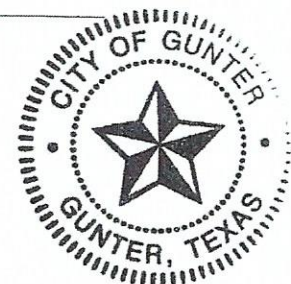


Karen Souther, Mayor

Attest:



Detra Gaines, City Secretary





CITY COUNCIL MEETING
July 2, 2026
6:00 PM

AGENDA ITEM #16

Discuss, consider, and act on determining agenda items to be placed on future City Council meeting agendas and direct the City Secretary as to which future agendas the item should be placed upon.

AGENDA ITEM SUMMARY/BACKGROUND:

PRESENTED BY:

Karen Souther, Mayor

RECOMMENDATION:

LEGAL REVIEW: N/A

ATTACHMENTS: