Town of Highland Park, Texas
TOWN COUNCIL MEETING
AGENDA

8:00 AM
January 6, 2026

4700 Drexel Drive Highland Park, TX 75205
Town Council Chambers

I. CALL TO ORDER

II. INVOCATION

III. PUBLIC COMMENT

This portion of the agenda is the public's opportunity to address the Town Council about any item listed on the agenda, except public hearings. Comments related to public hearings will be heard when the specific hearing begins. Public comments are limited to three (3) minutes per speaker, unless otherwise required by law. Per the Texas Open Meetings Act, the Town Council is not permitted to take action on or discuss any item not listed on the agenda. Items suggested for action may be placed on a future agenda at the Town Council's sole discretion.

IV. CONSENT AGENDA

All items under the Consent Agenda are considered to be routine by the Town Council and will be enacted by one motion and vote. There will be no separate discussion of items unless a request by a Council Member is made prior to the time of the Town Council voting on the motion. In such event, the item will be removed, without debate, from the general order of business and considered in its normal sequence.

A. Take action on a Resolution to amend the Town's Statement of Financial Management Policies.

B. Take action on an Amendment to the Code of Ordinances of the Town of Highland Park, Texas, by amending Articles 3.02, Building Code; 3.04, Plumbing Code; 3.05, Gas Code; 3.06, Mechanical Code; 3.07, Energy Conservation Code; 3.08, Residential Code; and 3.18, Swimming Pool and Spa Code; all for the purpose of adopting the 2024 editions of such International Codes and local amendments thereto; and by amending Article 3.03, Electricity, Division 2, Electrical Code for the purpose of adopting the 2023 Edition of the National Electric Code and local amendments thereto; and by amending Article 3.15, Permit Application Review Procedures and Vested Rights Determinations.

C. Take action on a Resolution ratifying the Town Administrator’s acceptance and distribution of public contributions in accordance with the Administrative Directives Manual.

D. Take action on an Ordinance authorizing the sale of an approximately 3.281-acre tract of land to the City of Dallas for the Hampton Pump Station Project and authorizing the execution of all documents necessary to effectuate the sale.

E. Take action on the minutes of the Town Council meeting held on December 2, 2025.

F. Take action on the minutes of the Town Council study session held on December 2, 2025.

V. PUBLIC HEARING

A. Conduct a public hearing, review, discuss, and take action on a proposed replat creating Lot 20A, Block 9, a replat of Lots 20 and 21, Block 9, 3rd Installment of Mount Vernon Addition, located at 3812 and 3816 Mockingbird Lane.

B. Conduct a public hearing, review, discuss, and take action on a proposed replat creating Lots 3R-1 and 3R-2, Block 179, a replat of Lot 3R, Block 179, Hackberry Creek Addition, located at 3606 St. John's Drive.

VI. ADJOURNMENT

Any item on this posted agenda could be discussed in closed session as long as it is within one of the permitted categories under Sections 551.071 through 551.076 and 551.087 of the Texas Government Code.

A member of the public may address the governing body regarding an item on the agenda either before or during the body's consideration of the item, upon being recognized by the presiding officer or the consent of the body.

SPECIAL ACCOMMODATIONS FOR TOWN COUNCIL MEETINGS: Let us know if you need special assistance of any kind.

Please contact the Town of Highland Park Administrative staff at (214) 521-4161 from 7:30 a.m. - 4:30 p.m., Monday through Friday.

Town of Highland Park
Town Council
Tuesday, January 6, 2026

Item Coversheet

Take action on a Resolution to amend the Town's Statement of Financial Management Policies.

PRESENTED BY: John Samford, Director of Finance

BACKGROUND:

The Town maintains a comprehensive set of Financial Management Policies ("FMP") that serve as essential guidelines for the effective administration of daily financial operations. These policies cover a broad spectrum of financial activities, including accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, treasury operations, and expenditure control.

The proposed amendments reflect recent changes in state law regarding competitive bidding thresholds. Effective September 1, 2025, legislation enacted by the 89th Texas Legislature increased the competitive bidding threshold from $50,000 to $100,000. As a result, purchases below $100,000 no longer require formal competitive bidding. Municipalities may, however, continue to use informal quotes or other alternative procurement methods at their discretion. To ensure consistency with this legislative change and to streamline purchasing and expenditure approvals, corresponding approval thresholds throughout the FMP have been updated.

Additional updates include the introduction of Subsection G under Section V, which outlines guidelines and approval thresholds for executing contracts that do not require Town Council approval.

Clarifications have also been incorporated regarding capital project appropriations and the accounting treatment of capital assets, aimed at enhancing operational efficiency and improving recordkeeping practices.

Furthermore, the policy glossary has been updated to promote clarity and consistency across the FMP document. Minor formatting, grammatical, and other non-substantive revisions have also been made to improve the overall readability and effectiveness of the policies.

Included with this agenda item are:

- A redlined version of the updated FMP;
- A clean copy of the updated FMP; and
- A memorandum detailing each proposed amendment along with its supporting rationale.

These proposed policy amendments have been reviewed and approved by the Town Administrator and have been reviewed by the Finance and Audit Advisory Committee.

RECOMMENDATION

The staff recommends approval of the resolution amending the Town's Statement of Financial Management Policies.

FINANCIAL IMPACT

This item has no financial impact.

ATTACHMENTS

Resolution 001-26_Amending FMP_ January 2026, FMP FY26 Update_redline, FMP FY26 Update_clean, Memo re FMP Proposed Amendments_FY26 Update_1.6.26

RESOLUTION NO. 001-26

A RESOLUTION OF THE TOWN OF HIGHLAND PARK, TEXAS, AMENDING THE STATEMENT OF FINANCIAL MANAGEMENT POLICIES.

WHEREAS, it is the desire of the Town Council of the Town of Highland Park, Texas ("Town") to maintain a collection of sound financial policies; and

WHEREAS, over time, both internal and external influences give cause for the consideration and evaluation of modifications and refinements to the Town's Statement of Financial Management Policies ("FMP"); and

WHEREAS, the purpose of the FMP is to provide a more efficient manner of managing the Town's fiscal affairs, the safeguarding of Town's assets, and the maintenance of the Town's financial integrity; and

NOW THEREFORE BE IT RESOLVED by the Town Council of the Town of Highland Park, Texas, that the FMP is hereby amended, and the amended FMP is attached hereto and made a part hereof by reference as though copied fully herein.

PASSED AND APPROVED this 6th day of January, 2026.

APPROVED AS TO FORM:	APPROVED:
Susan Thomas Town Attorney	Will C. Beecherl Mayor

ATTEST:

Joanna Mekeal
Town Secretary

TOWN OF HIGHLAND PARK, TEXAS

STATEMENT

OF

FINANCIAL MANAGEMENT POLICIES

MISSION STATEMENT

The mission of the Town of Highland Park is to provide personal, caring services in a prompt and efficient manner for our community in order to enhance the quality of life and preserve the heritage that is Highland Park.

December 2012

As Amended ~~January 2025~~January 2026

TABLE OF CONTENTS

I. PURPOSE STATEMENT

The purpose of this Statement of Financial Management Policies is to provide guidelines, in accordance with the applicable Texas Statutes and the Town of Highland Park Charter, Ordinances and Resolutions, for the Director of Finance, hereinafter called Director, in planning and directing the Town of Highland Park, hereinafter called Town, in its day-to-day financial affairs and in developing recommendations to the Town Administrator and Town Council, hereinafter called Administrator and Council, respectively.

The scope of these policies generally spans accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash and investment management, expenditure control and debt management, all to make it possible both: (a) to present fairly and with full disclosure the financial position and results of financial operations of the Town in conformity to generally accepted accounting principles (GAAP), and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

It is the goal of the Statement of Financial Management Policies to enable the Town to adhere to the principles of sound municipal finance and to continue its long-term stable and positive financial condition. The watchwords of the management of the Town's financial affairs shall, at all times, include integrity, prudent stewardship, planning, accountability, and full disclosure.

II. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

A. ACCOUNTING - The Director shall be responsible for establishing and maintaining a chart of accounts and for the proper recording of financial transactions in accordance with GAAP. Additionally, the Town is solely responsible for its reporting of its financial affairs, both internally and externally.

B. AUDITING - The Town's Charter, in accordance with Chapter 103 of the Local

Government Code of Texas, as amended, requires that its financial affairs be audited annually by outside independent accountants (auditors), selected and appointed by the Council under contract. The auditor selected shall be a CPA firm, registered as a partnership or corporation of certified public accountants, holding a license under Article 41a-1, Section 9, of the Civil Statutes of Texas, capable of demonstrating that it has sufficient staff which will enable it to conduct the Town's audit in accordance with generally accepted auditing standards as required by Town Charter and applicable state and federal laws. The auditor's written report of the Town's financial affairs shall be completed by no later than January 15th following the Town's fiscal year-end. The auditor's report, together with its management letter shall be presented to the Administrator, the Director and Council within the aforesaid 120 day period. Thereafter, the Administrator, the Director and auditor shall jointly review the auditor's report and management letter with the Council's Administrative Committee within 30 calendar days after their receipt by the Town.

Within fifteen (15) days of this joint review, the Director shall respond in writing to the Administrator and Administrative Committee regarding the auditor's management letter, addressing the issues contained therein. The Council shall schedule its formal acceptance of the auditor's report upon the resolution of any issues resulting from the joint review.

C. **AUDITORS RESPONSIBLE TO THE COUNCIL** -Auditors for the Town shall be responsible to the Council and shall have access to direct communication with the Mayor and Council at such times as the auditors consider such communication necessary to fulfill their legal and professional responsibilities.

D. **SELECTION/AUDITOR ROTATION -** The Council shall select the auditors for the Town each fiscal year. The selection may be by means of approving an engagement proposal from the incumbent firm or the Council may direct the Administrator and Director to obtain proposals from qualified CPA firms. As a benchmark, the Council may award a three (3) year engagement to the selected

firm with two (2) one (1) year extensions. The Council shall, however, retain authority to review audit performance annually and act accordingly in regards to replacement and extensions.

E. **EXTERNAL FINANCIAL REPORTING** - Upon the completion and acceptance of the annual audit by the Town's auditors, the Town shall prepare a written or electronic representation of an Annual Comprehensive Financial Report (ACFR) which shall be presented to the Council within 180 calendar days after the Town's fiscal year end. The ACFR shall be prepared in accordance with generally accepted accounting principles (GAAP) and shall be presented annually to the Government Finance Officers Association (GFOA) for evaluation and consideration for the Certificate of Achievement for Excellence in Financial Reporting. If this time requirement cannot be met, the Director shall report to the Administrator and the Council of the delay and the reasons for same.

F. **INTERNAL FINANCIAL REPORTING** - The Director shall prepare monthly, a written or electronic representation of a summary of the Town's financial affairs and submit same to the Administrator and Council within thirty (30) calendar days following the end of each calendar month. Each such report shall accurately reflect the Town's current cash position, revenue and expenditure/expense performance as well as any additional information that reflects the Town's fiscal position.

III. OPERATING BUDGET

A. **PREPARATION** - Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The Town's annual operating budget, hereinafter called budget, is the Town's annual financial operating plan. It is comprised of governmental, capital projects, proprietary, internal service and special revenue funds. Budgets for the General Fund, Capital Projects Funds and Special Revenue Funds are prepared on the modified accrual basis of accounting. The budgets for the Utility (Proprietary) Fund and Internal Service Funds are prepared on a basis consistent with GAAP, except that capital

purchases and depreciation are not considered until year-end when adjustments are made for financial reporting purposes.

1. Proposed Budget - A proposed budget shall be prepared by the Administrator and the Director with the participation of all of the Town's Department Directors/Heads, covering the operational and capital expenditures of the Town in accordance with the provisions of the Town Charter.

   The budget shall include four (4) basic segments for review and evaluation. These segments are: 1) personnel costs, 2) operations and maintenance costs, 3) capital and (non-capital) project maintenance costs, and 4) revenues. Capital project costs shall reflect the approved Capital Improvement Plan ("CIP") which shall be updated and approved in conjunction with the adoption of the annual budget.

   The budget review process shall include Council participation in the development of each of the four (4) segments of the proposed budget and a called Public Hearing to allow for citizen participation in the budget preparation.

   The budget process shall span sufficient time to allow for ample time to address policy and fiscal issues by the Council and shall include a designated time and place for soliciting citizen input.

   A copy of the proposed budget shall be filed with the Town Secretary not less than thirty (30) days prior to the end of the fiscal year in accordance with the provisions of the Town Charter.

2. Adoption - Upon the presentation of both a proposed operating budget and a CIP acceptable to the Council, the Council shall call and publicize a public hearing and adopt, by Ordinance, said budget as the Town's Official

Budget effective for the fiscal year beginning October 1st.

3. Amending the Official Budget - Amendments to the Official Budget shall be made at regularly scheduled Council meetings with a notice of the proposed amendment posted and publicized at least three (3) days prior to the meeting.

The Official Budget shall be submitted to the GFOA annually for evaluation and consideration for the Award for Distinguished Budget Presentation.

The Town's Utility (Proprietary) Fund, as set forth in the Town's budget, shall bear the applicable personnel and operating costs of the Town's general administration, information technology services, non-departmental specific expenditures, municipal building office space and other related costs plus the Town's Service Center operation based upon annual reviews of actual staff time allocation and facility use.

In addition to the aforesaid, the service rates for the sale of water, sanitary sewer services, solid waste collection/disposal services and recycling services shall include an amount equal to 5% of revenues for each respective service as street rental fees. These collected funds shall be transferred to the Capital Projects Fund toward funding of the Town's annual street resurfacing program.

All other direct expenses associated with the provision of utility services by the Town shall be expensed directly to the appropriate Department.

B. BALANCED BUDGET - It is desirable that the budget provide sufficient current revenues to fund that year's budgeted non-capital expenditures/expenses. Regardless of this objective, the budget shall be balanced with sources of working capital (revenues, cash surplus) equal to or greater than uses of working capital (expenditures/ expenses, capital outlays).

C. **BUDGET MANAGEMENT & PERFORMANCE** - The Director shall prepare and distribute monthly financial reports to enable the Department Directors to best manage their department budgets and to enable the Director to monitor and control the budget as authorized by the Administrator. Written summaries of the monthly financial reports shall be presented to the Council in accordance with Section II, Paragraph F, of this policy statement. Such reports shall be in a form which will enable the Council to be fully informed of the overall budget performance of the Town.

D. **END OF YEAR APPROPRIATIONS –** For all Town funds for which a budget is required and/or prepared, ~~excluding the Capital Projects Fund~~with the exception of capital project budgets, unencumbered appropriations expire at the close of each fiscal year. Budgets for operating funds are prepared on a fiscal year basis. Capital projects, on the other hand, may span two or more years. Accordingly, ~~individual projects are budgeted in the Capital Projects Fund and~~ appropriations for individual capital projects expire at project closure.

E. **PERFORMANCE MEASURES AND PRODUCTIVITY INDICATORS** Where appropriate, performance measures and productivity indicators shall be included in the annual budget. This information shall also be reported by the Administrator to the Council on a quarterly basis.

IV. REVENUE MANAGEMENT

A. **SIMPLICITY** - The Town, where possible and without sacrificing accuracy, shall strive to keep the Town's revenue system uncomplicated so as to reduce compliance costs for the taxpayer or service recipient and a corresponding decrease in the Town's costs of collection.

The criteria shall always be that the benefits of a revenue collected exceed the cost of producing that revenue.

B. **CERTAINTY** – An understanding of the revenue source increases the reliability

of the Town's revenue system. The Director shall make every effort to determine its revenue sources and enact consistent collection policies in order that the revenues will occur to support the budget.

C. **EQUITY** - The Town shall make every effort to maintain equity in its revenue system structure; i.e., the Town shall endeavor, wherever possible, to minimize or eliminate all forms of subsidization between entities, funds, services, utilities and the Town's customers.

D. **REVENUE ADEQUACY** - The Town shall require that there be a balance in the its revenue system; i.e., the revenue base shall be fair as it applies to cost of service and ability to pay.

E. **DIVERSIFICATION AND STABILITY** - Wherever possible, the Town shall make every effort to maintain a diversified revenue system which provides a stable source of income to the Town which will protect it against fluctuations in the economy and variations in weather (related to the sale of treated water and sanitary sewer services).

F. **NON-RECURRING REVENUES** - It is desirable that non-recurring revenues not be used to finance the Town's current operations. Non-recurring Town revenues should be used only for one-time Town expenditures such as long-lived capital needs and not for budget balancing purposes.

G. **PROPERTY TAX REVENUES** - All real and business personal property located within the Town shall be valued at 100% of the fair market value for any given year based on the current appraisal supplied to the Town by the Dallas Central Appraisal District. A 99% collection rate shall serve each year as a goal for tax collections. The Town Council shall determine whether the Town collects its levied property taxes or contract with another governmental agency for same. The Town Council shall further decide upon a property tax attorney or firm for the collection of delinquent property taxes in accordance with the Texas Property

Tax Code, as amended.

H. **USER-BASED FEE** - As a part of the Town's budget process, the Council shall review and adopt, where possible, service fees sufficient to offset the cost of services rendered by the Town. User charges shall be classified by the Council as "Full Cost Recovery" and "Partial Cost Recovery".

I. **UTILITY RATES** - As a part of the Town's budget process, the Council shall review and adopt utility service rates annually that, where possible, will generate revenues to fully cover the Town's operating expenses and to provide the Town with an adequate level of working capital.

J. **INTEREST INCOME** - The Director shall ensure, at all times, that the interest earned from the investment of Town money shall be distributed to the appropriate fund in accordance to the equity balance of the particular fund from which the money was provided for investment.

K. **REVENUE MONITORING** - All revenues actually received by the Town shall be regularly compared to budgeted revenues by the Director and where variances exist, these shall be audited by the Director. The results of such audits shall be summarized by the Director in the monthly financial report provided to the Council.

V. EXPENDITURE/EXPENSE CONTROL

A. **APPROPRIATIONS** - The Town's budget shall be a line- item budget. Overall budgetary control shall be the responsibility of the Administrator with each respective Department Director being responsible for the administration of his or her departmental budget.

B. **AMENDMENTS TO THE BUDGET -** In accordance with Town Charter, all budget amendments shall be approved by the Council.

C. **CENTRAL CONTROL** - No recognized salary or capital budgetary savings in any Department shall be spent by the Department Director without the prior authorization of the Administrator.

D. **PURCHASING** - All Town purchases and contracts ~~over $3,000~~ shall conform to Chapter 252, Subchapter B of the Local Government Code of Texas, as amended. Purchases of goods or services subject to the competitive bid process and purchases of goods or services by contract, in excess of the threshold established for competitive bidding within Chapter 252 of the Local Government Code, shall be submitted to the Council by the Administrator for Council approval. The adoption of the annual budget gives the Administrator the authority to approve all other purchases for goods or services in accordance with each department's approved budget. Contracts entered into by the Town for the purchase of goods or services will be reviewed by the Town Attorney prior to execution.

The purchase of goods or services at a total cost of $3,000 or more must be made through the Town's purchase order system. An electronic representation of a written purchase order shall also be used for vendors requiring formal Town authorization regardless of the dollar amount. All purchase orders require the approval of the Department Director or Department Director Designee (as defined in section XI. Financial Glossary) and the Director of Finance. Purchase orders greater than $~~45,~~50,000 require the approval of the Department Director, Director of Finance, and Town Administrator or Town Administrator designee.

In an emergency procurement situation (as defined in section XI. Financial Glossary) where a purchase order could not have been obtained prior to making a purchase, a department must obtain a purchase order as soon as practicable after making the purchase. An emergency purchase order requestion must be accompanied by a memo signed by the appropriate department head that describes the nature of the emergency and reason(s) why a purchase order could not have been obtained in advance of making the emergency purchase. A substantiated

emergency procurement made without a valid purchase order is not considered a violation of this policy.

Any payment for the purchase of goods or services by the Town at a total cost of less than $3,000 may be made via an electronic representation of a written Accounts Payable Voucher, signed and submitted by the applicable Department Director or Department Director Designee to the Town's Finance Department. The following approval thresholds shall apply to all disbursement of funds:

Approval Threshold*	Approval Requirement
Accounts Payable Vouchers and Disbursements Less than or Equal to $5~~1~~,000	Department Director or Department Director Designee Finance Department Accounting Supervisor
Accounts Payable Vouchers and Disbursements More than $5~~1~~,000 but Less than or Equal to $50~~45~~,000	Department Director or Department Director Designee Director of Finance
Disbursements More than $50~~45~~,000	Department Director Director of Finance Town Administrator or Town Administrator Designee**

* Approval thresholds apply to disbursements on an individual basis, not in the aggregate.

** Town Administrator or Town Administrator Designee approval only applies to disbursements that require original signature as defined in Section VI. B. of this policy.

In accordance with Section 252.0415 of the Texas Local Government Code, the Town is authorized to receive sealed bids or proposals electronically. To ensure the identification, security and confidentiality and prevent the opening of submittals prior to the advertised opening date and time, these submittals shall be received password protected digital account only accessible at the date and time advertised for the opening. The information technology department, or third party used to collect the submittals, will certify that the submittals were not opened until the advertised date and time. Any bids submitted after the advertised date and time will not be considered. If any submitted bids are opened prior to the advertised opening date and time, all bids will be considered rejected and the process will be redone.

E. **PROMPT PAYMENT** - All invoices approved for payment by the proper Town authorities shall be paid by the Finance Department within thirty (30) calendar days

of receipt in accordance with the provisions of Article 601f, Section 2 of the State of Texas Civil Statutes.

The Director shall establish and maintain proper procedures which will enable the Town to take advantage of all purchase discounts, when possible, except in the instance where payments can be reasonably and legally delayed in order to maximize the amount of cash available for investing.

F. **EQUIPMENT FINANCING** - The applicable Town Department Director, the Administrator and the Director, when possible, shall evaluate the Town's option of equipment leasing in instances of Town equipment acquisitions of $10,000 or more or in instances when the equipment has a useful life of five (5) or more years as an alternative for Council consideration in the acquisition of assets.

G. CONTRACTS FOR GOODS AND SERVICES

This section is provided to address the development and execution of contracts that are not required to be presented to the Town Council for approval. For the purposes of this policy, the terms contracts and agreements are considered synonymous.

1. Any contract for goods and/or services does not require Town Council approval will be executed by the Town Administrator or his/her designee.

2. Contracts for goods and/or services will be written in a standard form provided by the Town Attorney.

3. Any deviations or modifications to the Town's standard form agreement must be approved by the Town Attorney to prior execution.

4. In the event a contract being considered by Town Staff is not on the Town's standard form agreement, the Town Attorney will review and approve the form of the agreement prior to execution.

5. While circumstances of a procurement typically dictate the necessity of a contract, Town Staff should consider using a contract for the purchase of goods and services in the following instances:

    a. Work is being performed by a third party on Town Property.
    b. Services being procured are set out by a specific scope of work.

c. Specific details regarding specifications, delivery terms or payment options are negotiated.

d. The product being procured includes a warranty from the vendor.

e. The procurement being made carries risk to the Town that needs to be mitigated through indemnification and subrogation clauses.

6. Designees of the Town Administrator for the purposes of developing and executing contracts are as follows:

a. Contracts valued at less than $100,000 but more than $50,000 must receive the approval of the Town Administrator.

b. Contracts valued between $25,000 and $49,999 can be executed by the department director with a copy provided to the Town Administrator.

c. Contracts valued between $0 and $24,999 can be executed by the Department Director Designee with a copy provided to the department director.

d. In all cases, directors have the authority to sign any contract that does not require the Town Administrator's signature.

The Town Administrator may approve a contract valued below $50,000, which satisfies all subordinate approvals.

VI. ASSET MANAGEMENT

A. INVESTMENTS - The Director shall promptly invest all Town funds in accordance with the Town's Statement of Investment Policies as adopted by the Town Council.

B. CASH MANAGEMENT - The Town's cash flow shall be managed by the Director to maximize the cash available for investment. The Finance Department

shall, as authorized by Council, affix, via mechanical or electronic means, a facsimile, bearing the joint signatures of the Town's Administrator and the Director, for the disbursement of Town issued checks for:

1. Payroll;

2. Federal income tax and social security tax transfers;
3. Texas Municipal Retirement System deposits;
4. Unemployment compensation claim reimbursements;
5. Payments of money held in trust where the Town acts as a collecting agent;
6. Utility services;
7. Employee benefits programs;
8. Installment payments approved by Council on contracts or projects;
9. Payments for expenditures/expenses for which the Council has specifically authorized payment;
10. Individual (non- aggregate) ~~D~~disbursements less than $50~~3~~,000

All other Town issued checks not meeting the above criteria shall be signed, in original, by two (2) authorized signatories. Payment authorization shall be in accordance with the pay authorization criteria as defined in the current Bank Depository Agreement, approved by Council, stipulating the conditions and control procedures on such activity.

The Director may transfer funds, via electronic transfer, through verbal instructions to the Town's Depository only for payment of any obligation of the Town under the conditions applicable to the use of the facsimile signature under Paragraph B, this Section.

C. ~~FIXED~~ CAPITAL ASSETS ACCOUNTING AND INVENTORY -

The Town's ~~fixed~~ capital assets shall be reasonably safeguarded and properly accounted for and sufficiently insured. Responsibility for the safeguarding of the Town's ~~fixed~~ capital assets lies with the Department Director in whose department the ~~fixed~~ capital asset

is assigned. The Finance Department shall ~~supervise the marking of fixed assets with numbered Town property tags~~ assign an asset number in the Town's capital asset data base and shall maintain the permanent records of the Town's ~~fixed~~ capital assets including description, cost, department of responsibility, date of acquisition, depreciation and expected useful life.

The recording of the cost or value of capitalized ~~fixed~~ capital assets into the Town's financial records and ~~fixed~~ capital asset database shall be consistent with the definition of capitalized ~~fixed~~ assets. A~~with two (2) exceptions: 1) a~~ccessioned Library materials can be capitalized on a lump-sum basis rather than on a per item basis. A~~shall be capitalized annually on a lump-sum basis rather than on a per-item basis and 2) an asset accounted for in the~~ssets purchased from the Town's Equipment or Technology Replacement ~~Replacement Fund~~Funds (Internal Service Funds) that are individually below the capitalized asset threshold can be capitalized annually on a lump-sum basis rather than on a per-item basis. Refer to the definition of "Capitalized Asset" in the glossary of this policy.~~shall be recorded regardless of cost or value and marked with numbered Town property tags to allow for inventory tracking.~~

Rehabilitations, renovations, remodels, and repairs to Town's capital assets are capitalized to extent the total cost of the rehabilitation, renovation, remodel, and repair exceeds ~~-~~$25,000 and extends the underlying assets useful life~~-~~. Rehabilitations, renovations, repairs and remodels below this threshold are considered routine repair and maintenance expenditures.

~~Non-capitalized fixed assets shall be recorded in the Town's fixed asset data base at a financial reporting cost or value of $0.~~

The Finance Department shall also perform an annual inventory of capital assets using random sampling at the department level. Such inventory shall be performed by the Director or his or her designated agent in the presence of designated department personnel from the department of responsibility.

D. **COMPUTER SYSTEM/DATA SECURITY** - The Town shall provide security of its computer system and data files through:

1. Physical security - computer systems infrastructure shall be in a location inaccessible to unauthorized personnel. Only authorized external access to the system via telephone, microwave or radio frequency shall be installed.

2. Password security - All users of the Town's financial management system shall be assigned his/her personal password for access into the system. Each user shall be given access permissions to only those data files and functions necessary to perform assigned duties. The Town

   Administrator shall designate the Information Technology Manager as the Master Security Officer on the Town's computer ~~system~~ networks. The Master Security Officer may appoint other Town employees to serve as Security Officers. The Town shall take all precautions necessary to protect the integrity and safety of its information technology.

VII. FINANCIAL CONDITION

A. **NO OPERATING DEFICITS** - It is desirable that the Town's current expenditures/expenses be paid with current revenues of the Town. Deferrals, short-term loans or use of one-time sources should be avoided as budget balancing techniques. The Town's cash reserves should be used only for emergencies or for the payment of non-recurring expenditures as approved by the Council, except when balances can be reduced due to their levels exceeding guideline minimums as stated in Section VII, Paragraph B., hereof.

B. **FUND BALANCE - GOVERNMENTAL FUNDS**

1. *Committed Fund Balance* - The Town Council is the Town's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is by Council action. The Council action must either be approved or rescinded,

as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period. The Council action may take the form of the Annual Budget or a separate ordinance or resolution. Examples of Committed Fund Balance include the Storm Water Drainage Utility Fund and the Employees' Christmas Fund (contributions committed for employee distribution).

The Town shall maintain a committed fund balance in the Capital Projects Fund of $2,000,000.00 as conditions warrant. The Town Council shall have sole authority for the use of any portion, or all of, the committed fund balance in the Capital Projects Funds. Such decision to use the Capital Projects Fund's committed fund balance should include a plan for replenishing the committed fund balance of the Capital Projects Fund to its desired level.

2. *Assigned Fund Balance* - The Town Council has authorized the Town's Director of Fiscal and Human Resources to assign fund balance to a specific purpose in accordance to Generally Accepted Accounting Principles and in the normal conduct of business. An example is resources to be used to liquidate encumbrances related to purchase orders payable from assigned resources and any fund balance to be used in a subsequent fiscal year to "balance" the budget.

3. *Minimum Unassigned Fund Balance*

The Town shall maintain an unassigned fund balance in the General Fund equal to 17% of non-capital expenditures as approved by the Town Council in current Annual Budget.

If Unassigned Fund Balance exceeds the target set by policy, the Town may use surpluses for onetime expenditures. If unassigned fund balance falls below the target, the Town will reduce recurring expenditures to eliminate any structural deficit for such period as necessary until the unassigned fund balance meets the minimum balance as required by this policy.

4. *Order of Expenditure of Funds*

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the Town Council, and Unassigned Fund Balance), the Town will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

At the close of each fiscal year, any operating surplus (revenues less expenditures less encumbrances) shall be transferred, by Council action, from the General Fund to the Capital Projects Fund.

C. NET WORKING CAPITAL - UTILITY FUND

The Town shall maintain Net Working Capital at an amount equal to not less than twenty-five percent (25%) of non-capital expenditures as approved by the Town Council in the Annual Budget.

D. RISK MANAGEMENT - The Town shall provide, where possible, for the safety of the public and the Town's employees in order to minimize the Town's risk of loss of resources through liability claims.

E. RISK FINANCING - All reasonable options shall be investigated by the Director to finance risks. Such options may include risk transfer, insurance and risk retention.

VIII. INTERNAL CONTROLS

A. **WRITTEN PROCEDURES** - Wherever possible, written procedures shall be established and maintained by the Director for all activities involving cash handling and/or accounting throughout the Town. These procedures shall embrace the general concepts of fiscal responsibility outlined in this statement.

B. **DEPARTMENT DIRECTORS RESPONSIBLE** - Each Department Director shall be responsible to ensure that good internal controls are followed at all times throughout his or her department, that all approved, written Finance Department directives on internal controls are implemented and that all independent auditor internal control recommendations, as embraced by the Council and furnished by the Finance Department, are met.

IX. DEBT MANAGEMENT

A. **LONG-TERM DEBT** - Long-term debt shall not be used for operating purposes and the life of any Town issued debt shall not exceed the useful life of the asset or project financed with same.

B. **FINANCING ALTERNATIVES** - The Director shall be responsible for the evaluation, from time to time, of all financing alternatives permitted by State law in addition to long-term debt including leasing, current revenues and available reserves.

C. **RATINGS** - The Director shall make full disclosure of the Town's operations to both nationally recognized rating agencies, Standard & Poors and Moody's.

X. ANNUAL REVIEW OF POLICIES

The Town's Financial Management Policies shall be reviewed by the Director and Administrator at least annually and any proposed revisions shall be presented to the Council for approval.

XI. FINANCIAL GLOSSARY

The following definitions form a part of this policy statement in order to clarify certain terminology used.

Appropriation - a legal authorization granted by the Council to make or incur expenditures/expenses for specific purposes.

Bank Depository Agreement - the Council approved current contract, pursuant to the provisions of Section 105 of the Local Government Code of Texas providing for banking

Budget - a plan, approved by the Council, of financial operation embodying an estimate of proposed expenditures/expenses for the fiscal year and the proposed means of financing them (revenue estimates).

Capital/Major Project Expenditure/Expense - an expenditure/expense which results in the acquisition or addition of a ~~fixed~~ capital asset or the improvement to an existing ~~fixed~~ capital asset.

Capital Projects Fund - a fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Capitalized ~~Fixed~~ Asset – A purchased or otherwise acquired piece of equipment, vehicle, furniture, fixture, capital improvement, addition to existing capital investments, land, buildings or accessioned Library materials with a useful life greater than two (2) years and a~~ fixed~~n ~~asset acquired prior to October 1, 2000, having an acquisition cost or value of $1,000 or more or a fixed asset acquired after September 30, 2000, having an~~original acquisition cost or value of $15~~5~~,000 or more.

Chart of Accounts - a chart detailing the system of numbering or otherwise designating general ledger accounts.

Combined Budget – the combination and presentation of the Operating Budget and the

Capital ~~Projects Fund~~Improvement Plan budget.

Competitive Bidding Process ~~-~~ – a competitive procurement process that satisfies the requirements of Chapter 252 of the Local Government Code of Texas, as amended. ~~the process following State law requiring that on purchases of $25,000 and more, the Town must advertise, solicit, and publicly open sealed bids from prospective vendors. After a review period the Council then awards the bid to the successful bidder.~~

Current Assets - assets of the Town consisting of cash, investments and other assets that can or will be converted to cash within a twelve (12) month period.

Current Expense - an obligation of the Town as a result of an incurred expenditure/expense that is due for payment within a twelve (12) month period.

Current Liabilities - obligations of the Town that will require satisfaction within a twelve (12) month period.

Current Revenue - Town revenues or resources convertible to cash within a ~~a~~ twelve (12) month period~~s~~.

Department Director Designee – an Assistant Director or equivalent, or a person reporting directly to the Department Director that is a supervisor/manager by title or job function.

Director of Finance - the person appointed by the Town Administrator who is responsible for the recording and reporting of the financial activities of the Town.

Electronic signature – electronically imprinted signature facsimiles generated through the Town's computer equipment upon vouchers or Town issued checks, rendering them as negotiable instruments.

Emergency - an unexpected occurrence, i.e. damaging weather conditions, that requires the unplanned use of Town funds.

Emergency Procurement – An unforeseen procurement that was necessary to:

- Preserve the property of the municipality
- Preserve or protect the public health or safety of the municipality's residents or employees
- Prevent unforeseen damage to public machinery, equipment, or other property

Encumbrance - see Appropriation

Equity - see Fund Balance and Retained Earnings

Expenditure/Expense - decreases in net financial resources for the purpose of acquiring goods or services. The General Fund recognizes expenditures and the Utility (Proprietary) Fund recognizes expenses.

~~Facsimile Signature Machine – a mechanical device used to imprint signature facsimiles upon Town vouchers rendering them as negotiable instruments.~~

Fiscal Year (FY) - the period of October 1st through the following September 30th. (e.g. FY 2013 or FY13 refers to the fiscal year from October 1, 2012 through September 30, 2013)

~~Fixed Assets – Purchased or otherwise acquired piece of equipment, vehicle, furniture, fixture, capital improvement, addition to existing capital investments, land, buildings or accessioned Library materials with a useful life greater than one (1) year.~~

Fund - an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance – an accounting distinction is made between the portions of fund equity that spendable and non-spendable. These are broken up into five categories:

1. **Non-spendable fund balance –** includes amounts that are not in a spendable form or are required to be maintained intact. Examples are resources in the form of inventory or permanent funds.
2. **Restricted fund balance –** includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include resources from grants and child safety fees.
3. **Committed fund balance –** includes amounts that can be used only for the specific purposes determined by a formal action of the Town Council. Commitments may be changed or lifted only by the Town Council taking the same formal action that imposed the constraint originally.
4. **Assigned fund balance –** comprises amounts *intended* to be used by the Town for specific purposes. Intent can be expressed by Town Council or by an official or body to which the Town Council has delegated the authority. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. Examples include resources to be used to liquidate encumbrances related to purchase orders payable from assigned resources and any fund balance to be used in a subsequent fiscal year to "balance" the budget.
5. **Unassigned fund balance –** is the residual classification of the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Fund Equity - the excess of fund assets over liabilities in a governmental fund.

GAAP - see Generally Accepted Accounting Principles

General Administrative Costs - costs associated with the administration of Town services; costs incurred by the Town that relate to the Town's general operations rather than to the providing of specific services.

General Fund - the Town fund used to account for all financial resources and expenditures of the Town except those required to be accounted for in another fund.

General Ledger - the collection of accounts reflecting the financial position and results of operations for the Town.

Generally Accepted Accounting Principles (GAAP) - uniform minimum standards of and guidelines to financial accounting and reporting as set forth by the Governmental Accounting Standards Board (GASB).

GFOA - Government Finance Officers Association of the United States and Canada

Governmental Accounting Standards Board - the authoritative accounting and financial reporting standard-setting body for government agencies.

Governmental Funds – funds generally used to account for tax-supported activities. The Town utilizes three different types of governmental funds: the General Fund, Capital Projects Fund, and Special Revenue Funds.

Internal Service Fund - a fund used to account for the financing of goods or services provided by one department to other department on a cost reimbursement basis.

Investments - securities held for the production of revenues in the form of interest.

Line-Item Budget - the presentation of the Town's adopted Budget in a format presenting each Department's approved expenditure/expense by specific account.

Long-Term Debt - obligations of the Town with a maturity of more than one (1) year.

Management Letter - a written report from the independent auditors to the Council reflecting observations and suggestions as a result of the audit process.

Net Working Capital - current assets less current liabilities.

~~Non-Capitalized Fixed Asset – a fixed asset acquired prior to October 1, 2000, having an~~

~~acquisition cost or value of $1,000 or less or a fixed asset acquired after September 30, 2000, having an acquisition cost or value of $1,000 or more but less than $5,000.~~

Non-Recurring Revenues - resources recognized by the Town that are unique and occur one-~~-~~time.

Official Budget - the budget as adopted by the Council.

One-Time Revenues - see Non-Recurring Revenues.

Operating Budget - a plan, approved by the Council, of financial operation embodying an estimate of proposed expenditures/expenses for the fiscal year and the proposed means of financing them (revenue estimates) for all funds excluding the Capital Projects Fund and individual capital projects, which can span multiple fiscal years.

Proprietary Fund - see Utility Fund

Purchase Order System - the Town's system of using documents authorizing the delivery of specified merchandise or services and making a charge for them.

Retained Earnings - the equity account reflecting the accumulated earnings of the Utility Fund.

Revenues (Resources) - the term designating an increase to the Town's assets which:

- does not increase a liability (i.e. proceeds from a loan);
- does not represent a repayment of an expenditure/ expense already made;
- does not represent a cancellation of certain liabilities; and
- does not represent an increase in capital.

Risk - the liability, either realized or potential, related to the Town's daily operations.

Special Revenue Funds - funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. Examples include Court Technology Fund, Forfeited Property Fund, and Court Security Fund.

Street Rental Fees – An annual amount equal to 5% of combined water, sanitary sewer, solid waste collection/disposal and recycling charges billed to the Town's utility customers to pay for the use/access of Town right-of-way.

Tax Levy - the total amount of taxes imposed by the Town on taxable property, as determined by the Dallas Central Appraisal District, within the Town's corporate limits.

Town Council - the current elected officials of the Town as set forth in the Town's Charter.

Town Administrator - that individual appointed by the Town Council who is responsible for the administration of the affairs of the Town.

User Based Fee/Charge - a monetary fee or charge placed upon the user of services by the Town.

Utility Fund - the fund used to account for operations of the Town's water and sanitary sewer activities.

Utility Sales - sales of treated water and sanitary sewer service.

TOWN OF HIGHLAND PARK, TEXAS

STATEMENT

OF

FINANCIAL MANAGEMENT POLICIES

MISSION STATEMENT

The mission of the Town of Highland Park is to provide personal, caring services in a prompt and efficient manner for our community in order to enhance the quality of life and preserve the heritage that is Highland Park.

December 2012

As Amended ~~January 2025~~January 2026

TABLE OF CONTENTS

I. PURPOSE STATEMENT

The purpose of this Statement of Financial Management Policies is to provide guidelines, in accordance with the applicable Texas Statutes and the Town of Highland Park Charter, Ordinances and Resolutions, for the Director of Finance, hereinafter called Director, in planning and directing the Town of Highland Park, hereinafter called Town, in its day-to-day financial affairs and in developing recommendations to the Town Administrator and Town Council, hereinafter called Administrator and Council, respectively.

The scope of these policies generally spans accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash and investment management, expenditure control and debt management, all to make it possible both: (a) to present fairly and with full disclosure the financial position and results of financial operations of the Town in conformity to generally accepted accounting principles (GAAP), and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

It is the goal of the Statement of Financial Management Policies to enable the Town to adhere to the principles of sound municipal finance and to continue its long-term stable and positive financial condition. The watchwords of the management of the Town's financial affairs shall, at all times, include integrity, prudent stewardship, planning, accountability, and full disclosure.

II. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

A. ACCOUNTING - The Director shall be responsible for establishing and maintaining a chart of accounts and for the proper recording of financial transactions in accordance with GAAP. Additionally, the Town is solely responsible for its reporting of its financial affairs, both internally and externally.

B. AUDITING - The Town's Charter, in accordance with Chapter 103 of the Local

Government Code of Texas, as amended, requires that its financial affairs be audited annually by outside independent accountants (auditors), selected and appointed by the Council under contract. The auditor selected shall be a CPA firm, registered as a partnership or corporation of certified public accountants, holding a license under Article 41a-1, Section 9, of the Civil Statutes of Texas, capable of demonstrating that it has sufficient staff which will enable it to conduct the Town's audit in accordance with generally accepted auditing standards as required by Town Charter and applicable state and federal laws. The auditor's written report of the Town's financial affairs shall be completed by no later than January 15th following the Town's fiscal year-end. The auditor's report, together with its management letter shall be presented to the Administrator, the Director and Council within the aforesaid 120 day period. Thereafter, the Administrator, the Director and auditor shall jointly review the auditor's report and management letter with the Council's Administrative Committee within 30 calendar days after their receipt by the Town.

Within fifteen (15) days of this joint review, the Director shall respond in writing to the Administrator and Administrative Committee regarding the auditor's management letter, addressing the issues contained therein. The Council shall schedule its formal acceptance of the auditor's report upon the resolution of any issues resulting from the joint review.

C. **AUDITORS RESPONSIBLE TO THE COUNCIL** -Auditors for the Town shall be responsible to the Council and shall have access to direct communication with the Mayor and Council at such times as the auditors consider such communication necessary to fulfill their legal and professional responsibilities.

D. **SELECTION/AUDITOR ROTATION -** The Council shall select the auditors for the Town each fiscal year. The selection may be by means of approving an engagement proposal from the incumbent firm or the Council may direct the Administrator and Director to obtain proposals from qualified CPA firms. As a benchmark, the Council may award a three (3) year engagement to the selected

firm with two (2) one (1) year extensions. The Council shall, however, retain authority to review audit performance annually and act accordingly in regards to replacement and extensions.

E. **EXTERNAL FINANCIAL REPORTING** - Upon the completion and acceptance of the annual audit by the Town's auditors, the Town shall prepare a written or electronic representation of an Annual Comprehensive Financial Report (ACFR) which shall be presented to the Council within 180 calendar days after the Town's fiscal year end. The ACFR shall be prepared in accordance with generally accepted accounting principles (GAAP) and shall be presented annually to the Government Finance Officers Association (GFOA) for evaluation and consideration for the Certificate of Achievement for Excellence in Financial Reporting. If this time requirement cannot be met, the Director shall report to the Administrator and the Council of the delay and the reasons for same.

F. **INTERNAL FINANCIAL REPORTING** - The Director shall prepare monthly, a written or electronic representation of a summary of the Town's financial affairs and submit same to the Administrator and Council within thirty (30) calendar days following the end of each calendar month. Each such report shall accurately reflect the Town's current cash position, revenue and expenditure/expense performance as well as any additional information that reflects the Town's fiscal position.

III. OPERATING BUDGET

A. **PREPARATION** - Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The Town's annual operating budget, hereinafter called budget, is the Town's annual financial operating plan. It is comprised of governmental, capital projects, proprietary, internal service and special revenue funds. Budgets for the General Fund, Capital Projects Funds and Special Revenue Funds are prepared on the modified accrual basis of accounting. The budgets for the Utility (Proprietary) Fund and Internal Service Funds are prepared on a basis consistent with GAAP, except that capital

purchases and depreciation are not considered until year-end when adjustments are made for financial reporting purposes.

1. Proposed Budget - A proposed budget shall be prepared by the Administrator and the Director with the participation of all of the Town's Department Directors/Heads, covering the operational and capital expenditures of the Town in accordance with the provisions of the Town Charter.

   The budget shall include four (4) basic segments for review and evaluation. These segments are: 1) personnel costs, 2) operations and maintenance costs, 3) capital and (non-capital) project maintenance costs, and 4) revenues. Capital project costs shall reflect the approved Capital Improvement Plan ("CIP") which shall be updated and approved in conjunction with the adoption of the annual budget.

   The budget review process shall include Council participation in the development of each of the four (4) segments of the proposed budget and a called Public Hearing to allow for citizen participation in the budget preparation.

   The budget process shall span sufficient time to allow for ample time to address policy and fiscal issues by the Council and shall include a designated time and place for soliciting citizen input.

   A copy of the proposed budget shall be filed with the Town Secretary not less than thirty (30) days prior to the end of the fiscal year in accordance with the provisions of the Town Charter.

2. Adoption - Upon the presentation of both a proposed operating budget and a CIP acceptable to the Council, the Council shall call and publicize a public hearing and adopt, by Ordinance, said budget as the Town's Official

Budget effective for the fiscal year beginning October 1st.

3. Amending the Official Budget - Amendments to the Official Budget shall be made at regularly scheduled Council meetings with a notice of the proposed amendment posted and publicized at least three (3) days prior to the meeting.

The Official Budget shall be submitted to the GFOA annually for evaluation and consideration for the Award for Distinguished Budget Presentation.

The Town's Utility (Proprietary) Fund, as set forth in the Town's budget, shall bear the applicable personnel and operating costs of the Town's general administration, information technology services, non-departmental specific expenditures, municipal building office space and other related costs plus the Town's Service Center operation based upon annual reviews of actual staff time allocation and facility use.

In addition to the aforesaid, the service rates for the sale of water, sanitary sewer services, solid waste collection/disposal services and recycling services shall include an amount equal to 5% of revenues for each respective service as street rental fees. These collected funds shall be transferred to the Capital Projects Fund toward funding of the Town's annual street resurfacing program.

All other direct expenses associated with the provision of utility services by the Town shall be expensed directly to the appropriate Department.

B. **BALANCED BUDGET** - It is desirable that the budget provide sufficient current revenues to fund that year's budgeted non-capital expenditures/expenses. Regardless of this objective, the budget shall be balanced with sources of working capital (revenues, cash surplus) equal to or greater than uses of working capital (expenditures/ expenses, capital outlays).

C. **BUDGET MANAGEMENT & PERFORMANCE** - The Director shall prepare and distribute monthly financial reports to enable the Department Directors to best manage their department budgets and to enable the Director to monitor and control the budget as authorized by the Administrator. Written summaries of the monthly financial reports shall be presented to the Council in accordance with Section II, Paragraph F, of this policy statement. Such reports shall be in a form which will enable the Council to be fully informed of the overall budget performance of the Town.

D. **END OF YEAR APPROPRIATIONS** – For all Town funds for which a budget is required and/or prepared, ~~excluding the Capital Projects Fund~~with the exception of capital project budgets, unencumbered appropriations expire at the close of each fiscal year. Budgets for operating funds are prepared on a fiscal year basis. Capital projects, on the other hand, may span two or more years. Accordingly, ~~individual projects are budgeted in the Capital Projects Fund and~~ appropriations for individual capital projects expire at project closure.

E. **PERFORMANCE MEASURES AND PRODUCTIVITY INDICATORS** Where appropriate, performance measures and productivity indicators shall be included in the annual budget. This information shall also be reported by the Administrator to the Council on a quarterly basis.

IV. REVENUE MANAGEMENT

A. **SIMPLICITY** - The Town, where possible and without sacrificing accuracy, shall strive to keep the Town's revenue system uncomplicated so as to reduce compliance costs for the taxpayer or service recipient and a corresponding decrease in the Town's costs of collection.

The criteria shall always be that the benefits of a revenue collected exceed the cost of producing that revenue.

B. **CERTAINTY** – An understanding of the revenue source increases the reliability

of the Town's revenue system. The Director shall make every effort to determine its revenue sources and enact consistent collection policies in order that the revenues will occur to support the budget.

C. **EQUITY** - The Town shall make every effort to maintain equity in its revenue system structure; i.e., the Town shall endeavor, wherever possible, to minimize or eliminate all forms of subsidization between entities, funds, services, utilities and the Town's customers.

D. **REVENUE ADEQUACY** - The Town shall require that there be a balance in the its revenue system; i.e., the revenue base shall be fair as it applies to cost of service and ability to pay.

E. **DIVERSIFICATION AND STABILITY** - Wherever possible, the Town shall make every effort to maintain a diversified revenue system which provides a stable source of income to the Town which will protect it against fluctuations in the economy and variations in weather (related to the sale of treated water and sanitary sewer services).

F. **NON-RECURRING REVENUES** - It is desirable that non-recurring revenues not be used to finance the Town's current operations. Non-recurring Town revenues should be used only for one-time Town expenditures such as long-lived capital needs and not for budget balancing purposes.

G. **PROPERTY TAX REVENUES** - All real and business personal property located within the Town shall be valued at 100% of the fair market value for any given year based on the current appraisal supplied to the Town by the Dallas Central Appraisal District. A 99% collection rate shall serve each year as a goal for tax collections. The Town Council shall determine whether the Town collects its levied property taxes or contract with another governmental agency for same. The Town Council shall further decide upon a property tax attorney or firm for the collection of delinquent property taxes in accordance with the Texas Property

Tax Code, as amended.

H. **USER-BASED FEE** - As a part of the Town's budget process, the Council shall review and adopt, where possible, service fees sufficient to offset the cost of services rendered by the Town. User charges shall be classified by the Council as "Full Cost Recovery" and "Partial Cost Recovery".

I. **UTILITY RATES** - As a part of the Town's budget process, the Council shall review and adopt utility service rates annually that, where possible, will generate revenues to fully cover the Town's operating expenses and to provide the Town with an adequate level of working capital.

J. **INTEREST INCOME** - The Director shall ensure, at all times, that the interest earned from the investment of Town money shall be distributed to the appropriate fund in accordance to the equity balance of the particular fund from which the money was provided for investment.

K. **REVENUE MONITORING** - All revenues actually received by the Town shall be regularly compared to budgeted revenues by the Director and where variances exist, these shall be audited by the Director. The results of such audits shall be summarized by the Director in the monthly financial report provided to the Council.

V. EXPENDITURE/EXPENSE CONTROL

A. **APPROPRIATIONS** - The Town's budget shall be a line- item budget. Overall budgetary control shall be the responsibility of the Administrator with each respective Department Director being responsible for the administration of his or her departmental budget.

B. **AMENDMENTS TO THE BUDGET -** In accordance with Town Charter, all budget amendments shall be approved by the Council.

C. **CENTRAL CONTROL** - No recognized salary or capital budgetary savings in any Department shall be spent by the Department Director without the prior authorization of the Administrator.

D. **PURCHASING** - All Town purchases and contracts ~~over $3,000~~ shall conform to Chapter 252, Subchapter B of the Local Government Code of Texas, as amended. Purchases of goods or services subject to the competitive bid process and purchases of goods or services by contract, in excess of the threshold established for competitive bidding within Chapter 252 of the Local Government Code, shall be submitted to the Council by the Administrator for Council approval. The adoption of the annual budget gives the Administrator the authority to approve all other purchases for goods or services in accordance with each department's approved budget. Contracts entered into by the Town for the purchase of goods or services will be reviewed by the Town Attorney prior to execution.

The purchase of goods or services at a total cost of $3,000 or more must be made through the Town's purchase order system. An electronic representation of a written purchase order shall also be used for vendors requiring formal Town authorization regardless of the dollar amount. All purchase orders require the approval of the Department Director or Department Director Designee (as defined in section XI. Financial Glossary) and the Director of Finance. Purchase orders greater than $~~45,~~50,000 require the approval of the Department Director, Director of Finance, and Town Administrator or Town Administrator designee.

In an emergency procurement situation (as defined in section XI. Financial Glossary) where a purchase order could not have been obtained prior to making a purchase, a department must obtain a purchase order as soon as practicable after making the purchase. An emergency purchase order requestion must be accompanied by a memo signed by the appropriate department head that describes the nature of the emergency and reason(s) why a purchase order could not have been obtained in advance of making the emergency purchase. A substantiated

emergency procurement made without a valid purchase order is not considered a violation of this policy.

Any payment for the purchase of goods or services by the Town at a total cost of less than $3,000 may be made via an electronic representation of a written Accounts Payable Voucher, signed and submitted by the applicable Department Director or Department Director Designee to the Town's Finance Department. The following approval thresholds shall apply to all disbursement of funds:

Approval Threshold*	Approval Requirement
Accounts Payable Vouchers and Disbursements Less than or Equal to $5~~1~~,000	Department Director or Department Director Designee Finance Department Accounting Supervisor
Accounts Payable Vouchers and Disbursements More than $5~~1~~,000 but Less than or Equal to $50~~45~~,000	Department Director or Department Director Designee Director of Finance
Disbursements More than $50~~45~~,000	Department Director Director of Finance Town Administrator or Town Administrator Designee**

* Approval thresholds apply to disbursements on an individual basis, not in the aggregate.

** Town Administrator or Town Administrator Designee approval only applies to disbursements that require original signature as defined in Section VI. B. of this policy.

In accordance with Section 252.0415 of the Texas Local Government Code, the Town is authorized to receive sealed bids or proposals electronically. To ensure the identification, security and confidentiality and prevent the opening of submittals prior to the advertised opening date and time, these submittals shall be received password protected digital account only accessible at the date and time advertised for the opening. The information technology department, or third party used to collect the submittals, will certify that the submittals were not opened until the advertised date and time. Any bids submitted after the advertised date and time will not be considered. If any submitted bids are opened prior to the advertised opening date and time, all bids will be considered rejected and the process will be redone.

E. **PROMPT PAYMENT** - All invoices approved for payment by the proper Town authorities shall be paid by the Finance Department within thirty (30) calendar days

of receipt in accordance with the provisions of Article 601f, Section 2 of the State of Texas Civil Statutes.

The Director shall establish and maintain proper procedures which will enable the Town to take advantage of all purchase discounts, when possible, except in the instance where payments can be reasonably and legally delayed in order to maximize the amount of cash available for investing.

F. **EQUIPMENT FINANCING** - The applicable Town Department Director, the Administrator and the Director, when possible, shall evaluate the Town's option of equipment leasing in instances of Town equipment acquisitions of $10,000 or more or in instances when the equipment has a useful life of five (5) or more years as an alternative for Council consideration in the acquisition of assets.

G. CONTRACTS FOR GOODS AND SERVICES

This section is provided to address the development and execution of contracts that are not required to be presented to the Town Council for approval. For the purposes of this policy, the terms contracts and agreements are considered synonymous.

1. Any contract for goods and/or services does not require Town Council approval will be executed by the Town Administrator or his/her designee.

2. Contracts for goods and/or services will be written in a standard form provided by the Town Attorney.

3. Any deviations or modifications to the Town's standard form agreement must be approved by the Town Attorney to prior execution.

4. In the event a contract being considered by Town Staff is not on the Town's standard form agreement, the Town Attorney will review and approve the form of the agreement prior to execution.

5. While circumstances of a procurement typically dictate the necessity of a contract, Town Staff should consider using a contract for the purchase of goods and services in the following instances:

   a. Work is being performed by a third party on Town Property.
   b. Services being procured are set out by a specific scope of work.

c. Specific details regarding specifications, delivery terms or payment options are negotiated.

d. The product being procured includes a warranty from the vendor.

e. The procurement being made carries risk to the Town that needs to be mitigated through indemnification and subrogation clauses.

6. Designees of the Town Administrator for the purposes of developing and executing contracts are as follows:

a. Contracts valued at less than $100,000 but more than $50,000 must receive the approval of the Town Administrator.

b. Contracts valued between $25,000 and $49,999 can be executed by the department director with a copy provided to the Town Administrator.

c. Contracts valued between $0 and $24,999 can be executed by the Department Director Designee with a copy provided to the department director.

d. In all cases, directors have the authority to sign any contract that does not require the Town Administrator's signature.

The Town Administrator may approve a contract valued below $50,000, which satisfies all subordinate approvals.

VI. ASSET MANAGEMENT

A. INVESTMENTS - The Director shall promptly invest all Town funds in accordance with the Town's Statement of Investment Policies as adopted by the Town Council.

B. CASH MANAGEMENT - The Town's cash flow shall be managed by the Director to maximize the cash available for investment. The Finance Department

shall, as authorized by Council, affix, via mechanical or electronic means, a facsimile, bearing the joint signatures of the Town's Administrator and the Director, for the disbursement of Town issued checks for:

1. Payroll;
2. Federal income tax and social security tax transfers;
3. Texas Municipal Retirement System deposits;
4. Unemployment compensation claim reimbursements;
5. Payments of money held in trust where the Town acts as a collecting agent;
6. Utility services;
7. Employee benefits programs;
8. Installment payments approved by Council on contracts or projects;
9. Payments for expenditures/expenses for which the Council has specifically authorized payment;
10. Individual (non- aggregate) ~~D~~disbursements less than $50~~3~~,000

All other Town issued checks not meeting the above criteria shall be signed, in original, by two (2) authorized signatories. Payment authorization shall be in accordance with the pay authorization criteria as defined in the current Bank Depository Agreement, approved by Council, stipulating the conditions and control procedures on such activity.

The Director may transfer funds, via electronic transfer, through verbal instructions to the Town's Depository only for payment of any obligation of the Town under the conditions applicable to the use of the facsimile signature under Paragraph B, this Section.

C. ~~FIXED~~ CAPITAL ASSETS ACCOUNTING AND INVENTORY -

The Town's ~~fixed~~ capital assets shall be reasonably safeguarded and properly accounted for and sufficiently insured. Responsibility for the safeguarding of the Town's ~~fixed~~ capital assets lies with the Department Director in whose department the ~~fixed~~ capital asset

is assigned. The Finance Department shall ~~supervise the marking of fixed assets with numbered Town property tags~~ assign an asset number in the Town's capital asset data base and shall maintain the permanent records of the Town's ~~fixed~~ capital assets including description, cost, department of responsibility, date of acquisition, depreciation and expected useful life.

The recording of the cost or value of capitalized ~~fixed~~ capital assets into the Town's financial records and ~~fixed~~ capital asset database shall be consistent with the definition of capitalized ~~fixed~~ assets. A~~with two (2) exceptions: 1) a~~ccessioned Library materials can be capitalized on a lump-sum basis rather than on a per item basis. A~~shall be capitalized annually on a lump-sum basis rather than on a per-item basis and 2) an asset accounted for in the~~ssets purchased from the Town's Equipment or Technology Replacement ~~Replacement Fund~~Funds (Internal Service Funds) that are individually below the capitalized asset threshold can be capitalized annually on a lump-sum basis rather than on a per-item basis. Refer to the definition of "Capitalized Asset" in the glossary of this policy.~~shall be recorded regardless of cost or value and marked with numbered Town property tags to allow for inventory tracking.~~

Rehabilitations, renovations, remodels, and repairs to Town's capital assets are capitalized to extent the total cost of the rehabilitation, renovation, remodel, and repair exceeds ~~-~~$25,000 and extends the underlying assets useful life~~-~~. Rehabilitations, renovations, repairs and remodels below this threshold are considered routine repair and maintenance expenditures.

~~Non-capitalized fixed assets shall be recorded in the Town's fixed asset data base at a financial reporting cost or value of $0.~~

The Finance Department shall also perform an annual inventory of capital assets using random sampling at the department level. Such inventory shall be performed by the Director or his or her designated agent in the presence of designated department personnel from the department of responsibility.

D. COMPUTER SYSTEM/DATA SECURITY - The Town shall provide security of its computer system and data files through:

1. Physical security - computer systems infrastructure shall be in a location inaccessible to unauthorized personnel. Only authorized external access to the system via telephone, microwave or radio frequency shall be installed.

2. Password security - All users of the Town's financial management system shall be assigned his/her personal password for access into the system. Each user shall be given access permissions to only those data files and functions necessary to perform assigned duties. The Town

   Administrator shall designate the Information Technology Manager as the Master Security Officer on the Town's computer ~~system~~ networks. The Master Security Officer may appoint other Town employees to serve as Security Officers. The Town shall take all precautions necessary to protect the integrity and safety of its information technology.

VII. FINANCIAL CONDITION

A. NO OPERATING DEFICITS - It is desirable that the Town's current expenditures/expenses be paid with current revenues of the Town. Deferrals, short-term loans or use of one-time sources should be avoided as budget balancing techniques. The Town's cash reserves should be used only for emergencies or for the payment of non-recurring expenditures as approved by the Council, except when balances can be reduced due to their levels exceeding guideline minimums as stated in Section VII, Paragraph B., hereof.

B. FUND BALANCE - GOVERNMENTAL FUNDS

1. *Committed Fund Balance* - The Town Council is the Town's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is by Council action. The Council action must either be approved or rescinded,

as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period. The Council action may take the form of the Annual Budget or a separate ordinance or resolution. Examples of Committed Fund Balance include the Storm Water Drainage Utility Fund and the Employees' Christmas Fund (contributions committed for employee distribution).

The Town shall maintain a committed fund balance in the Capital Projects Fund of $2,000,000.00 as conditions warrant. The Town Council shall have sole authority for the use of any portion, or all of, the committed fund balance in the Capital Projects Funds. Such decision to use the Capital Projects Fund's committed fund balance should include a plan for replenishing the committed fund balance of the Capital Projects Fund to its desired level.

2. *Assigned Fund Balance* - The Town Council has authorized the Town's Director of Fiscal and Human Resources to assign fund balance to a specific purpose in accordance to Generally Accepted Accounting Principles and in the normal conduct of business. An example is resources to be used to liquidate encumbrances related to purchase orders payable from assigned resources and any fund balance to be used in a subsequent fiscal year to "balance" the budget.

3. *Minimum Unassigned Fund Balance*

The Town shall maintain an unassigned fund balance in the General Fund equal to 17% of non-capital expenditures as approved by the Town Council in current Annual Budget.

If Unassigned Fund Balance exceeds the target set by policy, the Town may use surpluses for onetime expenditures. If unassigned fund balance falls below the target, the Town will reduce recurring expenditures to eliminate any structural deficit for such period as necessary until the unassigned fund balance meets the minimum balance as required by this policy.

4. *Order of Expenditure of Funds*

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the Town Council, and Unassigned Fund Balance), the Town will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

At the close of each fiscal year, any operating surplus (revenues less expenditures less encumbrances) shall be transferred, by Council action, from the General Fund to the Capital Projects Fund.

C. NET WORKING CAPITAL - UTILITY FUND

The Town shall maintain Net Working Capital at an amount equal to not less than twenty-five percent (25%) of non-capital expenditures as approved by the Town Council in the Annual Budget.

D. RISK MANAGEMENT - The Town shall provide, where possible, for the safety of the public and the Town's employees in order to minimize the Town's risk of loss of resources through liability claims.

E. RISK FINANCING - All reasonable options shall be investigated by the Director to finance risks. Such options may include risk transfer, insurance and risk retention.

VIII. INTERNAL CONTROLS

A. **WRITTEN PROCEDURES** - Wherever possible, written procedures shall be established and maintained by the Director for all activities involving cash handling and/or accounting throughout the Town. These procedures shall embrace the general concepts of fiscal responsibility outlined in this statement.

B. **DEPARTMENT DIRECTORS RESPONSIBLE** - Each Department Director shall be responsible to ensure that good internal controls are followed at all times throughout his or her department, that all approved, written Finance Department directives on internal controls are implemented and that all independent auditor internal control recommendations, as embraced by the Council and furnished by the Finance Department, are met.

IX. DEBT MANAGEMENT

A. **LONG-TERM DEBT** - Long-term debt shall not be used for operating purposes and the life of any Town issued debt shall not exceed the useful life of the asset or project financed with same.

B. **FINANCING ALTERNATIVES** - The Director shall be responsible for the evaluation, from time to time, of all financing alternatives permitted by State law in addition to long-term debt including leasing, current revenues and available reserves.

C. **RATINGS** - The Director shall make full disclosure of the Town's operations to both nationally recognized rating agencies, Standard & Poors and Moody's.

X. ANNUAL REVIEW OF POLICIES

The Town's Financial Management Policies shall be reviewed by the Director and Administrator at least annually and any proposed revisions shall be presented to the Council for approval.

