City of Sugar Land

City Council Agenda

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

Tuesday, September 1, 2026
City Council Meeting
City Council Chambers
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://youtube.com/live/gx2wIgo6594?feature=share. Sugar Land Comcast/Xfinity Cable Subscribers can also tune-in on Channel 16.

II. Call to Order

III. Invocation

Council Member Jim Vonderhaar

IV. Pledges of Allegiance

Council Member Jim Vonderhaar

V. Public Comment

Pursuant to Texas Government Code section 551.007, citizens are permitted to address the City Council, Board, and/or Commission in person regarding matters posted for consideration or workshop 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 Clerk (281) 275-2730.

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 August 18, 2026 meeting.
Linda Mendenhall, City Clerk

B. **CONCESSION LEASE AGREEMENT WITH THE HERTZ CORPORATION**
Consideration of and action on a Rental Car Concession Lease Agreement with The Hertz Corporation for Rental Car Services at Sugar Land Regional Airport.
Joseph Fairley, Airport Leasing Coordinator, Mitchell Davies, Director of Aviation

C. **CONCESSION LEASE AGREEMENT WITH GITIBIN & ASSOCIATES, LLC (DBA GO RENTALS)**
Consideration of and action on a Rental Car Concession Lease Agreement with Gitibin & Associates, LLC (dba Go Rentals) for Rental Car Services at Sugar Land Regional Airport.
Joseph Fairley, Airport Leasing Coordinator, Mitchell Davies, Director of Aviation

D. **CONTRACT AMENDMENT WITH GMSTEK (DBA X-1FBO)**
Consideration of and action on a Contract Amendment with GMSTEK (dba X-1FBO), to add the X-1 Propery Module to the existing agreement with X-1FBO, in the amount of 58,294.61 for the remaining 7-year agreement.
Joseph Fairley, Airport Leasing Coordinator

E. **INTERLOCAL AGREEMENT WITH FORT BEND COUNTY**
Consideration of and action on the authorization to execute an Interlocal Agreement (ILA) with Fort Bend County for Next-Gen ITS Upgrades project (CIP CTR2402) in the amount of $2,530,000.
Huy Ton, Senior Engineering Manager

F. **CONTRACT WITH TROJAN TECHNOLOGIES CORP.**
Consideration of and action on authorization of a Contract with Trojan Technologies Corp., in the amount of $697,682.68, for the SWTP replacement of all Rack #1 and Rack #2 membrane filter modules; and authorization of a Budget Amendment in the amount of $697,682.68 to expenditures.
David Whittemore, Assistant Director of Utilities

G. Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-35:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE SUBMISSION OF A PROPOSAL TO THE WATER RESEARCH FOUNDATION, FOR THE RISK-BASED PRIORITIZATION OF CRITICAL VALVES USING LIMITED UTILITY DATA AND MACHINE LEARNING (RFP 5410); AND DESIGNATING THE CITY MANAGER, OR HIS DESIGNEE, AS AUTHORIZED OFFICIAL TO SUBMIT THE PROPOSAL AND EXECUTE ALL RELATED CONTRACTS.
Alence Poudel, Engineering Manager, Jessie Li, Executive Director

H. Consideration and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-36**: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS FINDING THAT SIENERGY GAS LLPS STATEMENT OF INTENT TO INCREASE RATES FILING WITHIN THE CITY SHOULD BE DENIED AND FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY.
Meredith Riede, City Attorney

I. **APPOINTMENT OF A TIRZ NO. THREE CHAIR**
Consideration of and action on the appointment of Council Member Jim Vonderhaar to serve as Chair of the Tax Increment Reinvestment Zone Number Three Board of Directors for a term ending December 31, 2026.
Carol McCutcheon, Mayor

VII. Public Hearings

A. **PUBLIC HEARING 5:30 P.M**.: Receive and hear all persons interested in an ordinance regarding the proposed designation of approximately 3.3544 acres of property located in the Sugar Land Business Park as Reinvestment Zone No. 2026-01. The proposed designation would establish the property as a reinvestment zone for purposes of considering economic development incentives.

FIRST CONSIDERATION: Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2412:** AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, DESIGNATING THE REAL PROPERTY CONSISTING OF 3.3544 ACRES TRACT OF LAND DESCRIBED ALL OF COMMERCIAL RESERVE "E" IN THE SUGAR LAND BUSINESS PARK PARCEL 167, REPLAT OF RESERVES "C" AND "E", IN THE BROWN & BELKNAP LEAGUE ABSTRACT NO. 15, PLAT NO. 20070283, FORT BEND COUNTY, TEXAS, AS A REINVESTMENT ZONE NO. 2026-01.
Alba Penate-Johnson, Assistant Director of Economic Development

B. **PUBLIC HEARING 5:30 P.M.:** Receive and hear all persons desiring to be heard on the proposed Ordinance No. 2415 Adopting a Revised Fee Schedule by Amending Chapter 2, Article V, Division 4 (Fees for Various City Services); Chapter 3, Article I, Section 3-3 (Fees for City Response to False Alarm Signal); Chapter 3, Article IX, Division 5, Section 3-167(3); Chapter 4, Article VII (Heliports and Helistops); Chapter 5, Article VI (Telecommunications Providers); Chapter 5, Article VIII, Division 3 (Rates and Charges), Sections 5-246–5-265; Chapter 5, Article VIII, Division 7 (General Conditions of Service), Section 5-310; Chapter 5, Article VIII, Division 12 (Municipal Drainage Utility System), Section 5-413; Chapter 5, Article VIII, Division 13 (Stormwater Coalition); and Chapter 5, Article IX, Division 1 (Fire Protection and Emergency Medical Service Fees Established) of the Code of Ordinances, and Other Matters Related Thereto.

FIRST CONSIDERATION: Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2415:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS ADOPTING A REVISED FEE SCHEDULE BY AMENDING CHAPTER 2, ARTICLE V, DIVISION 4 (FEES FOR VARIOUS CITY SERVICES), CHAPTER 3, ARTICLE I, SECTION 3-3 (FEES FOR CITY RESPONSE TO FALSE ALARM SIGNAL); CHAPTER 3, ARTICLE IX, DIVISION 5, SECTION 3-167(3); CHAPTER 4, ARTICLE VII (HELIPORTS AND HELISTOPS), CHAPTER 5, ARTICLE VI (TELECOMMUNICATIONS PROVIDERS); CHAPTER 5, ARTICLE VIII, DIVISION 3 (RATES AND CHARGES), SECTIONS 5-246-5-265, CHAPTER 5, ARTICLE VIII, DIVISION 7 (GENERAL CONDITIONS OF SERVICE), SECTION 5-310; CHAPTER 5, ARTICLE VIII, DIVISION 12 (MUNICIPAL DRAINAGE UTILITY SYSTEM), SECTION 5-413, CHAPTER 5, ARTICLE VIII, DIVISION 13 (STORMWATER COALITION), AND CHAPTER 5, ARTICLE IX, DIVISION 1 (FIRE PROTECTION AND EMERGENCY MEDICAL SERVICE FEES ESTABLISHED) OF THE CODE OF ORDINANCES, AND OTHER MATTERS RELATED THERETO.
ShaLae Steadman, Director of Budget

C. **PUBLIC HEARING 5:30 P.M.:** Receive and hear all persons desiring to be heard on the proposed Tax Year 2026 assessment for properties located in the Park at Eldridge Public Improvement District.

FIRST CONSIDERATION: Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2414:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, APPROVING AND ADOPTING THE 2027 SERVICE PLAN; THE 2026 ASSESSMENT ROLL; AND LEVYING ASSESSMENTS FOR THE 2026 CALENDAR YEAR FOR PROPERTY LOCATED IN THE PARK AT ELDRIDGE PUBLIC IMPROVEMENT DISTRICT.
ShaLae Steadman, Director of Budget

VIII. Ordinances and Resolutions

A. **FIRST AND FINAL CONSIDERATION:** Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2416**: 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.
Justyn Mejorado, Assistant Director of Budget

IX. Workshop

A. **TAX ABATEMENT GUIDELINES AND CRITERIA**
Review of and discussion regarding the City's Tax Abatement Guidelines and Criteria, including proposed revisions to better align the City's tax abatement program with its economic development priorities.
Alba Penate-Johnson, Assistant Director of Economic Development

X. 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.

XI. 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 Clerk, (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.

TAXPAYER IMPACT STATEMENT

Pursuant to Texas Government Code § 551.043(c), a taxpayer impact statement is required for meetings at which the City Council discusses or adopts the proposed budget.

Description	FY 2025-2026 Adopted Tax Rate	FY 2026-2027 Proposed Tax Rate	FY 2026-2027 No-New-Revenue Rate
Tax Rate per $100 Valuation	0.358827	0.381116	0.355381
Median Homestead Taxable Value	$365,754	$369,495	$369,495
Estimated Annual Tax Bill	$1,312	$1,408	$1,313
Difference from Current Fiscal Year	________	$96	$1

Note: Estimated taxpayer impacts are based on the FY 2026-2027 proposed tax rate and are subject to change pending the City Council's final adoption of the tax rate. Additional budget information is available on the City's website at https://www.sugarlandtx.gov/2291/Budget-Strategy. Information regarding property taxes is available at https://www.sugarlandtx.gov/2472/Property-Taxes.

Posted on this 26th day of August 2026 at 2:00 P.M.

City Council Agenda Request
September 1, 2026

Agenda Request No: VI.A.

Agenda of: City Council Meeting

Initiated by: Charlotte Graves, Agenda & Public Meeting Coordinator

Presented by: Linda Mendenhall, City Clerk

Responsible Department: City Clerk's Office

Agenda Caption:
MINUTES
Consideration of and action on the approval of the minutes of the August 18, 2026 meeting.

Recommended Action:
Consideration of and action on the approval of the minutes of the August 18, 2026 meeting.

Executive Summary:
Consider the minutes of the August 18, 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. 8.18.26 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, August 18, 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 attended virtually.

III. Invocation

Council Member Rick Miller

IV. Pledges of Allegiance

Council Member Rick Miller

V. Recognition

A. KEEP SUGAR LAND BEAUTIFUL YOUTH ADVISORY BOARD
Christian Eubanks, Environmental Manager

B. ROBO SAPIENS
FIRST TECH CHALLENGE
TEAM NO. 14503
Carol McCutcheon, Mayor

VI. Public Comment

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No members of the public addressed the Council.

VII. Consent Agenda

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A. **MINUTES**
Consideration of and action on the minutes of the August 4, 2026, meeting.
Linda Mendenhall, City Clerk

A motion to **Approve consent agenda items A and B**, was made by Suzanne Whatley and seconded by Jim Vonderhaar; the motion **Passed**.
Ayes: Suzanne Whatley, Stewart Jacobson, Robert Boettcher, Rick Miller, Sanjay Singhal, Jim Vonderhaar, Carol McCutcheon

B. **AMENDMENT NO. 2 WITH FIRST DUE HOLDINGS, INC**
Consideration of and action on Amendment No. 2 to the agreement for services with Governmental Rider (Contract No. 3251494) with First Due Holdings, Inc., for fire department scheduling, community risk reduction, and operational software modules in an amount not to exceed $126,420.25 over the contract term.
Mark Campise, Fire Chief

VIII. Public Hearings

A. **<u>PUBLIC HEARING 5:30 P.M.:</u>** Receive and hear all persons desiring to be heard on proposed Fiscal Year 2027 Budget. Consideration of and action on setting a date for deliberation and adoption of the Fiscal Year 2027 Budget.
ShaLae Steadman, Director of Budget
TAXPAYER IMPACT STATEMENT
Pursuant to Texas Government Code § 551.043(c), a taxpayer impact statement is required for meetings at which the City Council discusses or adopts the proposed budget.

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Note: Estimated taxpayer impacts are based on the FY 2026-2027 proposed tax rate and are subject to change pending the City Council's final adoption of the tax rate. Additional budget information is available on the City's website at https://www.sugarlandtx.gov/2291/Budget-Strategy. Information regarding property taxes is available at https://www.sugarlandtx.gov/2472/Property-Taxes.

ShaLae Steadman, Director of Budget, gave a presentation, made comments, and answered questions from the Council.
Mayor McCutcheon opened the public hearing at 5:54 p.m. Sam Rangan, Sumita Ghoshu, and Anand Pinto addressed the Council during the public hearing. The public hearing was closed at 6:05 p.m.

A motion to **Approve setting a date to place an item on the September 15, 2026 agenda for consideration of the Fiscal Year 2027 Budget**, was made by Jim Vonderhaar and seconded by Suzanne Whatley, the motion **Passed**.
Ayes: Suzanne Whatley, Stewart Jacobson, Robert Boettcher, Rick Miller, Jim Vonderhaar, Carol McCutcheon
Nays: Sanjay Singhal

IX. Tax Record Vote

A. **<u>VOTE TO PROPOSE 2026 TAX RATE AND SCHEDULE PUBLIC HEARING</u>**
Consideration of and action on setting the City of Sugar Land proposed 2026 tax rate, setting public hearing, and directing staff to publish the Notice of Proposed 2026 Tax Rate.
ShaLae Steadman, Director of Budget

ShaLae Steadman, Director of Budget, gave a presentation, made comments, and answered questions from the Council.
Mayor McCutcheon made a motion to approve the setting of a maximum proposed property tax rate at $0.381116 per $100 valuation, which is effectively a 6.18% increase in the tax rate, and to set a public hearing on September 8, 2026, at 5:30 p.m. at Sugar Land City Hall, 2700 Town Center Blvd North. Council member Stewart Jacobson seconded the motion. The City Council did a roll call vote to approve the setting of a maximum proposed property tax rate at $0.381116 per $100 valuation, which is effectively a 6.18% increase in the tax rate, and to set a public hearing on September 8, 2026, at 5:30 p.m. at Sugar Land City Hall, 2700 Town Center Blvd North.

A motion to **Approve the setting of a maximum proposed property tax rate at $0.381116 per $100 valuation, which is effectively a 6.18% increase in the tax rate, and to set a public hearing on September 8, 2026, at 5:30 p.m. at Sugar Land City Hall, 2700 Town Center Blvd North**, was made by Carol McCutcheon and seconded by Stewart Jacobson; the motion **Passed**.
Ayes: Suzanne Whatley, Stewart Jacobson, Robert Boettcher, Rick Miller, Jim Vonderhaar, Carol McCutcheon
Nays: Sanjay Singhal

X. 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.

XI. Adjournment

A motion to **Adjourn at 6:20 p.m.**, was made by Sanjay Singhal and seconded by Carol McCutcheon; the motion **Passed**.
Ayes: Suzanne Whatley, Stewart Jacobson, Robert Boettcher, Rick Miller, Sanjay Singhal, Jim Vonderhaar, Carol McCutcheon

____

Linda Mendenhall, City Clerk

City Council Agenda Request
September 1, 2026

Agenda Request No: VI.B.

Agenda of: City Council Meeting

Initiated by: Mitchell Davies, Director of Aviation

Presented by: Joseph Fairley, Airport Leasing Coordinator, Mitchell Davies, Director of Aviation

Responsible Department: Airport

Agenda Caption:
CONCESSION LEASE AGREEMENT WITH THE HERTZ CORPORATION
Consideration of and action on a Rental Car Concession Lease Agreement with The Hertz Corporation for Rental Car Services at Sugar Land Regional Airport.

Recommended Action:
Approval of a Rental Car Concession Lease Agreement with Hertz.

Executive Summary:
The Airport currently has concession agreements with Hertz and Enterprise; however, the principal business terms of those agreements have remained unchanged since 2006. To evaluate current market interest and ensure the Airport receives the best overall value, the Airport issued a competitive Request for Proposals (RFP) in February 2026. In March 2026, the Airport received three qualifying submittals from:

1. Enterprise
2. Hertz
3. Gitibin & Associates, LLC. (Doing Business As Go Rentals)

A selection committee evaluated each written proposal and interviewed the respondents. Based on the submissions, interviews, proposed business terms, service models, and overall value to the Airport and its customers, the committee selected Hertz and Go Rentals.

Hertz currently serves approximately 90 percent of the Airport's rental car market and provides an established operation capable of meeting the needs of a broad range of customers. The proposed agreement preserves continuity of service while increasing the City's gross-receipts participation from the current 11 percent to 12 percent and adding Customer Facility Charges and future parking-space compensation. The selection committee determined that Hertz and Go Rentals offer complementary services and collectively provide the strongest combination of customer service, operational capability, market coverage, and financial value to the Airport.

The terms of the agreement are as follows:

Effective Date	September 4, 2026
Agreement Term	Five years, with five optional one-year extensions
Base Rent	$1,169.58 per month (With annual CPI adjustment)
Gross Receipts	12% of gross receipts
Parking Compensation	$25 per parking space per month
***Customer Facility Charge**	$4.50 per day for retail rentals; $0 for insurance-replacement rentals, per transaction (maximum seven days)

*A Customer Facility Charge (CFC) is a daily fee assessed on qualifying rental car transactions. The Airport will use CFC revenue to help pay costs associated with Airport rental car facilities, including construction of the new rental car parking lot and related facility improvements.

Airport staff reviewed the terms of this agreement at the Finance Audit Committee meeting on Tuesday, August 4, 2026. Staff recommend City Council approve a rental car concession agreement with Hertz for providing rental car services at the Sugar Land Regional Airport.

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
September 1, 2026

Agenda Request No: VI.C.

Agenda of: City Council Meeting

Initiated by: Mitchell Davies, Director of Aviation

Presented by: Joseph Fairley, Airport Leasing Coordinator, Mitchell Davies, Director of Aviation

Responsible Department: Airport

Agenda Caption:
CONCESSION LEASE AGREEMENT WITH GITIBIN & ASSOCIATES, LLC (DBA GO RENTALS)
Consideration of and action on a Rental Car Concession Lease Agreement with Gitibin & Associates, LLC (dba Go Rentals) for Rental Car Services at Sugar Land Regional Airport.

Recommended Action:
Approval of a Rental Car Concession Lease Agreement with Gitibin & Associates, LLC (dba Go Rentals).

Executive Summary:
The Airport currently has concession agreements with Hertz and Enterprise; however, the principal business terms of those agreements have remained unchanged since 2006. To evaluate current market interest and ensure the Airport receives the best overall value, the Airport issued a competitive Request for Proposals (RFP) in February 2026. In March 2026, the Airport received three qualifying submittals from:

1. Enterprise
2. Hertz
3. Gitibin & Associates, Inc. (Doing Business As Go Rentals)

A selection committee evaluated each written proposal and interviewed the respondents. Based on the submissions, interviews, proposed business terms, service models, and overall value to the Airport and its customers, the committee selected Hertz and Go Rentals.

Go Rentals offers luxury vehicles and personalized service, a strong fit for the Airport's FBO customers, who demand responsive, high-quality service and premium transportation. The selection committee determined that Hertz and Go Rentals offer complementary services and collectively provide the strongest combination of customer service, operational capability, market coverage, and financial value to the Airport.

The terms of the agreement are as follows:

Effective Date	September 4, 2026
Agreement Term	Five years, with five optional one-year extensions
Base Rent	$1,169.58 per month (With annual CPI adjustment)
Gross Receipts	18% of gross receipts
Parking Compensation	$50 per parking space per month
***Customer Facility Charge**	$4.95 per day, per transaction (maximum seven days)

*A Customer Facility Charge (CFC) is a daily fee assessed on qualifying rental car transactions. The Airport will use CFC revenue to help pay costs associated with Airport rental car facilities, including construction of the new rental car parking lot and related facility improvements.

Airport staff reviewed the terms of this agreement at the Finance Audit Committee meeting on Tuesday, August 4, 2026. Staff recommend City Council approve a rental car concession agreement with Gitibin & Associates, LLC (dba Go Rentals) for providing rental car services at the Sugar Land Regional Airport.

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
September 1, 2026

Agenda Request No: VI.D.

Agenda of: City Council Meeting

Initiated by: Mitchell Davies, Director of Aviation

Presented by: Joseph Fairley, Airport Leasing Coordinator

Responsible Department: Airport

Agenda Caption:
CONTRACT AMENDMENT WITH GMSTEK (DBA X-1FBO)
Consideration of and action on a Contract Amendment with GMSTEK (dba X-1FBO), to add the X-1 Propery Module to the existing agreement with X-1FBO, in the amount of 58,294.61 for the remaining 7-year agreement.

Recommended Action:
Approval of a Contract Amendment with GMSTEK (dba X-1FBO), to add the X-1 Propery Module to the existing agreement with X-1FBO.

Executive Summary:
The Sugar Land Regional Airport currently manages more than 125 active leases without a centralized lease management system. Lease-related information and tasks are tracked manually across Excel, Cityworks, SharePoint, Outlook, calendar reminders, and handwritten notes, none of which communicate with one another. This fragmented process increases the administrative workload on the Airport Leasing Coordinator and creates a greater risk of missed rate adjustments, compressed renewal timelines, and insufficient time to address lease expirations and related projects.

To identify a more effective solution, Airport staff consulted with peer airports, including Naples, Addison, and Fort Worth Spinks, and evaluated several software platforms designed for the commercial real estate market. Staff determined that the available products did not adequately address the Airport's aviation-specific needs and were cost-prohibitive relative to the functionality provided.

In February 2025, the Airport transitioned GlobalSelect's point-of-sale and operational management functions to X-1FBO. The system has streamlined operations, improved efficiency, and enhanced the Airport's ability to collect and use real-time data regarding aircraft activity and customer services. During discussions with X-1FBO leadership, Airport staff raised the aviation industry's need for specialized lease management software. X-1FBO informed us of a future partnership with a property and lease management software provider and later introduced staff to the newly developed X-1 Property platform.

X-1 Property is designed specifically for airports and FBOs, and can provide the functionality the Airport requires at a significantly lower cost than the commercial real estate lease management systems evaluated by staff. The module will centralize property management, lease and tenant tracking, property listings and marketplace integration, asset management, and automated notifications for rate adjustments, renewals, and expirations.

Because the Airport already uses the X-1FBO platform, adding the X-1 Property Module provides a cost-effective, integrated solution without requiring the procurement and implementation of a separate software system. Over the remaining 7-year term, the total module cost will be $58,294.61, or approximately $694 per month with a one-time implementation fee of $1,000. This monthly increase is built in the FY27 budget.

The City entered into a 10-year Standard Contract for General Services with X-1FBO in May 2024. In October 2025, Amendment No. 1 clarified the Agreement's pricing and term provisions and authorized its continuation for the full 10-year term. Staff requests that City Council authorize and execute Amendment No. 2, adding the X-1 Property Module to the existing Agreement for a total additional amount of $58,294.61.

Budget

Expenditure Required: $357,731.98

Current Budget: $357,731.98 - Spread out over the next 7 years

Additional Funding: $0

Funding Source: Airport Fund

Account Number (ORG-OBJ-Project): 6119315-541055

Attachments
None

City Council Agenda Request
September 1, 2026

Agenda Request No: VI.E.

