



City of Sugar Land

City Council Agenda

Sugar Land City Hall
2700 Town Center
Boulevard North
Sugar Land, TX 77479

Tuesday, January 20, 2026
City Council Meeting
City Council Chamber
5:30 PM

I. Attention

Members of the City Council, Board and/or Commission may participate in deliberations of posted agenda items through video conferencing means. A quorum of the City Council, Board and/or Commission will be physically present at the above-stated location, and said location is open to the public. Audio/Video of open deliberations will be available for the public to hear/view; and are recorded as per the Texas Open Meetings Act.

The meeting will live stream at <https://www.sugarlandtx.gov/1238/SLTV-16-Live-Video> or <https://www.youtube.com/user/SugarLandTXgov/live>. Sugar Land Comcast/Xfinity Cable Subscribers can also tune-in on Channel 16.

II. Call to Order

III. Invocation

Council Member Sanjay Singhal

IV. Pledges of Allegiance

Council Member Sanjay Singhal

V. Recognition

A. ISO BCEGS SCORE ACHIEVEMENT

Joshua Doyle, Chief Building Official, Lisa Kocich-Meyer, Director of Planning & Development Services

VI. Public Comment

Pursuant to Texas Government Code section 551.007, citizens are permitted to address the City Council, Board and/or Commission in person with regard to matters posted for consideration on the agenda. Each speaker must complete a "Request to Speak" form and give it to the City Secretary or designee, prior to the beginning of the meeting.

Each speaker is limited to 3 minutes, speakers requiring a translator will have 6 minutes, regardless of the number of agenda items to be addressed. Comments or discussion by City Council, Board, and/or Commission members, will only be made at the time the subject is scheduled for consideration.

For questions or assistance, please contact the Office of the City Secretary (281) 275-2730.

VII. Oath of Office

A. BOARDS AND COMMISSIONS OATH OF OFFICE

Administer the Oath of Office to members appointed to the City of Sugar Land's Boards and Commissions.

Carol McCutcheon, Mayor

VIII. Consent Agenda

All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

A. **MINUTES**

Consideration of and action on the approval of the minutes of the January 6, 2026, meeting.

Linda Mendenhall, City Clerk

B. **CONTRACT WITH CIVITAS ENGINEERING GROUP**

Consideration of and action on the authorization of the execution of a professional services contract with Civitas Engineering Group for the Design Phase Services of Groundwater Plant Rehabilitation, CIP CWA2604, in the amount of \$198,219.00.

Jose Londono, Engineer I

C. **CONTRACT WITH SANDER ENGINEERING CORPORATION**

Consideration of and action on authorizing the execution of a professional engineering design services contract in the amount of \$249,075.00 with Sander Engineering Corporation for design and bid phase services for the Lift Station Rehabilitation Program Project, CIP No. CWW2602.

Idahosa Igbinoba, Senior Project Manager

D. **CONTRACT WITH HD OUTDOOR CONSTRUCTION, LLC**

Consideration of and action on authorizing the execution of a construction contract with HD Outdoor Construction, LLC for the construction of Sugar Land Memorial Park Splashpad, CIP CPK2403, in the amount of \$579,451.16.

Carla Barrios, Engineer II

E. **CONTRACT WITH PRECISION CONCRETE CUTTING**

Consideration of and action on the authorization of a construction contract with Precision Concrete Cutting for the shaving of damaged sidewalks at various locations, in the amount of \$300,000.00 for CIP CST2501- Sidewalk Program Rehabilitation and Replacement Project through BuyBoard Purchasing Cooperative contract #756-24.

Ray Song, Engineering Manager

F. **LEASE WITH AVFUEL CORPORATION**

Consideration of and action on authorization of a \$0 multi-year lease with AvFuel Corporation, for (5) Jet-A fuel trucks, and (2) AvGas fuel trucks for an initial 5-year term, with (5) one-year optional renewals.

Mitchell Davies, Director of Aviation

G. Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-02: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE REQUIRED STATE AND FEDERAL PERMITTING DOCUMENTS FOR THE HB-1 FUNDED BRAZOS RIVER EROSION - RIVERSTONE PROJECT.**

Robert Wilson, Assistant City Engineer

- H. **SECOND CONSIDERATION:** Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2395:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AMENDING CHAPTER 7 (BUILDING REGULATIONS) OF THE SUGAR LAND DEVELOPMENT CODE BY ADOPTING THE 2024 INTERNATIONAL CODES AND THE 2023 NATIONAL ELECTRICAL CODE; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HERewith.

Nicole Guevara, Assistant Director of Neighborhood Services, Joshua Doyle, Chief Building Official, James Serrano, Assistant Fire Chief

IX. Workshop

- A. **WORKSHOP - IMPERIAL HISTORIC DISTRICT**

Discussion and direction regarding the Imperial Historic District community visioning process and proposed guiding pillars for redevelopment.

Jessica Huble, Assistant Director of Redevelopment, Brian Wright, TPUDC

X. Public Hearings

- A. **PUBLIC HEARING 5:30 P.M.:** Receive and hear all persons interested in an ordinance authorizing participation in the Texas Enterprise Zone Program and nominating Applied Optoelectronics, Inc. as an Enterprise Project.

FIRST CONSIDERATION: Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2400:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING PARTICIPATION IN THE TEXAS ENTERPRISE ZONE PROGRAM AND NOMINATING APPLIED OPTOELECTRONICS, INC. AS AN ENTERPRISE PROJECT.

Jennifer Alexander, Business Development Manager

XI. Ordinances and Resolutions

- A. **APPROVAL OF TAX-EXEMPT BOND ISSUANCE FOR LOGOS PREPARATORY ACADEMY**

Consideration of and action on Resolution 26-01 approving the issuance of tax-exempt bonds by the Arlington Higher Education Finance Corporation for the benefit of Logos Preparatory Academy, in accordance with Section 147(f) of the Internal Revenue Code.

Meredith Riede, City Attorney

- B. Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-03:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE ISSUANCE OF IMPERIAL REDEVELOPMENT DISTRICT UNLIMITED TAX BONDS, SERIES 2026 IN THE AMOUNT OF \$9,000,000.00.

Razeeda Boochoon, Investment & Debt Manager

- C. **FIRST & FINAL CONSIDERATION:** Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2398:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AMENDING THE FISCAL YEAR 2025-2026 BUDGET FOR THE CITY OF SUGAR LAND, TEXAS TO PROVIDE THAT THE REVISED BUDGET ADDRESS FUNDS RELATING TO CERTAIN CAPITAL AND OPERATING BUDGET MATTERS AND THAT THIS AMENDMENT BE ADOPTED AS THE BUDGETED AMOUNT FOR THOSE FUNDS.

ShaLae Steadman, Director of Budget

- D. **FIRST CONSIDERATION:** Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2399:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AMENDING THE AIRPORT COMMUNITY HANGAR RENTAL FEE TO \$0.75 PER SQUARE FOOT PER MONTH, WITH A MINIMUM MONTHLY CHARGE OF \$1,237.50.

ShaLae Steadman, Director of Budget

XII. City Council and City Manager Reports

In accordance with Texas Government Code section 551.0415, City Council Members and the City Manager may provide reports on items of community interest. No action, consideration or discussion will occur regarding these reports.

XIII. Adjournment

The Mayor and City Council reserve the right, upon motion, to suspend the rules to consider business out of the posted order. In addition to any Executive Session listed above, the City Council reserves the right to adjourn into Executive Session at any time during this meeting for the purpose of consultation with the Attorney as authorized by Texas Government Code Sections 551.071 to discuss any of the matters listed above.

If you plan to attend this public meeting and you have a disability that requires special arrangements at the meeting, please contact the City Secretary, (281) 275-2730. Requests for special services must be received 48 hours prior to the meeting time. Reasonable accommodations will be made to assist your needs.

The agenda and supporting documentation is located on the [City Website](#) under meeting agendas.

Posted on this 13th day of January 2026 at 5:15 P.M.



City Council Agenda Request

January 20, 2026

Agenda Request No: V.A.

Agenda of: City Council Meeting

Initiated by: Joshua Doyle, Chief Building Official

Presented by: Joshua Doyle, Chief Building Official, Lisa Kocich-Meyer, Director of Planning & Development Services

Responsible Department: Planning and Development Services

Agenda Caption:

ISO BCEGS SCORE ACHIEVEMENT

Recommended Action:

Recognize and commend the City of Sugar Land Building Safety Team for achieving the highest ISO BCEGS scores in the City's history and for their continued commitment to excellence in public safety and service to the community.

Executive Summary:

The purpose of this agenda item is to recognize the City of Sugar Lands Building Safety Team for achieving the City's highest ISO Building Code Effectiveness Grading Schedule (BCEGS) score to date. The ISO BCEGS program is a nationally recognized evaluation conducted by the Insurance Services Office (ISO) that measures how effectively a community administers and enforces its adopted building codes. The program evaluates staffing, training, plan review, inspections, code administration, and overall enforcement consistency.

ISO BCEGS scores are important because they directly reflect the City's commitment to public safety, construction quality, and risk reduction. Strong performance indicates that buildings are being designed, reviewed, and constructed in compliance with modern safety standards, which helps reduce property damage, loss of life, and recovery costs following disasters. These scores are also used by the insurance industry when assessing community risk and can positively influence insurance ratings for properties within the city.

Achieving this highest score represents years of sustained effort, professional expertise, and dedication by the Building Safety Team. It reflects continuous improvement in customer service, technical proficiency, internal processes, and coordination with development partners. This recognition acknowledges the team's critical role in protecting residents, businesses, and

infrastructure, while supporting the City's long term resilience and economic stability.

City Council recognition of this achievement formally acknowledges the outstanding work of the Building Safety Team and reinforces the City's commitment to excellence in public safety and code enforcement.

Budget

Expenditure Required: n/a

Current Budget: n/a

Additional Funding: n/a

Funding Source: n/a

Account Number (ORG-OBJ-Project): n/a

Attachments

None



City Council Agenda Request

January 20, 2026

Agenda Request No: VIII.A.

Agenda of: City Council Meeting

Initiated by: Ashley Newsome, Deputy City Clerk

Presented by: Linda Mendenhall, City Clerk

Responsible Department:

Agenda Caption:

MINUTES

Consideration of and action on the approval of the minutes of the January 6, 2026, meeting.

Recommended Action:

Consideration of and action on the approval of the minutes of the January 6, 2026, meeting.

Executive Summary:

Consideration of and action on the approval of the minutes of the January 6, 2026, meeting.

Budget

Expenditure Required: n/a

Current Budget: n/a

Additional Funding: n/a

Funding Source: n/a

Account Number (ORG-OBJ-Project): n/a

Attachments

1. January 6, 2026 City Council Meeting Minutes



City of Sugar Land

City Council Minutes

Sugar Land City Hall
2700 Town Center
Boulevard North
Sugar Land, TX 77479

Tuesday, January 6, 2026
City Council Meeting Minutes
City Council Chamber
5:30 PM

I. Attention

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II. Call to Order

QUORUM PRESENT

Suzanne Whatley, Stewart Jacobson, Rick Miller, Sanjay Singhal, Jim Vonderhaar, and Carol McCutcheon were present. Robert Boettcher was absent.

III. Invocation

Council Member Suzanne Whatley

IV. Pledges of Allegiance

Council Member Suzanne Whatley

V. Public Comment

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The following members of the public addressed the City Council:

Charlene Avery, Diana Wright-Lathem, and Pancy Chung spoke to address agenda item VI-N.

VI. Consent Agenda

All Consent Agenda items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council Member requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

A. MINUTES

Consideration of and action on the approval of the minutes of the December 16, 2025, meeting.

Linda Mendenhall, City Clerk

A motion to **Approve consent items A through O**, was made by Sanjay Singhal and seconded by Rick Miller; the motion **Passed**.

Ayes: Suzanne Whatley, Stewart Jacobson, Rick Miller, Sanjay Singhal, Jim Vonderhaar, Carol McCutcheon

Absent: Robert Boettcher

- B. Consideration of and action on the **CITY OF SUGAR LAND RESOLUTION NO. 25-55: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE SUBMISSION OF GRANT APPLICATIONS TO THE U.S. DEPARTMENT OF JUSTICE FOR THE FISCAL YEAR 2026 BULLETPROOF VEST PARTNERSHIP (BVP) GRANT PROGRAM AND TO THE STATE OF TEXAS FOR THE SELECTIVE TRAFFIC ENFORCEMENT PROGRAM (STEP) GRANTS, INCLUDING FISCAL YEAR 2027 STEP COMPREHENSIVE (STEP COMP) AND STEP COMMERCIAL MOTOR VEHICLE (STEP CMV); AND DESIGNATING THE CITY MANAGER, OR HIS DESIGNEE, AS THE AUTHORIZED GRANT OFFICIAL TO APPLY FOR, ACCEPT, REJECT, ALTER, OR TERMINATE THE GRANTS AND EXECUTE ALL GRANT-RELATED DOCUMENTS.**

Joe Carter, Police Captain

C. CONTRACT WITH FLOCK GROUP, INC

Consideration of and action on the authorization of Amendment No. 3 to the LPR camera contract with Flock Group, Inc. consolidating leasing contracts and adding two additional license plate recognition cameras, and increasing the maximum contract amount by \$22,865.06 to \$2,255,855.64 for the five-year lease of the existing license plate recognition cameras.

Jesse Huang, Police Captain

D. PURCHASE OF SWAT RAPID DEPLOYMENT VEHICLE FROM THE ARMORED GROUP, LLC

Consideration of and action on the approval of the purchase of the SWAT Rapid Deployment Vehicle in the amount of \$136,000.00 from The Armored Group LLC via GSA Contract # GS-07F-9375S.

Joe Carter, Police Captain

- E. **PURCHASE OF SWAT ARMORED PICKUP FROM THE ARMORED GROUP, LLC**
Consideration of and action on the approval of the purchase of the SWAT Armored Pickup in the amount of \$187,550.00 from The Armored Group, LLC via GSA Contract # GS-07F-9375S.
Joe Carter, Police Captain
- F. **CONTRACT WITH FREESE AND NICHOLS**
Consideration of and action on the authorization of the execution of a professional services contract with Freese and Nichols for the design of Burney/Main Sidewalk Widening to 7th St and Intersection Modifications at Stadium Dr., CIP CMB2601, in the amount of \$285,095.72.
Carla Barrios, Engineer II
- G. **SECOND CONSIDERATION:** Consideration of action on **CITY OF SUGAR LAND ORDINANCE NO. 2394:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, CREATING REINVESTMENT ZONE NO. 2025-01 FOR A 33.4709 ACRE TRACT OF LAND LOCATED IN SUGAR LAND, TEXAS AT 1111 GILLINGHAM LANE, SUGAR LAND, TEXAS.
Jennifer Alexander, Business Development Manager
- H. **TAX INCREMENT REINVESTMENT ZONE NO. 1 ANNUAL REPORT**
Consideration of and action on the approval of the Tax Increment Reinvestment Zone Number One Fiscal Year 2025 Annual Report.
Ana Rodriguez, Community Development Coordinator
- I. **TAX INCREMENT REINVESTMENT ZONE NO. 3 ANNUAL REPORT**
Consideration of and action on the approval of the Tax Increment Reinvestment Zone Number Three Fiscal Year 2025 Annual Report.
Ana Rodriguez, Community Development Coordinator
- J. **TAX INCREMENT REINVESTMENT ZONE NO. 4 ANNUAL REPORT**
Consideration of and action on the approval of the Tax Increment Reinvestment Zone Number Four Fiscal Year 2025 Annual Report.
Colby Millenbruch, Business Recruitment Manager
- K. **CONSENT TO FORT BEND CENTRAL APPRAISAL DISTRICT**
Consideration of and action on a Resolution consenting to the Fort Bend County Appraisal District's purchase of real property within the City of Sugar Land.
Meredith Riede, City Attorney
- L. **CONTRACT WITH AXON ENTERPRISES, INC.**
Consideration of and action on authorization of the purchase of a 29-month real-time crime center software subscription and two autonomous drones in the amount of \$593,974.04 from AXON Enterprises, Inc. via BuyBoard Contract # 743-24.
Jesse Huang, Police Captain
- M. **SECOND CONSIDERATION:** Consideration of and action on: **CITY OF SUGAR LAND ORDINANCE NO. 2379:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS AMENDING CHAPTER 5, ARTICLE XIII (SPECIAL EVENTS ORDINANCE).
Briana Williams, Assistant Director of Parks & Recreation

N. **ANIMAL ADVISORY APPOINTMENTS**

Consideration of and action on the appointment of Dr. Carolyn Bender, Barbara Willy, Ellen Tarver, Joanne Gonzales, Michael Yaakovian, Ruchika Behal, Marion Nixon, Laura Winters, Carol Hill, Melissa Hobson, and Mark Grothaus, as members for terms expiring September 30, 2026, and appointment of Barbara Willy as Chair for a term expiring September 30, 2026, to the Animal Advisory Board.

Carol McCutcheon, Mayor

O. **ZONING BOARD OF ADJUSTMENT APPOINTMENTS**

Consideration of and action on the appointment of Bing Pang and Pati Calcolice-Hildebrand as alternate members with terms expiring September 30, 2027, to the Zoning Board of Adjustment.

Carol McCutcheon, Mayor

VII. Donations

A. **ACCEPTANCE OF MONETARY DONATIONS**

Consideration of and action on the recognition and acceptance of donations to Sugar Land Animal Services in the amount of \$3,498.00.

Melissa Hobson, Animal Services Administrator

Melissa Hobson, Animal Services Administrator, gave a presentation, made comments, and answered questions from the Council.

A motion to **Approve the acceptance of donations to Animal Services**, was made by Suzanne Whatley and seconded by Jim Vonderhaar; the motion **Passed**.

Ayes: Suzanne Whatley, Stewart Jacobson, Rick Miller, Sanjay Singhal, Jim Vonderhaar, Carol McCutcheon

Absent: Robert Boettcher

VIII. Contracts and Agreements

A. **CONTRACT WITH AVFUEL CORPORATION**

Consideration of and action on authorization of a contract with Avfuel Corporation as the Airport's aviation fuel provider, establishing fuel supply and term provisions, and authorizing execution of the contract to support GlobalSelect at Sugar Land Regional Airport upon conclusion of the current Titan Aviation Fuels contract on January 31, 2026, and approving acceptance of associated grant funds.

Maria Barroso, Customer Experience Manager, Mitchell Davies, Director of Aviation

Maria Barroso, Customer Experience Manager, and Mitchell Davies, Director of Aviation, gave a presentation, made comments, and answered questions from the Council.

A motion to **Approve a contract with Avfuel and Grant Acceptance**, was made by Stewart Jacobson and seconded by Jim Vonderhaar; the motion **Passed**.

Ayes: Suzanne Whatley, Stewart Jacobson, Rick Miller, Sanjay Singhal, Jim Vonderhaar, Carol McCutcheon

Absent: Robert Boettcher

IX. City Council and City Manager Reports

In accordance with Texas Government Code section 551.0415, City Council Members and the City Manager may provide reports on items of community interest. No action, consideration or discussion will occur regarding these reports.

Mayor McCutcheon and the City Council gave comments and reported on events and activities attended. Michael Goodrum, City Manager, gave comments and reported on events and activities attended.

X. Adjournment

A motion to **Adjourn at 5:57 p.m.**, was made by Sanjay Singhal and seconded by Carol McCutcheon; the motion **Passed**.

Ayes: Suzanne Whatley, Stewart Jacobson, Rick Miller, Sanjay Singhal, Jim Vonderhaar, Carol McCutcheon

Absent: Robert Boettcher

Linda Mendenhall, City Clerk





City Council Agenda Request

January 20, 2026

Agenda Request No: VIII.B.

Agenda of: City Council Meeting

Initiated by: Jose Londono, Engineer I

Presented by: Jose Londono, Engineer I

Responsible Department: Engineering

Agenda Caption:

CONTRACT WITH CIVITAS ENGINEERING GROUP

Consideration of and action on the authorization of the execution of a professional services contract with Civitas Engineering Group for the Design Phase Services of Groundwater Plant Rehabilitation, CIP CWA2604, in the amount of \$198,219.00.

Recommended Action:

Authorize the execution of a professional services contract with Civitas Engineering Group for the Design Phase Services of Groundwater Plant Rehabilitation, CIP CWA2604, in the amount of \$198,219.00

Executive Summary:

The City owns and operates 12 groundwater plants and 23 groundwater wells that provide service to residents and businesses in Sugar Land. As part of the Capital Improvement Program, the City ensures that it maintains firm redundancy in the water supply. Rehabilitating and replacing components at each of the City's groundwater plants and groundwater wells is essential in the City reaching its goal of providing quality water service to its population. These sites are evaluated with our risk matrix for groundwater plant assets and make improvements as needed to preserve and extend the useful life of each asset.

Greatwood West groundwater plant was identified by staff for rehabilitation in FY26. The scope includes:

- Replacement of four (4) submersible booster pumps and their associated motors.
- Piping configurations and valves will be evaluated and upgraded as needed.
- A hydraulic model analysis will be conducted to evaluate the feasibility of adding a sixth pump to the plant with a 1,000-gpm capacity.
- All Motor Control Center (MCC) components, main breaker, and Automatic Transfer Switch (ATS) will be replaced.
- The existing light pole will be removed and replaced with new lighting.

- The electrical box and wiring will be inspected, cleaned, and repainted.
- The driveway will be extended to fill the empty corner where the existing light pole will be removed.
- Existing wooden fences will be inspected and replaced with concrete fences.

Civitas Engineering Group was selected as the consultant to perform the engineering design services required for this project. This selection was made in accordance with the city policy PU-109 for the procurement of professional services.

The scope of work for this professional services contract will include the following elements:

- Prepare engineering design submittals and deliverables
- Provide detailed project baseline schedules, milestones, activities, and updates
- Coordinate with subconsultants, agencies, and stakeholders
- Provide technical specifications, and construction cost estimates
- Issue bid documentation
- Coordinate with utilities

The Engineering Department has negotiated the above scope of work with Civitas Engineering Group for a fee in the amount of \$198,219.00. There is currently \$2,160,000.00 available in CIP CWA2604 for FY26 Groundwater Plant Rehabilitation project. The remaining funds will be used for construction and contingencies.

The anticipated schedule for complete design services is May 2026.

The Engineering and Public Works Departments recommend the City Council authorize the execution of the professional services design contract with Civitas Engineering Group in the amount of \$198,219.00 for the Groundwater Plant Rehabilitation project, CIP CWA2604.

Budget

Expenditure Required: \$198,219.00

Current Budget: \$2,160,000.00

Additional Funding: \$0

Funding Source: Revenue Bonds

Account Number (ORG-OBJ-Project): 6049205-621015-CWA2604

Attachments

1. CWA2604 Greatwood GWP Contract

**CITY OF SUGAR LAND CONTRACT
FOR PROFESSIONAL ENGINEERING DESIGN
SERVICES FOR CITY FACILITIES**

\$100,000 to \$999,999
(Rev. 1-16-25)

I. Signatures. By signing below, the parties agree to the terms of this Contract.

CITY OF SUGAR LAND

ENGINEER:



By:

By: Sunil Kommineni, PhD, PE, BCEE

Date:

Date: 12/04/2025

Title:

Title: President

Company: Civitas Engineering Group

MATTER NUMBER: 8027M

APPROVED AS TO FORM:



II. General Information and Terms.

Engineer's Name and Address: Civitas Engineering Group
2000 W Sam Houston Parkway S.
Suite 1400
Houston, TX 77042

Project Description: CWA2604 Greatwood West Groundwater Plant
Rehabilitation

Maximum Contract Amount: \$198,219.00

Effective Date: On the latest date of the dates executed by both parties.

Termination Date: See III.F.

Contract Parts: This Contract consists of the following parts:

- I. Signatures
- II. General Information and Terms
- III. Standard Contractual Provisions
- IV. Additional Terms or Conditions
- V. Additional Contract Documents

III. Standard Contractual Provisions.

A. Definitions. In this Contract:

Construction Documents means the plans, drawings, specifications, descriptions, or similar design related documents prepared by the Engineer for the Project under this Contract.

Contract means this Standard Contract for Professional Engineering Design Services, made in compliance with Chapter 2254 of the Texas Government Code.

Contractor means the person or entity that the City contracts with to construct the Project.

Engineer means the person or entity named in Part II of this Contract.

Project means the design and construction of the City improvements or structures described in this Contract.

B. Engineer's Services. The Engineer will provide to the City design services and any other related services for the Project as described in this Contract under the terms and conditions of this Contract.

C. Construction Documents. The Engineer's Construction Documents will be sufficiently accurate, detailed, and complete so that the Contractor may, if the Contractor faithfully follows the Construction Documents, construct and complete the Project without substantial defects and within the projected schedule and budget. In this paragraph, a "substantial defect" includes any condition of the Project that, upon completion, prevents or interferes with the Project's proper or intended operation, use, function, or maintenance. The Engineer will promptly correct any error found in the Construction Documents, including any error discovered after the City makes final payment to the Engineer, without payment of additional compensation.

D. Project Visits. If the Engineer's Additional Contract Documents provide for the Engineer to visit the Project site, the Engineer will visit the Project Work at intervals appropriate to the stage of the Project construction, but not less than the minimum number of visits specified in the Engineer's Additional Contract Documents, if any. The Engineer's visits will include visits at times when the significant elements of the Project construction, or representative samples thereof, are being performed so that the Engineer may determine if the Project is being constructed in substantial compliance with the Construction Documents. The Engineer will keep the City informed of the progress and quality of the Project construction as it is completed and promptly notify the City in writing of any Project construction that does not substantially comply with the Construction Documents.

E. Billing and Payment. Subject to the terms of the Contract, the City will pay the Engineer the sum(s) as shown in Section II above plus any additional sums approved by change order. The Engineer will bill the City for the services provided at intervals of at least thirty (30) calendar days, except for the final billing. The Engineer must bill or invoice the City within thirty (30) calendar

days from the date of service and submit the final invoice no later than thirty (30) calendar days from the Contract termination or expiration date. The City is not responsible or liable for payment of any invoice submitted to the City more than sixty (60) calendar days after the date in which the services were rendered or for any work which is unsatisfactory to the City. The City will pay the Engineer for the services provided for in this Contract with current revenues available to the City, but all of the City's payments to the Engineer, including the time of payment and the payment of interest on overdue amounts, are subject to other requirements of this Contract and Chapter 2251 of the Texas Government Code. The City is not liable to the Engineer for any taxes which the City is not liable by law, including state and local sales and use taxes (Section 151.309 and Title 3, Texas Tax Code) and federal excise tax (Subtitle D of the Internal Revenue Code). The City will return all invoices containing errors to the Engineer with an explanation of the deficiency. The City will not pay the Engineer for any costs or expenditures that are not included in the scope of work or a change order under the Contract. If the City determines that the Engineer has been overpaid, the Engineer must refund the overpayment to the City within thirty (30) calendar days of the receipt of the notice from the City unless an alternate payment plan is specified by the City.

F. Termination Provisions.

(1) Unless terminated earlier as allowed by this Contract, this Contract terminates:

(a) On the termination date, if any, specified in the General Information in Part II, but the obligation of a party to complete a contract requirement pending on the date of termination survives termination; or

(b) If there is no termination date specified in the General Information in Part II, the Contract terminates when both parties have completed all their respective obligations under the Contract.

(2) The City's city manager may terminate this Contract during its term at any time for any reason by giving written notice to the Engineer not less than five business days prior to the termination date, but the City will pay the Engineer for all services rendered in compliance with this Contract to the date of termination.

(3) If the City's city council does not appropriate funds to make any payment for a fiscal year after the City's fiscal year in which the Contract becomes effective and there are no proceeds available for payment from the sale of bonds or other debt instruments, then the Contract automatically terminates at the beginning of the first day of the successive fiscal year. (Section 5, Article XI, Texas Constitution)

G. Liability and Indemnity. A provision of the Engineer's Additional Contract Document is void and unenforceable if it: (1) limits or releases the Engineer from liability that would exist by law in the absence of the provision; (2) creates liability for the City that would not exist by law in the absence of the provision; or (3) waives or limits the City's rights, defenses, remedies, or immunities that would exist by law in the absence of the provision.

H. Assignment. The Engineer may not assign this Contract without the City's prior written consent.

I. Law Governing and Venue. This Contract is governed by the law of the State of Texas and a lawsuit may only be prosecuted on this Contract in a court of competent jurisdiction located in or having jurisdiction in Fort Bend County, Texas.

J. Entire Contract. This Contract represents the entire Contract between the City and the Engineer and supersedes all prior negotiations, representations, or contracts, either written or oral. This Contract may be amended only by written instrument signed by both parties.

K. Independent Contractor. The Engineer will perform the work under this Contract as an independent contractor and not as an employee of the City. The City has no right to supervise, direct, or control the Engineer or Engineer's officers or employees in the means, methods, or details of the work to be performed by Engineer.

L. Dispute Resolution Procedures. If a party disputes any matter relating to this Contract, the parties agree to try in good faith, before bringing any legal action, to settle the dispute by submitting the matter to mediation before a third party who will be selected by agreement of the parties. The parties will each pay one-half of the mediator's fees.

M. Attorney's Fees. Should a party to this Contract bring suit against the other party for any matter relating to this Contract, neither party will seek or be entitled to an award of attorney's fees or other costs relating to the suit.

N. Severability. If a court finds or rules that any part of this Contract is invalid or unlawful, the remainder of the Contract continues to be binding on the parties.

O. Contractual Limitations Period. Any provision of the Contract that establishes a limitations period that does not run against the City by law or that is shorter than two years is void. (Sections 16.061 and 16.070, Texas Civil Practice and Remedies Code)

P. Conflicting Provisions. If there is a conflict between a provision in the Engineer's Additional Contract Documents and a provision in the remainder of this Contract, the latter controls.

Q. Copyright. Any original work (the Work), including any picture, video, music, brochure, writing, trademark, logo or other work created by the Engineer for the use of the City under this Contract is a "work made for hire," as defined by federal copyright law. If the Work is not by law a "work made for hire," the Engineer by execution of this Contract assigns to the City all of its rights to the Work, including the copyright. The City, as the author and owner of the copyright to the Work, may alter, reproduce, distribute, or make any other use of the Work as it deems appropriate.

R. Standard of Care for Architects and Engineers. Services must be performed (1) with the

professional skill and care ordinarily provided by competent licensed engineers or registered architects practicing in the same or similar locality and under the same or similar circumstances and professional license, and (2) as expeditiously as is prudent considering the ordinary professional skill and care of a competent engineer or architect. Provided, however, if this is a construction contract for architectural or engineering services or a contract related to the construction or repair of an improvement to real property that contains architectural or engineering services as a component part, the architectural or engineering services must be performed with the professional skill and care ordinarily provided by competent architects or engineers practicing under the same or similar circumstances and professional license. (Tex. Civ. Prac. & Remedies Code § 130.0021 (a)).

S. Compliance with Laws. The Engineer must comply with the federal, state, and local laws, rules and regulations applicable to the Project and its services under this Contract.

T. Disclosure of Interested Persons for Council-Approved Contracts. Contracts that require City Council approval, such as contracts that exceed \$50,000, are subject to the requirements of Section 2252.908, Tex Gov't Code. Under the provisions of this statute:

(1) The City may not enter into a contract with a business entity that requires Council approval unless the business entity submits a disclosure of interested persons at the time the business entity submits a signed contract to the City;

(2) A disclosure of interested parties must be submitted on a form prescribed by the Texas Ethics Commission (Commission) that includes:

(a) A list of each interested party for the contract of which the contractor business entity is aware, an interested party being a person who has a controlling interest in the business entity or who actively participates in facilitating or negotiating the terms of the contract, including a broker, intermediary, adviser, or attorney for the business entity; and

(b) The signature of the authorized agent of the contracting business entity, acknowledging that the disclosure is made under oath and under penalty of perjury.

The Commission has approved a Certificate of Interested Persons form, which must be filled out, signed and notarized by the Contractor and submitted to the City at the time of execution of this Contract, along with the certification of filing generated from the Commission's website at <https://www.ethics.state.tx.us/filinginfo/1295/>. The Certificate of Interested Persons form is available on the Commission's website and the Contractor must follow the Commission's filing process adopted pursuant to the statute.

U. Prohibition on Contracts with Companies Boycotting Israel. Certain contracts for goods and services are subject to the requirements of Section 2271.002, Tex. Gov't Code (H.B. 89, as amended by H.B. 793). Specifically, contracts for good and services that:

(1) are between the City and a company with ten (10) or more full time employees; and

(2) have a value of \$100,000.00 or more that is to be paid wholly or partly from public funds of the City.

Under the provisions of this statute, if the above conditions apply the City may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it:

- (1) does not boycott Israel; and
- (2) will not boycott Israel during the term of the contract.

If this is a contract to which the verification requirement applies, the City has approved a verification form which must be filled out and signed by the Contractor and submitted to the City at the time of execution of this Contract.

V. Prohibition on Contracts with Companies Boycotting Certain Energy Companies. Certain contracts for goods and services are subject to the requirements of Section 2276.002, Tex. Gov't Code (S.B. 13). Specifically, contracts for good and services that:

- (1) are between the City and a company with ten (10) or more full-time employees; and
- (2) have a value of \$100,000.00 or more that is to be paid wholly or partly from public funds of the City.

Under the provisions of this statute, if the above conditions apply the City may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it:

- (1) does not boycott energy companies; and
- (2) will not boycott energy companies during the term of the contract.

If this is a contract to which the verification requirement applies, the City has approved a verification form which must be filled out and signed by the Contractor and submitted to the City at the time of execution of this Contract.

W. Prohibition on Contracts with Companies that Discriminate Against Firearm and Ammunition Industries. Certain contracts for goods and services are subject to the requirements of Section 2274.002, Tex. Gov't Code (S.B. 19). Specifically, contracts for good and services that:

- (1) are between the City and a company with ten (10) or more full time employees; and
- (2) have a value of \$100,000.00 or more that is to be paid wholly or partly from public funds of the City.

Under the provisions of this statute, if the above conditions apply the City may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it:

- (1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
- (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association.

If this is a contract to which the verification requirement applies, the City has approved a verification form which must be filled out and signed by the Contractor and submitted to the City at the time of execution of this Contract.

This verification requirement does not apply if this contract is with a sole-source provider or, if this a contract subject to competitive bidding, the City did not receive any bids from a company that is able to provide the written verification required.

X. Prohibition on Contracts with Certain Foreign-owned Companies in Connection With Critical Infrastructure. Certain contracts for critical infrastructure are prohibited by Section 2275.0102, Tex. Gov't Code (S.B. 2116). Specifically, relating to a contract for critical infrastructure that:

- (1) would grant a company direct or remote access to or control of critical infrastructure in this state, excluding access specifically allowed by the governmental entity for product warranty and support purposes; and
- (2) where the City knows that the company is:
 - (A) owned by or the majority of stock or other ownership interest of the company is held or controlled by:
 - (i) individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; or
 - (ii) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or
 - (B) headquartered in China, Iran, North Korea, Russia, or a designated country.

In signing this Contract, Contractor represents and acknowledges that it is not a foreign-owned company under Section 2275.0102 and that this is not a contract prohibited by Section 2275.0102, Tex. Gov't Code (S.B. 2116).

IV. Additional Terms or Conditions. None

V. Additional Contract Documents. The following documents attached to this Contract are part of this Contract:

Exhibit A. Engineer's Additional Contract Documents:

- A-1. Contractor's Proposal dated 11/6/2025 (9 pages)
- A-2. Certificate of Interested Persons with Certification of Filing (1 page)
- A-3. House Bill 89 Verification (1 page)
- A-4. Senate Bill 13 Verification (1 page)
- A-5. Senate Bill 19 Verification (2 pages)

Exhibit B. City's Additional Contract Documents:

- B-1. Insurance Requirements (2 pages)
- B-2. Data Ownership, Sharing, and AI (2 pages)

EXHIBIT A-1

Contractor's Proposal dated 11/6/2025



November 6, 2025

Jose Londono
Engineer 1
City of Sugar Land
2700 Town Center Blvd. N.
Sugar Land, TX 77479

Ref: Proposal for CWA2604 Greatwood West Groundwater Plant Rehabilitation

Dear Mr. Londono,

We are pleased to offer for your consideration the following proposal for the rehabilitation of Greatwood West Groundwater Plant.

SCOPE OF WORK: Civitas Engineering Group, Inc. (Civitas) will provide professional engineering services for the final design of the Greatwood West Groundwater Plant (CWA2604) for the City of Sugar Land (City). The scope of work for these services will include basic design services (detailed design drawings, technical specifications, cost estimates, and bid phase services) and limited construction phase services.

Below summarizes detailed tasks:

- Site investigations: Conduct site visits with City staff to visually assess existing infrastructure conditions and identify potential areas for improvement.
- Data collection: With Notice-To-Proceed, Civitas will collaborate with City staff to identify, request, and verify all necessary data required for the project.
- Booster Pump Station Improvement: The site currently includes five (5) pumps and their corresponding motors. The project scope includes four (4) submersible booster pumps and their associated motors, excluding Pump No. 3, which was replaced recently. Subtasks include bellow.
 - Replace 4 pumps and associated motors. Replacement will be in-kind to maintain system consistency and performance.
 - Inspect all pump cans.
 - Inspect all piping configurations and associated appurtenances
 - Replace existing valves. Replace two (2) 20" butterfly valves (BFV) in the discharge header pipe with in-kind BFVs. Replace four (4) 14" BFVs and one (1) 10" BFV with gate valves (with non-rising stem).
 - Replace buried six (6) 12" suction gate valves.

civitasengr.com
MAIN 713-783-8700
FAX 713-783-8747

2000 W Sam Houston Parkway S.
Suite 1400
Houston, TX 77042



- Replace check valves, air/vacuum valves, pipes, and all other appurtenances above ground including 2" plant service water pipe.
- Hydraulic model: The City currently operates four (4) pumps, each with a capacity of 1,500 gallons per minute (gpm), and one (1) pump with a capacity of 1,000 gpm. During periods of low demand, the 1,000-gpm pump is primarily used, which can result in increased wear and reduced service life. According to the record drawings, space is available on-site for a potential sixth pump installation. Civitas will conduct a hydraulic model analysis to evaluate the feasibility of adding a sixth pump with a 1,000-gpm capacity, which would provide the City better operational flexibility and help balance system usage during low-demand conditions.
- Electrical equipment replacement: Electrical upgrades will be evaluated and implemented as needed to support the operation of new pumps and valves. Modifications will be limited to establishing necessary connections with the City's SCADA system.
 - Remove the existing light pole at the second entrance gate. Then, install new lighting such as wall pack lights on the existing electrical building and/or modification to the existing floodlight at the booster pump pad.
 - Inspect wiring and clean inside box, inspect box interior for holes and/or deterioration, then replace damaged wiring. Otherwise, seal, clean, and repaint the box.
- Motor Control Center (MCC) improvement: The existing MCC contains original, unmodified components that require evaluation for functionality and safety. This project scope includes a replacement of all MCC components, main breaker, including the Automatic Transfer Switch (ATS).
 - An inspection and the load analysis of the on-site generator will be conducted, though this will not include design work. Upon completion of the inspections and analysis, Civitas will provide detailed findings to City staff, enabling informed decision-making regarding budget allocation for any recommended replacements or repairs of the generator.
- Site Civil Improvements: Extend driveway to fill in empty corner where the existing light pole will be removed. Also, inspect existing wooden fences and replace them to concrete fences.
- Bid Phase Services: Civitas will assist the City for project bidding. Services will include responding to contractor inquiries, attending the pre-bid meeting, and evaluating bids for conformance with project requirements.
- Limited Construction Phase Services: Civitas will assist the City with the review and response to submittals and Requests for Information (RFIs). Upon project completion, Civitas will prepare and deliver an as-built drawing set to the City for record documentation.
- Exclusions: It is our understanding that Civitas' scope is limited to the tasks listed above. However, if required by the City, Civitas will provide additional services and be compensated accordingly. Items below are excluded from the scope.

civitasengr.com
MAIN 713-783-8700
FAX 713-783-8747

2000 W Sam Houston Parkway S.
Suite 1400
Houston, TX 77042



- Replacement of Pump #3 and its corresponding motor
- Chemicals and their associated pipe and appurtenances improvements
- SCADA and instrumentation improvements
- Building additions/modifications
- Work related to onsite water well and associated electrical equipment
- Topographic Survey
- Geotechnical Investigation and Subsurface Utility Engineering
- Construction Management/Inspection

FEE: We propose to accomplish the scope of work for \$198,219.00 as attached in detailed LOE.

SCHEDULE: The current schedule aims to complete the final design by May 2026 and begin construction in June 2026. Should there be any changes to this timeline, we remain fully committed to meeting the updated schedule and providing our services accordingly.

We look forward to receipt of your authorization to proceed. Should you require any further information or have any questions please do not hesitate to contact me at 713.972.6644 or via email at yshim@civitasengr.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Yongki Shim", is written over a faint, larger blue signature.

Yongki Shim, PhD, PE
Project Manager

Enclosure: As mentioned above

Cc: File

civitasengr.com
MAIN 713-783-8700
FAX 713-783-8747

2000 W Sam Houston Parkway S.
Suite 1400
Houston, TX 77042



ATTACHMENT

- A. Level of Effort (LOE)
- B. Sub Consultant Proposal

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FAX 713-783-8747

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Suite 1400
Houston, TX 77042

City of Sugar Land CWA2604 Greatwood West Groundwater Pplant Level of Effort		Project Principal	Project Manager	Sr. Project Engineer	Project Engineer II	Project Engineer I	Graduate Engineer	CADD/GIS Technician	Clerical	Subtotal	Sub Consultant's Cost	Owner Direct Cost (See Note 1)	Total Fee
Billing Rates		\$ 315.00	\$ 270.00	\$ 210.00	\$ 180.00	\$ 165.00	\$ 135.00	\$ 120.00	\$108.00				
1	Project Management												\$ 10,952.00
1	Project Coordination with Client throughout the duration of the project & Invoices	6	24						24	\$ 10,952.00			\$ 10,952.00
2	Final Design												\$ 142,927.00
1	Site Visit and Investigation		4	4		4	4			\$ 3,120.00			\$ 3,120.00
2	Design Management		40							\$ 10,800.00			\$ 10,800.00
3	QA/QC	4		24						\$ 6,300.00			\$ 6,300.00
4	Document Organization and Submittals				4		16		24	\$ 5,472.00			\$ 5,472.00
5	Specifications and Project Manual			4	24	24				\$ 9,120.00			\$ 9,120.00
6	Cost Estimates			4	8	24	32			\$ 10,560.00			\$ 10,560.00
	Drawings												
7	Cover Sheet						2	2		\$ 510.00			\$ 510.00
8	Index of Drawings					1	4	4		\$ 1,185.00			\$ 1,185.00
9	Legend & Abbreviations					1	4	4		\$ 1,185.00			\$ 1,185.00
10	General Notes				1	1	6	4		\$ 1,635.00			\$ 1,635.00
11	Typical Details I				1	2	6	8		\$ 2,280.00			\$ 2,280.00
12	Typical Details II				1	2	6	8		\$ 2,280.00			\$ 2,280.00
13	Mechanical Details I				1	4	8	8		\$ 2,880.00			\$ 2,880.00
14	Mechanical Details II				1	4	8	8		\$ 2,880.00			\$ 2,880.00
15	Site Civil Details				1	4	8	8		\$ 2,880.00			\$ 2,880.00
16	Overall Site Plan				1	8	20	32		\$ 8,040.00			\$ 8,040.00
17	Enlarged Site Plans				1	8	16	24		\$ 6,540.00			\$ 6,540.00
18	Demolition Plan and Sections				1	8	16	24		\$ 6,540.00			\$ 6,540.00
19	Proposed Site Plans				2	8	16	32		\$ 7,680.00			\$ 7,680.00
20	Proposed Pump Plans and Sections				8	32	32	40		\$ 15,840.00			\$ 15,840.00
21	Electrical Improvements (See Note 2)									\$ -	\$ 32,000.00	\$ 3,200.00	\$ 35,200.00
3	Modeling												\$ 10,440.00
1	Hydraulic Modeling		2	2	16	40				\$ 10,440.00			\$ 10,440.00
4	Bid Phase Service												\$ 6,820.00
1	Bid Phase Service		2		8	16				\$ 4,620.00	\$ 2,000.00	\$ 200.00	\$ 6,820.00
5	Limited Construction Phase Service												\$ 27,070.00
1	Submittals Review and Responses		4		40					\$ 8,280.00	\$ 4,000.00	\$ 400.00	\$ 12,680.00
2	RFIs Review and Responses		4	8	24					\$ 7,080.00	\$ 4,000.00	\$ 400.00	\$ 11,480.00
3	As-Built Submittal		1		4			16		\$ 2,910.00			\$ 2,910.00
Total Labor Hours		10	81	46	147	191	204	222	48				
Total Labor		\$ 3,150	\$ 21,870	\$ 9,660	\$ 26,460	\$ 31,515	\$ 27,540	\$ 26,640	\$ 5,184	\$ 152,019.00	\$ 42,000.00	\$ 4,200.00	\$ 198,219.00

NOTES:

1. It includes 10% mark-up on sub consultant's task.
2. Electrical design, notes, and details are included as a lump sum. Refer to attached sub consultant's proposal.



9711 S. Mason Rd.
Suite 125 PMB 326
Richmond, Texas 77407
(281) 529-5005
TBPE Firm No. 16575

November 5, 2025

Yongki Shim, PhD, P.E.
Civitas Engineering Group
2000 W Sam Houston Pkwy S. Ste. 1400
Houston, TX 77042

Re: Professional Engineering Services Proposal for
City of Sugar Land Greatwood West Water Plant Improvements
Fort Bend County, Texas
BGD Project No. 252-0009; Rev. 1

Dear Yongki:

We appreciate the opportunity to present this proposal for electrical engineering services in connection with the City of Sugar Land Greatwood West Water Plant Improvements.

Project Understanding

This project includes a complete replacement of the existing motor control center (MCC). The existing well pump and booster pumps starter cabinets use reduced voltage autotransformer (RVAT) starters. The proposed MCC will use solid-state reduced voltage (SSRV) starters for the well pump and booster pumps. The existing main disconnect and automatic transfer switch (ATS) will also be replaced. Existing conduits will be reused, if possible, but all conductors to and from the MCC will be replaced.

A load analysis of the plant will be prepared to include the addition of Booster Pump No. 6 to serve as a 2nd jockey pump in alternation with Booster Pump No. 5. An evaluation of the existing standby generator will be conducted to determine which loads can stay in operation in different scenarios while the facility operates under generator power.

The existing floodlight at the entrance gate will be removed. The illumination lost from the removal of the floodlight will be replaced by the installation of wall pack lights on the existing electrical building and/or modification to the existing floodlight at the booster pump pad. All exterior and interior light fixtures will be replaced with LED lighting.

The existing bussed weatherhead will be rehabilitated, including wire brushing all corrosion on the exterior and interior of the enclosure before re-coating the enclosure. Conductors from the weatherhead to the new main disconnect and from the main disconnect to the new ATS will be replaced.

All existing controls will be reused. Where new equipment includes ethernet communication (i.e. well pump Multilin, SSRV starters, power quality meter, etc.) will be connected to the existing ethernet switch located inside the existing PLC control panel.

This facility may need to stay online during construction with minimal outage. Temporary electric service and control systems may be required during construction. A summary of minimum equipment needed and operational requirements will be provided to the contractor.

Based on our understanding of your project, the review and approval process, we prepared the following scope of services and fee proposal for your consideration.

Scope of Services

A. Electrical Design Phase Services

1. The electrical construction drawings shall include the following:
 - a. Electrical site layout depicting location of electrical equipment and conduit routing.
 - b. Electrical one-line diagram of the complete facility and load analysis specifying electrical equipment sizes.
 - c. Conduit schedule specifying conductor and conduit sizes.
 - d. Electrical control schematics for the proposed equipment.
 - e. Electrical details.
 - f. Temporary service summary to include minimum necessary loads and equipment required to operate system.
2. Electrical Technical Specifications
 - a. Division 13 & 16 specifications for electrical work and equipment required.
3. Deliverables
 - a. 60% review set for internal and agency reviews in electronic format (PDF).
 - b. 90% review set for internal and agency reviews in electronic format (PDF).
 - c. Bid Ready (100%) signed and sealed construction drawings in electronic format (PDF).
 - d. Electrical specifications in electronic format (PDF).
4. Items provided by Client
 - a. AutoCAD drawings.
 - i. Site layout
 - ii. Border
 - b. Load information including motor horsepower and/or equipment wattage of current and ultimate phase.
 - c. Mechanical and process equipment specifications.

B. Bid Phase Services

1. Develop addenda and/or clarifying documents as requested.
2. Attend pre-bid meeting.
3. Prepare informed contract documents as were changed by addenda.

C. Construction Phase Services

1. Review electrical shop drawings and submittals.
2. Review and comment on any Requests for Information (RFI).
3. One (1) final inspection at substantial completion and provide a punch list of observed electrical deficiencies. Additional site visits may be requested and shall be billed as an hourly service.
4. Interpret the intent of the plans via telephone or email.

Proposed Fee

A. Electrical Design Phase Services (Lump Sum)	=	\$32,000
B. Bid Phase Services (Lump Sum)	=	\$2,000
C. Construction Phase Services (Lump Sum)	=	\$8,000

Special Considerations

This proposal is based on the following special considerations:

1. This proposal shall be subject to the enclosed Professional Services Agreement to be executed with this proposal.
2. Civil design items including buildings, concrete slabs, drainage, and landscaping are not included.
3. Reimbursable expenses including outside services not performed by Baird Gilroy & Dixon, LLC personnel shall be provided and reimbursed at cost plus 10%. Although we do not anticipate any Reimbursable Expenses, these services typically include reproduction and deliveries.
4. Additional review meetings, construction site visits or other services desired by CLIENT may be provided by SUBCONSULTANT on an hourly basis or an agreed upon lump sum as an additional service to this contract as requested.
5. Hourly Services, if any, shall be provided in accordance with the Schedule of Hourly Rates listed below. This rate schedule may be revised upon written notification in January of each year.

SCHEDULE OF HOURLY RATES

Effective January 2025

Subject to Annual Revision in January 2026

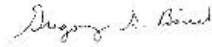
Engineering Personnel		Programming Personnel	
Electrical Engineer's Assistant I	\$60	Programmer's Assistant I	\$60
Electrical Engineer's Assistant II	\$80	Programmer's Assistant II	\$80
Electrical Staff Engineer	\$130	Programmer I	\$145
Electrical Project Engineer	\$150	Programmer II	\$160
Electrical Sr. Project Engineer	\$165	Programmer III	\$180
Electrical Project Manager	\$200	Programmer IV	\$200
Officer – Principal	\$250		
Designer/Drafting Personnel		Office Personnel	
CAD Operator I	\$75	Project Support Administrator	\$80
CAD Operator II	\$90	Accounting Manager	\$90
Designer I	\$105		
Designer II	\$120		

6. The proposed fees shall be considered in their entirety for the scope of services. Should you wish to contract with us for only a portion of the work, we reserve the right to negotiate individual scope items on their own merits.
7. Cost estimates prepared by the engineer represent their best judgment as a design professional familiar with the construction industry. It is recognized, however, that the engineer has no control over the cost of labor, materials, or equipment; over the contractor's methods of determining bid prices; or over competitive bidding or market conditions. Accordingly, the engineer cannot and does not guarantee that bids will not vary from any cost estimate prepared by them.
8. This proposal shall be valid for sixty days from this date and may be extended upon approval by this office.

Yongki Shim, PhD, P.E.
Page 4
November 5, 2025

We appreciate the opportunity to submit this proposal and look forward to working with you. An executed copy of this proposal and enclosed PSA will serve as our notice to proceed. Please return one copy of both documents to our office. Should you have any questions, please call.

Sincerely,



Gregory S. Baird, P.E.
Baird Gilroy & Dixon, LLC
Principal

P:\Projects\252\0009\Contracts\BGD Proposal - Sugar Land Greatwood West WP Improvements Rev.D.docx

APPROVED BY:



Signature

Yongki Shim, PhD, PE | Project Manager

Name and Title (Printed)

Nov 6, 2025

Date

105-2501

Civitas Engineering Group Project Number



City Council Agenda Request

January 20, 2026

Agenda Request No: VIII.C.

Agenda of: City Council Meeting

Initiated by: Robert Wilson, Assistant City Engineer

Presented by: Idahosa Igbinoba, Senior Project Manager

Responsible Department: Engineering

Agenda Caption:

CONTRACT WITH SANDER ENGINEERING CORPORATION

Consideration of and action on authorizing the execution of a professional engineering design services contract in the amount of \$249,075.00 with Sander Engineering Corporation for design and bid phase services for the Lift Station Rehabilitation Program Project, CIP No. CWW2602.

Recommended Action:

Consideration of and action on authorizing execution of a professional engineering design services contract in the amount of \$249,075.00 with Sander Engineering Corporation for design and bid phase services for the Lift Station Rehabilitation Program Project, CIP No. CWW2602

Executive Summary:

Annually, the City's Utilities group conducts routine inspections and assessments on wastewater lift stations to identify and prioritize those that need rehabilitation. In FY26, the lift stations below are recommended for rehabilitation:

- Small Mesquite (NO.113 @ 2719 Mesquite Dr)
- Walmart (No.44 @ 555 1/2 Highway 6)
- Ellis Creek (No. 405 @ 510 Ellis Creek
 - River Lodge (No. 302 @ 6003 E. River Park)

These lift stations require major rehabilitation in order to avoid continued deterioration that may result in failure and high repair costs in the future and to comply with electrical codes for efficient operation and safety of operational staff. The lift stations will also be upgraded with remote terminal unit (RTU) monitoring and data logging system.

In accordance with the City's Policy Number PU-109, Sander Engineering Corporation was selected from the City's library of pre-qualified firms based on their experience with similar lift station projects. The Engineering and Utilities Departments are satisfied with Sander Engineering Corporation's work on previous lift station rehabilitation design projects and recommend moving forward with Sander Engineering Corporation for the design phase of the recommended lift stations.

The engineering scope of work for this project includes the completion of the following services:

- Develop construction plans/technical specifications
- Complete contract documents suitable for construction bidding
- Develop probable opinion of construction cost
- Prepare conformed construction documents suitable for contract execution
- Prepare topographic survey of the lift stations
- Bid phase services

The fee for the proposed professional services was negotiated as a lump sum of \$249,075.00. Funding is available for design in CIP CWW2602. The schedule to complete the design is eight (8) months following the Notice to Proceed.

The Engineering and Utilities Departments recommend that the City Council authorize a professional engineering design services contract with Sander Engineering Corporation to provide design and bid phase services for the Lift Station Rehabilitation Program Project CIP CWW2602 in the amount of \$249,075.00

Budget

Expenditure Required: \$249,075.00

Current Budget: \$400,000.00

Additional Funding: N/A

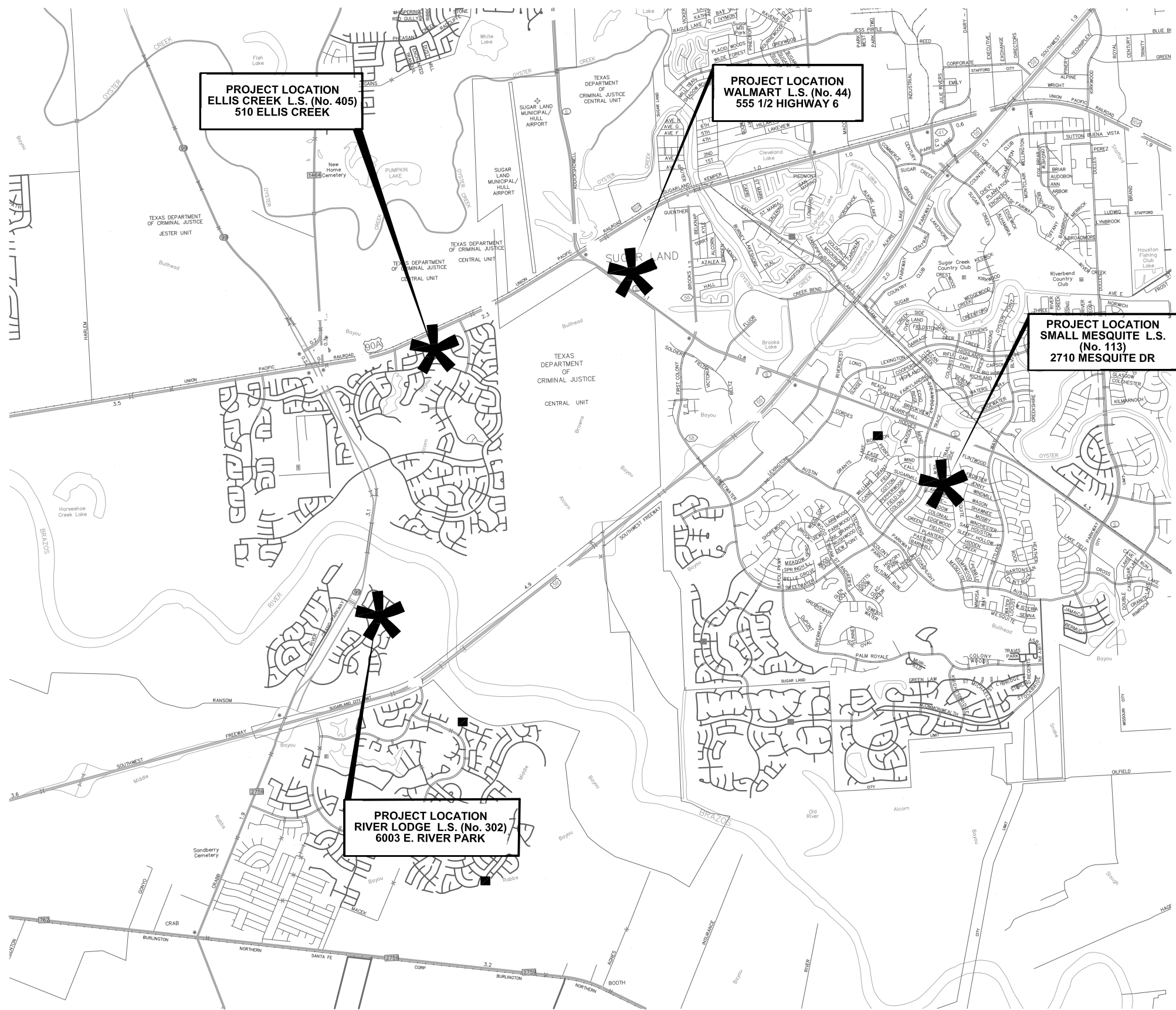
Funding Source: Revenue bonds

Account Number (ORG-OBJ-Project): Org. 6029210 / Object #621015 / Project: CWW2602

Attachments

1. Location Map
2. Signed Design Contract

CITY OF SUGARLAND
CWW2602
LIFT STATION REHABILITATION-SMALL MESQUITE, WALMART,
ELLIS CREEK & RIVER LODGE



**CITY OF SUGAR LAND CONTRACT
FOR PROFESSIONAL ENGINEERING DESIGN
SERVICES FOR CITY FACILITIES**

\$100,000 to \$999,999
(Rev. 1-16-25)

I. Signatures. By signing below, the parties agree to the terms of this Contract.

CITY OF SUGAR LAND

ENGINEER:

By:

By:  **Sander Engineering Corporation, P.E.**

Date:

Date: December 11, 2025

Title:

Title: Vice President

Company: Sander Engineering Corporation

MATTER NUMBER: 8125M
APPROVED AS TO FORM:

II. General Information and Terms.

Engineer's Name and Address: Sander Engineering Corporation
2901 Wilcrest, Suite 550
Houston, TX 77042

Project Description: CIP No. CWW2602 - Lift Stations Rehabilitation Project
(Small Mesquite, Walmart, Ellis Creek & River Lodge)

Maximum Contract Amount: \$249,075.00

Effective Date: On the latest date of the dates executed by both parties.

Termination Date: See III.F.

Contract Parts: This Contract consists of the following parts:

- I. Signatures
- II. General Information and Terms
- III. Standard Contractual Provisions
- IV. Additional Terms or Conditions
- V. Additional Contract Documents



City Council Agenda Request

January 20, 2026

Agenda Request No: VIII.D.

Agenda of: City Council Meeting

Initiated by: Carla Barrios, Engineer II

Presented by: Carla Barrios, Engineer II

Responsible Department: Engineering

Agenda Caption:

CONTRACT WITH HD OUTDOOR CONSTRUCTION, LLC

Consideration of and action on authorizing the execution of a construction contract with HD Outdoor Construction, LLC for the construction of Sugar Land Memorial Park Splashpad, CIP CPK2403, in the amount of \$579,451.16.

Recommended Action:

Authorize the execution of a construction contract with HD Outdoor Construction, LLC for the construction of Sugar Land Memorial Park Splashpad, CIP CPK2403, in the amount of \$579,451.16.

Executive Summary:

Sugar Land Memorial Park is the second most visited park in Sugar Land with approximately 198,000 visitors and 571,000 visits annually. The City currently owns and operates one splashpad, located at River Park, which is popular during the summer months. Based on the popularity of this existing splashpad and feedback from residents, the Parks and Recreation Department identified Sugar Land Memorial Park for the construction of the City's second splashpad. The site will be located east of the Eagle Plaza Hill and north of the existing playground.

In August 2024, SL4B approved \$500,000 in funding for the design and construction of the proposed splashpad at Sugar Land Memorial Park. This project was included in the Fiscal Year 2025 Capital Improvement Program (CIP). The estimated cost was proposed by City staff based on early research and input from local splashpad manufacturers.

Kimley-Horn (KH) was selected as the consulting firm for this design project. KH's design criteria included accommodations for children of all ages and abilities, providing a fun and unique water play experience, ensuring easy access to restrooms, trails, and playgrounds, incorporating shade, and selecting equipment that would require low maintenance. The proposed project encompasses the construction of a pre-engineered splashpad designed with a flow-through system to ensure efficient water usage and management. The design also includes shade structures, sidewalk connections to existing pathways, and essential site amenities such as fencing, seating, and site furnishings. In addition, new utility connections will be provided for the project. These features were thoughtfully designed to complement the existing landscape and urban infrastructure, promoting an inclusive and family-friendly environment.

To deliver a high-quality destination that includes necessary site amenities and specialized water features, the consultant's Opinion of Probable Construction Cost (OPCC) is estimated at \$892,824. This investment will ensure the facility meets the standards of a premier city attraction while accommodating the high volume of visitors expected at Memorial Park. This estimate included overall construction costs, a 13% contingency, and construction administration. This estimate led the project team to request additional funding from SL4B to proceed with the project. In June 2025, the SL4B Board held a public hearing and approved Resolution No. SL4B-R-25-05, authorizing total funding of \$892,824 for construction of CPK2403 - Sugar Land Memorial Park Splashpad. To ensure the project remains within the allocated budget despite potential market volatility, the bid documents were structured with a "Base Bid" for core infrastructure and four Add Alternate items:

1. Add Alternate 1: Water Tie-In
2. Add Alternate 2: Electrical
3. Add Alternate 3: Site Furnishings (benches, tables, chairs, and trash receptacles)
4. Add Alternate 4: Trees (Landscaping)

Invitation to Bid (ITB) No. 2026-003 was posted on OpenGov.com on November 5, 2025, and advertised in local newspapers on two occasions: November 5, 2025, and November 12, 2025. To ensure the opportunity was widely distributed, the design consultant contacted several contractors to notify them of the advertisement. A non-mandatory pre-bid conference was held on November 11, 2025. On November 20, 2025, the City received and opened six (6) bids for the project. A summary of the bids received is provided below:

Contractor Name	Total Base Bid Amount (\$)	Add Alternate #1 Bid Amount (\$)	Add Alternate #2 Bid Amount (\$)	Add Alternate #3 Bid Amount (\$)	Add Alternate #4 Bid Amount (\$)	Total Base Bid + All 4 Add Alternate Bids
HD Outdoor Construction, LLC	\$466,465.74	\$44,843.50	\$13,676.00	\$48,940.92	\$5,525.00	\$579,451.16
D.L. Meacham, L.P.	\$863,869.25	\$60,698.00	\$19,209.00	\$42,453.00	\$2,715.00	\$988,944.25
Wilson Building Services, LLC	\$1,166,445.50	\$82,200.00	\$45,000.00	\$60,500.00	\$5,500.00	\$1,359,645.50
Stone Castle Constructors, LLC	\$1,197,388.70	\$68,000.00	\$22,800.00	\$40,735.00	\$5,250.00	\$1,334,173.70
Adventure Playground Systems	Incomplete/Partial Bid Package					
Waterplay	Incomplete/Partial					

	Bid Package					
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Kimley-Horn completed a review and evaluation of the bids received and provided a letter of recommendation indicating that HD Outdoor Construction, LLC is capable of completing a project of this nature. The consultant and City staff checked references and received positive feedback regarding HD Outdoor Construction, LLC's performance on projects of larger and similar size and scope. The recommendation to award is based on the contractor's competitive pricing compared to the Engineer's Estimate, the use of an approved splashpad equipment manufacturer, and the contractor's proven track record. After reviewing the bids, City staff recommends awarding the contract to the lowest responsive bidder, HD Outdoor Construction, LLC, in the total amount (Base Bid plus all four Add Alternates) of \$579,451.16.

The current fund balance in CPK2403 is \$892,824.00, which is sufficient to cover construction, construction administration, and contingency for the entire project.

A notice to proceed (NTP) will be provided in January 2026, upon Council approval of this item. The construction is anticipated to take up to 270 calendar days to complete.

In accordance with Policy CO-110, Notification of Construction Impacts and Service Interruptions, the project is classified as a Neighborhood Project located on City property. No service interruptions are anticipated.

The Engineering and Parks and Recreation departments recommend the City Council approve a construction contract with HD Outdoor Construction, LLC, for the construction of Sugar Land Memorial Park Splashpad, CIP CPK2403, in the amount of \$579,451.16.

Budget

Expenditure Required: \$579,451.15

Current Budget: \$892,824.00

Additional Funding: N/A

Funding Source: SL4B

Account Number (ORG-OBJ-Project): 7053225-621020-CPK2403

Attachments

1. Sugarland Memorial Park Splashpad Contract_1st Page

CITY OF SUGAR LAND
STANDARD CONTRACT FOR GENERAL SERVICES
\$100K to \$999,999.99
(Rev. 1-16-25)

I. Signatures. By signing below, the parties agree to the terms of this Contract:

CITY OF SUGAR LAND

CONTRACTOR:

By:

By:

Drew Hawkins

Date:

Date: 12/22/2025

Title:

Title: President

Company: HD Outdoor Construction LLC

MATTER NUMBER: 7653M

APPROVED AS TO FORM:

Jishu Day

II. General Information and Terms.

Contractor's Name and Address: HD Outdoor Construction LLC
10318 Lake Road, Suite A101
Houston, Texas 77070

Description of Services: CPK2403 – Sugar Land Memorial Park

Maximum Contract Amount: \$579,451.16 (based on the unit price)

Effective Date: On the latest of the dates signed by both parties.

Termination Date: See III.C.

Contract Parts: This Contract consists of the following parts:

- I. Signatures
- II. General Information and Terms
- III. Standard Contractual Provisions
- IV. Additional Terms or Conditions
- V. Additional Contract Documents

III. Standard Contractual Provisions.



City Council Agenda Request

January 20, 2026

Agenda Request No: VIII.E.

Agenda of: City Council Meeting

Initiated by: Ray Song, Engineering Manager

Presented by: Ray Song, Engineering Manager

Responsible Department: Public Works

Agenda Caption:

CONTRACT WITH PRECISION CONCRETE CUTTING

Consideration of and action on the authorization of a construction contract with Precision Concrete Cutting for the shaving of damaged sidewalks at various locations, in the amount of \$300,000.00 for CIP CST2501- Sidewalk Program Rehabilitation and Replacement Project through BuyBoard Purchasing Cooperative contract #756-24.

Recommended Action:

Authorize the execution of a construction contract with Precision Concrete Cutting for the shaving of damaged sidewalks at various locations, in the amount of \$300,000.00 for CIP CST2501- Sidewalk Program Rehabilitation and Replacement Project through BuyBoard Purchasing Cooperative contract #756-24.

Executive Summary:

The Streets Division of the Public Works Department is responsible for sidewalk maintenance, repairs, and ensuring pedestrian safety citywide. This includes approximately 850 miles of sidewalks in neighborhoods, along major thoroughfares, and along trails. Each year, staff complete an assessment of all sidewalks, recording the location and severity of vertical trip hazards, of which there are three (3) classified types.

In addition to the assessment, the City receives approximately 650 service requests for sidewalk concerns annually. The City utilizes City staff as well as a sidewalk rehabilitation contractor to complete sidewalk replacements. Residential service requests are completed in the order in which they are received. Currently, the City's service level for repairs reported by residents is estimated at a timeline of 12–18 months for completion, depending on funding availability.

Over the years, a substantial backlog of residential sidewalk service requests has developed due to aging infrastructure, the expansion of mature tree roots, and constrained funding. To address this backlog and enhance pedestrian safety and accessibility, the 2024 GO Bond – Proposition B: Streets, Sidewalks, and Mobility includes the development of a Sidewalk Rehabilitation and

Replacement Program.

A pilot program was conducted in FY25 with Precision Concrete Cutting to shave various trip hazards ranging from 0.5 inches to 1.5 inches in District 3. With a budget of \$50,000, Precision Concrete Cutting shaved 681 trip hazards at an average cost of \$73.40 per hazard. The estimated replacement cost for the same work would have been approximately \$240,000. Shaving is a cost-effective form of rehabilitation for smaller trip hazards and will reduce the number of sidewalk-related service requests.

Precision Concrete Cutting was awarded the contract through BuyBoard Purchasing Cooperative contract #756-24 in the amount of \$300,000.00. Cooperative agreements are established with governmental purchasing organizations, of which the City is a member. These agreements leverage the collective purchasing power of governmental entities. All contracts are competitively bid and awarded in compliance with state procurement laws and regulations. The scope of work includes the shaving of damaged sidewalks citywide. This project supports the City's commitment to maintaining and enhancing public infrastructure in alignment with the objectives of the GO Bond.

This project will be funded through CIP CST2501, the Sidewalk Program Rehabilitation and Replacement, which was approved by voters in November 2024 through the GO Bond election and is funded in the total amount of \$10,000,000 over five (5) years.

The project is anticipated to begin in February and is expected to be completed within 180 days.

The Public Works Department recommends that the City Council authorize the execution of a construction contract with Precision Concrete Cutting for the shaving of damaged sidewalks at various locations, in the amount of \$300,000.00 for CIP CST2501- Sidewalk Program Rehabilitation and Replacement Project through BuyBoard Purchasing Cooperative contract #756-24.

Budget

Expenditure Required: \$300,000.00

Current Budget: \$1,605,219.00

Additional Funding: n/a

Funding Source: 2024 GO Bond

Account Number (ORG-OBJ-Project): CST2501

Attachments

1. Precision Concrete Cutting, Inc.-3
2. SB 13 Form
3. SB 19 Form

4. Sugar Land Form 1295 Certificate 101467398
5. 1.0 Precision Concrete Contract 12-30-25
6. 2026 Proposal Sugar Land
7. HB 89 Form
8. 1.0 Precision Concrete Contract 12-30-25 - signed

October 12, 2025

Sent via email to: info@safesidewalks.com

Matt Haney
Precision Concrete Cutting, Inc.
3191 N. Canyon Rd.
Provo UT 84604

Re: Building Maintenance, Repair, and Operations (MRO) Products and Supplies
BuyBoard Contract 756-24

The Local Government Purchasing Cooperative (BuyBoard) awarded your company a contract under Building Maintenance, Repair, and Operations (MRO) Products and Supplies, Contract 756-24 effective December 1, 2024 through November 30, 2025, with two possible one-year renewals. At this time the BuyBoard is renewing your contract through November 30, 2026.

All discounts, terms, and conditions of your contract will remain the same. If you agree to this renewal, there is nothing you need to do. However, if you do not agree to this renewal, you must notify me via email at contractadmin@buyboard.com prior to the start of the renewal term.

Reminder: Once a BuyBoard contract is awarded, vendors must generate a minimum of \$15,000 annually or they may not be offered a contract renewal.

If you have questions or comments concerning this renewal, please contact me as soon as possible at contractadmin@buyboard.com. We appreciate your interest in The Local Government Purchasing Cooperative.

Sincerely,

Jim Tulberg

Jim Tulberg
Contract Administrator

1st renewal v.02.13.2020

STATE OF TEXAS - SENATE BILL 13 VERIFICATION

I, Keith Beeson, the undersigned representative of
(Person name)

Precision Sidewalks LLC dba Precision Concrete Cutting
(Company or Business name)

hereafter referred to as Company, being an adult over the age of eighteen (18) years of age, do hereby certify the above-named Company, under the provisions of Subtitle F, Title 10, Government Code Chapter 2274:

1. Has ten (10) or more full-time employees;
2. Will be paid an amount equal to or greater than \$100,000.00 from City of Sugar Land funds, under the contract to which this verification applies;
3. Does not boycott energy companies currently; and
4. Will not boycott energy companies during the term of the contract for goods or services with the above-named Company, business, or individual with City of Sugar Land.

Pursuant to Section 2274.001, Texas Government Code:

1. "Boycott energy company" means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company:
(A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or
(B) does business with a company described by Paragraph (A).
2. "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

12/10/2025
DATE

Senior Territory Manager
POSITION / TITLE

Keith Beeson
SIGNATURE OF COMPANY REPRESENTATIVE

FORM MUST BE COMPLETED & SUBMITTED WITH YOUR SUBMITTAL

STATE OF TEXAS - SENATE BILL 19 VERIFICATION

I, Keith Beeson, the undersigned representative of
(Person name)

Precision Sidewalks LLC dba Precision Concrete Cutting
(Company or Business name)

hereafter referred to as Company, being an adult over the age of eighteen (18) years of age, do hereby certify the above-named Company, under the provisions of Subtitle F, Title 10, Government Code Chapter 2274:

1. Has ten (10) or more full-time employees;
2. Will be paid an amount equal to or greater than \$100,000.00 from City of Sugar Land funds, under the contract to which this verification applies;
3. Does not currently have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
4. Will not discriminate against a firearm entity or firearm trade association during the term of the contract for goods or services with the above-named Company, business, or individual with City of Sugar Land.

Pursuant to Section 2274.001, Texas Government Code:

1. "Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or associations that exists to make a profit. The term does not include a sole proprietorship.
2. "Discriminate against a firearm entity or firearm trade association"
 - (A) means, with respect to the entity or association, to:
 - (i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association;
 - (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or
 - (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; and
 - (B) does not include:
 - (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and
 - (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship:
 - (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or
 - (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association.
3. "Firearm entity" means:

- (A) a firearm, firearm accessory, or ammunition manufacturer, distributor, wholesaler, supplier, or retailer; and
- (B) a sport shooting range as defined by Section 250.001, Local Government Code.

4. "Firearm trade association" means any person, corporation, unincorporated association, federation, business league, or business organization that:
- (A) is not organized or operated for profit and for which none of its net earnings inures to the benefit of any private shareholder or individual;
 - (B) has two or more firearm entities as members; and
 - (C) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

12/10/2025

DATE

Senior Territory Manager

POSITION / TITLE

Keith Beeson

SIGNATURE OF COMPANY REPRESENTATIVE

FORM MUST BE COMPLETED & SUBMITTED WITH YOUR SUBMITTAL

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

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

**OFFICE USE ONLY
CERTIFICATION OF FILING****1 Name of business entity filing form, and the city, state and country of the business entity's place of business.**

Precision Sidewalks LLC dba Precision Concrete Cutting
Dallas, TX United States

Certificate Number:
2025-1398742

Date Filed:
12/10/2025

Date Acknowledged:

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

City of Sugar Land

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

Sugar Land Sidewalk Shaving Pr
Sidewalk Offset Shaving Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Cussenot, Marc	Dallas, TX United States	X	

5 Check only if there is NO Interested Party.

☐**6 UNSWORN DECLARATION**

My name is Keith Beeson, and my date of birth is 1/20/1969.

My address is 11056 Shady Trail Suite 121, Dallas, TX, 75229, USA.
(city) (state) (zip code) (country)

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

Executed in Dallas County, State of Texas, on the 10 day of December, 2025.
(month) (year)

Keith Beeson

Signature of authorized agent of contracting business entity
(Declarant)

CITY OF SUGAR LAND
STANDARD CONTRACT FOR GENERAL SERVICES
\$100K to \$999,999.99
(Rev. 1-16-25)

I. Signatures. By signing below, the parties agree to the terms of this Contract:

CITY OF SUGAR LAND

CONTRACTOR:

By:

By:

Date:

Date:

Title:

Title:

Company:

MATTER NUMBER: 8207M
APPROVED AS TO FORM:

II. General Information and Terms.

Contractor's Name and Address: Precision Sidewalks LLC dba Precision Concrete Cutting
11056 Shady Trail, Suite 121
Dallas, TX 75229

Description of Services: Assessment and Repair of Sidewalks (Horizontal Concrete Saw Cutting)

Maximum Contract Amount: \$300,000.00

Effective Date: On the latest of the dates signed by both parties.

Termination Date: See III.C.

Contract Parts: This Contract consists of the following parts:

- I. Signatures
- II. General Information and Terms
- III. Standard Contractual Provisions
- IV. Additional Terms or Conditions
- V. Additional Contract Documents

III. Standard Contractual Provisions.

A. Contractor's Services. The Contractor will provide to the City the services described in this Contract under the terms and conditions of this Contract.

B. Billing and Payment. Subject to the terms of the Contract, the City will pay the Contractor the sum(s) as shown in Section II above plus any additional sums approved by change order. The Contractor will bill the City for the services provided at intervals of at least thirty (30) calendar days, except for the final billing. The Contractor must bill or invoice the City within thirty (30) calendar days from the date of service and submit the final invoice no later than thirty (30) calendar days from the Contract termination or expiration date. The City is not responsible or liable for payment of any invoice submitted to the City more than sixty (60) calendar days after the date in which the services were rendered or for any work which is unsatisfactory to the City. The City will pay the Contractor for the services provided for in this Contract with current revenues available to the City, but all of the City's payments to the Contractor, including the time of payment and the payment of interest on overdue amounts, are subject to other requirements of this Contract and Chapter 2251 of the Texas Government Code. The City is not liable to the Contractor for any taxes which the City is not liable by law, including state and local sales and use taxes (Section 151.309 and Title 3, Texas Tax Code) and federal excise tax (Subtitle D of the Internal Revenue Code). The City will return all invoices containing errors to the Contractor with an explanation of the deficiency. The City will not pay the Contractor for any costs or expenditures that are not included in the scope of work or a change order under the Contract. If the City determines that the Contractor has been overpaid, the Contractor must refund the overpayment to the City within thirty (30) calendar days of the receipt of the notice from the City unless an alternate payment plan is specified by the City.

C. Termination Provisions.

(1) Unless terminated earlier as allowed by this Contract, this Contract terminates:

- (a) On the termination date, if any, specified in the General Information in Part II, but the obligation of a party to complete a contract requirement pending on the date of termination survives termination; or
- (b) If there is no termination date specified in the General Information in Part II, the Contract terminates when both parties have completed all their respective obligations under the Contract.

(2) The City's city manager may terminate this Contract during its term at any time for any reason by giving written notice to the Contractor not less than five business days prior to the termination date, but the City will pay the Contractor for all services rendered in compliance with this Contract to the date of termination.

(3) If the City's city council does not appropriate funds to make any payment for a fiscal year after the City's fiscal year in which the Contract becomes effective and there are no proceeds available for payment from the sale of bonds or other debt instruments, then the Contract automatically terminates at the beginning of the first day of the successive fiscal year.

(Section 5, Article XI, Texas Constitution)

A. D. Liability and Indemnity. A provision in the Contractor's Additional Contract Document is void and unenforceable if it: (1) limits or releases the Contractor from liability that would exist by law in the absence of the provision; (2) creates liability for the City that would not exist by law in the absence of the provision; or (3) waives or limits the City's rights, defenses, remedies, or immunities that would exist by law in the absence of the provision. The Contractor will be liable for all damages incurred and assume full responsibility for the work performed under the Contract.

E. Assignment. The Contractor may not assign this Contract without the City's prior written consent.

F. Law Governing and Venue. This Contract is governed by the law of the State of Texas and a lawsuit may only be prosecuted on this Contract in a court of competent jurisdiction located in or having jurisdiction in Fort Bend County, Texas.

G. Entire Contract. This Contract represents the entire Contract between the City and the Contractor and supersedes all prior negotiations, representations, or contracts, either written or oral. This Contract may be amended only by written instrument signed by both parties.

H. Independent Contractor. The Contractor will perform the work under this Contract as an independent contractor and not as an employee of the City. The City has no right to supervise, direct, or control the Contractor or Contractor's officers or employees in the means, methods, or details of the work to be performed by Contractor.

I. Dispute Resolution Procedures. If a party disputes any matter relating to this Contract, the parties agree to try in good faith, before bringing any legal action, to settle the dispute by submitting the matter to mediation before a third party who will be selected by agreement of the parties. The parties will each pay one-half of the mediator's fees.

J. Attorney's Fees. Should a party to this Contract bring suit against the other party for any matter relating to this Contract, neither party will seek or be entitled to an award of attorney's fees or other costs relating to the suit.

K. Severability. If a court finds or rules that any part of this Contract is invalid or unlawful, the remainder of the Contract continues to be binding on the parties.

L. Contractual Limitations Period. Any provision of the Contract that establishes a limitations period that does not run against the City by law or that is shorter than two years is void. (Sections 16.061 and 16.070, Texas Civil Practice and Remedies Code)

M. Conflicting Provisions. If there is a conflict between a provision in the Contractor's Additional Contract Documents and a provision in the remainder of this Contract, the latter controls.

N. Copyright. Any original work (the Work), including any picture, video, music, brochure, writing, trademark, logo or other work created by the Contractor for the use of the City under this Contract is a “work made for hire,” as defined by federal copyright law. If the Work is not by law a “work made for hire,” the Contractor by execution of this Contract assigns to the City all of its rights to the Work, including the copyright. The City, as the author and owner of the copyright to the Work, may alter, reproduce, distribute, or make any other use of the Work as it deems appropriate.

O. Standard of Care for Architects and Engineers. Services must be performed with professional skills and care ordinarily provided by competent licensed engineers or registered architects practicing in the same or similar locality and under the same or similar circumstances and professional license. Provided, however, if this is a construction contract for architectural or engineering services or a contract related to the construction or repair of an improvement to real property that contains architectural or engineering services as a component part, the architectural or engineering services must be performed with the professional skill and care ordinarily provided by competent architects or engineers practicing under the same or similar circumstances and professional license. (Tex. Civ. Prac. & Remedies Code § 130.0021 (a)).

P. Disclosure of Interested Persons for Council-Approved Contracts. Contracts that require City Council approval, such as contracts that exceed \$50,000, are subject to the requirements of Section 2252.908, Tex. Gov’t Code. Under the provisions of this statute:

(1) The City may not enter into a contract with a business entity that requires Council approval unless the business entity submits a disclosure of interested persons at the time the business entity submits a signed contract to the City;

(2) A disclosure of interested parties must be submitted on a form prescribed by the Texas Ethics Commission (Commission) that includes:

(a) A list of each interested party for the contract of which the contractor business entity is aware, an interested party being a person who has a controlling interest in the business entity or who actively participates in facilitating or negotiating the terms of the contract, including a broker, intermediary, adviser, or attorney for the business entity; and

(b) The signature of the authorized agent of the contracting business entity, acknowledging that the disclosure is made under oath and under penalty of perjury.

The Commission has approved a Certificate of Interested Persons form, which must be filled out, signed and notarized by the Contractor and submitted to the City at the time of execution of this Contract, along with the certification of filing generated from the Commission’s website at <https://www.ethics.state.tx.us/filinginfo/1295/>. The Certificate of Interested Persons form is available on the Commission’s website and the Contractor must follow the Commission’s filing process adopted pursuant to the statute.

Q. Compliance with Laws. The Contractor must comply with the federal, state, and local laws, rules and regulations applicable to the Project and its services under this Contract.

R. Prohibition on Contracts with Companies Boycotting Israel. Certain contracts for goods and services are subject to the requirements of Section 2271.002, Tex Gov't Code (H.B. 89, as amended by H.B. 793). Specifically, contracts for goods and services that:

- (1) are between the City and a company with ten (10) or more full-time employees; and
- (2) have a value of \$100,000.00 or more that is to be paid wholly or partly from public funds of the City.

Under the provisions of this statute, if the above conditions apply the City may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it:

- (1) does not boycott Israel; and
- (2) will not boycott Israel during the term of the contract.

If this is a contract to which the verification requirement applies, the City has approved a verification form which must be filled out and signed by the Contractor and submitted to the City at the time of execution of this Contract.

S. Prohibition on Contracts with Companies Boycotting Certain Energy Companies. Certain contracts for goods and services are subject to the requirements of Section 2276.002, Tex. Gov't Code (S.B. 13). Specifically, contracts for goods and services that:

- (1) are between the City and a company with ten (10) or more full-time employees; and
- (2) have a value of \$100,000.00 or more that is to be paid wholly or partly from public funds of the City.

Under the provisions of this statute, if the above conditions apply the City may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it:

- (1) does not boycott energy companies; and
- (2) will not boycott energy companies during the term of the contract.

If this is a contract to which the verification requirement applies, the City has approved a verification form which must be filled out and signed by the Contractor and submitted to the City at the time of execution of this Contract.

T. Prohibition on Contracts with Companies that Discriminate Against Firearm and Ammunition Industries. Certain contracts for goods and services are subject to the requirements of Section 2274.002, Tex. Gov't Code (S.B. 19). Specifically, contracts for goods and services that:

- (1) are between the City and a company with ten (10) or more full-time employees; and
- (2) have a value of \$100,000.00 or more that is to be paid wholly or partly from public funds of the City.

Under the provisions of this statute, if the above conditions apply the City may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it:

- (1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
- (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association.

If this is a contract to which the verification requirement applies, the City has approved a verification form which must be filled out and signed by the Contractor and submitted to the City at the time of execution of this Contract.

This verification requirement does not apply if this contract is with a sole-source provider or, if this contract is subject to competitive bidding, the City did not receive any bids from a company that is able to provide the written verification required.

U. Prohibition on Contracts with Certain Foreign-owned Companies in Connection With Critical Infrastructure. Certain contracts for critical infrastructure are prohibited by Section 2275.0102, Tex. Gov't Code (S.B. 2116). Specifically, relating to a contract for critical infrastructure that:

- (1) would grant a company direct or remote access to or control of critical infrastructure in this state, excluding access specifically allowed by the governmental entity for product warranty and support purposes; and
- (2) where the City knows that the company is:
 - (A) owned by or the majority of stock or other ownership interest of the company is held or controlled by:
 - (i) individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; or

- (ii) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or

(B) headquartered in China, Iran, North Korea, Russia, or a designated country.

In signing this Contract, Contractor represents and acknowledges that it is not a foreign-owned company under Section 2275.0102 and that this is not a contract prohibited by Section 2275.0102, Tex. Gov't Code (S.B. 2116).

V. Confidentiality. Any provision in the Contract that attempts to prevent the City's disclosure of information that is subject to public disclosure under federal or Texas law or regulation, or court or administrative decision or ruling, is invalid. (Chapter 552, Texas Government Code)

W. Records Retention. The City is subject to records retention requirements under Texas law. Any provision of the Contractor's attachment(s) that requires the City to destroy documents or give documents back to the Contractor or that otherwise conflicts with Texas law regarding retention of records is void.

X. Performance and Payment Bonds. For a public work contract, the Contractor must, before beginning the work, execute to the City a performance bond if the Contract is in excess of \$100,000 and a payment bond if the Contract is in excess of \$50,000. The performance bond is solely for the protection of the City in the amount of the Contract and conditioned on the faithful performance of the work in accordance with the plans, specifications, and Contract documents. The payment bond is solely for the protection and use of payment bond beneficiaries who have a direct contractual relationship with the Contractor or a subcontractor to supply public work labor or material and in the amount of the Contract. A bond must be executed by a corporate surety in accordance with Section 1, Chapter 87, Acts of the 56th Legislature, Regular Session, 1959 (Article 7.19-1, Vernon's Texas Insurance Code). (Sec. 2253.021 Government Code)

IV. Additional Terms or Conditions.

A. This Contract is subject to, and incorporates, BuyBoard Contract 756-24 for Building Maintenance, Repair, and Operations Products and Supplies (the "BuyBoard Agreement"). If there is a conflict between a provision in the BuyBoard Agreement and a provision in the City's contract documents (Standard Contract for General Services and City's Additional Contract Documents), the latter controls.

V. Additional Contract Documents. The following documents attached to this Contract are part of this Contract:

Exhibit A. Contractor's Additional Contract Documents:

A-1. Precision Sidewalks LLC dba Precision Concrete Cutting's Proposal dated December 22, 2025 (2 pages)

PRECISION CONCRETE CUTTING CONTRACT/Page 7

- A-2. Certificate of Interested Persons with Certification of Filing (1 page)
- A-3. House Bill 89 Verification (1 page)
- A-4. Senate Bill 13 Verification (1 page)
- A-5. Senate Bill 19 Verification (2 pages)

Exhibit B. City's Additional Contract Documents:

- B-1. Insurance Requirements (2 pages)
- B-2. Data Ownership, Sharing, and AI (2 pages)
- B-3. Payment Bond (3 pages)
- B-4. Performance Bond (4 pages)

EXHIBIT A-1

Precision Sidewalks LLC dba Precision Concrete Cutting's Proposal dated December 22, 2025

(See Attached)



Date: 12/22/2025

PROPOSAL FOR AGREEMENT BETWEEN THE CITY OF SUGAR LAND AND PRECISION SIDEWALKS LLC, DBA PRECISION CONCRETE CUTTING (PCC)

OVERVIEW

Uneven sidewalks caused by ground settling and tree roots cause a potential hazard to pedestrians. Displaced sidewalks cause problems for both public and private entities in the form of trip and fall liability exposure.

It is proposed that the City of Sugar Land and PCC enter into an agreement whereby PCC will assess and repair sidewalks (horizontal concrete saw cutting) as identified and requested by City staff. The unit price for these services and quantity is defined in the "Proposal Detail" section below.

BACKGROUND INFORMATION ON PRECISION CONCRETE CUTTING

PCC has been assessing and repairing sidewalks since 1990. The company performs work throughout the United States and with dozens of cities in Oklahoma and Texas.

PCC is the leader in sidewalk asset management. We specialize in assessing sidewalk infrastructure and repairing uneven sidewalks. Our unique horizontal slicing method for correcting off-set sidewalk panels leaves behind ADA compliant results for a fraction of the cost of new concrete. Our clients benefit from detailed GIS maps that allow them to create a GIS database to cost effectively manage their sidewalk infrastructure.

ASSESSMENT SERVICES

PCC technicians will walk every panel in the project area and visually assess potential tripping hazards that can be repaired with horizontal slicing. PCC will provide a GIS compatible report that list each location identified including a photo, exact location, off-set height and square foot amount for replacement locations.

PROPRIETARY MOBILE PHONE SOFTWARE

PCC has developed proprietary mobile software useable across multiple platforms (Android, iPhone, iPad, Smart Phone, etc.)

- Provides GPS Coordinates – Integrates with GIS systems
- Mapping – Provides detailed location data plotted with Google Maps
- Detailed Reporting – Provides specific and detailed data on measurements for every trip hazard
- Addresses – The software gives the address and longitude / latitude of each trip hazard location
- Additional Data – Before and after photos

PROPRIETARY AND PATENTED REPAIR METHOD

To Date, PCC has been awarded 8 patents by the US Patent and Trademark Office on our trip hazard removal equipment and process. The following is each patent description and number where they can be reviewed on the US Patent office web site – www.uspto.gov

6,827,074 - Hub and blade combination patent



PROPOSAL DETAILS

$$\frac{0.5'' + 0''}{2} \times 4\text{ft} = 1 \text{ inch-foot}$$

LIMITATIONS



EXHIBIT A-2

Certificate of Interested Persons with Certification of Filing

(See Attached)

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

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

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Precision Sidewalks LLC dba Precision Concrete Cutting
Dallas, TX United States

Certificate Number:
2025-1398742

Date Filed:
12/10/2025

Date Acknowledged:

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

City of Sugar Land

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

Sugar Land Sidewalk Shaving Pr
Sidewalk Offset Shaving Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Cussenot, Marc	Dallas, TX United States	X	

5 Check only if there is NO Interested Party.

☐

6 UNSWORN DECLARATION

My name is Keith Beeson, and my date of birth is 1/20/1969.

My address is 11056 Shady Trail Suite 121, Dallas, TX, 75229, USA.
(city) (state) (zip code) (country)

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

Executed in Dallas County, State of Texas, on the 10 day of December, 2025.
(month) (year)

Keith Beeson

Signature of authorized agent of contracting business entity
(Declarant)

EXHIBIT A-3

House Bill 89 Verification

(See Attached)

STATE OF TEXAS - HOUSE BILL 89 VERIFICATION

I, Keith Beeson, the undersigned representative of
(Person name)

Precision Sidewalks LLC dba Precision Concrete Cutting

(Company or Business name)

hereafter referred to as company, being an adult over the age of eighteen (18) years of age, do hereby certify the above-named company, under the provisions of Subtitle F, Title 10, Government Code Chapter 2270:

1. Does not boycott Israel currently; and
2. Will not boycott Israel during the term of the contract for goods or services with the above-named Company, business or individual with City of Sugar Land.

Pursuant to Section 2270.001, Texas Government Code:

1. *“Boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes; and*
2. *“Company” means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit.*

12/10/2025

DATE

Senior Territory Manager

POSITION / TITLE

Keith Beeson

SIGNATURE OF COMPANY REPRESENTATIVE

EXHIBIT A-4

Senate Bill 13 Verification

(See Attached)

STATE OF TEXAS - SENATE BILL 13 VERIFICATION

I, Keith Beeson, the undersigned representative of
(Person name)

Precision Sidewalks LLC dba Precision Concrete Cutting
(Company or Business name)

hereafter referred to as Company, being an adult over the age of eighteen (18) years of age, do hereby certify the above-named Company, under the provisions of Subtitle F, Title 10, Government Code Chapter 2274:

1. Has ten (10) or more full-time employees;
2. Will be paid an amount equal to or greater than \$100,000.00 from City of Sugar Land funds, under the contract to which this verification applies;
3. Does not boycott energy companies currently; and
4. Will not boycott energy companies during the term of the contract for goods or services with the above-named Company, business, or individual with City of Sugar Land.

Pursuant to Section 2274.001, Texas Government Code:

1. "Boycott energy company" means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company:
(A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or
(B) does business with a company described by Paragraph (A).
2. "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

12/10/2025
DATE

Senior Territory Manager
POSITION / TITLE

Keith Beeson
SIGNATURE OF COMPANY REPRESENTATIVE

FORM MUST BE COMPLETED & SUBMITTED WITH YOUR SUBMITTAL

EXHIBIT A-5

Senate Bill 19 Verification

(See Attached)

STATE OF TEXAS - SENATE BILL 19 VERIFICATION

I, Keith Beeson, the undersigned representative of
(Person name)

Precision Sidewalks LLC dba Precision Concrete Cutting
(Company or Business name)

hereafter referred to as Company, being an adult over the age of eighteen (18) years of age, do hereby certify the above-named Company, under the provisions of Subtitle F, Title 10, Government Code Chapter 2274:

1. Has ten (10) or more full-time employees;
2. Will be paid an amount equal to or greater than \$100,000.00 from City of Sugar Land funds, under the contract to which this verification applies;
3. Does not currently have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
4. Will not discriminate against a firearm entity or firearm trade association during the term of the contract for goods or services with the above-named Company, business, or individual with City of Sugar Land.