XI. FINANCIAL GLOSSARY

The following definitions form a part of this policy statement in order to clarify certain terminology used.

Appropriation - a legal authorization granted by the Council to make or incur expenditures/expenses for specific purposes.

Bank Depository Agreement - the Council approved current contract, pursuant to the provisions of Section 105 of the Local Government Code of Texas providing for banking

Budget - a plan, approved by the Council, of financial operation embodying an estimate of proposed expenditures/expenses for the fiscal year and the proposed means of financing them (revenue estimates).

Capital/Major Project Expenditure/Expense - an expenditure/expense which results in the acquisition or addition of a ~~fixed~~ capital asset or the improvement to an existing ~~fixed~~ capital asset.

Capital Projects Fund - a fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Capitalized ~~Fixed~~ Asset – A purchased or otherwise acquired piece of equipment, vehicle, furniture, fixture, capital improvement, addition to existing capital investments, land, buildings or accessioned Library materials with a useful life greater than two (2) years and a~~ fixed~~n ~~asset acquired prior to October 1, 2000, having an acquisition cost or value of $1,000 or more or a fixed asset acquired after September 30, 2000, having an~~original acquisition cost or value of $15~~5~~,000 or more.

Chart of Accounts - a chart detailing the system of numbering or otherwise designating general ledger accounts.

Combined Budget – the combination and presentation of the Operating Budget and the

Capital ~~Projects Fund~~Improvement Plan budget.

Competitive Bidding Process ~~–~~ – a competitive procurement process that satisfies the requirements of Chapter 252 of the Local Government Code of Texas, as amended. ~~the process following State law requiring that on purchases of $25,000 and more, the Town must advertise, solicit, and publicly open sealed bids from prospective vendors. After a review period the Council then awards the bid to the successful bidder.~~

Current Assets - assets of the Town consisting of cash, investments and other assets that can or will be converted to cash within a twelve (12) month period.

Current Expense - an obligation of the Town as a result of an incurred expenditure/expense that is due for payment within a twelve (12) month period.

Current Liabilities - obligations of the Town that will require satisfaction within a twelve (12) month period.

Current Revenue - Town revenues or resources convertible to cash within a ~~a~~ twelve (12) month period~~s~~.

Department Director Designee – an Assistant Director or equivalent, or a person reporting directly to the Department Director that is a supervisor/manager by title or job function.

Director of Finance - the person appointed by the Town Administrator who is responsible for the recording and reporting of the financial activities of the Town.

Electronic signature – electronically imprinted signature facsimiles generated through the Town's computer equipment upon vouchers or Town issued checks, rendering them as negotiable instruments.

Emergency - an unexpected occurrence, i.e. damaging weather conditions, that requires the unplanned use of Town funds.

Emergency Procurement – An unforeseen procurement that was necessary to:

- Preserve the property of the municipality
- Preserve or protect the public health or safety of the municipality's residents or employees
- Prevent unforeseen damage to public machinery, equipment, or other property

Encumbrance - see Appropriation

Equity - see Fund Balance and Retained Earnings

Expenditure/Expense - decreases in net financial resources for the purpose of acquiring goods or services. The General Fund recognizes expenditures and the Utility (Proprietary) Fund recognizes expenses.

~~Facsimile Signature Machine - a mechanical device used to imprint signature facsimiles upon Town vouchers rendering them as negotiable instruments.~~

Fiscal Year (FY) - the period of October 1st through the following September 30th. (e.g. FY 2013 or FY13 refers to the fiscal year from October 1, 2012 through September 30, 2013)

~~Fixed Assets – Purchased or otherwise acquired piece of equipment, vehicle, furniture, fixture, capital improvement, addition to existing capital investments, land, buildings or accessioned Library materials with a useful life greater than one (1) year.~~

Fund - an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance – an accounting distinction is made between the portions of fund equity that spendable and non-spendable. These are broken up into five categories:

1. **Non-spendable fund balance –** includes amounts that are not in a spendable form or are required to be maintained intact. Examples are resources in the form of inventory or permanent funds.
2. **Restricted fund balance –** includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include resources from grants and child safety fees.
3. **Committed fund balance –** includes amounts that can be used only for the specific purposes determined by a formal action of the Town Council. Commitments may be changed or lifted only by the Town Council taking the same formal action that imposed the constraint originally.
4. **Assigned fund balance –** comprises amounts *intended* to be used by the Town for specific purposes. Intent can be expressed by Town Council or by an official or body to which the Town Council has delegated the authority. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. Examples include resources to be used to liquidate encumbrances related to purchase orders payable from assigned resources and any fund balance to be used in a subsequent fiscal year to "balance" the budget.
5. **Unassigned fund balance –** is the residual classification of the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Fund Equity - the excess of fund assets over liabilities in a governmental fund.

GAAP - see Generally Accepted Accounting Principles

General Administrative Costs - costs associated with the administration of Town services; costs incurred by the Town that relate to the Town's general operations rather than to the providing of specific services.

General Fund - the Town fund used to account for all financial resources and expenditures of the Town except those required to be accounted for in another fund.

General Ledger - the collection of accounts reflecting the financial position and results of operations for the Town.

Generally Accepted Accounting Principles (GAAP) - uniform minimum standards of and guidelines to financial accounting and reporting as set forth by the Governmental Accounting Standards Board (GASB).

GFOA - Government Finance Officers Association of the United States and Canada

Governmental Accounting Standards Board - the authoritative accounting and financial reporting standard-setting body for government agencies.

Governmental Funds – funds generally used to account for tax-supported activities. The Town utilizes three different types of governmental funds: the General Fund, Capital Projects Fund, and Special Revenue Funds.

Internal Service Fund - a fund used to account for the financing of goods or services provided by one department to other department on a cost reimbursement basis.

Investments - securities held for the production of revenues in the form of interest.

Line-Item Budget - the presentation of the Town's adopted Budget in a format presenting each Department's approved expenditure/expense by specific account.

Long-Term Debt - obligations of the Town with a maturity of more than one (1) year.

Management Letter - a written report from the independent auditors to the Council reflecting observations and suggestions as a result of the audit process.

Net Working Capital - current assets less current liabilities.

~~Non-Capitalized Fixed Asset – a fixed asset acquired prior to October 1, 2000, having an~~

~~acquisition cost or value of $1,000 or less or a fixed asset acquired after September 30, 2000, having an acquisition cost or value of $1,000 or more but less than $5,000.~~

Non-Recurring Revenues - resources recognized by the Town that are unique and occur one-~~-~~time.

Official Budget - the budget as adopted by the Council.

One-Time Revenues - see Non-Recurring Revenues.

Operating Budget - a plan, approved by the Council, of financial operation embodying an estimate of proposed expenditures/expenses for the fiscal year and the proposed means of financing them (revenue estimates) for all funds excluding the Capital Projects Fund and individual capital projects, which can span multiple fiscal years.

Proprietary Fund - see Utility Fund

Purchase Order System - the Town's system of using documents authorizing the delivery of specified merchandise or services and making a charge for them.

Retained Earnings - the equity account reflecting the accumulated earnings of the Utility Fund.

Revenues (Resources) - the term designating an increase to the Town's assets which:

- does not increase a liability (i.e. proceeds from a loan);
- does not represent a repayment of an expenditure/ expense already made;
- does not represent a cancellation of certain liabilities; and
- does not represent an increase in capital.

Risk - the liability, either realized or potential, related to the Town's daily operations.

Special Revenue Funds - funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. Examples include Court Technology Fund, Forfeited Property Fund, and Court Security Fund.

Street Rental Fees – An annual amount equal to 5% of combined water, sanitary sewer, solid waste collection/disposal and recycling charges billed to the Town's utility customers to pay for the use/access of Town right-of-way.

Tax Levy - the total amount of taxes imposed by the Town on taxable property, as determined by the Dallas Central Appraisal District, within the Town's corporate limits.

Town Council - the current elected officials of the Town as set forth in the Town's Charter.

Town Administrator - that individual appointed by the Town Council who is responsible for the administration of the affairs of the Town.

User Based Fee/Charge - a monetary fee or charge placed upon the user of services by the Town.

Utility Fund - the fund used to account for operations of the Town's water and sanitary sewer activities.

Utility Sales - sales of treated water and sanitary sewer service.

TOWN OF HIGHLAND PARK, TEXAS

STATEMENT

OF

FINANCIAL MANAGEMENT POLICIES

MISSION STATEMENT

The mission of the Town of Highland Park is to provide personal, caring services in a prompt and efficient manner for our community in order to enhance the quality of life and preserve the heritage that is Highland Park.

December 2012

As Amended January 2026

TABLE OF CONTENTS

I. PURPOSE STATEMENT

The purpose of this Statement of Financial Management Policies is to provide guidelines, in accordance with the applicable Texas Statutes and the Town of Highland Park Charter, Ordinances and Resolutions, for the Director of Finance, hereinafter called Director, in planning and directing the Town of Highland Park, hereinafter called Town, in its day-to-day financial affairs and in developing recommendations to the Town Administrator and Town Council, hereinafter called Administrator and Council, respectively.

The scope of these policies generally spans accounting, auditing, financial reporting, internal controls, operating and capital budgeting, revenue management, cash and investment management, expenditure control and debt management, all to make it possible both: (a) to present fairly and with full disclosure the financial position and results of financial operations of the Town in conformity to generally accepted accounting principles (GAAP), and (b) to determine and demonstrate compliance with finance-related legal and contractual provisions.

It is the goal of the Statement of Financial Management Policies to enable the Town to adhere to the principles of sound municipal finance and to continue its long-term stable and positive financial condition. The watchwords of the management of the Town's financial affairs shall, at all times, include integrity, prudent stewardship, planning, accountability, and full disclosure.

II. ACCOUNTING, AUDITING AND FINANCIAL REPORTING

A. ACCOUNTING - The Director shall be responsible for establishing and maintaining a chart of accounts and for the proper recording of financial transactions in accordance with GAAP. Additionally, the Town is solely responsible for its reporting of its financial affairs, both internally and externally.

B. AUDITING - The Town's Charter, in accordance with Chapter 103 of the Local

Government Code of Texas, as amended, requires that its financial affairs be audited annually by outside independent accountants (auditors), selected and appointed by the Council under contract. The auditor selected shall be a CPA firm, registered as a partnership or corporation of certified public accountants, holding a license under Article 41a-1, Section 9, of the Civil Statutes of Texas, capable of demonstrating that it has sufficient staff which will enable it to conduct the Town's audit in accordance with generally accepted auditing standards as required by Town Charter and applicable state and federal laws. The auditor's written report of the Town's financial affairs shall be completed by no later than January 15th following the Town's fiscal year-end. The auditor's report, together with its management letter shall be presented to the Administrator, the Director and Council within the aforesaid 120 day period. Thereafter, the Administrator, the Director and auditor shall jointly review the auditor's report and management letter with the Council's Administrative Committee within 30 calendar days after their receipt by the Town.

Within fifteen (15) days of this joint review, the Director shall respond in writing to the Administrator and Administrative Committee regarding the auditor's management letter, addressing the issues contained therein. The Council shall schedule its formal acceptance of the auditor's report upon the resolution of any issues resulting from the joint review.

C. **AUDITORS RESPONSIBLE TO THE COUNCIL** -Auditors for the Town shall be responsible to the Council and shall have access to direct communication with the Mayor and Council at such times as the auditors consider such communication necessary to fulfill their legal and professional responsibilities.

D. **SELECTION/AUDITOR ROTATION -** The Council shall select the auditors for the Town each fiscal year. The selection may be by means of approving an engagement proposal from the incumbent firm or the Council may direct the Administrator and Director to obtain proposals from qualified CPA firms. As a benchmark, the Council may award a three (3) year engagement to the selected

firm with two (2) one (1) year extensions. The Council shall, however, retain authority to review audit performance annually and act accordingly in regards to replacement and extensions.

E. **EXTERNAL FINANCIAL REPORTING** - Upon the completion and acceptance of the annual audit by the Town's auditors, the Town shall prepare a written or electronic representation of an Annual Comprehensive Financial Report (ACFR) which shall be presented to the Council within 180 calendar days after the Town's fiscal year end. The ACFR shall be prepared in accordance with generally accepted accounting principles (GAAP) and shall be presented annually to the Government Finance Officers Association (GFOA) for evaluation and consideration for the Certificate of Achievement for Excellence in Financial Reporting. If this time requirement cannot be met, the Director shall report to the Administrator and the Council of the delay and the reasons for same.

F. **INTERNAL FINANCIAL REPORTING** - The Director shall prepare monthly, a written or electronic representation of a summary of the Town's financial affairs and submit same to the Administrator and Council within thirty (30) calendar days following the end of each calendar month. Each such report shall accurately reflect the Town's current cash position, revenue and expenditure/expense performance as well as any additional information that reflects the Town's fiscal position.

III. OPERATING BUDGET

A. **PREPARATION** - Budgeting is an essential element of the financial planning, control, and evaluation process of municipal government. The Town's annual operating budget, hereinafter called budget, is the Town's annual financial operating plan. It is comprised of governmental, capital projects, proprietary, internal service and special revenue funds. Budgets for the General Fund, Capital Projects Funds and Special Revenue Funds are prepared on the modified accrual basis of accounting. The budgets for the Utility (Proprietary) Fund and Internal Service Funds are prepared on a basis consistent with GAAP, except that capital

purchases and depreciation are not considered until year-end when adjustments are made for financial reporting purposes.

1. Proposed Budget - A proposed budget shall be prepared by the Administrator and the Director with the participation of all of the Town's Department Directors/Heads, covering the operational and capital expenditures of the Town in accordance with the provisions of the Town Charter.

   The budget shall include four (4) basic segments for review and evaluation. These segments are: 1) personnel costs, 2) operations and maintenance costs, 3) capital and (non-capital) project maintenance costs, and 4) revenues. Capital project costs shall reflect the approved Capital Improvement Plan ("CIP") which shall be updated and approved in conjunction with the adoption of the annual budget.

   The budget review process shall include Council participation in the development of each of the four (4) segments of the proposed budget and a called Public Hearing to allow for citizen participation in the budget preparation.

   The budget process shall span sufficient time to allow for ample time to address policy and fiscal issues by the Council and shall include a designated time and place for soliciting citizen input.

   A copy of the proposed budget shall be filed with the Town Secretary not less than thirty (30) days prior to the end of the fiscal year in accordance with the provisions of the Town Charter.

2. Adoption - Upon the presentation of both a proposed operating budget and a CIP acceptable to the Council, the Council shall call and publicize a public hearing and adopt, by Ordinance, said budget as the Town's Official

Budget effective for the fiscal year beginning October 1st.

3. Amending the Official Budget - Amendments to the Official Budget shall be made at regularly scheduled Council meetings with a notice of the proposed amendment posted and publicized at least three (3) days prior to the meeting.

The Official Budget shall be submitted to the GFOA annually for evaluation and consideration for the Award for Distinguished Budget Presentation.

The Town's Utility (Proprietary) Fund, as set forth in the Town's budget, shall bear the applicable personnel and operating costs of the Town's general administration, information technology services, non-departmental specific expenditures, municipal building office space and other related costs plus the Town's Service Center operation based upon annual reviews of actual staff time allocation and facility use.

In addition to the aforesaid, the service rates for the sale of water, sanitary sewer services, solid waste collection/disposal services and recycling services shall include an amount equal to 5% of revenues for each respective service as street rental fees. These collected funds shall be transferred to the Capital Projects Fund toward funding of the Town’s annual street resurfacing program.

All other direct expenses associated with the provision of utility services by the Town shall be expensed directly to the appropriate Department.

B. **BALANCED BUDGET** - It is desirable that the budget provide sufficient current revenues to fund that year's budgeted non-capital expenditures/expenses. Regardless of this objective, the budget shall be balanced with sources of working capital (revenues, cash surplus) equal to or greater than uses of working capital (expenditures/ expenses, capital outlays).

C. **BUDGET MANAGEMENT & PERFORMANCE** - The Director shall prepare and distribute monthly financial reports to enable the Department Directors to best manage their department budgets and to enable the Director to monitor and control the budget as authorized by the Administrator. Written summaries of the monthly financial reports shall be presented to the Council in accordance with Section II, Paragraph F, of this policy statement. Such reports shall be in a form which will enable the Council to be fully informed of the overall budget performance of the Town.

D. **END OF YEAR APPROPRIATIONS –** For all Town funds for which a budget is required and/or prepared, with the exception of capital project budgets, unencumbered appropriations expire at the close of each fiscal year. Budgets for operating funds are prepared on a fiscal year basis. Capital projects, on the other hand, may span two or more years. Accordingly, appropriations for individual capital projects expire at project closure.

E. **PERFORMANCE MEASURES AND PRODUCTIVITY INDICATORS** Where appropriate, performance measures and productivity indicators shall be included in the annual budget. This information shall also be reported by the Administrator to the Council on a quarterly basis.

IV. REVENUE MANAGEMENT

A. **SIMPLICITY** - The Town, where possible and without sacrificing accuracy, shall strive to keep the Town's revenue system uncomplicated so as to reduce compliance costs for the taxpayer or service recipient and a corresponding decrease in the Town's costs of collection.

The criteria shall always be that the benefits of a revenue collected exceed the cost of producing that revenue.

B. **CERTAINTY** – An understanding of the revenue source increases the reliability

of the Town's revenue system. The Director shall make every effort to determine its revenue sources and enact consistent collection policies in order that the revenues will occur to support the budget.

C. **EQUITY** - The Town shall make every effort to maintain equity in its revenue system structure; i.e., the Town shall endeavor, wherever possible, to minimize or eliminate all forms of subsidization between entities, funds, services, utilities and the Town's customers.

D. **REVENUE ADEQUACY** - The Town shall require that there be a balance in the its revenue system; i.e., the revenue base shall be fair as it applies to cost of service and ability to pay.

E. **DIVERSIFICATION AND STABILITY** - Wherever possible, the Town shall make every effort to maintain a diversified revenue system which provides a stable source of income to the Town which will protect it against fluctuations in the economy and variations in weather (related to the sale of treated water and sanitary sewer services).

F. **NON-RECURRING REVENUES** - It is desirable that non-recurring revenues not be used to finance the Town's current operations. Non-recurring Town revenues should be used only for one-time Town expenditures such as long-lived capital needs and not for budget balancing purposes.

G. **PROPERTY TAX REVENUES** - All real and business personal property located within the Town shall be valued at 100% of the fair market value for any given year based on the current appraisal supplied to the Town by the Dallas Central Appraisal District. A 99% collection rate shall serve each year as a goal for tax collections. The Town Council shall determine whether the Town collects its levied property taxes or contract with another governmental agency for same. The Town Council shall further decide upon a property tax attorney or firm for the collection of delinquent property taxes in accordance with the Texas Property

Tax Code, as amended.

H. **USER-BASED FEE** - As a part of the Town's budget process, the Council shall review and adopt, where possible, service fees sufficient to offset the cost of services rendered by the Town. User charges shall be classified by the Council as "Full Cost Recovery" and "Partial Cost Recovery".

I. **UTILITY RATES** - As a part of the Town's budget process, the Council shall review and adopt utility service rates annually that, where possible, will generate revenues to fully cover the Town's operating expenses and to provide the Town with an adequate level of working capital.

J. **INTEREST INCOME** - The Director shall ensure, at all times, that the interest earned from the investment of Town money shall be distributed to the appropriate fund in accordance to the equity balance of the particular fund from which the money was provided for investment.

K. **REVENUE MONITORING** - All revenues actually received by the Town shall be regularly compared to budgeted revenues by the Director and where variances exist, these shall be audited by the Director. The results of such audits shall be summarized by the Director in the monthly financial report provided to the Council.

V. EXPENDITURE/EXPENSE CONTROL

A. **APPROPRIATIONS** - The Town's budget shall be a line- item budget. Overall budgetary control shall be the responsibility of the Administrator with each respective Department Director being responsible for the administration of his or her departmental budget.

B. **AMENDMENTS TO THE BUDGET -** In accordance with Town Charter, all budget amendments shall be approved by the Council.

C. CENTRAL CONTROL - No recognized salary or capital budgetary savings in any Department shall be spent by the Department Director without the prior authorization of the Administrator.

D. PURCHASING - All Town purchases and contracts shall conform to Chapter 252, Subchapter B of the Local Government Code of Texas, as amended. Purchases of goods or services subject to the competitive bid process and purchases of goods or services by contract, in excess of the threshold established for competitive bidding within Chapter 252 of the Local Government Code, shall be submitted to the Council by the Administrator for Council approval. The adoption of the annual budget gives the Administrator the authority to approve all other purchases for goods or services in accordance with each department's approved budget. Contracts entered into by the Town for the purchase of goods or services will be reviewed by the Town Attorney prior to execution.

The purchase of goods or services at a total cost of $3,000 or more must be made through the Town's purchase order system. An electronic representation of a written purchase order shall also be used for vendors requiring formal Town authorization regardless of the dollar amount. All purchase orders require the approval of the Department Director or Department Director Designee (as defined in section XI. Financial Glossary) and the Director of Finance. Purchase orders greater than $50,000 require the approval of the Department Director, Director of Finance, and Town Administrator or Town Administrator designee.

In an emergency procurement situation (as defined in section XI. Financial Glossary) where a purchase order could not have been obtained prior to making a purchase, a department must obtain a purchase order as soon as practicable after making the purchase. An emergency purchase order requestion must be accompanied by a memo signed by the appropriate department head that describes the nature of the emergency and reason(s) why a purchase order could not have been obtained in advance of making the emergency purchase. A substantiated

emergency procurement made without a valid purchase order is not considered a violation of this policy.

Any payment for the purchase of goods or services by the Town at a total cost of less than $3,000 may be made via an electronic representation of a written Accounts Payable Voucher, signed and submitted by the applicable Department Director or Department Director Designee to the Town's Finance Department. The following approval thresholds shall apply to all disbursement of funds:

Approval Threshold*	Approval Requirement
Accounts Payable Vouchers and Disbursements Less than or Equal to $5,000	Department Director or Department Director Designee Finance Department Accounting Supervisor
Accounts Payable Vouchers and Disbursements More than $5,000 but Less than or Equal to $50,000	Department Director or Department Director Designee Director of Finance
Disbursements More than $50,000	Department Director Director of Finance Town Administrator or Town Administrator Designee**

* Approval thresholds apply to disbursements on an individual basis, not in the aggregate.
** Town Administrator or Town Administrator Designee approval only applies to disbursements that require original signature as defined in Section VI. B. of this policy.

In accordance with Section 252.0415 of the Texas Local Government Code, the Town is authorized to receive sealed bids or proposals electronically. To ensure the identification, security and confidentiality and prevent the opening of submittals prior to the advertised opening date and time, these submittals shall be received password protected digital account only accessible at the date and time advertised for the opening. The information technology department, or third party used to collect the submittals, will certify that the submittals were not opened until the advertised date and time. Any bids submitted after the advertised date and time will not be considered. If any submitted bids are opened prior to the advertised opening date and time, all bids will be considered rejected and the process will be redone.

E. **PROMPT PAYMENT** - All invoices approved for payment by the proper Town authorities shall be paid by the Finance Department within thirty (30) calendar days

of receipt in accordance with the provisions of Article 601f, Section 2 of the State of Texas Civil Statutes.

The Director shall establish and maintain proper procedures which will enable the Town to take advantage of all purchase discounts, when possible, except in the instance where payments can be reasonably and legally delayed in order to maximize the amount of cash available for investing.

F. **EQUIPMENT FINANCING** - The applicable Town Department Director, the Administrator and the Director, when possible, shall evaluate the Town's option of equipment leasing in instances of Town equipment acquisitions of $10,000 or more or in instances when the equipment has a useful life of five (5) or more years as an alternative for Council consideration in the acquisition of assets.

G. **CONTRACTS FOR GOODS AND SERVICES**

This section is provided to address the development and execution of contracts that are not required to be presented to the Town Council for approval. For the purposes of this policy, the terms contracts and agreements are considered synonymous.

1. Any contract for goods and/or services does not require Town Council approval will be executed by the Town Administrator or his/her designee.

2. Contracts for goods and/or services will be written in a standard form provided by the Town Attorney.

3. Any deviations or modifications to the Town's standard form agreement must be approved by the Town Attorney to prior execution.

4. In the event a contract being considered by Town Staff is not on the Town's standard form agreement, the Town Attorney will review and approve the form of the agreement prior to execution.

5. While circumstances of a procurement typically dictate the necessity of a contract, Town Staff should consider using a contract for the purchase of goods and services in the following instances:

   a. Work is being performed by a third party on Town Property.
   b. Services being procured are set out by a specific scope of work.

c. Specific details regarding specifications, delivery terms or payment options are negotiated.
d. The product being procured includes a warranty from the vendor.
e. The procurement being made carries risk to the Town that needs to be mitigated through indemnification and subrogation clauses.

6. Designees of the Town Administrator for the purposes of developing and executing contracts are as follows:
   a. Contracts valued at less than $100,000 but more than $50,000 must receive the approval of the Town Administrator.
   b. Contracts valued between $25,000 and $49,999 can be executed by the department director with a copy provided to the Town Administrator.
   c. Contracts valued between $0 and $24,999 can be executed by the Department Director Designee with a copy provided to the department director.
   d. In all cases, directors have the authority to sign any contract that does not require the Town Administrator's signature.

The Town Administrator may approve a contract valued below $50,000, which satisfies all subordinate approvals.

VI. ASSET MANAGEMENT

A. INVESTMENTS - The Director shall promptly invest all Town funds in accordance with the Town's Statement of Investment Policies as adopted by the Town Council.

B. CASH MANAGEMENT - The Town's cash flow shall be managed by the Director to maximize the cash available for investment. The Finance Department

shall, as authorized by Council, affix, via mechanical or electronic means, a facsimile, bearing the joint signatures of the Town's Administrator and the Director, for the disbursement of Town issued checks for:

1. Payroll;

2. Federal income tax and social security tax transfers;
3. Texas Municipal Retirement System deposits;
4. Unemployment compensation claim reimbursements;
5. Payments of money held in trust where the Town acts as a collecting agent;
6. Utility services;
7. Employee benefits programs;
8. Installment payments approved by Council on contracts or projects;
9. Payments for expenditures/expenses for which the Council has specifically authorized payment;
10. Individual (non- aggregate) disbursements less than $50,000

All other Town issued checks not meeting the above criteria shall be signed, in original, by two (2) authorized signatories. Payment authorization shall be in accordance with the pay authorization criteria as defined in the current Bank Depository Agreement, approved by Council, stipulating the conditions and control procedures on such activity.

The Director may transfer funds, via electronic transfer, through verbal instructions to the Town's Depository only for payment of any obligation of the Town under the conditions applicable to the use of the facsimile signature under Paragraph B, this Section.

C. CAPITAL ASSETS ACCOUNTING AND INVENTORY -

The Town's capital assets shall be reasonably safeguarded and properly accounted for and sufficiently insured. Responsibility for the safeguarding of the Town's capital assets lies with the Department Director in whose department the capital asset is assigned. The Finance Department shall assign an asset number in the Town’s capital asset database and shall maintain the permanent records of the Town's capital assets including description, cost, department of responsibility, date of acquisition, depreciation and expected useful life.

The recording of the cost or value of capitalized capital assets into the Town's financial records and capital asset database shall be consistent with the definition of capitalized assets. Accessioned Library materials can be capitalized on a lump-sum basis rather than on a per item basis. Assets purchased from the Town's Equipment or Technology Replacement Funds (Internal Service Funds) that are individually below the capitalized asset threshold can be capitalized annually on a lump-sum basis rather than on a per-item basis. Refer to the definition of "Capitalized Asset" in the glossary of this policy.

Rehabilitations, renovations, remodels, and repairs to Town's capital assets are capitalized to extent the total cost of the rehabilitation, renovation, remodel, and repair exceeds $25,000 and extends the underlying assets useful life. Rehabilitations, renovations, repairs and remodels below this threshold are considered routine repair and maintenance expenditures.

The Finance Department shall also perform an annual inventory of capital assets using random sampling at the department level. Such inventory shall be performed by the Director or his or her designated agent in the presence of designated department personnel from the department of responsibility.

D. COMPUTER SYSTEM/DATA SECURITY - The Town shall provide security of its computer system and data files through:

1. Physical security - computer systems infrastructure shall be in a location inaccessible to unauthorized personnel. Only authorized external access to the system via telephone, microwave or radio frequency shall be installed.

2. Password security - All users of the Town's financial management system shall be assigned his/her personal password for access into the system. Each user shall be given access permission to only those data files and functions necessary to perform assigned duties. The Town Administrator shall designate the Information Technology Manager as the Master Security Officer on

the Town's computer networks. The Master Security Officer may appoint other Town employees to serve as Security Officers. The Town shall take all precautions necessary to protect the integrity and safety of its information technology.

VII. FINANCIAL CONDITION

A. NO OPERATING DEFICITS - It is desirable that the Town's current expenditures/expenses be paid with current revenues of the Town. Deferrals, short-term loans or use of one-time sources should be avoided as budget balancing techniques. The Town's cash reserves should be used only for emergencies or for the payment of non-recurring expenditures as approved by the Council, except when balances can be reduced due to their levels exceeding guideline minimums as stated in Section VII, Paragraph B., hereof.

B. FUND BALANCE - GOVERNMENTAL FUNDS

1. *Committed Fund Balance* - The Town Council is the Town's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is by Council action. The Council action must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period. The Council action may take the form of the Annual Budget or a separate ordinance or resolution. Examples of Committed Fund Balance include the Storm Water Drainage Utility Fund and the Employees' Christmas Fund (contributions committed for employee distribution).

   The Town shall maintain a committed fund balance in the Capital Projects Fund of $2,000,000.00 as conditions warrant. The Town Council shall have sole authority for the use of any portion, or all of, the committed fund balance in the Capital Projects Funds. Such decision to use the Capital Projects Fund's committed fund balance should include a plan for replenishing the committed fund balance of the Capital Projects Fund to its desired level.

2. *Assigned Fund Balance* - The Town Council has authorized the Town's Director of Fiscal and Human Resources to assign fund balance to a specific purpose in accordance to Generally Accepted Accounting Principles and in the normal conduct of business. An example is resources to be used to liquidate encumbrances related to purchase orders payable from assigned resources and any fund balance to be used in a subsequent fiscal year to "balance" the budget.

3. *Minimum Unassigned Fund Balance*

   The Town shall maintain an unassigned fund balance in the General Fund equal to 17% of non-capital expenditures as approved by the Town Council in current Annual Budget.

   If Unassigned Fund Balance exceeds the target set by policy, the Town may use surpluses for onetime expenditures. If unassigned fund balance falls below the target, the Town will reduce recurring expenditures to eliminate any structural deficit for such period as necessary until the unassigned fund balance meets the minimum balance as required by this policy.

4. *Order of Expenditure of Funds*

   When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the Town Council, and Unassigned Fund Balance), the Town will start with the most restricted category and spend those funds first before moving down to the next category with available funds.

At the close of each fiscal year, any operating surplus (revenues less expenditures less encumbrances) shall be transferred, by Council action, from the General Fund to the Capital Projects Fund.

C. **NET WORKING CAPITAL - UTILITY FUND**

The Town shall maintain Net Working Capital at an amount equal to not less than twenty-five percent (25%) of non-capital expenditures as approved by the Town Council in the Annual Budget.

D. **RISK MANAGEMENT** - The Town shall provide, where possible, for the safety of the public and the Town's employees in order to minimize the Town's risk of loss of resources through liability claims.

E. **RISK FINANCING** - All reasonable options shall be investigated by the Director to finance risks. Such options may include risk transfer, insurance and risk retention.

VIII. INTERNAL CONTROLS

A. **WRITTEN PROCEDURES** - Wherever possible, written procedures shall be established and maintained by the Director for all activities involving cash handling and/or accounting throughout the Town. These procedures shall embrace the general concepts of fiscal responsibility outlined in this statement.

B. **DEPARTMENT DIRECTORS RESPONSIBLE** - Each Department Director shall be responsible to ensure that good internal controls are followed at all times throughout his or her department, that all approved, written Finance Department directives on internal controls are implemented and that all independent auditor internal control recommendations, as embraced by the Council and furnished by the Finance Department, are met.

IX. DEBT MANAGEMENT

A. **LONG-TERM DEBT** - Long-term debt shall not be used for operating purposes and the life of any Town issued debt shall not exceed the useful life of the asset or project financed with same.

B. **FINANCING ALTERNATIVES** - The Director shall be responsible for the evaluation, from time to time, of all financing alternatives permitted by State law in addition to long-term debt including leasing, current revenues and available reserves.

C. **RATINGS** - The Director shall make full disclosure of the Town's operations to both nationally recognized rating agencies, Standard & Poors and Moody's.

X. ANNUAL REVIEW OF POLICIES

The Town's Financial Management Policies shall be reviewed by the Director and Administrator at least annually and any proposed revisions shall be presented to the Council for approval.

XI. FINANCIAL GLOSSARY

The following definitions form a part of this policy statement in order to clarify certain terminology used.

<u>Appropriation</u> - a legal authorization granted by the Council to make or incur expenditures/expenses for specific purposes.

<u>Bank Depository Agreement</u> - the Council approved current contract, pursuant to the provisions of Section 105 of the Local Government Code of Texas providing for banking

<u>Budget</u> - a plan, approved by the Council, of financial operation embodying an estimate of proposed expenditures/expenses for the fiscal year and the proposed means of financing them (revenue estimates).

Capital/Major Project Expenditure/Expense - an expenditure/expense which results in the acquisition or addition of a capital asset or the improvement to an existing capital asset.

Capital Projects Fund - a fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

Capitalized Asset – A purchased or otherwise acquired piece of equipment, vehicle, furniture, fixture, capital improvement, addition to existing capital investments, land, buildings or accessioned Library materials with a useful life greater than two (2) years and an original acquisition cost or value of $15,000 or more.

Chart of Accounts - a chart detailing the system of numbering or otherwise designating general ledger accounts.

Combined Budget – the combination and presentation of the Operating Budget and the Capital Improvement Plan budget.

Competitive Bidding Process – a competitive procurement process that satisfies the requirements of Chapter 252 of the Local Government Code of Texas, as amended.

Current Assets - assets of the Town consisting of cash, investments and other assets that can or will be converted to cash within a twelve (12) month period.

Current Expense - an obligation of the Town as a result of an incurred expenditure/expense that is due for payment within a twelve (12) month period.

Current Liabilities - obligations of the Town that will require satisfaction within a twelve (12) month period.

Current Revenue - Town revenues or resources convertible to cash within a twelve (12) month period.

Department Director Designee – an Assistant Director or equivalent, or a person reporting directly to the Department Director that is a supervisor/manager by title or job function.

Director of Finance - the person appointed by the Town Administrator who is responsible for the recording and reporting of the financial activities of the Town.

Electronic signature – electronically imprinted signature facsimiles generated through the Town's computer equipment upon vouchers or Town issued checks, rendering them as negotiable instruments.

Emergency - an unexpected occurrence, i.e. damaging weather conditions, that requires the unplanned use of Town funds.

Emergency Procurement – An unforeseen procurement that was necessary to:

- Preserve the property of the municipality
- Preserve or protect the public health or safety of the municipality's residents or employees
- Prevent unforeseen damage to public machinery, equipment, or other property

Encumbrance - see Appropriation

Equity - see Fund Balance and Retained Earnings

Expenditure/Expense - decreases in net financial resources for the purpose of acquiring goods or services. The General Fund recognizes expenditures and the Utility (Proprietary) Fund recognizes expenses.

Fiscal Year (FY) - the period of October 1st through the following September 30th. (e.g. FY 2013 or FY13 refers to the fiscal year from October 1, 2012 through September 30, 2013)

Fund - an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance – an accounting distinction is made between the portions of fund equity that spendable and non-spendable. These are broken up into five categories:

1. **Non-spendable fund balance –** includes amounts that are not in a spendable form or are required to be maintained intact. Examples are resources in the form of inventory or permanent funds.
2. **Restricted fund balance –** includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include resources from grants and child safety fees.
3. **Committed fund balance –** includes amounts that can be used only for the specific purposes determined by a formal action of the Town Council. Commitments may be changed or lifted only by the Town Council taking the same formal action that imposed the constraint originally.
4. **Assigned fund balance –** comprises amounts *intended* to be used by the Town for specific purposes. Intent can be expressed by Town Council or by an official or body to which the Town Council has delegated the authority. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund. Examples include resources to be used to liquidate encumbrances related to purchase orders payable from assigned resources and any fund balance to be used in a subsequent fiscal year to "balance" the budget.
5. **Unassigned fund balance –** is the residual classification of the General Fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

Fund Equity - the excess of fund assets over liabilities in a governmental fund.

GAAP - see Generally Accepted Accounting Principles

General Administrative Costs - costs associated with the administration of Town services; costs incurred by the Town that relate to the Town's general operations rather than to the providing of specific services.

General Fund - the Town fund used to account for all financial resources and expenditures of the Town except those required to be accounted for in another fund.

General Ledger - the collection of accounts reflecting the financial position and results of operations for the Town.

Generally Accepted Accounting Principles (GAAP) - uniform minimum standards of and guidelines to financial accounting and reporting as set forth by the Governmental Accounting Standards Board (GASB).

GFOA - Government Finance Officers Association of the United States and Canada

Governmental Accounting Standards Board - the authoritative accounting and financial reporting standard-setting body for government agencies.

Governmental Funds – funds generally used to account for tax-supported activities. The Town utilizes three different types of governmental funds: the General Fund, Capital Projects Fund, and Special Revenue Funds.

Internal Service Fund - a fund used to account for the financing of goods or services provided by one department to other department on a cost reimbursement basis.

Investments - securities held for the production of revenues in the form of interest.

Line-Item Budget - the presentation of the Town's adopted Budget in a format presenting each Department's approved expenditure/expense by specific account.

Long-Term Debt - obligations of the Town with a maturity of more than one (1) year.

Management Letter - a written report from the independent auditors to the Council reflecting observations and suggestions as a result of the audit process.

Net Working Capital - current assets less current liabilities.

Non-Recurring Revenues - resources recognized by the Town that are unique and occur one-time.

Official Budget - the budget as adopted by the Council.

One-Time Revenues - see Non-Recurring Revenues.

Operating Budget - a plan, approved by the Council, of financial operation embodying an estimate of proposed expenditures/expenses for the fiscal year and the proposed means of financing them (revenue estimates) for all funds excluding the Capital Projects Fund and individual capital projects, which can span multiple fiscal years.

Proprietary Fund - see Utility Fund

Purchase Order System - the Town's system of using documents authorizing the delivery of specified merchandise or services and making a charge for them.

Retained Earnings - the equity account reflecting the accumulated earnings of the Utility Fund.

Revenues (Resources) - the term designating an increase to the Town's assets which:

- does not increase a liability (i.e. proceeds from a loan);
- does not represent a repayment of an expenditure/ expense already made;
- does not represent a cancellation of certain liabilities; and

- does not represent an increase in capital.

Risk - the liability, either realized or potential, related to the Town's daily operations.

Special Revenue Funds - funds used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. Examples include Court Technology Fund, Forfeited Property Fund, and Court Security Fund.

Street Rental Fees – An annual amount equal to 5% of combined water, sanitary sewer, solid waste collection/disposal and recycling charges billed to the Town's utility customers to pay for the use/access of Town right-of-way.

Tax Levy - the total amount of taxes imposed by the Town on taxable property, as determined by the Dallas Central Appraisal District, within the Town's corporate limits.

Town Council - the current elected officials of the Town as set forth in the Town's Charter.

Town Administrator - that individual appointed by the Town Council who is responsible for the administration of the affairs of the Town.

User Based Fee/Charge - a monetary fee or charge placed upon the user of services by the Town.

Utility Fund - the fund used to account for operations of the Town's water and sanitary sewer activities.

Utility Sales - sales of treated water and sanitary sewer service.

Memorandum

To: Mayor Beecherl and Members of the Town Council

From: John Samford, CPA, CTP
Director of Finance

Date: January 6, 2026

Subject: Proposed Amendments to the Town's Financial Management Policies

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The purpose of this memo is to present proposed amendments to the Town's Statement of Financial Management Policies ("FMP").

Section III. Operating Budget

Proposed Policy Amendment: Clarify that appropriations for individual capital projects expire at project closure in subsection D. End of Year Appropriations.

> **Location in Policy:** Subsection D - End of Year Appropriations, page 6
>
> **Rationale:** Policy clarification.

Section V. Expenditure/Expense Control

Proposed Policy Amendment: Revise the opening paragraph to simply state that all purchases and contracts shall conform to Chapter 252, Subchapter B of the Local Government Code of Texas, as amended. Effective September 1, 2025, legislation enacted by the 89th Texas Legislature raised the competitive bidding threshold from $50,000 to $100,000.

> **Location in Policy:** Subsection D - Purchasing, page 9
>
> **Rationale:** Currently, the policy states that all Town purchases and contracts over $3,000 shall conform to Chapter 252, Subchapter B of the Local Government Code of Texas, as amended. All purchases should conform to State Law.

Proposed Policy Amendment: Increase threshold of Town Administrator or Town Administrator designee approval threshold for purchase orders greater than $45,000 to $50,000.

Location in Policy: Subsection D - Purchasing, page 10

Rationale: To align this approval threshold with other similar approval thresholds within the policy.

Proposed Policy Amendment: Increase the Accounting Supervisor approval threshold for Accounts Payable disbursements less than or equal to $1,000 to less than or equal to $5,000.

Location in Policy: Subsection D - Purchasing, page 10

Rationale: To enhance operational efficiency and streamline approvals at the Finance Director level for lower value purchases.

Proposed Policy Amendment: Increase the Department Director Designee approval threshold from up to $45,000 to up to $50,000. Department Director Designee is defined in the glossary as an Assistant Director or equivalent, or a person reporting directly to the Department Director that is a supervisor/manager by title or job function.

Location in Policy: Subsection D - Purchasing, page 10

Rationale: To enhance operational efficiency and streamline approvals at the department head level.

Proposed Policy Amendment: Increase the Town Administrator or designee approval threshold from more than $45,000 to more than $50,000.

Location in Policy: Subsection D - Purchasing, page 10

Rationale: To enhance operational efficiency and streamline approvals at the Town Administrator level.

Proposed Policy Amendment: Clarify that disbursement thresholds apply to disbursements on an individual basis, not in the aggregate.

Location in Policy: Subsection D - Purchasing, page 10

Rationale: Policy clarification.

Proposed Policy Amendment: Clarify that Town Administrator or Town Administrator Designee approval only applies to disbursements that require original signature as defined in Section VI. B. of this policy. Section VI. B. provides requirements for use of electronic signature on disbursements.

Location in Policy: Subsection D - Purchasing, page 10

Rationale: Policy clarification.

Proposed Policy Amendment: Added section G. Contracts for Goods and Services

Location in Policy: Subsection G - Contracts for Goods and Services, pages 11-12

Rationale: This section is provided to address the development and execution of contracts that are not required to be presented to the Town Council for approval (currently $100,000 and up according to State Law). Section 1.03.040 “Powers and duties as a Purchasing Agent” of the Town’s Code of Ordinances designates the Town Administrator as the Purchasing Agent of the Town. Further, this Code provision enables the Town Administrator to adopt rules and regulations governing requisitions and transaction of business between him/herself and the heads of the departments or officers and employees of the Town, as the Council may approve.

In summary, this section provides for the following contract approval thresholds:

- Contracts valued at less than $100,000 but more than $50,000 must receive the approval of the Town Administrator.
- Contracts valued between $25,000 and $49,999 can be executed by the department director with a copy provided to the Town Administrator.
- Contracts valued between $0 and $24,999 can be executed by the Department Director Designee (defined in the glossary) with a copy provided to the department director.

Section VI. Asset Management

Proposed Policy Amendment: Increase the threshold for mechanical or electronic signature on individual disbursements from $3,000 to $50,000 in Section B. Cash Management.

Location in Policy: Subsection B – Cash Management, pages 12-13

Rationale: To enhance operational efficiency and streamline approvals at the Town Administrator level by expanding the use of electronic signature. Note: This threshold increase does not nullify other required approvals for disbursements in this policy.

Proposed Policy Amendment: Replaced all instances of “Fixed Asset” with “Capital Asset” in this section and throughout the FMP to include the glossary and other sections of this policy.

Location in Policy: Subsection C – Capital Asset Accounting and Inventory, page 13

Rationale: Policy clarification. The term “fixed” is a misnomer as not every capital asset is “fixed” in nature. In addition, this change aligns terminology with the Town’s Annual Comprehensive Financial Report.

Proposed Policy Amendment: Modify Section C. Capital Assets Accounting and Inventory to specify that accessioned Library materials can be capitalized on a lump-sum basis rather than on a per item basis and assets purchased from the Town’s Equipment or Technology Replacement Funds (Internal Service Funds) that are individually below the capitalized asset threshold can be capitalized annually on a lump-sum basis rather than on a per-item basis. Refer to the definition of “Capitalized Asset” in the glossary of this policy.

Location in Policy: Subsection C – Capital Asset Accounting and Inventory, page 14

Rationale: To streamline capital asset record keeping where the cost of record keeping maintenance exceeds the benefit for lower value capital assets.

Proposed Policy Amendment: Modify Section C. Capital Assets Accounting and Inventory to add a paragraph that address capitalization of rehabilitations, renovations, repairs, and remodels of capital assets to read as follows: *Rehabilitations, renovations, remodels, and repairs to Town’s capital assets are capitalized to extent the total cost of the rehabilitation, renovation, remodel, and repair exceeds $25,000 and extends the underlying assets useful life. Rehabilitations, renovations, repairs, and remodels below this threshold are considered routine repair and maintenance expenditures as they do not significantly increase the useful life of the underlying capital asset.*

Location in Policy: Subsection C – Capital Asset Accounting and Inventory, page 14

Rationale: To streamline capital asset record keeping where the cost of record keeping maintenance exceeds the benefit for lower dollar capital assets.

Proposed Policy Amendment: Modify Section C. Capital Assets Accounting and Inventory to remove the record keeping requirement to record non-capitalized fixed assets in the Town’s fixed asset data base at a financial reporting cost or value of $0.

Location in Policy: Subsection C – Capital Asset Accounting and Inventory, page 14

Rationale: To streamline capital asset record keeping where the cost of record keeping maintenance exceeds the benefit for lower dollar capital assets. The Town's capital asset database within the Town's ERP system is designed to track and depreciate capital assets for financial accounting and reporting purposes. This database is not designed to be an inventory tracking system. Responsibility for the safeguarding of the Town's fixed assets lies with the Department Director in whose department the capital asset is assigned.

Section XI. Financial Glossary

Proposed Policy Amendment: Replaced all instances of "Fixed Asset" with "Capital Asset" in this section and throughout the FMP to include the glossary and other sections of this policy.

Location in Policy: Financial Glossary, page 19

Rationale: Policy clarification. The term "fixed" is a misnomer as not every capital asset is "fixed" in nature. In addition, this change aligns terminology with the Town's Annual Comprehensive Financial Report.

Proposed Policy Amendment: Increase capitalized fixed asset threshold from $5,000 to $15,000.

Location in Policy: Financial Glossary – Definition of Capitalized Asset, page 19

Rationale: To streamline capital asset record keeping where the cost of record keeping maintenance exceeds the benefit for lower dollar capital assets. Over the last several years, costs have increased substantially due to inflation; however, the Town's current capital asset threshold of $5,000 has been in place since October 1, 2000.

Proposed Policy Amendment: Revise the definition of **Competitive Bidding Process** to align with the requirements of Chapter 252 of the Local Government Code of Texas, as amended.

Location in Policy: Financial Glossary – Definition of Competitive Bid Process, page 19

Rationale: Policy clarification. This change also ensures the policy remains aligned with future amendments to State Law, maintaining consistency as legal requirements evolve.

Proposed Policy Amendment: Revise the definition of **Capital Assets** to specify that a capital asset is an asset with a useful life greater than two (2) years.

Location in Policy: Financial Glossary – Definition of Capitalized Asset, page 19

Rationale: To align with the definition of **Capital Asset** in the Town's Annual Comprehensive Financial Report.

Proposed Policy Amendment: Strike the definition of **Facsimile Signature Machine**.

Location in Policy: Financial Glossary, page 20

Rationale: This definition is outdated and unnecessary. **Electronic Signature** is already defined in the glossary.

Proposed Policy Amendment: Strike the definition of **Non-Capitalized Fixed Asset**.

Location in Policy: Financial Glossary, page 23

Rationale: This definition is unnecessary as any asset that does not meet the definition of a capitalized or capital asset is a non-capitalized asset.

Proposed Policy Amendment: Revise the definition of **Operating Budget** to specify that an individual capital project may have a budget that spans multiple fiscal years.

Location in Policy: Financial Glossary, page 23

Rationale: Policy clarification.

Other minor formatting, grammatical, and other non-substantive revisions have also been made, where appropriate, to improve the overall readability and effectiveness of the policies.

I believe these proposed amendments will provide necessary policy clarifications, improve business process/workflow efficiency and flexibility, while maintaining appropriate and effective internal controls.

These proposed policy amendments have been reviewed and approved by the Town Administrator and have been reviewed by the Finance and Audit Advisory Committee.

In the spirit of continuous improvement, staff will continue to evaluate other technologies and opportunities for business process improvement aimed at streamlining operations and maximizing efficiency. Additional business process and technology improvement recommendations will follow as they are identified.

Please let me know if you have any questions or if you require any additional information.

Town of Highland Park
Town Council
Tuesday, January 6, 2026

Item Coversheet

Take action on an Amendment to the Code of Ordinances of the Town of Highland Park, Texas, by amending Articles 3.02, Building Code; 3.04, Plumbing Code; 3.05, Gas Code; 3.06, Mechanical Code; 3.07, Energy Conservation Code; 3.08, Residential Code; and 3.18, Swimming Pool and Spa Code; all for the purpose of adopting the 2024 editions of such International Codes and local amendments thereto; and by amending Article 3.03, Electricity, Division 2, Electrical Code for the purpose of adopting the 2023 Edition of the National Electric Code and local amendments thereto; and by amending Article 3.15, Permit Application Review Procedures and Vested Rights Determinations.

PRESENTED BY: Jeff Armstrong, Director of Community Development

BACKGROUND:

Every three years, the International Code Council ("ICC") updates its various building codes, including the International Building Code, International Residential Code, International Plumbing Code, International Mechanical Code, and others. Highland Park has currently adopted the 2021 ICC codes. Likewise, the National Electric Code ("NEC") is updated every three years, and the Town is currently under the 2020 NEC. The new codes to be adopted are the 2024 ICC codes and the 2023 NEC, with local amendments.

It is essential to update the codes with each new release from the ICC and NEC. The updates include new practices, materials, and enhancements to health and safety. In addition, updated codes help maintain things like the Town's Insurance Services Office ("ISO") rating.

With each new code update, Highland Park, like most other cities and towns, adopts local amendments to the NEC and ICC codes. The North Central Texas Council of Governments ("COG") releases model amendments that local area governments can adopt. Historically, the Town has adopted many of the recommended COG amendments and adopted several amendments unique to Highland Park.

A meeting with the Builders Committee was held on October 30th, and a meeting of home builders was held on November 13th to share information and receive feedback on the proposed code updates. 22 builders attended the November 13th meeting. At both meetings, the builders were generally satisfied with the proposed changes, with minimal questions and comments.

RECOMMENDATION

Staff recommends approval of the 2024 International Code Council codes, 2023 National Electric Code, and local amendments.

FINANCIAL IMPACT

This item has no financial impact.

ATTACHMENTS

Ord. No. 2159 ICC Updates and Amendments

ORDINANCE NO. 2159

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE TOWN OF HIGHLAND PARK, TEXAS, BY AMENDING CHAPTER 3, BUILDING REGULATIONS, BY AMENDING ARTICLE 3.02, BUILDING CODE; ARTICLE 3.04, PLUMBING, DIVISION 2, PLUMBING CODE; ARTICLE 3.05, GAS CODE; ARTICLE 3.06, MECHANICAL CODE; ARTICLE 3.07, ENERGY CONSERVATION CODE; ARTICLE 3.08, RESIDENTIAL CODE; AND ARTICLE 3.18, SWIMMING POOL AND SPA CODE; ALL FOR THE PURPOSE OF ADOPTING THE 2024 EDITIONS OF SUCH INTERNATIONAL CODES AND LOCAL AMENDMENTS THERETO; AND BY AMENDING ARTICLE 3.03, ELECTRICITY, DIVISION 2, ELECTRICAL CODE FOR THE PURPOSE OF ADOPTING THE 2023 EDITION OF SUCH INTERNATIONAL CODE AND LOCAL AMENDMENTS THERETO; AND BY AMENDING ARTICLE 3.15, PERMIT APPLICATION REVIEW PROCEDURES AND VESTED RIGHTS DETERMINATIONS, TO UPDATE REFERENCES TO ADOPTED INTERNATIONAL CODES; PROVIDING FOR THE INCORPORATION OF RECITALS; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; PROVIDING FOR INCORPORATION INTO THE CODE OF ORDINANCES; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Town of Highland Park, Texas (the "Town"), is a Home Rule municipality having full powers of self-government and may enact ordinances relative to its citizens' health, safety, and welfare that are not inconsistent with the Constitution and laws of the State; and

WHEREAS, the Town Council of the Town of Highland Park, Texas ("Town Council") previously adopted the 2021 editions of the: International Building Code, International Residential Code, International Mechanical Code, International Plumbing Code, International Fuel Gas Code, International Energy Conservation Code, and International Swimming Pool and Spa Code, and adopted amendments each thereto, and Town Council previously adopted the 2020 edition of the National Electric Code and amendments thereto, all of which are set forth and codified in Chapter 3 of the Code of Ordinances of the Town of Highland Park ("Town Code"); and

WHEREAS, the Town Council desires to update the International Building Code, National Electric Code, International Residential Code, International Mechanical Code, International Plumbing Code, International Fuel Gas Code, International Energy Conservation Code, and International Swimming Pool and Spa Code; and

WHEREAS, the adoption of the 2024 editions of the International Codes and the 2023 edition of the National Electric Code, including the local amendments, will provide the most current life safety applications with respect to construction, occupancy, use and maintenance of buildings and structures in the Town of Highland Park; and

WHEREAS, the Town Council deems it to be in the best interest of the citizens of the Town of Highland Park to update its building code standards and adopt the 2024 editions of the International Building Code, International Residential Code, International Mechanical Code, International Plumbing Code, International Fuel Gas Code, International Energy Conservation Code, and International Swimming Pool and Spa Code and the 2023 edition of the National Electric Code, as amended, as the minimum standard for the continued construction, occupancy, use and maintenance of buildings and structures within the Town's corporate limits.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, THAT:

SECTION 1. That the findings set forth in the recitals above are incorporated into the body of this Ordinance as if fully set forth herein.

SECTION 2. Amendments.

2.1 BUILDING CODE: Chapter 3, Building Regulations, Article 3.02, Building Code, is hereby amended as follows, with all other Articles and Sections not herein amended to remain in full force and effect:

A. Section 3.02.002, Adopted, is amended to read as follows:

   The International Building Code, 2024 edition, and all amendments thereto, shall be, and the same are hereby made, a part of this article by reference, the same as if copied herein and made a part hereof, and copies of said International Building Code, 2024 edition, and all amendments thereto, shall be kept on file in the office of the Building Official.

B. Section 3.02.003, Requirements varying from or not covered by code, is amended to read as follows:

   Any requirement considered necessary for the safety, strength, or stability of an existing or proposed building or structure, or for the safety or health of the occupants thereof, which varies from provisions of the International Building Code, 2024 edition, and all amendments thereto, or which is not specifically covered by the International Building Code, 2024 edition, and all amendments thereto, shall be determined by the Building Official subject to appeal to the Town Council.

C. Section 3.02.004, References in code, is amended to read as follows:

The International Building Code, 2024 edition, and all amendments thereto, is hereby amended as follows:

(1) Throughout the International Building Code, 2024 edition, and all amendments thereto, wherever the term "Building Official" is used, there may be substituted therefore the term "Building Inspector."
(2) Throughout the International Building Code, 2024 edition, and all amendments thereto, wherever the term "Board of Appeals" is used, there shall be substituted therefore the term "Town Council."

D. Section 3.02.005, Amendments, is amended to read as follows:

The deletions, additions, and amendments to the 2024 International Building Code, included as Exhibit A, attached hereto and incorporated herein for all purposes, are hereby approved and adopted.

E. Section 3.02.006, Appendices adopted, is amended to read as follows:

The following appendices in the International Building Code, 2024 edition, and all amendments thereto, are hereby adopted as follows:

(1) Appendix "D," Fire Districts, as amended in previous Section.
(2) Appendix "E," Supplementary Accessibility Requirements.
(3) Appendix "F," Rodent Proofing.
(4) Appendix "G," Flood Resistant Construction.
(5) Appendix "H," Signs, except sub-section H101.2, signs exempt from permits, i. which shall be deleted in its entirety.
(6) Appendix "I," Patio Covers.
(7) Appendix "J," Grading.
(8) Appendix "K," Administrative Provisions.

F. Section 3.02.007, Appendices not adopted, is amended to read as follows:

The following appendices in the International Building Code, 2024 edition, are hereby deleted as follows:

(1) Appendix "A," Employee Qualifications.
(2) Appendix "B," Board of Appeals.
(3) Appendix "C," Group U - Agriculture Buildings.

2.2 ELECTRICAL CODE: Chapter 3, Building Regulations, Article 3.03, Electricity, Division 2, Electrical Code is hereby amended as follows:

A. Section 3.03.032, Adopted, is amended to read as follows:

The National Electrical Code, 2023 edition, together with all amendments thereto, shall be and the same are hereby made a part of this division by reference, the same as if copied at length herein, and made a part hereof for all purposes, and copies of said National Electrical Code, 2023 edition, together with all amendments thereto, shall be kept on file in the office of the Town Electrical Inspector.

B. Section 3.03.033, Requirements varying from or not covered by code, is amended to read as follows:

Any requirement considered necessary for the safety of existing or proposed electric wiring, electric apparatus or electric equipment, or for the safety of occupants of any building or structure in which wiring, electric apparatus or electric equipment is installed, altered or repaired, which varies from provisions of the National Electrical Code, 2023 edition, or any amendments thereto, or which is not specifically covered by the National Electrical Code, 2023 edition, or any amendments thereto, shall be determined by the Town Electrical Inspector subject to appeal to the Town Council.

C. Section 3.03.034, Amendments, is amended to read as follows:

The deletions, additions, and amendments to the 2023 National Electric Code, included as Exhibit B, attached hereto and incorporated herein for all purposes, are hereby approved and adopted.

2.3 PLUMBING CODE: Chapter 3, Building Regulations, Article 3.04, Plumbing, Division 2, Plumbing Code, is hereby amended as follows:

A. Section 3.04.032, Adopted, is amended to read as follows:

The International Plumbing Code, 2024 edition, shall be, and same is hereby made, a part of this division by reference, the same as if copied at length herein, and made a part hereof for all purposes, and copies of said International Plumbing Code, 2024 edition, shall be kept on file in the office of the Building Inspector.

B. Section 3.04.033, Requirements varying from or not covered by code, is amended to read as follows:

Any requirement considered necessary for the safety, strength or stability of an existing or proposed plumbing installation, or for the safety of the occupants of a building or structure, which varies from provisions of the International Plumbing Code, 2024 edition, or which is not specifically covered by the International Plumbing Code, 2024 edition, shall be determined by the Plumbing Inspector subject to appeal to the Town Council.

C. Section 3.04.034, References in code, is amended to read as follows:

The International Plumbing Code, 2024 edition, is hereby amended as follows:

(1) Throughout the International Plumbing Code, 2024 edition, and any amendments thereto, wherever the term "Plumbing Official" is used, there may be substituted therefor the term "Plumbing Inspector."

(2) Throughout the International Plumbing Code, 2024 edition, and any amendments thereto, wherever the term "Board of Adjustment and Appeals" is used, there shall be substituted therefor the term "Town Council."

D. Section 3.04.035, Amendments, is amended to read as follows:

The deletions, additions, and amendments to the 2024 International Plumbing Code, included as Exhibit C, attached hereto and incorporated herein for all purposes, are hereby approved and adopted.

E. Section 3.04.036, Appendices adopted, is amended to read as follows:

The following appendices in the 2024 International Plumbing Code are hereby adopted as follows:

(1) Appendix "B," Rates of Rainfall for Various Cities.
(2) Appendix "C," Structural Safety.
(3) Appendix "D," Degree Day and Design Temperatures.
(4) Appendix "E," Sizing of Water Piping System.

F. Section 3.04.037, Appendices not adopted, is amended to read as follows:

The following appendices in the 2024 International Plumbing Code are hereby deleted as follows:

(1) Appendix "A," Fee Schedule.

2.4 FUEL GAS CODE: Chapter 3, Building Regulations, Article 3.05, Gas Code, is hereby amended as follows:

A. Section 3.05.002, Adopted, is amended to read as follows:

The International Fuel Gas Code, 2024 edition, together with all amendments thereto, shall be and the same is hereby made a part of this article by reference, the same as if copied herein, and made a part hereof for all purposes, and copies of said International Fuel Gas Code, 2024 edition, together with all amendments thereto, shall be kept on file in the office of the Plumbing Inspector.

B. Section 3.05.003, Requirements varying from or not covered by code, is amended to read as follows:

Any requirement considered necessary for the safety, strength or stability of an existing or proposed gas piping installation and/or gas appliance which varies from provisions of the International Fuel Gas Code, 2024 edition, and all amendments thereto, or which is not specifically covered by the International Fuel Gas Code, 2024 edition, and all amendments thereto, shall be determined by the Plumbing Inspector subject to appeal to the Town Council.

C. Section 3.05.004, References in code, is amended to read as follows:

The International Fuel Gas Code, 2024 edition, is hereby amended as follows:

(1) Throughout the International Fuel Gas Code, 2024 edition, and all amendments thereto, wherever the term “Gas Official” is used, there may be substituted therefor the term “Plumbing Inspector.”

D. Section 3.05.005, Amendments, is amended to read as follows:

The deletions, additions, and amendments to the 2024 International Fuel Gas Code, included as Exhibit D, attached hereto and incorporated herein for all purposes, are hereby approved and adopted.

E. Section 3.05.006, Appendices adopted, is amended to read as follows:

The following appendices in the International Fuel Gas Code, 2024 edition, and all amendments thereto, are hereby adopted as follows:

(1) Appendix “A,” Sizing and Capacities of Gas Piping.
(2) Appendix “B,” Sizing of Venting Systems.
(3) Appendix “C,” Recommended Procedure for Safety Inspection of an Existing Appliance Installation

F. Section 3.05.007, Appendices not adopted, is amended to read as follows:

The following appendices in the International Fuel Gas Code, 2024 edition, are hereby deleted as follows:

(1) Appendix “D,” Board of Appeals, shall be deleted in its entirety.

2.5 MECHANICAL CODE: Chapter 3, Building Regulations, Article 3.06, Mechanical Code, is hereby amended as follows:

G. Section 3.06.002, Adopted, is amended to read as follows:

The International Mechanical Code, 2024 edition, together with all amendments thereto, shall be and same is hereby made a part of this article by reference, the same as if copied herein and made a part hereof, and copies of said International Mechanical Code, 2024 edition, and all amendments thereto, shall be kept on file in the office of the Mechanical Inspector.

H. Section 3.06.003, Requirements varying from or not covered by code, is amended to read as follows:

Any requirement considered necessary for the safety, strength or stability of an existing or proposed mechanical installation, or for the safety of the occupants thereof, which varies from provisions of the International Mechanical Code, 2024 edition, and all amendments thereto, or which is not specifically covered by the International Mechanical Code, 2024 edition, and all amendments thereto, shall be determined by the Mechanical Inspector subject to appeal to the Town Council.

I. Section 3.06.004, References in code, is amended to read as follows:

The International Mechanical Code, 2024 edition, and all amendments thereto, is hereby amended as follows:

(1) Throughout the International Mechanical Code, 2024 edition, and all amendments thereto, wherever the term “Mechanical Official” is used, there may be substituted therefor the term “Mechanical Inspector.”

J. Section 3.06.005, Amendments, is amended to read as follows:

The deletions, additions, and amendments to the 2024 International Mechanical Code, included as Exhibit E, attached hereto and incorporated herein for all purposes, are hereby approved and adopted.

K. Section 3.06.006, Appendices adopted, is amended to read as follows:

The following appendices in the International Mechanical Code, 2024 edition, and all amendments thereto, are hereby adopted as follows:

(1) Appendix “A,” Chimney Connector Pass-Throughs.