Agenda of: City Council Meeting

Initiated by: Huy Ton, Senior Engineering Manager

Presented by: Huy Ton, Senior Engineering Manager

Responsible Department: Engineering

Agenda Caption:
INTERLOCAL AGREEMENT WITH FORT BEND COUNTY
Consideration of and action on the authorization to execute an Interlocal Agreement (ILA) with Fort Bend County for Next-Gen ITS Upgrades project (CIP CTR2402) in the amount of $2,530,000.

Recommended Action:
Authorize the execution of an Interlocal Agreement (ILA) with Fort Bend County for Next-Gen ITS Upgrades project (CIP CTR2402) in the amount of $2,530,000.

Executive Summary:
The purpose of the agreement is to enter into an Interlocal Agreement (ILA) with Fort Bend County and outline the funding and project management obligations for the Next-Gen ITS Upgrades.

The City is working to build the Next Generation of Intelligent Transportation Systems (ITS) to improve mobility. The City is continuously testing systems that not only fill a specific need but also extend our capabilities to drive innovation. The traffic industry is seeing devices and systems that can perform tasks that before were considered unfeasible. These systems will bring a greater level of situational awareness, insights, and safety to the City's roadways while keeping service levels as a primary focus. The latest ITS Master Plan identified the need to evaluate the latest traffic signal detection systems to build on existing capabilities.

The project was included in the voter-approved 2023 Fort Bend County Mobility Bond. Fort Bend County will contribute the maximum of $2,530,000 to the project costs including purchasing the equipment. The City has completed the Next-Gen ITS Upgrades (CIP CTR2402) project with the purchase of the equipment approved by City Council in 2024.

The Engineering Department recommends the City Council approve the interlocal funding agreement with Fort Bend County in the amount up to $2,530,000 to fund the Next-Gen ITS

Upgrades (CIP CTR2402).

Budget

Expenditure Required: N/A

Current Budget: 4830000

Additional Funding: N/A

Funding Source: Fort Bend Mobility Bond 2023

Account Number (ORG-OBJ-Project): 5013199-414110-CTR2402

Attachments

1. Interlocal Agreement City Sugar Land Next-Gen ITS 23004 Revised

<u>INTERLOCAL AGREEMENT FOR CITY MANAGED PROJECT</u>

(Next Gen ITS Upgrades – Project No. 23004)

THE STATE OF TEXAS §
§
COUNTY OF FORT BEND §

This Interlocal Agreement ("Agreement") is made and entered into by and between FORT BEND COUNTY, TEXAS (the "County"), a political subdivision of the state of Texas, and the CITY OF SUGAR LAND, TEXAS (the "City"), a home-rule municipality. County and City may be collectively referred to as the "Parties" and each individually a "Party."

WHEREAS, this Agreement is entered into pursuant to Chapter 791 of the Texas Government Code, the Interlocal Cooperation Act (the "Act"), which authorizes local governments to contract with one another to provide governmental functions, mutual aid, and services under the terms of the Act; and

WHEREAS, the Parties are each a local governmental entity and are authorized under the Act to provide certain governmental functions, including, but not limited to the provision of road and drainage improvements; and

WHEREAS, in order to improve mobility, County and City desire to implement Next Gen ITS Upgrades at various intersections in the City from the Fort Bend County Mobility Bond Project No. 23004, which funds may only be expended on city streets that are an integral part of or connecting link with county roads or state highways pursuant to Article III, Section 52 (b) and (c) of the Texas Constitution and Section 251.012 of the Texas Transportation Code; and

WHEREAS, the Parties assert that the Next Gen ITS Upgrades will improve mobility on city streets that are an integral part of or a connecting link with a County road or state highway; and

WHEREAS, County and City have determined it would be in the best interest of County and City, and to the inhabitants thereof, that provisions be made for the Next Gen ITS Upgrades in accordance with the terms of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises, covenants, obligations, and mutual benefits, the Parties hereto agree as follows:

1. **Purpose.** The purpose of this Agreement is to outline the funding and project management obligations for the Project.

2. **Recitals.** The recitals set forth above are incorporated herein by reference and made a part of this Agreement.

3. **Definitions.**

(a) "Effective Date" means the date this Agreement is executed by the last signing Party hereto.

(b) "Eligible Project Costs" means the costs, as determined by County in its sole discretion, for construction of the Project including: purchasing equipment related to the Project including replacing signal detection to add benefits of computer vision (delay, pedestrian counts, red light running, etc.), next gen controller/ATMS, the ATSPMS platform, adding travel time devices, and other technology improvements; engineering design and services related to the completion of any Plans, Specifications, and Estimates ("PS&E") for the Project; Project related drainage facilities; utility and pipeline conflicts; approved traffic control devices; sidewalks up to five feet (5') wide consistent with current City Infrastructure Standards; and construction related services for such roadway improvements. Eligible Project Costs shall further include resolution of utility conflicts created by construction of Project elements and similar facilities proposed to be part of the Project.

(c) "Non-Eligible Project Costs" shall mean any design and construction costs related to Project enhancements, all upgrades to the Project requested by City, and all other items that do not fall within the definition of Eligible Project Costs (as determined by County) including, but not limited to: landscaping; irrigation; lighting; hike and bike trails; reconstruction of utilities (except utility conflicts created by the construction of Project elements); and oversizing of water, sewer, and drainage facilities.

(d) "Project" means the improvements that are the subject of this Agreement including the roadway improvements provided in Section 4 below.

4. **Project/ Scope of Work.**

(a) The Parties acknowledge and agree that this Scope of Work represents the general requirements for the Project to facilitate Next Gen ITS upgrades at various intersections in the City as provided on "Exhibit A" attached hereto and incorporated by reference herein. The Project will include replacing signal detection to add benefits of computer vision (delay, pedestrian counts, red light running, etc.), next gen controller/ATMS, the ATSPMS platform, adding travel time devices, and other technology improvements.

(b) The Project shall be facilitated, managed, and administered by City. City shall take all reasonable actions to ensure that the Project is constructed in a good and workmanlike manner with all reasonable diligence.

5. **Allocation of Project Costs.**

(a) County Project Costs: County shall contribute funds for the Eligible Project Costs which costs are estimated at Two Million Five Hundred Thirty Thousand and 00/100 Dollars ($2,530,000.00). The Parties understand and agree that the Eligible Project Costs may be higher or lower than the estimated costs of Two Million Five Hundred Thirty Thousand and 00/100 Dollars ($2,530,000.00), depending on the needs of the Project.

(1) Payment: Upon City entering into a Contract with a qualified bidder as provided in this Agreement, City shall forward to County a request for payment that includes sufficient detail for County to review and approve. Within thirty (30) days of County's receipt of City's request for payment, County shall remit payment to City in the amount of $2,530,000.00.

(2) Excess Funds: Within thirty (30) days of Completion of the Project, City shall furnish County with an invoice showing a full accounting of the funds expended on the Project. If, after the course of full accounting of the Project referenced above, it is discovered that excess funds were received by City from County for the Project, City shall remit such excess funds that have not been used for County's portion of the Project to County within thirty (30) days of City's full accounting of the Project. County shall place or shift such excess funds as provided in Section 5(b).

(b) City understands and agrees that any funds expended by County for the Project shall be limited to either 100 percent (100%) of the Eligible Project Costs or $2,530,000.00 of the Eligible Project Costs – **whichever is less**. In the event the County's portion of the Eligible Project Costs is under $2,530,000.00, County will place the remainder of such proceeds into a reserve to fund other City Mobility Bond projects or shift the excess proceeds from the Project to another City project that may be experiencing cost overruns.

(c) City further understands and agrees that it shall be responsible for the funding of any and all Non-Eligible Project Costs, including the incremental cost of extending or upsizing any water, wastewater, and drainage facilities, if any. Such incremental cost shall be determined by an alternate bid based on different sizes of said water, wastewater, and drainage facilities. County shall notify City in writing as to which enhancements and improvements for the Project constitute Non-Eligible Project Costs. Upon receipt of County's notification, City shall provide written confirmation to County as to the scope of enhancements and improvements determined to be Non-Eligible Project Costs, and shall be responsible for the funding of the same upon receipt of invoice by County.

6. **Design and Specifications.** City shall select the design engineer and design all aspects of the Project in accordance with City standards and regulations. County, upon reasonable notice to City, shall have the right and opportunity to inspect and review all plans and documents pertaining to the design and construction of the Project, including any maps, plats, records, photographs, reports, and drawing affecting the construction of the Project. County shall provide any comments or feedback regarding the design of the Project to the City no later than thirty (30) days after its review.

7. **Competitive Bid and Award.** Upon completion of final plans and specifications, City will advertise for competitive bids for construction of the Project (together or in separate contracts) in accordance with requirements applicable to City. Upon receipt of bids for the Project, City will notify the County of the amount of the recommended bid ("Notice of Bid"). If the County desires to object to the award of the contract, it must provide written notice to City within fifteen (15) days of County's receipt of the Notice of Bid. Otherwise, the County will be deemed to have approved the award of the contract to the lowest responsible bidder, in City's judgment, who would be most advantageous to the Parties and would result in the best and most economical completion of the Project. City will enter into a contract with the qualified bidder ("Contract"), which may be subject to change orders that increase, decrease, or otherwise alter the Eligible Project Costs under such contract. If City constructs the Project in multiple contracts, the provisions of this Agreement shall apply to each Contract.

8. **Insurance Requirements.** City will require its Contractor's insurance policies to name County, in addition to City, as additional insured on all policies except for Worker's Compensation and Professional Liability. Any such insurance policies shall include at least the following minimum coverage:

   (a) Workers Compensation in accordance with the laws of the State of Texas. Substitutes to genuine Workers' Compensation Insurance will not be allowed.

   (b) Commercial general liability insurance with a limit of not less than $1,000,000 each occurrence and $2,000,000 in the annual aggregate. Policy shall cover liability for bodily injury, personal injury, and property damage and products/completed operations arising out of the business operations of the policyholder.

   (c) Business Automobile Liability coverage applying to owned, non-owned and hired automobiles with limits not less than $1,000,000 each occurrence combined single limit for Bodily Injury and Property Damage combined.

(d) City may require insurance in excess of the amount of coverage set out above, as it deems necessary. In such cases, County shall remain an additional insured.

(e) City shall provide County with proof of insurance required under this section within thirty (30) days of City's award of the Contract(s) for the Project.

9. **Administration of the Project.** After awarding the Contract, City shall administer the Contract for the benefit of the Parties. City shall provide on-site inspection of the construction, administration, and implementation of the Project in accordance with the terms of the Contract(s). City shall approve or deny all applications for payment and requests for extensions of time and shall pay all valid pay applications issued under the Contract(s). City shall approve or deny all change orders submitted under the Contract(s). City shall have the right to terminate the Contract(s) and to enforce its remedies thereunder, as determined by City to be necessary. In the event of any such termination, City shall have the right to complete and/or cause the completion of the Project itself and/or through such other contractor(s) as City determines to be appropriate; provided that all work done in connection with such completion shall be in compliance with City standards for road work. The costs of any necessary and approved completion work shall be considered part of the Project.

10. **Administration of County Funds and Limit of Appropriation.**

(a) The County's sole financial obligation under this Agreement is to provide the funding for the Eligible Project Costs as specified in Section 5 above. The funds provided by the County are from a Mobility Road Bond initiative and no other funds will be available, regardless and irrespective of any cost overruns or unanticipated expenditures.

(b) City has been advised by County, and by execution of this Agreement, City understands and agrees, such understanding and agreement being of the absolute essence of this Agreement, that County shall have available for the Project the total maximum sum of $2,530,000.00 for Eligible Project Costs only. City does further understand and agree, said understanding and agreement also being of the absolute essence of this Agreement, that the total maximum funding that County shall contribute to the Project and the total maximum amount that City and the maximum amount that County will reimburse City hereunder, will not under any condition, circumstance, or interpretation hereof exceed $2,530,000.00 of the Eligible Project Costs.

11. **Appropriation of Funds.** Each Party represents and warrants to the other that, as of the Effective Date of this Agreement, the governing body of each Party hereto has identified, appropriated, and set aside sufficient monies to fund the costs of the Project pursuant to the terms of this Agreement.

12. **Completion of the Project and Ownership/Maintenance of Project Improvements.** Completion of the Project shall occur upon the Parties' final inspection of the Project and certified as complete by City's Engineers. Upon completion of the Project, City, at its sole cost and expense, will be responsible for the perpetual maintenance and repairs relating to all improvements constructed for the Project under this Agreement.

13. **Inspection and Deficiencies.** County shall have the right to enter the Project Site at any time and inspect the work performed by City for the Project, including any work in progress or during the final inspection. Within ten (10) business days of inspection, County shall notify City in writing of any complaints regarding any deficiencies and the quality of workmanship by City for the Project. City shall address and correct such deficiencies within a reasonable time, if City determines that such deficiencies are actionable under the terms of City's Contract(s). County understands and agrees that City is the contracted Party and County shall not provide any direction to City's consultants or contractors, except upon City's written consent. All final decisions regarding the correction of any deficiencies shall be at City's sole discretion.

14. **Inspection of Books and Record**s. City shall permit County, or any duly authorized agent of County, to inspect and examine the books and records of City for the purpose of verifying the work performed for the Project. County's right to inspect such books and records shall survive the termination of this Agreement for a period of four years. Notwithstanding the foregoing, City shall bear no liability or responsibility for deliverables that have been modified post-delivery or used for a purpose other than that for which they were prepared under this Agreement.

15. **Time for Performance and Termination.**

(a) Time for performance of the obligations of City hereunder shall commence as follows:

(1) City shall initiate the design of the Project no later than sixty (60) days after the Effective Date of this Agreement, or within such time as may be extended by written amendment of the Parties.

(2) City shall initiate the construction of the Project, including purchasing equipment related to the Project including replacing signal detection to add benefits of computer vision (delay, pedestrian counts, red light running, etc.), next gen controller/ATMS, the ATSPMS platform, adding travel time devices, and other technology improvements no later than sixty (60) days after bid opening, or within such time as may be extended by written amendment of the Parties.

(b) In the event City determines the Project lacks feasibility or for any other reason elects to forego the construction of the Project, then City shall provide written notice to County of such determination or decision and the Agreement shall automatically terminate.

(c) In the event City fails to initiate the design or construction of the Project within the timeframes provided above, then City shall provide written notice to County of such failure. County, in its sole discretion, may elect to either proceed with its obligations under this Agreement, notwithstanding such delay, or terminate this Agreement and re-allocate its contributions to other County projects.

(d) Upon termination of this Agreement for any reason, City shall refund all amounts provided by County, if any, within thirty (30) days of said termination.

16. **Force Majeure.** In the event either Party is rendered unable, wholly or in part, by Force Majeure to carry out any of its obligations under this Agreement, then, within a reasonable time after the occurrence of such event, but no later than ten (10) days after, the Party whose obligations are so affected (the "Affected Party") thereby shall notify the other in writing stating the nature of the event and the anticipated duration. The Affected Party's obligations under this Agreement shall be suspended during the continuance of any delay or inability caused by the event, but for no longer period. The Affected Party shall further endeavor to remove or overcome such delay or inability as soon as is reasonably possible.

For purposes of this Agreement, Force Majeure includes, but is not limited to: acts of God, strikes, lockouts, or other industrial disturbances, acts of the public enemy, orders of any kind of the government of the United States of America or the State of Texas or any civil or military authority other than a Party to this Agreement, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, severe storms, floods, washouts, drought, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, and any other inabilities of any Party, similar to those enumerated, which are not within the control of the Party claiming such inability, which such Party could not have avoided by the reasonable exercise of due diligence and care.

17. **Notice.** Any and all notices required or permitted under this Agreement shall be in writing and shall be properly addressed and sent via personal delivery, US first class postage prepaid, registered or certified mail, return receipt requested, Federal Express, Express Mail, or other overnight delivery service as follows:

If to County: Fort Bend County Engineering Department
Attn: County Engineer
301 Jackson St., 4th Floor
Richmond, Texas 77469

And

Fort Bend County, Texas
Attn: County Judge
401 Jackson St, 1st Floor
Richmond, Texas 77469

If to City:

City of Sugar Land
Attn: Mayor
2700 Town Center Blvd. N.
Sugar Land, Texas 77479

18. **Entire Agreement and Modification.** This Agreement constitutes the entire Agreement between the Parties and supersedes any and all previous agreements, written or oral, pertaining to the subject matter of this Agreement. This Agreement may only be amended or modified by written agreement executed by both Parties.

19. **No Waiver of Immunity.** Neither the execution of this Agreement nor any other conduct of either Party to this Agreement shall be considered a waiver or surrender of its governmental powers or immunity under the Texas Constitution or the laws of the State of Texas.

20. **Benefit.** This Agreement shall be for the sole and exclusive benefit of County and City and shall not be construed to confer any benefit or right upon any other party.

21. **Applicable Law and Venue.** This Agreement shall be construed according to the laws of the state of Texas. Venue for any claim arising out of or relating to the subject matter of this Agreement shall lie in a court of competent jurisdiction of Fort Bend County, Texas.

22. **Assignment.** Neither Party may assign its rights, duties, or obligations hereunder, without the prior written consent of the other, which consent shall not be unreasonably withheld.

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

24. **Captions.** The section captions used in this Agreement are for convenience of reference only and do not affect the interpretation or construction of the Agreement.

25. **Electronic and Digital Signatures.** The Parties to this Agreement agree that any electronic and/or digital signatures of the Parties included in this Agreement are intended to

authenticate this writing and shall have the same force and effect as the use of manual signatures.

26. **Multiple Counterparts.** This Agreement may be executed in multiple counterparts, each having equal force and effect of an original.

27. **Human Trafficking. BY ACCEPTANCE OF THIS AGREEMENT, CITY ACKNOWLEDGES THAT FORT BEND COUNTY, TEXAS IS OPPOSED TO HUMAN TRAFFICKING AND THAT NO COUNTY FUNDS WILL BE USED IN SUPPORT OF SERVICES OR ACTIVITIES THAT VIOLATE HUMAN TRAFFICKING LAWS.**

28. **Authorization.** This Agreement shall become binding and effective only after it has been authorized and approved by the governing bodies of each Party, as evidenced by the signature of the appropriate authority. Each Party further represents that, by execution of this Agreement, it has been duly authorized by its governing body or other appropriate authority from whom such Party is legally bound to obtain authorization.

{Execution Page Follows}

FORT BEND COUNTY, TEXAS

____
Daniel Wong, County Judge

____
Date

ATTEST:

____
Laura Richard, County Clerk

SUGAR LAND, TEXAS

____
Michael W. Goodrum, City Manager

____
Date

ATTEST:

____
Linda Mendenhall, City Clerk

APPROVED:

____
J. Stacy Slawinski, P.E.,
County Engineer

AUDITOR'S CERTIFICATE

I hereby certify that funds are available in the amount of $___________________ to accomplish and pay the obligation of Fort Bend County, Texas under this Agreement.

____
Robert E. Sturdivant,
County Auditor

EXHIBIT A

(Follows Behind)

City Council Agenda Request
September 1, 2026

Agenda Request No: VI.F.

Agenda of: City Council Meeting

Initiated by: David Whittemore, Assistant Director of Utilities

Presented by: David Whittemore, Assistant Director of Utilities

Responsible Department: Utilities

Agenda Caption:
CONTRACT WITH TROJAN TECHNOLOGIES CORP.
Consideration of and action on authorization of a Contract with Trojan Technologies Corp., in the amount of $697,682.68, for the SWTP replacement of all Rack #1 and Rack #2 membrane filter modules; and authorization of a Budget Amendment in the amount of $697,682.68 to expenditures.

Recommended Action:
Consideration of and action on authorization of a Contract with Trojan Technologies Corp., in the amount of $697,682.68, for the SWTP replacement of all Rack #1 and Rack #2 membrane filter modules; and authorization of a Budget Amendment in the amount of $697,682.68 to expenditures.

Executive Summary:
The Surface Water Treatment Plant (SWTP) utilizes low-pressure membrane filtration modules (98 modules per rack) for pathogen and particulate removal from raw Oyster Creek water. The modules are manufactured by Trojan Technologies Corp. (aka Aria Filtra). The manufacturer's estimated life expectancy for these modules is 10-15 years. Our filters have been in continuous operation for almost thirteen years, since November 2013.

SWTP maintenance staff have already replaced three of the plant's five racks, and wish to finish the required module replacement process by purchasing and exchanging all modules for the last two remaining racks.

Trojan Technologies Corp. is the manufacturer and sole parts and service provider for SWTP's low-pressure membrane system.

The required funding is currently in a utility-restricted cash reserve specific for membrane replacement. A budget amendment of $697,682.68 will be made to move the funding into the Utility Fund surface water operations, repair and maintenance account. This amendment is included in the FY26 Budget Amendment to Projections agenda item.

Staff recommends the award of a contract with Trojan Technologies Corp in the amount of $697,682.68 for the final two rack replacement of 196 membrane filter modules; additionally, a budget amendment in the amount of $697,682.68.

Budget

Expenditure Required: $697,682.68

Current Budget: 0

Additional Funding: 0

Funding Source: 6019150

Account Number (ORG-OBJ-Project): 601-9150-621000

Attachments

1. 1.1 Trojan Technologies Contract_6-16-26 LKM
2. SB-13 (STATE OF TEXAS SENATE BILL 13 VERIFICATION) Form (1) LKM
3. HB-89 - Verification LKM
4. SB-19 (STATE OF TEXAS SENATE BILL 19 VERIFICATION) Form (1) LKM
5. Module Replacement City of Sugar Land 2026
6. City of Sugarland WTP Aria Filtra Sole Source Justification Letter 5-5-2026

CITY OF SUGAR LAND
STANDARD CONTRACT FOR GENERAL SERVICES (MODIFIED)
$100K to $999,999.99
(Rev. 10-15-25)

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

CITY OF SUGAR LAND	**CONTRACTOR**:
By:	**By:** Louis Mattera
Date:	**Date:** July 22, 2026
Title:	**Title:** Aftermarket Sales Manager
	Company: Trojan Technologies
MATTER NUMBER: 9125M APPROVED AS TO FORM: Angelie Maren	

II. General Information and Terms.

Contractor's Name and Address: Trojan Technologies Corp.
839 NY State Route-13
Cortland, NY 13045

Description of Services: Replacement of Microfiltration Modules ("Products") for Rack #1 and Rack #2

Maximum Contract Amount: $697,682.68

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. Invoices are due and payable net 30 days from date of the invoice. 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.

Payment Milestones and Terms: Net 30 Days
10% at Order Acknowledgement
90% at Delivery

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. With respect to any Products returned on cancellation, the City will pay the Contractor a restocking fee not to exceed 5% of the

purchase price of such returned Products. In addition, the City will reimburse Contractor for any direct, non-recoverable costs actually incurred by Contractor prior to receipt of the termination notice, provided that such costs are (a) directly related to the Contract, (b) documented to the City's reasonable satisfaction, and (c) do not include lost profits, overhead, or consequential damages. The City will not be responsible for any other costs, unless expressly agreed to in advance in writing by the City's city manager. The Contractor will provide reasonable documentation to substantiate any restocking fee claimed, and will use commercially reasonable efforts to mitigate any costs associated with returned Products.