Pursuant to Section 2274.001, Texas Government Code:

1. "Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or associations that exists to make a profit. The term does not include a sole proprietorship.
2. "Discriminate against a firearm entity or firearm trade association"
 - (A) means, with respect to the entity or association, to:
 - (i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association;
 - (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or
 - (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; and
 - (B) does not include:
 - (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and
 - (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship:
 - (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or
 - (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association.
3. "Firearm entity" means:

- (A) a firearm, firearm accessory, or ammunition manufacturer, distributor, wholesaler, supplier, or retailer; and
- (B) a sport shooting range as defined by Section 250.001, Local Government Code.

4. "Firearm trade association" means any person, corporation, unincorporated association, federation, business league, or business organization that:
- (A) is not organized or operated for profit and for which none of its net earnings inures to the benefit of any private shareholder or individual;
 - (B) has two or more firearm entities as members; and
 - (C) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

12/10/2025

DATE

Senior Territory Manager

POSITION / TITLE

Keith Beeson

SIGNATURE OF COMPANY REPRESENTATIVE

FORM MUST BE COMPLETED & SUBMITTED WITH YOUR SUBMITTAL

EXHIBIT B-1

REQUIREMENTS FOR GENERAL SERVICES CONTRACT

The Contractor shall comply with each and every condition contained herein. The Contractor shall provide and maintain the minimum insurance coverage set forth below during the term of its agreement with the City. Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City of Sugar Land accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor.

INSTRUCTIONS FOR COMPLETION OF INSURANCE DOCUMENT

With reference to the foregoing insurance requirements, Contractor shall specifically endorse applicable insurance policies as follows:

- A.** The City of Sugar Land shall be named as an additional insured with respect to General Liability and Automobile Liability on a separate endorsement
- B.** A waiver of subrogation in favor of The City of Sugar Land shall be contained in the Workers Compensation and all liability policies and must be provided on a separate endorsement.
- C.** All insurance policies shall be endorsed to the effect that The City of Sugar Land will receive at least thirty (30) days' written notice prior to cancellation or non-renewal of the insurance.
- D.** All insurance policies, which name The City of Sugar Land as an additional insured, must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance.
- E.** **Chapter 1811 of the Texas Insurance Code, Senate Bill 425 82(R) of 2011, states that the above endorsements cannot be on the certificate of insurance. Separate endorsements must be provided for each of the above.**
- F.** All insurance policies shall be endorsed to require the insurer to immediately notify The City of Sugar Land of any material change in the insurance coverage.
- G.** All liability policies shall contain no cross liability exclusions or insured versus insured restrictions.
- H.** Required limits may be satisfied by any combination of primary and umbrella liability insurances.
- I.** Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Sugar Land.
- J.** Insurance must be purchased from insurers having a minimum AmBest rating of B+.
- K.** All insurance must be written on forms filed with and approved by the Texas Department of Insurance. (ACORD 25 2016/03) Coverage must be written on an occurrence form.
- L.** Contractual Liability must be maintained covering the Contractors obligations contained in the contract. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting all endorsements and insurance coverages according to requirements and instructions contained herein.
- M.** Upon request, Contractor shall furnish The City of Sugar Land with certified copies of all insurance policies.
- N.** A valid certificate of insurance verifying each of the coverages required above shall be issued directly to the City of Sugar Land within ten (10) business days after contract award and prior to starting any work by the successful contractor's insurance agent of record or insurance company. Also, prior to the start of any work and at the same time that the Certificate of Insurance is issued and sent to the City of Sugar Land, all required endorsements identified in sections A, B, C and D, above shall be sent to the City of Sugar Land. The certificate of insurance and endorsements shall be sent to:

**City of Sugar Land
Purchasing Office
P. O. Box 110
Sugar Land, TX 77487-0110**

emailed to: purchasing@sugarlandtx.gov

INSURANCE REQUIREMENTS

Items marked "X" are required to be provided if award is made to your firm.

Coverages Required & Limits (Figures Denote Minimums)

☒ Workers' Compensation Statutory limits, State of TX.

☒ Employers' Liability \$500,000 per employee per disease / \$500,000 per employee per accident / \$500,000 by disease aggregate

☐ Commercial General Liability:

	☒ Very High/High Risk	☐ Medium Risk	☐ Low Risk
Each Occurrence	\$1,000,000	\$500,000	\$300,000
Fire Damage	\$300,000	\$100,000	\$100,000
Personal & ADV Injury	\$1,000,000	\$1,000,000	\$600,000
General Aggregate	\$2,000,000	\$1,000,000	\$600,000
Products/Compl Op	\$2,000,000	\$500,000	\$300,000
XCU	\$2,000,000	\$500,000	\$300,000

☒ Automobile Liability: (Owned, Non-Owned, Hired and Injury & Property coverage for all)

☒ Very High/ High Risk	☐ Medium Risk	☐ Low Risk
Combined Single Limits	Combined Single Limits	Combined Single Limits
\$1,000,000 Bodily	\$500,000 Bodily	\$300,000 Bodily

☐ Garage Liability for BI & PD

\$1,000,000 each accident for Auto, \$1,000,000 each accident Non-Auto

\$2,000,000 General Aggregate

☐ Garage Keepers Coverage (for Auto Body & Repair Shops)

\$500,000 any one unit/any loss and \$200,000 for contents

☐ Umbrella each-occurrence with respect to primary Commercial General Liability, Automobile Liability, and Employers Liability policies at minimum limits as follows:

Contract value less than \$1,000,000: **not required**

Contract value between \$1,000,000 and \$5,000,000: **\$4,000,000 is required**

Contract value between \$5,000,000 and \$10,000,000: **\$9,000,000 is required**

Contract value between \$10,000,000 and \$15,000,000: **\$15,000,000 is required**

Contract value above \$15,000,000: **\$20,000,000 is required**

Excess coverage over \$10,000,000 can be provided on "following form" type to the underlying coverages to the extent of liability coverage as determined by the City.

☒ Professional Liability, including, but not limited to services for Accountant, Appraiser, Architecture, Consultant, Engineering, Insurance Broker, Legal, Medical, Surveying, construction/renovation contracts for engineers, architects, constructions managers, including design/build Contractors.

Minimum limits of \$1,000,000 per claim/aggregate. This coverage must be maintained for at least two (2) years after the project is completed.

☐ Builder's Risk (if project entails vertical construction, including but not limited to bridges and tunnels or as determined by the City of Sugar Land) Limit is 100% of insurable value, replacement cost basis

☐ Pollution Liability for property damage, bodily injury and clean up (if project entails possible contamination of air, soil or ground or as determined by the City of Sugar Land)

\$1,000,000 each occurrence

\$2,000,000 aggregate

☐ Other Insurance Required: _____

NOTE: The nature/size of a contract/agreement may necessitate higher limits than shown above. These requirements are only meant as a guide, but in any event, should cover most situations. Check with Purchasing & Risk Management if you need assistance or need additional information.

EXHIBIT B-2

Data Ownership, Sharing, and AI

A. Definitions.

Government Data means any information, document, media, or machine-readable material regardless of physical form or characteristics, that is created or obtained by the City in the course of official City business.

Government-Related Data means any information, document, media, or machine-readable material regardless of physical form or characteristics that is created or obtained by a contractor through the storage, processing, or communication of Government Data. This does not include a contractor's business records (e.g., financial records, legal records, etc.) or data such as operating procedures, software coding, or algorithms that are not uniquely applied to the Government Data.

- B. City Owns the Data. Contractor hereby assigns without any requirement of further consideration all right, title, or interest the Contractor may have to Government Data and Government-Related Data, including any copyrights or other intellectual property rights to the same.
- C. Guarantee of Disencumbrance. Contractor warrants that any data provided to City under the terms of this Contract is in the public domain or otherwise unencumbered by intellectual property restrictions on its use by the City. Contractor warrants that the City's creation, maintenance, and modification of data provided to the City under the terms of this Contract shall not be restricted by Contractor's copyright, patent, or intellectual property considerations.
- D. No Prior Restrictions. Contractor represents and warrants that it has the full right and power to assign its rights, titles, and interests in any data it provides under this Contract and otherwise performs its obligations hereunder, and that there are no outstanding agreements, assignments, or encumbrances inconsistent with the provision of said data or with any other provisions of this Contract. Contractor represents and warrants that it is not aware of any claims of infringement of intellectual property that have been brought against it by third parties for infringement of such third party's intellectual property.
- E. Machine Readable Exports. Output created by Contractor under this Contract, if any, must be in a digital, reusable format, in whole and in parts, as a platform independent and machine-readable file. Such file formats include, but are not limited to, plain text files such as comma-delimited tables, extensible markup language, and javascript object notation. Government Data and Government-Related Data which is stored in binary formats, including but not limited to portable document format, JPEG, and portable network graphics files, shall instead be reproducible in the same format in which it was provided. This reusable copy must be made available in a publicly documented and non-proprietary format, with a clearly-defined data structure and a data dictionary for all terms of art contained in the data. For purposes of this

section, non-proprietary formats include formats for which royalty-free codecs are available to end-users.

- F. Waiving Right of Action. Contractor hereby agrees to waive any and all future rights of action against the City which may arise from the City's authorized use of Government Data and/or Government-Related Data, including but not limited to copyright, patent, and other intellectual property considerations.
- G. Indemnification. If a third party claims that the Government Data and/or Government-Related Data that is the subject of this Contract, due to the use of Contractor's products or services, infringes that party's copyright, patents, or trade secrets, Contractor will defend the City against that claim at Contractor's expense and pay all costs, damages, and attorney's fees that a court finally awards, provided that the City notifies Contractor in writing of any such claim within ten (10) business days of City's receipt of such claim.
- H. Copyright Retention. Contractor may keep its copyright interest in non-Government Data and non-Government-Related Data (i.e. its proprietary data) it may have, except when the City combines Government Data and/or Government-Related Data with the Contractor's data.
- I. Data Sharing. Contractor will not share, transfer, or disclose Government Data and/or Government-Related Data to any third party without the prior written consent of the City except as expressly authorized in this Contract and solely to the extent necessary to perform the services under this Contract. In the event Contractor is authorized to share Government Data and/or Government-Related Data with a subcontractor, Contractor will ensure its subcontractor complies with all terms and conditions of this Contract.
- J. No Commercial Use. Contractor shall not make use of the Government Data or Government-Related Data for any commercial purpose, whether to the benefit of Contractor or a third party, unless explicitly authorized in writing by the City. For the purposes of this provision, "commercial purpose" does not include the performance of services by Contractor under this Contract that are specifically authorized and intended for the benefit of the City.
- K. Artificial Intelligence Training. Government Data and Government-Related Data shall not be used by Contractor to train any artificial intelligence, machine learning, or large language models, without the City's express written consent.

EXHIBIT B-3

Payment Bond

(See Attached)

PAYMENT BOND

Bond No: _____

Name of Surety: _____

Name of Contractor as Principal: _____

Name of Owner as Obligee: City of Sugar Land, Texas

Name of Project: _____

CIP Project No: _____

Date of Contract: _____

(Not before Bond execution date)

Bond Amount (Contract Price): _____

RECITALS:

The Contractor has executed a Contract with the Owner for construction of the Project in the City of Sugar Land. The Contract requires the Contractor to furnish this Payment Bond.

AGREEMENT:

The Surety and Contractor enter into this Payment Bond and bind themselves in favor of the Owner. The Surety and the Contractor, both jointly and severally, and for themselves, their heirs, administrators, executors, successors and assigns agree, as follows:

- 1. CONTRACT INCORPORATED.** The Contract is incorporated by reference and made a part of this Payment Bond. The Contractor and Surety will comply with all the terms and conditions of the Contract, both express and implied.
- 2. PAYMENT BOND BENEFICIARIES.** This Payment Bond is solely for the protection and use of the Payment Bond beneficiaries pursuant to Chapter 2253, Tex. Gov't Code.
- 3. DURATION OF BOND OBLIGATION.** This Payment Bond remains in effect until the Contractor pays all the Payment Bond beneficiaries as required by Chapter 2253, Tex. Gov't Code and the Contract.
- 4. SURETY'S WAIVER OF NOTICE.** The Surety waives notice of any modifications to the Contract, including changes in the Substantial Completion Date, the Contract Price, the amount of liquidated damages, or the Work to be performed.

5. **GOVERNING LAW AND VENUE.** Texas law governs this Payment Bond and any lawsuit on this Performance Bond must be filed in a court that has jurisdiction in Fort Bend County, Texas.
6. **INCORPORATION OF STATUTE.** This Payment Bond is provided in compliance with the provisions of Chapter 2253, Texas Government Code, as amended, which is incorporated by reference. All liabilities on this Payment Bond shall be determined in accordance with that Chapter.
7. **SURETY REPRESENTATIONS.** The Surety represents that it meets the requirements of Chapter 3503 of the Texas Insurance Code, as amended.

Contractor:

(Typed Firm Name)

(Seal)

By: _____

(Signature—Attorney in Fact)

(Printed Name)

(Title)

(Physical Address)

(Mailing Address)

(Telephone No. with Area Code)

(Date of Execution)

Surety:

(Typed Firm Name)

(Seal)

By: _____

(Signature—Attorney in Fact)

(Printed Name)

(Title)

(Physical Address)

(Mailing Address)

(Telephone No. with Area Code)

(Date of Execution)

(Attach original Power of Attorney. Attach document with registered agent's name, mailing address, physical address, telephone number with area code, and facsimile number, if not same as attorney in fact).

EXHIBIT B-4

Performance Bond

(See Attached)

PERFORMANCE BOND

Bond No: _____

Name of Surety: _____

Name of Contractor as Principal: _____

Name of Owner as Obligor: City of Sugar Land, Texas

Name of Project: _____

CIP Project No: _____

Date of Contract: _____

(Not before Bond execution date)

Bond Amount (Contract Price): _____

RECITALS:

The Contractor has executed a Contract with the Owner for construction of the Project in the City of Sugar Land. The Contract requires the Contractor to furnish this Performance Bond.

AGREEMENT:

The Surety and Contractor enter into this Performance Bond and bind themselves in favor of the Owner in the Bond Amount shown above. The Surety and the Contractor, both jointly and severally, and for themselves, their heirs, administrators, executors, successors and assigns agree, as follows:

- 1. CONTRACT INCORPORATED.** The Contract is incorporated by reference and made a part of this Performance Bond. The Contractor and Surety will comply with all the terms and conditions of the Contract, both express and implied.
- 2. DURATION OF BOND OBLIGATION.** This Performance Bond is conditioned on the faithful performance of the Work in accordance with the Contract and remains in effect until the Contractor performs all its obligations under the Contract and this Performance Bond, including the warranty period expressed in the Contract.
- 3. NOTICE OF CONTRACTOR'S DEFAULT.** If the Surety receives written notice from the Owner (sent by certified or registered mail to the Surety's Registered Agent at the address identified in this Performance Bond) of the Contractor's default and failure to cure the default, the Surety will notify the Owner in writing within ten days of receipt of the notice which action it will take under Paragraph 4 of this Performance Bond.

4. SURETY'S OBLIGATION UPON CONTRACTOR DEFAULT. Upon the Surety's receipt of Owner's written notice of the Contractor's default and failure to cure the default, the Surety must begin to remedy the default within 30 days by taking one of the following actions:

(a) **Proceed itself.** Complete performance of the Contract, including correction of defective and nonconforming Work, through its own contractor(s), which are acceptable to the Owner, and make payments directly to the contractor(s) from the Surety's funds. During performance of the Contract the Surety will be paid only those sums that are due and payable under the Contract.

(b) **Tender a completing contractor acceptable to Owner.** Tender to the Owner a contractor acceptable to the Owner together with a contract for Owner's execution to fulfill and complete the Contract, including all corrective work, warranties and bonds required under the Contract. An acceptable contractor is one that is qualified to offer a bid or proposal on the Contract and is not affiliated with the Contractor.

The completing contractor must furnish to the Owner a separate performance bond and payment bond, each in the form of those bonds previously furnished by the Contractor for the Contract. Each such bond must be in the penal sum of the total cost to complete the Contract and correct defective, nonconforming Work.

The completing contractor will be paid only those sums as would have been due and payable to the Contractor. If the Owner must pay the completing contractor sums which would not have then been due and payable to the Contractor under the Contract (any sums in excess of the then remaining Contract balance less any sums due the Owner under the contract), the Surety must pay to the Owner the full amount of those sums at the time the completing Contractor is tendered to the Owner so that the Owner can use those sums to timely pay the completing contractor. The Surety's liability, however, will not exceed the Full Penal Sum of this Performance Bond.

(b) **Tender the full penal sum.** Tender to the Owner the Full Penal Sum of this Performance Bond. After the expiration of the warranties under the Contract, the Owner will refund to the Surety, without interest, any unused portion not spent by the Owner to procure and pay a completing contractor or to complete the construction contract itself.

(c) **Other acts.** Take any other acts the Owner and Surety mutually agree upon in writing.

(d) **Failure to take action.** The Surety waives its right to take any of the above actions and to receive payment of the Contract balance if it does not begin work or tender a new completing contractor, as set forth above, within 30 days of the Surety's receipt of

written notice that the Contractor has defaulted and not cured the default as required by the Contract.

5. SURETY'S ADDITIONAL OBLIGATIONS. In addition to its other obligations in this Performance Bond, the Surety must promptly pay the Owner all losses, costs, and expenses resulting from the:

(a) Contractor's default(s), including, without limitation, liquidated damages under the Contract, and all fees, expenses and costs of procuring another contractor and for architects, engineers, consultants, testing, surveying and attorneys; and

(b) Acts or omissions of the Surety; and

(c) Owner's compliance with the Surety's directions or requests.

6. SURETY'S WAIVER OF NOTICE. The Surety waives notice of any modifications to the Contract, including changes in the Contract Price, the Substantial Completion Date, the amount of liquidated damages, or the Work to be performed. The Surety is held to have knowledge of all acts or omissions of the Contractor in matters pertaining to the Contract. Furthermore, the Surety relieves the Owner from exercising diligence in securing the Contractor's compliance with the Contract.

7. GOVERNING LAW AND VENUE. Texas law governs this Performance Bond and any lawsuit on this Performance Bond must be filed in a court that has jurisdiction in Fort Bend County, Texas.

8. INCORPORATION OF STATUTE. This Performance Bond is provided in compliance with the provisions of Chapter 2253, Texas Government Code, as amended, which is incorporated by reference. All liabilities on this Performance Bond shall be determined in accordance with that Chapter.

9. SURETY REPRESENTATIONS. The Surety represents that it meets the requirements of Chapter 3503 of the Texas Insurance Code, as amended.

Contractor:

Surety:

(Typed Firm Name)

(Typed Firm Name)

(Seal)

(Seal)

By: _____

By: _____

(Signature—Attorney in Fact)

(Signature—Attorney in Fact)

(Printed Name)

(Title)

(Physical Address)

(Mailing Address)

(Telephone No. with Area Code)

(Date of Execution)

(Printed Name)

(Title)

(Physical Address)

(Mailing Address)

(Telephone No. with Area Code)

(Date of Execution)

(Attach original Power of Attorney. Attach document with registered agent's name, mailing address, physical address, telephone number with area code, and facsimile number, if not same as attorney in fact).



Date: 12/22/2025

PROPOSAL FOR AGREEMENT BETWEEN THE CITY OF SUGAR LAND AND PRECISION SIDEWALKS LLC, DBA PRECISION CONCRETE CUTTING (PCC)

OVERVIEW

Uneven sidewalks caused by ground settling and tree roots cause a potential hazard to pedestrians. Displaced sidewalks cause problems for both public and private entities in the form of trip and fall liability exposure.

It is proposed that the City of Sugar Land and PCC enter into an agreement whereby PCC will assess and repair sidewalks (horizontal concrete saw cutting) as identified and requested by City staff. The unit price for these services and quantity is defined in the "Proposal Detail" section below.

BACKGROUND INFORMATION ON PRECISION CONCRETE CUTTING

PCC has been assessing and repairing sidewalks since 1990. The company performs work throughout the United States and with dozens of cities in Oklahoma and Texas.

PCC is the leader in sidewalk asset management. We specialize in assessing sidewalk infrastructure and repairing uneven sidewalks. Our unique horizontal slicing method for correcting off-set sidewalk panels leaves behind ADA compliant results for a fraction of the cost of new concrete. Our clients benefit from detailed GIS maps that allow them to create a GIS database to cost effectively manage their sidewalk infrastructure.

ASSESSMENT SERVICES

PCC technicians will walk every panel in the project area and visually assess potential tripping hazards that can be repaired with horizontal slicing. PCC will provide a GIS compatible report that list each location identified including a photo, exact location, off-set height and square foot amount for replacement locations.

PROPRIETARY MOBILE PHONE SOFTWARE

PCC has developed proprietary mobile software useable across multiple platforms (Android, iPhone, iPad, Smart Phone, etc.)

- Provides GPS Coordinates – Integrates with GIS systems
- Mapping – Provides detailed location data plotted with Google Maps
- Detailed Reporting – Provides specific and detailed data on measurements for every trip hazard
- Addresses – The software gives the address and longitude / latitude of each trip hazard location
- Additional Data – Before and after photos

PROPRIETARY AND PATENTED REPAIR METHOD

To Date, PCC has been awarded 8 patents by the US Patent and Trademark Office on our trip hazard removal equipment and process. The following is each patent description and number where they can be reviewed on the US Patent office web site – www.uspto.gov

6,827,074 - Hub and blade combination patent



PROPOSAL DETAILS

$$\frac{0.5'' + 0''}{2} \times 4\text{ft} = 1 \text{ inch-foot}$$

LIMITATIONS

A black silhouette of a person is shown in the process of stepping onto a series of four rectangular pressure plates. The person's right foot is on the first plate, and their left leg is extended towards the second plate. Small lines radiating from the point of contact on the second plate indicate the activation of the sensor.

STATE OF TEXAS - HOUSE BILL 89 VERIFICATION

I, Keith Beeson, the undersigned representative of
(Person name)

Precision Sidewalks LLC dba Precision Concrete Cutting

(Company or Business name)

hereafter referred to as company, being an adult over the age of eighteen (18) years of age, do hereby certify the above-named company, under the provisions of Subtitle F, Title 10, Government Code Chapter 2270:

1. Does not boycott Israel currently; and
2. Will not boycott Israel during the term of the contract for goods or services with the above-named Company, business or individual with City of Sugar Land.

Pursuant to Section 2270.001, Texas Government Code:

1. *"Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes; and*
2. *"Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit.*

12/10/2025

DATE

Senior Territory Manager

POSITION / TITLE

Keith Beeson

SIGNATURE OF COMPANY REPRESENTATIVE

CITY OF SUGAR LAND
STANDARD CONTRACT FOR GENERAL SERVICES
\$100K to \$999,999.99
(Rev. 1-16-25)

I. Signatures. By signing below, the parties agree to the terms of this Contract:

CITY OF SUGAR LAND

CONTRACTOR:

By:

By: *Keith Beeson*

Date:

Date: 1/13/2026

Title:

Title: Senior Territory Manager

Company: Precision Sidewalks LLC
dba Precision Concrete Cutting

MATTER NUMBER: 8207M

APPROVED AS TO FORM:

II. General Information and Terms.

Contractor's Name and Address: Precision Sidewalks LLC dba Precision Concrete Cutting
2636 Walnut Hill Lane Ste 301
Dallas, TX 75229

Description of Services: Assessment and Repair of Sidewalks (Horizontal Concrete Saw Cutting)

Maximum Contract Amount: \$300,000.00

Effective Date: On the latest of the dates signed by both parties.

Termination Date: See III.C.

Contract Parts: This Contract consists of the following parts:

- I. Signatures
- II. General Information and Terms
- III. Standard Contractual Provisions
- IV. Additional Terms or Conditions
- V. Additional Contract Documents

III. Standard Contractual Provisions.

A. Contractor's Services. The Contractor will provide to the City the services described in this Contract under the terms and conditions of this Contract.

B. Billing and Payment. Subject to the terms of the Contract, the City will pay the Contractor the sum(s) as shown in Section II above plus any additional sums approved by change order. The Contractor will bill the City for the services provided at intervals of at least thirty (30) calendar days, except for the final billing. The Contractor must bill or invoice the City within thirty (30) calendar days from the date of service and submit the final invoice no later than thirty (30) calendar days from the Contract termination or expiration date. The City is not responsible or liable for payment of any invoice submitted to the City more than sixty (60) calendar days after the date in which the services were rendered or for any work which is unsatisfactory to the City. The City will pay the Contractor for the services provided for in this Contract with current revenues available to the City, but all of the City's payments to the Contractor, including the time of payment and the payment of interest on overdue amounts, are subject to other requirements of this Contract and Chapter 2251 of the Texas Government Code. The City is not liable to the Contractor for any taxes which the City is not liable by law, including state and local sales and use taxes (Section 151.309 and Title 3, Texas Tax Code) and federal excise tax (Subtitle D of the Internal Revenue Code). The City will return all invoices containing errors to the Contractor with an explanation of the deficiency. The City will not pay the Contractor for any costs or expenditures that are not included in the scope of work or a change order under the Contract. If the City determines that the Contractor has been overpaid, the Contractor must refund the overpayment to the City within thirty (30) calendar days of the receipt of the notice from the City unless an alternate payment plan is specified by the City.

C. Termination Provisions.

(1) Unless terminated earlier as allowed by this Contract, this Contract terminates:

- (a) On the termination date, if any, specified in the General Information in Part II, but the obligation of a party to complete a contract requirement pending on the date of termination survives termination; or
- (b) If there is no termination date specified in the General Information in Part II, the Contract terminates when both parties have completed all their respective obligations under the Contract.

(2) The City's city manager may terminate this Contract during its term at any time for any reason by giving written notice to the Contractor not less than five business days prior to the termination date, but the City will pay the Contractor for all services rendered in compliance with this Contract to the date of termination.

(3) If the City's city council does not appropriate funds to make any payment for a fiscal year after the City's fiscal year in which the Contract becomes effective and there are no proceeds available for payment from the sale of bonds or other debt instruments, then the Contract automatically terminates at the beginning of the first day of the successive fiscal year.

(Section 5, Article XI, Texas Constitution)

A. D. Liability and Indemnity. A provision in the Contractor's Additional Contract Document is void and unenforceable if it: (1) limits or releases the Contractor from liability that would exist by law in the absence of the provision; (2) creates liability for the City that would not exist by law in the absence of the provision; or (3) waives or limits the City's rights, defenses, remedies, or immunities that would exist by law in the absence of the provision. The Contractor will be liable for all damages incurred and assume full responsibility for the work performed under the Contract.

E. Assignment. The Contractor may not assign this Contract without the City's prior written consent.

F. Law Governing and Venue. This Contract is governed by the law of the State of Texas and a lawsuit may only be prosecuted on this Contract in a court of competent jurisdiction located in or having jurisdiction in Fort Bend County, Texas.

G. Entire Contract. This Contract represents the entire Contract between the City and the Contractor and supersedes all prior negotiations, representations, or contracts, either written or oral. This Contract may be amended only by written instrument signed by both parties.

H. Independent Contractor. The Contractor will perform the work under this Contract as an independent contractor and not as an employee of the City. The City has no right to supervise, direct, or control the Contractor or Contractor's officers or employees in the means, methods, or details of the work to be performed by Contractor.

I. Dispute Resolution Procedures. If a party disputes any matter relating to this Contract, the parties agree to try in good faith, before bringing any legal action, to settle the dispute by submitting the matter to mediation before a third party who will be selected by agreement of the parties. The parties will each pay one-half of the mediator's fees.

J. Attorney's Fees. Should a party to this Contract bring suit against the other party for any matter relating to this Contract, neither party will seek or be entitled to an award of attorney's fees or other costs relating to the suit.

K. Severability. If a court finds or rules that any part of this Contract is invalid or unlawful, the remainder of the Contract continues to be binding on the parties.

L. Contractual Limitations Period. Any provision of the Contract that establishes a limitations period that does not run against the City by law or that is shorter than two years is void. (Sections 16.061 and 16.070, Texas Civil Practice and Remedies Code)

M. Conflicting Provisions. If there is a conflict between a provision in the Contractor's Additional Contract Documents and a provision in the remainder of this Contract, the latter controls.

N. Copyright. Any original work (the Work), including any picture, video, music, brochure, writing, trademark, logo or other work created by the Contractor for the use of the City under this Contract is a “work made for hire,” as defined by federal copyright law. If the Work is not by law a “work made for hire,” the Contractor by execution of this Contract assigns to the City all of its rights to the Work, including the copyright. The City, as the author and owner of the copyright to the Work, may alter, reproduce, distribute, or make any other use of the Work as it deems appropriate.

O. Standard of Care for Architects and Engineers. Services must be performed with professional skills and care ordinarily provided by competent licensed engineers or registered architects practicing in the same or similar locality and under the same or similar circumstances and professional license. Provided, however, if this is a construction contract for architectural or engineering services or a contract related to the construction or repair of an improvement to real property that contains architectural or engineering services as a component part, the architectural or engineering services must be performed with the professional skill and care ordinarily provided by competent architects or engineers practicing under the same or similar circumstances and professional license. (Tex. Civ. Prac. & Remedies Code § 130.0021 (a)).

P. Disclosure of Interested Persons for Council-Approved Contracts. Contracts that require City Council approval, such as contracts that exceed \$50,000, are subject to the requirements of Section 2252.908, Tex. Gov’t Code. Under the provisions of this statute:

(1) The City may not enter into a contract with a business entity that requires Council approval unless the business entity submits a disclosure of interested persons at the time the business entity submits a signed contract to the City;

(2) A disclosure of interested parties must be submitted on a form prescribed by the Texas Ethics Commission (Commission) that includes:

(a) A list of each interested party for the contract of which the contractor business entity is aware, an interested party being a person who has a controlling interest in the business entity or who actively participates in facilitating or negotiating the terms of the contract, including a broker, intermediary, adviser, or attorney for the business entity; and

(b) The signature of the authorized agent of the contracting business entity, acknowledging that the disclosure is made under oath and under penalty of perjury.

The Commission has approved a Certificate of Interested Persons form, which must be filled out, signed and notarized by the Contractor and submitted to the City at the time of execution of this Contract, along with the certification of filing generated from the Commission’s website at <https://www.ethics.state.tx.us/filinginfo/1295/>. The Certificate of Interested Persons form is available on the Commission’s website and the Contractor must follow the Commission’s filing process adopted pursuant to the statute.

Q. Compliance with Laws. The Contractor must comply with the federal, state, and local laws, rules and regulations applicable to the Project and its services under this Contract.

R. Prohibition on Contracts with Companies Boycotting Israel. Certain contracts for goods and services are subject to the requirements of Section 2271.002, Tex Gov't Code (H.B. 89, as amended by H.B. 793). Specifically, contracts for goods and services that:

- (1) are between the City and a company with ten (10) or more full-time employees; and
- (2) have a value of \$100,000.00 or more that is to be paid wholly or partly from public funds of the City.

Under the provisions of this statute, if the above conditions apply the City may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it:

- (1) does not boycott Israel; and
- (2) will not boycott Israel during the term of the contract.

If this is a contract to which the verification requirement applies, the City has approved a verification form which must be filled out and signed by the Contractor and submitted to the City at the time of execution of this Contract.

S. Prohibition on Contracts with Companies Boycotting Certain Energy Companies. Certain contracts for goods and services are subject to the requirements of Section 2276.002, Tex. Gov't Code (S.B. 13). Specifically, contracts for goods and services that:

- (1) are between the City and a company with ten (10) or more full-time employees; and
- (2) have a value of \$100,000.00 or more that is to be paid wholly or partly from public funds of the City.

Under the provisions of this statute, if the above conditions apply the City may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it:

- (1) does not boycott energy companies; and
- (2) will not boycott energy companies during the term of the contract.

If this is a contract to which the verification requirement applies, the City has approved a verification form which must be filled out and signed by the Contractor and submitted to the City at the time of execution of this Contract.

T. Prohibition on Contracts with Companies that Discriminate Against Firearm and Ammunition Industries. Certain contracts for goods and services are subject to the requirements of Section 2274.002, Tex. Gov't Code (S.B. 19). Specifically, contracts for goods and services that:

- (1) are between the City and a company with ten (10) or more full-time employees; and
- (2) have a value of \$100,000.00 or more that is to be paid wholly or partly from public funds of the City.

Under the provisions of this statute, if the above conditions apply the City may not enter into a contract with a company for goods and services unless the contract contains a written verification from the company that it:

- (1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
- (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association.

If this is a contract to which the verification requirement applies, the City has approved a verification form which must be filled out and signed by the Contractor and submitted to the City at the time of execution of this Contract.

This verification requirement does not apply if this contract is with a sole-source provider or, if this contract is subject to competitive bidding, the City did not receive any bids from a company that is able to provide the written verification required.

U. Prohibition on Contracts with Certain Foreign-owned Companies in Connection With Critical Infrastructure. Certain contracts for critical infrastructure are prohibited by Section 2275.0102, Tex. Gov't Code (S.B. 2116). Specifically, relating to a contract for critical infrastructure that:

- (1) would grant a company direct or remote access to or control of critical infrastructure in this state, excluding access specifically allowed by the governmental entity for product warranty and support purposes; and
- (2) where the City knows that the company is:
 - (A) owned by or the majority of stock or other ownership interest of the company is held or controlled by:
 - (i) individuals who are citizens of China, Iran, North Korea, Russia, or a designated country; or

- (ii) a company or other entity, including a governmental entity, that is owned or controlled by citizens of or is directly controlled by the government of China, Iran, North Korea, Russia, or a designated country; or

(B) headquartered in China, Iran, North Korea, Russia, or a designated country.

In signing this Contract, Contractor represents and acknowledges that it is not a foreign-owned company under Section 2275.0102 and that this is not a contract prohibited by Section 2275.0102, Tex. Gov't Code (S.B. 2116).

V. Confidentiality. Any provision in the Contract that attempts to prevent the City's disclosure of information that is subject to public disclosure under federal or Texas law or regulation, or court or administrative decision or ruling, is invalid. (Chapter 552, Texas Government Code)

W. Records Retention. The City is subject to records retention requirements under Texas law. Any provision of the Contractor's attachment(s) that requires the City to destroy documents or give documents back to the Contractor or that otherwise conflicts with Texas law regarding retention of records is void.

X. Performance and Payment Bonds. For a public work contract, the Contractor must, before beginning the work, execute to the City a performance bond if the Contract is in excess of \$100,000 and a payment bond if the Contract is in excess of \$50,000. The performance bond is solely for the protection of the City in the amount of the Contract and conditioned on the faithful performance of the work in accordance with the plans, specifications, and Contract documents. The payment bond is solely for the protection and use of payment bond beneficiaries who have a direct contractual relationship with the Contractor or a subcontractor to supply public work labor or material and in the amount of the Contract. A bond must be executed by a corporate surety in accordance with Section 1, Chapter 87, Acts of the 56th Legislature, Regular Session, 1959 (Article 7.19-1, Vernon's Texas Insurance Code). (Sec. 2253.021 Government Code)

IV. Additional Terms or Conditions.

A. This Contract is subject to, and incorporates, BuyBoard Contract 756-24 for Building Maintenance, Repair, and Operations Products and Supplies (the "BuyBoard Agreement"). If there is a conflict between a provision in the BuyBoard Agreement and a provision in the City's contract documents (Standard Contract for General Services and City's Additional Contract Documents), the latter controls.

V. Additional Contract Documents. The following documents attached to this Contract are part of this Contract:

Exhibit A. Contractor's Additional Contract Documents:

A-1. Precision Sidewalks LLC dba Precision Concrete Cutting's Proposal dated December 22, 2025 (2 pages)

PRECISION CONCRETE CUTTING CONTRACT/Page 7

- A-2. Certificate of Interested Persons with Certification of Filing (1 page)
- A-3. House Bill 89 Verification (1 page)
- A-4. Senate Bill 13 Verification (1 page)
- A-5. Senate Bill 19 Verification (2 pages)

Exhibit B. City's Additional Contract Documents:

- B-1. Insurance Requirements (2 pages)
- B-2. Data Ownership, Sharing, and AI (2 pages)
- B-3. Payment Bond (3 pages)
- B-4. Performance Bond (4 pages)

EXHIBIT A-1

Precision Sidewalks LLC dba Precision Concrete Cutting's Proposal dated December 22, 2025

(See Attached)



Date: 12/22/2025

PROPOSAL FOR AGREEMENT BETWEEN THE CITY OF SUGAR LAND AND PRECISION SIDEWALKS LLC, DBA PRECISION CONCRETE CUTTING (PCC)

OVERVIEW

Uneven sidewalks caused by ground settling and tree roots cause a potential hazard to pedestrians. Displaced sidewalks cause problems for both public and private entities in the form of trip and fall liability exposure.

It is proposed that the City of Sugar Land and PCC enter into an agreement whereby PCC will assess and repair sidewalks (horizontal concrete saw cutting) as identified and requested by City staff. The unit price for these services and quantity is defined in the "Proposal Detail" section below.

BACKGROUND INFORMATION ON PRECISION CONCRETE CUTTING

PCC has been assessing and repairing sidewalks since 1990. The company performs work throughout the United States and with dozens of cities in Oklahoma and Texas.

PCC is the leader in sidewalk asset management. We specialize in assessing sidewalk infrastructure and repairing uneven sidewalks. Our unique horizontal slicing method for correcting off-set sidewalk panels leaves behind ADA compliant results for a fraction of the cost of new concrete. Our clients benefit from detailed GIS maps that allow them to create a GIS database to cost effectively manage their sidewalk infrastructure.

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PROPRIETARY MOBILE PHONE SOFTWARE

PCC has developed proprietary mobile software useable across multiple platforms (Android, iPhone, iPad, Smart Phone, etc.)

- Provides GPS Coordinates – Integrates with GIS systems
- Mapping – Provides detailed location data plotted with Google Maps
- Detailed Reporting – Provides specific and detailed data on measurements for every trip hazard
- Addresses – The software gives the address and longitude / latitude of each trip hazard location
- Additional Data – Before and after photos

PROPRIETARY AND PATENTED REPAIR METHOD

To Date, PCC has been awarded 8 patents by the US Patent and Trademark Office on our trip hazard removal equipment and process. The following is each patent description and number where they can be reviewed on the US Patent office web site – www.uspto.gov

6,827,074 - Hub and blade combination patent



EXHIBIT A-2

Certificate of Interested Persons with Certification of Filing

(See Attached)

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

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

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

Precision Sidewalks LLC dba Precision Concrete Cutting
Dallas, TX United States

Certificate Number:
2025-1398742

Date Filed:
12/10/2025

Date Acknowledged:

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

City of Sugar Land

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

Sugar Land Sidewalk Shaving Pr
Sidewalk Offset Shaving Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Cussenot, Marc	Dallas, TX United States	X	

5 Check only if there is NO Interested Party.

☐

6 UNSWORN DECLARATION

My name is Keith Beeson, and my date of birth is 1/20/1969.

My address is 11056 Shady Trail Suite 121, Dallas, TX, 75229, USA.
(city) (state) (zip code) (country)

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

Executed in Dallas County, State of Texas, on the 10 day of December, 2025.
(month) (year)

Keith Beeson

Signature of authorized agent of contracting business entity
(Declarant)

EXHIBIT A-3

House Bill 89 Verification

(See Attached)

TATE OF TEXA - HOU E B 89 VERIF CATION

I, Keith Beeson, the undersigned representative of
(Person name)

Precision Sidewalks LLC dba Precision Concrete Cutting

(Company or Business name)

hereafter referred to as company, being an adult over the age of eighteen (18) years of age, do hereby certify the above-named company, under the provisions of Subtitle F, Title 10, Government Code Chapter 2270:

1. Does not boycott Israel currently; and
2. Will not boycott Israel during the term of the contract for goods or services with the above-named Company, business or individual with City of Sugar Land.

Pursuant to Section 2270.001, Texas Government Code:

1. *“Boycott Israel” means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes; and*
2. *“Company” means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business associations that exist to make a profit.*

12/10/2025

DATE

Senior Territory Manager

POSITION / TITLE

Keith Beeson

SIGNATURE OF COMPANY REPRESENTATIVE

EXHIBIT A-4

Senate Bill 13 Verification

(See Attached)

STATE OF TEXAS - SENATE BILL 13 VERIFICATION

I, Keith Beeson, the undersigned representative of
(Person name)

Precision Sidewalks LLC dba Precision Concrete Cutting
(Company or Business name)

hereafter referred to as Company, being an adult over the age of eighteen (18) years of age, do hereby certify the above-named Company, under the provisions of Subtitle F, Title 10, Government Code Chapter 2274:

1. Has ten (10) or more full-time employees;
2. Will be paid an amount equal to or greater than \$100,000.00 from City of Sugar Land funds, under the contract to which this verification applies;
3. Does not boycott energy companies currently; and
4. Will not boycott energy companies during the term of the contract for goods or services with the above-named Company, business, or individual with City of Sugar Land.

Pursuant to Section 2274.001, Texas Government Code:

1. "Boycott energy company" means, without an ordinary business purpose, refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations with a company because the company:
(A) engages in the exploration, production, utilization, transportation, sale, or manufacturing of fossil fuel-based energy and does not commit or pledge to meet environmental standards beyond applicable federal and state law; or
(B) does business with a company described by Paragraph (A).
2. "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

12/10/2025
DATE

Senior Territory Manager
POSITION / TITLE

Keith Beeson
SIGNATURE OF COMPANY REPRESENTATIVE

FORM MUST BE COMPLETED & SUBMITTED WITH YOUR SUBMITTAL

EXHIBIT A-5

Senate Bill 19 Verification

(See Attached)

STATE OF TEXAS - SENATE BILL 19 VERIFICATION

I, Keith Beeson, the undersigned representative of
(Person name)

Precision Sidewalks LLC dba Precision Concrete Cutting
(Company or Business name)

hereafter referred to as Company, being an adult over the age of eighteen (18) years of age, do hereby certify the above-named Company, under the provisions of Subtitle F, Title 10, Government Code Chapter 2274:

1. Has ten (10) or more full-time employees;
2. Will be paid an amount equal to or greater than \$100,000.00 from City of Sugar Land funds, under the contract to which this verification applies;
3. Does not currently have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and
4. Will not discriminate against a firearm entity or firearm trade association during the term of the contract for goods or services with the above-named Company, business, or individual with City of Sugar Land.

Pursuant to Section 2274.001, Texas Government Code:

1. "Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or associations that exists to make a profit. The term does not include a sole proprietorship.
2. "Discriminate against a firearm entity or firearm trade association"
 - (A) means, with respect to the entity or association, to:
 - (i) refuse to engage in the trade of any goods or services with the entity or association based solely on its status as a firearm entity or firearm trade association;
 - (ii) refrain from continuing an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; or
 - (iii) terminate an existing business relationship with the entity or association based solely on its status as a firearm entity or firearm trade association; and
 - (B) does not include:
 - (i) the established policies of a merchant, retail seller, or platform that restrict or prohibit the listing or selling of ammunition, firearms, or firearm accessories; and
 - (ii) a company's refusal to engage in the trade of any goods or services, decision to refrain from continuing an existing business relationship, or decision to terminate an existing business relationship:
 - (aa) to comply with federal, state, or local law, policy, or regulations or a directive by a regulatory agency; or
 - (bb) for any traditional business reason that is specific to the customer or potential customer and not based solely on an entity's or association's status as a firearm entity or firearm trade association.
3. "Firearm entity" means:

- (A) a firearm, firearm accessory, or ammunition manufacturer, distributor, wholesaler, supplier, or retailer; and
- (B) a sport shooting range as defined by Section 250.001, Local Government Code.

4. "Firearm trade association" means any person, corporation, unincorporated association, federation, business league, or business organization that:
- (A) is not organized or operated for profit and for which none of its net earnings inures to the benefit of any private shareholder or individual;
 - (B) has two or more firearm entities as members; and
 - (C) is exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c) of that code.

12/10/2025

DATE

Senior Territory Manager

POSITION / TITLE

Keith Beeson

SIGNATURE OF COMPANY REPRESENTATIVE

FORM MUST BE COMPLETED & SUBMITTED WITH YOUR SUBMITTAL

EXHIBIT B-1

REQUIREMENTS FOR GENERAL SERVICES CONTRACT

The Contractor shall comply with each and every condition contained herein. The Contractor shall provide and maintain the minimum insurance coverage set forth below during the term of its agreement with the City. Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. The City of Sugar Land accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor.

INSTRUCTIONS FOR COMPLETION OF INSURANCE DOCUMENT

With reference to the foregoing insurance requirements, Contractor shall specifically endorse applicable insurance policies as follows:

- A.** The City of Sugar Land shall be named as an additional insured with respect to General Liability and Automobile Liability on a separate endorsement
- B.** A waiver of subrogation in favor of The City of Sugar Land shall be contained in the Workers Compensation and all liability policies and must be provided on a separate endorsement.
- C.** All insurance policies shall be endorsed to the effect that The City of Sugar Land will receive at least thirty (30) days' written notice prior to cancellation or non-renewal of the insurance.
- D.** All insurance policies, which name The City of Sugar Land as an additional insured, must be endorsed to read as primary and non-contributory coverage regardless of the application of other insurance.
- E.** **Chapter 1811 of the Texas Insurance Code, Senate Bill 425 82(R) of 2011, states that the above endorsements cannot be on the certificate of insurance. Separate endorsements must be provided for each of the above.**
- F.** All insurance policies shall be endorsed to require the insurer to immediately notify The City of Sugar Land of any material change in the insurance coverage.
- G.** All liability policies shall contain no cross liability exclusions or insured versus insured restrictions.
- H.** Required limits may be satisfied by any combination of primary and umbrella liability insurances.
- I.** Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Sugar Land.
- J.** Insurance must be purchased from insurers having a minimum AmBest rating of B+.
- K.** All insurance must be written on forms filed with and approved by the Texas Department of Insurance. (ACORD 25 2016/03) Coverage must be written on an occurrence form.
- L.** Contractual Liability must be maintained covering the Contractors obligations contained in the contract. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting all endorsements and insurance coverages according to requirements and instructions contained herein.
- M.** Upon request, Contractor shall furnish The City of Sugar Land with certified copies of all insurance policies.
- N.** A valid certificate of insurance verifying each of the coverages required above shall be issued directly to the City of Sugar Land within ten (10) business days after contract award and prior to starting any work by the successful contractor's insurance agent of record or insurance company. Also, prior to the start of any work and at the same time that the Certificate of Insurance is issued and sent to the City of Sugar Land, all required endorsements identified in sections A, B, C and D, above shall be sent to the City of Sugar Land. The certificate of insurance and endorsements shall be sent to:

**City of Sugar Land
Purchasing Office
P. O. Box 110
Sugar Land, TX 77487-0110**

emailed to: purchasing@sugarlandtx.gov

INSURANCE REQUIREMENTS

Items marked "X" are required to be provided if award is made to your firm.

Coverages Required & Limits (Figures Denote Minimums)

☒ Workers' Compensation Statutory limits, State of TX.

☒ Employers' Liability \$500,000 per employee per disease / \$500,000 per employee per accident / \$500,000 by disease aggregate

☐ Commercial General Liability:

	☒ Very High/High Risk	☐ Medium Risk	☐ Low Risk
Each Occurrence	\$1,000,000	\$500,000	\$300,000
Fire Damage	\$300,000	\$100,000	\$100,000
Personal & ADV Injury	\$1,000,000	\$1,000,000	\$600,000
General Aggregate	\$2,000,000	\$1,000,000	\$600,000
Products/Compl Op	\$2,000,000	\$500,000	\$300,000
XCU	\$2,000,000	\$500,000	\$300,000

☒ Automobile Liability: (Owned, Non-Owned, Hired and Injury & Property coverage for all)

☒ Very High/ High Risk	☐ Medium Risk	☐ Low Risk
Combined Single Limits	Combined Single Limits	Combined Single Limits
\$1,000,000 Bodily	\$500,000 Bodily	\$300,000 Bodily

☐ Garage Liability for BI & PD

\$1,000,000 each accident for Auto, \$1,000,000 each accident Non-Auto

\$2,000,000 General Aggregate

☐ Garage Keepers Coverage (for Auto Body & Repair Shops)

\$500,000 any one unit/any loss and \$200,000 for contents

☐ Umbrella each-occurrence with respect to primary Commercial General Liability, Automobile Liability, and Employers Liability policies at minimum limits as follows:

Contract value less than \$1,000,000: **not required**

Contract value between \$1,000,000 and \$5,000,000: **\$4,000,000 is required**

Contract value between \$5,000,000 and \$10,000,000: **\$9,000,000 is required**

Contract value between \$10,000,000 and \$15,000,000: **\$15,000,000 is required**

Contract value above \$15,000,000: **\$20,000,000 is required**

Excess coverage over \$10,000,000 can be provided on "following form" type to the underlying coverages to the extent of liability coverage as determined by the City.

☒ Professional Liability, including, but not limited to services for Accountant, Appraiser, Architecture, Consultant, Engineering, Insurance Broker, Legal, Medical, Surveying, construction/renovation contracts for engineers, architects, constructions managers, including design/build Contractors.

Minimum limits of \$1,000,000 per claim/aggregate. This coverage must be maintained for at least two (2) years after the project is completed.

☐ Builder's Risk (if project entails vertical construction, including but not limited to bridges and tunnels or as determined by the City of Sugar Land) Limit is 100% of insurable value, replacement cost basis

☐ Pollution Liability for property damage, bodily injury and clean up (if project entails possible contamination of air, soil or ground or as determined by the City of Sugar Land)

\$1,000,000 each occurrence

\$2,000,000 aggregate

☐ Other Insurance Required: _____

NOTE: The nature/size of a contract/agreement may necessitate higher limits than shown above. These requirements are only meant as a guide, but in any event, should cover most situations. Check with Purchasing & Risk Management if you need assistance or need additional information.

EXHIBIT B-2

Data Ownership, Sharing, and AI

A. Definitions.

Government Data means any information, document, media, or machine-readable material regardless of physical form or characteristics, that is created or obtained by the City in the course of official City business.

Government-Related Data means any information, document, media, or machine-readable material regardless of physical form or characteristics that is created or obtained by a contractor through the storage, processing, or communication of Government Data. This does not include a contractor's business records (e.g., financial records, legal records, etc.) or data such as operating procedures, software coding, or algorithms that are not uniquely applied to the Government Data.

- B. City Owns the Data. Contractor hereby assigns without any requirement of further consideration all right, title, or interest the Contractor may have to Government Data and Government-Related Data, including any copyrights or other intellectual property rights to the same.
- C. Guarantee of Disencumbrance. Contractor warrants that any data provided to City under the terms of this Contract is in the public domain or otherwise unencumbered by intellectual property restrictions on its use by the City. Contractor warrants that the City's creation, maintenance, and modification of data provided to the City under the terms of this Contract shall not be restricted by Contractor's copyright, patent, or intellectual property considerations.
- D. No Prior Restrictions. Contractor represents and warrants that it has the full right and power to assign its rights, titles, and interests in any data it provides under this Contract and otherwise performs its obligations hereunder, and that there are no outstanding agreements, assignments, or encumbrances inconsistent with the provision of said data or with any other provisions of this Contract. Contractor represents and warrants that it is not aware of any claims of infringement of intellectual property that have been brought against it by third parties for infringement of such third party's intellectual property.
- E. Machine Readable Exports. Output created by Contractor under this Contract, if any, must be in a digital, reusable format, in whole and in parts, as a platform independent and machine-readable file. Such file formats include, but are not limited to, plain text files such as comma-delimited tables, extensible markup language, and javascript object notation. Government Data and Government-Related Data which is stored in binary formats, including but not limited to portable document format, JPEG, and portable network graphics files, shall instead be reproducible in the same format in which it was provided. This reusable copy must be made available in a publicly documented and non-proprietary format, with a clearly-defined data structure and a data dictionary for all terms of art contained in the data. For purposes of this

section, non-proprietary formats include formats for which royalty-free codecs are available to end-users.

- F. Waiving Right of Action. Contractor hereby agrees to waive any and all future rights of action against the City which may arise from the City's authorized use of Government Data and/or Government-Related Data, including but not limited to copyright, patent, and other intellectual property considerations.
- G. Indemnification. If a third party claims that the Government Data and/or Government-Related Data that is the subject of this Contract, due to the use of Contractor's products or services, infringes that party's copyright, patents, or trade secrets, Contractor will defend the City against that claim at Contractor's expense and pay all costs, damages, and attorney's fees that a court finally awards, provided that the City notifies Contractor in writing of any such claim within ten (10) business days of City's receipt of such claim.
- H. Copyright Retention. Contractor may keep its copyright interest in non-Government Data and non-Government-Related Data (i.e. its proprietary data) it may have, except when the City combines Government Data and/or Government-Related Data with the Contractor's data.
- I. Data Sharing. Contractor will not share, transfer, or disclose Government Data and/or Government-Related Data to any third party without the prior written consent of the City except as expressly authorized in this Contract and solely to the extent necessary to perform the services under this Contract. In the event Contractor is authorized to share Government Data and/or Government-Related Data with a subcontractor, Contractor will ensure its subcontractor complies with all terms and conditions of this Contract.
- J. No Commercial Use. Contractor shall not make use of the Government Data or Government-Related Data for any commercial purpose, whether to the benefit of Contractor or a third party, unless explicitly authorized in writing by the City. For the purposes of this provision, "commercial purpose" does not include the performance of services by Contractor under this Contract that are specifically authorized and intended for the benefit of the City.
- K. Artificial Intelligence Training. Government Data and Government-Related Data shall not be used by Contractor to train any artificial intelligence, machine learning, or large language models, without the City's express written consent.

EXHIBIT B-3

Payment Bond

(See Attached)

PAYMENT BOND

Bond No: _____

Name of Surety: _____

Name of Contractor as Principal: _____

Name of Owner as Obligee: City of Sugar Land, Texas

Name of Project: _____

CIP Project No: _____

Date of Contract: _____

(Not before Bond execution date)

Bond Amount (Contract Price): _____

RECITALS:

The Contractor has executed a Contract with the Owner for construction of the Project in the City of Sugar Land. The Contract requires the Contractor to furnish this Payment Bond.

AGREEMENT:

The Surety and Contractor enter into this Payment Bond and bind themselves in favor of the Owner. The Surety and the Contractor, both jointly and severally, and for themselves, their heirs, administrators, executors, successors and assigns agree, as follows:

- 1. CONTRACT INCORPORATED.** The Contract is incorporated by reference and made a part of this Payment Bond. The Contractor and Surety will comply with all the terms and conditions of the Contract, both express and implied.
- 2. PAYMENT BOND BENEFICIARIES.** This Payment Bond is solely for the protection and use of the Payment Bond beneficiaries pursuant to Chapter 2253, Tex. Gov't Code.
- 3. DURATION OF BOND OBLIGATION.** This Payment Bond remains in effect until the Contractor pays all the Payment Bond beneficiaries as required by Chapter 2253, Tex. Gov't Code and the Contract.
- 4. SURETY'S WAIVER OF NOTICE.** The Surety waives notice of any modifications to the Contract, including changes in the Substantial Completion Date, the Contract Price, the amount of liquidated damages, or the Work to be performed.

5. **GOVERNING LAW AND VENUE.** Texas law governs this Payment Bond and any lawsuit on this Performance Bond must be filed in a court that has jurisdiction in Fort Bend County, Texas.
6. **INCORPORATION OF STATUTE.** This Payment Bond is provided in compliance with the provisions of Chapter 2253, Texas Government Code, as amended, which is incorporated by reference. All liabilities on this Payment Bond shall be determined in accordance with that Chapter.
7. **SURETY REPRESENTATIONS.** The Surety represents that it meets the requirements of Chapter 3503 of the Texas Insurance Code, as amended.

Contractor:

(Typed Firm Name)

(Seal)

By: _____

(Signature—Attorney in Fact)

(Printed Name)

(Title)

(Physical Address)

(Mailing Address)

(Telephone No. with Area Code)

(Date of Execution)

Surety:

(Typed Firm Name)

(Seal)

By: _____

(Signature—Attorney in Fact)

(Printed Name)

(Title)

(Physical Address)

(Mailing Address)

(Telephone No. with Area Code)

(Date of Execution)

(Attach original Power of Attorney. Attach document with registered agent's name, mailing address, physical address, telephone number with area code, and facsimile number, if not same as attorney in fact).

EXHIBIT B-4

Performance Bond

(See Attached)

PERFORMANCE BOND

Bond No: _____

Name of Surety: _____

Name of Contractor as Principal: _____

Name of Owner as Obligor: City of Sugar Land, Texas

Name of Project: _____

CIP Project No: _____

Date of Contract: _____

(Not before Bond execution date)

Bond Amount (Contract Price): _____

RECITALS:

The Contractor has executed a Contract with the Owner for construction of the Project in the City of Sugar Land. The Contract requires the Contractor to furnish this Performance Bond.

AGREEMENT:

The Surety and Contractor enter into this Performance Bond and bind themselves in favor of the Owner in the Bond Amount shown above. The Surety and the Contractor, both jointly and severally, and for themselves, their heirs, administrators, executors, successors and assigns agree, as follows:

1. **CONTRACT INCORPORATED.** The Contract is incorporated by reference and made a part of this Performance Bond. The Contractor and Surety will comply with all the terms and conditions of the Contract, both express and implied.
2. **DURATION OF BOND OBLIGATION.** This Performance Bond is conditioned on the faithful performance of the Work in accordance with the Contract and remains in effect until the Contractor performs all its obligations under the Contract and this Performance Bond, including the warranty period expressed in the Contract.
3. **NOTICE OF CONTRACTOR'S DEFAULT.** If the Surety receives written notice from the Owner (sent by certified or registered mail to the Surety's Registered Agent at the address identified in this Performance Bond) of the Contractor's default and failure to cure the default, the Surety will notify the Owner in writing within ten days of receipt of the notice which action it will take under Paragraph 4 of this Performance Bond.

4. SURETY'S OBLIGATION UPON CONTRACTOR DEFAULT. Upon the Surety's receipt of Owner's written notice of the Contractor's default and failure to cure the default, the Surety must begin to remedy the default within 30 days by taking one of the following actions:

(a) **Proceed itself.** Complete performance of the Contract, including correction of defective and nonconforming Work, through its own contractor(s), which are acceptable to the Owner, and make payments directly to the contractor(s) from the Surety's funds. During performance of the Contract the Surety will be paid only those sums that are due and payable under the Contract.

(b) **Tender a completing contractor acceptable to Owner.** Tender to the Owner a contractor acceptable to the Owner together with a contract for Owner's execution to fulfill and complete the Contract, including all corrective work, warranties and bonds required under the Contract. An acceptable contractor is one that is qualified to offer a bid or proposal on the Contract and is not affiliated with the Contractor.

The completing contractor must furnish to the Owner a separate performance bond and payment bond, each in the form of those bonds previously furnished by the Contractor for the Contract. Each such bond must be in the penal sum of the total cost to complete the Contract and correct defective, nonconforming Work.

The completing contractor will be paid only those sums as would have been due and payable to the Contractor. If the Owner must pay the completing contractor sums which would not have then been due and payable to the Contractor under the Contract (any sums in excess of the then remaining Contract balance less any sums due the Owner under the contract), the Surety must pay to the Owner the full amount of those sums at the time the completing Contractor is tendered to the Owner so that the Owner can use those sums to timely pay the completing contractor. The Surety's liability, however, will not exceed the Full Penal Sum of this Performance Bond.

(b) **Tender the full penal sum.** Tender to the Owner the Full Penal Sum of this Performance Bond. After the expiration of the warranties under the Contract, the Owner will refund to the Surety, without interest, any unused portion not spent by the Owner to procure and pay a completing contractor or to complete the construction contract itself.

(c) **Other acts.** Take any other acts the Owner and Surety mutually agree upon in writing.

(d) **Failure to take action.** The Surety waives its right to take any of the above actions and to receive payment of the Contract balance if it does not begin work or tender a new completing contractor, as set forth above, within 30 days of the Surety's receipt of

written notice that the Contractor has defaulted and not cured the default as required by the Contract.

5. SURETY'S ADDITIONAL OBLIGATIONS. In addition to its other obligations in this Performance Bond, the Surety must promptly pay the Owner all losses, costs, and expenses resulting from the:

(a) Contractor's default(s), including, without limitation, liquidated damages under the Contract, and all fees, expenses and costs of procuring another contractor and for architects, engineers, consultants, testing, surveying and attorneys; and

(b) Acts or omissions of the Surety; and

(c) Owner's compliance with the Surety's directions or requests.

6. SURETY'S WAIVER OF NOTICE. The Surety waives notice of any modifications to the Contract, including changes in the Contract Price, the Substantial Completion Date, the amount of liquidated damages, or the Work to be performed. The Surety is held to have knowledge of all acts or omissions of the Contractor in matters pertaining to the Contract. Furthermore, the Surety relieves the Owner from exercising diligence in securing the Contractor's compliance with the Contract.

7. GOVERNING LAW AND VENUE. Texas law governs this Performance Bond and any lawsuit on this Performance Bond must be filed in a court that has jurisdiction in Fort Bend County, Texas.

8. INCORPORATION OF STATUTE. This Performance Bond is provided in compliance with the provisions of Chapter 2253, Texas Government Code, as amended, which is incorporated by reference. All liabilities on this Performance Bond shall be determined in accordance with that Chapter.

9. SURETY REPRESENTATIONS. The Surety represents that it meets the requirements of Chapter 3503 of the Texas Insurance Code, as amended.

Contractor:

Surety:

(Typed Firm Name)

(Typed Firm Name)

(Seal)

(Seal)

By: _____

By: _____

(Signature—Attorney in Fact)

(Signature—Attorney in Fact)

(Printed Name)

(Title)

(Physical Address)

(Mailing Address)

(Telephone No. with Area Code)

(Date of Execution)

(Printed Name)

(Title)

(Physical Address)

(Mailing Address)

(Telephone No. with Area Code)

(Date of Execution)

(Attach original Power of Attorney. Attach document with registered agent's name, mailing address, physical address, telephone number with area code, and facsimile number, if not same as attorney in fact).



City Council Agenda Request

January 20, 2026

Agenda Request No: VIII.F.

Agenda of: City Council Meeting

Initiated by: Mitchell Davies, Director of Aviation

Presented by: Mitchell Davies, Director of Aviation

Responsible Department: Airport

Agenda Caption:

LEASE WITH AVFUEL CORPORATION

Consideration of and action on authorization of a \$0 multi-year lease with AvFuel Corporation, for (5) Jet-A fuel trucks, and (2) AvGas fuel trucks for an initial 5-year term, with (5) one-year optional renewals.

Recommended Action:

Approve a multi-year \$0 lease with AvFuel Corporation for (5) Jet-A fuel trucks, and (2) AvGas fuel trucks for an initial 5-year term, with (5) one-year optional renewals.

Executive Summary:

As part of the new fuel contract and agreement with AvFuel corporation, the Airport needs to enter into a multi-year lease to operate AvFuel-owned fuel trucks. The lease rate for each fuel truck is \$0.00, and the agreement terms will be in line with the fuel agreement, which is a 5-year initial term and (5) one-year optional renewals. The Airport will be leasing (5) 2026 Freightliner M2 Plus Jet fuel trucks, and (2) 2025 Isuzu NPR XD AvGas fuel trucks.

AvFuel will be responsible for major maintenance items, such as the engine, transmission, alternator, and fueling system repairs, etc. The Airport will be responsible for routine maintenance, such as oil changes and tire replacements, as well as vehicle insurance. In addition, the agreement allows for additional temporary loaner fuel trucks to help cover special events, such as FIFA, at no cost to the Airport.

As previously mentioned, this new lease will provide a savings of approximately \$137,000 per year. The overall fuel agreement and contract with AvFuel was approved by City Council on January 6, 2026, and both the fuel agreement and fuel truck lease will be effective February 1, 2026.

Budget

Expenditure Required: N/A

Current Budget: N/A

Additional Funding: N/A

Funding Source: N/A

Account Number (ORG-OBJ-Project): N/A

Attachments

1. Fuel Truck Lease_Redacted

**FIXED BASE OPERATOR
AVIATION FUEL SUPPLY AGREEMENT**

SPECIAL TERMS AND CONDITIONS

USTOMER NAME: City of Sugar Land, TX

BILLING ADDRESS: 12888 B Hwy 6 South
(if different than street address) Sugar Land, TX, 77498

DELIVERY ADDRESS: 12888 B Hwy 6 South
(if different than street address) Sugar Land, TX, 77498

AIRPORT ID (IATA CODE): SGR – Sugar Land Regional Airport

PRODUCT(S): ☐ Jet-A ☒ Jet-A with FSII ☒ Avgas/100LL ☐ Other

PAYMENT TERMS: Net due 30 days via ACH payment

CREDIT LIMIT: To be set commensurate to Customer's needs based upon review and approval of completed business application and financial information.

EQUIPMENT LEASED:

Description **	Type	Capacity	Serial Number or VIN	Lease Rate	Replacement Cost (Current)*
2026 Freightliner M2 Plus	Jet-A	5,000	5467 - [REDACTED]	\$0.00	\$328,000
2026 Freightliner M2 Plus	Jet-A	5,000	5468 - [REDACTED]	\$0.00	\$328,000
2026 Freightliner M2 Plus	Jet-A	5,000	5469 - [REDACTED]	\$0.00	\$328,000
2026 Freightliner M2 Plus	Jet-A	5,000	5470 - [REDACTED]	\$0.00	\$328,000
2026 Freightliner M2 Plus	Jet-A	5,000	5471 - [REDACTED]	\$0.00	\$328,000
2025 Isuzu NPR XD	Avgas	1,200	1385 - [REDACTED]	\$0.00	\$145,000
2025 Isuzu NPR XD	Avgas	1,200	1386 - [REDACTED]	\$0.00	\$145,000

*Hazard insurance, **Meters, if so equipped, have NOT been Certified or Calibrated; this is the responsibility of Customer.

CONTRACT FUEL DEALER:

Flight Operation Type (select one): ☒ Corporate-Configured Accepted
☐ Non-Corporate Ops Only
☐ DC-9 and Larger, Non-Corporate Ops Only

Airport Flowage Fee: ☐ YES ☐ NO _____

Storage Fee: ☐ YES ☐ NO _____

Into-wing Fee Schedule:

Jet Fuel Gallons Uplifted	
Range of Uplifted Gallons	Rate/gallon

**** Into-wing Fees to be established by Customer****



City Council Agenda Request

January 20, 2026

Agenda Request No: VIII.G.

Agenda of: City Council Meeting

Initiated by: Robert Wilson, Assistant City Engineer

Presented by: Robert Wilson, Assistant City Engineer

Responsible Department: Engineering

Agenda Caption:

Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-02:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE CITY MANAGER TO EXECUTE REQUIRED STATE AND FEDERAL PERMITTING DOCUMENTS FOR THE HB-1 FUNDED BRAZOS RIVER EROSION - RIVERSTONE PROJECT.

Recommended Action:

Approve Resolution 26-02 to authorize the City Manager to sign all documents related to the permitting of the project with the State and Federal governments.

Executive Summary:

In 2023, the City received a direct appropriation of \$28 million from HB-1 from the State of Texas for the Brazos River Erosion - Riverstone project. This project aims to implement a nature based solution, stone toe and dike tieback, to limit lateral migration of the Brazos River, protecting infrastructure in the Riverstone area. This existing infrastructure includes levees, water, wastewater and storm drainage systems that protect and serve residents in the City of Sugar Land and its Extraterritorial Jurisdiction (ETJ).

This funding is distributed through the Texas Water Development Board, following their requirements for funding and environmental permitting. Due to the project's scope, the project site is inside a Waters of the United States (WOTUS) and subject to permitting by the United States Army Corps of Engineers (USACE).

Through permitting with the USACE, the City is required to complete applications associated with the project through multiple state and federal associations and departments, including but not limited to the Texas Historical Commission (THC), Texas Parks and Wildlife Department (TPWD), and United States Fish and Wildlife. Each of the applications related to the project requires a responsible party to sign off on the submitted paperwork in order to process the applications. The proposed Resolution 26-02 would authorize the City Manager to sign

documents related to the permitting applications needed for this project.

The Engineering Department recommends the City Council approve Resolution 26-02 to authorize the City Manager to sign all documents related to the permitting of the project with the State and Federal governments.

Budget

Expenditure Required: N/A

Current Budget: N/A

Additional Funding: N/A

Funding Source: N/A

Account Number (ORG-OBJ-Project): N/A

Attachments

1. Resolution No 26-02

RESOLUTION NO. 26-02

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS
AUTHORIZING THE CITY MANAGER TO EXECUTE DOCUMENTS IN
CONNECTION WITH THE BRAZOS RIVER RIVERBANK EROSION.**

WHEREAS, on January 16, 2024, City Council approved a Resolution authorizing the City Manager to file an application to the Texas Water Development Board to receive funding to mitigate the Brazos Riverbank erosion; and

WHEREAS, the Resolution authorized the City Manager to execute such documents as required in connection with the preparation and filing of the applications; and

WHEREAS, the Texas Water Development Board approved the City's application and granted financial assistance in an amount not to exceed \$28 million; and

WHEREAS, on October 1, 2024, City Council approved a contract with Huitt-Zollars, Inc. for design, bidding, and construction administration services for the work necessary to mitigate the riverbank erosion, (the "Project"); and

WHEREAS, as part of the Project, numerous permits with the State are needed; and

WHEREAS, City Council desires to expand the authorization granted to the City Manager in the grant application to include the execution of permits required by the State or Federal government to commence the Project; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

Section 1. That the City Manager, or his designee, is authorized to execute all permit documents related to the Project on behalf of the City of Sugar Land, Texas.

APPROVED on _____.

Carol K. McCutcheon, Mayor

ATTEST:

APPROVED AS TO FORM:



Linda Mendenhall, City Clerk



City Council Agenda Request

January 20, 2026

Agenda Request No: VIII.H.

Agenda of: City Council Meeting

Initiated by: Nicole Guevara, Assistant Director of Neighborhood Services

Presented by: Nicole Guevara, Assistant Director of Neighborhood Services, Joshua Doyle, Chief Building Official, James Serrano, Assistant Fire Chief

Responsible Department: Public Works

Agenda Caption:

SECOND CONSIDERATION: Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2395:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AMENDING CHAPTER 7 (BUILDING REGULATIONS) OF THE SUGAR LAND DEVELOPMENT CODE BY ADOPTING THE 2024 INTERNATIONAL CODES AND THE 2023 NATIONAL ELECTRICAL CODE; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH.

Recommended Action:

Approve Ordinance No. 2395 adopting the 2024 International Codes and the 2023 National Electrical Code

Executive Summary:

Ordinance No. 2395 adopts the 2024 editions of the International Code Council (ICC) family of model codes along with the 2023 National Electrical Code (NEC), including local amendments for administration and enforcement, to ensure our local regulations remain aligned with the most current national standards for safety, sustainability, and resiliency. These codes provide comprehensive updates across multiple disciplines:

- International Residential Code (IRC 2024): Enhances safety and livability standards for one- and two-family homes and townhouses.
- International Building Code (IBC 2024): Updates requirements for structural integrity, accessibility, and fire/life safety in commercial and multifamily construction.
- International Energy Conservation Code (IECC 2024): Improves building energy efficiency, reducing costs for residents and businesses while supporting sustainability goals.
- International Fire Code (IFC 2024): Strengthens fire prevention, hazardous materials management, and emergency planning.
- International Fuel Gas Code (IFGC 2024): Provides up-to-date safety standards for

natural gas and propane systems.

- International Swimming Pool and Spa Code (ISPSC 2024): Enhances safety for residential and public pools and spas.
- International Mechanical Code (IMC 2024): Updates standards for heating, ventilation, and air conditioning systems.
- International Plumbing Code (IPC 2024): Modernizes water supply, distribution, and sanitation requirements.
- International Property Maintenance Code (IPMC 2024): Establishes minimum standards for existing structures and property conditions.
- National Electrical Code (NEC 2023): Ensures electrical installations meet the latest safety and technology standards.

By adopting these updated codes with local amendments, the City strengthens protections for public health and safety, ensures consistency with regional and state practices, promotes energy efficiency, and supports resilient, future-ready development. This proactive approach helps safeguard residents, businesses, and first responders while fostering responsible growth. Planning and Development Services, Fire, and Public Works recommend approval of Ordinance No. 2395.

A Public Hearing and First Reading of Ordinance No. 2395 were approved by City Council on December 16, 2025.

Budget

Expenditure Required: N/A

Current Budget: N/A

Additional Funding: N/A

Funding Source: N/A

Account Number (ORG-OBJ-Project): N/A

Attachments

1. Dev Code Redlines_Adoption of 2024 International Codes
2. Ordinance 2395_Dev Code Amendments_Adoption of 2024 International Codes

ARTICLE II. - BUILDINGS

Sec. 7-14. - Code Adopted.

Except as amended in this Article, the International Building Code, ~~2021~~ 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-14.1. - Appendix Adopted.

Except as amended in this Article, Appendix K of the International Building Code, ~~2021~~ 2024 edition, is adopted.

Sec. 7-15. - Code Deletions.

The following parts of the International Building Code are deleted:

~~Paragraph 105.1.1~~

~~Paragraph 105.1.2~~

Section 113

Subsection 114.2

Subsection 114.3

Subsection 116.3

Subsection 116.4

Subsections 1102.1- ~~1112.5.2~~ 1112.6

Subsection 1507.8

Subsection 1507.9

Subsection 1612.3

Sec. 7-16. - Code Amendments.

The following sections of the International Building Code are amended as follows:

Subsection 101.1 is amended to read as follows:

101.1 Title. These regulations shall be known as the Building Code of the City of Sugar Land, hereinafter referred to as "this code."

Subsection 103.1 is amended to read as follows:

103.1. Enforcement authority. The official in charge of the implementation, administration, and enforcement of this code will be known as the building official.

Subsection ~~104.3~~ 104.6 is amended to read as follows:

~~104.3.~~ 104.6 *Notices and orders.* The building official may issue necessary notices or orders to ensure compliance with this code.

Subsection 105.1 is amended to read as follows:

105.1. Required. It shall be unlawful for any owner, owner's authorized agent, person, firm, or corporation to construct, enlarge, alter, repair, move, demolish, or change the occupancy of a building or structure, or erect, install, enlarge, alter, repair, remove, convert, or replace any electrical, gas, mechanical, or plumbing system regulated by this code, or cause any such work to be performed, without obtaining the required permit prior to commencing such work. Each day the violation exists will constitute a separate and distinct violation. It is presumed that the record owner of the property caused the construction, enlargement, alteration, repair, movement, demolition, or change of the occupancy of the building or structure, or the erection, installation, enlargement, alteration, repair, removal, conversion, or replacement of any electrical, gas, mechanical, or plumbing system regulated by this code, or caused the same to be done, on the property.

Subsection 105.2 is amended to read as follows:

105.2 Work exempt from permit. Exemptions from permit requirements of this code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of this code or any other laws or ordinances of the city. Permits shall not be required for the following:

Building:

1. Oil derricks.
2. Painting, papering, tiling, carpeting, cabinets, counter tops and similar finish work.
3. Temporary motion picture, television and theater stage sets and scenery.
4. Prefabricated swimming pools accessory to a Group R-3 occupancy that are less than 24 inches (610 mm) deep, are not greater than 5,000 gallons (18,925 L) and are installed entirely above ground.
5. Shade cloth structures constructed for nursery or agricultural purposes, not including service systems.
6. Swings and other playground equipment accessory to detached one- and two-family dwellings.
7. Non-fixed and movable fixtures, cases, racks, counters and partitions not over 5 feet 9 inches (1,753 mm) in height.
8. Solar pergolas.

Electrical:

Repairs and maintenance: Minor repair work, including the replacement of lamps or the connection of approved portable electrical equipment to approved permanently installed receptacles.

Radio and television transmitting stations: The provisions of this code shall not apply to electrical equipment used for radio and television transmissions, but do apply to equipment and wiring for a power supply and the installations of towers and antennas.

Temporary testing systems: A permit shall not be required for the installation of any temporary system required for the testing or servicing of electrical equipment or apparatus.

Gas:

1. Portable heating appliance.
2. Replacement of any minor part that does not alter approval of equipment or make such equipment unsafe.

Mechanical:

1. Portable heating appliance.
2. Portable ventilation equipment.
3. Portable cooling unit.
4. Steam, hot or chilled water piping within any heating or cooling equipment regulated by this code.
5. Replacement of any part that does not alter its approval or make it unsafe.
6. Portable evaporative cooler.
7. Self-contained refrigeration system containing 10 pounds (4.54 kg) or less of refrigerant and actuated by motors of 1 horsepower (0.75 KW) or less.

Plumbing:

1. The stopping of leaks in drains, water, soil, waste or vent pipe, provided, however, that if any concealed trap, drain pipe, water, soil, waste or vent pipe becomes defective and it becomes necessary to remove and replace the same with new material, such work shall be considered as new work and a permit shall be obtained and inspection made as provided in this code.
2. The clearing of stoppages or the repairing of leaks in pipes, valves or fixtures and the removal and reinstallation of water closets, provided such repairs do not involve or require the replacement or rearrangement of valves, pipes or fixtures.

Section 105 is amended by adding Subsection 105.8 to read as follows:

105.8. Insurance Required. As a condition to the issuance of the permit, the contractor shall certify that the contractor has: Workers' Compensation insurance as required by law; general liability insurance of at least \$100,000.00 for any one accident for property damage and \$300,000.00 for any one person for injuries or death; and \$5,000.00 for medical expenses for any one person.

Subsection 114.1 is amended to read as follows:

114.1. Unlawful acts. It shall be unlawful for any person, firm or corporation to erect, construct, alter, extend, enlarge, repair, move, remove, demolish, occupy, or use any building, structure, or equipment regulated by this code, or cause the same to be done, in conflict with or in violation of any of the provisions of this code. Each day the violation exists will constitute a separate and distinct violation. It is presumed that the record owner caused the erection, construction, extension, enlargement, alteration, repair, movement, demolition, occupancy, or use of the building, structure, or equipment, or caused the same to be done, on the property. It is presumed that any building, structure, or equipment present on the property is being used by the record owner or occupant of the property.

Subsection 1101.1 is amended to read as follows:

1101.1. Scope. Buildings and facilities shall be designed and constructed to be accessible in accordance with Chapter 469 of the Texas Government Code, the Texas Architectural Barriers Act, and the Texas Accessibility Standards.

Subsection 1612.3 is amended to read as follows:

1612.3 Establishment of flood hazard areas. To establish flood hazard areas, the City Council shall adopt a flood hazard map(s) and supporting data. The flood hazard map(s) shall include, at a minimum, areas of special flood hazard as set forth in section 8-12 of the Development Code. The flood hazard map(s) and supporting data adopted pursuant to section 8-12 of the Development Code are adopted and declared to be part of this section

Subsection K110.1 is amended to read as follows:

K110.1. Authority to condemn electrical systems. Wherever the building official determines that any electrical system, or portion thereof, regulated by this code has become hazardous to life, health or property, the building official may order in writing that such electrical systems either be removed or restored to a safe condition. A time limit for compliance with such order may be specified in the written notice. A person shall not use or maintain a defective electrical system or equipment after receiving such notice. In cases of immediate danger to life or property, such disconnection shall be made immediately without such notice.

ARTICLE II-A. - EXISTING BUILDING CODE

Sec. 7-17. - Code Adopted.

Except as amended in this Article, the International Existing Building Code, ~~2021~~ 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-18. - Code Deletions.

The following sections of the International Existing Building Code are deleted:

Section 112

Subsection 113.2

Subsection 113.4

Subsection 115.3

Subsection 115.4

Subsection 117.2

Sec. 7-19. - Code Amendments.

The following sections of the International Existing Building Code are amended as follows:

Subsection 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the Existing Building Code of the City of Sugar Land, hereinafter referred to as "this code."

Subsection 103.1 is amended to read as follows:

103.1. Enforcement authority. The official in charge of the implementation, administration, and enforcement of this code will be known as the code official.

Subsection 104.3 is amended to read as follows:

104.3. Notices and orders. The code official may issue necessary notices or orders to ensure compliance with this code.

Section 105 is amended by adding Subsection 105.8 to read as follows:

105.8. Insurance Required. As a condition to the issuance of the permit, the contractor shall certify that the contractor has: Workers' Compensation insurance as required by law; general liability insurance of at least \$100,000.00 for any one accident for property damage and \$300,000.00 for any one person for injuries or death; and \$5,000.00 for medical expenses for any one person.

Subsection 113.1 is amended to read as follows:

113.1 Unlawful acts. It shall be unlawful for any person, firm or corporation to repair, alter, extend, add, move, remove, demolish, change the occupancy, or use any building or

structure regulated by this code or cause same to be done, in conflict with or in violation of any of the provisions of this code. Each day the violation exists will constitute a separate and distinct violation. It is presumed that the record owner caused the repair, alteration, extension, addition, movement, removal, demolition, change of occupancy, or use of the building or structure, or caused the same to be done, on the property. It is presumed that any building or structure present on the property is being used by the record owner or occupant of the property.

Sec. 7-20. - Reserved.

ARTICLE III. - ELECTRICAL

Sec. 7-21. - Code Adopted.

Except as amended in this Article, the National Electrical Code, ~~2020~~ 2023 edition, as published by the National Fire Protection Association, is adopted.

Sec. 7-22. - Code Amendments.

The following parts of ~~2020~~ 2023 National Electrical Code are amended:

Subsection 230.30 is amended to read as follows:

230.30. Installation.

- (A) All direct buried cables and conductors shall be installed in an approved conduit or raceway.
- (B) Insulation. Underground service conductors shall be insulated for the applied voltage.

Exception: A grounded conductor shall be permitted to be uninsulated as follows:
 - (1) Bare copper used in a raceway
 - (2) Bare copper for direct burial where bare copper is approved for the soil conditions
 - (3) Bare copper for direct burial without regard to soil conditions where part of a cable assembly identified for underground use
 - (4) Aluminum or copper-clad aluminum without individual insulation or covering where part of a cable assembly identified for underground use in a raceway or for direct burial

- (C) Wiring Methods. Underground service conductors shall be installed in accordance with the applicable requirements of this Code covering the type of wiring method used and shall be limited to the following methods:
 - (1) RMC conduit
 - (2) IMC conduit
 - (3) Type NUCC conduit
 - (4) HDPE conduit
 - (5) PVC conduit
 - (6) RTRC conduit
 - (7) Type IGS cable
 - (8) Type USE conductors or cables
 - (9) Type MV or Type MC cable identified for direct burial applications
 - (10) Type MI cable where suitably protected against physical damage and corrosive conditions
 - (11) Type TC-ER cable where identified for service entrance use and direct burial applications

Subsection 230.42 is amended to read as follows:

230.43. Wiring Methods for 1000 Volts, Nominal, or Less.

(A) Service-entrance conductors shall be installed in accordance with the applicable requirements of this Code covering the type of wiring method used and shall be limited to the following methods:

(1) Open wiring on insulators

- (2) Type IGS cable
- (3) Rigid metal conduit (RMC)
- (4) Intermediate metal conduit (IMC)
- (5) Electrical metallic tubing (EMT)
- (6) Electrical nonmetallic tubing
- (7) Service-entrance cables
- (8) Wireways
- (9) Busways
- (10) Auxiliary gutters
- (11) Rigid polyvinyl chloride conduit (PVC)
- (12) Cablebus
- (13) Type MC cable
- (14) Mineral-insulated, metal-sheathed cable, Type MI
- (15) Flexible metal conduit (FMC) not over 1.8 m (6 ft) long or liquidtight flexible metal conduit (LFMC) not over 1.8 m (6 ft) long between a raceway, or between a raceway and service equipment, with a supply-side bonding jumper routed with the flexible metal conduit (FMC) or the liquidtight flexible metal conduit (LFMC) according to 250.102(A), (B), (C), and (E)
- (16) Liquidtight flexible nonmetallic conduit (LFNC)
- (17) High density polyethylene conduit (HDPE)
- (18) Nonmetallic underground conduit with conductors (NUCC)
- (19) Reinforced thermosetting resin conduit (RTRC)
- (20) Type TC-ER cable where identified for use as service entrance conductors
- (21) Flexible bus systems

(B) Commercial Service Riser Raceways on Utility Poles and Structures. Where service-entrance conductors of 1000 volts, nominal, or less are installed in a raceway that is above grade and fastened to a utility-owned pole or structure and the installation is not under the exclusive control of an electric utility as described in 90.2(D)(5), the raceway shall be rigid metal conduit (RMC) in accordance with Article 344. The use of polyvinyl chloride (PVC) conduit (Schedule 40 or Schedule 80) for this riser is prohibited.

1. The RMC shall be raintight and continuous from all points above finished grade to the service head or weatherhead.
2. The RMC shall be securely fastened to the pole or structure in accordance with 344.30 and supported to prevent damage.
3. Bonding and grounding shall comply with 250.92 and 250.94, and shall comply with the Utility providers standards (Center Point).
4. Raceway fittings and bushings shall be listed and installed in accordance with 344.42.

Informational Note: Coordination with the serving electric utility may be required for attachment methods and clearances. Installations under the utility's exclusive control are outside the scope of the NEC per 90.2(D)(5).

Paragraph 300.5(D) is amended to read as follows:

(D) Protection from Damage. Direct buried conductors and cables shall be installed in an approved conduit or raceway.

Table 300.5 is amended to read as follows:

Table 300.5
Minimum Cover Requirements, 0 to 1000 Volts, Burial in Inches

LOCATION OF WIRING METHOD OR CIRCUIT	TYPE OF WIRING METHOD OR CIRCUIT				
	Column 1 Direct Burial Cables or Conductors	Column 2 Rigid Metal Conduit or Intermediate Metal Conduit	Column 3 Nonmetallic Raceways Listed for Direct Burial Without Concrete Encasement or Other Approved Raceways	Column 4 Residential Branch Circuits Rated 120 Volts or Less With GFCI protection and Maximum Overcurrent Protection of 20 Amperes	Column 5 Circuits for Control of Irrigation and Landscape Lighting Limited to Not More Than 30 Volts and Installed with Type UF or in Other Identified Cable or Raceway
All locations not specified below	24 ^c	6	18	12	6 ^{a, b}
In trench below 2-inch-thick concrete or equivalent	18 ^c	6	12	6	6
Under a building	0 (In raceway only or Type MC identified for direct burial)	0	0	0 (In raceway only or Type MC identified for direct burial)	0 (In raceway only or Type MC identified for direct burial)
Under minimum of 4-inch-thick concrete exterior slab with no vehicular traffic and the slab extending not less than 6 inches beyond the underground installation	18 ^c	4	4	6 (Direct burial) 4 (In raceway)	6 (Direct burial) 4 (In raceway)
Under streets, highways, roads, alleys, driveways and parking lots	24 ^c	24	24	24	24
One- and two-family dwelling driveways and outdoor parking areas, and used only for dwelling-related purposes	18 ^c	18	18	12	18
In solid rock where covered by minimum of 2 inches concrete extending down to rock	2 (In raceway only)	2	2	2 (In raceway only)	2 (In raceway only)

a. A lesser depth shall be permitted where specified in the installation instructions of a listed low-voltage lighting system.

b. A depth of 6 inches shall be permitted for pool, spa, and fountain lighting that is installed in a nonmetallic raceway, limited to not more than 30 volts and part of a listed low-voltage lighting system.

c. Direct buried cables or conductors shall be installed in an approved conduit or raceway.

Notes:

1. Cover is defined as the shortest distance in inches measured between a point on the top surface of any direct-buried conductor, cable, conduit or other raceway and the top surface of finished grade, concrete, or similar cover.

2. Raceways approved for burial only where encased concrete shall require concrete envelope not less than 2 inches thick.

3. Lesser depths shall be permitted where cables and conductors rise for terminations or splices or where access is otherwise required.

4. Where one of the wiring method types listed in Columns 1 through 3 is combined with one of the circuit types in Columns 4 and 5, the shallower depth of burial shall be permitted.

5. Where solid rock prevents compliance with the cover depths specified in this table, the wiring shall be installed in metal or nonmetallic raceway permitted for direct burial. The raceways shall be covered by a minimum of 2 inches of concrete extending down to the rock.

Subsection 351.12 is amended to read as follows:

352.12. Uses Not Permitted.

PVC conduit shall not be used under the conditions specified in 352.12(A) through (F).

(A) Hazardous (Classified) Locations. In any hazardous (classified) location, except as permitted by other articles of this Code.

(B) Support of Luminaires. For the support of luminaires or other equipment not described in 352.10(I).

(C) Physical Damage. Where subject to physical damage, except as permitted in 352.10(K).

(D) Ambient Temperatures. Where subject to ambient temperatures in excess of 50°C (122°F) unless listed otherwise.

(E) Theaters and Similar Locations. In theaters and similar locations, except as provided in 518.4 and 520.5.

(F) Service Riser on Utility Poles. PVC conduit, including Schedule 80, shall not be used as the above-ground service riser raceway where fastened to a utility-owned pole or structure.

Secs. 7-23-7-25. - Reserved.

ARTICLE IV. – GAS

Sec. 7-26. - Code Adopted.

Except as amended in this Article, the International Fuel Gas Code, ~~2021~~ 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-27. - Code Deletions.

The following section of the International Fuel Gas Code is deleted:

Section 112

~~Section 113~~

~~Section 114~~

Subsection 113.2

Subsection 113.3

Subsection 113.4

Subsection 113.5

~~Subsection 115.2~~

~~Subsection 115.3~~

~~Subsection 115.4~~

~~Subsection 115.5~~

Sec. 7-28. - Code Amendments.

The following sections of the International Fuel Gas Code are amended as follows:

Subsection 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the Fuel Gas Code of the City of Sugar Land, hereinafter referred to as "this code."

Subsection 103.1 is amended to read as follows:

103.1. Enforcement authority. The official in charge of the implementation, administration, and enforcement of this code will be known as the code official.

Section 104.6 is amended to read as follows:

104.6. Notices and orders. The code official may issue all necessary notices or orders to ensure compliance with this code.

Section ~~106~~ 105 is amended by adding Subsection ~~106.6~~ 105.6 to read as follows:

~~106.6.~~ 105.6. Insurance Required. As a condition to the issuance of the permit, the

contractor shall certify that the contractor has: Workers' Compensation insurance as required by law; general liability insurance of at least \$100,000.00 for any one accident for property damage and \$300,000.00 for any one person for injuries or death; and \$5,000.00 for medical expenses for any one person.

Paragraph ~~115.6.1~~ 113.6.1 is amended to read as follows:

~~115.6.1.~~ 113.6.1. *Authority to condemn installations.* Whenever the code official determines that any installation, or portion thereof, regulated by this code has become hazardous to life, health or property, he or she may order in writing that such installations either be removed or restored to a safe condition. A time limit for compliance with such order may be specified in the written notice. A person shall not use or maintain a defective installation after receiving such notice. In cases of immediate danger to life or property, such disconnection shall be made immediately without such notice.

Paragraph ~~115.6.3~~ 113.6.3 is amended to read as follows:

~~115.6.3.~~ 113.6.3. *Connection after order to disconnect.* A person shall not make energy source connections to installations regulated by this code that have been disconnected or ordered to be disconnected by the code official, or the use of which has been ordered to be discontinued by the code official until the code official authorizes the reconnection and use of such installations. Where an installation is maintained in violation of this code, the code official may institute appropriate action to prevent, restrain, correct or abate the violation.

Subsection 406.4 is amended to read as follows:

406.4. Test pressure measurement. Test pressure shall be measured with a manometer 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. Spring type test gauges are not permitted. 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.

Secs. 7-29, 7-30. - Reserved.

ARTICLE V. - MECHANICAL

Sec. 7-31. - Code Adopted.

Except as amended in this Article, the International Mechanical Code, ~~2021~~ 2024 edition, as published by the International Code Council is adopted.

Sec. 7-32. - Code Deletions.

The following sections of the International Mechanical Code are deleted:

Section 112

Section 113

~~Section 114~~

Subsection 114.2

Subsection 114.3

Subsection 114.4

Subsection 114.5

~~Subsection 115.2~~

~~Subsection 115.3~~

~~Subsection 115.4~~

~~Subsection 115.5~~

Sec. 7-33. - Code Amendments.

The following section of the International Mechanical Code is amended as follows:

Subsection 101.1 is amended to read as follows:

101.1 Title. These regulations shall be known as the Mechanical Code of the City of Sugar Land, hereinafter referred to as "this code."

Subsection 103.1 is amended to read as follows:

103.1. Enforcement authority. The official in charge of the implementation, administration, and enforcement of this code will be known as the code official.

Subsection 104.6 is amended to read as follows:

104.6. Notices and orders. The code official may issue all necessary notices or orders to ensure compliance with this code.

Section ~~106~~ 105 is amended by adding Subsection ~~106.5~~ 105.5 to read as follows:

~~106.5.~~ 105.5. *Insurance Required.* As a condition to the issuance of the permit, the contractor shall certify that the contractor has: Workers' Compensation insurance as required by law; general liability insurance of at least \$100,000.00 for any one accident for property damage and \$300,000.00 for any one person for injuries or death; and \$5,000.00 for medical expenses for any one person.

Paragraph ~~115.6.1~~ 114.6.1 is amended to read as follows:

~~115.6.1.~~ 114.6.1. *Authority to condemn mechanical systems.* Where the code official determines that any mechanical system, or portion thereof, regulated by this code has become hazardous to life, health, property, or has become insanitary, the code official may order in writing that such system either be removed or restored to a safe condition. A time limit for compliance with such order may be specified in the written notice. A person shall not use or maintain a defective mechanical system after receiving such notice. In cases of immediate danger to life or property, such disconnection shall be made immediately without such notice.

Paragraph ~~115.6.3~~ 114.6.3 is amended to read as follows:

~~115.6.3~~ 114.6.3. *Connection after order to disconnect.* A person shall not make energy source connections to mechanical systems regulated by this code that have been disconnected or ordered to be disconnected by the code official, or the use of which has been ordered to be discontinued by the code official until the code official authorizes the reconnection and use of such mechanical systems. Where a mechanical system is maintained in violation of this code, the code official may institute appropriate action to prevent, restrain, correct or abate the violation.

Subparagraph 506.3.2.5 is amended to read as follows:

506.3.2.5 Grease duct test. Prior to the use or concealment of any portion of a grease duct system, a leakage test shall be performed. Ducts shall be considered to be concealed where installed in shafts or covered by coatings or wraps that prevent the ductwork from being visually inspected on all sides. The permit holder shall be responsible for providing the necessary equipment and performing the grease duct leakage test. A duct leakage test, in accordance with this section, shall be performed for the entire duct system, including the hood-to-duct connection. The duct work may be tested in sections, provided that every joint is tested.