L. Section 3.06.007, Appendices not adopted, is amended to read as follows:

The following appendices in the International Mechanical Code, 2024 edition, are hereby deleted as follows:

(1) Appendix “B,” Fee Schedule, shall be deleted in its entirety.
(2) Appendix "C," Board of Appeals
(3) Appendix "D," Clean Air Delivery
(4) Appendix "E," Clean Aire Delivery and Monitoring

2.6 ENERGY CONSERVATION CODE: Chapter 3, Building Regulations, Article 3.07, Energy Conservation Code, is hereby amended as follows:

A. Section 3.07.002, Adopted, is amended to read as follows:

The International Energy Conservation Code, 2024 edition, together with all amendments thereto, shall be and same is hereby made a part of this article by reference, the same as if copied herein and made a part hereof, and copies of said

International Energy Conservation Code, 2024 edition, shall be kept on file in the office of the Building Inspector.

B. Section 3.07.003, Amendments, is amended to read as follows:
The deletions, additions, and amendments to the International Energy Conservation Code, included as Exhibit F, attached hereto and incorporated herein for all purposes, are hereby approved and adopted.

2.7 RESIDENTIAL CODE: Chapter 3, Building Regulations, Article 3.08, Residential Code is hereby amended as follows:

A. Section 3.08.002, Adopted, is amended to read as follows:
The International Residential Code, 2024 edition, and all amendments thereto, shall be, and the same are hereby made, a part of this article by reference, the same as if copied herein and made a part hereof, and copies of said International Residential Code, 2024 edition, and all amendments thereto, shall be kept on file in the office of the Building Inspector.

B. Section 3.08.003, Requirements varying from or not covered by code, is amended to read as follows:
Any requirement considered necessary for the safety, strength, or stability of an existing or proposed building or structure, or for the safety or health of the occupants thereof, which varies from provisions of the International Residential Code, 2024 edition, and all amendments thereto, or which is not specifically covered by the International Residential Code, 2024 edition, and all amendments thereto, shall be determined by the Building Inspector subject to appeal to the Town Council.

C. Section 3.08.004, References in code, is amended to read as follows:
The International Residential Code, 2024 edition, and all amendments thereto, hereby is amended as follows:
(1) Throughout the International Residential Code, 2024 edition, and all amendments thereto, wherever the term “Building Official” is used, there may be substituted therefore the term “Building Inspector.”

D. Section 3.08.005, Amendments, is amended to read as follows:
The deletions, additions, and amendments to the International Residential Code, included as Exhibit G, attached hereto and incorporated herein for all purposes, are hereby approved and adopted.

E. Section 3.08.006, Appendices adopted, is amended to read as follows:

The following appendices in the International Residential Code, 2024 edition, and all amendments thereto, are hereby adopted as follows:

(1) Appendix “BE” Radon Control Methods
(2) Appendix “BH” Automatic Vehicular Gates
(3) Appendix “CA” Sizing and Capacities of Gas Piping
(4) Appendix “CB” Sizing of Venting Systems Serving Appliances Equipped with Draft Hoods, Category I Appliances and Appliances Listed for Use with Type B Vents
(5) Appendix “CC” Recommended Procedure for Safety Inspection of an Existing Appliance Installation
(6) Appendix “CD” Piping Standards for Various Applications
(7) Appendix “CE” Venting Methods
(8) Appendix “CF” Sizing of Water Piping Systems

F. Section 3.08.007, Appendices not adopted, is amended to read as follows:

The following appendices in the International Residential Code, 2024 edition, are hereby deleted as follows:

(1) Appendix “AB” Permit Fees
(2) Appendix “BA” Manufactured Housing used as Dwellings
(3) Appendix “BB” Tiny Houses
(4) Appendix “BC” Accessory Dwelling Units ADU
(5) Appendix “BD” Home Day Care Occupancy
(6) Appendix “BF” Patio Covers
(7) Appendix “BG” Sound Transmission
(8) Appendix “BI” Light Straw-Clay Construction
(9) Appendix “BJ” Strawbale Construction
(10) Appendix “BK” Cob Construction
(11) Appendix “BL” Hemp-Lime (Hempcrete) Construction
(12) Appendix “BM” 3D- Printed Building Construction
(13) Appendix “BN” Extended Plate Wall Construction
(14) Appendix “BO” Existing Building and Structures
(15) Appendix “CH” Private Sewage Disposal
(16) Appendix “NB” Solar-Ready Provisions- One- and Two-Family Dwellings and Townhouses
(17) Appendix “NC” Zero Net Energy Residential Building Provisions
(18) Appendix “ND” Electric Energy Storage Provisions
(19) Appendix “NE” Electrical Vehicle Charging Infrastructure
(20) Appendix “NF” Alternative Building Thermal Envelope Insulation R-Value Options

(21) Appendix “NG” 2024 IECC Stretch Code
(22) Appendix “NH” Operational Carbon Rating and Energy Reporting
(23) Appendix “NI” On-site Renewable Energy
(24) Appendix “NJ” Demand Responsive Controls
(25) Appendix “NK” Electric-Ready Residential Building Provisions
(26) Appendix “NL” Renewable Energy Infrastructure

2.8 Chapter 3, Building Regulations, Article 3.15, Permit Application Review Procedures and Vested Rights Determinations, is hereby amended as follows:

A. Section 3.15.002, Application review and decision procedures, subsection (j), Prior review and decision procedures superseded, is hereby amended to read as follows:

(j) Prior review and decision procedures superseded. To the extent that any permit application review and decision procedures incorporated in this code are in conflict or inconsistent with the provisions of this section, such provisions hereby are superseded to the extent of the conflict by the provisions of this section, including without limitation those procedures contained in the current adopted edition of each of the following: International Building Code, section 105, as may be amended by article 3.02; International Plumbing Code, section 106, as may be amended by article 3.04; International Fuel Gas Code, section 106, as may be amended by article 3.05; International Mechanical Code, section 106, as may be amended by article 3.06; and International Residential Code, section R105, as may be amended by article 3.08.

B. Section 3.15.003, Vested rights appeal, subsection (h), Prior appellate procedures superseded, is hereby amended to read as follows:

(h) Prior appellate procedures superseded. To the extent that appellate review procedures incorporated in this code are in conflict with the provisions of this section, such provisions hereby are superseded to the extent of the conflict or inconsistency by the provisions of this section, including without limitation those procedures contained in the current adopted edition of each of the following: International Building Code, section 111.2, as may be amended by article 3.02; International Plumbing Code, section 109, as may be amended by article 3.04; International Fuel Gas Code, section 109, as may be amended by article 3.05; International Mechanical Code, section 109, as may be amended by article 3.06; International Residential Code, section R112, as may be amended by article 3.08.

2.9 Chapter 3, Building Regulations, Article 3.18, Swimming Pool and Spa Code, is hereby amended as follows:

A. Section 3.18.002, Adopted, is amended to read as follows:

   The International Swimming Pool and Spa Code, 2024 edition, and all amendments thereto, shall be, and the same are hereby made, a part of this article by reference, the same as if copied herein and made a part hereof, and copies of said International Swimming Pool and Spa Code, 2024 edition, and all amendments thereto, shall be kept on file in the office of the Building Inspector.

B. Section 3.18.003, Requirements varying from or not covered by code, is amended to read as follows:

   Any requirement considered necessary for the safety, strength or stability of an existing or proposed swimming pool or spa, or for the safety or health of the occupants thereof, which varies from provisions of the International Swimming Pool and Spa Code, 2024 edition, and all amendments thereto, or which is not specifically covered by the International Swimming Pool and Spa Code, 2024 edition, and all amendments thereto, shall be determined by the Building Inspector subject to appeal to the Town Council.

C. Section 3.18.004, References in code, is amended to read as follows:

   The International Swimming Pool and Spa Code, 2024 edition, and all amendments thereto, hereby is amended as follows:

   (1) Throughout the International Swimming Pool and Spa Code, 2024 edition, and all amendments thereto, wherever the term "Building Official" is used, there may be substituted therefore the term "Building Inspector."
   (2) Throughout the International Swimming Pool and Spa Code, 2024 edition, and all amendments thereto, wherever the term "Board of Appeals" is used, there shall be substituted therefore the term "Town Council."

D. Section 3.18.005, Amendments, is amended to read as follows:

   The deletions, additions, and amendments to the International Swimming Pool and Spa Code, included as Exhibit H, attached hereto and incorporated herein for all purposes, are hereby approved and adopted.

E. Section 3.18.006, Appendices not adopted, is amended to read as follows:

   The following appendices in the International Swimming Pool and Spa Code, 2024 edition, are hereby deleted as follows:

   (1) Appendix "A," Board of Appeals.

SECTION 3. That, any provision of any prior ordinance of the Town whether codified or uncodified, which are in conflict with any provision of this Ordinance, are hereby repealed to the extent of the conflict, but all other provisions of the ordinances of the Town whether codified or uncodified, which are not in conflict with the provisions of this Ordinance, shall remain in full force and effect.

SECTION 4. That, it is hereby declared to be the intention of the Town Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the Town Council without the incorporation into this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

SECTION 5. That, this ordinance shall be deemed to be incorporated into the Code of Ordinances of the Town of Highland Park, Texas.

SECTION 6. That, this ordinance shall be in effect immediately following its passage, approval and publication as provided by law, and it is accordingly so ordained.

PASSED AND APPROVED the 6th day of January 2026.

APPROVED AS TO FORM: APPROVED:

Susan Thomas
Town Attorney

Will C. Beecherl
Mayor

ATTEST:

Joanna Mekeal
Town Secretary

Exhibit A
2024 International Building Code Local Amendments

The following sections, paragraphs, and sentences of the *2024 International Building Code* are hereby amended as follows: Standard type is text from the IBC. Underlined type is text inserted. ~~Lined through type is deleted text from IBC.~~ A double asterisk (**) at the beginning of a section identifies an amendment carried over from the 2021 edition of the code and a triple asterisk (***) identifies a new or revised amendment with the 2024 code.

Explanation of Options A and B:

Please note that as there is a wide range in firefighting philosophies / capabilities of cities across the region, OPTION "A" and OPTION "B" are provided in the Fire and Building Code amendments. Jurisdictions should choose one or the other based on their firefighting philosophies/capabilities when adopting code amendments.

*****Section 101.4; change to read as follows:***

101.4 Referenced codes. The other codes listed in Sections 101.4.1 through 101.4.8 and referenced elsewhere in this code, when specifically adopted, shall be considered part of the requirements of this code to the prescribed extent of each such reference. Whenever amendments have been adopted to the referenced codes and standards, each reference to said code and standard shall be considered to reference the amendments as well. Any reference to NFPA 70 or the Electrical Code shall mean the Electrical Code as adopted.

(Reason: Legal wording to recognize locally adopted codes and amendments adopted with referenced codes.)

*****Section 101.4.8; add the following:***

101.4.8 Electrical. The provisions of the local adopted Electrical Code shall apply to the installation of electrical systems, including alterations, repairs, replacement, equipment, appliances, fixtures, fittings and appurtenances thereto.

(Reason: This was dropped when ICC quit publishing the ICC Electrical Code, but the Electrical Code still should be referenced regardless of how it is adopted.)

~~Sections 103.1; amend to insert the Department Name~~

103.1 Creation of enforcement agency. The Building Inspection Dept. is hereby created and the official in charge thereof shall be known as the *building official*.

[Remainder Unchanged]

(Reason: Reminder to be sure ordinance reads the same as designated by the city and amend Section 101.1.)

~~**Section 104.2.4.1; Flood hazard areas.** *(Jurisdictions may consider the option **to amend or delete** depending on local enforcement and flood hazard ordinances.)*~~

~~*(Reason: Flood hazard ordinances may be administered by other departments within the city.)*~~

~~*(Note: Sections 104.2.4.1, 104.3.1, 110.3.12.1, 1612, and 1603.1.7 are all inter-connected related to flood hazard areas, and amendments or deletions should be considered as a whole.)*~~

~~**Section [A] 104.3.1 Determination of substantially improved or substantially damaged existing buildings and structures in flood hazard areas.** *(Jurisdictions may consider the option **to amend or delete** depending on local enforcement and flood hazard ordinances.)*~~

~~*(Reason: Flood hazard ordinances may be administered by other departments within the city.)*~~

~~***Section 105.2 Work exempt from permit; under sub-title entitled "Building" delete items 1, 2, 10 and 11 and re-number as follows:***~~

~~**Building:**~~

~~1. One-story detached accessory structures used as tool and storage sheds, playhouses and similar uses, provided the floor area does not exceed 120 square feet (11 m^2).~~
~~2. Fences not over 7 feet (1829 mm) high.~~
~~3.~~ 1. ~~(Remainder Unchanged)~~
~~4.~~ 2. ~~(Remainder Unchanged)~~

~~5. 3. (Remainder Unchanged)~~

~~6. 4. (Remainder Unchanged)~~

~~7. 5. (Remainder Unchanged)~~

~~8. 6. (Remainder Unchanged)~~

~~9. 7. (Remainder Unchanged)~~

~~10. Shade cloth structures constructed for nursery or agricultural purposes, not including service systems.~~

~~11. 8. (Remainder Unchanged)~~

~~12. 9. (Remainder Unchanged)~~
~~13. 10. (Remainder Unchanged)~~

~~*(Reason: Items deleted are for one- and two-family dwellings regulated by the International Residential Code. Accessory structures, fences and shade cloth structures would require a permit for commercial properties to ensure compliance with local ordinance, egress, accessibility, flame spread of fabric, wind/snow design load, etc.)*~~

*****Section 109; add Section 109.7 to read as follows:***

109.7 Re-inspection Fee. A fee as established by city council resolution may be charged when:

1. The inspection called for is not ready when the inspector arrives.

2. No building address or permit card is clearly posted.

3. City approved plans are not on the job site available to the inspector.

4. The building is locked or work otherwise not available for inspection when called.

5. The job site is red-tagged twice for the same item.

6. The original red tag has been removed from the job site.

7. Failure to maintain erosion control, trash control or tree protection.

Any re-inspection fees assessed shall be paid before any more inspections are made on that job site.

(Reason: This fee is not a fine or penalty but is designed to compensate for time and trips when inspections are called for when not ready.)

Section 109; add Sections 109.8, 109.8.1, 109.8.2 and 109.9 to read as follows:

109.8 Work without a permit.

109.8.1 Investigation. Whenever work for which a permit is required by this code has been commenced without first obtaining a permit, a special investigation shall be made before a permit may be issued for such work.

109.8.2 Fee. An investigation fee, in addition to the permit fee, shall be collected whether or not a permit is subsequently issued. The investigation fee shall be equal to the amount of the permit fee required by this code or the city fee schedule as applicable. The payment of such investigation fee shall not exempt the applicant from compliance with all other provisions of either this code or the technical codes nor from penalty prescribed by law.

109.9 Unauthorized cover up fee. Any work concealed without first obtaining the required inspection in violation of Section 110 shall be assessed a fee as established by the city fee schedule.

Section 110.3.6; Lath, gypsum board and gypsum panel product inspection; Delete exception

~~***Exception:*** *Gypsum board and gypsum panel products that are not part of a fire resistance rated assembly or a shear assembly.*~~

(Reason: Lath or gypsum board inspections are not typically performed in this area. Deleting the exception would then require all gypsum panels to be inspected)

Section 114.4 shall be deleted in its entirety and replaced with the following:

"The penalty for violation of this Code is as set out in the Highland Park Code of

Ordinances section 1.01.009."

Section 202; amend definition of Ambulatory Care Facility as follows:

AMBULATORY CARE FACILITY. Buildings or portions thereof used to provide medical, surgical, psychiatric, nursing or similar care on a less than 24-hour basis to persons who are rendered incapable of self-preservation by the services provided ~~or staff has accepted responsibility for care recipients already incapable~~. This group may include but not be limited to the following:

- Dialysis centers

<u>- Sedation dentistry</u>

<u>- Surgery centers</u>

<u>- Colonic centers</u>

<u>- Psychiatric centers</u>

(Reason: To clarify the range of uses included in the definition. [Explanatory note related to ***Ambulatory Care Facilities****: This group of uses includes medical or dental offices where persons are put under for dental surgery or other services. Section 903.2.2.1 will now require such uses to be sprinklered if on other than the floor of exit discharge or if four or more persons are put under on the level of exit discharge. Recommend (1.) jurisdictions document any pre-existing non-conforming conditions prior to issuing a new C of O for a change of tenant and, (2.) On any medical or dental office specify on C of O the maximum number of persons permitted to be put under general anesthesia. It is recommended that before a Certificate of Occupancy is issued, a letter of intended use from the business owner shall be included and a C of O documenting the maximum number of care recipients incapable of self-preservation allowed.)*

*****Section 202; add definition of Assisting Living Facilities to read as follows.***

ASSISTED LIVING FACILITIES. *A building or part thereof housing persons, on a 24-hour basis, who because of age, mental disability or other reasons, live in a supervised residential environment which provides personal care services. The occupants are capable of responding to an emergency situation without physical assistance from staff.*

(Reason: The code references Assisted Living facilities and definition was deleted.)

Section 202; amend definition to read as follows:

******HIGH-PILED COMBUSTIBLE STORAGE: add a second paragraph to read as follows:***

<u>Any building classified as a group S Occupancy or Speculative Building exceeding 6,000 sq. ft. that has a clear height in excess of 14 feet, making it possible to be used for storage in excess of 12 feet, shall be considered to be high-piled storage. When a specific product cannot be identified (speculative warehouse), a fire protection system and life safety features shall be installed for Class IV commodities, to the maximum pile height.</u>

HIGH-RISE BUILDING. A building with an occupied floor or occupied roof located more than ~~75~~ 55 feet ~~(22 860 mm)~~ (16 764 mm) above the lowest level of fire department vehicle access.

(Reason: To define high-rise, as it influences sprinkler requirement thresholds based on the firefighting capabilities of a jurisdiction.)

*****Section 202; ~~add~~ amend definition of "Repair Garage" as follows:***

REPAIR GARAGE. A building, structure or portion thereof used for servicing or repairing motor vehicles. This occupancy shall also include garages involved in minor repair, modification and servicing of motor vehicles for items such as lube changes, inspections, windshield repair or replacement, shocks, minor part replacement and other such minor repairs.

(Reason: The code references aligns with fire code.)

*****Section 202; amend definition of SPECIAL INSPECTOR to read as follows:***

SPECIAL INSPECTOR. A qualified person employed or retained by an approved agency who shall prove to the satisfaction of the registered design professional in responsible charge and approved by the Building Official as having the competence necessary to inspect a particular type of construction requiring special inspection.

(Reason: The registered design professional in responsible charge should be included.)

*****Section 303.1.3; add a sentence to read as follows:***

303.1.3 Associated with Group E occupancies. A room or space used for assembly purposes that is associated with a Group E occupancy is not considered a separate occupancy~~.~~, except when applying the assembly requirements of Chapters 10 and 11.

(Reason: To clarify that egress and accessibility requirements are applicable for assembly areas, i.e. cafeteria, auditoriums, etc.)

*****Section 304.1; add the following to the list of occupancies:***

Fire stations

Police stations with detention facilities for 5 or less

(Reason: Consistent with regional practice dating back to the legacy codes.)

*****Table 307.1.1; add the following sentence to Cleaning establishments with combustible liquid solvents*** Cleaning establishments with combustible liquid solvents… *{Text unchanged}* …with Section 707 or 1-hour horizontal assemblies constructed in accordance with Section 711 or both. See also IFC Chapter 21, Dry Cleaning Plant provisions.

(Reason: To call attention to detailed requirements in the Fire Code.)

*****Section 403.1, Exception 3; change to read as follows:***

3. The open-air portion of a building *[remainder unchanged]*

(Reason: To clarify enclosed portions are not exempt.)

*****Section 403.3, Automatic Sprinkler System. Delete exception.***

(Reason: To provide adequate fire protection to enclosed areas.)

*****Section 403.3.2; change to read as follows:***

403.3.2 Water Supply to required Fire Pumps. In all buildings that are more than ~~420~~ 120 feet (128 36.6 m) in building height, ~~and buildings of Type IVA and IVB construction that are more than 120 feet (36.6 m) in building height~~, required fire pumps shall be supplied by connections to no fewer than two water mains located in different streets. Separate supply piping shall be provided between each connection to the water main and the pumps. Each connection and the supply piping between the connection and the pumps shall be sized to supply the flow and pressure required for the pumps to operate.

Exception: {No change to exception.}

(Reason: The 2009 edition of the IFC added this requirement based on a need for redundancy of the water supply similar to the redundancy of the power supply to the fire pumps required for such tall buildings, partially due to the fact that these buildings are rarely fully evacuated in a fire event. More commonly, the alarm activates on the floor of the event, the floor above and the floor below. Back-up power to the fire pump becomes critical for this reason. Certainly, the power is pointless if the water supply is impaired for

any reason, so a similar requirement is provided here for redundant water supplies. The 2015 edition changed the requirement to only apply to very tall buildings over 420 ft. This amendment modifies/lowers the requirement to 120 ft., based on this same height requirement for fire service access elevators. Again, the language from the 2009 and 2012 editions of the code applied to any high-rise building. This compromise at 120 ft. is based on the above technical justification of defend-in-place scenarios in fire incidents in such tall structures.)

***Section 406.3.3.1 Carport separation; add sentence to read as follows:**

A fire separation is not required between a Group R-2 and U carport provided that the carport is entirely open on all sides and that the distance between the two is at least 10 feet (3048 mm).

(Reason: Simplifies the fire separation distance and eliminates the need to obtain opening information on existing buildings when adding carports in existing apartment complexes. Consistent with legacy codes in effect in region for years and no record of problems with car fires spreading to apartments as a result.)

****Section 503.1.; add sentence to read as follows:**

503.1. General. [Existing Text to remain]

Where a building contains more than one distinct type of construction, the building shall comply with the most restrictive area, height, and stories, for the lesser type of construction or be separated by fire walls, except as allowed in Section 510.

(Reason: To create definite language that requires separation between dissimilar building types.)

***Table 506.2; delete footnote i from table**

~~i. The maximum allowable area for a single-story non sprinklered Group U greenhouse is permitted to be 9000 square feet or the allowable area shall be permitted to comply with Table C102.1 of Appendix C.~~

(Reason: To eliminate the need for Appendix C adoption and remain consistent with 6000 sq. ft. sprinklering provision.)

***Section 506.3.1; add sentence to read as follows:**

506.3.1 Minimum percentage of perimeter. [Existing Text remains]

In order to be considered as accessible, if not in direct contact with a street or fire lane, a minimum 10-foot-wide pathway meeting fire department access from the street or approved fire lane shall be provided.

(Reason: To define what is considered accessible. Consistent with regional amendment to IFC 503.1.1)

*****Section 708.4.3; change sentence to read as follows:***

708.4.3 Fireblocks and draftstops in combustible construction. *[Body of text unchanged]*

Exceptions:

1. Buildings equipped with an automatic sprinkler system installed throughout in accordance with Section 903.3.1.1, or in accordance with Section 903.3.1.2 provided that sprinkler protection is provided in the space between the top of the fire partition and the underside of the floor or roof sheathing, deck or slab above as required for systems complying with Section 903.3.1.1. Portions of buildings containing concealed spaces filled with noncombustible insulation as permitted for sprinkler omission shall not apply to this exception for draftstopping. *[Remainder unchanged]*

Reason: The most common exception used to eliminate the need for sprinklers in concealed spaces of combustible construction is to fill the space with noncombustible insulation. This exception was changed in 2010 to permit a 2-inch air gap at the top of the filled space. A space compliant with the permitted omission above would allow hot gas and smoke to spread unimpeded throughout a building not provided with draftstopping. For this reason, omission of sprinklers permitted in accordance with NFPA 13 referenced standard should not be permitted with IBC exception requiring draftstopping in combustible construction.

*****Section 718.3; change sentence to read as follows:***

718.3 Draftstops in floors. *[Body of text unchanged]*

Exceptions: Buildings equipped throughout with an automatic sprinkler system in accordance with Section 903.3.1.1. and provided that in combustible construction, sprinkler protection is provided in the floor space.

(Reason: To remain consistent with changes in 708.4.3 IBC code.)

****Section 718.4; change sentence to read as follows:***

718.4 Draftstops in attics. *[Body of text unchanged]*

> **Exceptions:** Buildings equipped throughout with an automatic sprinkler system in accordance with Section 903.3.1.1 <u>and provided that in combustible construction, sprinkler protection is provided in the attic space.</u>

(Reason: To remain consistent with changes in 708.4.3 IBC code.)

****Section 901.6.1.1; add to read as follows:***

<u>**901.6.1.1 Standpipe Testing.** Building owners/managers must maintain and test standpipe systems as per NFPA 25 requirements. The following additional requirements shall be applied to the testing that is required every 5 years:</u>

1. <u>The piping between the Fire Department Connection (FDC) and the standpipe shall be backflushed or inspected by approved camera when foreign material is present or when caps are missing, and also hydrostatically tested for all FDC's on any type of standpipe system. Hydrostatic testing shall also be conducted in accordance with NFPA 25 requirements for the different types of standpipe systems.</u>

2. <u>For any manual (dry or wet) standpipe system not having an automatic water supply capable of flowing water through the standpipe, the tester shall connect hose from a fire hydrant or portable pumping system (as approved by the *fire code official*) to each FDC, and flow water through the standpipe system to the roof outlet to verify that each inlet connection functions properly. Confirm that there are no open hose valves prior to introducing water into a dry standpipe. There are no required pressure criteria at the outlet. Verify that check valves function properly and that there are no closed control valves on the system.</u>

3. <u>Any pressure relief, reducing, or control valves shall be tested in accordance with the requirements of NFPA 25. All hose valves shall be exercised.</u>

4. <u>If the FDC is not already provided with approved caps, the contractor shall install such caps for all FDC's as required by the *fire code official*.</u>

5. <u>Upon successful completion of standpipe test, place a blue tag (as per Texas Administrative Code, Fire Sprinkler Rules for Inspection, Test and Maintenance Service (ITM) Tag) at the bottom of each standpipe riser in the building. The tag</u>

shall be check-marked as “Fifth Year” for Type of ITM, and the note on the back of the tag shall read “5 Year Standpipe Test” at a minimum.

6. The procedures required by Texas Administrative Code Fire Sprinkler Rules with regard to Yellow Tags and Red Tags or any deficiencies noted during the testing, including the required notification of the local Authority Having Jurisdiction (*fire code official*) shall be followed.

7. Additionally, records of the testing shall be maintained by the owner and contractor, if applicable, as required by the State Rules mentioned above and NFPA 25.

8. Standpipe system tests where water will be flowed external to the building shall not be conducted during freezing conditions or during the day prior to expected nighttime freezing conditions.

9. Contact the *fire code official* for requests to remove existing fire hose from Class II and III standpipe systems where employees are not trained in the utilization of this firefighting equipment. All standpipe hose valves must remain in place and be provided with an approved cap and chain when approval is given to remove hose by the *fire code official*.

(Reason: Increases the reliability of the fire protection system and re-emphasizes the requirements of NFPA 25 relative to standpipe systems, as well as ensuring that FDC connections are similarly tested/maintained to ensure operation in an emergency incident.)

*****Section 901.6.4; add to read as follows:***

901.6.4 False Alarms and Nuisance Alarms. False alarms and nuisance alarms shall not be given, signaled or transmitted or caused or permitted to be given, signaled or transmitted in any manner.

(Reason: Places the responsibility on the business or property owner to maintain their fire alarm systems in approved condition. Allows the enforcement of “prohibition of false alarms”. Replaces text lost from the legacy codes that helps to ensure the maintenance of life safety systems.)

*****Section 901.7; change to read as follows:***

901.7 Systems Out of Service. Where a required *fire protection system* is out of service or in the event of an excessive number of activations, the fire department and the *fire code official* shall be notified immediately and, where required by the *fire code official*, the building shall either be evacuated or an *approved fire watch* shall be provided for all occupants left unprotected by the shut down until the *fire protection system* has been returned to service. *… {Remainder of section unchanged}*}

(Reason: Gives fire code official more discretion with regards to enforcement of facilities experiencing nuisance alarm or fire protection system activations necessitating correction/repair/replacement. The intent of the amendment is to allow local jurisdictions to enforce fire watches, etc., where needed to ensure safety of occupants where fire protection systems are experiencing multiple nuisance activations.)

*****Section 903.1.1; change to read as follows:***

903.1.1 Alternative Protection. Alternative automatic fire-extinguishing systems complying with Section 904 shall be permitted ~~instead of~~ in addition to automatic sprinkler protection where recognized by the applicable standard ~~and~~, or as *approved* by the *fire code official*.

(Reason: Such alternative systems do not provide the reliability of automatic sprinkler protection. Most gaseous type systems are highly susceptible to open doors, ceiling or floor tile removal, etc. However, an applicant could pursue an Alternate Method request to help mitigate the reliability issues with these alternative systems with the fire code official if so desired, or there may be circumstances in which the fire code official is acceptable to allowing an alternate system in lieu of sprinklers, such as kitchen hoods or paint booths.)

*****Section 903.2; add paragraph to read as follows and delete the Exception:***

903.2 Where required. Approved automatic sprinkler systems in new buildings and structures shall be provided in the locations described in Sections 903.2.1 through 903.2.12. Automatic Sprinklers shall not be installed in elevator machine rooms, elevator machine spaces, and elevator hoistways, other than pits where such sprinklers would not necessitate shunt trip requirements under any circumstances.

~~Exception: Spaces or areas in telecommunications buildings used exclusively for telecommunications equipment, associated electrical power distribution equipment, batteries not required to have an automatic sprinkler system by Section 1207 for energy~~

~~storage systems and standby engines, provided that those spaces or areas are equipped throughout with an automatic smoke detection system in accordance with Section 907.2 and are separated from the remainder of the building by not less than 1-hour fire barriers constructed in accordance with Section 707 of the International Building Code or not less than 2-hour horizontal assemblies constructed in accordance with Section 711 of the International Building Code, or both.~~

(Reason: To ensure firefighter and public safety. This amendment eliminates the shunt trip requirement of International Building Code Section 3005.5 for the purpose of elevator passenger and firefighter safety. This amendment is contingent on the Building Code amendment eliminating the exceptions to Section 403.3 and Section 3005.4, such that passive fire barriers for these areas are maintained. (The exception deletion is due to the fact that such areas pose an undue fire risk to the structural integrity of the building.)

******Section 903.2.2.1; change exception to read as follows:***

903.2.2.1 Ambulatory care facilities. An automatic sprinkler system shall be installed throughout the entire floor containing an ambulatory care facility where either of the following conditions exist at any time:

1. Four or more care recipients are incapable of self-preservation.
2. One or more care recipients that are incapable of self-preservation are located at other than the level of exit discharge serving such a facility.

In buildings where ambulatory care is provided on levels other than the level of exit discharge, an automatic sprinkler system shall be installed throughout the entire floor as well as all floors below where such care is provided, and all floors between the level of ambulatory care and the nearest level of exit discharge, the level of exit discharge, and all floors below the level of exit discharge.

Exception: <u>Unless otherwise required by this code,</u> floors classified as an open parking garage are not required to be sprinklered.

(Reason: To ensure that parking garages that are otherwise required to have automatic fire sprinkler protection are not unintendedly exempt by this exception.)

******Section 903.2.4.2; change to read as follows:***

903.2.4.2 Group F-1 distilled spirits. An automatic sprinkler system shall be provided throughout a Group F-1 fire area used for the manufacture of distilled spirits involving more than 120 gallons of distilled spirits (>20% alcohol) in the fire area at any one time.

(Reason: To establish a sprinkler criteria limit based on existing maximum allowable quantities provided for flammable liquids in a non-sprinklered space from Chapter 50 and allow very small distillery type operations without sprinkler requirements as has been historically allowed.)

******Section 903.2.9.3; change to read as follows:***

903.2.9.3 Group S-1 distilled spirits or wine. An automatic sprinkler system shall be provided throughout a Group S-1 fire area used for the bulk storage of distilled spirits or wine involving more than 120 gallons of distilled spirits or wine (>20% alcohol) in the fire area at any one time.

(Reason: To establish a sprinkler criteria limit based on existing maximum allowable quantities provided for flammable liquids in a non-sprinklered space from Chapter 50 and allow very small storage operations without sprinkler requirements as has been historically allowed.)

*****Section 903.2.9.4; delete Exception:***

903.2.9.4 Group S-1 upholstered furniture and mattresses. An automatic sprinkler system shall be provided throughout a Group S-1 fire area where the area used for the storage of upholstered furniture or mattresses exceeds 2,500 square feet (232 m^2).

> ~~**Exception:** Self-service storage facilities not greater than one story above grade plane where all storage spaces can be accessed directly from the exterior.~~

(Reason: Fire departments are unable to regularly inspect the interior of these commercial occupancies and are unaware of the contents being stored.)

******Section 903.2.9.5; add to read as follows:***

903.2.9.5 Self-Service Storage Facility. An automatic sprinkler system shall be installed throughout all self-service storage facilities. The minimum sprinkler system design shall be based on an Ordinary Hazard Group II classification, in accordance with NFPA 13 requirements. Physical construction in compliance with open-grid ceilings as per NFPA 13, such as an open metal grid ceiling or chicken wire that does not obstruct the overhead sprinkler protection, shall be installed to prevent storage from exceeding the lower of either 12 feet above finished floor or 18 inches beneath standard sprinkler head deflectors. At least one sprinkler head shall be provided in each storage unit/room (additional sprinklers may be necessary for compliance with NFPA 13 spacing requirements), regardless of wall height or construction type separating such units.

(Reason: Fire departments are unable to regularly inspect the interior of these commercial occupancies and are unaware of the contents being stored. The physical obstruction specification is to ensure maximum storage heights are not exceeded in these self-storage occupancies where enforcement of such has shown to be historically problematic for fire code officials and building managers.)

Section 903.2.11; change 903.2.11.3 and add 903.2.11.7, 903.2.11.8, and 903.2.11.9 as follows:

903.2.11.3 Buildings ~~55~~ 35 feet or more in height. An automatic sprinkler system shall be installed throughout buildings that have one or more stories ~~with an occupant load of 30 or more~~, other than penthouses in compliance with Section 1511 of the *International Building Code*, located ~~55~~ 35 feet (~~16 764~~ 10 668 mm) or more above the lowest level of fire department vehicle access, measured to the finished floor.

~~**Exception:**~~

~~1. Occupancies in Group F-2.~~

903.2.11.7 High-Piled Combustible Storage. For any building with a clear height exceeding 12 feet (4572 mm), see Chapter 32 to determine if those provisions apply.

903.2.11.8 Spray Booths and Rooms. New and existing spray booths and spraying rooms shall be protected by an approved automatic fire-extinguishing system.

903.2.11.9 Buildings Over 6,000 sq. ft. An automatic sprinkler system shall be installed throughout all buildings with a building area 6,000 sq. ft. or greater and in all existing buildings that are enlarged to be 6,000 sq. ft. or greater. For the purpose of this provision, fire walls shall not define separate buildings.

Exception: Open parking garages complying with 903.2.10

(Reason: Provides jurisdictions options as to their desired level of sprinkler protection based on multiple factors including firefighting philosophies/capabilities.)

******Section 903.3.1.1.1; change to read as follows:***

903.3.1.1.1 Exempt Locations. When approved by the *fire code official*, automatic sprinklers shall not be required in the following rooms or areas where such *... {text unchanged}…* because it is damp, of fire-resistance-rated construction or contains electrical equipment.

1. A room or space where sprinklers constitute a serious life or fire hazard because of the nature of the contents, where approved by the fire code official.
2. Generator and transformer rooms, under the direct control of a public utility, separated from the remainder of the building by walls and floor/ceiling or roof/ceiling assemblies having a fire-resistance rating of not less than 2 hours.
3. ~~Rooms or areas that are of noncombustible construction with wholly noncombustible contents.~~
4. ~~Fire service access~~ Elevator machine rooms, ~~and~~ machinery spaces, and hoistways, other than pits where such sprinklers would not necessitate shunt trip requirements under any circumstances.
5. ~~Machine rooms, machinery spaces, control rooms and control spaces associated with occupant evacuation elevators designed in accordance with Section 3008 of the International Building Code.~~

(Reason: Gives more direction to code official. Exception 3 deleted to provide protection where fire risks are poorly addressed. Amendment 903.2 addresses Exception 5 above relative to the elimination of sprinkler protection in these areas to avoid the shunt trip requirement.)

******Section 903.3.1.1.4; add the following Section:***

903.3.1.1.4 Dry pipe sprinkler systems. Dry pipe sprinkler systems protecting fire areas of Type V construction shall be required to meet the 60 second water delivery time, per NFPA 13, to the system test connection regardless of the system size, unless more stringent criteria are applicable in NFPA 13, and all dry pipe sprinkler systems shall be trip tested to flow/discharge water to verify compliance with this requirement, unless otherwise approved by the fire code official.

(Reason: This provision is limited to Type V construction due to the unique need discharge water on to light weight wood construction members for rapid fire control. This requirement for dry system trip tests to guarantee water delivery times across all system sizes. Faster water delivery improves fire control capabilities by supplying water before the growing fire size overwhelms the fire sprinklers. The water delivery time test aids in identifying any delays in water reaching the fire in dry pipe systems, detecting any blockages in the pipe network, and ensuring the dry pipe valve is in good condition.)

*****Section 903.3.1.2.2; change to read as follows:***

903.3.1.2.2 Corridors and balconies ~~in the means of egress.~~ Sprinkler protection shall be provided in all corridors and for all balconies. ~~in the means of egress where any of the following conditions apply:~~

~~1. Corridors with combustible floor or walls.~~

~~2. Corridors with an interior change of direction exceeding 45 degrees (0.79 rad).~~

~~3. Corridors that are less than 50 percent open to the outside atmosphere at the ends.~~

~~4. Open-ended corridors and associated exterior stairways and ramps as specified in Section 1027.6, Exception 3.~~

~~5. Egress balconies not complying with Sections 1021.2 and 1021.3.~~

(Reason: Corridor protection is critical to the means of egress, and corridors are regularly utilized for miscellaneous storage, fixtures, artwork, food kiosks and beverage dispensers, and furnishings. Balcony protection is required due to issues with fire exposure via soffit vents and the potential for significant combustible loading.)

*****Section 903.3.1.2.3; delete section and replace as follows:***

Section 903.3.1.2.3 Attached Garages and Attics. Sprinkler protection is required in attached garages, and in the following attic spaces:

1. Attics that are used or intended for living purposes or storage shall be protected by an automatic sprinkler system.

2. Where fuel-fired equipment is installed in an unsprinklered attic, not fewer than one quick-response intermediate temperature sprinkler shall be installed above the equipment.

3. Attic spaces of buildings that are two or more stories in height above grade plane or above the lowest level of fire department vehicle access.

4. Group R-4, Condition 2 occupancy attics not required by Item 1 or 3 to have sprinklers shall comply with one of the following:

    4.1. Provide automatic sprinkler system protection.

    4.2. Provide a heat detection system throughout the attic that is arranged to activate the building fire alarm system.

    4.3. Construct the attic using noncombustible materials.

    4.4. Construct the attic using fire-retardant-treated wood complying with Section 2303.2 of the International Building Code.

    4.5. Fill the attic with noncombustible insulation.

Reason: Attic protection is required due to issues with fire exposure via soffit vents, as well as firefighter safety. Several jurisdictions indicated experience with un-protected attic fires resulting in displacement of all building occupants. NFPA 13 provides for applicable attic sprinkler protection requirements, as well as exemptions to such, based on noncombustible construction, etc. Attached garages already require sprinklers via NFPA 13R – this amendment just re-emphasizes the requirement.)

*****Section 903.3.1.3; change to read as follows:***

903.3.1.3 NFPA 13D Sprinkler Systems. *Automatic sprinkler systems* installed in one- and two-family *dwellings*; Group R-3; Group R-4, Condition 1; and *townhouses* shall be permitted to be installed throughout in accordance with NFPA 13D or in accordance with state law.

(Reason: To allow the use of the Plumbing section of the International Residential Code (IRC) and recognize current state stipulations in this regard.)

******Section 903.3.1.4; add to read as follows:***

903.3.1.4 Freeze protection. Freeze protection systems for automatic fire sprinkler systems shall be in accordance with the requirements of the applicable referenced NFPA standard and this section.

903.3.1.4.1 Attics. Only dry-pipe, preaction, or listed antifreeze automatic fire sprinkler systems shall be allowed to protect unheated attic spaces.

Exception: Wet-pipe fire sprinkler systems shall be allowed to protect non-ventilated attic spaces where:

1. The attic sprinklers are supplied by a separate floor control valve assembly to allow ease of draining the attic system without impairing sprinklers throughout the rest of the building, and
2. Adequate heat shall be provided for freeze protection as per the applicable referenced NFPA standard, and
3. The attic space is a part of the building's thermal, or heat, envelope, such that insulation is provided at the roof deck, rather than at the ceiling level.

903.3.1.4.2 Heat trace/insulation. Heat trace/insulation shall only be allowed where approved by the fire code official for small sections of large diameter water-filled pipe.

(Reason: In the last few years, severe winters brought to light several issues with current practices for sprinklering attics, not the least of which was wet-pipe sprinklers in ventilated attics provided with space heaters, etc. for freeze protection of such piping. This practice is not acceptable for the protection of water-filled piping in a ventilated attic space as it does not provide a reliable means of maintaining the minimum 40 degrees required by NFPA, wastes energy, and presents a potential ignition source to the attic space. The intent of this amendment is to help reduce the large number of freeze breaks that have occurred in the past with water-filled wet-pipe sprinkler systems in the future, most specifically in attic spaces.)

*****Section 903.3.5; add a second paragraph to read as follows:***

Water supply as required for such systems shall be provided in conformance with the supply requirements of the respective NFPA standards; however, every water-based fire protection system shall be designed with a 10-psi safety factor. Reference Section 507.4 for additional design requirements.

(Reason: To define uniform safety factor for the region.)

******Section 903.3.9; change to read as follows:***

903.3.9 ~~High-rise~~ Building floor control valves. Approved supervised indicating control valves shall be provided at the point of connection to the riser as indicated below: ~~in high-rise buildings~~

1. In High Rise Buildings, f*loor control assemblies shall be located in protected stairwells, or as otherwise approved by the fire code official.*
2. In all other buildings, floor control assemblies shall be located as approved by the fire code official.

(Reason: Intent is to allow the ability to drain each floor's sprinkler system without draining the entire system, as well as to isolate each floor in the event of an impairment, such that only one floor is impaired at a time.)

******Section 903.4.1; add a second paragraph after the Exceptions to read as follows:***

Sprinkler and standpipe system water-flow detectors shall be provided for each floor tap to the sprinkler system and shall cause an alarm upon detection of water flow for more than 45 seconds. Reference Section 903.3.9 for required floor control assemblies. All control valves in the sprinkler and standpipe systems except for fire department hose connection valves shall be electrically supervised to initiate a supervisory signal at the central station upon tampering.

(Reason: To avoid significant water losses, reduce false alarms, and eliminate undetected tampering of water supplies. Consistent with amendment to IFC 905.9.)

*****Section 903.4.3; add second paragraph to read as follows:***

The alarm device required on the exterior of the building shall be a weatherproof horn/strobe notification appliance with a minimum 75 candela strobe rating, installed as close as practicable to the fire department connection.

(Reason: Fire department connections are not always located at the riser; this allows the fire department faster access and ease of recognition of the FDC location, especially at night.)

******Section 905.3.8; add to read as follows:***

905.3.8 Buildings Exceeding 10,000 sq. ft. In buildings exceeding 10,000 square feet in area per story and where any portion of the building's interior area is more than 200 feet (60960 mm) of travel, vertically and horizontally, from the nearest point of fire department vehicle access, Class I standpipes shall be provided.

(Reason: Allows for the rapid deployment of hose lines to the body of the fire in larger structures.)

******Section 905.4; change Item 5, and add Item 7 to read as follows:***

5. Where the roof has a slope less than 4 units vertical in 12 units horizontal (33.3-percent slope), each standpipe shall be provided with a two-way ~~a~~ hose connection ~~shall be~~ located to serve the roof or at the highest landing of an ~~interior~~ exit stairway with stair access to the roof provided in accordance with Section 1011.12.
6. {No change.}
7. When required by this Chapter, standpipe connections shall be placed adjacent to all required exits to the structure and at two hundred feet (200’) intervals along major corridors thereafter, or as otherwise approved by the fire code official.

(Reason: Item 5 reduces the amount of pressure required to facilitate the required testing of NFPA 14 and 25, and provides backup protection for fire fighter safety. Item 7 allows for the rapid deployment of hose lines to the body of the fire.)

*****Section 905.8; change to read as follows:***

905.8 Dry standpipes. Dry standpipes shall not be installed.

> **Exception:** Where subject to freezing and in accordance with NFPA 14. Additionally, manual dry standpipe systems shall be supervised with a minimum of 10 psig and a maximum of 40 psig air pressure with a high/low Supervisory alarm.

(Reason: To define manual dry standpipe supervision requirements. Helps ensure the integrity of the standpipe system via supervision, such that open hose valves will result in a supervisory low air alarm. NFPA 14 requires supervisory air for such, but does not provide pressure criteria for what that means.)

*****Section 905.9; add a second paragraph after the exceptions to read as follows:***

Sprinkler and standpipe system water-flow detectors shall be provided for each floor tap to the sprinkler system and shall cause an alarm upon detection of water flow for more than 45 seconds. Reference Section 903.3.9 for required floor control assemblies. All control valves in the sprinkler and standpipe systems except for fire department hose connection valves shall be electrically supervised to initiate a supervisory signal at the central station upon tampering.

(Reason: To avoid significant water losses. Consistent with amendment to IFC 903.4.1)

*****Section 906.1(1); delete Exception 3 as follows:***

~~3. In storage areas of Group S occupancies where forklift, powered industrial truck or powered cart operators are the primary occupants,~~

~~fixed extinguishers, as specified in NFPA 10, shall not be required where in accordance with all of the following:~~

~~3.1. Use of vehicle-mounted extinguishers shall be approved by the fire code official.~~

~~3.2. Each vehicle shall be equipped with a 10-pound, 40A:80B:C extinguisher affixed to the vehicle using a mounting bracket approved~~

~~by the extinguisher manufacturer or the fire code official for vehicular use.~~

~~3.3. Not less than two spare extinguishers of equal or greater rating shall be available on-site to replace a discharged extinguisher.~~

~~3.4. Vehicle operators shall be trained in the proper operation, use and inspection of extinguishers.~~

~~3.5. Inspections of vehicle-mounted extinguishers shall be performed daily.~~

(Reason: This provision of only having vehicle-mounted fire extinguishers is not at all consistent with the practice of requiring extinguishers throughout based on travel distance. Often times, the vehicle is what has caused the incident and/or may be the source of the incident, so having the extinguisher vehicle-mounted results in greater potential injury of the user. This assumes the only occupants in the building are on a vehicle, which again, significantly reduces access to fire extinguishers throughout the building to other occupants. Future use of the building/tenancy may change further complicating the issue.)

******Section 907.1.4; add to read as follows:***

907.1.4 Design Standards. Where a new fire alarm system is installed, the devices shall be addressable.

(Reason: Provides for the ability of descriptive identification of alarms.)

******Section 907.2.1; change to read as follows:***

907.2.1 Group A. A manual fire alarm system that activates the occupant notification system in accordance with Section 907.5 shall be installed in Group A occupancies ~~where the~~ having an occupant load ~~due to the assembly occupancy is~~ of 300 or more persons, or where the ~~Group A~~ occupant load is more than 100 persons above or below the *lowest level of exit discharge*. Group A occupancies not separated from one another in accordance with Section 707.3.10 of the *International Building Code* shall be considered as a single occupancy for the purposes of applying this section. Portions of Group E occupancies occupied for assembly purposes shall be provided with a fire alarm system as required for the Group E occupancy.

Exceptions: {No change.}

(Reason: Increases the requirement to be consistent with Group B requirement.)

*****Section 907.2.3; change to read as follows:***

907.2.3 Group E. A manual fire alarm system that initiates the occupant notification signal utilizing an emergency voice/alarm communication system meeting the requirements of Section 907.5.2.2 and installed in accordance with Section 907.6 shall be installed in Group E educational occupancies. When *automatic sprinkler systems* or smoke detectors are installed, such systems or detectors shall be connected to the building fire alarm system. An approved smoke detection system shall be installed in Group E day care occupancies. Unless separated by a minimum of 100' open space, all buildings, whether portable buildings or the main building, will be considered one building for alarm occupant load consideration and interconnection of alarm systems.

Exceptions:

1. {No change.}
   1.1. Residential In-Home day care with not more than 12 children may use interconnected single station detectors in all habitable rooms. (For care of more than five children 2 1/2 or less years of age, see Section 907.2.6.)

{No change to remainder of exceptions.}

(Reason: To distinguish educational from day care occupancy minimum protection

requirements. Further, to define threshold at which portable buildings are considered a separate building for the purposes of alarm systems. Exceptions provide consistency with State law concerning such occupancies.)

******Section 907.2.10.1; change to read as follows:***

907.2.10.1 Public- and Self-Storage Occupancies. A manual fire alarm system that activates the occupant notification system in accordance with Section 907.5 shall be installed in Group S public- and self-storage occupancies ~~three stories or greater in height~~ for interior corridors and interior common areas. Visible notification appliances are not required within storage units.

Exception: {No change.}

(Reason: Because of the potential unknown fire load and hazards in self-storage type facilities, which could include flammable liquids for instance, as well as other hazardous materials, prompt evacuation in the event of fire alarm is needed; therefore, notification in the corridors/common areas is critical to all such occupancies, regardless of height.)

*****Section 907.2.13, Exception #3; change to read as follows:***

3. <u>Open air portions of</u> buildings with an occupancy in Group A-5 in accordance with Section 303.1 of the *International Building Code*<u>; however, this exception does not apply to accessory uses including but not limited to sky boxes, restaurants, and similarly enclosed areas.</u>

(Reason: To indicate that enclosed areas within open air seating type occupancies are not exempted from automatic fire alarm system requirements.)

*****Section 907.4.2.7; add to read as follows:***

<u>**907.4.2.7 Type.** Manual alarm initiating devices shall be an approved double action type.</u>

(Reason: Helps to reduce false alarms.)

*****Section 907.6.1.1; add to read as follows:***

<u>**907.6.1.1 Wiring Installation.** All fire alarm systems shall be installed in such a manner that a failure of any single initiating device or single open in an initiating circuit conductor</u>

will not interfere with the normal operation of other such devices. All signaling line circuits (SLC) shall be installed in such a way that a single open will not interfere with the operation of any addressable devices (Class A). Outgoing and return SLC conductors shall be installed in accordance with NFPA 72 requirements for Class A circuits and shall have a minimum of four feet separation horizontal and one foot vertical between supply and return circuit conductors. The initiating device circuit (IDC) from a signaling line circuit interface device may be wired Class B, provided the distance from the interface device to the initiating device is ten feet or less.

(Reason: To provide uniformity in system specifications and guidance to design engineers. Improves reliability of fire alarm devices and systems.)

*****Section 907.6.3; delete all four Exceptions.***

907.6.3 Initiating device identification. The fire alarm system shall identify the specific initiating device address, location, device type, floor level where applicable and status including indication of normal, alarm, trouble and supervisory status, as appropriate.

~~**Exceptions:**~~

1. ~~Fire alarm systems in single-story buildings less than 22,500 square feet (2090 m2) in area.~~
2. ~~Fire alarm systems that only include manual fire alarm boxes, waterflow initiating devices and not more than 10 additional alarm-initiating devices.~~
3. ~~Special initiating devices that do not support individual device identification.~~
4. ~~Fire alarm systems or devices that are replacing existing equipment.~~

(Reason: To assist responding personnel in locating the emergency event for all fire alarm systems.)

*****Section 907.6.6; add sentence at end of paragraph to read as follows:***

See 907.6.3 for the required information transmitted to the supervising station.

(Reason: To assist responding personnel in locating the emergency event for all fire alarm systems.)

*****Section 910.2.3; add to read as follows:***

910.2.3 Group H. Buildings and portions thereof used as a Group H occupancy as follows:

1. In occupancies classified as Group H-2 or H-3, any of which are more than 15,000 square feet (1394 m^2) in single floor area.

   Exception: Buildings of noncombustible construction containing only noncombustible materials.

2. In areas of buildings in Group H used for storing Class 2, 3, and 4 liquid and solid oxidizers, Class 1 and unclassified detonable organic peroxides, Class 3 and 4 unstable (reactive) materials, or Class 2 or 3 water-reactive materials as required for a high-hazard commodity classification.

   Exception: Buildings of noncombustible construction containing only noncombustible materials.

(Reason: Maintains a fire protection device utilized in such occupancies where it is sometimes necessary to allow chemicals to burn out, rather than extinguish. This is based on legacy language establishing long-standing historical practice.)

*****Section 910.4.3.1; change to read as follows:***

910.4.3.1 Makeup Air. Makeup air openings shall be provided within 6 feet (1829 mm) of the floor level. Operation of makeup air openings shall be ~~manual or~~ automatic. The minimum gross area of makeup air inlets shall be 8 square feet per 1,000 cubic feet per minute (0.74 m2 per 0.4719 m3/s) of smoke exhaust.

(Reason: Makeup air has been required to be automatic for several years now in this region when mechanical smoke exhaust systems are proposed. This allows such systems to be activated from the smoke control panel by first responders without having to physically go around the exterior of the building opening doors manually. Such requires a significant number of first responders on scene to conduct this operation and significantly delays activation and/or capability of the smoke exhaust system.)

*****Section 912.2.3; add to read as follows:***

912.2.3 Hydrant Distance. An approved fire hydrant shall be located within 100 feet of the fire department connection as the fire hose lays along an unobstructed path.

(Reason: To accommodate limited hose lengths, improve response times where the FDC is needed to achieve fire control, and improve ease of locating a fire hydrant in those

situations also. Also, consistent with NFPA 14 criteria.)

*****Section 913.2.1; add second paragraph and exception to read as follows:***

<u>When located on the ground level at an exterior wall, the fire pump room shall be provided with an exterior fire department access door that is not less than 3 ft. in width and 6 ft. – 8 in. in height, regardless of any interior doors that are provided. A key box shall be provided at this door, as required by Section 506.1.</u>

> <u>**Exception:** When it is necessary to locate the fire pump room on other levels or not at an exterior wall, the corridor leading to the fire pump room access from the exterior of the building shall be provided with equivalent fire resistance as that required for the pump room, or as approved by the *fire code official*. Access keys shall be provided in the key box as required by Section 506.1.</u>

(Reason: This requirement allows firefighters safer access to the fire pump room. The requirement allows access without being required to enter the building and locate the fire pump room interior access door during a fire event. The exception recognizes that this will not always be a feasible design scenario and as such, provides an acceptable alternative to protect the pathway to the fire pump room.)

*****Section 914.3.1.2; add section:***

914.3.1.2 Water Supply to required Fire Pumps. In all buildings that are more than ~~420~~ <u>120</u> feet (~~128~~ <u>36.6 m</u>) in *building height*, ~~and buildings of Type IVA and IVB construction that are more than 120 feet (36.6 m) in building height,~~ required fire pumps shall be supplied by connections to no fewer than two water mains located in different streets. Separate supply piping shall be provided between each connection to the water main and the pumps. Each connection and the supply piping between the connection and the pumps shall be sized to supply the flow and pressure required for the pumps to operate.

> **Exception:** {No change to exception.}

(Reason: The 2009 edition of the IFC added this requirement based on a need for redundancy of the water supply similar to the redundancy of the power supply to the fire pumps required for such tall buildings, partially due to the fact that these buildings are rarely fully evacuated in a fire event. More commonly, the alarm activates on the floor of the event, the floor above and the floor below. Back-up power to the fire pump becomes critical for this reason. Certainly, the power is pointless if the water supply is impaired for any reason, so a similar requirement is provided here for redundant water supplies. The 2015 edition changes the requirement to only apply to very tall buildings over 420 ft. This

amendment modifies/lowers the requirement to 120 ft., based on this same height requirement for fire service access elevators. Again, the language from the 2009 and 2012 editions of the code applied to any high-rise building. This compromise at 120 ft. is based on the above technical justification of defend-in-place scenarios in fire incidents in such tall structures.)

******Section 915 Carbon Monoxide (CO) Detection; delete and replace to read as follows:***

915.1 General. New and existing buildings shall be provided with carbon monoxide (CO) detection in accordance with Sections 915.2 through 915.5.

915.2 Where required. Carbon monoxide detection shall be provided in interior spaces, other than dwelling units or sleeping units, that are exposed to a carbon monoxide source in accordance with Sections 915.2.1 through 915.2.3. Carbon monoxide detection for dwelling units or sleeping units that are exposed to a carbon monoxide source shall be in accordance with Section 915.2.4.

915.2.1 Interior spaces with direct carbon monoxide sources. In all occupancies, interior spaces with a direct carbon monoxide source shall be provided with carbon monoxide detection located in close proximity to the direct carbon monoxide source and in accordance with Section 915.3.

Exception: Where environmental conditions in an enclosed space are incompatible with carbon monoxide detection devices, carbon monoxide detection shall be provided in an approved adjacent location.

915.2.2 Interior spaces adjacent to a space containing a carbon monoxide source. In Groups A, B, E, I, M and R Occupancies, interior spaces that are separated from and adjacent to an enclosed parking garage or an interior space that contains a direct carbon monoxide source shall be provided with carbon monoxide detection if there are communicating openings between the spaces. Detection devices shall be located in close proximity to communicating openings on the side that is furthest from the carbon monoxide source and in accordance with Section 915.3

Exceptions:

1. Where communicating openings between the space containing a direct carbon monoxide source and the adjacent space are permanently sealed airtight, carbon monoxide detection is not required for the adjacent space.

2. Where the fire code official determines that the volume or configuration of the adjacent interior space is such that dilution or geometry would diminish the

effectiveness of carbon monoxide detection devices located in such spaces, detection devices additional to those required by Section 915.2.1 shall be located on the side of communicating openings that is closest to the carbon monoxide source.

915.2.3 Interior spaces with forced-indirect carbon monoxide sources. In all occupancies, interior spaces with a forced-indirect carbon monoxide source shall be provided with carbon monoxide detection in accordance with either of the following:

1. Detection in each space with a forced-indirect carbon monoxide source, located in accordance with Section 915.3.

2. Detection only in the first space served by the main duct leaving the forced-indirect carbon monoxide source, located in accordance with Section 915.3, with an audible and visual alarm signal provided at an approved location.

915.2.4 Dwelling units and sleeping units. Carbon monoxide detection for dwelling units and sleeping units shall comply with Sections 915.2.4.1 and 915.2.4.2.

915.2.4.1 Direct carbon monoxide sources. Where a direct carbon monoxide source is located in a bedroom or sleeping room, or a bathroom attached to either, carbon monoxide detection shall be installed in the bedroom or sleeping room. Where carbon monoxide detection is not installed in bedrooms or sleeping rooms, carbon monoxide detection shall be installed outside of each separate sleeping

area in close proximity to bedrooms or sleeping rooms for either of the following conditions:

1. The dwelling unit or sleeping unit has a communicating opening to an attached, enclosed garage.

2. A direct carbon monoxide source is located in the dwelling unit or sleeping unit outside of bedrooms or sleeping rooms.

915.2.4.2 Forced-indirect carbon monoxide sources. Bedrooms or sleeping rooms in dwelling units or sleeping units that are exposed to a forced-indirect carbon monoxide source shall be provided with carbon monoxide detection in accordance with Section 915.2.4.1 or Section 915.2.3.

915.3 Location of detection devices. Carbon monoxide detection devices shall be installed in accordance with manufacturer's instructions in a location that avoids dead air spaces, turbulent air spaces, fresh air returns, open windows, and obstructions that would inhibit accumulation of carbon monoxide at the detection location. Carbon monoxide detection in air ducts or plenums shall not be permitted as an alternative to required detection locations.

915.4 Permissible detection devices. Carbon monoxide detection shall be provided by a carbon monoxide detection system complying with Section 915.4.2 unless carbon monoxide alarms are permitted by Sections 915.4.1.

915.4.1 Carbon monoxide alarms. Carbon monoxide alarms complying with Sections 915.4.1.1 through 915.4.1.3 shall be permitted in lieu of a carbon monoxide detection system in both of the following:

1. Dwelling units and sleeping units.

2. Locations other than dwelling units or sleeping units, where approved, provided that the manufacturer's instructions do not prohibit installation in locations other than dwelling units or sleeping units and that the alarm signal for any carbon monoxide alarm installed in a normally unoccupied location is annunciated by an audible and visual signal in an approved location.

915.4.1.1 Power source. In buildings with a wired power source, carbon monoxide alarms shall receive their primary power from a permanent connection to building wiring, with no disconnecting means other than for overcurrent protection, and shall be provided with a battery backup. In buildings without a wired power source, carbon monoxide alarms shall be battery powered.

> **Exception:** For existing buildings not previously required to have carbon monoxide alarms permanently connected to a wired power source, existing battery-powered and plug-in with battery backup carbon monoxide alarms shall be permitted to remain in service. When replaced, replacement with battery-powered and plug-in with battery backup carbon monoxide alarms shall be permitted.

915.4.1.2 Listings. Carbon monoxide alarms shall be listed in accordance with UL 2034. Combination carbon monoxide/smoke alarms shall also be listed in accordance with UL 217.

915.4.1.3 Interconnection. Where more than one carbon monoxide alarm is installed, actuation of any alarm shall cause all of the alarms to signal an alarm condition.

915.4.2 Carbon monoxide detection systems. Carbon monoxide detection systems shall be installed in accordance with NFPA 72.

915.4.2.1 Fire alarm system integration. Where a building fire alarm system or combination fire alarm system, as defined in NFPA 72, is installed, carbon monoxide detection shall be provided by connecting carbon monoxide detectors to the fire alarm system. Where a building fire alarm system or a combination fire alarm system is not installed, carbon monoxide detection shall be provided by connecting carbon monoxide detectors to a carbon monoxide detection system complying with NFPA 72.

915.4.2.2 Listings. Carbon monoxide detectors shall be listed in accordance with UL 2075. Combination carbon monoxide/smoke detectors shall be listed in accordance with UL 268 and UL 2075.

915.4.2.3 Alarm notification. For other than Group E Occupancies, activation of a carbon monoxide detector shall initiate alarm notification in accordance with any of the following:

1. An audible and visible alarm notification throughout the building and at the control unit.

2. Where specified in an approved fire safety plan, an audible and visible alarm in the signaling zone where the carbon monoxide has been detected and other signaling zones specified in the fire safety plan, and at the control unit.

3. Where a sounder base is provided for each detector, an audible alarm at the activated carbon monoxide detector and an audible and visible alarm at the control unit.

For Group E Occupancies having an occupant load of 30 or less, alarm notification shall be provided in an on-site location staffed by school personnel or in accordance with the notification requirements for other occupancies. For Group E occupancies having an occupant load of more than 30, an audible and visible alarm shall be provided in an on-site location staffed by school personnel.

915.5 Maintenance. Carbon monoxide alarms and carbon monoxide detection systems shall be maintained in accordance with NFPA 72 and the manufacturer's instructions. Carbon monoxide alarms and carbon monoxide detectors that become inoperable or begin producing end-of-life signals shall be replaced.

(Reason: The final version of the 2024 edition text for Section 915 that was approved fell short of clearly conveying requirements. Furthermore, the adopted code text seems to require a level of protection for some occupancies that is excessive and for other occupancies insufficient. This wording matches the approved changes in the 2027 IFC)

*****Section 1006.2.1 change exception 3 to read as follows**;*

Section 1006.2.1 Egress based on occupant load and common path of egress travel distance.

3. Unoccupied rooftop mechanical rooms and penthouses are not required to comply with the common path of egress travel distance measurement.

(Reason: Add "rooftop" to Exception No. 3 to clarify that only such mechanical rooms located on the roof maybe exempted.)

******Table 1010.2.4; amend Table - Manual Bolts, Automatic Flush Bolts and Constant Latching Bolts on the Inactive Leaf of A pair of Doors; to add Group M and A occupancies as follows:***

Add Group M to Line item #1 in Table 1010.2.4: Group B, F, <u>M</u> or S occupancies with occupant load less than 50. [Remainder unchanged]

Add Group A and M to Line item #2 in Table 1010.2.4: Group <u>A</u>, B, F, <u>M</u> or S occupancies where the building is equipped… [Remainder unchanged]

(Reason: 2024 Code revised this information into Table format. It is historically common in our region to see the 2nd leaf locked, when that leaf is not part of the required egress door clear width, such as in a typical Group M. Table 1010.2.4 line item 2 was expanded to Group A due to it being a similar situation for Group B restaurants. When the required door width capacity is met by a single door, the inactive leaf shall be allowed to be locked since it is not required for egress. This intent of the amendment remains unchanged from previous cycle(s) and has been adjusted to reflect the new format in the 2024 IBC.)

<u>****Section 1020.2 Construction; add new exception 6 as follows:**</u>

<u>6. In unsprinklered group B occupancies, corridor walls and ceilings need not be of fire-resistive construction within a single tenant space when the space is equipped with approved automatic smoke-detection within the corridor. The actuation of any detector must activate self-annunciating alarms audible in all areas within the corridor. Smoke detectors must be connected to an approved automatic fire alarm system where such system is provided.</u>

(Reason: Similar concept was previously in UBC. This scenario occurs primarily in existing, non-sprinklered buildings, which under current IBC would be required to have a fire resistance rated corridor. New exception provides a cost-effective solution for single tenant space in lieu of the base IBC requirement to retrofit a fire sprinkler system throughout the building.)