(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).

D. Liability and Indemnity. A provision in the Contractor's Additional Contract Documents 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. Notwithstanding the foregoing, any and all indemnification obligations imposed upon Contractor are limited to the extent of those damages proportionately caused by Contractor's breach of the Agreement, negligence, wrongful conduct, or violations of law. Contractor will not be liable for any damages caused by the negligence, misuse or misapplication of goods by any third party, provided that Contractor will remain liable for damages arising from any defect in the goods or services provided, including damages resulting from reasonably foreseeable misuse or misapplication where such misuse results from inadequate or improper instructions, warnings, or Contractor's failure to comply with industry standards. THE TOTAL LIABILITY OF CONTRACTOR AND ITS SUBSIDIARIES, AFFILIATES, EMPLOYEES, DIRECTORS, OFFICERS AND AGENTS ARISING OUT OF PERFORMANCE, NONPERFORMANCE, OR OBLIGATIONS IN CONNECTION WITH THE DESIGN, MANUFACTURE, SALE, DELIVERY, AND/OR USE OF PRODUCTS AND/OR SERVICES IN NO CIRCUMSTANCE INCLUDES ANY LIQUIDATED, PENALTY, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND. THE TOTAL LIABILITY OF CONTRACTOR WILL NOT EXCEED AN AMOUNT THAT IS UNREASONABLY DISPROPORTIONATE TO THE THREE TIMES THE FACE VALUE OF THE CONTRACT, EXCEPT THAT THIS LIMITATION OF LIABILITY DOES NOT APPLY TO CLAIMS FOR DAMAGES ARISING DUE TO CONTRACTOR'S WILLFUL MISCONDUCT OR BREACH OF CONFIDENTIALITY OBLIGATIONS.

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. The City expressly rejects and will not be bound by any additional or conflicting terms or conditions contained or incorporated by reference in Contractor's Proposal attached as Exhibit A-1.

N. Intellectual Property Rights and License. Contractor retains all rights in and to any intellectual property it owned or developed prior to, or independently of, this Contract, and any third-party intellectual property it lawfully acquires, excluding any City data or City confidential information, which will remain the exclusive property of the City. Contractor grants the City a perpetual, non-exclusive, non-transferable, fully paid-up, royalty free license to use such intellectual property and information to the extent necessary and solely for City's use of Products and Services purchased hereunder, and to sublicense such rights to third parties performing work for the City. No City information technology requirements apply, except the extent such requirements specifically apply to equipment being sold to the City. To help ensure mutual compliance with applicable privacy laws, the City will not provide to or share with Contractor any personal data or personally identifiable information. Nothing in this section limits the City's right to disclose any information, including Contractor intellectual property, if such disclosure is required under federal or Texas law or regulation, or by court or administrative order.

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, or that requires notice prior to such disclosure that is not otherwise required by law, 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)

Y. Warranty. Contractor warrants that Products sold hereunder will be free from defects in material and workmanship and will conform to any express written warranty pertaining to the specific goods purchased, for a period of twelve (12) months from delivery. Contractor warrants that Services furnished hereunder will be free from defects in workmanship for a period of ninety (90) days from completion of the services. Any Products repaired or replaced under this warranty will be warranted for the remainder of the original warranty period or ninety (90) days, whichever is longer. Contractor shall bear all costs of shipping and handling for any Products returned due to breach of warranty. Parts provided by Contractor may be new or refurbished parts that are equivalent to new in function and performance. Consumable items subject to normal wear and tear, such as light bulbs, are excluded. The City may elect, in its sole discretion, whether defective Products will be repaired, replaced, or refunded by Contractor. Any warranty hereunder will remain enforceable provided that the City uses the Products in accordance with the manufacturer's operating instructions and does not modify them without Contractor's consent. CONTRACTOR'S WARRANTY CONTAINS THE EXCLUSIVE REMEDIES FOR ANY BREACH OF WARRANTY. CONTRACTOR EXPRESSLY DISCLAIMS ANY REMEDIES OF "COVER", ANY WARRANTY OF TITLE OR WARRANTY AGAINST INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS OF A THIRD PARTY, AND ANY WARRANTIES IMPLIED BY LAW, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

Z. Force Majeure. Either party is excused from performance of its obligations under this Contract to the extent caused by acts or omissions that are beyond its control, including but not limited to Government embargoes, blockages, seizures or freezing of assets, delays, or refusals to grant an export or import license, or the suspension or revocation thereof, or any other acts of any Government; fires, floods, severe weather conditions, or any other acts of God; quarantines; epidemics and pandemics; labor strikes or lockouts; riots; strife; insurrections; civil disobedience or acts of criminals or terrorists; war; material shortages or delays in deliveries to Contractor by third parties. In the event of the existence of any force majeure circumstances, the period of time for delivery, payment terms, and payments under any letters of credit will be extended for a period of time equal to the period of delay. If the force majeure circumstances extend for six months, either party may, at its option, terminate this Contract without penalty and without being deemed in default or in breach thereof.

IV. Additional Terms or Conditions. None.

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. AriaFiltra Proposal – OPP2475682, dated April 17, 2026 (18 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)

<u>EXHIBIT A-1</u>

AriaFiltra Proposal – OPP2475682, dated April 17, 2026

(*See Attached*)

EXHIBIT A-2

Certificate of Interested Persons with Certification of Filing

(*See Attached*)

<u>**EXHIBIT A-3**</u>

House Bill 89 Verification

(*See Attached*)

<u>EXHIBIT A-4</u>

Senate Bill 13 Verification

(*See Attached*)

EXHIBIT A-5

Senate Bill 19 Verification

(*See Attached*)

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. Contractor agrees to waive rights to subrogation in favor of The City of Sugar Land for the Workers Compensation and all Liability policies.

C. Contractor agrees to provide at least thirty (30) days written notice prior to cancellation or non-renewal of the insurance. Contractor agrees to include The City of Sugar Land as an additional insured for all insurance policies.

D. 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.

E. Reserved.

F. Required limits may be satisfied by any combination of primary and umbrella liability insurances.

G. Contractor may maintain reasonable and customary deductibles, subject to approval by The City of Sugar Land.

H. Insurance must be purchased from insurers having a minimum AmBest rating of B+.

I. All insurance must be written on forms filed with and approved by the Texas Department of Insurance. (ACORD 25 2016/03)

J. 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.

K. Upon request, Contractor shall furnish The City of Sugar Land with certificates of insurance.

L. 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
Faxed to: 281 275-2741

INSURANCE REQUIREMENTS

Items marked "X" are required to be provided if award is made to your firm.
Coverages Required & Limits (Figures Denote Minimums)

_X_ Workers' Compensation — Statutory limits, State of TX.
_X_ Employers' Liability — $500,000 per employee per disease / $500,000 per employee per accident / $500,000 by disease aggregate
_X_ Commercial General Liability:

	_X_ 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

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

_X_ 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.
_X_ Professional Liability. Vendor shall carry Professional Liability insurance with an amount of not less than $1M Million Dollars for each claim and in the aggregate. Such policy shall provide coverage for claims arising out of the services provided hereunder by the vendor and/or its subcontractors. Coverage shall be maintained for a period of two years following the termination of this contract.
___ 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, reuseable 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.

STATE OF TEXAS - SENATE BILL 13 VERIFICATION

I, Louis Mattera, the undersigned representative of
(Person name)

Aria Filtra-Trojan Technologies,
(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.

August 3, 2026
DATE

Aftermarket Sales Manager
POSITION / TITLE

Louis Mattera
SIGNATURE OF COMPANY REPRESENTATIVE

FORM MUST BE COMPLETED & SUBMITTED WITH YOUR SUBMITTAL

STATE OF TEXAS - HOUSE BILL 89 VERIFICATION

I, Louis Mattera, the undersigned representative of

(Person name)

Aria Filtra - Trojan Technologies

(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.*

08/03/2026

DATE

Aftermarket Sales Manager

POSITION / TITLE

Louis Mattera

SIGNATURE OF COMPANY REPRESENTATIVE

STATE OF TEXAS - SENATE BILL 19 VERIFICATION

I, Louis Mattera, the undersigned representative of
(Person name)

Aria Filtra-Trojan Technologies,
(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.

August 3, 2026
DATE

Aftermarket Sales Manager
POSITION / TITLE

Louis Mattera
SIGNATURE OF COMPANY REPRESENTATIVE

FORM MUST BE COMPLETED & SUBMITTED WITH YOUR SUBMITTAL

Customer: City of Sugar Land

Scope of Services

Aria Filtra is pleased to propose providing labor and materials described below for replacing 98 Microfiltration Modules on each of 2 filtration racks on the Sugar Land water filtration system, for a total of 196 modules. Module replacement will be performed one rack at a time.

Modules and associated items: Aria Filtra will provide the following materials for module replacement:

- 196 ea Aria Filtra Microfiltration modules
- 4 Gal. Lubricant for module nuts
- 392 ea Module nuts
- 412 ea Module O-rings
- 10 ea XR Gaskets
- 10 ea XR Nuts
- 196 ea Clear couplings
- 196 ea Upper end caps
- 196 ea Lower end caps
- 3 each module wrenches
- 2 each clear coupling wrenches
- 200 each XR hoses
- 200 each 1.0-inch clamps
- 200 each 2.0-inch clamps

Installation Supervision: Aria Filtra will provide a qualified Field Service Engineer (FSE) to supervise and assist with removing the old modules and installing the new modules. This module replacement project will require an additional crew of 3 people for 2 days in addition to the Aria Filtra FSE complete. Additional labor crew is by others.

Overall, Aria Filtra expects this work to take up to 4 days to complete, including set up at the beginning and clean up at the end. As part of this work, Aria Filtra will also provide a new Operating Protocol, and update the system Process & Instrumentation Diagram (P&ID) drawing.

Aria Filtra will provide a new Operating Protocol as part of this work. The Operating Protocol is a document created by Aria Filtra's Process Engineers based on a review of your MF system, together with incoming water quality*, and includes recommended settings and protocols for Flux Maintenance (FM), Enhanced Flux Maintenance (EFM) and Clean-In-Place (CIP) operations. The OP is designed to give operators the information and guidance to achieve optimal system performance results. Potential benefits from following Aria Filtra's Operating Protocols include improved cleanings, increased up time, and extended service life.

To prepare the operating protocol, the customer must provide the following:

- 3 to 12 months' worth of operating data

- Setpoints screenshots

- recent WQ data

- pre-and post-treatment processes and performance data trends like Flux, Flows, TMP, Temperature-Corrected Specific Flux (Permeability), Temperature, Process active code,

- cleaning frequency and concentrations

Copies of both the P&ID and the Operating Protocol will be provided shortly after completion of the installation work.

"*Incoming water quality data is provided by the customer. Necessary data include:

- TOC/DOC

- Metals (Dissolved and Total): Fe, Mn, Al

- Turbidity

- TSS

- Alkalinity

- Hardness

Aria Filtra can provide the comprehensive water quality analysis needed for the Operating Protocol at additional cost.

Change-Out Plan and Schedule

The Aria Filtra Field Service Engineer will arrive at the site a full day before the start of the module removal process to meet with site personnel, review the site where the work will be performed, and make preparations for the module change-out process.

Once full drainage of the cleaned rack has been verified the old modules will be removed and the new ones installed. The old modules will be set aside for disposal. The new modules will need to be drained of preservative prior to installation on the module rack. Aria Filtra will provide a Material Safety Data Sheet for the module preservative upon receipt of order. Disposal of old modules and module preservative is by others.

Once the full set of modules is installed on each rack, the rack will then be filled and rinsed in place to ensure all preservative has been removed from the modules. The FSE will then verify the operating set points, oversee the start-up of the rack, and verify proper operation.

PLEASE NOTE: If the customer has any safety concerns over potential exposure to collected contaminants while working with the old membrane modules, Aria Filtra recommends performing chlorinated EFM's just prior to module removal for change-out and the FSE's arrival on site.

Freight charges are not included.

Disclaimer: This proposal is based on information and conditions known at the time of quotation. AriaFiltra reserves the right to revise this proposal through change order(s) should conditions vary significantly from those known at the time of quotation and require additional work or materials. In the event tariffs or surcharges are imposed following the date hereof that result in cost increases to Aria Filtra, Aria Filtra shall be entitled to an increase in the purchase price in an amount equal to such tariffs or surcharges incurred by Aria Filtra.

Total amount for purchase order: **$697,682.68**
Currency: USD

- Modules are subject to availability at receipt of PO. Delivery to be confirmed at time of order confirmation.

Service Reports: If service reports are required by your site to comply with your company or state regulations, please indicate on your order that service report documents are required. Service reports detailing the visit and recommendations will then be provided.

Materials: This proposal covers parts and services.

Module Recycling: AriaFiltra has invested in a process to recycle modules for short-term and/or less critical applications. If your modules qualify for recycling, AriaFiltra will take possession of them after removal saving the costs associated with module disposal. To determine if your modules qualify for recycling please complete the attached "Module History" questionnaire and return it to AriaFiltra for evaluation. AriaFiltra may request a module for further evaluation based to determine suitability for recycling following review of the information provided**.**

Validity: This proposal is for 30 days (or Specific Date). If a purchase order is not agreed upon by Seller and Buyer within the price validity period, the pricing set forth in this proposal shall not apply.

Module Availability: We are currently experiencing a shortage of modules due to the high global demand for PVDF (the raw material used to manufacture modules). Modules have been allocated for this proposal for the validity period stated above. We cannot guarantee module availability beyond this time. A contract must be executed with agreed upon T&C's to secure the module supply.

Payment Terms and Milestones: Net 30 days

20% at PO Acceptance
80% at delivery

Terms of Sale: Standard Terms and Conditions of Sale Non-Systems – The Americas

Terms of Service: Regular minimum service charge is for a 10-hour day.

Module Warranty: The modules are warrantied for defects in material and workmanship for a period of 12 months from the date of delivery. Where AriaFiltra provides installation and/or installation supervision as part of the replacement module order, the modules carry an extended limited warranty. Please see the Limited Warranty in this document for details.

Service Order acceptance and payment terms: AriaFiltra requires all accounts outstanding beyond 30 days to be paid in full prior to order acceptance. Your account status will be verified at the time of order placement, and you will be notified if you have a balance due. To avoid order processing, goods shipment or service scheduling delays, please insure your account is up to date in advance of placing your order. Charges per the proposal will be billed automatically upon completion of the service, and sign-off of the service report, and become payable within 30 business days of receipt of the invoice.

Changes: AriaFiltra shall not implement any changes in the scope of services described in AriaFiltra's proposal unless the Customer and AriaFiltra agree to the details of the change. Any resulting price, schedule or other contractual modifications, will require a verbal change called into AriaFiltra's Customer Service Department, with a follow up written confirmation. This includes any changes necessitated by a change in applicable law.

A Purchase Order or written authorization to accept the contract of work as described, along with a signed copy of the attached Customer authorization for service is required in advance of Aria Filtra providing the service defined in this proposal.

Please Address Your Order to: AriaFiltra to the below contacts:

Please direct your purchase order to:

For US / Mexico / Latin American Customers	For Canadian Based Customers
Trojan Technologies Corp P.O. Box 5630, 839 State Route 13 Cortland, New York 13045-5630 Phone: 866-475-0115 Email: AriaFiltraCS@TrojanTechnologies.com Attn: Customer Service	**Trojan Technologies** 3020 Gore Rd., London, ON, Canada N5V 4T7 Phone: 866-475-0115 Email: AriaFiltraCS@TrojanTechnologies.com Attn: Customer Service

AriaFiltra Systems Support

To obtain support for your AriaFiltra systems installation, our Customers can contact AriaFiltra via our toll free number at 866-475-0115 or by email to AriaFiltraCS@TrojanTechnologies.com. Through this channel, you gain access to warranty assistance, technical support as well as our service and spares team.

AriaFiltra Customers have access to this 24/7 Service Hotline. AriaFiltra System Engineers are on full-time rotation to provide around-the-clock availability of live technical support. This service is charged at $380 for support time for the first 30 minutes, during normal workday hours between 9:00-AM and 4:00-PM EST, excluding weekends and holidays.

If your system is out of warranty or does not have a 24/7 service support contract, there will be a charge when technical support is to be provided for intervals longer than 30 minutes, or after-hours technical support to resolve the issue. Extensive off-site support will require a purchase order or credit card. Billing is based on a minimum 1-hour charge at AriaFiltra's off-site hourly service rate. You will be asked to provide your credit card number or service contract purchase order number that will be billed at AriaFiltra's Off-Site Service Rates, with a minimum 1-hour charge. If the problem cannot be resolved over the telephone, the Customer can request a AriaFiltra System Service Representative to visit the site location. You will be quoted an Emergency Service Rate and billed for last-minute travel expenses.

Please feel free to call me at your convenience with any questions or comments. We look forward to providing you with field services to assist you with system operation and await your purchase order.

Respectfully Submitted,

AriaFiltra
By: Alexander Braman
Title: Regional Sales Manager
Cell: 720-202-6536
E-mail: alexander.braman@trojantechnologies.com

CUSTOMER AUTHORIZATION FOR SERVICE FORM

I am an authorized representative of the Customer, and I accept the Terms and Conditions of this Service Agreement on behalf of the Customer. I authorize AriaFiltra Systems to perform the work defined in this agreement, and accept the costs and charges defined in this agreement.

Company:

Print Name	**Title/Position**
Signature	**Date**

Purchase Order No. or Reference for Billing:

Requested Date(s) to Schedule Service Visit(s):

(unless deemed emergency service, please allow a 4-week window to accommodate scheduling by Aria Filtra.)

Remit this form & PO# to our AriaFiltra Customer Service email: AriaFiltraCS@TrojanTechnologies.com

Effective Date and Duration: This Agreement will be effective as of the date signed above, and will remain in effect:

- for 12 consecutive months (or as indicated in the annual or multi-year contract)
- or until 30 days after receipt of written notice of termination by either party.

Customer Billing Address:

Customer Shipping Address (Spare Parts):

Customer Comments:

Terms and Conditions of Sale

This document sets forth the Terms & Conditions of Sale for goods manufactured and/or supplied, and services provided, by the seller entity identified on the purchase order ("SELLER") and sold to the original purchaser thereof ("BUYER"). The term "SELLER" includes only SELLER, and none of its affiliates. Unless otherwise specifically stated in a previously-executed written purchase agreement signed by authorized representatives of SELLER and BUYER, these Terms & Conditions of Sale establish the rights, obligations and remedies of SELLER and BUYER which apply to this offer and any resulting order or contract for the sale of SELLER's goods and/or services ("Products").

1. APPLICABLE TERMS & CONDITIONS: These Terms & Conditions of Sale are contained directly and/or by reference in SELLER's proposal, offer, order acknowledgment, packing slip, and/or invoice documents. The first of the following acts constitutes an acceptance of SELLER's offer and not a counteroffer and creates a contract of sale ("Contract") in accordance with these Terms & Conditions of Sale: (i) BUYER's issuance of a purchase order document against SELLER's offer; (ii) acknowledgement of BUYER's order by SELLER; or (iii) commencement of any performance by SELLER pursuant to BUYER's order. Provisions contained in BUYER's purchase documents (including electronic commerce interfaces) that materially alter, add to, or subtract from the provisions of these Terms & Conditions of Sale are not a part of the Contract.

2. CANCELLATION AND RETURN: The whole or any part of this order may be cancelled only with the prior written consent of SELLER. If SELLER does consent to a cancellation, such consent will be given only upon payment of reasonable cancellation charges in an amount determined by SELLER and which will include recovery of costs plus reasonable profit. In addition, with respect to any Products returned on cancellation, BUYER will pay SELLER's cost of placing the returned Products in a saleable condition, sales expenses incurred by SELLER in connection with such returned Products, a reasonable restocking charge and freight costs incurred in connection with the original shipment and in connection with returning such Products to SELLER, all in such amounts as are advised to the BUYER by SELLER. SELLER may cancel all or part of any order prior to delivery without liability if the order includes any Products that SELLER determines may not comply with export, safety, local certification, or other applicable compliance requirements. If SELLER'S offer contains a cancellation schedule, such schedule shall apply in lieu of the cancellation charges stated above.

3. DELIVERY: Delivery will be accomplished FCA SELLER's determined shipping point; or on SELLER's discretion it will ship DDP or DAP foreign port unless otherwise expressly agreed between the parties using Incoterms® 2020. At SELLER's discretion other terms under Incoterms® 2020 may be used as required. In the event of any reference to "prepay and add" the applicable Incoterms® 2020 will be DDP or DAP at SELLER's discretion, while any reference to "collect" will be deemed to be FCA under the Incoterms® 2020 regardless of reference to reference to shipping point. In the event DDP or DAP is used for a transaction SELLER reserves the right to select the carrier and shipping mode. BUYER agrees to pay SELLER for any sales tax, brokerage fees, or other costs incurred as a result of the shipping mode chosen by SELLER. For all intents and purposes the FOB/FOD Legal title and risk of loss or damage pass to BUYER upon transfer to the first carrier, regardless of final destination and mode of transit. SELLER will use commercially reasonable efforts to deliver the Products ordered herein within SELLER's normal lead-time necessary for SELLER to deliver the Products sold hereunder. Upon prior agreement with BUYER and for an additional charge paid by BUYER, SELLER will deliver the Products on an expedited basis. Seller may, in its sole discretion, without liability or penalty, deliver partial

shipments of Products to Buyer and ship the Products as they become available, in advance of the quoted delivery date. If the Products are delivered in installments, then insofar as each shipment is subject to the same Agreement, the Agreement will be treated as a single contract and not severable. Products will be boxed or crated as determined appropriate by SELLER for protection against normal handling and there will be an extra charge to the BUYER for additional packaging required by the BUYER with respect to waterproofing or other added protection. BUYER has sole responsibility for off-loading, storage and handling of the Products at the site. Where BUYER is responsible for any delay in the delivery date or installation date, the earlier of the date of delivery or the date on which the Products are ready for shipment by SELLER may be treated as the delivery date for purposes of determining the time of payment of the purchase price. Moreover, BUYER will be responsible for storage and insurance expenses with respect to such Products. Should BUYER fail to effect pick-up of Product as previously agreed in a timely manner, SELLER may, at its discretion, assess storage charges and a surcharge to the account of BUYER.

4. INSPECTION: BUYER will promptly inspect and accept any Products delivered pursuant to this Contract after receipt of such Products. In the event the Products do not conform to any applicable specifications, BUYER will promptly notify SELLER of such nonconformance in writing. SELLER will have a reasonable opportunity to repair or replace the nonconforming Product at its option. BUYER will be deemed to have accepted any Products delivered hereunder and to have waived any such nonconformance for such Products unless a written notification pursuant to this paragraph is received by SELLER within fourteen (14) calendar days of delivery to BUYER destination on order.