To determine the tightness of the grease duct construction, a smoke test shall be made in accordance with the following conditions and requirements:

1. The test shall be performed in the presence of the building inspector.
2. The grease duct shall be filled with a thick penetrating smoke produced by one or more smoke machines, or smoke bombs. The test shall be applied for a length of time sufficient to permit the inspection of the grease duct.
3. If the test shows any evidence of leakage or other defects, such defects shall be corrected in accordance with the requirements of this chapter, and the test shall be repeated until there is no visible smoke observed.

Secs. 7-34, 7-35. Reserved.

ARTICLE VI. – PLUMBING

Sec. 7-36. - Code Adopted.

Except as amended in this Article, the International Plumbing Code, ~~2021~~ 2024 edition, as published by the International Code Council, is adopted. In the instance that any provision of the International Plumbing Code, as adopted, is less restrictive than that of State or Federal laws or regulations, the State or Federal law or regulation controls.

Sec. 7-37. - Code Deletions.

The following sections of the International Plumbing Code are deleted:

Section 112

Section 113

~~Section 114~~

Subsection 114.2

Subsection 114.3

Subsection 114.4

Subsection 114.5

~~Subsection 115.2~~

~~Subsection 115.3~~

~~Subsection 115.4~~

~~Subsection 115.5~~

Sec. 7-38. - Code Amendments.

The following sections of the International Plumbing Code are amended as follows:

Section 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the International Plumbing Code of the City of Sugar Land, hereinafter referred to as "this code".

Subsection 103.1 is amended to read as follows:

103.1 Enforcement authority. The official in charge of the implementation, administration, and enforcement of this code will be known as the code official.

Section 104.6 is amended to read as follows:

104.6. Notices and orders. The code official may issue all necessary notices or orders to ensure compliance with this code.

Section ~~406~~ 105 is amended by adding Subsection ~~406.6~~ 105.6 to read as follows:

~~406.6.~~ 105.6. Insurance Required. As a condition to the issuance of the permit, the contractor shall certify that the contractor has: Workers' Compensation insurance as required by law; general liability insurance of at least \$100,000.00 for any one accident for property damage and \$300,000.00 for any one person for injuries or death; and \$5,000.00 for medical expenses for any one person.

Paragraph ~~415.6.1~~ 114.6.1 is amended to read as follows:

~~415.6.1.~~ 114.6.1. Authority to condemn equipment. Where the code official determines that any plumbing, or portion thereof, regulated by this code has become hazardous to life, health or property or has become unsanitary, the code official may order in writing that such plumbing either be removed or restored to a safe or sanitary condition. A time limit for compliance with such order may be specified in the written notice. A person shall not use or maintain defective plumbing after receiving such notice. In cases of immediate danger to life or property, such disconnection shall be made immediately without such notice.

Paragraph ~~415.6.3~~ 114.6.3 is amended to read as follows:

~~415.6.3.~~ 114.6.3. Connection after order to disconnect. A person shall not make connections from any energy, fuel, power supply or water distribution system or supply energy, fuel or water to any equipment regulated by this code that has been disconnected or ordered to be disconnected by the code official or the use of which has been ordered to be discontinued by the code official until the code official authorizes the reconnection and use of such equipment. Where any plumbing is maintained in violation of this code, the code official may institute any appropriate action to prevent, restrain, correct or abate the violation.

Paragraph 305.4.1 is amended to read as follows:

305.4.1. Sewer depth. Building sewers that connect to private sewage disposal systems shall be installed not less than 12 inches (mm) below finished grade at the point of septic tank connection. Building sewers shall be installed not less than 12 inches (mm) below grade.

Paragraph 504.7.2 is amended to read as follows:

504.7.2. Pan drain termination. The pan drain shall extend full size and terminate over a suitably located indirect waste receptor or floor drain or extend to the exterior of the building and terminate not less than 6 inches (152 mm) and not more than 24 inches (610 mm) above the adjacent ground surface. Where a pan drain was not previously installed, a pan drain shall not be required for a replacement water heater installation if a water leak detection device with an audible alarm is installed inside the pan.

Paragraph 605.2.1 is amended to read as follows:

605.2.1. Lead content of drinking water pipe and fittings. The use of pipes and pipe fittings that contain more than 0.25% lead or solders and flux that contain more than 0.2% lead is prohibited for installation or repair of any public water supply and for installation or repair of any plumbing in a residential or nonresidential facility providing water for human consumption and connected to a public drinking water supply system. This requirement may be waived for lead joints that are necessary for repairs to cast iron pipe.

Paragraph 705.10.2 is amended to read as follows:

705.10.2. *Solvent cementing.* Joint surfaces shall be clean and free from moisture. A purple primer that confirms to ASTM F656 shall be applied. Solvent cement not purple in color and conforming to ASTM D2564, 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 D2855. Solvent-cement joints shall be permitted above or below ground.

Paragraph 903.1.1 is amended to read as follows:

903.1.1 Roof extension unprotected. Open vent pipes that extend through a roof shall be terminated not less than 6 inches (mm) above the roof.

Secs. 7-39, 7-40. - Reserved.

ARTICLE VII. - PROPERTY MAINTENANCE

Sec. 7-41. - Code and Appendix Adopted.

Except as amended in this Article, the International Property Maintenance Code, ~~2021~~ 2024 edition, and Appendix A of said code, as published by the International Code Council, are adopted.

Sec. 7-42. - Code Deletions.

The following sections of the International Property Maintenance Code are deleted:

Section 106

~~Section 107~~

Subsection 107.2

Subsection 107.3

Subsection 107.4

Subsection 107.5

~~Section 108~~

Section 109

~~Subsection 109.2~~

~~Subsection 109.3~~

~~Subsection 109.4~~

~~Subsection 109.5~~

Section 110

Section 111

~~Section 112~~

~~Section 113~~

Sec. 7-43. - Code Amendments.

The following sections of the International Property Maintenance Code are amended as follows:

Subsection 101.1 is amended to read as follows:

101.1 Title. These regulations shall be known as the Property Maintenance Code of the City of Sugar Land, hereinafter referred to as "this code".

Subsection 103.1 is amended to read as follows:

103.1. Enforcement Authority. The official in charge of the implementation, administration, and enforcement of this Code will be known as the code official.

Subsection 105.5 is amended to read as follows:

105.5 Notices and orders. The code official may issue all necessary notices or orders to ensure compliance with this code.

Subsection 105.6 is amended to read as follows:

105.6. Official records. The code official shall keep official records as required by subsections 105.6.1 through 105.6.5. Such official records shall be retained in accordance with the City's adopted records retention and disposition schedules, as issued and amended by the Texas State Library and Archives Commission, and in compliance with the Local Government Records Act.

Section 202 definition of Inoperable motor vehicle is amended to read as follows:

Junked motor vehicle. A motor vehicle that is self-propelled and displays an expired license plate or does not display a license plate; and is wrecked, dismantled or partially dismantled, or discarded or is inoperable and has remained inoperable for more than seventy-two consecutive hours, if the vehicle is on public property or for thirty consecutive days, if the vehicle is on private property. A junked motor vehicle may also be an aircraft that does not have lawfully printed on the aircraft an unexpired federal aircraft identification number registered under Federal Aviation Administration aircraft registration regulations in 14 C.F.R. Part 47. A junked motor vehicle may also be a watercraft that does not have lawfully on board an unexpired certificate number and is not a watercraft described by V.T.C.A. § 31.055, Parks and Wildlife Code.

Subsection 302.4 is amended to read as follows:

Subsection 302.4. Weeds. Premises and exterior property shall be maintained free from weed or plant growth in excess of 9 inches except as provided for in other regulations. Noxious weeds shall be prohibited. Weeds shall be defined as all grasses, annual plants and vegetation, other than trees or shrubs provided; however, this term shall not include cultivated flowers and garden.

Subsection 302.8 is amended to read as follows:

302.8 Junked motor vehicle. Except as provided for in other regulations, no junked motor vehicle shall be parked, kept, or stored on any premises. Painting of vehicles is prohibited unless conducted inside an approved spray booth.

Exception: A vehicle of any type is permitted to undergo major overhaul, including body work, provided that such work is performed inside a structure or similarly enclosed area

designed and approved for such purposes. The activity must be compliant with zoning regulations.

Subsection 304.14 is amended to read as follows:

304.14. Insect screens. During the period from January 1st to December 31st, every door, window and other outside opening required for ventilation of habitable rooms shall be supplied with approved tightly fitting screens of minimum 16 mesh per inch (16 mesh per 25 mm), and every screen door used for insect control shall have a self-closing device in good working condition.

Subsection 602.3 is amended to read as follows:

602.3 Heat Supply. Every owner and operator of a building who rents, leases or lets one or more dwelling units or sleeping units on terms, either expressed or implied, to furnish heat to the occupants thereof shall supply heat during the period from November to March to maintain a minimum temperature of 68°F (20°C) in all habitable rooms, bathrooms, and toilet rooms.

Subsection 602.4 is amended to read as follows:

602.4 Occupiable work spaces. Indoor occupiable work spaces shall be supplied with heat during the period from November to March to maintain a minimum temperature of 65°F (18°C) during the period the spaces are occupied.

Paragraph 704.6.1 is amended to read as follows:

704.6.1 Where Required. Existing Group I-1 and R occupancies shall be provided with single-station smoke alarms in accordance with Sections 704.6.1.1 through 704.6.1.4. Interconnection and power sources shall be in accordance with Sections 704.6.2 and 704.6.3.

Exception: Where smoke detectors connected to a fire alarm system have been installed as a substitute for smoke alarms.

Appendix A is amended to read as follows:

A101.1 General. Windows and doors shall be boarded in an approved manner to prevent entry by unauthorized persons and shall be painted with exterior grade paint to correspond to the color of the existing structure.

A101.2 Maintenance. Boarding materials shall be maintained in good condition. Any peeling, flaking and/or chipped paint shall be eliminated and the surfaces repainted.

A103.1 Boarding installation. The boarding installation shall be in accordance with Figures A103.1(1) and A103.1(2) and sections A103.2 through A103.5.

Exception: Alternative methods of installation may be used upon prior approval from the City of Sugar Land.

Secs. 7-44, 7-45. - Reserved.

ARTICLE VIII. - RESIDENTIAL BUILDING CODE

Sec. 7-46. - Code Adopted.

Except as amended in this Article, the International Residential Code, ~~2021~~ 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-47. - Code Deletions.

The following sections of the International Residential Code are deleted.

Section R112
Subsection R113.2
Subsection R113.3
Section R309
~~Section R313~~
Subsection R905.7
Subsection R905.8
Section P2904

Sec. 7-48. - Code Amendments.

The following parts of the International Residential Code are amended:

Subsection R101.1 is amended to read as follows:

R101.1. Title. These regulations shall be known as the Residential Code for One and Two Family Dwellings of the City of Sugar Land, and shall be cited as such and will be referred to hereinafter as "this code."

Subsection R103.1 is amended to read as follows:

R103.1 Enforcement authority. The official in charge of the implementation, administration, and enforcement of this code will be known as the building official.

Subsection ~~R104.3~~ R104.6 is amended to read as follows:

~~*R104.3*~~ *R104.6* *Notices and orders.* The building official may issue necessary notices or orders to ensure compliance with this code.

Subsection R105.1 is amended to read as follows:

R105.1. Required. It shall be unlawful for any owner, owner's authorized agent, person, firm, or corporation to construct, enlarge, alter, repair, move, demolish, or change the occupancy of a building or structure, or erect, install, enlarge, alter, repair, remove, convert, or replace any electrical, gas, mechanical, or plumbing system regulated by this code, or cause any such work to be performed, without obtaining the required permit prior to commencing such work. Each day the violation exists will constitute a separate and distinct violation. It is presumed that the record owner of the property caused the construction, enlargement, alteration, repair, movement, demolition, or change of the occupancy of the building or structure, or the erection, installation, enlargement, alteration, repair, removal, conversion, or replacement of any electrical, gas, mechanical, or plumbing system regulated by this code, or caused the same to be done, on the property.

Subsection R105.2 is amended to read as follows:

R105.2 Work exempt from permit. Exemptions from permit requirements of this code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of this code or any other laws or ordinances of the city. Permits shall not be required for the following:

Building:

1. Painting, papering, tiling, carpeting, cabinets, counter tops and similar finish work.
2. Prefabricated swimming pools that are less than 24 inches (610 mm) deep.
3. Swings and other playground equipment.
4. Decks not exceeding 200 square feet (18.58 m²) in area, that are not more than 30 inches (762 mm) above grade at any point, are not attached to a dwelling do not serve the exit door required by Section R311.4.
5. Solar pergolas.

Electrical:

1. Listed cord-and-plug connected temporary decorative lighting.
2. Reinstallation of attachment plug receptacles but not the outlets therefor.
3. Replacement of branch circuit overcurrent devices of the required capacity in the same location.
4. Electrical wiring, devices, appliances, apparatus or equipment operating at less than 25 volts and not capable of supplying more than 50 watts of energy.
5. Minor repair work, including the replacement of lamps or the connection of approved portable electrical equipment to approved permanently installed receptacles.

Gas:

1. Portable heating, cooking or clothes drying appliances.
2. Replacement of any minor part that does not alter approval of equipment or make such equipment unsafe.
3. Portable-fuel-cell appliances that are not connected to a fixed piping system and are not interconnected to a power grid.

Mechanical:

1. Portable heating appliances.
2. Portable ventilation appliances.
3. Portable cooling units.
4. Steam, hot- or chilled-water piping within any heating or cooling equipment regulated by this code.
5. Replacement of any minor part that does not alter approval of equipment or make such equipment unsafe.
6. Portable evaporative coolers.
7. Self-contained refrigeration systems containing 10 pounds (4.54 kg) or less of refrigerant or that are actuated by motors of 1 horsepower (746 W) or less.
8. Portable-fuel-cell appliances that are not connected to a fixed piping system and are not interconnected to a power grid.

Plumbing:

1. The stopping of leaks in drains, water, soil, waste or vent pipe; provided, however, that if any concealed trap, drainpipe, water, soil, waste or vent pipe becomes defective and it becomes necessary to remove and replace the same with new material, such work shall be considered as new work and a permit shall be obtained and inspection made as provided in this code.
2. The clearing of stoppages or the repairing of leaks in pipes, valves or fixtures and the removal and reinstallation of water closets, provided such repairs do not involve or require the replacement or rearrangement of valves, pipes or fixtures.

Section **R105** is amended by adding Subsection **R105.10** to read as follows:

R105.10. Insurance Required. As a condition to the issuance of the permit, the contractor shall certify that the contractor has: Workers' Compensation insurance as required by law; general liability insurance of at least \$100,000.00 for any one accident for property damage and \$300,000.00 for any one person for injuries or death; and \$5,000.00 for medical expenses for any one person.

Subsection R113.1 is amended to read as follows:

R113.1. Unlawful acts. It shall be unlawful for any person, firm or corporation to erect, construct, alter, extend, enlarge, repair, move, remove, demolish, occupy, or use any building, structure, or equipment regulated by this code, or cause the same to be done, in conflict with or in violation of any of the provisions of this code. Each day the violation exists will constitute a separate and distinct violation. It is presumed that the record owner caused the erection, construction, extension, enlargement, alteration, repair, movement, demolition, occupancy, or use of the building, structure, or equipment, or caused the same to be done, on the property. It is presumed that any building, structure, or equipment present on the property is being used by the record owner or occupant of the property.

Subsection **R302.2** is amended to read as follows:

R302.2. Townhouses. Common walls separating townhouses shall be assigned a fire-resistance rating in accordance with Section R302.2. The common wall shared by two townhouses shall be constructed without plumbing or mechanical equipment, ducts or vents in the cavity of the common wall. The wall shall be rated for fire exposure from both sides and shall extend on and be tight against exterior walls and the underside of the roof sheathing. Electrical installations shall be in accordance with Chapters 34 through 43. Penetrations of the membrane of common walls for electrical outlet boxes shall be in accordance with Section R302.4.

Exception: Where a fire sprinkler system in accordance with NFPA 13D is required, the common wall shall not be less than 2-hour fire resistance rated wall assembly tested in accordance with ASM or UL.

Paragraph ~~**R315.2.2**~~ **R311.2.2** is amended to read as follows:

R315.2.2 R311.2.2 Alterations, repairs and additions. Where alterations, repairs or additions requiring a permit occur, the individual dwelling unit shall be equipped with carbon monoxide alarms located as required for new dwellings.

Exceptions:

1. Work involving the exterior surfaces of dwellings, such as the replacement of roofing or siding, or the addition or replacement of windows or doors, or the addition of a porch or deck.
2. Installation, alteration or repairs of plumbing systems that are not fuel fired.
3. Installation, alteration or repairs of mechanical systems that are not fuel fired.

Subsection G2417.4 is amended to read as follows:

G2417.4(406.4) Test pressure measurement. Test pressure shall be measured with a manometer 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. Spring type test gauges are not permitted. 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.

Paragraph P2603.5.1 is amended to read as follows:

P2603.5.1 Sewer depth. Building sewers that connect to private sewage disposal systems shall be not less than 12 inches (mm) below finished grade at the point of septic tank connection. Building sewers shall be not less than 12 inches (mm) below grade.

Paragraph ~~P2801.6.1~~ **P2801.5.1** is amended to read as follows:

P2801.6.1 P2801.5.1. Pan size and drain. The pan shall be not less than 11/2 inches (38 mm) deep and shall be of sufficient size and shape to receive dripping or condensate from the tank or water heater. The pan shall be drained by an indirect waste pipe of not less than 3/4-inch (19 mm) diameter. Piping for safety pan drains shall be of those materials indicated in Table P2906.5.

Where a pan drain was not previously installed, a pan drain shall not be required for a replacement water heater installation if a water leak detection device with an audible alarm is installed inside the pan.

Section E3803 is amended by amending Table E3803.1 to read as follows:

TABLE E3803.1 (Table 300.5)
MINIMUM COVER REQUIREMENTS, BURIAL IN INCHES a, b, c, d, e,

LOCATION OF WIRING METHOD OR CIRCUIT	TYPE OF WIRING METHOD OR CIRCUIT				
	1 Direct Burial Cables or Conductors	2 Rigid Metal Conduit or Intermediate Metal Conduit	3 Nonmetallic Raceways Listed for Direct Burial Without Concrete Encasement or Other Approved Raceways	4 Residential Branch Circuits Rated 120 Volts or Less With GFCI protection and Maximum Overcurrent Protection of 20 Amperes	5 Circuits for Control of Irrigation and Landscape Lighting Limited to Not More Than 30 Volts and Installed with Type UF or in Other Identified Cable or Raceway
All locations not specified below	24 ^h	6	18	12	6 ^{f, g}
In trench below 2-inch-thick concrete or equivalent	18 ^h	6	12	6	6
Under a building	0 (In raceway only or Type MC identified for direct burial)	0	0	0 (In raceway only or Type MC identified for direct burial)	0 (In raceway only or Type MC identified for direct burial)
Under minimum of 4-inch-thick concrete exterior slab with no vehicular traffic and the slab extending not less than 6 inches beyond the	18 ^h	4	4	6 (Direct burial) 4 (In raceway)	6 (Direct burial) 4 (In raceway)

underground installation					
Under streets, highways, roads, alleys, driveways and parking lots	24 ^h	24	24	24	24
One- and two-family dwelling driveways and outdoor parking areas, and used only for dwelling-related purposes	18 ^h	18	18	12	18
In solid rock where covered by minimum of 2 inches concrete extending down to rock	2 (In raceway only)	2	2	2 (In raceway only)	2 (In raceway only)

For SI: 1 inch = 25.4 mm.

- a. Raceways approved for burial only where encased concrete shall require concrete envelope not less than 2 inches thick.
- b. Lesser depths shall be permitted where cables and conductors rise for terminations or splices or where access is otherwise required.
- c. Where one of the wiring method types listed in columns 1 to 3 is combined with one of the circuit types in columns 4 and 5, the shallower depth of burial shall be permitted.
- d. Where solid rock prevents compliance with the cover depths specified in this table, the wiring shall be installed in metal or nonmetallic raceway permitted for direct burial. The raceways shall be covered by a minimum of 2 inches of concrete extending down to the rock.
- e. Cover is defined as the shortest distance in inches (millimeters) measured between a point on the top surface of any direct-buried conductor, cable, conduit or other raceway and the top surface of finished grade, concrete, or similar cover.
- f. A lesser depth shall be permitted where specified in the installation instructions of a listed low-voltage lighting system.
- g. A depth of 6 inches shall be permitted for pool, spa, and fountain lighting that is installed in a nonmetallic raceway, limited to not more than 30 volts and part of a listed low-voltage lighting system.
- h. Direct buried cables and conductors shall be installed in an approved conduit or raceway.

Secs. 7-49, 7-50. - Reserved.

ARTICLE VIII-A. - SWIMMING POOL AND SPA CODE

Sec. 7-51. - Code Adopted.

Except as amended in this Article, the International Swimming Pool and Spa Code, ~~2021~~ 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-52. - Code Amendments.

The following sections of the International Swimming Pool and Spa Code are amended as follows:

Subsection 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the Swimming Pool and Spa Code of the City of Sugar Land, hereinafter referred to as "this code."

Subsection 103.1 is amended to read as follows:

103.1. Enforcement Authority. The official in charge of the implementation, administration, and enforcement of this Code will be known as the code official.

Paragraph 113.6.1 is amended to read as follows:

~~113.4.1.~~ 113.6.1. *Authority to condemn a system.* Where the code official determines that any system, or portion thereof, regulated by this code has become hazardous to life, health or property or has become insanitary, the code official may order in writing that such system either be removed or restored to a safe or sanitary condition. A time limit for compliance with such order may be specified in the written notice. A person shall not use or maintain a defective system after receiving such notice. In cases of immediate danger to life or property, such disconnection shall be made immediately without such notice.

Paragraph 113.6.3 is amended to read as follows:

113.6.3. Connection after order to disconnect. A person shall not make connections from any energy, fuel, power supply or water distribution system, or supply energy, fuel or water to any equipment regulated by this code that has been disconnected or ordered to be disconnected by the code official or the use of which has been ordered to be discontinued by the code official until the code official authorizes the reconnection and use of such equipment. When any system is maintained in violation of this code, the code official may institute any appropriate action to prevent, restrain, correct or abate the violation.

Sec. 7-53. - Code Deletions.

The following sections of the International Swimming Pool and Spa Code are deleted:

~~Section 111~~

Section 112

Subsection 113.2

Subsection 113.3

Subsection 113.4

Subsection 113.5

Secs. 7-54, 7-55. - Reserved.

ARTICLE IX. – FIRE PREVENTION

Sec. 7-56. - Reserved.

Sec. 7-57. - Code Adopted.

Except as amended in this Article, the International Fire Code, ~~2021~~ 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-57.1. - Appendix Adopted.

Except as amended in this Article, Appendix B, C, and D of the International Fire Code, ~~2021~~ 2024 edition, are adopted.

Sec. 7-57.2. Reserved.

Sec. 7-58. - Code Amendments.

The following sections of the International Fire Code are amended:

Subsection 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the Fire Code of the City of Sugar Land, hereinafter referred to as "this code."

Subsection 103.1 is amended to read as follows:

103.1. General. The department of fire prevention is established within the city under the direction of the fire marshal, hereafter referred to in this code as the fire code official. The function of the department shall be the implementation, administration and enforcement of the provisions of this code.

Paragraph 105.3.5 is amended to read as follows:

105.3.5. Posting the permit. Issued permits shall be maintained in printed paper form on the premises designated therein at all times and shall be readily available for inspection by the fire code official.

Subsection 105.5 is amended to read as follows:

105.5. Required operational permits. The fire code official is authorized to issue operational permits for the operations set forth in Sections 105.5.2 through 105.5.59.

Paragraph ~~105.5.53~~ 105.5.58 is added to read as follows:

~~105.5.53.~~ 105.5.58. Places of Custodial Care. An operational permit is required for Group R-3 and R-4 Occupancies that provide custodial care. Occupancies include care facilities, congregate care, congregate living facilities, alcohol and drug centers, assisted living facilities, group homes, ~~and~~ halfway houses, and community homes for persons with disabilities.

Paragraph 105.5.59 is added to read as follows:

105.5.59. Kitchen suppression systems. An operational permit is required for any automatic fire-extinguishing system protecting cooking appliances in commercial food service

operations.

Paragraph ~~105.6.25~~ 105.6.26 is added to read as follows:

~~105.6.25~~ 105.6.26. Electronic Access Control Device. A construction permit is required for the installation of or modification to electronic access control device or related equipment. Maintenance performed in accordance with this code is not considered to be a modification and does not require a construction permit.

Subsection 106.4 is amended to read as follows:

106.4. ~~Retention of~~ Construction documents on site. One set of of approved construction documents, in printed paper form, shall be kept at the job site at all times while work is in progress and shall be available for all required inspections~~retained by the fire code official for a period of not less than 180 days from the date of completion of the permitted work, or as required by state or local laws. One hard paper copy of approved construction documents shall be returned to the applicant.~~ The ~~size of the~~ documents shall be of sufficient size and clarity to reflect relative to the scope ~~and size~~ of the work. ~~The hard copy must remain present at the construction throughout the duration of the authorized work, and shall be readily accessible to the fire code official to allow~~ for verification and inspection ~~by the fire code official.~~

Subsection ~~112.4~~ 113.4 is amended to read as follows:

~~112.4~~ 113.4 Violation penalties. Persons who knowingly violate a provision of this code or fail to comply with any of the requirements thereof or who erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under the provisions of this code, shall be guilty of a misdemeanor and will be punished as authorized in section 1-9 of the Development Code, as amended therein and thereafter.

Section 202 is amended by adding a definition for “electronic access control device” to read as follows:

ELECTRONIC ACCESS CONTROL DEVICE. An electronic or computer-based device, including a telephone entry system, that allows access or controls egress in any occupancy classification.

Subsection 307.2 is amended to read as follows:

307.2. *Permit required.* A permit must be obtained from the fire code official in accordance with Section 105.5 prior to kindling a fire for recognized silvicultural or range wildlife management practices, prevention or control of disease or pests, bonfire, recreational fire or controlled burning as allowed by the Texas Commission on Environmental Quality.

Subsection 307.6 is added to read as follows:

307.6. *Rubbish burning.* The burning of rubbish shall be prohibited. For the purposes of this section, rubbish includes plastic, rubber, and other materials defined as rubbish in section 202 of this code.

~~Subparagraph 308.1.6.3~~ Paragraph 308.1.7 is amended to read as follows:

~~308.1.6.3~~ 308.1.7. Sky lanterns. Sky lanterns are prohibited.

The Exceptions to Paragraph 503.1.1 is amended by adding Subparagraphs (1.4) and (1.5) to

read as follows:

(1.4) Group U and other accessory use buildings, five hundred (500) square feet or less, may be located more than fifty (50) feet but not more than five hundred (500) feet from an access roadway, provided the code official determines that the conditions are such that firefighting operations will not be obstructed.

(1.5) The width of access roadways accessing one- and two-family dwellings, which are located more than one hundred fifty (150) feet but less than five hundred (500) feet from a public street, shall not be less than twelve (12) feet wide.

Subsection 503.3 is amended to read as follows:

503.3. Marking. Where required by the fire code official, approved signs or other approved notices shall be provided for fire apparatus access road to identify such roads or prohibit the obstruction thereof. Signs or notices shall be maintained in a clean and legible condition at all times and be replaced or repaired when necessary to provide adequate visibility. Fire lane markings shall be in accordance with Appendix D of this chapter. It is unlawful for any person to occupy, continue to occupy, or make use of any building until the requirements for fire lane markings applicable to the real property where the building is located have been met.

Subsection 503.4 is amended to read as follows:

503.4. Obstruction of fire apparatus access roads. Fire apparatus access roads shall not be obstructed in any manner. The minimum widths and clearances established in Paragraphs 503.2.1 and 503.2.2 shall be maintained at all times. For any unattended motor vehicle that is stopped or parked in a fire apparatus access road, it is presumed that the registered owner of the vehicle is the person who stopped or parked the vehicle at the time and place the offense occurred.

Paragraph 603.5.2 is amended by deleting the enumerated exceptions, to read as follows:

603.5.2. Application and use. Relocatable power taps and current taps shall be directly connected to a permanently installed receptacle.

Subsection 903.2 is amended to read as follows:

903.2. Where required. Approved automatic fire sprinkler systems shall be provided in new buildings and structures and in existing buildings and structures in the locations listed below and where otherwise described in this code.

1. All new buildings where the fire area exceeds five thousand (5,000) square feet. For the purposes of this provision, a fire wall does not delineate a separate building.
2. In existing buildings, if any addition results in a gross fire area of more than five thousand (5,000) square feet or raises the building height beyond two stories. For the purposes of this provision, the addition of a fire wall does not delineate a separate building nor does it eliminate the requirement for fire sprinkler protection.
3. In existing buildings where the fire area exceeds five thousand (5,000) square feet, when thirty (30) percent or more of the building undergoes renovation in one or more phases. The addition of a fire wall does not delineate a separate building nor does it eliminate the requirement for fire sprinkler protection.

Subparagraphs 903.2.1.1 through 903.2.1.4 are amended to read as follows:

903.2.1.1. Group A-1. An automatic sprinkler system shall be provided throughout stories

containing Group A-1 occupancies and throughout all stories from the Group A-1 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:

1. The fire area exceeds 5,000 square feet (464.5 m²) or the building is greater than one story in height.
2. The fire area has an occupant load of 300 or more.
3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.
4. The fire area contains a multiple-theater complex.

903.2.1.2. Group A-2. An automatic sprinkler system shall be provided throughout stories containing Group A-2 occupancies and throughout all stories from the Group A-2 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:

1. The fire area exceeds 5,000 square feet (464.5 m²) or the building is greater than one story in height.
2. The fire area has an occupant load of 100 or more.
3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.

903.2.1.3. Group A-3. An automatic sprinkler system shall be provided throughout stories containing Group A-3 occupancies and throughout all stories from the Group A-3 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:

1. The fire area exceeds 5,000 square feet (464.5 m²) or the building is greater than two stories in height.
2. The fire area has an occupant load of 300 or more.
3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.

903.2.1.4. Group A-4. An automatic sprinkler system shall be provided throughout stories containing Group A-4 occupancies and throughout all stories from the Group A-4 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:

1. The fire area exceeds 5,000 square feet (464.5 m²) or the building is greater than two stories in height.
2. The fire area has an occupant load of 300 or more.
3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.

Paragraph 903.2.4 is amended to read as follows:

903.2.4. Group F-1. An automatic sprinkler system shall be provided throughout all buildings containing a Group F-1 occupancy where the fire area exceeds 5,000 square feet (464.5 m²).

Paragraph 903.2.7 is amended to read as follows:

903.2.7. Group M. An automatic sprinkler system shall be provided throughout buildings containing a Group M occupancy where the Group M fire area exceeds 5,000 square feet (464.5 m²).

Paragraph 903.2.9 is amended to read as follows:

903.2.9. Group S-1. An automatic sprinkler system shall be provided throughout all buildings containing a Group S-1 occupancy where the fire area exceeds 5,000 square feet (464.5 m²).

Subparagraph 903.2.9.1 is amended to read as follows:

903.2.9.1. Repair garages. An automatic sprinkler system shall be provided throughout all buildings used as repair garages where the fire area exceeds 5,000 square feet (464.5 m²), in accordance with Section 406.8 of the Building Code.

Paragraph 903.2.10 is amended to read as follows:

903.2.10. Group S-2 enclosed parking garages. An automatic sprinkler system shall be provided throughout buildings classified as enclosed parking garages in accordance with Section 406.6 of the Building Code when any of the following conditions exist:

1. Where the fire area of the enclosed parking garage, subject to Section 406.6 of the Building Code, exceeds 5,000 square feet (464.5 m²).
2. Where the enclosed parking garage is located beneath and/or attached to other occupancy groups.
3. Where the open parking garage, subject to Section 406.5 of the Building Code, exceeds 48,000 square feet (4460m²).

Subparagraph 903.2.11.3 is amended to read as follows:

903.2.11.3. Buildings 35 feet or more in height. An automatic sprinkler system shall be installed throughout buildings that have one or more stories located 35 feet (10668 mm) or more above the lowest level of fire department vehicle access, measured to the finished floor.

Clause 903.3.1.2.3 is amended to read as follows:

903.3.1.2.3 Attics. Attic protection shall be provided as follows:

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. Where located in a building of Type III, Type IV or Type V construction designed in accordance with Section 510.2 or 510.4 of the International Building Code, attics not required by Item 1 to have sprinklers shall comply with one of the following if the roof assembly is located more than 55 feet (16 764 mm) above the lowest level of fire department vehicle access needed to meet the provisions in Section 503:
 - 3.1. Provide automatic sprinkler system protection.
 - 3.2. Provide a heat detection system throughout the attic that is arranged to activate the building fire alarm system.
 - ~~3.2. Construct the attic using noncombustible materials.~~
 - ~~3.3. Construct the attic using fire-retardant-treated wood complying with Section 2303.2 of the International Building Code.~~
 - ~~3.4. Fill the attic with noncombustible insulation.~~

~~The height of the roof assembly shall be determined by measuring the distance from the lowest required fire vehicle access road surface adjacent to the building to the eave of the highest pitched roof, the intersection of the highest roof to the~~

~~exterior wall, or the top of the highest parapet, whichever yields the greatest distance. For the purpose of this measurement, required fire vehicle access roads shall include only those roads that are necessary for compliance with Section 503.~~

4. Groups ~~R-3 and~~ R-4, Condition 2 occupancy attics not required by Item 1 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.
 - ~~4.2. 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.~~
5. Group R-2 occupancy attics not required by Item 1 to have sprinklers shall comply with one of the following:
 - 5.1. Provide automatic sprinkler system protection.
 - 5.2. Provide a heat detection system throughout the attic that is arranged to activate the building fire alarm system.

Paragraph ~~903.4.2~~ 903.4.3 is amended to read as follows:

903.4.2 903.4.3. Alarms. Approved audible devices shall be connected to every automatic sprinkler system. Such sprinkler water flow alarm devices shall be activated by water flow equivalent to the flow of a single sprinkler of the smallest orifice size installed in the system. An electric/water bell shall be provided on the exterior of the building, in an approved location. When water flow supervision is provided, alarm devices shall be located within the interior of the building to provide an internal evacuation signal throughout the building in all common areas and areas accessible to the public. Group R-1, R-2 and condominiums shall be provided with an alarm signal device in each unit to provide an internal evacuation signal separate and distinct from the security system. Where a fire alarm system is installed, actuation of the automatic sprinkler system shall actuate the building fire alarm system.

Paragraph 904.15 is amended to read as follows:

904.15. Domestic cooking facilities. Cooktops and ranges installed in the following occupancies shall be in accordance with section 904.15.1.

1. In Group I-1 occupancies where domestic cooking facilities are installed in accordance with Section 420.9 of the International Building Code.
2. In Group I-2 occupancies where domestic cooking facilities are installed in accordance with Section 407.2.7 of the International Building Code.
3. In Group R-2 occupancies where domestic cooking facilities are installed in accordance with Section 420.11 of the International Building Code.
4. In Group R-3 and R-4 occupancies where domestic cooking operations are conducted for the residents.

Subsection 5608.1 is amended to add Paragraph 5608.1.1 to read as follows:

5608.1.1. Fireworks. The possession, manufacture, storage, sale, handling and use of fireworks are prohibited within the city limits of Sugar Land, Texas. It shall be unlawful for any person to manufacture or sell fireworks within the City of Sugar Land corporate limits. Except as herein provided, it shall be unlawful for any person to assemble, possess, store,

transport, receive, keep, sell, offer or have in his or her possession with the intent to sell, use, discharge, ignite, detonate, fire or otherwise put in action any fireworks of any description.

Exception: The use of approved fireworks for display as permitted in Section 5608.

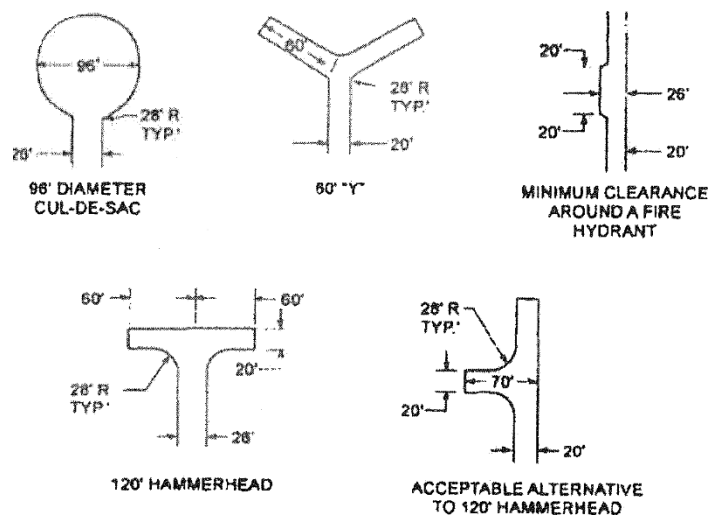
Subsection 5608.2 is amended to read as follows:

5608.2. Permit application. Prior to issuing permits for fireworks display, plans for the display, inspections of the display site and demonstrations of the display operations shall be approved and all applicable state and federal permits shall have been obtained. The applicant for the display shall, at the time of making application, furnish proof that he or she carries compensation insurance for his employees as provided for by laws of this state and he or she shall file with the code official, for approval, a certificate of insurance evidencing the carrying of public liability insurance, including bodily injury liability, in limits of not less than one hundred thousand dollars (\$100,000.00) for each person and one million dollars (\$1,000,000.00) for each accident, issued by an insurance company authorized to conduct business in this state for the benefit of the person named therein as insured as evidence of ability to respond in damages in at least the above amounts. For each display of fireworks under this section, standby personnel and equipment from the Sugar Land Fire Department shall be required. The number of personnel and equipment to be in attendance shall be determined by the Fire Marshal. The expense of such personnel and equipment at the display shall be paid in advance by the applicant prior to the issuance of the permit. The fee charged for each standby fire engine and crew shall be as specified in the appropriate fee schedule of the City of Sugar Land. Fees for other required personnel shall be based on actual cost.

Subsections D103.1, D103.5, D103.6, and D107.1 of Appendix D are amended to read as follows:

D103.1 Access road width with a hydrant. Where a fire hydrant is located on a fire apparatus access road, the minimum road width shall be 24 feet, exclusive of shoulders.

Figure D103.1 Dead-End Fire Apparatus Access Road Turnaround



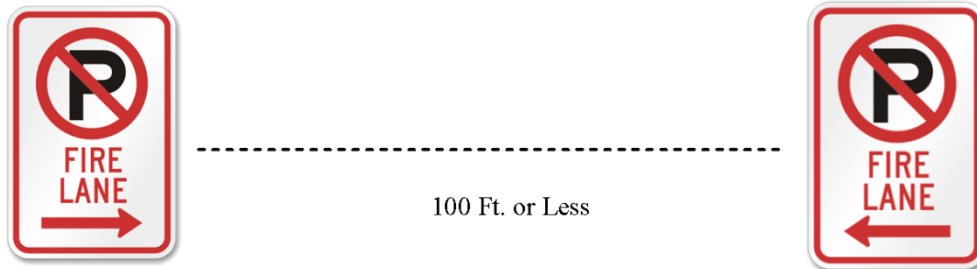
D103.6 Signs. Where required by the fire code official, fire apparatus access roads shall be marked in one of the following manners:

1. CURB PAINTING - Curbs along fire lanes shall be painted red with white letters stating "FIRE LANE TOW AWAY ZONE" and/or "FIRE LANE NO PARKING" painted at intervals not exceeding every 50' feet. The letters shall not be less than four inches tall.
2. FLAT SURFACE (NO CURB) - A red six (6) inch stripe, with markings indicated in Paragraph 1 above, shall be placed along the outer edges of the pavement along the fire lane.
3. Free standing signs placed along the fire lane. The design and placement of signs shall be in accordance with figure D 103.6. Signs shall have a minimum dimension of 12 inches wide by 18 inches high and have red letters on a white reflective background. Signs shall be posted on one or both sides of the fire apparatus road as required by Paragraphs D103.6.1 or D103.6.2.

Figure D103.6
Fire Lane Marking Standard Signage

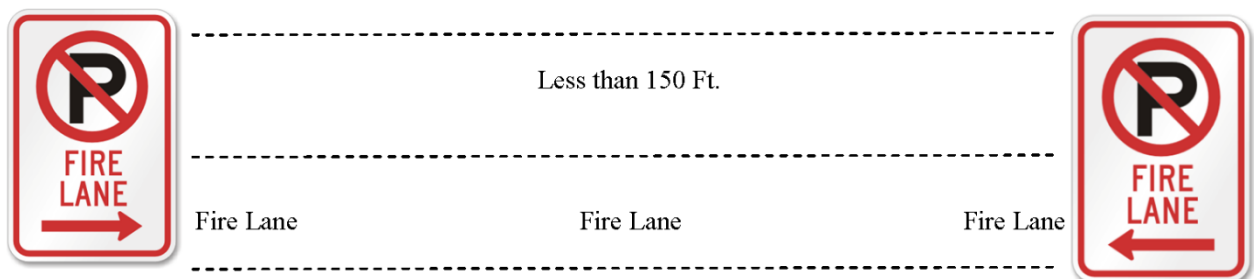
1. One hundred (100) foot separation, or less, between zone extremity.

One sign at each extremity, with single arrow indicator pointing in direction of zone.



2. Between one hundred (100) feet, but less than one hundred fifty (150) feet.

Between zone extremity, one sign at each extremity, with single arrow indicator pointing in direction of zone.



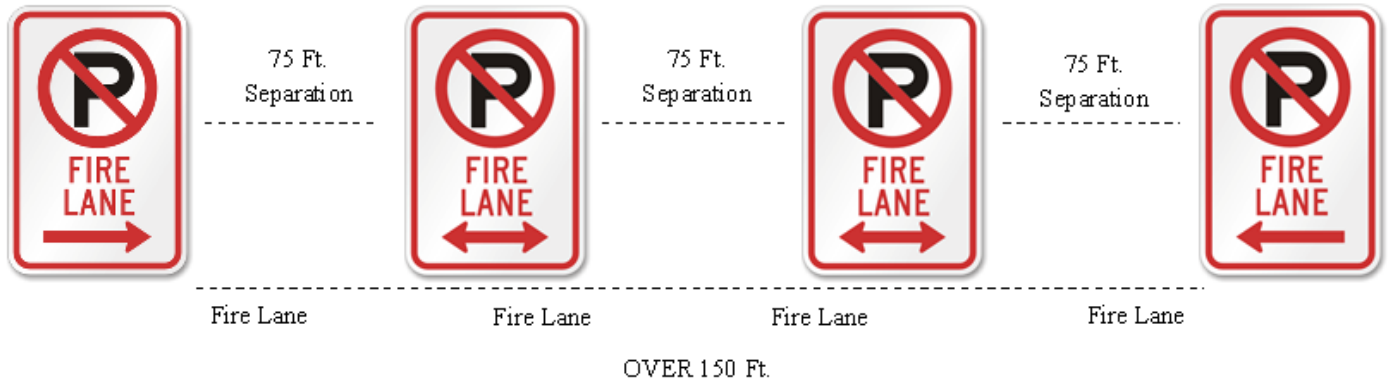
3. One hundred fifty (150) foot separation between zone extremity.

One sign at each extremity, with single arrow indicator pointing in direction of zone, with one additional sign with double arrow indicator pointing in both directions of zone, located at seventy-five (75) foot point within the zone.



4. Over one hundred and fifty (150) feet between zone extremities.

One sign at each extremity with single arrow indicator pointing in the direction of zone, with additional signs, with double arrow indicator pointing in both directions of zone, located at each seventy-five (75) foot interval between extremity signs.



5. Sign placement intervals may exceed the requirement of 1, 2, 3, and 4 above if approved by the Fire Official.

6. Signs



Left Extremity Arrow Indicator

Center Arrow Indicator
Pointing in Direction
Regulation in Effect

Right Extremity Arrow Indicator

7. Signs

Sign, border, lettering, background

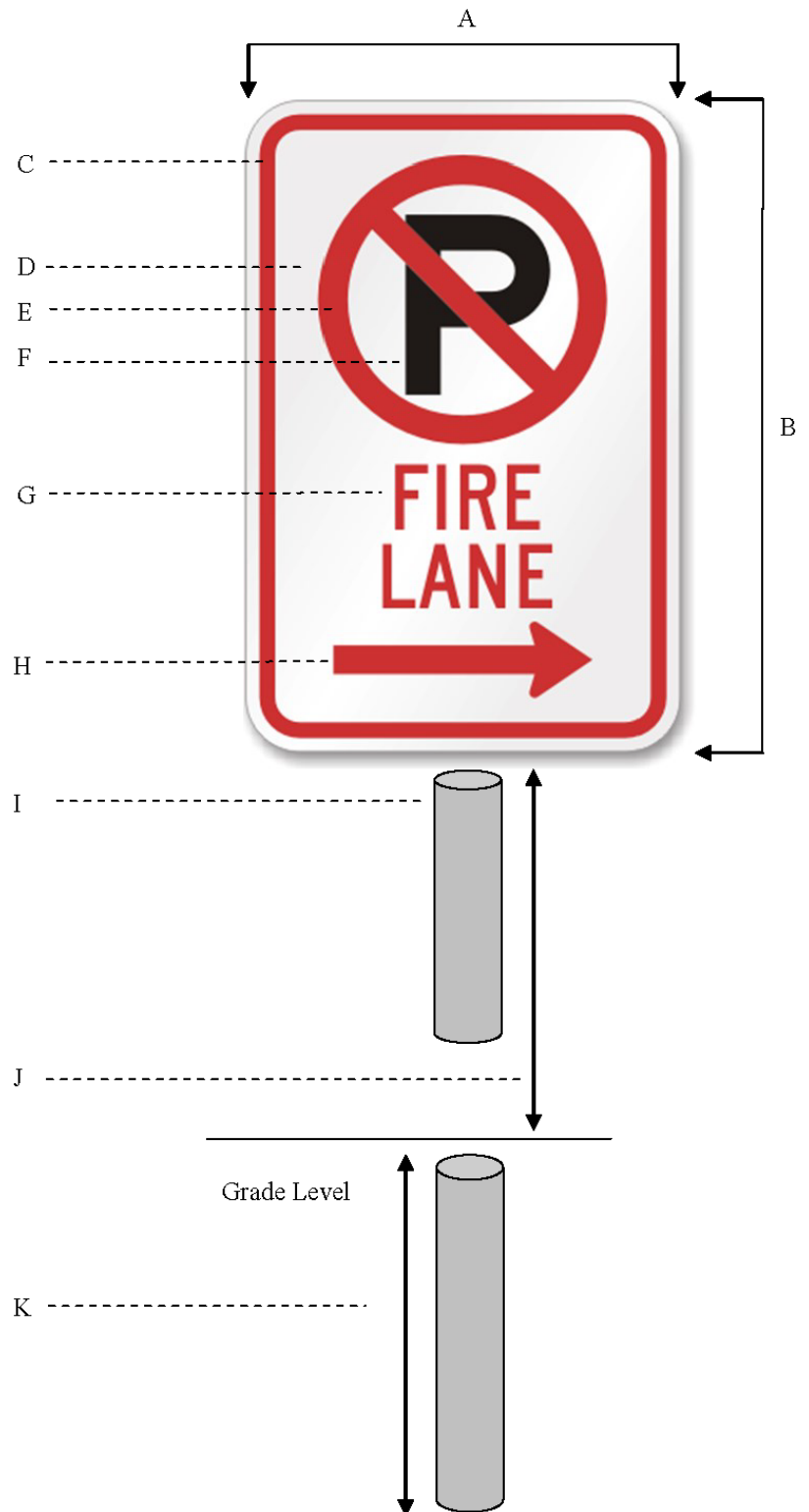
Instruction indicator is required to be reflectorized

Sign material - .080 Aluminum

- A. Sign width – 12"
- B. Sign length – 18"
- C. Outside border – Red
Min. 1/2" wide
- D. Background – White
- E. Circle/Slash – Red
Min. 8" diameter
- F. Letter P – Black
Min. 5" tall, 1" wide
- G. Wording – Red
Min. 1.75" high, 1/16" wide
- H. Arrow Indicators – Solid Red
- I. Sign post – 3/8"
Galvanized Tubular
- J. Sign Height from grade
Level, seven feet (7')
- K. Sign post set min.
of eighteen inches
(18") below grade
in well packed or
concrete foundation

Signs shall be securely fastened
to post at the upper and lower
center positions of sign face

*Drawing is not to scale



D107.1 One- or two-family dwelling residential developments. Developments of one- or two- family dwellings where the number of dwelling units exceeds 75 shall be provided with separate and approved fire apparatus access roads and shall meet the requirements of Section D104.3.

Exceptions:

1. Where there are more than 75 dwelling units on a single public or private fire apparatus access road and all dwelling units are equipped throughout with an approved automatic sprinkler system in accordance with Subparagraphs 903.3.1.1, 903.3.1.2 or 903.3.1.3 of the International Fire Code, access from two directions shall not be required.
2. The number of dwelling units on a single fire apparatus access road shall not be increased unless fire apparatus access roads will connect with future development, as determined by the fire code official.

Secs. 7-59—7-59.4. - Reserved.

ARTICLE IX-A. - ENERGY

Sec. 7-59.5. - Code Adopted.

Except as amended in this Article, the International Energy Conservation Code, ~~2021~~ 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-59.6. - Code Deletions.

The following sections of the International Energy Conservation Code are deleted:

Section C109

~~Section C110~~

~~Section R109~~

~~Section R110~~

Section R404.2

Section R404.3

Sec. 7-59.7. - Code Amendments.

The following sections of the International Energy Conservation Code are amended as follows:

Subsection 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the International Energy Conservation Code of the City of Sugar Land, hereinafter referred to as "this code."

Paragraph ~~C102.1.2~~ C104.1.2 is added to read as follows:

~~C102.1.2~~ 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.

Paragraph ~~R102.1.2~~ R104.1.2 is added to read as follows:

~~R102.1.2~~ R104.1. *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 R402.4.1.2 and R403.3.3 respectively.

Subsection R405.2 is amended by amending Table R405.2 to read as follows:

**TABLE R405.2
REQUIREMENTS FOR TOTAL BUILDING PERFORMANCE**

SECTION^a	TITLE
General	
R401.2.5	Additional energy efficiency
R401.3	Certificate
Building Thermal Envelope	
R402.1.1	Vapor retarder
R402.2.3	Eave baffle
R402.2.4.1	Access hatches and doors
R402.2.10.1	Crawl space wall insulation installations
R402.4.1.1	Installation
R402.4.1.2	Testing
R402.5	Maximum fenestration U-factor and SHGC
Mechanical	
R403.1	Controls
R403.3, including R403.3.1, except Sections R403.3.2, R403.3.3 and R403.3.6	Ducts
R403.4	Mechanical system piping insulation
R403.5.1	Heated water circulation and temperature maintenance systems
R403.5.3	Drain water heat recovery units
R403.6	Mechanical ventilation
R403.7	Equipment sizing and efficiency rating
R403.8	Systems serving multiple dwelling units
R403.9	Snow melt and ice systems
R403.10	Energy consumption of pools and spas
R403.11	Portable spas
R403.12	Residential pools and permanent residential spas
Electrical Power and Lighting Systems	
R404.1	Lighting equipment

a. —Reference to a code section includes all the relative subsections except as indicated in the table.

**TABLE R405.2
REQUIREMENTS FOR SIMULATED BUILDING PERFORMANCE**

<u>SECTION^a</u>	<u>TITLE</u>
<u>General</u>	
<u>R401.3</u>	<u>Certificate</u>
<u>Building Thermal Envelope</u>	
<u>R402.1.1</u>	<u>Vapor retarder</u>
<u>R402.1.6</u>	<u>Rooms containing fuel-burning appliances</u>

<u>R402.2.3</u>	<u>Attic knee wall</u>
<u>R402.2.4</u>	<u>Eave baffle</u>
<u>R402.2.5.1</u>	<u>Access hatches and door insulation installation and retention</u>
<u>R402.2.10</u>	<u>Slab-on-grade floors</u>
<u>R402.2.11</u>	<u>Crawl space walls</u>
<u>R402.5.1.1</u>	<u>Installation</u>
<u>R402.5.1.2</u>	<u>Air leakage testing</u>
<u>R402.5.1.3</u>	<u>Maximum air leakage rate</u>
<u>R402.5.2</u>	<u>Fireplaces</u>
<u>R402.5.3</u>	<u>Fenestration air leakage</u>
<u>R402.5.4</u>	<u>Recessed lighting</u>
<u>R402.5.5</u>	<u>Air-sealed electrical and communication outlet boxes</u>
<u>R402.6</u>	<u>Maximum fenestration U-factor and SHGC</u>
<u>Mechanical</u>	
<u>R403.1</u>	<u>Controls</u>
<u>R403.2</u>	<u>Hot water boiler temperature reset</u>
<u>R403.3</u>	<u>Duct systems</u>
<u>R403.4</u>	<u>Mechanical system piping insulation</u>
<u>R403.5</u>	<u>Service hot water systems</u>
<u>R403.6</u>	<u>Mechanical ventilation</u>
<u>R403.7 , except Section R403.7.1</u>	<u>Equipment sizing and efficiency rating</u>
<u>R403.8</u>	<u>Systems serving multiple dwelling units</u>
<u>R403.9.2</u>	<u>Snow melt and ice system controls</u>
<u>R403.10</u>	<u>Energy consumption of pools and spas</u>
<u>R403.11</u>	<u>Portable spas</u>
<u>R403.12</u>	<u>Residential pools and permanent residential spas</u>
<u>R403.13</u>	<u>Gas fireplaces</u>
<u>Electrical Power and Lighting Systems</u>	
<u>R404.1</u>	<u>Lighting equipment</u>

a. Reference to a code section includes all the relative subsections except as indicated in the table.

Subsection 406.2 is amended by amending Table R406.2 to read as follows:

**TABLE R406.2
REQUIREMENTS FOR ENERGY RATING INDEX**

SECTION^a	TITLE
General	
R401.2.5	Additional efficiency packages
R401.3	Certificate
Building Thermal Envelope	
R402.1.1	Vapor retarder
R402.2.3	Eave baffle
R402.2.4.1	Access hatches and doors
R402.2.10.1	Crawl space wall insulation installation
R402.4.1.1	Installation
R402.4.1.2	Testing
Mechanical	
R403.1	Controls
R403.3 except Sections R403.3.2, R403.3.3 and R403.3.6	Ducts
R403.4	Mechanical system piping insulation
R403.5.1	Heated water circulation and temperature maintenance systems
R403.5.3	Drain water heat recovery units
R403.6	Mechanical ventilation
R403.7	Equipment sizing and efficiency rating
R403.8	Systems serving multiple dwelling units
R403.9	Snow melt and ice systems
R403.10	Energy consumption of pools and spas
R403.11	Portable spas
R403.12	Residential pools and permanent residential spas
Electrical Power and Lighting Systems	
R404.1	Lighting equipment
R406.3	Building thermal envelope

a. —Reference to a code section includes all of the relative subsections except as indicated in the table.

**TABLE R406.2
REQUIREMENTS FOR ENERGY RATING INDEX**

<u>SECTION^a</u>	<u>TITLE</u>
<u>General</u>	
<u>R401.3</u>	<u>Certificate</u>
<u>Building thermal envelope</u>	
<u>R402.1.1</u>	<u>Vapor retarder</u>

R402.1.6	Rooms containing fuel-burning appliances
R402.2.4	Eave baffle
R402.2.5.1	Access hatches and door insulation installation and retention
R402.2.10	Slab-on-grade floors
R402.2.11	Crawl space walls
R402.5.1.1	Installation
R402.5.1.2	Air leakage testing
R402.5.1.3	Maximum air leakage rate
R402.5.2	Fireplaces
R402.5.3	Fenestration air leakage
R402.5.4	Recessed lighting
R402.5.5	Air-sealed electrical and communication outlet boxes
R406.3	Building thermal envelope
Mechanical	
R403.1	Controls
R403.2	Hot water boiler temperature reset
R403.3	Duct systems
R403.4	Mechanical system piping insulation
R403.5	Service hot water systems
R403.6	Mechanical ventilation
R403.7, except Section R403.7.1	Equipment sizing and efficiency rating
R403.8	Systems serving multiple dwelling units
R403.9.2	Snow melt and ice system controls
R403.10	Energy consumption of pools and spas
R403.11	Portable spas
R403.12	Residential pools and permanent residential spas
R403.13	Gas fireplaces
Electrical power and lighting systems	
R404.1	Lighting equipment

a. Reference to a code section includes all of the relative subsections except as indicated in the table.

Paragraph ~~R402.4.6~~ [R402.5.5](#) is amended to read as follows:

~~R402.4.6~~ [R402.5.5](#). *Electrical and communication outlet boxes (air-sealed boxes)*. Electrical and communication outlet boxes installed in the building thermal envelope shall be sealed to limit air

leakage between conditioned and unconditioned spaces.

ORDINANCE NO. 2395

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AMENDING CHAPTER 7 (BUILDING REGULATIONS) OF THE SUGAR LAND DEVELOPMENT CODE BY ADOPTING THE 2024 INTERNATIONAL CODES AND THE 2023 NATIONAL ELECTRICAL CODE; AND REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH.

WHEREAS, the Building Code Official, Code Compliance Administrator, and the Fire Marshal recommend that the 2024 International Codes and the 2023 National Electrical Code, with amendments specific to the City of Sugar Land, be adopted; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS:

Section 1. That Article II (Buildings), Chapter 7 of the Sugar Land Development Code is amended to read as follows:

Sec. 7-14. - Code Adopted.

Except as amended in this Article, the International Building Code, 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-14.1. - Appendix Adopted.

Except as amended in this Article, Appendix K of the International Building Code, 2024 edition, is adopted.

Sec. 7-15. - Code Deletions.

The following parts of the International Building Code are deleted:

Section 113

Subsection 114.2

Subsection 114.3

Subsection 116.3

Subsection 116.4

Subsections 1102.1-1112.6

Subsection 1507.8

Subsection 1507.9

Subsection 1612.3

Sec. 7-16. - Code Amendments.

The following sections of the International Building Code are amended as follows:

Subsection 101.1 is amended to read as follows:

101.1 Title. These regulations shall be known as the Building Code of the City of Sugar Land, hereinafter referred to as "this code."

Subsection 103.1 is amended to read as follows:

103.1. Enforcement authority. The official in charge of the implementation, administration, and enforcement of this code will be known as the building official.

Subsection 104.6 is amended to read as follows:

104.6. Notices and orders. The building official may issue necessary notices or orders to ensure compliance with this code.

Subsection 105.1 is amended to read as follows:

105.1. Required. It shall be unlawful for any owner, owner's authorized agent, person, firm, or corporation to construct, enlarge, alter, repair, move, demolish, or change the occupancy of a building or structure, or erect, install, enlarge, alter, repair, remove, convert, or replace any electrical, gas, mechanical, or plumbing system regulated by this code, or cause any such work to be performed, without obtaining the required permit prior to commencing such work. Each day the violation exists will constitute a separate and distinct violation. It is presumed that the record owner of the property caused the construction, enlargement, alteration, repair, movement, demolition, or change of occupancy of the building or structure, or the erection, installation, enlargement, alteration, repair, removal, conversion, or replacement of any electrical, gas, mechanical, or plumbing system regulated by this code, or caused the same to be done, on the property.

Subsection 105.2 is amended to read as follows:

105.2. Work exempt from permit. Exemptions from permit requirements of this code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of this code or any other laws or ordinances of the city. Permits shall not be required for the following:

Building:

1. Oil derricks.

2. Painting, papering, tiling, carpeting, cabinets, counter tops and similar finish work.
3. Temporary motion picture, television and theater stage sets and scenery.
4. Prefabricated swimming pools accessory to a Group R-3 occupancy that are less than 24 inches (610 mm) deep, are not greater than 5,000 gallons (18,925 L) and are installed entirely above ground.
5. Shade cloth structures constructed for nursery or agricultural purposes, not including service systems.
6. Swings and other playground equipment accessory to detached one- and two-family dwellings.
7. Non-fixed and movable fixtures, cases, racks, counters and partitions not over 5 feet 9 inches (1,753 mm) in height.
8. Solar pergolas.

Electrical:

Repairs and maintenance: Minor repair work, including the replacement of lamps or the connection of approved portable electrical equipment to approved permanently installed receptacles.

Radio and television transmitting stations: The provisions of this code shall not apply to electrical equipment used for radio and television transmissions, but do apply to equipment and wiring for a power supply and the installations of towers and antennas.

Temporary testing systems: A permit shall not be required for the installation of any temporary system required for the testing or servicing of electrical equipment or apparatus.

Gas:

1. Portable heating appliance.
2. Replacement of any minor part that does not alter approval of equipment or make such equipment unsafe.

Mechanical:

1. Portable heating appliance.
2. Portable ventilation equipment.
3. Portable cooling unit.
4. Steam, hot or chilled water piping within any heating or cooling equipment regulated by this code.
5. Replacement of any part that does not alter its approval or make it unsafe.
6. Portable evaporative cooler.
7. Self-contained refrigeration system containing 10 pounds (4.54 kg) or less of refrigerant and actuated by motors of 1 horsepower (0.75 KW) or less.

Plumbing:

1. The stopping of leaks in drains, water, soil, waste or vent pipe, provided, however, that if any concealed trap, drain pipe, water, soil, waste or vent pipe becomes defective and it becomes necessary to remove and replace the same with new material, such work

shall be considered as new work and a permit shall be obtained and inspection made as provided in this code.

2. The clearing of stoppages or the repairing of leaks in pipes, valves or fixtures and the removal and reinstallation of water closets, provided such repairs do not involve or require the replacement or rearrangement of valves, pipes or fixtures.

Section 105 is amended by adding Subsection 105.8 to read as follows:

105.8. Insurance Required. As a condition to the issuance of the permit, the contractor shall certify that the contractor has: Workers' Compensation insurance as required by law; general liability insurance of at least \$100,000.00 for any one accident for property damage and \$300,000.00 for any one person for injuries or death; and \$5,000.00 for medical expenses for any one person.

Subsection 114.1 is amended to read as follows:

114.1. Unlawful acts. It shall be unlawful for any person, firm or corporation to erect, construct, alter, extend, enlarge, repair, move, remove, demolish, occupy, or use any building, structure, or equipment regulated by this code, or cause the same to be done, in conflict with or in violation of any of the provisions of this code. Each day the violation exists will constitute a separate and distinct violation. It is presumed that the record owner caused the erection, construction, extension, enlargement, alteration, repair, movement, demolition, occupancy, or use of the building, structure, or equipment, or caused the same to be done, on the property. It is presumed that any building, structure, or equipment present on the property is being used by the record owner or occupant of the property.

Subsection 1101.1 is amended to read as follows:

1101.1. Scope. Buildings and facilities shall be designed and constructed to be accessible in accordance with Chapter 469 of the Texas Government Code, the Texas Architectural Barriers Act, and the Texas Accessibility Standards.

Subsection 1612.3 is amended to read as follows:

1612.3 Establishment of flood hazard areas. To establish flood hazard areas, the City Council shall adopt a flood hazard map(s) and supporting data. The flood hazard map(s) shall include, at a minimum, areas of special flood hazard as set forth in section 8-12 of the Development Code. The flood hazard map(s) and supporting data adopted pursuant to section 8-12 of the Development Code are adopted and declared to be part of this section.

Subsection K110.1 is amended to read as follows:

K110.1. Authority to condemn electrical systems. Wherever the building official determines that any electrical system, or portion thereof, regulated by this code has become hazardous to life, health or property, the building official may order in writing that such electrical systems either be removed or restored to a safe condition. A time limit for compliance with such

order may be specified in the written notice. A person shall not use or maintain a defective electrical system or equipment after receiving such notice. In cases of immediate danger to life or property, such disconnection shall be made immediately without such notice.

Section 3. That Article II-A (Existing Building Code), Chapter 7 of the Sugar Land Development Code is amended to read as follows:

Sec. 7-17. - Code Adopted.

Except as amended in this Article, the International Existing Building Code, 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-18. - Code Deletions.

The following sections of the International Existing Building Code are deleted:

Section 112

Subsection 113.2

Subsection 113.4

Subsection 115.3

Subsection 115.4

Subsection 117.2

Sec. 7-19. - Code Amendments.

The following sections of the International Existing Building Code are amended as follows:

Subsection 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the Existing Building Code of the City of Sugar Land, hereinafter referred to as "this code."

Subsection 103.1 is amended to read as follows:

103.1. Enforcement authority. The official in charge of the implementation, administration, and enforcement of this code will be known as the code official.

Subsection 104.3 is amended to read as follows:

104.3. Notices and orders. The code official may issue necessary notices or orders to ensure compliance with this code.

Section 105 is amended by adding Subsection 105.8 to read as follows:

105.8. Insurance Required. As a condition to the issuance of the permit, the contractor shall certify that the contractor has: Workers' Compensation insurance as required by law; general liability insurance of at least \$100,000.00 for any one accident for property damage and \$300,000.00 for any one person for injuries or death; and \$5,000.00 for medical expenses for any one person.

Subsection 113.1 is amended to read as follows:

113.1 Unlawful acts. It shall be unlawful for any person, firm or corporation to repair, alter, extend, add, move, remove, demolish, change the occupancy, or use any building or structure regulated by this code or cause same to be done, in conflict with or in violation of any of the provisions of this code. Each day the violation exists will constitute a separate and distinct violation. It is presumed that the record owner caused the repair, alteration, extension, addition, movement, removal, demolition, change of occupancy, or use of the building or structure, or caused the same to be done, on the property. It is presumed that any building or structure present on the property is being used by the record owner or occupant of the property.

Sec. 7-20. - Reserved.

Section 4. That Article III (Electrical), Chapter 7 of the Sugar Land Development Code is amended to read as follows:

Sec. 7-21. - Code Adopted.

Except as amended in this Article, the National Electrical Code, 2023 edition, as published by the National Fire Protection Association, is adopted.

Sec. 7-22. - Code Amendments.

The following parts of 2023 National Electrical Code are amended:

Subsection 230.30 is amended to read as follows:

230.30. Installation.

(A) All direct buried cables and conductors shall be installed in an approved conduit or raceway.

(B) Insulation. Underground service conductors shall be insulated for the applied voltage.

Exception: A grounded conductor shall be permitted to be uninsulated as follows:

(1) Bare copper used in a raceway

(2) Bare copper for direct burial where bare copper is approved for the soil conditions

- (3) Bare copper for direct burial without regard to soil conditions where part of a cable assembly identified for underground use
- (4) Aluminum or copper-clad aluminum without individual insulation or covering where part of a cable assembly identified for underground use in a raceway or for direct burial
- (C) Wiring Methods. Underground service conductors shall be installed in accordance with the applicable requirements of this Code covering the type of wiring method used and shall be limited to the following methods:
 - (1) RMC conduit
 - (2) IMC conduit
 - (3) Type NUCC conduit
 - (4) HDPE conduit
 - (5) PVC conduit
 - (6) RTRC conduit
 - (7) Type IGS cable
 - (8) Type USE conductors or cables
 - (9) Type MV or Type MC cable identified for direct burial applications
 - (10) Type MI cable where suitably protected against physical damage and corrosive conditions
 - (11) Type TC-ER cable where identified for service entrance use and direct burial applications

Subsection 230.42 is amended to read as follows:

230.43. Wiring Methods for 1000 Volts, Nominal, or Less.

- (A) Service-entrance conductors shall be installed in accordance with the applicable requirements of this Code covering the type of wiring method used and shall be limited to the following methods:
- (1) Open wiring on insulators
 - (2) Type IGS cable
 - (3) Rigid metal conduit (RMC)
 - (4) Intermediate metal conduit (IMC)
 - (5) Electrical metallic tubing (EMT)
 - (6) Electrical nonmetallic tubing
 - (7) Service-entrance cables
 - (8) Wireways
 - (9) Busways
 - (10) Auxiliary gutters
 - (11) Rigid polyvinyl chloride conduit (PVC)
 - (12) Cablebus
 - (13) Type MC cable
 - (14) Mineral-insulated, metal-sheathed cable, Type MI
 - (15) Flexible metal conduit (FMC) not over 1.8 m (6 ft) long or liquidtight flexible metal conduit (LFMC) not over 1.8 m (6 ft) long between a raceway, or between a raceway and

service equipment, with a supply-side bonding jumper routed with the flexible metal conduit (FMC) or the liquidtight flexible metal conduit (LFMC) according to 250.102(A), (B), (C), and (E)

(16) Liquidtight flexible nonmetallic conduit (LFNC)

(17) High density polyethylene conduit (HDPE)

(18) Nonmetallic underground conduit with conductors (NUCC)

(19) Reinforced thermosetting resin conduit (RTRC)

(20) Type TC-ER cable where identified for use as service entrance conductors

(21) Flexible bus systems

(B) Commercial Service Riser Raceways on Utility Poles and Structures. Where service-entrance conductors of 1000 volts, nominal, or less are installed in a raceway that is above grade and fastened to a utility-owned pole or structure and the installation is not under the exclusive control of an electric utility as described in 90.2(D)(5), the raceway shall be rigid metal conduit (RMC) in accordance with Article 344. The use of polyvinyl chloride (PVC) conduit (Schedule 40 or Schedule 80) for this riser is prohibited.

1. The RMC shall be raintight and continuous from all points above finished grade to the service head or weatherhead.
2. The RMC shall be securely fastened to the pole or structure in accordance with 344.30 and supported to prevent damage.
3. Bonding and grounding shall comply with 250.92 and 250.94, and shall comply with the Utility providers standards (Center Point).
4. Raceway fittings and bushings shall be listed and installed in accordance with 344.42.

Informational Note: Coordination with the serving electric utility may be required for attachment methods and clearances. Installations under the utility's exclusive control are outside the scope of the NEC per 90.2(D)(5).

Paragraph 300.5(D) is amended to read as follows:

(D) Protection from Damage. Direct buried conductors and cables shall be installed in an approved conduit or raceway.

Table 300.5 is amended to read as follows:

Table 300.5
Minimum Cover Requirements, 0 to 1000 Volts, Burial in Inches

LOCATION OF WIRING METHOD OR CIRCUIT	TYPE OF WIRING METHOD OR CIRCUIT				
	Column 1 Direct Burial Cables or Conductors	Column 2 Rigid Metal Conduit or Intermediate Metal Conduit	Column 3 Nonmetallic Raceways Listed for Direct Burial Without Concrete Encasement or Other Approved Raceways	Column 4 Residential Branch Circuits Rated 120 Volts or Less With GFCI protection and Maximum Overcurrent Protection of 20 Amperes	Column 5 Circuits for Control of Irrigation and Landscape Lighting Limited to Not More Than 30 Volts and Installed with Type UF or in Other Identified Cable or Raceway
All locations not specified below	24 ^c	6	18	12	6 ^{a, b}

In trench below 2-inch-thick concrete or equivalent	18"	6	12	6	6
Under a building	0 (In raceway only or Type MC identified for direct burial)	0	0	0 (In raceway only or Type MC identified for direct burial)	0 (In raceway only or Type MC identified for direct burial)
Under minimum of 4-inch-thick concrete exterior slab with no vehicular traffic and the slab extending not less than 6 inches beyond the underground installation	18"	4	4	6 (Direct burial) 4 (In raceway)	6 (Direct burial) 4 (In raceway)
Under streets, highways, roads, alleys, driveways and parking lots	24"	24	24	24	24
One- and two-family dwelling driveways and outdoor parking areas, and used only for dwelling-related purposes	18"	18	18	12	18
In solid rock where covered by minimum of 2 inches concrete extending down to rock	2 (In raceway only)	2	2	2 (In raceway only)	2 (In raceway only)

- a. A lesser depth shall be permitted where specified in the installation instructions of a listed low-voltage lighting system.
 - b. A depth of 6 inches shall be permitted for pool, spa, and fountain lighting that is installed in a nonmetallic raceway, limited to not more than 30 volts and part of a listed low-voltage lighting system.
 - c. Direct buried cables or conductors shall be installed in an approved conduit or raceway.
- Notes:
1. Cover is defined as the shortest distance in inches measured between a point on the top surface of any direct-buried conductor, cable, conduit or other raceway and the top surface of finished grade, concrete, or similar cover.
 2. Raceways approved for burial only where encased concrete shall require concrete envelope not less than 2 inches thick.
 3. Lesser depths shall be permitted where cables and conductors rise for terminations or splices or where access is otherwise required.
 4. Where one of the wiring method types listed in Columns 1 through 3 is combined with one of the circuit types in Columns 4 and 5, the shallower depth of burial shall be permitted.
 5. Where solid rock prevents compliance with the cover depths specified in this table, the wiring shall be installed in metal or nonmetallic raceway permitted for direct burial. The raceways shall be covered by a minimum of 2 inches of concrete extending down to the rock.

Subsection 351.12 is amended to read as follows:

352.12. Uses Not Permitted. PVC conduit shall not be used under the conditions specified in 352.12(A) through (F).

- (A) Hazardous (Classified) Locations. In any hazardous (classified) location, except as permitted by other articles of this Code.
- (B) Support of Luminaires. For the support of luminaires or other equipment not described in 352.10(I).
- (C) Physical Damage. Where subject to physical damage, except as permitted in 352.10(K).
- (D) Ambient Temperatures. Where subject to ambient temperatures in excess of 50°C (122°F) unless listed otherwise.
- (E) Theaters and Similar Locations. In theaters and similar locations, except as provided in 518.4 and 520.5.
- (F) Service Riser on Utility Poles. PVC conduit, including Schedule 80, shall not be used as the above-ground service riser raceway where fastened to a utility-owned pole or structure.

Sec. 7-23–7-25. - Reserved.

Section 5. That Article IV (Gas), Chapter 7 of the Sugar Land Development Code is amended to read as follows:

Sec. 7-26. - Code Adopted.

Except as amended in this Article, the International Fuel Gas Code, 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-27. - Code Deletions.

The following section of the International Fuel Gas Code is deleted:

Section 112

Subsection 113.2

Subsection 113.3

Subsection 113.4

Subsection 113.5

Sec. 7-28. - Code Amendments.

The following sections of the International Fuel Gas Code are amended as follows:

Subsection 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the Fuel Gas Code of the City of Sugar Land, hereinafter referred to as "this code."

Subsection 103.1 is amended to read as follows:

103.1. Enforcement authority. The official in charge of the implementation, administration, and enforcement of this code will be known as the code official.

Section 104.6 is amended to read as follows:

104.6. Notices and orders. The code official may issue all necessary notices or orders to ensure compliance with this code.

Section 105 is amended by adding Subsection 105.6 to read as follows:

105.6. Insurance Required. As a condition to the issuance of the permit, the contractor shall certify that the contractor has: Workers' Compensation insurance as required by law; general liability insurance of at least \$100,000.00 for any one accident for property damage and \$300,000.00 for any one person for injuries or death; and \$5,000.00 for medical expenses for any one person.

Paragraph 113.6.1 is amended to read as follows:

113.6.1. Authority to condemn installations. Whenever the code official determines that any installation, or portion thereof, regulated by this code has become hazardous to life, health or property, he or she may order in writing that such installations either be removed or restored to a safe condition. A time limit for compliance with such order may be specified in the written notice. A person shall not use or maintain a defective installation after receiving such notice. In cases of immediate danger to life or property, such disconnection shall be made immediately without such notice.

Paragraph 113.6.3 is amended to read as follows:

113.6.3. Connection after order to disconnect. A person shall not make energy source connections to installations regulated by this code that have been disconnected or ordered to be disconnected by the code official, or the use of which has been ordered to be discontinued by the code official until the code official authorizes the reconnection and use of such installations. Where an installation is maintained in violation of this code, the code official may institute appropriate action to prevent, restrain, correct or abate the violation.

Subsection 406.4 is amended to read as follows:

406.4. Test pressure measurement. Test pressure shall be measured with a manometer 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. Spring type test gauges are not permitted. 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.

Secs. 7-29, 7-30. - Reserved.

Section 6. That Article V (Mechanical), Chapter 7 of the Sugar Land Development Code is amended to read as follows:

Sec. 7-31. - Code Adopted.

Except as amended in this Article, the International Mechanical Code, 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-32. - Code Deletions.

The following sections of the International Mechanical Code are deleted:

Section 112

Section 113

Subsection 114.2

Subsection 114.3

Subsection 114.4

Subsection 114.5

Sec. 7-33. - Code Amendments.

The following section of the International Mechanical Code is amended as follows:

Subsection 101.1 is amended to read as follows:

101.1 Title. These regulations shall be known as the Mechanical Code of the City of Sugar Land, hereinafter referred to as "this code."

Subsection 103.1 is amended to read as follows:

103.1. Enforcement authority. The official in charge of the implementation, administration, and enforcement of this code will be known as the code official.

Subsection 104.6 is amended to read as follows:

104.6. Notices and orders. The code official may issue all necessary notices or orders to ensure compliance with this code

Section 105 is amended by adding Subsection 105.5 to read as follows:

105.5. Insurance Required. As a condition to the issuance of the permit, the contractor shall certify that the contractor has: Workers' Compensation insurance as required by law; general liability insurance of at least \$100,000.00 for any one accident for property damage and \$300,000.00 for any one person for injuries or death; and \$5,000.00 for medical expenses for any one person.

Paragraph 114.6.1 is amended to read as follows:

114.6.1. Authority to condemn mechanical systems. Where the code official determines that any mechanical system, or portion thereof, regulated by this code has become hazardous to life, health, property, or has become insanitary, the code official may order in writing that such

system either be removed or restored to a safe condition. A time limit for compliance with such order may be specified in the written notice. A person shall not use or maintain a defective mechanical system after receiving such notice. In cases of immediate danger to life or property, such disconnection shall be made immediately without such notice.

Paragraph 114.6.3 is amended to read as follows:

114.6.3 Connection after order to disconnect. A person shall not make energy source connections to mechanical systems regulated by this code that have been disconnected or ordered to be disconnected by the code official, or the use of which has been ordered to be discontinued by the code official until the code official authorizes the reconnection and use of such mechanical systems. Where a mechanical system is maintained in violation of this code, the code official may institute appropriate action to prevent, restrain, correct or abate the violation.

Subparagraph 506.3.2.5 is amended to read as follows:

506.3.2.5. Grease duct test. Prior to the use or concealment of any portion of a grease duct system, a leakage test shall be performed. Ducts shall be considered to be concealed where installed in shafts or covered by coatings or wraps that prevent the ductwork from being visually inspected on all sides. The permit holder shall be responsible for providing the necessary equipment and performing the grease duct leakage test. A duct leakage test, in accordance with this section, shall be performed for the entire duct system, including the hood-to-duct connection. The duct work may be tested in sections, provided that every joint is tested.

To determine the tightness of the grease duct construction, a smoke test shall be made in accordance with the following conditions and requirements:

1. The test shall be performed in the presence of the building inspector.
2. The grease duct shall be filled with a thick penetrating smoke produced by one or more smoke machines, or smoke bombs. The test shall be applied for a length of time sufficient to permit the inspection of the grease duct.
3. If the test shows any evidence of leakage or other defects, such defects shall be corrected in accordance with the requirements of this chapter, and the test shall be repeated until there is no visible smoke observed.

Secs. 7-34, 7-35. - Reserved.

Section 7. That Article VI (Plumbing), Chapter 7 of the Sugar Land Development Code is amended to read as follows:

Sec. 7-36. - Code Adopted.

Except as amended in this Article, the International Plumbing Code, 2024 edition, as published by the International Code Council, is adopted. In the instance that any provision of the International Plumbing Code, as adopted, is less restrictive than that of State or Federal laws or regulations, the State or Federal law or regulation controls.

Sec. 7-37. - Code Deletions.

The following sections of the International Plumbing Code are deleted:

Section 112

Section 113

Subsection 114.2

Subsection 114.3

Subsection 114.4

Subsection 114.5

Sec. 7-38. - Code Amendments.

The following sections of the International Plumbing Code are amended as follows:

Section 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the International Plumbing Code of the City of Sugar Land, hereinafter referred to as "this code".

Subsection 103.1 is amended to read as follows:

103.1. Enforcement authority. The official in charge of the implementation, administration, and enforcement of this code will be known as the code official.

Section 104.6 is amended to read as follows:

104.6. Notices and orders. The code official may issue all necessary notices or orders to ensure compliance with this code.

Section 105 is amended by adding Subsection 105.6 to read as follows:

105.6. Insurance Required. As a condition to the issuance of the permit, the contractor shall certify that the contractor has: Workers' Compensation insurance as required by law; general liability insurance of at least \$100,000.00 for any one accident for property damage and \$300,000.00 for any one person for injuries or death; and \$5,000.00 for medical expenses for any one person.

Paragraph 114.6.1 is amended to read as follows:

114.6.1. Authority to condemn equipment. Where the code official determines that any plumbing, or portion thereof, regulated by this code has become hazardous to life, health or property or has become unsanitary, the code official may order in writing that such plumbing either be removed or restored to a safe or sanitary condition. A time limit for compliance with such order may be specified in the written notice. A person shall not use or maintain defective plumbing after receiving such notice. In cases of immediate danger to life or property, such disconnection shall be made immediately without such notice.

Paragraph 114.6.3 is amended to read as follows:

114.6.3. Connection after order to disconnect. A person shall not make connections from any energy, fuel, power supply or water distribution system or supply energy, fuel or water to any equipment regulated by this code that has been disconnected or ordered to be disconnected by the code official or the use of which has been ordered to be discontinued by the code official until the code official authorizes the reconnection and use of such equipment. Where any plumbing is maintained in violation of this code, the code official may institute any appropriate action to prevent, restrain, correct or abate the violation.

Paragraph 305.4.1 is amended to read as follows:

305.4.1. Sewer depth. Building sewers that connect to private sewage disposal systems shall be installed not less than 12 inches (mm) below finished grade at the point of septic tank connection. Building sewers shall be installed not less than 12 inches (mm) below grade.

Paragraph 504.7.2 is amended to read as follows:

504.7.2. Pan drain termination. The pan drain shall extend full size and terminate over a suitably located indirect waste receptor or floor drain or extend to the exterior of the building and terminate not less than 6 inches (152 mm) and not more than 24 inches (610 mm) above the adjacent ground surface. Where a pan drain was not previously installed, a pan drain shall not be required for a replacement water heater installation if a water leak detection device with an audible alarm is installed inside the pan.

Paragraph 605.2.1 is amended to read as follows:

605.2.1. Lead content of drinking water pipe and fittings. The use of pipes and pipe fittings that contain more than 0.25% lead or solders and flux that contain more than 0.2% lead is prohibited for installation or repair of any public water supply and for installation or repair of any plumbing in a residential or nonresidential facility providing water for human consumption and connected to a public drinking water supply system. This requirement may be waived for lead joints that are necessary for repairs to cast iron pipe.

Subsection 705.10.2 is amended by deleting the enumerated exception, to read as follows:

705.10.2. Solvent cementing. Joint surfaces shall be clean and free from moisture. A purple primer that conforms to ASTM F656 shall be applied. Solvent cement not purple in color and

conforming to ASTM D2564, 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 D2855. Solvent-cement joints shall be permitted above or below ground.

Paragraph 903.1.1 is amended to read as follows:

903.1.1 Roof extension unprotected. Open vent pipes that extend through a roof shall be terminated not less than 6 inches (mm) above the roof.

Secs. 7-39, 7-40. - Reserved.

Section 7. That Article VII (Property Maintenance), Chapter 7 of the Sugar Land Development Code is amended to read as follows:

Sec. 7-41. - Code and Appendix Adopted.

Except as amended in this Article, the International Property Maintenance Code, 2024 edition, and Appendix A of said code, as published by the International Code Council, are adopted.

Sec. 7-42. - Code Deletions.

The following sections of the International Property Maintenance Code are deleted:

Section 106

Subsection 107.2

Subsection 107.3

Subsection 107.4

Subsection 107.5

Section 109

Section 110

Section 111

Sec. 7-43. - Code Amendments.

The following sections of the International Property Maintenance Code are amended as follows:

Subsection 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the Property Maintenance Code of the City of Sugar Land, hereinafter referred to as "this code".

Subsection 103.1 is amended to read as follows:

103.1. Enforcement Authority. The official in charge of the implementation, administration, and enforcement of this Code will be known as the code official.

Subsection 105.5 is amended to read as follows:

105.5. Notices and orders. The code official may issue all necessary notices or orders to ensure compliance with this code.

Subsection 105.6 is amended to read as follows:

105.6. Official records. The code official shall keep official records as required by subsections 105.6.1 through 105.6.5. Such official records shall be retained in accordance with the City's adopted records retention and disposition schedules, as issued and amended by the Texas State Library and Archives Commission, and in compliance with the Local Government Records Act.

Section 202 definition of Inoperable motor vehicle is amended to read as follows:

Junked motor vehicle. A motor vehicle that is self-propelled and displays an expired license plate or does not display a license plate; and is wrecked, dismantled or partially dismantled, or discarded or inoperable and has remained inoperable for more than seventy-two consecutive hours, if the vehicle is on public property or [for] thirty consecutive days, if the vehicle is on private property. A junked motor vehicle may also be an aircraft that does not have lawfully printed on the aircraft an unexpired federal aircraft identification number registered under Federal Aviation Administration aircraft registration regulations in 14 C.F.R. Part 47. A junked motor vehicle may also be a watercraft that does not have lawfully on board an unexpired certificate number and is not a watercraft described by V.T.C.A. § 31.055, Parks and Wildlife Code.

Subsection 302.4 is amended to read as follows:

Subsection 302.4. Weeds. Premises and exterior property shall be maintained free from weed or plant growth in excess of 9 inches except as provided for in other regulations. Noxious weeds shall be prohibited. Weeds shall be defined as all grasses, annual plants and vegetation, other than trees or shrubs provided; however, this term shall not include cultivated flowers and garden.

Subsection 302.8 is amended to read as follows:

302.8. Junked motor vehicle. Except as provided for in other regulations, no junked motor vehicle shall be parked, kept, or stored on any premises. Painting of vehicles is prohibited unless conducted inside an approved spray booth.

Exception: A vehicle of any type is permitted to undergo major overhaul, including body work, provided that such work is performed inside a structure or similarly enclosed area designed and approved for such purposes. The activity must be compliant with zoning regulations.

Subsection 304.14 is amended to read as follows:

304.14. Insect screens. During the period from January 1st to December 31st, every door, window and other outside opening required for ventilation of habitable rooms shall be supplied with approved tightly fitting screens of minimum 16 mesh per inch (16 mesh per 25 mm), and every screen door used for insect control shall have a self-closing device in good working condition.

Subsection 602.3 is amended to read as follows:

602.3. Heat Supply. Every owner and operator of a building who rents, leases or lets one or more dwelling units or sleeping units on terms, either expressed or implied, to furnish heat to the occupants thereof shall supply heat during the period from November to March to maintain a minimum temperature of 68°F (20°C) in all habitable rooms, bathrooms, and toilet rooms.

Subsection 602.4 is amended to read as follows:

602.4. Occupiable work spaces. Indoor occupiable work spaces shall be supplied with heat during the period from November to March to maintain a minimum temperature of 65°F (18°C) during the period the spaces are occupied.

Paragraph 704.6.1 is amended to read as follows:

704.6.1. Where Required. Existing Group I-1 and R occupancies shall be provided with single-station smoke alarms in accordance with Sections 704.6.1.1 through 704.6.1.4. Interconnection and power sources shall be in accordance with Sections 704.6.2 and 704.6.3.

Exception: Where smoke detectors connected to a fire alarm system have been installed as a substitute for smoke alarms.

Appendix A is amended to read as follows:

A101.1 General. Windows and doors shall be boarded in an approved manner to prevent entry by unauthorized persons and shall be painted with exterior grade paint to correspond to the color of the existing structure.

A101.2 Maintenance. Boarding materials shall be maintained in good condition. Any peeling, flaking and/or chipped paint shall be eliminated and the surfaces repainted.

A103.1 Boarding installation. The boarding installation shall be in accordance with Figures A103.1(1) and A103.1(2) and sections A103.2 through A103.5.

Exception: Alternative methods of installation may be used upon prior approval from the City of Sugar Land.

Secs. 7-44, 7-45. - Reserved.

Section 8. That Article VIII (Residential Building Code), Chapter 7 of the Sugar Land Development Code is amended to read as follows:

Sec. 7-46. - Code Adopted.

Except as amended in this Article, the International Residential Code, 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-47. - Code Deletions.

The following sections of the International Residential Code are deleted.

Section R112

Subsection R113.2

Subsection R113.3

Section R309

Subsection R905.7

Subsection R905.8

Section P2904

Sec. 7-48. - Code Amendments.

The following parts of the International Residential Code are amended:

Subsection R101.1 is amended to read as follows:

R101.1. Title. These regulations shall be known as the Residential Code for One and Two Family Dwellings of the City of Sugar Land, and shall be cited as such and will be referred to hereinafter as "this code."

Subsection R103.1 is amended to read as follows:

R103.1. Enforcement authority. The official in charge of the implementation, administration, and enforcement of this code will be known as the building official.

Subsection R104.6 is amended to read as follows:

R104.6 Notices and orders. The building official may issue necessary notices or orders to ensure compliance with this code.

Subsection R105.1 is amended to read as follows:

R105.1. Required. It shall be unlawful for any owner, owner's authorized agent, person, firm, or corporation to construct, enlarge, alter, repair, move, demolish, or change the occupancy of a building or structure, or erect, install, enlarge, alter, repair, remove, convert, or replace any electrical, gas, mechanical, or plumbing system regulated by this code, or cause any such work to be performed, without obtaining the required permit prior to commencing such work. Each day the violation exists will constitute a separate and distinct violation. It is presumed that the record owner of the property caused the construction, enlargement, alteration, repair, movement, demolition, or change of occupancy of the building or structure, or the erection, installation, enlargement, alteration, repair, removal, conversion, or replacement of any electrical, gas, mechanical, or plumbing system regulated by this code, or caused the same to be done, on the property.

Subsection R105.2 is amended to read as follows:

R105.2. Work exempt from permit. Exemptions from permit requirements of this code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of this code or any other laws or ordinances of the city. Permits shall not be required for the following:

Building:

1. Painting, papering, tiling, carpeting, cabinets, counter tops and similar finish work.
2. Prefabricated swimming pools that are less than 24 inches (610 mm) deep.
3. Swings and other playground equipment.
4. Decks not exceeding 200 square feet (18.58 m²) in area, that are not more than 30 inches (762 mm) above grade at any point, are not attached to a dwelling do not serve the exit door required by Section R311.4.
5. Solar pergolas.

Electrical:

1. Listed cord-and-plug connected temporary decorative lighting.
2. Reinstallation of attachment plug receptacles but not the outlets therefor.
3. Replacement of branch circuit overcurrent devices of the required capacity in the same location.
4. Electrical wiring, devices, appliances, apparatus or equipment operating at less than 25 volts and not capable of supplying more than 50 watts of energy.
5. Minor repair work, including the replacement of lamps or the connection of approved portable electrical equipment to approved permanently installed receptacles.

Gas:

1. Portable heating, cooking or clothes drying appliances.
2. Replacement of any minor part that does not alter approval of equipment or make such equipment unsafe.
3. Portable-fuel-cell appliances that are not connected to a fixed piping system and are not interconnected to a power grid.

Mechanical:

1. Portable heating appliances.
2. Portable ventilation appliances.
3. Portable cooling units.
4. Steam, hot- or chilled-water piping within any heating or cooling equipment regulated by this code.
5. Replacement of any minor part that does not alter approval of equipment or make such equipment unsafe.
6. Portable evaporative coolers.
7. Self-contained refrigeration systems containing 10 pounds (4.54 kg) or less of refrigerant or that are actuated by motors of 1 horsepower (746 W) or less.
8. Portable-fuel-cell appliances that are not connected to a fixed piping system and are not interconnected to a power grid.

Plumbing:

1. The stopping of leaks in drains, water, soil, waste or vent pipe; provided, however, that if any concealed trap, drainpipe, water, soil, waste or vent pipe becomes defective and it becomes necessary to remove and replace the same with new material, such work shall be considered as new work and a permit shall be obtained and inspection made as provided in this code.
2. The clearing of stoppages or the repairing of leaks in pipes, valves or fixtures and the removal and reinstallation of water closets, provided such repairs do not involve or require the replacement or rearrangement of valves, pipes or fixtures.

Section R105 is amended by adding Subsection R105.10 to read as follows:

R105.10. Insurance Required. As a condition to the issuance of the permit, the contractor shall certify that the contractor has: Workers' Compensation insurance as required by law; general liability insurance of at least \$100,000.00 for any one accident for property damage and \$300,000.00 for any one person for injuries or death; and \$5,000.00 for medical expenses for any one person.

Subsection R113.1 is amended to read as follows:

R113.1. Unlawful acts. It shall be unlawful for any person, firm or corporation to erect, construct, alter, extend, enlarge, repair, move, remove, demolish, occupy, or use any building, structure, or equipment regulated by this code, or cause the same to be done, in conflict with or in violation of any of the provisions of this code. Each day the violation exists will constitute a separate and distinct violation. It is presumed that the record owner caused the erection,

construction, extension, enlargement, alteration, repair, movement, demolition, occupancy, or use of the building, structure, or equipment, or caused the same to be done, on the property. It is presumed that any building, structure, or equipment present on the property is being used by the record owner or occupant of the property.

Subsection R302.2 is amended to read as follows:

R302.2. Townhouses. Common walls separating townhouses shall be assigned a fire-resistance rating in accordance with Section R302.2. The common wall shared by two townhouses shall be constructed without plumbing or mechanical equipment, ducts or vents in the cavity of the common wall. The wall shall be rated for fire exposure from both sides and shall extend on and be tight against exterior walls and the underside of the roof sheathing. Electrical installations shall be in accordance with Chapters 34 through 43. Penetrations of the membrane of common walls for electrical outlet boxes shall be in accordance with Section R302.4.

Exception: Where a fire sprinkler system in accordance with NFPA 13D is required, the common wall shall not be less than 2-hour fire resistance rated wall assembly tested in accordance with ASM or UL.

Paragraph R311.2.2 is amended to read as follows:

R311.2.2. Alterations, repairs and additions. Where alterations, repairs or additions requiring a permit occur, the individual dwelling unit shall be equipped with carbon monoxide alarms located as required for new dwellings.

Exceptions:

1. Work involving the exterior surfaces of dwellings, such as the replacement of roofing or siding, or the addition or replacement of windows or doors, or the addition of a porch or deck.
2. Installation, alteration or repairs of plumbing systems that are not fuel fired.
3. Installation, alteration or repairs of mechanical systems that are not fuel fired.

Subsection G2417.4 is amended to read as follows:

G2417.4(406.4). Test pressure measurement. Test pressure shall be measured with a manometer 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. Spring type test gauges are not permitted. 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.

Paragraph P2603.5.1 is amended to read as follows:

P2603.5.1 Sewer depth. Building sewers that connect to private sewage disposal systems shall be not less than 12 inches (mm) below finished grade at the point of septic tank connection. Building sewers shall be not less than 12 inches (mm) below grade.

Paragraph P2801.5.1 is amended to read as follows:

P2801.5.1 Pan size and drain. The pan shall be not less than 1 1/2 inches (38 mm) deep and shall be of sufficient size and shape to receive dripping or condensate from the tank or water heater. The pan shall be drained by an indirect waste pipe of not less than 3/4-inch (19 mm) diameter. Piping for safety pan drains shall be of those materials indicated in Table P2906.5.