****Section 1030.1.1.1 Spaces under grandstands and bleachers; delete this section.**

(Reason: Unenforceable.)

****Section 1101.1 Scope; add exception to Section 1101.1 as follows:**

Exception: Components of projects regulated by and registered with Architectural Barriers Division of Texas Department of Licensing and Regulation shall be deemed to be in compliance with the requirements of this chapter.

(Reason: To accommodate buildings regulated under state law. Further clarified in 2018 to mean components that are specifically addressed by TDLR shall be exempt.)

****Section 2702.5; added to read as follows:**

Section 2702.5 Designated Critical Operations Areas (DCOA): In areas within a facility or site requiring continuous operation for the purpose of public safety, emergency management, national security or business continuity, the power systems shall comply with NFPA 70 Article 708.

(Reason: Identifying these areas of critical operations in the building code ensures designers are advised of the requirements outlined in the National Electrical Code which defines specific Critical Operations Power System (COPS) requirements.)

*****Section 2901.1; add a sentence to read as follows:***

[P] 2901.1 Scope. {*existing text to remain*} The provisions of this Chapter are meant to work in coordination with the provisions of Chapter 4 of the International Plumbing Code. Should any conflicts arise between the two chapters, the Building Official shall determine which provision applies.

(Reason: Gives building official discretion.)

*****Section 2902.1; add a second paragraph to read as follows:***

In other than E Occupancies, the minimum number of fixtures in Table 2902.1 may be lowered, if requested in writing, by the applicant stating reasons for a reduced number and approved by the Building Official.

(Reason: To allow flexibility for designer to consider specific occupancy needs.)

*****Table 2902.1; add footnote g to read as follows:***

g. Drinking fountains are not required in M Occupancies with an occupant load of 100 or less, B Occupancies with an occupant load of 25 or less, and for dining and/or drinking establishments.

(Reason: To allow flexibility for designer to consider specific occupancy needs.)

****Add Section 2902.1.4 to read as follows:**

2902.1.4 Additional fixtures for food preparation facilities. In addition to the fixtures required in this Chapter, all food service facilities shall be provided with additional fixtures set out in this section.

2902.1.4.1 Hand washing lavatory. At least one hand washing lavatory shall be provided for use by employees that is accessible from food preparation, food dispensing and ware washing areas. Additional hand washing lavatories may be required based on convenience of use by employees.

2902.1.4.2 Service sink. In new or remodeled food service establishments, at least one service sink or one floor sink shall be provided so that it is conveniently located for the cleaning of mops or similar wet floor cleaning tool and for the disposal of mop water and similar liquid waste. The location of the service sink(s) and/or mop sink(s) shall be approved by the **<Jurisdiction's>** health department.

(Reason: Coordinates Health law requirements with code language for consistent regional practice.)

*****Section 3002.1 Hoistway Enclosure Protection required. Add pointer and exception as follows:**

A hoistway for elevators, dumbwaiters and other vertical-access devices shall comply with Sections 712 and 713. Where the hoistway is required to be enclosed, it shall be constructed as a shaft enclosure in accordance with 713. Refer to 712.1.10 for elevators in parking garages.

Exception:

1. Elevators completely located within atriums shall not require hoistway enclosure protection.

(Reason: Provides specific Code recognition for elevators completely within atriums. Amendment needed since specific Code language does not currently exist for elevators within atriums. A pointer has been added to the exception for enclosure requirements in parking garages.)

*****3004.2.1 Enclosure. *Add text to read as follows:***

Escalator floor openings shall be enclosed with shaft enclosures complying with Section <u>712 and</u> 713.

(Reason: Section 3004.2.1 does not acknowledge the multitude of ways in which IBC allows escalators in vertical openings. The addition of 712 to the base requirement sends the users to the escalator opening protection requirements contained in Section 712.)

*****Section 3005.4 Machine rooms, control rooms, machinery spaces and control spaces; Delete existing IBC exceptions and replace with two new NCTCOG exceptions as follows:**

Exceptions:

<u>1. For other than FSAE and occupant evacuation elevators, elevator machine rooms, control rooms, machinery spaces and control spaces completely located within atriums shall not require enclosure protection.</u>

<u>2. For other than FSAE and occupant evacuation elevators, elevator machine rooms, control rooms, machinery spaces and control spaces in open or enclosed parking garages that serve only the parking garage, shall not require enclosure protection.</u>

(Reason: This amendment eliminates the IBC Exceptions to Section 3005.4 and replaces them with new NCTCOG exceptions. The fire rating of these enclosures is permitted to be omitted by the above added NCTCOG exceptions where allowed by other provisions of the code such as in atriums and parking structures. Added "for other than FSAE and occupant evacuation elevators" in recognition of these special elevators requiring maximum code required protection and for consistency with IBC existing language in the deleted exceptions. See companion change to eliminate fire sprinklers to eliminate the need for shunt trip system.)

*****<u>Section 3005.5: Add a new subsection to Section 3005.5.1 as follows:</u>**

3005.5.1 Fire Protection in Machine rooms, control rooms, machinery spaces and control spaces.

3005.5.1.1 Automatic sprinkler system. The building shall be equipped throughout with an automatic sprinkler system in accordance with Section 903.3.1.1, except as otherwise permitted by Section 903.3.1.1.1 and as prohibited by Section 3005.5.1.1.1.

3005.5.1.1.1 Prohibited locations. Automatic sprinklers shall not be installed in machine rooms, elevator machinery spaces, control rooms, control spaces and elevator hoistways.

3005.5.1.1.2 Automatic Sprinkler system monitoring. The automatic sprinkler system shall have a sprinkler control valve supervisory switch and water-flow initiating device provided for each floor that is monitored by the building's fire alarm system.

3005.5.1.2 Water protection. An approved method to prevent water from infiltrating into the hoistway enclosure from the operation of the automatic sprinkler system outside the elevator lobby shall be provided.

3005.5.1.3 Omission of Shunt trip. Means for elevator shutdown in accordance with Section 3005.5 shall not be installed.

(Reason: Firefighter and public safety. This amendment eliminates the shunt trip requirement of the International Building Code Section 3005.5 for the purpose of elevator passenger and firefighter safety. The new section above is intended to be identical to Sections 3007.2, 3007.3, and 3007.4 for Fire Service Access Elevators and Sections 3008.2, 3008.3 and 3008.4 for Occupant Evacuation Elevators except where amended by the NCTOG Amendments.)

****Section 3005; add Section 3005.7 as follows:**

3005.7 Storage. Storage shall not be allowed within the elevator machine room, control room, machinery spaces and or control spaces. Provide approved signage at each entry to the above listed locations stating: "No Storage Allowed".

(Reason: Reinforces the need to maintain space clean and free of combustibles. See companion change to eliminate fire sprinklers therein, Section 3005.5.1.)

****Section 3006.2, Hoistway opening protection required;** Revise text in item 5 as follows:

5. The building is a high rise and the elevator hoistway is more than ~~75 feet (22 860 mm)~~ 55 feet (16 764 mm) in height. The height of the hoistway shall be measured from the lowest floor at or above grade to the highest floors served by the hoistway.

(Reason: 2024 IBC text does not address hoistways that are greater than 75'-0" in height that are both below grade and above grade but not located above the high-rise classification nor does the IBC address hoistways wholly located above grade such as those that serve sky lobbies.)

****Section 3007.3 and Section 3008.3: Revise text by deleting "enclosed" as follows:**

3007.3 Water Protection. Water from the operation of an automatic sprinkler system outside the elevator ~~enclosed~~ lobby shall be prevented from infiltrating into the hoistway enclosure in accordance with an approved method.

3008.3 Water Protection. Water from the operation of an automatic sprinkler system outside the elevator ~~enclosed~~ lobby shall be prevented from infiltrating into the hoistway enclosure in accordance with an approved method.

(Reason: The lobbies for FSAE and or OEE elevators may be open (i.e., at ground level), or may not require a lobby enclosure on those upper floors with secondary cab entry doors opening into a nonrequired FSAE or OEE lobby. Regardless of whether or not the lobby is enclosed, the objective is to preclude fire sprinkler water from entering into the hoistway serving FSAE and OEE elevators. The deletion of "enclosed" clarifies the original intent of this provision and is consistent with ICC interpretations. Added the word "elevator" to clarify which type of lobbies.)

End

Exhibit B
2023 National Electrical Code (NFPA 70) Local Amendments

100; change the following to read as follows:
Article 100; amend the following definition by adding the sentence below:
Authority Having Jurisdiction (AHJ). Add the following sentence to the end of the definition
"The AHJ shall be the Town of Highland Park and its employees or agents as assigned."

110.2; change the following to read as follows:
110.2 Approval. The conductors and equipment required or permitted by this *Code* shall be acceptable only if approved. Approval of equipment may be evident by listing and labeling of equipment by a Nationally Recognized Testing Lab (NRTL) with a certification mark of that laboratory or a qualified third-party inspection agency or a field evaluation by a Field Evaluation Body accredited by either the International Code Council International Accreditation Service AC354 or ANSI National Accreditation Board programs and approved by the AHJ.

Exception: Unlisted equipment that is relocated to another location within a jurisdiction or is field modified is subject to the approval by the AHJ. This approval may be by a field evaluation by a NRTL or qualified third-party inspection agency or a field evaluation by a Field Evaluation Body accredited by either the ICC IAS AC354 or ANAB programs *and approved by the AHJ* ~~Manufacturer's self-certification of any equipment shall not be used as a basis for approval by the AHJ.~~

110.12 B; add the following to:
(B) Integrity of Electrical Equipment and Connections.
Internal parts of electrical equipment, including busbars, wiring terminals, insulators, and other surfaces, shall not be damaged or contaminated by foreign materials such as paint, plaster, cleaners, abrasives, corrosive residues or influences, fire, products of combustion, or water. There shall be no damaged parts that may adversely affect safe operation or mechanical strength of the equipment such as parts that are broken; bent, cut; or deteriorated by corrosion, chemical action, or overheating. Except where prohibited elsewhere in this Code, equipment shall be specifically evaluated by its manufacturer or a qualified testing laboratory prior to being returned to service .

<u>210.8 A 1 Bathrooms Exception; change the following to read as follows:</u>

(A) Dwelling Units.
All 125-volt through 250-volt receptacles installed in the following locations and supplied by single-phase branch circuits rated 150 volts or less to ground shall have ground-fault circuit-interrupter protection for personnel:

(1) Bathrooms
Exception No. 4: Factory-installed receptacles that are not readily accessible and are mounted internally to ~~bathroom~~ exhaust fan assemblies shall not require GFCI protection unless required by the installation instructions or listing.

<u>210.52 C 1 Countertop and Work Surfaces Exception; change the following to read as follows:</u>

C) Countertops and Work Surfaces.
In kitchens, pantries, breakfast rooms, dining rooms, and similar areas of dwelling units, receptacle outlets for countertop and work surfaces that are 300 mm (12 in.) or wider shall be installed in accordance with 210.52(C)(1) through (C)(3) and shall not be considered as the receptacle outlets required by **<u>210.52(A)</u>**.

For the purposes of this section, where using multioutlet assemblies, each 300 mm (12 in.) of multioutlet assembly containing two or more receptacles installed in individual or continuous lengths shall be considered to be one receptacle outlet.

(1) Wall Spaces.
Receptacle outlets shall be installed so that no point along the wall line is more than 600 mm (24 in.) measured horizontally from a receptacle outlet in that space. The location of the receptacles shall be in accordance with **<u>210.52(C)(3)</u>**.

*Exception ~~No. 1:~~ Receptacle outlets shall not be required directly behind a range, counter-mounted cooking unit, or sink in the installation described in **<u>Figure 210.52(C)(1)</u>**.*

*~~Exception No. 2: Where a required receptacle outlet cannot be installed in the wall areas shown in **Figure 210.52(C)(1)**, the receptacle outlet shall be permitted to be installed as close as practicable to the countertop area to be served. The total number of receptacle outlets serving the countertop shall not be less than the number needed to satisfy **210.52(C)(1)**. These outlets shall be located in accordance with **210.52(C)(3)**.~~*

210.52 C 2 Island and Peninsular Countertops and Work Surfaces: Change the following to read as follows:

Receptacle outlets, if installed to serve an island or peninsular countertop or work surface, shall be installed in accordance with **210.52(C)(3)**. If a receptacle outlet is not provided to serve an island or peninsular countertop or work surface,~~ provisions shall be provided at the island or peninsula for~~ a chapter 3 wiring method shall be installed and supplied from a Small Appliance Branch Circuit to a Listed Outlet Box in the Peninsular or Island Cabinet at an Accessible Location, for future addition of a receptacle outlet to serve the island or peninsular countertop or work surface.

210.63 B 1 Equipment Requiring Servicing.; change the following to read as follows:

(B) Other Electrical Equipment.
In other than one- and two-family dwellings, a receptacle outlet shall be located as specified in **210.63(B)(1)** and (B)(2).

(1) Indoor Service Equipment.
The required receptacle outlet shall be located within the same room or area as the service equipment.
(2) Indoor Equipment Requiring Dedicated Equipment Spaces.
Where equipment, other than service equipment, requires dedicated equipment space as specified in **110.26(E)**, the required receptacle outlet shall be located within the same room or area as the electrical equipment~~ and shall not be connected to the load side of the equipment's disconnecting means.~~

220.7 Load Calculation; add the following:

A load calculation shall be provided ~~upon request~~ when modifications to the electrical installation occur.

230.85 C Emergency Disconnects: Change the following to read as follows:

For one- and two-family dwelling units, an emergency disconnecting means located on the exterior of the building shall be installed.

(C) Replacement.
Where service equipment is replaced, all of the requirements of this section shall apply.

Exception: Where a pre-existing installation is Code Compliant with 230.70 A, only meter sockets, service entrance conductors, or related raceways and fittings are replaced, the requirements of this section shall not apply.

408.4 Descriptions ~~Field Identification~~ Required: Change the following to read as follows

(A) Circuit Directory or Circuit Description.

Every circuit and circuit modification shall be provided with a legible and permanent description that complies with all of the following conditions as applicable:

(1) Located at each switch or circuit breaker in a switchboard or switchgear
(2) Included in a circuit directory that is located on the face of, inside of, or in an approved location adjacent and permanently affixed to the panel door in the case of a panelboard
(3) Clear, evident, and specific to the purpose or use of each circuit including spare positions with an unused overcurrent device
(4) Described with a degree of detail and clarity that is unlikely to result in confusion between circuits
(5) Not dependent on transient conditions of occupancy
(6) Clear in explaining abbreviations and symbols when used

410.118: Change the following to read as follows

410.118 Access to other boxes.

Luminaires recessed in the ceilings, floors, or walls shall not be used to access outlet, pull, or junction boxes or conduit bodies, unless the box or conduit body is an integral part of the listed luminaire.

Exception: removable luminaires with a minimum measurement of 22 in. X 22 in. shall be permitted to be used as access to outlet, pull, junction boxes or conduit bodies.

422.31 B: Change the following to read as follows

422.31 B Appliances Rated over 300 Volt-Amperes

(B) Appliances Rated over 300 Volt-Amperes. For permanently connected appliances rated over 300 volt-amperes, the branch-circuit switch or circuit breaker shall be permitted to serve as the disconnecting means where the switch or circuit breaker is within sight from and is readily accessible to the appliance it serves or is capable of being locked in the open position in accordance with 110.25 and is readily accessible to the appliance it serves.

Informational Note No. *1*: For appliances employing unit switches, see 422.34.

Informational Note No 2: The following means of access are considered to constitute readily accessible for this code change when conforming to the additional access requirements of the I Codes:

(1) A permanent stair.
(2) A pull-down stair with a minimum 300 lb. (136 kg) capacity.
~~(3) An access door from an upper floor level.~~

<u>500.8 (A) (3); change to read as follows:</u>

500.8 Equipment.
Articles 500 through 504 require equipment construction and installation that ensure safe performance under conditions of proper use and maintenance.

Informational Note No. 1: It is important that inspection authorities and users exercise more than ordinary care with regard to installation and maintenance.

Informational Note No. 2: Since there is no consistent relationship between explosion properties and ignition temperature, the two are independent requirements.

Informational Note No. 3: Low ambient conditions require special consideration. Explosion proof or dust-ignition proof equipment may not be suitable for use at temperatures lower than -25°C (-13°F) unless they are identified for low-temperature service. However, at low ambient temperatures, flammable concentrations of vapors may not exist in a location classified as Class I, Division 1 at normal ambient temperature.

(A) Suitability. Suitability of identified equipment shall be determined by one of the following:

(1) Equipment listing or labeling;
(2) Evidence of equipment evaluation from a qualified testing laboratory or inspection agency concerned with product evaluation; or,
(3) By Special Permission Only, Evidence acceptable to the authority having jurisdiction such as a manufacturer's self-evaluation *accompanied by* or an owner's engineering judgment an engineering judgment signed and sealed Under Supervision by a Qualified State of Texas Licensed Professional Engineer engaged primarily in the design or maintenance of electrical installations as referenced by TBPELS 137.59 (a)(b) as acceptable by the AHJ.

Informational Note: Additional documentation for equipment may include certificates demonstrating compliance with applicable equipment standards, indicating special conditions of use, and other pertinent information.

505.7 and 505.7 (A); change to read as follows:

505.7 Special Precaution.

~~Article 505~~ This article requires equipment construction and installation that ensures safe performance under conditions of proper use and maintenance.

Informational Note No. 1: It is important that inspection authorities and users exercise more than ordinary care ~~with regard~~ to regarding the installation and maintenance of electrical equipment in hazardous (classified) locations.

Informational Note No. 2: ~~Low ambient conditions require special consideration.~~ Electrical equipment ~~depending~~ that is dependent on the protection ~~techniques described~~ technique permitted by 505.8(A) may not be suitable for use at temperatures lower than -20°C (-4°F) unless they are identified for use at lower temperatures. ~~However~~, Low ambient conditions require special consideration. At low ambient temperatures, flammable concentrations of vapors ~~may~~ might not exist in a location classified Class I, Zones 0, 1, or 2 at normal ambient temperature.

(A) Implementation of Zone Classification System. Classification of areas, engineering and design, selection of equipment and wiring methods, installation, and inspection shall be performed ~~By Special Permission Only, under~~ Supervision by a Qualified State of Texas Licensed Professional Engineer engaged primarily in the design or maintenance of electrical installations as referenced by TBPELS 137.59 (a)(b) as acceptable by the AHJ.

(B) GO TO TBPE LAW FOR THE DEFINITION OF AN ENGINEER
https://pels.texas.gov/
https://pels.texas.gov/downloads/lawrules.pdf

695.6 A 1: Change the following to read as follows:

695.6 (A) Supply Conductors.

(1) Services and On-Site Power Production Facilities.
Service conductors and conductors supplied by on-site power production facilities shall be physically routed outside a building(s) and shall be installed as service-entrance conductors in

accordance with 230.6, 230.9, and Parts III and IV of Article 230. Where supply conductors cannot be physically routed outside of buildings, the conductors shall be permitted to be routed through the building(s) where installed in accordance with 230.6(1) or (2).

~~Exception: The supply conductors within the fire pump room shall not be required to meet 230.6 (1) or (2)~~

(REASON FOR CHANGE: To add clarity and provide more positive options for enforcement and approval. All Fire Pump rooms are not Fire Rated ~~as~~ on all 4 sides. There are Fault Currents that could exceed 150,000-190,000 amps and protection of these Service Conductors is essential and conflict with other codes, specifically 230.70(A)(1).)

690.9 D: Change the following to read as follows:

690.9(D) Transformers. Overcurrent protection for power transformers shall be installed in accordance with 705.30(F).

~~Exception: A power transformer with a current rating on the side connected toward the interactive inverter output, not less than the rated continuous output current of the inverter, shall be permitted without overcurrent protection from the inverter.~~

705.8 System Installation: Change the following to read as follows:

705.8 System Installation. Installation of one or more electrical power production sources operating in parallel with a primary source(s) of electricity shall be performed only by qualified persons. During the installation there shall be on site one of the following:

(1) A person holding a Master Electrician License issued by the Texas Department of Licensing and Regulation.

(2)A person holding a Journeyman Electrician License issued by the Texas Department of Licensing and Regulation.

~~(3) A person holding a Residential Wireman License issued by the Texas Department of Licensing and Regulation. Additionally this person must have formal training in interconnected electric power production sources. This training must be approved by the AHJ.~~

705.80 Power Source Capacity.

For interconnected power production sources that operate in island mode, capacity shall be calculated using the sum of all power source output maximum currents for the connected power production source. Solar photovoltaic (PV) and wind systems shall not be included in the sum capacity.

710.15 A: Change the following to read as follows

~~**710.15 General**~~

~~**710.15(A) Supply Output.**~~
~~Power supply to premises wiring systems fed by stand-alone or isolated microgrid power sources shall be permitted to have less capacity than the calculated load. The capacity of the sum of all sources of the stand-alone supply shall be equal to or greater than the load posed by the largest single utilization equipment connected to the system. Calculated general lighting loads shall not be considered as a single load have adequate capacity to meet the calculated load in accordance with Article 220.~~

~~Informational Note: For general-use loads the system capacity can be calculated using the sum of the capacity of the firm sources, such as generators and ESS inverters. For specialty loads intended to be powered directly from a variable source, the capacity can be calculated using the sum of the variable sources, such as PV or wind inverters, or the combined capacity of both firm and variable sources.~~

END

Exhibit C
2024 International Plumbing Code Local Amendments

102.8; change to read as follows:

102.8 Referenced codes and standards. The codes and standards referenced in this code shall be those that are listed in Chapter 15 and such codes, when specifically adopted, and standards shall be considered as part of the requirements of this code to the prescribed extent of each such reference and as further regulated in Section 102.8.1 and 102.8.2. Whenever amendments have been adopted to the referenced codes and standards, each reference to said code and standard shall be considered to reference the adopted amendments. Any reference to NFPA 70 shall mean the National Electrical Code as adopted.

106.5.3 shall be amended in part as follows:
Every permit issued shall become invalid unless work authorized by such permit is commenced within ninety (90) days after its issuance, or if the work authorized by such permit is suspended or abandoned for a period of ninety (90) days after the time the work has commended.

106.6.2; change to read as follows:
106.6.2 Fee schedule. The fees for all plumbing work shall be as adopted by resolution of the governing body of the jurisdiction.

106.6.3 Fee Refunds. The code official shall establish a policy for authorizing the refunding of fees.

106.7 shall be added, which shall read as follows:
106.7 Registration of Contractors.
a. Any person who engages in the design, installation, construction, maintenance, service repair, alteration or modification of a product, plumbing system or irrigation system requiring a permit as set forth in this ordinance shall be licensed by the State of Texas to perform such work as a plumbing contractor or irrigation contractor, respectively.
b. Plumbing contractors and irrigation contractors are required to register annually with the Town. Registration for plumbing contractors shall be maintained annually, corresponding with their State-issued responsible master plumber’s license. Registration for irrigation contractors will expire one calendar year from the date on which they are issued. Registration shall be made in writing on Department of Building Inspection furnished forms for that purpose. A registration fee shall be required as established by Town Council resolution. This registration shall be accompanied by a copy of the person’s State-issued responsible master plumber’s license or State-issued irrigator’s license, and a copy of their driver’s license.

Exception: A homeowner is not required to be licensed as a registered contractor to perform work in his own home.

108.3 shall be deleted in its entirety.

108.4 shall be deleted in its entirety and replaced with the following:
"The penalty for violation of this Code is as set out in the Highland Park Code of Ordinances section 1.01.009.

305; change to read as follows:

305.1 Protection against contact. Metallic piping, except for cast iron, ductile iron and galvanized steel, shall not be placed in direct contact with steel framing members, concrete or cinder walls and floors or other masonry. Metallic piping shall not be placed in direct contact with corrosive soil. Where sheathing is used to prevent direct contact, the sheathing shall have a thickness of not less than 0.008 inch (8 mil) (0.203 mm) and the sheathing shall be made of approved material ~~plastic~~. Where sheathing protects piping that penetrates concrete or masonry walls or floors, the sheathing shall be installed in a manner that allows movement of the piping within the sheathing.

305.4.1; changed to read as follows:

305.4.1 Sewer depth. ~~Building sewers that connect to private sewage disposal systems shall be a minimum of [number] inches (mm) below finished grade at the point of septic tank connection.~~ Building sewers shall be a minimum of 12 inches (304 mm) below grade.

306.2.5; added to read as follows:

306.2.5 Plastic sewer and DWV piping installation. Plastic sewer and DWV piping installed underground shall be installed in accordance with the manufacturer's installation instructions and ASTM D2321. Trench width shall be controlled to not exceed the outside pipe diameter plus 16 inches or in a trench which has a controlled width equal to the nominal diameter of the diameter of the piping multiplied by 1.25 plus 12 inches. The piping shall be bedded in 4 inches of granular fill and then backfilled compacting the side fill in 6-inch layers on each side of the piping. The compaction shall be to a minimum of 85 percent standard proctor density and extend to a minimum of 6 inches above the top of the pipe.

403.1; add a second paragraph to read as follows:

403.1 Minimum number of fixtures. Plumbing fixtures shall be proved in the minimum number as shown in Table 403.1, based on the actual use of the building or space. Uses not shown in Table

403.1 shall be considered individually by the Code Official. The number of occupants shall be determined by the *International Building Code.*

In other than E Occupancies, the minimum number of fixtures in Tabel 403.1 may be lowered, if requested in writing, by the applicant stating reasons for a reduction number and approved by the Building Official.

403.1; add footnote g to read as follows:

g. Drinking fountains are not required in M Occupancies with an occupant load of 100 or less, B Occupancies with an occupant load of 25 or less, and for dining and/or drinking establishments.

h. Each restroom in A, I, M Occupancies shall have at least one baby changing table with clear access that meets ADA

413.4; change to read as follows:

413.4 Required location for floor drains **~~Public laundries and central washing facilities.~~** Floor drains shall be installed in the following areas:

1. In public laundries and in the central washing facilities of multiple family dwellings, the rooms containing automatic clothes washers shall be provided with floor drains located to readily drain the entire floor area. Such drains shall have a minimum outlet of not less than 3 inches (76 mm) in diameter.
2. Commercial kitchens.
   Exception: In lieu of floor drains in commercial kitchens, the Code Official may accept floor sinks.
3. Public restrooms.
4. Closets containing mop/service sinks.

502.3; change to read as follows:

502.3 Water heaters installed in attics. (Remain the same) As a minimum access to the attic space shall be provided by one of the following:

1. A permanent stair.
2. A pull-down stair rated for 300 lb. minimum.
3. ~~An access door from an upper floor level.~~

608.17.5; change to read as follows:

608.17.5 Connections to lawn irrigation systems. The potable water supply to lawn irrigation systems shall be protected against backflow by an atmospheric-type vacuum breaker, a pressure-type vacuum breaker, a double-check assembly or a reduced pressure principal backflow preventer. A valve shall not be installed downstream from an atmospheric vacuum breaker. Where chemicals are introduced into the system, the potable water supply shall be protected against backflow by a reduced pressure principal backflow preventer.

703.6; Combined sanitary and storm public sewer.* *Delete -Not allowed to combine

704.5; added to read as follows:

***704.5* Single stack fittings.** Single stack fittings with internal baffle, PVC schedule 40 or cast-iron single stack shall be designed by a registered engineer and comply to a national recognized standard.

712.4.3; add Section 712.4.3 to read as follows:

712.4.3 Dual Pump System. All sumps shall be automatically discharged and, when in any "public use" occupancy where the sump serves more than 10 fixture units, shall be provided with dual pumps or ejectors arranged to function independently in case of overload or mechanical failure. For storm drainage sumps and pumping systems, see Section 1113.

903.1.1; change to read as follows:

903.1.1 Roof extension unprotected. Open vent pipes that extend through a roof shall terminate not less than six (6) inches (152 mm) above the roof.

1109; Combined Sanitary and Storm Public Sewer: delete this section.

1202.1; delete Exceptions 1 and 2.

Chapter 15; ASTM D2321; added to Referenced Standards

ASTM D2321 - Underground Installation of Thermoplastic Pipe for Sewers and Other Gravity-Flow Applications. 306.2.5

END

Exhibit D
2024 International Fuel Gas Code Local Amendments

<u>102.2; add an exception to read as follows:</u>
Exception: Existing dwelling units shall comply with Section 621.2.

<u>102.8; change to read as follows:</u>
102.8 Referenced codes and standards. The codes and standards referenced in this code shall be those that are listed in Chapter 8 and such codes, when specifically adopted, and standards shall be considered part of the requirements of this code to the prescribed extent of each such reference and as further regulated in Sections 102.8.1 and 102.8.2. Whenever amendments have been adopted to the referenced codes and standards, each reference to said code and standard shall be considered to reference the amendments as well. Any reference to NFPA 70 or the National Electrical Code shall mean the National Electrical Code as adopted.

Exception: Where enforcement of a code provision would violate the conditions of the listing of the equipment or appliance, the conditions of the listing and the manufacturer's installation instructions shall apply.

<u>Section 105.5.8</u> Shall be added as follows:
106.7 Registration of Contractors.
(a) Any contractor engaging in the design, installation, construction, maintenance, service repair, alteration or modification of a product, or plumbing fuel gas system requiring a permit as set forth in this ordinance shall be licensed by the State of Texas to perform such work.
(b) Plumbing contractors are required to register with the Town. Registration for plumbing contractors shall be maintained annually, corresponding with their State issued responsible master plumber's license. Registration shall be made in writing on Department of Building Inspection furnished forms for that purpose. This registration shall be accompanied by a copy of the person's State issued Master Plumber's license and driver's license.
Exception: a homeowner is not required to be licensed as a registered contractor to perform work in his own home.

<u>Section 106.5.3</u><u>;</u> shall be amended in part as follows:
"Every permit issued shall become invalid unless work authorized by such permit is commenced within ninety (90) days after its issuance, or if the work authorized by such permit is suspended or abandoned for a period of ninety (90) days after the time the work has commenced."

<u>Section 108.3 Permit Evaluation</u>; shall be deleted;

<u>Section 108.6 Fee refunds</u>; shall be deleted;

Section 112- Means of Appeals shall be deleted

Add Section 115- Licensing of Gas Installers

Add Section 115 as follows:
Section 115 - LICENSING OF GAS INSTALLERS.
Subsection 115.1 - GENERAL: Any person, firm or corporation engaging in the installation of consumer's gas piping, gas appliances and related accessories, shall be qualified, as set forth herein, and a license shall be obtained from the State of Texas as required by the Plumbing License Law of 1947, Chapter 1301 Texas Occupations Code and any subsequent amendments thereto. Where any plumbing work is being done a licensed Master or Journeyman Plumber shall at all times be present on the job and in actual control, and in charge of the work being done.

Subsection 115.2 - ILLEGAL WORK, REVOCATION OF LICENSE: Any person, firm or corporation engaged in the gas installation business whose work does not conform to the rules and regulations hereinafter set out, or whose workmanship or materials are of inferior quality, shall on notice from the Plumbing Inspector make necessary changes or corrections at once so as to conform to this code, if work has not been so changed after ten (10) days' notice from the Plumbing Inspector; the Plumbing Inspector shall then refuse to issue any further permits until such work has fully complied with the rules and regulations of this code. The Plumbing Inspector may appear before the Governing Authority and request that all licenses be revoked because of continuous violations. When the revocation of any such license is to be considered at any meeting, the person, firm, company, association, or corporation to whom the license has been issued shall have at least three (3) days' notice in writing of the time and place of such meeting, together with a statement of the grounds upon which it is proposed to revoke such license. Any person violating any provision of the Town Fuel Gas Code may be charged with a violation regardless of whether the provisions of this section have been followed.

Subsection 115.3 - ALLOWING ONE'S NAME OR LICENSE TO BE USED
TO OBTAIN PERMIT FRAUDULENTLY: No person, firm or corporation engaged in the business of gas installation shall allow its name to be used by any other person, firm, or corporation, directly or indirectly, to obtain a permit, or for the construction of any work under its name or license.

306.3; change to read as follows:
306.3 Appliances in attics. Attics containing *appliances* shall be provided with an opening and unobstructed passageway large enough to allow removal of the largest *appliance.* The passageway shall be not less than 30 inches (762 mm) high and 22 inches (599 mm) wide and to more than 20 feet (6096 mm) in length measured along the centerline of the passageway from the opening to the *appliance.* The passageway shall have continuous solid flooring not less than 24 inches (610 mm)

wide. A level service space not less than 30 inches (762 mm) deep and 30 inches (762 mm) wide shall be present at the front or service side of the *appliance.* The clear access opening dimensions shall be not less than 20 inches by 30 inches (508 mm by 762 mm), and large enough to allow removal of the largest appliance. As a minimum access to the attic space shall be provided by one of the following:

1. A permanent Stair.
2. A pull-down stair with a minimum 300 lb (136 kg) capacity.
3. ~~An access door from an upper floor level.~~

~~**Exceptions:**~~

1. ~~The passageway and level service space are not required where the *appliance* is capable of being serviced and removed through the required opening with the approval of the code official.~~
2. ~~Where the passageway is unobstructed and not less than 6 feet (1829 mm) high and 22 inches (559 mm) wide for its entire length, the passageway shall be not greater than 50 feet (15,250 mm) in length.~~
3.

306.5.1; change to read as follows:

[M] 306.5.1 Sloped roofs. Where appliances, *equipment*, fans or other components that require service are installed on a roof having a slope of 3 units vertical in 12 units horizontal (25-percent slope) or greater and having an edge more than 30 inches (762 mm) above grade at such edge, a catwalk at least 16 inches in width with substantial cleats spaced not more than 16 inches apart shall be provided from the roof *access* to a level platform at the appliance. The level platform shall be provided on each side of the appliance to which *access* is required for service, repair or maintenance. The platform shall be not less than 30 inches (762 mm) in any dimension and shall be provided with guards. The guards shall extend not less than 42 inches (1067 mm) above the platform, shall be constructed so as to prevent the passage of a 21-inch-diameter (533 mm) sphere and shall comply with the loading requirements for guards specified in the *International Building Code*. (*remainder of text unchanged)*.

401.5; add a second paragraph to read as follows:

Both ends of each section of medium pressure gas piping shall identify its operating gas pressure with an *approved* tag. The tags are to be composed of aluminum or stainless steel and the following wording shall be stamped into the tag:

"WARNING
1/2 to 5 psi gas pressure
Do Not Remove"

404.12; change to read as follows:

404.12 Minimum burial depth. Underground piping systems shall be installed a minimum depth of ~~12~~ 18 inches (~~305~~ 458 mm) top of pipe below grade, ~~except as provided for in Section 404.12.1~~.

406.4; change to read as follows:

406.4 Test pressure measurement. Test pressure shall be measured with a monometer or with a pressure-measuring device designed and calibrated to read, record, or indicate a pressure loss caused by leakage during the pressure test period. The source of pressure shall be isolated before the pressure tests are made. Mechanical gauges used to measure test pressures shall have a range such that the highest end of the scale is not greater than five times the test pressure. Spring type gauges do not meet the requirement of a calibrated gauge.

406.4.1; change to read as follows:

406.4.1 Test pressure. The test pressure to be used shall be no less than ~~1 1/2 times the proposed maximum working pressure, but no less than 3~~ 3 psig (20 kPa gauge), or at the discretion of the Code Official, the piping and valves may be tested at a pressure of at least six (6) inches (152 mm) of mercury, measured with a manometer or slope gauge, ~~irrespective of design pressure. Where the test pressure exceeds 125 psig (862 kPa gauge), the test pressure shall not exceed a value that produces a hoop stress in the piping greater than 50 percent of the specified minimum yield strength of the pipe.~~ For tests requiring a pressure of 3 psig, diaphragm gauges shall utilize a dial with a minimum diameter of three and one half inches (3 ½”), a set hand, 1/10 pound incrementation and pressure range not to exceed 15 psi for tests requiring a pressure of 3 psig. For tests requiring a pressure of 10 psig, diaphragm gauges shall utilize a dial with a minimum diameter of three and one-half inches (3 ½”), a set hand, a minimum of 2/10 pound incrementation and a pressure range not to exceed 50 psi. For welded piping, and for piping carrying gas at pressures in excess of fourteen (14) inches water column pressure (3.48 kPa) (1/2 psi) and less than 200 inches of water column pressure (52.2 kPa) (7.5 psi), the test pressure shall not be less than ten (10) pounds per square inch (69.6 kPa). For piping carrying gas at a pressure that exceeds 200 inches of water column (52.2 kPa) (7.5 psi), the test pressure shall be not less than one and one-half times the proposed maximum working pressure.

Diaphragm gauges used for testing must display a current calibration and be in good working condition. The appropriate test must be applied to the diaphragm gauge used for testing.

409.1; add Section 409.1.4 to read as follows:

409.1.4 Valves in CSST installations. Shutoff valves installed with corrugated stainless steel (CSST) piping systems shall be supported with an *approved* termination fitting, or equivalent support, suitable for the size of the valves, of adequate strength and quality, and located at intervals so as to prevent or damp out excessive vibration but in no case greater than 12-inches from the center of the valve. Supports shall be installed so as not to interfere with the free expansion and contraction of the system's piping, fittings, and valves between anchors. All valves and supports shall be designed and installed so they will not be disengaged by movement of the supporting piping.

410.1; add a second paragraph and exception to read as follows:

Access to regulators shall comply with the requirements for *access* to appliances as specified in Section 306.

> **Exception:** A passageway or level service space is not required when the regulator is capable of being serviced and removed through the required attic opening.

621.2; add exception as follows:

621.2 Prohibited use. One or more unvented room heaters shall not be used as the sole source of comfort heating in a dwelling unit.

> **Exception:** Existing *approved* unvented heaters may continue to be used in dwelling units, in accordance with the code provisions in effect when installed, when *approved* by the Code Official unless an unsafe condition is determined to exist as described in Section 108.7.

END

Exhibit E
2024 International Mechanical Code Local Amendments

102.8; change to read as follows:

102.8 Referenced Codes and Standards. The codes and standards referenced herein shall be those that are listed in Chapter 15 and such codes and standards, when specifically adopted, shall be considered part of the requirements of this code to the prescribed extent of each such reference and as further regulated in Sections 102.8.1 and 102.8.2.

Whenever amendments have been adopted to the referenced codes and standards, each reference to said code and standard shall be considered to reference the adopted amendments. Any reference to NFPA 70 shall mean the National Electrical Code as adopted.

> Exception: Where enforcement of a code provision would violate the conditions of the listing of the *equipment* or *appliance*, the conditions of the listing and the manufacturer's installation instruction shall apply.

106.4.3, Expiration, shall be amended in part as follows:

Every permit issued shall become invalid unless work authorized by such permit is commenced within ninety (90) days after its issuance, or if the work authorized by such permit is suspended or abandoned for a period of ninety (90) days after the time the work has commenced.

Add 106.6, which shall read as follows:

106.6 Registration of Contractors.

(a) Any person who installs, repairs or alters environmental air conditioning, refrigeration, or process cooling or heating systems or ventilation shall be licensed by the State of Texas to perform such work as a mechanical contractor.

(b) Mechanical contractors are required to register annually with the Town. Registration will expire 365-days from issuance. To register, an application shall be made in writing on forms furnished for that purpose by the Building Inspection Department along with a registration fee, as established by Town Council resolution, and filed with the Building Inspection Department. This application shall contain a copy of the person's State air-conditioning and refrigeration licensed a copy of their driver's license. Exception: a homeowner is not required to be licensed as a registered contractor to perform work on his/her homestead.

108.3 Permit Valuations shall be deleted in its entirety.

Section 108.4 shall be deleted in its entirety and replaced with the following:

"The penalty for violation of this Code is as set out in the Highland Park Code of Ordinances section 1.01.009."

108.6 Refunds shall be deleted in its entirety.

202; add definition of Effective Dispersal Volume Charge as follows:

Effective Dispersal Volume Charge (EDVC). The maximum refrigerant charge permitted for an effective dispersal volume.

202; add definition of Refrigerant Detection System as follows:

Refrigerant Detection System - The product safety standard addresses both refrigerant detection systems and leak detection systems. In the product safety standard, a leak detection system is defined as "a sensing system which responds to refrigerant leaking from a refrigerating system." A leak detection system may include gas sensing, ultrasonic, or other such methods that meet the standards UL 60335-2-40/CSA C22.2 No. 60335-2-40 or UL 60335-2-89/CSA C22.2 No. 60335-2-89. [ASHRAE 15-2022: 3.1]

202; add definition of Refrigerant Detector as follows:

Refrigerant Detector - "Refrigerant sensor" is another term for refrigerant detector. A refrigerant sensor is a sensing element combined with electronic circuitry that provides a digital output or an analog signal output that corresponds to the sensed refrigerant gas concentration. [ASHRAE 15-2022: 3.1]

306.3; change to read as follows:

306.3 Appliances in attics. Attics containing *appliances* shall be provided with an opening and unobstructed passageway large enough to allow removal of the largest *appliance.* The passageway shall be not less than 30 inches (762 mm) high and 22 inches (599 mm) wide and to more than 20 feet (6096 mm) in length measured along the centerline of the passageway from the opening to the *appliance.* The passageway shall have continuous solid flooring not less than 24 inches (610 mm) wide. A level service space not less than 30 inches (762 mm) deep and 30 inches (762 mm) wide shall be present at the front or service side of the *appliance.* The clear access opening dimensions shall be not less than 20 inches by 30 inches (508 mm by 762 mm), and large enough to allow removal of the largest appliance. As a minimum access to the attic space shall be provided by one of the following:

1. A permanent Stair.
2. A pull-down stair with a minimum 300 lb (136 kg) capacity.
3. ~~An access door from an upper floor level.~~

Exceptions:

1. The passageway and level service space are not required where the *appliance* is capable of being serviced and removed through the required opening with the approval of the code official.
2. ~~Where the passageway is unobstructed and not less than 6 feet (1829 mm) high and 22 inches (559 mm) wide for its entire length, the passageway shall be not greater than 50~~

~~feet (15,250 mm) in length.~~

306.5.1; change to read as follows:

306.5.1 Sloped Roofs. Where appliances, *equipment*, fans or other components that require service are installed on a roof having a slope of 3 units vertical in 12 units horizontal (25-percent slope) or greater and having an edge more than 30 inches (762 mm) above grade at such edge, a catwalk at least 16 inches in width with substantial cleats spaced not more than 16 inches apart shall be provided from the roof *access* to a level platform at the appliance. The level platform shall be provided on each side of the *appliance* or *equipment* to which *access* is required for service, repair or maintenance. The platform shall be not less than 30 inches (762 mm) in any dimension and shall be provided with guards. The guards shall extend not less than 42 inches (1067 mm) above the platform, shall be constructed so as to prevent the passage of a 21-inch-diameter (533 mm) sphere and shall comply with the loading requirements for guards specified in the *International Building Code…{remainder of text unchanged}*.

501.3; add an exception to read as follows:

501.3 Exhaust Discharge. The air removed by every mechanical exhaust system shall be discharged outdoors at a point where it will not cause a public nuisance and not less than the distances specified in Section 501.3.1. The air shall be discharged to a location from which it cannot again be readily drawn in by a ventilating system. Air shall not be exhausted into an attic, crawl space, or be directed onto walkways.

Exceptions:

1. Whole-house ventilation-type attic fans shall be permitted to discharge into the attic space of dwelling units having private attics.
2. Commercial cooking recirculating systems.
3. Where installed in accordance with the manufacturer's instructions and where mechanical or natural ventilation is otherwise provided in accordance with Chapter 4, listed and labeled domestic ductless range hoods shall ~~not~~ be required to discharge to the outdoors.
4. ~~Toilet room exhaust ducts may terminate in a warehouse or shop area when infiltration of outside air is present.~~

1104.2 Machinery Room ; add an exception to read as follows:

Exception:

3. Machinery Rooms are not required when in compliance with ASHRAE 15 Section 7.4.

1104.3.1.1 Group A2L High-Probability Systems. Add this section to read:

1104.3.1.1 Group A2L High-Probability Systems. High-probability systems using Group A2L refrigerants shall comply with ASHRAE 15 section 7.6.

1109.2.5 Refrigerant pipe shafts. Change to read:
[Existing text to remain]
Exceptions:
1. [Existing text to remain]
2. Piping in a direct refrigeration system ~~using Group A1~~ where the refrigerant quantity does not exceed the limits of Table 1103.1 for the smallest occupied space through which the piping passes.
3. [Existing text to remain]

END

Exhibit F
2024 IECC (Energy Provisions of the 2024 IRC) Local Amendments

C102/R102 General; add Section C102.1.2 and R102.1.2 (N1101.4.1) to read as follows:
C104.1.2 Alternative compliance. A building certified by a national, state, or local accredited energy efficiency program and determined by the Energy Systems Laboratory to be in compliance with the energy efficiency requirements of this section may, at the option of the Code Official, be considered in compliance. The United States Environmental Protection Agency's Energy Star Program certification of energy code equivalency shall be considered in compliance.

R104.1.2 (N1101.4.1) Alternative compliance. A building certified by a national, state, or local accredited energy efficiency program and determined by the Energy Systems Laboratory to be in compliance with the energy efficiency requirements of this section may, at the option of the Code Official, be considered in compliance. The United States Environmental Protection Agency's Energy Star Program certification of energy code equivalency shall be considered in compliance. Regardless of the program or the path to compliance, each 1- and 2-family dwelling shall be tested for air and duct leakage as prescribed in Section R402.5.1.2 (N1102. 5.1.2) and R403.3.7 (N1103.3.7) respectively.

C403.7.4.1 Nontransient dwelling units.; amend as follows.

C403.7.4.1 Nontransient dwelling units. Nontransient dwelling units shall be provided with outdoor air energy recovery ventilation systems complying with not less than one of the following:

1. The system shall have an enthalpy recovery ratio of not less than 50 percent at cooling design condition and not less than 60 percent at heating design condition.
2. The system shall have a sensible recovery efficiency (SRE) that is not less than 65 percent at 32°F (0°C) and in Climate Zones 0A, 1A, 2A and 3A shall have a net moisture transfer (NMT) that is not less than 40 percent at 95°F (35°C). SRE and NMT shall be determined from a listed value or from interpolation of listed values at an airflow not less than the design airflow, based on testing in accordance with CAN/CSA C439.

   Exceptions:

   1. Nontransient dwelling units in Climate Zone 3C.
   2. Nontransient dwelling units with not more than 500 square feet (46 m^2) of conditioned floor area in Climate Zones 0, 1, 2, 3, 4C and 5C.
   3. Enthalpy recovery ratio requirements at heating design condition in Climate Zones 0, 1 and 2.
   4. Enthalpy recovery ratio requirements at cooling design condition in Climate Zones 4, 5, 6, 7 and 8.
   5. Dwelling units using ventilation systems per the Fan Efficacy Table in R406, shall be considered in compliance.

C405.2.10 Sleeping unit and dwelling unit lighting and switched receptacle controls; deleted in its entirety.

R105.2.2 Solar Ready System; deleted in entirety.

R106.3 Permit Valuation; deleted in entirety.

Section R202 (N1101.6) Definitions; add the following definition:
DYNAMIC GLAZING. Any fenestration product that has the fully reversible ability to change its performance properties, including U-factor, solar heat gain coefficient (SHGC), or visible transmittance (VT).

R401.2.1 Prescriptive Compliance Option; deleted reference to R408.

R402.2.10 (N1102.2.10) Slab-on-grade floors; amend as follows.

Exception: Slab-edge insulation is not required in jurisdictions designated by the *code official* as having a moderate to heavy or very heavy termite infestation probability.

R402.5.5 (N1102.5.5) Air-sealed electrical and communication outlet boxes; amend as follows.
R402.5.5 (N1102.5.5) Air-sealed electrical and communication outlet boxes. Air-sealed electrical and communication outlet boxes that penetrated the air barrier of the building thermal envelope shall be caulked, taped, gasketed or otherwise sealed to the air barrier element being penetrated. Air-sealed boxes shall be buried in or surrounded by insulation. Air-sealed boxes shall be tested and marked in accordance with NEMA OS 4. Air-sealed boxes shall be installed in accordance with the manufacturer's instructions.
Exception: Boxes may be air-sealed in the field using caulk, tape, gasket or other approved method to prevent air leakage through the box in lieu of NEMA OS 4 boxes. Boxes air-sealed in the field shall be sealed to the air barrier element being penetrated and installed in accordance with manufacturer's instructions

Table 402.1.2 (1102.1.2) Maximum Assembly/Climate Zone items: amend table as follows.
TABLE R402.1.2 (N1102.1.2) - MAXIMUM ASSEMBLY U-FACTOR AND FENESTRATION REQUIREMENTS
Portions of table not shown remain unchanged.

CLIMATE ZONE	***2***	***3***
Attic Roofline U-factor[f]	***0.035***	***0.035***

f. Air-impermeable insulation located at the attic roofline but below the roof deck may be used if mechanical equipment and air distribution system are located entirely within the building thermal envelope. "Air-impermeable" shall be defined as having an air permeance not exceeding 0.02 L/s-m 2 at 75 Pa pressure differential tested according to ASTM E 2178 or ASTM E 283.

402.1.3 (N1102.1.3) Insulation/Climate Zone items: amend table as follows.

TABLE R402.1.3 (N1102.1.3) - INSULATION MINIMUM R-VALUES AND FENESTRATION REQUIREMENTS BY COMPONENT

Portions of table not shown remain unchanged.

CLIMATE ZONE	***2***	***3***
attic roofline R-value[i]	***30+0ci***	***30+0ci***

i. Air-impermeable insulation of R-30&0 or greater located at the attic roofline but below the roof deck may be used if mechanical equipment and air distribution system are located entirely within the building thermal envelope. "Air-impermeable" shall be defined as having an air permeance not exceeding 0.02 L/s-m 2 at 75 Pa pressure differential tested according to ASTM E 2178 or ASTM E 283.

R404.2 (N1104.2) Interior lighting controls; deleted in its entirety.

TABLE R405.4.2(1) (N1105.4.2(1)) - SPECIFICATIONS FOR THE STANDARD REFERENCE AND PROPOSED DESIGNS: amend table as follows.

TABLE R405.4.2(1) (N1105.4.2(1)) SPECIFICATIONS FOR THE STANDARD REFERENCE AND PROPOSED DESIGNS

Portions of table not shown remain unchanged.

BUILDING COMPONENT	STANDARD REFERENCE DESIGN	PROPOSED DESIGN
Foundations	Type: same as proposed.	As proposed
	Foundation wall or slab extension above grade: 1 foot (30cm) Foundation wall or slab extension below grade: same as proposed Foundation wall or slab perimeter length: same as proposed Soil characteristics: same as proposed.	As proposed
	Foundation wall U-factor and slab-on-grade F-factor: as specified in Table R402.1.2.[n]	As proposed

For SI: 1 square foot = 0.93 m2, 1 British thermal unit = 1055 J, 1 pound per square foot = 4.88 kg/m2, 1 gallon (US) = 3.785 L, °C = (°F-32)/1.8, 1 degree = 0.79 rad.

n. In accordance with Section R402.2.10, a maximum *F*-factor of 0.73 shall apply for the reference design in jurisdictions designated by the *code official* as having a moderate to heavy or very heavy termite infestation probability.

***TABLE R406.5 (N1106.5) MAXIMUM ENERGY RATING INDEX*; amend to read as follows:**

TABLE R406.5 *(N1106.5)* [2]

MAXIMUM ENERGY RATING INDEX

CLIMATE ZONE	ENERGY RATING INDEX NOT INCLUDING OPP	ENERGY RATING INDEX WITH OPP
2	~~51~~ 59	~~34~~
3	~~50~~ 59	~~33~~

[2] The table is effective from September 1, 2022 to August 31, 2025.

TABLE R406.5 *(N1106.5)* [3]

MAXIMUM ENERGY RATING INDEX

CLIMATE ZONE	ENERGY RATING INDEX NOT INCLUDING OPP	ENERGY RATING INDEX WITH OPP
2	~~51~~ 57	~~34~~
3	~~50~~ 57	~~33~~

[3] The table is effective from September 1, 2025 to August 31, 2028.

TABLE R406.5 *(N1106.5)* [4]

MAXIMUM ENERGY RATING INDEX

CLIMATE ZONE	ENERGY RATING INDEX NOT INCLUDING OPP	ENERGY RATING INDEX WITH OPP
2	~~51~~ 55	~~34~~
3	~~50~~ 55	~~33~~

[4] This table is effective on or after September 1, 2028.

R408 Additional Efficiency Requirements; deleted in entirety.

NOTE : HB 3215 was signed into law by the Governor on June 14, 2021 as part of the *87th Regular Session* *Codified in Chapter 388 Texas Building Energy Performance Standards: §388.003 (i), (j), and (k).* HB 3215 now allows a **Home Energy Rating System Index (ex. HERS Index)** utilizing ANSI/RESNET/ICC Standard 301 (as it existed on January 1, 2021) shall be considered in compliance with State law provided that:

- o The home includes compliance with the Mandatory requirements of 2018 IECC Section R406.2.
- o The home includes compliance with Building thermal envelope provisions of Table R402.1.2 or Table R402.1.4 of the 2018 IECC

END

Exhibit G
2024 International Residential Code Local Amendments

R102.4 Referenced codes and standards; change to read as follows:

R102.4 Referenced codes and standards. The codes, when specifically adopted, and standards referenced in this code shall be considered part of the requirements of this code to the prescribed extent of each such reference and as further regulated in Sections R102.4.1 and R102.4.2. Whenever amendments have been adopted to the referenced codes and standards, each reference to said code and standard shall be considered to reference the amendments as well. Any reference made to NFPA 70 or the Electrical Code shall mean the Electrical Code as adopted.

R103 and R103.1 Amend to insert the Department Name

BUILDING INSPECTION DEPARTMENT TOWN OF HIGHLAND PARK

R103.1 Creation of enforcement agency. The BUILDING INSPECTION DEPARTMENT TOWN OF HIGHLAND PARK is hereby created and the official in charge thereof shall be known as the building official.

R104.2.3.1 Flood Hazard areas; delete this section.

R104.3.1 & R106.1.4; delete these sections regarding flood hazards.

R104.7 to read as follows:

R104.7 Official records. The building official shall keep official records as required in Sections R104.7.1 through R104.7.5.
Such official records shall be retained for as long as the building or structure to which such records relate remains in existence, unless otherwise provided by other regulations.

R105.2 Work exempt from permit; shall be deleted entirely, except for the following that shall remain exempt from permit:

Building-
#6 Painting, papering, tiling, carpeting, cabinets, counter tops and similar finish work.
#8 Swings and other playground equipment

Gas-
#2 Replacement of any minor part that does not alter approval of equipment or make such equipment unsafe.

Mechanical-
#5 Replacement of any minor part that does not alter approval of equipment or make such equipment unsafe.

Add into section 105.3-
Irrigation- Replacement of any minor part or piping that does not alter approval of equipment or make such equipment unsafe. Copper repair piping that requires soldering will require a permit.

R105.3 Application for permit.
Delete item # 5 – regarding valuation of work
Add #8- Construction Documents (see also section 106.6.1)

R105.5 Amend to read as follows
R105.5 Commencement, suspension, or abandonment of work. A building permit shall automatically terminate if construction activities authorized by the permit have not been commenced at the construction site on or before the ninetieth (90th) day following the date on which the permit was issued; provided however, the date on which the permit shall automatically terminate may be extended in accordance with the provisions of subsection 2 immediately below.

> 1. If construction activities authorized by a permit have not been commenced at the construction site and the permit has not already automatically terminated, the date on which a permit shall automatically terminate may be extended by the Building Official for up to an additional ninety (90) days; provided however, (i) a permit may be extended only one time; and (ii) if a permit has already automatically terminated, it shall not be extended. An application for an extension shall be in writing, shall be signed by the owner, shall demonstrate justifiable cause for the extension, and shall be delivered to the Town. The permit shall be extended only if, in the discretion of the Building Official, the owner demonstrates that justifiable cause exists for the extension. In exercising discretion, the Building Official shall consider (i) the objectives of the Town set forth below in R105.5.1.3 Intent; and (ii) such other matters as he/she may deem relevant. Upon receipt of an application, the Building Official shall, as soon as reasonably possible: (i) evaluate the application; (ii) exercise his/her discretion as to whether an extension will be granted; (iii) determine the duration of any extension; and (iv) inform the owner in writing of his/her decision, including, if an extension is granted, the new date on which the permit shall automatically terminate.

2. A building permit shall automatically terminate, if after construction activities authorized by the permit have been commenced at the construction site, such activities are suspended or abandoned for a period of sixty (60) or more consecutive days.

Add Section R105.5.1, Major residential construction activities - time for completion, which shall read as follows:

R105.5.1 Major residential construction activities - time for completion. Major residential construction activities, as that term is defined below, shall be conducted and completed in compliance with the following provisions:

R105.5.1.1 Definitions. The following definitions apply to section R105.5.1 and to no other subsection:

1. The phrase "major residential construction activities" means any and all activities involved in:

    A. Building, erecting, or constructing: (i) a new residential structure; and (ii) any other structure, facility, or feature associated with the new residential structure; or

    B. Renovating, reconfiguring, repairing, improving, or adding to any: (i) existing residential structure; or (ii) any structure, facility, or feature associated with an existing residential structure which, in the judgment of the Building Official, will likely require more than six (6) months to complete. If the Building Official concludes that such activities will not likely require more than six (6) months to complete, such activities shall not be deemed major residential construction activities and this subsection R105.5.1 shall have no application to such activities.

2. The phrase "residential building site" means any building site that is zoned "one-family residence (detached)," "one-family residence (attached) townhouse," or "two-family residence duplex."

3. The word "owner" means any natural person, proprietorship, corporation, partnership, association, estate, trust, foundation, or other entity that owns, possesses, or controls any interest in any residential building site located in the Town of Highland Park. In any situation in which any such property is owned, possessed, or controlled by multiple natural persons and/or multiple other such entities, the word "owner" (in the singular) encompasses all such natural persons and other entities.

4. The phrase "highly extraordinary circumstances" refers to any objectives, characteristics, conditions, and/or situations: (i) that are related to, or involved in, proposed major residential construction activities; and that:

    A. Are highly likely to preclude completion of construction activities within twenty-four (24) months from the date of commencement of such activities.

B. Significantly distinguish such construction activities from comparable construction activities which have been, or could be, completed within twenty-four (24) months from the date of commencement; and

C. Cannot be overcome, minimized, or eliminated through more thorough planning, more intensified efforts, or use of alternative building materials or techniques, provided however, the owner shall not be expected to unreasonably compromise the design, quality, or function of the residence or incur unreasonable additional expense.

R105.5.1.2 Application. The provisions of this subsection R105.5.1 shall apply to all major residential construction activities that are conducted, or to be conducted, on a residential building site, but this subsection shall not apply to other construction activities.

R105.5.1.3 Intent. The intent of section R105.5.1 is to assure that:

1. Prior to commencing any major residential construction activities at a residential building site, the owner of the site and all architects, engineers, contractors, subcontractors, vendors, and other persons who will participate in any such activities shall design, plan, organize, manage, and oversee the contemplated construction activities to the extent, and in a manner that, following commencement of construction activities at the site:

A. The construction activities will be completed as rapidly as reasonably possible.

B. The interests of the Town, neighboring residents, and visitors in:

(i) maintaining a safe, orderly, and attractive neighborhood; and

(ii) having easy access to and along streets, sidewalks, driveways, alleyways and easements, will be respected at all times; and

C. Any disruption, inconvenience, or aggravation experienced by residents and visitors will be minimized to the extent reasonably possible; and

2. Upon commencement of any major residential construction activities at a residential building site and throughout the performance of such activities, the owner of the site and all architects, engineers, contractors, subcontractors, vendors, and other persons who participate in any such activities shall diligently and persistently strive to: (i) complete such activities as quickly as reasonably possible; and (ii) to achieve the objectives set forth above in subsections "A," "B," and "C" of subsection 1 of section R105.5.1.3.

R105.5.1.4 Expiration date. The expiration date of a building permit issued for major residential construction activities shall be determined in accordance with the following provisions:

1. Except as provided in the subsections below and/or in section R105.5.1.5, extensions, all building permits for major residential construction activities shall require that such activities be

completed within a period of not more than twenty-four (24) consecutive months commencing on the date on which the building permit is issued.

2. The owner of a residential building site may apply for the issuance of a building permit that allows construction activities to continue for a period of more than twenty-four (24) consecutive months by delivering to the Town a written, signed application. The application shall: (i) set forth generally the owner's contentions concerning each of the matters which are described immediately below in subsection 3 and which must be established by the owner at a hearing before the administrative committee of the Town Council (the "committee"); and (ii) state the number of months and days the owner seeks to have allowed by the building permit for completion of the construction activities.

3. At the hearing before the committee, the owner shall have the burden of presenting compelling reasons and information that establish the following with reasonable certainty:

A. That highly extraordinary circumstances existing connection with the proposed major residential construction activities; and

B. The number of months and days that will likely be required for completion of the proposed construction activities, assuming that the construction activities are conducted in a manner consistent with the objectives set forth above in subsection "A," "B," and"C" of subsection 1 of section R105.5.1.3.

4. The committee may authorize issuance of a building permit that allows construction activities to continue for a period of more than twenty-four (24) consecutive months, if and only if, it finds that the owner met
his/her/its burden set forth in subsection 3 above.

5. Any authorization for the issuance of such a permit shall state a specific number of months and/or days for which construction will be allowed by the permit. Such number of months and/or days shall not exceed the number reasonably required to complete the construction activities if the activities are conducted in a manner consistent with the objectives set forth above in subsections "A," "B," and "C" of subsection 1 of section R105.5.1.3.

6. The committee may condition the issuance of any permit on the owner strictly abiding by whatever practices, rules, or obligations the committee may reasonably conclude are necessary to complete the construction activity as quickly as reasonably possible.

R105.5.1.5 Extensions.

1. The owner of a residential building site for which a building permit has been issued for major residential construction activities may apply for an extension of the expiration date of the permit by delivering to the Town a written, signed application. The application shall: (i) state a specific

date to which the owner seeks to extend the duration of the permit; (ii) explain the reasons why the owner seeks to extend the duration of the permit; (iii) demonstrate that remaining construction activities can be fully completed by the date to which the owner seeks to extend the permit; and (iv) establish that at all times prior to the date on which the application was filed;

A. The construction activities have been performed diligently and persistently; and

B. The owner of the site and all architects, engineers, contractors, subcontractors, vendors, and other persons who participate in any such activities have striven to achieve the objectives set forth above in section R105.5.1.3.

2. Upon receipt of an application for an extension of a permit:

A. The Building Official shall: (i) evaluate the application; (ii) assess any notice of the occurrence of an alleged unforeseeable event made by the owner in accordance with the provisions set forth below in section R105.5.1.6; and (iii) make whatever inquiries he/she may deem appropriate.

B. If the Building Official concludes that: (i) the requirements of section R105.5.1.3 have been satisfied; and (ii) granting an extension is in the best interest of the Town, he/she may extend the duration of the building permit for a specific period not to exceed: (i) the number of days within which the construction activities can reasonably be completed; or (ii) ninety (90) days following the original expiration date of the building permit, whichever number of days is less.

C. The Building Official may condition any extension of the permit on the owner strictly abiding by whatever practices, rules, or obligations such official may reasonably conclude are necessary to complete such construction activity as quickly as reasonably possible.

D. The Building Official may entertain and grant successive extensions of a particular building permit, if in the exercise of his/her judgment, granting an extension is appropriate under the terms of section R105.5.1.3 and is in the best interest of the Town; provided however, the Building Official shall not grant an extension that would extend the duration of a building permit more than ninety (90) days beyond the original expiration date of the permit.

3. If the Building Official concludes in the exercise of his/her judgment that granting an extension is not in the best interest of the Town, he/she shall deny the extension.

4. Within fifteen (15) [days] of his/her receipt of an application for an extension, the Building Official shall render a decision and advise the owner in writing of his/her decision.

5. If the Building Official concludes: (i) that construction activities cannot reasonably be completed within ninety (90) days following the expiration date of the original building permit; or (ii) that granting an extension is not in the best interest of the Town, the owner may request that

the Building Official's decision to deny the application for an extension be appealed to the Town Council for its consideration.

6. Upon receipt of an owner's appeal as set forth in subsection 5 above, the Town Council shall: (i) evaluate the application for an extension; (ii) assess any notice of the occurrence of an alleged unforeseeable event made by the owner in accordance with the provisions set forth below in section R105.5.1.6; and (iii) make whatever inquiries it may deem appropriate. Thereafter, the Town Council may:

A. Deny the application to extend the duration of the building permit;

B. Extend the duration of the building permit for a specific period of time not to exceed the number of days within which the construction activities can reasonably be completed; and/or C. Grant an extension conditioned on the owner strictly abiding by whatever practices, rules, or obligations the Town Council may reasonably conclude are necessary to complete the construction activity as quickly as reasonably possible.