5. PRICES & ORDER SIZES: Prices do not include any charges for services such as insurance; brokerage fees; sales, use, inventory, or excise taxes; import or export duties; tariff special financing fees; value added tax, income, or royalty taxes; consular fees; special permits or licenses; or other charges imposed upon the production, sale, distribution, or delivery of Products. BUYER will either pay any and all such charges or provide SELLER with acceptable exemption certificates, which obligation survives performance under this Contract. Installation, maintenance and any other services which relate to the Products are not included unless specifically set forth in the offer. SELLER reserves the right to establish minimum order sizes and will advise BUYER accordingly. Any orders below the minimum order size are subject to a fee as set out by SELLER. Notwithstanding anything to the contrary set out herein, in the event of any delay to SELLER’s delivery schedule caused by BUYER or its representatives (other than for Force Majeure or delays caused by SELLER), including without limitation, a suspension of work or the project, a postponement of the delivery date or failure to timely issue of a notice of commencement or similar document, then (i) the Purchase Price shall increase by 1% for every month or partial month of such delay and this Agreement shall be construed as if the increased Purchase Price were originally inserted herein, and BUYER shall be billed by SELLER on the basis of such increased Purchase Price, or (ii) SELLER shall have the right to terminate this Contract without penalty.

6. PAYMENTS: All payments must be made in agreed-to currency, normally Canadian or U.S. Dollars. Unless other payment terms are expressly agreed to by SELLER or otherwise required by the SELLER, invoices are due and payable NET 30 DAYS from date of the invoice, without regard to delays for inspection or transportation, with payments to be made by check to SELLER at the address listed in the purchase order or by bank transfer to the account obtainable from SELLER’s Accounts Receivable Manager. In the event payments are not made or not made in a timely manner, SELLER may, in addition to all other remedies provided at law, either: (a) declare BUYER’s performance in breach and terminate this Contract for default; (b) withhold future shipments until

delinquent payments are made; (c) deliver future shipments on a cash-withorder or cash-in-advance basis even after the delinquency is cured; (d) charge interest on the outstanding balance at a rate of 1.5% per month or the maximum rate permitted by law, if lower, for each month or part thereof that there is an outstanding balance plus applicable storage charges and/or inventory carrying charges; (e) repossess the Products for which payment has not been made; (f) pursue other collection efforts and recover all associated costs including reasonable attorney's fees; or (g) combine any of the above rights and remedies as is practicable and permitted by law. BUYER is prohibited from setting off any and all monies owed under this Contract from any other sums, whether liquidated or not, that are or may be due to the BUYER, which arise out of a different transaction with SELLER or any of its affiliates. Should BUYER's financial condition become unsatisfactory to SELLER in its discretion, SELLER may require payment in advance or other security. If BUYER fails to meet these requirements, SELLER may treat such failure as reasonable grounds for repudiation of this Contract, in which case reasonable cancellation charges shall be due to SELLER. BUYER hereby grants SELLER a security interest in the Products, wherever located, and whether now existing or hereafter arising or acquired from time to time, and in all accessions thereto and replacements or modifications thereof, as well as all proceeds of the foregoing, to secure payment in full of all amounts to SELLER, which payment releases the security interest but only if such payment could not be considered an avoidable transfer under applicable laws. The security interest granted hereby constitutes a purchase money security interest under the applicable Uniform Commercial Code or Personal Property Security Act or other applicable law, and SELLER is authorized to make whatever registration or notification or take such other action as SELLER deems necessary or desirable to perfect such security interest. BUYER's insolvency, bankruptcy, assignment for the benefit of creditors, or dissolution or termination of the existence of BUYER, constitutes a default under this Contract and affords SELLER all of the remedies of a secured creditor under applicable law, as well as the remedies stated above for late payment or non-payment.

7. LIMITED WARRANTY: Unless specifically provided otherwise in SELLER's offer, SELLER provides the following Limited Warranty. SELLER warrants that Products sold hereunder will be free from defects in material and workmanship and will, when used in accordance with the manufacturer's operating and maintenance instructions, conform to any express written warranty pertaining to the specific goods purchased, which for Products is for a period of twelve (12) months from delivery. SELLER warrants that services furnished hereunder will be free from defects in workmanship for a period of thirty (30) days from the completion of the services. Products repaired or replaced are not covered by any warranty except to the extent repaired or replaced by SELLER, an authorized representative of SELLER, or under specific instructions by SELLER, in which cases, the Products will be covered under warranty up to the end of the warranty period applicable to the original Products. The above warranties do not include the cost of shipping and handling of returned items. Parts provided by SELLER in the performance of services may be new or refurbished parts functioning equivalent to new parts. Any nonfunctioning parts that are repaired by SELLER shall become the property of SELLER. Except as included in SELLER'S offer, no warranties are extended to consumable items and for normal wear and tear. SELLER's special warranties may include additional limitations. All other guarantees, warranties, conditions and representations, either express or implied, whether arising under any statute, law, commercial usage or otherwise, including implied warranties of merchantability and fitness for a particular purpose, are hereby excluded. The sole remedy for Products not meeting this Limited Warranty is replacement, repair, credit or refund of the purchase price, as determined by SELLER in its sole discretion. This remedy will not be deemed to have failed of its essential purpose so long as SELLER is willing to provide such replacement, credit or refund. To make a warranty claim, BUYER must notify SELLER in writing within 5 days of discovery of the defect in question.

This notification must include a description of the problem, a copy of the applicable operator's log, a copy of BUYER's maintenance record and any analytical results detailing the problem. Any warranty hereunder or performance guarantees shall only be enforceable if (a) all equipment is properly installed, inspected regularly, and is in good working order, (b) all operations are consistent with SELLER recommendations, (c) operating conditions at the installation site have not materially changed and remain within anticipated specifications, and (d) no reasonably unforeseeable circumstances exist or arise. Products manufactured by a third party ("Third Party Product") which are not incorporated into SELLER's Products are not covered by the warranty. With respect to any Third Party Product, the warranty, if any, is provided solely through the manufacturer of such Third Party Product, the terms of which vary from manufacturer to manufacturer and Seller assumes no responsibility on their behalf. For Third Party Products, specific warranty terms may be obtained from the manufacturer's warranty statement.

8. INDEMNIFICATION: Indemnification applies to a party and to such party's successors-in-interest, assignees, affiliates, directors, officers, and employees ("Indemnified Parties"). SELLER is responsible for and will defend, indemnify and hold harmless the BUYER Indemnified Parties against all losses, claims, expenses or damages to the proportional extent caused by SELLER's breach of the Limited Warranty. BUYER is responsible for and will defend, indemnify and hold harmless SELLER Indemnified Parties against all losses, claims, expenses, or damages which may result from accident, injury, damage, or death due to the negligence or misuse or misapplication of any Products or the breach of any provision of this Contract by the BUYER or any third party affiliated or in privity with BUYER.

9. PATENT PROTECTION: SELLER shall further defend and indemnify BUYER Indemnitees from and against all Claims for actual infringement of all letters patent, trademarks, copyright or corresponding rights pertaining to goods provided under the Purchase Order, solely by reason of the sale or normal use of any goods sold to BUYER hereunder as finally determined by a court of competent jurisdiction in any suit for infringement of any U.S. patent. SELLER's warranty as to use patents only applies to infringement arising solely out of the inherent operation of the goods according to their applications as envisioned by SELLER's specifications. In case the goods are in such suit held to constitute infringement and the use of the goods is enjoined, SELLER will, at its own expense and at its option, either procure for BUYER the right to continue using such goods or replace them with non-infringing products, or modify them so they become non-infringing, or remove the goods and refund the purchase price (prorated for depreciation) and the transportation costs thereof. The foregoing states the entire liability of SELLER for patent infringement by the goods. Further, to the same extent as set forth in SELLER's above obligation to BUYER, BUYER agrees to defend, indemnify and hold harmless SELLER for patent infringement related to (x) any goods manufactured to the BUYER's design, (y) services provided in accordance with the BUYER's instructions, or (z) SELLER's goods when used in combination with any other devices, parts or software not provided by SELLER hereunder. Subject to all limitations of liability provided herein, SELLER will, with respect to any Products of SELLER's design or manufacture, indemnify BUYER from any and all damages and costs as finally determined by a court of competent jurisdiction in any suit for infringement of any U.S. or Canadian patent (or European patent for Products that SELLER sells to BUYER for end use in a member state of the E.U. or the U.K.) that has issued as of the delivery date, solely by reason of the sale or normal use of any Products sold to BUYER hereunder and from reasonable expenses incurred by BUYER in defense of such suit if SELLER does not undertake the defense thereof, provided that BUYER promptly notifies SELLER of such suit and offers SELLER either (i) full and exclusive control of the defense of such suit when Products of SELLER only are involved, or (ii) the right to participate in the defense of such suit when products other than those of SELLER

are also involved. SELLER's warranty as to use patents only applies to infringement arising solely out of the inherent operation of the Products according to their applications as envisioned by SELLER's specifications. In case the Products are in such suit held to constitute infringement and the use of the Products is enjoined, SELLER will, at its own expense and at its option, either procure for BUYER the right to continue using such Products or replace them with non-infringing products, or modify them so they become non-infringing, or remove the Products and refund the purchase price (prorated for depreciation) and the transportation costs thereof. The foregoing states the entire liability of SELLER for patent infringement by the Products. Further, to the same extent as set forth in SELLER's above obligation to BUYER, BUYER agrees to defend, indemnify and hold harmless SELLER for patent infringement related to (x) any goods manufactured to the BUYER's design, (y) services provided in accordance with the BUYER's instructions, or (z) SELLER's Products when used in combination with any other devices, parts or software not provided by SELLER hereunder.

10. TRADEMARKS AND OTHER LABELS: BUYER agrees not to remove or alter any indicia of manufacturing origin or patent numbers contained on or within the Products, including without limitation the serial numbers or trademarks on nameplates or cast, molded or machined components.

11. SOFTWARE AND INTELLECTUAL PROPERTY: All licenses to SELLER's separately provided software products are subject to the separate software license agreement(s) accompanying the software media. In the absence of such express licenses and for all other software, SELLER grants BUYER only a personal, non-exclusive license to access and use the software provided by SELLER with Products purchased hereunder solely as necessary for BUYER to enjoy the benefit of the Products. A portion of the software may contain or consist of open source software, which BUYER may use under the terms and conditions of the specific license under which the open source software is distributed. BUYER agrees that it will be bound by all such license agreements. Title to software remains with the applicable licensor(s). All SELLER contributions to the Products, the results of the services, and any other work designed or provided by SELLER hereunder may contain or result in statutory and non-statutory Intellectual Property, including but not limited to patentable subject matter or trade secrets; and all such Intellectual Property remains the sole property of SELLER; and BUYER shall not disclose (except to the extent inherently necessary during any resale of Product sold hereunder), disassemble, decompile, or any results of the Services, or any Products, or otherwise attempt to learn the underlying processes, source code, structure, algorithms, or ideas.

12. PROPRIETARY INFORMATION AND PRIVACY: "Proprietary Information" means any information, technical data, or knowhow in whatever form, whether documented, contained in machine readable or physical components, mask works or artwork, or otherwise, which SELLER considers proprietary, including but not limited to service and maintenance manuals. BUYER and its customers, employees, and agents will keep confidential all such Proprietary Information obtained directly or indirectly from SELLER and will not transfer or disclose it without SELLER's prior written consent, or use it for the manufacture, procurement, servicing, or calibration of Products or any similar products, or cause such products to be manufactured, serviced, or calibrated by or procured from any other source, or reproduce or otherwise appropriate it. All such Proprietary Information remains SELLER's property. No right or license is granted to BUYER or its customers, employees or agents, expressly or by implication, with respect to the Proprietary Information or any patent right or other proprietary right of SELLER, except for the limited use licenses implied by law. In respect of personal data supplied by BUYER to SELLER, BUYER warrants that is duly authorized to submit and disclose these data, including but not limited to obtaining data subjects´ informed consent. SELLER will manage BUYER's information and personal data in accordance

with its Privacy Policy, a copy of which is available to BUYER upon request. In respect of other data and information that SELLER may receive in connection with BUYER´s use of the Products including without limitation data that are captured by the Products and transmitted to SELLER, BUYER hereby grants SELLER a non-exclusive, worldwide, royalty-free, perpetual, non-revocable license to use, compile, distribute, display, store, process, reproduce, or create derivative works of such data as needed for Product operation and maintenance, and to aggregate such data for use in an anonymous manner, solely to facilitate marketing, sales and R&D activities of SELLER and its affiliates.

13. SPECIAL TOOLS, DIES, JIGS, FIXTURES AND PATTERNS: Any tools, dies, jigs, fixtures, patterns and similar items which are included or required in connection with the manufacture and/or supply of the Products will remain the property of SELLER without credit to the BUYER. SELLER assumes the cost for maintenance and replacement of such items and shall have the right to discard and scrap any such item after it has been inactive for a minimum of one year, without credit to the BUYER.

14. CHANGES AND ADDITIONAL CHARGES: SELLER reserves the right to make design changes or improvements to any products of the same general class as Products being delivered hereunder without liability or obligation to incorporate such changes or improvements to Products ordered by BUYER unless agreed upon in writing before the Products' delivery date. SELLER shall not be obligated to implement any changes or variations in the scope of work described in SELLER's scope of supply unless BUYER and SELLER agree in writing to the details of the change and any resulting price, schedule or other contractual modifications. This includes any changes or variations necessitated by a change in applicable law occurring after the effective date of this Agreement including these Terms.

15. SITE ACCESS / PREPARATION / WORKER SAFETY / ENVIRONMENTAL COMPLIANCE: In connection with services provided by SELLER, BUYER agrees to permit prompt access to equipment. BUYER assumes full responsibility to backup or otherwise protect its data against loss, damage or destruction before services are performed. BUYER is the operator and in full control of its premises, including those areas where SELLER employees or contractors are performing service, repair, and maintenance activities. BUYER will ensure that all necessary measures are taken for safety and security of working conditions, sites, and installations during the performance of any services. BUYER is the generator of any resulting wastes, including without limitation hazardous wastes. BUYER is solely responsible to arrange for the disposal of any wastes at its own expense. BUYER will, at its own expense, provide SELLER employees and contractors working on BUYER's premises with all information and training required under applicable safety compliance regulations and BUYER's policies. SELLER has no responsibility for the supervision or actions of BUYER's employees or contractors or for non-SELLER items (e.g., chemicals, equipment) and disclaims all liability and responsibility for any loss or damage that may be suffered as a result of such actions or items, or any other actions or items not under SELLER's control.

16. LIMITATIONS ON USE: BUYER will not use any Products for any purpose other than those identified in SELLER's catalogs and literature as intended uses. Unless SELLER has advised the BUYER in writing, in no event will BUYER use any Products in drugs, food additives, food, or cosmetics, or medical applications for humans or animals. In no event will BUYER use in any application any Product that requires FDA 510(k) clearance unless and only to the extent the Product has such clearance. BUYER will not sell, transfer, export, or re-export any SELLER Products or technology for use in activities which involve the design, development,

production, use, or stockpiling of nuclear, chemical, or biological weapons or missiles, nor use SELLER Products or technology in any facility which engages in activities relating to such weapons. Unless the “shipto” address is in California, U.S.A., the Products are not intended for sale in California and may lack markings required by California Proposition 65; accordingly, unless BUYER has ordered Products specifying a California ship-to address, BUYER will not sell or deliver any SELLER Products for use in California. Any warranty granted by SELLER is void if any goods covered by such warranty are used for any purpose not permitted hereunder.

17. EXPORT AND IMPORT LICENSES AND COMPLIANCE WITH LAWS: Unless otherwise expressly agreed, BUYER is responsible for obtaining any required export or import licenses necessary for Product delivery. BUYER will comply with all laws and regulations applicable to the installation or use of all Product, including applicable import and export control laws and regulations of the U.S., E.U., and any other country having proper jurisdiction, and will obtain all necessary export or import licenses in connection with any subsequent export, re-export, transfer, and use of all Product and technology delivered hereunder. BUYER will not sell, transfer, export, or re-export any SELLER Product or technology for use in activities which involve the design, development, production, use or stockpiling of nuclear, chemical, or biological weapons or missiles, nor use SELLER Product or technology in any facility which engages in activities relating to such weapons. BUYER will comply with all local, national, and other laws of all jurisdictions globally relating to anti-corruption, bribery, extortion, kickbacks, or similar matters which are applicable to BUYER’s business activities in connection with this Contract, including but not limited to the U.S. Foreign Corrupt Practices Act of 1977, as amended (the “FCPA”). BUYER agrees that no payment of money or provision of anything of value will be offered, promised, paid, or transferred, directly or indirectly, by any person or entity, to any government official, government employee, or employee of any company owned in part by a government, political party, political party official, or candidate for any government office or political party office to induce such organizations or persons to use their authority or influence to obtain or retain an improper business advantage for BUYER or for SELLER, or which otherwise constitute or have the purpose or effect of public or commercial bribery, acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any improper advantage, with respect to any of BUYER’s activities related to this Contract. SELLER asks BUYER to “Speak Up!” if aware of any violation of law, regulation, or our Code of Conduct (“CoC”) in relation to this Contract. See https://www.veraltointegrity.com and https://www.veralto.com/integrity-compliance for a copy of the CoC and for access to our Helpline portal.

18. RELATIONSHIP OF PARTIES: BUYER is not an agent or representative of SELLER and will not present itself as such under any circumstances, unless and to the extent it has been formally screened by SELLER’s compliance department and received a separate duly-authorized letter from SELLER setting forth the scope and limitations of such authorization.

19. FORCE MAJEURE: SELLER is excused from performance of its obligations under this Contract to the extent caused by acts or omissions that are beyond its control, including but not limited to Government embargoes, blockages, seizures or freezing of assets, delays, or refusals to grant an export or import license, or the suspension or revocation thereof, or any other acts of any Government; fires, floods, severe weather conditions, or any other acts of God; quarantines; epidemics and pandemics; labor strikes or lockouts; riots; strife; insurrections; civil disobedience or acts of criminals or terrorists; war; material shortages or delays in deliveries to SELLER by third parties. In the event of the existence of any force majeure circumstances, the period of time for delivery, payment terms, and payments under any letters of credit will be extended for a period of time equal to

the period of delay. If the force majeure circumstances extend for six months, SELLER may, at its option, terminate this Contract without penalty and without being deemed in default or in breach thereof.

20. NON-ASSIGNMENT AND WAIVER: BUYER will not transfer or assign this Contract or any rights or interests hereunder without SELLER's prior written consent. Failure of either party to insist upon strict performance of any provision of this Contract, or to exercise any right or privilege contained herein, or the waiver of any breach of the terms or conditions of this Contract, will not be construed as thereafter waiving any such terms, conditions, rights, or privileges, and the same will continue and remain in force and effect as if no waiver had occurred. This Agreement is for the sole benefit of the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of these Terms.

21. FUNDS TRANSFERS: BUYER and SELLER both recognize that there is a risk of banking fraud when individuals impersonating a business demand payment under new mailing or banking transfer instructions. To avoid this risk, BUYER must verbally confirm any new or changed mailing or banking transfer instructions by calling SELLER and speaking with SELLER's Accounts Receivable Manager before transferring any monies using the new instructions. Both parties agree that they will not institute mailing or banking transfer instruction changes and require immediate payment under the new instructions, but will instead provide a ten (10) day grace period to verify any mailing or banking transfer instruction changes before any new or outstanding payments are due using the new instructions.

22. LIMITATION OF LIABILITY: None of SELLER, its successors-in-interest, assignees, affiliates, directors, officers, and employees will be liable to any BUYER Indemnified Parties under any circumstances for any special, treble, incidental, or consequential damages, including without limitation, damage to or loss of property other than for the Products purchased hereunder; damages incurred in installation, repair, or replacement; lost profits, revenue, or opportunity; loss of use; losses resulting from or related to downtime of the Products or inaccurate measurements or reporting; the cost of substitute products; or claims of any of BUYER's Indemnified Parties' customers for such damages, howsoever caused, and whether based on warranty, contract, and/or tort (including negligence, strict liability or otherwise). The total liability of SELLER, its successors-in-interest, assignees, affiliates, directors, officers, and employees arising out of the performance or nonperformance hereunder, or SELLER's obligations in connection with the design, manufacture, sale, delivery, and/or use of Products, will in no circumstance exceed the amount actually paid to SELLER for Products delivered hereunder.

23. APPLICABLE LAW AND DISPUTE RESOLUTION: All issues relating to the construction, validity, interpretation, enforcement, and performance of this agreement and the rights and obligations of SELLER and the BUYER hereunder shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein; provided that if SELLER is Trojan Technologies Corp., then the applicable governing laws shall be the State of New York and the applicable federal laws therein. Any provisions of the International Sale of Goods Act or any convention on contracts for the international sale of goods shall not be applicable to this agreement. The parties submit to and consent to the non-exclusive jurisdiction of courts located in the Province of Ontario; provided that if SELLER is Trojan Technologies Corp., then the parties submit to and consent to the non-exclusive jurisdiction of courts located in the State of New York.

24. ENTIRE AGREEMENT, MODIFICATION, & SURVIVAL: These Terms & Conditions of Sale constitute the entire agreement between the parties and supersede any prior agreements or representations, whether oral or

written. Upon thirty (30) days prior written notice, SELLER may, in its sole discretion, elect to terminate any order for the sale of Products and provide a pro-rated refund for any pre-payment of undelivered Products. No change to or modification of these Terms & Conditions shall be binding upon SELLER unless in a written instrument specifically referencing that it is amending these Terms & Conditions of Sale and signed by an authorized representative of SELLER. SELLER rejects any additional or inconsistent Terms & Conditions of Sale offered by BUYER at any time, whether or not such terms or conditions materially alter the Terms & Conditions herein and irrespective of SELLER's acceptance of BUYER's order for the described goods and services. All payment, confidentiality and indemnity obligations, warranties, limitations of liability, product return, and ownership of materials provisions together with those sections the survival of which is necessary for the interpretation or enforcement of these Terms, shall continue in full force and effect for the duration stated in such provisions or the applicable statute of limitations.

TERMS AND CONDITIONS COVERING SALES OF CONFIGURED-TO-ORDER PROJECTS AND SYSTEMS

In addition to all terms and conditions above, unless otherwise addressed as part of SELLER's offer, the following sections apply to sales of Configured-to-Order Projects, Systems, and the like, except for any Aria Filtra Products:
101. PAYMENT.

101.1 Payments will be made per the schedule of payment events set forth in SELLER's offer; provided that if the Start-Up Date (as defined below) is less than 30 days after the Delivery Date, 90% of the purchase price is due before the Start-Up Date.