Where a pan drain was not previously installed, a pan drain shall not be required for a replacement water heater installation if a water leak detection device with an audible alarm is installed inside the pan.

Section E3803 is amended by amending Table E3803.1 to read as follows:

TABLE E3803.1 (Table 300.5)
MINIMUM COVER REQUIREMENTS, BURIAL IN INCHES a, b, c, d, e,

LOCATION OF WIRING METHOD OR CIRCUIT	TYPE OF WIRING METHOD OR CIRCUIT				
	1 Direct Burial Cables or Conductors	2 Rigid Metal Conduit or Intermediate Metal Conduit	3 Nonmetallic Raceways Listed for Direct Burial Without Concrete Encasement or Other Approved Raceways	4 Residential Branch Circuits Rated 120 Volts or Less With GFCI protection and Maximum Overcurrent Protection of 20 Amperes	5 Circuits for Control of Irrigation and Landscape Lighting Limited to Not More Than 30 Volts and Installed with Type UF or in Other Identified Cable or Raceway
All locations not specified below	24 ^b	6	18	12	6 ^{f, g}
In trench below 2-inch-thick concrete or equivalent	18 ^b	6	12	6	6
Under a building	0 (In raceway only or Type MC identified for direct burial)	0	0	0 (In raceway only or Type MC identified for direct burial)	0 (In raceway only or Type MC identified for direct burial)
Under minimum of 4-inch-thick concrete exterior slab with no vehicular traffic and the slab extending not less than 6 inches beyond the underground installation	18 ^b	4	4	6 (Direct burial) 4 (In raceway)	6 (Direct burial) 4 (In raceway)
Under streets, highways, roads, alleys, driveways and parking lots	24 ^b	24	24	24	24
One- and two-family dwelling driveways and outdoor parking areas, and used only for dwelling-related purposes	18 ^b	18	18	12	18
In solid rock where covered by minimum of 2 inches concrete extending down to rock	2 (In raceway only)	2	2	2 (In raceway only)	2 (In raceway only)

For SI: 1 inch = 25.4 mm.

- a. Raceways approved for burial only where encased concrete shall require concrete envelope not less than 2 inches thick.
- b. Lesser depths shall be permitted where cables and conductors rise for terminations or splices or where access is otherwise required.
- c. Where one of the wiring method types listed in columns 1 to 3 is combined with one of the circuit types in columns 4 and 5, the shallower depth of burial shall be permitted.
- d. Where solid rock prevents compliance with the cover depths specified in this table, the wiring shall be installed in metal or nonmetallic raceway permitted for direct burial. The raceways shall be covered by a minimum of 2 inches of concrete extending down to the rock.
- e. Cover is defined as the shortest distance in inches (millimeters) measured between a point on the top surface of any direct-buried conductor, cable, conduit or other raceway and the top surface of finished grade, concrete, or similar cover.
- f. A lesser depth shall be permitted where specified in the installation instructions of a listed low-voltage lighting system.
- g. A depth of 6 inches shall be permitted for pool, spa, and fountain lighting that is installed in a nonmetallic raceway, limited to not more than 30 volts and part of a listed low-voltage lighting system.
- h. Direct buried cables and conductors shall be installed in an approved conduit or raceway.

Secs. 7-49, 7-50. - Reserved.

Section 9. That Article VIII-A (Swimming Pool and Spa Code), Chapter 7 of the Sugar Land Development Code is amended to read as follows:

Sec. 7-51. - Code Adopted.

Except as amended in this Article, the International Swimming Pool and Spa Code, 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-52. - Code Amendments.

The following sections of the International Swimming Pool and Spa Code are amended as follows:

Subsection 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the Swimming Pool and Spa Code of the City of Sugar Land, hereinafter referred to as "this code."

Subsection 103.1 is amended to read as follows:

103.1 Enforcement Authority. The official in charge of the implementation, administration, and enforcement of this Code will be known as the code official.

Paragraph 113.6.1 is amended to read as follows:

113.6.1. Authority to condemn a system. Where the code official determines that any system, or portion thereof, regulated by this code has become hazardous to life, health or property or has become insanitary, the code official may order in writing that such system either be removed or restored to a safe or sanitary condition. A time limit for compliance with such order may be specified in the written notice. A person shall not use or maintain a defective system after receiving such notice. In cases of immediate danger to life or property, such disconnection shall be made immediately without such notice.

Paragraph 113.6.3 is amended to read as follows:

113.6.3. Connection after order to disconnect. A person shall not make connections from any energy, fuel, power supply or water distribution system, or supply energy, fuel or water to any

equipment regulated by this code that has been disconnected or ordered to be disconnected by the code official or the use of which has been ordered to be discontinued by the code official until the code official authorizes the reconnection and use of such equipment. When any system is maintained in violation of this code, the code official may institute any appropriate action to prevent, restrain, correct or abate the violation.

Sec. 7-53. - Code Deletions.

The following sections of the International Swimming Pool and Spa Code are deleted:

Section 112

Subsection 113.2

Subsection 113.3

Subsection 113.4

Subsection 113.5

Secs. 7-54, 7-55. - Reserved.

Section 10. That Article IX (Fire Prevention), Chapter 7 of the Sugar Land Development Code is amended to read as follows:

Sec. 7-56. - Reserved.

Sec. 7-57. - Code Adopted.

Except as amended in this Article, the International Fire Code, 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-57.1. - Appendix Adopted.

Except as amended in this Article, Appendix B, C, and D of the International Fire Code, 2024 edition, are adopted.

Sec. 7-57.2. - Reserved.

Sec. 7-58. - Code Amendments.

The following sections of the International Fire Code are amended:

Subsection 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the Fire Code of the City of Sugar Land, hereinafter referred to as "this code."

Subsection 103.1 is amended to read as follows:

103.1. General. The department of fire prevention is established within the city under the direction of the fire marshal, hereafter referred to in this code as the fire code official. The function of the department shall be the implementation, administration and enforcement of the provisions of this code.

Paragraph 105.3.5 is amended to read as follows:

105.3.5. Posting the permit. Issued permits shall be maintained in printed paper form on the premises designated therein at all times and shall be readily available for inspection by the fire code official.

Subsection 105.5 is amended to read as follows:

105.5. Required operational permits. The fire code official is authorized to issue operational permits for the operations set forth in Sections 105.5.2 through 105.5.59.

Subparagraph 105.5.58 is added to read as follows:

105.5.58. Places of Custodial Care. An operational permit is required for Group R-3 and R-4 Occupancies that provide custodial care. Occupancies include care facilities, congregate care, congregate living facilities, alcohol and drug centers, assisted living facilities, group homes, halfway houses, and community homes for persons with disabilities.

Paragraph 105.5.59 is added to read as follows:

105.5.59. Kitchen suppression systems. An operational permit is required for any automatic fire-extinguishing system protecting cooking appliances in commercial food service operations.

Paragraph 105.6.26 is added to read as follows:

105.6.26. Electronic Access Control Device. A construction permit is required for the installation of or modification to electronic access control device or related equipment. Maintenance performed in accordance with this code is not considered to be a modification and does not require a construction permit.

Subsection 106.4 is amended to read as follows:

106.4. Construction documents on site. One set of approved construction documents, in printed paper form, shall be kept at the job site at all times while work is in progress and shall be available for all required inspections. The documents shall be of sufficient size and clarity to reflect

the scope of the work and shall be readily accessible to the fire code official for verification and inspection.

Subsection 113.4 is amended to read as follows:

113.4. Violation penalties. Persons who knowingly violate a provision of this code or fail to comply with any of the requirements thereof or who erect, install, alter, repair or do work in violation of the approved construction documents or directive of the fire code official, or of a permit or certificate used under the provisions of this code, shall be guilty of a misdemeanor and will be punished as authorized in section 1-9 of the Development Code, as amended therein and thereafter.

Section 202 is amended by adding a definition for “electronic access control device” to read as follows:

ELECTRONIC ACCESS CONTROL DEVICE. An electronic or computer-based device, including a telephone entry system, that allows access or controls egress in any occupancy classification.

Paragraph 307.6 is added to read as follows:

307.6. Rubbish burning. The burning of rubbish shall be prohibited. For the purposes of this section, rubbish includes plastic, rubber, and other materials defined as rubbish in section 202 of this code.

Subsection 307.2 is amended to read as follows:

307.2. Permit required. A permit must be obtained from the fire code official in accordance with Section 105.5 prior to kindling a fire for recognized silvicultural or range wildlife management practices, prevention or control of disease or pests, bonfire, recreational fire or controlled burning as allowed by the Texas Commission on Environmental Quality.

Paragraph 308.1.7 is amended to read as follows:

308.1.7. Sky lanterns. Sky lanterns are prohibited.

The Exceptions to Paragraph 503.1.1 is amended by adding Subparagraphs (1.4) and (1.5) to read as follows:

(1.4) Group U and other accessory use buildings, five hundred (500) square feet or less, may be located more than fifty (50) feet but not more than five hundred (500) feet from an access roadway, provided the code official determines that the conditions are such that firefighting operations will not be obstructed.

(1.5) The width of access roadways accessing one- and two-family dwellings, which are located more than one hundred fifty (150) feet but less than five hundred (500) feet from a public street, shall not be less than twelve (12) feet wide.

Subsection 503.3 is amended to read as follows:

503.3. Marking. Where required by the fire code official, approved signs or other approved notices shall be provided for fire apparatus access road to identify such roads or prohibit the obstruction thereof. Signs or notices shall be maintained in a clean and legible condition at all times and be replaced or repaired when necessary to provide adequate visibility. Fire lane markings shall be in accordance with Appendix D of this chapter. It is unlawful for any person to occupy, continue to occupy, or make use of any building until the requirements for fire lane markings applicable to the real property where the building is located have been met.

Subsection 503.4 is amended to read as follows:

503.4. Obstruction of fire apparatus access roads. Fire apparatus access roads shall not be obstructed in any manner. The minimum widths and clearances established in Paragraphs 503.2.1 and 503.2.2 shall be maintained at all times. For any unattended motor vehicle that is stopped or parked in a fire apparatus access road, it is presumed that the registered owner of the vehicle is the person who stopped or parked the vehicle at the time and place the offense occurred.

Paragraph 603.5.2 is amended by deleting the enumerated exceptions, to read as follows:

603.5.2. Application and use. Relocatable power taps and current taps shall be directly connected to a permanently installed receptacle.

Subsection 903.2 is amended to read as follows:

903.2. Where required. Approved automatic fire sprinkler systems shall be provided in new buildings and structures and in existing buildings and structures in the locations listed below and where otherwise described in this code.

1. All new buildings where the fire area exceeds five thousand (5,000) square feet. For the purposes of this provision, a fire wall does not delineate a separate building.
2. In existing buildings, if any addition results in a gross fire area of more than five thousand (5,000) square feet or raises the building height beyond two stories. For the purposes of this provision, the addition of a fire wall does not delineate a separate building nor does it eliminate the requirement for fire sprinkler protection.
3. In existing buildings where the fire area exceeds five thousand (5,000) square feet, when thirty (30) percent or more of the building undergoes renovation in one or more phases. The addition of a fire wall does not delineate a separate building nor does it eliminate the requirement for fire sprinkler protection.

Subparagraphs 903.2.1.1 through 903.2.1.4 are amended to read as follows:

903.2.1.1. Group A-1. An automatic sprinkler system shall be provided throughout stories containing Group A-1 occupancies and throughout all stories from the Group A-1 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:

1. The fire area exceeds 5,000 square feet (464.5 m²) or the building is greater than one story in height.
2. The fire area has an occupant load of 300 or more.
3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.
4. The fire area contains a multiple-theater complex.

903.2.1.2. Group A-2. An automatic sprinkler system shall be provided throughout stories containing Group A-2 occupancies and throughout all stories from the Group A-2 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:

1. The fire area exceeds 5,000 square feet (464.5 m²) or the building is greater than one story in height.
2. The fire area has an occupant load of 100 or more.
3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.

903.2.1.3. Group A-3. An automatic sprinkler system shall be provided throughout stories containing Group A-3 occupancies and throughout all stories from the Group A-3 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:

1. The fire area exceeds 5,000 square feet (464.5 m²) or the building is greater than two stories in height.
2. The fire area has an occupant load of 300 or more.
3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.

903.2.1.4. Group A-4. An automatic sprinkler system shall be provided throughout stories containing Group A-4 occupancies and throughout all stories from the Group A-4 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:

1. The fire area exceeds 5,000 square feet (464.5 m²) or the building is greater than two stories in height.
2. The fire area has an occupant load of 300 or more.
3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.

Paragraph 903.2.4 is amended to read as follows:

903.2.4. Group F-1. An automatic sprinkler system shall be provided throughout all buildings containing a Group F-1 occupancy where the fire area exceeds 5,000 square feet (464.5 m²).

Paragraph 903.2.7 is amended to read as follows:

903.2.7. Group M. An automatic sprinkler system shall be provided throughout buildings containing a Group M occupancy where the Group M fire area exceeds 5,000 square feet (464.5 m²).

Paragraph 903.2.9 is amended to read as follows:

903.2.9. Group S-1. An automatic sprinkler system shall be provided throughout all buildings containing a Group S-1 occupancy where the fire area exceeds 5,000 square feet (464.5 m²).

Subparagraph 903.2.9.1 is amended to read as follows:

903.2.9.1. Repair garages. An automatic sprinkler system shall be provided throughout all buildings used as repair garages where the fire area exceeds 5,000 square feet (464.5 m²), in accordance with Section 406.8 of the Building Code.

Paragraph 903.2.10 is amended to read as follows:

903.2.10. Group S-2 enclosed parking garages. An automatic sprinkler system shall be provided throughout buildings classified as enclosed parking garages in accordance with Section 406.6 of the Building Code whether either of the following conditions exist:

1. Where the fire area of the enclosed parking garage, subject to Section 406.6 of the Building Code, exceeds 5,000 square feet (464.5 m²).
2. Where the enclosed parking garage is located beneath and/or attached to other occupancy groups.
3. Where the open parking garage, subject to Section 406.5 of the Building Code, exceeds 48,000 square feet (4460m²).

Subparagraph 903.2.11.3 is amended to read as follows:

903.2.11.3 Buildings 35 feet or more in height. An automatic sprinkler system shall be installed throughout buildings that have one or more stories located 35 feet (10668 mm) or more above the lowest level of fire department vehicle access, measured to the finished floor.

Clause 903.3.1.2.3 is amended to read as follows:

903.3.1.2.3 Attics. Attic protection shall be provided as follows:

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. Where located in a building of Type III, Type IV or Type V construction designed in accordance with Section 510.2 or 510.4 of the International Building Code, attics not required by Item 1 to have sprinklers shall comply with one of the following if the roof assembly is located more than 55 feet (16 764 mm) above the lowest level of fire department vehicle access needed to meet the provisions in Section 503:
 - 3.1. Provide automatic sprinkler system protection.
 - 3.2. Provide a heat detection system throughout the attic that is arranged to activate the building fire alarm system.
4. Groups R-3 and R-4, Condition 2 occupancy attics not required by Item 1 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.
5. Group R-2 occupancy attics not required by Item 1 to have sprinklers shall comply with one of the following:
 - 5.1. Provide automatic sprinkler system protection.
 - 5.2. Provide a heat detection system throughout the attic that is arranged to activate the building fire alarm system.

Paragraph 903.4.3 is amended to read as follows:

903.4.3. Alarms. Approved audible devices shall be connected to every automatic sprinkler system. Such sprinkler water flow alarm devices shall be activated by water flow equivalent to the flow of a single sprinkler of the smallest orifice size installed in the system. An electric/water bell shall be provided on the exterior of the building, in an approved location. When water flow supervision is provided, alarm devices shall be located within the interior of the building to provide an internal evacuation signal throughout the building in all common areas and areas accessible to the public. Group R-1, R-2 and condominiums shall be provided with an alarm signal device in each unit to provide an internal evacuation signal separate and distinct from the security system. Where a fire alarm system is installed, actuation of the automatic sprinkler system shall actuate the building fire alarm system.

Paragraph 904.15 is amended to read as follows:

904.15. Domestic cooking facilities. Cooktops and ranges installed in the following occupancies shall be in accordance with section 904.15.1.

1. In Group I-1 occupancies where domestic cooking facilities are installed in accordance with Section 420.9 of the *International Building Code*.
2. In Group I-2 occupancies where domestic cooking facilities are installed in accordance with Section 407.2.7 of the *International Building Code*.
3. In Group R-2 occupancies where domestic cooking facilities are installed in accordance with Section 420.11 of the *International Building Code*.

4. In Group R-3 and R-4 occupancies where domestic cooking operations are conducted for the residents.

Subsection 5608.1 is amended to add Paragraph 5608.1.1 to read as follows:

5608.1.1. Fireworks. The possession, manufacture, storage, sale, handling and use of fireworks are prohibited within the city limits of Sugar Land, Texas. It shall be unlawful for any person to manufacture or sell fireworks within the City of Sugar Land corporate limits. Except as herein provided, it shall be unlawful for any person to assemble, possess, store, transport, receive, keep, sell, offer or have in his or her possession with the intent to sell, use, discharge, ignite, detonate, fire or otherwise put in action any fireworks of any description.

Exception: The use of approved fireworks for display as permitted in Section 5608.

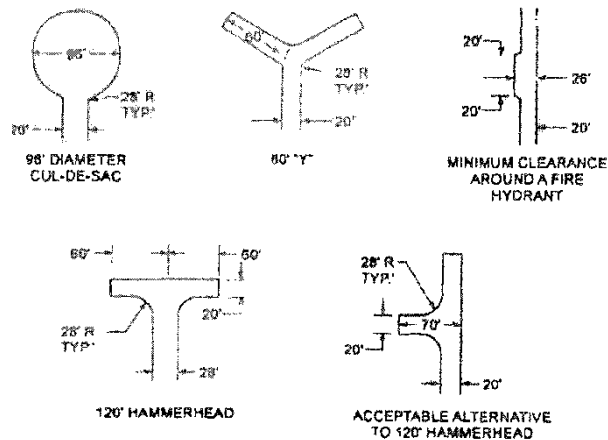
Subsection 5608.2 is amended to read as follows:

5608.2. Permit application. Prior to issuing permits for fireworks display, plans for the display, inspections of the display site and demonstrations of the display operations shall be approved and all applicable state and federal permits shall have been obtained. The applicant for the display shall, at the time of making application, furnish proof that he or she carries compensation insurance for his employees as provided for by laws of this state and he or she shall file with the code official, for approval, a certificate of insurance evidencing the carrying of public liability insurance, including bodily injury liability, in limits of not less than one hundred thousand dollars (\$100,000.00) for each person and one million dollars (\$1,000,000.00) for each accident, issued by an insurance company authorized to conduct business in this state for the benefit of the person named therein as insured as evidence of ability to respond in damages in at least the above amounts. For each display of fireworks under this section, standby personnel and equipment from the Sugar Land Fire Department shall be required. The number of personnel and equipment to be in attendance shall be determined by the Fire Marshal. The expense of such personnel and equipment at the display shall be paid in advance by the applicant prior to the issuance of the permit. The fee charged for each standby fire engine and crew shall be as specified in the appropriate fee schedule of the City of Sugar Land. Fees for other required personnel shall be based on actual cost.

Subsections D103.1, D103.5, D103.6, and D107.1 of Appendix D are amended to read as follows:

D103.1 Access road width with a hydrant. Where a fire hydrant is located on a fire apparatus access road, the minimum road width shall be 24 feet, exclusive of shoulders.

Figure D103.1 Dead-End Fire Apparatus Access Road Turnaround



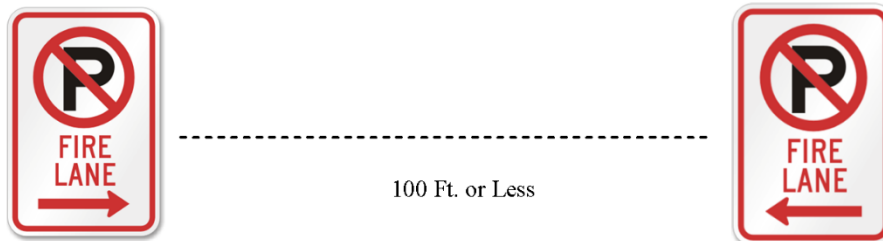
D103.6 Signs. Where required by the fire code official, fire apparatus access roads shall be marked in one of the following manners:

1. CURB PAINTING - Curbs along fire lanes shall be painted red with white letters stating "FIRE LANE TOW AWAY ZONE" and/or "FIRE LANE NO PARKING" painted at intervals not exceeding every 50 feet. The letters shall not be less than four inches tall.
2. FLAT SURFACE (NO CURB) - A red six (6) inch stripe, with markings indicated in Paragraph 1 above, shall be placed along the outer edges of the pavement along the fire lane.
3. Free standing signs placed along the fire lane. The design and placement of signs shall be in accordance with figure D 103.6. Signs shall have a minimum dimension of 12 inches wide by 18 inches high and have red letters on a white reflective background. Signs shall be posted on one or both sides of the fire apparatus road as required by Paragraphs D103.6.1 or D103.6.2.

Figure D103.6
Fire Lane Marking Standard Signage

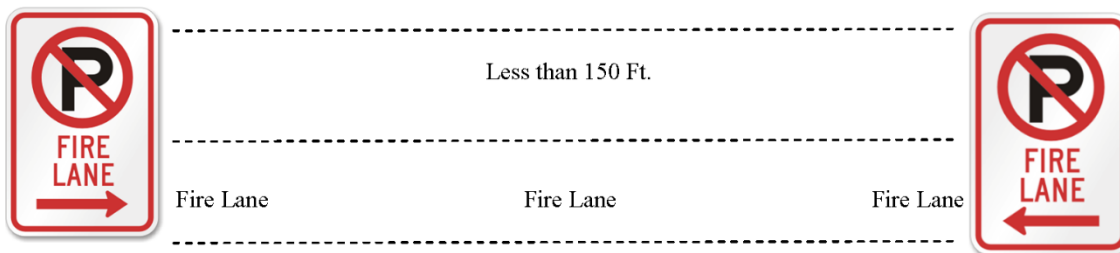
1. One hundred (100) foot separation, or less, between zone extremity.

One sign at each extremity, with single arrow indicator pointing in direction of zone.



2. Between one hundred (100) feet, but less than one hundred fifty (150) feet.

Between zone extremity, one sign at each extremity, with single arrow indicator pointing in direction of zone.



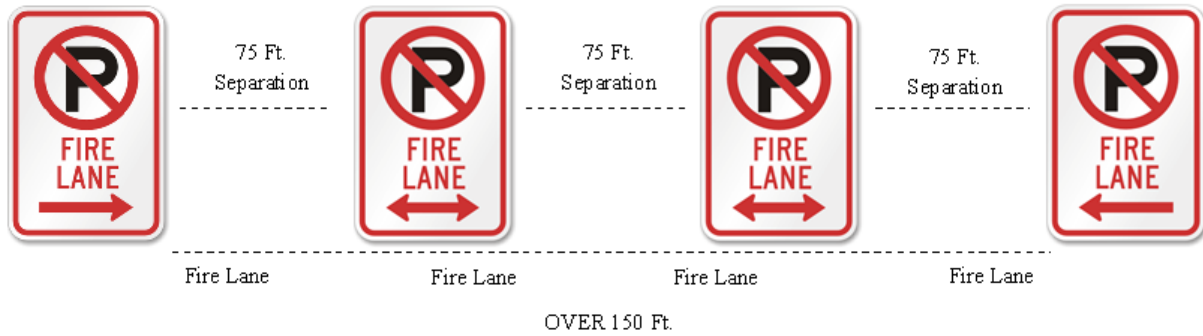
3. One hundred fifty (150) foot separation between zone extremity.

One sign at each extremity, with single arrow indicator pointing in direction of zone, with one additional sign with double arrow indicator pointing in both directions of zone, located at seventy-five (75) foot point within the zone.



4. Over one hundred and fifty (150) feet between zone extremities.

One sign at each extremity with single arrow indicator pointing in the direction of zone, with additional signs, with double arrow indicator pointing in both directions of zone, located at each seventy-five (75) foot interval between extremity signs.



5. Sign placement intervals may exceed the requirement of 1, 2, 3, and 4 above if approved by the Fire Official.

6. Signs



Left Extremity Arrow Indicator



Center Arrow Indicator
Pointing in Direction
Regulation in Effect



Right Extremity Arrow Indicator

7. Signs

Sign, border, lettering, background

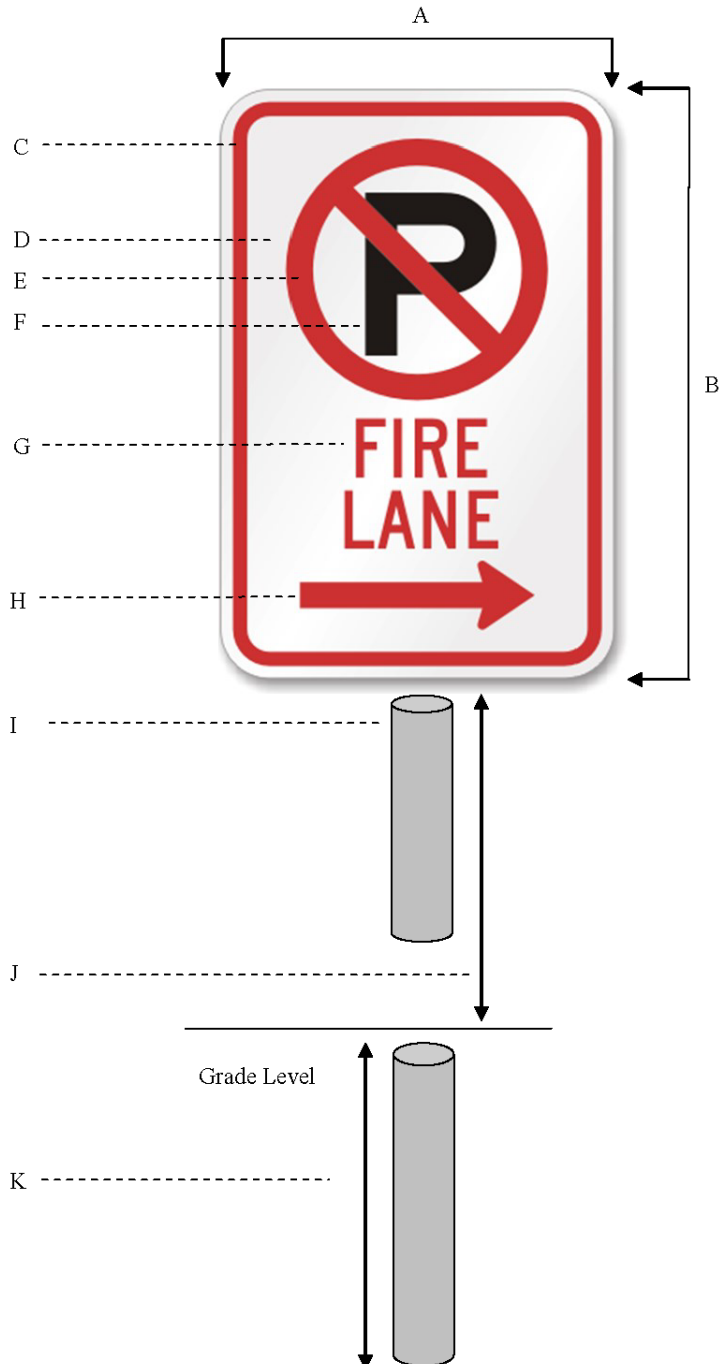
Instruction indicator is required to be reflectorized

Sign material - .080 Aluminum

- A. Sign width – 12"
- B. Sign length – 18"
- C. Outside border – Red
Min. 1/2" wide
- D. Background – White
- E. Circle/Slash – Red
Min. 8" diameter
- F. Letter P – Black
Min. 5" tall, 1" wide
- G. Wording – Red
Min. 1.75" high, 1/16" wide
- H. Arrow Indicators – Solid Red
- I. Sign post – 3/8" Galvanized Tubular
- J. Sign Height from grade Level, seven feet (7')
- K. Sign post set min. of eighteen inches (18") below grade in well packed or concrete foundation

Signs shall be securely fastened to post at the upper and lower center positions of sign face

*Drawing is not to scale



D107.1 One- or two-family dwelling residential developments. Developments of one- or two- family dwellings where the number of dwelling units exceeds 75 shall be provided with separate and approved fire apparatus access roads and shall meet the requirements of Section D104.3.

Exceptions:

1. Where there are more than 75 dwelling units on a single public or private fire apparatus access road and all dwelling units are equipped throughout with an approved automatic sprinkler system in accordance with Subparagraphs 903.3.1.1, 903.3.1.2 or 903.3.1.3 of the International Fire Code, access from two directions shall not be required.
2. The number of dwelling units on a single fire apparatus access road shall not be increased unless fire apparatus access roads will connect with future development, as determined by the fire code official.

Secs. 7-59—7-59.4. - Reserved.

Section 11. That Article IX-A (Energy), Chapter 7 of the Sugar Land Development Code is amended to read as follows:

Sec. 7-59.5. - Code Adopted.

Except as amended in this Article, the International Energy Conservation Code, 2024 edition, as published by the International Code Council, is adopted.

Sec. 7-59.6. - Code Deletions.

The following sections of the International Energy Conservation Code are deleted:

Section C109

Section R109

Section R404.2

Section R404.3

Sec. 7-59.7. - Code Amendments.

The following sections of the International Energy Conservation Code are amended as follows:

Subsection 101.1 is amended to read as follows:

101.1. Title. These regulations shall be known as the International Energy Conservation Code of the City of Sugar Land, hereinafter referred to as "this code."

Paragraph C104.1.2 is added 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.

Paragraph R104.1.2 is added to read as follows:

R104.1.2. 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. 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 R402.4.1.2 and R403.3.3 respectively.

Subsection R405.2 is amended by amending Table R405.2 to read as follows:

**TABLE R405.2
REQUIREMENTS FOR SIMULATED BUILDING PERFORMANCE**

SECTION ^a	TITLE
General	
R401.3	Certificate
Building Thermal Envelope	
R402.1.1	Vapor retarder
R402.1.6	Rooms containing fuel-burning appliances
R402.2.3	Attic knee wall
R402.2.4	Eave baffle
R402.2.5.1	Access hatches and door insulation installation and retention
R402.2.10	Slab-on-grade floors
R402.2.11	Crawl space walls
R402.5.1.1	Installation
R402.5.1.2	Air leakage testing
R402.5.1.3	Maximum air leakage rate
R402.5.2	Fireplaces
R402.5.3	Fenestration air leakage

R402.5.4	Recessed lighting
R402.5.5	Air-sealed electrical and communication outlet boxes
R402.6	Maximum fenestration <i>U</i> -factor and SHGC
Mechanical	
R403.1	Controls
R403.2	Hot water boiler temperature reset
R403.3	Duct systems
R403.4	Mechanical system piping insulation
R403.5	Service hot water systems
R403.6	Mechanical ventilation
R403.7 , except Section R403.7.1	Equipment sizing and efficiency rating
R403.8	Systems serving multiple dwelling units
R403.9.2	Snow melt and ice system controls
R403.10	Energy consumption of pools and spas
R403.11	Portable spas
R403.12	Residential pools and permanent residential spas
R403.13	Gas fireplaces
Electrical Power and Lighting Systems	
R404.1	Lighting equipment

a. Reference to a code section includes all the relative subsections except as indicated in the table.

Subsection 406.2 is amended by amending Table R406.2 to read as follows:

**TABLE R406.2
REQUIREMENTS FOR ENERGY RATING INDEX**

SECTION ^a	TITLE
General	
R401.3	Certificate
Building thermal envelope	
R402.1.1	Vapor retarder
R402.1.6	Rooms containing fuel-burning appliances
R402.2.4	Eave baffle

R402.2.5.1	Access hatches and door insulation installation and retention
R402.2.10	Slab-on-grade floors
R402.2.11	Crawl space walls
R402.5.1.1	Installation
R402.5.1.2	Air leakage testing
R402.5.1.3	Maximum air leakage rate
R402.5.2	Fireplaces
R402.5.3	Fenestration air leakage
R402.5.4	Recessed lighting
R402.5.5	Air-sealed electrical and communication outlet boxes
R406.3	Building thermal envelope
Mechanical	
R403.1	Controls
R403.2	Hot water boiler temperature reset
R403.3	Duct systems
R403.4	Mechanical system piping insulation
R403.5	Service hot water systems
R403.6	Mechanical ventilation
R403.7, except Section R403.7.1	Equipment sizing and efficiency rating
R403.8	Systems serving multiple dwelling units
R403.9.2	Snow melt and ice system controls
R403.10	Energy consumption of pools and spas
R403.11	Portable spas
R403.12	Residential pools and permanent residential spas
R403.13	Gas fireplaces
Electrical power and lighting systems	
R404.1	Lighting equipment

a. Reference to a code section includes all of the relative subsections except as indicated in the table.

Paragraph R402.5.5 is amended to read as follows:

R402.5.5. Electrical and communication outlet boxes (air-sealed boxes). Electrical and communication outlet boxes installed in the building thermal envelope shall be sealed to limit air leakage between conditioned and unconditioned spaces.

Section 12. That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

Section 13. That the provisions of this ordinance are severable and the invalidity of any part of this ordinance shall not affect the validity of the remainder of the ordinance.

Section 14. That any person found guilty of violating this ordinance shall be fined not more than \$2000.00 for each offense. Notice of the enactment of this ordinance shall be given by publishing the ordinance or its descriptive caption and penalty in the city's official newspaper one time within thirty days of passage.

APPROVED on first consideration on _____, 2025.

ADOPTED upon second consideration on _____, 2025.

Carol K. McCutcheon, Mayor

ATTEST:

Linda Mendenhall, City Clerk

APPROVED AS TO FORM:





City Council Agenda Request

January 20, 2026

Agenda Request No: IX.A.

Agenda of: City Council Meeting

Initiated by: Nicole Fontenette, Public Meeting Coordinator

Presented by: Jessica Huble, Assistant Director of Redevelopment, Brian Wright, TPUDC

Responsible Department: Redevelopment

Agenda Caption:

WORKSHOP - IMPERIAL HISTORIC DISTRICT

Discussion and direction regarding the Imperial Historic District community visioning process and proposed guiding pillars for redevelopment.

Recommended Action:

Review of and discussion on the outcome of the Imperial Historic District Visioning workshops.

Executive Summary:

City Council first deemed redevelopment of the Imperial Historic District their top priority with the adoption of Council Strategic Outcome Areas and a 2-Year Action Plan in 2021. This priority was reinforced through adoption of the next 2-Year Action Plan, and again in the 2025-2027 Strategic Action Plan. The 2025-2027 Strategic Action Plan was developed through a process that was designed to provide an open, inclusive, and transparent platform for community and city staff members to help create a shared vision and plan for the future of Sugar Land. Over 1,500 people had input into the planning process. One of the five priorities of the 2025-2027 Strategic Action Plan is "Fostering Sensitive Redevelopment" and a key objective is "Preparing Key Sites for Redevelopment", which states: "Position Imperial Historical District and Lake Pointe Redevelopment District for transformative redevelopment by establishing a clear vision, securing partnerships and leverage strategic incentives."

The City has taken significant steps throughout 2025 to advance redevelopment of the Imperial Historic District. Most importantly, the City acquired the 40-acre site in June. One of the next critical steps was initiating a visioning exercise with the community to understand the community's priorities for the site and its historic buildings. In early November 2025, the City partnered with Town Planning & Urban Design Collaborative (TPUDC) to host four days of community visioning workshops. Hundreds of residents, businesses, and stakeholders shared ideas for what should be preserved, improved, and

reimagined on the site. The deliverable includes guiding pillars that will be used to inform the master development partner during the procurement process.

The purpose of this workshop is for staff to review the communication tactics used to promote participation in the workshops and an overview of the sentiment; and for City Council to discuss and provide direction on the proposed vision and guiding pillars for the project.

Budget

Expenditure Required: NA

Current Budget: NA

Additional Funding: NA

Funding Source: NA

Account Number (ORG-OBJ-Project): NA

Attachments

1. Sugar Land Imperial Strategic Vision Report FINAL Jan 20 2026_City Council



IMPERIAL HISTORIC DISTRICT

Strategic Vision Report | Sugar Land, Texas

20
26

Acknowledgments

MAYOR & CITY COUNCIL

Carol McCutcheon, Mayor
Jim Vonderhaar, At Large Position 1
Robert Boettcher, At Large Position 2
Suzanne Whatley, District 1
Sanjay Singhal, District 2
Stewart Jacobson, District 3
Rick Miller, Mayor Pro Tem and District 4

CITY MANAGER

Mike Goodrum

PLANNING & ZONING COMMISSION

Matthew Caligur, Chair
Taylor Landin, Vice Chair
Fareena Dawood
Apurva Parikh
Sapana Patel
Mary Smith
Chuck Brown
Randall Hallbrook

CONSULTANT

Town Planning and Urban Design Collaborative (TPUDC)

A SPECIAL THANK YOU

The City of Sugar Land would like to express our gratitude to all the community members, organizations, business owners, friends, and families who participated in the Imperial Historic District Redevelopment Visioning Workshop. Whether you came to a meeting, stopped by open studio, completed a survey, or visited the Project website, your participation helped to inform the creation of this Strategic Vision Plan. Thank you for playing an important role in shaping the vision for the Imperial Historic District.

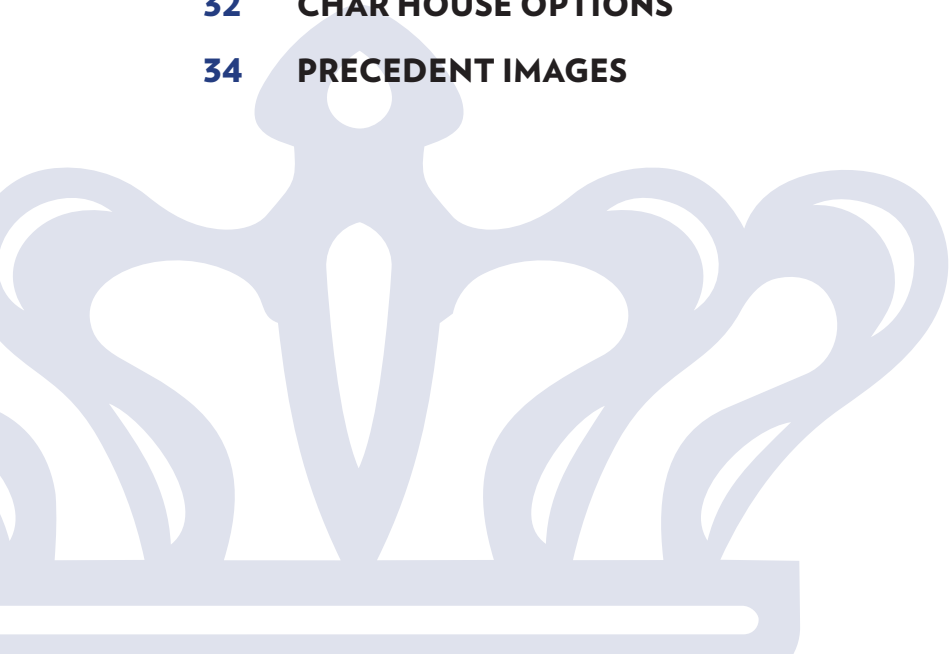
We would also like to thank the T.E. Harman Center and the Sugar Land Heritage Foundation and Museum for hosting the event over the course of several days.





Table of Contents

4	AREA PROFILE & HISTORY
8	SITE ANALYSIS/CURRENT CONDITIONS
16	BACKGROUND INFORMATION SUMMARY
18	VISIONING WORKSHOP SUMMARY
26	VISION STATEMENT & GUIDING PILLARS
32	CHAR HOUSE OPTIONS
34	PRECEDENT IMAGES



WHAT IS THE IMPERIAL HISTORIC DISTRICT STRATEGIC VISION REPORT?

The Imperial Historic District Strategic Vision Report is a high-level summary document that outlines the history of the site, describes public engagement efforts related to the property, and establishes goals for the redevelopment of the District for years to come. It was created for the City to use as a guide when selecting a Master Development Partner, who will also use this Strategic Vision Report to bring the community's vision to life.

WHY NOW?

The City of Sugar Land purchased the Imperial Historic District and surrounding property in June 2025 and involved TPUDC to engage with the community in November 2025 to help the City establish a vision and guiding pillars for the site.



AREA PROFILE & HISTORY

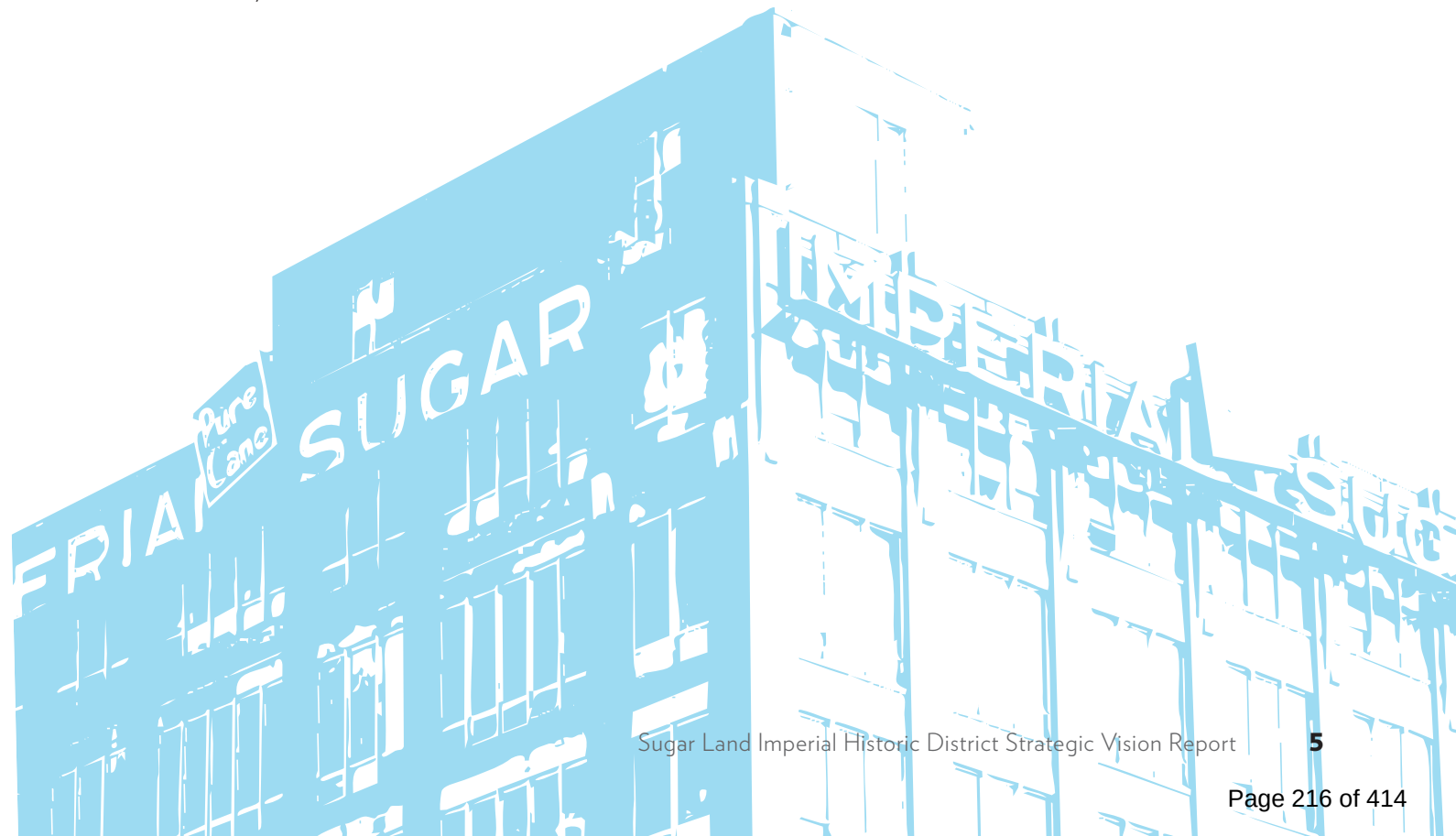
AREA PROFILE

Long before there was the City of Sugar Land, Texas, there was a small company town centered on the Imperial Sugar Refinery. First known as Oakland Plantation in the mid-1800s, the property changed hands multiple times before Isaac H. Kempner and William T. Eldridge purchased it in 1906. Under their leadership, the operation grew from a modest agricultural outpost into a fully developed company town, complete with its very own post office, hospital, general store, school, and fire station. The refinery became the economic engine of the region, shaping early settlement patterns and influencing daily rhythms of life in the community.

As Imperial Sugar expanded, so did the support infrastructure around it. Worker housing, ranging from simple cottages to more substantial residences for managers, lined the streets near the refinery, creating a neighborhood structured around employment hierarchy and proximity to the plant. Civic and social institutions grew organically from the needs of the workforce. Churches, fraternal organizations, a movie theater, mercantile, and recreation facilities emerged alongside essential services, reinforcing the sense of a self-contained community.

The District also reflects the complex history of labor in the Southern United States. Prior to the modern company town era, the site was tied to plantation agriculture and, later, convict-leasing operations, both of which left lasting social and architectural imprints on the area. The evolution into a corporately-run community marked a shift toward a more regulated and stable workforce.

Over time, the built environment of the Imperial Sugar Historic District developed a distinctive character rooted in industrial architecture and early twentieth-century civic design. Brick warehouses, steel-frame structures, and preserved equipment pieces speak to the industrial heritage of this site, while the surrounding civic buildings and workforce residences reveal the company town's social fabric. Today, these elements combine to form a cohesive historic landscape that illustrates the intertwined industrial and community development which preceded modern Sugar Land that over 100,000 people call home.



1828-1838

Stephen F. Austin's secretary, Samuel May Williams, starts growing sugar cane in Northeastern Fort Bend County, Texas on land granted to him by Austin.

Williams' brother, Nathaniel, buys this land and establishes Oakland Plantation with their third brother, Matthew.



1858-1892

The area's first post office is built and later closes in 1886. A second post office opens in 1890.

Convict labor is introduced on the Sugar Land plantations in the 1870s, following the State of Texas' convict leasing system in 1867.

E. H. Cunningham acquires thousands of acres of the site in the 1890s and invests over \$1 million into new industrial facilities and rail infrastructure.

The town's population reaches 500.

1917-1925

Drainage improvements are made on the property.

An elementary school, hospital, and fire station are built.

The Char House is built.

The town's population grows to 2,500.

1843-1853

Matthew Williams forms a sugar mill along Oyster Creek.

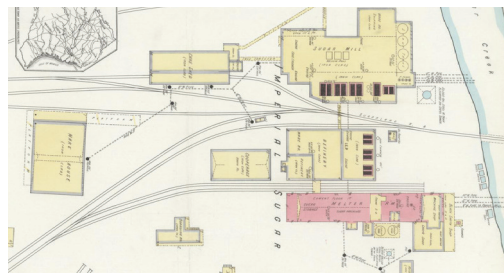
Oakland Plantation is purchased by Benjamin Franklin Terry and William Jefferson Kyle who successfully bring a rail line extension to the property.

1906-1914

Isaac H. Kempner and William T. Eldridge purchase Cunningham's sugar company and plantation land, expanding it into a true company town and naming it "Imperial".

Convict labor is outlawed in the State of Texas.

Industrial growth occurs, but the town's population decreases to 200.



1928

Due to high taxes and plant disease, sugar cane farming permanently comes to a halt in Fort Bend County.

Sources:
City of Sugar Land Historical Timeline
Sugar Land Heritage Foundation

1936-1956

Sugar Land's population decreases due to the Great Depression.

The Kempner Family becomes the sole owners of the company town.

Segregation becomes a common practice, with minority populations being forced to have separated neighborhoods, community facilities, and space for leisure activities.

1964-1989

Sugar Land's population expands from 3,100 in 1964 to almost 20,000 by 1989. Rapid development of master planned communities occurs, including Sugar Creek and First Colony.



2001-2003

Imperial Sugar ceases operations of its Sugar Land refinery in 2003 after filing for bankruptcy two years earlier.

1959

Sugar Land becomes an incorporated city with T.E. Harman as its first mayor.



1990-1999

The Imperial Sugar site continues to operate in Sugar Land while the company expands into other states.

The silos are constructed in 1997.



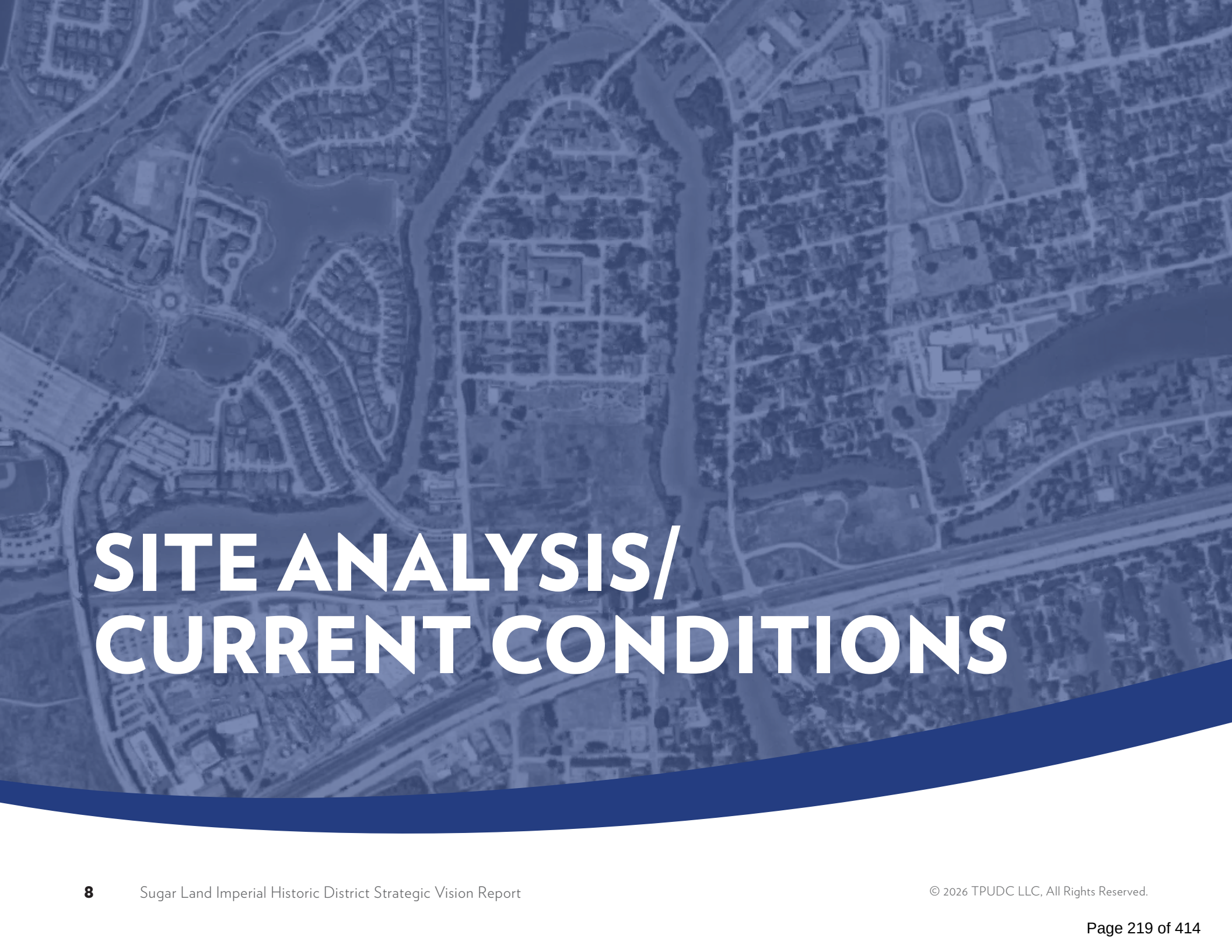
2000

Sugar Land becomes the second-fastest growing city in the State of Texas.



2025

The City of Sugar Land purchases the Imperial Historic District and surrounding property.



SITE ANALYSIS/ CURRENT CONDITIONS

SITE ANALYSIS

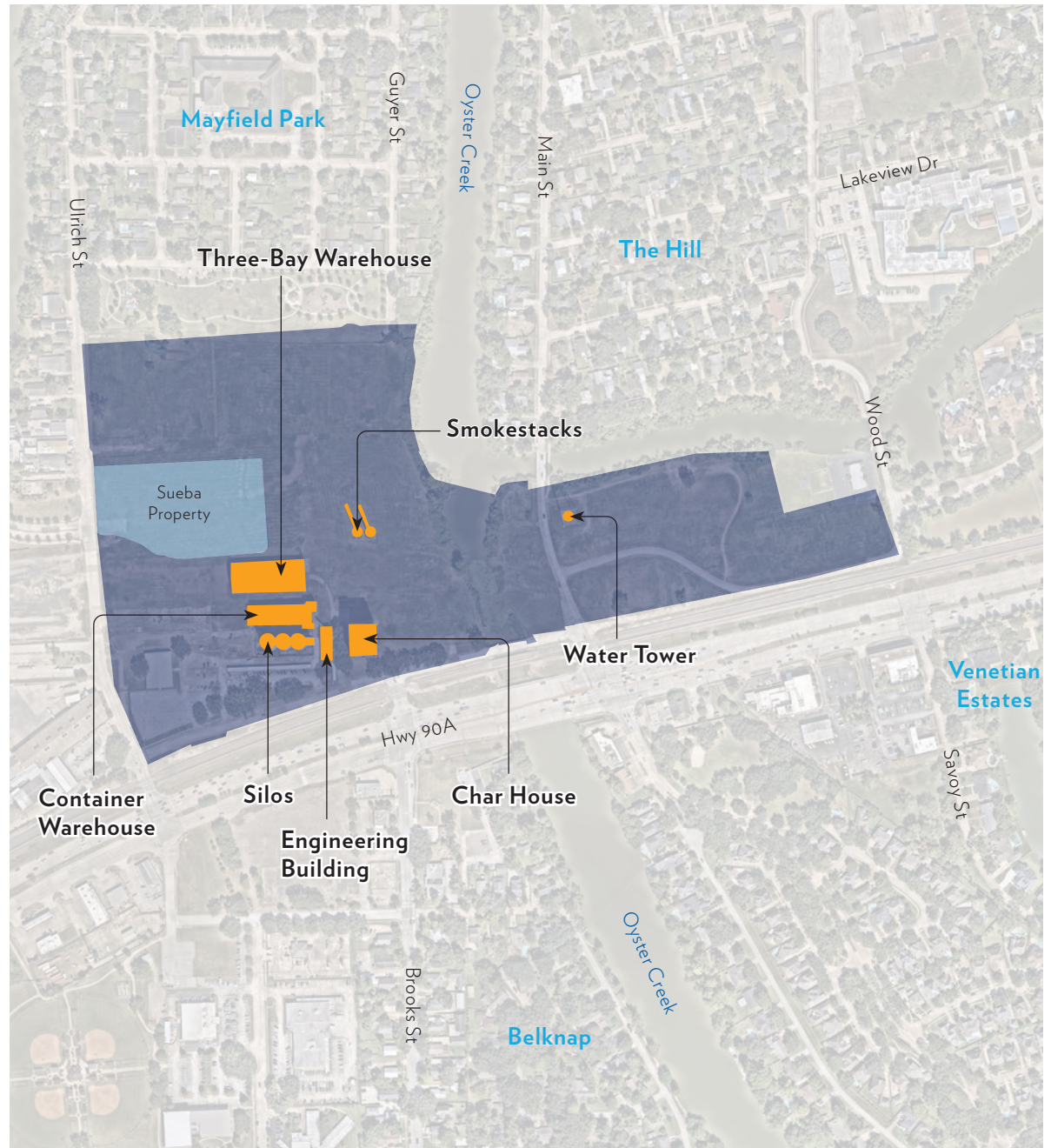
The Imperial Historic District is located in north-central Sugar Land, positioned just north of Highway 90A and east of Highway 6, with Oyster Creek running through the middle of the property and serving as a natural dividing feature. The District sits within an established urban context. To the north lies historic Mayfield Park, one of Sugar Land's earliest residential areas. The Hill neighborhood is immediately to the northeast, characterized by its older single-family housing stock and gridded street pattern. To the west, the Imperial neighborhood consists of a mix of newer residential development, commercial amenities, and Constellation Field. Directly south of Highway 90A are the Belknap and Venetian Estates neighborhoods, both well-established communities with strong local identities. The SLB chemical processing facility (formerly known as ChampionX) also occupies land to the west and forms part of the District's broader industrial surroundings.

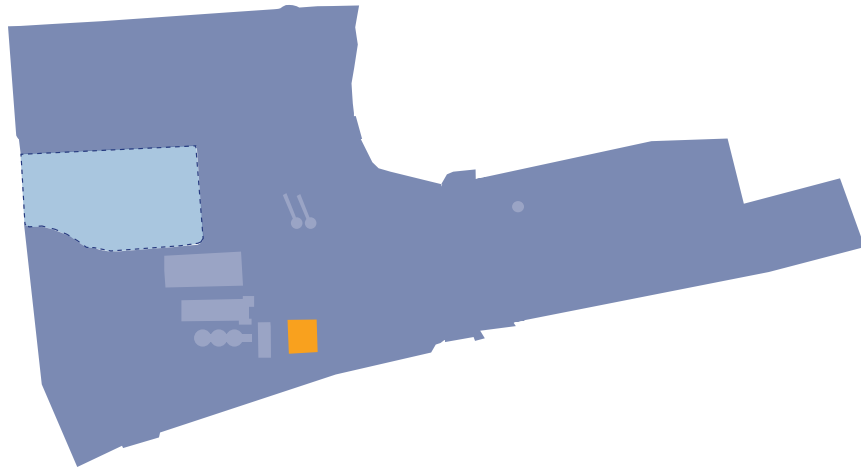
The site encompasses just over 40 acres, with the majority of the land area located to the west side of Oyster Creek. This distribution has shaped circulation patterns and land use within the historic district, concentrating most of the significant buildings, structures, and open spaces on the western portion while the eastern side remains more limited in development.

There are 8 significant resources within the District: 4 buildings and 4 structures that remain from the former Imperial Sugar refinery operations. The contributing historic buildings include the iconic Char House, Engineering Building, Three-Bay Warehouse, and Container Warehouse. The 4 key structures consist of the Silos, two Smokestacks, and a Water Tower. These collectively represent the industrial core of the former refinery and are visually prominent landmarks both within the site and from surrounding communities.

The remainder of the site is composed of a combination of paved parking areas, covered walkways, a pavilion, and grassy areas where additional refinery buildings once stood.

The mixture of standing structures, foundations, and open land forms the site's historic character and offers flexibility for future redevelopment.





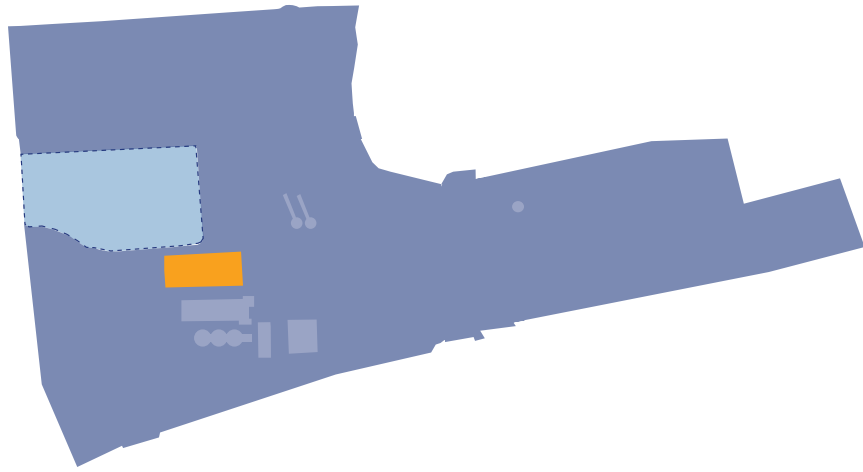
CHAR HOUSE

Undoubtedly the most iconic building in Sugar Land, the Char House has stood as a dominant visual landmark since its construction in 1925. Built with a concrete frame, brick cladding, and aluminum-framed windows, the building reflects the utilitarian character of the early 20th century industrial design. Its eight stories of varying heights create a distinctive silhouette, reinforced by the large Imperial Sugar signs on the south and west cornices. A projection on the sixth floor of the north elevation, known as the “saddlebag,” contributes to the building’s unique profile.

Despite its scale, the Char House operated with a very small workforce. Even at peak production, only about four workers were stationed inside at any time, overseeing the equipment that handled most of the operation. The building served as the center of the sugar refinement process, where raw cane moved through affination, carbonation, decolorization, boiling, crystallization, and recovery. Since the refinery relied on a gravity-fed filtration system, the Char House was constructed around the machinery itself, leaving large holes in the floor once that machinery was removed.

For much of Sugar Land’s early history, the Char House’s towering mass, smokestacks, and illuminated signage functioned as a citywide visual reference point. Today, it remains the most recognizable symbol of the former Imperial Sugar refinery and a defining feature of the District, embodying its industrial heritage.

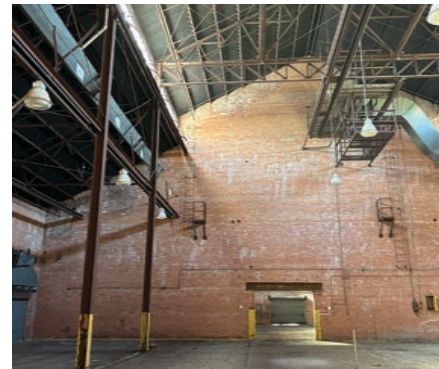


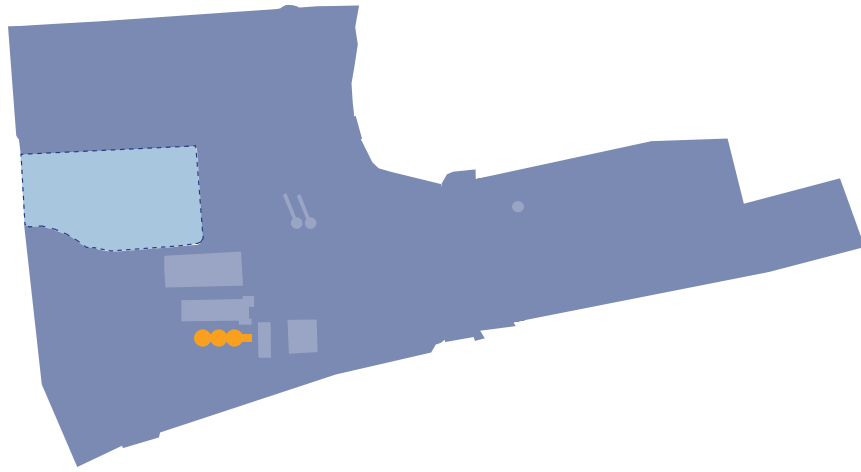


THREE-BAY WAREHOUSE

The Three-Bay Warehouse takes up the largest building footprint on the Imperial Historic District site at 26,000 square feet. It is a rectangular, gabled masonry building that served as the primary storage facility for packaged sugar awaiting distribution. Its design consists of three symmetrical gabled bays, a feature clearly expressed in the roofline and reinforced by structural divisions inside. The warehouse incorporates adequate natural light through large upper windows. Both of the north and south elevations contain twelve truck door openings for loading and distribution.

Although not as visually commanding as the Char House, the Three-Bay Warehouse played an essential role in the refinery's operations, serving as the final stage in the production chain. Its scale, simplicity, and clear industrial function make it a key contributing building within the Imperial Historic District and an important reminder of the logistical backbone that supported the refinery's output.

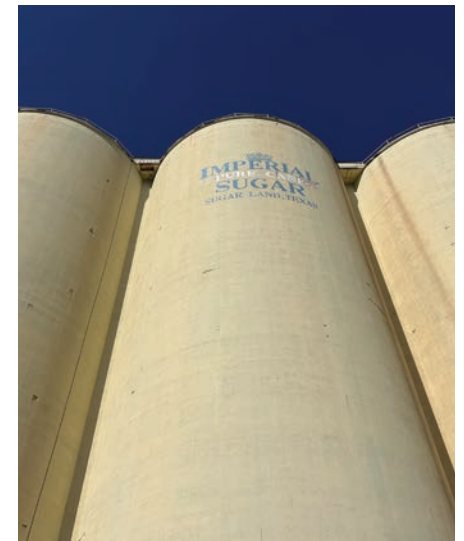


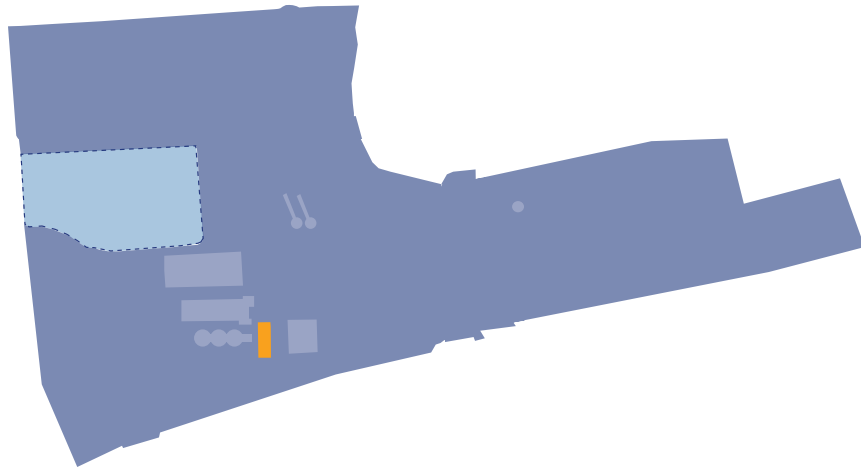


SILOS

Prominently positioned within the Imperial Historic District are three connected cylindrical concrete silos that rise to a height of approximately 150 feet. The central silo features the large Imperial Sugar logo, making the trio one of the most recognizable visual elements on the site. Constructed in 1997, the silos fall outside the District's period of historical significance and are therefore considered non-contributing structures. However, they played an important role in the final few years of the refinery operations and remain a defining part of the industrial skyline. Collectively, the silos stored nearly 12,000 tons of granulated sugar, functioning as critical large-capacity holding units.

In active use, the silos served as the major buffer point between the refinery's processing stages and its packaging and distribution systems. Once raw sugar was clarified, filtered, and crystallized in the Char House, it was conveyed into the silos for bulk storage. This step allowed the facility to maintain consistent output levels even when upstream or downstream processes varied. Their enclosed construction also protected the sugar from moisture, dust, and contamination, ensuring uniform quality and compliance with food safety standards. From the base of the silos, sugar could be routed directly into bagging machinery, loaded into railcars or trucks, or moved to other parts of the refinery to meet production needs. Though relatively modern, the silos reflect the scale and efficiency of late-twentieth-century sugar refining and continue to shape the visual and functional character of the site.





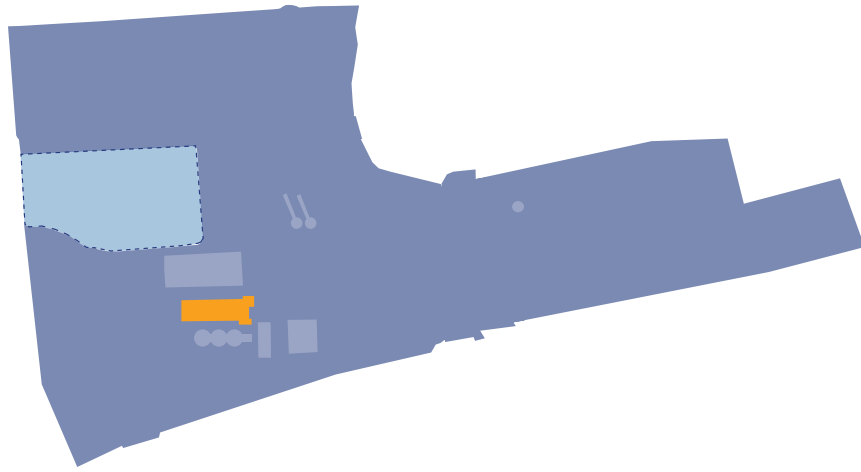
ENGINEERING BUILDING

The Engineering Building is a modest two-story brick building situated between the Char House and the later-built silos, occupying a central location within the refinery complex. Its straightforward industrial design includes a flat metal roof and simple rectangular footprint, with the front elevation lined by a covered walkway. Although unassuming in appearance, the building played an important administrative and technical role in the day-to-day operations of Imperial Sugar.

Historically, the payroll department was housed in this building, and employees would line up at a designated window on the ground floor to collect their paychecks. Research and development was also in the Engineering Building, along with other administrative offices.

While not as architecturally prominent as the Char House or three-bay warehouse, it contributed significantly to the organizational infrastructure that allowed Imperial Sugar to function as a large, coordinated operation. Its continued presence offers insight into the behind-the-scenes administrative and technical work that sustained the refinery for decades.





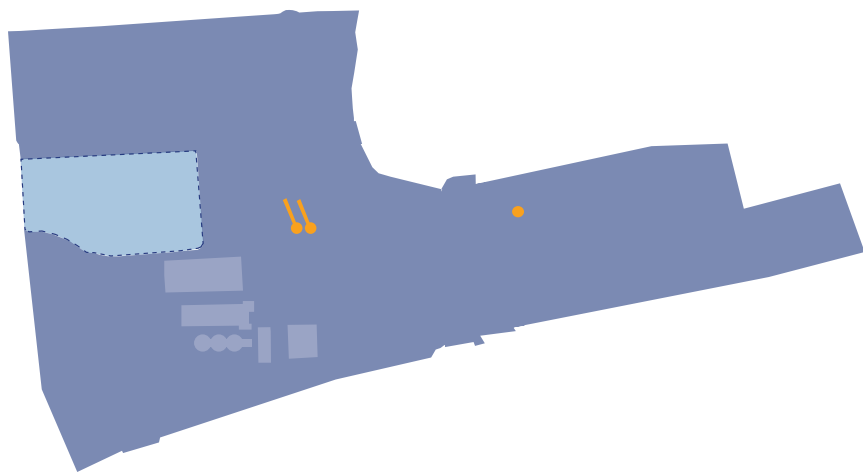
CONTAINER WAREHOUSE

The Container Warehouse strategically sits between the Three-Bay Warehouse and the silos. Built prior to 1950, the building reflects the practical, durable design typical of mid-1900s industrial facilities. Its uncomplicated form and masonry construction were well suited for the heavy, long-term use associated with equipment storage.

The Container Warehouse served as the primary storage space for packaging equipment used throughout the refinery. This included machinery, replacement parts, and specialized tools associated with the bagging, boxing, and handling of finished sugar products. Its proximity to both the Three-Bay Warehouse and the silos allowed for efficient movement of equipment and materials between storage, processing, and distribution areas. Although not the largest of the site's industrial buildings, the Container Warehouse played a vital role in maintaining operations and ensuring packaging liens could be kept in continuous service.

In 2016, the Sugar Land Heritage Foundation & Museum and the Fort Bend Children's Discovery Center moved into the Container Warehouse after it underwent significant renovations and expansion. This transformation introduced new public-facing uses to the former industrial building, preserving its exterior character while converting the interior into an educational and cultural space.

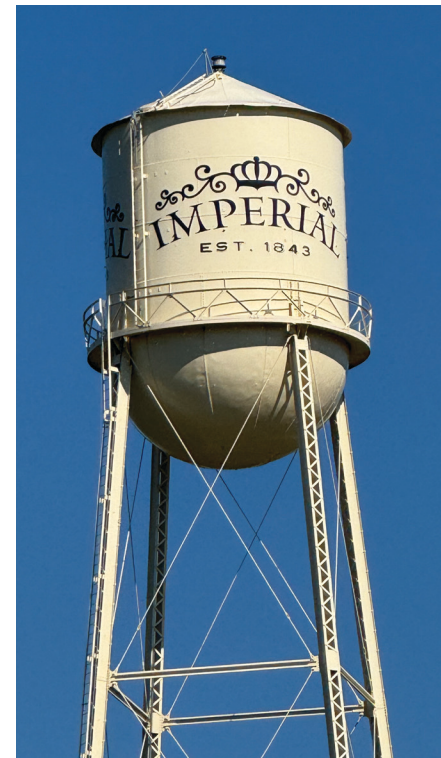




WATER TOWER & SMOKESTACKS

The Water Tower stands just east of the Char House across Oyster Creek and has long been one of the most significant vertical elements of the Imperial Sugar site. Constructed in 1925 to support expanding operations of the company, the tower provided essential water pressure for both daily industrial use and fire protection. Its elevated tank and lattice-style support frame exemplify early 1900s industrial infrastructure designed for durability and efficiency.

The two towering Smokestacks adjacent to the Char House and former power plant building are among the most dramatic remnants of the refinery's past. Built as part of the facility's steam and power generation system, the stacks once vented emissions from the boilers that supplied energy for sugar processing equipment throughout the complex. Their tall, cylindrical forms were engineered for maximum draft efficiency, allowing heat and exhaust to rise quickly and disperse high above the site. For much of the 20th century, the smokestacks were visible markers of the refinery's activity, signaling to residents that production was underway. Although no longer operational, the stacks remain powerful visual symbols of the heavy industrial processes that shaped Sugar Land's economy and continue to define the skyline of the District.



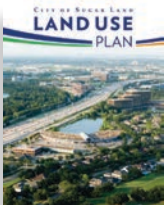
The background image is a blue-tinted photograph of a historic industrial site. On the left, a large, multi-story brick building with the words "IMPERIAL SUGAR" visible on its upper facade stands prominently. In the foreground, a white wooden bridge with a decorative railing spans a body of water. The water reflects the bridge and the buildings in the background. To the right of the bridge, a small boat is visible on the water. The overall scene is a mix of industrial and historic architecture.

BACKGROUND INFORMATION SUMMARY



VISION 2025: SUGAR LAND COMPREHENSIVE PLAN (2012)

In 2012, the City of Sugar Land adopted “Vision 2025: Sugar Land Comprehensive Plan” (Chapters 1-5), a strategic long-range policy document, to guide the City’s growth and development for the next 10+ years. This Plan establishes a vision statement for the City and outlines 11 goals to become a more inclusive, environmentally-responsible, economically attractive, balanced, and connected community. A top priority in the 2012 Comprehensive Plan is to create “destination activity centers,” with an emphasis on redevelopment of the Imperial Sugar site as a mixed-use community. The document emphasizes preservation of the Char House, Three-Bay Warehouse, and water tower and continuance of historical themes throughout the development (see the Imperial Sugar / Tract 3 General Plan on page 40).



CITY OF SUGAR LAND LAND USE PLAN (2018)

The Land Use Plan for the City of Sugar Land is one of several components of the 2012 Comprehensive Plan described above. It is also sometimes referred to as “Chapter 6” of the Comprehensive Plan, as it gives further direction on development and redevelopment in the City. There are 10 goals in the Land Use Plan that reinforce those of the Comprehensive Plan: Preserving Single-Family Neighborhoods, Creating Mixed-Use Activity Centers, Encouraging Residential Options, A Great Place for Businesses, Amenities for All, Inviting Outdoor Spaces, Connected Land Uses, Balanced Growth, Fostering Redevelopment, Celebrate Sugar Land.

In the Land Use Plan, 2.6% of the City’s land is designated as Redevelopment Area, with one of those being the former Imperial Sugar complex. Additionally, the site’ classified Future Land Use is Regional Activity Center (RAC), which is described as a walkable place offering a mix of uses that attract not only regional visitors but also employers. The Imperial RAC is comprised of the Imperial Historic District, Constellation Field, the now-built Imperial at Sugar Land community, Overture, and Talyard Brewing Co. The area is envisioned to preserve and reuse the Char House and surrounding historic Imperial buildings to complement new future retail, office, and entertainment uses. It calls for new buildings to match the character of existing industrial buildings, and requires that view corridors of the Char House are protected. For details, please see pages 82-83 of the Land Use Plan.



URBAN3 STUDY (2023)

In 2023, the City of Sugar Land consulted with Urban3 for site-specific scenario planning and analysis of the City on a value per acre basis, showing where redevelopment makes the most sense. As apart of the study projections were calculated for the 40-acre Imperial Redevelopment site. The scenario assumed retail/office, multi-family, and office uses in the potential redevelopment, generating a total projected taxable value of \$444 million, compared to its current total taxable value of \$3 million. This study reinforces the importance of establishing an economically viable district with a mix of uses that generates revenue for the City.



IMPERIAL CHAR HOUSE HISTORIC DISTRICT MARKET & FEASIBILITY ANALYSIS (2025)

The City contracted a land economics firm to conduct a market study for the Imperial Historic District in May 2025. Existing socioeconomic conditions were examined for the City and area immediately surrounding the District. This analysis found that the most feasible near-term uses for the site are neighborhood retail, townhomes, and low- and mid-density apartments. It was determined that hotel, office, and high-density residential uses would be the least feasible in the near term due to post-COVID workplace shifts, hotels currently in the City’s pipeline, and the potential need for structured parking that would increase construction costs.



VISIONING WORKSHOP SUMMARY

SUMMARY

From Monday, November 3 to Thursday, November 6, 2025, the City of Sugar Land and Town Planning and Urban Design Collaborative (TPUDC) hosted the Imperial Historic District Redevelopment Visioning Workshop, which was a multi-day public workshop and participatory process where all members of the community got to work directly with a planning team to shape the future vision of the Imperial Historic District. Presentations, topical meetings, a hands-on mapping workshop, and pop-up design studio were all open to the public.

All events were promoted weeks in advance by the City, using print materials, press releases, local news stories, mailers, and social media. Every element of this public process was held either on the District at the Sugar Land Heritage Foundation and Museum, or within walking distance to the District at the T.E. Harman Center.

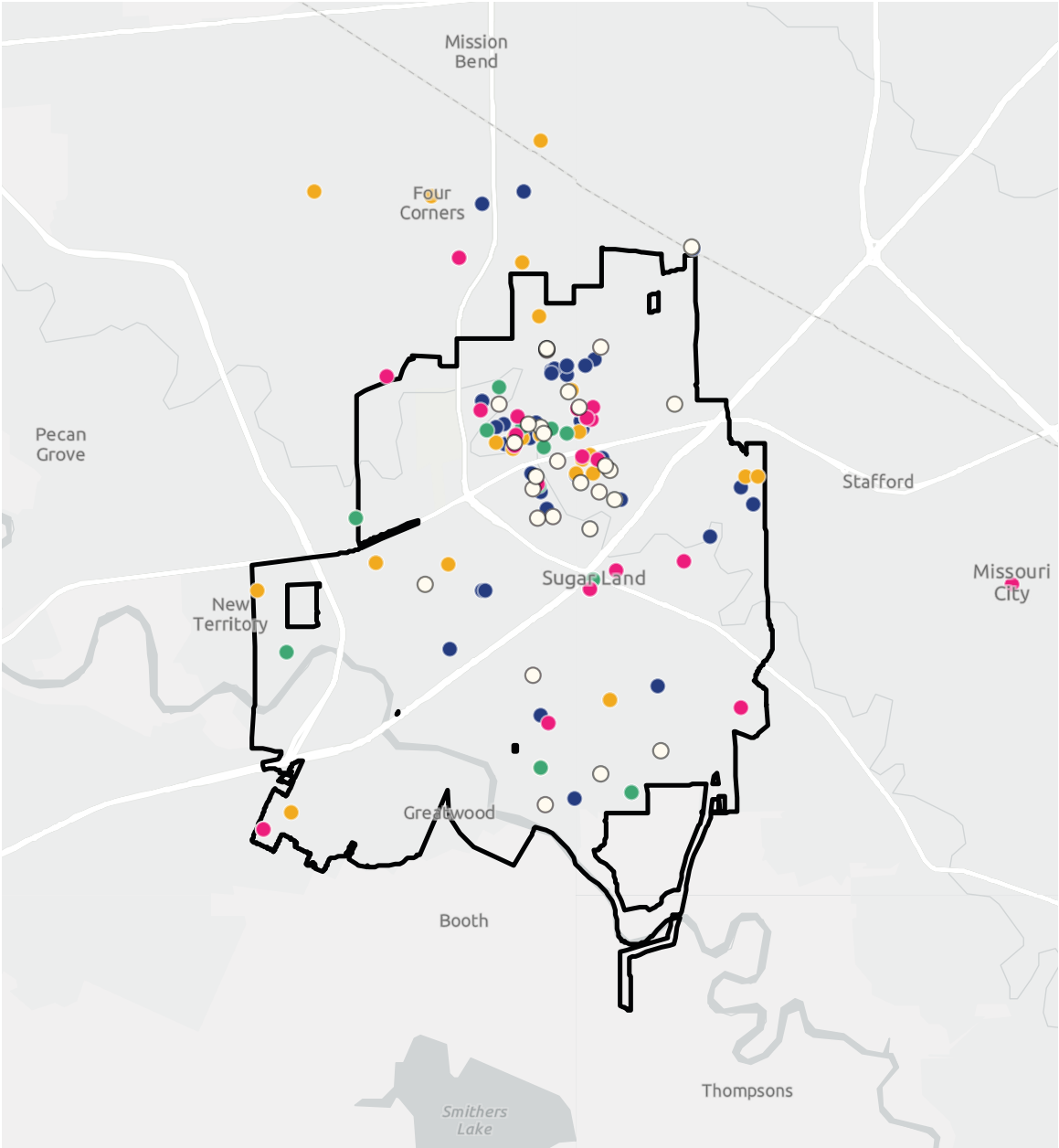
360

Attendees across all four days

- Opening Presentation Attendees 11/3/25
- Topical Meeting 1 Attendees 11/4/25
- Topical Meeting 2 Attendees 11/5/25
- Topical Meeting 3 Attendees 11/5/25
- Closing Presentation Attendees 11/6/25
- Sugar Land City Limits

Each dot indicates an attendee's home address.

Visioning Workshop Attendees



MARKETING

The City’s Department of Redevelopment launched a robust public relations and community engagement strategy ahead of the visioning sessions to increase awareness and promote the opportunity to generate as much participation as possible. Outreach was inclusive of strategic press releases and media relations, paid advertising, and grassroots marketing.

Paid Ads

136,649

Impressions

Earned Media

2.4m

Reach



Social Media

170k

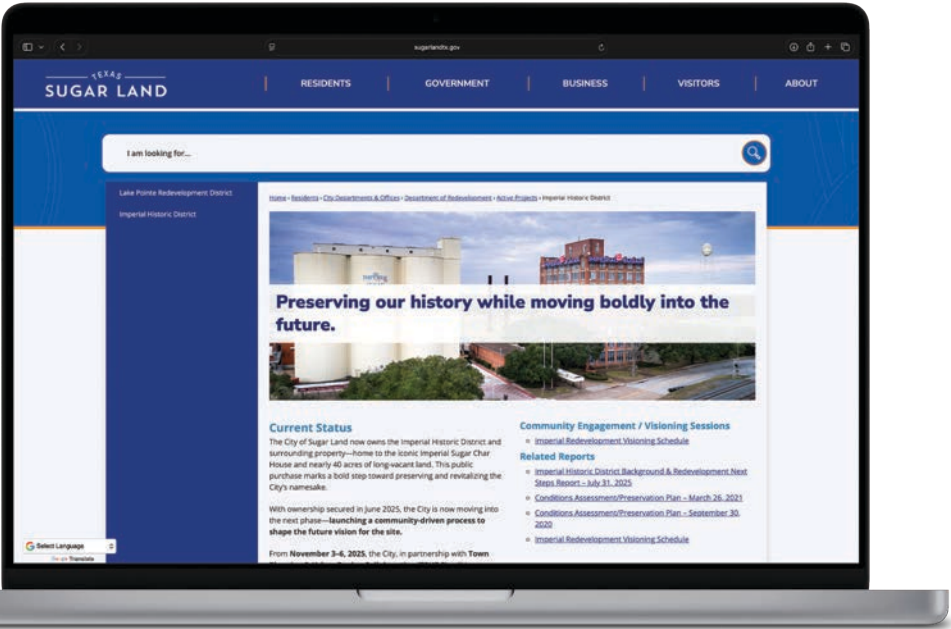
Views

Yard Signs

25

Banners

3



SUGAR LAND

IMPERIAL HISTORIC DISTRICT REDEVELOPMENT VISIONING

NOVEMBER 3-6, 2025

This four-day community engagement series, hosted by the City of Sugar Land with Town Planning & Urban Design Collaborative (TPUDC), is your chance to help shape the future of the Imperial Historic District. Share your input on what redevelopment should look like by joining interactive workshops and presentations to help define a vision for this historic site.

MON NOV. 3

6:30-8:30 PM

Opening Presentation

LOCATION A

TUE NOV. 4

9 AM - 7 PM

Open Studio*

7 - 8 PM

Topical Meeting 1: History, Culture & Arts

LOCATION B

WED NOV. 5

9 AM - 5 PM

Open Studio*

12 - 1 PM

Topical Meeting 2: Working, Biking & Driving

7 - 8 PM

Topical Meeting 3: Housing, Rural Use & Public Space

LOCATION B

THU NOV. 6

9 AM - 12 PM

Open Studio*

6:30-8:30 PM

Closing Presentation

LOCATION A

*Open Studio is time available for community members to have one-on-one conversations with the planning team.

LOCATION A

T.E. Hurman Center

232 Heritage Way, Sugar Land, TX 77478

LOCATION B

Heritage Museum

108 Kautner Street, Sugar Land, TX 77478

COMMENT CARD

CITY OF SUGAR LAND TEXAS

SCAN THE QR CODE FOR MORE INFORMATION

OPENING PRESENTATION

On the first night of the Workshop, TPUDC hosted an Opening Presentation at T.E. Harman Center, which involved a general overview of the Imperial Historic District, changing preferences for development and redevelopment around the country, and a glimpse into how the rest of the Workshop would work. TPUDC Principal, Brian Wright, presented to around 100 people.



HANDS-ON WORKSHOP

Following the Opening Presentation, participants were invited to contribute their ideas in a Hands-On Workshop, working over maps of the District to identify how they might like to see the Site develop in the future, what features of the site they want to preserve, and what challenges should be addressed. This interactive process provided a preliminary inventory and assessment of issues and opportunities based on the concerns of the public who participated in the workshop. Each of the sixteen tables presented their “big ideas,” followed by a Question & Answer session led by Brian Wright. Examples of the workshop maps are included in page 24.



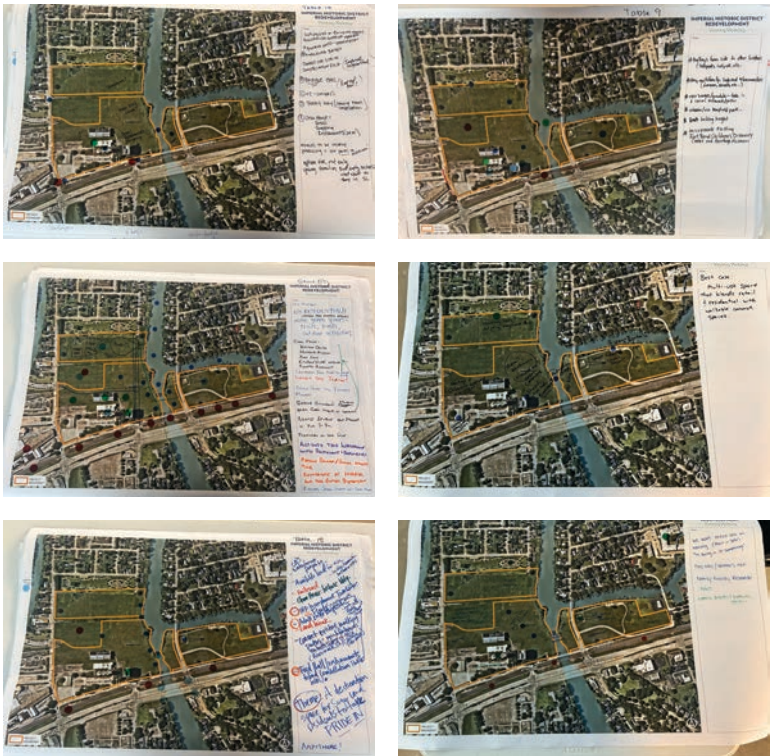
TOPICAL MEETINGS

Over the next two days of the Workshop, three topical meetings were held. The first meeting was on the evening of Tuesday, November 4th to talk about History, Culture, and Arts. The following Wednesday afternoon meeting was about Walking, Biking, and Driving, and the final topical meeting Wednesday night covered Housing, Mixed-Use, and Public Space. Each meeting was well-attended and involved respectful and meaningful conversations.



OPEN STUDIO

Over the course of the Visioning Workshop, the TPUDC Team set up a temporary planning studio at the Sugar Land Heritage Museum in the Imperial Historic District. Any resident, business owner, or public official who wished to participate was welcome to drop in at their convenience during Open Studio hours and provide comments, suggestions, or simply hear what other participants have said. All maps from the Hands-On Mapping Workshop were hung up for people to look at, along with blank maps for anyone who missed the mapping exercise to mark up as desired. The studio was open from Tuesday morning to Thursday afternoon, and ran concurrently with the three Topical Meetings.



WORK-IN-PROGRESS CLOSING PRESENTATION

On the final night of the Visioning Workshop, TPUDC’s Brian Wright conducted a Work-In-Progress Presentation, synthesizing feedback that was received throughout the week, along with precedent images from exemplary projects mentioned by Workshop participants throughout the week. The reception was positive overall and participants were eager to hear about next steps for the Imperial Historic District redevelopment process. The evening concluded with a Q&A session.





VISION STATEMENT & GUIDING PILLARS

The City of Sugar Land now owns the Imperial Historic District and surrounding property, which is home to the iconic Imperial Sugar Char House and nearly 40 acres of long-vacant land. This public purchase marks a bold step in preserving and revitalizing the City's namesake. The draft Vision Statement and proposed Guiding Pillars presented here reflect community feedback and will guide the City and a Master Development Partner through a thoughtful redevelopment process rooted in shared values.

IMPERIAL HISTORIC DISTRICT

VISION STATEMENT

Create an authentically Sugar Land District that's rooted in the history of the City and designed for the future.

GUIDING PILLARS



TELL THE STORY

A place that adapts the District's historic buildings in ways that preserve its industrial character and cultural heritage while positioning the site for a bold and vibrant future.



CREATE A LIVING DISTRICT

A place that is lively throughout the day and evening, fueled by food, events, and local experiences.



DESIGN FOR GATHERING

A place that is welcoming, where all ages and backgrounds gather and feel at home.



CONNECT & ENHANCE MOBILITY

A place that is walkable, well-connected, integrates Oyster Creek and surrounding neighborhoods, and is easy to get to and move through.



TELL THE STORY

Sugar Land residents desire for the Imperial Historic District to present an accurate and balanced account of the site's history that respectfully addresses both the difficult chapters and achievements.

WHAT COULD THIS LOOK LIKE?

Ensuring the District's story reflects and respects well-established communities surrounding the site, including Mayfield Park.

Including oral histories, refinery artifacts, and archives from local families and past company employees throughout the District in public spaces, art, self-guided tours, interpretative signage, and other means.





CREATE A LIVING DISTRICT

The community wants the District to provide a mix of both daytime and nighttime activities and experiences, which aligns with the City's desires of a profitable and revenue-generating development.

WHAT COULD THIS LOOK LIKE?

Encouraging neighborhood-scale uses to create a balanced District that supports residents and visitors alike.

Bringing in a mix of income-generating and experiential businesses, along with office spaces and a mix of housing to increase foot traffic.





DESIGN FOR GATHERING

Sugar Land is longing for a place that embraces the City's diversity and reinforces the bonds of its residents.

WHAT COULD THIS LOOK LIKE?

Providing spaces and activities to engage all ages, from children to senior citizens and everything in between.

Accommodating various lifestyles and preferences by incorporating a variety of housing options throughout the District such as live/work buildings, townhomes, and multi-family apartments.





CONNECT & ENHANCE MOBILITY

The community wants to ensure that any redevelopment in this area will connect to existing developments and improve traffic circulation.

WHAT COULD THIS LOOK LIKE?

Linking the District to the Imperial neighborhood, Mayfield Park, The Hill, Constellation Field, and development across Highway 90A, and creating continuous shaded sidewalks with street trees, awnings, and colonnades, safe crossings, and multi-modal access.

Exploring non-vehicular options to safely access and move throughout the Imperial Historic District, such as shuttle buses, pedestrian bridges, bicycle infrastructure, and waterway activation.

Improving way-finding signage to ensure optimal distribution of traffic in and out of the District through the multitude of access points to the property.



A photograph of the Imperial Sugar building, a multi-story industrial-style structure with a grid of windows. The words 'IMPERIAL SUGAR' are visible on the upper part of the building. A large, white, sans-serif text overlay reads 'CHAR HOUSE OPTIONS'. The entire image has a blue color cast, and a thick blue wavy line runs across the bottom.

CHAR HOUSE OPTIONS

CHAR HOUSE OPTIONS

The most common question throughout the Visioning Workshop was, “What would happen to the Char House?,” considering its history and eye-catching presence on the site. The prevailing sentiment was that the building should be preserved and activated.

On November 18, 2025, City Council approved a contract with Urbano Architects to begin preservation design work for the 100-year-old Char House. The initial phase focuses on critical roof, window, and structural repairs needed to stop deterioration and prepare the building for future reuse. On-site preservation work is anticipated to begin in April 2026 and continue for 18–24 months.

In addition to strong support for preservation, participants shared ideas about potential future uses that would be nice to see. The ideas listed in this section reflect the most commonly expressed suggestions. However, many unknowns remain, and additional studies will be required to evaluate building conditions, market demand, and financial feasibility of these ideas. Should any of these ideas prove unfeasible for the Char House itself, they may still be realized in other ways across the site.

MUSEUM

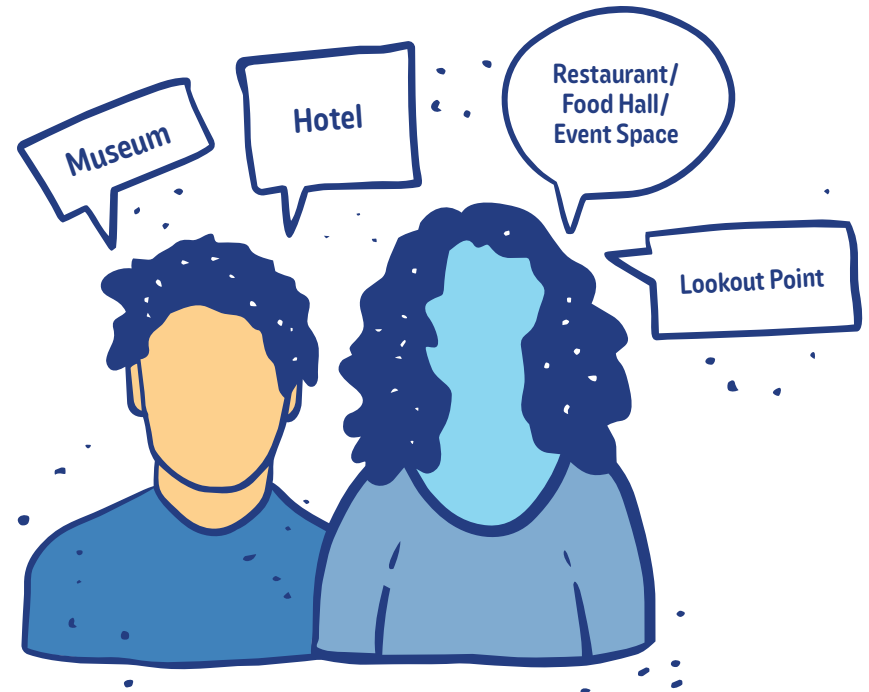


The most frequent suggestion by participants was a history-focused use inside the Char House. Participants suggested creating a museum on the ground floor with rotating exhibits to keep it from being a one-time-only attraction. They mentioned incorporating artifacts and stories that have been collected by the Sugar Land Heritage Foundation Museum and Fort Bend ISD/Sugar Land 95 Memorial Project. When asked why participants envisioned a museum, most said it was because they could not think of any other potential uses. It should also be noted that there is already a museum in the District.