7. Prior to the issuance of an extension of a building permit for major residential construction activities:

A. If the date to which a building permit is extended is a date that is no more than ninety (90) days after the original expiration date of the permit, the owner shall pay to the Town a building permit extension penalty fee in an amount equal to two hundred fifty dollars per day ($250/day). Building permit extensions shall be
purchased in nonrefundable increments no less than 15 days; or

B. If the date to which a building permit is extended is a date that is more than ninety (90) days after the original expiration date of the permit, the owner shall pay to the Town a building permit extension fee in an amount equal to five hundred dollars per day ($500/day). Building permit extensions shall be purchased in nonrefundable increments no less than 15 days.

8. Any extension of a building permit must be in writing, state the date to which the permit is extended, and be signed by the Building Official.

9. All major residential construction activities shall be completed no later than the expiration date of the building permit, including the date to which any permit is extended.

10. Any new building permit issued to an owner who is required to obtain a new permit for the performance of any construction activities which were authorized in a previously issued permit that was: (i) suspended; or (ii) terminated because construction activities were abandoned, shall not have an expiration date beyond the expiration date of the previously issued building permit; provided however, the provisions of this subsection shall not preclude the owner from obtaining an extension of the new permit under the provisions of section R105.5.1.5.

R105.5.1.6 Unforeseeable events or circumstances. A delay or possible delay in construction activities directly resulting from an unforeseeable event or circumstance which is beyond the control of the owner and the control of persons providing goods or services related to such activities shall not be deemed to result from a lack of diligence or persistence if:

1. Upon learning of the delay or the possibility of a delay, the owner promptly delivers to the Town a written, signed notice that: (i) describes the unforeseeable event or circumstance in sufficient detail to permit a Building Official to understand the cause and nature of the event or circumstance and to assess its potential impact on such construct ion activities; and (ii) states the owner's best estimate of the duration of any delay the unforeseeable event or circumstance has caused, and may thereafter cause; and

2. The Owner and such persons have acted, and are acting, diligently and persistently to minimize any adverse impact of the unforeseeable event or circumstance on the timely completion of the construction activity.

3. Any failure to perform any of the following responsibilities shall not constitute an unforeseeable event or circumstance:

   A. The responsibility to make timely decisions related to construction activities;

   B. The responsibility to order or schedule the timely delivery of goods, materials, or services;

   C. The responsibility to employ or deploy sufficient person-power, tools, and equipment to complete the construction activities as rapidly as reasonably possible; or

   D. The responsibility to make prudent decisions concerning pre-construction, and construction-related activities.

4. Any difficulty or inability on the part of an owner to definitively estimate the likely duration of any delay that may be caused by an unforeseeable event or circumstance shall not excuse an owner from promptly delivering to the Town notice of any such event or circumstance. If at any time an owner learns that any estimate of any delay is materially incorrect, he/she/it shall promptly deliver to the Town a supplementary notice that states his/her/its revised best estimate of the duration of the delay that will likely be caused by the unforeseeable event or circumstance.

5. If an owner fails to comply with the provisions of subsections 1, 2, or 4 immediately above, an event or circumstance that might otherwise be deemed an unforeseeable event or circumstance may be disregarded by the Building Official or the committee.

R105.5.1. All CMP's shall include milestone benchmarks with date specific completion deadlines. Milestone benchmarks shall include: site grading, basement (if applicable), foundation, mechanical, electrical and plumbing roughs, framing, exterior weatherproofing, drywall, energy, mechanical, electrical and plumbing finals and building final.

Section R106.1 Submittal Documents; change to read as follows:
Section R106.1 Submittal Documents. … The construction documents shall be prepared by a registered design professional where required by the jurisdiction in which the project is to be constructed. (remainder unchanged)

Add Section R106.1.6
Section R106.1.6 Construction Management Plan for Major Residential Construction Activities. A Construction Management Plan (CMP) shall be required for all Major Residential Construction Activities as referenced and defined in section.

R106.6.1 Information on Construction Documents

CONSTRUCTION DOCUMENT PERMIT REQUIREMENTS

Requirements for construction documents on New, remodel and additions- 2024 IRC and 2023 NEC.
See minimum requirements below. Note that additional information may be required depending on the complexity and size of project.

All buildings/residences over 15,000 sq ft shall have all MEP plans stamped by an active licensed engineer in the State of Texas.

All structures over 4'-0 require an engineer stamp (including masonry walls, retaining walls, etc). Measurement taken from bottom of footing to top of structure.
Architectural plans

- Site plan with lot coverages identifying all zoning requirements, setbacks and easements
- Survey showing lot elevations in sea level. (4) corners, at least 3 points at front setback to take average grade
- Floor plan, section and elevation views (must show elevation at sea level and distance for plate heights
- Architectural details

Structural plans-stamped by engineer

- Foundation letter identifying type of foundation, geotechnical report, 2021 IRC, ACI 318, concrete psi strength
- Foundation, basement, crawl spaces, framing plans, shear wall plans, open portal details, roof plan, roof brace locations

- Section view
- 6 mil vapor retarder
- Foundation insulation

Mechanical, electrical, plumbing plans- stamped by engineer (stamp can be omitted if drawings are detailed and complete)

- Site MEP with utility connections

Mechanical

- Layout at each level with duct sizes
- Equipment schedules for all equipment identifying brand, model, sizes
- Condenser heat pump locations
- Furnace locations
- Section identifying mechanical in crawl spaces, attics, etc.
- Identify if there are any geothermal heat pumps (engineer design is required)
- Details for all equipment
- Hanger attachment and fasteners

Electrical

- Layout for all receptacles and lighting
- Panel and subpanel locations
- Load calculations
- One line diagram
- GFCI locations
- Grounding detail, bonding detail
- Details and charts for wire type and gauge from NEC

Plumbing

- Layout and point of connection
- Water supply pipe sizes and material going back to point of connection at water meter
- DFU calculations
- Sewer layout and sizes
- Clean out locations
- Gas routing and pipe sizing, regulators, btu demand
- Sump pumps drain to storm (not to daylight)
- Sewage pumps
- Details for plumbing
- Vent and vent to roof location and sizes
- Section view that identifies crawl space, attic, etc

Energy Report

- 2024 IECC compliance signed by an energy consultant with ICC certification

<u>109.5 Re-inspection Fee</u>. A fee as established by city council resolution may be charged when:

1. The inspection called for is not ready when the inspector arrives.
2. No building address or permit card is clearly posted.
3. Town approved plans are not on the job site available to the inspector.
4. The building is locked or work otherwise not available for inspection when called.
5. The job site is red-tagged twice for the same item.
6. The original red tag has been removed from the job site.
7. Failure to maintain erosion control, trash control or tree protection.

Any re-inspection fees assessed shall be paid before any more inspections are made on that job site.

<u>R202</u> Definitions; change definition of "Townhouse Unit" to read as follows:

TOWNHOUSE UNIT. A single-family dwelling unit <u>separated by property lines</u> in a townhouse that extends from foundation to roof and that has a yard or public way on not less than two sides.

(Reason: To distinguish Townhouse Units within a Townhouse building on separate lots allowing construction regulations using the IRC.)

<u>Table R301.2 Climatic and Geographic Design Criteria; fill in as follows:</u>

Delete remainder of table Manual J Design Criteria and footnote N

GROUND SNOW LOAD[o]	WIND DESIGN				SEISMIC DESIGN CATEGORY[f]	SUBJECT TO DAMAGE FROM			Winter Design Temp	ICE BARRIER UNDER-LAYMENT[h]	FLOOD HAZARDS[g]	AIR FREEZING INDEX[i]	MEAN ANNUAL TEMP[j]
	SPEED[d] (MPH)	Topographic Effects[k]	Special wind Region[l]	Windborne Debris Zone[m]		Weathering[a]	Frost Line Depth[b]	Termite[c]					
9 lb/ft^2	105 (3 sec-gust)/ 33 ft above ground Exposure C	No	No	No	A	Moderate	6"	Very Heavy	22^0 F	No	Local Code	150	64.9^0 F

<u>R302.1</u> Exterior walls; add exception #6 to read as follows:

Exceptions:

<u>6. Open non-combustible carport structures may be constructed when also approved within adopted ordinances.</u>

<u>R302.2.6</u> Structural independence; delete exception #6:

~~6. Townhouse units protected by an automatic fire sprinkler system complying with Section P2904 or NFPA 13D.~~

<u>R302.5.1</u> Opening protection; change to read as follows:

R302.5.1 Opening protection. Openings from a private garage directly into a room used for sleeping purposes shall not be permitted. Other openings between the garage and dwelling unit shall be equipped with solid wood doors not less than 1-3/8 inches (35 mm) in thickness, solid or honeycomb-core steel doors not less than 1-3/8 inches (35 mm) thick, or 20-minute fire-rated doors. Doors shall be self-latching and equipped with a self-closing or automatic closing device.

<u>Section R306 Flood Resistant Construction</u>; deleted entire section. (Reference Floodplain hazard ordinances instead)

<u>Section R309.2 One- and two-family dwellings automatic sprinkler systems</u>; Delete this section and subsection in their entirety. (Reference 2024 IFC local amendments)

<u>R311.7</u> Stairway remove as follow:
Delete exception #1
Delete exception #2

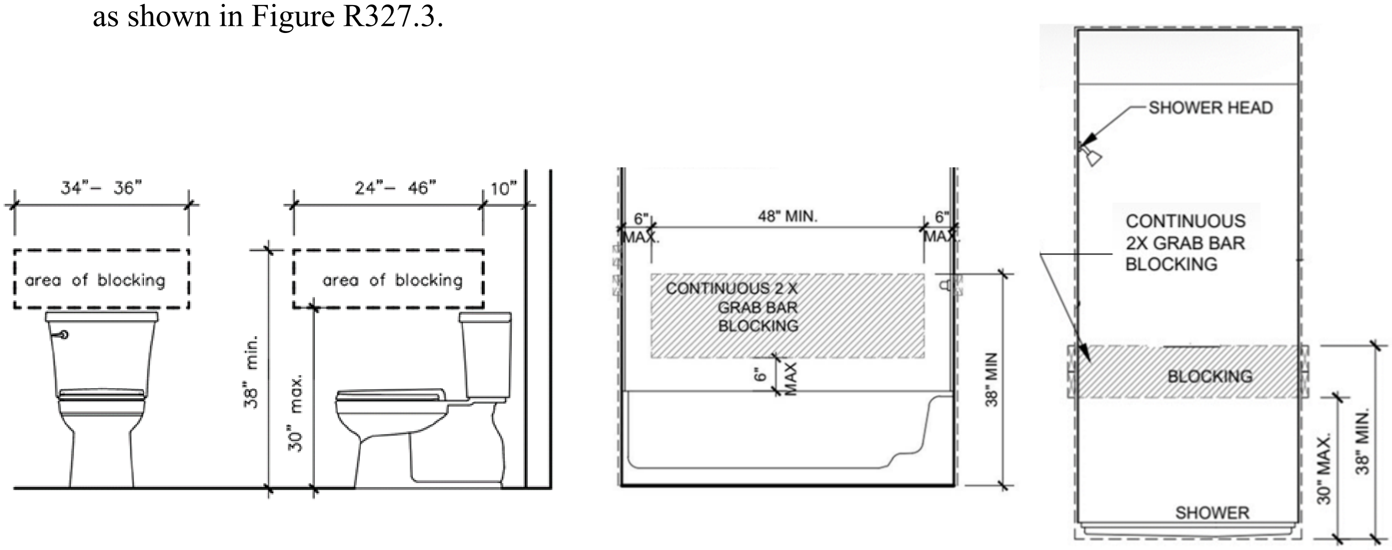
<u>R325.2 Bathrooms, Exception; amend to read as follows</u>:

> **Exception:** {existing text unchanged} Spaces containing only a water closet or water closet and a lavatory may be ventilated with an approved mechanical recirculating fan or similar device designed to remove odors from the air.

<u>R326.5</u> Add in section for hose bibbs:
A minimum of two required exterior hose bibbs (freeze protected) are required at the rear and front of home and may be located on the side of the front/back of home.

<u>R327.3 Blocking Locations</u>; add to read as follows:

R327.3 Blocking locations. Required at one toilet at grade level with blocking installed at rear wall and, if available, one wall adjacent to toilet and at one tub or shower at grade level. Blocking as shown in Figure R327.3.



Toilet Tub Shower

Fig R327.3

R327.4 Wall Blocking; add to read as follows:

R327.4 Wall Blocking: Blocking may be ½" plywood or 2 x solid wood blocking or equivalent, flush with wall as shown in Figure R327.4.

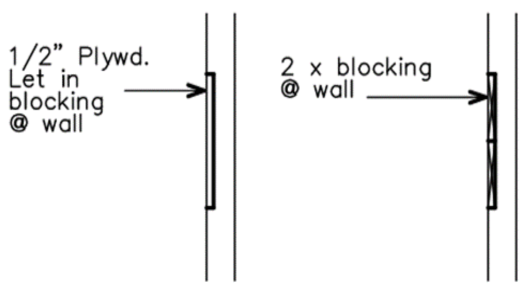


Fig R327.4

R328.1.1; add to read as follows: Adjacency to Structural Foundation: Depth of the swimming pool and spa shall maintain a ratio of 1:1 from the nearest building foundation or footing of a retaining wall. Must be at least 5'-0 away or 1:1, which ever is greater.

> **Exception:** A sealed engineered design drawing of the proposed new structure shall be submitted for approval.

R401.2; add a new paragraph following the existing paragraph to read as follows. Requirements. {existing text unchanged} …
Every foundation and/or footing, or any size addition to an existing post-tension foundation, regulated by this code shall be designed and sealed by a Texas-registered engineer. All structural plans to be stamped by an active licensed engineer in the state of Texas.

R402.2 Concrete: Add in section R402.2.2 Minimum concrete design:

1. All private driveways and patio slabs (non-structural) shall be a minimum 3/8" Rebar spaced 18" o.c. maximum, 4" thick concrete, 3500 psi.
2. All structural footings, grade beams to be designed to have a minimum 12"x12"12" deep perimeter footing if supporting a structure (patio cover, pergola, etc). Minimum ½ "rebar cage is required. Habitable living space and garages shall be engineered design.
3. Piers supporting exterior posts shall have a minimum 6" of additional length added to the post size and be a minimum of 24" deep hole must have a minimum 3/8" rebar cage. Example: 6" post would require a 12" minimum pier hole.
4. Posts embedded down in concrete to be at least 36" deep and shall have a minimum 6" of additional length added to the post size. Example: 6" post would require a 12" minimum pier hole.

R602.6.1; amend the following:
R602.6.1 Drilling and notching of top plate. When piping or ductwork is placed in or partly in an exterior wall or interior load-bearing wall, necessitating cutting, drilling or notching of the top plate by more than 50 percent of its width, a galvanized metal tie not less than 0.054 inch thick (1.37 mm) (16 Ga) and ~~1 ½ inches (38) mm~~ 5 inches (127 mm) wide shall be fastened across and to the plate at each side of the opening with not less than eight 10d (0.148 inch diameter) having a minimum length of 1 ½ inches (38 mm) at each side or equivalent. Fasteners will be offset to prevent splitting of the top plate material. The metal tie must extend a minimum of 6 inches past the opening. See figure R602.6.1. {remainder unchanged}
****Figure R602.6.1; delete the figure and insert the following figure:**

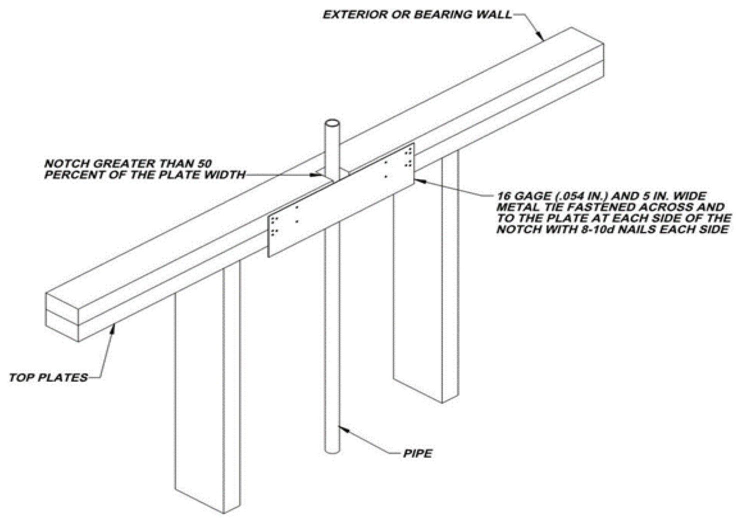


Table R603.7(2); change footnotes to read as follows:

a. All screw sizes shown are minimum size, not to exceed 2 sizes larger.
b. {delete}
c. {delete}
d. {unchanged}

Add R703.8.4.1.2 Veneer Ties for Wall Studs; to read as follows: Veneer Ties for Wall Studs.
In stud framed exterior walls, all ties may be anchored to studs as follows:

1. When studs are 16 in (407 mm) o.c., stud ties shall be spaced no further apart than 24 in (737 mm) vertically starting approximately 12 in (381 mm) from the foundation; or
2. When studs are 24 in (610 mm) o.c., stud ties shall be spaced no further apart than 16 in (483 mm) vertically starting approximately 8 in (254 mm) from the foundation.

R1005.7 Factory-built chimney offsets; change to read as follows: Factory-built chimney offsets.
Where a factory-built chimney assembly incorporates offsets or where a fireplace manufacturer's instructions do not address factory-built chimney offsets, no part of the chimney shall be at an angle of more than 30 degrees (0.52 rad) from vertical at any point in the assembly and the chimney assembly shall not include more than four elbows.

Delete Section R1005.9 Factory-built chimney offsets.
Chapter 11– Energy Efficiency is deleted in its entirety; Reference the 2024 IECC for energy code provisions and recommended amendments.

Section M1305.1.2; change to read as follows:

<u>M1305.1.2 Appliances in attics.</u> Attics containing appliances shall be provided . . . {bulk of paragraph unchanged} . . . side of the appliance. The clear access opening dimensions shall be a minimum of 20 inches by 30 inches (508 mm by 762 mm), and large enough to allow removal of the largest appliance. <u>As a minimum, for access to the attic space, provide one of the following:</u>

1. A permanent stair.
2. A pull down stair with a minimum 300 lb (136 kg) capacity.
3. ~~An access door from an upper floor level.~~

Exceptions:

3. The passageway and level service space are not required where the appliance is capable of being serviced and removed through the required opening <u>with the approval of the code official.</u>
4. Where the passageway is unobstructed and not less than 6 feet (1829 mm) high and 22 inches (559 mm) wide for its entire length, the passageway shall be not greater than 50 feet (15,250 mm) in length.

<u>M1401.1.1; is added to read as follows: M1401.1.1 Air conditioning equipment.</u> All residential dwelling units shall be designed and installed with an air conditioning system with the ability to condition and maintain conditioned air 20 degrees below the ambient outside air temperature in all habitable spaces.

Section M1411.9; change to read as follows:

<u>M1411.9 Condensate disposal.</u> Condensate from all cooling coils or evaporators shall be conveyed from the drain pan outlet to ~~an approved place of disposal~~ <u>a sanitary sewer through a trap, by means of a direct or indirect drain</u>. {remaining text unchanged}

<u>M1411.9.1, Items 3 and 4; add text to read as follows:</u>

<u>M1411.9.1 Auxiliary and secondary drain systems</u>. {bulk of paragraph unchanged}

1. {text unchanged}
2. {text unchanged}
3. An auxiliary drain pan… {bulk of text unchanged}… with Item 1 of this section. <u>A water level detection device may be installed only with prior approval of the building official</u>.

4. A water level detection device… {bulk of text unchanged}… overflow rim of such pan. A water level detection device may be installed only with prior approval of the building official.

M1411.9.1.1; add text to read as follows:

M1411.9.1.1 Water-level monitoring devices. On down-flow units …{bulk of text unchanged}… installed in the drain line. A water level detection device may be installed only with prior approval of the building official.

M1503.6 Makeup Air Required; amend and add exception as follows:

M1503.6 Makeup air required. Where one or more gas, liquid or solid fuel-burning appliance that is neither direct-vent nor uses a mechanical draft venting system is located within a dwelling unit's air barrier, each exhaust system capable of exhausting in excess of 400 cubic feet per minute (0.19 m^3/s) shall be mechanically or passively provided with makeup air at a rate approximately equal to the difference between exhaust air rate and 400 cubic feet per minute. Such makeup air systems shall be equipped with not fewer than one damper complying with Section M1503.6.2.

Exception: Makeup air is not required for exhaust systems installed for the exclusive purpose of space cooling and intended to be operated only when windows or other air inlets are open**.** Where all appliances in the house are of sealed combustion, power-vent, unvented, or electric, the exhaust hood system shall be permitted to exhaust up to 600 cubic feet per minute (0.28 m3/s) without providing makeup air. Exhaust hood systems capable of exhausting in excess of 600 cubic feet per minute (0.28 m3/s) shall be provided with a makeup air at a rate approximately to the difference between the exhaust air rate and 600 cubic feet per minute.

M2005.2 Prohibited locations. Fuel-fired water heaters shall not be installed in a room used as a storage closet. Water heaters located in a bedroom or bathroom shall be installed in a sealed enclosure so that combustion air will not be taken from the living space. Access to such enclosure may be from the bedroom or bathroom when through a solid door, weather-stripped in accordance with the exterior door air leakage requirements of the International Energy Conservation Code and equipped with an approved self-closing device. Installation of direct-vent water heaters within an enclosure is not required.

G2408.3 (305.5)Private Garages; delete this section in its entirety.

G2415.2 (404.2) CSST; add a second paragraph to read as follows:

Both ends of each section of medium pressure gas piping shall identify its operating gas pressure with an approved tag. The tags are to be composed of aluminum or stainless steel and the following wording shall be stamped into the tag:

"WARNING: 1/2 to 5 psi gas pressure - Do Not Remove"

G2415.12 (404.12) and G2415.12.1 (404.12.1); change to read as follows:

G2415.12 (404.12) Minimum burial depth. Underground piping systems shall be installed a minimum depth of ~~12 in~~ 18 inches (457 mm) below grade, ~~except as provided for in Section G2415.12.1.~~

G2415.12.1 (404.12.1) Individual Outdoor Appliances; Delete in its entirety

Section G2417.1 (406.1); change to read as follows:

G2417.1 (406.1) General. Prior to acceptance and initial operation, all piping installations shall be inspected and pressure tested to determine that the materials, design, fabrication, and installation practices comply with the requirements of this code. The permit holder shall make the applicable tests prescribed in Sections 2417.1.1 through 2417.1.5 to determine compliance with the provisions of this code. The permit holder shall give reasonable advance notice to the building official when the piping system is ready for testing. The equipment, material, power and labor necessary for the inspections and test shall be furnished by the permit holder and the permit holder shall be responsible for determining that the work will withstand the test pressure prescribed in the following tests.

G2417.4; change to read as follows:

G2417.4 (406.4) Test pressure measurement. Test pressure shall be measured with a monometer or with a pressure-measuring device designed and calibrated to read, record, or indicate a pressure loss caused by leakage during the pressure test period. The source of pressure shall be isolated before the pressure tests are made. ~~Mechanical gauges used to measure test pressures shall have a range such that the highest end of the scale is not greater than five times the test pressure.~~

G2417.4.1; change to read as follows:

G2417.4.1 (406.4.1) Test pressure. The test pressure to be used shall be no less than 3 psig (20 kPa gauge), or at the discretion of the Code Official, the piping and valves may be tested at a pressure of at least six (6) inches (152 mm) of mercury, measured with a manometer or slope gauge, ~~irrespective of design pressure. Where the test pressure exceeds 125 psig (862 kPa gauge),~~

~~the test pressure shall not exceed a value that produces a hoop stress in the piping greater than 50 percent of the specified minimum yield strength of the pipe.~~ For tests requiring a pressure of 3 psig, diaphragm gauges shall utilize a dial with a minimum diameter of three and one half inches (3 ½”), a set hand, 1/10 pound incrementation and pressure range not to exceed 6 psi for tests requiring a pressure of 3 psig. For tests requiring a pressure of 10 psig, diaphragm gauges shall utilize a dial with a minimum diameter of three and one-half inches (3 ½”), a set hand, a minimum of 2/10 pound incrementation and a pressure range not to exceed 20 psi. For welded piping, and for piping carrying gas at pressures in excess of fourteen (14) inches water column pressure (3.48 kPa) (1/2 psi) and less than 200 inches of water column pressure (52.2 kPa) (7.5 psi), the test pressure shall not be less than ten (10) pounds per square inch (69.6 kPa). For piping carrying gas at a pressure that exceeds 200 inches of water column (52.2 kPa) (7.5 psi), the test pressure shall be not less than one and one-half times the proposed maximum working pressure.

Diaphragm gauges used for testing must display a current calibration and be in good working condition. The appropriate test must be applied to the diaphragm gauge used for testing.

G2417.4.2; change to read as follows:

G2417.4.2 (406.4.2) Test duration. The test duration shall be held for a length of time satisfactory to the Building Official, but in no case for ~~be not~~ less than ~~10~~ fifteen (15) minutes. For welded piping, and for piping carrying gas at pressures in excess of fourteen (14) inches water column pressure (3.48 kPa), the test duration shall be held for a length of time satisfactory to the Building Official, but in no case for less than thirty (30) minutes.

G2420.1 (409.1) add Section G2420.1.4 (409.1.4)to read as follows:

G2420.1.4 (409.1.4) Valves in CSST installations. Shutoff valves installed with corrugated stainless steel (CSST) piping systems shall be supported with an approved termination fitting, or equivalent support, suitable for the size of the valves, of adequate strength and quality, and located at intervals so as to prevent or damp out excessive vibration but in no case greater than 12-inches from the center of the valve. Supports shall be installed so as not to interfere with the free expansion and contraction of the system's piping, fittings, and valves between anchors. All valves and supports shall be designed and installed so they will not be disengaged by movement of the supporting piping.

G2420.5.1 (409.5.1); add text to read as follows:

G2420.5.1 (409.5.1) Located within the same room. The shutoff valve…{bulk of paragraph unchanged}… in accordance with the appliance manufacturer’s instructions. A secondary shutoff valve must be installed within 3 feet (914 mm) of the firebox if appliance shutoff is located in the firebox.

G2421.1 (410.1); add text and Exception to read as follows:

G2421.1 (410.1) Pressure regulators. A line pressure regulator shall be … {bulk of paragraph unchanged}… approved for outdoor installation. Access to regulators shall comply with the requirements for access to appliances as specified in Section M1305.

> **Exception:** A passageway or level service space is not required when the regulator is capable of being serviced and removed through the required attic opening.

G2445.2 (621.2); add Exception to read as follows:

G2445.2 (621.2) Prohibited use. One or more unvented room heaters shall not be used as the sole source of comfort heating in a dwelling unit.

> **Exception:** Existing approved unvented room heaters may continue to be used in dwelling units, in accordance with the code provisions in effect when installed, when approved by the Building Official unless an unsafe condition is determined to exist as described in International Fuel Gas Code Section 108.7 of the Fuel Gas Code.

G2453.1 (635.1) Outdoor Decorative Appliances ; Add in additional language below-

Permanently fixed-in-place outdoor decorative appliances shall be listed in accordance with ANSI Z21.97 and shall be installed in accordance with the manufacturer's instructions… If no distance is specified in the manufacturer's instructions, then a minimum of 5'-0 away from combustible material.

P2603; add to read as follows:

P2603.3 Protection against corrosion. Metallic piping, except for cast iron, ductile iron and galvanized steel, shall not be placed in direct contact with steel framing members, concrete or cinder walls and floors or other masonry. Metallic piping shall not be placed in direct contact with corrosive soil. Where sheathing is used to prevent direct contact, the sheathing shall have a thickness of not less than 0.008 inch (8 mil) (0.203 mm) and the sheathing shall be made of approved material ~~plastic~~. Where sheathing protects piping that penetrates concrete or masonry walls or floors, the sheathing shall be installed in a manner that allows movement of the piping within the sheathing.

P2603.5.1 Sewer Depth; change to read as follows:

P2603.5.1 Sewer depth. Building sewers that connect to private sewage disposal systems shall be a minimum of 12] inches (304 mm) below finished grade at the point of septic tank connection. Building sewers shall be a minimum of 12 inches (304 mm) below grade.

P2604; P2604.1.1 add to read as follows:

P2604.1.1 Plastic sewer and DWV piping installation. Plastic sewer and DWV piping installed underground shall be installed in accordance with the manufacturer's installation instructions. Trench width shall be controlled to not exceed the outside the pipe diameter plus 16 inches or in a trench which has a controlled width equal to the nominal diameter of the piping multiplied by 1.25 plus 12 inches. The piping shall be bedded in 4 inches of granular fill and then backfilled compacting the side fil in 6-inch layers on each side of the piping. The compaction shall be to minimum of 85 percent standard proctor density and extend to a minimum of 6 inches above the top of the pipe.

P2801.5.1; change to read as follows:

P2801.5.1 Pan size and drain. The pan shall be not less than 11/2 inches (38 mm) in depth and shall be of sufficient size and shape to receive all dripping or condensate from the tank or water heater. The pan shall be drained by an indirect waste pipe having a diameter of not less than 3/4 inch (19 mm). Piping for safety pan drains shall be of those materials listed in Table P2906.5. Multiple pan drains may terminate to a single discharge piping system when approved by the administrative authority and permitted by the manufacturers installation instructions and installed with those instructions. {existing text unchanged}

P2804.6.1; change to read as follows:

P2804.6.1 Requirements for discharge piping. The discharge piping serving a pressure relief valve, temperature relief valve or combination thereof shall:

1. Not be directly connected to the drainage system.
2. Discharge through an air gap ~~located in the same room as the water heater.~~
3. Not be smaller than the diameter of the outlet of the valve served and shall discharge full size to the air gap.
4. Serve a single relief device and shall not connect to piping serving any other relief device or equipment.

Exception: Multiple relief devices may be installed to a single T & P discharge piping system when approved by the administrative authority and permitted by the manufactures installation instructions and installed with those instructions.

5. Discharge to ~~the floor, to the pan serving the water heater or storage tank, to a waste receptor~~ an approved location or to the outdoors.
   Add text: All discharge pipe from a T & P shall not be pvc.

   [remainder unchanged]

P2902.5.3; change to read as follows:

P2902.5.3 Lawn irrigation systems. The potable water supply to lawn irrigation systems shall be protected against backflow by an atmospheric-type vacuum breaker, a pressure-type vacuum breaker, a double-check assembly or a reduced pressure principle backflow preventer. A valve shall not be installed downstream from an atmospheric vacuum breaker. Where chemicals are introduced into the system, the potable water supply shall be protected against backflow by a reduced pressure principle backflow preventer.

P2904.6 ; change to read as follows:

P2904.6 Pipe sizing for fire sprinklers. The piping to sprinklers shall be sized for the flow required by Section P2904.4.2. The flow required to supply the plumbing fixtures shall ~~not~~ be required to be added to the sprinkler design flow.

P3003.9; change to read as follows:

P3003.9.2 Solvent cementing. Joint surfaces shall be clean and free from moisture. A purple primer, ~~or other approved primer,~~ that conforms to ASTM F 656 shall be applied. Solvent cement not purple in color and conforming to ASTM D 2564, CSA B137.3, CSA B181.2 or CSA B182.1 shall be applied to all joint surfaces. The joint shall be made while the cement is wet and shall be in accordance with ASTM D 2855. Solvent cement joints shall be permitted above or below ground.

~~Exception: A primer is not required where all of the following conditions apply:~~

1. ~~The solvent cement used is third-party certified as conforming to ASTM D 2564~~
2. ~~The solvent cement is used only for joining PVC drain, waste, and vent pipe and fittings in not pressure applications in sizes up to and including 4 inches (102mm) in diameter.~~

~~3. The joint is made in accordance with ASTM F3328~~

P3112.2 Vent Connection; delete and replace with the following:

P3112.2 Installation. Traps for island sinks and similar equipment shall be roughed in above the floor and may be vented by extending the vent as high as possible, but not less than the drainboard height and then returning it downward and connecting it to the horizontal sink drain immediately downstream from the vertical fixture drain. The return vent shall be connected to the horizontal drain through a wye-branch fitting and shall, in addition, be provided with a foot vent taken off the vertical fixture vent by means of a wye-branch immediately below the floor and extending to the nearest partition and then through the roof to the open air or may be connected to other vents at a point not less than six (6) inches (152 mm) above the flood level rim of the fixtures served. Drainage fittings shall be used on all parts of the vent below the floor level and a minimum slope of one-quarter (1/4) inch per foot (20.9 mm/m) back to the drain shall be maintained. The return bend used under the drain-board shall be a one (1) piece fitting or an assembly of a forty-five (45) degree (0.79 radius), a ninety (90) degree (1.6 radius) and a forty-five (45) degree (0.79 radius) elbow in the order named. Pipe sizing shall be as elsewhere required in this Code. The island sink drain, upstream of the return vent, shall serve no other fixtures. An accessible cleanout shall be installed in the vertical portion of the foot vent.

END

Exhibit H
2024 International Swimming Pool and Spa Code Local Amendments

102.9; Change to read as follows:

102.9 Other laws. The provisions of this code shall not be deemed to nullify any provisions of local, state or federal law, to include but not limited to:

1. Texas Department of State Health Services (TDSHS); *Standards for Public Pools and Spas;*
   §265.181 through §265.198, (TDSHS rules do not apply to pools serving one- and two-family dwellings or townhouses).
2. *Texas Department of Licensing and Regulation (TDLR); 2012 Texas Accessibility Standards (TAS*), TAS provide the scoping and technical requirements for accessibility for Swimming Pool, wading pools and spas and shall comply with *2012 TAS, Section 242.* (TAS rules do not apply to pools serving one- and two-family dwellings or townhouses).

Exception: Elements regulated under Texas Department of Licensing and Regulation (TDLR) and built in accordance with TDLR approved plans, including any variances or waivers granted by the TDLR, shall be deemed to be in compliance with the requirements of this Chapter.

113.4 Violation penalties; *Changed to read as follows:*

113.4 Violation penalties. Any person who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter or repair a pool or spa in violation of the *approved* construction documents or directive of the *code official,* or of a permit or certificate issued under the provisions of this code may be punishable for each day of the violation set forth by the *authority having jurisdiction*. ~~, shall be guilty of a [**SPECIFY OFFENSE**], punishable by a fine of not more than [**AMOUNT**] dollars or by imprisonment not exceeding [**NUMBER OF DAYS**], or both such a fine and imprisonment. Each day that a violation continues after due notice has been served shall be deemed a separate offense.~~

305; Change to read as follows:

305.1 General.
The provisions of this section shall apply to the design of barriers for restricting entry into areas

having pools and spas. In only one-and two-family dwellings and townhouses,-where spas or hot tubs are equipped with a lockable safety cover complying with ASTM F1346 and swimming pools are equipped with a powered safety cover that complies with ASTM F1346, the areas where those spas, hot tubs or pools are located.

***305.2.8.1; to read as follows:**

305.2.8.1 Chain link fencing prohibited. Chain link fencing is not permitted as a barrier in public pools built after January 1, 1994.

305.4 structure wall as a barrier; Changes as follows:

305.4 Structure wall as a barrier. Where a wall of a dwelling or structure of a one- and two-family dwelling or townhouse or its accessory structure serves as part of a barrier and where doors or windows provide direct access to the pool or spa through that wall, one of the following shall be required:

1. Operable windows having a sill height of less than 48 inches (1219 mm) above the indoor finished floor, doors and gates shall have an alarm that produces an audible warning when the window, door or their screens are opened. The alarm shall be *listed* and labeled as a water hazard entrance alarm in accordance with UL 2017
2. In dwellings not required to be Accessible units, Type A units or Type B units, the operable parts of the alarm deactivation switches shall be located at not less than 54 inches (1372 mm) above the finished floor.
3. In dwellings that are required to be Accessible units, Type A units or Type B units, the operable parts of the alarm deactivation switches shall be located not greater than 54 inches (1372 mm) and not less than 48 inches (1219 mm) above the finished floor.
4. In structures other than dwellings, the operable parts of the alarm deactivation switches shall be located not greater than 54 inches (1372 mm) and not less than 48 inches (1220 mm) above the finished floor.
5. A safety cover that is *listed* and *labeled* in accordance with ASTM F1346 is installed for the pools and spas.
6. An *approved* means of protection, schas as self-closing doors with self-latching devices, is provided. Such means of protection shall provide a degree of protection that is not less than the protection afforded by Item 1 or 2.

305.6; Change to read as follows:

305.6 Natural barriers used in a one- and two-family dwelling or townhouse. In the case where the pool or spa area abuts the edge of a lake or other natural body of water, public access is not permitted or allowed along the shoreline, and required barriers extend to and beyond the water's edge a minimum of eighteen (18) inches, a barrier is not required between the natural body of water shoreline and the pool or spa.

305.9; Add in section Gates:

Double gates, sliding gates, or automated gates across driveways or parking areas shall not be considered as meeting the requirements of a pool barrier.

307.1.5 Accessibility; Add exception to Section to 307.1.5 as follows:

Exception: Components of projects regulated by and registered with Architectural Barriers Division of Texas Department of Licensing and Regulation shall be deemed to be in compliance with the requirements of this chapter.

307.2.2.2; add to read as follows:

Section 307.2.2.2. Adjacency to Structural Foundation. Depth of the swimming pool and spa shall maintain a ratio of 1:1 from the nearest building foundation or footing of a retaining wall or at least 5'-0 away, which ever is greater.

Exception:
A sealed engineered design drawing of the proposed new structure shall be submitted for approval.

310; Change to read as follows:

310.1 General. Suction entrapment avoidance for pools and spas shall be provided in accordance with APSP 7 (ANSI/PHTA/ICC 7) or for public swimming pools in accordance with State of Texas Rules for Public Swimming Pools and Spas, Title 25 TAC Chapter 265 Subchapter L, Rule §265.190.

[Remainder unchanged]

Add Chapter 327 Required removal of pools
327.1 *Pools that are empty shall be removed.*

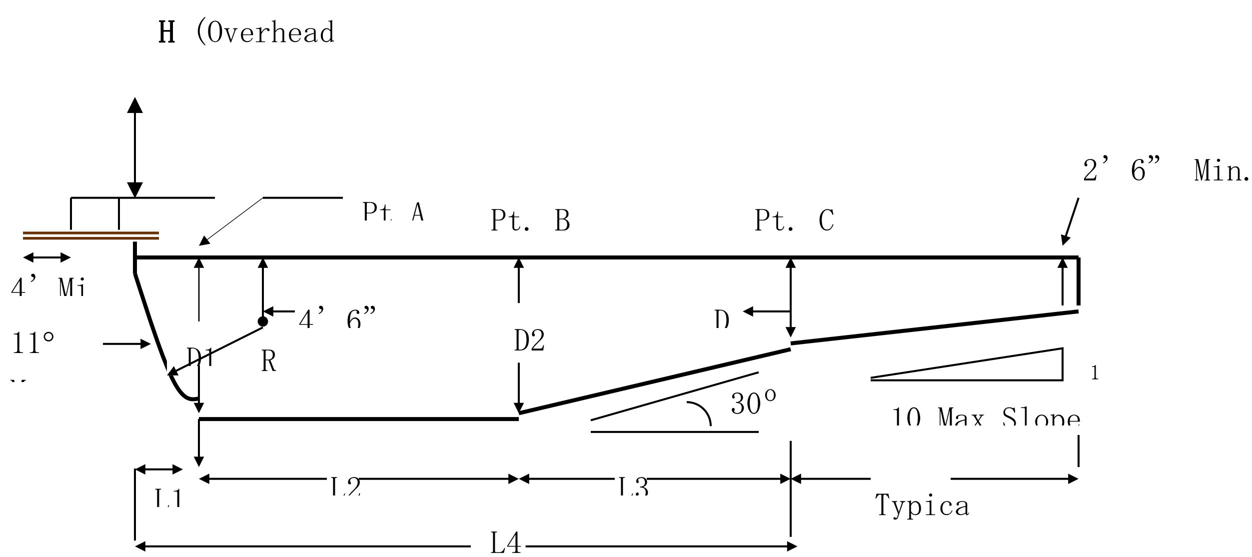
327.2 *All pool demolition debris shall be removed offsite. Site to be filled and compacted with a final grade survey provided at final inspection.*

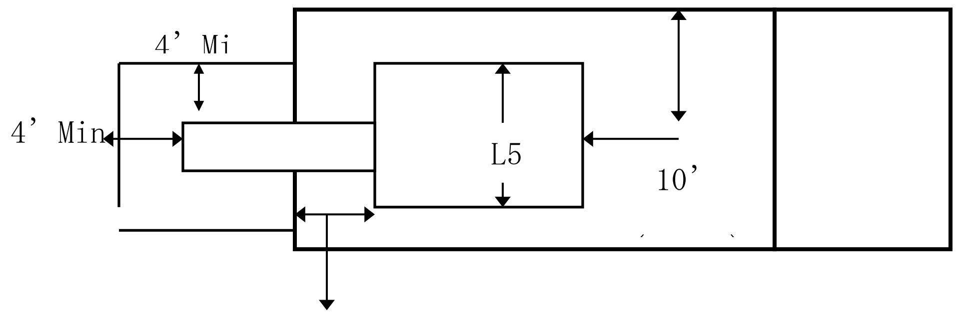
402.12; Change to read as follows:

402.12 **Water envelopes.** The minimum diving water envelopes shall be in accordance with ~~Table 402.12~~ **Texas department of State Health services, Administrative Code Title 25, Chapter 265, Section 186 (e) and Figure: 25 TAC 256.186 (e) (6).** (Delete Table 402.12 and Figure 402.12)

ADD: Figure: 25 TAC §265.186 (e) (6)

Maximum Diving Board Height Over Water	¾ Meter	1 Meter	3 Meters
Max. Diving Board Length	12 ft.	16 ft.	16 ft.
Minimum Diving Board Overhang	2 ft. 6 in.	5 ft.	5 ft.
D1 Minimum	8 ft. 6 in.	11 ft. 2 in.	12 ft. 2 in.
D2 Minimum	9 ft.	10 ft. 10 in.	11 ft. 10 in.
D3 Minimum	4 ft.	6 ft.	6 ft.
L1 Minimum	4 ft.	5 ft.	5 ft.
L2 Minimum	12 ft.	16 ft. 5 in.	19 ft. 9 in.
L3 Minimum	14 ft. 10 in.	13 ft. 2 in.	13 ft. 11 in.
L4 Minimum	30 ft. 10 in.	34 ft. 7 in.	38 ft. 8 in.
L5 Minimum	8 ft.	10 ft.	13 ft.
H Minimum	16 ft.	16 ft.	16 ft.
From Plummet to Pool Wall at Side	9 ft.	10 ft.	11 ft. 6 in.
From Plummet to Adjacent Plummet	10 ft.	10 ft.	10 ft.





411.2.1& 411.2.2; Change to read as follows:

411.2.1 Tread dimensions and area. Treads shall have a minimum unobstructed horizontal depth (i.e., horizontal run) of 12 inches and a minimum width of 20 inches. ~~not be less than 24 inches (607mm) at the leading edge. Treads shall have an unobstructed surface area of not less than 240 square inches (154838mm2) and an unobstructed horizontal depth of not less than10 inches (254 mm) at the center line.~~

411.2.1Risers. Risers for steps shall have a maximum uniform height of 10 inches, with the bottom riser height allowed to taper to zero ~~except for the bottom riser, shall have a uniform height of not greater than 12 inches (305 mm) measured at the center line. The bottom riser height is allowed to vary to the floor.~~

411.5.1 & 411.5.2; Change to read as follows:

411.5.1 Swimouts. Swimouts, located in either the deep or shallow area of a pool, shall comply with all of the following:

1. The horizontal surface shall be not greater than 20 inches (508 mm) below the waterline.
2. An unobstructed surface shall be provided that is equal to or greater than that required for the top tread of the pool stairs in accordance with Section 411.2.
3. Where used as an entry and exit access, swimouts shall be provided with steps that comply with the pool stair requirements of Section 411.2.
4. The leading edge shall be visibly set apart and provided with a horizontal solid or broken stripe at least 1 inch wide on the top surface along the front leading edge of each step. This stripe shall be plainly visible to persons on the pool deck. The stripe shall be a contrasting color to the background on which it is applied, and the color shall be permanent in nature and shall be a slip-resistant surface.

411.5.2 Underwater seats and benches. Underwater seats and benches, whether used alone or in conjunction with pool stairs, shall comply with all of the following:

1. The horizontal surface shall be not greater than 20 inches (508 mm) below the waterline.
2. An unobstructed surface shall be provided that is not less than 10 inches (254 mm) in depth and not less than 24 inches (607 mm) in width.
3. Underwater seats amd benches shall not be used as the required entry and exit access.
4. Where underwater seats are located in the deep area of the pool where manufactured or constructed diving equipment is installed, such seats shall be located outside of the minimum diving water envelope for diving equipment.
5. The leading edge shall be visually set apart and provided with a horizontal solid or broken stripe at least 1 inch wide on the top surface along the front leading edge of each step. This stripe shall be plainly visible to persons on the pool deck. The stripe shall be a contrasting color to the background on which it is applied, and the color shall be permanent in nature and shall be a slip-resistant surface.
6. The horizontal surface shall be at or below the waterline.
7. A tanning ledge or sun shelf used as the required entry and exit access shall be located not greater than 12 inches (305 mm) below the waterline.

610.5.1; Change to read:

610.5.1 Uniform height of ~~9~~ 10 inches. Except for the bottom riser, risers at the centerline shall have a maximum uniform height of ~~9~~ 10 inches (~~229~~ 254 mm). The bottom riser height shall be permitted to vary from the other risers.

804 Diving Water Envelopes; Change to read as follows:

804.1 General. The minimum diving water envelopes shall be in accordance with Table 804.1 and Figure 804.1, or the manufacturer's specifications, whichever is greater. Negative construction tolerances shall not be applied to the dimensions of the minimum diving water envelopes given in Table 804.1.

END

Town of Highland Park
Town Council
Tuesday, January 6, 2026

Item Coversheet

Take action on a Resolution ratifying the Town Administrator's acceptance and distribution of public contributions in accordance with the Administrative Directives Manual.

PRESENTED BY: Tobin Maples, Town Administrator

BACKGROUND:

During the 2025 holiday season, the Town received voluntary monetary contributions from members of the public to provide a one-time Christmas and retention payment to Town employees. The majority of these contributions were made by the Highland Park Charitable League, with additional donations received from individual residents.

Pursuant to the Town's adopted Administrative Directives Manual, the Town Administrator is authorized to accept donations on behalf of the Town and to administer their distribution in accordance with applicable policies, payroll requirements, and labor regulations. Consistent with this authority, the Town Administrator accepted the contributions and directed their distribution through the Town's regular payroll process as a one-time, non-recurring Christmas and retention payment to eligible employees.

The attached resolution is presented to formally ratify the acceptance and distribution of these public contributions and to ensure transparency and Council acknowledgment of the administrative action.

RECOMMENDATION

Staff recommends approval of the attached Resolution ratifying the Town Administrator's acceptance and distribution of public contributions in accordance with the Administrative Directives Manual.

FINANCIAL IMPACT

The contributions received from the public were fully offset by the corresponding payroll disbursements. No additional Town funds were required beyond amounts already budgeted.

ATTACHMENTS

Letter To Town of Highland Park Employees 12182025. FINAL, Res. No. 002-26 Contirbution Acceptance

Highland Park Charitable League
4848 Lemmon Avenue #100-578
Dallas, Texas 75219

December 18, 2025

Wonderful Employees of the Town of Highland Park
4700 Drexel Drive
Dallas, Texas 75205

Dear Town of Highland Park Employees,

On behalf of the nonprofit Highland Park Charitable League, we are pleased to gift funds collected this year to the Town of Highland Park for the purpose of providing a $650 one-time appreciation gift to each of the Town's full-time employees.

As reflected in the fundraising materials shared with residents, this year's efforts focused on honoring the men and women who keep our community safe, beautiful, and functioning every day: the officers, firefighters, paramedics, and 9-1-1 operators; the teams who maintain our parks, green spaces, recreational amenities, streets, sidewalks, and alleys; those who oversee inspections and permitting, manage our water and sewer utilities, serve us at the public library, enforce Town codes and ordinances, provide essential customer service and communications, and work across the Town's various departments and offices. Your work is often quiet, but it is foundational to the quality of life we enjoy in Highland Park.

This gift is an expression of gratitude from the residents of Highland Park, made possible entirely through voluntary contributions. It is offered not only in appreciation of past service, but also in recognition of the value you bring to the organization and the importance of retaining a skilled, committed, and high-performing workforce that reflects the Highland Park Way. Our understanding is that the funds will be distributed to you on or before December 23, 2025, through the Town's regular payroll process, so that every full-time employee receives this appreciation gift prior to the upcoming holiday.

Thank you for all you do for each resident in the Town of Highland Park. We appreciate you and wish you a happy holiday season.

With sincere gratitude,

Alison Hunsicker, Jill Tananbaum, Juli Harrison, Diana Blackman
Highland Park Charitable League

RESOLUTION NO. 002-26

A RESOLUTION OF THE TOWN OF HIGHLAND PARK, TEXAS, RATIFYING THE TOWN ADMINISTRATOR'S ACCEPTANCE AND DISTRIBUTION OF PUBLIC CONTRIBUTIONS IN ACCORDANCE WITH THE ADMINISTRATIVE DIRECTIVES MANUAL.

WHEREAS, Texas Local Government Code § 51.076(a) provides that home-rule municipalities, including the Town of Highland Park, Texas (the "Town"), may hold property, including any charitable or trust fund, that it receives by gift, deed, devise, or other manner; and

WHEREAS, Town Administrative Directive 5.6, Christmas Pay, authorizes the Town Administrator to distribute to employees as a retention incentive money appropriated by Town Council plus any contributions received from the public for that same purpose; and

WHEREAS, the Town received voluntary monetary contributions from the Highland Park Charitable League and of the individual residents for the purpose of providing a one-time Christmas and retention payment to Town employees; and

WHEREAS, the Town Council finds and determines the Christmas Pay program serves the legitimate public purpose of incentivizing the retention and performance of employees.

NOW THEREFORE BE IT RESOLVED BY THE TOWN COUNCIL FOR THE TOWN OF HIGHLAND PARK, TEXAS THAT:

SECTION 1. The Town Council of the Town of Highland Park, Texas does hereby ratify the Town Administrator's acceptance and distribution of public contributions in accordance with the Administrative Directives Manual.

PASSED AND APPROVED on this 6th day of January 2026.

APPROVED AS TO FORM:

Susan Thomas
Town Attorney

APPROVED:

Will C. Beecherl
Mayor

ATTEST:

Joanna Mekeal
Town Secretary

Town of Highland Park
Town Council
Tuesday, January 6, 2026

Item Coversheet

Take action on an Ordinance authorizing the sale of an approximately 3.281-acre tract of land to the City of Dallas for the Hampton Pump Station Project and authorizing the execution of all documents necessary to effectuate the sale.

PRESENTED BY: Tobin Maples, Town Administrator

BACKGROUND:

Staff is requesting Council approval of the attached ordinance to authorize the sale of an approximately 3.281-acre tract of land owned by the Town to the City of Dallas. The property is associated with the Town's former landfill located off Conveyor Lane in the City of Dallas and has been determined to be surplus to the Town's current and future operational needs.
The City of Dallas has submitted an offer to purchase the property for a public purpose related to its Hampton Pump Station Project. In accordance with Sections 1.04 and 1.06 of the Town Charter, the Town is authorized to sell property for a public purpose when it is no longer required for municipal use.

To support the transaction, an independent appraisal was obtained to establish the fair market value of the property. Staff has reviewed the appraisal and concurs with its findings. The appraisal and the City of Dallas offer letter are included with the agenda materials for Council's information.

RECOMMENDATION

Staff recommends approval of the attached ordinance authorizing the sale of the approximately 3.281-acre tract of land to the City of Dallas and authorizing the Mayor, or the Town Administrator as the Mayor's authorized agent and designee, to execute all documents necessary to complete the transaction.

FINANCIAL IMPACT

Upon receipt, the $100,043 in proceeds from the sale of the property will be deposited into the Town's Reserve Fund in accordance with the Town's adopted financial policies governing revenue from the sale of real property.

ATTACHMENTS

HP - 105 Offer Letter 5.21.25, Ord. No. 2160 Property Sale, CBRE-Hampton Pump- HP-105-Appraisal

May 21, 2025

Mr. Tobin Maples
Town Administrator
Town of Highland Park
4700 Drexel Drive
Highland Park, Texas 75205

via: Certified Mail, C.R.R.
7019 2280 0001 1277 4498

Project:	Hampton Pump Station
Property Interest:	Fee
Subject Property Descriptions:	approximately 3.281 acres, City Block No. 7929, Dallas, Dallas County, Texas, as described in the enclosed Exhibit A

Dear Mr. Maples:

As you may already know, the City of Dallas is proceeding with the construction of the Dallas Floodway. To that end, the City of Dallas will be acquiring land necessary for this project. Public records indicate that you are the owner of a parcel of land needed for construction of this project.

When acquiring land for public projects, this office follows definite procedures for appraising the land needed and for handling personal negotiations with each owner. We believe at this stage of the purchase process it is mutually beneficial to confirm that, based on an appraisal made by a qualified independent appraiser we are authorized to offer you, and all parties claiming an interest in the property, the total sum of $100,043.00 for your property. This amount is the total amount of just compensation as determined in accordance with State law for Fee Simple interest to the property.

Enclosed is a copy of the appraisal report upon which the offer is based and all other appraisal reports relating specifically to the property produced or acquired by the City of Dallas and prepared in the 10 years preceding the date of this letter.

Appraiser	Date of appraisal	Basis of offer
CBRE	May 6, 2025	Yes
BBG Real Estate Services	October 23, 2024	No

CITY OF DALLAS – DEPARTMENT OF WATER UTILITIES – REAL ESTATE DIVISION
1500 Marilla Street, 4AS, DALLAS, TEXAS 75201 TELEPHONE 214 671 9049

This offer is subject to:

I. Final approval by the Dallas City Council; and
II. Conveyance of a good, marketable, indefeasible and insurable title approved by the Dallas City Attorney's office.
III. Acceptable Phase I and / or Phase II Environmental Reports

In the event the condition of the property changes for any reason, the City may withdraw this offer prior to closing.

In accordance with state law, it is the policy of this office to negotiate with the owner of the land with the understanding that you will in turn negotiate with any lessees or others who may own any interest in the land or improvements. We will handle the following separate interests, if they apply, which are not included in the offer made to you: public utility easements and advertising signs.

Attached is a copy of a brochure entitled "When the City of Dallas Acquires Your Property." This brochure is provided to give you a better understanding of the procedures followed by the City of Dallas when it acquires land for public projects. Also, attached is a copy of the "Texas Landowner's Bill of Rights" prepared by the Texas Attorney General, which is intended to provide a plain language description of your rights in this process.

You have the right to discuss any offer or agreement regarding the City's acquisition of your property with others, or you may (but are not required to) keep the offer or agreement confidential. However, if it is subject to public disclosure under Chapter 522 of the Texas Government Code as applied to the City of Dallas (relating to open records), then the offer or agreement may not remain confidential.

Thank you for your courtesy and cooperation. If you have any comments or questions regarding the details of the project or concerning the purchase transaction, please do not hesitate to contact Dianne Hahn, at dianne.hahn@dallas.gov or at 214.671.9160.

Respectfully submitted,

Dianne Hahn
Real Estate – Dallas Water Utilities

Attachments

ORDINANCE NO. 2160

AN ORDINANCE OF THE TOWN OF HIGHLAND PARK, TEXAS, AUTHORIZING THE SALE OF AN APPROXIMATE 3.281 ACRE TRACT OF LAND SITUATED IN THE E. DURBIN SURVEY, ABSTRACT NUMBER 384, AND THE G.W. DOOLEY SURVEY, ABSTRACT NUMBER 390, DALLAS COUNTY, TEXAS, LYING IN BLOCK 7929, OFFICIAL CITY OF DALLAS BLOCK NUMBERS, AND BEING A PART OF THE LAND CONVEYED TO THE CITY OF HIGHLAND PARK BY DEED RECORDED IN VOLUME 2307, PAGE 511 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS TO THE CITY OF DALLAS FOR ONE HUNDRED THOUSAND FORTY-THREE DOLLARS AND NO CENTS ($100,043.00); AND AUTHORIZING THE MAYOR, OR THE TOWN ADMINISTRATOR AS THE MAYOR'S AUTHORIZED AGENT AND DESIGNEE, TO EXECUTE ALL DOCUMENTS REQUIRED TO EFFECTUATE THE SALE OF THE PROPERTY TO THE CITY OF DALLAS; PROVIDING FOR THE INCORPORATION OF RECITALS; PROVIDING SEVERABILITY; FINDING AND DETERMINING THAT THE MEETING AT WHICH THE ORDINANCE WAS PASSED WAS OPEN TO THE PUBLIC AS REQUIRED BY LAW; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town of Highland Park, Texas (the "Town") is a home rule Town acting under its Charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the local Government Code; and

WHEREAS, the Town owns an approximate 3.281 acre tract of land in the City of Dallas, Texas more specifically described and depicted Exhibit A, attached hereto and incorporated herein for all purposes (the "Property"); and

WHEREAS, Section 1.04 and Section 1.06 of the Town's Home Rule Charter authorizes the Town to sell property for a public purpose; and

WHEREAS, the Town received an offer letter from the City of Dallas, Texas (the "City") to purchase the Property, as such Property is needed for a public purpose, namely the City's Hampton Pump Station Project; and

WHEREAS, acting pursuant to law, the Town Council of the Town of Highland Park, Texas ("Town Council") deems it advisable to sell the Property; and

WHEREAS, the Town Council has determined, based on the appraised value of the Property, that the City's offer is equal to or greater than the fair market value of the Property; and

WHEREAS, Town Council finds and determines that the Property is not being used by, nor useful or convenient to, the Town in general, and therefore constitutes a public charge without a corresponding public benefit; and

WHEREAS, the Town Council further finds and determines that the best interest and welfare of the public will be better served if the Property is conveyed to the City.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS:

SECTION 1. That the findings and recitals set forth above are legislative findings of the Town Council and are incorporated herein for all purposes.

SECTION 2. That the Town Council of the Town of Highland Park, Texas hereby (1) authorizes the sale of the Property described and depicted in Exhibit A, attached hereto, to the City of Dallas for One Hundred Thousand Forty-Three Dollars and No Cents ($100,043.00) and (2) authorizes the Mayor, or the Town Administrator as the Mayor's authorized agent and designee, to execute all documents required to effectuate the sale of the property to the City of Dallas, Texas.

SECTION 3. It is hereby declared to be the intention of the Town Council that the phrases, clauses, sentences of this Ordinance are severable, and if any phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs, and sections of this Ordinance, since the same would have been enacted by the Town Council without the incorporation of this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph, or section.

SECTION 4. It is hereby found and determined that the meeting at which this ordinance was passed was open to the public, as required by Section 551.001, et seq., of the Texas Government Code, and that advance public notice of the time, place and purpose of said meeting was given, pursuant to all applicable law.

SECTION 5. This ordinance shall take effect immediately from and after its passage.

PASSED AND APPROVED on this 6th day of January 2026.

APPROVED AS TO FORM: APPROVED:

Susan Thomas
Town Attorney

Will C. Beecherl
Mayor

ATTEST:

Joanna Mekeal
Town Secretary

Exhibit A
Legal Description and Depiction of the Property

Field Notes Describing a 3.281 Acre Tract of Land in City Block No. 7929 to be Acquired from the City of Highland Park

Being a 142,918 square foot (3.281 Acre) tract of land situated in the E. Durbin Survey, Abstract Number 384, and the G.W. Dooley Survey, Abstract Number 390, Dallas County, Texas, lying in Block 7929, official City of Dallas Block Numbers, and being a part of the land conveyed to the City of Highland Park by deed recorded in Volume 2307, Page 511 of the Deed Records of Dallas County, Texas and being more particularly described as follows:

BEGINNING at a 5/8 inch dia. Iron Rod with cap marked "DALLAS" (hereinafter referred to as "5/8"I.R. w/COD cap") set at the Northeast corner of the herein described tract of land, lying on the East line of Conveyor Lane, a 100-foot wide Right-of-Way by deed recorded in Volume 3572, Page 356 of the Deed Records of Dallas County, Texas, being also the West line of Block A/7929 of the Trinity Service Center Addition, an addition to the City of Dallas recorded in Volume 68086, Page 2480 of the Deed Records of Dallas County, Texas:

THENCE South 00°40'24" East with the common line between said Block A/7929 and the herein described tract of land a distance of 104.00 feet to a 5/8"I.R. w/COD cap set at the Southeast corner of the herein described tract of land, lying on the West line of a tract of land conveyed to the City of Dallas by deed recorded in Instrument Number 200900184476 of the Official Public records of Dallas County, Texas, and lying on the North line of a tract of land conveyed to the City of Dallas by deed recorded in Volume 74029, Page 777 of the Deed Records of Dallas County, Texas:

THENCE South 89°19'36" West with the common line between said City of Dallas property and the herein described tract of land a distance of 1,374.17 feet to the intersection with the East line of the Old Channel of the West Fork of the Trinity River, conveyed to the City of Dallas by Texas Senate Bill 44, Dated March 30, 1925, being also the Southwest corner of the herein describe tract of land, *FROM WHICH* a 5/8" I.R. w/COD cap set on the Centerline of said channel bears South 89°19'36" West a distance of 101.20 feet:

THENCE North 00°10'48" East with the East line of said channel a distance of 104.01 feet to the intersection with the South line of a tract of land conveyed to Chipt Dallas Conveyor, LP by deed recorded in Instrument Number 202100273302 of the Official Public Records of Dallas County, Texas:

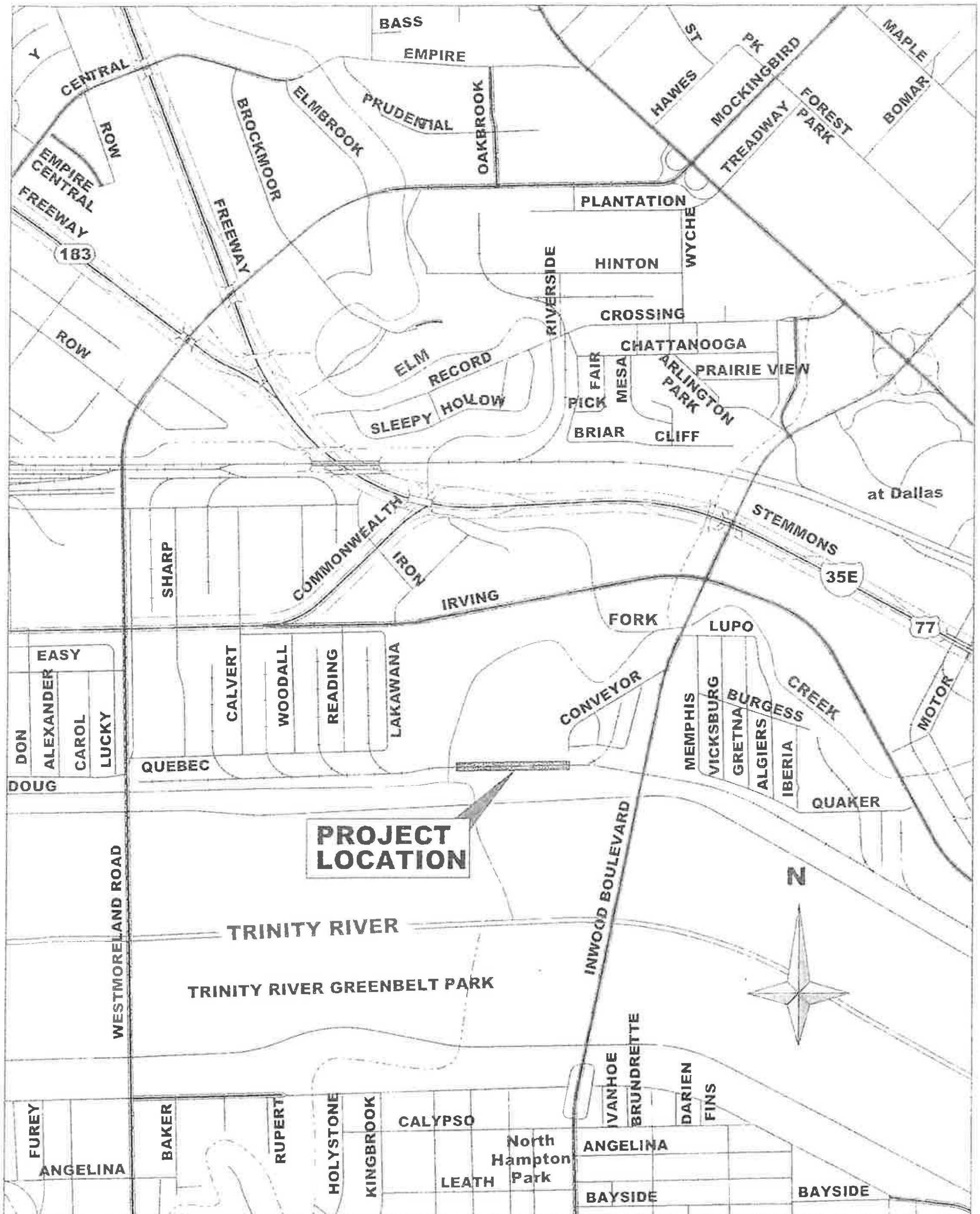
THENCE North 89°19'36" East, with common line between said Chipt tract and the herein descript tract of land a distance of 1,374.25 feet to the **POINT OF BEGINNING**, containing 142,918 Square Feet, or 3.281 Acres of land.