101.2. In the event that achievement of a scheduled payment event is delayed or suspended due to the BUYER's convenience or other reasons for which the BUYER or its representatives is responsible, such payment event will be deemed to have occurred and SELLER shall be entitled to invoice BUYER as if achievement of such payment event had been achieved. In such circumstances, BUYER must notify SELLER in writing of the reasons for the delay and anticipated duration of the delay. SELLER will mark the Products (or parts thereof) as the BUYER's property and BUYER shall make arrangements for a third party to store the Products at BUYER's cost.

102. DELIVERY

102.1 SELLER will request the BUYER to provide a firm date for delivery of the Products to the project site (the "Delivery Date") which SELLER will then use to establish the production schedule for the Products. The Delivery Date will then be binding on the BUYER except for any changes made in accordance with the provisions below.

102.2 SELLER reserves the right to reschedule the Delivery Date to a date prior to or subsequent to the scheduled Delivery Date in order to accommodate its shipping, production or other requirements. This right to reschedule will be applicable unless otherwise agreed to in writing by an authorized officer of SELLER. SELLER will provide the BUYER or its representative with a minimum of 24 hours' notice of any such rescheduling.

102.3 Where any change to the Delivery Date is made at BUYER's request and upon SELLER's agreement, for all purposes with respect to the warranty and payment requirements provided by SELLER in connection with the Products, the initial Delivery Date will be deemed to be the Delivery Date regardless of any change later made to the Delivery Date.

103. ACCEPTANCE

103.1 During the period between the Delivery Date and the Start-up Date, the BUYER shall prepare the Products and the project site for installation and start-up and, unless otherwise agreed in writing by an authorized representative of SELLER, shall complete acceptance testing with respect to the Products. The Products shall be deemed to be accepted on the earliest to occur of the following dates (the "Acceptance Date"): (a) that date on which the Products can function in either manual or automatic operation and provide treatment in accordance with criteria specified in the Quotation, or (b) 60 days after the Delivery Date.

103.2 All amounts which remain owing by the BUYER for the Products, including any amount which is specified to be payable on the Acceptance Date, will be paid by the BUYER to SELLER within 30 days after the Acceptance Date, unless otherwise agreed in writing by an authorized representative of SELLER.

103.3 Written notification must be given by the BUYER to SELLER within seven days after the Acceptance Date listing any outstanding deficiencies with respect to the Products and SELLER will use all reasonable efforts to correct such deficiencies promptly.

104. START-UP

104.1 SELLER will request a firm date for start-up of the Equipment (the "Start-Up Date"). Trojan will then schedule its technician to be on-site for the Start-up Date. The Start-up Date is binding except for any changes made in accordance with the provisions below.

104.2 On the Start-up Date, BUYER must have the Equipment and site ready as provided in the Installation Preparation Checklist contained in the Contractor Installation Package sent to BUYER and must have paid all amounts then due and payable to SELLER.

104.3 BUYER can request a rescheduling of the Start-up Date by notifying SELLER in writing not less than three weeks prior to the Start-up Date. BUYER may request that the Start-up Date be extended but may not request that the Start-up Date be moved forward. SELLER requires a minimum extension period of two weeks between the existing Start-up Date and the requested new Start-up Date in order to reschedule its technician.

104.4 SELLER may, in its sole discretion, agree to reschedule the Start-up Date where a BUYER requests less than a two-week extension but is under no obligation to do so. In the event that SELLER does agree to less than a two- week extension or that BUYER requests more than two changes to the Start-up Date, BUYER will be charged an administration fee in an amount determined by SELLER.

104.5 SELLER reserves the right to reschedule the Start-up Date to a date which is prior to or subsequent to the scheduled Start-up Date in order to accommodate its resource availability. This right to reschedule will be applicable unless otherwise agreed in writing by an authorized officer of SELLER. SELLER will provide BUYER or its representative with a minimum of 72 hours' notice of any such change to the Start-up Date.

104.6 In the event that SELLER'S technician arrives at the project site and finds that the Equipment or the project site is not ready for start-up as defined in the Contractor Installation Package, or any amounts then due and payable to SELLER remain unpaid, BUYER may either:

(a) provided all amounts then due and payable to SELLER have been paid, issue a purchase order for all costs involved in having SELLER correct the deficiencies, or

(b) have SELLER'S technician leave the site and then reschedule the Start-up Date to a date when all deficiencies will be corrected, and the Equipment will be ready for start-up as defined in the Contractor Installation Package. If BUYER selects this option, the cost of rescheduling will be not less than a minimum amount specified by SELLER, with the final cost being determined by SELLER based on its costs and expenses incurred in connection with the rescheduling.

Aria Filtra UNA620A Limited Warranty

The following warranty applies to Aria Filtra UNA620A module. The warranty is only valid with respect to a new UNA620A that is purchased as: (i) a component of a new system, or (ii) a replacement component, and that is handled, installed, maintained, and operated in strict accordance with the Seller's Operations and Maintenance Manual (“O&M Manual”).

Seller warrants to Buyer that the title to the goods conveyed shall be proper, its transfer rightful, and free from any security interest, lien, or other encumbrance upon delivery.

Ten (10) (YEAR: Five (5) YEAR ABSOLUTE AND Five (5) YEARS PRO-RATED)

a. In addition to the foregoing, Seller warrants to Buyer that during the Module Warranty Period (as defined herein), the membrane modules, when properly installed, maintained, and operated at ratings, specifications, and conditions specified by the Contract documents and Seller's O&M Manual., will be free from defects in material and workmanship. The "Module Warranty Period” shall commence upon the delivery of the membrane modules and shall expire One Hundred and Twenty (120) months after delivery of the membrane modules.
b. Owner and Seller will work together to optimize the specific operating protocol to be used including number of racks online, flow rates per rack, cleaning technique and cleaning set points with the goal of achieving excellent long-term performance. Any change in operational conditions, including feedwater chemistry or contaminants will require Seller's review to determine the potential impact on this warranty.
c. If, during the Module Warranty Period, the membrane modules fail to perform as outlined by the Contract documents during the Absolute Replacement Period (as defined herein), Seller will be given the opportunity to remedy the situation by modifying operating and/or cleaning protocol. If Seller is not able to remedy the situation, Seller will repair or replace those modules that do not perform if they are removed from service due to poor performance.
The **“Absolute Replacement Period”** shall commence upon the delivery of the membrane modules and shall expire after Sixty (60) calendar months.
d. If the membrane modules fail to perform as outlined by the Contract documents during the Prorated Replacement Period (as defined herein), Seller will be given the opportunity to remedy the situation by modifying operating and/or cleaning protocol.
The “**Prorated Replacement Period**” shall commence upon the expiration of the Absolute Replacement Period and shall terminate upon expiration of the Module Warranty Period.
If Seller is not able to remedy the situation or repair the modules, Seller will replace those modules at the following replacement price:
Replacement Module Price = (Seller’s current module price) * (number of months from delivery/ number of months in the Module Warranty Period)
e. Seller is committed to continuous development of its filters and filter processes. Should membrane technology improve, for example via changes in the permeability or operating flux rates of the membranes, Seller reserves the right to provide a suitable number of alternative membrane replacements during the term of our warranty and beyond.
f. In order to maintain this Limited Module Warranty validity, Clean-in-place (“CIP”) must be conducted by the Buyer at the interval and conditions as stated in Seller's O&M Manual, or as may be modified as stated herein this Limited Module Warranty. Buyer must also follow other applicable requirements for the modules in the Seller’s O&M Manual.
g. Seller's liability under this Limited Membrane Warranty is limited solely (in Seller's discretion) to replacing (FCA original shipping point), repairing, or issuing credit for products that become defective during the Module Warranty Period.
i. In order to assert any Limited Module Warranty claim, Buyer must provide the detailed influent water quality log to ensure it meets the influent quality agreed upon in the initial agreement.
j. No Modules shall be returned to the Seller without the Seller’s prior written consent, but if the Seller so requests in writing, the Buyer to which the same was delivered must promptly ship to the Seller any of the applicable Modules for which claim has been made under this Limited Warranty, and reasonable shipment costs incurred by the Buyer shall be reimbursed by the Seller if the claim is determined by the Seller to be valid. No arrangements between the Seller and any of its or their customers or end-users of Modules shall have the effect of modifying the foregoing.
k. Warranty does not cover fiber damage due to foreign debris.

Trojan Technologies Corp.
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Cortland, NY 13045-5630 USA
866-475-0115 phone ▪ 607.758.4526 fax
www.ariafiltracs@trojantechnologies.com

May 5, 2026

City of Sugar Land, TX
John Bailey
Director, Plant Operations
111 Gillingham Lane
Sugar Land, TX 77478

RE: Sole Source Provider

Aria Filtra formally Pall Water is now a division of Trojan Technologies Corp. as of Oct. 2, 2023, is the sole source provider of specific equipment, ancillary components, and programming incorporated into your Microfiltration System. The sole source products/services include but are not limited to the following:

- UNA-620A Modules and associated fittings as it relates to installation of these filters.
- Aftermarket Service execution on the Aria Filtra MF Maintenance Agreements including Inspection, CIP, 24/7 Technical Phone Support and associated hardware and training packages, i.e. "Field Service"
- Proprietary controls and associated hardware for the MMI & SMC Positioner.
- Integration programming within the existing filtration equipment on site in operation.

The Aria Filtra proposal, for the Sugar Land WTP – Microfiltration System in addition to membrane filtration system racks, with UNA-620A Modules only available from Aria Filtra and associated controls programing for the complete integration of the plant operation are proprietary in nature and protected under Aria Filtra intellectual property.

Please feel free to contact me if you have any further questions.

Tia Cline

Tia Cline
Aftermarket Inside Sales Manager
Phone: 607-289-2355
Email: tcline@trojantechnologies.com

City Council Agenda Request
September 1, 2026

Agenda Request No: VI.G.

Agenda of: City Council Meeting

Initiated by: Alence Poudel, Engineering Manager

Presented by: Alence Poudel, Engineering Manager, Jessie Li, Executive Director

Responsible Department: Engineering

Agenda Caption:
Consideration of and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-35:** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE SUBMISSION OF A PROPOSAL TO THE WATER RESEARCH FOUNDATION, FOR THE RISK-BASED PRIORITIZATION OF CRITICAL VALVES USING LIMITED UTILITY DATA AND MACHINE LEARNING (RFP 5410); AND DESIGNATING THE CITY MANAGER, OR HIS DESIGNEE, AS AUTHORIZED OFFICIAL TO SUBMIT THE PROPOSAL AND EXECUTE ALL RELATED CONTRACTS.

Recommended Action:
Approve Resolution No. 26-35 authorizing the submission of a proposal for grant application to the Water Research Foundation (WRF) for Risk-Based Prioritization of Critical Valves Using Limited Utility Data and Machine Learning (RFP 5410), and designating the City Manager, or his designee, as the authorized official to submit the proposal and execute all related contracts.

Executive Summary:
Valves are critical water system assets, but historically they have often been evaluated or rehabilitated as part of broader water main programs rather than as a separate asset class. While the City replaces valves annually through routine operations and maintenance, valve failure can independently create significant consequences, including water loss through leakage, service interruptions, emergency repair costs, additional staff time, traffic and operational impacts, and damage to customer confidence and the City's reputation.

The City has not previously completed a system-wide valve assessment that evaluates risk and uncertainty to determine where failures are most likely, where the consequences would be greatest, and which actions should be prioritized proactively. This research would provide a structured way to understand the condition and risk profile of the City's valve inventory, improve maintenance and capital planning, and direct limited resources to the assets that matter most for reliable service.

The Water Research Foundation (WRF) issued a Request For Proposal (RFP) No. 5410 for a research project focused on developing a practical method to prioritize critical utility valves when complete condition and failure data are not available. The proposed research would combine commonly available utility asset information, machine learning, hydraulic modeling, network connectivity, and uncertainty analysis to estimate the likelihood and consequence of valve failure.

The project is expected to produce a risk-based prioritization framework and an open-source, user-friendly tool that can support valve inspection, maintenance, rehabilitation, replacement, and capital improvement planning. It would also help identify the minimum data needed for reliable decision-making. The anticipated project duration is 30 to 36 months from contract start.

Participation would benefit the City by creating a clearer, defensible basis for proactive valve management. The resulting approach could help reduce unplanned outages and water loss, improve emergency response and service continuity, optimize staff time and future capital investment, and strengthen the City's ability to explain and prioritize infrastructure decisions. It would also position Sugar Land as a contributing utility in applied national research and demonstrate leadership in data-informed asset management.

This effort supports the City's current strategic initiatives, particularly Boosting Community Reputation and Enhancing Suburban Community. Reliable infrastructure and proactive asset management support a high-quality resident experience, reinforce confidence in City services, and help maintain Sugar Land's reputation as a well-managed and resilient community. The project may also support broader goals related to operational excellence, responsible financial management, innovation, and long-range infrastructure planning.

WRF will provide up to $300,000 for the project. The applicant must provide additional resources equal to at least 33 percent of the WRF award. Staff anticipates satisfying most or all of the required contribution through eligible City in-kind support, such as staff time, utility data, technical review, participation in workshops and model validation, and other project support. This approach is intended to minimize the need for new capital funding while allowing the City to receive the full benefit of the project.

The Engineering and Utility Department requests City Council approval of Resolution No. 26-35 to authorize submission of the proposal for grant application to WRF and designate the City Manager, or his designee, to submit the proposal and execute related contracts. The final City commitment will be limited to the scope, contribution, and terms included in the approved proposal and available appropriations.

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 26-35_Water Research Foundation

RESOLUTION NO. 26-35

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, AUTHORIZING THE SUBMISSION OF A PROPOSAL TO THE WATER RESEARCH FOUNDATION, FOR THE RISK-BASED PRIORITIZATION OF CRITICAL VALVES USING LIMITED UTILITY DATA AND MACHINE LEARNING (RFP 5410); AND DESIGNATING THE CITY MANAGER, OR HIS DESIGNEE, AS AUTHORIZED OFFICIAL TO SUBMIT THE PROPOSAL AND EXECUTE ALL RELATED CONTRACTS.

WHEREAS, the City Council of the City of Sugar Land ("City") finds it is in the best interest of the citizens of the City to submit a proposal to the Water Research Foundation for the Risk-Based Prioritization of Critical Valves Using Limited Utility Data and Machine Learning (RFP 5410) to develop a practical, risk-based framework to estimate valve failure risk using available utility data, hydraulic modeling, and uncertainty analysis to prioritize critical assets for maintenance, rehabilitation, and capital improvement planning while identifying the minimum data needed for reliable decision-making; NOW THEREFORE,

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

Section 1. That the City Council authorizes the submission of a proposal to the Water Research Foundation for the Risk-Based Prioritization of Critical Valves Using Limited Utility Data and Machine Learning (RFP 5410).

Section 2. That the City Manager, or his designee, is designated as an authorized official to submit a proposal to the Water Research Foundation and execute all related contracts.

APPROVED on ____________________________, 2026.

____
Carol K. McCutcheon, Mayor

ATTEST:

APPROVED AS TO FORM:

____
Linda Mendenhall, City Clerk

WRF
8/5/2026

City Council Agenda Request
September 1, 2026

Agenda Request No: VI.H.

Agenda of: City Council Meeting

Initiated by: Meredith Riede, City Attorney

Presented by: Meredith Riede, City Attorney

Responsible Department: Legal

Agenda Caption:
Consideration and action on **CITY OF SUGAR LAND RESOLUTION NO. 26-36**: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS FINDING THAT SIENERGY GAS LLPS STATEMENT OF INTENT TO INCREASE RATES FILING WITHIN THE CITY SHOULD BE DENIED AND FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY.

Recommended Action:
Approve Resolution 26-36 denying SiEnergy's requested rate increase

Executive Summary:
On May 4, 2026, SiEnergy Gas, LLC filed a Statement of Intent to increase gas rates within the incorporated areas it serves. SiEnergy requested an increase of approximately $4 million, or 31.4% over its current adjusted revenues, excluding gas costs. SiEnergy also provided notice of its intent to consolidate its operations and assets with the other members of SiEnergy Holding, LLC.

In May, the cities served by SiEnergy jointly hired consultants to review the rate filing. The consultants identified several expenses they determined were unreasonable and recommended significant reductions to SiEnergy's requested increase. Based on the consultants' review, the Cities' attorneys recommend that all Cities participating in the joint review adopt a Resolution denying SiEnergy's requested rate change.

Under the law, cities have 125 days from the initial filing to take final action on the application. By the agreement of the parties, this deadline was suspended until September 4, 2026.

If the Resolution is adopted, SiEnergy will have 30 days to appeal the decision to the Railroad Commission of Texas (RRC). The appeal will be combined with SiEnergy's pending rate filing for its unincorporated service areas and for cities that have given up their rate-setting authority, which is already before the RRC.

Budget

Expenditure Required: None

Current Budget: NA

Additional Funding: NA

Funding Source: NA

Account Number (ORG-OBJ-Project): NA

Attachments

1. SiEnergy Gas, LLC Rate Case 2026 Denial Resolution 26-36

RESOLUTION NO. 26-36

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS FINDING THAT SIENERGY GAS, LLC'S STATEMENT OF INTENT TO INCREASE RATES FILING WITHIN THE CITY SHOULD BE DENIED AND FINDING THAT THE CITY'S REASONABLE RATE CASE EXPENSES SHALL BE REIMBURSED BY THE COMPANY.

WHEREAS, the City of Sugar Land, Texas ("City") is a gas utility customer of SiEnergy Gas, LLC ("SiEnergy" or "Company") within the incorporated areas served by SiEnergy, and a regulatory authority with an interest in the rates and charges of SiEnergy; and

WHEREAS, the City is a member of Cities Served by SiEnergy (such participating cities are referred to herein as "Cities"), a coalition of similarly situated cities served by SiEnergy that have joined together to efficiently and cost effectively review and respond to natural gas issues affecting rates charged by the Company; and

WHEREAS, on or about May 4, 2026, SiEnergy filed with the City a Statement of Intent to increase gas rates, seeking to increase natural gas revenues by $4 million within the Company's incorporated areas and consolidate its operations and assets with the other members of SiEnergy Holding, LLC; and

WHEREAS, Cities has coordinated its review of SiEnergy's Statement of Intent filing and designated attorneys and consultants to resolve issues in the Company's filing; and

WHEREAS, through review of the application, Cities' consultants determined that SiEnergy's proposed rates are excessive; and

WHEREAS, Cities' members and attorneys recommend that members deny the Statement of Intent; and NOW, THEREFORE,

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

Section 1. That the rates proposed by SiEnergy to be recovered through its gas rates charged to customers located within the City limits are hereby found to be unreasonable and shall be denied.

Section 2. That the Company shall continue to charge its existing rates to customers within the City.

Section 3. That the City's reasonable rate case expenses shall be reimbursed in full by SiEnergy.

Section 4. That it is hereby officially found and determined that the meeting at which this Resolution is passed is open to the public as required by law and the public notice of the time, place, and purpose of said meeting was given as required.

Section 5. That a copy of this Resolution shall be sent to SiEnergy representatives June M. Dively and Daniel Cross, SiEnergy Gas, LLC, 13215 Bee Cave Pkwy, Suite B-250, Bee Cave, Texas 78738 (junedively@sienergy.com and dancroll@sienergy.com), and to Jamie L. Mauldin at Lloyd Gosselink Rochelle & Townsend, P.C., 816 Congress Avenue, Suite 1900, Austin, Texas 78701 (jmauldin@lglawfirm.com).

PASSED AND APPROVED this __________ day of ___________________, 2026.

____
Carol K. McCutcheon, Mayor

ATTEST:

____
Linda Mendenhall, City Clerk

APPROVED AS TO FORM:

City Council Agenda Request
September 1, 2026

Agenda Request No: VI.I.

Agenda of: City Council Meeting

Initiated by: Linda Mendenhall, City Clerk

Presented by: Carol McCutcheon, Mayor

Responsible Department: Admin

Agenda Caption:
APPOINTMENT OF A TIRZ NO. THREE CHAIR
Consideration of and action on the appointment of Council Member Jim Vonderhaar to serve as Chair of the Tax Increment Reinvestment Zone Number Three Board of Directors for a term ending December 31, 2026.

Recommended Action:
Staff recommends that the City Council appoint Council Member Jim Vonderhaar as Chair for a term ending December 31, 2026.

Executive Summary:
Tax Increment Reinvestment Zone No. Three (TIRZ No. Three) was created in 2009 to assist with the redevelopment of the former Imperial Sugar Refinery site and surrounding property. The Board consists of five members who serve two-year terms. Pursuant to the ordinance creating TIRZ No. Three, City Council annually appoints a member of the Board to serve as Chair for a one-year term beginning January 1 of each year. Staff recommends the appointment of City Council Member Jim Vonderhaar to serve as Chair for a term ending December 31, 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

None

City Council Agenda Request
September 1, 2026

Agenda Request No: VII.A.

Agenda of: City Council Meeting

Initiated by: Jennifer Alexander, Business Development Manager

Presented by: Alba Penate-Johnson, Assistant Director of Economic Development

Responsible Department: Economic Development

Agenda Caption:
PUBLIC HEARING 5:30 P.M.: Receive and hear all persons interested in an ordinance regarding the proposed designation of approximately 3.3544 acres of property located in the Sugar Land Business Park as Reinvestment Zone No. 2026-01. The proposed designation would establish the property as a reinvestment zone for purposes of considering economic development incentives.

FIRST CONSIDERATION: Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2412:** AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, DESIGNATING THE REAL PROPERTY CONSISTING OF 3.3544 ACRES TRACT OF LAND DESCRIBED ALL OF COMMERCIAL RESERVE "E" IN THE SUGAR LAND BUSINESS PARK PARCEL 167, REPLAT OF RESERVES "C" AND "E", IN THE BROWN & BELKNAP LEAGUE ABSTRACT NO. 15, PLAT NO. 20070283, FORT BEND COUNTY, TEXAS, AS A REINVESTMENT ZONE NO. 2026-01.

Recommended Action:
HOLD A PUBLIC HEARING AND APPROVE ON FIRST READING ORDINANCE NO. 2412, DESIGNATING THE REINVESTMENT ZONE NO. 2026-01 FOR A 3.3544 ACRES TRACT OF LAND, DESCRIBED ALL OF COMMERCIAL RESERVE "E", LOCATED IN THE SUGAR LAND BUSINESS PARK PARCEL 167, REPLAT OF RESERVES "C" AND "E", IN THE BROWN & BELKNAP LEAGUE ABSTRACT NO. 15, PLAT NO. 20070283, FORT BEND COUNTY, TEXAS (SOUTH OF GROVE WEST BLVD AND WEST OF DAIRY ASHFORD RD AND NORTHWEST OF SOUTHMEADOW DR).

Executive Summary:
DeliverIt is investing approximately $11,850,000 to expand their operations and establish a FDA-registered, cGMP-compliant 503B outsourcing facility in the Sugar Land Business Park. The 60,000 square-foot facility will produce ready-to-use sterile medications in commercial-scale batch quantities for distribution to hospitals, ambulatory surgery centers, oncology infusion centers, pain management clinics, and physician offices across Texas, with plans to expand

distribution nationally.