HOTEL



The May 2025 Market & Feasibility Analysis found that a hotel use within the Imperial Historic District should not be recommended in the near term. However, during the workshop, participants repeatedly brought up converting the Char House into a boutique hotel. While not currently feasible due to the market, this could be a potential longer-term use. Participants noted that a hotel use could be combined with the other uses mentioned in this section to attract visitors and integrate well into a mixed-use activity center.



RESTAURANT/FOOD HALL/ EVENT SPACE



There was a strong desire to bring more local restaurants into the Imperial Historic District, and the idea of a rooftop restaurant was commonly mentioned, with the option to convert into a private event space. Similarly, adapting the Char House into a multi-level food hall for independent/ local concept restaurants was introduced as a potential use. However, the Three-Bay Warehouse’s layout better lends itself to a food hall and event space.



LOOKOUT POINT

Some workshop participants had no opinion on the Char House’s future, other than opening the rooftop to the public for providing exceptional views of the City of Sugar Land.

As preservation of the Char House begins and additional necessary studies are conducted, the City will partner with a private developer to identify the best and most feasible future for this iconic building.



PRECEDENT IMAGES

PRECEDENT IMAGES

Throughout the 4-day visioning workshop, participants identified other projects and cities that could be used as precedent for the redevelopment of the Imperial Historic District. The images highlight the community’s goals to celebrate the history of Imperial Sugar and foster a lively district filled with public gathering spaces, entertainment, retail, flexible and creative workspaces, and living spaces.



PRECEDENT IMAGES



PRECEDENT IMAGES



PRECEDENT IMAGES



PRECEDENT IMAGES

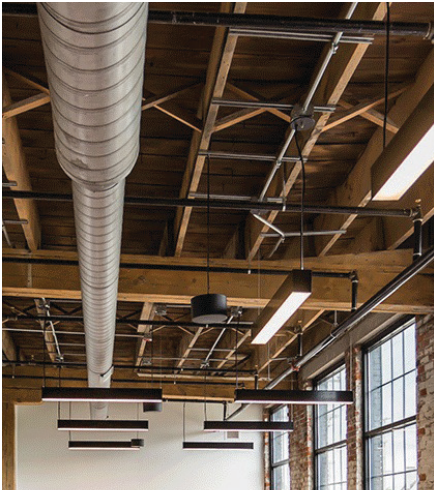


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Front Cover: City of Sugar Land. Image of Imperial Historic District. (n.d.).

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Pg. 11: TPUDC. Project images. (2025).

Pg. 12:

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Pg. 13: TPUDC. Project images. (2025).

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Pg. 14: TPUDC. Project images. (2025).

Pg. 15: TPUDC. Project images. (2025).

Pg. 16: <https://sugarlandecodev.com/project/imperial-historic-district>

Pg. 17: City of Sugar Land. Project photo. (n.d.).

Pg. 18-25:

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Pg. 26: TPUDC. Project images. (2025).

Pg. 28:

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Pg. 32: Community Impact. Sugar Land Historic District Feedback Overview. (2025). <https://communityimpact.com/houston/sugar-land-missouri-city/government/2025/11/10/sugar-land-residents-desire-preserving-elements-in-imperial-historic-district-feedback-shows/>

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City Council Agenda Request January 20, 2026

Agenda Request No: X.A.

Agenda of: City Council Meeting

Initiated by: Jennifer Alexander, Business Development Manager

Presented by: Jennifer Alexander, Business Development Manager

Responsible Department: Economic Development

Agenda Caption:

PUBLIC HEARING 5:30 P.M.: Receive and hear all persons interested in an ordinance authorizing participation in the Texas Enterprise Zone Program and nominating Applied Optoelectronics, Inc. as an Enterprise Project.

FIRST CONSIDERATION: Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2400:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING PARTICIPATION IN THE TEXAS ENTERPRISE ZONE PROGRAM AND NOMINATING APPLIED OPTOELECTRONICS, INC. AS AN ENTERPRISE PROJECT.

Recommended Action:

Hold a public hearing and approve on first reading of Ordinance No. 2400, authorizing the City's participation in the Texas Enterprise Zone Program pursuant to the Enterprise Zone Act, Chapter 2303, Texas Government Code (ACT), providing tax incentives, designating a liaison for communication with interested parties, and nominating Applied Optoelectronics, Inc. to the Office of the Governor Economic Development & Tourism (EDT) through the Economic Development Bank (BANK) as an Enterprise Project (PROJECT).

Executive Summary:

Applied Optoelectronics, Inc. (AOI) is a long-standing Sugar Land employer and global leader in the design and manufacturing of fiber-optic network products used in broadband, data center, and telecommunications applications. Founded in 1997 out of the University of Houston, AOI established its corporate headquarters in Sugar Land in 2000 and completed a major headquarters expansion in 2016. The company continues to innovate in advanced manufacturing and photonics, serving many of the world's largest internet and cable service providers. Through a strategic partnership with Microsoft to produce custom data center chips, AOI is positioning both the company and Sugar Land at the forefront of next-generation AI and semiconductor manufacturing.

AOI is making a total capital investment of approximately \$150 million to expand its operations at 1111 Gillingham Lane, representing a significant onshoring of advanced manufacturing capacity. The project includes a 200,000-square-foot facility and will create 500 new primary jobs with an average annual salary of \$61,240. Upon completion, the facility is expected to represent the largest U.S.-based manufacturing capacity for AI-focused data center transceivers, further strengthening Sugar Land's role in the advanced manufacturing and semiconductor supply chain.

To support AOI's expansion and its pursuit of state-level economic development incentives, staff is recommending the City's participation in the Texas Enterprise Zone Program, and the nomination of AOI as an Enterprise Project. Enterprise Zone nomination is a critical eligibility requirement for the company to apply for state sales and use tax refunds administered through the Office of the Governor. These incentives are performance-based and awarded by the State of Texas to projects that demonstrate substantial capital investment and job creation.

AOI qualifies as a Double Jumbo Enterprise Project, with a \$150 million capital investment and 500 new jobs. By nominating AOI, the City is formally supporting the company's application for this competitive state incentive, reinforcing Sugar Land's commitment to retaining and expanding high-value employers.

The proposed action will support significant new capital investment, promote high-wage job creation, and advance the City's long-term economic development goals. Participation in the Enterprise Zone Program positions Sugar Land as a proactive partner in facilitating state resources for transformative projects while strengthening the City's tax base and long-term economic vitality.

The Economic Development Department recommends that City Council hold a public hearing and approve on first reading Ordinance No. 2400, authorizing the City's participation in the Texas Enterprise Zone Program pursuant to Chapter 2303, Texas Government Code; designating a liaison for program coordination; and nominating Applied Optoelectronics, Inc. to the Office of the Governor Economic Development & Tourism as an Enterprise Project.

Budget

Expenditure Required: N/A

Current Budget: N/A

Additional Funding: N/A

Funding Source: N/A

Account Number (ORG-OBJ-Project): N/A

Attachments

1. 1.1 Enterprise Zone Ordinance (AOI) rev 12-23-25
2. Notice of Public Hearing - Enterprise Zone

ORDINANCE NO. 2400

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE CITY'S PARTICIPATION IN THE TEXAS ENTERPRISE ZONE PROGRAM PURSUANT TO THE TEXAS ENTERPRISE ZONE ACT, CHAPTER 2303, TEXAS GOVERNMENT CODE (ACT), PROVIDING TAX INCENTIVES, DESIGNATING A LIAISON FOR COMMUNICATION WITH INTERESTED PARTIES, AND NOMINATING APPLIED OPTOELECTRONICS, INC. TO THE OFFICE OF THE GOVERNOR ECONOMIC DEVELOPMENT & TOURISM (EDT) THROUGH THE ECONOMIC DEVELOPMENT BANK (BANK) AS AN ENTERPRISE PROJECT (PROJECT).

WHEREAS, the City Council of the City of Sugar Land, Texas (City) desires to create the proper economic and social environment to induce the investment of private resources in productive business enterprises and to provide employment to residents from an enterprise zone; and

WHEREAS, the project or activity is not located in an area designated as an enterprise zone; and

WHEREAS, pursuant to Chapter 2303, Subchapter F of the Act, Applied Optoelectronics, Inc. has applied to the City for designation as an enterprise project; and

WHEREAS, at the election of City Council, certain local incentives are available to Applied Optoelectronics, Inc. as a qualified business that will create a higher level of employment, economic activity and stability; and

WHEREAS, a public hearing to consider this ordinance was held by the City Council on January 20, 2026; NOW, THEREFORE;

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS:

Section 1. That it nominates Applied Optoelectronics, Inc. for double jumbo enterprise project status.

Section 2. That the following local incentives, at the election of the City Council, are or will be made available to the nominated project or activity of the qualified business:

1. The City may establish a reinvestment zone and abate taxes on the increase in value of real property improvements and eligible personal property for up to ten (10) years for qualifying projects under the requirements of the City of Sugar Land Guidelines and Criteria for Granting Tax Abatement Agreements (Tax Abatement Guidelines). The level of abatement shall be based upon capital investment, and the extent to which the business receiving the abatement creates jobs for qualified employees, in accordance

with the Tax Abatement Guidelines and with qualified employee being defined by the Act.

2. The City may provide business and industrial development services, including:
 - a. Grants to eligible companies through the City's 4A sales tax corporation;
 - b. Chapter 380 tax rebates for qualifying projects that significantly enhance the City's tax base as provided in the City's policies;
 - c. Establishment of a Tax Increment Reinvestment Zone;
 - d. Creation of stream-lined permitting and problem resolution centers or ombudsmen;
or
 - e. Promotion and marketing services.
3. The City may provide regulatory relief to businesses, including:
 - a. Zoning changes or variances; or
 - b. Streamlined permitting.
4. The City may provide enhanced municipal services to businesses, including:
 - a. Improved police and fire protection; or
 - b. Institution of community crime prevention programs.
5. The City may provide improvements in community facilities, including:
 - a. Capital improvements in water and sewer facilities;
 - b. Road repair;
 - c. Creation or improvement of parks; or
 - d. Creation of other venues, such as museums, conference centers, etc.
6. The City, in partnership with other regional entities, may provide job training and employment services to businesses, including:
 - a. Retraining programs;
 - b. Literacy and employment skills programs;
 - c. Vocational education; or
 - d. Customized job training.

Section 3. That any enterprise zone areas created within the City are reinvestment zones in accordance with the Texas Tax Code, Chapter 312.

Section 4. That it directs and designates the City's Director of Economic Development as the City's liaison to communicate and negotiate with the Office of the Governor of Economic Development and Tourism (EDT) through the Economic Development Bank (Bank) and enterprise project(s) and to oversee zone activities and communications with qualified businesses and other entities in an enterprise zone or affected by an enterprise project.

Section 5. That it finds that Applied Optoelectronics, Inc. meets the criteria for designation as an enterprise project under Chapter 2303, Subchapter F of the Act on the following grounds:

1. Applied Optoelectronics, Inc. is a “qualified business” under Section 2303.402 of the Act since it will be engaged in the active conduct of a trade or business at a qualified business site within the governing body’s jurisdiction, located outside of an enterprise zone and at least thirty-five percent (35%) of the business’ new employees will be residents of an enterprise zone, economically disadvantaged individuals, or veterans; and
2. There has been and will continue to be a high level of cooperation between public, private, and neighborhood entities in the area; and
3. The designation of Applied Optoelectronics, Inc. as an enterprise project will contribute significantly to the achievement of the plans of the City for development and revitalization of the area.

Section 6. The enterprise project shall take effect on the date of designation of the enterprise project by EDT and terminate on February 2, 2031.

Section 7. That the provisions of this ordinance are severable and the invalidity of any part of this ordinance will not affect the validity of the remainder of the ordinance.

APPROVED on first consideration on _____, 2026.

ADOPTED on second consideration on _____, 2026.

Carol K. McCutcheon, Mayor

ATTEST:

Linda Mendenhall, City Clerk

APPROVED AS TO FORM:

DAnn Shea Smith



NOTICE OF PUBLIC HEARING ORDINANCE NO. 2400

City Council Public Hearing 5:30 p.m., January 20th, 2026, City Hall City Council Chamber, 2700 Town Center Boulevard North, Sugar Land, Texas, 77479 to hear all persons interested in an Ordinance of the City Council of the City of Sugar land, Texas, AUTHORIZING the City's participation in the Texas Enterprise Zone Program pursuant to the Texas Enterprise Zone Act, Chapter 2303, Texas Government Code (ACT), providing tax incentives, designating a liaison for communication with interested parties, and nominating applied optoelectronics, inc. to the Office of the Governor Economic Development & Tourism (EDT) through the Economic Development Bank (BANK) as an Enterprise Project (PROJECT).

Details of and feedback on proposed Ordinance No. 2400 may be obtained/provided by contacting the City of Sugar Land Economic Development Department located at 2700 Town Center Boulevard North, Sugar Land, Texas, 77479 by telephone at 281-275-2229 or online at www.sugarlandtx.gov/PublicHearingComment.



City Council Agenda Request

January 20, 2026

Agenda Request No: XI.A.

Agenda of: City Council Meeting

Initiated by: Meredith Riede, City Attorney

Presented by: Meredith Riede, City Attorney

Responsible Department: Legal

Agenda Caption:

APPROVAL OF TAX-EXEMPT BOND ISSUANCE FOR LOGOS PREPARATORY ACADEMY

Consideration of and action on Resolution 26-01 approving the issuance of tax-exempt bonds by the Arlington Higher Education Finance Corporation for the benefit of Logos Preparatory Academy, in accordance with Section 147(f) of the Internal Revenue Code.

Recommended Action:

Staff recommends that City Council approve the TEFRA Resolution authorizing the Arlington Higher Education Finance Corporation to issue tax-exempt bonds for the benefit of Logos Preparatory Academy. Approval of the Resolution is required solely to satisfy federal tax law and does not create any financial obligation or liability for the City.

Executive Summary:

Background:

The Arlington Higher Education Finance Corporation (the “Issuer”) is proposing to issue tax-exempt bonds for the benefit of Logos Preparatory Academy to finance and refinance the costs of acquiring, constructing, furnishing, and equipping a school facility located within the City.

Section 147(f) of the Internal Revenue Code requires that tax-exempt bonds issued for the benefit of a private school receive approval from the governing body of the jurisdiction in which the financed facilities are located. This approval—commonly referred to as TEFRA approval—is a federal tax requirement and does not confer any financial or legal obligation on the City.

The City’s involvement is limited to considering the TEFRA Resolution. Approval of the Resolution **does not** constitute endorsement of the project, nor does it commit the City to the

project in any way.

The bonds are **not** a debt, liability, or financial obligation of the City. They are payable **solely** from revenues and security provided by the private school and/or the Issuer. No City funds, credit, taxing power, or resources are pledged or involved.

Adoption of the TEFRA Resolution simply allows the Issuer to satisfy federal tax law requirements and proceed with its independent financing.

Budget

Expenditure Required: None

Current Budget: None

Additional Funding: None

Funding Source: None

Account Number (ORG-OBJ-Project): NA

Attachments

1. TEFRA Approval Resolution 26-01 by City of Sugar Land_Logos 2026
2. Certificate of Public Hearing Officer Form to the City of Sugar Land (Executed)

RESOLUTION 26-01

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, APPROVING THE ISSUANCE OF ARLINGTON HIGHER EDUCATION FINANCE CORPORATION EDUCATION REVENUE BONDS (LOGOS PREPARATORY ACADEMY) SOLELY FOR PURPOSES OF SECTION 147(F) OF THE INTERNAL REVENUE CODE

WHEREAS, Logos Preparatory Academy (the “**Borrower**”), a Texas nonprofit corporation and an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”) has requested Arlington Higher Education Finance Corporation (the “**Issuer**”) issue its Education Revenue Bonds (Logos Preparatory Academy) in one or more series at one or more times in an aggregate principal amount not to exceed \$50,000,000 (the “**Bonds**”); and

WHEREAS, pursuant to a plan of finance, the proceeds of the sale of the proposed Bonds, when and if issued, will be loaned by the Issuer to the Borrower for the purpose of (i) financing and refinancing the costs of acquiring, constructing, furnishing and equipping certain educational facilities, as further described in the Notice of Public Hearing attached hereto as EXHIBIT A (collectively, the “**Project**”); (ii) funding capitalized interest on the Bonds; (iii) funding any necessary reserves for the Bonds; and (iv) paying certain costs of issuance related to the Bonds; and

WHEREAS, after at least seven days’ notice published on the website of the Issuer, and published in the *Fort Bend Independent*, a newspaper of general circulation in the City of Sugar Land, Texas (the “**City**”), a public hearing was held on January 2, 2026, concerning the proposed issuance by the Issuer of the Bonds, as evidenced by the Certificate of Public Hearing Officer filed with the City; and

WHEREAS, the proposed Bonds, when and if issued, will not be payable out of taxes but shall constitute special and limited obligations of the Issuer, payable solely from funds paid by the Borrower and secured by collateral furnished or caused to be furnished by the Borrower, and the payment of the principal of, premium, if any, and the interest on the Bonds shall not constitute an indebtedness of, or a pledge of, the faith and credit of the Issuer, or the faith and credit or taxing power of the City, the City of Arlington, Texas, the State of Texas, or any state agency, political corporation or political subdivision thereof; and

WHEREAS, the purposes of this approval are solely to satisfy the public approval requirement of Section 147(f) of the Code in order to qualify the interest on the Bonds for exclusion from the gross income of the owners thereof for federal income tax purposes pursuant to the applicable provisions of the Code; and

WHEREAS, the location of the Project is entirely within the City, and the City Council of the City (the “**Council**”) constitutes the elected legislative body of the City and is a proper body for granting the necessary public approval; and

WHEREAS, the Borrower has requested that the Council approve the issuance of the Bonds for the purposes stated above, the nature and location of the Project, and the plan of

financing for the Project with the Bonds; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

Section 1. The facts and recitations set forth in the Whereas clauses above are declared true and correct.

Section 2. That solely for purposes of Section 147(f) of the Code, the issuance of the Bonds by the Issuer for the benefit of the Borrower in an aggregate principal amount not to exceed \$50,000,000 for the above-described purposes, the nature and location of the Project, and the plan of finance are hereby approved.

Section 3. That all actions taken by or on behalf of the City with respect to the appointment of the Hearing Officer, the publication of the Notice of Public Hearing and the conducting of such Public Hearing in accordance with the Notice of Public Hearing are hereby ratified and approved.

Section 4. That such approvals by the Council does not constitute any representation by the City to the prospective purchasers of the Bonds as to the creditworthiness of the Borrower, or the economic feasibility of the Project, nor does it create, either expressly or by implication, any obligation on the part of the City for the payment of the Bonds or debt service thereon, such Bonds and debt service thereon being payable solely from the sources described above.

Section 5. That the Bonds, when and if issued, shall not constitute an indebtedness of, or a pledge of, the faith and credit of the Issuer, or the faith and credit or taxing power of the City, the City of Arlington, Texas, the State of Texas, or any state agency, political corporation or political subdivision thereof.

Section 6. This Resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED this ____ day of January 2026.

CITY OF SUGAR LAND, TEXAS

Carol K. McCutcheon, Mayor

ATTEST:

APPROVED AS TO FORM:

Linda Mendenhall, City Clerk

Meredith Riede, City Attorney

EXHIBIT A

NOTICE OF PUBLIC HEARING

CERTIFICATE OF PUBLIC HEARING OFFICER REGARDING PUBLIC HEARING (INTERNAL REVENUE CODE § 147(f))

ARLINGTON HIGHER EDUCATION FINANCE CORPORATION EDUCATION REVENUE BONDS (LOGOS PREPARATORY ACADEMY) SERIES 2026

I, the undersigned, do hereby make and execute this certificate for the benefit of the City Council of the City of Sugar Land, Texas (the “City”) and all persons interested in the issuance of the above-referenced Bonds (the “Bonds”).

I hereby certify as follows:

1. I am the duly appointed hearing officer for the public hearing which was held in connection with the issuance of the Bonds at the time and place indicated in the Notice of Public Hearing included in EXHIBIT A attached hereto.
2. Notice of the public hearing was published no less than 7 days before the date of the public hearing in the *Fort Bend Independent*, a newspaper of general circulation in the City, as evidenced by the Affidavit of Publication attached hereto as EXHIBIT A.
3. All persons appearing at the public hearing were given an opportunity to comment on the proposed issuance of the Bond and the project to be financed with proceeds of the Bonds. No such persons appeared or made comments except as is set forth on EXHIBIT B attached hereto.
4. After giving all interested persons an opportunity to appear and comment, the public hearing was declared closed.

[Signature page follows]

WITNESS MY HAND this ____ day of January, 2026.

Drew Moore, Esq., Hearing Officer

Exhibit A - Affidavit of Publication (of the Notice of Public Hearing)
Exhibit B - Names and Comments of Persons Attending Public Hearing

**CERTIFICATE OF PUBLIC HEARING OFFICER
REGARDING PUBLIC HEARING (INTERNAL REVENUE CODE § 147(f))**

ARLINGTON HIGHER EDUCATION FINANCE CORPORATION
EDUCATION REVENUE BONDS
(LOGOS PREPARATORY ACADEMY)
SERIES 2026

I, the undersigned, do hereby make and execute this certificate for the benefit of the City Council of the City of Sugar Land, Texas (the “**City**”) and all persons interested in the issuance of the above-referenced Bonds (the “**Bonds**”).

I hereby certify as follows:

1. I am the duly appointed hearing officer for the public hearing which was held in connection with the issuance of the Bonds at the time and place indicated in the Notice of Public Hearing included in EXHIBIT A attached hereto.
2. Notice of the public hearing was published no less than 7 days before the date of the public hearing in the *Fort Bend Independent*, a newspaper of general circulation in the City, as evidenced by the Affidavit of Publication attached hereto as EXHIBIT A.
3. All persons appearing at the public hearing were given an opportunity to comment on the proposed issuance of the Bond and the project to be financed with proceeds of the Bonds. No such persons appeared or made comments except as is set forth on EXHIBIT B attached hereto.
4. After giving all interested persons an opportunity to appear and comment, the public hearing was declared closed.

[Signature page follows]

WITNESS MY HAND this 2nd day of January, 2026.



Drew Moore, Esq., Hearing Officer

Exhibit A - Affidavit of Publication (of the Notice of Public Hearing)

Exhibit B - Names and Comments of Persons Attending Public Hearing

EXHIBIT A

AFFIDAVIT OF PUBLICATION

(Attached.)

PUBLISHER'S AFFIDAVIT

THE STATE OF TEXAS

COUNTY OF FORT BEND

Before me, the undersigned authority, on this day personally appeared who being by me duly sworn, deposes and says that he is the publisher of **Fort Bend Independent** and that said newspaper meets the requirements of Section 2051.044 of the Texas Government Code, to wit:

1. It devotes not less than twenty-five percent (25%) of its total column lineage to general interest items;
2. It is published at least once each week;
3. It is entered as second-class postal matter in the county where it is published; and
4. It has been published regularly and continuously since 2008.

Publisher further deposes and says that the attached notice was published in said newspaper on the following date (s) to wit:

Dec. 17, 2025

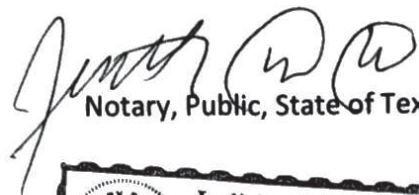
**Arlington Higher Education Finance Corporation Education Revenue Bonds
Logos Preparatory Academy**

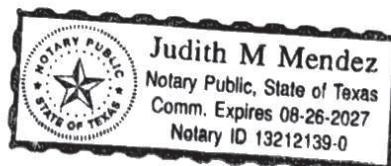

Publisher

SUBSCRIBED AND SWORN BEFORE ME by Seshadri Kumar who

- (a) Is personally known to me, or
(b) Provided the following evidence to establish his/ her identity,

On this the 2nd day of January 2026 to certify which witness my hand and seal of office.


Notary, Public, State of Texas



Sugar Land unveils new EV charging stations at Airport and Imperial Park

The City of Sugar Land and OnPoint EV Solutions celebrate the commissioning of the new Super-Fast DC Fast Charging (DCFC) Electric Vehicle (EV) and Level 2 EV charging stations at the Sugar Land Regional Airport and Imperial Park. It was done with a ribbon cutting ceremony on December 9, officiated by Mayor Carol K. McCutcheon.

The city advises that the airport site features DCFC, Level 3 Chargers, the fastest public chargers available. These chargers can take most EVs from 20 to 80 percent in just 20 to 30 minutes, making them ideal for travelers, airport users, and drivers passing through this region. Four chargers are currently active, with four more installed and scheduled to go live in the coming weeks.

At Imperial Park, visitors will now find Level 2 chargers, which are commonly used for longer stops such as recreational activities, sports,



Ribbon cutting ceremony on Dec. 9, 2025, presided by Sugar Land Mayor Carol K. McCutcheon unveils new EV charging stations.

classes, and community center visits. These chargers provide a steady, reliable charge over a couple of hours, giving residents an easy way to top off

while enjoying park amenities. Six units have been installed, with the ability to expand as demand grows.

Both sites include upgraded features such as solar or traditional canopies, LED lighting, high-speed internet, security cameras, and digital kiosks offering local business information and curbside service options. The new chargers also support Sugar Land On-Demand, the city's micro-transit service, which operates a mostly electric fleet and will receive discounted

recharging at Imperial Park.

The project is a partnership between the City of Sugar Land, OnPoint EV Solutions, Influent Energy, Uptime Charger, and Argent Associates. The chargers, manufactured in the U.S. by BTC Power, use industry-standard connectors and will soon add NACS connectors for Tesla vehicles.

"We set out to provide our customers and airport visitors with the very best in EV charging, which gives more drivers access to convenient

charging, while visiting the airport or participating in recreational activities at the park," said Assistant Director of Aviation Ken Durbin. "Partnering with OnPoint EV Solutions helped us deliver exactly that."

Both sites host a Digital Kiosk. EV customers will be able to reserve a charging session and link to local Sugar Land businesses to preorder services and get curbside delivery. OnPoint EV, in collaboration with Joint Venture partner, Argent Associates, will be testing the new UX Edge™ interactive digital kiosk to further enhance the EV Charging Experience. "The UX Edge kiosks provide engaging entertainment and informative content while vehicles are charging, including directions,

nearby points of interest and airport or participating in recreational activities at the park," stated Betty Manetta, CEO of Argent Associates.

"The partnership between OnPoint EV Solutions, Uptime Charger, and Argent is another step closer to making the energy transition more achievable. As demand grows, this is an exciting time for EVs, and collaborations like this will ensure success. Uptime Charger is proud to support OnPoint EV's commitment to lowering the barriers consumers may face with EVs and charging stations," said Bill Policastro, Founder of Uptime Charger.

Both stations accept all major forms of payment and are available 24 hours a day, with a guaranteed uptime.

THE STATE OF TEXAS CITATION BY PUBLICATION

TO: ERNESTO EDUARDO OJEDA

NOTICE: You have been sued. You may employ an attorney. If you or your attorney do not file a written answer with the clerk who issued this citation by 10:00 a.m. on Monday next following the expiration of forty-two days from the date of issuance of this citation, same being January 26, 2026 a default judgment may be taken against you. In addition to filing a written answer with the clerk, you may be required to make initial disclosures to the other parties of this suit. These disclosures generally must be made no later than 30 days after you file your answer with the clerk. Find out more at texaslawhelp.org.

The case is presently pending before the 434TH JUDICIAL DISTRICT COURT of Fort Bend County sitting in Richmond, Texas. It bears cause number 25-DCV-331321 and is styled:

Alfonzo Ladrelli Gulley vs. Ernesto Eduardo Ojeda

The name and address of the attorney for PLAINTIFF OR PETITIONER is:

RYAN SNOW
REYES BROWNE LAW
8222 DOUGLAS AVENUE SUITE 400
DALLAS TX 75225
214-526-7900

The nature of the demands of said PLAINTIFF OR PETITIONER is as follows to-wit: PLAINTIFF REQUESTS THAT DEFENDANT BE CITED TO APPEAR AND ANSWER, AND THAT THIS CASE BE TRIED AFTER WHICH PLAINTIFF RECOVERS: A. JUDGMENT AGAINST DEFENDANT FOR A SUM WITHIN THE JURISDICTIONAL LIMITS OF THIS COURT FOR THE DAMAGES SET FORTH HEREIN; B. PRE-JUDGMENT INTEREST AT THE MAXIMUM AMOUNT ALLOWED BY LAW; C. POST-JUDGMENT INTEREST AT THE MAXIMUM RATE ALLOWED BY LAW; D. COST OF SUIT; AND E. SUCH OTHER AND FURTHER RELIEF TO WHICH PLAINTIFF MAY BE JUSTLY ENTITLED.

If this Citation is not served, it shall be returned unexecuted, issued under my hand and seal of said Court, at Richmond, Texas on this 11th day of December, 2025.

BEVERLEY MCGREW WALKER,
DISTRICT CLERK
FORT BEND COUNTY, TEXAS
Physical Address:
1422 Eugene Heimann Circle,
Room 31004
Richmond, TEXAS 77469

Mailing Address:
301 Jackson Street, Room 101
Richmond, Texas 77469
By: Deputy District Clerk
MACKENZIE DRAGO
Telephone: (281) 341-4515



NOTICE OF MEETING

LOCATION/DATE: The City Council of the City of Missouri City will hold a public hearing on Monday, January 5, 2026 at 6:30 p.m. at the City Hall Complex; Missouri City, City Council Chambers, 1522 Texas Parkway (FM-2234), Missouri City, Texas 77489.

PURPOSE: To receive comments for or against a request by Ethan Harwell, Kinley-Horn and Associates for a PD, Planned Development District on an approximately 12.97 acre tract of land to allow for commercial retail uses; and to the extent such zoning deviates from the Future Land Use and Character map of the Comprehensive Plan, to provide for an amendment therefrom.

SITE LOCATION: The subject site is located at the northeast corner of Vicksburg Boulevard and State Highway 6 and south of Trammel Fresno Road.

SITE LEGAL DESCRIPTION: The subject site can be described as being a 12.97-acre tract or parcel of land out of the following 4 tracts described below:

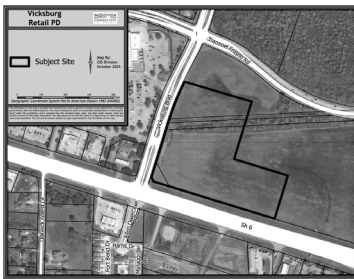
Tract 1: A field note description of 32.363 acres of land being a portion of the remainder of a call 106.70 acre tract of land (Volume 567, Page 940); Deed Records of Fort Bend County, Texas being in the Moses Shipman Survey, Abstract No. 86, Fort Bend County, Texas.

Tract 2: 7.255 acres of land being a call 7.2553 acre tract of land (Volume 1981, Page 1188); Official Records of the Fort Bend County, Texas being in the Elijah Roark Survey, Abstract No. 77, Fort Bend County, Texas.

Tract 3: A field note description of 2.301 acres of land being a portion of the right-of-way of Trammel-Fresno Road (width varies, 79 feet wide at this point) proposed to be abandoned as a public roadway being in the Elijah Roark Survey, Abstract No. 77 and in the Moses Shipman Survey, Abstract No. 86, Fort Bend County, Texas.

Tract 4: A metes and bounds description of a .2571 acre (11,200 square feet) tract of land, situated in the Moses Shipman League, Abstract No. 86, Fort Bend County, Texas, and being out of that certain 106.70 acre tract described in Volume 191, Page 345 of the Fort Bend County Deed Records.

FOR MORE INFORMATION: Additional information and a map of the site location are available for review. You may call 281-403-8541; email the Development Services Department-Planning Division at mctxplanning@missouricity.gov; or visit Current Zoning Applications Filed online for more information. **Project name:** Vicksburg Retail PD



NOTICE TO PROPOSERS IMPERIAL CHAR HOUSE PRESERVATION

The City of Sugar Land seeks bids for furnishing all labor, material, and equipment, and performing all work required for the following project in the City:

CIP PROJECT NAME: IMPERIAL CHAR HOUSE PRESERVATION
CIP PROJECT NUMBER: CMU2509

LOCATION OF WORK: 192 KEMPNER ST, SUGAR LAND, TEXAS 77489

The City of Sugar Land is planning on mothballing or preserving the Imperial Char House building.

Plans, specifications, and proposal documents may be obtained from OpenGov. <https://procurement.opengov.com/portal/sugarlant/projects/212083>

Scaled proposals shall be submitted on OpenGov Procurement on or before 2:00 p.m. on Thursday, January 15, 2026, at which time proposals will be publicly opened and read. Proposals received after the opening date and time will not be considered.

A non-mandatory pre-submittal meeting for all interested parties will be held at 10:00 a.m. on Tuesday, December 16, 2025 virtually on TEAMS. To participate in the virtual pre-submittal meeting, call into the following Teams Meeting on the date and time identified below:

Join the meeting now
Meeting ID: 287 024 595 889 88
Passcode: xA2Wk26

A site visit will be held on Wednesday, December 17, 2025 at 192 Kempner St, Sugar Land, Texas 77498 at 9:00 a.m.

Questions regarding this proposal must be received on Thursday, December 18, 2025, on or before 5:00 p.m. Questions will be submitted through OpenGov Procurement.

The City will evaluate and rank the proposals within 30 days after the proposal opening date and time. The City will select the proposal that provides the best value to the City based on the published selection criteria and the ranking evaluations. The City will attempt to negotiate with the selected proposer and if the City cannot successfully negotiate a contract, the City will go to the next proposer in order of the selection ranking until a contract is reached or all proposals are rejected. The City will give notice of the construction manager at risk contract award within ten calendar days after the City Council awards the contract.



NOTICE OF MEETING

LOCATION/DATE: The City Council of the City of Missouri City will hold a public hearing on Monday, January 5, 2026 at 6:30 p.m. at the City Hall Complex; Missouri City, City Council Chambers, 1522 Texas Parkway (FM-2234), Missouri City, Texas 77489.

PURPOSE: To receive comments for or against a request by Darrell & LaRita Broussard for a SUP, Specific Use Permit, on an approximately 1.05 acre tract of land, to allow for a funeral home; and to the extent such zoning deviates from the Future Land Use and Character map of the Comprehensive Plan, to provide for an amendment therefrom.

SITE LOCATION: The subject site is located on the northeast intersection of Present St and 5th Street, south of Highway 90 A at 419 Present St.

SITE LEGAL DESCRIPTION: A tract of land containing 1.0523 Acres out of Reserve "A" Garmany Place, recorded under Slide No. 1418/B, of the Plat Records of Fort Bend County, Texas and being the same tract recorded in the name of FGMS Holdings, LLC Trustee under County Clerk File No. 2024012181 of the Official Public Records Fort Bend County, Texas being further described under County Clerk File No. 2013042635 of the Official Public Records Fort Bend County, Texas.

FOR MORE INFORMATION: Additional information and a map of the site location are available for review. You may call 281-403-8541; email the Development Services Department-Planning Division at mctxplanning@missouricity.gov; or visit Current Zoning Applications Filed online for more information. **Project name:** Prestige Undertaking Company



INVITATION TO BIDDERS



The City of Stafford is requesting bid proposals from qualified companies to provide bid proposals for a Performance and Efficiency Audit of City Operations. Below is the requested scope of work:

- Review and evaluate current city operations, redundancies, services, and organizational structures across all departments.
- Assess operational efficiency, effectiveness, functions and services that can be sourced, including workload distribution, staffing levels, resource utilization, and performance metrics
- Identify opportunities for cost savings, standardizing work processes and measuring work output for all city components and assets, improvements, and service enhancements.
- Review overall cost to benefit ratio
- Benchmark city operations and total rewards (merit-based pay) against comparable municipalities and best practices.
- Engage stakeholders (staff, elected officials, and the public as appropriate) through interviews, surveys, and focus groups.
- Provide recommendations and an implementation plan for identified improvements.

Bid proposals must be sealed and marked applicably as follows:

Performance and Efficiency Audit of City Operations

and delivered to the Office of the City Secretary, City of Stafford, 2610 South Main, Stafford, Texas 77477, to arrive no later than 4:00 p.m. local time, Thursday, January 2, 2026. Proposals are expected to be awarded on or before Thursday, January 9, 2026. For further information and specifications, please contact Shanell Garcia, Director of Human Resources, City of Stafford, at 281-261-3929. This is a negotiated bid proposal and as such, award will not necessarily be made to the bidder submitting the lowest priced proposal. The City of Stafford reserves the right to negotiate the best responsive proposal satisfying the City's requirements, waive any informalities, waive the requirements set forth in Section 1550.052 or 1550.053(2) of the Texas Insurance Code, and to reject any and all proposals.

NOTICE OF PUBLIC HEARING

Arlington Higher Education Finance Corporation Education Revenue Bonds (Logos Preparatory Academy)

In accordance with Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), notice is hereby given that a public hearing will be held on behalf of Arlington Higher Education Finance Corporation (the "Issuer") on Friday, January 2, 2026, at 9:00 a.m., Central Time, or as soon thereafter as practicable. In accordance with Internal Revenue Service Revenue Procedure 2022-20, this public hearing will be held by telephone conference. Interested persons are encouraged to attend the telephone conference using the following instructions:

TELEPHONE CONFERENCE INSTRUCTIONS:

TOLL-FREE DIAL IN NUMBER: (833) 928-4608

MEETING ID: 227 599 9624

The public hearing is being conducted for the purpose of receiving comments and hearing discussion concerning the proposed adoption by the Issuer of a resolution authorizing the issuance of the Issuer's Education Revenue Bonds (Logos Preparatory Academy) in one or more tax-exempt or taxable series at one or more times in an aggregate principal amount not to exceed \$50,000,000 (collectively, the "Bonds"). The proceeds of the Bonds will be used pursuant to a plan of finance and loaned by the Issuer to Logos Preparatory Academy, a Texas nonprofit corporation and an organization described under Section 501(c)(3) of the Code, and/or one or more related and/or affiliated entities (collectively, the "Borrower"), in order to (i) finance or refinance, including through reimbursement, all or a portion of the costs of the acquisition, construction, design, improvement, enlargement, extension, repair, renovation and equipping of certain educational facilities including a school campus located or to be located on an approximately 23.2-acre site situated in the southwest corner of the intersection of Brooks Street and Camelia Street within the City of Sugar Land, Texas, with the current addresses assigned of 800 and 802 Brooks Street, Sugar Land, Texas 77478, to consist of a new approximately 60,000 square-foot, three-story classroom and administrative building, a new approximately 4,000 square-foot one-story cafeteria building, a new open air pavilion, the renovation of an existing approximately 14,000 square-foot gymnasium, athletic fields, related facilities, improvements, fixtures, furnishings, equipment, site improvements and the site therefor, to be owned and operated by the Borrower as an accredited primary and secondary school for students in grades K-12 (collectively, the "Project"); (ii) fund capitalized interest on the Bonds; (iii) fund any necessary reserves for the Bonds; and (iv) pay certain costs of issuance related to the Bonds. The tax-exempt Bonds will be issued as qualified 501(c)(3) bonds pursuant to Section 145 of the Code.

The Bonds will not be payable out of taxes but will be secured and payable solely from the revenues derived from the Borrower. The Bonds, including the principal of, premium, if any, and the interest thereon shall not constitute an indebtedness of, or a pledge of, the general credit of the Issuer, or the general credit or taxing power of the City of Arlington, Texas, the City of Sugar Land, Texas, the State of Texas, or any political subdivision or agency thereof. The Issuer has no taxing power. Issuance of the Bonds is subject to several conditions including satisfactory documentation and receipt of necessary approvals for the financing.

Any persons wishing to express their views on the proposed issuance of the Bonds and the location and nature of the Project will be given the opportunity to do so at the public hearing by accessing the telephone conference as indicated above. The public hearing will be conducted by Drew Moore or his designee (the "Hearing Officer"). Written comments may also be submitted prior to the public hearing to the Hearing Officer at Butler Snow LLP, Attention: Drew Moore, 1400 Lavaca Street, Suite 1000, Austin, Texas 78701, or via email sent to the following address: drew.moore@butlersnow.com. Comments made at the public hearing are for the consideration of the Issuer and the other parties approving the issuance of the Bonds, the loan of the proceeds of the Bonds to the Borrower and the financing or refinancing of the Project but will not bind the Issuer or any such party as to any action it may take.

ALL PERSONS FOR OR AGAINST SAID APPROVAL CAN BE HEARD AT SAID TIME AND PLACE. IF A PERSON DECIDES TO APPEAL ANY DECISION MADE BY THE ISSUER OR OTHER PARTIES WITH RESPECT TO SUCH HEARING OR MEETING SUCH PERSON WILL NEED TO ENSURE THAT A VERBATIM RECORD OF SUCH HEARING OR MEETING IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in the meeting is required to advise the Issuer at least twenty-four (24) hours prior to the public hearing by contacting the Hearing Officer at (737) 802-1762 or via email sent to the following email address: drew.moore@butlersnow.com.

EXHIBIT B

NAMES AND COMMENTS OF PERSONS ATTENDING PUBLIC HEARING

<u>Name of Attendee</u>	<u>Comment</u>
1. _____	_____ _____ _____ _____
2. _____	_____ _____ _____ _____ _____
3. _____	_____ _____ _____ _____ _____ _____

No one from the
public in attendance/
No comments
received.



City Council Agenda Request

January 20, 2026

Agenda Request No: XI.B.

Agenda of: City Council Meeting

Initiated by: Betty Jurado, Administrative Coordinator

Presented by: Razeeda Boochoon, Investment & Debt Manager

Responsible Department: Finance

Agenda Caption:

Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-03:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE ISSUANCE OF IMPERIAL REDEVELOPMENT DISTRICT UNLIMITED TAX BONDS, SERIES 2026 IN THE AMOUNT OF \$9,000,000.00.

Recommended Action:

Staff recommends Council approval of Resolution No. 26-03 authorizing the issuance of Imperial Redevelopment District Unlimited Tax Bonds, Series 2026 in the amount of \$9,000,000. The district plans to sell the bonds in February 2026.

Executive Summary:

District Background

The Imperial Redevelopment District was created under Article XVI, Section 59 of the Texas Constitution by House Bill 3554, as passed by the 79th Texas Legislature on June 18, 2005, and operates in accordance with Chapter 8150 of the Special District Local Laws Code, and Chapters 49 and 54 of the Texas Water Code, as amended. The District also has the purposes of Article III, Sections 52 and 52a, and Article VIII, Section I-g of the Texas Constitution.

The proposed bond issue is not the City's bond issue, and the City will not assume the debt as the district will exist into perpetuity. The district's bond issue falls under City guidance via Resolution 11-07, which governs special districts within the City and its extraterritorial jurisdiction. This resolution provides for City review and approval of all district bond issues, even if the district won't be dissolved. The resolution provides terms for approval of special district bonds such as maturity dates and structure, capitalized interest and TCEQ approval. These guidelines are in place to protect residents in the district and ensure the total tax burden on residents is appropriate.

The District contains approximately 746 acres of land, and is located in eastern Fort Bend County approximately 30 miles southwest of downtown Houston, Texas. Access to the District is provided via the State Highway 6 and US Highway 90A. Generally, the District is bordered on the south by US Highway 90A, on the west by State Highway 6 and on the north by Voss Road. Oyster Creek winds through the District. The District lies entirely within the corporate boundaries of the City of Sugar

Land, Texas (the “City”).

The District is being developed as Imperial, a mixed-use community which includes single-family and multi-family residential, retail office and commercial development. The District includes a baseball stadium known as Constellation Field, which is the home of the Sugar Land Space Cowboys, the Triple-A affiliate of the Houston Astros.

The District currently includes approximately 151 developed acres of single-family residential development (567 lots). As of October 1, 2025, the District contained 567 completed single-family homes, all of which were occupied, and 6 vacant developed lots. According to the District’s tax rolls, the average homestead value in the District is approximately \$642,094.

Redevelopment Agreement

On May 3, 2016, the third amendment to the Redevelopment Agreement was approved by City Council. This amendment defined the flow of funds for reimbursement from proceeds of bonds issued based on taxable value in the district for both Unlimited Tax Bonds and Contract Revenue Bonds (from TIRZ #3) issued by the district.

To date, the district has been compliant with the terms of the third amendment and the allocation of funds has been consistent with the flow defined in the amendment. Capacity for future issuance of bonds is dependent on development, for which assumptions are not available.

Bond History and Proposed Issue

On November 8, 2011, the voters of the District authorized the issuance of a total of \$185,600,000 principal amount of unlimited tax bonds authorized by the District’s voters for the purpose of Water, Sanitary Sewer & Drainage and Refunding. The Bonds are the sixth issuance from such authorization and will be repaid from Imperial Redevelopment District property tax revenues. The total issued to date, including the proposed issuance, is \$41,065,000 for this purpose. The District also has issued \$15,625,000 for Recreational and \$16,770,000 for Roads. (This does not include contract revenue bonds, which are not supported by a pledge of district property taxes, but by a pledge of TIRZ Increment funds).

Previous Bond Issues by Type	Original Issue	Principal Outstanding
Unlimited Tax Bonds for Water, Sewer & Drainage (5)	\$ 32,065,000	\$ 26,975,000
Unlimited Tax Park Bonds (3)	15,625,000	13,825,000
Unlimited Tax Road Bonds (2)	16,770,000	13,460,000
Total	\$ 64,460,000	\$54,260,000

This issue extends the existing maturity dates for the district to 2048, as the current debt service schedule runs through 2047.

Proceeds from the sale of the Bonds will be used for construction costs of \$6,321,763 and non-construction costs of \$2,678,237 for a total of \$9,000,000. Construction costs include construction of Imperial Phase II Detention Ponds & Drainage Facilities – Contract 1, Utilities for Crown Garden at

Imperial Sections 2B, 2A, 2D and 2C, Utilities for the Retreat @ Imperial, City of Sugar Land connection charges, Engineering, Geotechnical, Surveying & Lab Fees, and storm water pollution prevention plan. Non-construction costs include legal fees, financial advisory fees, developer interest & advances, bond discount, bond issuance, bond application report cost, and attorney general fee.

Budget

Expenditure Required: NA

Current Budget: NA

Additional Funding: NA

Funding Source: NA

Account Number (ORG-OBJ-Project): NA

Attachments

1. Res 26-03 - Unlimited Tax Bonds, Series 2026
2. 2026 Bonds - Bond Resolution 1
3. 2025 Bonds City Approval Letter to the AG 1
4. Memo - IRD Unlimited Tax Bonds Series 2026
5. 2025 Bonds City Approval Letter to the District 1
6. 2026 Bonds - Commission Order 1
7. Imperial RD 2025 DRAFT POS (12.9.25)
8. Imperial RD 2025 DRAFT NOS (12.9.25)

RESOLUTION NO. 26-03

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE ISSUANCE OF IMPERIAL REDEVELOPMENT DISTRICT UNLIMITED TAX BONDS, SERIES 2026 IN THE AMOUNT OF \$9,000,000.00.

WHEREAS, on June 18, 2005 the Imperial Redevelopment District (IRD) was created under Article XVI, Section 59 of the Texas Constitution by House Bill 3554, as passed by the 79th Texas Legislature; and

WHEREAS, the IRD has the power to issue debt for the construction and repayment of public infrastructure, subject to applicable law, including Chapter 49 and 54 of the Texas Water Code, applicable to municipal utility districts; and

WHEREAS, on June 26, 2007, the City Council consented to the creation of the IRD by approval of Resolution No. 07-21, which required the District receive the City Council's consent before the IRD issues bonds or refund bonds; and

WHEREAS, the IRD's relationship with the City was further defined through the approval of a Redevelopment Agreement with the property owner on June 26, 2007, and subsequent amendments between the City, IRD, and developer on October 5, 2010, January 28, 2014, and May 3, 2016; and

WHEREAS, the Redevelopment Agreement, as amended, contemplates a priority schedule of payments and reimbursements for public infrastructure from IRD debt proceeds to the City and various developers and landowners; and

WHEREAS, after reviewing a draft preliminary official statement and other supporting documents furnished by the IRD, the City has determined that the issuance of Unlimited Tax Bonds, Series 2026, in the amount of \$9,000,000, is in accordance with the Redevelopment Agreement and all other agreements between the City and IRD; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

Section 1. That the facts and recitations set forth in this Resolution are declared true and correct.

Section 2. That it authorizes the IRD to issue Unlimited Tax Bond Series 2026 in the amount of \$9,000,000.00.

APPROVED on _____ 2026.

Carol K. McCutcheon

ATTEST:

APPROVED AS TO FORM:

**RESOLUTION AUTHORIZING THE ISSUANCE OF \$9,000,000
IMPERIAL REDEVELOPMENT DISTRICT
UNLIMITED TAX BONDS, SERIES 2026**

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

WHEREAS, the bonds hereinafter authorized were duly and favorably voted at an election held in the District on November 8, 2011; and

WHEREAS, the Board of Directors of the District hereby determines that bonds in the amount of \$9,000,000 should be issued, as a portion and the sixth installment of the \$185,600,000 bonds voted at such election, leaving the remaining \$144,535,000 of such bonds, and any other bonds as may hereinafter be authorized by the District voters, to be issued at a later date; Now, Therefore

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF IMPERIAL REDEVELOPMENT DISTRICT THAT:

1. Definitions. Throughout this resolution the following terms and expressions as used herein shall have the meanings set forth below:

“Accounting Principles” means the accounting principles described in the notes to the Audit as such principles may be changed from time to time to comply with State laws or regulations.

“Act” means Chapter 8150, Special District Local Laws Code and Chapters 49 and 54, Texas Water Code, as amended.

"Annual Financial Information and Operating Data" means the financial information and operating data of the general type included in the final Official Statement authorized by this Resolution under the headings “UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED,” “FINANCIAL STATEMENT,” “TAX DATA,” “GENERAL FUND,” “DEBT SERVICE REQUIREMENTS,” and in “APPENDIX A” (District’s Audited Financial Statements).

“Audit” means the audited financial statements of the District prepared by an independent auditor in accordance with the rules of the Texas Commission on Environmental Quality in effect at such time.

“Blanket Issuer Letter of Representations” means the Blanket Issuer Letter of Representations between the District, the Registrar and DTC.

“Board” means the Board of Directors of the District.

“Bond” or “Bonds” means one or more bonds of the issue of Imperial Redevelopment District Unlimited Tax Bonds, Series 2026, authorized in this Resolution, unless the context clearly indicates otherwise.

“Business Day” means any day which is not a Saturday, Sunday, or a day on which the Registrar is authorized by law or executive order to remain closed.

“Capital Projects Fund” means the fund referred to in this Resolution.

“Closing Date” means the date of delivery of the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended, and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code, and (d) the Regulations promulgated under the provisions described in (b) and (c).

“Debt Service Fund” means the debt service fund confirmed in this Resolution.

“District” means Imperial Redevelopment District.

“DTC” means The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

“EMMA” means the Electronic Municipal Market Access System established by the MSRB.

“Financial Obligation” shall have the meaning of such word as used under the Rule.

“Initial Bond” means the Initial Bond authorized by Section 4 of this Resolution.

“Initial Purchaser” means the initial purchaser of the Bonds identified in Section 23 of this Resolution.

“Interest Payment Date,” when used in connection with any Bond, means November 1, 2026, and each May 1 and November 1 thereafter until maturity or prior redemption of such Bond.

“Material” shall have the meaning of such word as used under federal securities laws.

“MSRB” means the Municipal Securities Rulemaking Board.

“Obligated Person” shall have the meaning of such word as used under the Rule.

“Paying Agent” means the Registrar.

“Record Date” means, for any Interest Payment Date, the fifteenth calendar day of the month next preceding each Interest Payment Date.

“Register” means the books of registration kept by the Registrar, in which are maintained the names and addresses of, and the principal amounts of the Bonds registered to, each Registered Owner.

“Registered Owner” means any person who shall be the registered owner of any outstanding Bond.

“Registrar” means The Bank of New York Mellon Trust Company, N.A., Houston, Texas, and its successors in that capacity.

“Regulations” means the applicable proposed, temporary or final Treasury Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“Resolution” as used herein and in the Bonds means this Resolution authorizing the Bonds.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

2. Authorization. The Bonds shall be issued in fully registered form, without coupons, in the total aggregate amount of NINE MILLION DOLLARS (\$9,000,000) for

the purpose or purposes of purchasing, constructing, acquiring, owning, maintaining, operating, repairing, improving, extending, or paying for, inside and outside the District's boundaries, any and all District works, improvements, facilities, plants, equipment, and appliances needed to provide a waterworks system, sanitary sewer system, and drainage and storm sewer system, including, but not limited to, all costs associated with flood plain and wetlands regulation (including mitigation) and endangered species and stormwater permits (including mitigation) and all additions to such systems and all works, improvements, facilities, plants, equipment, appliances, interests in property, and contract rights necessary or convenient therefor and administrative facilities needed in connection therewith, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Article XVI, Section 59 of the Constitution of Texas, and the Act.

3. Designation, Date, and Interest Payment Dates. The Bonds shall be designated as the "IMPERIAL REDEVELOPMENT DISTRICT UNLIMITED TAX BONDS, SERIES 2026," and shall be dated March 1, 2026. The Bonds shall bear interest at the rates set forth below from the later of the date of delivery, or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months, interest payable on November 1, 2026, and semiannually thereafter on each May 1 and November 1 until maturity or prior redemption.

4. Initial Bond; Interest Rates; Maturities; Principal Amounts and Denominations. The Bonds shall be issued bearing the numbers, in the principal amounts, and bearing interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Resolution. The Bonds shall mature on May 1 in each of the years and in the amounts set out in such schedule. The Initial Bond shall be numbered IB-1 and all other Bonds shall be numbered in sequence beginning with R-1. Bonds delivered in transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Registrar, shall be in the denomination of \$5,000 or integral multiples thereof, and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

<u>Principal Amount</u>	<u>Year</u>	<u>Interest Rate</u>
\$ 285,000	2027	%
295,000	2028	
300,000	2029	
310,000	2030	
320,000	2031	
325,000	2032	
335,000	2033	

345,000	2034
355,000	2035
365,000	2036
375,000	2037
385,000	2038
395,000	2039
405,000	2040
420,000	2041
430,000	2042
440,000	2043
455,000	2044
465,000	2045
480,000	2046
490,000	2047
505,000	2048
520,000	2049

5. Optional and Mandatory Redemption. Portions of the Bonds are subject to optional redemption on the dates and at the redemption prices set forth in the form of the Bonds in this Resolution. In addition, portions of the Bonds are subject to mandatory redemption on the dates and at the redemption prices set forth in the form of the Bonds in this Resolution.

Principal amounts may be redeemed only in integral multiples of \$5,000. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, the Registrar shall treat each Bond as representing that number of Bonds of \$5,000 denomination which is obtained by dividing the principal amount of such Bond by \$5,000. The Registrar shall select the particular Bonds to be redeemed within any given maturity by lot or other random selection method. Upon surrender of any Bond for redemption in part, the Registrar, in accordance with this Resolution, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

Notice of any redemption identifying the Bonds to be redeemed in whole or in part shall be given by the Registrar at least 30 days prior to the date fixed for redemption by sending written notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the Register. Such notices shall state the redemption date, the redemption price, the place at which Bonds are to be surrendered for payment and, if less than all Bonds outstanding within any one maturity are to be redeemed, the numbers of the Bonds or portions thereof to be redeemed. Any notice given as provided in this Section shall be conclusively

presumed to have been duly given, whether or not the Registered Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption. When Bonds have been called for redemption in whole or in part and due provision has been made to redeem same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Registered Owners to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

6. Execution of Bonds; Seal. The Bonds shall be signed by the President or Vice President of the Board and countersigned by the Secretary or Assistant Secretary of the Board, by their manual, lithographed, or facsimile signatures, and the official seal of the District shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the District had been manually impressed upon each of the Bonds. If any officer of the District whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the authentication of such Bonds or before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

On the Closing Date, the Initial Bond, being a single bond representing the entire principal amount of the Bonds, (the "Initial Bond"), payable in stated installments to the Initial Purchaser or its designee, executed by manual or facsimile signature of the President or Vice President and Secretary or Assistant Secretary of the Board, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, shall be delivered to the Initial Purchaser or its designee. Upon payment for the Initial Bond, the Registrar shall cancel the Initial Bond and deliver Bonds to DTC in accordance with Section 13.

7. Approval by Attorney General; Registration by Comptroller. The Bonds to be initially issued shall be delivered to the Attorney General of Texas for approval and shall be registered by the Comptroller of Public Accounts of the State of Texas. The manually executed registration certificate of the Comptroller of Public Accounts substantially in the form provided in this Resolution shall be attached or affixed to the Bonds to be initially issued.

8. Authentication. Except for the Initial Bond, which need not be authenticated by the Registrar, in the event the Book-Entry-Only system is discontinued, only such Bonds which bear thereon a certificate of authentication,

substantially in the form provided in this Resolution, manually executed by an authorized representative of the Registrar, shall be entitled to the benefits of this Resolution or shall be valid or obligatory for any purpose. Such duly executed certificate of authentication shall be conclusive evidence that the Bonds so authenticated were delivered by the Registrar hereunder.

9. Payment of Principal and Interest. The Registrar is hereby appointed as the paying agent for the Bonds. The principal of and interest on the Bonds are payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America. Principal is payable upon presentation and surrender of the Bonds as they respectively become due and payable, whether at maturity or by prior redemption, at the principal payment office of the Registrar in Houston, Texas. Interest is payable by check or draft dated as of the Interest Payment Date, mailed by the Registrar on each Interest Payment Date to the Registered Owner of record as of the Record Date, first class, postage prepaid, to the address of such Registered Owner as shown in the Register, or by such other customary banking arrangements as may be agreed upon by the Registrar and the Registered Owner, at the risk and expense of the Registered Owner. Any accrued interest payable at maturity on a Bond shall be paid upon presentation and surrender of such Bond at the operations office of the Registrar.

If the date for payment of the principal of or interest on any Bond is not a Business Day, then the date for such payment shall be the next succeeding Business Day with the same force and effect as if made on the date such payment was originally due.

10. Successor Registrars. The District covenants that at all times while any Bonds are outstanding it will provide a national or state banking institution, which shall be organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise trust powers, and which shall be subject to supervision or examination by federal or state authority, to act as Registrar for the Bonds. The District reserves the right to change the Registrar for the Bonds on not less than 30 days written notice to the Registrar, so long as any such notice is effective not less than 60 days prior to the next succeeding principal or Interest Payment Date on the Bonds. Promptly upon the appointment of any successor Registrar, the previous Registrar shall deliver the Register or copies thereof to the new Registrar, and the new Registrar shall notify each Registered Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Registrar. Each Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Section.

11. Special Record Date. If interest on any Bond is not paid on any Interest Payment Date and continues unpaid for 30 days thereafter, the Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record

Date. The Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the District. Such Special Record Date shall be 15 days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five days prior to the Special Record Date, to each affected Registered Owner of record as of the close of business on the day prior to the mailing of such notice.

12. Ownership; Unclaimed Principal and Interest. The District, the Registrar and any other person may treat the person in whose name any Bond is registered as the absolute Registered Owner of such Bond for the purpose of making and receiving payment of principal or interest on such Bond, and for all other purposes, whether or not such Bond is overdue, and neither the District nor the Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Registered Owner of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the District and the Registrar upon such Bond to the extent of the sums paid.

Amounts held by the Registrar which represent principal of and interest on the Bonds remaining unclaimed by the Registered Owner after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Registrar in accordance with the applicable provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

13. Book-Entry-Only System. (a) The Initial Bond shall be registered in the name of Cede & Co. Except as provided in this Section 13 hereof, all other Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the District and the Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such DTC Participant holds an interest in the Bonds, except as provided in this Resolution. Without limiting the immediately preceding sentence, the District and the Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a Registered Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a Registered Owner, as shown on the Register, of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Resolution to the contrary, the District and the Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute owner of such Bond for the purpose of payment of principal of

and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the resolution of the respective Registered Owners, as shown in the Register as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payments of principal, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the District to make payments of amounts due pursuant to this Resolution. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions of this Resolution with respect to interest checks being mailed to the Registered Owner of record as of the Record Date, the phrase "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

(c) The execution and delivery of the Blanket Issuer Letter of Representations is hereby approved with such changes as may be approved by the President or Vice President of the Board, and the President or Vice President of the Board is hereby authorized and directed to execute such Blanket Issuer Letter of Representations.

14. Successor Securities Depository; Transfer Outside Book-Entry-Only System. In the event that the District in its sole discretion, determines that the beneficial owners of the Bonds be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the District shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Registered Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution.

15. Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and

given, respectively, in the manner provided in the Blanket Issuer Letter of Representations.

16. Registration, Transfer, and Exchange. This section is subject to the provisions of Section 13, entitled "Book-Entry-Only System." So long as any Bonds remain outstanding, the Registrar shall keep the Register at its principal payment office and, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of this Resolution.

Each Bond shall be transferable only upon the presentation and surrender thereof at the operations office of the Registrar, duly endorsed for transfer, or accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Registrar. Upon due presentation of any Bond in proper form for transfer, the Registrar shall authenticate and deliver in exchange therefor, within three Business Days after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented.

All Bonds shall be exchangeable upon presentation and surrender thereof at the principal payment office of the Registrar for a Bond or Bonds of like maturity and interest rate and in any authorized denomination, in an aggregate amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section. Each Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

The District or the Registrar may require the Registered Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the District.

17. Mutilated, Lost, or Stolen Bonds. Subject to the provisions of Section 13, entitled "Book-Entry-Only System," upon the presentation and surrender to the Registrar of a mutilated Bond, the Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate, and principal amount, bearing a number not contemporaneously outstanding. If any Bond is lost, apparently destroyed, or wrongfully taken, the District, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall execute and the Registrar shall authenticate and deliver a

replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding.

The District or the Registrar may require the Registered Owner of a mutilated Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar. The District or the Registrar may require the Registered Owner of a lost, apparently destroyed or wrongfully taken Bond, before any replacement Bond is issued, to:

- (1) furnish to the District and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;
- (2) furnish such security or indemnity as may be required by the Registrar and the District to hold them harmless;
- (3) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and
- (4) meet any other reasonable requirements of the District and the Registrar.

If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the District and the Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the District or the Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the District in its discretion may, instead of issuing a replacement Bond, authorize the Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

18. Cancellation of Bonds. Subject to the provisions in Section 13, entitled "Book-Entry-Only System," all Bonds paid in accordance with this Resolution, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of

proper records regarding such payment. Upon request, the Registrar shall furnish the District with appropriate certificates of destruction of such Bonds.

19. Forms. The form of the Bonds, including the form of the Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas, which shall be attached or affixed to the Bonds initially issued, shall be, respectively, substantially as follows, with such additions, deletions and variations as may be necessary or desirable and not prohibited by this Resolution, including any legend regarding bond insurance if such insurance is obtained by the purchaser:

a. Form of Bond

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF FORT BEND

REGISTERED
NUMBER
R-

REGISTERED

\$

IMPERIAL REDEVELOPMENT DISTRICT
UNLIMITED TAX BOND
SERIES 2026

INTEREST RATE:

MATURITY DATE:

ISSUE DATE:
March 1, 2026

CUSIP NO.:

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

IMPERIAL REDEVELOPMENT DISTRICT (the “District”) promises to pay to the Registered Owner identified above, or registered assigns, on the maturity date specified above, upon presentation and surrender of this Bond at the principal payment office of the registrar (the “Registrar”), initially, The Bank of New York Mellon Trust Company, N.A., in Houston, Texas, the principal amount identified above, and to pay interest thereon at the rate shown above, calculated on the basis of a 360-day year of twelve 30-day months, from the later of the date of delivery, or the most recent interest payment date to which interest has been paid or duly provided for. Principal of and interest on this Bond are payable in any coin or currency of the United States of America which on

the date of payment is legal tender for the payment of debts due the United States of America. Interest on this Bond is payable by check or draft on each November 1 and May 1 until the earlier of maturity or prior redemption, beginning on November 1, 2026, mailed to the Registered Owner as shown on the books of registration kept by the Registrar as of the fifteenth day of the month next preceding each interest payment date (the "Record Date"), or by such other customary banking arrangements as may be agreed upon by the Registrar and the Registered Owner, at the risk and expense of the Registered Owner. The Bond is dated as of the Issue Date.

THIS BOND is one of a duly authorized issue of Bonds, aggregating \$9,000,000 (the "Bonds"), issued for the purpose or purposes of purchasing, constructing, acquiring, owning, maintaining, operating, repairing, improving, extending, or paying for, inside and outside the District's boundaries, any and all District works, improvements, facilities, plants, equipment, and appliances needed to provide a waterworks system, sanitary sewer system, and drainage and storm sewer system, including, but not limited to, all costs associated with flood plain and wetlands regulation (including mitigation) and endangered species and stormwater permits (including mitigation) and all additions to such systems and all works, improvements, facilities, plants, equipment, appliances, interests in property, and contract rights necessary or convenient therefor and administrative facilities needed in connection therewith, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapter 8150, Special District Local Laws Code, Chapters 49 and 54 of the Texas Water Code, by authority of an election held for and within the District on November 8, 2011, and pursuant to a resolution adopted by the Board of Directors on February 19, 2026 (the "Resolution").

THIS BOND, and the other Bonds of the series of which it is a part, are payable from the proceeds of an annual ad valorem tax levied without legal limitation as to rate or amount upon all taxable property within the District. Reference is hereby made to the Resolution for a complete description of the terms, covenants and provisions pursuant to which this Bond and said series of Bonds are secured and made payable; the respective rights thereunder of the Registered Owners of the Bonds, the District and the Registrar; and the terms upon which the Bonds are, and are to be, registered and delivered.

THE DISTRICT RESERVES THE RIGHT, at its option, to redeem the Bonds maturing on and after May 1, 2032, prior to their scheduled maturities, in whole or in part, in integral multiples of \$5,000, on May 1, 2031, or any date thereafter at par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. In selecting portions of Bonds for redemption, the Registrar shall treat each Bond as representing that number of Bonds of \$5,000 denomination which is obtained by

dividing the principal amount of such Bond by \$5,000. The Registrar shall select the particular Bonds to be redeemed within any given maturity by lot or other random selection method. Upon surrender of any Bond for redemption in part, the Registrar, in accordance with the provisions of the Resolution, shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered. Reference is made to the Resolution for complete details concerning the manner of redeeming the Bonds.

IN ADDITION TO BEING SUBJECT TO OPTIONAL REDEMPTION, THE BONDS ISSUED AS TERM BONDS maturing May 1, in each of the years ____ and ____ (the "Term Bonds") are subject to mandatory redemption prior to maturity in the following amounts (subject to reduction as hereinafter provided), on the following dates ("Mandatory Redemption Dates"), at a price equal to the principal amount redeemed plus accrued interest to each Mandatory Redemption Date, subject to the conditions set forth below:

TERM BOND 20

<u>Mandatory Redemption</u>	<u>Principal Amount</u>
May 1, 20	\$
May 1, 20 (maturity)	\$

TERM BOND 20

<u>Mandatory Redemption</u>	<u>Principal Amount</u>
May 1, 20	\$
May 1, 20 (maturity)	\$

ON OR BEFORE 30 days prior to each Mandatory Redemption Date set forth above, the Registrar shall (i) determine the principal amount of such Term Bond that must be mandatorily redeemed on such Mandatory Redemption Date, after taking into account deliveries for cancellation and optional redemptions as more fully provided for below, (ii) select, by lot or other customary random method, the Term Bond or portions of the Term Bond of such maturity to be mandatorily redeemed on such Mandatory Redemption Date, and (iii) give notice of such redemption as provided in the Bond Resolution. The principal amount of any Term Bond to be mandatorily redeemed on such Mandatory Redemption Date shall be reduced by the principal amount of such Term Bond which, by the 45th day prior to such Mandatory Redemption Date, either has been purchased in the open market and delivered or tendered for cancellation by or on behalf of the District to the Registrar or optionally redeemed and which, in either case, has not previously been made the basis for a reduction under this sentence.

NOTICE OF ANY REDEMPTION shall be given at least 30 days prior to the date fixed for redemption by first class mail, addressed to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the books of registration kept by the Registrar. When Bonds or portions thereof have been called for redemption, and due provision has been made to redeem the same, the principal amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall terminate on the date fixed for redemption.

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the operations office of the Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his authorized representative, subject to the terms and conditions of the Resolution.

THIS BOND IS EXCHANGEABLE at the operations office of the Registrar for bonds in the principal amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Resolution.

NEITHER THE DISTRICT nor the Registrar shall be required to transfer or exchange any Bond during the period beginning on a Record Date and ending on the next succeeding interest payment date or to transfer or exchange any Bond called for redemption during the 30-day period prior to the date fixed for redemption of such Bond.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Resolution unless this Bond is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Resolution.

THE DISTRICT has covenanted in the Resolution that it will at all times provide a legally qualified registrar for the Bonds and will cause notice of any change of registrar to be mailed first class, postage prepaid, to each Registered Owner.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law; and that annual ad valorem taxes, without legal limit as to rate or amount, sufficient to provide for the payment of the interest on and principal of this Bond, as such interest

comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the District and have been pledged irrevocably for such payment.

IN WITNESS WHEREOF, this Bond has been signed with the manual or facsimile signature of the President or Vice President of the Board of Directors and countersigned with the manual or facsimile signature of the Secretary or Assistant Secretary of the Board of Directors, and the official seal of the District has been duly impressed, or placed in facsimile, on this Bond.

IMPERIAL REDEVELOPMENT DISTRICT

(SEAL)

President, Board of Directors

Secretary, Board of Directors

b. Form of Registration Certificate of Comptroller of Public Accounts

COMPTROLLER'S REGISTRATION CERTIFICATE:

REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this .

Comptroller of Public Accounts
of the State of Texas

(SEAL)

c. Form of Registrar's Authentication Certificate

AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been delivered pursuant to the Resolution described in the text of this Bond, in exchange for or in replacement of a bond, bonds or a portion of a bond or bonds of a series which was originally approved by the Attorney General of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

The Bank of New York Mellon Trust
Company, N.A.

By: _____
Authorized Signature
Date of Authentication:

d. Form of Assignment

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto

(Please print or type name, address, and zip code of Transferee)

(Please insert Social Security or Taxpayer Identification Number of Transferee)
the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature Guaranteed:

Registered Owner

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program ("STAMP") or similar program.

NOTICE: The signature above must correspond to the name of the Registered Owner as shown on the face of this Bond in every particular, without any alteration, enlargement or change whatsoever.

e. The Initial Bond shall be in the form set forth in paragraphs a, b, and d of this Section, except for the following alterations:

i. immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and the word "CUSIP No." deleted;

ii. in the first paragraph of the Bond, the words "on the maturity date specified above," "the principal amount identified above," and "at the rate shown above" shall be deleted and the following shall be inserted at the end of the first sentence " . . . , with such principal to be paid in installments on May 1 in each of the years and in the principal amounts identified in the following schedule and with such installments bearing interest at the per annum rates set forth in the following schedule:"

[Information to be inserted from schedule in Section 4]

iii. the Initial Bond shall be numbered IB-1.

20. Legal Opinion; CUSIP; Bond Insurance. The approving opinion of Allen Boone Humphries Robinson LLP, Houston, Texas, and CUSIP numbers may be printed on the Bonds, but errors or omissions in the printing of such opinion or such numbers shall have no effect on the validity of the Bonds. If bond insurance is obtained by the purchaser, the Bonds may bear an appropriate legend as provided by the insurer.

21. Debt Service Fund; Tax Levy. The Bonds Debt Service Fund is hereby confirmed and the proceeds from all taxes levied, assessed and collected for and on account of the Bonds authorized by this Resolution shall be deposited, as collected, in such Fund. While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually assessed and collected in due time, form and manner, and at the same time as other District taxes are assessed, levied and collected, in each year, beginning in the current year, a continuing direct annual ad valorem tax, without legal limit as to rate, upon all taxable property in the District, sufficient to pay the interest on the Bonds as the same becomes due and full allowance being made for funds available and allocated from other sources to pay debt service, delinquencies, costs of collection, and Paying

Agent/Registrar fees, and said taxes are hereby irrevocably pledged to the payment of the interest on and principal of the Bonds and to no other purpose.

22. Further Proceedings. After the Bonds to be initially issued have been executed, it shall be the duty of the President or Vice President and Secretary or Assistant Secretary of the Board and other appropriate officials and agents of the District to deliver the Bonds to be initially issued and all pertinent records and proceedings to the Attorney General of Texas, for examination and approval. After the Bonds to be initially issued have been approved by the Attorney General, they shall be delivered to the Comptroller of Public Accounts of the State of Texas for registration. Upon registration of the Bonds to be initially issued, the Comptroller of Public Accounts (or the Comptroller's bond clerk or an assistant bond clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

23. Sale; Proceeds. The sale and delivery of the Bonds to _____ (herein referred to as the "Initial Purchaser") at a price of \$ _____, is hereby authorized, approved, ratified and confirmed, subject to the approving opinion as to the legality of the Bonds of the Attorney General of Texas, and of Allen Boone Humphries Robinson LLP, Houston, Texas, bond counsel. It is hereby found and declared that the Initial Purchaser's bid produced the lowest net effective interest rate for the Bonds after advertisement and public sale, and that the net effective interest rate resulting from such bid is _____% which rate is less than the maximum rate permitted by law, and is determined to be in the District's best interest, per Section 1201.022(a)(3)(B) of the Government Code.

The proceeds of the Bonds shall be deposited into the Capital Projects Fund and used for the purposes described in Section 2 above and to pay costs of issuance, all in accordance with the order of the Texas Commission on Environmental Quality (the "TCEQ") approving the Bonds. Any proceeds remaining after completion of the projects and expenditures approved by the TCEQ, including earnings from the investment of bond proceeds, shall be used in accordance with the rules of the TCEQ for use of surplus bond proceeds. After the entire system described in this Resolution is constructed, any remainder shall be transferred to the Debt Service Fund, in accordance with the applicable laws and regulations, including those of the TCEQ or its successor, in effect at such time.

24. Investments. Moneys deposited into the Debt Service or Capital Projects Funds and any other fund or funds that the District may lawfully create may be invested or reinvested in authorized investments. All investments and any profits realized from or interest accruing on such investments shall belong to the fund from which the moneys for such investments were taken; provided, however, that in the

discretion of the Board of Directors the profits realized from and interest accruing on investments made from any fund may be transferred to the Debt Service Fund.

25. Defeasance and Refunding. The District reserves the right to defease or refund the Bonds in any manner provided by law.

26. Remedies in Event of Default. In addition to all of the rights and remedies provided by laws of the State of Texas, the District further covenants and agrees that in the event of default in payment of principal or interest on any of the Bonds when due, or, in the event it fails to make the payments required to be made into the Debt Service Fund or any other fund or defaults in the observance or performance of any other of the covenants, conditions or obligations set forth in this Resolution, the Registered Owners shall be entitled to a writ of mandamus issued by a court of competent jurisdiction compelling and requiring the District and the officials thereof to observe and perform the covenants, obligations or conditions prescribed in this Resolution. Any delay or omission to exercise any right or power occurring upon any default shall not impair any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

27. Federal Income Tax Matters.

(a) General. The District covenants not to take any action, or omit to take any action within its control, that, if taken or omitted, would cause the interest on the Bonds to be includable in gross income for federal income tax purposes. In furtherance thereof, the District covenants to comply with sections 103 and 141 through 150 of the Code, and the provisions set forth in the Federal Tax Certificate executed by the District in connection with the Bonds.

(b) No Private Activity Bonds. The District covenants that it will use the proceeds of the Bonds (including investment income) and the property financed, directly or indirectly, with such proceeds so that the Bonds will not be "private activity bonds" within the meaning of section 141 of the Code. Furthermore, the District will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes any Bond to be a "private activity bond" unless it takes a remedial action permitted by section 1.141-12 of the Regulations.

(c) No Federal Guarantee. The District covenants not to take any action, or omit to take any action within its control, that, if taken or omitted, would cause the Bonds to be "federally guaranteed" within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

(d) No Hedge Bonds. The District covenants not to take any action, or omit to take any action within its control, that, if taken or omitted, would cause the Bonds to be “hedge bonds” within the meaning of section 149(g) of the Code.

(e) No Arbitrage Bonds. The District covenants that it will make such use of the proceeds of the Bonds (including investment income) and regulate the investment of such proceeds of the Bonds so that the Bonds will not be “arbitrage bonds” within the meaning of section 148(a) of the Code.

(f) Required Rebate. The District covenants that, if the District does not qualify for an exception to the requirements of section 148(f) of the Code, the District will comply with the requirement that certain amounts earned by the District on the investment of the gross proceeds of the Bonds be rebated to the United States.

(g) Information Reporting. The District covenants to file or cause to be filed with the Secretary of the Treasury an information statement concerning the Bonds in accordance with section 149(e) of the Code.

(h) Record Retention. The District covenants to retain all material records relating to the expenditure of the proceeds (including investment income) of the Bonds and the use of the property financed, directly or indirectly, thereby until three years after the last Bond is redeemed or paid at maturity (or such other period as provided by subsequent guidance issued by the Department of the Treasury) in a manner that ensures their complete access throughout such retention period.

(i) Registration. The Bonds will be issued in registered form.

(j) Favorable Opinion of Bond Counsel. Notwithstanding the foregoing, the District will not be required to comply with any of the federal tax covenants set forth above if the District has received an opinion of nationally recognized bond counsel that such noncompliance will not adversely affect the excludability of interest on the Bonds from gross income for federal income tax purposes.

(k) Continuing Compliance. Notwithstanding any other provision of this Resolution, the District’s obligations under the federal tax covenants set forth above will survive the defeasance and discharge of the Bonds for as long as such matters are relevant to the excludability of interest on the Bonds from gross income for federal income tax purposes.

(l) Official Intent. For purposes of section 1.150-2(d) of the Regulations, to the extent that an official intent to reimburse by the District has not been adopted for a particular project, this Resolution serves as the District’s official declaration of intent to use proceeds of the Bonds issued in the maximum amount authorized by this

Resolution to reimburse itself for certain expenditures paid in connection with the projects set forth herein. Any such reimbursement will only be made (i) for an original expenditure paid no earlier than 60 days prior to the date hereof and (ii) not later than 18 months after the later of (A) the date the original expenditure is paid or (B) the date on which the project to which such expenditure relates is placed in service or abandoned, but in no event more than three years after the original expenditure is paid.

28. Qualified Tax-Exempt Obligations. The District does not designate the Bonds as “qualified tax-exempt obligations” for purposes of section 265(b) of the Code.

29. Official Statement. The District ratifies and confirms its prior approval of the form and content of the Preliminary Official Statement prepared in the initial offering of the Bonds and hereby authorizes and approves the amendment of the Preliminary Official Statement to add the terms of the Initial Purchaser’s bid and to make any other changes necessary to comply with the provisions of this Resolution and existing law. The use of such final Official Statement in the reoffering of the Bonds by the Initial Purchaser is hereby approved and authorized. The proper officials of the District are hereby authorized to execute and deliver a certificate pertaining to such Official Statement as prescribed therein, dated as of the date of payment for and delivery of the Bonds.

30. Continuing Disclosure Undertaking.

(a). Annual Reports. The District shall provide annually to EMMA, within six months after the end of each fiscal year of the District ending in or after 2025, Annual Financial Information and Operating Data with respect to the District. Any financial statements so provided shall be (1) prepared in accordance with the Accounting Principles described in this Resolution and (2) audited, if the District commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not complete within such period, then the District shall provide unaudited financial statements for the applicable fiscal year to EMMA within such six month period, and audited financial statements, when the audit report on such statements becomes available.

If the District changes its fiscal year, the District will notify EMMA of the change (and of the date of the new fiscal year end) prior to the next date by which the District otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been filed with the SEC.

All documents provided to EMMA by the District pursuant to this Section shall be accompanied by identifying information as prescribed by the MSRB.

The District shall notify EMMA, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with this subsection (a) by the time required by this subsection (a).

(b) Event Notices. The District shall notify EMMA, in a timely manner, not in excess of ten business days after the occurrence of the event, of any of the following events with respect to the Bonds:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if Material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other Material notices or determinations with respect to the tax status of the Bonds, or other Material events affecting the tax status of the Bonds;
- (7) Modifications to rights of holders of the Bonds, if Material;
- (8) Bond calls, if Material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if Material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the District or other Obligated Person;
- (13) Consummation of a merger, consolidation, or acquisition involving the District or other Obligated Person or the sale of all or substantially all of the assets of the District or other Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if Material;
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if Material;

- (15) Incurrence of a Financial Obligation of the District or other Obligated Person, if Material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District or other Obligated Person, any of which affect Beneficial Owners of the Bonds, if Material; and
- (16) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District or other Obligated Person, any of which reflect financial difficulties.

(c) Limitations, Disclaimers, and Amendments. The District shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the District remains an Obligated Person with respect to the Bonds, except that the District in any event will give the notice required by subsection (b) of this Section of any Bond calls and defeasance that cause the District to be no longer such an Obligated Person.

The provisions of this Section are for the sole benefit of the Registered Owners and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The District undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the District's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The District does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE DISTRICT BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE DISTRICT, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the District in observing or performing its obligations under this Section shall constitute a breach of or default under this Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the District under federal and state securities laws.

The provisions of this Section may be amended by the District from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, but only if the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the original primary offering of the Bonds in compliance with the Rule, taking into account any amendments and interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the Registered Owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Resolution that authorizes such an amendment) of the outstanding Bonds consent to such amendment or a person that is unaffiliated with the District (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Registered Owners and beneficial owners of the Bonds. If the District so amends the provisions of this Section, it shall include in its next annual update an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided. The District may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but in either case only if and to the extent that its right to do so would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

31. Related Matters. To satisfy in a timely manner all of the District's obligations under this Resolution, the President or Vice President and Secretary or Assistant Secretary of the Board of Directors of the District and all other appropriate officers and agents of the District are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms and purposes of this Resolution.

32. Registrar. The form of agreement setting forth the duties of the Registrar is hereby approved, and the appropriate officials of the District are hereby authorized to execute such agreement for and on behalf of the District.

33. No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Bonds or for any claim based thereon, or on this Resolution, against any official or employee of the District or any person executing any Bonds.

34. District's Successors and Assigns. Whenever in this Resolution the District is named and referred to it shall be deemed to include its successors and

assigns, and all covenants and agreements in this Resolution by or on behalf of the District, except as otherwise provided herein, shall bind and inure to the benefit of its successors and assigns whether or not so expressed.

35. Benefits of Resolution Provisions. Nothing in this Resolution or in the Bonds, expressed or implied, shall give or be construed to give any person, firm or corporation, other than the District, the Registrar and the Registered Owners, any legal or equitable right or claim under or in respect of this Resolution, or under any covenant, condition or provision herein contained, all the covenants, conditions and provisions contained in this Resolution or in the Bonds being for the sole benefit of the District, the Registrar and the Registered Owners.

36. Severability Clause. If any word, phrase, clause, sentence, paragraph, section or other part of this Resolution, or the application thereof to any person or circumstance, shall ever be held to be invalid or unconstitutional by any court of competent jurisdiction, the remainder of this Resolution and the application of such word, phrase, clause, sentence, paragraph, section or other part of this Resolution to any other persons or circumstances shall not be affected thereby.

37. Open Meeting. It is hereby officially found and determined that the meeting at which this Resolution was adopted was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code and Section 49.063, Texas Water Code.

38. Texas Attorney General Approval. It is hereby determined that the President, Vice President, Secretary or Assistant Secretary of the Board and all other appropriate officers and agents of the District are hereby authorized to initiate an action under Chapter 1205, Texas Government Code, as amended, to obtain a declaratory judgment as deemed necessary and appropriate in connection with the issuance of the Bonds. The Board shall be authorized to engage on behalf of the District, and on terms and conditions deemed reasonable and appropriate, such legal counsel and other consultants in connection with such action. The Board and Bond Counsel for the District are directed to provide such assistance as may be reasonably required in connection with such action.

EXECUTION PAGE FOLLOWS

PASSED AND APPROVED on this 19th day of February, 2026.

President, Board of Directors

ATTEST:

Secretary, Board of Directors

(SEAL)

CERTIFICATE FOR RESOLUTION

THE STATE OF TEXAS §
 §
COUNTY OF FORT BEND §

I, the undersigned officer of the Board of Directors of Imperial Redevelopment District, hereby certify as follows:

1. The Board of Directors of Imperial Redevelopment District convened in regular session on February 19, 2026, and the roll was called of the members of the Board:

Tim Stubenrouch	President
James Thompson	Vice President
Doug Turner	Secretary
Check Laughter	Assistant Vice President
Frank Yonish	Assistant Secretary

and all of said persons were present except Director(s) _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting: a written

RESOLUTION AUTHORIZING THE ISSUANCE OF \$9,000,000
IMPERIAL REDEVELOPMENT DISTRICT
UNLIMITED TAX BONDS, SERIES 2026

was introduced for the consideration of the Board. It was then duly moved and seconded that the Resolution be adopted; and, after due discussion, the motion, carrying with it the adoption of the Resolution, prevailed and carried unanimously.

2. A true, full, and correct copy of the aforesaid resolution adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; the action approving the resolution has been duly recorded in the Board's minutes of the meeting; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the aforesaid meeting, and that the resolution would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; the meeting was open to the public as required by law; and public notice of the time, place, and subject of the meeting was given as required by Chapter 551, Texas Government Code and Section 49.063, Texas Water Code.

SIGNED AND SEALED on this 19th day of February, 2026.

(SEAL)

Secretary, Board of Directors

CITY OF SUGAR LAND

January 20, 2026

The Honorable Ken Paxton
Attorney General of Texas
William P. Clements Building
300 West 15th Street
Austin, Texas 78701

Re: Imperial Redevelopment District
Unlimited Tax Bonds, Series 2026

Gentlemen:

Pursuant to the City of Sugar Land Code of Ordinances, Chapter 5, Article VIII, you are hereby notified that the form of the Resolution authorizing issuance and sale of the above captioned bonds has been approved by the undersigned.

Sincerely,

CITY OF SUGAR LAND

Carol McCutcheon, Mayor

Memorandum

To: Michelle McCrimmon, Assistant City Manager – Chief Financial Officer

Via: Jing Xiao, Director of Finance

From: Razeeda Boochoon, Investment & Debt Manager

Date: January 20, 2026

Subject: Imperial Redevelopment District
\$9,000,000 Unlimited Tax Bonds, Series 2026

IMPERIAL REDEVELOPMENT DISTRICT, a conservation and reclamation district created and organized under Chapter 8150, Texas Special District Local Laws Code (the “District”) is presenting to the Mayor and City Council for consideration and approval, the proposed sale of \$9,000,000 of Unlimited Tax Bonds, Series 2026.

The District was created, among other things, for the purposes of purchase, construction, operation, and maintenance of public improvements authorized for a tax increment reinvestment zone and a municipal management district. The District is authorized to enter into a contract with a tax reinvestment zone and a city that provides for the District to manage or assist in managing the reinvestment zone or to implement or assist in implementing the reinvestment zone’s project plan and reinvestment zone financing plan. The contract may require that the District issue bonds or other obligations and pledge the contract revenues to the payment of the bonds or other obligations.

Presented below is the information regarding the District and the proposed bonds, as provided in the Preliminary Official Statement:

District Creation	The District was created under Article XVI, Section 59 of the Texas Constitution by House Bill 3554, as passed by the 79th Texas Legislature on June 18, 2005, and operates in accordance with the Chapter 8150 of the Special District Local Laws Code, and Chapters 49 and 54 of the Texas Water Code, as amended. The District also has the purposes of Article III, Sections 52 and 52-a, and Article VIII, Sections 1-g of the Texas Constitution.
Location	The District is in eastern Fort Bend County approximately 30 miles southwest of downtown Houston, Texas. Access to the District is provided via the State Highway 6 and US Highway 90A. Generally, the District is

	bordered on the south by US Highway 90A, on the west by State Highway 6 and on the north by Voss Road. The District lies within the corporate boundaries of the City of Sugar Land, Texas.
Acreage	The District presently contains approximately 746 acres of land.
Status of District Development	The District is being developed as Imperial, a mixed-use community which is planned to include single-family and multi-family residential, retail, office, and commercial development. The District includes a baseball stadium known as Constellation Field, which is the home of the Sugar Land Space Cowboys, the Triple-A affiliate of the Houston Astros. Development of Imperial began in 2010. The District currently includes approximately 151 developed acres of single-family residential development (567 lots). As of October 1, 2025, the district contained 567 single-family homes, all of which were occupied, and 6 vacant developed lots. According to the District's 2025 tax rolls, the average homestead value in the District is approximately \$642,094. In addition to the single-family development, two multi-family apartment developments are located on an aggregate of approximately 14 acres within the District: Imperial Lofts consisting of 254 units and Overture Sugar Land consisting of 200 units. According to property management, approximately 93% of units are occupied in Imperial Lofts and approximately 93% of units are occupied in Overture Sugar Land. Commercial improvements have been constructed on an aggregate of approximately 44 acres, which includes a 7-Eleven gas station/convenience store, a children's daycare facility, a self-storage facility, a portion of the Nalco Champion corporate offices and parking area, a banquet hall, a tutoring center, a restaurant, a local brewery, a behavioral health hospital, a McDonalds, and office condos. Approximately 2 acres of land are served with utilities, upon which no vertical improvements have been constructed to date. Constellation Field has been constructed on approximately 27 acres within the District and the Fort Bend Children's Discovery Center, and the Sugar Land Heritage Museum and Visitor Center have been constructed on approximately one acre within the District. The land and improvements constructed on such acreage are owned by the City and are not subject to ad valorem taxation by the District.

	The District also contains approximately 133 acres of developable land which are not provided with underground water, sanitary sewer and drainage facilities. Approximately 46 acres have been developed as 45,000 feet of walking trails, parks and open spaces, and approximately 330 acres of land are undevelopable and contained in drainage easements, right-of-way, District plant sites, detention areas, City of Sugar Land surface water treatment plant, and drill sites.																																																		
Outstanding Bonds (as of October 1, 2025)	<table> <tr> <th><u>Series</u></th><th></th><th><u>Principal Amount</u></th><th><u>Bonds 10/1/2025</u></th></tr> <tr> <td>2016</td><td>(a)</td><td>\$ 12,135,000</td><td>\$ 9,405,000</td></tr> <tr> <td>2017</td><td></td><td>2,500,000</td><td>1,700,000</td></tr> <tr> <td>2018</td><td></td><td>6,055,000</td><td>4,690,000</td></tr> <tr> <td>2018</td><td>(b)</td><td>4,000,000</td><td>3,380,000</td></tr> <tr> <td>2019</td><td></td><td>5,645,000</td><td>4,745,000</td></tr> <tr> <td>2020</td><td>(a)</td><td>4,635,000</td><td>4,055,000</td></tr> <tr> <td>2020A</td><td></td><td>10,365,000</td><td>8,665,000</td></tr> <tr> <td>2022</td><td>(b)</td><td>5,400,000</td><td>4,725,000</td></tr> <tr> <td>2022A</td><td>(b)</td><td>6,225,000</td><td>5,720,000</td></tr> <tr> <td>2024</td><td></td><td>7,500,000</td><td>7,175,000</td></tr> <tr> <td>Total</td><td></td><td><u>\$ 64,460,000</u></td><td><u>\$ 54,260,000</u></td></tr> </table> (a) Unlimited tax road bonds (b) Unlimited tax park bonds In addition, the District has issued \$15,440,000 principal amount of Contract Revenue Bonds, of which \$13,550,000 principal amount is currently outstanding, and which are payable solely from amounts received from the City's Tax Increment Fund.			<u>Series</u>		<u>Principal Amount</u>	<u>Bonds 10/1/2025</u>	2016	(a)	\$ 12,135,000	\$ 9,405,000	2017		2,500,000	1,700,000	2018		6,055,000	4,690,000	2018	(b)	4,000,000	3,380,000	2019		5,645,000	4,745,000	2020	(a)	4,635,000	4,055,000	2020A		10,365,000	8,665,000	2022	(b)	5,400,000	4,725,000	2022A	(b)	6,225,000	5,720,000	2024		7,500,000	7,175,000	Total		<u>\$ 64,460,000</u>	<u>\$ 54,260,000</u>
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Source of Payment	The Bonds are payable from an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property within the District. The Bonds are obligations of the District and are not obligations of the State of Texas, Fort Bend County, the City of Sugar Land or any other political subdivision or agency other than the District.																																																		

Municipal Bond Rating and Insurance	Application has been made to Moody's Investors Service ("Moody's") for an underlying rating of the Bonds but has not yet been assigned. Application has also been made to various municipal bond insurance companies for qualification of the Bonds for municipal bond insurance. If qualified, such insurance will be available at the option of the Initial Purchaser at the Initial Purchaser's expense.																																														
2025 Tax Rate (Per \$100 Valuation)	\$0.88 – Debt Service 0.09 – Maintenance & Operations \$0.97/\$100 A.V.- Total																																														
Max Annual P & I (2027)	The maximum annual debt service requirement will be \$4,767,519.																																														
Avg Annual P & I (2026 - 2049)	The average annual debt service requirement will be \$3,634,651.																																														
Use of Proceeds from Bonds	CONSTRUCTION COSTS <table> <tr> <td>Imperial Phase 2 Detention Ponds and Drainage Facilities Contract 1....</td><td>\$ 944,862</td></tr> <tr> <td>Utilities for Crown Garden at Imperial Section 2B.....</td><td>1,049,988</td></tr> <tr> <td>Utilities for Crown Garden at Imperial Section 2A.....</td><td>956,302</td></tr> <tr> <td>Utilities for Crown Garden at Imperial Section 2D.....</td><td>569,734</td></tr> <tr> <td>Utilities for Crown Garden at Imperial Section 2C.....</td><td>537,501</td></tr> <tr> <td>Utilities for Retreat at Imperial.....</td><td>407,998</td></tr> <tr> <td>City of Sugarland Connection Charges.....</td><td>1,486,785</td></tr> <tr> <td>Engineering, Geotechnical, Surveying and Lab Fees.....</td><td>766,249</td></tr> <tr> <td>Stormwater Pollution Prevention Plan.....</td><td>227,344</td></tr> <tr> <td>Less: Surplus Capital Projects Funds (a).....</td><td>(625,000)</td></tr> <tr> <td>Total Construction Costs.....</td><td>\$ 6,321,763</td></tr> </table> NON-CONSTRUCTION COSTS <table> <tr> <td>Developer Interest (Estimated).....</td><td>\$ 1,868,276</td></tr> <tr> <td>Operating Advances.....</td><td>18,000</td></tr> <tr> <td>Bond Discount (Estimated at 3.0%) (b).....</td><td>270,000</td></tr> <tr> <td>Total Nonconstruction Costs.....</td><td>2,156,276</td></tr> </table> ISSUANCE COSTS AND FEES <table> <tr> <td>Legal Fees.....</td><td>\$ 220,000</td></tr> <tr> <td>Financial Advisory Fees.....</td><td>167,500</td></tr> <tr> <td>Bond Issuance Expenses.....</td><td>45,461</td></tr> <tr> <td>Bond Application Report Cost.....</td><td>57,500</td></tr> <tr> <td>TCEQ Bond Issuance Fee.....</td><td>22,500</td></tr> <tr> <td>Attorney General Fee.....</td><td>9,000</td></tr> <tr> <td>Total Non-Construction Costs.....</td><td>\$ 521,961</td></tr> <tr> <td>TOTAL BOND ISSUE</td><td>\$ 9,000,000</td></tr> </table>	Imperial Phase 2 Detention Ponds and Drainage Facilities Contract 1....	\$ 944,862	Utilities for Crown Garden at Imperial Section 2B.....	1,049,988	Utilities for Crown Garden at Imperial Section 2A.....	956,302	Utilities for Crown Garden at Imperial Section 2D.....	569,734	Utilities for Crown Garden at Imperial Section 2C.....	537,501	Utilities for Retreat at Imperial.....	407,998	City of Sugarland Connection Charges.....	1,486,785	Engineering, Geotechnical, Surveying and Lab Fees.....	766,249	Stormwater Pollution Prevention Plan.....	227,344	Less: Surplus Capital Projects Funds (a).....	(625,000)	Total Construction Costs.....	\$ 6,321,763	Developer Interest (Estimated).....	\$ 1,868,276	Operating Advances.....	18,000	Bond Discount (Estimated at 3.0%) (b).....	270,000	Total Nonconstruction Costs.....	2,156,276	Legal Fees.....	\$ 220,000	Financial Advisory Fees.....	167,500	Bond Issuance Expenses.....	45,461	Bond Application Report Cost.....	57,500	TCEQ Bond Issuance Fee.....	22,500	Attorney General Fee.....	9,000	Total Non-Construction Costs.....	\$ 521,961	TOTAL BOND ISSUE	\$ 9,000,000
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The TIRZ	By Ordinance No. 1667, dated December 18, 2007, the City created Reinvestment Zone Number Three, City of Sugar Land (the "TIRZ") and adopted the Final Project Plan and Reinvestment Zone Financing Plan for a term of thirty years. By Ordinances No. 1888, dated February 5, 2013, and No. 2064 dated August 16, 2016 (all ordinances collectively referred to as the "TIRZ Ordinances"), the City extended the term of the TIRZ for five years to 2042 and amended the TIRZ Plan. The TIRZ covers approximately 839.4 acres, consisting of all the acreage in the District and some additional non-taxable right-of-way property. The TIRZ is intended to facilitate a program of public improvements to allow the District to be developed as a planned mixed use community with single family residential and multi-family residential, a hotel/conference center, recreational facilities, a sports stadium, museums and other arts and entertainment venues, land, associated parking, related water, sewer, drainage and road infrastructure, and the preservation, and/or reuse of certain historic structures at the Imperial Sugar Company site. The City and the County have agreed to deposit to a special tax increment fund established by the City (the "Tax Increment Fund") a portion of their tax collections arising from the TIRZ. The District has entered into a contract with the board of directors of the TIRZ and the governing body of the City that provides for the District to assist in implementing the TIRZ Plan. Under the contract, the District issues bonds payable from amounts it receives from the City from the Tax Increment Fund and uses proceeds of the Contract Revenue Bonds to finance certain components of the TIRZ Plan, with the remaining components of the Plan being financed through proceeds of the District's unlimited tax bonds.
Redevelopment Agreement	The City and Cherokee Sugar Land, L.P. ("Cherokee") entered into a Redevelopment Agreement on June 26, 2007; the Development Manager (as development manager for Cherokee and the GLO, hereinafter defined), the City and the District entered into a First Amendment to the Redevelopment Agreement dated October 5, 2010; a Second Amendment to the Redevelopment Agreement dated January 28, 2014, and a Third Amendment to the Redevelopment Agreement dated May 3, 2016 (the Redevelopment Agreement and all amendments collectively referred to as the "Redevelopment Agreement"). Certain provisions of the Redevelopment Agreement have been assigned to Imperial Market Development, LLC, a Texas limited liability company. The current owner of the Imperial Market tract is SLP-90A, Ltd., the previous lender for the developer of the Imperial Historic District Tract.