BASIS OF BEARINGS: Bearings are based on the State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983, Realization of 2011.

Scott Holt
4/16/2024

STATE OF TEXAS REGISTERED SCOTT RAY HOLT 4895 PROFESSIONAL LAND SURVEYOR

Sheet 1 of 2 Tract HP-1



HAMPTON PUMP STATION LOCATION MAP

CBRE VALUATION & ADVISORY SERVICES

APPRAISAL REPORT

HAMPTON PUMP STATION – HP 105
W/L OF CONVEYOR LANE, EAST OF N. WESTMORELAND ROAD
DALLAS, TEXAS 75205

CBRE GROUP, INC. FILE NO. CB25US018159-1

CITY OF DALLAS

CBRE

CBRE

www.cbre.com

May 6, 2025

Ms. Dianne Hahn, SR/WA
Dallas Water Utilities - Real Estate
City of Dallas
1500 Marilla Street
Dallas, Texas 75201

RE: Appraisal of: Hampton Pump Station – HP 105
W/L of Conveyor Lane, East of N. Westmoreland Road
Dallas, Dallas County, Texas
CBRE, Inc. File No. CB25US018159-1

Dear Ms. Hahn:

At your request and authorization, CBRE, Inc. has prepared an appraisal of the market value of the referenced property. Our analysis is presented in the following Appraisal Report.

The subject is a 3.281-acre (142,918 sq. ft.) tract of vacant land located along the west line of Conveyor Lane, east of N. Westmoreland Road in Dallas, Texas. The site was part of what was previously known as the West Trinity Lead owned by the Union Pacific Railroad for railroad use. The City of Dallas purchased all of the West Trinity Lead tracts from Union Pacific Railroad with no intent to extend their railroad use; therefore, the specific rights described in the original easement are considered extinguished and the City of Highland Park maintained ownership in the subject tract. The purpose of this assignment is to estimate the market value of the outstanding interest of the City of Highland Park within the subject tract. This is explained in further detail herein. As will be discussed later in the report, due to the subject's previous use as part of a corridor, the site has a long and narrow shape with limited depth. Thus, the physical characteristics significantly limit the development potential and marketability of the tract. As a result, the subject is not considered to be an independent economic unit and the subject will be valued with an "At the Fence" methodology as if they were utilized in conjunction with the adjacent 36.801-acre tract of land is considered the comparison tract for the purposes of this analysis.

Based on the analysis contained in the following report, the appraiser's opinion of value is concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Fee Simple Estate with Easement Encumbrance	March 19, 2025	$100,043
Compiled by CBRE			

The report, in its entirety, including all assumptions and limiting conditions, is an integral part of, and inseparable from, this letter. The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.

The intended use and user of our report are specifically identified in our report as agreed upon in my contract for services and/or reliance language retained in the appraiser's work file. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

The report is not the appraisal but is the reporting of the appraisal to the named client or named intended user. Anyone else who attempts to rely on an appraisal report that is not a named user may be misled by the report. If you are not the client, you have no way of knowing if a later appraisal was done that replaces this report. Any changes will result in a different report date. Accordingly, this document may no longer contain the appraisers' opinions. Any subsequent reports, with a later report date, voids this document even to the client or intended user.

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES

Micah Beck, MAI, R/W-AC
Executive Managing Director
TX Certification No. TX 1380017-G
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Allison Jackson, SR/WA, R/W-AC
Vice President
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Aerial with Subject Tract and Comparison Tract Overlay

Aerial View of Subject Tract and Comparison Tract

Table of Contents

Certification

We certify to the best of our knowledge and belief:

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial and unbiased professional analyses, opinions, and conclusions.
3. We have no present or prospective interest in or bias with respect to the property that is the subject of this report and have no personal interest in or bias with respect to the parties involved with this assignment.
4. Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
5. Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
6. The appraisal was developed, and the appraisal report was prepared in conformity with USPAP, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act), and applicable laws of the State of Texas.
7. The appraisal was developed, and the appraisal report prepared in conformance with the USPAP and complies with USPAP's Jurisdiction Exception Rule when invoked by Section 1.2.7.2 of the Uniform Appraisal Standards for Federal Land Acquisitions.
8. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
9. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
10. As of the date of this report, Micah Beck, MAI, R/W-AC has completed the continuing education program for Designated Members of the Appraisal Institute.
11. As of the date of this report, Allison Jackson, SR/WA, R/W-AC, has completed the Standards and Ethics Education Requirements for Associate Members of the Appraisal Institute.
12. The appraiser has made a physical inspection of the property appraised and that the property owner, or designated representative, was given the opportunity to accompany the appraiser on the property inspection.
13. Micah Beck, MAI, R/W-AC, has made a personal inspection of the property that is the subject of this report. Allison Jackson, SR/WA, R/W-AC has also made a personal inspection of the property that is the subject of this report.
14. No one provided real property appraisal assistance to the persons signing this report.
15. Valuation & Advisory Services operates as an independent economic entity within CBRE, Inc. Although employees of other CBRE, Inc. divisions may be contacted as a part of our routine market research investigations, absolute client confidentiality and privacy were maintained at all times with regard to this assignment without conflict of interest.
16. Micah Beck, MAI, R/W-AC and Allison Jackson, SR/WA, R/W-AC have not provided services as an appraiser, or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.

Micah Beck, MAI, R/W-AC
TX 1380017-G

Allison Jackson, SR/WA, R/W-AC
TX 1380451-G

Executive Summary

INTRODUCTION	
CBRE File No.:	CB25US018159-1
Date of the Report	May 6, 2025
Effective Date	March 19, 2025
Valuation Date Type	Current
Client	City of Dallas, its employees, agents, and assigns
Representative	Ms. Dianne Hahn, SR/WA, Dallas Water Utilities - Real Estate
Address	1500 Marilla Street Dallas, TX 75201
Parcel Number	HP-105
Subject Location	W/L of Conveyor Lane, East of N. Westmoreland Road Dallas, Dallas County, TX
Owner	City of Highland Park, a municipal corporation of the State of Texas
Legal Description	3.281 acre tract of land situated in the E. Durbin Survey, Abstract No. 384 and the G.W. Dooley Survey, Abstract No. 390, City of Dallas, Dallas County, Texas
Assessor IDs (Parent Tract)	00000778189000000
Property Rights Appraised	Fee Simple Estate Subject to Existing Encumbrances
Current Use of Subject	Vacant Land
Highest and Best Use	
As Vacant	Industrial use in conjunction with adjoining 36.801 acre tract of land
Estimated Exposure Time	6 - 12 Months
Buyer Profile	Adjacent Property Owner

LAND AREAS			
Whole Property (HP-105)	3.281	AC	142,918 SF

MARKET VALUE CONCLUSION

Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Fee Simple Estate with Easement Encumbrance	March 19, 2025	$100,043

Compiled by CBRE

MARKET CONDITIONS

Inflationary pressures began in 2022 and led to higher interest rates, slower job growth, and stress in banking systems. These factors increased the potential for constrained credit markets, negative capital value movements, and increased volatility in property markets. Nevertheless, recent cuts in the federal funds rate and the expectation of future reduction may help bolster future commercial real estate investment activity. However, the risk of near-term market volatility remains.

The impacts on real estate markets will be uneven across property types and vary by location. It is important to note that the conclusions set out in this report are valid only as of the valuation date.

MARKET VOLATILITY

We draw your attention to a combination of inflationary pressures beginning in 2022, which led to higher interest rates during this period, slowing job growth, stress in banking systems, which have significantly increased the potential for constrained credit markets, negative capital value movements, and enhanced volatility in property markets. Beginning in September of 2024, the Fed lowered the federal funds rate by 100 basis points over the course of three FOMC meetings. Although the extent and timing of any future reductions are uncertain, two additional rate cuts are widely expected in 2025. While this may help bolster future commercial real estate investment activity, the risk of near-term market volatility remains.

Experience has shown that consumer and investor behavior can quickly change during periods of such heightened volatility. Lending or investment decisions should reflect this heightened level of volatility and the potential for changing market conditions.

It is important to note that the conclusions set out in this report are valid as of the valuation date only. Where appropriate, we recommend that the valuation is closely monitored, as we continue to track how markets respond to evolving events.

EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS

An extraordinary assumption is defined as "an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions." [1]

A hypothetical condition is defined as "a condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results but is used for the purposes of analysis." [2] The use of extraordinary assumptions and hypothetical conditions may affect assignment results.

SPECIAL ASSUMPTIONS

EXTRAORDINARY ASSUMPTIONS: uncertain information; could alter conclusions

- We have relied on the survey provided by the client for the subject size utilized in this assignment and we assume this size to be correct. In addition, we have relied on public records for the comparison tract size utilized in this assignment and we assume this size to be correct.
- As noted in the flood description of our analysis, the appraisers were provided a letter of detail from David Phan, the City of Dallas Engineering Program Administrator, to a representative with the U.S. Army Corps of Engineers. This letter of detail is located in the Addenda and describes the floodplain mapping and regulation for the parcel identified as Tract HP-105. It states that there is a discrepancy between FEMA's National Flood Hazard Layer (NFHL) and its 2020 Physical Map Revision (PMR). Further, this letter of detail states the city regulatory requirements applicable and that development is goverened by both of the effective NFHL and most up-to-date floodplain maps. We assume the information contained in this letter of detail is correct.
- A soils analysis for the site has not been provided for the preparation of this appraisal. In the absence of a soils report, it is a specific assumption that the site has adequate soils to support the highest and best use.

HYPOTHETICAL CONDITIONS: contrary to what is known but used for purpose of analysis

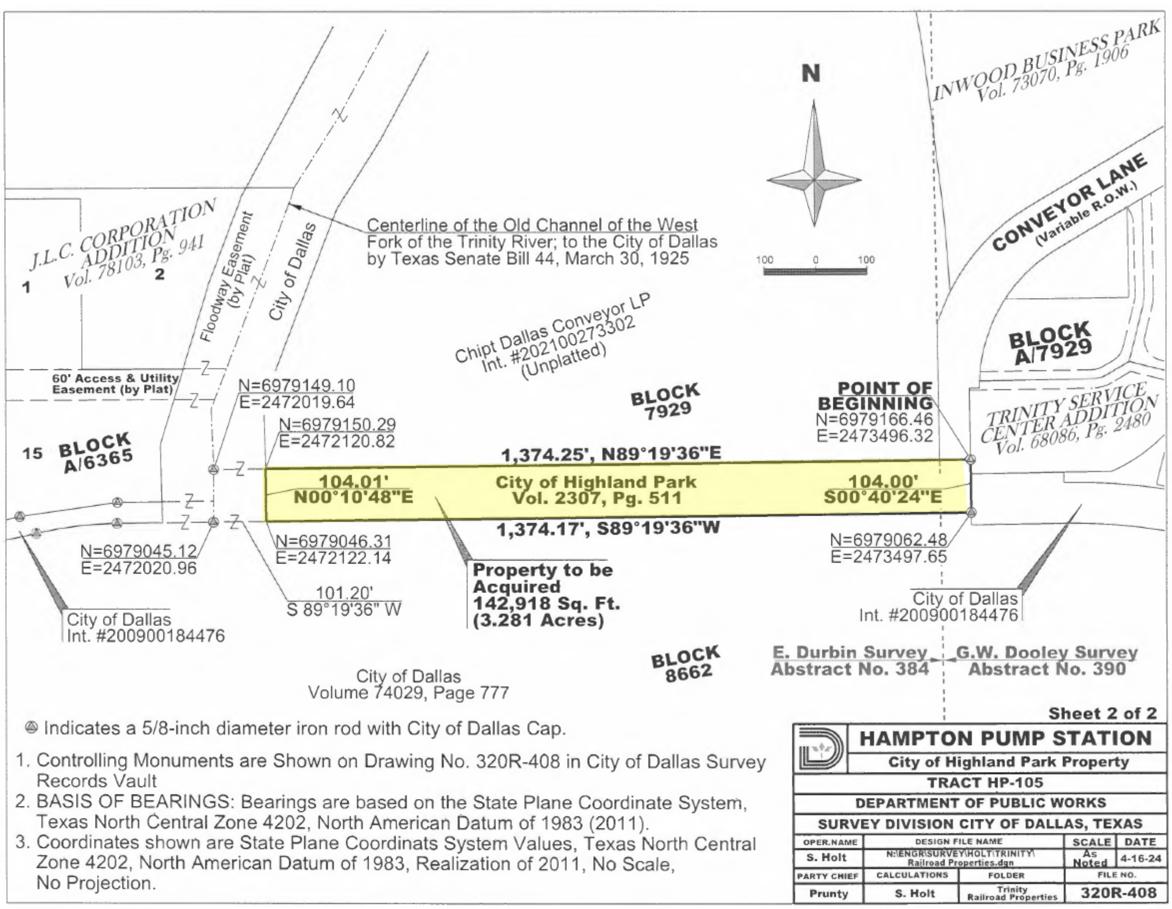
- In the appraisal of property for eminent domain, numerous court cases and statutes have established that project influence (both positive and negative) should be disregarded in the value of the property before the acquisition. Therefore, the appraiser has excluded consideration of any effect the project may have on the property. This requires the appraiser to analyze the property based on a condition that is contrary to what currently exists but is accepted appraisal practice.

[1] The Appraisal Foundation, *USPAP*

[2] The Appraisal Foundation, *USPAP*

IDENTIFICATION OF THE SUBJECT

The subject is a 3.281-acre (142,918 sq. ft.) tract of vacant land located along the west line of Conveyor Lane, east of N. Westmoreland Road in Dallas, Texas. The site was part of what was previously known as the West Trinity Lead owned by the Union Pacific Railroad for railroad use. The City of Dallas purchased all of the West Trinity Lead tracts from Union Pacific Railroad with no intent to extend their railroad use; therefore, the specific rights described in the original easement are considered extinguished and the City of Highland Park maintained ownership in the subject tract. The purpose of this assignment is to estimate the market value of the outstanding interest of the City of Highland Park within the subject tract. This is explained in further detail herein. As will be discussed later in the report, due to the subject's previous use as part of a corridor, the site has a long and narrow shape with limited depth. Thus, the physical characteristics significantly limit the development potential and marketability of the tract. As a result, the subject is not considered to be an independent economic unit and the subject will be valued with an "At the Fence" methodology as if they were utilized in conjunction with the adjacent 36.801-acre tract of land is considered the comparison tract for the purposes of this analysis. A survey provided by the client and depicting the location and size of the subject tract is shown below.



Identification of the Larger Parcel

The value of a property cannot be estimated without a determination of the property to be appraised. In some cases, multiple tax parcels are utilized together in one use or a larger tract of land may be legally, economically and physically divisible into smaller economic units. The larger parcel that is affected by an acquisition is often one economic unit but there can be multiple. An economic unit may be defined as a portion of the larger (parent) parcel that can be valued as a separate an independent parcel, or a combination of parcels in which land and improvements are used for mutual benefit.[3]

Economic units valued in partial acquisitions are broadly known as "larger parcels." The three tests to determine the larger parcel are:

- Unity of Title - control by a single entity, individual, or group. Title is largely a legal question.
- Unity of Use - an integrated highest and best use separate from surrounding land. Multiple tracts can have the same use but be separate tracts, such as platted lots. Use is an economic question that is dependent upon supply and demand, availability of substitutes and other economic principles.
- Proximity - contiguous tracts or proximate tracts that are used together. The location of the tracts that are used as a single economic unit is a test that is subordinate to Unity of Use.

In this case, the subject identified for valuation purposes of this assignment is 3.281 acres, or 142,918 square feet of land that is under the same owner and use. The whole property was previously part of a rail corridor with the City of Highland Park owning the underlying land and conveying a significant portion of these rights for a railroad easement. The City of Highland Park does not own any other contiguous tracts; therefore, the subject tract does not have the physical characteristics to be a standalone economic unit. As a result, the subject will be valued with an "At the Fence" methodology as if they were utilized in conjunction with the adjacent 36.801-acre tract of land is considered the comparison tract for the purposes of this analysis.

[3] Definition of *Economic Unit*. The Dictionary of Real Estate Appraisal 6th Edition, *Appraisal Institute*, 2015

OWNERSHIP

SUBJECT TRACT

According to information provided by the client, the subject tract is currently owned by the City of Highland Park. A title commitment was provided by the client along with contact information for the property owner representative, Mr. Tobin Maples, AICP. An introductory letter and email were sent to Mr. Maples, AICP, on February 28, 2025. Mr. Maples, AICP responded to the email correspondence. Additionally, the appraisers followed up with an email to discuss the on-site inspection. Mr. Maples, AICP gave the appraisers permission to inspect the subject property unaccompanied.

Please see below for the known ownership information for the ***subject tract***:

OWNER AND CONTACTS	
Owner Name	City of Highland Park, a municipal corporation of the State of Texas
Primary Contact	Tobin E. Maples, AICP - Town Administrator, Town of Highland Park
Owner Address	4700 Drexel Drive
Owner City, State, Zip	Highland Park, Texas 75205
Contact Phone	(214) 534-0951
Contact Email	tmaples@hpty.org
Occupancy	Vacant

Compiled by CBRE

COMPARISON TRACT

According to Dallas County Appraisal District tax records, the comparison tract is owned by Chipt Dallas Conveyor, LP. Please see below for the ownership information for the ***comparison tract***:

OWNER AND CONTACTS	
Owner Name	Chipt Dallas Conveyor, LP
Owner Address	3819 Maple Avenue
Owner City, State, Zip	Dallas, Texas 75219-3913
Occupancy	Under Construction

Compiled by CBRE

FURNITURE, FIXTURES AND EQUIPMENT (PERSONAL PROPERTY)

Based on our on-site inspection, there were multiple trailers and concrete barriers situated on the subject tract. These items would be considered personal property; therefore, they have not been valued in our analysis herein. A photo of these items is shown below.

Scope of Work

APPRAISAL ASSIGNMENT	
Guidance	- The analyses, opinions and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the Uniform Standards of Professional Appraisal Practice (USPAP), USPAP reporting Standard 2-2, and the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
Project Name	- Hampton Pump Station - HP 105
Intended User	The intended user is the City of Dallas ("Client") and authorized personnel of the U.S. Army Corps of Engineers (USACE). No other user may rely on our report unless as specifically indicated in the report.
Intended Use	- The intended use is a determination of fair market value for the acquisition of the subject property by the City of Dallas.
Market Value Definition	- "Market Value is the price which the property would bring when it is offered for sale by one who desires, but is not obligated to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future." City of Austin v. Cannizzo, 267 S.W.2d 808 (Tex. 1954)

CLIENT

The client is the City of Dallas and the U.S. Army Corps of Engineers (USACE).

INTEREST APPRAISED

INTERESTS APPRAISED	
Fee Simple Estate Subject to Existing Encumbrance	Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power and escheat. Dictionary of Real Estate Appraisal, Seventh Edition, 2022, page 73.

The interest appraised includes the value of the rights to the fee owner, considering existing easements, encumbrances, and restrictions. The value of any mineral estate is excluded from this valuation, unless otherwise stated.

Fee Acquisition

The fee simple title to (the land described in the E. Durbin Survey, Abstract No. 384 and the G.W. Dooley Survey, Abstract No. 390, City of Dallas, Dallas County, Texas) (Tract No. HP-105), Subject, however, to existing easement for public roads and highways, public utilities, railroads, and pipelines.*

**Where an outstanding interest in the subsurface mineral estate is part of a block ownership which is to be excluded from the taking in accordance with paragraph 5-289 (2), the following clause will be added: "excepting and excluding from the taking all interests in the (coal) (oil and gas) which are outstanding in parties other than the surface owners and all appurtenant rights for the exploration, development and removal of said (coal) (oil and gas) so excluded."*

Extent to Which the Property is Identified

The property is identified through the following sources:

- assessor's records
- legal description

Extent to Which the Property is Inspected

As noted previously, the property owner representative, Mr. Tobin Maples, AICP gave the appraisers permission to inspect the property unaccompanied. Thus, Allison Jackson, SR/WA, R/W-AC personally conducted an inspection on March 19, 2025. Micah Beck, MAI, R/W-AC personally conducted an inspection at a later date.

Effective Date

The effective date is the most recent date of inspection.

Type and Extent of the Data Researched

CBRE reviewed the following:

- applicable tax data
- zoning requirements
- flood zone status
- demographics
- comparable data

Type and Extent of Analysis Applied

CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. The steps required to complete each approach are discussed in the methodology section.

Data Resources Utilized in the Analysis

DATA SOURCES	
Item:	*Source(s):*
Site Data	
Whole Property and Acquisition Size	Survey Provided by the Client
Floodplain	FEMA
Zoning	City of Dallas
Easements	Public Records
Compiled by CBRE	

Subject Photographs – Taken March 19, 2025

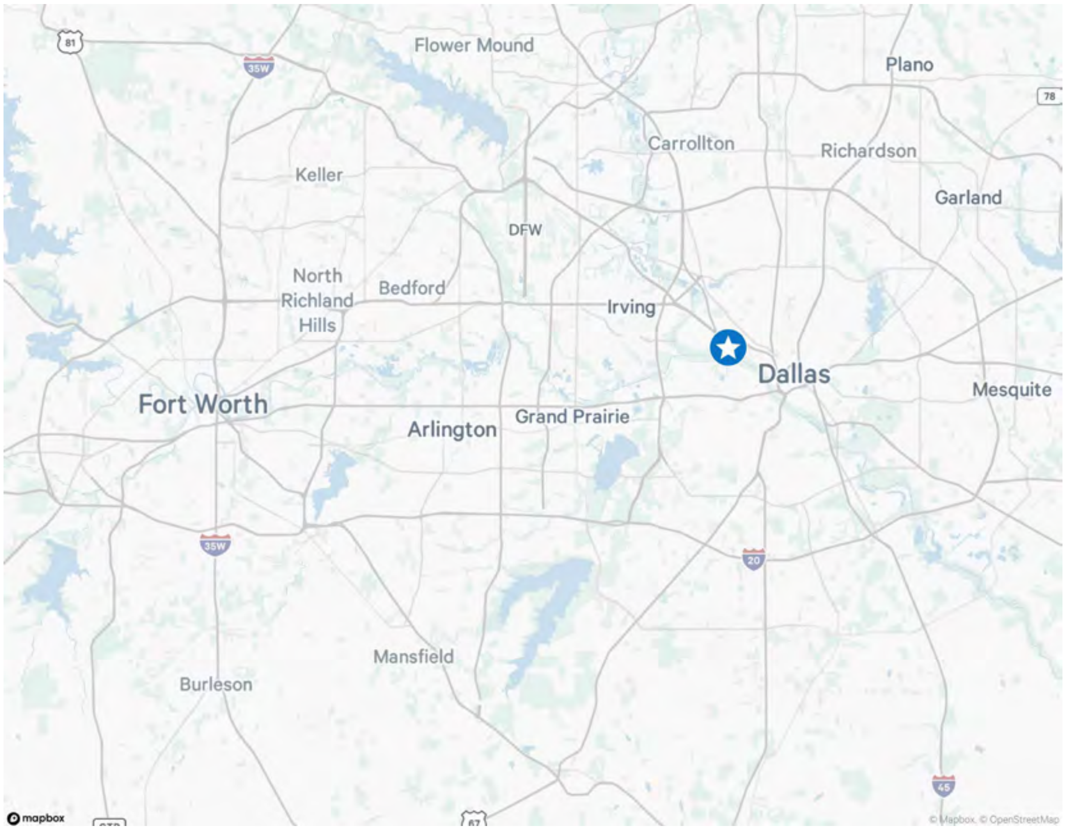
Photo 1
Taken by Allison Jackson, SR/WA, R/W-AC
View looking west at the subject tract from Conveyor Lane

Photo 2
Taken by Allison Jackson, SR/WA, R/W-AC
View looking northwest at the comparison tract from Conveyor Lane

Photo 3
Taken by Allison Jackson, SR/WA, R/W-AC
View looking west at the Comparison Tract from the Comparison Tract's driveway

Photo 4
Taken by Allison Jackson, SR/WA, R/W-AC
View looking north along Conveyor Lane

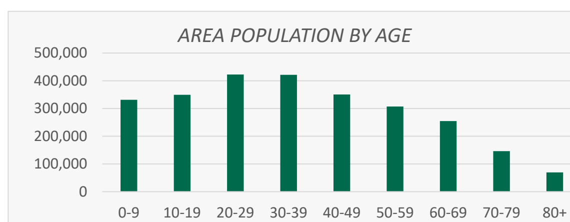
Area Analysis



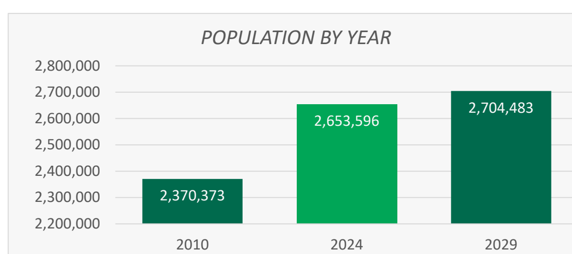
The subject is located in the Dallas County. Key information about the area is provided in the following tables.

POPULATION

The area has a population of 2,653,596 and a median age of 35, with the largest population group in the 20-29 age range and the smallest population in the 80+ age range.



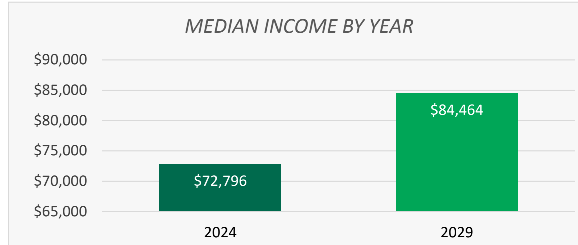
Population has increased by 283,223 since 2010, reflecting an annual increase of 0.81%. Population is projected to increase by an additional 50,887 by 2029, reflecting 0.38% annual population growth.



Compiled by CBRE; Source: Esri

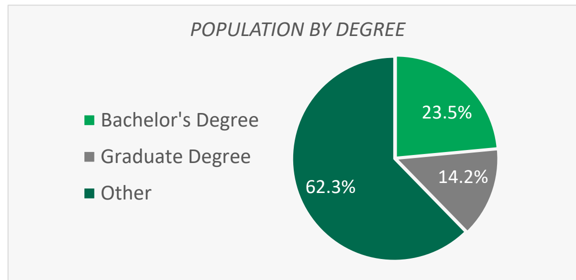
INCOME

The area features an average household income of $110,435 and a median household income of $72,796. Over the next five years, median household income is expected to increase by 16.0%, or $2,334 per annum.

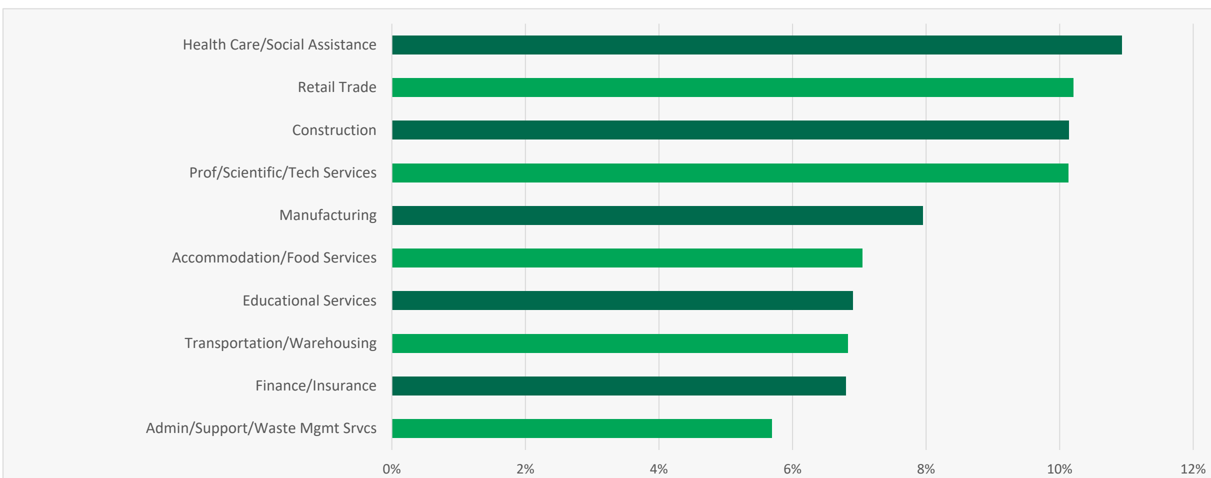


EDUCATION

A total of 37.7% of individuals over the age of 24 have a college degree, with 23.5% holding a bachelor's degree and 14.2% holding a graduate degree.



EMPLOYMENT

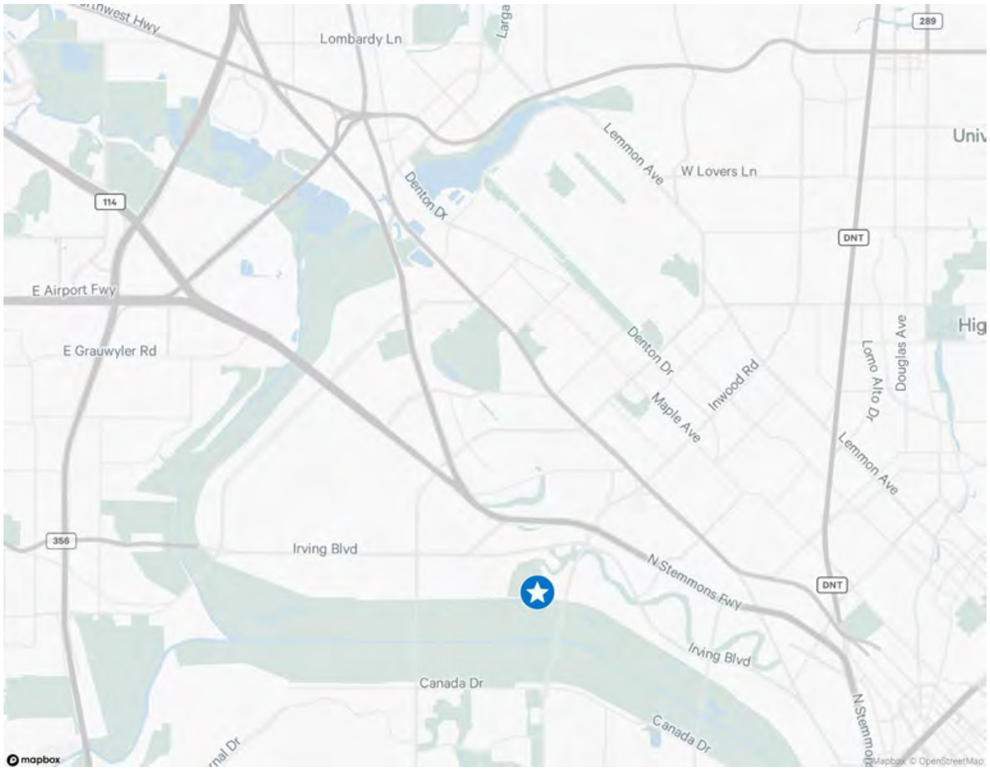


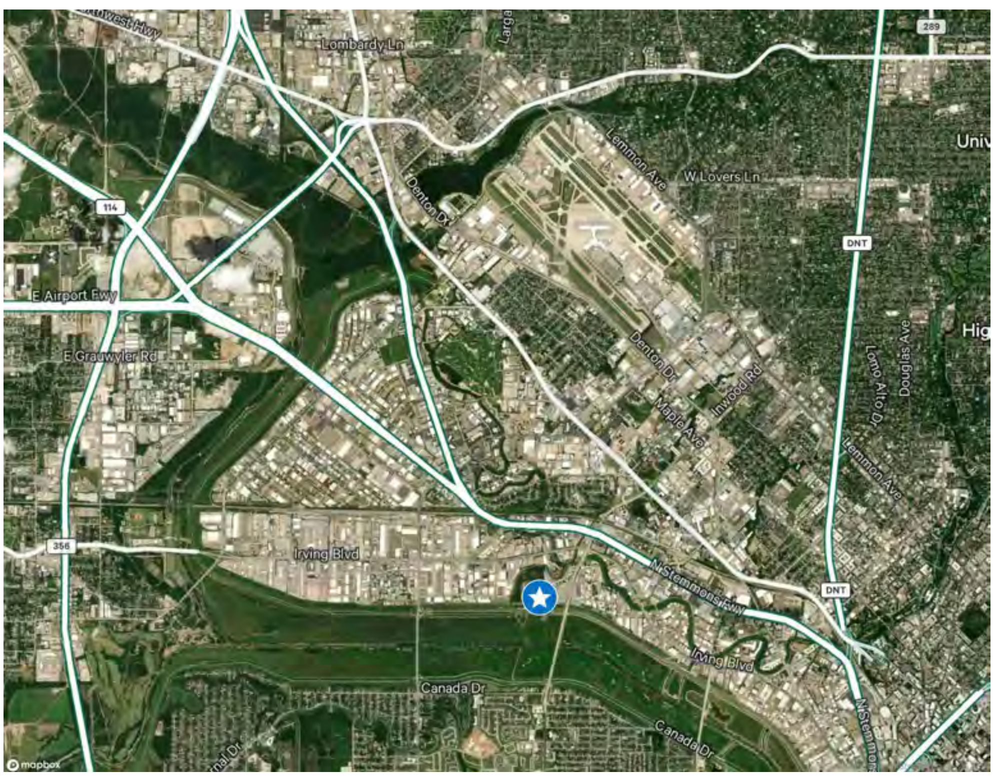
The area includes a total of 1,452,033 employees and has a 3.7% unemployment rate. The top three industries within the area are Health Care/Social Assistance, Retail Trade and Construction, which represent a combined total of 31% of the population.

Compiled by CBRE; Source: Esri

In summary, the subject is forecasted to experience an increase in population, an increase in household income, and an increase in household values.

Neighborhood Analysis





LOCATION

The subject is located in the city of Dallas and is situated in central Dallas County, approximately 5 miles northwest of the Dallas Central Business District.

BOUNDARIES

The neighborhood boundaries are detailed as follows:

North:	Northwest Highway
South:	Trinity River Basin
East:	Harry Hines Boulevard
West:	North Loop 12

LAND USE

Land uses within the subject neighborhood consist of a mixture of office, retail, commercial, hotel, light industrial, and medical uses. The immediate area surrounding the subject is a long-established area of development, consisting primarily of office, light industrial, and highway commercial uses with much of the development being built during the 1950s through the 1980s.

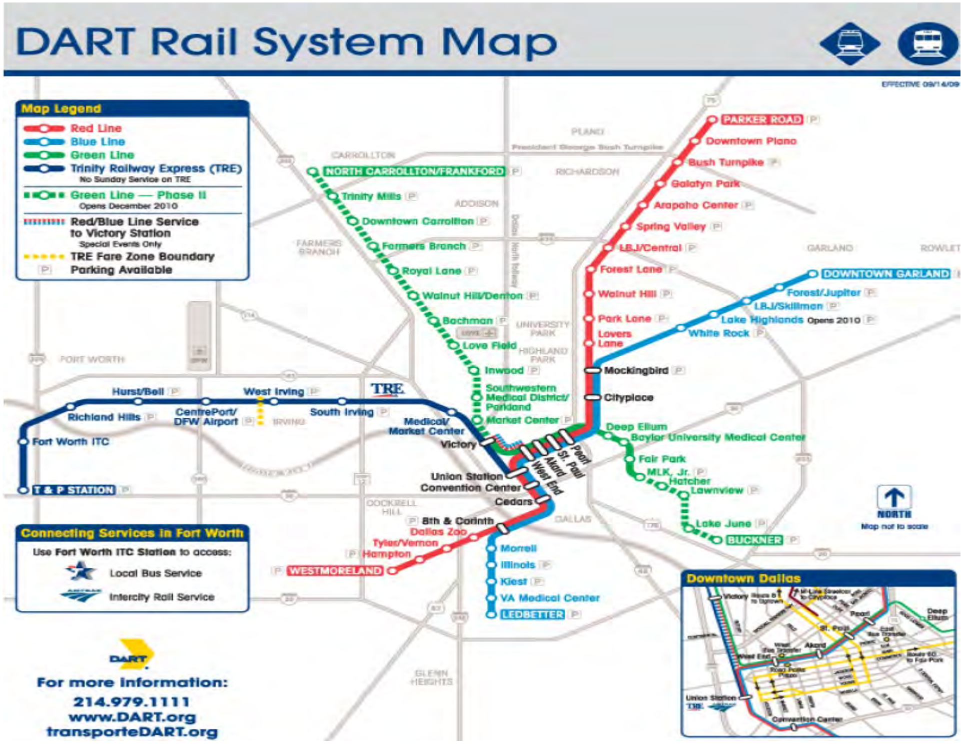
GROWTH PATTERNS

As the neighborhood is largely built out, growth in the immediate area is somewhat limited. The most common new projects typically include redevelopment of older industrial and highway commercial uses. Several acres of land near Exchange Park at Harry Hines Boulevard and Mockingbird Road are slated for medical-related development. There are a number of regional and national free-standing retail buildings, fast food restaurants, gas stations, retail strip centers, bank branches, neighborhood and community shopping centers, and various other retail uses along the major roadways in the neighborhood.

ACCESS

Primary access to the subject neighborhood is good and provided by Stemmons Freeway (IH-35E) and John Carpenter Freeway (Highway 114/183). These roadways connect the subject neighborhood with the balance of the city of Dallas and its suburbs by way of Mockingbird Lane, Loop 12, Central Expressway (U.S 75), Dallas North Tollway, and LBJ Freeway. On the west, Spur 408 connects Interstate Highways 30 and 20 and Loop 12. Secondary access to the neighborhood is provided by Inwood Road, Empire Central, Harry Hines Boulevard, Commonwealth, and Irving/Industrial Boulevard. Medical District Drive has expanded from a former two-lane roadway to a four-lane roadway with two lanes of traffic in each direction, which has become a new neighborhood thoroughfare connecting Maple Avenue and Harry Hines Boulevard. The commute to the Dallas Central Business District is about ten to fifteen minutes, compared with the commute to Fort Worth, which is about a fifty-minute drive. The Dallas/Fort Worth Airport is about a twenty-minute drive from the central section of the subject neighborhood. Love Field Airport is a five-minute drive from the immediate subject area.

Dallas Area Rapid Transit's Green Line Inwood and Love Field Stations opened in late 2010. A map of the DART Rail System follows:



DEMOGRAPHICS

Selected neighborhood demographics around the subject are shown in the following table:

SELECTED NEIGHBORHOOD DEMOGRAPHICS				
W/L of Conveyor Lane, East of N. Westmoreland Road Dallas, TX 75205	1 Mile Radius	3 Mile Radius	5 Mile Radius	Dallas-Fort Worth-Arlington, TX Metropolitan Statistical
Population				
2029 Total Population	2,730	93,313	358,321	8,811,074
2024 Total Population	2,591	85,108	337,076	8,195,415
2010 Total Population	2,194	67,963	297,408	6,366,547
2000 Total Population	1,735	66,966	304,117	5,156,282
Annual Growth 2024 - 2029	*1.05%*	*1.86%*	*1.23%*	*1.46%*
Annual Growth 2010 - 2024	*1.20%*	*1.62%*	*0.90%*	*1.82%*
Annual Growth 2000 - 2010	*2.37%*	*0.15%*	*-0.22%*	*2.13%*
Households				
2029 Total Households	747	47,739	169,240	3,228,215
2024 Total Households	732	41,957	153,542	2,978,430
2010 Total Households	659	26,131	112,085	2,296,412
2000 Total Households	543	23,096	102,065	1,878,990
Annual Growth 2024 - 2029	*0.41%*	*2.62%*	*1.97%*	*1.62%*
Annual Growth 2010 - 2024	*0.75%*	*3.44%*	*2.27%*	*1.87%*
Annual Growth 2000 - 2010	*1.96%*	*1.24%*	*0.94%*	*2.03%*
Income				
2024 Median Household Income	$43,419	$69,510	$79,726	$88,391
2024 Average Household Income	$69,752	$105,885	$126,595	$123,641
2024 Per Capita Income	$26,540	$52,328	$57,860	$44,980
2024 Pop 25+ College Graduates	382	33,077	123,955	2,239,250
Age 25+ Percent College Graduates - 2024	23.4%	51.3%	50.7%	41.3%

Source: ESRI

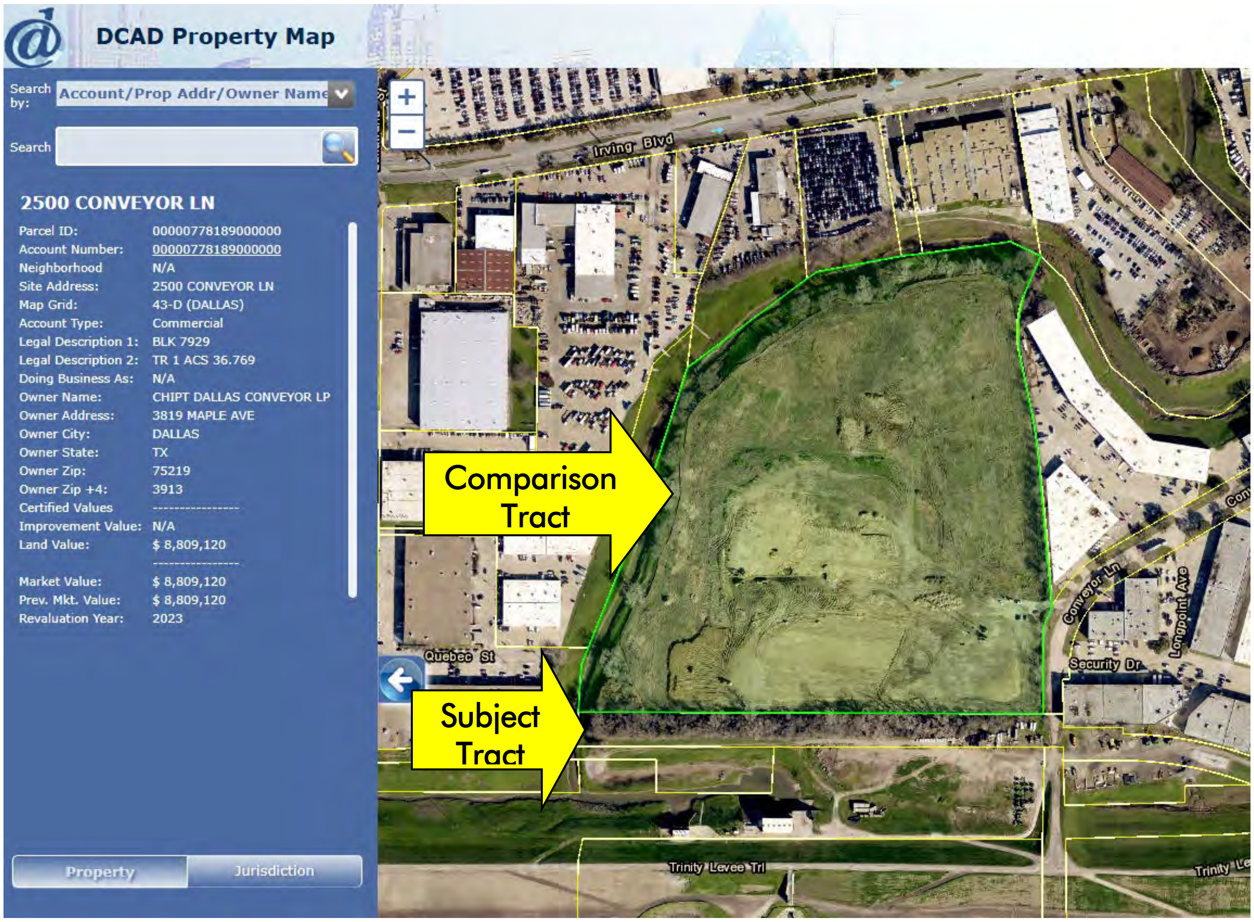
CONCLUSION

The population within the subject's larger neighborhood has shown positive growth since 2000. The immediate neighborhood has a modest to average-income demographic profile. The outlook for the neighborhood is for stable performance with gradual improvement.

TAX MAP

Source: Dallas County Appraisal District

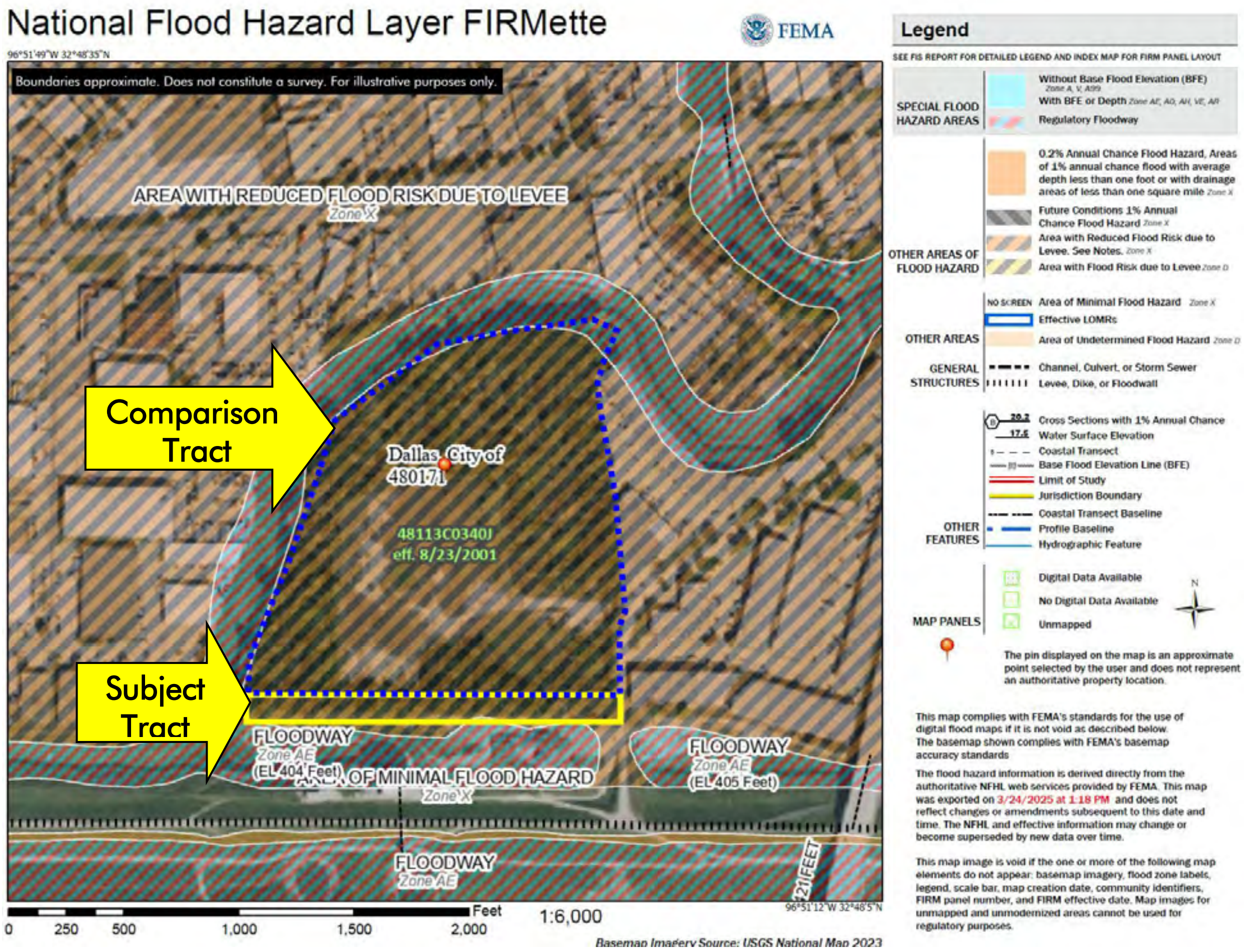
According to the Dallas County Appraisal District's interactive mapping system, there is not a separate tax record for the subject tract. The below outline is for the "At the Fence" or comparison tract later discussed within this report.



It is noted that there is a discrepancy between the comparison tract size provided by the Dallas County Appraisal District (36.769 acres, shown above) and the size utilized for the comparison tract in our analysis herein. We have based the comparison tract size for our analysis on the most recent deed conveyance.

FLOOD PLAIN MAP

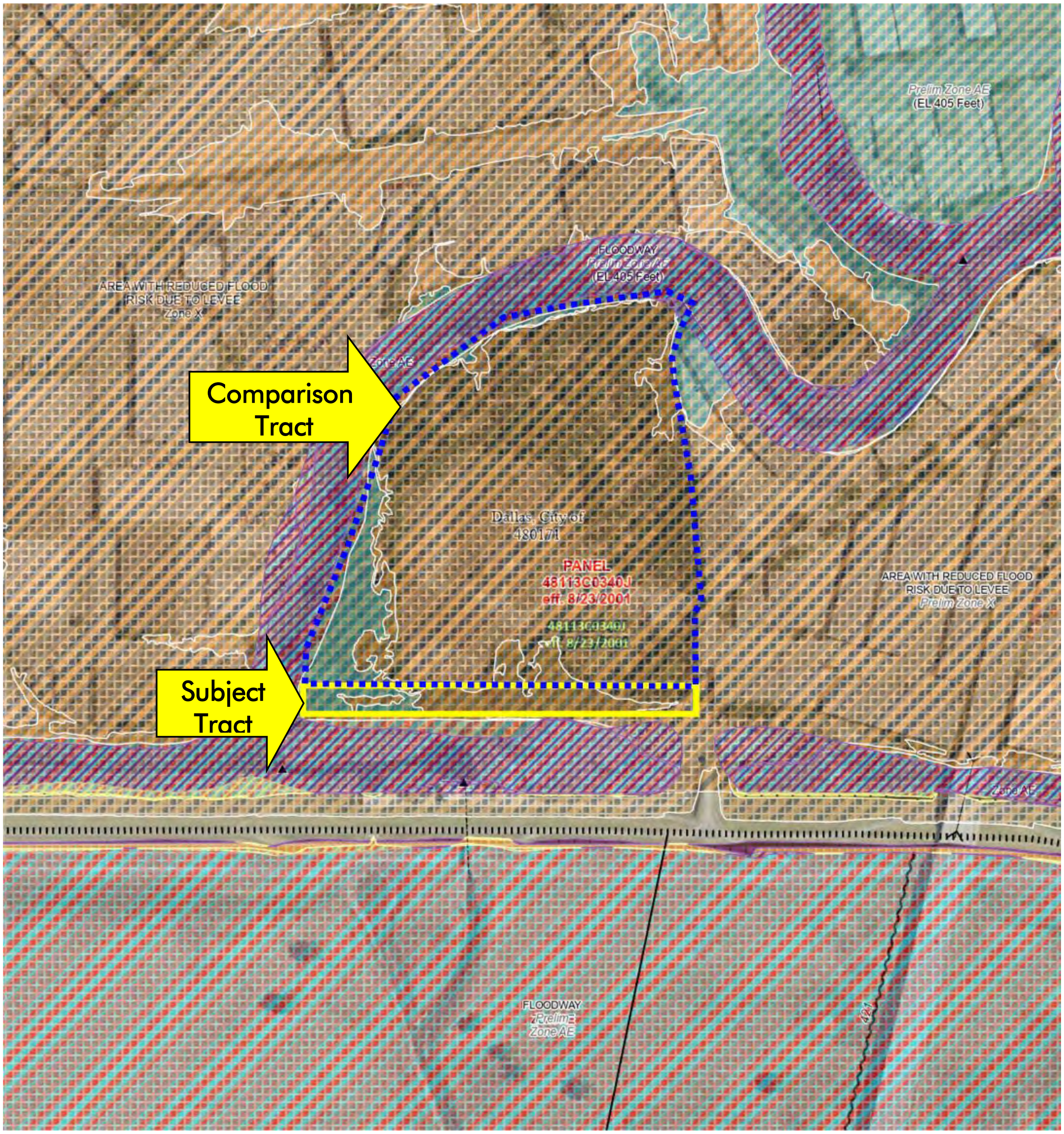
Source: FEMA



The appraisers were provided a letter of detail from David Phan, the City of Dallas Engineering Program Administrator, to a representative with the U.S. Army Corps of Engineers. This letter of detail is located in the Addenda and describes the floodplain mapping and regulation for the parcel identified as Tract HP-105. It states that there is a discrepancy between FEMA's National Flood Hazard Layer (NFHL) shown above and its 2020 Physical Map Revision (PMR) shown on the following page. The NFHL, effective since 2021 and shown above, is used for flood insurance purposes, but does not reflect the current flood risk due to the City of Dallas and USACE implementing improvements to the Dallas Floodway. FEMA's NFHL shows the parcel mostly within the Zone X: Area with Reduced Risk due to Levee and partially within the regulatory floodway.

2020 PHYSICAL MAP REVISION (PMR)

Source: FEMA



As shown above, the 2020 PMR mapping shows the subject tract mostly within the 500-year floodplain, with it partially within regulatory floodway, 100-year floodplain and Zone X: Area with Reduced Risk due to the Levee. Per City of Dallas regulations, potential development is governed by both of these maps with the NFHL (shown on the previous page) guiding the flood insurance decisions and the 2020 PMR (shown above) regulating development within the City of Dallas.

Site Analysis

The following chart summarizes the salient characteristics of the subject tract and comparison tract.

SITE SUMMARY			
Physical Description			
Subject Tract	3.281 Acres	142,918 Sq. Ft.	
Comparison Tract	36.801 Acres	1,603,052 Sq. Ft.	
Primary Road Frontage (Comparison Tract)	Conveyor Lane	316 Feet	
Average Depth (Comparison Tract)	1,125 Feet		
Shape (Subject Tract and Comparison Tract)	Long and Narrow Rectangle		
Topography (Subject Tract and Comparison Tract)	Generally Level		
Zoning District: Subject Tract and Comparison Tract	IM - Industrial Manufacturing		
Flood Map Panel No. & Date (Subject Tract and Comparison Tract)	48113C0340J		23-Aug-01
Flood Zone (Subject Tract)	Zone X (Shaded)	(subj. is minimal floodway encumbrance)	
Flood Zone (Comparison Tract)	Zone X (Shaded) - Area with Reduced Flood Risk Due to Levee; minimal floodway encumbrance		
Ingress/Egress Point (Comparison Tract)	Conveyor Lane		
Comparative Analysis		**Rating**	
Access	Below Average		
Visibility	Average		
Functional Utility	Below Average		
Traffic Volume	Average		
Adequacy of Utilities	Average		
Drainage	Appears adequate		
Utilities	**Provider**		**Availability**
Water	City of Dallas		Yes
Sewer	City of Dallas		Yes
Natural Gas	Various		Yes
Electricity	Various		Yes
Telephone	Various		Yes
Other	**Yes**	**No**	**Unknown**
Detrimental Easements	X		

Source: Various sources compiled by CBRE

UTILITIES

The subject tract and comparison tract have access to all public utilities.

SHAPE AND FRONTAGE

The subject tract is a long and narrow rectangle with no frontage. The comparison tract has an irregular shape and adequate frontage along Conveyor Lane.

INGRESS/EGRESS

Ingress and egress is legally permissible to the comparison tract via a driveway to Conveyor Lane. The subject tract does not currently have driveway access. This is not atypical for vacant land.

TOPOGRAPHY AND DRAINAGE

The subject tract and comparison tract both have a generally level topography. The topography of the site is not seen as an impediment to the development of subject tract or comparison tract. During our inspection of the site, we observed no drainage problems and assume that none exist.

FLOOD ZONE

We are not experts in determining flood zone elevations and we were not provided with a flood zone certificate for the subject. The reader is encouraged to consult with a professional engineer to determine the subject's actual flood zone status. Based on our review of FEMA Flood Panel No. 48113C0340J, the majority of the site appears to be situated within Zone X (Shaded) which is designated as an area with reduced flood risk due to the levee. Less than 1% of the subject tract is encumbered by floodway which is a high-risk area. Further, the majority of the comparison tract also appears to be situated within Zone X (Shaded) which is designated as an area with reduced flood risk due to the levee.

Zones B and X (shaded) are areas of 0.2-percent-annual-chance floodplain, areas of 1-percent-annual-chance (base flood) sheet flow flooding with average depths of less than 1 foot, areas of base flood stream flooding with a contributing drainage area of less than 1 square mile, or areas protected from the base flood by levees. No Base Flood Elevations (BFEs) or depths are shown in this zone, and insurance purchase is not required.

Zones AE and A1-A30 are the flood insurance rate zones used for the 1-percent-annual-chance floodplains that are determined for the Flood Insurance Study (FIS) by detailed methods of analysis. In most instances, Base Flood Elevations (BFEs) derived from the detailed hydraulic analyses are shown at selected intervals in this zone. Mandatory flood insurance purchase requirements apply. AE zones are areas of inundation by the 1-percent-annual-chance flood, including areas with the 2-percent wave runup, elevation less than 3.0 feet above the ground, and areas with wave heights less than 3.0 feet. These areas are subdivided into elevation zones with Base Flood Elevations (BFEs) assigned. The AE zone will generally extend inland to the limit of the 1-percent-annual-chance Stillwater Flood Level (SWEL).

EASEMENTS AND ENCROACHMENTS

A title commitment and examiner's note were provided by the client. Based on the examiner's note, Texas and Pacific Railway Company previously had a right of way for "the establishment, location, construction, operation and maintenance of spur or industrial tracks access, in and upon the land." This right of way for a railroad impacting the subject, along with other portions of the corridor, was conveyed by Union Pacific Railroad Company to the City of Dallas via Document 200900184477 of the Dallas County Deed Records. The City of Dallas purchased these tracts with no intent to use it for a rail line; therefore, the specific rights described in the original easement are considered extinguished. Further, this railroad easement is not included in the title commitment provided. Thus, we recognize there could be some legal discrepancy regarding the existence of this railroad easement; however, the market would value the subject tract the same, regardless of this easement and the ambiguity surrounding its impact. As such, there are no known easements or encroachments impacting the subject tract that is considered to affect the marketability or highest and best use.

COVENANTS, CONDITIONS AND RESTRICTIONS

A title commitment was provided by the client. Therefore, there are no known covenants, conditions or restrictions impacting the subject tract or comparison tract that are considered to affect the marketability or highest and best use.

ENVIRONMENTAL ISSUES - SITE

CBRE, Inc. is not qualified to detect the existence of any potentially hazardous materials such as lead paint, asbestos, urea formaldehyde foam insulation, or other potentially hazardous construction materials on the site. The existence of such substances may affect the value of the site. No hazardous substances which would affect value were noted by the appraiser (see Assumptions and Limiting Conditions).

CONCLUSION

The subject tract is considered to have below average visibility and access. The subject tract's long and narrow rectangular shape, limited depth and existing railroad easement significantly limits the development potential and marketability of the tract. Further, due to the subject tract's limited physical characteristics and existing easement, the subject tract is not considered to be an independent economic unit; therefore, its use is limited to use in conjunction with the adjacent comparison tract.

The comparison tract is a 36.801 acre or 1,603,060 square foot tract of land, which is typical in the market area. While the comparison tract has an irregular shape, it has adequate visibility and frontage along Conveyor Lane. In addition, the comparison tract has access from this thoroughfare. There are no known reasons why the comparison tract could not be developed to its highest and best use.

Zoning

The following chart summarizes the subject's zoning summary.

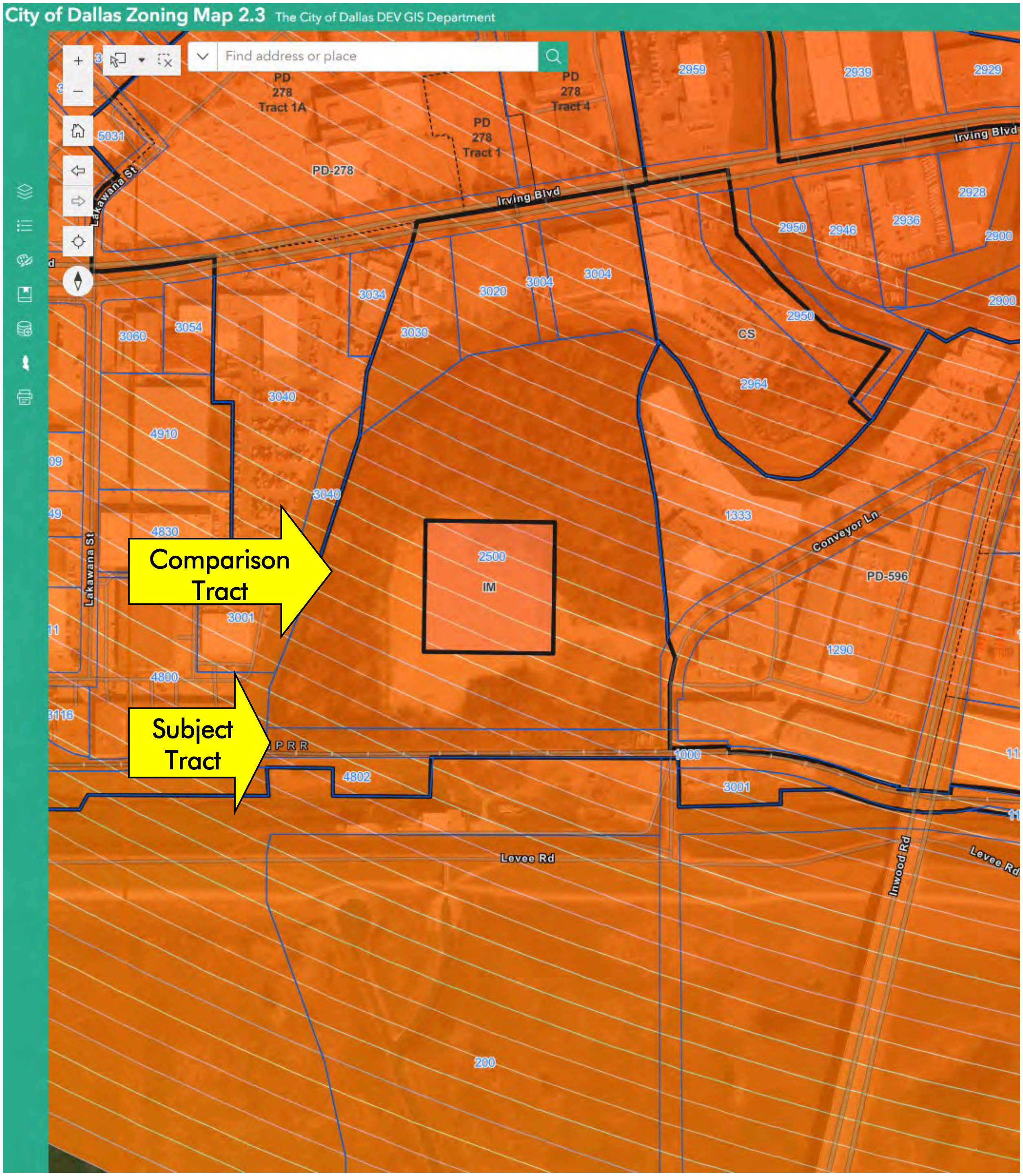
ZONING SUMMARY	
Current Zoning	IM - Industrial Manufacturing
Legally Conforming	N/A - Land
Uses Permitted	The purpose of the Industrial Manufacturing District is for heavy industrial Manufacturing uses with accompanying open storage and support commercial uses. This district is not intended to be located in or near areas of residential development.
Zoning Change	Not likely
Category	**Zoning Requirement**
Minimum Lot Size	None
Minimum Lot Width	None
Maximum Height	110 Feet
Minimum Setbacks	
Front Yard	15 Feet (adjacent to expressway or thoroughfare); 0 Feet in other cases
Street Side Yard	0 Feet
Interior Side Yard	30 Feet
Rear Yard	30 Feet (adjacent to or across alley from RA, D, RH, CH, AF);) 0 Feet in other cases
Maximum Lot Coverage	80%
Source: Planning & Zoning Dept.	

ANALYSIS AND CONCLUSION

The above information is based upon publicly-available data and is not a substitute for a site-specific development plan that has been reviewed and approved by the municipality. Additional information may be obtained from the appropriate governmental authority. For purposes of this appraisal, CBRE has assumed the information obtained is correct.