In July 2026, the Sugar Land Development Corporation (SLDC) unanimously approved a $1,300,000 performance-based incentive, and the reimbursement of permitting fees not to exceed $140,085, distributed over a 10-year agreement to support DeliverIt's expansion in Sugar Land.

Incentive payments are tied to verified performance metrics, including job creation and capital investment, ensuring accountability and alignment with the City's economic development objectives. The agreement also contains clawback provisions if they do not meet the agreed-upon performance metrics.

To support Fort Bend County's (the County) proposed tax abatement for the DeliverIt project, staff is recommending the designation of Reinvestment Zone No. 2026-01 encompassing 3.3544 acres, described all of Commercial Reserve "E". A reinvestment zone is a defined geographic area designated by local government as eligible for economic development incentives, such as property tax abatements, in accordance with the Texas Tax Code. Because the project site is located within the city's taxing jurisdiction, the city must designate the reinvestment zone. The designation of this zone is a required step for the County to proceed with its tax abatement agreement for DeliverIt's expansion.

The designation of Reinvestment Zone No. 2026-01 will encourage significant new capital investment within Sugar Land, support the creation of high-wage jobs, and promote development of a greenfield parcel in the Sugar Land Business Park. Additionally, the project will diversify the City's tax base and stimulate long-term economic vitality.

The Economic Development Department recommends the City Council hold a public hearing and approve the first reading of Ordinance No. 2412, designating Reinvestment Zone No. 2026-01 for a 3.3544 acres tract of land, described all of Commercial Reserve "E", located in the Sugar Land Business Park parcel 167, replat of Reserves "C" and "E", in the Brown & Belknap League abstract No. 15, Plat No. 20070283, Fort Bend County, Texas (South of Grove West Blvd and West of Dairy Ashford Rd and Northwest of Southmeadow Dr). A second reading and approval of the reinvestment zone will be held at an upcoming city council 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. Notice of Public Hearing - Reinvestment Zone 1 (1)

2. Ordinance 2412_Reinvestment Zone 2026-01 rev 081926

NOTICE OF PUBLIC HEARING REINVESTMENT ZONE NO. 2026-01 FOR A 3.3544 ACRES TRACT OF LAND LOCATED IN COMMERCE RESERVE “E” IN THE SUGAR LAND BUSINESS PARK PARCEL 167, REPLAT OF RESERVES “C” AND “E”, IN THE BROWN & BELKNAP LEAGUE ABSTRACT NO. 15, PLAT NO. 20070283, FORT BEND COUNTY, TEXAS, SOUTH OF GROVE WEST BLVD AND WEST OF DAIRY ASHFORD RD AND NORTHWEST OF SOUTHMEADOW DR.

City Council Public Hearing 6:00 p.m., September 1, 2026, City Hall City Council Chamber, 2700 Town Center Boulevard North, Sugar Land, Texas, 77479 to hear all persons interested in the designation of Reinvestment Zone No. 2026-01 for 3.3544 acres of land described all of Commercial Reserve “E” of SUGAR LAND BUSINESS PARK PARCEL 167, REPLAT OF RESERVES “C” AND “E” IN THE BROWN & BELKNAP LEAGUE ABSTRACT NO. 15, according to the map or plat thereof recorded in Plat No. 20070283, of the Plat Records of Fort Bend County, Texas, South Grove West Blvd and West of Dairy Ashford Rd and Northwest of Southmeadow Dr.

Details of and feedback on proposed Reinvestment Zone No. 2026-01 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.

Reinvestment Zone Map

Zone

AUGUST 2026

0 55 110 220 330 440 Feet

This map has been produced from various sources. Every effort has been made to ensure the accuracy of this map. However, the City of Sugar Land assumes no liability or damages due to errors, or omissions. This product is for informational purposes and may not have been prepared for, or be suitable for legal, engineering, or surveying purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries. If any errors are detected, please contact the GIS Division of Information Technology at (281)275-2379.

GIS
City of Sugar Land
Geographic Information System

ORDINANCE NO. 2412

AN ORDINANCE OF THE CITY OF SUGAR LAND, TEXAS, DESIGNATING THE REAL PROPERTY CONSISTING OF 3.3544 ACRES TRACT OF LAND DESCRIBED ALL OF COMMERCIAL RESERVE "E" IN THE SUGAR LAND BUSINESS PARK PARCEL 167, REPLAT OF RESERVES "C" AND "E", IN THE BROWN & BELKNAP LEAGUE ABSTRACT NO. 15, PLAT NO. 20070283, FORT BEND COUNTY, TEXAS, AS A REINVESTMENT ZONE NO. 2026-01.

WHEREAS, the Property Redevelopment and Tax Abatement Act (Tax Code § 312 et seq.) authorizes cities to designate reinvestment zones and enter into tax abatement agreements with the owners of qualifying properties in reinvestment zones; and

WHEREAS, the zone is eligible for tax abatement, either through the City or another taxing jurisdiction; and

WHEREAS, a public hearing, for which notice was given as required by law, was held at which interested persons were given an opportunity to present evidence for and against the designation of the zone; and

WHEREAS, the City Council has found that the improvements sought to be located in the proposed reinvestment zone are feasible and practical and would be a benefit to the land to be included in the zone and to the City after the expiration of a tax abatement agreement; and

WHEREAS, designating a reinvestment zone will be reasonably likely to contribute to the retention or expansion of primary employment or to attract major investment into the zone that would be a benefit to the property located therein and that will contribute to the economic development of the City of Sugar Land; NOW, THEREFORE,

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

Section 1. That the City Council adopts the findings and recitals set forth in the preamble to this Ordinance.

Section 2. That the real property consisting of 3.3544 acres tract of land described all of Commerce Reserve "E", attached hereto and incorporated herein into this Ordinance as Exhibit A, is designated as Reinvestment Zone No. 2026-01.

Section 3. That Reinvestment Zone No. 2026-01 expires five years from the date of this 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:

Attachment: Exhibit A – Property Description

Exhibit A – Property Description

STATE OF TEXAS)

COUNTY OF FORT BEND)

I, ROBERT E. BRYANT, JR., MANAGER OF SUGAR LAND COMMERCE CENTER, LTD., OWNERS AND HOLDERS OF LIENS ON THE 4.35 ACRE TRACT DESCRIBED IN THE ABOVE AND FOREGOING PLAT OF SUGAR LAND BUSINESS PARK PARCEL 167 REPLAT OF RESERVES "C" AND "E", DO HEREBY MAKE AND ESTABLISH SAID SUBDIVISION PLAT OF SAID PROPERTY ACCORDING TO ALL LINES, DEDICATIONS, RESTRICTIONS AND NOTATIONS ON SAID PLAT, AND HEREBY DEDICATE TO THE USE OF THE PUBLIC, FOREVER, ALL EASEMENTS SHOWN THEREON FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED; AND DO HEREBY BIND OURSELVES, OUR HEIRS, AND ASSIGNS TO WARRANT AND FOREVER DEFEND THE TITLE TO THE LAND SO DEDICATED.

FURTHER, I DO HEREBY COVENANT AND AGREE THAT ALL OF THE PROPERTY WITHIN THE BOUNDARIES OF THIS PLAT SHALL BE RESTRICTED TO PREVENT THE DRAINAGE OF ANY SEPTIC TANKS INTO ANY PUBLIC OR PRIVATE STREET, ROAD OR ALLEY OR ANY DRAINAGE DITCH, EITHER DIRECTLY OR INDIRECTLY.

FURTHER, I DO HEREBY COVENANT AND AGREE THAT ALL OF THE PROPERTY WITHIN THE BOUNDARIES OF THIS SUBDIVISION AND ADJACENT TO ANY DRAINAGE EASEMENTS, DITCH, GULLY, CREEK OR NATURAL DRAINAGE WAY SHALL HEREBY BE RESTRICTED TO KEEP SUCH DRAINAGE WAYS AND EASEMENTS CLEAR OF FENCES, BUILDINGS, EXCESSIVE VEGETATION AND OTHER OBSTRUCTIONS TO THE OPERATIONS AND MAINTENANCE OF THE DRAINAGE FACILITY, AND THAT SUCH ABUTTING PROPERTY SHALL NOT BE PERMITTED TO DRAIN DIRECTLY INTO THIS EASEMENT EXCEPT BY MEANS OF AN APPROVED DRAINAGE STRUCTURE.

FURTHER, THIS REPLAT DOES NOT ATTEMP TO ALTER OR AMEND ANY RESTRICTIVE COVENANTS.

IN TESTIMONY WHEREOF, SUGAR LAND COMMERCE CENTER, LTD. HAS CAUSED THESE PRESENTS TO BE SIGNED BY ROBERT E. BRYANT, JR., MANAGER,THEREUNTO AUTHORIZED AND ATTESTED BY Robert E. Bryant, Jr. IT'S Manager, THIS 16th DAY OF October, 2007.

SUGAR LAND COMMERCE CENTER, LTD.

BY ____________________
ROBERT E. BRYANT, JR.
MANAGER

ATTESTED: ____________________
NAME: R D SIMPKINS, JR
TITLE: Manager

STATE OF TEXAS)
COUNTY OF HARRIS)

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED ROBERT E. BRYANT, JR., MANAGER OF SUGAR LAND COMMERCE CENTER, LTD., KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE ABOVE AND FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED AND IN THE CAPACITY THEREIN AND HEREIN SET OUT.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS 16th DAY OF October, 2007

SUZANNE FIELDS NOTARY PUBLIC STATE OF TEXAS EXPIRES 10-22-2011

Suzanne Fields
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

MY COMMISSION EXPIRES: 10-22-2011

STATE OF TEXAS)
COUNTY OF HARRIS)

WE, CAPITAL ONE, NATIONAL ASSOCIATION, OWNERS AND HOLDERS OF LIENS, JOINTLY AND SEVERALLY AGAINST THE PROPERTY DESCRIBED IN THE PLAT KNOWN AS SUGAR LAND BUSINESS PARK PARCEL 167, REPLAT OF RESERVES "C" AND "E", SAID LIENS BEING EVIDENCED BY INSTRUMENTS OF RECORD IN F.B.C.C. FILE NO. 2005127493 AND 2005127496, F.B.C.O.R., DO HEREBY IN ALL THINGS SUBORDINATE OUR INTEREST IN SAID PROPERTY TO THE PURPOSES AND EFFECT OF SAID PLAT AND THE DEDICATIONS AND RESTRICTIONS SHOWN HEREIN TO SAID PLAT, AND ACKNOWLEDGE THAT WE HAVE NOT ASSIGNED THE SAME NOR ANY PART THEREOF.

IN TESTIMONY WHEREOF, CAPITAL ONE, NATIONAL ASSOCIATION HAS CAUSED THESE PRESENTS TO BE EXECUTED BY IT'S DULY AUTHORIZED OFFICER THIS THE 17th DAY OF October, 2007.

CAPITAL ONE, NATIONAL ASSOCIATION

BY: ____________________

STATE OF TEXAS)
COUNTY OF HARRIS)

BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED Paul Rizzuto, AVP OF CAPITAL ONE, NATIONAL ASSOCIATION, KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE ABOVE AND FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED AND IN THE CAPACITY THEREIN AND HEREIN SET OUT.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, THIS 17th DAY OF October, 2007.

RENEE V HILL
Notary Public
STATE OF TEXAS
My Comm. Exp. June 14, 2011

Renee V. Hill
NOTARY PUBLIC IN AND FOR
THE STATE OF TEXAS

MY COMMISSION EXPIRES: 06-14-2011

I, RANDY S. McCLENDON, AM AUTHORIZED UNDER THE LAWS OF THE STATE OF TEXAS TO PRACTICE THE PROFESSION OF SURVEYING, AND CERTIFY THAT THE ABOVE SUBDIVISION IS TRUE AND CORRECT, WAS PREPARED FROM AN ACTUAL SURVEY OF THE PROPERTY MADE UNDER MY SUPERVISION ON THE GROUND AND THAT ALL BOUNDARY CORNERS, ANGLE POINTS, POINTS OF CURVATURE AND OTHER POINTS OF REFERENCE HAVE BEEN MARKED WITH IRON (OR OTHER SUITABLE PERMANENT FERROUS METAL) PIPES OR RODS HAVING A OUTSIDE DIAMETER OF NOT LESS THAN FIVE-EIGHTS (5/8) INCH AND A LENGTH OF NOT LESS THAN THREE (3) FEET.

STATE OF TEXAS REGISTERED R.S. McCLENDON 4079 PROFESSIONAL LAND SURVEYOR

RANDY S. McCLENDON
REGISTERED PROFESSIONAL LAND SURVEYOR
TEXAS REGISTRATION NO. 4079

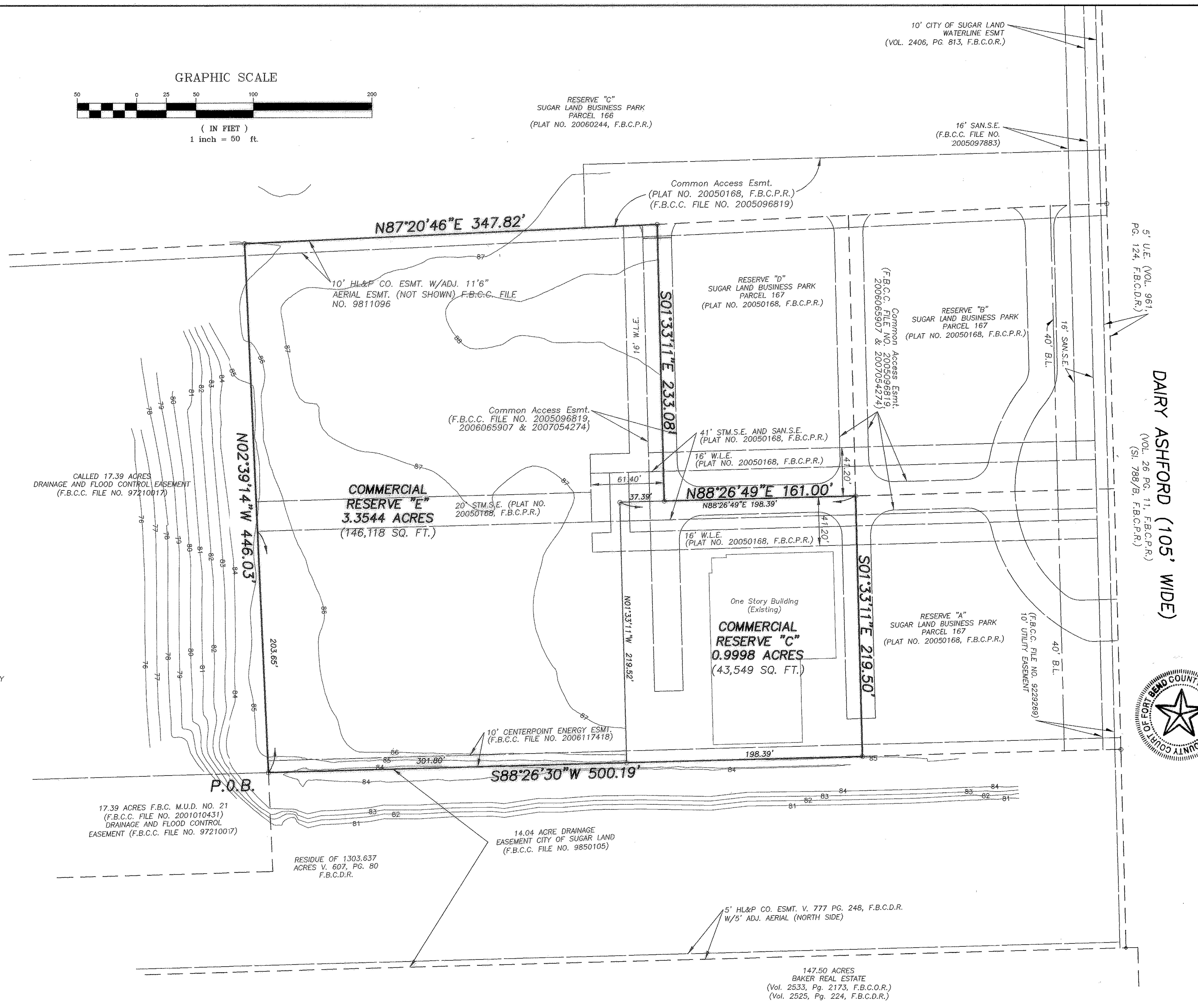
PLAT ATTACH 2007147696
14 PGS

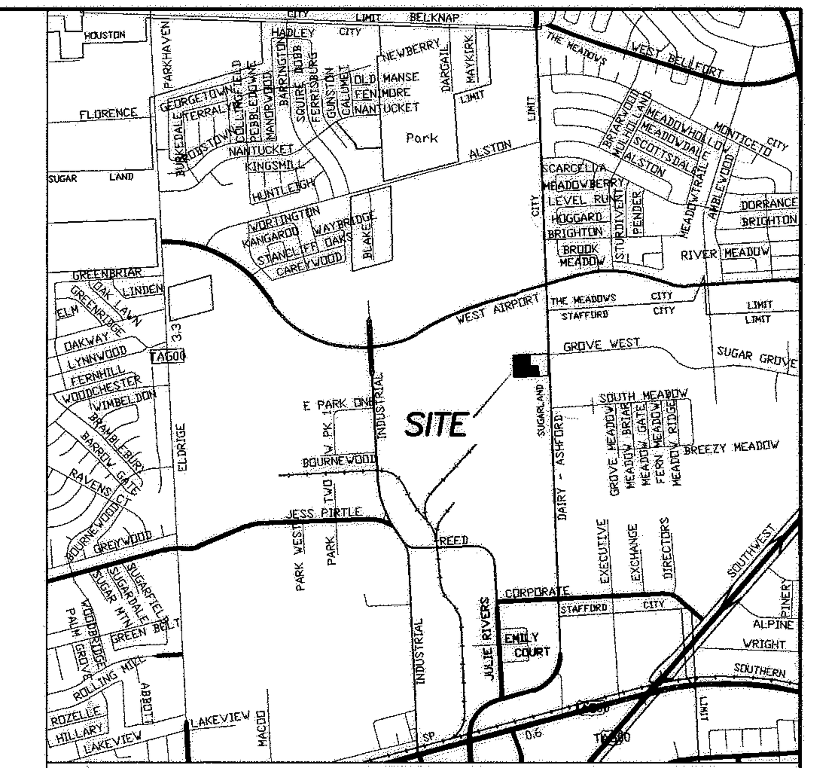
FILED AND RECORDED

OFFICIAL PUBLIC RECORDS

Dianne Wilson

2007 Dec 05 02:34 PM 20070283
TD $100.00
Dianne Wilson COUNTY CLERK
FT BEND COUNTY TEXAS





VICINITY MAP 1" = 1/2 MILE

THIS IS TO CERTIFY THAT THIS PLAT IS A MINOR PLAT UNDER THE PROVISIONS OF THE TEXAS LOCAL GOVERNMENT CODES SECTION 212.0065 AND MEETS ALL THE REQUIREMENTS OF THE SUBDIVISION REGULATIONS SECTION 5-16 CHAPTER 5 OF THE SUBDIVISION REGULATIONS OF THE CITY OF SUGAR LAND. THE CITY OF SUGAR LAND HAS APPROVED AND AUTHORIZES THE RECORDING OF THIS PLAT THIS THE 1st DAY OF November, 2007.

DAVID G. WALLACE, MAYOR

GLENDA GUNDERMANN, CITY SECRETARY

ALLEN BOGARD, CITY MANAGER

CITY OF SUGAR LAND TEXAS 1959

STATE OF TEXAS)
COUNTY OF FORT BEND)

I, DIANNE WILSON, COUNTY CLERK IN AND FOR FORT BEND COUNTY, HEREBY CERTIFY THAT THE FOREGOING INSTRUMENT WITH ITS CERTIFICATE OF AUTHENTICATION WAS FILED FOR RECORDATION IN MY OFFICE ON December 5, 2007, AT 2:34 O'CLOCK P.M., IN PLAT NO. 20070283 OF THE PLAT RECORDS OF SAID COUNTY. WITNESS MY HAND AND SEAL OF OFFICE, AT RICHMOND, TEXAS, THIS DAY AND DATE LAST ABOVE WRITTEN.

DEPUTY
TERRY DRAKE

DIANNE WILSON, COUNTY CLERK
FORT BEND COUNTY, TEXAS

FORT BEND COUNTY, TEXAS COUNTY COURT

SUGAR LAND BUSINESS PARK PARCEL 167, REPLAT OF RESERVES "C" AND "E"

4.35 ACRES
A COMMERCIAL DEVELOPMENT

IN THE BROWN & BELKNAP LEAGUE
ABSTRACT NO. 15
FORT BEND COUNTY, TEXAS

BEING ALL OF RESERVES "C" AND "E" IN SUGAR LAND BUSINESS PARK PARCEL 167, PLAT NO. 20050168, F.B.C.P.R.

REASON FOR REPLAT: TO MOVE A PROPERTY LINE. AND RELOCATE A WATERLINE EASEMENT.

1 BLOCK 2 RESERVES

OCTOBER 16, 2007 EE/03-0701P

OWNER:

SUGAR LAND COMMERCE CENTER, LTD.

ROBERT E. BRYANT, JR., MANAGER
2810 REVERE STREET
HOUSTON, TEXAS 77098
(713) 963-0885

SURVEYOR:

TEJAS SURVEYING, INC.
16525 LEXINGTON BLVD., #270
SUGAR LAND, TEXAS 77479
(281) 240-9099

GENERAL NOTES:

1. B.L. INDICATES BUILDING LINE; U.E. INDICATES UTILITY EASEMENT; STM. S.E. INDICATES STORM SEWER EASEMENT; W.M.E. INDICATES WATER MAN EASEMENT; SAN. S.E. INDICATES SANITARY SEWER EASEMENT; H.L.&P.E. INDICATES HOUSTON LIGHTING AND POWER EASEMENT; D.E. INDICATES DRAINAGE EASEMENT; P.L. INDICATES PROPERTY LINE; ESMT INDICATES EASEMENT, F.B.C.O.R. INDICATES FORT BEND COUNTY OFFICIAL RECORDS.

2. BENCHMARK: BRASS DISK IN CONCRETE STAMPED "SUGAR LAND RM013' LOCATED AT THE SOUTH END OF STILES ROAD, NORTH OF HWY 90A, AT THE LIFT STATION. ELEV=79.91', '73 NGVD '29 DATUM

3. ELEVATIONS USED FOR DELINEATING CONTOUR LINES ARE BASED UPON NGVD '29 DATUM, 1973 ADJ.

4. ALL BEARINGS ARE REFERENCED TO TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NAD '83.

5. THIS PLAT WAS PREPARED TO MEET CITY OF SUGAR LAND REQUIREMENTS AND FORT BEND COUNTY.

6. WOOD SHINGLES ARE HEREBY PROHIBITED WITHIN THIS SUBDIVISION.

7. THIS PLAT LIES WHOLLY WITHIN THE FORT BEND COUNTY SUBSIDENCE DISTRICT, THE FORT BEND COUNTY DRAINAGE DISTRICT, THE CITY OF SUGAR LAND, FORT BEND INDEPENDENT SCHOOL DISTRICT, FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 21 AND FORT BEND COUNTY.