	The Redevelopment Agreement was entered into to facilitate redevelopment of the property within the boundaries of the District, particularly the area described as the Imperial Historic District Tract. The Imperial Historic District Tract consists of a 26-acre tract which includes the historic structures of the former Imperial Sugar Company refinery. The Redevelopment Agreement is effective until the expiration of the term of the TIRZ, which is 2042.
Taxable Assessed Valuation	2025 Taxable Assessed Valuation is \$545,527,474.
Tax Rate Requirement for Maximum and Average Debt Service (95% collection)	Tax rate required to pay <u>Maximum Annual Requirement</u> based upon: 2025 Taxable Assessed Valuation @ a 95% collection rate is \$0.92/\$1.00 A.V. Tax rate required to pay <u>Average Annual Requirement</u> based upon: 2025 Taxable Assessed Valuation @ a 95% collection rate is \$0.71/\$1.00 A.V.

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the Outstanding Unlimited Tax Bonds and the estimated debt service requirements for the Bonds at an assumed interest rate of 4.75% per annum.

Year	Outstanding Bonds Debt Service Requirements	Plus: Debt Service on the Bonds			Total Debt Service Requirements
		Principal	Interest	Total	
2026	\$ 4,099,088		\$ 320,625	\$ 320,625	\$ 4,419,713
2027	4,061,788	\$ 285,000	420,731	705,731	4,767,519
2028	4,032,325	295,000	406,956	701,956	4,734,281
2029	4,010,231	300,000	392,825	692,825	4,703,056
2030	3,981,069	310,000	378,338	688,338	4,669,406
2031	3,953,972	320,000	363,375	683,375	4,637,347
2032	3,932,497	325,000	348,056	673,056	4,605,553
2033	3,902,675	335,000	332,381	667,381	4,570,056
2034	3,870,453	345,000	316,231	661,231	4,531,684
2035	3,830,438	355,000	299,606	654,606	4,485,044
2036	3,792,675	365,000	282,506	647,506	4,440,181
2037	3,732,744	375,000	264,931	639,931	4,372,675
2038	3,680,800	385,000	246,881	631,881	4,312,681
2039	3,646,241	395,000	228,356	623,356	4,269,597
2040	3,603,925	405,000	209,356	614,356	4,218,281
2041	3,548,534	420,000	189,763	609,763	4,158,297
2042	2,709,497	430,000	169,575	599,575	3,309,072
2043	2,584,681	440,000	148,913	588,913	3,173,594
2044	2,250,803	455,000	127,656	582,656	2,833,459
2045	1,598,078	465,000	105,806	570,806	2,168,884
2046	835,588	480,000	83,363	563,363	1,398,950
2047	584,488	490,000	60,325	550,325	1,134,813
2048	306,375	505,000	36,694	541,694	848,069
2049	-	520,000	12,350	532,350	532,350
Total	\$ 72,548,963	\$ 9,000,000	\$ 5,745,600	\$ 14,745,600	\$ 87,294,563

Average Annual Debt Service Requirements (2026-2049).....\$3,634,651
Maximum Annual Debt Service Requirements (2027).....\$4,767,519

CITY OF SUGAR LAND

January 20, 2026

Board of Directors
Imperial Redevelopment District
c/o Allen Boone Humphries Robinson LLP
3200 Southwest Freeway, Suite 2600
Houston, Texas 77027

Re: Imperial Redevelopment District
Unlimited Tax Bonds, Series 2026

Gentlemen:

Pursuant to the City of Sugar Land Code of Ordinances, Chapter 5, Article VIII, you are hereby notified that the form of the Resolution authorizing issuance and sale of the above captioned bonds has been approved by the undersigned.

Sincerely,

CITY OF SUGAR LAND

Carol McCutcheon, Mayor

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

NOV 12 2025



OF THE COMMISSIONER GIVEN UNDER MY HAND AND THE
SEAL OF OFFICE ON
Laurie Gharris
LAURIE GHARRIS, CHIEF CLERK
TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

AN ORDER APPROVING (1) AN ENGINEERING PROJECT AND
THE ISSUANCE OF \$9,000,000 IN UNLIMITED TAX BONDS
AND (2) THE USE OF \$625,000 IN SURPLUS FUNDS FOR
IMPERIAL REDEVELOPMENT DISTRICT

An application by Imperial Redevelopment District (the "District") of Fort Bend County was presented to the Executive Director of the Texas Commission on Environmental Quality (TCEQ) for consideration of approval pursuant to TEX. WATER CODE §§ 5.122 and 49.181. The District requests approval of an engineering project, the issuance of \$9,000,000 in bonds, and the use of \$625,000 in surplus funds to finance: the remaining portion of the utility construction costs for Imperial Phase 2 Detention Ponds and Drainage Facilities Contract 1; the remaining portion of the utility construction costs for Crown Garden at Imperial Section 2B; City of Sugarland (City) connection charge costs; engineering, surveying, geotechnical design, testing, storm water pollution prevention plan, project representation, developer interest, developer advance, and issuance expense; and water, wastewater and drainage facilities serving the Crown Garden Sections 2A, 2C, 2D and the Retreat at Imperial. The TCEQ has jurisdiction to consider this matter, and the following Findings of Fact and Conclusions of Law are appropriate after examining the application and supporting documentation.

FINDINGS OF FACT

1. The District filed an application with the TCEQ on August 13, 2025, for approval of a proposed engineering project, the issuance of \$9,000,000 in bonds, and the use of \$625,000 in surplus funds.
2. The Executive Director of the TCEQ has investigated the District.
3. The application and accompanying documents have been examined. The project site was inspected by a member of the TCEQ's Districts Section on October 9, 2025. A memorandum was prepared on the project dated October 31, 2025, a copy of which is attached and made a part hereof.
4. The District's project and the issuance of \$9,000,000 in bonds at a net effective interest rate of 5.48% to finance the project should be approved. Further, the District should be directed that the bonds are to be sold only upon the District receiving an acceptable credit rating on the bonds as defined in 30 TEX. ADMIN. CODE § 293.47(b).
5. The District's request for a waiver from the 30% developer contribution requirement pursuant to 30 TEX. ADMIN. CODE § 293.47(a)(2) should be granted if the District receives an acceptable credit rating on the bonds as defined in 30 TEX. ADMIN. CODE § 293.47(b).
6. The District's request to fund more than two years developer interest should be approved in accordance with 30 TEX. ADMIN. CODE § 293.50(b).
7. The District's request for approval to use \$625,000 in surplus funds as shown in the summary of costs to reduce the bond issue requirement should be granted.

8. Direct the District that it may expend funds for the purchase of facilities conveyed to the City without the need for a pre-purchase inspection pursuant to 30 Tex. Admin. Code § 293.89(h).

9. Direct the District that for facilities not conveyed to the city, the District should not purchase facilities or assume facility contracts from the developer until either (a) the TCEQ's field office staff has inspected the project, and the District has received a field office report with no deficiencies noted, for which approval is valid for 120 days from the date of the order approving the bonds; or (b) if a field office report indicates deficiencies, the TCEQ's Districts Section has received a request from the District and field office report, reviewed the contract administration, and given written authorization to finalize the purchase or assumption, either one pursuant to 30 TEX. ADMIN. CODE § 293.69.

10. The District's Board of Directors should be directed to review to its satisfaction the detailed calculations of the developer's interest to ensure that the costs are authorized District expenditures and in accordance with 30 TEX. ADMIN. CODE § 293.50 before reimbursement to the developer is made.

11. The District should be advised that the legal, fiscal agent, and engineering fees have not been evaluated to determine whether these fees are reasonable or competitive. These fees are included as presented in the engineering report.

12. The District should be directed that any surplus bond proceeds resulting from the sale of bonds at a lower interest rate than that proposed shall be shown as a contingency line item in the Official Statement and the use of such funds shall be subject to approval pursuant to TCEQ rules on surplus funds.

CONCLUSIONS OF LAW

1. The TCEQ has jurisdiction to consider the engineering report and bond application pursuant to TEX. WATER CODE § 49.181.

2. The Executive Director of the TCEQ has investigated the District, and the TCEQ has found it legally organized and feasible.

3. The TCEQ's memorandum dated October 31, 2025, on this engineering project and bond issue should be adopted as the written TCEQ project report in compliance with TEX. WATER CODE § 49.181(d).

NOW THEREFORE, BE IT ORDERED BY THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY that the TCEQ's memorandum dated October 31, 2025, on this engineering project and bond issue is adopted as the written TCEQ project report. Pursuant to TEX. WATER CODE § 49.181, the engineering project for the Imperial Redevelopment District is hereby approved together with the issuance of \$9,000,000 in bonds at a net effective interest rate of 5.48%. Further, it is directed that the bonds are to be sold only upon the District receiving an acceptable credit rating on the bonds as defined in 30 TEX. ADMIN. CODE § 293.47(b). A waiver from the 30% developer contribution requirement, pursuant to 30 TEX. ADMIN. CODE § 293.47(a)(2), is granted if the District receives an acceptable credit rating on the bonds as defined in 30 TEX. ADMIN. CODE § 293.47(b). The District's request to fund more than two years of developer interest is approved in accordance with 30 TEX. ADMIN. CODE § 293.50(b). The District's request for approval to use \$625,000 in surplus funds as shown in the summary of costs to reduce the bond issue requirement is granted. The District is directed that it may expend funds for the purchase of facilities conveyed to the City without the need for a pre-purchase inspection pursuant to 30 TEX. ADMIN. CODE § 293.89(h). The District is directed that

for facilities not conveyed to the city, the District should not purchase facilities or assume facility contracts from the developer until either (a) the TCEQ's field office staff has inspected the project, and the District has received a field office report with no deficiencies noted, for which approval is valid for 120 days from the date of the order approving the bonds; or (b) if a field office report indicates deficiencies, the TCEQ's Districts Section has received a request from the District and field office report, reviewed the contract administration, and given written authorization to finalize the purchase or assumption, either one pursuant to 30 TEX. ADMIN. CODE § 293.69. The District's Board of Directors is directed to review to its satisfaction the detailed calculations of the developer's interest to ensure that the costs are authorized District expenditures and in accordance with 30 TEX. ADMIN. CODE § 293.50 before reimbursement to the developer is made. The District is advised that the legal, fiscal agent, and engineering fees have not been evaluated to determine whether these fees are reasonable or competitive. These fees are included as presented in the engineering report. The District is directed that any surplus bond proceeds resulting from the sale of bonds at a lower interest rate than that proposed shall be shown as a contingency line item in the Official Statement and the use of such funds shall be subject to approval pursuant to TCEQ rules on surplus funds. The approval of the sale of these bonds herein shall be valid for one year from the date of this Order unless extended by written authorization of the TCEQ.

BE IT FURTHER ORDERED that pursuant to TEX. WATER CODE § 5.701, the District shall pay to the TCEQ 0.25% of the principal amount of bonds actually issued not later than the seventh (7th) business day after receipt of the bond proceeds. The fees shall be paid by check payable to the Texas Commission on Environmental Quality.

BE IT FURTHER ORDERED that to enable the TCEQ to carry out the responsibilities imposed by TEX. WATER CODE §§ 49.181-182, the District shall: (1) furnish the TCEQ's District Section copies of all bond issue project construction documentation outlined under 30 TEX. ADMIN. CODE § 293.62, including detailed progress reports and as-built plans required by TEX. WATER CODE § 49.277(b), which have not already been submitted; (2) notify the TCEQ's Districts Section and obtain approval of the TCEQ for any substantial alterations in the engineering project approved herein before making such alterations; and (3) ensure, as required by TEX. WATER CODE § 49.277(b), that all construction financed with the proceeds from the sale of bonds is completed by the construction contractor according to the plans and specifications contracted.

BE IT FURTHER ORDERED that failure of said District to comply with all applicable laws and with provisions of this Order shall subject the District and its directors to all penalties that are provided by law and shall further be considered by the TCEQ as grounds for refusal to approve other bonds of the District.

The Chief Clerk of the TCEQ is directed to forward the District a copy of this Order.

If any provision, sentence, clause, or phrase of this Order is for any reason held to be invalid, the invalidity of any portion shall not affect the validity of the remaining portions of the Order.

Issue Date: **November 4, 2025**



For the Commission

Texas Commission on Environmental Quality

TECHNICAL MEMORANDUM

To: Justin P. Taack, Manager
Water Supply Division


10/31/2025

Date: October 31, 2025

Thru: Dan Finnegan, Team Lead
Districts Bond Team

From: Clyde Sifford, P.E.
Districts Bond Team

Subject: Imperial Redevelopment District; Application for Approval of \$9,000,000 Unlimited Tax Bonds; Sixth Issue; 5.48% Net Effective Interest Rate; Pursuant to Texas Water Code Section 49.181; and the Use of \$625,000 in Surplus Funds. TCEQ Internal Control No. D-08132025-020
CN: 602881385 RN: 104707500

A. GENERAL INFORMATION

The Texas Commission on Environmental Quality (TCEQ) received an application from the Imperial Redevelopment District (District) of Fort Bend County requesting approval of the issuance of \$9,000,000 in unlimited tax bonds and the use of \$625,000 of surplus funds to finance the following projects:

- (1) The remaining portion of the utility construction costs for Imperial Phase 2 Detention Ponds and Drainage Facilities Contract 1;
- (2) The remaining portion of the utility construction costs for Crown Garden at Imperial Section 2B;
- (3) City of Sugarland (City) connection charge costs;
- (4) Engineering, surveying, geotechnical design, testing, storm water pollution prevention plan, project representation, developer interest, developer advance, and issuance expense; and
- (5) Water, wastewater and drainage facilities serving the following development within the District.

<u>Development</u>	<u>Type of Development</u>	<u>Acreage</u>	<u>Active ESFCs ⁽¹⁾</u>	<u>Ultimate ESFCs</u>
Crown Garden Section 2A	Single-Family	11.45	49	49
Crown Garden Section 2C	Single-Family	13.75	49	49
Crown Garden Section 2D	Single-Family	19.15	62	62
Retreat at Imperial	Single-Family	<u>8.72</u>	<u>60</u>	<u>60</u>
	Totals	53.07	220	220

Note: (1) Equivalent Single-Family Connections (ESFCs) as of August 5, 2025, as stated in the engineering report.

The District has funded 804 ESFCs in previous bond issues on 135.85 acres (revised from the previous bond issue). Including this bond issue, the District is funding 1,024 ESFCs on 188.92 acres. Based on the engineering report, the District is projected to serve 4,104 ESFCs on 365.27 developable acres (revised from the previous bond issue).

B. ECONOMIC ANALYSIS

Tax Rate Analysis

The economic feasibility of this bond issue is based on no-growth with a certified estimated taxable assessed valuation of \$534,081,096 as of February 1, 2025. A market study has not been provided and is not required since the feasibility of this bond issue is based on no-growth.

According to a Fort Bend Central Appraisal District certificate, the District's February 1, 2025, certified estimated taxable assessed valuation was \$534,081,096. The annual debt service requirement for the proposed bond amount of \$9,000,000 and existing debt averages \$3,071,699 for the 24-year life of the District's bond debt. The District levied a maintenance tax of \$0.12 in 2024 and is projecting to levy a maintenance tax of \$0.12 in the future.

The District's financial advisor has submitted a cash flow schedule considering the requested \$9,000,000 bond issue, existing debt, no-growth to an February 1, 2025, a certified estimated taxable assessed valuation of \$534,081,096, no capitalized interest, a 5.25% bond interest rate, a 3% bond discount rate, a 97% collection rate, and a projected tax rate of \$0.685 per \$100 assessed valuation.

A Districts Section financial analyst has reviewed the financial information submitted and concludes that the following level debt service tax rate would be sufficient.

<u>District</u>	<u>Projected Tax Rate</u>	
Utility Debt Service	\$0.6850	(1)(2)
Maintenance Tax	0.1200	
Road Debt Service	<u>0.1950</u>	(3)
Subtotal District Taxes	\$1.0000	
City of Sugarland	<u>\$0.3533</u>	(4)
Total District Taxes	\$1.3533	(5)

Notes:

- (1) Based on a bond amount of \$9,000,000, existing debt, a net effective interest rate of 5.48%, no capitalized interest, a 97% tax collection rate, no-growth to an February 1, 2025, certified estimated taxable assessed valuation of \$534,081,096, and at least a 25% ending debt service fund balance.
- (2) The term "commission-approved tax rate" in 30 Texas Administrative Code (TAC) Section 293.85 refers to an initial ad valorem debt service tax of \$0.685 per \$100 assessed valuation.
- (3) Current road debt service submitted by the applicant.
- (4) The portion of the City's current tax rate specifically attributable to water, wastewater, drainage and recreation support.
- (5) Represents the combined projected tax rate as defined by 30 TAC Section 293.59(f).

Additional Financial Comments

The District is exempt from the 75% and 25% build-out requirements of 30 TAC Sections 293.59(l)(4) and 293.59(k)(7), respectively based on its combined projected no-growth tax rate of \$1.3533 not exceeding \$1.50 pursuant to 30 TAC Sections 293.59(l) and 293.59(k)(11)(C).

C. ENGINEERING ANALYSIS

Water Supply

Water supply for the District is groundwater and surface water provided by the City pursuant to the "Utility Agreement" dated June 26, 2007. The District was assigned rights to this utility agreement on April 22, 2008. The City's water supply capacity includes seven ground water treatment plants, one surface water treatment plant, and five elevated storage tanks. Once the District's internal water facilities are constructed and approved by the City, ownership is given to the City to maintain and operate. Pursuant to this "Utility Agreement", the City will provide the District with its ultimate requirements for water supply.

The District has no emergency interconnects. According to the engineer's report and a letter from the City dated August 11, 2025, the District's water supply appears adequate to serve the existing 1,256 ESFCs upon which the feasibility of this bond issue is based.

Wastewater Treatment

Wastewater treatment for the District is provided by the City's North Wastewater Treatment Plant (WWTP), pursuant to the Utility Agreement. This WWTP, which operates under the Texas Pollutant Discharge Elimination System Permit No. WQ0011317001, is authorized to discharge a maximum daily average flow of 6.0 million gallons per day (MGD). Three lift stations currently serve the District: Imperial Lift Station Nos. 1, 2, and 3. In accordance with the Utility Agreement, the City provides the District with its ultimate requirements for wastewater treatment service.

In accordance with a letter from the City dated August 11, 2025, the District's wastewater treatment capacity appears adequate to serve the existing 1,256 ESFCs upon which the feasibility of this bond issue is based.

Storm Water Drainage

Storm water drainage within the District is collected by an internal storm system that outfalls directly into Oyster Creek or into a system of detention ponds that drain into Oyster Creek. Oyster Creek ultimately outfalls into the Brazos River.

Purchase of Existing Facilities and/or Assumption of Existing Contracts

<u>Project</u>	<u>Contractor</u>	<u>% Complete (Date)</u>	<u>Final Contract Amount</u> ⁽¹⁾	<u>Amt. Subject to District Contribution</u>
Imperial Phase 2 Detention Ponds and Drainage Facilities Contract 1	Allco	100% (2/17/2017)	\$3,187,264	\$1,276,841 ⁽²⁾ \$944,862 ⁽³⁾
Utilities for Crown Garden at Imperial Section 2B	D Grimm, Inc.	100% (8/22/2016)	\$1,129,019	\$1,049,988 ⁽⁴⁾
Utilities for Crown Garden at Imperial Section 2A	Principal Service, Ltd.	100% (12/05/2016)	\$956,302	\$956,302

Utilities for Crown Garden at Imperial Section 2C	D. Grimm, Inc.	100% (4/2/2018)	\$537,501	\$537,501
Utilities for Crown Garden at Imperial Section 2D	Jaho, Inc.	100% (6/20/2017)	\$569,734	\$569,734
Utilities to serve Retreat at Imperial	Bay Utilities, LLC	100% (4/25/2018)	\$1,137,128	\$627,690 ⁽⁵⁾ \$407,998 ⁽⁶⁾

Notes:

- (1) Original contract amount net of change orders and final quantity adjustments.
- (2) The final contract amount less \$1,885,423 associated with recreation items and less \$25,000 being the financial responsibility of the developer for a total of \$1,910,423.
- (3) The eligible amount shown in note 2 less \$331,979 funded in bond issue no. 5.
- (4) The final contract amount less \$79,031 funded in bond issue no. 5.
- (5) The final contract amount less \$2,560 for ineligible irrigation sleeves and less \$506,878 for ineligible paving construction items for a total of \$509,438. The District reserves the right to reimburse the developer for the \$2,560 amount of irrigation sleeves in a future recreation bond issue.
- (6) The amount being requested in this bond issue. The District reserves the right to reimburse the developer for the remaining amount of \$219,692 in a future utility bond issue.

Approved plans, preconstruction agreements, and various construction contract documents have been provided.

Facilities to be Constructed

None.

Inspection

The District was inspected by a member of the TCEQ's Districts Section staff on October 9, 2025. The District appeared as represented in the engineering report. District name signs were properly posted.

D. SUMMARY OF COSTS

<u>Construction Costs</u>	District's Share ⁽¹⁾
A. Developer Contribution Items	
1. Utilities for Crown Garden at Imperial Section 2B	\$1,049,988
2. Utilities for Crown Garden at Imperial Section 2A	956,302
3. Utilities for Crown Garden at Imperial Section 2C	537,501
4. Utilities for Crown Garden at Imperial Section 2D	569,734
5. Utilities to serve Retreat at Imperial	407,998
6. Engineering, Geotechnical, Surveying, and Lab Fees (Items 1-5)	610,968

7. Storm Water Pollution Prevention Planning (Items 1-5)	<u>219,015</u>
Total Developer Contribution Items	\$4,351,506
B. District items	
1. Imperial Phase 2 Detention Ponds and Drainage Facilities Contract 1	\$944,862
2. Crown Garden at Imperial Section 2B City Utility Charges	429,985
3. Crown Garden at Imperial Section 2A City Utility Charges	323,645
4. Crown Garden at Imperial Section 2C City Utility Charges	409,510
5. Crown Garden at Imperial Section 2D City Utility Charges	323,645
6. Engineering, Geotechnical, Surveying, and Lab Fees (Item 1)	155,281
7. Stormwater Pollution Prevention Planning (Item 1)	<u>8,329</u>
Total District Items	\$2,595,257
Total Construction Costs	\$6,946,763
Less Surplus Funds	<u>(\$625,000)</u>
Net Total Construction Cost (70.24% of BIR)	\$6,321,763
<u>Non-Construction Costs</u>	
A. Legal Fees	\$220,000 ⁽²⁾
B. Fiscal Agent Fees	167,500 ⁽³⁾
C. Developer Interest	1,868,276 ⁽⁴⁾
D. Bond Discount (3%)	270,000
E. Bond Issuance Expenses	45,461
F. Operating Advances	18,000 ⁽⁵⁾
G. Bond Application Report Cost	57,500
H. Attorney General Fee (0.10%)	9,000
I. TCEQ Bond Issuance Fee (0.25%)	<u>22,500</u>
Total Non-Construction Costs (29.76% of BIR)	\$2,678,237
TOTAL BOND ISSUE REQUIREMENT	\$9,000,000

Notes:

- (1) The District has requested a waiver of the 30% developer contribution requirement of 30 TAC Section 293.47.
- (2) According to the contract provided, legal fees are 3% of bonds issued up to \$3,000,000, plus 2.5% of bonds issued between \$3,000,000 and \$5,000,000, plus 2% of bonds issued above 5,000,000.
- (3) According to the contract provided, fiscal agent fees are 2% of bonds issued up to \$5,000,000, plus 1.75% of bonds issued for the next \$3,000,000 plus 1.5% of the next \$3,000,000 of bonds issued.
- (4) Estimated at 5.25% with a proposed funding date of December 31, 2025. The District has requested to reimburse more than two years of developer's interest in accordance with 30 TAC Section 293.50(b). The amount requested does not exceed the four-year limitation of 30 TAC Section 293.50(b)(2). This amount reimburses developer interest on all the construction cost, surveying, storm water pollution prevention planning, testing, project representation, and engineering expense associated with the funding requested in the cost summary except for any funding associated with the Retreat at Imperial project. For items funded in this bond issue that have not had developer interest granted, the calculation of future interest for those items will be based on the date this bond issue is sold.

- (5) Represents the reimbursement of \$18,000 of developer advances incurred on March 10, 2014. The remaining developer advance amount of \$3,000 paid to the District on March 10, 2014, should be funded in a future bond issue.

E. SPECIAL CONSIDERATIONS

1. Waiver of the 30% Developer Contribution Requirement

The District has requested a waiver of the 30% developer contribution requirement pursuant to 30 TAC Section 293.47(a)(2), based on the District obtaining an acceptable credit rating on its bonds. By letter dated March 27, 2025, the District's financial advisor has indicated that the District anticipates obtaining an acceptable credit rating on the proposed bond issue; thereby, qualifying for the requested waiver. Accordingly, the District's request for a waiver of the 30% developer contribution requirement should be granted pursuant to 30 TAC Section 293.47(a)(2).

2. Developer Interest in Excess of Two Years

The District has requested approval to reimburse developer interest for a period of more than two years pursuant to 30 TAC Section 293.50(b)(2). The developer interest of \$1,868,276 in this bond issue does not exceed an amount equal to four years interest (\$1,890,000) on the total bond issue amount of \$9,000,000. The request to reimburse developer interest for a period of more than two years should be approved pursuant to 30 TAC Section 293.50(b).

3. Less than One Year Capitalized Interest

In compliance with 30 TAC Section 293.50(b)(2), the District has requested authorization to sell all the bonds with less than one year of capitalized interest. By letter dated March 27, 2025, the District's financial advisor states that not providing twelve months of capitalized interest on the bonds will have no material impact upon the feasibility or marketability of the bonds.

4. Use of Surplus Funds

The District has requested approval to use \$625,000 in surplus funds to finance a portion of the project costs. A letter from the District's bookkeeper indicates that the District had surplus funds of \$625,000 available, as of July 17, 2025. TCEQ staff recommends approval of the use of the \$625,000 in surplus funds to finance a portion of the project costs as shown in the cost summary.

F. CONCLUSIONS

1. Based on \$185,600,000 in water, wastewater, and drainage bonds approved by voters, and \$32,065,000 in water, wastewater, and drainage bonds previously approved by the TCEQ and issued by the District, the District has sufficient voter authorized bonds (\$153,535,000) for the proposed utility bond issue.
2. Based on the review of the engineering report, plans, and supporting documents, the bond issue is considered feasible and meets the criteria established by the TCEQ's economic feasibility rules, 30 TAC Section 293.59.
3. The recommendations are made under authority delegated by the Executive Director of the TCEQ.

G. RECOMMENDATIONS

1. Approve this bond issue in the requested amount of \$9,000,000 in accordance with the recommended summary of costs, at a net effective interest rate of 5.48%. Further, the District should be directed that the bonds are to be sold only upon the District receiving an acceptable credit rating on the bonds as defined in 30 TAC Section 293.47(b).
2. The District's request for a waiver of the 30% developer contribution requirement pursuant to 30 TAC Section 293.47(a)(2) should be granted if the District receives an acceptable credit rating on the bonds as defined in 30 TAC Section 293.47(b).
3. The District's request to fund more than two years of developer interest in accordance with 30 TAC Section 293.50(b) should be granted.
4. The District's request for the use of \$625,000 in surplus funds to fund a portion of the project costs as shown in the cost summary should be approved.
5. Direct the District that it may expend funds for the purchase of facilities conveyed to the City without the need for a pre-purchase inspection pursuant to 30 TAC Section 293.89(h).
6. Direct the District that for facilities not conveyed to the city, the District should not purchase facilities or assume facility contracts from the developer until either (a) the TCEQ's field office staff has inspected the project, and the District has received a field office report with no deficiencies noted, for which approval is valid for 120 days from the TCEQ's Districts Section has received a request from the District and field office report, reviewed the contract administration, and given written authorization to finalize the purchase or assumption, either one pursuant to 30 TAC Section 293.69.
7. Standard recommendations regarding developer interest, consultant fees, surplus proceeds, time of approval, and bond proceeds fee apply.

PRELIMINARY OFFICIAL STATEMENT DATED JANUARY 15, 2026

This Preliminary Official Statement is subject to completion and amendment and is intended solely for the purpose of soliciting initial bids on the Bonds. Upon the sale of the Bonds, the Official Statement will be completed and delivered to the Initial Purchaser.

IN THE OPINION OF BOND COUNSEL, UNDER EXISTING LAW, INTEREST ON THE BONDS (I) IS EXCLUDABLE FROM GROSS INCOME FOR FEDERAL INCOME TAX PURPOSES UNDER SECTION 103 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, AND (II) IS NOT AN ITEM OF TAX PREFERENCE FOR PURPOSES OF THE ALTERNATIVE MINIMUM TAX ON INDIVIDUALS. SEE “TAX MATTERS” HEREIN, INCLUDING INFORMATION REGARDING POTENTIAL ALTERNATIVE MINIMUM TAX CONSEQUENCES FOR CORPORATIONS.

THE BONDS **WILL NOT** BE DESIGNATED AS “QUALIFIED TAX-EXEMPT OBLIGATIONS” FOR FINANCIAL INSTITUTIONS.

NEW ISSUE – Book-Entry-Only

Underlying Rating: Moody’s “_____”
See “MUNICIPAL BOND RATING
AND MUNICIPAL BOND
INSURANCE” herein.

\$9,000,000

IMPERIAL REDEVELOPMENT DISTRICT

(A political subdivision of the State of Texas located within Fort Bend County)

UNLIMITED TAX BONDS, SERIES 2026

Dated: March 1, 2026

Due: May 1, as shown below

Interest Accrual Date: Date of Delivery

Principal of the bonds described above (the “Bonds”) will be payable at stated maturity or redemption upon presentation of the Bonds at the principal payment office of the paying agent/registrar, initially The Bank of New York Mellon Trust Company, N.A. (the “Paying Agent/Registrar,” “Paying Agent” or “Registrar”) in Houston, Texas. Interest on the Bonds accrues from the date of delivery (expected on or about March 24, 2026) (the “Date of Delivery”) and is payable on November 1, 2026 and on each May 1 and November 1 thereafter until the earlier of maturity or redemption. Interest will be calculated on the basis of a 360-day year of twelve 30-day months. The Bonds will be issued only in fully registered form in \$5,000 denominations or integral multiples thereof. The Bonds are subject to redemption prior to maturity as shown below.

The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds. Beneficial owners of the Bonds will not receive physical certificates representing the Bonds but will receive a credit balance on the books of the nominees of such beneficial owners. So long as Cede & Co. is the registered owner of the Bonds, the principal of and interest on the Bonds will be paid by the Paying Agent directly to DTC, which will, in turn, remit such principal and interest to its participants for subsequent disbursement to the beneficial owners of the Bonds as described herein. See “BOOK-ENTRY-ONLY SYSTEM.”

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND INITIAL REOFFERING YIELDS

Due (May 1)	Principal Amount (a)	Interest Rate	Initial Reoffering Yield (b)	CUSIP Number (c)	Due (May 1)	Principal Amount (a)	Interest Rate	Initial Reoffering Yield (b)	CUSIP Number (c)
2027	\$ 285,000				2039	\$ 395,000 (d)			
2028	295,000				2040	405,000 (d)			
2029	300,000				2041	420,000 (d)			
2030	310,000				2042	430,000 (d)			
2031	320,000				2043	440,000 (d)			
2032	325,000 (d)				2044	455,000 (d)			
2033	335,000 (d)				2045	465,000 (d)			
2034	345,000 (d)				2046	480,000 (d)			
2035	355,000 (d)				2047	490,000 (d)			
2036	365,000 (d)				2048	505,000 (d)			
2037	375,000 (d)				2049	520,000 (d)			
2038	385,000 (d)								

- (a) The Initial Purchaser (as defined herein) may designate one or more maturities of term bonds. See accompanying “Official Notice of Sale” and “Official Bid Form.”
- (b) Initial reoffering yield represents the initial offering yield to the public which has been established by the Initial Purchaser (as herein defined) for offers to the public and which may be subsequently changed by the Initial Purchaser and is the sole responsibility of the Initial Purchaser.
- (c) CUSIP Numbers have been assigned to the Bonds by CUSIP Global Services and are included solely for the convenience of the purchasers of the Bonds. Neither the District nor the Initial Purchaser shall be responsible for the selection or correctness of the CUSIP Numbers set forth herein.
- (d) Bonds maturing on and after May 1, 2032, are subject to redemption prior to maturity at the option of the District, in whole or from time to time in part, on May 1, 2031, or on any date thereafter, at a price equal to the principal amount thereof plus accrued interest to the date fixed for redemption. See “THE BONDS—Redemption Provisions.”

The Bonds, when issued, will constitute valid and legally binding obligations of Imperial Redevelopment District (the “District”) and will be payable from the proceeds of an annual ad valorem tax, without legal limitation as to rate or amount, levied against all taxable property located within the District. The Bonds are obligations solely of the District and are not obligations of the State of Texas, Fort Bend County, the City of Sugar Land or any entity other than the District. The Bonds are subject to special investment risks described herein. See “INVESTMENT CONSIDERATIONS.”

The Bonds are offered by the Initial Purchaser subject to prior sale, when, as and if issued by the District and accepted by the Initial Purchaser, subject, among other things, to the approval of the Bonds by the Attorney General of Texas and the approval of certain legal matters by Allen Boone Humphries Robinson LLP, Bond Counsel. Delivery of the Bonds through DTC is expected on or about March 24, 2026.

Bids Due: Thursday, February 19, 2026, at 9:15 A.M., Houston Time in Houston, Texas
Bid Award: Thursday, February 19, 2026, at 12:30 P.M., Houston Time in Sugar Land, Texas

TABLE OF CONTENTS

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND INITIAL REOFFERING YIELDS	1
OFFICIAL STATEMENT SUMMARY	3
SELECTED FINANCIAL INFORMATION	7
THE BONDS	8
BOOK-ENTRY-ONLY SYSTEM.....	13
THE DISTRICT.....	14
REDEVELOPMENT AGREEMENT WITH CITY OF SUGAR LAND.....	16
TAX INCREMENT REINVESTMENT ZONE	17
MANAGEMENT.....	18
THE DEVELOPERS AND MAJOR LANDOWNERS	19
ROAD SYSTEM.....	20
PARK SYSTEM.....	20
UTILITY AGREEMENT WITH CITY OF SUGAR LAND	20
WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM	21
USE AND DISTRIBUTION OF BOND PROCEEDS	22
UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED.....	23
FINANCIAL STATEMENT	23
ESTIMATED OVERLAPPING DEBT STATEMENT	25
TAX DATA	26
TAX PROCEDURES	28
GENERAL FUND.....	33
DEBT SERVICE REQUIREMENTS.....	34
INVESTMENT CONSIDERATIONS.....	35
LEGAL MATTERS.....	42
TAX MATTERS.....	43
SALE AND DISTRIBUTION OF THE BONDS.....	46
MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE.....	46
PREPARATION OF OFFICIAL STATEMENT.....	47
CONTINUING DISCLOSURE OF INFORMATION	48
MISCELLANEOUS	50
AERIAL PHOTOGRAPH	51
PHOTOGRAPHS OF THE DISTRICT.....	52
AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR ENDED NOVEMBER 30, 2024.....	APPENDIX A

USE OF INFORMATION IN OFFICIAL STATEMENT

For purposes of compliance with Rule 15c2-12 of the Securities and Exchange Commission, as amended and in effect on the date hereof, this document constitutes an Official Statement with respect to the Bonds that has been “deemed final” by the District as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

No dealer, broker, salesman or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement, and, if given or made, such other information or representation must not be relied upon as having been authorized by the District.

This Official Statement is not to be used in an offer to sell or the solicitation of an offer to buy in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation.

All of the summaries of the statutes, resolutions, orders, contracts, audited financial statements, engineering and other related reports set forth in this Official Statement are made subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents, copies of which are available from Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas, 77027, upon payment of duplication costs.

References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader’s convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this Official Statement for purposes of, and as that term is defined in, SEC Rule 15c2-12, as amended.

This Official Statement contains, in part, estimates, assumptions and matters of opinion which are not intended as statements of fact, and no representation is made as to the correctness of such estimates, assumptions or matters of opinion, or as to the likelihood that they will be realized. Any information and expressions of opinion herein contained are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District or other matters described herein since the date hereof. However, the District has agreed to keep this Official Statement current by amendment or sticker to reflect material changes in the affairs of the District and, to the extent that information actually comes to its attention, the other matters described in this Official Statement until delivery of the Bonds to the Initial Purchaser and thereafter only as specified in “PREPARATION OF OFFICIAL STATEMENT—Updating the Official Statement.”

OFFICIAL STATEMENT SUMMARY

The following information is qualified in its entirety by the detailed information appearing elsewhere in this Official Statement.

THE FINANCING

<i>The Issuer</i>	Imperial Redevelopment District (the “District”), a political subdivision of the State of Texas, is located in Fort Bend County, Texas. See “THE DISTRICT.”
<i>The Issue</i>	\$9,000,000 Unlimited Tax Bonds, Series 2026 (the “Bonds”) are issued pursuant to a resolution (the “Bond Resolution”) of the District’s Board of Directors and are authorized pursuant to the election held within the District. See “THE BONDS—Authority for Issuance.” The Bonds will be issued as fully registered bonds maturing on the years and in the amounts and paying interest at the rates shown on the cover hereof. Interest on the Bonds accrues from the date of delivery (expected to be on or about March 24, 2026) (the “Date of Delivery”) and is payable on November 1, 2026, and on each May 1 and November 1 thereafter until the earlier of maturity or prior redemption. See “THE BONDS—Redemption Provisions.” The Bonds maturing on and after May 1, 2032, are subject to redemption, in whole or from time to time in part, at the option of the District, prior to their maturity dates, on May 1, 2031, or on any date thereafter. Upon redemption, the Bonds will be payable at a price of par plus accrued interest to the date of redemption. See “THE BONDS.”
<i>Source of Payment</i>	The Bonds are payable from an annual ad valorem tax, without legal limitation as to rate or amount, levied upon all taxable property within the District. See “TAX PROCEDURES.” The Bonds are obligations of the District and are not obligations of the State of Texas, Fort Bend County (the “County”), the City of Sugar Land, Texas (the “City”) or any other political subdivision or agency other than the District. See “THE BONDS—Source of and Security for Payment.”
<i>Authority for Issuance</i>	The Bonds are the sixth series of bonds issued out of an aggregate of \$185,600,000 principal amount of unlimited tax bonds authorized by the District’s voters for the purpose of acquiring or constructing water, sanitary sewer and drainage facilities and refunding such bonds. The Bonds are issued by the District pursuant to an order of the Texas Commission on Environmental Quality (the “TCEQ”), the terms and provisions of Article XVI, Section 59 of the Texas Constitution, Chapter 8150 of the Texas Special Districts Local Laws Code, Chapters 49 and 54 of the Texas Water Code, as amended, the general laws of the State of Texas, the Bond Resolution (as defined herein), approval by the City, and an election held within the District. See “THE BONDS—Authority for Issuance,” “—Issuance of Additional Debt” and “INVESTMENT CONSIDERATIONS—Future Debt.”
<i>Payment Record</i>	The District previously issued five series of unlimited tax bonds for water, sanitary sewer and drainage, of which \$26,975,000 principal amount is outstanding, three series of unlimited tax park bonds, of which \$13,825,000 principal amount is outstanding, and two series of unlimited tax road bonds, of which \$13,460,000 principal amount is outstanding, totaling \$54,260,000 principal amount outstanding (collectively referred to herein as the “Outstanding Unlimited Tax Bonds”) as of the date hereof. The District also has previously issued three series of contract revenue bonds in the combined principal amount of \$15,440,000, of which \$13,550,000 principal amount is currently outstanding (the “Outstanding Contract Revenue Bonds”) as of the date hereof. See “FINANCIAL STATEMENT—Outstanding Unlimited Tax Bonds.” The District has never defaulted on the payment of principal and interest on its previously issued bonds.
<i>Use of Proceeds</i>	Proceeds from the Bonds will be used to pay for the construction costs shown herein under “USE AND DISTRIBUTION OF BOND PROCEEDS.” In addition, Bond proceeds will be used to pay operating advances and interest on funds advanced by the Developers (as defined herein) on behalf of the District; and to pay engineering fees and administrative costs and certain other costs related to the issuance of the Bonds. See “USE AND DISTRIBUTION OF BOND PROCEEDS.”

<i>Not Qualified Tax-Exempt Obligations</i>	The Bonds will not be designated as “qualified tax-exempt obligations” within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.
<i>Municipal Bond Rating and Municipal Bond Insurance</i>	Application has been made to Moody’s Investors Service (“Moody’s”) for an underlying rating on the Bonds, and Moody’s has assigned an underlying rating of “___” to the District. Application has also been made to various municipal bond insurance companies for qualification of the Bonds for municipal bond insurance. If qualified, such insurance will be available at the option of the Initial Purchaser at the Initial Purchaser’s expense. The rating fee of Moody’s will be paid for by the District; payment of any other rating fee will be the responsibility of the Initial Purchaser. See “INVESTMENT CONSIDERATIONS—Risk Factors Related to the Purchase of Municipal Bond Insurance” and “MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE.”
<i>Bond Counsel</i>	Allen Boone Humphries Robinson LLP, Bond Counsel, Houston, Texas. See “MANAGEMENT,” “LEGAL MATTERS,” and “TAX MATTERS.”
<i>Co-Financial Advisors</i>	Masterson Advisors LLC and Post Oak Municipal Advisors LLC, Houston, Texas. See “MANAGEMENT.”
<i>District Engineer</i>	LJA Engineering, Inc., Houston, Texas.
<i>Disclosure Counsel</i>	McCall, Parkhurst & Horton L.L.P., Houston, Texas.

THE DISTRICT

<i>Description</i>	The District was created under Article XVI, Section 59 of the Texas Constitution by House Bill 3554, as passed by the 79 th Texas Legislature on June 18, 2005, and operates in accordance with Chapter 8150 of the Texas Special District Local Laws Code, and Chapters 49 and 54 of the Texas Water Code, as amended. The District also has the authority specified in Article III, Sections 52 and 52-a, and Article VIII, Section 1-g of the Texas Constitution. The District contains approximately 746 acres of land and is located in eastern Fort Bend County approximately 30 miles southwest of downtown Houston, Texas. Access to the District is provided via State Highway 6 and US Highway 90A. Generally, the District is bordered on the south by US Highway 90A, on the west by State Highway 6 and on the north by Voss Road. Oyster Creek winds through the District. The District lies entirely within the corporate boundaries of the City of Sugar Land, Texas (the “City”). See “THE DISTRICT” and “AERIAL PHOTOGRAPH.”
<i>Imperial</i>	The District is being developed as Imperial, a mixed-use community which is planned to include single-family and multi-family residential, retail, office and commercial development. The District includes a baseball stadium known as Constellation Field, which is the home of the Sugar Land Space Cowboys, the Triple-A affiliate of the Houston Astros.
<i>Status of Development</i>	The District currently includes approximately 151 developed acres of single-family residential development (567 lots). As of October 1, 2025, the District contained 567 completed single-family homes, all of which were occupied, and 6 vacant developed lots. According to the District’s 2025 tax rolls, the average homestead value in the District is approximately \$642,094. In addition to single-family residential development, two multi-family apartment developments are located on an aggregate of approximately 14 acres within the District: Imperial Lofts consisting of 254 units and Overture Sugar Land consisting of 200 units. According to property management, approximately 93% of units are occupied in Imperial Lofts and approximately 93% of units are occupied in Overture Sugar Land.

Commercial improvements have been constructed on an aggregate of approximately 44 acres within the District which includes a 7-Eleven gas station/convenience store, a children’s daycare facility, a self-storage facility, a portion of the Nalco Champion corporate offices and parking area, a banquet hall, a tutoring center, a restaurant, a local brewery, a behavioral health hospital, a McDonalds, and office condos. Approximately 2 acres of land are served with utilities, upon which no vertical improvements have been constructed to date.

Constellation Field has been constructed on approximately 27 acres within the District and the Fort Bend Children’s Discovery Center and the Sugar Land Heritage Museum and Visitor Center have been constructed on approximately one acre within the District. The land and improvements constructed on such acreage are owned by the City and are not subject to ad valorem taxation by the District.

The District also contains approximately 133 acres of developable land (including the 25 acres in the Imperial Historic District Tract, as defined herein) which are not provided with underground water, sanitary sewer and drainage facilities. Approximately 46 acres have been developed as 45,000 feet of walking trails, parks and open spaces, and approximately 330 acres of land are undevelopable and contained in drainage easements, right-of-way, District plant sites, detention areas, City of Sugar Land surface water treatment plant, and drill sites. See “THE DISTRICT—Status of Development” and “THE DEVELOPERS AND MAJOR LANDOWNERS.”

The TIRZ..... By Ordinance No. 1667, dated December 18, 2007, the City created Reinvestment Zone Number Three, City of Sugar Land (the “TIRZ”) and adopted the Final Project Plan and Reinvestment Zone Financing Plan (the “TIRZ Plan”) for a term of thirty years. By Ordinances No. 1888, dated February 5, 2013, and No. 2064, dated August 16, 2016 (all ordinances collectively referred to as the “TIRZ Ordinances”), the City extended the term of the TIRZ to 2042 and amended the TIRZ Plan. The TIRZ covers approximately 839.4 acres, consisting of all the acreage in the District and some additional non-taxable right-of-way property. The TIRZ is intended to facilitate a program of public improvements to allow the District to be developed as a planned mixed-use community with single-family and multi-family residential, recreational facilities, a sports stadium, museums and other arts and entertainment venues, with associated parking, related water, sanitary sewer, drainage and road infrastructure, and the preservation and/or reuse of certain historic structures at the Imperial Sugar Company site.

The City and Fort Bend County (the “County”) have agreed to deposit to a special tax increment fund established by the City (the “Tax Increment Fund”) a portion of their tax collections arising from property within the TIRZ. The District has entered into a contract with the board of directors of the TIRZ and the governing body of the City that provides for the District to assist in implementing the TIRZ Plan. Under the contract, the District issues bonds payable from amounts it receives from the City from the Tax Increment Fund (the “Contract Revenue Bonds”) and uses proceeds of the Contract Revenue Bonds to finance certain components of the TIRZ Plan, with the remaining components of the Plan being financed through proceeds of the District’s unlimited tax bonds.

The District has previously issued three series of Contract Revenue Bonds in the combined principal amount of \$15,440,000, of which \$13,550,000 principal amount remains outstanding (the “Outstanding Contract Revenue Bonds”) as of the date hereof. The Outstanding Contract Revenue Bonds are payable solely from the amounts the District receives from the City from the Tax Increment Fund, and owners of the Outstanding Contract Revenue Bonds do not have any right, claim or interest to any amounts derived from the levy of taxes by the District. **The Bonds are not payable from the amounts received from the Tax Increment Fund.** See “REDEVELOPMENT AGREEMENT WITH THE CITY OF SUGAR LAND,” and “TAX INCREMENT REINVESTMENT ZONE.”

The Developers and Major

Landowners The majority of the developable land in the District was originally owned by Cherokee Sugar Land, L.P. (“Cherokee”), a Delaware limited partnership, and the General Land Office on behalf of the State of Texas for the benefit of the Permanent School Fund (the “GLO”) (Cherokee and GLO collectively, referred to as the “Landowners”). Cherokee was formed for the sole purpose of owning and developing the 746 acres of land in the District. Imperial Johnson LLC (“Imperial Johnson”), an affiliate of The Johnson Development Corp., is the Development Manager for GLO and Imperial Assets. Imperial Johnson is referred to herein as the “Development Manager.” In August 2023, Cherokee assigned all of its assets and receivables to Imperial Assets, LLC (“Imperial Assets”), an affiliate of The Johnson Development Corp. The Landowners have developed or sold a majority of their land in the District. Imperial Assets and the GLO currently own approximately 40 acres of undevelopable land in the District.

In 2014, Meritage Homes of Texas LLC, an Arizona limited liability company (“Meritage”) purchased approximately 127 acres from the Landowners and has developed such acreage as Crown Garden at Imperial. Meritage was also a homebuilder in Crown Garden at Imperial. Meritage does not own any developable land in the District.

In 2016, Sueba Development 153 LP, a Texas limited partnership (“Sueba”) purchased approximately 4 acres in “Imperial Market” from Imperial Market Development, LLC, which has not been developed at this time.

Approximately 25 acres of land in the District that incorporates the historic structures of the former Imperial Sugar Company refinery (“Imperial Historic District Tract”) is undeveloped. The Fort Bend Children’s Discovery Center and the Sugar Land Heritage Museum and Visitor Center have been constructed on approximately one acre of such land, which is owned by the City. The City purchased the Imperial Historic District Tract in summer 2025.

In 2022, DPEG Imperial, LP (“DPEG”) purchased approximately 89 acres from the Landowners. DPEG is a private equity and real estate development company based in Houston, Texas. Such acreage is served with water, sewer and drainage utilities and construction of a fast food restaurant and office condos have begun on approximately 6 of such acres.

Cherokee, the GLO, and Meritage are collectively referred to herein as the “Developers.” See “THE DEVELOPERS AND MAJOR LANDOWNERS.”

INVESTMENT CONSIDERATIONS

THE PURCHASE AND OWNERSHIP OF THE BONDS ARE SUBJECT TO SPECIAL INVESTMENT CONSIDERATIONS AND ALL PROSPECTIVE PURCHASERS ARE URGED TO EXAMINE CAREFULLY THIS ENTIRE OFFICIAL STATEMENT WITH RESPECT TO THE INVESTMENT SECURITY OF THE BONDS, INCLUDING PARTICULARLY THE SECTION CAPTIONED “INVESTMENT CONSIDERATIONS.”

SELECTED FINANCIAL INFORMATION

2025 Taxable Assessed Valuation	\$545,527,474	(a)
Estimated Taxable Assessed Valuation as of August 15, 2025	\$553,549,271	(b)
Gross Debt Outstanding (after the issuance of the Bonds)	\$63,260,000	(c)
Estimated Overlapping Debt	<u>30,219,938</u>	(d)
Gross Debt and Estimated Overlapping Debt	\$93,479,938	(c)(d)
Ratios of Gross Debt to:		
2025 Taxable Assessed Valuation	11.60%	
Estimated Taxable Assessed Valuation as of August 15, 2025	11.43%	
Ratios of Gross Debt and Estimated Overlapping Debt to:		
2025 Taxable Assessed Valuation	17.12%	
Estimated Taxable Assessed Valuation as of August 15, 2025	16.87%	
2025 Tax Rate:		
Debt Service	\$0.88	
Maintenance and Operations	<u>0.09</u>	
Total	\$0.97/\$100 A.V.	
Average percentage of total tax collections (2020-2024)	99.90%	
Projected Maximum Annual Debt Service Requirements (2027)		
of the Outstanding Unlimited Tax Bonds and the Bonds at an assumed interest rate of 4.75%		
("Maximum Annual Requirement")	\$4,767,519	(e)
Projected Average Annual Debt Service Requirements (2026-2049)		
of the Outstanding Unlimited Tax Bonds and the Bonds at an assumed interest rate of 4.75%		
("Average Annual Requirement")	\$3,634,651	(e)
Tax rate required to pay Maximum Annual Requirement based upon:		
2025 Taxable Assessed Valuation at a 95% collection rate	\$0.92/\$100 A.V.	(f)
Estimated Taxable Assessed Valuation as of August 15, 2025 at a 95% collection rate	\$0.91/\$100 A.V.	(f)
Tax rate required to pay Average Annual Requirement based upon:		
2025 Taxable Assessed Valuation at a 95% collection rate	\$0.71/\$100 A.V.	(f)
Estimated Taxable Assessed Valuation as of August 15, 2025 at a 95% collection rate	\$0.70/\$100 A.V.	(f)
Status of Residential Development as of October 1, 2025 (g):		
Single-family residential – completed (567 occupied)	567	
Single-family residential – vacant developed lots	6	
Multi-family (454 units)	2	

Area of District — 746 acres
Estimated 2025 Population — 2,892 (h)

- (a) The Fort Bend Central Appraisal District (the "Appraisal District") has certified \$542,604,105 of taxable value within the District as of January 1, 2025. An additional \$2,923,369 of taxable value, which is subject to review and adjustment prior to certification, remains uncertified. See "TAX PROCEDURES."
- (b) As provided by the Appraisal District. Such amount is only an estimate of the taxable assessed value on August 15, 2025, and may be revised upward or downward once certified by the Appraisal District. Increases in value occurring between January 1, 2025 and August 15, 2025, will be certified as of January 1, 2026. See "TAX PROCEDURES."
- (c) Excludes the District's Contract Revenue Bonds payable solely from amounts received from the City's Tax Increment Fund. See "TAX INCREMENT REINVESTMENT ZONE."
- (d) See "ESTIMATED OVERLAPPING DEBT STATEMENT."
- (e) See "DEBT SERVICE REQUIREMENTS."
- (f) See "TAX DATA—Tax Adequacy for Debt Service."
- (g) See "THE DISTRICT—Status of Development."
- (h) Estimated based on 3.5 persons per occupied single-family connection and 2.0 persons per multi-family unit.

PRELIMINARY OFFICIAL STATEMENT

\$9,000,000

IMPERIAL REDEVELOPMENT DISTRICT

(A political subdivision of the State of Texas located within Fort Bend County)

UNLIMITED TAX BONDS

SERIES 2026

This Official Statement provides certain information in connection with the issuance by Imperial Redevelopment District (the “District”) of its \$9,000,000 Unlimited Tax Bonds, Series 2026 (the “Bonds”).

The Bonds are issued pursuant to an order of the Texas Commission on Environmental Quality (the “TCEQ”), an election held within the District, Article XVI, Section 59 of the Texas Constitution, Chapter 8150 of the Special District Local Laws, Chapters 49 and 54 of the Texas Water Code, as amended, the general laws of the State of Texas, approval by the City of Sugar Land (the “City”), and a resolution authorizing the issuance of the Bonds (the “Bond Resolution”) adopted by the Board of Directors of the District (the “Board”).

This Official Statement includes descriptions, among others, of the Bonds and the Bond Resolution, and certain other information about the District, Cherokee Sugar Land, L.P. (“Cherokee”), the General Land Office on behalf of the State of Texas for the benefit of the Permanent School Fund (the “GLO”) and Meritage Homes of Texas LLC, (“Meritage”). Cherokee, the GLO and Meritage are collectively referred to herein as the “Developers.” All descriptions of documents contained herein are only summaries and are qualified in their entirety by reference to each document. Copies of documents may be obtained from the District upon payment of the costs of duplication therefore.

THE BONDS

General

The following is a description of some of the terms and conditions of the Bonds, which description is qualified in its entirety by reference to the Bond Resolution of the Board authorizing the issuance and sale of the Bonds. The Bond Resolution authorizes the issuance and sale of the Bonds and prescribes the terms, conditions, and provisions for the payment of the principal of and interest on the Bonds by the District.

The Bonds will be dated March 1, 2026, with interest accruing from the Date of Delivery payable on each November 1 and May 1 commencing November 1, 2026, until the earlier of maturity or prior redemption. The Bonds mature on May 1 in the amounts and years and accrue interest at the rates shown on the cover page of this Official Statement. Interest calculations are based on a 360-day year comprised of twelve 30-day months. The Bonds will be issued only in fully registered form in \$5,000 denominations or integral multiples thereof.

Authority for Issuance

On November 8, 2011, the voters of the District authorized the issuance of a total of \$185,600,000 principal amount of unlimited tax bonds for the purpose of acquiring or constructing water, sanitary sewer and drainage facilities and refunding of such bonds. The Bonds are the sixth issuance from such authorization. See “—Issuance of Additional Debt” herein and “USE AND DISTRIBUTION OF BOND PROCEEDS.”

The Bonds are issued by the District pursuant an order of the TCEQ, the terms and provisions of the Bond Resolution, Article XVI, Section 59 of the Texas Constitution, Chapter 8150 of the Texas Special District Local Laws Code, Chapters 49 and 54 of the Texas Water Code, as amended, the general laws of the State of Texas, approval by the City, and an election held within the District.

Before the Bonds can be issued, the Attorney General of Texas must pass upon the legality of certain related matters. The Attorney General of Texas does not guarantee or pass upon the safety of the Bonds as an investment or upon the adequacy of the information contained in this Official Statement.

Source of and Security for Payment

While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, the District covenants in the Bond Resolution to levy a continuing direct annual ad valorem tax, without legal limit as to rate or amount, upon all taxable property in the District sufficient to pay the principal of and interest on the Bonds, the Outstanding Unlimited Tax Bonds, and any future bonds payable in whole or in part from taxes, with full allowance being made for delinquencies and costs of collection. In the Bond Resolution, the District covenants that said taxes are irrevocably pledged to the payments of the interest on and principal of the Bonds, and to no other purpose.

The Bonds are obligations of the District and are not the obligations of the State of Texas, Fort Bend County, the City, or any entity other than the District.

Method of Payment of Principal and Interest

In the Bond Resolution, the Board has appointed The Bank of New York Mellon Trust Company, N.A., Houston, Texas as the initial Paying Agent/Registrar for the Bonds. The principal of the Bonds shall be payable, without exchange or collection charges, in any coin or currency of the United States of America, which, on the date of payment, is legal tender for the payment of debts due the United States of America. In the event the book-entry system is discontinued, principal of the Bonds shall be payable upon presentation and surrender of the Bonds as they respectively become due and payable, at the principal payment office of the Paying Agent/Registrar in Houston, Texas and interest on each Bond shall be payable by check payable on each Interest Payment Date, mailed by the Paying Agent/Registrar on or before each Interest Payment Date to the Registered Owner of record as of the close of business on April 15 or October 15 immediately preceding each Interest Payment Date (defined herein as the "Record Date"), to the address of such Registered Owner as shown on the Paying Agent/Registrar's records (the "Register") or by such other customary banking arrangements as may be agreed upon by the Paying Agent/Registrar and the Registered Owners at the risk and expense of the Registered Owners.

If the date for payment of the principal of or interest on any Bond is not a business day, then the date for such payment shall be the next succeeding business day, as defined in the Bond Resolution.

Funds

In the Bond Resolution, the Water, Sewer and Drainage and Park Debt Service Fund is confirmed, and the proceeds from all taxes levied, assessed, and collected for and on account of the Bonds authorized by the Bond Resolution shall be deposited, as collected, in such fund.

The District also maintains a Road Debt Service Fund and a Pledged TIRZ Revenue Fund that are not pledged to the Bonds. Funds in the Road Debt Service Fund and the Pledged TIRZ Revenue Fund are not available to pay principal and interest on the Bonds.

The proceeds from sale of the Bonds, including interest earnings thereon, shall be deposited into the Capital Projects Fund to pay costs of acquiring or constructing District water, sanitary sewer and drainage facilities, to pay Developer interest and to pay the costs of issuing the Bonds. See "USE AND DISTRIBUTION OF BOND PROCEEDS" for a more complete description of the use of Bond proceeds.

No Arbitrage

The District will certify as of the date the Bonds are delivered and paid for that, based upon all facts and estimates then known or reasonably expected to be in existence on the date the Bonds are delivered and paid for, the District reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds, or any portion of the Bonds, to be "arbitrage bonds" under the Internal Revenue Code of 1986, as amended (the "Code"), and the regulations prescribed thereunder. Furthermore, all officers, employees, and agents of the District have been authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the District as of the date the Bonds are delivered and paid for. In particular, all or any officers of the District are authorized to certify to the facts and circumstances and reasonable expectations of the District on the date the Bonds are delivered and paid for regarding the amount and use of the proceeds of the Bonds. Moreover, the District covenants in the Bond Resolution that it shall make such use of the proceeds of the Bonds, regulate investment of proceeds of the Bonds, and take such other and further actions and follow such procedures, including, without limitation, calculating the yield on the Bonds, as may be required so that the Bonds shall not become "arbitrage bonds" under the Code and the regulations prescribed from time to time thereunder.

Record Date

The record date for payment of the interest on any regularly scheduled interest payment date is defined as the 15th day of the month (whether or not a business day) preceding such interest payment date.

Redemption Provisions

The District reserves the right, at its option, to redeem the Bonds maturing on or after May 1, 2032, prior to their scheduled maturities, in whole or from time to time in part, in integral multiples of \$5,000, on May 1, 2031, or on any date thereafter, at a price of par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. If fewer than all of the Bonds are redeemed at any time, the particular maturities of Bonds to be redeemed shall be selected by the District. If less than all the Bonds of any maturity are redeemed at any time, the particular Bonds within a maturity to be redeemed shall be selected by the Paying Agent/Registrar by lot or other customary method of selection (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form).

If a Bond subject to redemption is in a denomination larger than \$5,000, a portion of such Bond may be redeemed, but only in integral multiples of \$5,000. Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a Bond or Bonds of like maturity and interest rate in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

Notice of any redemption identifying the Bonds to be redeemed in whole or in part shall be given by the Paying Agent/Registrar at least thirty (30) days prior to the date fixed for redemption by sending written notice by first class mail to the Registered Owner of each Bond to be redeemed in whole or in part at the address shown on the register. Such notices shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment and, if fewer than all the Bonds outstanding within any one maturity are to be redeemed, the numbers of the Bonds or the portions thereof to be redeemed. Any notice given shall be conclusively presumed to have been duly given, whether or not the Registered Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed, plus accrued interest to the date fixed for redemption. When Bonds have been called for redemption in whole or in part and due provision has been made to redeem the same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Registered Owners to collect interest that would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

Registration and Transfer

So long as any Bonds remain outstanding, the Paying Agent/Registrar shall keep the register at its principal payment office and, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of the Bond Resolution. While the Bonds are in the Book-Entry-Only System, the Bonds will be registered in the name of Cede & Co. and will not be transferred. See "BOOK-ENTRY-ONLY SYSTEM."

Replacement of Paying Agent/Registrar

Provision is made in the Bond Resolution for replacement of the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, the new paying agent/registrar shall act in the same capacity as the previous Paying Agent/Registrar. Any paying agent/registrar selected by the District shall be a national or state banking institution, a corporation organized and doing business under the laws of the United States of America or of any State, authorized under such laws to exercise trust powers, and subject to supervision or examination by federal or state authority, to act as Paying Agent/Registrar for the Bonds.

Lost, Stolen or Destroyed Bonds

In the event the Book-Entry-Only System is discontinued, upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding. If any Bond is lost, stolen or destroyed, the District, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall, upon receipt of certain documentation from the Registered Owner and an indemnity bond, execute and the Paying Agent/Registrar shall authenticate and deliver a replacement Bond of like maturity, interest rate and principal amount bearing a number not contemporaneously outstanding. Registered Owners of lost, stolen or destroyed bonds will be required to pay the District's costs to replace such bond. In addition, the District or the Paying Agent/Registrar may require the Registered Owner to pay a sum sufficient to cover any tax or other governmental charge that may be imposed.

Issuance of Additional Debt

After issuance of the Bonds, the District will have \$144,535,000 principal amount of unlimited tax bonds for acquiring or constructing water, sanitary sewer and drainage facilities and refunding of such bonds, \$67,542,000 principal amount of unlimited tax bonds authorized but unissued for the purpose of acquiring or constructing recreational facilities and refunding of such bonds, \$195,130,000 principal amount of unlimited tax bonds authorized but unissued for road facilities, and refunding of such bonds^(a), \$138,600,000 principal amount of unlimited tax bonds for parking facilities and refunding of such bonds, and \$51,200,000 principal amount of unlimited tax bonds for economic development and refunding of such bonds. Under current law, the District does not have the legal authority to issue bonds payable from ad valorem taxes for parking facilities or economic development; but may issue Contract Revenue Bonds, as described herein, for such purposes. The Bond Resolution imposes no limitation on the amount of additional parity bonds which may be authorized for issuance by the District's voters or the amount ultimately issued by the District.

Issuance of additional unlimited tax bonds could dilute the investment security for the Bonds.

The District has issued \$15,440,000 principal amount of Contract Revenue Bonds, of which \$13,550,000 principal amount is outstanding (the "Outstanding Contract Revenue Bonds") as of the date hereof, and which is payable solely from amounts received from the City's Tax Increment Fund. Owners of the Contract Revenue Bonds do not have any right, claim or interest to any amounts derived from the levy of taxes by the District. See "TAX INCREMENT REINVESTMENT ZONE."

Dissolution

Under Texas law, the District may be abolished and dissolved by the City without the District's consent. If the District is dissolved, the City will assume the District's assets and obligations (including the Bonds) and abolish the District within ninety (90) days thereafter. Prior to dissolution by the City, the District shall have the opportunity to discharge any obligations of the District by selling its bonds or by causing the City to sell bonds of the City in an amount necessary to discharge such obligations. Dissolution of the District by the City is a policymaking matter within the discretion of the Mayor and the City Council of the City, and, therefore, the District makes no representation that dissolution will or will not occur. Moreover, no representation is made concerning the ability of the City to make debt service payments should dissolution occur.

Remedies in Event of Default

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, or if it fails to make payments into any fund or funds created in the Bond Resolution, or defaults in the observance or performance of any other covenants, conditions, or obligations set forth in the Bond Resolution, the Registered Owners have the statutory right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Resolution. Except for mandamus, the Bond Resolution does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's sovereign immunity from suits for money damages. In the absence of other waivers of such immunity by the Texas Legislature, a default by the District in its covenants in the Bond Resolution may not be reduced to a judgment for money damages. If such a judgment against the District were obtained, it could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions, such as the District. See "INVESTMENT CONSIDERATIONS—Registered Owners' Remedies and Bankruptcy Limitations."

(a) The Attorney General's office has taken the position that Texas law does not permit the District to issue road bonds for parking facilities payable from taxes and therefore has decreased the District's road bond authorization by \$40,000,000 with a remaining authorized but unissued amount of \$195,130,000. See "UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED."

Legal Investment and Eligibility to Secure Public Funds in Texas

The following is quoted from Section 49.186 of the Texas Water Code, and is applicable to the District:

“(a) All bonds, notes, and other obligations issued by a district shall be legal and authorized investments for all banks, trust companies, building and loan associations, savings and loan associations, insurance companies of all kinds and types, fiduciaries, and trustees, and for all interest and sinking funds and other public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic.”

“(b) A district's bonds, notes, and other obligations are eligible and lawful security for all deposits of public funds of the state, and all agencies, subdivisions, and instrumentalities of the state, including all counties, cities, towns, villages, school districts, and all other kinds and types of districts, public agencies, and bodies politic, to the extent of the market value of the bonds, notes, and other obligations when accompanied by any unmatured interest coupons attached to them.”

The Public Funds Collateral Act (Chapter 2257, Texas Government Code) also provides that bonds of the District (including the Bonds) are eligible as collateral for public funds.

No representation is made that the Bonds will be suitable for or acceptable to financial or public entities for investment or collateral purposes. No representation is made concerning other laws, rules, regulations, or investment criteria which might apply to or which might be utilized by any of such persons or entities to limit the acceptability or suitability of the Bonds for any of the foregoing purposes. Prospective purchasers are urged to carefully evaluate the investment quality of the Bonds as to the suitability or acceptability of the Bonds for investment or collateral purposes.

Defeasance

The Bond Resolution provides that the District may discharge its obligations to the Registered Owners of any or all of the Bonds to pay principal, interest and redemption price thereon in any manner permitted by law. Under current Texas law, such discharge may be accomplished either (i) by depositing with the Comptroller of Public Accounts of the State of Texas a sum of money equal to the principal of, premium, if any, and all interest to accrue on the Bonds to maturity or redemption or (ii) by depositing with any place of payment (paying agent) of the Bonds or other obligations of the District payable from revenues or from ad valorem taxes or both or with a commercial bank or trust company designated in the proceedings authorizing such discharge, amounts sufficient to provide for the payment and/or redemption of the Bonds; provided that such deposits may be invested and reinvested only in (a) direct obligations of the United States of America, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the governing body of the District adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and which mature and/or bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment and/or redemption of the Bonds.

Upon such deposit as described above, such bonds shall no longer be regarded as outstanding or unpaid. After firm banking and financial arrangements for the discharge and final payment or redemption of the Bonds have been made as described above, all rights of the District to initiate proceedings to call the Bonds for redemption or take any other action amending the terms of the Bonds are extinguished; provided, however, that the right to call the Bonds for redemption is not extinguished if the District: (i) in the proceedings providing for the firm banking and financial arrangements, expressly reserves the right to call the Bonds for redemption; (ii) gives notice of the reservation of that right to the owners of the Bonds immediately following the making of the firm banking and financial arrangements; and (iii) directs that notice of the reservation be included in any redemption notices that it authorizes.

There is no assurance that the current law will not be changed in the future in a manner which would permit investments other than those described above to be made with amounts deposited to defease the Bonds.

BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Direct Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Bonds, (b) Bonds representing ownership interest in or other confirmation or ownership interest in the Bonds, or (c) prepayment or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Bonds, or that they will do so on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedure" of DTC to be followed in dealing with DTC Direct Participants are on file with DTC.

The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the Bonds. The Bonds, of each series will be issued as fully-registered Bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. With respect to the Bonds, one fully-registered Bond certificate will be issued for each maturity of the Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.6 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository

Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a rating of "AA+" by S&P Global Ratings. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

All payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent/Registrar, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with Bonds held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent/Registrar, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Paying Agent/Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the District or the Paying Agent/Registrar. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but neither the District nor the Initial Purchaser take any responsibility for the accuracy thereof.

THE DISTRICT

General

Imperial Redevelopment District (the "District") is a municipal utility district created under Article XVI, Section 59 of the Texas Constitution by House Bill 3554, as passed by the 79th Texas Legislature on June 18, 2005, and operates in accordance with the Texas Special District Local Laws Code, Chapter 8150, and the Texas Water Code, Chapters 49 and 54 and other general statutes applicable to municipal utility districts.

The District is empowered, among other things, to purchase, construct, operate and maintain all works, improvements, facilities and plants necessary for the supply and distribution of water; the collection, transportation, and treatment of wastewater; and the control and diversion of storm water. The District is also empowered to construct thoroughfare, arterial and collector roads and improvements in aid thereof and to establish parks and recreational facilities, including sports and community venues. The District may issue bonds and other forms of indebtedness to purchase or construct all of such facilities. See "REDEVELOPMENT AGREEMENT WITH CITY OF SUGAR LAND." The District also has the authority specified in Article III, Sections 52 and 52-a and Article VIII, Section 1-g of the Texas Constitution, and may purchase, construct, operate and maintain public improvements authorized for a tax increment reinvestment zone and a municipal management district and may provide for the creation of programs and the making of loans and grants of public money for the public purposes of development and diversification of the State's economy, the elimination of unemployment and underemployment, or the development or expansion of transportation or commerce.

The Texas Commission on Environmental Quality (the "TCEQ") exercises continuing supervisory jurisdiction over the District only for the water, wastewater and drainage projects. The District is required to observe certain requirements of the City which, along with Texas law, limit the purposes for which the District may sell bonds for the acquisition, construction, and improvement of facilities and the refunding of outstanding debt obligations; limit the net effective interest rate on such bonds and other terms of such bonds; and require certain public facilities to be designed in accordance with applicable City standards. Construction and operation of the District's facilities are subject to the regulatory jurisdiction of additional government agencies. See "WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM."

Location of District

The District presently contains approximately 746 acres of land and is located in eastern Fort Bend County approximately 30 miles southwest of downtown Houston, Texas. Access to the District is provided via the State Highway 6 and US Highway 90A. Generally, the District is bordered on the south by US Highway 90A, on the west by State Highway 6 and on the north by Voss Road. Oyster Creek winds through the District. The District lies wholly within the corporate boundaries of the City. See "AERIAL PHOTOGRAPH" herein.

Land Use

The District is being developed as Imperial, a mixed-use community which includes single-family and multi-family residential, retail, office and commercial development, and a baseball stadium known as Constellation Field which is the home of the Sugar Land Space Cowboys, the Triple-A affiliate of the Houston Astros. The District currently includes approximately 151 developed acres of single-family residential development (567 lots), approximately 14 acres of multi-family development, approximately 27 acres of baseball stadium facilities, approximately 45 acres of commercial development, approximately 46 acres of trails, parks and open spaces, approximately 133 developable acres that have not been provided with water distribution, wastewater collection and storm drainage facilities, and approximately 330 acres which are undevelopable (ponds, drainage easements, right-of-way, plant sites, detention areas, City of Sugar Land surface water treatment plant, and drill sites). The table below represents a detailed breakdown of the current acreage and development in the District.

<i><u>Single-Family Residential</u></i>	Approximate Acres	Lots
Quiet Cove at Imperial.....	25	79
Silent Manor at Imperial (37 Patio Homes & 27 Townhomes).....	13	64
The Point at Imperial (Brownstones).....	4	35
Crown Garden at Imperial:		
Section 1A.....	12	42
Section 1B.....	22	63
Section 2A.....	11	49
Section 2B.....	22	70
Section 2C.....	14	49
Section 2D.....	19	62
Retreat at Imperial.....	9	60
Subtotal.....	151	573
<i>Multi-Family (454 units)</i>	14	---
<i>Constellation Field</i>	27	---
<i>Commercial (a)</i>	45	---
<i>Trails, Parks and Open Spaces</i>	46	---
<i>Future Development (b)</i>	133	---
<i>Non-Developable (c)</i>	330	---
Total.....	746	573

(a) See “—Status of Development—Commercial/Industrial” below.

(b) Includes approximately 25 acres in the Imperial Historic District Tract. See “THE DEVELOPERS AND MAJOR LANDOWNERS—Imperial Historic District Tract.”

(c) Includes ponds, drainage easements, right-of-way, District plant sites, detention areas, City of Sugar Land surface water treatment plant and drill sites.

Status of Development

Single-Family Residential: As of October 1, 2025, the District contained 567 completed single-family homes, all of which were occupied, and 6 vacant developed lots. According to the District’s 2025 tax rolls, the average homestead value in the District is approximately \$642,094.

Multi-Family: Two multi-family apartment developments are located on an aggregate of approximately 14 acres within the District: Imperial Lofts consisting of 254 units and Overture Sugar Land consisting of 200 units. According to property management, approximately 93% of units are occupied in Imperial Lofts and approximately 93% of units are occupied in Overture Sugar Land.

Commercial/Industrial: Commercial improvements have been constructed on an aggregate of approximately 44 acres within the District which includes a 7-Eleven gas station/convenience store, a children’s daycare facility, a self-storage facility, a portion of the Nalco Champion corporate offices and parking area, a banquet hall, a tutoring center, a restaurant, a local brewery, a behavioral health hospital, a McDonalds, and office condos. Approximately 2 acres of land served with utilities, upon which no vertical improvements have been constructed to date.

Constellation Field has been constructed on approximately 27 acres within the District. The land and improvements constructed on such acreage are owned by the City and are not subject to ad valorem taxation by the District.

No new residential development may occur in approximately 25 acres in the Imperial Historic District Tract until certain conditions of the Redevelopment Agreement are met. See “REDEVELOPMENT AGREEMENT WITH CITY OF SUGAR LAND.”

Community Facilities: The former refinery site of the Imperial Sugar Company consists of approximately 26 acres, of which approximately 25 acres is undeveloped (“Imperial Historic District Tract”). Currently, one acre in the Imperial Historic District Tract has been developed (and is owned by the City and not subject to ad valorem taxation by the District), which includes the Fort Bend Children’s Discovery Center (an affiliate of the Children’s Museum of Houston) and the Sugar Land Heritage Museum and Visitor Center. Recreation facilities in the District will ultimately include approximately 45,000 feet of walking trails, parks and open spaces constructed around approximately 46 acres of lakes and Oyster Creek, which winds through the District.

Community facilities are available in the general vicinity of the District. Neighborhood shopping facilities, including supermarkets, pharmacies, cleaners, restaurants, banking facilities, and other retail and service establishments, are located within one-half mile of the District along and adjacent to US Highway 90A and State Highway 6. Fire and police protection for the District are provided by the City. Children residing within the District attend schools within the Fort Bend Independent School District.

REDEVELOPMENT AGREEMENT WITH CITY OF SUGAR LAND

The City and Cherokee Sugar Land, L.P. (“Cherokee”) entered into a Redevelopment Agreement on June 26, 2007; the Development Manager (as development manager for Cherokee and the GLO, hereinafter defined), the City and the District entered into a First Amendment to the Redevelopment Agreement dated October 5, 2010; a Second Amendment to the Redevelopment Agreement dated January 28, 2014, and a Third Amendment to the Redevelopment Agreement dated May 3, 2016 (the Redevelopment Agreement and all amendments collectively referred to as the “Redevelopment Agreement”). The current owner of approximately 20 acres in the Imperial Historic District Tract is SLP-90A, Ltd.

The Redevelopment Agreement was entered into to facilitate redevelopment of the property within the boundaries of the District, particularly the area described as the Imperial Historic District Tract. The Imperial Historic District Tract consists of an approximately 26-acre tract which includes the historic structures of the former Imperial Sugar Company refinery. See “THE DEVELOPERS AND MAJOR LANDOWNERS.” The Redevelopment Agreement is effective until the expiration of the term of the TIRZ, which is 2042.

In order to effectuate such redevelopment, the parties agreed to the following:

- The City consented to the creation of the District and approved the general land use plan.
- The City designated the Tax Increment Reinvestment Zone No. 3 (the “TIRZ”) overlaying the District and agreed to participate in the TIRZ in an amount equal to fifty percent (50%) of ad valorem taxes and ½ of its two cents of sales and use taxes collected within the TIRZ.
- The Development Manager agreed that the Landowners would convey property to the City for construction of Constellation Field, a Triple-A ball field within the District and the City contributed \$10,000,000 for public infrastructure and parking facilities to serve Constellation Field to be reimbursed from District contract revenue bond proceeds (land was conveyed to the City, and City was fully reimbursed from proceeds of the Outstanding Contract Revenue Bonds.)
- The District will pay and/or reimburse the City for the District’s share of an extension of University Boulevard, a thoroughfare in the District, which share is estimated to be approximately \$14,900,000 (which has been paid for in full from the Outstanding Unlimited Tax Bonds and the Contract Revenue Bonds).
- The District must use the value generated in the Imperial Historic District Tract to determine the feasibility of reimbursement to the developer of the Imperial Historic District Tract only until such developer is fully reimbursed.
- The District may not issue bonds payable from TIRZ Revenues or ad valorem tax road bonds (with certain exceptions including payments to the City for University Boulevard and Constellation Field) until certain development thresholds are met by the developer of the Imperial Historic District Tract.
- All proceeds of the District’s bond issues (and other revenues that are available for reimbursement and not necessary for operation and maintenance of the District or debt service on District bonds) must be applied per the priorities described in the Redevelopment Agreement.
- The District may not use the value in the Imperial Historic District Tract to determine the feasibility of reimbursement to any other developer in the District, except for the developer of the Imperial Historic District Tract. The District must make a good faith effort to maximize TIRZ revenues to reimburse those projects that can only be reimbursed with TIRZ revenues (as opposed to ad valorem taxes).

- The District must use bond proceeds to make payments to the City by certain dates, assuming values exist in the District to feasibly issue such bonds (the District has made all such payments to the City).
- No residential development (including multi-family) may be built in the Imperial Historic District Tract until the developer of the Imperial Historic District Tract provides funding to construct certain public and private infrastructure.

Any major deviation from the terms of the Redevelopment Agreement by the Development Manager or the District may be considered a material breach of the Redevelopment Agreement and may adversely affect development in the District. In addition, the Redevelopment Agreement limits residential development (including multi-family developments) in the Imperial Historic District Tract and certain types of District bond issuances until the Imperial Historic District Tract developer has provided funding and construction has started on certain public and private infrastructure to support non-residential development in Imperial Historic District Tract, including renovations to the historical structures and a parking garage. To date, this has not occurred, and the District can give no assurance when and if such requirements will be met. Failure to meet these requirements may adversely affect development in the District.

TAX INCREMENT REINVESTMENT ZONE

By Ordinance No. 1667, dated December 18, 2007, the City created the Reinvestment Zone Number Three, City of Sugar Land (the “TIRZ”) and adopted the Final Project Plan and Reinvestment Zone Financing Plan (the “TIRZ Plan”) for a term of thirty years. By Ordinances No. 1888, dated February 5, 2013, and No. 2064, dated August 16, 2016 (all ordinances collectively referred to as the “TIRZ Ordinances”), the City extended the term of the TIRZ to 2042 and amended the TIRZ Plan. The TIRZ covers approximately 839.4 acres, consisting of all the acreage in the District and some additional non-taxable right-of-way property. The TIRZ is intended to facilitate a program of public improvements to allow the development of a planned mixed use community within the District with single-family and multi-family residential, a hotel/conference center, recreational facilities, a sports stadium, museums and other arts and entertainment venues, land, associated parking, related water, sanitary sewer, drainage and road infrastructure, and the preservation and/or reuse of certain historic structures at the Imperial Sugar Company site (the “Project”).

The City and Fort Bend County (the “County”) have agreed to deposit to a special tax increment fund established by the City (the “Tax Increment Fund”) the Tax Increment Payments (described herein) arising from the TIRZ. Pursuant to Chapter 311, Texas Tax Code, as amended, a taxing unit’s tax increment for a year (a “Tax Increment”) is the amount of property taxes levied by the unit for that year on the captured appraised value of real property taxable by the unit and located in a reinvestment zone. Captured appraised value is the total appraised value of all real property taxable in the unit and located in a reinvestment zone less the tax increment base of the unit. The tax increment base of a taxing unit (the “Tax Increment Base”) is the total appraised value of all real property taxable in the unit and located in a reinvestment zone for the year in which the zone was designated or as otherwise agreed. The sales tax increment is the amount of municipal sales and use taxes attributable to the reinvestment zone above the sales tax base. The sales tax base is the amount of municipal sales and use taxes attributable to the zone from the year in which the zone was designated.

Pursuant to the TIRZ Ordinances, the City’s Tax Increment is 50% of its real property taxes collected on the City’s taxable value within the TIRZ in excess of the City’s base taxable value as of January 1, 2007 which is \$5,602,490, and one-half cent of the City’s two-cent sales taxes actually collected within the Sales Tax Collection Area (as defined in the TIRZ Plan) in excess of the sales tax base. The latter is to be used only for certain parking facilities. The City and County entered into an Interlocal Agreement dated September 3, 2013 in which the County agreed to participate in the TIRZ. The County’s Tax Increment is 50% of all real property taxes collected on the County’s taxable value within the TIRZ in excess of the County’s base taxable value in the TIRZ which is \$11,757,620. The City, the TIRZ and the District have entered into an agreement dated August 16, 2016 (but effective December 18, 2007) to effectuate the TIRZ Plan (the “Tri-Party Agreement”) and distribute the Tax Increment Fund. **THE TAX INCREMENT PAYMENTS ARE NOT PLEDGED TO PAYMENT OF THE BONDS.**

Per the Tri-Party Agreement, the District shall use the Tax Increment Fund generated by the TIRZ to implement the TIRZ Plan. The Tri-Party Agreement authorizes the District to issue contract revenue bonds payable from TIRZ Revenues for eligible Projects in the TIRZ Plan. It is estimated that the Tax Increment Payments will support approximately 24% of the total Project Costs of the TIRZ. It is intended that the balance of Project Costs will be paid for with proceeds of the District’s unlimited tax bonds, including the Bonds. See “UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED” and “INVESTMENT CONSIDERATIONS—Future Debt.”

Certain TIRZ Projects may not be legally paid for at this time using District ad valorem tax revenues and may only be paid for using Tax Increment Payments (particularly structured parking, demolition and remediation costs of the historic structures and economic development projects). The District has agreed in its Redevelopment Agreement with the City to structure its financings to maximize and ensure that Tax Increment Payments will be used in a manner that will permit the maximum amount of the TIRZ Project costs that can only be legally reimbursed with Tax Increment Revenues to be reimbursed with those revenues.

MANAGEMENT

Board of Directors

The District is governed by the Board of Directors, consisting of five directors, which has control over and management supervision of all affairs of the District. Directors are appointed by the City for four-year staggered terms. Four of the Directors listed below reside within the District. The Directors of the District are listed below:

<u>Name</u>	<u>Title</u>	<u>Term Expires*</u>
Tim Stubenrouch	President	September 2026
James Thompson	Vice President	September 2028
Doug Turner	Secretary	September 2026
Chuck Laughter	Assistant Vice President	September 2028
Frank Yonish	Assistant Secretary	September 2026

* Director replacements will be appointed by the City.

While the District does not employ any full-time employees, it has contracted for certain services as follows:

Tax Assessor/Collector

Land and improvements within the District are appraised for ad valorem taxation purposes by Fort Bend Central Appraisal District. The District's contracts with Tax Tech, Inc. to serve as Tax Assessor/Collector.

Bookkeeper

The District has engaged Myrtle Cruz, Inc. to serve as the District's bookkeeper.

System Operator

The City operates the facilities serving the District.

Engineer

The consulting engineer for the District in connection with the design and construction of the District's facilities is LJA Engineering, Inc. (the "Engineer").

Attorney

The District engages Allen Boone Humphries Robinson LLP as general counsel and as Bond Counsel in connection with the issuance of the Bonds. The legal fees to be paid to Bond Counsel for services rendered in connection with the issuance of the Bonds are based on a percentage of the Bonds actually issued, sold and delivered and, therefore, such fees are contingent on the sale and delivery of the Bonds.

Co-Financial Advisors

Masterson Advisors LLC and Post Oak Municipal Advisors LLC (collectively referred to as the "Financial Advisors") serve as co-financial advisors to the District. The fees to be paid the Financial Advisors for services rendered in connection with the issuance of the Bonds are based on a percentage of the Bonds actually issued, sold and delivered and, therefore, such fees are contingent on the sale and delivery of the Bonds.

Disclosure Counsel

The District has engaged McCall, Parkhurst & Horton L.L.P., Houston, Texas as disclosure counsel. The fees paid to disclosure counsel in connection with the issuance of the Bonds are contingent upon the sale and delivery of the Bonds.

Auditor

As required by the Texas Water Code, the District retains an independent auditor to audit the District's financial statements annually, which annual audit is filed with the TCEQ. The District's financial statements for the fiscal year ending November 30, 2024 were audited by the independent accounting firm of McGrath & Co., PLLC. See "APPENDIX A" for a copy of the audited financial statement of the District as of November 30, 2024. The District has engaged McGrath & Co., PLLC to audit the District's financial statements for the fiscal year ending November 30, 2025.

THE DEVELOPERS AND MAJOR LANDOWNERS

Role of a Developer

In general, the activities of a developer in a municipal utility district such as the District include designing the project; defining a marketing program and setting building schedules; securing necessary governmental approvals and permits for development; arranging for the construction of roads and the installation of utilities; and selling or leasing improved tracts or commercial reserves to other developers or third parties. While a developer is required by the TCEQ to pave streets (in areas where District facilities are being financed with bonds), a developer is under no obligation to a district to undertake development activities according to any particular plan or schedule. Furthermore, there is no restriction on a developer's right to sell any or all of the land which the developer owns within a district. In addition, the developer is ordinarily the major taxpayer within the district during the early stages of development. The relative success or failure of a developer to perform in the above-described capacities may affect the ability of a district to collect sufficient taxes to pay debt service and retire bonds.

None of the Developers nor any of their affiliates, is obligated to pay principal of or interest on the Bonds. Furthermore, none of the Developers has a binding commitment to the District to carry out any plan of development and each of the Developers may sell or otherwise dispose of its property within the District, or any other assets, at any time, and the furnishing of information relating to the proposed development by the Developers should not be interpreted as such a commitment. Prospective purchasers are encouraged to inspect Imperial in order to acquaint themselves with the nature of development that has occurred or is occurring within the boundaries of the District. See "INVESTMENT CONSIDERATIONS."

Imperial Johnson LLC and Cherokee Sugar Land L.P. and General Land Office on behalf of the State of Texas for the benefit of the Permanent School Fund

The majority of the developable land in the District was originally owned by Cherokee Sugar Land, L.P. ("Cherokee"), a Delaware limited partnership, and the General Land Office on behalf of the State of Texas for the benefit of the Permanent School Fund (the "GLO") (Cherokee and GLO collectively, referred to as the "Landowners"). Cherokee was formed for the sole purpose of owning and developing the approximately 746 acres of land in the District. Imperial Johnson LLC ("Imperial Johnson"), an affiliate of The Johnson Development Corp., is the Development Manager for GLO and Imperial Assets. Imperial Johnson is referred to herein as the "Development Manager." In August 2023, Cherokee assigned all of its assets and receivables to Imperial Assets, LLC ("Imperial Assets"), an affiliate of The Johnson Development Corp. The Landowners have developed or sold a majority of their land in the District. Imperial Assets and the GLO currently own approximately 40 acres of undevelopable land in the District.

Meritage Homes of Texas LLC

In 2014, Meritage Homes of Texas LLC, an Arizona limited liability company ("Meritage") purchased approximately 127 acres from the Landowners and has developed such acreage as Crown Garden at Imperial. Meritage was also a homebuilder in Crown Garden at Imperial. Meritage does not own any developable land in the District.

Cherokee, the GLO, and Meritage are collectively referred to herein as the "Developers."

Sueba Development 153 LP

In 2016, Sueba Development 153 LP, a Texas limited partnership ("Sueba") purchased approximately 4 acres in "Imperial Market" from Imperial Market Development, LLC, which has not been developed at this time. No new residential development may occur in Imperial Market until certain conditions of the Redevelopment Agreement are met. See "REDEVELOPMENT AGREEMENT WITH CITY OF SUGAR LAND."

DPEG Imperial, LP

DPEG Imperial, LP ("DPEG") is a private equity and real estate development company based in Houston, Texas. In 2022, DPEG purchased approximately 89 acres from the Landowners. Such acreage is served with water, sewer and drainage utilities and construction of a fast food restaurant and office condos have begun on approximately 6 of such acres.

Imperial Historic District Tract

Approximately 26 acres of land in the District is the Imperial Historic District Tract, that incorporates the historic structures of the former Imperial Sugar Company refinery, of which 25 acres are currently undeveloped. To date, no development has occurred on this land except for approximately one acre on which the Fort Bend Children's Discovery Center and the Sugar Land Heritage Museum and Visitor Center have been constructed, which are now on land owned by the City. The City purchased the Imperial Historic District Tract in summer 2025.

ROAD SYSTEM

Two major thoroughfares, Imperial Boulevard and Stadium Drive (an extension of University Boulevard), currently exist within the District's boundaries. Both roadways are included on the City's and/or Fort Bend County's thoroughfare plan. Imperial Boulevard and Stadium Drive have been accepted for ownership, operation, and maintenance by the City. Outstanding Unlimited Tax Bond proceeds have been used to finance improvements to the District's roads.