ZONING MAP

Source: City of Dallas



TAX AND ASSESSMENT DATA

As mentioned previously, according to the Dallas County Appraisal District, there is no separate tax record for the subject tract. However, we have provided the tax and assessment data for the comparison tract. As such, the following summarizes the local assessor's estimate of the subject's market value, assessed value, and taxes, and does not include any furniture, fixtures or equipment.

TAX INFORMATION	
Assessor Account ID(s) (Comparison Tract)	00000778189000000
Tax Year	2024
Assessed Land Acres	36.769 AC
Assessed Land SF	1,601,658 SF
Assessor Land Value	$8,809,120
Assessor Total Market Value	$8,809,120
Assessor Land Value/AC	$239,580
Assessor Land Value/SF	$5.50
Tax Rate	2.235030
Total Taxes	$196,886
Tax Exemption	None
	Based on our anlaysis, the assessed land value appears to be below market value.

It should be noted that the tax information utilized herein is from 2024 as data for 2025 is not available as of the date of this report. Further, as noted previously, there is a discrepancy between the comparison tract size provided by the Dallas County Appraisal District (36.769 acres as shown above) and the size utilized for the comparison tract in our analysis herein. We have based the comparison tract size for our analysis on the most recent deed conveyance.

The local Assessor's methodology for valuation is based upon mass appraisal techniques. It is not known how the Appraisal District estimated the size of the land. The reassessment of the subject is scheduled each January with notices sent to property owners in April or May. Texas is a nondisclosure state, and a sale of a property does not necessarily trigger an assessment increase to the sales price. In theory, the assessed value is supposed to mirror the actual market value of the property. In actuality, the assessed value can vary from market value.

Highest and Best Use

In appraisal practice, the concept of highest and best use represents the premise upon which value is based. The four criteria the highest and best use must meet are:

- legally permissible;
- physically possible;
- financially feasible; and
- maximally productive.

The highest and best use analysis of the subject is discussed below.

AS VACANT – SUBJECT TRACT

Legal Permissibility

As discussed previously, the subject tract is located within the City of Dallas and is subject to the IM-Industrial Manufacturing zoning restrictions. Industrial uses are considered legally permissible. As noted previously, there is an existing railroad easement encumbering the subject tract. There are no other known easements or encroachments impacting the subject tract that are considered to impact marketability or highest and best use. There are no known covenants, conditions, or restrictions impacting the subject tract that are considered to affect the marketability or highest and best use.

Physical Possibility

The subject tract has access to public utilities. According to FEMA Flood Maps, the subject tract is situated within Zone X (Shaded) which is designated as a reduced risk zone resulting from the levee. Further, as noted previously, the physical characteristics of the subject tract significantly limit its development potential and marketability given the irregular long and narrow shape and limited depth. The subject tract physically possible uses are limited to being used in conjunction with the adjacent 36.801-acre comparison tract.

Financial Feasibility

Consideration to existing land use trends has been given in determining feasible uses. The determination of financial feasibility is dependent primarily on the relationship of supply and demand for the legally probable land uses versus the cost to create the uses. As noted previously, the subject tract is not considered to be an independent economic unit. From a financially feasible perspective and given the lack of independent development potential for the subject tract, the financially feasible use of the subject tract is being used in conjunction with the adjacent 36.801-acre comparison tract for industrial use, time and circumstances warranted.

Maximum Productivity - Conclusion

Based on the information presented above and upon information contained in the Area and Neighborhood analysis, the highest and best use of the subject tract, as vacant, is in conjunction with the adjacent 36.801-acre comparison tract for industrial use, time and circumstances warranted.

AS VACANT – COMPARISON TRACT

Legal Permissibility

Similar to the subject tract, the comparison tract is located within the City of Dallas and is subject to the IM-Industrial Manufacturing zoning restrictions. Industrial uses are considered legally permissible. There are no known easements or encroachments impacting the comparison tract that are considered to impact marketability or highest and best use. There are no known covenants, conditions, or restrictions impacting the comparison tract that are considered to affect the marketability or highest and best use.

Physical Possibility

The comparison tract has access to public utilities. According to FEMA Flood Maps, the subject tract is situated within Zone X (Shaded) which is designated as a reduced risk zone resulting from the levee. Further, the comparison tract has an adequate shape and size, etc., to be a separately developable site. There are no known physical reasons why the comparison tract would not support any legally probable development (i.e. it appears adequate for development).

Financial Feasibility

Consideration to existing land use trends has been given in determining feasible uses. The determination of financial feasibility is dependent primarily on the relationship of supply and demand for the legally probable land uses versus the cost to create the uses. Only those uses that are physically possible and legally permissible are given further consideration. Based on our analysis of the market, there is currently demand for industrial uses in the comparison tract's area. It appears that an industrial use on the site would have a value commensurate with its cost. Considering the size of the comparison tract as a whole, other surrounding land uses, it's location attributes, and other factors, it is our opinion that holding the comparison tract for industrial use would be reasonable and appropriate, time and circumstances warranted.

Maximum Productivity - Conclusion

Based on the information presented above and upon information contained in the market and neighborhood analysis, we conclude that the highest and best use of the comparison tract as if vacant would be for industrial use, time and circumstances warranted. Our analysis of the comparison tract and its respective market characteristics indicate the most likely buyer, as vacant, would be a developer or owner-user.

Appraisal Methodology

In appraisal practice, an approach to value is included or omitted based on its applicability to the property type being valued and the quality and quantity of information available.

Sales Comparison Approach

The Sales Comparison Approach utilizes sales of comparable properties, adjusted for differences, to indicate a value for the subject. Valuation is typically accomplished using physical units of comparison such as price per square foot, price per unit, price per floor, etc., or economic units of comparison such as gross rent multiplier. Adjustments are applied to the physical units of comparison derived from the comparable sale. The unit of comparison chosen for the subject is then used to yield a total value. Economic units of comparison are not adjusted, but rather analyzed as to relevant differences, with the final estimate derived based on the general comparisons.

Cost Approach

The Cost Approach is based on the proposition that the informed purchaser would pay no more for the subject than the cost to produce a substitute property with equivalent utility. This approach is particularly applicable when the property being appraised involves relatively new improvements that represent the highest and best use of the land, or when it is improved with relatively unique or specialized improvements for which there exist few sales or leases of comparable properties.

Income Capitalization Approach

The Income Capitalization Approach reflects the subject's income-producing capabilities. This approach is based on the assumption that value is created by the expectation of benefits to be derived in the future. Specifically estimated is the amount an investor would be willing to pay to receive an income stream plus reversion value from a property over a period of time. The two common valuation techniques associated with the income capitalization approach are direct capitalization and the discounted cash flow (DCF) analysis.

Across the Fence (ATF) Methodology

As discussed in the Scope of Work section of this report, the appraiser has valued the subject using the Across the Fence (ATF) Valuation methodology, a variation of the sales comparison approach to value. The other methodologies discussed above are used primarily when comparable land sales data is available. Therefore, these approaches have not been used.

The ATF methodology relies on the principle of substitution, assuming a prudent purchaser would not pay more for a property than it would cost to assemble. To estimate the ATF value, the appraiser has utilized a variation of the sales comparison approach to value. The following is the process to arrive at an ATF value for the subject tract.

In determining the ATF value, we take into account the highest and best use of the adjacent property. This is based on the concept of what the highest and best use would be if the property enjoyed the typical characteristics of lots found adjacent to the subject tract (“across the fence”) rather than the subject’s actual characteristics (e.g., shape, size, access, etc.). The site adjacent to the subject tract consists of an industrial building currently under construction, valued as a vacant tract of land. This use is consistent with the prevalent use in the primary market area.

Comparable land sales are gathered from the primary market area. The comparables are adjusted for conditions of sale, market conditions, location, size, shape, frontage/access, physical features and utilities. The comparables are then reconciled to estimate the per square foot value for the comparison tract and applied to the subject tract.

Methodology Applicable to the Subject

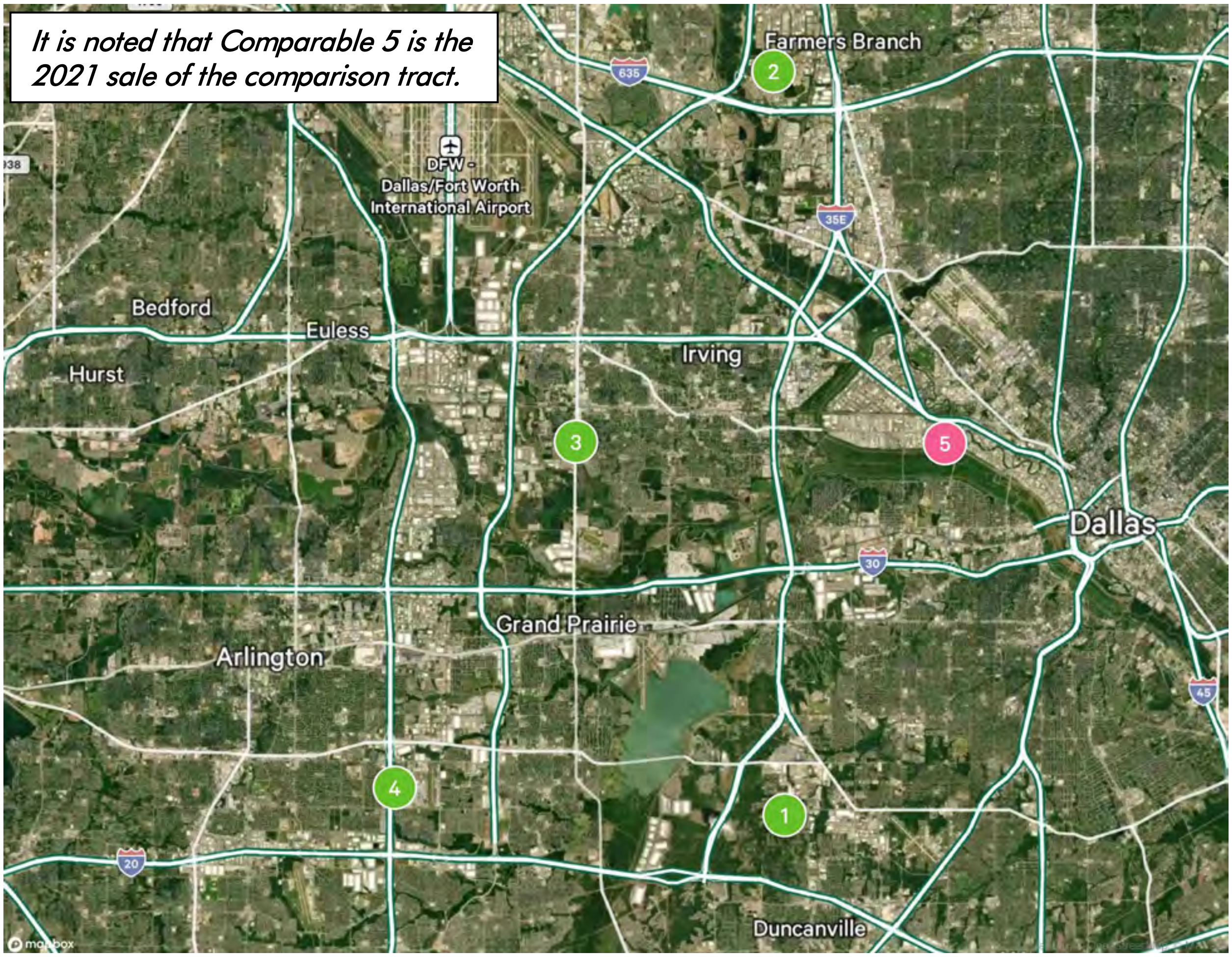
• CBRE, Inc. analyzed the data gathered through the use of appropriate and accepted appraisal methodology to arrive at a probable value indication via each applicable approach to value. The sales comparison approach for land is utilized to develop an opinion of land value because market participants rely on this method. The subject is valued as vacant land so the cost approach is not applicable. The subject is valued as vacant land and so the sales comparison approach for improved property is not applicable. Being valued as vacant land, the income approach for improved property is not applicable. Furthermore, surface rights in this area are not purchased based on income production..

Land Value

LAND SALES ADJUSTMENT GRID						
	Subject	Comp No. 1	Comp No. 2	Comp No. 3	Comp No. 4	Comp No. 5
Grantor		CHRISTIAN LARRY D & TEXAS STANDARD CONSTRUCTION LTD	BHCP Farmers Branch LP	67ECO LLC	Chuan Kuen Liu	City of Highland Park
Grantee		BCG W LEDBETTER TX LLC	Valley View Lane LLC	SP Shady Grove Rd Grand Prairie TX LLC	RLP III Red Hawk Owner LLC	Chipt Dallas Conveyor, LP
Date of Sale		Mar-23	Feb-23	Aug-22	Jul-22	Sep-21
Address	W/L of Conveyor Lane, East of N. Westmoreland Road	5412, 5420 and 5523 W Ledbetter Drive	1751 Valley View Lane	SWQ E. Shady Grove Rd. and Belt Line Rd.	2617 S. State Highway 360	2500 Conveyor Lane
City, State	Dallas, TX	Dallas, TX	Farmers Branch, TX	Grand Prairie and Irving, TX	Arlington, TX	Dallas, TX
Gross Acres	36.801*	20.012	7.357	73.975	12.498	36.801
Gross Square Feet	1,603,060*	871,722	320,471	3,222,358	544,411	1,603,060
Actual Sale Price		$5,230,332	$3,124,591	$27,500,000	$8,201,000	$9,200,000
Unit Price	Per SF	$6.00	$9.75	$8.53	$15.06	$5.74
Property Rights Conveyed						
Financing						
Conditions of Sale						
Market Conditions (Time)	10%	0%	0%	0%	0%	5%
Adjusted $/SF		$6.00	$9.75	$8.53	$15.06	$6.03
Location		10%	-10%		-10%	
Size			-20%	10%	-15%	
Shape						
Frontage/Access			-10%	-10%	-10%	
Physical Features			10%	10%		
Utilities						
Net Adjustment		10%	-30%	10%	-35%	0%
Indicated Unit Value		**$6.60**	**$6.83**	**$9.38**	**$9.79**	**$6.03**
Estimated Unit Value				$7.00		
Compiled by CBRE						

**As discussed previously, the subject tract consists of 3.281 acre, or 142,918 square feet in size and part of a corridor. In the Highest and Best Use section of this analysis, it was determined the subject tract's highest and best use is a use in conjunction with the adjacent 36.801-acre tract of land or "comparison tract" noted throughout. Due to the subject tract's lack of independent development potential, the subject will be valued with an "At the Fence" methodology as if it were utilized in conjunction with the adjacent 36.801-acre comparison tract. The discussion of the physical characteristics of the comparison tract are located in the site analysis, as well as the physically possible discussion in the highest and best use. The adjustments that follow are based upon the physical characteristics of the comparison tract. Further it is noted that Comparable 5 shown above is the 2021 sale of the comparison tract; therefore, no adjustments are made except those for market conditions.*

The following map summarizes the comparable data used in the valuation of the comparison tract. A detailed description of each transaction is included in the addenda.



SUMMARY OF COMPARABLE LAND SALES							
		Transaction			Actual Sale	Size	Price
No.	Property Location	Type	Date	Proposed Use	Price	(Acres)	Per SF
1	5412, 5420 and 5523 W Ledbetter Drive Dallas, TX 75236	Sale	Mar-23	Industrial	$5,230,332	20.012	$6.00
2	1751 Valley View Lane Farmers Branch, TX 75234	Sale	Feb-23	Future 100,000 Sf office building	$3,124,591	7.357	$9.75
3	SWQ E. Shady Grove Rd. and Belt Line Rd. Grand Prairie and Irving, TX 75060	Sale	Aug-22	Industrial	$27,500,000	73.975	$8.53
4	2617 S. State Highway 360 Arlington, TX 75052	Sale	Jul-22	Industrial	$8,201,000	12.498	$15.06
5	2500 Conveyor Lane Dallas, TX 75247	Sale	Sep-21	Industrial Development	$9,200,000	36.801	$5.74
Subject	W/L of Conveyor Lane, East of N. Westmoreland Road, Dallas, Texas	---	---	Industrial use in conjunction with adjoining 36.801 acre tract of land	---	3.281	---
Comparison Tract	2500 Conveyor Lane, Dallas, Texas			Industrial		36.801	

[1] Adjusted sale price for cash equivalency and/or development costs (where applicable)
Compiled by CBRE

DISCUSSION OF ADJUSTMENTS

As a result of the physical limitations of the subject tract, the subject tract will be valued utilizing an "At the Fence" methodology. The subject tract will be valued as if was utilized in conjunction with the adjacent 36.801-acre comparison tract and the below discussion of adjustments are based upon the physical characteristics of this tract of land. In addition, it is reiterated that Comparable 5 is the 2021 sale of the comparison tract; therefore, no adjustments are made except those for market conditions.

CONDITIONS OF SALE/FINANCING

All sales were indicated to be cash-to-seller transactions or financed by a third party at market terms and none appeared to occur under duress. As such, no adjustments for cash equivalency were necessary. In addition, the sales reflected arm's length transactions; therefore, no adjustments for conditions of sale were warranted.

MARKET CONDITIONS

According to area brokers and our analysis of land sales in this market, appreciation rates had been trending upward prior to Federal interest rate increase which began in March 2022. An upward adjustment at a rate of 10% per year growth rate was utilized to reflect improving market conditions since the date of sale through March of 2022. This rate is based on discussions with market participants and the trends concluded from the industrial report provided by CoStar for the West Brookhollow submarket, specifically the percentage change in asking rents from 2021 ($7.79 per square foot) to 2022 ($8.62 per square foot) when the interest rates increased, and the growth rate reportedly stalled. Comparable 5 is the 2021 sale of the comparison tract and required an upward adjustment for market conditions.

LOCATION

Comparable 1 is considered inferior with regard to location compared to the comparison tract based on the site being located in an area with inferior surrounding development. An upward adjustment was warranted. Comparables 2 and 4 are considered superior with regard to location compared to the comparison tract based on these sites being located in areas with superior surrounding development. Downward adjustments were warranted. Comparable 3 is considered similar with regard to location compared to the comparison tract and no adjustment was warranted. Comparable 5 is the sale of the comparison tract and no adjustment for location was warranted.

SIZE

Comparable1 is considered similar in size compared to the comparison tract and no adjustment was warranted. Comparables 2 and 4 are adjusted downward for their smaller sizes compared to the comparison tract. Comparable 3 is adjusted upward for its larger size compared to the comparison tract. Comparable 5 is the sale of the comparison tract and no adjustment for size was warranted.

SHAPE

All comparables are considered similar to the comparison tract with regard to shape and are not adjusted.

FRONTAGE/ACCESS

Comparable 1 is considered similar with regard to frontage/access compared to the comparison tract and no adjustment was warranted. Comparable 2, 3 and 4 are considered superior for frontage/access, compared to the comparison tract, warranting downward adjustments. Comparison 5 is the sale of the comparison tract and no adjustment for frontage/access was warranted.

PHYSICAL FEATURES

Comparables 1 and 4 are considered similar with regard to physical features compared to the comparison tract and no adjustments were warranted. Comparables 2 and 3 are considered inferior with regard to physical features compared to the comparison tract based on the flood encumbrance on these sites. Upward adjustments were warranted. Comparable 5 is the sale of the comparison tract and no adjustment for physical features was warranted.

UTILITIES

The subject has access to public utilities. All of the comparables are considered similar with regard to utilities access and are not adjusted.

CONCLUSION

Based on the preceding analysis, generally all comparables were given consideration. Primary consideration was given to Comparable 1 due to this sale warranting the least amount of adjustments. Secondary consideration was given to Comparable 5 as it is the 2021 sale of the comparison tract. In conclusion, a price per square foot of $7.00 was deemed appropriate for the comparison tract.

As previously discussed, the subject tract was previously part of a rail corridor. If the land area in a rail line were sold it would most likely have value only to the neighboring property owners, as the narrow strip of land is not conducive to independent development as a stand-alone economic unit. Therefore, the value of the comparison tract has been applied to the subject tract to obtain the fee simple value, prior to accounting for significantly limited functional utility of the site. Due to the long and narrow shape and limited depth of the site along with the site only having essentially one potential buyer (the adjacent tract to the north), we have discounted the subject tract 90% for its status as an uneconomic unit. This discount is based on an uneconomic remnant study that shows a discount range of 70-94% for properties with similar highest and best use compared to the subject. These uneconomic remnant pairings are provided in the Addenda. As such, the value estimate of the subject tract is shown in the table below.

CONCLUDED LAND VALUE

	$ PSF		SF			Unrounded		Total
HP-105	$7.00	x	142,918	@	10%	$100,042.60	=	$100,043
Indicated Value:								$100,043

Compiled by CBRE

Reconciliation of Value

The value indications from the approaches to value are summarized as follows:

SUMMARY OF VALUE CONCLUSIONS	
Land Value	$100,043
Cost Approach	N/A
Sales Comparison Approach	N/A
Income Capitalization Approach	N/A
Compiled by CBRE	

Based on the foregoing, the market value of the subject tract has been concluded as follows:

MARKET VALUE CONCLUSION			
Appraisal Premise	Interest Appraised	Date of Value	Value Conclusion
As Is	Fee Simple Estate with Easement Encumbrance	March 19, 2025	$100,043
Compiled by CBRE			

Assumptions and Limiting Conditions

1. CBRE, Inc. through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:

(i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.

(ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.

(iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.

(iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.

(v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.

(vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.

(vii) All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, nor national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.

(viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently or super-efficiently.

(ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.

(x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.

(xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

4. CBRE has assumed that all documents, data and information furnished by or behalf of the client, property owner, or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including without limitation any termite inspection, survey or occupancy permit.
6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections.
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.
12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.

13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.
16. CBRE, Inc. is not qualified to detect the existence of any potentially hazardous materials such as lead paint, asbestos, urea formaldehyde foam insulation, or other potentially hazardous construction materials on or in the land or improvements. The existence of such substances may affect the value of the property. For the purpose of this assignment, we have assumed there are no hazardous materials that would cause a loss in value to the subject.
17. A soils analysis for the site has not been provided for the preparation of this appraisal. In the absence of a soils report, it is a specific assumption that the site has adequate soils to support the highest and best use.

ADDENDA

Addendum A

LAND SALE DATA SHEETS

Sale — Land - Industrial — No. 1

Property Name	20.01 Acres Industrial Land
Address	5412, 5420 and 5523 W Ledbetter Drive Dallas, TX 75236
County	DALLAS
Govt./Tax ID	Multiple
Area Measurement(NRA)	
Land Area Net	20.012 ac/ 871,722 sf
Land Area Gross	20.012 ac/ 871,722 sf
Site Development Status	Raw
Utilities	All to Site
Maximum FAR	N/A
Max Allow Bldg Units/Density	N/A
Min Land Bldg Ratio	N/A
Shape	Rectangular
Primary Frontage	644 ft on W Ledbetter Drive
Secondary Frontage	N/A
Topography	Generally Level
Flood Zone Class	Zone X (Unshaded)
Flood Panel No./ Date	48113C0460K/ Jul 2014
Zoning	IR, Industrial Research
Entitlement Status	N/A
Proposed Use or Development	Industrial

Transaction Details

Type	Sale	Primary Verification	John Gorman, Holt Lunsford
Interest Transferred	Fee Simple	Transaction Date	03/03/2023
Condition of Sale	None	Recording Date	03/03/2023
Recorded Buyer	BCG W LEDBETTER TX LLC	Sale Price	$5,230,332
Buyer Type	N/A	Financing	Cash to Seller
Recorded Seller	CHRISTIAN LARRY D & TEXAS STANDARD CONSTRUCTION LTD	Cash Equivalent	$5,230,332
Marketing Time	N/A	Capital Adjustment	$0
Listing Broker	N/A	% Interest Purchased	100%
Doc #	202300044020 and 202300043983	Adjusted Price	$5,230,332
		Adjusted Price / ac and / sf	**$261,360 / $6.00**
		Adjusted Price/ FAR	**N/A**
		Adjusted Price/ Unit	**N/A**

Comments

This comparable represents a 20.01-acre tract of land comprised of three parcels which includes addresses 5420, 5412, 5512 & 5523 W Ledbetter Drive in Dallas, TX. The site is rectangular in shape with a generally level topography and is situated entirely in Flood Zone X (Unshaded). At the time of sale, the shovel-ready vacant tract was zoned IR, Industrial Research and reportedly had all utilities available to site. According to the listing broker, the tract sold in March 2023 for approximately $5,230,332, or $6.00 per square foot.

Sale | Land - Industrial | No. 2

Property Name	1751 Valley View Lane
Address	1751 Valley View Lane Farmers Branch, TX 75234
County	Dallas
Govt./Tax ID	65092674510400000
Area Measurement(NRA)	
Land Area Net	7.357 ac/ 320,471 sf
Land Area Gross	7.357 ac/ 320,471 sf
Site Development Status	Finished
Utilities	All to site
Maximum FAR	N/A
Max Allow Bldg Units/Density	N/A
Min Land Bldg Ratio	N/A
Shape	Irregular
Primary Frontage	N/A on Valley View
Secondary Frontage	N/A on Davis
Topography	Generally Level
Flood Zone Class	N/A
Flood Panel No./ Date	N/A
Zoning	PD-77
Entitlement Status	N/A
Proposed Use or Development	Future 100,000 Sf office building

Transaction Details

Type	Sale	Primary Verification	Tim Terrell Broker
Interest Transferred	Fee Simple	Transaction Date	02/16/2023
Condition of Sale	None	Recording Date	02/16/2023
Recorded Buyer	Valley View Lane LLC	Sale Price	$3,124,591
Buyer Type	Private Investor	Financing	Cash to Seller
Recorded Seller	BHCP Farmers Branch LP	Cash Equivalent	$3,124,591
Marketing Time	N/A	Capital Adjustment	$0
Listing Broker	Tim Terrell 214-267-0406	% Interest Purchased	100%
Doc #	202300029829	Adjusted Price	$3,124,591
		Adjusted Price / ac and / sf	**$424,710 / $9.75**
		Adjusted Price/ FAR	**N/A**
		Adjusted Price/ Unit	**N/A**

Comments

This property is located at the northwest corner of Valley View Lane and Davis Court in Farmers Branch, Texas. The property also has frontage on Keegan Bridge Road. It is located adjacent to low rise light industrial and office development as well as soccer fields. The property has a level topography and is served by all utilities.

The selling broker indicated that this site had required remediation due to a prior use where it was used as a dumping site. After the time of sale the property received all applicable state and local environmental clearances. The broker indicated that if this property were "clean" at time of sale, it would have more likely have sold in the $13 to $14 psf range.

Sale — Land - Industrial — No. 3

Property Name	Industrial Land
Address	SWQ E. Shady Grove Rd. and Belt Line Rd. Grand Prairie and Irving, TX 75060
County	Dallas
Govt./Tax ID	Multiple
Area Measurement(NRA)	
Land Area Net	73.975 ac/ 3,222,358 sf
Land Area Gross	73.975 ac/ 3,222,358 sf
Site Development Status	Raw
Utilities	All available
Maximum FAR	N/A
Max Allow Bldg Units/Density	N/A
Min Land Bldg Ratio	N/A
Shape	Irregular
Primary Frontage	N/A on E. Shady Grove Rd.
Secondary Frontage	N/A on S. Belt Line Rd.
Topography	Moderate Slope
Flood Zone Class	Zone X (Unshaded)
Flood Panel No./ Date	48113C0315L/ Mar 2019
Zoning	PD-430 (LI) and MFW
Entitlement Status	N/A
Proposed Use or Development	Industrial

Transaction Details

Type	Sale	Primary Verification	Buyer
Interest Transferred	Fee Simple	Transaction Date	08/15/2022
Condition of Sale	None noted	Recording Date	08/15/2022
Recorded Buyer	SP Shady Grove Rd Grand Prairie TX LLC	Sale Price	$27,500,000
Buyer Type	Developer	Financing	Cash to Seller
Recorded Seller	67ECO LLC	Cash Equivalent	$27,500,000
Marketing Time	N/A	Capital Adjustment	$0
Listing Broker	N/A	% Interest Purchased	100%
Doc #	202200222020	Adjusted Price	$27,500,000
		Adjusted Price / ac and / sf	**$371,746 / $8.53**
		Adjusted Price/ FAR	**N/A**
		Adjusted Price/ Unit	**N/A**

Comments

This comparable represents a 73.98-acre tract in the southwest quadrant of E. Shady Grove Road and S. Belt Line Road in Grand Prairie and Irving, TX. The site is irregular in shape with moderately sloping topography and adequate frontage on both E. Shady Grove Road and S. Belt Line Road. At the time of sale, the vacant tract was zoned J, Medium Industrial, and had all utilities available. The site had approximately 17.58 acres within the 100-year floodplain that will be utilized for drainage/retention areas as part of an industrial development. The tract sold in August 2022 for $27,500,000 or $8.53 per square foot. It was purchased for the development of a 3-building speculative industrial project.

Sale Land - Industrial No. 4

Property Name	Industrial Land
Address	2617 S. State Highway 360 Arlington, TX 75052
County	Tarrant
Govt./Tax ID	Multiple
Area Measurement(GBA)	214,801.00
Land Area Net	12.498 ac/ 544,411 sf
Land Area Gross	12.498 ac/ 544,411 sf
Site Development Status	Raw
Utilities	All available
Maximum FAR	N/A
Max Allow Bldg Units/Density	N/A
Min Land Bldg Ratio	N/A
Shape	Rectangular
Primary Frontage	745 ft on SH-360
Secondary Frontage	720 ft on Red Hawk Dr.
Topography	Generally Level
Flood Zone Class	Zone X (Unshaded)
Flood Panel No./ Date	48439C0360L/ Mar 2019
Zoning	LI, Light Industrial
Entitlement Status	N/A
Proposed Use or Development	Industrial

Transaction Details

Type	Sale	Primary Verification	Buyer
Interest Transferred	Fee Simple	Transaction Date	07/27/2022
Condition of Sale	None noted	Recording Date	07/27/2022
Recorded Buyer	RLP III Red Hawk Owner LLC	Sale Price	$8,201,000
Buyer Type	Developer	Financing	Cash to Seller
Recorded Seller	Chuan Kuen Liu	Cash Equivalent	$8,201,000
Marketing Time	N/A	Capital Adjustment	$0
Listing Broker	N/A	% Interest Purchased	100%
Doc #	D222188246	Adjusted Price	$8,201,000
		Adjusted Price / ac and / sf	**$656,185 / $15.06**
		Adjusted Price/ FAR	**N/A**
		Adjusted Price/ Unit	**N/A**

Comments

This comparable represents a 12.50-acre tract at 2617 S. State Highway 360 in Arlington, TX. The site is rectangular in shape with generally level topography and adequate frontage on State Highway 360 and Red Hawk Drive. At the time of sale, the vacant tract was zoned LI, Light Industrial, and had all utilities available. The tract sold in July 2022 for $8,201,000 or $15.06 per square foot. It was purchased for development of a speculative, 214,801-square foot, industrial warehouse.

Sale | Land - Industrial | No. 5

Property Name	36.8012 Acres of Vacant Land	
Address	2500 Conveyor Lane Dallas, TX 75247	
County	Dallas	
Govt./Tax ID	00000778189000000	
Area Measurement(NRA)		
Land Area Net	36.801 ac/ 1,603,060 sf	
Land Area Gross	36.801 ac/ 1,603,060 sf	
Site Development Status	Raw	
Utilities	All to site	
Maximum FAR	N/A	
Max Allow Bldg Units/Density	N/A	
Min Land Bldg Ratio	N/A	
Shape	Irregular	
Primary Frontage	N/A	
Secondary Frontage	N/A	
Topography	Generally Level	
Flood Zone Class	Zone X (Shaded)	
Flood Panel No./ Date	48113C0340J/ Aug 2001	
Zoning	IM - Industrial Manufacturing	
Entitlement Status	N/A	
Proposed Use or Development	Industrial Development	

Transaction Details

Type	Sale	Primary Verification	Contract of Sale
Interest Transferred	Fee Simple	Transaction Date	09/13/2021
Condition of Sale	None	Recording Date	09/13/2021
Recorded Buyer	Chipt Dallas Conveyor, LP	Sale Price	$9,200,000
Buyer Type	N/A	Financing	Cash to Seller
Recorded Seller	City of Highland Park	Cash Equivalent	$9,200,000
Marketing Time	N/A	Capital Adjustment	$0
Listing Broker	N/A	% Interest Purchased	100%
Doc #	202100273302	Adjusted Price	$9,200,000
		Adjusted Price / ac and / sf	**$249,992 / $5.74**
		Adjusted Price/ FAR	**N/A**
		Adjusted Price/ Unit	**N/A**

Comments

This is the sale of 36.8012 acres of vacant land located at 2500 Conveyor Lane in Dallas. The site has an irregular shape and has a generally level topography. According to FEMA flood maps the site is entirely situated within Zone X (Shaded). In addition, the site is zoned "IM: Industrial Manufacturing" by the City of Dallas. The site was purchased for future industrial development. The site sold in September 2021 for $9,200,000, or $5.74 per square foot.

Addendum B

PROJECT INFORMATION

Field Notes Describing a 3.281 Acre Tract of Land in City Block No. 7929 to be Acquired from the City of Highland Park

Being a 142,918 square foot (3.281 Acre) tract of land situated in the E. Durbin Survey, Abstract Number 384, and the G.W. Dooley Survey, Abstract Number 390, Dallas County, Texas, lying in Block 7929, official City of Dallas Block Numbers, and being a part of the land conveyed to the City of Highland Park by deed recorded in Volume 2307, Page 511 of the Deed Records of Dallas County, Texas and being more particularly described as follows:

BEGINNING at a 5/8 inch dia. Iron Rod with cap marked "DALLAS" (hereinafter referred to as "5/8"I.R. w/COD cap") set at the Northeast corner of the herein described tract of land, lying on the East line of Conveyor Lane, a 100-foot wide Right-of-Way by deed recorded in Volume 3572, Page 356 of the Deed Records of Dallas County, Texas, being also the West line of Block A/7929 of the Trinity Service Center Addition, an addition to the City of Dallas recorded in Volume 68086, Page 2480 of the Deed Records of Dallas County, Texas:

THENCE South 00°40'24" East with the common line between said Block A/7929 and the herein described tract of land a distance of 104.00 feet to a 5/8"I.R. w/COD cap set at the Southeast corner of the herein described tract of land, lying on the West line of a tract of land conveyed to the City of Dallas by deed recorded in Instrument Number 200900184476 of the Official Public records of Dallas County, Texas, and lying on the North line of a tract of land conveyed to the City of Dallas by deed recorded in Volume 74029, Page 777 of the Deed Records of Dallas County, Texas:

THENCE South 89°19'36" West with the common line between said City of Dallas property and the herein described tract of land a distance of 1,374.17 feet to the intersection with the East line of the Old Channel of the West Fork of the Trinity River, conveyed to the City of Dallas by Texas Senate Bill 44, Dated March 30, 1925, being also the Southwest corner of the herein describe tract of land, *FROM WHICH* a 5/8" I.R. w/COD cap set on the Centerline of said channel bears South 89°19'36" West a distance of 101.20 feet:

THENCE North 00°10'48" East with the East line of said channel a distance of 104.01 feet to the intersection with the South line of a tract of land conveyed to Chipt Dallas Conveyor, LP by deed recorded in Instrument Number 202100273302 of the Official Public Records of Dallas County, Texas:

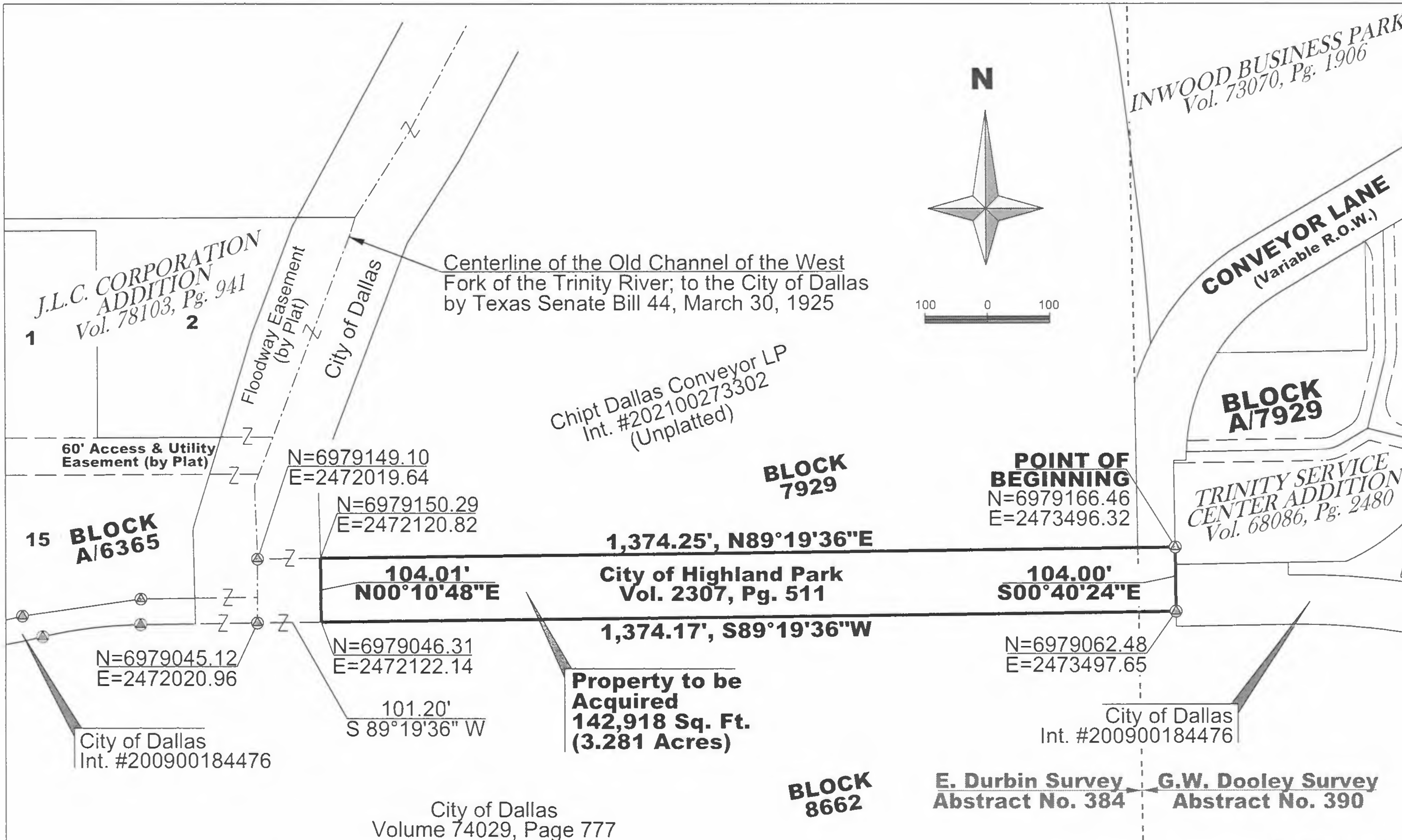
THENCE North 89°19'36" East, with common line between said Chipt tract and the herein descript tract of land a distance of 1,374.25 feet to the **POINT OF BEGINNING**, containing 142,918 Square Feet, or 3.281 Acres of land.

BASIS OF BEARINGS: Bearings are based on the State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983, Realization of 2011.

Scott Holt
4/18/2024

STATE OF TEXAS REGISTERED SCOTT RAY HOLT 4895 PROFESSIONAL LAND SURVEYOR

Sheet 1 of 2 Tract HP-105

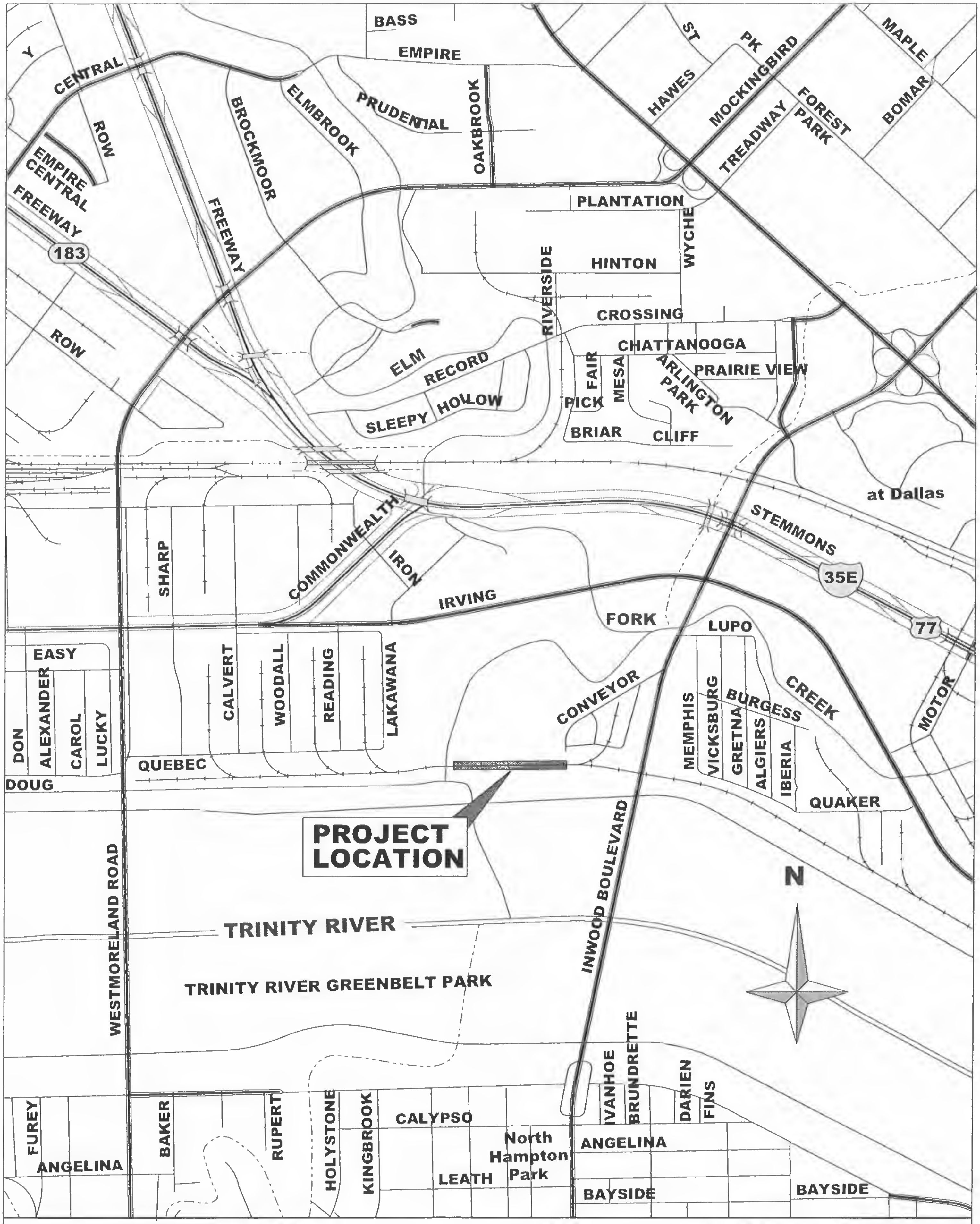


Sheet 2 of 2

⊚ Indicates a 5/8-inch diameter iron rod with City of Dallas Cap.

1. Controlling Monuments are Shown on Drawing No. 320R-408 in City of Dallas Survey Records Vault
2. BASIS OF BEARINGS: Bearings are based on the State Plane Coordinate System, Texas North Central Zone 4202, North American Datum of 1983 (2011).
3. Coordinates shown are State Plane Coordinats System Values, Texas North Central Zone 4202, North American Datum of 1983, Realization of 2011, No Scale, No Projection.

HAMPTON PUMP STATION				
City of Highland Park Property				
TRACT HP-105				
DEPARTMENT OF PUBLIC WORKS				
SURVEY DIVISION CITY OF DALLAS, TEXAS				
OPER.NAME	DESIGN FILE NAME		SCALE	DATE
S. Holt	N:\ENGR\SURVEY\HOLT\TRINITY\ Railroad Properties.dgn		As Noted	4-16-24
PARTY CHIEF	CALCULATIONS	FOLDER	FILE NO.	
Prunty	S. Holt	Trinity Railroad Properties	320R-408	



HAMPTON PUMP STATION LOCATION MAP

City of Dallas

January 30, 2025

Michael Danella
Fort Worth District, U.S. Army Corps of Engineers
819 Taylor St.
Fort Worth, TX 76012

RE: Trinity River Main Stem and Record Crossing Sump Floodplain Mapping Tract HP-105

Dear Mr. Danella,

This letter addresses the floodplain mapping and regulation for the parcel identified as Tract HP-105 as described in the field notes included with this letter. Discussions between the City of Dallas and the U.S. Army Corps of Engineers (USACE) revealed discrepancies between FEMA's National Flood Hazard Layer (NFHL) and its 2020 Physical Map Revision (PMR). FEMA's NFHL shows this parcel mostly within Zone X: Area with Reduced Risk due to Levee and partially within the regulatory floodway; whereas the 2020 PMR mapping shows this parcel mostly within the 500-year floodplain, with it partially within the regulatory floodway, 100-year floodplain, and Zone X: Area with Reduced Risk due to Levee. The City of Dallas has determined that the parcel is still subject to the following requirements:

City Regulatory Requirements:

- Floodway encroachments are prohibited unless FEMA issues a Conditional Letter of Map Revision (CLOMR).
- Floodplain reclamation requires both a City-issued Fill Permit and a FEMA Letter of Map Revision (LOMR).
- Development activities that do not reclaim floodplain requires a City-issued Floodplain Alteration.

The NFHL, effective since 2001, is used for flood insurance purposes but does not reflect current flood risk. Since 2001, the City of Dallas and USACE have implemented improvements to the Dallas Floodway. To update floodplain mapping with newer data, FEMA issued the 2020 PMR, which is publicly available via FEMA's Flood Map Change Viewer, Map Service Center, and the City of Dallas Zoning Map.

Per City of Dallas regulations, development is governed by both the effective NFHL and the most up-to-date floodplain maps. While the NFHL guides flood insurance decisions, the 2020 PMR, based on FEMA's 2017 Corridor Development Certificate (CDC) Model and completed Cooperation Technical Partners studies, regulates development. The CDC model accounts for completed projects like the Chain of Wetlands but excludes proposed projects such as the Cadillac Heights and Lamar Levees. The Cooperation Technical Partners studies accounts for completed stormwater pump station improvements along the East and West Levees. Consequently, the Base Flood Elevation (BFE) along Tract HP-105 have changed, resulting in revised 100-year floodplain boundaries.

FEMA is currently updating the 2020 PMR to include approved Letters of Map Revision (LOMRs) and levee accreditations which will delay its adoption. These updates are expected to have minimal or no impact on the BFE at Tract HP-105 already shown on the 2020 PMR. Should you have any questions, please contact Floodplain Management at 214-671-2219.

Sincerely,

David Phan, P.E., CFM
Engineering Program Administrator
Dallas Water Utilities

CC: Sarah Standifer, Director. DWU
Zachary Peoples, Deputy Director, DWU
Eduardo Valerio, P.E., Assistant Director, DWU
Raheel Khan, P.E., CFM, Sr. Engineer, DWU
Chris Roman, Chief Real Estate Specialist, DWU
Chris Gunter, Sr. Assistant City Attorney, CAO

Attachment/s: *Tract HP-105 – legal description.pdf*

STATEMENT OF WORK

Project: Dallas Floodway Extension
Non-Federal Sponsor: City of Dallas
Tract: DFE _____________

1. Background: The Dallas Floodway Extension (DFE) Project is a partnership between local, state, and federal governments. The project is located in the City of Dallas, beginning at Eighth Street on the north generally paralleling the Trinity River to beyond IH-20 on the south. The DFE Project includes:

- Extension of the Cadillac Heights and Lamar Street Levees
- A combination of the Lower and Upper Chain of Wetlands, with upper and lower swales separated by IH-45
- Various grasslands and woodland areas
- Approximately 30 miles recreational trails
- Environmental mitigation of 1,179 acres along the Trinity River (primarily located within the Great Trinity Forest)
- The restoration of the Rochester Levee System and the Central Wastewater Treatment Plant

Overall, the cornerstone of DFE is the reduction of flood risk to the City of Dallas.

Through this Statement of Work (SOW), the City of Dallas (City) and the U.S. Corps of Engineers (USACE), Fort Worth District, is requesting a cost proposal for the appraisal of ____ acre(s) tract of land that is located at ____________ in Dallas County, Texas.

The subject property has been identified as being needed for the implementation of the DFE Project. A typical appraisal can involve the valuation of either a whole or partial acquisition in fee and any damages and/or benefits that may occur as a result of the acquisitions. Given the subject is privately owned real property and will be acquired by the City**, State Rules of Compensation will apply.**

The contractor **MUST be licensed by the State of Texas as a Certified General Appraiser** and provide all labor, materials, equipment, and transportation necessary to prepare an appraisal that is compliant (as appropriate) with the current version of the Uniform Standards of Professional Appraisal Practice (USPAP), requirements for an acquisition appraisal as established by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act) , as amended and its implementing Federal Regulation at 49 CFR Part 24, and applicable laws of the State of Texas. If the appraiser determines that a Hypothetical Condition, Extraordinary Assumption, and/or Jurisdictional Exception, may be required for the appraisal, the appraiser **MUST** obtain **written approval** from the following Point of Contact (POC) prior to proceeding with the appraisal assignment.

The POC for Appraisal Content and Methodology is:

- William (Clay) Miller
- U.S. Army Corps of Engineers, Fort Worth District
- 819 Taylor Street
- Fort Worth, TX 76102
- Telephone 817-886-1164
- Email – william.c.miller@usace.army.mil

Each appraisal will be reviewed internally by a qualified Government Review Appraiser and any findings of inadequacy by the Review Appraiser will **require clarification and/or correction prior to acceptance of the appraisal report.**

2. Client: The Client is the City of Dallas and the U.S. Army Corps of Engineers.

3. Intended Users: The City of Dallas and authorized personnel of the U.S. Army Corps of Engineers.

4. Intended Use: The Intended Use is a determination of fair market value for the acquisition of the subject property by the City of Dallas. Ultimately, value of the property will be used to determine LERRD Crediting by the U.S. Army Corps of Engineers.

5. Estate to be Acquired/Interest to be Appraised:

5.1 In the before condition, the estate to be appraised is fee simple for the whole.

5.2 In the after condition, the estate to be appraised for the remainder will be fee simple.

5.3 Fee Acquisition:
The estate of the area being acquired will be as follows:

The fee simple title to (the land described in _________) (Tract Nos.__, __, and __), Subject, however, to existing easement for public roads and highways, public utilities, railroads, and pipelines.*

**Where an outstanding interest in the subsurface mineral estate is part of a block ownership which is to be excluded from the taking in accordance with paragraph 5-289 (2), the following clause will be added: "excepting and excluding from the taking all interests in the (coal) (oil and gas) which are outstanding in parties other than the surface owners and all appurtenant rights for the exploration, development and removal of said (coal) (oil and gas) so excluded."*

6. Appraisal Services: The Contractor shall provide all labor, materials, equipment, and transportation to prepare self-contained narrative appraisal report, under State

Rules of Compensation that is compliant with USPAP and requirements for acquisition appraisal established by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act) and its implementing Federal Regulation at 49 CFR Part 24, and applicable laws of the State of Texas.

7. Property to be appraised: The property to be appraised may either be a whole or partial acquisition and may or may not include improvements. A survey for the proposed acquisition area will be provided by the City.

8. Effective Date and Date of Report: Both the effective valuation date of the appraisal and the date of the report shall be included in the Executive Summary of Salient Facts and Conclusions section of the report. The term effective date shall be used to identify the date of value. Date of the report identifies the date the report is written/completed.

9. Owner Contact and Property Visitation: The appraiser **MUST** contact the owner of the property or their designated representative to obtain permission to inspect the property and offer them the opportunity to accompany the appraiser during the site visit. The appraiser shall make a personal visit to the property. The appraisal report shall state the owner's or designated representative's name, address, telephone number, and the date(s) of contact. The appraiser shall briefly describe the owner's/designee's participation in the site visit and summarize any comments made by the owner/designee regarding the proposed acquisition. This information will be included in the Executive Summary of Salient Facts and Conclusions section of the report.

10. Ten-Year History of the Subject Property: The appraiser shall include the 10-year sales history of the subject property (including the whole property or portions). If no sale has not occurred in the past 10-years, report and analyze the last sale of the property, irrespective of date. When relevant, the last sale should be included and analyzed as a comparable in the Sales Comparison Approach.

11. Rental History: The appraiser shall report the lease history of the property for at least the past 3-years. All current leases shall be reported including the date, name of tenant, rental amount, term of the lease, parties responsible for property expenses, and other pertinent lease provisions.

12. Market Value: Market Value is defined as:

> "Market Value is the price which the property would bring when it is offered for sale by one who desires, but is not obliged to sell, and is bought by one who is under no necessity of buying it, taking into consideration all of the uses to which it is reasonably adaptable and for which it either is or in all reasonable probability will become available within the reasonable future." C*ity of Austin v. Cannizzo*, 267 S.W. 2d 808 (Tex. 1954)

13. Legal Descriptions: A survey of the acquisition area will be provided by the City.

14. Extraordinary Assumptions: There are no extraordinary assumptions for this assignment. If the appraiser identifies an issue that may require an extraordinary assumption, the POC shall be notified immediately for specific **written approval**.

15. Hypothetical Conditions: No hypothetical conditions are allowed without specific **written approval** from the POC.

16. Unit Rule: The property must be valued under State Rules of Compensation as a whole with due consideration of all of the components that make up its value.

17. Larger Parcel: Discussion of the larger parcel is essential to the appraiser's conclusion of highest and best use. The larger parcel is defined as the tract or tracts of land that possess a unity of use, unity of ownership, and physical unity (contiguous) considered in the context of integrated highest and best use. It is critical that the appraiser determine the larger parcel in order to complete a compliant appraisal (before and after) and determine any damages that may occur to the remainder in the "after".

18. Property Improvements: When applicable the appraiser shall include measurements and photographs of all property improvements including any tenant improvements. The salvage value of all improvements is also required for compliance with the Uniform Act. Any personal property items shall be identified in the report but not valued. Any controversies or issues discovered or identified by the appraiser must be brought to the attention of the POC. Partial acquisitions sometime result in the After Condition, remainders that have little or no value or utility to the owner. When encountered, the appraisal report shall include a clear identification if the remainder meets the conditions to be classified as an un-economic remainder.

19. Appraisal Format: For partial acquisitions, the appraisal shall follow and include items in the following format. The format may be modified as necessary and inapplicable items may be omitted.

- **Introduction**
  - Title Page
  - Letter of Transmittal
  - Table of Contents
  - Appraiser's Certification
  - Executive Summary of Salient Facts and Conclusions
  - Photographs
  - Statement of Assumptions & Limiting Conditions
  - Scope of Appraisal

- **Factual Data - Before Acquisition**

- Legal Description
    - Area, City, and Neighborhood Data
    - Property Data
    - Site
    - Improvements
    - Fixtures
    - Use History
    - Sales History
    - Rental History
    - Assessed Value and Annual Tax Load
    - Zoning and Other Land Use Regulations

- **Data Analysis and Conclusions - Before Acquisition**
    - Highest and Best Use
    - Four Tests
    - Larger Parcel
    - Land Valuation
    - Sales Comparison Approach
    - Subdivision Development Method
    - Cost Approach
    - Sales Comparison Approach
    - Income Capitalization Approach
    - Reconciliation and Final Opinion of Market Value - Before Acquisition

- **Data - After Acquisition**
    - Legal Description
    - Neighborhood Factors
    - Property Data
    - Site
    - Improvements
    - Fixtures
    - Use History
    - Sales History
    - Rental History
    - Assessed Value and Annual Tax Load
    - Zoning and Other Land Use Regulations

- **Data Analysis and Conclusions - After Acquisition**
    - Analysis of Highest and Best Use
    - Land Valuation
    - Cost Approach
    - Sales Comparison Approach
    - Income Capitalization Approach
    - Reconciliation and Final Opinion of Market Value - After Acquisition

- **Acquisition Analysis**
    - Recapitulation
    - Allocation and Damages
    - Special Benefits

- **Exhibit and Addenda**
    - Location Map
    - Comparable Data Maps
    - Details of Comparable Sales and Rental Data
    - Plot Plan
    - Floor Plan
    - Title Evidence Report (if available)
    - Other Pertinent Exhibits
    - Qualifications of Appraiser(s)

20. Appraiser's Certification: The appraisal report shall include an appraiser's signed certification that is consistent with the certification requirements of USPAP Standard 2. In addition, the following statements related to these Standards must be included:

- The appraisal was developed, and the appraisal report was prepared in conformity with USPAP, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act), and applicable laws of the State of Texas;
- The appraisal was developed, and the appraisal report prepared in conformance with the USPAP and complies with USPAP's Jurisdiction Exception Rule when invoked by Section 1.2.7.2 of the Uniform Appraisal Standards for Federal Land Acquisitions; and
- The appraiser has made a physical inspection of the property appraised and that the property owner, or designated representative, was given the opportunity to accompany the appraiser on the property inspection.

21. Photographs and Maps: The appraiser shall include photos of all major improvements, any unusual or unique features on the subject properties. Each photo should be numbered and show the identification of the property, the date taken, the name of the person taking the photo, and the direction of the camera lens.

The appraiser should be aware that if the Government can't voluntarily acquire, the land may be substantially altered, and improvements demolished prior to a final decision in a condemnation trial. Photos are important in documentation of the condition of the subject property as of the effective date of the appraisal.

Photos of each comparable sale are also required, and each photo shall include the date taken and the name of the person taking the photo. Maps should be legible and show directional orientation. The locations of the comparable sales and the subject property should be shown on the same maps so that the reader of the report can understand the relative proximity.

22. Comparable Sales: Documentation of each comparable sale shall include the name of the buyer and seller, date of the sale, type of sale instrument, document recording information, sale price, terms of the sale, location, zoning, present use, high and best use, and a brief physical description of the property. A plot plan or sketch shall also be included. Inclusion of transfer document (deed or contract) is not required or desirable unless it is unusual. The contracted appraiser shall personally visit each comparable used in the analysis.

23. Environmental Issues: The subject properties are to be appraised "as is" as of the effective date of the appraisal. Inclusion of the assumption that the property is free of contamination from hazardous substances when there is evidence by past use of the property or by the appraiser's site visit that the property may, in fact, be contaminated is not acceptable.

24. Appraiser Qualifications and State Certification: The appraiser **MUST be licensed in the State of Texas as a Certified General Real Estate Appraiser and have knowledge and experience in the development of an Appraisal compliant with State Rules of Compensation.** The appraiser must also have the knowledge and experience to complete the assignment competently as required by the USPAP Competency Rule.

25. Copies of Appraisal Report: The appraiser shall submit one (1) signed electronic version (pdf) for the appraisal.

26. Due Date and Acceptance of Appraisal Reports: The appraisal is due __ calendar days after the call award. The appraisal reports will be reviewed for compliance with the terms of this SOW and USPAP internally by a qualified Government Review Appraiser. Any findings of inadequacy by the Review Appraiser will **require clarification and/or correction prior to acceptance of the appraisal report.**

27. Confidentiality: The appraiser's valuations and appraisal reports are considered confidential information and the appraiser should not divulge his findings and opinions to anyone except the City and authorized personnel of the U.S. Army Corps of Engineers.

28. Attachment/Technical Exhibit List:

Addendum C

COMPARISON TRACT INFORMATION

Dallas Central Appraisal District

Home | Find Property | Contact Us

Commercial Account #00000778189000000

Location Owner Legal Desc Value Improvements Land Exemptions Estimated Taxes Building Footprint History

Location (Current 2025)

Address: 2500 CONVEYOR LN
Market Area: 0
Mapsco: 43-D (DALLAS)

DCAD Property Map

View Photo

2024 Appraisal Notice

41.13 ARB Order Information

Electronic Documents (DCAD ENS*)

Notice Of Estimated Taxes (ENS*)

* Electronic Notification System

Print Homestead Exemption Form

Owner (Current 2025)

CHIPT DALLAS CONVEYOR LP
3819 MAPLE AVE
DALLAS, TEXAS 752193913

Multi-Owner (Current 2025)

Owner Name	Ownership %
CHIPT DALLAS CONVEYOR LP	100%

Legal Desc (Current 2025)

1: BLK 7929
2: TR 1 ACS 36.769
3:
4: INT202100273302 DD09132021 CO-DC
5: 7929 000 00100 2DA7929 000
Deed Transfer Date: 9/13/2021

Value

2024 Certified Values	
Improvement: **Land:** **Market Value:**	$0 + $8,809,120 =$8,809,120
Tax Agent: RYAN LLC DA	
Revaluation Year:	2023
Previous Revaluation Year:	2022

Land (2024 Certified Values)

#	State Code	Zoning	Frontage (ft)	Depth (ft)	Area	Pricing Method	Unit Price	Market Adjustment	Adjusted Price	Ag Land
1	INDUSTRIAL - VACANT PLOTTED LOTS/TRACTS	INDUSTRIAL RESEARCH DISTRICT	1	0	1,601,658.0000 SQUARE FEET	STANDARD	$5.50	0%	$8,809,119	N

*** All Exemption information reflects 2024 Certified Values. ***

Exemptions (2024 Certified Values)

No Exemptions

Estimated Taxes (2024 Certified Values)

	City	School	County and School Equalization	College	Hospital	Special District
Taxing Jurisdiction	DALLAS	DALLAS ISD	DALLAS COUNTY	DALLAS COLLEGE	PARKLAND HOSPITAL	UNASSIGNED
Tax Rate per $100	$0.7047	$0.997235	$0.2155	$0.105595	$0.212	N/A
Taxable Value	$8,809,120	$8,809,120	$8,809,120	$8,809,120	$8,809,120	$0
Estimated Taxes	$62,077.87	$87,847.63	$18,983.65	$9,301.99	$18,675.33	N/A
Tax Ceiling					N/A	N/A
					Total Estimated Taxes:	**$196,886.47**

DO NOT PAY TAXES BASED ON THESE ESTIMATED TAXES. You will receive an **official tax bill** from the appropriate agency when they are prepared. Please note that if there is an Over65 or Disabled Person **Tax Ceiling** displayed above, **it is NOT reflected** in the Total Estimated Taxes calculation provided. Taxes are collected by the agency sending you the **official** tax bill. To see a listing of agencies that collect taxes for your property. **Click Here**

The estimated taxes are provided as a courtesy and should not be relied upon in making financial or other decisions. The Dallas Central Appraisal District (DCAD) does not control the tax rate nor the amount of the taxes, as that is the responsibility of each Taxing Jurisdiction. Questions about your taxes should be directed to the appropriate taxing jurisdiction. We cannot assist you in these matters. These tax estimates are calculated by using the most current certified taxable value multiplied by the most current tax rate. **It does not take into account other special or unique tax scenarios, like a tax ceiling, etc.**. If you wish to calculate taxes yourself, you may use the Tax Calculator to assist you.