8. THIS PROPERTY LIES IN UNSHADED ZONE "X" (AREAS DETERMINED TO BE OUTSIDE THE 500-YEAR FLOOD PLAIN) PER THE FLOOD INSURANCE RATE MAPS, COMMUNITY PANEL NO. 480234 0140K, EFFECTIVE DATE APRIL 20, 2000.

9. APPROVAL OF THIS PLAT WILL EXPIRE ONE YEAR FROM CITY OF SUGAR LAND APPROVAL IF NOT RECORDED IN THE REAL PROPERTY RECORDS OF THE COUNTY OF FORT BEND.

10. THERE ARE NO PIPELINES AND/OR PIPELINE EASEMENTS WITHIN THE LIMITS OF THIS SUBDIVISION.

11. THE DRAINAGE SYSTEM FOR THIS SUBDIVISION SHALL BE DESIGNED TO MEET THE REQUIREMENTS OF THE FORT BEND COUNTY DRAINAGE CRITERIA MANUAL, WHICH ALLOWS STREET PONDING WITH INTENSE RAINFALL EVENTS.

12. PRIOR TO ANY CONSTRUCTION ON SUBJECT RESERVES, LOTS OR TRACTS, THE CITY OF SUGAR LAND SHALL REVIEW AND APPROVE DRAINAGE CALCULATIONS PERFORMED BY A REGISTERED PROFESSIONAL ENGINEER ILLUSTRATING AVAILABLE OUTFALL AND/OR DETENTION CAPACITY.

13. THE MINIMUM SLAB ELEVATION SHALL BE 87.5 FEET ABOVE MEAN SEA LEVEL, ONE FOOT ABOVE TOP OF CURB, OR 1.5 FEET ABOVE NATURAL GROUND, WHICHEVER ELEVATION IS HIGHER. NATURAL GROUND CONTOURS INDICATED ARE PRIOR TO DEVELOPMENT OF THE TRACT.

14. SIDEWALKS SHALL BE CONSTRUCTED AS REQUIRED BY SECTION 6.7 OF THE DESIGN STANDARDS OF THE CITY OF SUGAR LAND. PRIOR TO THE ACCEPTANCE OF STREETS WITHIN THE SUBDIVISION BY THE CITY OF SUGAR LAND, SIDEWALKS SHALL BE CONSTRUCTED BY THE DEVELOPER ALONG ALL STREETS NON-RESIDENTIAL CONSTRUCTION WILL NOT FRONT OR SIDE. COMMERCIAL BUILDING DEVELOPERS SHALL CONSTRUCT SIDEWALKS ALONG STREETS ON NON-RESIDENTIAL CONSTRUCTION FRONT AND ALONG STREETS ON WHICH NON-RESIDENTIAL CONSTRUCTION SIDE. (BEFORE CERTIFICATES OF OCCUPANCY WILL BE ISSUED).

15. SITE PLANS SHALL BE SUBMITTED TO THE CITY OF SUGAR LAND FOR STAFF REVIEW AND APPROVAL PRIOR TO CONSTRUCTION. DRIVEWAY REQUIREMENTS FOR THE LOCATIONS, WIDTHS AND OFFSET FROM AN INTERSECTION AND ANY EXISTING OR PROPOSED DRIVEWAYS, SHALL CONFORM TO THE DESIGN STANDARDS OF THE CITY OF SUGAR LAND.

16. BUILDING HEIGHT RESTRICTIONS SHALL APPLY WHEN NON-RESIDENTIAL PROPERTY ABUTTS RESIDENTIAL PROPERTY AS PER THE DEVELOPMENT CODE REGULATIONS OF THE CITY OF SUGAR LAND.

17. THIS PLAT COMPLIES WITH A CITY PLANNING LETTER PREPARED BY CHARTER TITLE CO., GF NO. 1037000318, EFFECTIVE DATE SEPTEMBER 14, 2007. ONLY EXISTING EASEMENTS LISTED IN THE REPORTS ARE LISTED HEREON.

18. THIS PROPERTY IS ALSO SUBJECT TO RESTRICTIVE COVENANTS SET FORTH IN F.B.C.C. FILE NO. 9640601, 9809048, 2001004707, 2003026148, 2003026158, 2003026160, 2003026182, 2005127493, 2006065906, 2006086058 AND 2007054274, AND IN PLAT NO. 20050168, F.B.C.P.R.

19. THIS PROPERTY IS SUBJECT TO ZONING BY CITY OF SUGAR LAND ORDINANCE AND ALL REGULATIONS SET FORTH THEREIN.

20. ALL LANDSCAPING AND STRUCTURES, INCLUDING FENCES, AT INTERSECTIONS SHALL CONFORM TO THE CITY OF SUGAR LAND AND AASHTO SITE DISTANCE REQUIREMENTS FOR MOTORISTS.

21. NO OWNER OF THE LAND SUBJECT TO AN EASEMENT MAY PLACE, BUILD OR CONSTRUCT ANY PERMANENT BUILDING, STRUCTURE OR OBSTRUCTION OF ANY KIND OVER, UNDER OR UPON THE EASEMENT, PROVIDED THAT SUCH OWNER MAY CROSS OR COVER THE EASEMENT WITH A PAVED DRIVEWAY/PARKING LOT UNDER THE FOLLOWING CONDITIONS. THE DRIVEWAY SHALL BE JOINTED AT THE BOUNDARY LINE OF THE EASEMENT TO LIMIT THE AMOUNT OF PAVING THAT MUST BE REMOVED TO PROVIDE ACCESS, AND THERE SHALL BE NO OBLIGATION OF THE CITY TO REPLACE/REPAIR ANY PAVING REMOVED IN THE EXERCISE OF THIS EASEMENT.

22. STREET LIGHT DESIGN PLANS, IN ACCORDANCE WITH THE CITY OF SUGAR LAND DESIGN STANDARDS SHALL BE SUBMITTED TO THE CITY OF SUGAR LAND FOR STAFF REVIEW AND APPROVAL PRIOR TO INSTALLATION OF STREET LIGHTS.

23. DRIVEWAY REQUIREMENTS FOR THE LOCATIONS, WIDTHS AND OFFSET FROM AN INTERSECTION AND ANY EXISTING DRIVEWAYS OR PROPOSED DRIVEWAYS, SHALL CONFORM TO THE DESIGN STANDARDS OF THE CITY OF SUGAR LAND.

24. AS REQUIRED BY SEC. 5-35F, THE CITY SHALL NOT ISSUE ANY PERMITS FOR CONSTRUCTION WITHIN THE SUBDIVISION WITHIN THE CORPORATE LIMITS, EXCEPT PERMITS TO CONSTRUCT PUBLIC IMPROVEMENTS, UNTIL SUCH TIME AS ALL PUBLIC IMPROVEMENTS OF THE SUBDIVISION HAVE BEEN CONSTRUCTED AND ACCEPTED BY THE CITY OR A CERTIFIED CHECK, PERFORMANCE BOND OR LETTER OF CREDIT IS PROVIDED TO AND ACCEPTED BY THE CITY.

25. CROSS ACCESS FOR ALL RESERVES, PROVIDED UNDER A FORT BEND COUNTY CLERK'S FILE NO. 2005096819 HAS BEEN SUPERSEDED AND REPLACED BY F.B.C.C. FILE NO. 2006065907. DRIVEWAY EASEMENTS ARE ESTABLISHED UNDER F.B.C.C. FILES 2006065906 AND 2007054274.

City Council Agenda Request
September 1, 2026

Agenda Request No: VII.B.

Agenda of: City Council Meeting

Initiated by: Li Su, Senior Budget & Strategy Analyst

Presented by: ShaLae Steadman, Director of Budget

Responsible Department: Budget

Agenda Caption:
PUBLIC HEARING 5:30 P.M.: Receive and hear all persons desiring to be heard on the proposed Ordinance No. 2415 Adopting a Revised Fee Schedule by Amending Chapter 2, Article V, Division 4 (Fees for Various City Services); Chapter 3, Article I, Section 3-3 (Fees for City Response to False Alarm Signal); Chapter 3, Article IX, Division 5, Section 3-167(3); Chapter 4, Article VII (Heliports and Helistops); Chapter 5, Article VI (Telecommunications Providers); Chapter 5, Article VIII, Division 3 (Rates and Charges), Sections 5-246–5-265; Chapter 5, Article VIII, Division 7 (General Conditions of Service), Section 5-310; Chapter 5, Article VIII, Division 12 (Municipal Drainage Utility System), Section 5-413; Chapter 5, Article VIII, Division 13 (Stormwater Coalition); and Chapter 5, Article IX, Division 1 (Fire Protection and Emergency Medical Service Fees Established) of the Code of Ordinances, and Other Matters Related Thereto.

FIRST CONSIDERATION: Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2415:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS ADOPTING A REVISED FEE SCHEDULE BY AMENDING CHAPTER 2, ARTICLE V, DIVISION 4 (FEES FOR VARIOUS CITY SERVICES), CHAPTER 3, ARTICLE I, SECTION 3-3 (FEES FOR CITY RESPONSE TO FALSE ALARM SIGNAL); CHAPTER 3, ARTICLE IX, DIVISION 5, SECTION 3-167(3); CHAPTER 4, ARTICLE VII (HELIPORTS AND HELISTOPS), CHAPTER 5, ARTICLE VI (TELECOMMUNICATIONS PROVIDERS); CHAPTER 5, ARTICLE VIII, DIVISION 3 (RATES AND CHARGES), SECTIONS 5-246-5-265, CHAPTER 5, ARTICLE VIII, DIVISION 7 (GENERAL CONDITIONS OF SERVICE), SECTION 5-310; CHAPTER 5, ARTICLE VIII, DIVISION 12 (MUNICIPAL DRAINAGE UTILITY SYSTEM), SECTION 5-413, CHAPTER 5, ARTICLE VIII, DIVISION 13 (STORMWATER COALITION), AND CHAPTER 5, ARTICLE IX, DIVISION 1 (FIRE PROTECTION AND EMERGENCY MEDICAL SERVICE FEES ESTABLISHED) OF THE CODE OF ORDINANCES, AND OTHER MATTERS RELATED THERETO.

Recommended Action:

Conduct a Public Hearing and Approve on First Reading Ordinance No. 2415, amending fees for various city services.

Executive Summary:
Background

As directed by the Council-adopted Financial Management Policy Statements (FMPS), the Budget Office annually reviews the City's fees and charges to ensure they reflect the cost of providing services and current market conditions. Staff also evaluates opportunities to establish fees for services currently provided without cost recovery.

Charges for services help ensure that individuals and entities benefiting from specific City services contribute toward the cost of providing those services. Given limitations on property tax revenue, user fees are an important component of the City's financial structure and help manage growth in property tax bills.

For FY27, staff used the five-year average change in the Consumer Price Index (CPI) of 3.77% as the standard adjustment for most existing fees. Certain fees are proposed to increase by amounts other than 3.77% when required by contract, supported by a cost-of-service analysis, necessary to align with market rates, or included in a previously approved cost recovery plan.

The FY27 proposed budget also includes new fees for services currently provided without cost recovery and targeted adjustments to utility and service rates. The proposed fee and rate changes were presented to the Finance and Audit Committee on July 7, 2026.

New Fees and Other Adjustments

Animal Services

New medical intake fees are proposed for services routinely provided to animals entering the City's shelter, including deworming, fecal testing, rabies vaccinations, and preventative vaccinations. The proposed fees were benchmarked against peer cities and local organizations and are intended to recover a portion of the associated service costs.

Public Works

Two new fees are proposed to recover administrative and operational costs:

- A No-Show Inspection Fee to recover staff time and resources lost when developers miss scheduled inspections.
- A Nuisance Abatement Administration Fee to recover a portion of the administrative costs associated with correcting unsafe or nuisance conditions in accordance with City Code.

Planning and Development Services

New fees are proposed for the renewal of expired mechanical and plumbing permits. These fees will recover administrative costs associated with zoning verification, permit processing, and permit renewal in accordance with the International Mechanical and Plumbing Codes.

Fire Department

New fees include a Fire Inspection Fee for dialysis centers, clinics, and doctors' offices. New rental options are also proposed for the Public Safety Training Facility, including an entire-building rental rate and a Training Center Attendant Fee when City staffing is required.

Parks and Recreation

A new after-hours pool rental fee is proposed to provide residents with additional access outside normal operating hours. The proposed hourly rental rate does not include required lifeguard staffing.

Special Events

New filming permit application fees are proposed for commercial and feature-film productions. The fees were developed through benchmarking with peer cities and will help recover the administrative costs associated with reviewing and processing filming permits.

Airport

Several new Airport fees are proposed, including rental car customer facility charges, runway closure recovery fees, rental car parking lot fees, customs clearance fees, and aircraft security fees. These fees will help recover operational, maintenance, and security costs while ensuring the Airport remains competitive and prepared for increased activity.

Miscellaneous

A new fee is proposed for Alcoholic Beverage Administrative Reviews to recover the cost of reviewing Alcoholic Beverage Licenses and applicable regulations.

Utility and Service Rates

Water and Wastewater Rates

The annual utility rate review recommends an average overall rate adjustment of approximately 3%, consisting of a 4.5% increase to water and wastewater fixed and volumetric rates and no increase to surface water rates for FY27. Based on typical usage, the recommended adjustments will increase the average monthly residential utility bill by approximately $3.06.

Solid Waste Rates

In accordance with the City's contract with Republic Services, the residential solid waste collection rate will increase by 5%, from $22.97 to $24.12 per month, effective January 1, 2027.

Stormwater Compliance Fee

A 5% increase is proposed for all residential tiers of the Stormwater Compliance Fee. Revenue from the fee supports the City's stormwater compliance activities and the maintenance of drainage infrastructure necessary to meet state and federal regulatory requirements.

Adjustments to Existing Fees

Most existing fees are proposed to increase by the five-year average CPI adjustment of 3.77%. Applying this adjustment will help the City keep pace with increases in personnel, contractual, supply, equipment, and other operating costs while maintaining established levels of service.

Selected fees are proposed to increase above or otherwise vary from the standard CPI adjustment when necessary to better reflect the cost of providing the service, align with market rates, satisfy contractual requirements, or continue previously approved cost recovery strategies.

Animal Services

Selected fees were adjusted to better reflect the cost of providing services and align with rates charged by benchmark cities and local service providers.

Fire-EMS and Special Events

Personnel-related fees were updated based on the current hourly rates and associated costs of the standard positions required to provide each service.

Planning and Development, Public Works, Airport, and Miscellaneous Fees

Selected fees were adjusted to improve cost recovery and more accurately reflect the administrative and operational costs associated with providing the services.

Parks and Recreation

Fees were adjusted as part of the department's approved three-year plan to gradually align rates with market conditions and established cost recovery targets.

Financial Impact

The proposed changes will provide additional revenue to offset inflationary increases in the cost of providing City services, improve cost recovery, and reduce the extent to which services benefiting specific users are subsidized by general tax revenue. Actual revenue will depend on service demand and utilization.

Overall

The proposed FY27 fee schedule primarily consists of:

- A standard 3.77% CPI adjustment for most existing fees;
- New fees for services currently provided without cost recovery;
- Targeted adjustments based on contracts, personnel costs, market comparisons, or cost-of-service considerations; and
- Utility and service rate adjustments necessary to support ongoing operations, regulatory requirements, and infrastructure needs.

Recommendation

Staff recommends approval of the first reading of Ordinance No. 2415 amending the City's schedule of fees and rates for FY27. The second reading will be placed on the September 15, 2026, City Council agenda for consideration. Unless otherwise specified, the proposed fees and rates will become effective January 1, 2027.

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. FY27 Fee Ordinance

ORDINANCE NO. 2415

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS ADOPTING A REVISED FEE SCHEDULE BY AMENDING CHAPTER 2, ARTICLE V, DIVISION 4 (FEES FOR VARIOUS CITY SERVICES), CHAPTER 3, ARTICLE I, SECTION 3-3 (FEES FOR CITY RESPONSE TO FALSE ALARM SIGNAL); CHAPTER 3, ARTICLE IX, DIVISION 5, SECTION 3-167(3); CHAPTER 4, ARTICLE VII (HELIPORTS AND HELISTOPS), CHAPTER 5, ARTICLE VI (TELECOMMUNICATIONS PROVIDERS); CHAPTER 5, ARTICLE VIII, DIVISION 3 (RATES AND CHARGES), SECTIONS 5-246-5-265, CHAPTER 5, ARTICLE VIII, DIVISION 7 (GENERAL CONDITIONS OF SERVICE), SECTION 5-310; CHAPTER 5, ARTICLE VIII, DIVISION 12 (MUNICIPAL DRAINAGE UTILITY SYSTEM), SECTION 5-413, CHAPTER 5, ARTICLE VIII, DIVISION 13 (STORMWATER COALITION), AND CHAPTER 5, ARTICLE IX, DIVISION 1 (FIRE PROTECTION AND EMERGENCY MEDICAL SERVICE FEES ESTABLISHED) OF THE CODE OF ORDINANCES, AND OTHER MATTERS RELATED THERETO.

WHEREAS, on September 1, 2026, the City Council held a public hearing to receive public comments related to the fees contained in this ordinance; and

WHEREAS, Chapter 3, Article I, Section 3-3, Chapter 3, Article IX, Section 3-167(3) and Chapter 4, Article VII are amended solely to relocate the required fees to Chapter 2 and no substantive rights or obligations of any interested parties are affected; NOW THEREFORE:

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

Section 1. That Chapter 2, Article V, Division 4 (Fees for various city services) is amended to read as follows:

DIVISION 4. - FEES FOR VARIOUS CITY SERVICES

Sec. 2-136. Environmental and Neighborhood Services Fees

The fees set out below are adopted for the city services outlined therein:

(a) *Animal services:*

(1) Animal impoundment

a. First impoundment $50.00

b. Second impoundment…$100.00

c. All subsequent impoundments ….$150.00

(2) Shelter fee (per day) $25.00

(3) Dog adoption fee

a. Adult…. $75.00

b. Puppy (under 6 mos) ….$125.00

(4) Cat adoption fee

a. Adult.....$50.00

b. Kitten (under 6 mos) ….$75.00

(5) Initial Registration—Dangerous dog $250.00

Annual Dangerous Dog Renewal fee …. $55.00

Each re-inspection ….$100.00

(6) Initial Registration Aggressive Animal …$250.00

Annual Aggressive Animal Renewal fee…. $55.00

(7) Microchip implant fee

a. Resident $20.00

b. Non-resident …..$25.00

(8) Sterilization fee … amount charged to City by veterinary

The city manager or their designee may reduce or waive the dog adoption fee, cat adoption fee, or both:

a. When the cat or dog population exceeds the animal shelter capacity for dogs or cats; or

b. In connection with adoption events that the city manager or their designee determines serves a public purpose.

The reduction or waiver of the dog or cat adoption fee must be uniformly applied.

(9) Medical Intake fees:

a. De-worming ...$10.00

b. Fecal testing ...$10.00

c. Heartworm Prevention .. $25.00

d. Heartworm Test ...$25.00

e. Core Vaccines ... $25.00

f. Rabies ...$20.00

(b) *Food establishments and inspections*:

(1) Food establishment:

Permit fee, per year:

Low Risk ….$258.00

Medium Risk ….$515.00

High Risk …$773.00

Permit amendment fee, each:

Low Risk: …$125.00

Medium Risk …$250.00

High Risk …$375.00

Late fee…$100.00

(2) School food establishment:

Permit fee …$258.00

Permit amendment fee, each …$125.00

Late fee …$100.00

(3) Temporary Retail Food establishment permit:

Single-day event …$52.00

Multiple events …$200.00

(4) Inspection Application …$150.00

(5) Reinspection fee, each …$200.00

(6) Farmer's Market permit fee, per year …$100.00

(c) *Residential rental property license fees:*

(1) License for apartment complex (per each sub unit) $14.75

(2) License for dwelling unit in single-family dwelling or multifamily (other than apartment).....$100.00

a. First inspection and first re-inspection .....No charge

b. Second re-inspection $74.50

c. Third and each subsequent re-inspection $145.25

(3) No-show inspection fee ….$50.00

(4) Replacement license $10.75

(5) Late rental license renewal $50.00

(d) *Unsafe, dangerous, or nuisance recovery fees:*

The City may assess the actual cost of abating unsafe, dangerous, or nuisance conditions, plus an administrative fee of $50.00, against the property and secure payment by lien in accordance with Chapter 3.

(e) *Solid waste fees, licenses and rates:*

(1) Residential solid waste fees:

a. Residential solid waste services .....$24.12 /month

b. First solid waste cart .....no charge

c. Additional solid waste cart ..... $8.52 /month

d. Recycle cart $0.00

e. Additional recycle cart …..$0.00 per cart/month

f. Cart exchange fee .....$30.39 /cart

g. Cart replacement fee ….$85.09/cart

h. Additional bulk pickup (less than 3 cubic yards) …. $164.09 per pickup

i. Additional bulk pickup (3-5 cubic yards) …..$212.72 per pickup

j. Unusual accumulation rate …..$182.33 per hour + $8.52 disposal fee per yard

k. Disaster Recovery fee …..$1.00 per month

(2) Commercial solid waste fees, rates, and licenses:

a. Commercial solid waste fees and exclusive franchise rates for collection and disposal of commercial solid waste:

Small Business Collection Rates:		
	Monthly Rate Based on Number of Service Days Per Week	
	1	2
95 Cart	$27.96	$32.82

Front End Load Containers:							
	Monthly Rate Based on Number of Service Days Per Week						
	1	2	3	4	5	6	7
2 yard	$118.11	$210.79	$303.52	$396.18	$488.85	$601.05	$713.28

3 yard	$130.52	$230.45	$330.40	$430.36	$530.33	$649.81	$769.31
4 yard	$141.49	$248.72	$355.93	$463.19	$570.40	$697.18	$823.95
6 yard	$168.58	$315.79	$450.01	$568.42	$671.04	$1,011.79	$1,215.78
8 yard	$189.55	$366.31	$530.51	$682.10	$821.05	$1,136.84	$1,473.68
10 yard	$315.79	$600.00	$884.21	$1,094.73	$1,315.79	$1,894.74	$2,578.95

Front End Load Vertical Compactors:							
	Monthly Rate Based on Number of Service Days Per Week						
	1	2	3	4	5	6	7
4 yard	$270.85	$494.08	$615.70	$805.74	$855.15	$912.18	$984.36
6 yard	$393.36	$741.14	$921.96	$1,208.60	$1,282.73	$1,368.24	$1,478.07

Roll Off Container Pricing:				
	Each Haul and Disposal			
	Haul	Disposal	Excess Tonnage (Additional Fee)	Total
Open top:				
Up to 6 tons	$577.36	Included	-	$577.36
Over 6 less than 10 tons	$577.36	$48.02/per ton	$48.02/per ton	$577.36 + $48.02/per ton + Excess Tonnage Fee, if applicable
Delivery – Open Top	$212.72			$212.72
Dry Run	$303.88			$303.88
Compactors				
Up to 7 tons	$650.30	Included	$48.02/per ton	$650.30
Over 7 less than 10 tons	$650.30	$48.02/per ton	$48.02/per ton	$650.30 + $48.02/per ton + Excess Tonnage Fee, if applicable
Dry Run	$303.88			$303.88

Construction & Demolition Roll Off Container pricing, per haul:	
20 yard	$534.83
30 yard	$577.36
40 yard	$619.91

Other Fees:	
Extra Lift	$182.33
Extra Yardage	$72.93
Relocation	$182.33
Delivery	$182.33
Removal	$182.33
Container Swap Out	$182.33
Pull Out Fee (10' Max)	$36.47
Container Lock	$10.94
Enclosure Lock	$10.94
Casters	$18.24
Contamination on Recycle	$151.94

Roll-off Other Fees:	
Minimum Lift Fee	$212.72
Dry Run	$303.88
Delivery	$212.72
Removal	$212.72
Relocation	$212.72

(3) Liquid waste application and license fees:

a. Application for liquid waste hauler's license ….$500.00

b. License fee – 10% of the liquid waste operator's gross revenues

2-137. Community Development Fees

The fees set out below are adopted for the city services outlined therein:

(a) *Building Permits, licenses and inspections:*

*If the contractor begins work prior to the issuance of any required permit, all fees established below are to be doubled. Re-inspections under the building, plumbing, mechanical, or electrical code required as a result of a failure to pass the initial inspection or if the system is not ready for inspection at the requested time will result in a $62.00 fee for the first re-inspection, and each re-inspection thereafter.