All roadways are designed and constructed in accordance with Fort Bend County and City of Sugar Land, Texas standards, rules and regulations. Upon acceptance by the City or the Texas Department of Transportation Commission ("TxDOT"), as applicable, of roadways or roadway facilities, the City or TxDOT, as applicable, is responsible for operation and maintenance thereof.

These roads lie within the public right-of-way. In addition to the roadway, public utilities such as underground water, sanitary sewer and drainage facilities are located within the right-of-way. The right-of-way is also shared by streetlights, sidewalks and franchise utilities (power, gas, telephone and cable).

PARK SYSTEM

Park and recreational improvements include approximately 46 acres within the District that have been developed as 45,000 feet of walking trails, parks and open spaces to serve the development within the District.

UTILITY AGREEMENT WITH CITY OF SUGAR LAND

All land in the District is located within the corporate limits of the City. The City and Cherokee Sugar Land, L.P. (on behalf of the District) have entered into the Utility Agreement, dated June 26, 2007, which obligates the District to acquire, construct and extend water, wastewater and storm drainage facilities (the "System") to serve land in the District and, when completed in accordance with plans and specifications approved by the City, to convey title to such utility facilities to the City. The Utility Agreement has been assigned by Cherokee to the District. The City will then operate and maintain such facilities and be responsible for establishing water and sewer rates and collection charges for water and sewer service from District customers. The District has sold and will continue to sell bonds to provide for the construction of the System, including the Bonds. See "USE AND DISTRIBUTION OF BOND PROCEEDS."

The District has agreed to extend the System to serve future users as necessary so that ultimately all landowners in the District will be in a position to receive services from the System; however, the District's obligation to extend the System is conditioned upon continued development within the District, the City's performance under the provisions of the Utility Agreement, and satisfaction of certain determinations of economic feasibility by the Board of Directors of the District, the TCEQ, TCEQ approval and the ability of the District to sell bonds.

During the term of the Utility Agreement, the City is required to supply the District all of its requirements for water supply and wastewater treatment capacities as described in the TIRZ Plan. The Utility Agreement further requires the Developers or the District to pay the City a capital recovery charge (the "City Connection Charge") to purchase water supply and wastewater treatment capacity in the City's existing system. The City Connection Charge is set by the City and may be amended without the District's consent at any time. A portion of the proceeds of the Bonds will be used to pay such connection charges. See "USE AND DISTRIBUTION OF BOND PROCEEDS" and "WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM."

WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM

Regulation

According to the Engineer, the District's water supply and distribution, wastewater collection, and storm drainage facilities (collectively, the "System") have been designed in accordance with accepted engineering practices and the then-current requirements of various entities having regulatory or supervisory jurisdiction over the construction and operation of such facilities. The construction of the System was required to be accomplished in accordance with the standards and specifications of such entities and is subject to inspection by each such entity. Operation of the System must be accomplished in accordance with the standards and requirements of such entities. The TCEQ exercises continuing supervisory authority over the District. Discharge of treated sewage is subject to the regulatory authority of the TCEQ and the U.S. Environmental Protection Agency. Construction of drainage facilities is subject to the regulatory authority of the City, Fort Bend County and, in some instances, the TCEQ. Fort Bend County and the City also exercise regulatory jurisdiction over the System. The regulations and requirements of entities exercising regulatory jurisdiction over the System are subject to further development and revision which, in turn, could require additional expenditures by the District in order to achieve compliance. In particular, additional or revised requirements in connection with any permit for the wastewater treatment plant in which the District owns capacity beyond the criteria existing at the time of construction of the plant could result in the need to construct additional facilities in the future. The following descriptions are based upon information supplied by the District's Engineer.

Water Supply and Wastewater Treatment

District residents receive water and wastewater treatment service from the City pursuant to a Utility Agreement between the District and the City. As a condition of such service, the Utility Agreement obligates the District to acquire, construct, and extend the System to serve land in the District and, when completed in accordance with approved plans and specifications, to convey title to the System to the City. The City then operates and maintains the System, and is responsible for establishing water and sewer rates and billing and collecting for such services.

Drainage System

Platted subdivisions within Imperial Redevelopment District are served with curb and gutter streets and underground storm sewers. Pavement is designed and constructed with "stair stepped" sump inlets and paving elevations generally descend to a low point in the subdivision where the inlets and storm sewer system has been designed to accommodate the anticipated 100-year storm event. Storm sewers upstream from this extreme event storm sewer system are designed to accommodate the anticipated 2-year storm event. Drainage facilities were designed in accordance with the City minimum design criteria. Six manmade detention ponds have been constructed to detain runoff from inside the District. These ponds outfall to Oyster Creek, a tributary of the Brazos River.

100-Year Flood Plain: "Flood Insurance Rate Map" or "FIRM" means an official map of a community on which the Federal Emergency Management Agency ("FEMA") has delineated the appropriate areas of flood hazards. The 1% chance of probable inundation, also known as the 100-year flood plain, is depicted on these maps. The "100-year flood plain" (or 1% chance of probable inundation) as shown on the FIRM is the estimated geographical area that would be flooded by a rain storm of such intensity to statistically have a one percent chance of occurring in any given year. Generally speaking, homes must be built above the 100-year flood plain in order to meet local regulatory requirements and to be eligible for federal flood insurance. An engineering or regulatory determination that an area is above the 100-year flood plain is not an assurance that homes built in such area will not be flooded, and a number of neighborhoods in the greater Houston area that are above the 100-year flood plain have flooded multiple times in the last several years. According to the Engineer, approximately 400 acres of land within the District are located within the 100-year flood plain as designated by the most recent Federal Emergency Management Agency ("FEMA") Flood Insurance Rate Map dated April 2, 2014. Fill has been placed on a majority of the land in the flood plain, including the lots in Quiet Cove, Silent Manor and Crown Garden subdivisions, to remove such land from the flood plain. By five Letters of Map Revision for Fill ("LOMR-F") dated November 19, 2013, November 25, 2014, April 6, 2015, December 30, 2015 and August 18, 2017 and a Letter of Final Determination for the Letter of Map Revision ("LOMR") dated April 29, 2016, approximately 179 acres have been removed from the 100-year flood plain designation. Currently, the District has approximately 221 acres of land in the floodplain. See "INVESTMENT CONSIDERATIONS—Extreme Weather Events."

In 2018, the National Weather Service completed a rainfall study known as National Oceanic and Atmospheric Administration ("NOAA") Atlas 14, Volume 11 Precipitation-Frequency Atlas of the United States ("Atlas 14"). Floodplain boundaries within the District may be redrawn based on the Atlas 14 study based on a higher statistical rainfall amount, resulting in interim floodplain regulations applying to a larger number of properties and consequently leaving less developable property within the District. Such regulations could additionally result in higher insurance rates, increased development fees, and stricter building codes for any property located within the expanded boundaries of the floodplain.

USE AND DISTRIBUTION OF BOND PROCEEDS

The construction costs below were approved by the TCEQ in its order authorizing the issuance of the Bonds. Nonconstruction costs and Issuance Costs and Fees are based upon either contract amounts or estimates of various costs by LJA Engineering, Inc. (the “Engineer”) and Masterson Advisors LLC (the “Financial Advisor”). The actual amounts to be reimbursed by the District and other costs will be finalized after the sale of the Bonds and agreed-upon procedures are completed by an independent accountant. The surplus funds, if any, may be expended for any lawful purpose for which surplus construction funds may be used, if approved by the TCEQ where required.

CONSTRUCTION COSTS

Imperial Phase 2 Detention Ponds and Drainage Facilities Contract 1....	\$ 944,862
Utilities for Crown Garden at Imperial Section 2B.....	1,049,988
Utilities for Crown Garden at Imperial Section 2A.....	956,302
Utilities for Crown Garden at Imperial Section 2D.....	569,734
Utilities for Crown Garden at Imperial Section 2C.....	537,501
Utilities for Retreat at Imperial.....	407,998
City of Sugarland Connection Charges.....	1,486,785
Engineering, Geotechnical, Surveying and Lab Fees.....	766,249
Stormwater Pollution Prevention Plan.....	227,344
Less: Surplus Capital Projects Funds (a).....	<u>(625,000)</u>

Total Construction Costs..... **\$ 6,321,763**

NON-CONSTRUCTION COSTS

Developer Interest (Estimated).....	\$ 1,868,276
Operating Advances.....	18,000
Bond Discount (Estimated at 3.0%) (b).....	<u>270,000</u>

Total Nonconstruction Costs..... **2,156,276**

ISSUANCE COSTS AND FEES

Legal Fees.....	\$ 220,000
Financial Advisory Fees.....	167,500
Bond Issuance Expenses.....	45,461
Bond Application Report Cost.....	57,500
TCEQ Bond Issuance Fee.....	22,500
Attorney General Fee.....	<u>9,000</u>

Total Non-Construction Costs..... **\$ 521,961**

TOTAL BOND ISSUE **\$ 9,000,000**

- (a) See “FINANCIAL STATEMENT—Cash and Investment Balances.”
 (b) The TCEQ approved a maximum Bond discount of 3.0% on the Bonds.

UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED

<u>Date of Authorization</u>	<u>Purpose</u>	<u>Amount Authorized</u>	<u>Issued to Date</u>	<u>Amount Unissued</u>
11/08/2011	Water, Sanitary Sewer and Drainage ("WS&D") and Refunding	\$185,600,000	\$41,065,000*	\$144,535,000
11/08/2011	Roads and Refunding	\$211,900,000	\$16,770,000	\$195,130,000 (a)
11/08/2011	Recreational and Refunding	\$83,167,000	\$15,625,000	\$67,542,000
11/08/2011	Parking and Refunding (b)	\$138,600,000	\$-0-	\$138,600,000
11/08/2011	Economic Development and Refunding (b)	\$51,200,000	\$-0-	\$51,200,000

* Includes the Bonds.

- (a) The Attorney General's office has taken the position that Texas law does not permit the District to issue road bonds for parking facilities payable from taxes and therefore has decreased the District's road bond authorization by \$40,000,000 with a remaining authorized but unissued amount of \$195,130,000.
- (b) Current law does not authorize the District to issue unlimited tax bonds for parking facilities or economic development purposes. See "THE BONDS—Issuance of Additional Debt."

FINANCIAL STATEMENT

2025 Taxable Assessed Valuation	\$545,527,474	(a)
Estimated Taxable Assessed Valuation as of August 15, 2025	\$553,549,271	(b)
Gross Debt Outstanding (after the issuance of the Bonds)	\$63,260,000	
Ratio of Gross Debt to:		
2025 Taxable Assessed Valuation	11.60%	

Estimated 2025 Population — 2,892 (b)

- (a) The Appraisal District has certified \$542,604,105 of taxable value within the District as of January 1, 2025. An additional \$2,923,369 of taxable value, which is subject to review and downward adjustment prior to certification, remains uncertified. See "TAX PROCEDURES."
- (b) As provided by the Appraisal District. Such amount is only an estimate of the taxable assessed value on August 15, 2025, and may be revised upward or downward once certified by the Appraisal District. Increases in value occurring between January 1, 2025 and August 15, 2025, will be certified as of January 1, 2026. See "TAX PROCEDURES."
- (c) Estimated based on 3.5 persons per occupied single-family connection and 2.0 persons per multi-family unit.

Cash and Investment Balances (unaudited as of October 16, 2025)

General Fund	Cash and Temporary Investments	\$1,636,519
Water, Sewer and Drainage Capital Projects Fund	Cash and Temporary Investments	\$656,385 (a)
Water, Sewer and Drainage and Park Debt Service Fund	Cash and Temporary Investments	\$2,635,830 (b)
Park Capital Projects Fund	Cash and Temporary Investments	\$138,764
Road Capital Projects Fund	Cash and Temporary Investments	\$31,467
Road Debt Service Fund	Cash and Temporary Investments	\$691,886 (b)
TIRZ Revenue Fund	Cash and Temporary Investments	\$2,802,213 (c)
TIRZ Capital Projects Fund	Cash and Temporary Investments	\$45,374

- (a) The District intends to use \$625,000 of the surplus Water, Sewer and Drainage Capital Projects Fund balance approved for use by the TCEQ in connection with the issuance of the Bonds. See "USE AND DISTRIBUTION OF BOND PROCEEDS."
- (b) Neither Texas law nor the Bond Resolution requires the District to maintain any minimum balance in the Debt Service Funds. Although all of the District's debt, including the Outstanding Unlimited Tax Bonds and the Bonds, is payable from an unlimited tax pledge on parity, a pro rata portion of the District's ad valorem tax revenue will be allocated to bonds sold for road facilities (the "Road Bonds"), and a pro rata portion will be allocated to bonds sold for water, sewer and drainage and park facilities (the "Water, Sewer and Drainage and Park Bonds"), including the Bonds. See "FINANCIAL STATEMENT—Outstanding Unlimited Tax Bonds." The Road Debt Service Fund is not pledged to the Water, Sewer and Drainage and Park Bonds, including the Bonds, and the Water, Sewer and Drainage and Park Debt Service Fund is not pledged to the Road Bonds.
- (c) The Contract Revenue Bonds are payable solely from funds in the Tax Increment Fund transferred to the District. They are not payable from ad valorem taxes levied by the District and their issuance does not affect the source of payment of the Bonds or the Outstanding Unlimited Tax Bonds.

Outstanding Unlimited Tax Bonds (as of October 1, 2025)

Series		Principal Amount	Bonds 10/1/2025
2016	(a)	\$ 12,135,000	\$ 9,405,000
2017		2,500,000	1,700,000
2018		6,055,000	4,690,000
2018	(b)	4,000,000	3,380,000
2019		5,645,000	4,745,000
2020	(a)	4,635,000	4,055,000
2020A		10,365,000	8,665,000
2022	(b)	5,400,000	4,725,000
2022A	(b)	6,225,000	5,720,000
2024		7,500,000	7,175,000
Total		\$ 64,460,000	\$ 54,260,000

(a) Unlimited tax road bonds.

(b) Unlimited tax park bonds.

In addition, the District has issued \$15,440,000 principal amount of Contract Revenue Bonds, of which \$13,550,000 principal amount is currently outstanding as of the date hereof (the "Outstanding Contract Revenue Bonds"), and which are payable solely from amounts received from the City's Tax Increment Fund. The owners of the Contract Revenue Bonds do not have any right, claim or interest to any amounts derived from the levy of taxes by the District. See "TAX INCREMENT REINVESTMENT ZONE."

ESTIMATED OVERLAPPING DEBT STATEMENT

Expenditures of the various taxing entities within the territory of the District are paid out of ad valorem taxes levied by such entities on properties within the District. Such entities are independent of the District and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax bonds ("Tax Debt") was developed from information contained in the "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the District, the District has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities listed may have issued additional bonds since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional bonds, the amount of which cannot be determined. The following table reflects the estimated share of the overlapping Tax Debt of the District.

Taxing Jurisdiction	Outstanding Bonds	As of	Overlapping	
			Percent	Amount
Fort Bend County.....	\$ 1,235,264,389	9/30/2025	0.42%	\$ 5,188,110
Fort Bend County Drainage District.....	21,645,000	9/30/2025	0.42%	90,909
Fort Bend County ISD.....	1,836,730,000	9/30/2025	0.83%	15,244,859
City of Sugar Land.....	389,400,000	9/30/2025	2.47%	9,618,180
Total Estimated Overlapping Debt.....				\$ 30,142,058
The District.....	63,260,000 (a)	Current	100.00%	63,260,000
Total Direct and Estimated Overlapping Debt.....				\$ 93,402,058
Ratio of Direct and Estimated Overlapping Debt to 2025 Taxable Assessed Valuation.....				17.12%
Ratio of Direct and Estimated Overlapping Debt to August 1, 2025 Estimated Taxable Assessed Valuation				16.87%

(a) Includes the Outstanding Unlimited Tax Bonds and the Bonds but does not include the Outstanding Contract Revenue Bonds.

Overlapping Tax Rates for 2025

	2025 Tax Rate per \$100 of Taxable <u>Assessed Valuation</u>
Fort Bend County (including Drainage District).....	\$ 0.422000
Fort Bend County ISD.....	1.056900
City of Sugar Land.....	0.358827
Total Overlapping Tax Rate.....	\$ 1.837727
The District	0.970000
Total Tax Rate.....	\$ 2.807727

TAX DATA

Tax Collections

The following statement of tax collections sets forth in condensed form the historical tax collection experience of the District. This summary has been prepared for inclusion herein, based upon information from District records. Reference is made to these records for further and more complete information.

Tax Year	Taxable Assessed Valuation	Tax Rate	Total Tax Levy	Total Collections as of October 31, 2025 (a)	
				Amount	Percent
2020	\$ 325,446,583	\$ 1.100	\$ 3,579,912	\$ 3,579,912	100.00%
2021	363,220,788	1.100	3,995,429	3,995,399	100.00%
2022	413,757,224	1.100	4,551,329	4,551,329	100.00%
2023	472,437,913	1.070	5,055,086	5,051,674	99.93%
2024	499,991,520	1.000	4,999,915	4,981,043	99.62%
2025	545,527,474	0.970	5,291,616	(b)	(b)

(a) Unaudited.

(b) In process of collection. 2025 taxes are due January 31, 2026.

Taxes are due October 1 or when billed, whichever comes later, and become delinquent if not paid before February 1 of the year following the year in which imposed. No split payments are allowed, and no discounts are allowed.

Tax Rate Distribution

	2025	2024	2023	2022	2021
Debt Service	\$ 0.880	\$ 0.880	\$ 0.860	\$ 0.840	\$ 0.840
Maintenance and Operations	0.090	0.120	0.210	0.260	0.260
Total	\$ 0.970	\$ 1.000	\$ 1.070	\$ 1.100	\$ 1.100

Tax Rate Limitations

Debt Service: Unlimited (no legal limit as to rate or amount).

Maintenance and Operations: \$1.50 per \$100 of taxable assessed valuation.

Maintenance and Operations for Roads: \$0.25 per \$100 of taxable assessed valuation.

Debt Service Tax

The Board covenants in the Bond Resolution to levy and assess, for each year that all or any part of the Bonds and the Outstanding Unlimited Tax Bonds remain outstanding and unpaid, a tax adequate to provide funds to pay the principal of and interest on the Bonds and the Outstanding Unlimited Tax Bonds. The District levied a debt service tax for 2025 in the amount of \$0.88 per \$100 of taxable assessed valuation.

Maintenance and Operations Tax

The Board of Directors of the District has the statutory authority to levy and collect an annual ad valorem tax for maintenance of the District's improvements, if such maintenance tax is authorized by vote of the District's electors. On November 8, 2011, the Board was authorized to levy such a maintenance tax in an amount not to exceed \$1.50 per \$100 of assessed valuation. In addition, on November 8, 2011, the Board was authorized to also levy a maintenance tax for maintenance of roads in an amount not to exceed \$0.25 per \$100 of assessed valuation. Such maintenance taxes are in addition to taxes which the District is authorized to levy for paying principal of and interest on the District's bonds. For the 2025 tax year, the District levied a tax for maintenance and operations in the amount of \$0.090 per \$100 assessed valuation. The District has not levied a tax for road maintenance.

Tax Exemptions

As discussed in the section titled "TAX PROCEDURES" herein, certain property in the District may be exempt from taxation by the District. For 2025, the District granted a \$130,000 homestead exemption for persons over 65 or disabled and a 20% (but not less than \$5,000) homestead exemption.

Additional Penalties

The District has contracted with a delinquent tax attorney to collect certain delinquent taxes. In connection with that contract, the District established an additional penalty of twenty percent (20%) of the tax to defray the costs of collection. This 20% penalty applies to taxes that either: (1) become delinquent on or after February 1 of a year, but not later than May 1 of that year, and that remain delinquent on April 1 (for personal property) and July 1 (for real property) of the year in which they become delinquent or (2) become delinquent on or after June 1, pursuant to the Texas Property Tax Code.

Principal Taxpayers

The following list of principal taxpayers was provided by the District's tax assessor/collector and represents the principal taxpayers' value as a percentage of the certified portion (\$542,604,105) of the 2025 Taxable Assessed Valuation of \$545,527,474. This represents ownership as of January 1, 2025. Accurate principal taxpayer lists related to the uncertified portion (\$2,923,369) of the 2025 Taxable Assessed Valuation and the Estimated Taxable assessed Valuation as of August 1, 2025 of \$553,549,271 are not available.

Taxpayer (a)	Type of Property	2025 Certified Taxable Assessed Valuation	% of 2025 Certified Taxable Assessed Valuation
Imperial Lofts Owner LLC	Land & Improvements	\$ 47,597,195	8.77%
CRP-GREP Overture Sugarland Owner LP	Land, Improvements, & Personal Property	45,415,660	8.37%
GC MP Imperial LLC	Land & Improvements	13,217,705	2.44%
Championx LLC	Land, Improvements, & Personal Property	11,594,399	2.14%
PMH Sugar Land BHH (TX) LLC	Land, Improvements, & Personal Property	11,229,733	2.07%
SL HWY 6 MOB 1 LLC	Land & Improvements	10,296,967	1.90%
TAZZ-VOSS Development LLC	Land & Improvements	5,809,226	1.07%
DPEG Imperial Development LLC (b)	Land	2,836,858	0.52%
SW Learning Academy LLC	Land & Improvements	2,803,409	0.52%
MDC Coast 9 LLC	Land & Improvements	2,498,150	0.46%
Total		\$ 153,299,302	28.25%

(a) Constellation Field is owned by the City of Sugar Land and therefore is not subject to ad valorem taxation by the District.

(b) See "THE DEVELOPERS AND MAJOR LANDOWNERS—DPEG Imperial, LP."

Summary of Assessed Valuation

The following summary of the 2025, 2024 and 2023 Taxable Assessed Valuations are provided by the District's Tax Assessor/Collector based on information provided by the Appraisal District and contained in the 2025, 2024 and 2023 tax rolls of the District. Accurate breakdowns related to the uncertified portion of the 2025 Taxable Assessed Valuation and the Estimated Taxable Assessed Valuation as of August 1, 2025 of \$553,549,271 are not available.

	2025 Taxable Assessed Valuation	2024 Taxable Assessed Valuation	2023 Taxable Assessed Valuation
Land	\$ 156,902,583	\$ 149,401,790	\$ 120,937,896
Improvements	535,715,019	504,850,916	477,328,004
Personal Property	4,919,011	6,338,888	6,854,279
Exemptions	(154,932,508)	(160,600,074)	(132,682,266)
Total Certified	\$ 542,604,105	\$ 499,991,520	\$ 472,437,913
Uncertified Value	2,923,369	-	-
Total	\$ 545,527,474	\$ 499,991,520	\$ 472,437,913

Tax Adequacy for Debt Service

The calculations shown below assume, solely for purposes of illustration, no increase or decrease in assessed valuation over the 2025 Taxable Assessed Valuation, no use of available funds, and utilize tax rates necessary to pay the District's average annual debt service requirements on the Outstanding Unlimited Tax Bonds and the Bonds.

Average annual debt service requirement (2026-2049)	\$3,634,651
\$0.71 tax rate on the 2025 Taxable Assessed Valuation of \$545,527,474 at a 95% collection rate produces	\$3,679,583
\$0.70 tax rate on the Estimated Taxable Assessed Valuation as of August 1, 2025 of \$553,549,271 at a 95% collection rate produces	\$3,681,103

No representation or suggestion is made that the uncertified portion of the 2025 Taxable Assessed Valuation or the Estimated Taxable Assessed Valuation as of August 1, 2025 provided by the Appraisal District for the District will be certified as taxable value by the Appraisal District, and no person should rely upon such amount or their inclusion herein as assurance of their attainment. See "TAX PROCEDURES."

TAX PROCEDURES

Authority to Levy Taxes

The Board is authorized to levy an annual ad valorem tax, without legal limitation as to rate or amount, on all taxable property within the District in an amount sufficient to pay the principal of and interest on the Outstanding Unlimited Tax Bonds, the Bonds and any additional bonds payable from taxes which the District may hereafter issue (see "INVESTMENT CONSIDERATIONS—Future Debt") and to pay the expenses of assessing and collecting such taxes. The District agrees in the Bond Resolution to levy such a tax from year to year as described more fully herein under "THE BONDS—Source of and Security for Payment." Under Texas law, the Board may also levy and collect an annual ad valorem tax for the operation and maintenance of the District and for the payment of certain contractual obligations. See "TAX DATA—Debt Service Tax" and "—Maintenance and Operations Tax."

Property Tax Code and County-Wide Appraisal District

Title I of the Texas Property Tax Code (the "Property Tax Code") specifies the taxing procedures of all political subdivisions of the State of Texas, including the District. Provisions of the Property Tax Code are complex and are not fully summarized here.

The Property Tax Code requires, among other matters, county-wide appraisal and equalization of taxable property values and establishes in each county of the State of Texas an appraisal district with the responsibility for recording and appraising property for all taxing units within a county and an appraisal review board with responsibility for reviewing and equalizing the values established by the appraisal district. The Fort Bend Central Appraisal District (the "Appraisal District") has the responsibility for appraising property for all taxing units within Fort Bend County, including the District. Such appraisal values are subject to review and change by the Fort Bend County Appraisal Review Board (the "Appraisal Review Board").

Property Subject to Taxation by the District

Except for certain exemptions provided by Texas law, all real property, tangible personal property held or used for the production of income, mobile homes and certain categories of intangible personal property with a tax situs in the District are subject to taxation by the District. Principal categories of exempt property include, but are not limited to: property owned by the State of Texas or its political subdivisions if the property is used for public purposes; property exempt from ad valorem taxation by federal law; certain household goods, family supplies, and personal effects; certain goods, wares and merchandise in transit; farm products owned by the producer; certain property of charitable organizations, youth development associations, religious organizations, and qualified schools; designated historical sites; travel trailers; and most individually owned automobiles. In addition, the District may by its own action exempt residential homesteads of persons sixty-five (65) years or older and of certain disabled persons to the extent deemed advisable by the Board. For the 2025 tax year, the District has granted a \$130,000 tax exemption on residential homesteads for persons 65 years of age or older or disabled. The District may be required to offer such an exemption if a majority of voters approves it at an election. The District would be required to call such an election upon petition by twenty percent (20%) of the number of qualified voters who voted in the preceding election. The District is authorized by statute to disregard exemptions for the disabled and elderly if granting the exemption would impair the District's obligation to pay tax supported debt incurred prior to adoption of the exemption by the District. Furthermore, the District must grant exemptions to disabled veterans or certain surviving dependents of disabled veterans, if requested, of between \$5,000 and \$12,000 depending on the disability rating of the veteran. A veteran who receives a disability rating of 100% is entitled to an exemption for the full amount of the veteran's residence homestead. Additionally, subject to certain conditions, the surviving spouse of a disabled veteran who was entitled to an exemption for the full

value of the veteran's residence homestead is also entitled to an exemption from taxation of the total appraised value of the same property to which the disabled veteran's exemption applied. A partially disabled veteran or certain surviving spouses of partially disabled veterans are entitled to an exemption from taxation of a percentage of the appraised value of their residence homestead in an amount equal to the partially disabled veteran's disability rating if the residence homestead was donated by a charitable organization. Also, the surviving spouse of a member of the armed forces who was killed or fatally injured in the line of duty is, subject to certain conditions, entitled to a total tax exemption on such surviving spouse's residence homestead. If the surviving spouse changes homesteads, but does not remarry, then the amount of the exemption as of the last year of the first qualifying residential homestead is applicable to the subsequent homesteads. The surviving spouse of a first responder who was killed or fatally injured in the line of duty is, subject to certain conditions, also entitled to an exemption of the total appraised value of the surviving spouse's residence homestead, and, subject to certain conditions, an exemption up to the same amount may be transferred to a subsequent residence homestead of the surviving spouse. See "TAX DATA."

Residential Homestead Exemptions: The Property Tax Code authorizes the governing body of each political subdivision in the State of Texas to exempt up to twenty percent (20%) of the appraised value of residential homesteads from ad valorem taxation. Where ad valorem taxes have previously been pledged for the payment of debt, the governing body of a political subdivision may continue to levy and collect taxes against the exempt value of the homesteads until the debt is discharged, if the cessation of the levy would impair the obligations of the contract by which the debt was created. The adoption of a homestead exemption may be considered each year, but must be adopted before July 1. See "TAX DATA."

Freeport Goods and Goods-in-Transit Exemptions: A "Freeport Exemption" applies to goods, wares, ores, and merchandise other than oil, gas, and petroleum products (defined as liquid and gaseous materials immediately derived from refining petroleum or natural gas), and to aircraft or repair parts used by a certified air carrier acquired in or imported into Texas which are destined to be forwarded outside of Texas and which are detained in Texas for assembling, storing, manufacturing, processing or fabricating for fewer than 175 days. Although certain taxing units may take official action to tax such property in transit and negate such exemption, the District does not have such an option. A "Goods-in-Transit" Exemption is applicable to the same categories of tangible personal property which are covered by the Freeport Exemption, if, for tax year 2011 and prior applicable years, such property is acquired in or imported into Texas for assembling, storing, manufacturing, processing, or fabricating purposes and is subsequently forwarded to another location inside or outside of Texas not later than 175 days after acquisition or importation, and the location where said property is detained during that period is not directly or indirectly owned or under the control of the property owner. For tax year 2012 and subsequent years, such Goods-in-Transit Exemption is limited to tangible personal property acquired in or imported into Texas for storage purposes only if such property is stored under a contract of bailment by a public warehouse operator at one or more public warehouse facilities in Texas that are not in any way owned or controlled by the owner of such property for the account of the person who acquired or imported such property. A property owner who receives the Goods-in-Transit Exemption is not eligible to receive the Freeport Exemption for the same property. Local taxing units such as the District may, by official action and after public hearing, tax goods-in-transit personal property. A taxing unit must exercise its option to tax goods-in-transit property before January 1 of the first tax year in which it proposes to tax the property at the time and in the manner prescribed by applicable law. The District has taken official action to allow taxation of all such goods-in-transit personal property for all prior and subsequent years.

Tax Abatement

The City has designated all of the area within the District as a reinvestment zone. Fort Bend County, the District, and the City, at the option and discretion of each entity, may enter into tax abatement agreements with owners of property within the zone. Prior to entering into a tax abatement agreement, each entity must adopt guidelines and criteria for establishing tax abatement, which each entity will follow in granting tax abatement to owners of property. The tax abatement agreements may exempt from ad valorem taxation by each of the applicable taxing jurisdictions, including the District, for a period of up to ten (10) years, all or any part of any increase in the assessed valuation of property covered by the agreement over its assessed valuation in the year in which the agreement is executed, on the condition that the property owner make specified improvements or repairs to the property in conformity with the terms of the tax abatement. Each taxing jurisdiction has discretion to determine terms for its tax abatement agreements without regard to the terms approved by the other taxing jurisdictions. Pursuant to the terms of the Tri-Party Agreement between the City, TIRZ and the District, absent written consent of the District, the City will not grant tax abatements that reduce the amount of the City's Tax Increment; however, the City may grant tax incentives using ad valorem taxes or sales tax revenues that are not part of the Tax Increment to be collected by the TIRZ.

Valuation of Property for Taxation

Generally, property in the District must be appraised by the Appraisal District at market value as of January 1 of each year. Once an appraisal roll is prepared and finally approved by the Appraisal Review Board, it is used by the District in establishing its tax rolls and tax rate. Generally, assessments under the Property Tax Code are to be based on one hundred percent (100%) of market value, as such is defined in the Property Tax Code. In determining market value, either the replacement cost or the income or the market data method of valuation may be used, whichever is appropriate. Nevertheless, certain land may be appraised at less than market value under the Property Tax Code. Increases in the appraised value of residence homesteads are limited by the Texas Constitution to 10 percent annually regardless of the market value of the property.

The Property Tax Code permits land designated for agricultural use, open space, or timberland to be appraised at its value based on the land's capacity to produce agricultural or timber products rather than at its market value. The Property Tax Code permits under certain circumstances that residential real property inventory held by a person in the trade or business be valued at the price all such property would bring if sold as a unit to a purchaser who would continue the business. Provisions of the Property Tax Code are complex and are not fully summarized here. Landowners wishing to avail themselves of the agricultural use, open space, or timberland designation or residential real property inventory designation must apply for the designation and the appraiser is required by the Property Tax Code to act on each claimant's right to the designation individually. A claimant may waive the special valuation as to taxation by some political subdivisions while claiming it as to another. If a claimant receives the agricultural use designation and later loses it by changing the use of the property or selling it to an unqualified owner, the District can collect taxes based on the new use, including taxes for the previous three (3) years for agricultural use, open space land, and timberland.

The Property Tax Code requires the Appraisal District to implement a plan for periodic reappraisal of property to update appraisal values. The plan must provide for appraisal of all real property in the Appraisal District at least once every three (3) years. It is not known what frequency of reappraisal will be utilized by the Appraisal District or whether reappraisals will be conducted on a zone or county-wide basis. The District, however, at its expense has the right to obtain from the Appraisal District a current estimate of appraised values within the District or an estimate of any new property or improvements within the District. While such current estimate of appraised values may serve to indicate the rate and extent of growth of taxable values within the District, it cannot be used for establishing a tax rate within the District until such time as the Appraisal District chooses formally to include such values on its appraisal roll.

The Property Tax Code provides for a temporary exemption from ad valorem taxation of a portion of the appraised value of certain property that is at least 15% physically damaged by a disaster and located within an area declared to be a disaster area by the governor of the State of Texas. This temporary exemption is automatic if the disaster is declared prior to a taxing unit, such as a MUD Participant, adopting its tax rate for the tax year. A taxing unit, such as a MUD Participant, may authorize the exemption at its discretion if the disaster is declared after the taxing unit has adopted its tax rate for the tax year. The amount of the exemption is based on the percentage of damage and is prorated based on the date of the disaster. Upon receipt of an application submitted within the eligible timeframe by a person who qualifies for a temporary exemption under the Property Tax Code, the Appraisal District is required to complete a damage assessment and assign a damage assessment rating to determine the amount of the exemption. The temporary exemption amounts established in the Property Tax Code range from 15% for property less than 30% damaged to 100% for property that is a total loss. Any such temporary exemption granted for disaster-damaged property expires on January 1 of the first year in which the property is reappraised.

Levy and Collection of Taxes

The District is responsible for the levy and collection of its taxes unless it elects to transfer such functions to another governmental entity. The rate of taxation is set by the Board of Directors, after the legally required notice has been given to owners of property within the District, based upon: a) the valuation of property within the District as of the preceding January 1, and b) the amount required to be raised for debt service, maintenance purposes, and authorized contractual obligations. Taxes are due October 1, or when billed, whichever comes later, and become delinquent if not paid before February 1 of the year following the year in which imposed. A delinquent tax incurs a penalty of six percent (6%) of the amount of the tax for the first calendar month it is delinquent, plus one percent (1%) for each additional month or portion of a month the tax remains unpaid prior to July 1 of the year in which it becomes delinquent. If the tax is not paid by July 1 of the year in which it becomes delinquent, the tax incurs a total penalty of twelve percent (12%) regardless of the number of months the tax has been delinquent and incurs an additional penalty for collection costs of an amount established by the District and a delinquent tax attorney. A delinquent tax on personal property incurs an additional penalty, in an amount established by the District and a delinquent tax attorney, 60 days after the date the taxes become delinquent. The delinquent tax accrues interest at a rate of one percent (1%) for each month or portion of a month it remains unpaid. The Property Tax Code makes provisions for the split payment of taxes, discounts for early payment and the postponement of the delinquency date of taxes under certain circumstances which, at the option of the District, which may be rejected by taxing units.

The District's tax collector is required to enter into an installment payment agreement with any person who is delinquent on the payment of tax on a residence homestead for payment of tax, penalties and interest, if the person requests an installment agreement and has not entered into an installment agreement with the collector in the preceding 24 months. The installment agreement must provide for payments to be made in monthly installments and must extend for a period of at least 12 months and no more than 36 months. Additionally, the owner of a residential homestead property who is (i) sixty-five (65) years of age or older, (ii) disabled, or (iii) a disabled veteran, is entitled by law to pay current taxes on a residential homestead in installments without penalty or to defer the payment of taxes during the time of ownership. In the instance of tax deferral, a tax lien remains on the property and interest continue to accrue during the period of deferral.

Certain qualified taxpayers, including owners of residential homesteads, located within a natural disaster area and whose property has been damaged as a direct result of the disaster, are entitled to enter into a tax payment installment agreement with a taxing jurisdiction such as the District if the tax payer pays at least one-fourth of the tax bill imposed on the property by the delinquency date. The remaining taxes may be paid without penalty or interest in three equal installments within six months of the delinquency date.

Tax Payment Installments After Disaster

Certain qualified taxpayers, including owners of residential homesteads, located within a designated disaster area or emergency area and whose property has been damaged as a direct result of the disaster or emergency, are entitled to enter into a tax payment installment agreement with a taxing jurisdiction, such as the District, if the taxpayer pays at least one-fourth of the tax bill imposed on the property by the delinquency date. The remaining taxes may be paid without penalty or interest in three equal installments within six months of the delinquency date.

Additionally, the Property Tax Code authorizes a taxing jurisdiction such as the District, solely at the jurisdiction's discretion to adopt a similar installment payment option for taxes imposed on property that is located within a designated disaster area or emergency area and is owned or leased by certain qualified business entities, regardless of whether the property has been damaged as a direct result of the disaster or emergency.

Rollback of Operation and Maintenance Tax Rate

Chapter 49 of the Texas Water Code, as amended, classifies districts differently based on the current operation and maintenance tax rate or on the percentage of build-out that the District has completed. Districts that have adopted an operation and maintenance tax rate for the current year that is 2.5 cents or less per \$100 of taxable value are classified as "Special Taxing Units." Districts that have financed, completed, and issued bonds to pay for all improvements and facilities necessary to serve at least 95% of the projected build-out of the district are classified as "Developed Districts." Districts that do not meet either of the classifications previously discussed can be classified herein as "Developing Districts." The impact each classification has on the ability of a district to increase its maintenance and operations tax rate is described for each classification below. Debt service and contract tax rates cannot be reduced by a rollback election held within any of the districts described below.

Special Taxing Units: Special Taxing Units that adopt a total tax rate that would impose more than 1.08 times the amount of the total tax imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, may be required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Special Taxing Unit is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate.

Developed Districts: Developed Districts that adopt a total tax rate that would impose more than 1.035 times the amount of the total tax imposed by the district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions for the preceding tax year, plus any unused increment rates, as calculated and described in Section 26.013 of the Tax Code, are required to hold an election within the district to determine whether to approve the adopted total tax rate. If the adopted total tax rate is not approved at the election, the total tax rate for a Developed District is the current year's debt service and contract tax rate plus 1.035 times the previous year's operation and maintenance tax rate plus any unused increment rates. In addition, if any part of a Developed District lies within an area declared for disaster by the Governor of Texas or President of the United States, alternative procedures and rate limitations may apply for a temporary period. If a district qualifies as both a Special Taxing Unit and a Developed District, the district will be subject to the operation and maintenance tax threshold applicable to Special Taxing Units.

Developing Districts: Districts that do not meet the classification of a Special Taxing Unit or a Developed District can be classified as Developing Districts. The qualified voters of these districts, upon the Developing District's adoption of a total tax rate that would impose more than 1.08 times the amount of the total tax rate imposed by such district in the preceding tax year on a residence homestead appraised at the average appraised value of a residence homestead, subject to certain homestead exemptions, are authorized to petition for an election to reduce the operation and maintenance tax rate. If an election is called and passes, the total tax rate for Developing Districts is the current year's debt service and contract tax rate plus 1.08 times the previous year's operation and maintenance tax rate.

The District: A determination as to a district's status as a Special Taxing Unit, Developed District or Developing District will be made by the Board of Directors on an annual basis. The District cannot give any assurances as to what its classification will be at any point in time or whether the District's future tax rates will result in a total tax rate that will reclassify the District into a new classification and new election calculation. The Board has made the determination that the District is a "Developing District" for the 2025 tax year.

District's Rights in the Event of Tax Delinquencies

Taxes levied by the District are a personal obligation of the owner of the property as of January 1 of the year for which the tax is imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all state and local taxes, penalties, and interest ultimately imposed for the year on the property. The lien exists in favor of the State of Texas and each local taxing unit, including the District, having power to tax the property. The District's tax lien is on a parity with tax liens of such other taxing units. See "ESTIMATED OVERLAPPING DEBT STATEMENT—Overlapping Tax Rates for 2025." A tax lien on real property takes priority over the claim of most creditors and other holders of liens on the property encumbered by the tax lien, whether or not the debt or lien existed before the attachment of the tax lien; however, whether a lien of the United States is on a parity with or takes priority over a tax lien of the District is determined by applicable federal law. Personal property under certain circumstances is subject to seizure and sale for the payment of delinquent taxes, penalty, and interest.

At any time after taxes on property become delinquent, the District may file suit to foreclose the lien securing payment of the tax, to enforce personal liability for the tax, or both subject to the restrictions on residential homesteads described above under "Levy and Collection of Taxes." In filing a suit to foreclose a tax lien on real property, the District must join other taxing units that have claims for delinquent taxes against all or part of the same property. Collection of delinquent taxes may be adversely affected by the cost of suit and sale, by the amount of taxes owed to other taxing units, by the effects of market conditions on the foreclosure sale price, by taxpayer redemption rights (a taxpayer may redeem property within six (6) months for commercial property and two (2) years for residential and all other types of property after the purchaser's deed issued at the foreclosure sale is filed in the county records) or by bankruptcy proceedings which restrict the collection of taxpayer debts. The District's ability to foreclose its tax lien or collect penalties or interest on delinquent taxes may be limited on property owned by a financial institution which is under receivership by the Federal Deposit Insurance Corporation pursuant to the Federal Deposit Insurance Act, 12 U.S.C. 1825, as amended. See "INVESTMENT CONSIDERATIONS—Tax Collection Limitations."

GENERAL FUND

Operating Statement

The following statement sets forth in condensed form the historical results of operation of the District's General Fund. The City operates the water and sewer system that serves the District, so the District collects no net revenues from operating the system. Such summary is based upon information obtained from the District's audited financial statements for fiscal years ended November 30, 2021 through 2024 and an unaudited summary for the ten-month period ended October 31, 2025, provided by the District's bookkeeper. Reference is made to such statements and records for further and more complete information.

	12/1/2025 to 10/31/2025 (a)	Fiscal Year Ended November 30			
		2024	2023	2022	2021
Revenues					
Property Taxes	\$ 606,839	\$ 982,830	\$ 1,089,741	\$ 935,658	\$ 658,185
Investment Earnings	75,195	146,266	97,585	12,590	234
Total Revenues	<u>\$ 682,034</u>	<u>\$ 1,129,096</u>	<u>\$ 1,187,326</u>	<u>\$ 948,248</u>	<u>\$ 658,419</u>
Expenditures					
Professional Fees	\$ 184,585	\$ 138,271	\$ 183,402	\$ 135,951	\$ 140,260
Contracted Services	19,108	22,040	18,483	20,535	21,301
Repairs and Maintenance (b)	230,064	204,585	206,520	245,961	229,396
Utilities	20,436	16,621	17,558	27,378	43,197
Administrative	27,004	24,495	25,658	22,048	19,932
Other	1,425	980	4,620	1,558	4,130
Capital Outlay	-	-	-	61,407	-
Developer Interest	-	-	-	-	-
Total Expenditures	<u>\$ 482,622</u>	<u>\$ 406,992</u>	<u>\$ 456,241</u>	<u>\$ 514,838</u>	<u>\$ 458,216</u>
Revenues Over (Under) Expenditures	<u>\$ 199,412</u>	<u>\$ 722,104</u>	<u>\$ 731,085</u>	<u>\$ 433,410</u>	<u>\$ 200,203</u>
Other Sources					
Internal Transfers	\$ (660,259)	\$ (1,318,369) (c)	\$ -	\$ -	\$ -
Fund Balance (Beginning of Year)	\$ 1,332,029	\$ 1,928,294	\$ 1,197,209	\$ 763,799	\$ 563,596
Fund Balance (End of Year)	\$ 871,181	\$ 1,332,029	\$ 1,928,294	\$ 1,197,209	\$ 763,799

(a) Unaudited. Provided by the District's bookkeeper.

(b) Includes landscaping expenses due to the homeowners' association.

(c) The District contributed \$1,153,131 in surplus operating funds to its Series 2024 Bonds to reimburse developers in the District.

DEBT SERVICE REQUIREMENTS

The following table sets forth the debt service requirements for the Outstanding Unlimited Tax Bonds and the estimated debt service requirements for the Bonds at an assumed interest rate of 4.75% per annum.

Year	Outstanding Bonds Debt Service Requirements	Plus: Debt Service on the Bonds			Total Debt Service Requirements
		Principal	Interest	Total	
2026	\$ 4,099,088		\$ 320,625	\$ 320,625	\$ 4,419,713
2027	4,061,788	\$ 285,000	420,731	705,731	4,767,519
2028	4,032,325	295,000	406,956	701,956	4,734,281
2029	4,010,231	300,000	392,825	692,825	4,703,056
2030	3,981,069	310,000	378,338	688,338	4,669,406
2031	3,953,972	320,000	363,375	683,375	4,637,347
2032	3,932,497	325,000	348,056	673,056	4,605,553
2033	3,902,675	335,000	332,381	667,381	4,570,056
2034	3,870,453	345,000	316,231	661,231	4,531,684
2035	3,830,438	355,000	299,606	654,606	4,485,044
2036	3,792,675	365,000	282,506	647,506	4,440,181
2037	3,732,744	375,000	264,931	639,931	4,372,675
2038	3,680,800	385,000	246,881	631,881	4,312,681
2039	3,646,241	395,000	228,356	623,356	4,269,597
2040	3,603,925	405,000	209,356	614,356	4,218,281
2041	3,548,534	420,000	189,763	609,763	4,158,297
2042	2,709,497	430,000	169,575	599,575	3,309,072
2043	2,584,681	440,000	148,913	588,913	3,173,594
2044	2,250,803	455,000	127,656	582,656	2,833,459
2045	1,598,078	465,000	105,806	570,806	2,168,884
2046	835,588	480,000	83,363	563,363	1,398,950
2047	584,488	490,000	60,325	550,325	1,134,813
2048	306,375	505,000	36,694	541,694	848,069
2049	-	520,000	12,350	532,350	532,350
Total	\$ 72,548,963	\$ 9,000,000	\$ 5,745,600	\$ 14,745,600	\$ 87,294,563

Average Annual Debt Service Requirements (2026-2049).....\$3,634,651

Maximum Annual Debt Service Requirements (2027).....\$4,767,519

INVESTMENT CONSIDERATIONS

General

The Bonds, which are obligations of the District and not obligations of the State of Texas, Fort Bend County, the City of Sugar Land, Texas, or any other political entity other than the District, will be secured by a continuing, direct, annual ad valorem tax levied, without legal limitation as to rate or amount, on all taxable property within the District. The ultimate security for payment of the principal of and interest on the Bonds depends on the ability of the District to collect from the property owners within the District all taxes levied against the property, or in the event of foreclosure, on the value of the taxable property with respect to taxes levied by the District and by other taxing authorities.

Dependence on Major Taxpayers

The ten principal taxpayers represent \$154,489,829 (28.35%) of the certified portion (\$542,604,105) of the 2025 Taxable Assessed Valuation of \$545,527,474, which represents ownership as of January 1, 2025. The largest taxpayer is Imperial Lofts Owner LLC, which represents \$47,597,195 (8.73%) of the certified portion of the District's 2025 Taxable Assessed Valuation. If a principal taxpayer were to default in the payment of taxes in an amount which exceeds the District's debt service fund surplus available for payment of its debt, the ability of the District to make timely payment of debt service would be dependent on its ability to enforce and liquidate its tax lien, which is a time-consuming process, or to sell tax anticipation notes. Failure to recover or borrow funds in a timely fashion could force the District to levy a high tax rate to pay principal and interest on its debt, thereby hindering growth and leading to further defaults in the payment of taxes. The District is not required by law or the Bond Resolution to maintain any specified amount of surplus in its debt service fund. Therefore, failure by one or more principal taxpayers to pay their taxes could have a material adverse effect upon the District's ability to timely pay debt service on the Bonds. See "—Tax Collection Limitations" herein, "TAX DATA—Principal Taxpayers," and "TAX PROCEDURES—Levy and Collection of Taxes."

Certain Tax Exemptions Provided for Affordable Housing

Certain multi-family housing may be exempt from ad valorem taxation by the District pursuant to Chapter 303 of the Texas Local Government Code (the "PFC Act"), Chapter 392 of the Texas Local Government Code (the "Housing Authority Act"), or Chapter 394 of the Texas Local Government Code (the "HFC Act"), if certain conditions are met.

The PFC Act authorizes cities, counties, school districts, housing authorities and special districts (a "Sponsor") to create a sponsored Public Facility Corporation ("PFC") to acquire, construct, rehabilitate, renovate, repair, equip, furnish and place in service public facilities. These activities may be financed through certain obligations of either the Sponsor or the PFC. Under the PFC Act, a "public facility" includes any real, personal, or mixed property, or an interest in property devoted or to be devoted to public use, and authorized to be financed under the PFC Act. A public facility, including a leasehold estate in a public facility, that is owned by a PFC is exempt from taxation by the State or a municipality or other political subdivision of the State, including the District. This exemption applies to both ad valorem and sales taxes levied by such taxing authorities. Subject to certain restrictions, a leasehold or other possessory interest granted by the PFC to the user of a PFC-owned multifamily residential development entitles that user to this same exemption. A PFC project approved on or after June 18, 2023, does not qualify for an exemption with respect to taxes imposed by a conservation and reclamation district providing water, sewer, or drainage services to the development, unless an agreement is entered into with the district concerning payments in lieu of taxation. Projects for which PFC or Sponsor approval was received prior to the effective date of H.B. 2071 are governed by the prior law and are not subject to the same requirements. The District is not aware of any public facilities located within the boundaries of the District that are either owned or leased by a PFC.

The HFC Act provides for the formation of housing finance corporations ("HFCs") by municipalities and counties for the purpose of providing decent, safe, and sanitary housing at affordable prices to residents of local governments. Public property owned by an HFC, including property for which an HFC holds an equitable interest, is exempt from taxes imposed by the state or any political subdivision of the state, including conservation and reclamation districts such as the District, provided certain conditions are met under the HFC Act. This exemption applies to both ad valorem and sales taxes levied by taxing authorities where the qualified project is located. Section 394.904(d) (as added by H.B. 21, 89th Texas Legislature, Regular Session) provides in part that, for property acquired by an HFC after May 28, 2025, such ad valorem tax exemptions do not apply to taxes levied by a conservation or reclamation district created under Section 52, Article III, or Section 59, Article XVI, Texas Constitution, that provides water, sewer, or drainage service to the multifamily residential development owned by the HFC, unless the applicable HFC has entered into a written agreement with the district to make a payment to the district in lieu of taxation, in the amount specified in the agreement. Further, property acquired by an HFC prior to May 28, 2025, may become subject to taxation by a conservation and reclamation district in future tax years unless certain additional requirements are met under the HFC Act. The District is not aware of any public property located within the boundaries of the District that is owned by an HFC.

The Housing Authority Act authorizes cities and counties to create housing authorities to provide safe and sanitary housing for persons of low income within the area of operation of the housing authority. Multi-family property owned by a housing authority, including property for which a housing authority holds an equitable interest, is exempt from all taxes and special assessments of a city, county, the state, or another political subdivision, including conservation and reclamation districts such as the District, if certain conditions are met under the Housing Authority Act. The District is not aware of any public property located within the boundaries of the District that is owned by a housing authority.

Landowner Obligation to the District

There are no commitments from or obligations of the Developers or any other landowner to the District to proceed at any particular rate or according to any specified plan with the development of land or the construction of improvements in the District, and there is no restriction on any landowner's right to sell its land. Failure to construct taxable improvements on developed tracts of land or developed lots could restrict the rate of growth of taxable values in the District. The District cannot and does not make any representations that over the life of the Bonds the District will increase or maintain its taxable value.

Economic Factors and Interest Rates

A substantial percentage of the taxable value of the District results from the current market value of single-family residences, multi-family development, and retail and commercial development. The market value of such properties is related to general economic conditions in Houston, the State of Texas and the nation and those conditions can affect the demand for such properties. Demand for residential lots and multi-family, retail, and commercial development of this type and the construction thereon can be significantly affected by factors such as interest rates, credit availability (see “—Credit Market and Liquidity in the Financial Markets” below), construction costs, and the prosperity and demographic characteristics of the urban center toward which the marketing of such properties is directed. Decreased levels of construction activity would tend to restrict the growth of property values in the District or could adversely impact such values.

Credit Markets and Liquidity in the Financial Markets

Interest rates and the availability of mortgage and development funding have a direct impact on the construction activity, particularly short-term interest rates, at which developers are able to obtain financing for development costs. Interest rate levels may affect the ability of a landowner with undeveloped property to undertake and complete construction activities within the District. Because of the numerous and changing factors affecting the availability of funds, particularly liquidity in the national credit markets, the District is unable to assess the future availability of such funds for continued construction within the District. In addition, since the District is located approximately 30 miles from the central downtown business district of the City of Houston, the success of development within the District and growth of District taxable property values are, to a great extent, a function of the Houston metropolitan and regional economies and national credit and financial markets. A downturn in the economic conditions of Houston and a decline in the nation's real estate and financial markets could adversely affect development and home-building plans in the District and restrain the growth of or reduce the District's property tax base.

Competition

The demand for and construction of single-family homes, multi-family, retail and commercial development in the District, which is approximately 30 miles from downtown Houston, could be affected by competition from other residential developments, including other residential developments located in the southwestern portion of the Houston area market. In addition to competition for new home sales from other developments, there are numerous previously-owned homes in the area of the District. Such homes could represent additional competition for new homes proposed to be sold within the District.

The competitive position of the builders of single-family residential houses within the District is affected by most of the factors discussed in this section. Such a competitive position directly affects the growth and maintenance of taxable values in the District and tax revenues to be received by the District. The District can give no assurance that building and marketing programs in the District by the Developers or such builders will be implemented or, if implemented, will be successful.

Impact on District Tax Rate

Assuming no further development, the value of the land and improvements currently within the District will be the major determinant of the ability or willingness of District property owners to pay their taxes. The 2025 Taxable Assessed Valuation of the District (see “FINANCIAL STATEMENT”) is \$545,527,474 (\$542,604,105 certified plus \$2,923,369 uncertified). After issuance of the Bonds, the maximum annual debt service requirement will be \$4,767,519 (2027) and the average annual debt service requirement will be \$3,634,651 (2026-2049). Assuming no increase or decrease from the 2025 Taxable Assessed Valuation and no use of funds other than tax collections, a tax rate of \$0.92 per \$100 assessed valuation at a 95% collection rate would be necessary to pay the maximum annual debt service requirement of \$4,767,519 and a tax rate of \$0.71 per \$100 assessed valuation at a 95% collection rate would be necessary to pay the average annual debt service requirement of \$3,634,651. The Estimated Taxable Assessed Valuation as of August 1, 2025 reduces the above calculations to \$0.91 and \$0.70 per \$100 assessed valuation at a 95% collection rate, respectively. See “DEBT SERVICE REQUIREMENTS.”

Although calculations have been made regarding average and maximum tax rates necessary to pay the debt service on the Bonds based upon the 2025 Taxable Assessed Valuation and the Estimated Taxable Assessed Valuation as of August 1, 2025, the District can make no representations regarding the future level of assessed valuation within the District. Increases in the tax rate may be required in the event the District's taxable assessed valuation does not continue to increase or in the event major taxpayers do not pay their District taxes timely. Increases in taxable values depend primarily on the continuing construction and sale of homes and other taxable improvements within the District. See “TAX PROCEDURES” and “TAX DATA—Tax Adequacy for Debt Service.”

Potential Effects of Oil Price Volatility on the Houston Area

The economy of the Houston area has, in the past, been particularly affected by adverse conditions in the oil and gas industry, and such conditions and their spillover effects into other industries could result in declines in the demand for residential and commercial property in the Houston area and could reduce or negatively affect property values within the District. The District cannot predict the impact that negative conditions in the oil and gas industry could have on property values in the District.

Extreme Weather Events

The greater Houston area is subject to occasional severe weather events, including tropical storms and hurricanes. If the District were to sustain damage to its facilities requiring substantial repair or replacement, or if substantial damage were to occur to taxable property within the District as a result of such a weather event, the investment security of the Bonds could be adversely affected. The greater Houston area has experienced multiple storms exceeding a 0.2% probability (i.e. “500-year flood” events) since 2015, including Hurricane Harvey, which made landfall along the Texas Gulf Coast on August 26, 2017 and brought historic levels of rainfall during the successive four days.

According to the City, there was no interruption in water and sewer service or material damage to the City facilities serving the District as a result of the storm, and the Developers have reported there was no structural flooding or material damage to homes or businesses within the District as a result of Hurricane Harvey.

If a future weather event significantly damaged all or part of the improvements within the District, the assessed value of property within the District could be substantially reduced, which could result in a decrease in tax revenues and/or necessitate an increase the District's tax rate. Further, there can be no assurance that a casualty loss to taxable property within the District will be covered by insurance (or that property owners will even carry flood or other casualty insurance), that any insurance company will fulfill its obligation to provide insurance proceeds, or that insurance proceeds will be used to rebuild or repair any damaged improvements within the District. Even if insurance proceeds are available and improvements are rebuilt, there could be a lengthy period in which assessed values within the District could be adversely affected.

Specific Flood Type Risks

Ponding (or Pluvial) Flood: Ponding, or pluvial, flooding occurs when heavy rainfall creates a flood event independent of an overflowing water body, typically in relatively flat areas. Intense rainfall can over capacitate a drainage system which becomes trapped and flows out into streets and nearby structures until it reaches a natural outlet. Ponding can also occur in a flood pool upstream or behind a dam, levee or reservoir.

Riverine (or Fluvial) Flood: Riverine, or fluvial, flooding occurs when water levels rise over the top of river, bayou or channel banks due to excessive rain from tropical systems making landfall and/or persistent thunderstorms over the same area for extended periods of time. The damage from a riverine flood can be widespread. The overflow can affect smaller rivers and streams downstream, or may sheet-flow over land. Flash flooding is a type of riverine flood that is characterized by an intense, high velocity torrent of water that occurs in an existing river channel with little to no notice. Flash floods are very dangerous and destructive not only because of the force of the water, but also the hurtling debris that is often swept up in the flow. They can occur within minutes or a few hours of excessive rainfall. They can also occur even if no rain has fallen, for instance, after a levee, dam or reservoir has failed, or after a sudden release of water by a debris or ice jam. Controlled releases from a dam, levee or reservoir also could potentially create a flooding condition in rivers, bayous or man-made drainage systems (canals or channels) downstream.

Requirements under Redevelopment Agreement

The Redevelopment Agreement prohibits any residential development (including multi-family) from being built in the Imperial Historic District Tract (an approximately 26-acre tract) until the Imperial Historic District Tract developer provides funding and construction commences on certain public and private infrastructure to support non-residential development in the Imperial Historic District Tract, including renovations to the historical structures and a parking garage. To date, this has not occurred, and the District can give no assurance when and if such requirements will be met. See “REDEVELOPMENT AGREEMENT WITH CITY OF SUGAR LAND.”

Tax Collection Limitations

The District's ability to make debt service payments may be adversely affected by its inability to collect ad valorem taxes. Under Texas law, the levy of ad valorem taxes by the District constitutes a lien in favor of the District on a parity with the liens of all other state and local taxing authorities on the property against which taxes are levied, and such lien may be enforced by foreclosure. The District's ability to collect ad valorem taxes through such foreclosure may be impaired by market conditions limiting the proceeds from a foreclosure sale of taxable property and collection procedures. While the District has a lien on taxable property within the District for taxes levied against such property, such lien can be foreclosed only in a judicial proceeding. The costs of collecting any such taxpayer's delinquencies could substantially reduce the net proceeds to the District from a tax foreclosure sale. Finally, a bankruptcy court with jurisdiction over bankruptcy proceedings initiated by or against a taxpayer within the District pursuant to the Federal Bankruptcy Code could stay any attempt by the District to collect delinquent ad valorem taxes against such taxpayer. In addition to the automatic stay against collection of delinquent taxes afforded a taxpayer during the pendency of a bankruptcy, a bankruptcy could affect payment of taxes in two other ways: first, a debtor's confirmation plan may allow a debtor to make installment payments on delinquent taxes for up to six years; and, second, a debtor may challenge, and a bankruptcy court may reduce, the amount of any taxes assessed against the debtor, including taxes that have already been paid. See “TAX PROCEDURES—District's Rights in the Event of Tax Delinquencies.”

Registered Owners' Remedies and Bankruptcy Limitations

If the District defaults in the payment of principal, interest, or redemption price on the Bonds when due, if it fails to make payments into any fund or funds created in the Bond Resolution, or if it defaults in the observation or performance of any other covenants, conditions, or obligations set forth in the Bond Resolution, the Registered Owners have the statutory right of a writ of mandamus issued by a court of competent jurisdiction requiring the District and its officials to observe and perform the covenants, obligations, or conditions prescribed in the Bond Resolution. Except for mandamus, the Bond Resolution does not specifically provide for remedies to protect and enforce the interests of the Registered Owners. There is no acceleration of maturity of the Bonds in the event of default, and, consequently, the remedy of mandamus may have to be relied upon from year to year. Further, there is no trust indenture or trustee, and all legal actions to enforce such remedies would have to be undertaken at the initiative of, and be financed by, the Registered Owners. Statutory language authorizing local governments such as the District to sue and be sued does not waive the local government's sovereign immunity from suits for money damages, so that in the absence of other waivers of such immunity by the Texas Legislature, a default by the District in its covenants in the Bond Resolution may not be reduced to a judgment for money damages. If such a judgment against the District were obtained, it could not be enforced by direct levy and execution against the District's property. Further, the Registered Owners cannot themselves foreclose on property within the District or sell property within the District to enforce the tax lien on taxable property to pay the principal of and interest on the Bonds. The enforceability of the rights and remedies of the Registered Owners may further be limited by a State of Texas statute reasonably required to attain an important public purpose or by laws relating to bankruptcy, reorganization or other similar laws of general application affecting the rights of creditors of political subdivisions, such as the District.

Subject to the requirements of Texas law discussed below, a political subdivision such as the District may voluntarily file a petition for relief from creditors under Chapter 9 of the Federal Bankruptcy Code, 11 U.S.C. Sections 901-946. The filing of such petition would automatically stay the enforcement of Registered Owner's remedies, including mandamus. The automatic stay would remain in effect until the federal bankruptcy judge hearing the case dismisses the petition, enters an order granting relief from the stay, or otherwise allows creditors to proceed against the petitioning political subdivision. A political subdivision such as the District may qualify as a debtor eligible to proceed in a Chapter 9 case only if it is (1) authorized to file for federal bankruptcy protection by applicable state law, (2) is insolvent or unable to meet its debts as they mature, (3) desires to effect a plan to adjust such debts, and (4) has either obtained the agreement of or negotiated in good faith with its creditors or is unable to negotiate with its creditors because negotiation is impracticable. Special districts such as the District must obtain the approval of the TCEQ as a condition to seeking relief under the Federal Bankruptcy Code. The TCEQ is required to investigate the financial condition of a financially troubled district and authorize such district to proceed under federal bankruptcy law only if such district has fully exercised its rights and powers under Texas law and remains unable to meet its debts and other obligations as they mature.

If a petitioning district were allowed to proceed voluntarily under Chapter 9 of the Federal Bankruptcy Code, it could file a plan for an adjustment of its debts. If such a plan were confirmed by the bankruptcy court, it could, among other things, affect Registered Owners by reducing or eliminating the amount of indebtedness, deferring or rearranging the debt service schedule, reducing or eliminating the interest rate, modifying or abrogating the collateral or security arrangements, substituting (in whole or in part) other securities, and otherwise compromising and modifying the rights and remedies of the Registered Owners' claims against a district.

A district may not be forced into bankruptcy involuntarily.

The District makes no representation about the probability of development continuing in a timely manner or about the ability of the Developers to implement any plan of development. Furthermore, there is no restriction on any landowner's right to sell land. The District can make no prediction as to the effects that current or future economic conditions or governmental circumstances may have on any plans of the Developers or any other landowners.

Future Debt

The District reserves the right to issue the remaining \$144,535,000 principal amount of unlimited tax bonds for acquiring or constructing water, sanitary sewer and drainage facilities and refunding of such bonds, \$67,542,000 principal amount of unlimited tax bonds authorized but unissued for the purpose of acquiring or constructing recreational facilities and refunding of such bonds, \$195,130,000 principal amount of unlimited tax bonds authorized but unissued for road facilities, including improvements in aid thereof, and the refunding of such bonds^(a), \$138,600,000 principal amount of unlimited tax bonds for parking facilities and refunding of such bonds, and \$51,200,000 principal amount of unlimited tax bonds for economic development and refunding of such bonds. See "THE BONDS—Issuance of Additional Debt," "ROAD SYSTEM," "PARK SYSTEM" and "THE WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM." Under current law, the District does not have the legal authority to issue bonds payable from ad valorem taxes for parking facilities or economic development projects, but intends to issue contract revenue bonds payable from the City's Tax Increment Fund, as described below.

The District has entered into a contract with the City and the Board of Directors of Reinvestment Zone Number Three City of Sugar Land (the "TIRZ") pursuant to which the District will assist in implementing the TIRZ Plan adopted by the TIRZ and approved by the City. Pursuant to such TIRZ Plan, the District will finance public improvements to allow development within the TIRZ, consisting of all the acreage in the District and some additional non-taxable right-of-way property. The District will finance the public improvements through (i) the issuance of unlimited tax bonds, including the Bonds, and (ii) the issuance of contract revenue bonds (the "Contract Revenue Bonds"), which are payable from funds in the City's Tax Increment Fund transferred to the District. The City deposits to the Tax Increment Fund a portion of the tax collections the City and the County receive within the boundaries of the TIRZ.

The TIRZ Plan provides for \$39,495,000 in public improvements to be financed through Contract Revenue Bonds, and \$131,445,000 in public improvements to be financed through the District's unlimited tax bonds. After reimbursement from proceeds of the Bonds, the District will continue to owe the Developers approximately \$29,000,000 plus interest for projects which have already been constructed or are currently under construction which will be financed through the District's unlimited tax bonds and approximately \$4,400,000 plus interest for projects which have already been constructed and will be financed through the District's Contract Revenue Bonds.

The District has the right to issue certain other additional bonds, special project bonds, and other obligations described in the Bond Resolution.

(a) The Attorney General's office has taken the position that Texas law does not permit the District to issue road bonds for parking facilities payable from taxes and therefore has decreased the District's road bond authorization by \$40,000,000 with a remaining authorized but unissued amount of \$195,130,000. See "UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED."

If additional bonds payable from taxes are issued in the future and property values have not increased proportionately, such issuance may increase gross tax-supported debt/property valuation ratios and adversely affect the investment quality or security of the Bonds. The District does not employ any formula with regard to assessed valuations or tax collections or otherwise to limit the amount of tax-supported bonds which may be issued. Any bonds issued by the District, however, must be approved by the Attorney General of Texas and the Board of Directors of the District and any bonds issued to acquire or construct water, sanitary sewer and drainage facilities, (but not roads or facilities in aid thereof, or recreational facilities) must be approved by the TCEQ.

The District has previously issued three series of Contract Revenue Bonds in the combined amount of \$15,440,000, of which \$13,550,000 principal is outstanding as of the date hereof. Contract Revenue Bonds are payable solely from funds in the City's Tax Increment Fund transferred to the District. They are not payable from ad valorem taxes levied by the District and their issuance does not affect the source of payment of the Bonds.

Environmental Regulations

Wastewater treatment, water supply, storm sewer facilities and construction activities within the District are subject to complex environmental laws and regulations at the federal, state and local levels that may require or prohibit certain activities that affect the environment, such as:

- Requiring permits for construction and operation of water wells, wastewater treatment and other facilities;
- Restricting the manner in which wastes are treated and released into the air, water and soils;
- Restricting or regulating the use of wetlands or other properties; or
- Requiring remedial action to prevent or mitigate pollution.

Sanctions against a municipal utility district or other type of special purpose district for failure to comply with environmental laws and regulations may include a variety of civil and criminal enforcement measures, including assessment of monetary penalties, imposition of remedial requirements and issuance of injunctions to ensure future compliance. Environmental laws and compliance with environmental laws and regulations can increase the cost of planning, designing, constructing and operating water production and wastewater treatment facilities. Environmental laws can also inhibit growth and development within the District. Further, changes in regulations occur frequently, and any changes that result in more stringent and costly requirements could materially impact the District.

Air Quality Issues: Air quality control measures required by the United States Environmental Protection Agency (the "EPA") and the Texas Commission on Environmental Quality (the "TCEQ") may impact new industrial, commercial and residential development in the Houston area. Under the Clean Air Act ("CAA") Amendments of 1990, the eight-county Houston-Galveston-Brazoria area ("HGB Area")—Harris, Galveston, Brazoria, Chambers, Fort Bend, Waller, Montgomery and Liberty Counties—has been designated a nonattainment area under two separate federal ozone standards: the eight-hour ozone standard of 75 ppb promulgated by the EPA in 2008 (the "2008 Ozone Standard"), and the EPA's most-recent promulgation of an even lower, 70 ppb eight-hour ozone standard in 2015 (the "2015 Ozone Standard"). While the State of Texas has been able to demonstrate steady progress and improvements in air quality in the HGB Area, the HGB Area remains subject to CAA nonattainment requirements.

The HGB Area is currently designated as a "severe" nonattainment area under the 2008 Ozone Standard, with an attainment deadline of July 20, 2027. If the EPA ultimately determines that the HGB Area has failed to meet the attainment deadline based on the relevant data, the area is subject to reclassification to a nonattainment classification that provides for more stringent controls on emissions from the industrial sector. In addition, the EPA may impose a moratorium on the awarding of federal highway construction grants and other federal grants for certain public works construction projects if it finds that an area fails to demonstrate progress in reducing ozone levels.

The HGB Area is currently designated as a "moderate" nonattainment area under the 2015 Ozone Standard, with an attainment deadline of August 3, 2027. For purposes of the 2015 Ozone Standard, the HGB Area consists of only six counties: Brazoria, Chambers, Fort Bend, Galveston, Harris, and Montgomery Counties.

In order to demonstrate progress toward attainment of the EPA's ozone standards, the TCEQ has established a state implementation plan ("SIP") for the HGB Area setting emission control requirements, some of which regulate the inspection and use of automobiles. These types of measures could impact how people travel, what distances people are willing to travel, where people choose to live and work, and what jobs are available in the HGB Area. These SIP requirements can negatively impact business due to the additional permitting/regulatory constraints that accompany this designation and because of the community stigma associated with a nonattainment designation. It is possible that additional controls will be necessary to allow the HGB Area to reach attainment with the ozone standards by the EPA's attainment deadlines. These additional controls could have a negative impact on the HGB Area's economic growth and development.

Water Supply & Discharge Issues: Water supply and discharge regulations that municipal utility districts, including the District, may be required to comply with involve: (1) groundwater well permitting and surface water appropriation; (2) public water supply systems; (3) wastewater discharges from treatment facilities; (4) storm water discharges; and (5) wetlands dredge and fill activities. Each of these is addressed below:

Certain governmental entities regulate groundwater usage in the HGB Area. A municipal utility district or other type of special purpose district that (i) is located within the boundaries of such an entity that regulates groundwater usage, and (ii) relies on local groundwater as a source of water supply, may be subject to requirements and restrictions on the drilling of water wells and/or the production of groundwater that could affect both the engineering and economic feasibility of district water supply projects.

Pursuant to the federal Safe Drinking Water Act (“SDWA”) and the EPA’s National Primary Drinking Water Regulations (“NPDWRs”), which are implemented by the TCEQ’s Water Supply Division, a municipal utility district’s provision of water for human consumption is subject to extensive regulation as a public water system. Municipal utility districts must generally provide treated water that meets the primary and secondary drinking water quality standards adopted by the TCEQ, the applicable disinfectant residual and inactivation standards, and the other regulatory action levels established under the agency’s rules. The EPA has established NPDWRs for more than ninety (90) contaminants and has identified and listed other contaminants which may require national drinking water regulation in the future. Further, the EPA has established a NPDWR for six (6) Per- and Polyfluoroalkyl Substances (“PFAS”), which requires public water systems to perform certain monitoring and remediation measures. Public water systems may be subject to additional PFAS regulation in the future, which could increase the cost of constructing, operating, and maintaining water production and distribution facilities.

Texas Pollutant Discharge Elimination System (“TPDES”) permits set limits on the type and quantity of discharge, in accordance with state and federal laws and regulations. The TCEQ reissued the TPDES Construction General Permit (TXR150000) (“CGP”), with an effective date of March 5, 2023, which is a general permit authorizing the discharge of stormwater runoff associated with small and large construction sites and certain non-stormwater discharges into surface water in the state. The CGP has a 5-year permit term, and is then subject to renewal. Moreover, the Clean Water Act (“CWA”) and Texas Water Code require municipal wastewater treatment plants to meet secondary treatment effluent limitations and more stringent water quality-based limitations and requirements to comply with the Texas water quality standards. Any water quality-based limitations and requirements with which a municipal utility district must comply may have an impact on the municipal utility district’s ability to obtain and maintain compliance with TPDES permits.

The District is subject to the TCEQ’s General Permit for Phase II (Small) Municipal Separate Storm Sewer Systems (the “MS4 Permit”), which was issued by the TCEQ on August 15, 2024. The MS4 Permit authorizes the discharge of stormwater to surface water in the state from small municipal separate storm sewer systems. In order to maintain MS4 Permit compliance, the District is partnering with the city of Sugar Land (the “City”), to participate in the City’s program to develop, implement, and maintain the required plan (the “MS4 Permit Plan”) as well as to install or implement best management practices to minimize or eliminate unauthorized pollutants that may otherwise be found in stormwater runoff. While the District does not have its own independent MS4 Permit Plan, the District has taken all necessary steps required by the City to be included in the City’s MS4 Permit Plan in order to obtain MS4 Permit compliance with the TCEQ. If at any time in the future the District were required to maintain independent coverage under the MS4 Permit, it is anticipated that the District could incur substantial additional costs to develop and implement its own program necessary to comply with the MS4 Permit.

Operations of utility districts, including the District, are also potentially subject to requirements and restrictions under the CWA regarding the use and alteration of wetland areas that are within the “waters of the United States.” The District must obtain a permit from the United States Army Corps of Engineers (“USACE”) if operations of the District require that wetlands be filled, dredged, or otherwise altered.

In 2023, the Supreme Court of the United States issued its decision in *Sackett v. EPA*, which clarified the definition of “waters of the United States” and significantly restricted the reach of federal jurisdiction under the CWA. Under the *Sackett* decision, “waters of the United States” includes only geographical features that are described in ordinary parlance as “streams, oceans, rivers, and lakes” and to adjacent wetlands that are indistinguishable from such bodies of water due to a continuous surface connection. Subsequently, the EPA and USACE issued a final rule amending the definition of “waters of the United States” under the CWA to conform with the Supreme Court’s decision.

While the *Sackett* decision and subsequent regulatory action removed a great deal of uncertainty regarding the ultimate scope of “waters of the United States” and the extent of EPA and USACE jurisdiction, operations of municipal utility districts, including the District, could potentially be subject to additional restrictions and requirements, including additional permitting requirements, in the future.

Continuing Compliance with Certain Covenants

The Bond Resolution contains covenants by the District intended to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds. Failure by the District to comply with such covenants in the Bond Resolution on a continuous basis prior to maturity of the Bonds could result in interest on the Bonds becoming taxable retroactively to the date of original issuance. See “TAX MATTERS.”

Marketability

The District has no agreement with the Initial Purchaser regarding the reoffering yields or prices of the Bonds and has no control over trading of the Bonds in the secondary market. Moreover, there is no assurance that a secondary market will be made in the Bonds. If there is a secondary market, the difference between the bid and asked price of the Bonds may be greater than the difference between the bid and asked price of bonds of comparable maturity and quality issued by more traditional issuers as such bonds are generally bought, sold or traded in the secondary market.

Changes in Tax Legislation

Certain tax legislation, whether currently proposed or proposed in the future, may directly or indirectly reduce or eliminate the benefit of the exclusion of interest on the Bonds from gross income for federal tax purposes. Any proposed legislation, whether or not enacted, may also affect the value and liquidity of the Bonds. Prospective purchasers should consult with their own tax advisors with respect to any proposed, pending or future legislation.

Risk Factors Related to the Purchase of Municipal Bond Insurance

The District has applied for a bond insurance policy (the “Policy”) to guarantee the scheduled payment of principal and interest on the Bonds. If the Policy is purchased, investors should be aware of the following investment considerations:

The long-term ratings on the Bonds are dependent in part on the financial strength of the Insurer and its claim paying ability. The Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and of the ratings on the Bonds insured by the Insurer will not be subject to downgrade and such event could adversely affect the market price of the Bonds or the marketability (liquidity) for the Bonds. See “MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE.”

The obligations of the Insurer are contractual obligations and in the event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the District nor the Initial Purchaser has made independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the District to pay principal and interest on the Bonds and the claims-paying ability of the Insurer, particularly over the life of the investment. See “MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE” for further information provided by the Insurer and the Policy, which includes further instructions for obtaining current financial information concerning the Insurer.

LEGAL MATTERS

Legal Proceedings

Delivery of the Bonds will be accompanied by the unqualified approving legal opinion of the Attorney General of Texas to the effect that the Bonds are valid and legally binding obligations of the District under the Constitution and laws of the State of Texas, payable from the proceeds of an annual ad valorem tax levied, without limit as to rate or amount, upon all taxable property within the District, and, based upon their examination of a transcript of certified proceedings relating to the issuance and sale of the Bonds, the approving legal opinion of Bond Counsel, to a like effect and to the effect that, under existing law, interest on the Bonds is excludable from gross income for federal tax purposes and interest on the Bonds is not subject to the alternative minimum tax on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations for the purpose of determining the alternative minimum tax imposed on corporations.

Bond Counsel has reviewed the information appearing in this Official Statement “THE BONDS,” “THE DISTRICT—General,” “REDEVELOPMENT AGREEMENT WITH CITY OF SUGAR LAND,” “TAX INCREMENT REINVESTMENT ZONE,” “UTILITY AGREEMENT WITH CITY OF SUGAR LAND,” “TAX PROCEDURES,” “LEGAL MATTERS,” “TAX MATTERS,” and “CONTINUING DISCLOSURE OF INFORMATION” solely to determine if such information, insofar as it relates to matters of law, is true and correct, and whether such information fairly summarizes the provisions of the documents referred to therein. Bond Counsel has not, however, independently verified any of the factual information contained in this Official Statement nor has it conducted an investigation of the affairs of the District for the purpose of passing upon the accuracy or completeness of this Official Statement. No person is entitled to rely upon Bond Counsel's limited participation as an assumption of responsibility for or an expression of opinion of any kind with regard to the accuracy or completeness of any information contained herein.

Allen Boone Humphries Robinson LLP also serves as General Counsel to the District on matters other than the issuance of bonds. The legal fees paid to Bond Counsel for services rendered in connection with the issuance of the Bonds are based on a percentage of the bonds actually issued, sold, and delivered and, therefore, such fees are contingent upon the sale and delivery of the Bonds. The legal fees paid to Allen Boone Humphries Robinson LLP in its capacity as General Counsel are based on time charges actually incurred.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. In rendering a legal opinion, the attorney does not become an insurer or guarantor of the expression of professional judgment, of the transaction opined upon, or of the future performance of the parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

No Material Adverse Change

The obligations of the Initial Purchaser to take and pay for the Bonds, and of the District to deliver the Bonds, are subject to the condition that, up to the time of delivery of and receipt of payment for the Bonds, there shall have been no material adverse change in the condition (financial or otherwise) of the District from that set forth or contemplated in the Preliminary Official Statement, as it may be amended through the date of sale.

No-Litigation Certificate

The District will furnish the Initial Purchaser a certificate, executed by both the President and Secretary of the Board, and dated as of the date of delivery of the Bonds, to the effect that there is not pending, and to their knowledge, there is not threatened, any litigation affecting the validity of the Bonds, or the levy and/or collection of taxes for the payment thereof, or the organization or boundaries of the District, or the title of the officers thereof to their respective offices, and that no additional bonds or other indebtedness have been issued since the date of the statement of indebtedness or nonencumbrance certificate submitted to the Attorney General of Texas in connection with approval of the Bonds.

TAX MATTERS

The following discussion of certain federal income tax considerations is for general information only and is not tax advice. Each prospective purchaser of the Bonds should consult its own tax advisor as to the tax consequences of the acquisition, ownership and disposition of the Bonds.

Tax Exemption

In the opinion of Allen Boone Humphries Robinson LLP, Bond Counsel, under existing law, interest on the Bonds (i) is excludable from gross income for federal income tax purposes under section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) is not an item of tax preference for purposes of the alternative minimum tax on individuals.

The Code imposes a number of requirements that must be satisfied for interest on state or local obligations, such as the Bonds, to be excludable from gross income for federal income tax purposes. These requirements include limitations on the use of bond proceeds and the source of repayment of bonds, limitations on the investment of bond proceeds prior to expenditure, a requirement that excess arbitrage earned on the investment of bond proceeds be paid periodically to the United States and a requirement that the issuer file an information report with the Internal Revenue Service (the "Service"). The District has covenanted in the Bond Resolution that it will comply with these requirements.

Bond Counsel's opinion will assume continuing compliance with the covenants of the Bond Resolution pertaining to those sections of the Code that affect the excludability of interest on the Bonds from gross income for federal income tax purposes and, in addition, will rely on representations by the District and other parties involved with the issuance of the Bonds with respect to matters solely within the knowledge of the District and such parties, which Bond Counsel has not independently verified. If the District fails to comply with the covenants in the Bond Resolution or if the foregoing representations are determined to be inaccurate or incomplete, interest on the Bonds could become includable in gross income from the date of delivery of the Bonds, regardless of the date on which the event causing such inclusion occurs.

Bond Counsel will express no opinion as to the amount or timing of interest on the Bonds or, except as stated above, any federal, state or local tax consequences resulting from the receipt or accrual of interest on, or acquisition, ownership or disposition of, the Bonds. Certain actions may be taken or omitted subject to the terms and conditions set forth in the Bond Resolution upon the advice or with the approving opinion of Bond Counsel. Bond Counsel will express no opinion with respect to Bond Counsel's ability to render an opinion that such actions, if taken or omitted, will not adversely affect the excludability of interest of the Bonds from gross income for federal income tax purposes.

Bond Counsel's opinions are based on existing law, which is subject to change. Such opinions are further based on Bond Counsel's knowledge of facts as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention or to reflect any changes in any law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of result and are not binding on the Service; rather, such opinions represent Bond Counsel's legal judgment based upon its review of existing law and in reliance upon the representations and covenants referenced above that it deems relevant to such opinions. The Service has an ongoing audit program to determine compliance with rules that relate to whether interest on state or local obligations is includable in gross income for federal income tax purposes. No assurance can be given as to whether the Service will commence an audit of the Bonds. If an audit is commenced, in accordance with its current published procedures the Service is likely to treat the District as the taxpayer, and the Owners of the Bonds may not have a right to participate in such audit. Public awareness of any future audit of the Bonds could adversely affect the value and liquidity of the Bonds, regardless of the ultimate outcome of the audit.

Not Qualified Tax-Exempt Obligations

The Bonds will not be designated "qualified tax-exempt obligations" for financial institutions.

Additional Federal Income Tax Considerations

Collateral Tax Consequences: Prospective purchasers of the Bonds should be aware that the ownership of tax-exempt obligations may result in collateral federal income tax consequences, including but not limited to those noted below. Therefore, prospective purchasers of the Bonds should consult their own tax advisors as to the tax consequences of the acquisition, ownership and disposition of the Bonds.

An "applicable corporation" (as defined in section 59(k) of the Code) may be subject to a 15 percent alternative minimum tax imposed under section 55 of the Code on its "adjusted financial statement income" (as defined in section 56A of the Code) for such taxable year. Because interest on tax-exempt obligations, such as the Bonds, is included in a corporation's "adjusted financial statement income," ownership of the Bonds could subject certain corporations to alternative minimum tax consequences.

Ownership of tax-exempt obligations also may result in collateral federal income tax consequences to financial institutions, life insurance and property and casualty insurance companies, certain S corporations with Subchapter C earnings and profits, individual recipients of Social Security or Railroad Retirement benefits, taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, low and middle income taxpayers otherwise qualifying for the health insurance premium assistance credit and individuals otherwise qualifying for the earned income tax credit. In addition, certain foreign corporations doing business in the United States may be subject to the "branch profits tax" on their effectively connected earnings and profits, including tax-exempt interest such as interest on the Bonds.

Prospective purchasers of the Bonds should also be aware that, under the Code, taxpayers are required to report on their returns the amount of tax-exempt interest, such as interest on the Bonds, received or accrued during the year. The Bonds will not be designated "qualified tax-exempt obligations" for financial institutions.

Tax Accounting Treatment of Original Issue Premium: If the issue price of any maturity of the Bonds exceeds the stated redemption price payable at maturity of such Bonds, such Bonds (the "Premium Bonds") are considered for federal income tax purposes to have "bond premium" equal to the amount of such excess. The basis of a Premium Bond in the hands of an initial owner is reduced by the amount of such excess that is amortized during the period such initial owner holds such Premium Bond in determining gain or loss for federal income tax purposes. This reduction in basis will increase the amount of any gain or decrease the amount of any loss recognized for federal income tax purposes on the sale or other taxable disposition of a Premium Bond by the initial owner. No corresponding deduction is allowed for federal income tax purposes for the reduction in basis resulting from amortizable bond premium. The amount of bond premium on a Premium Bond that is amortizable each year (or shorter period in the event of a sale or disposition of a Premium Bond) is determined using the yield to maturity on the Premium Bond based on the initial offering price of such Premium Bond.

The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of Premium Bonds that are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above. All owners of Premium Bonds should consult their own tax advisors with respect to the determination for federal, state, and local income tax purposes of amortized bond premium upon the redemption, sale or other disposition of a Premium Bond and with respect to the federal, state, local, and foreign tax consequences of the purchase, ownership, and sale, redemption or other disposition of such Premium Bonds.

Tax Accounting Treatment of Original Issue Discount: If the issue price of any maturity the Bonds is less than the stated redemption price payable at maturity of such Bonds (the “OID Bonds”), the difference between (i) the amount payable at the maturity of each OID Bond, and (ii) the initial offering price to the public of such OID Bond constitutes original issue discount with respect to such OID Bond in the hands of any owner who has purchased such OID Bond in the initial public offering of the Bonds. Generally, such initial owner is entitled to exclude from gross income (as defined in section 61 of the Code) an amount of income with respect to such OID Bond equal to that portion of the amount of such original issue discount allocable to the period that such OID Bond continues to be owned by such owner. Because original issue discount is treated as interest for federal income tax purposes, the discussions regarding interest on the Bonds under the captions “TAX MATTERS – Tax Exemption” and “TAX MATTERS – Additional Federal Income Tax Considerations – Collateral Tax Consequences” and “—Tax Legislative Changes” generally apply and should be considered in connection with the discussion in this portion of the Official Statement.

In the event of the redemption, sale or other taxable disposition of such OID Bond prior to stated maturity, however, the amount realized by such owner in excess of the basis of such OID Bond in the hands of such owner (adjusted upward by the portion of the original issue discount allocable to the period for which such OID Bond was held by such initial owner) is includable in gross income.

The foregoing discussion assumes that (i) the Underwriter has purchased the Bonds for contemporaneous sale to the public and (ii) all of the OID Bonds have been initially offered, and a substantial amount of each maturity thereof has been sold, to the general public in arm’s-length transactions for a price (and with no other consideration being included) not more than the initial offering prices thereof stated on the cover page of this Official Statement. Neither the District nor Bond Counsel has made any investigation or offers any assurance that the OID Bonds will be offered and sold in accordance with such assumptions.

Under existing law, the original issue discount on each OID Bond accrues daily to the stated maturity thereof (in amounts calculated as described below for each six-month period ending on the date before the semiannual anniversary dates of the date of the Bonds and ratably within each such six-month period) and the accrued amount is added to an initial owner’s basis for such OID Bond for purposes of determining the amount of gain or loss recognized by such owner upon the redemption, sale or other disposition thereof. The amount to be added to basis for each accrual period is equal to (i) the sum of the issue price and the amount of original issue discount accrued in prior periods multiplied by the yield to stated maturity (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period) less (ii) the amounts payable as current interest during such accrual period on such Bond.

The federal income tax consequences of the purchase, ownership, and redemption, sale or other disposition of OID Bonds that are not purchased in the initial offering at the initial offering price may be determined according to rules that differ from those described above. All owners of OID Bonds should consult their own tax advisors with respect to the determination for federal, state, and local income tax purposes of interest accrued upon redemption, sale or other disposition of such OID Bonds and with respect to the federal, state, local and foreign tax consequences of the purchase, ownership, redemption, sale or other disposition of such OID Bonds.

Tax Legislative Changes: Current law may change so as to directly or indirectly reduce or eliminate the benefit of the excludability of interest on the Bonds from gross income for federal income tax purposes. Any proposed legislation, whether or not enacted, could also affect the value and liquidity of the Bonds. Prospective purchasers of the Bonds should consult with their own tax advisors with respect to any recently enacted, proposed, pending or future legislation.

SALE AND DISTRIBUTION OF THE BONDS

Award of the Bonds

After requesting competitive bids for the Bonds, the District accepted the bid resulting in the lowest net interest cost, which bid was tendered by _____ (the "Initial Purchaser") bearing the interest rates shown on the cover page hereof, at a price of _____ % of the principal amount thereof which resulted in a net effective interest rate of _____ % as calculated pursuant to Chapter 1204 of the Texas Government Code.

Prices and Marketability

The prices and other terms with respect to the offering and sale of the Bonds may be changed at any time by the Initial Purchaser after the Bonds are released for sale, and the Bonds may be offered and sold at prices other than the initial offering prices, including sales to dealers who may sell the Bonds into investment accounts. In connection with the offering of the Bonds, the Initial Purchaser may over-allot or effect transactions that stabilize or maintain the market prices of the Bonds at levels above those that might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time.

The District has no control over trading of the Bonds in the secondary market. Moreover, there is no guarantee that a secondary market will be made in the Bonds. In such a secondary market, the difference between the bid and asked price of utility district bonds may be greater than the difference between the bid and asked price of bonds of comparable maturity and quality issued by more traditional municipal entities, as bonds of such entities are more generally bought, sold, or traded in the secondary market.

Securities Laws

No registration statement relating to the offer and sale of the Bonds has been filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein; nor have the Bonds been registered or qualified under the securities laws of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any other jurisdiction in which the Bonds may be offered, sold or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions in such other jurisdiction.

MUNICIPAL BOND RATING AND MUNICIPAL BOND INSURANCE

Moody's Investors Service ("Moody's") has assigned an underlying rating of "____" to the Bonds. An explanation of the rating may be obtained from Moody's. The rating fees of Moody's will be paid by the District; however, the fees associated with any other rating will be the responsibility of the Initial Purchaser.

Application has also been made for the qualification of the Bonds for municipal bond insurance. If qualified, such insurance will be available at the option of the Initial Purchaser and at the Initial Purchaser's expense. The rating fees of Moody's will be paid by the District; any other rating fees associated with the insurance will be the responsibility of the Initial Purchaser. See "INVESTMENT CONSIDERATIONS—Risk Factors Related to the Purchase of Municipal Bond Insurance."

There is no assurance that such rating will continue for any given period of time or that it will not be revised or withdrawn entirely by Moody's, if in its judgment, circumstances so warrant. Any such revisions or withdrawal of the rating may have an adverse effect on the market price of the Bonds.

PREPARATION OF OFFICIAL STATEMENT

Sources and Compilation of Information

The financial data and other information contained in this Official Statement has been obtained primarily from the District's records, the Developers, the Engineer, the Tax Assessor/Collector, the Appraisal District and information from certain other sources. All of these sources are believed to be reliable, but no guarantee is made by the District as to the accuracy or completeness of the information derived from sources other than the District, and its inclusion herein is not to be construed as a representation on the part of the District except as described below under "Certification of Official Statement." Furthermore, there is no guarantee that any of the assumptions or estimates contained herein will be realized. The summaries of the agreements, reports, statutes, resolutions, engineering and other related information set forth in this Official Statement are included herein subject to all of the provisions of such documents. These summaries do not purport to be complete statements of such provisions, and reference is made to such documents for further information.

Co-Financial Advisor

Masterson Advisors LLC and Post Oak Municipal Advisors LLC (collectively referred to as the "Financial Advisors") are employed as the co-Financial Advisors to the District to render certain professional services, including advising the District on a plan of financing and preparing the Official Statement, including the Official Notice of Sale and the Official Bid Form for the sale of the Bonds. In their capacity as Financial Advisors, Masterson Advisors LLC and Post Oak Municipal Advisors LLC have compiled and edited this Official Statement. In addition to compiling and editing, the Financial Advisors have obtained the information set forth herein under the caption indicated from the following sources:

"THE DISTRICT" – the Developers, LJA Engineering, Inc. ("Engineer"), and Records of the District ("Records"); "THE DEVELOPERS AND MAJOR LANDOWNERS" – Developers; "ROAD SYSTEM" – Engineer; "WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM" – Engineer; "UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED" – Records; "FINANCIAL STATEMENT" – Fort Bend Central Appraisal District and Tax Tech, Inc., Tax Assessor/Collector; "ESTIMATED OVERLAPPING DEBT STATEMENT" – Municipal Advisory Council of Texas and Financial Advisors; "TAX DATA" – Tax Tech, Inc.; "MANAGEMENT" – District Records; "DEBT SERVICE REQUIREMENTS" – Financial Advisors; "THE BONDS," "TAX PROCEDURES," "LEGAL MATTERS," and "TAX MATTERS" – Allen Boone Humphries Robinson LLP.

The Financial Advisors have provided the following sentence for inclusion in this Official Statement. The Financial Advisors have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to the District and, as applicable, to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Financial Advisors do not guarantee the accuracy or completeness of such information.

Consultants

In approving this Official Statement, the District has relied upon the following consultants.

Engineer: The information contained in this Official Statement relating to engineering matters and to the description of the System and in particular that information included in the sections entitled "THE DISTRICT," "ROAD SYSTEM," "PARK SYSTEM" and "WATER SUPPLY AND WASTEWATER TREATMENT SYSTEM" has been provided by LJA Engineering, Inc., Consulting Engineers and has been included herein in reliance upon the authority of said firm as experts in the field of civil engineering.

Appraisal District: The information contained in this Official Statement relating to the assessed valuations has been provided by the Fort Bend Central Appraisal District and has been included herein in reliance upon the authority of such entity as experts in assessing the values of property in Fort Bend County, including the District.

Tax Assessor/Collector: The information contained in this Official Statement relating to the historical breakdown of the Assessed Valuations, principal taxpayers, and certain other historical data concerning tax rates and tax collections has been provided by Tax Tech, Inc., and is included herein in reliance upon the authority of such firm as an expert in assessing and collecting taxes.

Auditor: The District's financial statements for the fiscal year ending November 30, 2024 were audited by McGrath & Co., PLLC. See APPENDIX A for a copy of the District's audited financial statements for the fiscal year ended November 30, 2024.