Building Footprint (Current 2025)

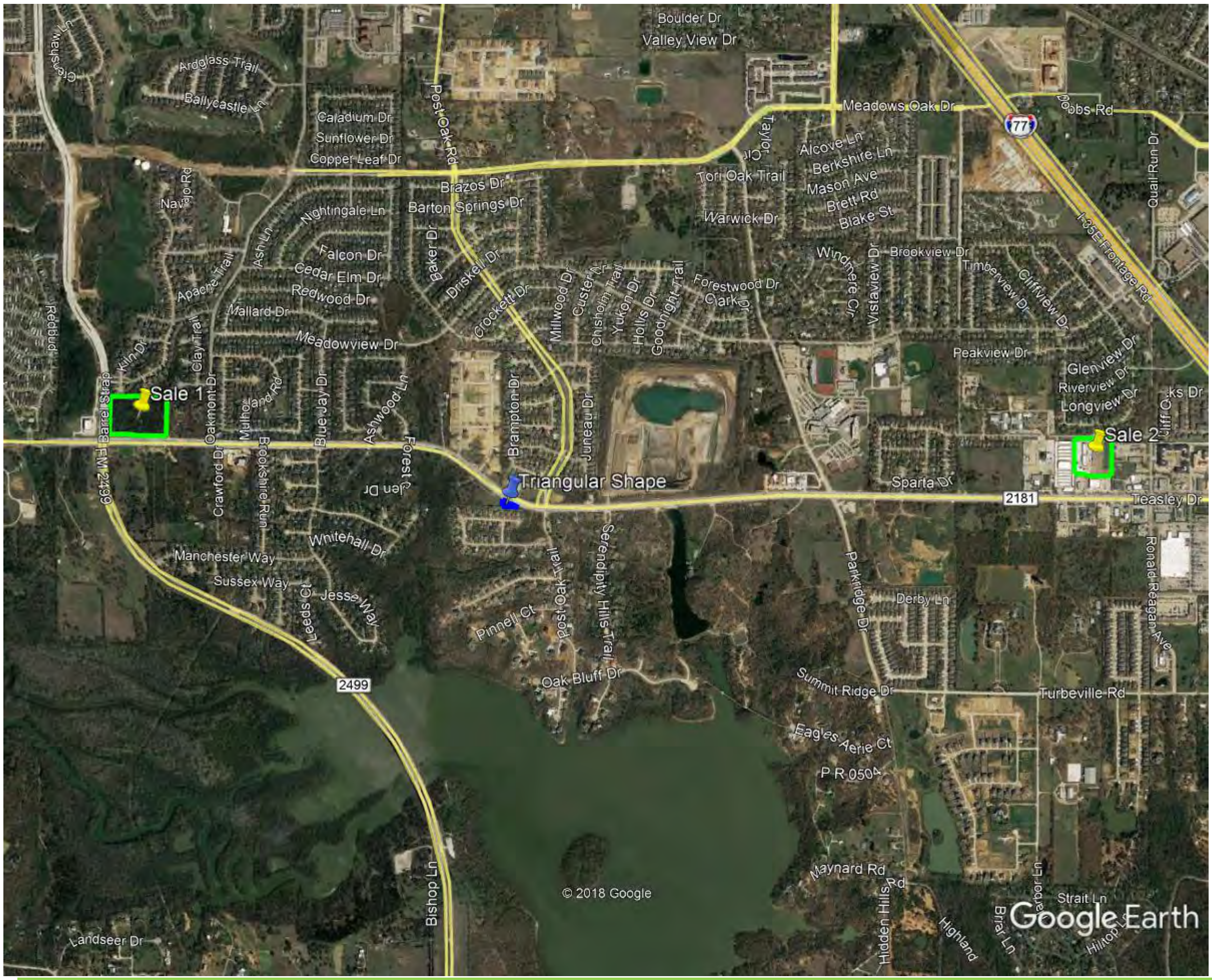
Building Footprint Not Available

History

Addendum D

UNECONOMIC UNIT PAIRINGS

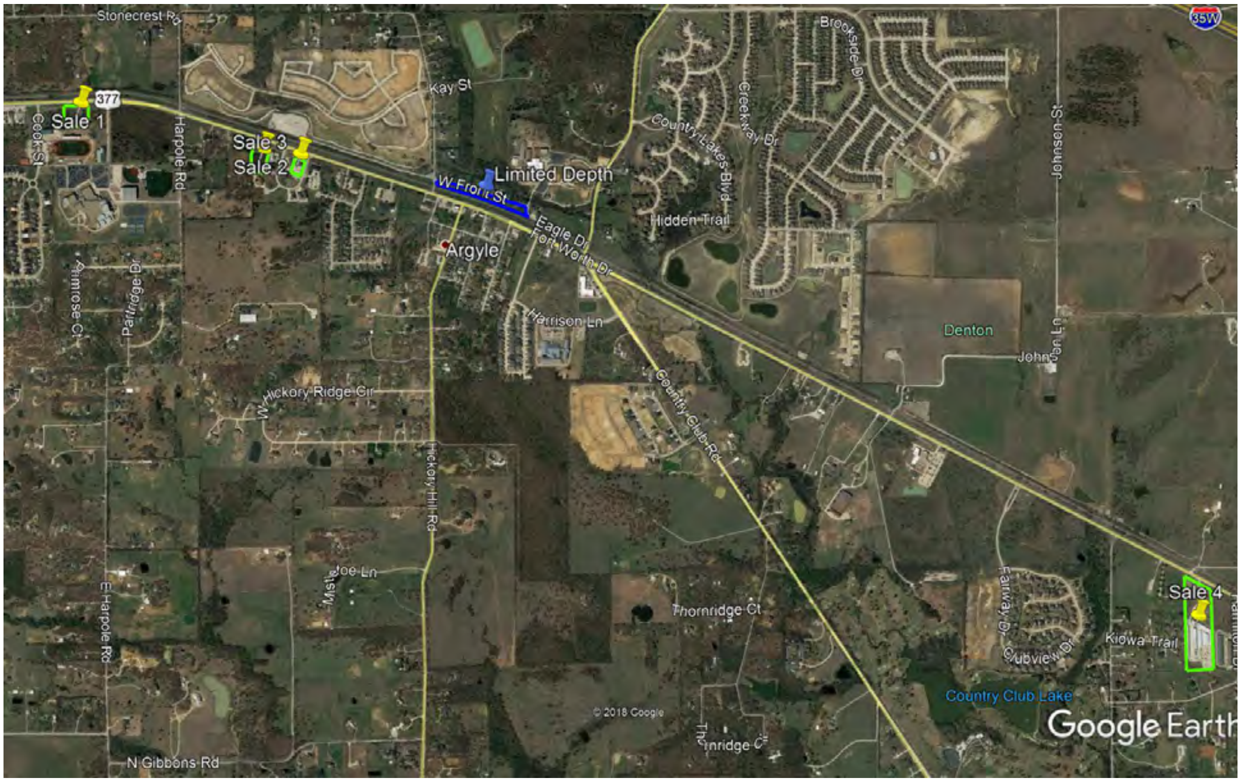
#1: Small, Triangular Tract – Corinth, TX



	Variable	Sale 1	Sale 2
Location	2300 FM 2181	NEC FM 2181 & FM 2499	
Use	Vacant Land	Retail (Future QuickTrip)	Self-Storage
Date of Sale	2/28/2018	11/16/2016	3/7/2016
Price Per SF	**$2.41**	$7.50/SF	$4.52/SF
Time Adjustment	8% annually	+ 10% = $8.25/SF	+ 8% = $4.88
Size/Adjustment	0.230 Acre	10.381 Acres / + 30%	4.974 Acres (Net) /+ 15%
Adj. Price Per SF		$10.73/SF Superior Location	$5.61/SF Similar Location
Indicated Value without Shape Condition		**$8.00/SF**	

- Small Size, Triangular Shape
- **Indicated Discount of 70%**

#2: Shallow Depth – Argyle, TX



Sale #	Close Date	Acres	Close Price	$/SF	$/AC
1	11/15/2002	2.550	$407,254	$3.67	$159,707
2	4/30/2003	2.000	$328,000	$3.76	$164,000
3	2/20/2009	0.759	$225,000	$6.80	$296,425
4	1/22/2007	10.900	$687,500	$1.45	$63,073
Variable	1/31/2007	3.408	$35,580	$0.24	$10,440

Each sale was purchased for commercial development or as an investment in a commercially zoned area. Sale 4 had inferior access to sewer service. The sale with limited depth was former railroad land and ranged from 60 to 120 feet between W. Front Street and the remaining rail road line. Based on sales at the time, the site would likely have been worth around $4.00 per square foot if it had typical depth. The buyer had no particular plans for the site except to hold the property until the market is ready for development.

- Shallow Depth
- Indicated Discount of 94%

Addendum E

QUALIFICATIONS

PROFILE

Client Types

- Major National Lenders
- Global RIET's
- Governmental Agencies
- Engineering / Acquisition Firms
- Local / Regional Lenders

Education

- University of Texas at Arlington, Arlington, Texas
  - Master of Business Administration
- Abilene Christian University, Abilene, Texas
  - Bachelor of Administration in Management/Marketing
- Appraisal Institute and Other Professional Courses

VALUATION & ADVISORY SERVICES / NATIONAL STRATEGIC GROWTH

Micah Beck, MAI, R/W-AC

Head of Strategic Growth, Fort Worth, TX
T +1 817 806 1037
M +1 817 781 9810
E micah.beck@cbre.com

Professional Experience

Micah Beck, MAI, R/W-AC is a Senior Managing Director and Head of Strategic Growth for CBRE's Valuation & Advisory Services (VAS). In this role, Micah is responsible for building a strategy to develop national offerings outside of the core appraisal services. He is accountable for identifying and capturing new sources of revenue for new and existing clients.

Previously, Micah was Head of the South-Central region for VAS, a six-state territory including Kansas, Missouri, Arkansas, Oklahoma, Louisiana and Texas. Since joining CBRE in 2011, he has provided valuation services for a wide variety of property types across this region.

A large portion of Micah's career has been focused around litigation support. He has been certified as an expert witness in both State and Federal court and is frequently retained to provide valuation services for litigation support purposes such as eminent domain, tax assessment dispute and bankruptcy. Additionally, he has experience providing a wide variety of valuations, consultations, reviews, pre-foreclosure analysis, market studies and contingent valuation surveys for both commercial and residential properties.

Professional Affiliations

APPRAISAL INSTITUTE

- Appraisal Institute, Designated Member (MAI)
- International Right of Way Association, Right of Way Certified Designation
- Appraisal Institute, Central Texas Chapter Board of Directors
- Approved Appraiser on the FHA Roster
- Beta Gamma Sigma, Honor Society for AACSB Business Programs, Member

Accreditations

CERTIFIED GENERAL REAL ESTATE APPRAISER

- State of Texas, No. 1380017

RIGHT OF WAY APPRAISAL – FORT WORTH

Allison Jackson, SR/WA, R/W-AC

Vice President, Fort Worth, TX
T +1 817 806 1042
M +1 817 899 6440
E Allison.jackson@cbre.com
Lic. TX 1380451-G

Pro Affiliations / Accreditations

- Certified General Appraiser, State of Texas
- International Right of Way Association, Chapter 36 Member (SR/WA, R/W-AC Designations)
- Appraisal Institute, Candidate for Designation

Education

- Texas A&M University, College Station, Texas
- Master of Real Estate (2009)
- Bachelor of Business Administration, Marketing (2008)
- Successfully completed numerous real estate related courses and seminars sponsored by the International Right of Way and the Appraisal Institute

Professional Experience

Allison Jackson, SR/WA, R/W-AC, is a Vice President of the Valuation & Advisory Services Group within the South-Central Region. Located in the Fort Worth office, Ms. Jackson has over a decade of real estate appraisal and consulting experience throughout the State of Texas, with a primary focus on right of way valuations and expert witness testimony support.

Prior to joining CBRE in 2018, Ms. Jackson was with JLL after their 2016 acquisition of her previous employer, Integra Realty Resources. Ms. Jackson was with Integra Realty Resources for over eight years serving as an Analyst before being promoted to Senior Analyst. During her tenure, she assisted in valuation and consulting services on various property types, working extensively on eminent domain assignments.

Ms. Jackson's experience in appraisal includes projects for the Texas Department of Transportation (TxDOT), various local municipalities, Trinity River Authority (TRA), ONCOR, Dallas Area Rapid Transit, Tarrant Regional Water District, TEXRail and various other pipeline and electrical transmission line companies.

Ms. Jackson is a senior right of way professional within the International Right of Way Association as she holds the SR/WA, and R/W-AC designations. In addition, Ms. Jackson is a Candidate for Designation within the Appraisal Institute actively pursuing her MAI designation.

Town of Highland Park
Town Council
Tuesday, January 6, 2026

Item Coversheet

Take action on the minutes of the Town Council meeting held on December 2, 2025.

PRESENTED BY: Joanna Mekeal, Town Secretary

BACKGROUND:

Minutes of the Town Council meeting held on December 2, 2025.

RECOMMENDATION

Staff recommends approval.

FINANCIAL IMPACT

This item has no financial impact.

ATTACHMENTS

2025-12-2 TC Minutes

MINUTES OF A MEETING OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, HELD AT THE TOWN HALL, 4700 DREXEL DRIVE, HIGHLAND PARK, TX, 75205, AT 8:00 A.M. ON TUESDAY, DECEMBER 2, 2025.

Mayor Will C. Beecherl, Mayor Pro Tem Don Snell, and Council Members Alan Friedman, Marc Myers, Lydia Novakov, and Leland White attended the meeting.

I. Mayor Will C. Beecherl called the meeting to order at 8:00 a.m.

II. Mayor Will C. Beecherl gave the Invocation.

III. PUBLIC COMMENT

Mayor Beecherl asked if anyone wished to address the Town Council about any item listed on the agenda and explained that the Town Council may not discuss or make decisions on items not listed on the agenda. Public comments are limited to three minutes per speaker unless otherwise required by law. Items suggested for action may be placed on a future agenda at the Town Council's discretion. No comment was made.

IV. RECOGNITION

Recognition of the Certificate of Achievement for Excellence in Financial Reporting awarded by the Government Finance Officers Association for the Town's 2024 Annual Comprehensive Financial Report. John Samford, C.P.A, Director of Finance, stated that the Town of Highland Park has participated in the Government Finance Officers Association ("GFOA") Certificate of Achievement program since 1982 and has earned the award 43 times. This certificate is the highest recognition in governmental accounting. As of November 13, 2025, the Town is one of only 37 municipalities in Texas and 916 nationwide to receive the award for the Fiscal Year ending in 2024. This achievement reflects the collective efforts of the Town's Finance Department team. The award would not have been possible without the support and leadership of Tobin Maples, Town Administrator, and Taylor Lough, Assistant Town Administrator, as well as the Finance and Audit Advisory Committee, and the Mayor and Town Council.

Recognition and presentation of the ICC/IAEI ElectriCity Certificate for the Town of Highland Park. Jeff Armstrong, A.I.C.P, explained that ElectriCity is an ICC/IAEI recognition program that honors cities and towns that demonstrate a strong commitment to electrical safety, professional training, and code compliance. Town employees recently completed IAEI's ElectriCity training for residential/commercial electrical inspection, which equips staff with essential knowledge for consistent, high-quality inspections.

V. CONSENT AGENDA

On a motion made by Mayor Pro Tem Don Snell, seconded by Council Member Marc Myers, the Town Council voted unanimously to approve Items A. through J. on the Consent Agenda. Prior to the vote, Mayor Beecherl explained that all items under the Consent Agenda are considered routine or discussed at a previous meeting. There will be no separate discussion of items unless a request by a Council Member is made prior to the Town Council voting on the motion.

A. *Take action on the purchase of a replacement vehicle for the Parks Department.*
B. *Take action on FY25-26 DPS Capital Expenditure - Ambulance purchase.*
C. *Take action on FY25-26 DPS Capital Expenditure - TASER weapons platform purchase.*
D. *Take action on the revisions to the Highland Park Library's Material Selection Policy.*
E. *Take action on the purchase of water meters as part of the FY 2026 Annual Water Meter Replacement Program.*
F. *Take action on the 2026 Town Council meeting schedule.*
G. *Take action on an Ordinance Releasing and Abandoning a Portion of Public Right-of-Way Between 4224 and 4216 Armstrong Parkway.*
H. *Take action on the minutes of the Special Town Council Meeting held on November 3, 2025.*
I. *Take action on the minutes of the Town Council meeting held on November 4, 2025.*
J. *Take action on the minutes of the Town Council study session held on November 4, 2025.*

VI. MAIN AGENDA

A. Review, discuss, and take action to extend the construction time period for a new single-family residence at 3821 Gillon Ave from November 30, 2025, to February 1, 2026. An extension of two months. Jeff Armstrong, A.I.C.P, Director of Community Development, stated that the applicant, James Cox of Hawkins-Welwood Homes, requests a two-month extension of the building permit for the new residence at 3821 Gillon Avenue, issued initially on May 17, 2023, and previously extended by the Town Council to November 30, 2025. The additional extension to February 1, 2026, is needed to complete interior work by mid-December and exterior work by the end of January. Staff recommends approval with a condition requiring implementation of the Construction Management Plan, limiting the project to four parking placards, consistent with recent large-scale residential projects. No citizen complaints have been recorded. On a motion made by Council Member Alan Friedman, seconded by Council Member Lydia Novakov, the Town Council voted unanimously to approve an extension of the construction time period for a new single-family residence at 3821 Gillon Ave from November 30, 2025, to February 1, 2026. An extension of two months.

B. Review, discuss, and take action on acceptance of donations from the Highland Park Quality of Life Foundation to the Department of Public Safety and the Highland Park Library. Chuck McGinnis, Director of the Department of Public Safety, and Kortney Nelson, Town Librarian, explained that on November 10, 2025, the Highland Park Quality of Life Foundation ("HPQLF") held its Annual Meeting to review funding requests from Town departments. The Board approved several initiatives benefiting the Highland Park Department of Public Safety ("HP DPS") and the Highland Park Library. HP DPS requested support for two projects: (1) the purchase of Cowboy hats as part of sworn officers' uniforms and (2) the establishment of a rifle program, including the procurement of rifles, ammunition, and reimbursement for training time. The Board authorized funding not to exceed $370,000 to cover both initiatives. The Library presented a series of online resource renewals, including America's News & HeritageHub, Consumer Reports, JSTOR, Kanopy, The New York Times Digital Access, WSJ.com, and others, as well as funding for two recurring immersive events. Additional proposals included 3D printing technology, archival display furnishings, and a mobile kitchen cart to expand culinary programming. The Board approved funding not to exceed $85,000 for these renewals and new projects. Per Town policy, any donation exceeding $50,000 requires Town Council approval before acceptance. On a motion made by Council Member Leland White, seconded by Mayor Pro Tem Don Snell, the Town Council voted unanimously to approve donations from the Highland Park Quality of Life Foundation to the Department of Public Safety and the Highland Park Library.

C. Review, discuss, and take action on an ordinance to amend the Fiscal Year 2025-26 Budget, with amendments, in the amount not to exceed $14,945. Taylor Lough, Assistant Town Administrator, reported that on September 2, 2025, the Town Council adopted the Fiscal Year 2025–26 Budget ("FY26 Budget") through Ordinance No. 2148. Following adoption, staff identified duplicative charges that were inadvertently applied to each case as part of the court technology and court security components of the Local Consolidated Fee. Specifically, an additional $3 per case was charged for Court Security, and an additional $4 per case was charged for Court Technology. In coordination with Judge Hammack and the Town's legal team, staff proposes issuing refunds for the overcharges collected between December 2, 2024, and September 16, 2025, when the issue was corrected. To facilitate the refunds, increases in appropriations of $8,540 in the Court Technology Fund and $6,405 in the Court Security Fund are required, to be funded through available fund balances in each respective fund. On a motion made by Town Council Member Lydia Novakov, seconded by Council Member Marc Myers, the Town Council voted unanimously to approve an ordinance to amend the Fiscal Year 2025-26 Budget, with amendments, in the amount not to exceed $14,945.

D. Review, discuss, and take action authorizing the Town Administrator to execute a service agreement with ENVIROdredge, LLC for the Exall Lake Dredging project. Lori Chapin, P.E., Director of Engineering, explained that Exall Lake, which is part of Turtle Creek, is located upstream of Exall Dam and the Pedestrian Bridge adjacent to Lakeside Drive. Silt is carried by high-velocity water within the main channel of Turtle Creek during storm events. It is deposited throughout the lake as the velocity decreases upstream of the dam. Dredging helps reset a lake's lifecycle. Portions of the lake were dredged in 2016. Additionally, in July 2024, the Town Council approved emergency dredging to remove material from Teddy Bear Cove. The Town has been working with ENVIROdredge, LLC, which provides a cost-effective removal method that includes placing large bags (i.e., 100 feet by 30 feet by 5 feet high) that remain in place for dewatering and drying. After the material dries, it is removed and disposed of at an approved facility.

ENVIROdredge, LLC, performed a sediment analysis in August 2023. In situ volumes were evaluated using a manual probe to measure the water depth and magnitude of unconsolidated sediment depth at each data point down to the hard bottom. Random measurements were taken throughout various locations of the lake, and a volume was estimated. That analysis yielded 36,400 cubic yards. Town staff have been working with the property owner at 4101 Beverly Drive and have received permission to use their property for the Exall Lake Dredging project, which includes placing the large bags, storing, dewatering, and drying the material. The Town Attorney has prepared the Access and Use License Agreement, outlining specific requirements for timing, placement, and removal, which the property owner and the Town will execute. On a motion made by Council Member Alan Friendman, seconded by Council Member Lydia Novakov, the Town Council voted unanimously to approve authorizing the Town Administrator to execute a service agreement with ENVIROdredge, LLC for the Exall Lake Dredging project.

E. Review, discuss, and take action on a resolution casting the Town's vote for the Board of Directors of the Dallas Central Appraisal District. Joanna Mekeal, T.R.M.C., stated that the Town of Highland Park is an eligible taxing entity of Dallas County. The governing body of each taxing unit is entitled to vote to elect members to the Dallas Central Appraisal District ("DCAD") Board of Directors. Votes must be cast in an open meeting by resolution, and the resolution ballot must be submitted to the Dallas Central Appraisal District ("DCAD") Chief Appraiser before December 15, 2025. DCAD provided the number of votes for each county, city, school district, and college district that is entitled to vote. The Town of Highland Park has four votes allocated. There are 13 nominees on the official ballot. The Chief Appraiser will count the votes, declare the two candidates who received the largest cumulative votes elected, and submit the results to each taxing unit and to the candidates before December 31, 2025. The Town Council is not required to cast a vote. The Town Council did not cast a vote for the Board of Directors of the Dallas Central Appraisal District.

VII. ADJOURNMENT

Mayor Beecherl adjourned the Town Council meeting at 8:35 a.m.

APPROVED on the 6th day of January 2026.

APPROVED:

Will C. Beecherl
Mayor

ATTEST:

Joanna Mekeal
Town Secretary

Town of Highland Park
Town Council
Tuesday, January 6, 2026

Item Coversheet

Take action on the minutes of the Town Council study session held on December 2, 2025.

PRESENTED BY: Joanna Mekeal, Town Secretary

BACKGROUND:

Minutes of the Town Council study session held on December 2, 2025.

RECOMMENDATION

Staff recommends approval.

FINANCIAL IMPACT

This item has no financial impact.

ATTACHMENTS

2025-12-02 TCSS Minutes

MINUTES OF A STUDY SESSION OF THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS, HELD AT TOWN HALL, 4700 DREXEL DRIVE, HIGHLAND PARK, TX, 75205, AT 8:41 A.M. ON TUESDAY, DECEMBER 2, 2025.

Mayor Will C. Beecherl, Mayor Pro Tem Don Snell, and Council Members Alan Friedman, Marc Myers, Lydia Novakov, and Leland White attended the meeting.

I. Mayor Will C. Beecherl called the meeting to order at 8:41 a.m.

II. PUBLIC COMMENT

Mayor Beecherl asked if anyone wished to address the Town Council about any item listed on the agenda and explained that the Town Council may not discuss or make decisions on items not listed on the agenda. Public comments are limited to three minutes per speaker unless otherwise required by law. Items suggested for action may be placed on a future agenda at the Town Council's discretion. There was no comment.

III. FUTURE AGENDA DISCUSSION

A. Review and discuss proposed amendments to the Town's Statement of Financial Management Policies. John Samford, C.P.A, Director of Finance, explained that the Town maintains comprehensive Financial Management Policies (“FMP”) that guide the effective administration of daily financial operations, including accounting, auditing, financial reporting, internal controls, budgeting, revenue management, treasury functions, and expenditure control. The proposed amendments update the FMP to reflect recent state legislation enacted by the 89th Texas Legislature, effective September 1, 2025, which increases the competitive bidding threshold from $50,000 to $100,000 and necessitates corresponding revisions to purchasing and approval thresholds. Additional changes include the addition of Subsection G under Section V to establish guidelines for contracts not requiring Town Council approval, clarifications to capital project appropriations and capital asset accounting, and updates to the policy glossary for improved clarity and consistency. Minor formatting, grammatical, and non-substantive edits have also been made. In response to a question made by Council Member Friedman, Mr. Samford explained that the proposed changes do not increase exposure; they will empower managers and streamline processes. The proposed changes were also discussed with auditors. In response to a question raised by Mayor Beecherl, Mr. Samford confirmed that the policy is reviewed annually to ensure it aligns with state law, fraud-prevention measures, and internal procedures.

B. Review, discuss, and consider the opportunity for a Town Council Member to request an item to be placed on a future Town Council Meeting agenda. Mayor Beecherl asked if any Town Council Member would like to request that an item be placed on a future Town Council study session agenda for discussion or consideration. There was no request made.

IV. REPORTS

A. Review and discuss the monthly Financial and Investment Report for the fiscal year ending September 30, 2025. John Samford, C.P.A., Director of Finance, presented the Financial and Investment Report, which covers the fiscal year ended September 30, 2025. This is a preliminary, unaudited end-of-year financial report, as the financial year-end close and audit are still in process. This report contains an accurate presentation of the Town's financial records as of November 8, 2025. As of that date, combined revenues for the General and Utility Funds total $49,823,479, representing 102.8% of the annual budgeted revenue for these two funds. Combined expenditures and encumbrances for the same funds amount to $50,056,088, or 90.6% of the total combined expenditure budget. Additionally, the Quarterly Investment Report for the quarter ending September 30, 2025, is presented for review. As of September 30, the total market value of the Town's cash and investment portfolio was $70,237,237, with a weighted average yield of 4.31% and an average maturity of 86 days.

B. Review and discuss a presentation providing an overview of preservation ordinances. Jeff Armstrong, A.C.I.P., Director of Community Development, reported that feedback from the recent town-wide survey and from public engagement associated with the Zoning Ordinance rewrite indicated that residents are interested in establishing regulations to provide a measure of preservation for historic properties in Highland Park. Mr. Armstrong provided the Town Council with an overview of historic properties, applicable state statutes governing preservation, options for a local historic preservation ordinance and potential enforcement mechanisms, and the procedures for designating a historic district or individual landmark. The Town Council asked clarifying questions, including inquiries related to tax incentives and the rationale for the demolition delay provisions. The Town Council expressed unanimous disinterest in creating historic districts. Joel Williams, former Mayor of Highland Park, concurred with the Town Council's position and indicated his support for focusing instead on the designation of individual historic homes. As a member of Park Cities Preservation, Mr. Williams noted that approximately 75 homes may be suitable for landmark designation. The Town Council agreed that voluntary landmark designation by interested homeowners could be considered.

V. CLOSED SESSION

A. In accordance with the Texas Government Code, Chapter 551, Subchapter D, Section 551.072 – REAL ESTATE – the Town Council will convene into closed session to deliberate the purchase, exchange, lease, or value of real property.

B. In accordance with the Texas Government Code, Chapter 551, Subchapter D, Section 551.071 – CONSULTATION WITH ATTORNEY – the Town Council will convene in closed session for consultation with and to receive legal advice from the Town Attorney regarding pending or contemplated litigation or settlement offer or regarding a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter re: (i) DART withdrawal election; (ii) Brandon Simpson v. Town of Highland Park.

Mayor Beecherl recessed the study session at 9:55 a.m. and convened a closed session at 9:55 a.m., pursuant to: (A) In accordance with the Texas Government Code, Chapter 551, Subchapter D, Section 551.072 – REAL ESTATE – the Town Council will convene into closed session to deliberate the purchase, exchange, lease, or value of real property, and (B) In accordance with the Texas Government Code, Chapter 551, Subchapter D, Section 551.071 – CONSULTATION WITH ATTORNEY – the Town Council will convene in closed session for consultation with and to receive legal advice from the Town Attorney regarding pending or contemplated litigation or settlement offer or regarding a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter re: (i) DART withdrawal election; (ii) Brandon Simpson v. Town of Highland Park.

Mayor Beecherl ended the closed session at 10:34 a.m. and reconvened the study session in open session at 10:34 a.m. No final action, decision, or vote was taken during the closed session.

VI. OPEN SESSION

A. Pursuant to Section 551.102 of the Texas Government Code, the final action, decision, or vote regarding Closed Session Item A. and B. above shall be made, if any. No motion was made.

VII. ADJOURNMENT – Mayor Beecherl adjourned the Study Session at 10:34 a.m.

APPROVED on the 6th day of January 2026.

APPROVED:

Will C. Beecherl
Mayor

ATTEST:

Joanna Mekeal
Town Secretary

Town of Highland Park
Town Council
Tuesday, January 6, 2026

Item Coversheet

Conduct a public hearing, review, discuss, and take action on a proposed replat creating Lot 20A, Block 9, a replat of Lots 20 and 21, Block 9, 3rd Installment of Mount Vernon Addition, located at 3812 and 3816 Mockingbird Lane.

PRESENTED BY: Jeff Armstrong, Director of Community Development

BACKGROUND:

These lots have remained in their current configuration since being platted in 1913. The proposed replat would combine lots 20 and 21 into a new lot that would be 20,087 square feet (0.461 acres) in area. The property is zoned "D", One-family Residential. The new combined lot would meet the minimum lot size required in the D zoning district.

The applicant has applied for and received a demolition permit for the house at 3812 Mockingbird Lane. Their intention is to landscape and irrigate the 3812 lot to create a larger yard for their home. There are currently no plans to demolish or add on to the house at 3816 Mockingbird Lane.

RECOMMENDATION

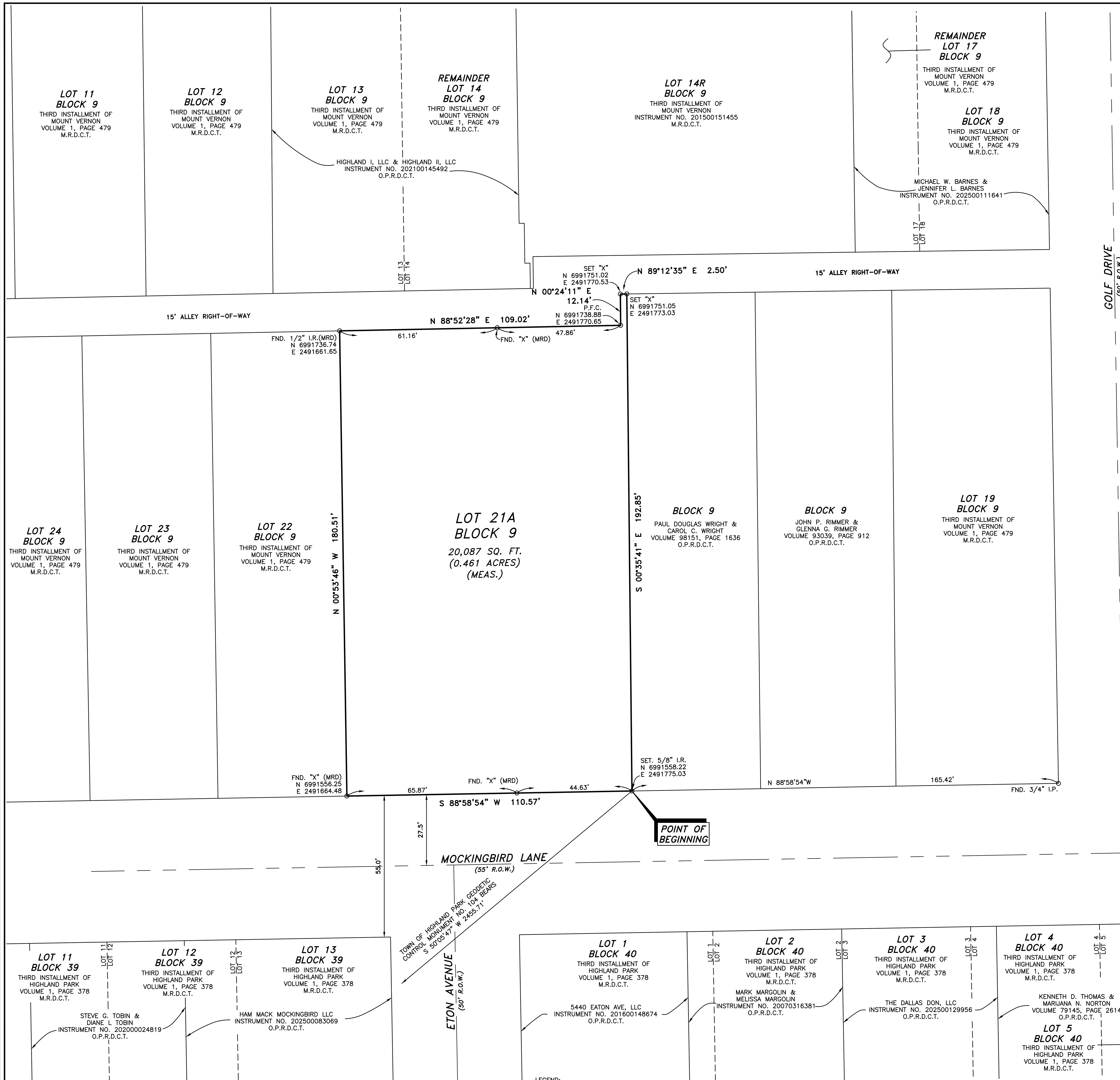
Staff recommends approval with the condition that the plat be corrected to provide a consistent lot number.

FINANCIAL IMPACT

This item has no financial impact.

ATTACHMENTS

Plat, Plat_Review_Comments



OWNER'S CERTIFICATE

STATE OF TEXAS
COUNTY OF DALLAS

WHEREAS, ROBERT L. RICHARDSON AND BRENDA B. RICHARDSON ARE THE OWNERS OF A PORTION OF AN UNPLATTED TRACT IN BLOCK 9, ALL OF LOT 20, AND ALL OF LOT 21, BLOCK 9, OF THIRD INSTALLMENT OF MOUNT VERNON, AN ADDITION TO THE CITY OF DALLAS, DALLAS COUNTY, TEXAS, ACCORDING TO THE MAP THEREOF RECORDED IN VOLUME 1, PAGE 479 OF THE MAP RECORDS OF DALLAS COUNTY, TEXAS, AND BEING ALL OF A TRACT OF LAND DESCRIBED IN GENERAL WARRANTY DEED UNDER COUNTY CLERK'S INSTRUMENT NUMBER 202500029875 (HEREINAFTER REFERRED TO AS "RICHARDSON TRACT 1", AND BEING ALL OF A TRACT OF LAND DESCRIBED IN GENERAL WARRANTY DEED IN VOLUME 98069, PAGE 6231 (HEREINAFTER REFERRED TO AS "RICHARDSON TRACT 2"), OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A 5/8" IRON ROD SET FOR CORNER IN THE NORTH RIGHT-OF-WAY LINE OF MOCKINGBIRD LANE (55' RIGHT-OF-WAY), AT THE SOUTHEAST CORNER OF SAID RICHARDSON TRACT 1, SAME BEING THE SOUTHWEST CORNER OF A TRACT OF LAND DESCRIBED IN WARRANTY DEED TO PAUL DOUGLAS WRIGHT AND CAROL C. WRIGHT, OF RECORD IN VOLUME 98151, PAGE 1636, OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS, FROM WHICH A 3/4" IRON PIPE FOUND FOR REFERENCE AT THE SOUTHEAST CORNER OF LOT 19, BLOCK 9, OF SAID THIRD INSTALLMENT OF MOUNT VERNON ADDITION BEARS NORTH 88°58'54" EAST, A DISTANCE OF 165.42 FEET;

THENCE SOUTH 88°58'54" WEST ALONG THE NORTH RIGHT-OF-WAY LINE OF SAID MOCKINGBIRD LANE, PASSING AT A DISTANCE OF 44.63 FEET A "X" FOUND FOR REFERENCE AT THE SOUTHWEST CORNER OF SAID RICHARDSON TRACT 1 AND AT THE SOUTHEAST CORNER OF SAID RICHARDSON TRACT 2, CONTINUING IN ALL A TOTAL DISTANCE OF 110.57 FEET TO A CUT "X" FOUND AT THE SOUTHWEST CORNER OF SAID RICHARDSON TRACT 2, AT THE SOUTHWEST CORNER OF SAID LOT 21 AND THE SOUTHEAST CORNER OF SAID LOT 22;

THENCE NORTH 00°53'46" WEST, ALONG THE WEST LINE OF SAID LOT 21 AND THE EAST LINE OF SAID LOT 22, A DISTANCE OF 180.51 FEET TO A 1/2" IRON ROD FOUND FOR CORNER IN THE SOUTH RIGHT-OF-WAY LINE OF A 15 FOOT ALLEY, AT THE NORTHWEST CORNER OF SAID RICHARDSON TRACT 2, AT THE COMMON NORTH CORNER OF SAID LOT 21 AND SAID LOT 22;

THENCE NORTH 88°52'28" EAST, ALONG THE SOUTH RIGHT-OF-WAY LINE OF SAID ALLEY, PASSING AT A DISTANCE OF 61.16 FEET AN "X" FOUND FOR REFERENCE AT THE NORTHEAST CORNER OF SAID RICHARDSON TRACT 2 AND THE NORTHWEST CORNER OF SAID RICHARDSON TRACT 1, AND CONTINUING IN ALL A TOTAL DISTANCE OF 109.02 FEET TO A POINT FOR CORNER AT AN ANGLE POINT IN THE SOUTH RIGHT-OF-WAY LINE OF SAID ALLEY;

THENCE NORTH 00°24'11" EAST, CONTINUING ALONG THE SOUTH RIGHT-OF-WAY LINE OF SAID ALLEY, A DISTANCE OF 12.14 FEET TO AN "X" SET FOR CORNER;

THENCE NORTH 89°12'35" EAST, CONTINUING ALONG THE SOUTH RIGHT-OF-WAY LINE OF SAID ALLEY, A DISTANCE OF 2.50 FEET TO AN "X" SET FOR CORNER AT THE NORTHEAST CORNER OF SAID RICHARDSON TRACT 1;

THENCE SOUTH 00°35'41" EAST, ALONG THE EAST LINE OF SAID RICHARDSON TRACT 1 AND THE WEST LINE OF SAID WRIGHT TRACT, A DISTANCE OF 192.85 FEET TO THE POINT OF BEGINNING AND CONTAINING 20,087 SQUARE FEET OR 0.461 ACRES OF LAND.

OWNER'S DEDICATION

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS

THAT, ROBERT L. RICHARDSON AND BRENDA B. RICHARDSON, THE UNDERSIGNED OWNERS OF THE PROPERTY DESCRIBED HEREIN DO HEREBY ADOPT THIS REPLAT OF A PART OF LOT 20, AND ALL OF UNPLATTED LOT 20 AND ALL OF LOT 21, BLOCK 9, THIRD INSTALLMENT OF MOUNT VERNON, TO LOT 21A, BLOCK 9, THIRD INSTALLMENT OF MOUNT VERNON, AN ADDITION TO THE TOWN OF HIGHLAND PARK, DALLAS COUNTY, TEXAS, AND DOES HEREBY DEDICATE TO THE PUBLIC USE FOREVER THE STREETS, ALLEYS AND EASEMENTS SHOWN THEREON.

WITNESS OUR HANDS AT ___________, TEXAS, THIS THE ____ DAY OF _______, 2025.

____
OWNER: ROBERT L. RICHARDSON

____
OWNER: BRENDA B. RICHARDSON

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, THE UNDERSIGNED AUTHORITY, A NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS, ON THIS DAY PERSONALLY APPEARED RICHARD L. RICHARDSON, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE ___ DAY OF _______, 2025.

____
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS.

MY COMMISSION EXPIRES: _________________

____
OWNER: RICHARD L. RICHARDSON

STATE OF TEXAS
COUNTY OF DALLAS

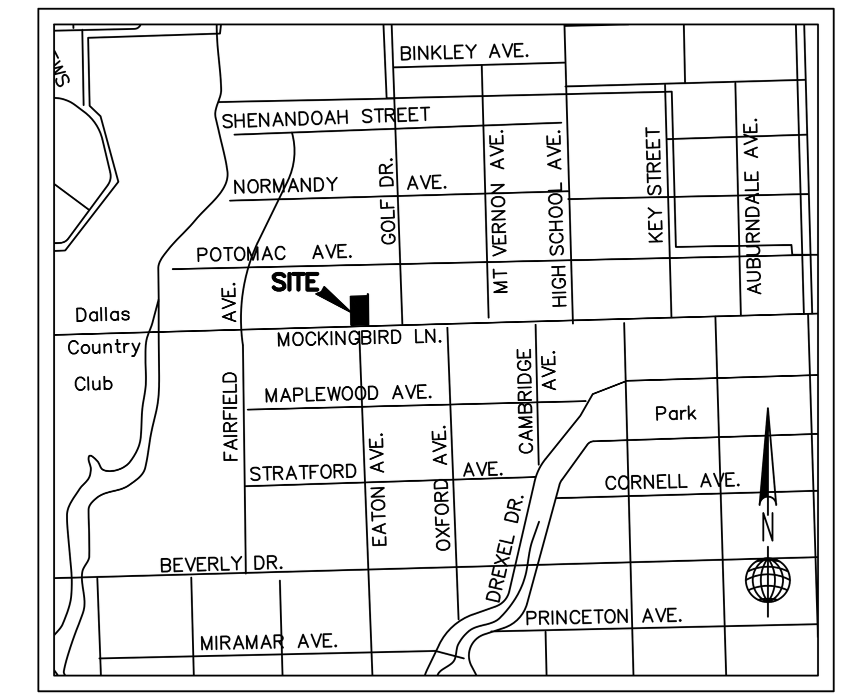
BEFORE ME, THE UNDERSIGNED AUTHORITY, A NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS, ON THIS DAY PERSONALLY APPEARED BRENDA B. RICHARDSON, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT SHE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE ___ DAY OF _______, 2025.

____
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS.

MY COMMISSION EXPIRES: _________________

____
OWNER: BRENDA B. RICHARDSON



VICINITY MAP
(1"=1000')

SURVEYOR'S CERTIFICATE

STATE OF TEXAS
COUNTY OF DALLAS

THAT, I, JASON L. MORGAN, DO HEREBY CERTIFY THAT I PREPARED THIS REPLAT FROM AN ACTUAL SURVEY ON THE LAND AND THAT THE CORNER MONUMENTS SHOWN THEREON WERE FOUND AND/OR PROPERLY PLACED UNDER MY PERSONAL SUPERVISION IN ACCORDANCE WITH THE APPLICABLE CODES AND ORDINANCES OF THE TOWN OF HIGHLAND PARK, TEXAS.

WITNESS MY HAND AT DALLAS, TEXAS,

THIS THE 20TH DAY OF OCTOBER, 2025.

____
JASON L. MORGAN
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 5587

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, THE UNDERSIGNED AUTHORITY, A NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS, ON THIS DAY PERSONALLY APPEARED JASON L. MORGAN, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 18TH DAY OF OCTOBER, 2025.

____
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

MY COMMISSION EXPIRES: _________________

CERTIFICATE OF APPROVAL BY TOWN COUNCIL

APPROVED THIS ______ DAY OF ________________, 2025, BY THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS.

____
WILL BEECHERL
MAYOR, TOWN OF HIGHLAND PARK, TEXAS

____
JOANNA MEKEAL
TOWN SECRETARY, TOWN OF HIGHLAND PARK, TEXAS

NOTES:
1) NOTICE: SELLING A PORTION OF THIS ADDITION BY METES AND BOUNDS IS A VIOLATION OF TOWN ORDINANCE AND STATE LAW AND IS SUBJECT TO FINES AND WITHHOLDING OF UTILITIES AND BUILDING PERMITS.
2) NO PORTION OF THE SUBJECT PROPERTY LIES WITHIN THE 100 YEAR FLOODPLAIN.
3) ALL BEARINGS SHOWN HEREON ARE BASED UPON THE TOWN OF HIGHLAND PARK GEODETIC CONTROL MONUMENTS.
4) ALL COORDINATES AND ELEVATIONS SHOWN HEREON ARE BASED UPON THE TOWN OF HIGHLAND PARK GEODETIC CONTROL MONUMENTS.
5) (MRD) INDICATES MONUMENTS OF RECORD DIGNITY THAT REPRESENT ORIGINAL CORNERS SET BY THE SURVEYOR OR A SURVEYOR FOLLOWING IN THE FOOTSTEPS OF THE ORIGINAL SURVEYOR OF THE SUBDIVISION OR TRACT REFERENCED IN LEGAL DESCRIPTION ABOVE UNLESS OTHERWISE NOTED.
6) THE PURPOSE OF THIS PLAT IS TO CREATE ONE RESIDENTIAL LOT.

LEGEND:

(MRD)= MONUMENT OF RECORD DIGNITY
FND 1/2" I.R.=FOUND 1/2" IRON ROD
FND 3/4" I.P.=FOUND 3/4" IRON PIPE
FND 1/2" I.P.=FOUND 1/2" IRON ROD
FND "X"= FOUND CHISELED "X"
SET 5/8" I.R.= SET 5/8" IRON ROD WITH YELLOW CAP "RPLS 5587".
P.F.C.= POINT FOR CORNER
D.R.D.C.T.=DEED RECORDS, DALLAS COUNTY, TEXAS
M.R.D.C.T.=MAP RECORDS, DALLAS COUNTY, TEXAS
O.P.R.D.C.T.=OFFICIAL PUBLIC RECORDS OF DALLAS COUNTY, TEXAS

REPLAT OF ALL OF UNPLATTED LOT 20, LOT 20 AND ALL OF LOT 21, BLOCK 9 OF THIRD INSTALLMENT OF MOUNT VERNON TO LOT 20R, BLOCK 9 THIRD INSTALLMENT OF MOUNT VERNON

AN ADDITION TO THE TOWN OF HIGHLAND PARK
DALLAS COUNTY, TEXAS

ADDRESS: 3812-3816 MOCKINGBIRD LANE

OCTOBER, 2025 SCALE: 1" = 20'

OWNER:
ROBERT L. RICHARDSON &
BRENDA B. RICHARDSON
3816 MOCKINGBIRD LANE

SURVEYOR:
GLOBAL LAND SURVEYING, INC.
17111 PRESTON ROAD, STE 135
DALLAS, TEXAS 75252
PHONE (972) 881-1700
INFO@GLS-INC.COM
TBPELS FIRM NO. 10016300

FIRM NO. 10016300 JOB NO. 25-09-172

Town of Highland Park

Plat Review Comments

DATE: November 21, 2025

PROPOSED PLAT: Replat – Mount Vernon Third Installment, Lot 20A, Block 9

LOCATION: 3812 Mockingbird Ln.

REQUIRED CORRECTIONS

1. The new lot number shown on the lot (21A) and the new lot number shown in the title block (20R) differ. Please correct. Either is acceptable. However, it has been more common with recent replats to use the A instead of the R.

OTHER NOTES

1. This plat will be placed on the January 6, 2026, Town Council agenda.

2. If the plat is approved and all conditions are met, please submit a minimum of three original hard copies of the plat on 24" x 36" paper to the Director of Community Development. The three original copies must have all required signatures, certifications and seals. With the plat, please submit current, original tax certificates for all properties subject to the plat.

3. Upon receipt of all required plat documents and tax certificates, the Town will file the plat with the Dallas County Records office. The Town will retain one filed copy of the plat and the remaining copies will be returned to the applicant.

Town of Highland Park
Town Council
Tuesday, January 6, 2026

Item Coversheet

Conduct a public hearing, review, discuss, and take action on a proposed replat creating Lots 3R-1 and 3R-2, Block 179, a replat of Lot 3R, Block 179, Hackberry Creek Addition, located at 3606 St. John's Drive.

PRESENTED BY: Jeff Armstrong, Director of Community Development

BACKGROUND:

In 2020, the property was replatted to create a combined lot of 33,343 square feet (0.765 acres). With the replat, two lots would be created: one measuring 15,003 square feet, where an existing house is located. The other lot would be 18,389 square feet and is currently vacant. The intent is to sell the vacant lot upon which a buyer could build a home.

The property is zoned "C", One-family Residential. Both new lots would meet the minimum lot size and all other dimensional requirements of the C zoning district.

RECOMMENDATION

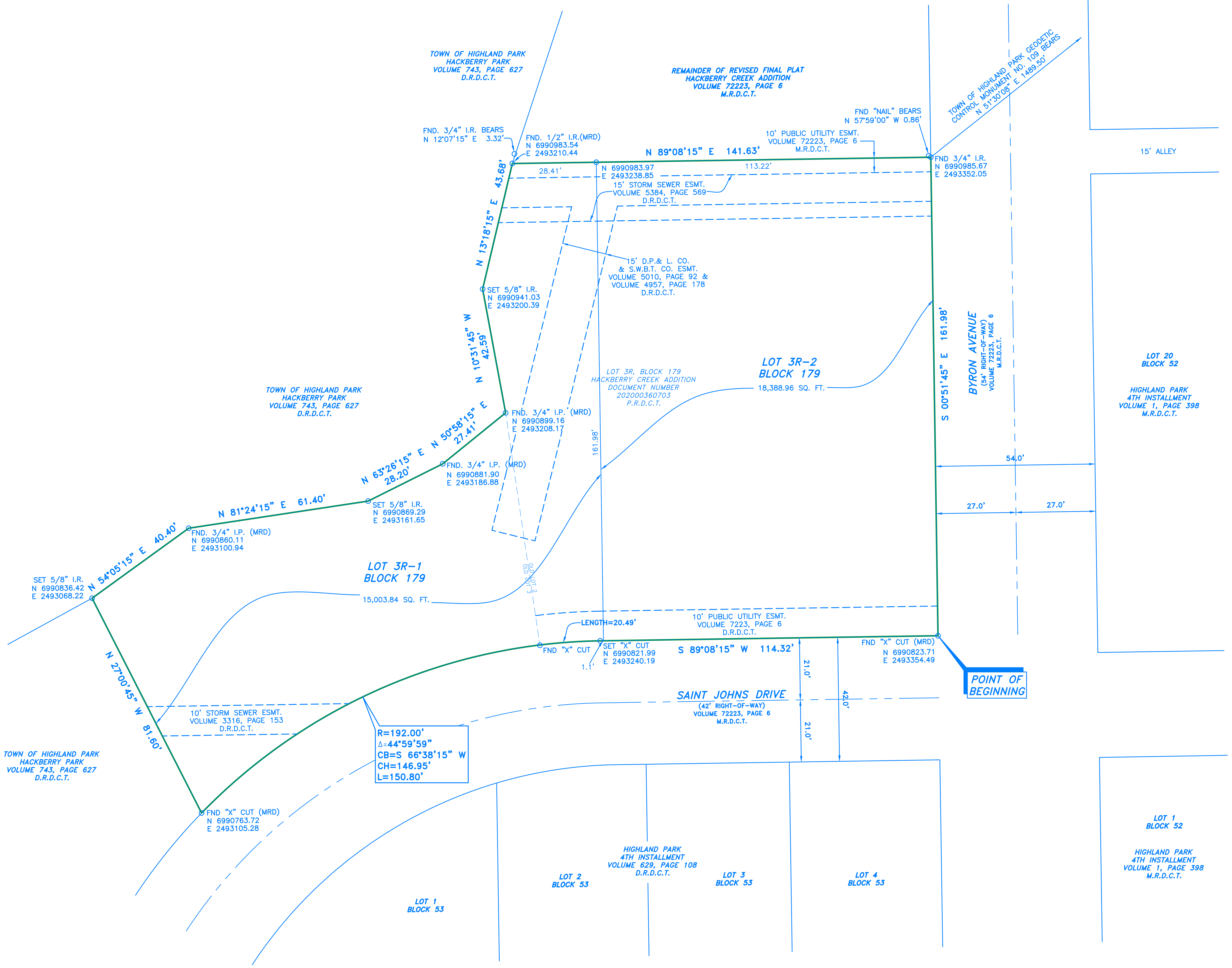
The proposed replat meets the requirements of the Subdivision Ordinance and staff recommends approval.

FINANCIAL IMPACT

There is no direct financial impact of the replat. However, creating a second lot will allow construction of a new home, thereby creating additional taxable value on the property.

ATTACHMENTS

Plat St Johns



OWNER'S CERTIFICATE

STATE OF TEXAS
COUNTY OF DALLAS

WHEREAS, ST. JOHNS MANAGEMENT TRUST, KENDALL C. TALBOTT, AS TRUSTEE, ARE THE OWNERS OF LOT 3R, BLOCK 179, OF A REPLAT OF LOTS 2 AND 3, BLOCK 179, HACKBERRY CREEK ADDITION, AN ADDITION TO THE TOWN OF HIGHLAND PARK, DALLAS COUNTY, TEXAS, ACCORDING TO THE MAP THEREOF RECORDED IN DOCUMENT NUMBER 202000360703, MAP RECORDS OF DALLAS COUNTY, TEXAS, AND BEING ALL OF A TRACT OF LAND DESCRIBED IN GENERAL WARRANTY DEED TO KENDALL C. TALBOTT, TRUSTEE OF THE ST. JOHNS MANAGEMENT TRUST OF RECORD IN DOCUMENT NUMBER 202200151408 OF THE DEED RECORDS OF DALLAS COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

BEGINNING AT A "X" CUT FOUND IN CONCRETE FOR THE SOUTHEAST CORNER OF SAID LOT 3R, BLOCK 179, SAME POINT BEING IN THE NORTH RIGHT-OF-WAY LINE OF SAINT JOHNS DRIVE (42 FOOT RIGHT-OF-WAY) AND IN THE WEST RIGHT OF WAY LINE OF BYRON AVENUE (54 FOOT RIGHT-OF-WAY);

THENCE SOUTH 89°08'15" WEST, DEPARTING SAID WEST RIGHT-OF-WAY LINE AND ALONG THE NORTH LINE OF SAID SAINT JOHNS DRIVE, A DISTANCE OF 114.32 FEET TO A SET "X" FOR CORNER, SAME POINT BEING THE BEGINNING OF A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 44°59'59", A RADIUS OF 192.00 FEET AND A CHORD BEARING AND DISTANCE OF SOUTH 66°38'15" WEST, 146.95 FEET;

THENCE CONTINUING ALONG THE NORTH RIGHT-OF-WAY LINE OF SAID SAINT JOHNS DRIVE AND ALONG SAID CURVE TO THE LEFT, AN ARC LENGTH OF 150.80 FEET TO A FOUND "X" CUT IN CONCRETE FOR THE MOST SOUTHERLY CORNER OF THE HEREIN DESCRIBED TRACT, SAME BEING THE SOUTHEAST CORNER OF A TRACT OF LAND CONVEYED TO THE TOWN OF HIGHLAND PARK, BY DEED OF RECORD IN VOLUME 743, PAGE 627, DEED RECORDS OF DALLAS COUNTY, TEXAS;

THENCE DEPARTING SAID NORTH RIGHT-OF-WAY LINE AND ALONG THE EAST, SOUTH AND SOUTHEAST LINES OF SAID TOWN OF HIGHLAND PARK TRACT THE FOLLOWING COURSES AND DISTANCES:

NORTH 27°00'45" WEST, A DISTANCE OF 81.60 FEET TO A 5/8" IRON ROD SET FOR CORNER;

NORTH 54°05'15" EAST, A DISTANCE OF 40.40 FEET TO A 3/4" IRON PIPE FOUND FOR CORNER;

NORTH 81°24'15" EAST, A DISTANCE OF 61.40 FEET TO A 5/8" IRON ROD SET FOR CORNER;

NORTH 63°26'15" EAST, A DISTANCE OF 28.20 FEET TO A 3/4" IRON PIPE FOUND FOR CORNER;

NORTH 50°58'15" EAST, A DISTANCE OF 27.41 FEET TO A 3/4" IRON PIPE FOUND FOR CORNER;

NORTH 10°31'45" WEST, A DISTANCE OF 42.59 FEET TO A 5/8" IRON ROD SET FOR CORNER;

NORTH 13°18'15" EAST, A DISTANCE OF 43.68 FEET TO A 1/2" IRON ROD FOUND FOR THE NORTHWEST CORNER OF THIS DESCRIBED TRACT, SAME BEING THE SOUTHWEST CORNER OF THE REMAINDER OF REVISED FINAL PLAT, HACKBERRY CREEK ADDITION, OF RECORD IN VOLUME 72223, PAGE 6, OF THE MAP RECORDS OF DALLAS COUNTY, TEXAS AND FROM WHICH A 3/4" IRON PIPE BEARS NORTH 12°07'15" EAST, A DISTANCE OF 3.32 FEET;

THENCE NORTH 89°08'15" EAST, DEPARTING SAID SOUTHEAST LINE AND ALONG THE COMMON LINE OF THIS DESCRIBED TRACT AND SAID HACKBERRY CREEK ADDITION TRACT, A DISTANCE OF 141.63 FEET TO A 3/4" IRON PIPE FOUND FOR THE NORTHEAST CORNER OF THE HEREIN DESCRIBED TRACT AND BEING IN THE EAST RIGHT-OF-WAY LINE OF SAID BYRON AVENUE, AND FROM WHICH A NAIL FOUND BEARS NORTH 57°59'00" WEST, A DISTANCE OF 0.86 FEET;

THENCE SOUTH 00°51'45" EAST, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 161.98 FEET TO THE POINT OF BEGINNING AND CONTAINING 33,343 SQUARE FEET OR 0.765 ACRES OF LAND.

OWNER'S DEDICATION

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS

THAT, ST. JOHNS MANAGEMENT TRUST, KENDALL C. TALBOTT, AS TRUSTEE, THE UNDERSIGNED OWNERS OF THE PROPERTY DESCRIBED HEREIN DO HEREBY ADOPT THIS REPLAT OF LOT 3R, BLOCK 179, HACKBERRY CREEK ADDITION, TO LOTS 3R-1 AND 3R-2, BLOCK 179, HACKBERRY CREEK ADDITION, AN ADDITION TO THE TOWN OF HIGHLAND PARK, DALLAS COUNTY, TEXAS, AND DOES HEREBY DEDICATE TO THE PUBLIC USE FOREVER THE STREETS, ALLEYS AND EASEMENTS SHOWN THEREON.

WITNESS OUR HANDS AT ___________, TEXAS, THIS THE ____ DAY OF _______, 2025.

PRELIMINARY
RELEASED ON 12/12/2025
NOT TO BE RECORDED FOR ANY REASON

OWNER: KENDALL C. TALBOTT, TRUSTEE

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, THE UNDERSIGNED AUTHORITY, A NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS, ON THIS DAY PERSONALLY APPEARED MCHENRY T. TICHENOR, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED.

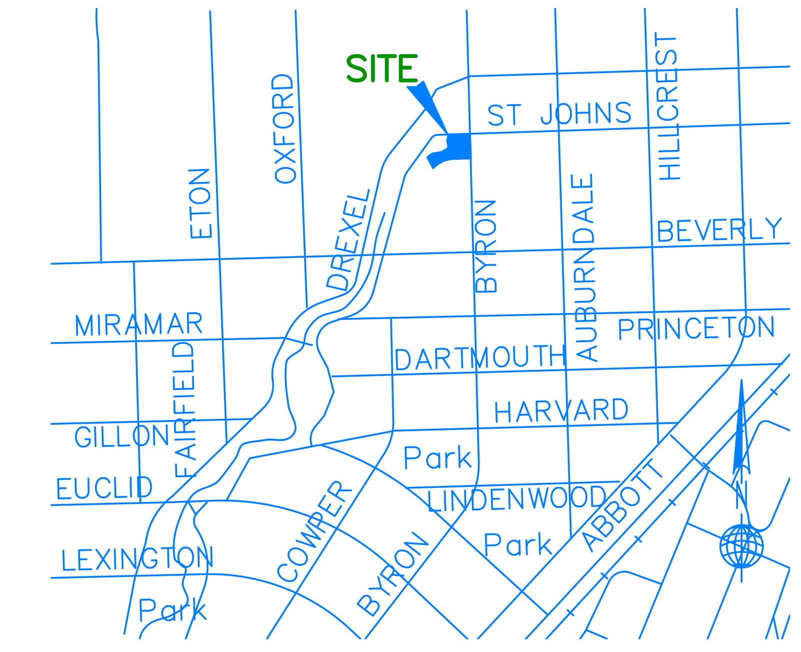
GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE ___ DAY OF _______, 2025.

____
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS.

MY COMMISSION EXPIRES: ____________________

PRELIMINARY
RELEASED ON 12/12/2025
NOT TO BE RECORDED FOR ANY REASON

OWNER: KENDALL C. TALBOTT, TRUSTEE



VICINITY MAP
(1"=1000')

SURVEYOR'S CERTIFICATE

STATE OF TEXAS
COUNTY OF DALLAS

THAT, I, HOLLIE L. HEBNER, DO HEREBY CERTIFY THAT I PREPARED THIS REPLAT FROM AN ACTUAL SURVEY ON THE LAND AND THAT THE CORNER MONUMENTS SHOWN THEREON WERE FOUND AND/OR PROPERLY PLACED UNDER MY PERSONAL SUPERVISION IN ACCORDANCE WITH THE APPLICABLE CODES AND ORDINANCES OF THE TOWN OF HIGHLAND PARK, TEXAS.

WITNESS MY HAND AT DALLAS, TEXAS,

THIS THE 13TH DAY OF NOVEMBER, 2025.

____
HOLLIE L. HEBNER
REGISTERED PROFESSIONAL LAND SURVEYOR NO. 7003

STATE OF TEXAS
COUNTY OF DALLAS

BEFORE ME, THE UNDERSIGNED AUTHORITY, A NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS, ON THIS DAY PERSONALLY APPEARED HOLLIE L. HEBNER, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT THEY EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATION THEREIN EXPRESSED AND IN THE CAPACITY THEREIN STATED.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS THE 13TH DAY OF NOVEMBER, 2025.

____
NOTARY PUBLIC IN AND FOR THE STATE OF TEXAS

MY COMMISSION EXPIRES: __________________

CERTIFICATE OF APPROVAL BY TOWN COUNCIL

APPROVED THIS ______ DAY OF _______________, 2025, BY THE TOWN COUNCIL OF THE TOWN OF HIGHLAND PARK, TEXAS.

____
WILL BEECHERL
MAYOR, TOWN OF HIGHLAND PARK, TEXAS

____
JOANNA MEKEAL
TOWN SECRETARY, TOWN OF HIGHLAND PARK, TEXAS

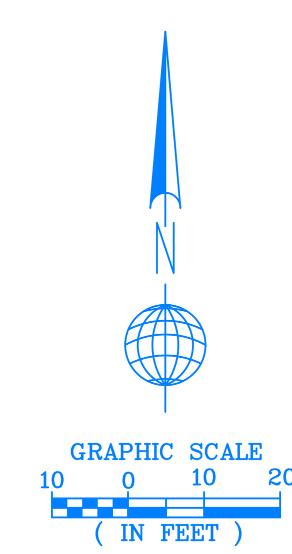
REPLAT OF LOT 3R, BLOCK 179 HACKBERRY CREEK ADDITION TO

LOT 3R-1 AND 3R-2, BLOCK 179 HACKBERRY CREEK ADDITION

AN ADDITION TO THE TOWN OF HIGHLAND PARK DALLAS COUNTY, TEXAS

ADDRESS: 3606 SAINT JOHNS DRIVE

SCALE: 1" = 20'



OWNER:
ST. JOHNS MANAGEMENT TRUST
KENDALL C. TALBOTT, TRUSTEE
3824 CEDAR SPRINGS ROAD, SUITE 405
DALLAS, TEXAS 75219

SURVEYOR:
GLOBAL LAND SURVEYING, INC.
17111 PRESTON ROAD, STE 135
DALLAS, TEXAS 75252
PHONE (972) 881-1700
INFO@GLS-INC.COM
TBPELS FIRM NO. 10016300

FIRM NO. 10016300 JOB NO. 25-11-008

NOTES:
1) NOTICE: SELLING A PORTION OF THIS ADDITION BY METES AND BOUNDS IS A VIOLATION OF TOWN ORDINANCE AND STATE LAW AND IS SUBJECT TO FINES AND WITHHOLDING OF UTILITIES AND BUILDING PERMITS.
2) NO PORTION OF THE SUBJECT PROPERTY LIES WITHIN THE 100 YEAR FLOODPLAIN.
3) ALL BEARINGS SHOWN HEREON ARE BASED UPON THE TOWN OF HIGHLAND PARK GEODETIC CONTROL MONUMENTS.
4) ALL COORDINATES AND ELEVATIONS SHOWN HEREON ARE BASED UPON THE TOWN OF HIGHLAND PARK GEODETIC CONTROL MONUMENTS.
5) (MRD) INDICATES MONUMENTS OF RECORD DIGNITY THAT REPRESENT ORIGINAL CORNERS SET BY THE SURVEYOR OR A SURVEYOR FOLLOWING IN THE FOOTSTEPS OF THE ORIGINAL SURVEYOR OF THE SUBDIVISION OR TRACT REFERENCED IN LEGAL DESCRIPTION ABOVE UNLESS OTHERWISE NOTED.
6) THE PURPOSE OF THIS PLAT IS TO CREATE TWO RESIDENTIAL LOTS.

LEGEND:

(MRD)= MONUMENT OF RECORD DIGNITY
FND 1/2" I.R.=FOUND 1/2" IRON ROD
FND 3/4" I.P.=FOUND 3/4" IRON PIPE
FND 1/2" I.P.=FOUND 1/2" IRON ROD
FND "X"= FOUND CHISELED "X"
SET 5/8" I.R.= SET 5/8" IRON ROD WITH YELLOW CAP "RPLS 5587".
P.F.C.= POINT FOR CORNER
D.R.D.C.T.=DEED RECORDS, DALLAS COUNTY, TEXAS
M.R.D.C.T.=MAP RECORDS, DALLAS COUNTY, TEXAS