Bookkeeper: The information related to the "unaudited" summary of the District's General Operating Fund as it appears in "GENERAL FUND—Operating Statement" has been provided by Myrtle Cruz, Inc. and is included herein in reliance upon the authority of such firm as experts in the tracking and managing the various funds of municipal utility districts.

Updating the Official Statement

If, subsequent to the date of the Official Statement, the District learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Initial Purchaser, of any adverse event which causes the Official Statement to be materially misleading, and unless the Initial Purchaser elects to terminate its obligation to purchase the Bonds, the District will promptly prepare and supply to the Initial Purchaser an appropriate amendment or supplement to the Official Statement satisfactory to the Initial Purchaser; provided, however, that the obligation of the District to so amend or supplement the Official Statement will terminate when the District delivers the Bonds to the Initial Purchaser, unless the Initial Purchaser notifies the District on or before such date that less than all of the Bonds have been sold to ultimate customers, in which case the District's obligations hereunder will extend for an additional period of time as required by law (but not more than 90 days after the date the District delivers the Bonds).

Certification of Official Statement

The District, acting through its Board of Directors in its official capacity, hereby certifies, as of the date hereof, that the information, statements, and descriptions or any addenda, supplement and amendment thereto pertaining to the District and its affairs contained herein, to the best of its knowledge and belief, contain no untrue statement of a material fact and do not omit to state any material fact necessary to make the statements herein, in light of the circumstances under which they are made, not misleading. With respect to information included in this Official Statement other than that relating to the District, the District has no reason to believe that such information contains any untrue statement of a material fact or omits to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made, not misleading; however, the Board has made no independent investigation as to the accuracy or completeness of the information derived from sources other than the District. In rendering such certificate, the official executing this certificate may state that he has relied in part on his examination of records of the District relating to matters within his own area of responsibility, and his discussions with, or certificates or correspondence signed by, certain other officials, employees, consultants and representatives of the District.

CONTINUING DISCLOSURE OF INFORMATION

In the Bond Resolution, the District has made the following agreement for the benefit of the registered and beneficial owners of the Bonds. The District is required to observe the agreement for so long as it remains obligated to advance funds to pay the Bonds. Under the agreement, the District will be obligated to provide certain updated financial information and operating data annually, and timely notice of certain specified events, to the Municipal Securities Rulemaking Board (the "MSRB"). The MSRB has established the Electronic Municipal Market Access ("EMMA") System.

Annual Reports

The District will provide certain financial information and operating data annually to the MSRB. The financial information and operating data which will be provided with respect to the District includes all quantitative financial information and operating data of the general type included in this OFFICIAL STATEMENT under the headings "UNLIMITED TAX BONDS AUTHORIZED BUT UNISSUED," "FINANCIAL STATEMENT," "TAX DATA," "GENERAL FUND," "DEBT SERVICE REQUIREMENTS" and in "APPENDIX A (District's Audited Financial Statements)." The District will update and provide this information to the MSRB within six months after the end of each of its fiscal years ending in or after 2025. Any financial statements provided by the District shall be prepared in accordance with generally accepted auditing standards or other such principles as the District may be required to employ from time to time pursuant to state law or regulation, and audited if the audit report is completed within the period during which it must be provided. If the audit report is not complete within such period, then the District shall provide unaudited financial statements for the applicable year to the MSRB within such six-month period and audited financial statements when the audit becomes available.

The District's current fiscal year end is November 30. Accordingly, it must provide updated information by May 31 in each year, unless the District changes its fiscal year. If the District changes its fiscal year, it will notify the MSRB of the change.

Specified Event Notices

The District will provide timely notices of certain specified events to the MSRB, but in no event will such notices be provided to the MSRB in excess of ten business days after the occurrence of an event. The District will provide notice of any of the following events with respect to the Bonds: (1) principal and interest payment delinquencies; (2) non-payment related defaults, if material; (3) unscheduled draws on debt service reserves reflecting financial difficulties; (4) unscheduled draws on credit enhancements reflecting financial difficulties; (5) substitution of credit or liquidity providers, or their failure to perform; (6) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other events affecting the tax status of the Bonds; (7) modifications to rights of Beneficial Owners of the Bonds, if material; (8) bond calls, if material, and tender offers; (9) defeasances; (10) release, substitution, or sale of property securing repayment of the Bonds, if material; (11) rating changes; (12) bankruptcy, insolvency, receivership or similar event of the District or other obligated person; (13) consummation of a merger, consolidation, or acquisition involving the District or other obligated person or the sale of all or substantially all of the assets of the District or other obligated person within the meaning of the Rule, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; (14) appointment of a successor or additional trustee or the change of name of a trustee, if material to a decision to purchase or sell Bonds; (15) incurrence of a financial obligation of the District or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the District or other obligated person, any of which affect Beneficial Owners of the Bonds, if material; and (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the District or other obligated person, any of which reflect financial difficulties. The terms “obligated person” and “financial obligation” when used in this paragraph shall have the meanings ascribed to them under SEC Rule 15c2-12 (the “Rule”). The term “material” when used in this paragraph shall have the meaning ascribed to it under federal securities laws. Neither the Bonds nor the Bond Resolution makes any provision for debt service reserves or liquidity enhancement. In addition, the District will provide timely notice of any failure by the District to provide financial information, operating data, or financial statements in accordance with its agreement described above under “Annual Reports.”

Availability of Information from MSRB

The District has agreed to provide the foregoing information only to the MSRB. The MSRB makes the information available to the public without charge through the EMMA internet portal at www.emma.msrb.org.

Limitations and Amendments

The District has agreed to update information and to provide notices of specified events only as described above. The District has not agreed to provide other information that may be relevant or material to a complete presentation of its financial results of operations, condition, or prospects or agreed to update any information that is provided, except as described above. The District makes no representation or warranty concerning such information or concerning its usefulness to a decision to invest in or sell Bonds at any future date. The District disclaims any contractual or tort liability for damages resulting in whole or in part from any breach of its continuing disclosure agreement or from any statement made pursuant to its agreement, although Registered or Beneficial Owners of Bonds may seek a writ of mandamus to compel the District to comply with its agreement.

The District may amend its continuing disclosure agreement from time to time to adapt the changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the District, if but only if the agreement, as amended, would have permitted an underwriter to purchase or sell Bonds in the offering made hereby in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and either the holders of a majority in aggregate principal amount of the outstanding Bonds consent to the amendment or any person unaffiliated with the District (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the Registered and Beneficial Owners of the Bonds. The District may amend or repeal the agreement in the Bond Resolution if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction determines that such provisions are invalid or unenforceable, but only to the extent that its right to do so would not prevent the Initial Purchaser from lawfully purchasing the Bonds in the initial offering. If the District so amends the agreement, it has agreed to include with any financial information or operating data next provided in accordance with its agreement described above under “Annual Reports” an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information and operating data so provided.

Compliance with Prior Undertakings

During the last five years, the District has complied in all material respects with its continuing disclosure agreements made in accordance with SEC Rule 15c2-12, except as follows: The District filed an Event Notice for a “Non-payment related default” on May 28, 2021, related to an event that occurred on April 1, 2021, which was more than 10 business days after the event. The District filed the Event Notice promptly after it discovered the event.

MISCELLANEOUS

All estimates, statements and assumptions in this Official Statement and the Appendix hereto have been made on the basis of the best information available and are believed to be reliable and accurate. Any statements in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact, and no representation is made that any such statements will be realized.

This Official Statement was approved by the Board of Directors of Imperial Redevelopment District, as of the date shown on the cover page.

/s/ _____
President, Board of Directors
Imperial Redevelopment District

ATTEST:

/s/ _____
Secretary, Board of Directors
Imperial Redevelopment District

AERIAL PHOTOGRAPH
(Approximate boundaries of the District as of October 2025)

PHOTOGRAPHS OF THE DISTRICT
(Taken October 2025)

APPENDIX A

District Audited Financial Statements for the fiscal year ended November 30, 2024

This Official Notice of Sale does not alone constitute an invitation for bids on the Bonds but is merely notice of sale of the Bonds described herein. The invitation for bids is being made by means of this Official Notice of Sale, the Preliminary Official Statement and the Official Bid Form attached hereto. Information contained in this Official Notice of Sale is qualified in its entirety by the detailed information contained in the Preliminary Official Statement.

OFFICIAL NOTICE OF SALE

\$9,000,000

IMPERIAL REDEVELOPMENT DISTRICT

(A political subdivision of the State of Texas located within Fort Bend County)

UNLIMITED TAX BONDS

SERIES 2026

THE BONDS ARE NOT “QUALIFIED TAX-EXEMPT OBLIGATIONS” FOR FINANCIAL INSTITUTIONS.

Bids Due: Thursday, February 19, 2026 at 9:15 A.M., Houston Time in Houston, Texas
Bid Award: Thursday, February 19, 2026 at 12:30 P.M., Houston Time in Sugar Land, Texas

THE SALE

Bonds Offered for Sale by Competitive Bidding: The Board of Directors (the “Board”) of Imperial Redevelopment District (the “District”) is inviting competitive bids for the purchase of \$9,000,000 Unlimited Tax Bonds, Series 2026 (the “Bonds”). Bidders may submit bids for the Bonds by any of the following methods:

- (1) Deliver bids directly to the District as described below in Bids Delivered to the District;
- (2) Submit bids electronically as described below in Electronic Bidding Procedures; or
- (3) Submit bids by telephone as described below in Bids by Telephone.

Bids Delivered to the District: Sealed bids, plainly marked Bid for Bonds, should be addressed to President and Board of Directors, Imperial Redevelopment District and delivered in care of Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046 prior to 9:15 A.M., Houston Time, on Thursday, February 19, 2026. All bids must be submitted in duplicate on the Official Bid Form, without alteration or interlineation.

Electronic Bidding Procedures: Any prospective bidder that intends to submit an electronic bid must submit its electronic bid through the facilities of PARITY. Bidders must submit by email (anthea.moran@mastersonadvisors.com/713-814-0552), prior to 9:15 A.M., Houston Time, Thursday, February 19, 2026, a signed Official Bid Form to Anthea Moran, Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046. A signed Official Bid Form received after 9:15 A.M., Houston Time, may result in the electronic bid not being accepted by the Board. Subscription to the i-Deal LLC’s BIDCOMP Competitive Bidding System is required in order to submit an electronic bid. The District will neither confirm any subscription nor be responsible for the failure of any prospective bidder to subscribe.

An electronic bid made through the facilities of PARITY shall be deemed an irrevocable offer to purchase the Bonds on the terms provided in this Notice of Sale and shall be binding upon the bidder as if made by a signed, sealed bid delivered to the District. The District shall not be responsible for any malfunction or mistake made by, or as a result of the use of the facilities of, PARITY, the use of such facilities being the sole risk of the prospective bidder. If any provisions of this Official Notice of Sale shall conflict with information provided by PARITY as the approved provider of electronic bidding services, this Official Notice of Sale shall control. Further information about PARITY, including any fee charged, may be obtained from PARITY Customer Support, 1359 Broadway, 2nd Floor, New York, New York 10018, telephone: (212) 849-5000.

For purposes of both the written sealed bid process and the electronic bidding process, the time as maintained by PARITY shall constitute the official time. **For information purposes only, bidders are requested to state in their electronic bids the net interest cost to the District, as described under “CONDITIONS OF THE SALE—Basis of Award” herein. All electronic bids shall be deemed to incorporate the provisions of this Notice of Sale and the Official Bid Form.**

Bids by Telephone: Bidders must submit by email (anthea.moran@mastersonadvisors.com/713-814-0552), prior to 8:45 A.M., Thursday, February 19, 2026, a signed Official Bid Form to Anthea Moran, Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046, and submit their bid by telephone on the date of the sale.

Telephone bidders that have provided signed bid forms will be telephoned by a representative of Masterson Advisors LLC, as financial advisor for the District, between 8:45 A.M. and 9:05 A.M., Houston Time on the date of the sale. Facsimile bids will not be accepted.

The District, Masterson Advisors LLC and Post Oak Municipal Advisors LLC are not responsible if such telephone is busy or is malfunctioning, which prevents a bid or bids from being submitted on a timely basis. Masterson Advisors LLC and Post Oak Municipal Advisors LLC (collectively, the “Financial Advisors”) will not be responsible for submitting any bids received after the above deadlines. The District and the Financial Advisors assume no responsibility or liability with respect to any irregularities associated with the submission of bids if the telephone option is exercised.

Place and Time of Bid Opening: The bids for the Bonds will be publicly opened and read by an authorized representative of Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046, at 9:15 A.M., Houston Time, Thursday, February 19, 2026.

Award of the Bonds: The District will take action to award the Bonds or reject all bids at a meeting scheduled to convene at 12:30 P.M., Houston Time, on the date of the bid opening at the District’s regular meeting place at 1033 Imperial Boulevard, Sugar Land, Texas 77498. Upon awarding the Bonds to the winning bidder (the “Initial Purchaser”), the Board will adopt a resolution authorizing the issuance of the Bonds (the “Bond Resolution”). Sale of the Bonds will be made subject to the terms, conditions and provisions of the Bond Resolution, to which Bond Resolution reference is hereby made for all purposes and subject to compliance with Texas Government Code § 2252.908 as more fully described below. The District reserves the right to reject any and all bids and to waive any irregularities, except the time of filing of the bids.

THE BONDS

Description of the Bonds: The Bonds will be dated March 1, 2026, with interest accruing from the Date of Delivery (as defined herein) and will be payable on November 1, 2026 and on each May 1 and November 1 thereafter until the earlier of maturity or redemption. The Bonds will be issued in fully registered form only, in denominations of \$5,000 or any integral multiple of \$5,000 for any one maturity, and principal and interest will be paid, initially by The Bank of New York Mellon Trust Company, N.A., Houston, Texas (the “Paying Agent/Registrar,” “Paying Agent” or “Registrar”). The Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Bonds. Beneficial Owners of the Bonds will not receive physical certificates representing the Bonds but will receive a credit balance on the books of the nominees of such Beneficial Owners. So long as Cede & Co. is the registered owner of the Bonds, the principal of and interest on the Bonds will be paid by the Paying Agent directly to DTC, which will, in turn, remit such principal and interest to its participants for subsequent disbursement to the Beneficial Owners of the Bonds as described herein. See the Preliminary Official Statement (made a part hereof) for a more complete description of the Bonds. The Bonds will mature serially on May 1 in the years and amounts as follows:

YEAR DUE	PRINCIPAL AMOUNT	YEAR DUE	PRINCIPAL AMOUNT	YEAR DUE	PRINCIPAL AMOUNT
2027	\$ 285,000	2035	\$ 355,000	2043	\$ 440,000
2028	295,000	2036	365,000	2044	455,000
2029	300,000	2037	375,000	2045	465,000
2030	310,000	2038	385,000	2046	480,000
2031	320,000	2039	395,000	2047	490,000
2032	325,000	2040	405,000	2048	505,000
2033	335,000	2041	420,000	2049	520,000
2034	345,000	2042	430,000		

Serial Bonds and/or Term Bonds: Bidders may provide that all the Bonds be issued as serial bonds or may provide that any two or more consecutive annual principal amounts be combined into one or more term bonds.

Redemption Provisions: The Bonds maturing on and after May 1, 2032, are subject to redemption prior to maturity, at the option of the District, as a whole or in part, on May 1, 2031, or on any date thereafter at a price equal to the principal amount of the Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption. If fewer than all of the Bonds are redeemed at any time, the particular maturities of Bonds to be redeemed shall be selected by the District. If less than all the Bonds of any maturity are redeemed at any time, the particular Bonds within a maturity to be redeemed shall be selected by the Paying Agent/Registrar by lot or other customary method of selection (or by DTC in accordance with its procedures while the Bonds are in book-entry-only form).

Mandatory Sinking Fund Redemption: If the Initial Purchaser designates principal amounts to be combined into one or more term bonds, each such term bond shall be subject to mandatory sinking fund redemption commencing on May 1 of the first year which has been combined to form such term bond and continuing on May 1 in each year thereafter until the stated maturity date of that term bond. The amount redeemed in any year shall be equal to the principal amount for such year set forth on the cover page of the Preliminary Official Statement under the caption “MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES AND INITIAL REOFFERING YIELDS.” Bonds to be redeemed in any year by mandatory sinking fund redemption shall be redeemed at par by lot or other customary method. The principal amount of Term Bonds to be mandatorily redeemed is subject to proportionate reduction by the amount of any prior optional redemption.

Successor Paying Agent/Registrar: Provision is made in the Bond Resolution for replacement of the Paying Agent/Registrar. If the Paying Agent/Registrar is replaced by the District, the new paying agent/registrar shall act in the same capacity as the previous Paying Agent/Registrar. Any paying agent/registrar selected by the District shall be a corporation organized and doing business under the laws of the United States of America or of any state authorized under such laws to exercise trust powers, and subject to supervision or examination by federal or state banking authorities.

Source of Payment: The Bonds will constitute valid and binding obligations of the District, payable as to principal and interest from the proceeds of a continuing, direct, annual ad valorem tax without legal limitation as to rate or amount, levied against taxable property located within the District, as further described in the Preliminary Official Statement. The Bonds are obligations solely of Imperial Redevelopment District and are not obligations of Fort Bend County, the City of Sugar Land, the State of Texas, or any entity other than the District.

CONDITIONS OF THE SALE

Types of Bids and Interest Rates: The Bonds will be sold in one block, all or none and no bid of less than ninety-seven percent (97%) of par will be considered. Bidders are to name the rate or rates of interest to be borne by the Bonds, provided that each interest rate bid must be in a multiple of 1/8 of 1% or 1/20 of 1%. No bid which results in a net effective interest rate as defined by Chapter 1204, Texas Government Code, as amended, in excess of ____% will be considered. No bid generating a cash premium greater than \$5,000 will be accepted. Subject to the conditions below, no limitation will be imposed upon bidders as to the number of interest rates that may be used, but each rate of interest specified for the Bonds maturing in the years 2035 (base year) through 2049 shall not be less than the rate of interest specified for any earlier maturity in the years 2035 through 2049 and the highest interest rate bid may not exceed the lowest interest rate bid by more than two and one-half percent (2.5%) in rate. All Bonds maturing within a single year must bear the same rate of interest, and no bids for the Bonds involving supplemental interest rates will be considered. Each bidder shall state in its bid the total and net interest cost in dollars and the net effective interest rate determined thereby, which shall be considered informative only and not as a part of the bid.

Basis of Award: For the purpose of awarding the sale of the Bonds, the interest cost of each bid will be computed by determining, at the interest rate or rates specified therein, the total dollar value of all interest on the Bonds from the date thereof to their respective maturities and adding thereto the dollar amount of the discount bid, if any, or subtracting therefrom the dollar amount of the premium bid, if any. Subject to the District's right to reject any or all bids, the Bonds will be awarded to the bidder whose bid, under the above computation, produces the lowest net effective interest rate to the District subject to compliance with Texas Government Code § 2252.908. In the event of mathematical discrepancies between the interest rate or rates and the interest cost determined therefrom, as both appear on the Official Bid Form, the bid will be solely governed by the interest rates shown in the Official Bid Form.

Provision of Texas Ethics Commission Form 1295 ("TEC Form 1295") by Bidders: Pursuant to Texas Government Code §2252.908 (the "Interested Party Disclosure Act" or the "Act"), the District may not award the Bonds to a bidder unless the bidder, and each syndicate member listed on the Official Bid Form, unless such bidder or syndicate member is exempt from such requirements pursuant to Texas Government Code §2252.908(c)(4), have provided the District (c/o Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046; Attn: Anthea Moran, anthea.moran@mastersonadvisors.com) a completed and signed TEC Form 1295 which has been assigned a certificate number by the Texas Ethics Commission (the "TEC"). Pursuant to the rules prescribed by the TEC, the TEC Form 1295 must be completed online through the TEC's website, assigned a certificate number, printed, signed and provided to the District. The TEC Form 1295 may accompany the Official Bid Form or may be submitted separately but must be provided to the District prior to the time prescribed for the award of the Bonds. The TEC Form 1295 may be provided to the District via facsimile or electronically, however, the original signed TEC Form 1295 complete with certificate number must be physically delivered to the District (c/o Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Suite 2600, Houston, Texas 77046) within two business days of the award. Following the award of the Bonds, the District will notify the TEC of the receipt of each completed TEC Form 1295. The District reserves the right to reject any bid that does not comply with the requirements prescribed herein or to waive any such requirements. **For purposes of completing the TEC Form 1295, the entity's name is Imperial Redevelopment District and the contract ID number is IMPRD-S2026-B.** Neither the District nor its consultants have the ability to verify the information included in a TEC Form 1295, and neither have an obligation nor undertake responsibility for advising any bidder with respect to the proper completion of the TEC Form 1295. Consequently, an entity intending to bid on the Bonds should consult its own advisors to the extent it deems necessary and be prepared to submit the completed form promptly upon notification from the District that its bid is the apparent winning bid.

Contracting Information: The District will not award the Bonds to a bidder unless the bidder verifies on behalf of itself and each syndicate member listed on the Official Bid Form that the bidder and each syndicate member listed on the Official Bid Form will (i) preserve all contracting information related to the bid as provided by the records retention requirements applicable to the District through the delivery date of the Bonds, (ii) promptly provide to the District any contracting information related to the bid that is in the custody or possession of the bidder or any syndicate member on request of the District, and (iii) upon delivery of the Bonds to the bidder, either (a) provide at no cost to the District all contracting information related to the bid that is in the custody or possession of the bidder or any syndicate member or (b) preserve the contracting information related to the bid as provided by the records retention requirements applicable to the District. The term "contracting information" as used in this paragraph has the meaning assigned to such term in Section 552.003 of the Texas Government Code.

Good Faith Deposit: Each bid must be accompanied by a bank cashier's check payable to the order of Imperial Redevelopment District in the amount of \$180,000, which represents two percent (2%) of the principal amount of the Bonds. The check will be considered as a Good Faith Deposit, and the check of the successful bidder will be retained uncashed by the District until the Bonds are delivered. In the event the Initial Purchaser should fail or refuse to accept delivery of and pay for the Bonds in accordance with its bid, or if it is determined after the acceptance of its bid by the District that the Initial Purchaser was found not to satisfy the requirements below under "Standing Letter Requirement" herein and as a result the Texas Attorney General will not deliver its approving opinion of the Bonds, then the Good Faith Deposit shall be cashed and the proceeds accepted by the District as full and complete liquidated damages against the Initial Purchaser. The Good Faith Deposit may accompany the Official Bid Form or it may be submitted separately. If submitted separately, it shall be made available to the District prior to the opening of the bids and shall be accompanied by instructions from the bank on which it is drawn to authorize its use as a Good Faith Deposit by the bidder, who shall be named in such instructions. The Good Faith Deposit will be returned immediately after full payment has been made by the Initial Purchaser to the District in federal or immediately available funds in the amount of the purchase price plus accrued interest thereon. No interest will be paid on the Good Faith Deposit. The checks accompanying bids other than the winning bid will be returned immediately after the bids are opened and an award of the Bonds has been made.

Standing Letter Requirement: Each prospective bidder must have a standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General's Office as required by, and compliant in all respects with the All Bond Counsel Letter of the Texas Attorney General dated November 1, 2023 and as supplemented on November 16, 2023 and December 29, 2023 (the "All Bond Counsel Letter"). In submitting a bid, a bidder represents to the District that it has filed a standing letter that conforms to the requirements set forth in the All Bond Counsel Letter and it has no reason to believe that the District may not be entitled to rely on the standing letter on file with the Municipal Advisory Council of Texas and the Texas Attorney General's Office. Bidder agrees that it will not rescind its standing letter at any time before the delivery of the Bonds unless same is immediately replaced with a standing letter meeting the requirements of the All Bond Counsel Letter.

The District reserves the right, in its sole discretion, to reject any bid from a bidder that does not have such standing letter on file as of the deadline for bids for the Bonds. In the event that a bidder does not have such standing letter on file at the time of submission of a bid, the bidder agrees to file such standing letter with the Municipal Advisory Council of Texas and the Texas Attorney General's Office by the earlier of: (a) two (2) hours after submitting its bid, and (b) the deadline for bids for the Bonds. If requested by the District, the Initial Purchaser agrees to provide such further representations, certifications or assurances regarding the matters described under the heading "Compliance with Laws Prohibiting Contracts with Certain Companies," as applicable, as of the Date of Delivery of the Bonds or such other date requested by the District.

Compliance with Laws Prohibiting Contracts with Certain Companies: The District will not award the Bonds to a bidder unless the bidder verifies on behalf of itself and each syndicate member listed on the Official Bid Form that solely for purposes of Chapter 2271 of the Texas Government Code at the time of execution and delivery of its bid and through the Date of Delivery of the Bonds, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company¹ that boycotts or will boycott Israel. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meaning assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

Additionally, the District will not award the Bonds to a bidder unless the bidder represents and certifies that solely for purposes of Chapter 2252 of the Texas Government Code at the time of execution and delivery of its bid, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company² (i) that engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapter 2270 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) listed by the Texas Comptroller of Public Accounts under Section 2270.0201 or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" as used in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code.

Additionally, the District will not award the Bonds to a bidder unless the bidder represents and verifies on behalf of itself and each syndicate member listed on the Official Bid Form that solely for purposes of Chapter 2276 of the Texas Government Code at the time of execution and delivery of its bid and through the Date of Delivery of the Bonds, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company¹ that boycotts or will boycott energy companies. The terms "boycotts energy companies" and "boycott energy companies" shall have the meaning assigned to the term "boycott energy company" in Section 809.001 of the Texas Government Code, as amended.

Additionally, the bidder represents and verifies on behalf of itself and each syndicate member listed on the Official Bid Form that solely for purposes of Chapter 2274 of the Texas Government Code at the time of execution and delivery of its bid and through the Date of Delivery of the Bonds, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company¹ that has a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association or will discriminate against a firearm entity or firearm trade association. The term "discriminates against a firearm entity or firearm trade association" as used in this paragraph has the meaning assigned to the term "discriminate against a firearm entity or firearm trade association" in Section 2274.001(3) of the Texas Government Code.

A bidder who is currently under review by the Texas Attorney General for being a potential discriminator or boycotter under (i) Section 2271.002 of the Texas Government Code, (ii) Section 2252.151 of the Texas Government Code, (iii) Section 2276.002 of the Texas Government Code, or (iv) Section 2274.002 of the Texas Government Code, agrees to provide, prior to the Date of Delivery of the Bonds, a bring-down certification that the Texas Attorney General can continue to rely on the bidder's standing letter and the statutory representations and covenants, in accordance with the requirements set forth in the All Bond Counsel Letter.

By submitting a bid, bidder makes and certifies to the representations necessary and convenient for the compliance with the aforementioned laws and, at the request of Issuer, agrees to execute further written certifications as may be necessary or convenient for Issuer to establish compliance with the aforementioned laws.

Notwithstanding anything contained herein, any prospective bidder agrees that liability for breach of verification of the statutory representations and covenants provided above as required by Chapters 2252, 2271, 2274 and 2276 of the Texas Government Code during the term of the contract shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of the contract.

¹. "Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit, but does not mean a sole proprietorship.

². "Company" means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association whose securities are publicly traded, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

Competitive Bidding and Certificate of Initial Purchaser: In the event that the District does not receive sufficient qualified bids to satisfy the competitive sale requirements of Treasury Regulation §1.148-1(f)(3)(i), allowing the District to treat the reasonably expected initial offering price to the public as of the sale date as the issue price of the Bonds, the “hold-the-offering-price” rule shall apply, which will allow the District to treat the initial offering price to the public of each maturity as of the sale date as the issue price of the maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule applies to any maturity of the Bonds, the Initial Purchaser will neither offer nor sell that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following: (i) the date on which the Initial Purchaser has sold at least 10 percent of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public or (ii) the close of the fifth business day after the sale date. The Initial Purchaser agrees to promptly report to the District’s Financial Advisors when it has sold 10 percent of a maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public if that occurs prior to the close of the fifth business day after the sale date. Alternative Certificates of Initial Purchaser are attached for use (I) when the competitive sale requirements of Treasury Regulation § 1.148-1(f)(3)(i) are met and (II) when such requirements are not met.

DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS

Initial Delivery of Initial Bond: Initial delivery (“Initial Delivery”) will be accomplished by the issuance of one initial bond (the “Initial Bond”), either in typed or printed form, in the aggregate principal amount of \$9,000,000, payable in stated installments, registered in the name of the Initial Purchaser, manually signed by the President and Secretary of the Board, or executed by the facsimile signatures of the President and Secretary of the Board, and approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of Texas or his authorized deputy. Initial Delivery will be at the corporate trust office of the Paying Agent/Registrar in Houston, Texas. Payment for the Bonds must be made in immediately available funds for unconditional credit to the District, or as otherwise directed by the District. The Initial Purchaser will be given three (3) business days’ notice of the time fixed for delivery of the Bonds. It is anticipated that Initial Delivery can be made on or about March 24, 2026 (the “Date of Delivery”), and subject to the aforementioned notice it is understood and agreed that the Initial Purchaser will accept delivery of and make payment for the Bonds by 10:00 A.M., Houston Time, on the Date of Delivery, or thereafter on the date the Bonds are tendered for delivery, up to and including April 20, 2026. If for any reason the District is unable to make delivery on or before April 20, 2026, then the District shall immediately contact the Initial Purchaser and offer to allow the Initial Purchaser to extend its offer for an additional thirty (30) days. If the Initial Purchaser does not elect to extend its offer within three (3) business days thereafter, then its Good Faith Deposit will be returned, and both the District and the Initial Purchaser shall be relieved of any further obligation.

CUSIP Numbers: It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such number on any Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Initial Purchaser to accept delivery of and pay for the Bonds in accordance with the terms of this Official Notice of Sale. Masterson Advisors LLC will obtain CUSIP identification numbers from the CUSIP Service Bureau, New York, New York prior to the date of sale. CUSIP identification numbers will be made available to the Initial Purchaser at the time the Bonds are awarded or as soon thereafter as practicable. The CUSIP Service Bureau charge for the assignment of the numbers shall be the responsibility of and shall be paid by the Initial Purchaser.

Conditions to Delivery: The Initial Purchaser's obligation to accept delivery of and pay for the Bonds is subject to the issuance of the legal opinion of the Attorney General of Texas as to the legality of the Bonds, and the legal opinion of Allen Boone Humphries Robinson LLP, Houston, Texas, Bond Counsel for the District (“Bond Counsel”), and the No-Litigation Certificate, all as further described in the Preliminary Official Statement.

Legal Opinions: The District will furnish without cost to the Initial Purchaser a transcript of certain certified proceedings incident to the issuance and authorization of the Bonds, including a certified copy of the unqualified approving legal opinion of the Attorney General of Texas, as recorded in the Bond Register of the Comptroller of Public Accounts of the State of Texas, to the effect that the Bonds are valid and binding obligations of the District, payable from the proceeds of an annual ad valorem tax, without limit as to rate or amount, levied upon all taxable property within the District, based upon an examination of such transcript of proceedings, the approving legal opinion of Bond Counsel to a like effect and to the effect that, under existing law, interest on the Bonds is excludable from gross income for federal income tax purposes and interest on the Bonds is not subject to the alternative minimum tax on individuals; however, such interest is taken into account in determining the annual adjusted financial statement income of applicable corporations for the purpose of determining the alternative minimum tax imposed on corporations.

Not Qualified Tax-Exempt Obligations: The Bonds are not “qualified tax-exempt obligations” within the meaning of Section 265(b) of the Internal Revenue Code of 1986, as amended.

No-Litigation Certificate: The District will furnish a certificate executed by members of the Board to the effect that to their best knowledge no litigation of any nature is pending or threatened, either in state or federal courts, contesting or attacking the Bonds; restraining or enjoining the levy, assessment and collection of ad valorem taxes to pay the interest on or principal of the Bonds; in any manner questioning the authority or proceedings for the issuance, execution or delivery of the Bonds; or affecting the validity of the Bonds or the titles of the present officers of the District.

Rule G-32 Requirements: It is the responsibility of the Initial Purchaser to comply with the Municipal Securities Rule Making Board's Rule G-32 within the required time frame. The Initial Purchaser must send two copies of the Official Statement along with two complete Form G-32's to the appropriate address.

Certification Regarding Offering Price of Bonds: In order to provide the District with information to enable it to comply with certain conditions of the Internal Revenue Code of 1986 (the “Code”) relating to the exclusion of interest on the Bonds from gross income for federal income tax purposes, the Initial Purchaser will be required to complete, execute and deliver to the District (on or before the Date of Delivery of the Bonds) a certification regarding the “issue price” in the form accompanying this Official Notice of Sale. Each bidder, by submitting its bid, agrees to complete, execute and deliver such a certificate by the Date of Delivery of the Bonds if its bid is accepted by the District. It will be the responsibility of the Initial Purchaser to institute such syndicate reporting requirements, to make such investigation, or otherwise to ascertain the facts necessary to enable it to make such certification with reasonable certainty. Any questions concerning such certification should be directed to Bond Counsel.

RULE 15c2-12 COMPLIANCE

Continuing Disclosure: The District will agree in the Bond Resolution to provide certain periodic information and notices of certain specified events in accordance with United States Securities and Exchange Commission (“SEC”) Rule 15c2-12, as described in the Preliminary Official Statement under “CONTINUING DISCLOSURE OF INFORMATION.” The Initial Purchaser’s obligation to accept and pay for the Bonds is conditioned upon delivery to the Initial Purchaser or its agent of a certified copy of the Bond Resolution containing the agreement described under such heading.

Substantive Requirements for Official Statement: To the best knowledge and belief of the District, the Preliminary Official Statement contains information, including financial information or operational data, concerning every entity, enterprise, fund, account or person that is material to an evaluation of the offering of the Bonds. The District has entered into previous continuing disclosure undertakings in written contracts or agreements specified in SEC Rule 15c2-12(b)(5)(i) and, during the last five years, has complied in all material respects with such undertakings.

Final Official Statement: The District has approved and authorized distribution of the accompanying Preliminary Official Statement for dissemination to potential purchasers of the Bonds but does not intend to prepare any other document or version thereof for such purpose, except as described below. Accordingly, the District intends the Preliminary Official Statement to be final as of its date, within the meaning of SEC Rule 15c2-12(b)(1), except for information relating to the offering prices, interest rates, final debt service schedule, selling compensation, identity of the Initial Purchaser and other similar information, terms and provisions to be specified in the competitive bidding process. The Initial Purchaser shall be responsible for promptly informing the District of the initial offering yields of the Bonds. Thereafter, the District will complete and authorize distribution of the Official Statement identifying the Initial Purchaser and containing such omitted information. The District does not intend to amend or supplement the Official Statement otherwise, except to take into account certain subsequent events, if any, as described below. By delivering the final Official Statement or any amendment or supplement thereto in the requested quantity to the Initial Purchaser on or after the sale date, the District intends the same to be final as of such date, within the meaning of SEC Rule 15c2-12(f)(3). Notwithstanding the foregoing, the only representations concerning the absence of material misstatements or omissions from the Official Statement which are being or which will be made by the District are those described and contained in the Official Statement under the caption “PREPARATION OF OFFICIAL STATEMENT—Certification of Official Statement.”

Changes to Official Statement: If subsequent to the date of the Official Statement, the District learns, through the ordinary course of business and without undertaking any investigation or examination for such purposes, or is notified by the Initial Purchaser, of any adverse event which causes the Official Statement to be materially misleading, and unless the Initial Purchaser elects to terminate its obligation to purchase the Bonds, as described above under “DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS—Conditions to Delivery,” the District will promptly prepare and supply to the Initial Purchaser an appropriate amendment or supplement to the Official Statement satisfactory to the Initial Purchaser provided, however, that the obligation of the District to so amend or supplement the Official Statement will terminate when the District delivers the Bonds to the Initial Purchaser, unless the Initial Purchaser notifies the District on or before such date that less than all of the Bonds have been sold to ultimate customers in which case the District's obligations hereunder will extend for an additional period of time as provided in SEC Rule 15c2-12 (but not more than 90 days after the date the District delivers the Bonds).

Delivery of Official Statements: The District shall furnish to the Initial Purchaser (and to each participating underwriter of the Bonds, within the meaning of SEC Rule 15c2-12(a), designated by the Initial Purchaser), within seven (7) business days after the sale date, the aggregate number of Official Statements specified in the winning bid, not to exceed 250 copies. The District also shall furnish to the Initial Purchaser a like number of any supplements or amendments approved and authorized for distribution by the District for dissemination to potential purchasers of the Bonds, as well as such additional copies of the Official Statement or any such supplements or amendments as the Initial Purchaser may reasonably request prior to the 90th day after the end of the underwriting period described in SEC Rule 15c2-12(f)(2). The District shall pay the expense of preparing the number of copies of the Official Statement specified in the winning bid and an equal number of any supplements or amendments issued on or before the Date of Delivery, but the Initial Purchaser shall pay for all other copies of the Official Statement or any supplement or amendment thereto.

GENERAL CONSIDERATIONS

Investment Considerations: The Bonds involve certain investment considerations. Prospective bidders are urged to examine carefully the entire Preliminary Official Statement, with respect to the investment considerations associated with the Bonds. Particular attention should be given to the information set forth therein under the caption “INVESTMENT CONSIDERATIONS.”

Municipal Bond Insurance and Municipal Bond Rating: Application has been made to Moody’s Investor Service (“Moody’s”) for an underlying rating on the Bonds, and Moody’s has assigned an underlying rating of “___” to the District. Application has also been made to various municipal bond insurance companies for qualification of the Bonds for municipal bond insurance. If qualified, such insurance will be available at the option of the Initial Purchaser at the Initial Purchaser’s expense. The rating fee of Moody’s will be paid for by the District; payment of any other rating fee will be the responsibility of the Initial Purchaser. A downgrade of the insurer by any rating agency subsequent to submitting a bid with municipal bond insurance and before the closing of the transaction is not a material adverse change nor is it basis for the Initial Purchaser to terminate its obligations to pay for the Bonds at closing. See “DELIVERY OF THE BONDS AND ACCOMPANYING DOCUMENTS—Conditions to Delivery” and “—No Material Adverse Change” herein. It should be noted that there are risk factors related to the purchase of municipal bond insurance. Accordingly, investors should evaluate the underlying credit quality of the District. See “INVESTMENT CONSIDERATIONS—Risk Factors Related to the Purchase of Municipal Bond Insurance” in the Preliminary Official Statement.

Reservation of Rights: The District reserves the right to reject any and all bids and to waive any and all irregularities, except time of filing.

Not an Offer to Sell: This Official Notice of Sale does not alone constitute an offer to sell the Bonds but is merely notice of sale of the Bonds. The invitation for bids on the Bonds is being made by means of this Official Notice of Sale, the Preliminary Official Statement and the Official Bid Form.

Registration and Qualification of Bonds for Sale: The offer and sale of the Bonds have not been registered or qualified under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. The Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein, and the Bonds have not been registered or qualified under the securities acts of any other jurisdiction. The District assumes no responsibility for registration or qualification of the Bonds under the securities laws of any jurisdiction in which the Bonds may be sold, assigned, pledged, hypothecated or otherwise transferred. This disclaimer of responsibility for registration or qualification for sale or other disposition of the Bonds shall not be construed as an interpretation of any kind with regard to the availability of any exemption from securities registration or qualification provisions. By submission of its bid, the Initial Purchaser represents that the sale of the Bonds in states other than the State of Texas will be made pursuant to exemptions from registration or qualification, or where necessary, the Initial Purchaser will register the Bonds in accordance with the securities laws of the state in which the Bonds are offered or sold. The District agrees to cooperate with the Initial Purchaser, at the Initial Purchaser’s written request and expense, in registering or qualifying the Bonds or obtaining an exemption from registration or qualification (other than filing a consent to service of process in such state), in any state where such action is necessary.

Additional Copies of Documents: Additional copies of this Official Notice of Sale, the Preliminary Official Statement and the Official Bid Form may be obtained from Masterson Advisors LLC, 3 Greenway Plaza, Suite 1100, Houston, Texas 77046.

Mr. Tim Stubenrouch
President, Board of Directors
Imperial Redevelopment District

OFFICIAL BID FORM

President and Board of Directors
Imperial Redevelopment District
c/o Masterson Advisors LLC
3 Greenway Plaza, Suite 1100
Houston, Texas 77046

February 19, 2026

Board Members:

We have read in detail the Official Notice of Sale and Preliminary Official Statement dated January 15, 2026, relating to the \$9,000,000 Imperial Redevelopment District (the "District") Unlimited Tax Bonds, Series 2026 (the Bonds). We realize that the Bonds involve certain investment risks, and we have made inspections and investigations as we deem necessary relating to the District and to the investment quality of the Bonds.

For your legally issued Bonds, as described in the Official Notice of Sale and Preliminary Official Statement, we will pay you a price of \$_____, representing _____% of the principal amount thereof to us. Such Bonds mature May 1, in each of the years and in the amounts and interest rates shown below:

Maturity	Principal Amount	Interest Rate	Maturity	Principal Amount	Interest Rate
2027	\$ 285,000	_____ %	2039	\$ 395,000 *	_____ %
2028	295,000	_____ %	2040	405,000 *	_____ %
2029	300,000	_____ %	2041	420,000 *	_____ %
2030	310,000	_____ %	2042	430,000 *	_____ %
2031	320,000	_____ %	2043	440,000 *	_____ %
2032	325,000 *	_____ %	2044	455,000 *	_____ %
2033	335,000 *	_____ %	2045	465,000 *	_____ %
2034	345,000 *	_____ %	2046	480,000 *	_____ %
2035	355,000 *	_____ %	2047	490,000 *	_____ %
2036	365,000 *	_____ %	2048	505,000 *	_____ %
2037	375,000 *	_____ %	2049	520,000 *	_____ %
2038	385,000 *	_____ %			

* Subject to optional redemption on May 1, 2031 and thereafter.

Of the principal maturities set forth in the table above, we have created term bonds as indicated in the following table (which may include multiple term bonds, one term bond or no term bond if none is indicated). For those years which have been combined into a term bond, the principal amount shown in the table above shall be the mandatory sinking fund redemption amounts in such years except that the amount shown in the year of the term bond maturity date shall mature in such year. The term bonds created are as follows:

Term Bond Maturity Date May 1	Year of First Mandatory Redemption	Principal Amount of Term Bond	Interest Rate
_____	_____	_____	_____ %
_____	_____	_____	_____ %
_____	_____	_____	_____ %
_____	_____	_____	_____ %

Our calculation (which is not a part of this bid) of the interest cost from the above is:

Gross Interest Cost from the Date of Delivery \$ _____
Plus: Dollar Amount of Discount (or Less: Dollar Amount of Premium) \$ _____
NET INTEREST COST \$ _____
NET EFFECTIVE INTEREST RATE _____ %

The Bonds [are] [are not] being insured by _____ at a premium of \$ _____, said premium to be paid by the Initial Purchaser. The rating fee of Moody's will be paid for by the District; payment of any other rating fee will be the responsibility of the Initial Purchaser.

We request _____ copies of the final Official Statement (not to exceed 250 copies). By submitting this bid, we agree to provide copies of the final Official Statement, and any amendments and supplements thereto, in accordance with the terms of the Official Notice of Sale and as required by Rule 15c2-12 of the United States Securities and Exchange Commission.

The initial Bonds shall be registered in the name of Cede & Co. We will advise The Bank of New York Mellon Trust Company, N.A., in Houston, Texas, the Paying Agent/Registrar, of our registration instructions at least five (5) business days prior to the date set for Initial Delivery.

A Cashier's Check payable to the order of the District in the amount of \$180,000 has been made available to you prior to the opening of this bid, as a Good Faith Deposit, and is submitted in accordance with the Official Notice of Sale. Should we fail or refuse to make payment for the Bonds in accordance with the terms and conditions set forth in the Official Notice of Sale, this check shall be cashed and the proceeds retained as complete liquidated damages against us.

Unless the bidder is exempt from such requirements pursuant to Texas Government Code § 2252.908(c)(4), the District may not accept this bid until it has received from the bidder a completed and signed TEC Form 1295 and Certification of Filing pursuant to Texas Government Code § 2252.908 and the rules promulgated thereunder by the Texas Ethics Commission. The undersigned understands that failure to provide said form and Certification of Filing, when required, will result in a non-conforming bid and will prohibit the District from considering this bid for acceptance.

By executing this Official Bid Form, the bidder represents and verifies that solely for purposes of Chapter 2271 of the Texas Government Code at the time of execution and delivery of its bid and through the Date of Delivery of the Bonds, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company¹ that boycotts or will boycott Israel. The terms "boycotts Israel" and "boycott Israel" as used in this paragraph have the meaning assigned to the term "boycott Israel" in Section 808.001 of the Texas Government Code, as amended.

Additionally, by executing this Official Bid Form, the bidder also represents and certifies that solely for purposes of Chapter 2252 of the Texas Government Code at the time of execution and delivery of its bid, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company² (i) that engages in business with Iran, Sudan, or any foreign terrorist organization as described in Chapter 2270 of the Texas Government Code, or Subchapter F of Chapter 2252 of the Texas Government Code, or (ii) listed by the Texas Comptroller of Public Accounts under Section 2270.0201 or 2252.153 of the Texas Government Code. The term "foreign terrorist organization" as used in this paragraph has the meaning assigned to such term in Section 2252.151 of the Texas Government Code. The undersigned agrees to execute, at the request of the District, further written certifications as may be necessary or convenient for the District to establish compliance with these laws.

Additionally, by executing this Official Bid Form, the bidder also represents and verifies that solely for purposes of Chapter 2274 of the Texas Government Code at the time of execution and delivery of its bid and through the Date of Delivery of the Bonds, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company¹ that boycotts or will boycott energy companies. The terms "boycotts energy companies" and "boycott energy companies" as used in this paragraph have the meaning assigned to the term "boycott energy company" in Section 809.001 of the Texas Government Code, as amended.

Additionally, by executing this Official Bid Form, the bidder also represents and verifies that solely for purposes of Chapter 2274 of the Texas Government Code at the time of execution and delivery of its bid and through the Date of Delivery of the Bonds, neither the bidder nor a syndicate member listed on the Official Bid Form is a Company¹ that has a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association or will discriminate against a firearm entity or firearm trade association. The term "discriminates against a firearm entity or firearm trade association" as used in this paragraph has the meaning assigned to the term "discriminate against a firearm entity or firearm trade association" in Section 2274.001(3) of the Texas Government Code.

By submitting a bid, bidder makes and certifies to the representations necessary and convenient for the compliance with the aforementioned laws and, at the request of Issuer, agrees to execute further written certifications as may be necessary or convenient for Issuer to establish compliance with the aforementioned laws.

Notwithstanding anything contained herein, the bidder agrees that liability for breach of verification of the statutory representations and covenants provided above as required by Chapters 2252, 2271, 2274 and 2276 of the Texas Government Code during the term of the contract shall survive until barred by the applicable statute of limitations and shall not be liquidated or otherwise limited by any provision of the contract.

If the bidder is currently under review by the Texas Attorney General for being a potential discriminator or boycotter under (i) Section 2271.002 of the Texas Government Code, (ii) Section 2252.151 of the Texas Government Code, (iii) Section 2276.002 of the Texas Government Code, or (iv) Section 2274.002 of the Texas Government Code, the bidder agrees to provide, prior to the Date of Delivery of the Bonds, a bring-down certification that the Texas Attorney General can continue to rely on the bidder's standing letter and the statutory representations and covenants, in accordance with the requirements set forth in the All Bond Counsel Letter.

Additionally, notwithstanding anything contained herein, the representations and covenants contained herein with respect to (i) Section 2271.002 of the Texas Government Code, as amended, (ii) Section 2252.151 of the Texas Government Code, (iii) Section 2276.002 of the Texas Government Code, and (iv) Section 2274.002 of the Texas Government Code, as amended, shall survive the closing of the sale of the Bonds until the applicable statute of limitations has run.

¹. "Company" means a for-profit organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit, but does not mean a sole proprietorship.

². "Company" means a sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or other entity or business association whose securities are publicly traded, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations, that exists to make a profit.

Additionally, by executing this Official Bid Form, the bidder also represents and certifies that the bidder and each syndicate member listed on the Official Bid Form will (i) preserve all contracting information related to the bid as provided by the records retention requirements applicable to the District through the Date of Delivery of the Bonds, (ii) promptly provide to the District any contracting information related to the bid that is in the custody or possession of the bidder or any syndicate member on request of the District, and (iii) upon delivery of the Bonds to the bidder, either (a) provide at no cost to the District all contracting information related to the bid that is in the custody or possession of the bidder or any syndicate member or (b) preserve the contracting information related to the bid as provided by the records retention requirements applicable to the District. The term "contracting information" as used in this paragraph has the meaning assigned to such term in Section 552.003 of the Texas Government Code.

The undersigned agrees to complete, execute, and deliver to the District, by the Date of Delivery of the Bonds, a certificate relating to the "issue price" of the Bonds in the form accompanying the Official Notice of Sale.

We understand the sale of the Bonds has not been registered under the Securities Act of 1933, as amended, in reliance upon the exemptions provided thereunder. We understand further that the Bonds have not been registered or qualified under the Securities Act of Texas in reliance upon various exemptions contained therein, nor have the Bonds been registered or qualified under the securities acts of any other jurisdiction.

We further understand that the District assumes no responsibility or obligation for the distribution or delivery of any copies of the Official Statement or other information concerning the District and the Bonds to anyone other than to us.

We agree to accept delivery of and make payment for the Bonds in immediately available funds at the offices of The Bank of New York Mellon Trust Company, N.A., Houston, Texas, not later than ten o'clock A.M., Houston Time, on the Date of Delivery, or thereafter on the date the Bonds are tendered for delivery, pursuant to the terms set forth in the Official Notice of Sale.

Respectfully submitted,

By: _____
Telephone Number: _____

ACCEPTANCE CLAUSE

The above and foregoing bid is hereby in all things accepted by Imperial Redevelopment District, this 19th day of February, 2026.

ATTEST:

Secretary, Board of Directors

President, Board of Directors

BOND YEARS

Due: May 1, Annually

Interest Accrual Date: March 24, 2026

<u>Year</u>	<u>Principal</u>	<u>Bond Years</u>	<u>Cumulative Bond Years</u>
2026	\$ 285,000	171.79	171.79
2027	295,000	472.82	644.61
2028	300,000	780.83	1,425.44
2029	310,000	1,116.86	2,542.31
2030	320,000	1,472.89	4,015.19
2031	325,000	1,820.90	5,836.10
2032	335,000	2,211.93	8,048.03
2033	345,000	2,622.96	10,670.99
2034	355,000	3,053.99	13,724.97
2035	365,000	3,505.01	17,229.99
2036	375,000	3,976.04	21,206.03
2037	385,000	4,467.07	25,673.10
2038	395,000	4,978.10	30,651.19
2039	405,000	5,509.13	36,160.32
2040	420,000	6,133.17	42,293.49
2041	430,000	6,709.19	49,002.68
2042	440,000	7,305.22	56,307.90
2043	455,000	8,009.26	64,317.17
2044	465,000	8,650.29	72,967.46
2045	480,000	9,409.33	82,376.79
2046	490,000	10,095.36	92,472.15
2047	505,000	10,909.40	103,381.56
2048	520,000	11,753.44	115,135.00
Total	\$ 9,000,000		
	Average Maturity	12.793	

ISSUE PRICE CERTIFICATE – FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS MET

The undersigned hereby certifies as follows with respect to the sale of \$9,000,000 Imperial Redevelopment District (the “District”) Unlimited Tax Bonds, Series 2026 (the “Bonds”):

1. The undersigned is the Initial Purchaser or the manager of the syndicate of purchasers (the “Initial Purchaser”) that has purchased the Bonds from the District at competitive sale.
2. The Initial Purchaser was not given the opportunity to review other bids prior to submitting its bid, and the bid submitted by the Initial Purchaser constituted a firm bid to purchase the Bonds.
3. As of the sale date, the reasonably expected initial offering prices of the Bonds to the public by the Initial Purchaser (expressed as a percentage of principal amount) is as set forth below:

Maturity	Principal Amount	Offering Price/Yield	Maturity	Principal Amount	Offering Price/Yield
2027	\$ 285,000	_____ %	2039	\$ 395,000 *	_____ %
2028	295,000	_____ %	2040	405,000 *	_____ %
2029	300,000	_____ %	2041	420,000 *	_____ %
2030	310,000	_____ %	2042	430,000 *	_____ %
2031	320,000	_____ %	2043	440,000 *	_____ %
2032	325,000 *	_____ %	2044	455,000 *	_____ %
2033	335,000 *	_____ %	2045	465,000 *	_____ %
2034	345,000 *	_____ %	2046	480,000 *	_____ %
2035	355,000 *	_____ %	2047	490,000 *	_____ %
2036	365,000 *	_____ %	2048	505,000 *	_____ %
2037	375,000 *	_____ %	2049	520,000 *	_____ %
2038	385,000 *	_____ %			

* Subject to optional redemption on May 1, 2031 and thereafter.

4. The Initial Purchaser [has] [has not] purchased bond insurance for the Bonds. The bond insurance has been purchased from _____ (the “Insurer”) for a fee of \$ _____ (net of any nonguaranteed costs, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arms-length charge for the transfer of credit risk. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such fee that had not been earned.

5. The term “public” means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an underwriter or a related party to an underwriter. A related party generally means two or more persons with greater than 50 percent common ownership, directly or indirectly.

6. Sale date means the first date on which there is a binding contract in writing for the sale of the Bonds. The sale date of the Bonds is February 19, 2026.

The undersigned understands that the statements made herein will be relied upon by the District and Allen Boone Humphries Robinson LLP in complying with the conditions imposed by the Internal Revenue Code of 1986, as amended, on the exclusion of interest on the Bonds from the gross income of their owners for federal income tax purposes.

EXECUTED and DELIVERED this _____ day of _____, 2026.

Name of Initial Purchaser or Manager

By: _____

Title: _____

ISSUE PRICE CERTIFICATE – FEDERAL TAX COMPETITIVE BIDDING REQUIREMENTS NOT MET

The undersigned hereby certifies as follows with respect to the sale of \$9,000,000 Imperial Redevelopment District (the “District”) Unlimited Tax Bonds, Series 2026 (the “Bonds”).

1. The undersigned is the Initial Purchaser or manage of the syndicate of underwriters (the “Initial Purchaser”) that has purchased the Bonds from the District.

2. As of the date of this Certificate, for each of the following maturities (the “Sold Maturities”), the first price which a substantial amount (at least ten percent) of such maturity was sold to the public (expressed as a percentage of principal amount) is set forth below:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Offering Price/Yield</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Offering Price/Yield</u>
2027	\$ 285,000	_____ %	2039	\$ 395,000 *	_____ %
2028	295,000	_____ %	2040	405,000 *	_____ %
2029	300,000	_____ %	2041	420,000 *	_____ %
2030	310,000	_____ %	2042	430,000 *	_____ %
2031	320,000	_____ %	2043	440,000 *	_____ %
2032	325,000 *	_____ %	2044	455,000 *	_____ %
2033	335,000 *	_____ %	2045	465,000 *	_____ %
2034	345,000 *	_____ %	2046	480,000 *	_____ %
2035	355,000 *	_____ %	2047	490,000 *	_____ %
2036	365,000 *	_____ %	2048	505,000 *	_____ %
2037	375,000 *	_____ %	2049	520,000 *	_____ %
2038	385,000 *	_____ %			

* Subject to optional redemption on May 1, 2031 and thereafter.

3. As of the sale date for the Bonds, each of the following maturities (the “Unsold Maturities”) was offered to the public for purchase at the price (expressed as a percentage of principal amount) set forth below:

<u>Maturity</u>	<u>Principal Amount</u>	<u>Offering Price/Yield</u>	<u>Maturity</u>	<u>Principal Amount</u>	<u>Offering Price/Yield</u>
2027	\$ 285,000	_____ %	2039	\$ 395,000 *	_____ %
2028	295,000	_____ %	2040	405,000 *	_____ %
2029	300,000	_____ %	2041	420,000 *	_____ %
2030	310,000	_____ %	2042	430,000 *	_____ %
2031	320,000	_____ %	2043	440,000 *	_____ %
2032	325,000 *	_____ %	2044	455,000 *	_____ %
2033	335,000 *	_____ %	2045	465,000 *	_____ %
2034	345,000 *	_____ %	2046	480,000 *	_____ %
2035	355,000 *	_____ %	2047	490,000 *	_____ %
2036	365,000 *	_____ %	2048	505,000 *	_____ %
2037	375,000 *	_____ %	2049	520,000 *	_____ %
2038	385,000 *	_____ %			

* Subject to optional redemption on May 1, 2031 and thereafter.

4. As set forth in the Notice of Sale, the Initial Purchaser has agreed in writing that, for each of the Unsold Maturities, the Initial Purchaser would neither offer nor sell any of the Bonds of such maturity to any person at a price that is higher than the initial offering price for each maturity, as set forth in the pricing wire or equivalent communication for the Bonds attached to this Certificate, during the Offering Period for such maturity, nor would the Initial Purchaser permit a related party to do so. Pursuant to such agreement, the Initial Purchaser has neither offered nor sold any of the Unsold Maturities at a price higher than the respective initial offering price for that maturity of the Bonds during the Offering Period.

5. The Initial Purchaser [has] [has not] purchased bond insurance for the Bonds. The bond insurance has been purchased from _____ (the "Insurer") for a fee of \$ _____ (net of any nonguaranteed costs, e.g., rating agency fees). The amount of such fee is set forth in the Insurer's commitment and does not include any payment for any direct or indirect services other than the transfer of credit risk, unless the compensation for those other services is separately stated, reasonable, and excluded from such fee. Such fee does not exceed a reasonable, arms-length charge for the transfer of credit risk. The present value of the debt service savings expected to be realized as a result of such insurance exceeds the amount of the fee set forth above. For this purpose, present value is computed using the yield on the Bonds, determined by taking into account the amount of the fee set forth above, as the discount rate. No portion of the fee payable to the Insurer is refundable upon redemption of any of the Bonds in an amount which would exceed the portion of such fee that had not been earned.

6. The term "public" means any person (including an individual, trust, estate, partnership, association, company or corporation) other than an underwriter or a related party to an underwriter. A related party generally means two or more persons with greater than 50 percent common ownership, directly or indirectly.

7. Sale date means the first date on which there is a binding contract in writing for the sale of the Bonds. The sale date of the Bonds is February 19, 2026.

8. Offering Period means, with respect to an Unsold Maturity, the period beginning on the Sale Date and ending on the earlier of (a) the close of the fifth business day after the Sale Date or (b) the date on which the Initial Purchaser has sold at least 10 percent of such Unsold Maturity to the public at a price that is no higher than the initial offering price for such Unsold Maturity.

The undersigned understands that the statements made herein will be relied upon by the District and Allen Boone Humphries Robinson LLP in complying with the conditions imposed by the Internal Revenue Code of 1986, as amended, on the exclusion of interest on the Bonds from the gross income of their owners for federal income tax purposes.

EXECUTED and DELIVERED this _____ day of _____, 2026.

Name of Initial Purchaser or Manager

By: _____

Title: _____



City Council Agenda Request

January 20, 2026

Agenda Request No: XI.C.

Agenda of: City Council Meeting

Initiated by: ShaLae Steadman, Director of Budget

Presented by: ShaLae Steadman, Director of Budget

Responsible Department: Budget

Agenda Caption:

FIRST & FINAL CONSIDERATION: Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2398**: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AMENDING THE FISCAL YEAR 2025-2026 BUDGET FOR THE CITY OF SUGAR LAND, TEXAS TO PROVIDE THAT THE REVISED BUDGET ADDRESS FUNDS RELATING TO CERTAIN CAPITAL AND OPERATING BUDGET MATTERS AND THAT THIS AMENDMENT BE ADOPTED AS THE BUDGETED AMOUNT FOR THOSE FUNDS.

Recommended Action:

Staff recommends approval of Ordinance No. 2398 amending the FY26 budget to reflect carryover funding from FY25.

Executive Summary:

Background

The City's budget is adopted by one reading of an ordinance each year by City Council as stipulated by the City Charter. After the budget is adopted, additional appropriations that are needed require City Council approval through a budget ordinance. To streamline the process, the Budget Office consolidates amendment requests into a single budget ordinance and brings them forward on a semi-annual basis, or as needed. This budget amendment is for carry-overs from FY2025.

FY25 Results Summary

The City ended FY25 above budgeted funding levels in all operating funds, with the exception of the Airport Fund. However, the Airport's fund balance remains well above policy requirements for bond coverage and operating reserve ratios. The table below illustrates the results between FY25 unaudited results and the FY25 final budget, as well as the impact to available funding after carryovers.

Budget Amendment Funding Summary						
				Appropriation		
Fund*	FY25 Budgeted Ending Balance	FY25 Unaudited Ending Balance	Variance	Expenditures	Revenues	FY26 Revised Ending Fund Balance
General Fund	47,073,849	54,988,366	7,914,517	5,595,272	-	45,120,154
Utility Fund	40,211,065	51,972,964	11,761,899	3,652,693	-	53,734,091
Airport Fund	13,908,178	13,811,354	(96,823)	1,515,255	1,609,818	16,996,831
ARPA Fund	647,033	3,079,807	2,432,773	2,405,226	-	674,581
Tourism Fund	3,823,794	4,235,091	411,297	303,846	-	4,578,082
Stormwater Fund	954,698	1,368,621	413,922	283,086	-	1,049,628
Tech Replacement	2,024,060	2,324,960	300,900	117,860	-	2,241,582
Court Technology	70,282	86,670	16,388	33,489	-	68,181
Opioid Fund	-	4,658	4,657	3,787	-	871
Public Art Fund	803,682	973,840	170,158	1,485	-	548,355

*Ending balances are shown before any debt service reserves or accruals are deducted.

Fund Balance Policy Requirement

The balances shown above include the funds that are required to be maintained in accordance with the City's Financial Management Policy Statements. The General Fund must maintain an unassigned fund balance of at least 25% or 3 months of normal recurring operating costs, based on current year budgeted expenditures.

A cash equivalent operating reserve is established and maintained for the Utility Fund at 25% of the current year's budget appropriation for recurring operating costs, and the Airport Fund is also at 25%, excluding fuel for resale cost.

Carryover Requests

Carryovers are expenditures that were budgeted in the prior year, but the receipt of those goods did not occur until the current fiscal year. Because appropriations lapse at fiscal year-end, and funds

may not be spent unless they are appropriated, Council must formally re-authorize the expenditure of these funds. The carry-over requests for each fund are outlined below.

General Fund

The General Fund ended FY25 with a fund balance of \$55 million, which is \$7.9 million greater than the budgeted ending fund balance. Sales tax revenues came in at \$1.2 million better than the projected revised budget, and overall expenditures were lower by \$6.4 million. A total of \$4.9 million is recommended for carry-over, including \$2.7 million for the ongoing demolition of the Fluor building at Lake Pointe. Additionally, an amendment is requested to facilitate the transfer of the \$0.7 million received in insurance payments for Ladder 4 to the capital projects fund where the expenditures for the replacement unit were captured. After carryovers and the amendment, the General Fund has an estimated budgeted ending balance of \$45.1 million, which maintains a 33% operating reserve and \$10.4 million in fund balance above the financial management policy requirement.

Utility Fund

The Utility Fund ended FY25 with an available fund balance of \$51.97 million which is \$11.76 million higher than the budgeted ending balance. FY25 expenditures were \$11.22 million less than budgeted and revenues came in higher by \$0.54 million. Requested operating carry-overs total \$3.65 million and support a range of ongoing operational, maintenance, emergency repair, professional services, and regulatory compliance activities across the City's water, wastewater, and utility infrastructure. These requests include emergency well and motor repairs, wastewater operations, sanitary line cleaning, meter testing and repairs, fire protection related services, chemical supplies, engineering and consulting services, system studies, software support and training, and equipment purchases. Carry-over of these funds results in a revised budgeted ending balance of \$39.59 million for FY26, which is over the 25% policy requirement for operating reserves.

Airport Fund

The Airport Fund ended FY25 with fund balance of \$13.81 million, which is \$0.10 million lower than the budgeted ending balance. Operating carry-over requests in the Airport Fund total \$443,266, and include items like an electric tug, funding for the on-going renovation of the US Customs facilities and other equipment such as a generator and radio repeater. In addition, the Airport is requesting an additional \$1.07 million in additional expenditure budget. This includes a \$1 million increase to the fuel for resale budget to capture sufficient appropriations for a higher anticipated volume of fuel to be sold. This additional volume is estimated to net another \$1.6 million in fuel sales revenue for FY26. The revised budgeted ending balance for FY26 is \$13.83 million after carryovers and is over the policy requirements for bond coverage and cash reserve ratios.

American Rescue Plan Act Fund (ARPA)

The ARPA ended FY25 with \$2.41 million in unspent funding for projects. All of these funds have been committed to projects, as required by the federal guidelines, as of December 31, 2025. The remaining funds must be spent by December 31, 2026, and therefore all remaining funds are recommended for carry-over to FY26.

Tourism Fund

The Tourism Fund ended FY25 with a fund balance of \$4.2 million which is \$0.4 million higher

than the revised budget estimated. This variance was primarily from lower than budgeted expenditures in the Tourism Program, of which \$303,846 is being requested for carry-over for on-going professional services, such as sport tourism strategic planning. The revised estimated available fund balance for FY26 is \$4.5 million.

Stormwater Fund

The Stormwater Compliance Fee Fund ended the year with a fund balance of \$1.3 million, which is \$0.4 million higher than the projected budgeted ending balance. A total of \$283,086 is requested for carry-over to FY26, including funds for the replacement of a weir gate at Brooks Lake and various professional services related to Municipal Separate Storm Sewer Systems (MS4). The revised estimated ending fund balance for FY26 is \$1 million.

High-Tech Replacement Fund

The Technology Replacement Fund ended FY25 with a fund balance of \$2.3 million, which is \$0.3 million higher than anticipated. The favorable variance is primarily attributable to expenditure savings, as well as higher-than-anticipated revenues from the sale of property and interest income. The IT Department is requesting a carryover of \$117,890 for equipment that was ordered but not received by fiscal year-end. After accounting for this carryover, the revised budgeted ending balance for FY26 is estimated at \$2.2 million.

Opioid Litigation Settlement Fund

At the end of FY25, the Opioid Litigation Settlement Fund has an unaudited ending balance of \$4,658, which is \$4,657 higher than the FY25 final budgeted ending balance assumed. Unspent balances are planned to be carried over into FY26. This results in an additional appropriation of \$3,787 added to the FY26 budget. The revised budgeted ending balance for FY26 is expected to be \$871, as a result of higher interest income than expected in FY25.

Public Art Fund

The Public Art Fund ended FY25 with a fund balance of \$973,840, which was \$170,158 higher than the estimated in the final budget projection. This was a result of higher-than-expected interest income and \$144,948 in expenditures lower than budgeted. There is one small carry-over of \$1,485 for the completion of maintenance of an art installation located by Smart Financial Centre. The revised estimated ending fund balance of \$548,355 for FY26 remains available for future projects.

Additional Operating and Capital Project Amendments

Court Technology Fund

The Court Technology Fund ended FY25 with \$86,670 in fund balance, which was \$16,388 higher than the budgeted estimate. A total of \$33,489 from the available fund balance is requested to increase the FY26 expenditure budget for ticket writer maintenance and software costs. The fund is estimated to end FY26 with \$68,181 after this change.

Capital Projects

- **CMU2505** – The City received insurance payments in FY24 and FY25 for the total loss of Ladder 4. These payments were initially captured in the City's General Fund and a budget

amendment is being requested to reallocate these funds to the City's capital project fund where the expenditures for the replacement unit are being captured. Funding to be allocated totals \$1,380,000.

- **CAP2502** - The Airport received additional funding for the Airport Fuel Farm and is requesting a budget amendment to allocate these funds to the project. Funding to be allocated totals \$1,000,000.

Recommendation

Staff recommends approval of Ordinance No. 2398 amending the FY26 budget to reflect carryover funding and other amendments from FY25.

This item was reviewed in Finance and Audit on January 8th, 2026.

Budget

Expenditure Required: NA

Current Budget: NA

Additional Funding: NA

Funding Source: NA

Account Number (ORG-OBJ-Project): NA

Attachments

1. Attach I - Ordinance No. 2398
2. Attach II - Summary Table of Changes
3. Attach III - Financial Statements

ORDINANCE NO. 2398

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS AMENDING THE FISCAL YEAR 2025-2026 BUDGET FOR THE CITY OF SUGAR LAND, TEXAS TO PROVIDE THAT THE REVISED BUDGET ADDRESS FUNDS RELATING TO CERTAIN CAPITAL AND OPERATING BUDGET MATTERS AND THAT THIS AMENDMENT BE ADOPTED AS THE BUDGETED AMOUNT FOR THOSE FUNDS.

**BE IT ORDAINED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

Section 1. That the budget of the City of Sugar Land, Texas for the fiscal year ending September 30, 2026, as adopted by Ordinance No. 2388 and amended by Ordinance 2391, is amended as shown in the attached Exhibit A.

Section 2. That this ordinance is adopted upon one reading in compliance with Section 6.03 of the City Charter.

APPROVED and ADOPTED on _____, 2026.

Carol K. McCutcheon, Mayor

ATTEST:

APPROVED AS TO FORM:

Meredith Riedel

Linda Mendenhall, City Clerk

CARRYOVER & BUDGET AMENDMENT SUMMARY

Fund	FY25 Budgeted Ending Balance	FY25 Unaudited Ending Balance	Variance	Total Changes			FY26 Revised Ending Balance
				Carryovers	Amendment	Revenues	
General Fund	47,073,849	54,988,366	7,914,517	4,924,698	670,574	-	45,120,154
Utility Fund	40,211,065	51,972,964	11,761,899	3,652,693	-	-	53,734,091
Airport Fund	13,908,178	13,811,354	(96,824)	443,266	1,071,989	1,609,818	16,996,831
ARPA Fund	647,033	3,079,807	2,432,774	2,405,226	-	-	674,581
Tourism Fund	3,823,794	4,235,091	411,297	303,846	-	-	4,578,082
Stormwater Fund	954,698	1,368,621	413,923	283,086	-	-	1,049,628
Tech Replacement	2,024,060	2,324,960	300,900	117,860	-	-	2,241,582
Court Technology	70,282	86,670	16,388	-	33,489	-	68,181
Opioid Fund	-	4,658	4,658	3,787	-	-	871
Public Art Fund	803,682	973,840	170,158	1,485	-	-	548,355

CITY OF SUGAR LAND
GENERAL FUND
Financial Statement

	FY25 Revised Budget	FY25 Unaudited Actual	FY25 Variance to Budget	FY26 Current Budget	FY26 Changes	FY26 Revised Budget
REVENUES						
Property Taxes	\$ 42,748,820	\$ 42,848,757	\$ 99,937	\$ 43,640,005		\$ 43,640,005
Sales Tax	58,282,574	59,480,303	1,197,729	57,086,367		57,086,367
Other Taxes	6,397,593	6,393,029	(4,564)	6,850,477		6,850,477
Licenses & Permits	5,472,915	5,792,144	319,229	4,495,453		4,495,453
Charges for Services	6,314,400	6,710,853	396,453	7,583,353		7,583,353
Fines & Forfeitures	1,090,500	1,133,041	42,541	1,210,000		1,210,000
Other	2,676,240	2,014,967	(661,273)	1,430,075		1,430,075
Intergovernmental	784,097	850,707	66,610	1,768,492		1,768,492
Interest Income	2,359,000	2,540,745	181,745	1,944,000		1,944,000
Operating Revenues	126,126,139	127,764,547	1,638,408	126,008,222	-	126,008,222
Transfers In	8,865,016	8,790,297	(74,719)	10,407,228	-	10,407,228
Non-operating Revenues	8,865,016	8,790,297	(74,719)	10,407,228	-	10,407,228
Total Revenues	134,991,155	136,554,845	1,563,689	136,415,450	-	136,415,450
EXPENDITURES						
General Government	\$ 26,534,239	\$ 25,038,385	\$ (1,495,854)	\$ 25,481,725	\$ 483,618	\$ 25,965,343
Finance	4,311,916	4,227,900	(84,016)	4,654,239	-	4,654,239
Public Works	18,655,280	18,198,387	(456,893)	16,409,617	377,517	16,787,134
Parks & Recreation	7,563,882	6,958,486	(605,397)	7,079,693	377,113	7,456,807
Community Development	8,121,341	7,941,633	(179,708)	8,636,268	179,708	8,815,975
Animal Services	1,802,279	1,721,955	(80,324)	2,235,761	20,500	2,256,261
Fleet Services	1,605,417	1,665,565	60,148	1,751,204	-	1,751,204
Municipal Court	1,561,327	1,519,276	(42,051)	1,596,270	-	1,596,270
Police Department	31,082,042	30,735,584	(346,458)	31,995,853	347,498	32,343,351
Public Safety Dispatch	3,718,937	3,696,949	(21,987)	4,335,356	-	4,335,356
Fire Department	25,506,715	25,359,566	(147,149)	25,742,465	101,603	25,844,069
Departmental Expenditures	130,463,375	127,063,685	(3,399,689)	129,918,452	1,887,557	131,806,009
Transfers to Other Funds	3,272,377	3,272,377	-	3,271,290	670,574	3,941,864
Miscellaneous	4,578,715	1,737,110	(2,841,605)	3,431,928	3,037,140	6,469,069
Rebates & Assignments	3,317,477	3,207,943	(109,533)	4,066,720	-	4,066,720
Non-departmental Expenditures	11,168,568	8,217,430	(2,951,138)	10,769,938	3,707,715	14,477,653
Total Expenditures	141,631,943	135,281,116	(6,350,827)	140,688,390	5,595,272	146,283,662
Fund Balance - Beginning	53,714,637	53,714,637	-	47,073,849	7,914,517	54,988,366
Revenues Over/(Under) Expenditures	(6,640,788)	1,273,729	7,914,517	(4,272,940)	(5,595,272)	(9,868,212)
Fund Balance - Ending	\$ 47,073,849	\$ 54,988,366	\$ 7,914,517	\$ 42,800,909	\$ 2,319,245	\$ 45,120,154
Accrued Sales/Franchise Taxes	(9,483,653)	(9,483,653)	-	(10,152,330)	-	(10,152,330)
Fund Balance - Available	\$ 37,590,197	\$ 45,504,713	\$ 7,914,517	\$ 32,648,580	\$ 2,319,245	\$ 34,967,824
Ending Fund Balance- % of Oper Exp	35%			32%		33%
Fund Balance - Requirement	\$ 33,848,358			\$ 33,459,169		\$ 34,690,343
Over / (Under) Policy	13,225,492			9,341,740		10,429,811

CITY OF SUGAR LAND
ENTERPRISE FUND - UTILITY SYSTEM
FINANCIAL STATEMENT

	FY25 Revised Budget	FY25 Unaudited Actual	FY25 Variance to Budget	FY26 Current Budget	FY26 Changes	FY26 Revised Budget
REVENUES						
Charges for Services	\$ 45,962,504	\$ 46,239,844	\$ 277,340	\$ 48,840,092	-	\$ 48,840,092
Surface Water Fees	25,025,742	25,658,227	632,485	26,453,263	-	26,453,263
Tap Fees	85,225	95,400	10,175	732,534	-	732,534
Interest Income	2,088,841	2,220,872	132,031	1,073,467	-	1,073,467
Miscellaneous	2,618,271	2,449,993	(168,279)	451,950	-	451,950
Operating Revenues	75,780,583	76,664,335	883,752	77,551,306	-	77,551,306
Bond Proceeds	68,173,263	68,173,341	78	41,186,118	-	41,186,118
Transfers In - PID	34,531	34,531	0	33,531	-	33,531
Transfers In - Connection Fees	868,019	868,019	-	868,019	-	868,019
Transfers In - Solid Waste	342,818	-	(342,818)	5,957,182	-	5,957,182
Non-operating Revenues	69,418,631	69,075,891	(342,740)	48,044,850	-	48,044,850
Total Revenues	145,199,214	145,740,226	541,012	125,596,156	-	125,596,156
EXPENDITURES						
Utility Administration	1,636,718	1,403,620	(233,098)	1,294,584	115,814	1,410,398
Water Distribution	3,279,144	3,033,142	(246,002)	3,037,265	91,152	3,128,417
Water Production	5,625,823	4,430,276	(1,195,548)	4,468,584	839,780	5,308,364
Wastewater Collection	1,600,825	1,357,605	(243,220)	1,660,136	367,411	2,027,547
Wastewater Treatment	9,911,421	8,647,442	(1,263,979)	8,969,236	1,177,368	10,146,604
Customer Service	2,344,871	1,846,005	(498,866)	2,069,041	219,306	2,288,347
Water Quality	1,205,361	1,158,114	(47,248)	1,113,199	83,756	1,196,954
Water Conservation	546,839	325,016	(221,823)	392,386	162,000	554,386
Treasury	2,402,568	2,386,196	(16,372)	2,452,627	-	2,452,627
AMI Operations	860,915	403,317	(457,599)	859,506	143,370	1,002,876
Surface Water	12,888,504	11,554,651	(1,333,853)	10,209,484	452,737	10,662,220
Total Operating Expenditures	42,302,989	36,545,382	(5,757,607)	36,526,047	3,652,693	40,178,740
Debt Service	27,643,995	22,520,556	(5,123,439)	31,793,137	-	31,793,137
Issuance Costs	848,791	419,545	(429,246)	726,722	-	726,722
Transfers Out	8,928,685	8,932,435	3,750	7,117,975	-	7,117,975
Miscellaneous	563,622	637,802	74,181	332,337	-	332,337
Contingency	-	-	-	500,000	-	500,000
CIP Transfers	69,744,743	69,756,218	11,475	43,186,118	-	43,186,118
Total Non-Operating Expenditures	107,729,836	102,266,556	(5,463,280)	83,656,289	-	83,656,289
Total Expenditures	150,032,825	138,811,938	(11,220,887)	120,182,336	3,652,693	123,835,029
Fund Balance - Beginning	45,044,676	45,044,676	-	40,211,065	11,761,899	51,972,964
Revenues Over/(Under) Expenditures	(4,833,611)	6,928,288	11,761,899	5,413,820	(3,652,693)	1,761,127
Fund Balance - Ending	40,211,065	51,972,964	11,761,899	45,624,885	8,109,206	53,734,091
Reserve - Debt Service	(9,110,646)	(9,110,646)	-	(14,134,754)	-	(14,134,754)
Fund Balance - Available	\$ 31,100,419	\$ 42,862,318	\$ 11,761,899	\$ 31,490,131	\$ 8,109,206	\$ 39,599,337
Bond Coverage	1.21	1.78		1.29		1.18
Target	1.25	1.25		1.25		1.25
Operating Reserves	74%	117%		86%		99%
Target	25%	25%		25%		25%

**CITY OF SUGAR LAND
ENTERPRISE FUND - AIRPORT
FINANCIAL STATEMENT**

	FY25 Revised Budget	FY25 Unaudited Actual	FY25 Variance to Budget	FY26 Current Budget	FY26 Changes	FY26 Revised Budget
REVENUES						
Fuel Sales	\$ 21,006,639	\$ 21,611,222	\$ 604,583	\$ 25,907,858	1,609,818	\$ 27,517,676
Hangar Leases	1,672,206	1,700,136	27,930	1,589,200	-	1,589,200
Charges for Services	1,179,935	1,174,706	(5,229)	1,097,700	-	1,097,700
Interest Income	492,683	553,574	60,891	505,026	-	505,026
Other Revenues	351,339	358,205	6,866	350,000	-	350,000
Miscellaneous	410,028	412,164	2,136	300,000	-	300,000
Operating Revenues	25,112,830	25,810,007	697,177	29,749,784	1,609,818	31,359,602
Bond Proceeds	-	-	-	15,500,000	-	15,500,000
Grant Proceeds	894,000	100,000	(794,000)	100,000	-	100,000
Transfer from Other Funds	565,443	565,443	-	580,906	-	580,906
Non-Operating Revenues	1,459,443	665,443	(794,000)	16,180,906	-	16,180,906
Total Revenues	26,572,273	26,475,449	(96,823)	45,930,690	1,609,818	47,540,508
EXPENDITURES						
Airport Administration	1,477,483	1,461,691	(15,792)	1,630,854	2,470	1,633,324
Airfield Operations	458,623	434,649	(23,974)	538,201	26,000	564,201
FBO Services	14,760,757	14,872,181	111,423	19,388,486	1,189,505	20,577,990
Café Select	503,769	532,242	28,474	538,796	-	538,796
Maintenance and Operations	1,570,202	1,781,941	211,739	1,381,340	54,901	1,436,241
U.S. Customs	707,795	446,612	(261,182)	446,900	220,391	667,291
Total Operating Expenditures	19,478,629	19,529,317	50,688	23,924,576	1,493,266	25,417,842
Operating Transfers Out	1,087,581	1,012,862	(74,719)	1,201,057	-	1,201,057
Transfers Out - Bond CIP	-	-	-	15,500,000	-	15,500,000
Transfers Out - Non-Bond CIP	1,050,000	1,050,000	-	250,000	-	250,000
Debt Service	1,940,458	1,925,494	(14,964)	1,431,119	-	1,431,119
Miscellaneous	225,000	263,995	38,995	533,024	21,989	555,013
Total Non-Operating Expenditures	4,303,039	4,252,351	(50,688)	18,915,200	21,989	18,937,189
Total Expenditures	23,781,667	23,781,667	-	42,839,776	1,515,255	44,355,031
Fund Balance - Beginning	11,117,572	11,117,572	-	13,908,178	(96,823)	13,811,354
Revenues Over/(Under) Expenditures	2,790,605	2,693,782	(96,823)	3,090,914	94,563	3,185,477
Fund Balance - Ending	13,908,178	13,811,354	(96,823)	16,999,092	(2,260)	16,996,831
Debt Service Reserve	(860,041)	(860,041)	-	(3,160,378)	-	(3,160,378)
Fund Balance - Available	\$ 13,048,137	\$ 12,951,313	\$ (96,823)	\$ 13,838,714	\$ (2,260)	\$ 13,836,453
CASH EQ. RESERVE RATIO (25% min)	199%	200%		182%		182%
BOND COVERAGE (1.25x min)	4.84	5.29		2.24		2.84
FUEL GALLONS SOLD	4,552,433	4,227,593		4,581,343		4,581,343

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - AMERICAN RESCUE PLAN ACT (ARPA) FUND
FINANCIAL STATEMENT

	FY25 Revised Budget	FY25 Unaudited Actual	FY25 Variance to Budget	FY26 Current Budget	FY26 Changes	FY26 Revised Budget
REVENUES						
Federal Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Income	143,076	170,624	27,548	-	-	-
Miscellaneous	415,183	415,183	-	-	-	-
Total Revenues	558,259	585,807	27,548	-	-	-
EXPENDITURES						
General Government	285,414	285,414	-	-	-	-
Public Works	390,400	265,400	(125,000)	-	125,000	125,000
Environmental & Neighborhood SVC	1,613,821	1,122,351	(491,471)	-	491,471	491,471
Police Department	172,250	172,250	-	-	-	-
Fire Department	1,818,413	29,658	(1,788,755)	-	1,788,755	1,788,755
Departmental Expenditures	4,280,298	1,875,072	(2,405,226)	-	2,405,226	2,405,226
Transfers to Other Funds	-	-	-	-	-	-
Non-departmental Expenditures	-	-	-	-	-	-
Total Expenditures	4,280,298	1,875,072	(2,405,226)	-	2,405,226	2,405,226
Fund Balance - Beginning	4,369,072	4,369,072	-	647,033	2,432,773	3,079,807
Revenues Over/(Under) Expenditures	(3,722,039)	(1,289,265)	2,432,773	-	(2,405,226)	(2,405,226)
Fund Balance - Ending	\$ 647,033	\$ 3,079,807	\$ 2,432,773	\$ 647,033	\$ 27,548	\$ 674,581

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - TOURISM
FINANCIAL STATEMENT

	FY25 Revised Budget	FY25 Unaudited Actual	FY25 Variance to Budget	FY26 Current Budget	FY26 Changes	FY26 Revised Budget
REVENUES						
Hotel/Motel Occupancy Tax	\$ 3,071,845	\$ 2,998,501	\$ (73,344)	\$ 3,150,000	-	\$ 3,150,000
Interest Income	97,632	137,903	40,271	100,000	-	100,000
Miscellaneous	22,231	34,075	11,844	21,000	-	21,000
Total Revenues	3,191,708	3,170,479	(21,229)	3,271,000	-	3,271,000
EXPENDITURES						
Tourism Program	1,486,634	1,044,875	(441,760)	1,628,110	303,846	1,931,956
Imperial Historic District	350,854	360,088	9,234	543,603	-	543,603
Sponsorships	100,000	100,000	-	100,000	-	100,000
Total Operating Expenditures	1,937,488	1,504,962	(432,526)	2,271,713	303,846	2,575,559
Transfer Out - Debt Service Fund	685,175	685,175	-	351,900	-	351,900
Transfer Out - Others	550	550	-	550	-	550
Total Non-Operating Expenditures	685,725	685,725	-	352,450	-	352,450
Total Expenditures	2,623,213	2,190,687	(432,526)	2,624,163	303,846	2,928,009
Fund Balance - Beginning	3,255,299	3,255,299	-	3,823,794	411,297	4,235,091
Revenues Over/(Under) Expenditures	568,495	979,792	411,297	646,837	(303,846)	342,991
Fund Balance - Ending	3,823,794	4,235,091	411,297	4,470,631	107,451	4,578,082
GAAP Adjustments	(775,847)	(775,847)	-	(775,847)	73,344	(702,503)
Fund Balance - Available	\$ 3,047,948	\$ 3,459,244	\$ 411,297	\$ 3,694,784	\$ 180,795	\$ 3,875,579
Fund Balance Policy (10% of Budgeted HOT)	307,185	307,185		315,000		315,000
Over/Under Policy	3,516,610	3,927,907		4,155,631		4,263,082

CITY OF SUGAR LAND
STORM WATER COMPLIANCE FEE FUND
FINANCIAL STATEMENT

	FY25 Revised Budget	FY25 Unaudited Actual	FY25 Variance to Budget	FY26 Current Budget	FY26 Changes	FY26 Revised Budget
REVENUES						
Stormwater Fees	\$ 2,112,934	\$ 2,124,732	\$ 11,798	\$ 2,011,877	-	\$ 2,011,877
Interest Income	37,000	45,470	8,470	42,000	-	42,000
Total Revenues	2,149,934	2,170,202	20,268	2,053,877	-	2,053,877
EXPENDITURES						
Stormwater Management	455,646	377,183	(78,464)	424,277	42,516	466,793
Drainage Maintenance	1,747,124	1,431,933	(315,191)	1,665,507	240,570	1,906,077
Total Expenditures	2,202,770	1,809,116	(393,655)	2,089,784	283,086	2,372,870
Fund Balance - Beginning	1,007,534	1,007,534	-	954,698	413,922	1,368,621
Revenues Over/(Under) Expenditures	(52,836)	361,086	413,922	(35,907)	(283,086)	(318,993)
Fund Balance - Ending	\$ 954,698	\$ 1,368,621	\$ 413,922	\$ 918,791	\$ 130,836	\$ 1,049,628

CITY OF SUGAR LAND
INTERNAL SERVICE FUND - HIGH-TECH REPLACEMENT FUND
FINANCIAL STATEMENT

	FY25 Revised Budget	FY25 Unaudited Actual	FY25 Variance to Budget	FY26 Current Budget	FY26 Changes	FY26 Revised Budget
REVENUES						
Sale of Capital Property	\$ 500	\$ 9,749	\$ 9,249	\$ 500	-	\$ 500
Interest Income	76,500	99,381	22,881	80,000	-	80,000
Transfers in	1,193,980	1,193,980	-	1,193,980	-	1,193,980
Total Revenues	1,270,980	1,303,110	32,130	1,274,480	-	1,274,480
EXPENDITURES						
Equipment & Contractual Services	1,342,226	1,073,456	(268,770)	1,239,998	117,860	1,357,858
Total Expenditures	1,342,226	1,073,456	(268,770)	1,239,998	117,860	1,357,858
Fund Balance - Beginning	2,095,306	2,095,306	-	2,024,060	300,900	2,324,960
Revenues Over/(Under) Expenditures	(71,246)	229,654	300,900	34,482	(117,860)	(83,378)
Fund Balance - Ending	\$ 2,024,060	\$ 2,324,960	\$ 300,900	\$ 2,058,541	\$ 183,041	\$ 2,241,582

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - COURT TECHNOLOGY FUND
FINANCIAL STATEMENT

	FY25 Revised Budget	FY25 Unaudited Actual	FY25 Variance to Budget	FY26 Current Budget	FY26 Changes	FY26 Revised Budget
REVENUES						
Technology Fees	\$ 30,000	\$ 30,935	\$ 935	\$ 32,000	\$ -	\$ 32,000
Interest Income	2,500	2,787	287	2,700	-	2,700
Total Revenues	32,500	33,721	1,221	34,700	-	34,700
EXPENDITURES						
Operations & Maintenance	17,250	2,083	(15,167)	19,700	33,489	53,189
Total Expenditures	17,250	2,083	(15,167)	19,700	33,489	53,189
Fund Balance - Beginning	55,032	55,032	-	70,282	16,388	86,670
Revenues Over/(Under) Expenditures	15,250	31,638	16,388	15,000	(33,489)	(18,489)
Fund Balance - Ending	\$ 70,282	\$ 86,670	\$ 16,388	\$ 85,282	\$ (17,101)	\$ 68,181

CITY OF SUGAR LAND
OPIOID LITIGATION SETTLEMENT FUND
FINANCIAL STATEMENT

	FY25 Revised Budget	FY25 Unaudited Actual	FY25 Variance to Budget	FY26 Current Budget	FY26 Changes	FY26 Revised Budget
REVENUES						
Litigation Settlement Distributions	\$ 95,805	\$ 95,805	\$ (0)	\$ -	\$ -	\$ -
Interest Income	1,964	2,834	870	-	-	-
Total Revenues	97,769	98,639	870	-	-	-
EXPENDITURES						
Police Department	82,351	79,546	(2,805)	-	2,805	2,805
Fire Department	63,172	62,190	(982)	-	982	982
Total Expenditures	145,523	141,736	(3,787)	-	3,787	3,787
Fund Balance - Beginning	47,754	47,754		0	4,657	4,658
Revenues Over/(Under) Expenditures	(47,754)	(43,097)	4,657	-	(3,787)	(3,787)
Fund Balance - Ending	\$ 0	\$ 4,658	\$ 4,657	\$ 0	\$ 870	\$ 871

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - PUBLIC ARTS
FINANCIAL STATEMENT

	FY25 Revised Budget	FY25 Unaudited Actual	FY25 Variance to Budget	FY26 Current Budget	FY26 Changes	FY26 Revised Budget
REVENUES						
Transfers In	\$ 285,000	\$ 285,000	\$ -	\$ 285,000	-	\$ 285,000
Interest Income	19,000	44,211	25,211	10,000	-	10,000
Total Revenues	304,000	329,211	25,211	295,000	-	295,000
EXPENDITURES						
Operations & Maintenance	236,900	149,787	(87,113)	116,000	1,485	117,485
Capital Costs	363,350	305,516	(57,834)	603,000	-	603,000
Total Expenditures	600,250	455,302	(144,948)	719,000	1,485	720,485
Fund Balance - Beginning	1,099,932	1,099,932		803,682	170,158	973,840
Revenues Over/(Under) Expenditures	(296,250)	(126,092)	170,158	(424,000)	(1,485)	(425,485)
Fund Balance - Ending	\$ 803,682	\$ 973,840	\$ 170,158	\$ 379,682	\$ 168,673	\$ 548,355



City Council Agenda Request

January 20, 2026

Agenda Request No: XI.D.

Agenda of: City Council Meeting

Initiated by: ShaLae Steadman, Director of Budget

Presented by: ShaLae Steadman, Director of Budget

Responsible Department: Budget

Agenda Caption:

FIRST CONSIDERATION: Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2399**: AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AMENDING THE AIRPORT COMMUNITY HANGAR RENTAL FEE TO \$0.75 PER SQUARE FOOT PER MONTH, WITH A MINIMUM MONTHLY CHARGE OF \$1,237.50.

Recommended Action:

Approve Ordinance No. 2399 approving the fee increase for the Airport Community Hangar to \$0.75 per square foot per month with a minimum of \$1,237.50 per month.

Executive Summary:

Background Information

The Airport community hangar fee is currently \$0.50 per square foot per month with a minimum of \$825.00 per month. The last time this fee was updated was approximately 15 years ago.

Proposed Change

Updating the Airport community hangar fee to \$0.75 per square foot per month, with a minimum of \$1,237.50 per month. This rate is consistent with the market range identified in the Airport's Master Plan and aligns the hangar space with market value. The adjustment remains fiscally responsible within the aviation industry and complies with the requirement for the Airport to be as self-sustaining as possible under the FAA's Airport Improvement Program Grant Assurance #24.

Revenue Increase

Revenues are expected to increase by 50%, or \$11,728.

Recommended Action

Approve Ordinance No. 2399 approving the fee increase for the Airport Community Hangar to \$0.75 per square foot per month with a minimum of \$1,237.50 per month.

This item was reviewed with Finance and Audit on January 8, 2026.

Budget

Expenditure Required: NA

Current Budget: NA

Additional Funding: NA

Funding Source: NA

Account Number (ORG-OBJ-Project): NA

Attachments

1. FY26 Fee Ordinance 2399

ORDINANCE NO. 2399

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS AMENDING THE FEE SCHEDULE BY AMENDING THE FEE FOR THE AIRPORT COMMUNITY HANGAR IN SECTION 2-139(B)(5) CHAPTER 2, ARTICLE V, DIVISION 4 (FEES FOR VARIOUS CITY SERVICES).

**BE IT ORDAINED BY THE CITY COUNCIL
OF THE CITY OF SUGAR LAND, TEXAS:**

Section 1. That section 2-139(b)(5) is amended to read as follows:

DIVISION 4. - FEES FOR VARIOUS CITY SERVICES

Sec. 2-139. Public property use fees.

(b) *Sugar Land Regional Airport fees and charges:*

(5) Leases:

Type	Price
T-Hangars	\$0.50/square foot/month
Banks A and B	\$483.00/month plus one month's rent deposit
Banks C and D	\$587.00/month plus one month's rent deposit
Bank E	\$640.00/month plus one month's rent deposit
Bank F	\$774.00/month plus one month's rent deposit
Hangar 104	\$2,950.00/month
Hangar 105	\$2,750.00/month
Hangars 106 and 107	\$750.00/month
Airport community hangars	\$0.75/square foot/month (\$1,237.50/month minimum)

Tie downs	\$120.00/month
Long-term hangar leases	Negotiable (approved by city council)
Short-term land lease	\$250.00/month
Long-term land leases	Negotiable (approved by city council)
Pipeline easement	Negotiable (approved by city council)

Section 2. That the provisions of this ordinance are severable and the invalidity of any part of this ordinance will not affect the validity of the remainder of the ordinance.

Section 3. That this ordinance is effective on February 1, 2026.

APPROVED on first consideration on _____, 2026.

ADOPTED on second consideration on _____, 2026.

Carol K. McCutcheon, Mayor

ATTEST:

APPROVED AS TO FORM:

Linda Mendenhall, City Clerk