(1) Commercial building:

Building permit and plan check fees (based on construction value).

The minimum total fee for any commercial building permit will be $156.00.

a. First $1,000.00 or fraction thereof $156.00

Additional $1,000.00 or fraction thereof, up to and including $50,000.00 .....$8.00

b. First $50,000.00 .....$550.00

Additional $1,000.00 or fraction thereof, up to and including $100,000.00 .....$7.00

c. First $100,000.00 .....$887.00

Additional $1,000.00 or fraction thereof, up to and including $500,000.00 .....$5.00

d. First $500,000.00 .....$2,859.00

Additional $1,000.00 or fraction thereof $2.75

e. Site Work Construction Permit (combined Commercial Building & Site Plan)… … Site plan review fee + Commercial building permit fee + Plan check fee

f. Plan checking fee—One-half of building permit fee when valuation exceeds the minimum permit fee.

g. Plan resubmittal fee

First and second resubmittal …. No charge

Third and each subsequent resubmittal …. 5% of original plan-check fee or $150, whichever is greater

h. Revision fee … $150.00 per revision to approved permit application

(2) Residential building:

Building permit and plan check fees (based on square footage).

a. One-100 square feet .....$57.00 base permit

Additional square feet, up to 500 .....$.75 per square foot

b. 501 square feet .....$286.00 base permit

Additional square feet, up to 1,000 .....$.75 per square foot

c. 1,001 square feet .....$623.00 base permit

Additional square feet, up to 1,500 .....$.75 per square foot

d. 1,500 square feet .....$934.00 base permit

Additional square feet, up to 2,000 .....$.75 per square foot

e. 2,001 square feet .....$1,250.00 base permit

Additional square feet, up to 3,000 .....$.75 per square foot

f. 3,001 square feet .....$1,868.00 base permit

Additional square feet, up to 4,000 .....$.75 per square foot

g. 4,001 square feet .....$2,491.00 base permit

Additional square feet, up to 5,000 .....$1.00 per square foot

h. 5,001 square feet .....$3,373.00 base permit

Additional square feet .....$1.00 per square foot

i. Plan checking fee .....One-half of building permit fee

j. Pool permit $350.00

k. Pool plan check ….$175.00

l. Roof permit $132.00

m. Foundation/piers and pilings $159.00

n. Fence permit .....$96.00 for first 50 feet, $13.00 per additional 50 ft.

o. Generator permit (50kw and larger) …$350.00/$175.00 plan check

(3) Commercial and residential building:

a. Overtime inspections, per hour (minimum of two hours) ... $105.00

b. Moving permit for moving any building or structure . . . $150.00

(4) Demolition permit fees:

a. Commercial:

First 100,000 cubic feet . . . $75.00

Each additional 1,000 cubic feet or fraction thereof…$.75

b. Residential:

Base fee…$75.00

Plan checking fee for The Hill Residential District (HR-1) . . . one-half of residential demolition permit fee

(b) *Plumbing services and gas permit fees:*

(1) Commercial and Residential buildings:

Plumbing expired permit fee: ½ of the original permit fees as outlined in 2024 International Plumbing Code section 105.5.3 Expiration

(2) Commercial building:

a. Plumbing services and gas permit base fee, first $2,000.00 in construction valuation …. $155.75

b. Each additional $1,000.00 of value, or fraction thereof ….$4.50

(3) Residential building:

Base fee of $42.75 plus any number of the following, each:

a. Plumbing fixture or trap or set of fixtures on one trap (including water, drainage piping and backflow protection) $12.75

b. Building sewer $46.00

c. Each sample well $23.25

d. Each water heater and/or vent $12.75

e. Installation of water piping $12.75

f. Installation of water treating/softening equipment $12.75

g. Backflow protective device $12.75

h. Interceptors/separators (each) $46.00

i. Gas permit/inspection fee (GTO) —1 to 3 openings $23.25

j. Gas permit/inspection fee (GTO) —Each additional opening $8.00

k. Storm sewer tie in $76.25

l. Catch basin or outside area drain—First two $23.25

m. Catch basin or outside area drain—each additional installed under same permit $12.75

n. Junction box (each) $12.75

o. Roof drain or outside downspout $12.75

(c) *Irrigation permit fee:*

(1) Residential irrigation system permit $111.00

(2) Commercial irrigation system permit ….$69.25 plus $38.25 per irrigation zone

(d) *Mechanical services fee:*

(1) Commercial and Residential buildings:

Mechanical expired permit fee: ½ of the original permit fees as outlined in 2024 International Mechanical Code section 105.4.3 Expiration

(2) Commercial buildings:

a. Building Permits and Mechanical Services base fee, first $2,000.00 in construction valuation …. $155.75

b. Each additional $1,000.00 of value, or fraction thereof ….$4.50

(3) Residential buildings:

a. Up to 5,000 square feet $137.75

b. 5,001 to 10,000 square feet $194.25

c. 10,001 to 15,000 square feet $281.75

d. 15,001 to 20,000 square feet $564.00

e. 20,001 square feet and above $814.00

f. HVAC replacements $120.00

(e) *Change of occupancy permit* …$60.00

(f) *Electrical services fee:*

(1) Commercial buildings:

a. Building permits and electrical services base fee, first $2,000.00 in construction valuation …. $155.75

b. Each additional $1,000.00 of value, or fraction thereof ….$4.50

(2) Residential buildings:

Building permits and electrical services base fee $46.00

Base fee plus any number of the following, each:

a. Meter loop and service—Up to and including 50 Kw $23.25

b. Meter loop and service—Over 50 Kw through 250 Kw $23.25

c. Meter loop and service—Over 250 Kw $46.00

d. Sub panel with eight or more circuits (each) $12.75

e. Electric heat—Up to and including ten Kw $12.75

f. Electric heat—Over ten Kw .....$12.75 + $2.75 each additional Kw

g. Outlets $2.00

h. Lighting fixtures $2.00

i. Range receptacle $7.75

j. Clothes dryer $7.75

k. Cooking tops $7.75

l. Ovens $7.75

m. Garbage disposals $7.75

n. Dishwasher $7.75

o. Miscellaneous $25.50

p. Motors—Up to and including one Hp $7.75

q. Motors—Over one Hp through ten Hp $12.25

r. Motors—Over ten Hp .....$12.75 + $3.00 each additional Hp

s. Transformers—Up to and including one Kva $3.00

t. Transformers—Over one Kva through ten Kva $12.75

u. Transformers—Over ten Kva .....$12.75 + $3.00 each additional Kva

v. Pole with guy wire (each) $12.75

w. Temporary saw pole $30.75

x. TCI/letter required $46.00

y. Reconnection fee $46.00

z. Water heater (each) $12.50

aa. Electrical underground inspection $23.25

bb. Electrical panel inspection $30.75

(g) *Sign permit and inspection fees:*

(Monuments, walls, wind banners, or other wind devices require a sign permit) Sign permit and inspection base fee $46.00

(1) First $1,000.00 of valuation $22.75

(2) Plus: Additional $1,000.00 of valuation $11.75

(h) *Subdivision Fees:*

(1) Plats:

a. Preliminary plat, base fee per submittal $1,498.25

b. Final plat, base fee per submittal $1,498.25

c. In addition to the base fee above, the following fees apply:

Per each lot $4.00

Per each acre and/or fraction of an acre in reserves $20.75

(2) Replats:

a. Preliminary replat, base fee per submittal $1,392.50

b. Final replat, base fee per submittal $1,392.50

c. In addition to the base fee above, the following fees apply:

Per each lot $4.00

Per each acre and/or fraction of an acre in reserves $20.75

(3) Amending or minor plat/replat, per submittal $662.00

(4) Subdivision variances if not submitted as part of a plat approval, per separate request $969.00

(5) Infrastructure Construction plan review and engineering inspection fee:

a. Plan review, base fee per submittal $401.00

b. In addition to plan review, the following field inspection fees apply:

$0.75/linear foot of installed public water line including appurtenances

$1.25/linear foot of installed gravity or pressurized sanitary sewer line including appurtenances

$2.25/linear foot of installed storm sewer line including appurtenances

$4.00/linear foot of up to 15-ft width sections of pavement installed

$1,559.25 for new lift station installations

(6) General land plan review. Base fee of $3,449.75 per submittal, plus $13.50/acre or fraction of an acre.

No single general land plan review fee will exceed $4,292.00

(7) General land plan minor amendment (no new or revised impact analysis required) $905.75

(8) General land plan major amendment (new or revised impact analysis required) ..... base fee of $2,229.75 per submittal plus a fee of $13.75 /acre or fraction of an acre.

No single general land plan major amendment fee will exceed $5,253.50

(9) Parkland fees in lieu of dedication of land:

a. Per single family lot $465.00

b. Multi-family development per unit $318.75

(i) *Zoning Fees:*

(1) Site plan review. For development of non-single-family sites on platted reserves or lots, per each set of plans

a. Initial submittal $822.00

b. First resubmittal …no charge

c. subsequent resubmittals, each …. $231.75

(2) Site development permit within the mixed-use conservation (MUC) district and/or Hill Area Residential (HR-1) zoning district.....$603.25

(3) Planned development (PD) district fee. Required for general development plans and final development plans. Base fee of $2,390.00 per submittal, plus a fee of $26.75/acre or fraction of an acre, not to exceed $3,491.25 per submittal.

(4) Administrative amendment to PD $269.50

(5) Conditional use permit application fee, per separate request....$2,229.75

(6) Redevelopment Concept Review…

Base fee of $3,214.25 per submittal, plus $12.50/acre or fraction of an acre.

(7) Special exception application fee, per separate request $787.00

(8) Zoning variance to the Zoning Board of Adjustment, if not submitted as part of a plat approval, per separate request.....$960.75

(9) Zoning renotification fee. Required when republication of a zoning hearing is required as a result of an action by the applicant. Fee is based on the actual cost of publication.

Initial deposit …$2,950.00

Plus $6.75 per property owner notified within 200 feet of the area to be considered for rezoning or conditional use permit.

If needed, alternate publication fee…$311.50

*Additional amount owed, or refund based on actual cost of publication;

(10) Zoning appeal to the Zoning Board of Adjustment.....$612.50

(11) Standard rezoning fee, per request $1,497.50

(12) Zoning verification ….$57.75

(j) *Miscellaneous land development fees:*

(1) Development agreement $3,536.50

(2) Annexation petition $4,709.00

(3) Utility District, Public Improvement, or other special district fees:

a. Process petition to create district (other than Public Improvement District) $40,365.75

b. Process petition to acquire or annex land (other than Public Improvement District) $40,365.75

c. Public Improvement District Application … $20,753.75

(4) Driveway variances, per each separate request $626.50

(5) Flood zone development permit fee $134.75

(Fee required unless exempt by state or federal law)

(6) Land disturbance fee $134.75

(7) Vested rights $1,009.75

(8) Fire Station fee …$10.75

(9) Traffic Impact Analysis Plan Review fee, per submittal …. $396.50

(10) Traffic Impact Analysis fee … $10,376.75

Sec. 2-138. Fire Safety and Emergency Medical Services fees:

The fees set out below are adopted for the city services outlined therein:

(a) *Fire safety and inspection fees:*

*If the contractor begins work prior to the issuance of any required permit, all fees established below are to be doubled.

(1) Foster homes $109.00

(2) Day care $137.75

(3) Assisted living/nursing homes $275.00

(4) Medical facilities 25 beds or less $275.00

(5) Medical facilities 26 to 100 beds $550.00

(6) Medical facilities greater than 100 beds $893.00

(7) Dialysis/Clinic/Doctor's Office … $188.00

(8) Fire inspection after hours—Two-hour block $250.00

(b) *Fire safety fees:*

*Governmental agencies are exempt from the payment of fire safety fees.

Fireworks standby permit $525.00

(c) *Fire alarm installation fees, per building:*

Number of devices:

Ten or less $235.00

11 to 25 .....$282.00

26 to 100 .....$376.00

Each additional device over 100 .....$2.50

(d) *Access control fees, per building:*

Number of devices:

Ten or less $235.00

11 to 25 .....$282.00

26 to 100 .....$376.00

Each additional device over 100 .....$2.50

(e) *Fixed fire extinguishing systems:*

(1) Fire sprinkler system, first 50 heads $250.00

Each additional head $2.10

(2) Fire pumps $275.50

(3) Standpipe Systems ….$275.50

(4) Underground sprinkler piping $275.50

(5) Kitchen extinguishing system $342.00

(6) Clean agent extinguishing system $275.00

(f) The charge for the initial required inspection is included in the permit fee. Any re-inspections required as a result of a failure to pass the initial inspection or if the system is not ready for inspection at the requested time, a $188.00 fee will be charged for each re-inspection.

(g) Single-family residential fire sprinkler systems are exempt from the payment of permit fees.

(h) The annual fees for the issuance of operational permits required under the fire prevention code are as follows:

Governmental agencies are exempt from the payment of all fees listed in this subsection.

Each permit $188.00

(i) *Resubmittal/Revision fee* $188.00

(j) *Fire Watch Personnel Fee, per hour*

(1) Assistant Chief….$112.00

(2) Battalion Chief $101.00

(3) Division Chief $129.00

(4) Captain: shift $88.00

(5) Captain: non-shift . . . $131.75

(6) Lieutenant: shift $79.00

(7) Lieutenant: non-shift . . . $116.00

(8) Engineer/Operator ….$66.00

(9) Firefighter . . . $63.00

(k) *Hazardous materials incidents*:

Hazardous material responses are charged for full cost recovery to include:

Actual cost of responder time, including salary and benefits. This includes all responders used to mitigate the emergency, whether on site or at a remote location, as well as those responders that may be requested as a part of mutual aid.

Equipment cost for all equipment usage, based on the most current Federal Emergency Management Administration Schedule of Equipment Rates. This includes equipment usage of entities providing mutual aid.

Actual cost of all materials and consumables used. This includes materials and consumables used by entities providing mutual aid.

Actual cost of equipment decontamination. This includes decontamination of equipment used by entities providing mutual aid.

Actual cost of repair and replacement of damaged equipment. This includes repair and replacement of damaged equipment used by entities providing mutual aid.

(l) *Emergency medical services:*

(1) Definitions:

a. Advanced life support, level 1 (ALS-1): Providing transportation by ground ambulance vehicle, medically necessary supplies and services and either an ALS assessment by ALS personnel or the provision of at least one ALS intervention.

b. Advanced life support, level 2 (ALS-2): Providing either transportation by ground ambulance vehicle, medically necessary supplies and services, and the administration of at least three medications by intravenous push/bolus or by continuous infusion excluding crystalloid, hypotonic, isotonic, and hypertonic solutions (dextrose, normal saline, ringer's lactate); or providing transportation, medically necessary supplies, and services, and the provision of at least one of the following ALS procedures:

1. Manual defibrillation/cardioversion.
2. Endotracheal intubation.
3. Central venous line.
4. Cardiac pacing,

5. Chest decompression,

6. Surgical airway, or

7. Intraosseous line.

c. Basic life support (BLS): Providing transportation by ground ambulance vehicle and the provision of medically necessary supplies and services, including BLS ambulance services as defined by the state.

d. Mileage: The distance traveled by an ambulance from the point where the patient is picked up, to the hospital or to a rendezvous point.

e. Patient: A person who receives an EMS response or a person who receives emergency medical services from the Sugar Land Fire Department.

f. Supplies: Consumable medical supplies that are used by EMS crews in the delivery of services to a patient.

g. Treatment without transport: Providing ambulance-based EMS treatment at the scene of a 911 call where no transport by ambulance to a hospital is made (such as a hypoglycemic patient, refusal by patient or alternate transport to hospital by Life Flight).

(2) Fees:

a. Advanced life support, level 1 (ALS1) A0427.....$2,036.00

b. Advanced life support, level 2 (ALS2) A0433…..$2,230.25

c. Basic life support (BLS) A0429 .....$1,244.25

d. Lift Assist $58.25

e. Mileage (ALS/BLS) (per loaded mile) A0425.....$28.25

f. Treatment without transport A0998.....$169.50

g. Patient care report (PCR) $27.00

h. Supplies:

1. ALS Disposables A0398 ….$432.75

2. BLS Disposables A0382 ….$378.75

3. 02 A0422 ….$135.25

i. EMS services provided outside the corporate city limits of Sugar Land shall incur an additional 20 percent charge in addition to fees billed as an out of city service fee.

Sec. 2-139. Public Property Use Fees

The fees set out below are adopted for the city services outlined therein:

(a) *Recreation*:

(1) Imperial Park Recreation Center (IPRC) and T.E. Harman Senior Center membership fees:

	Resident fee	Nonresident fee
IPRC (ages 10 and over)	$62.50 per year	$191.00 per year
T.E. Harman (ages 50 and over)	$36.00 per year	$191.00 per year
Dual membership	$78.75 per year	$225.00 per year
Lost card replacement	$7.00	$7.00

The director of the parks and recreation department may charge a reasonable fee for any department activity, event, program, or facility rental for which a fee is not already established under this article. The fee must be in an amount necessary to allow the department to recover all reasonable costs to the department associated with administering the activity, event, program, or facility rental, including direct, indirect, and administrative costs where appropriate in context of the general benefit to the community.

(2) Athletic facility fees:

Facility	Deposit	Resident Per Hour	Nonresident Per Hour
Baseball/Softball field (without lights)	$81.50	$56.75	$70.00
Baseball/Softball field (with lights)	$81.50	$85.25	$112.75
Soccer/Football field (without lights)	$81.50	$36.75	$45.25
Soccer/Football field (with lights)	$81.50	$55.25	$72.75
IPRC Exercise Room	$81.50	$39.50	$53.00
IPRC Gymnasium	$408.50	$170.50	$218.25
IPRC Half Gymnasium	$408.50	$81.50	$109.00
Tennis court (without lights)	$20.75	$10.50	$13.00

Pickleball court (without lights)	$10.00	$5.25	$6.50
Pool rental fee	$200 for first 2 hours, $100.00 each additional hour		

Recognized youth sports—50 percent of light bill (brought down to 25 percent of team's investment in field maintenance/improvements)

Recognized swim team—$14.50 per hour of use of swimming pool

Charitable organizations are exempt from the requirement to pay the rental fees set forth in this section for meetings during nonpeak times and for fundraisers if:

a. The organization has applied for and been recognized as a tax-exempt charitable organization by the Internal Revenue Service under section 501(c)(3) or section 501(c)(4) of the Internal Revenue Code;

b. The majority of its directors, officers, organizers, and members are residents of the city;

c. Its charitable purposes are primarily directed at activities or persons located within the city; and

d. The organization complies with the written procedural requirements for receiving a fee exemption as established by the director of the parks and recreation department.

Organizations that do not qualify for an exemption under this section may qualify for an exemption from the requirement to pay the rental fees set forth in this section for fundraising events where 100 percent of all the funds raised provide a direct charitable benefit to the City of Sugar Land or city residents.

The director of the parks and recreation department may negotiate a fee for fence banners at parks with sports fields. This fee will be based on the size, location, and duration of the sign.

(3) Room rental fees:

a. Deposit … $408.50

b. Lost key… $85.25

c. Late change fee:…$85.25

d. Rental Rates (Per Hour):

Facility	**Peak:** **Fri. 5:00 p.m.—Sun. 10:00 p.m.**	**Non-Peak:** **Mon. 8:00 a.m.—Fri. 5:00 p.m.**

	Resident/Nonprofit	Nonresident	Resident	Nonprofit	Nonresident
T.E. Harman Rooms A & B (180)	$196.50	$238.75	$77.00	$119.75	$153.75
T.E. Harman Rooms A-D (250)	$255.75	$324.50	$110.75	$170.25	$222.25
Clyde & Nancy Jacks CC (100)	$94.50	$117.25	$39.50	$63.50	$79.25
Eldridge Park CC (65)	$83.50	$108.00	$34.00	$49.75	$67.00
Lost Creek CC	$64.00	$84.75	$28.75	$42.25	$57.00
Jim Cooper CC	$55.00	$68.00	$20.75	$34.50	$41.00

(4) Park Pavilions, amphitheaters, and Brazos River Park rental rates:

a. Pavilion Rental Rates:

Tier	Facilities	Deposit	Hourly Rate	
			Nonprofit & Resident	Nonresident
1	Crown Festival Park Pump Track Pavilion City Park Pavilion First Colony Park Pavilion Imperial Park Pavilion All Other Neighborhood Park Pavilions not listed below	$177.50	$27.00	$40.00
2	Eldridge Park Pavilion Lost Creek Park Pavilion South Meadow Pavilion	$177.50	$37.00	$54.00
3	S.L. Memorial Park Pavilion Brazos River Park Pavilion	$177.50	$45.75	$68.25
4	Oyster Creek Park Amphitheatre– Stage only	$177.50	$88.50	$109.00

b. Oyster Creek Park Amphitheatre Rates

Section	Non-Standard Deposit	Hourly rate	
		Nonprofit & Resident	Nonresident
A (1-250)	Non-Standard	$88.50	$109.00

B (250-500)	Deposit Rates Apply	$129.50	$165.25
AB (500 max)		$177.50	$218.25

c. Brazos River Park Fees

Rental Area	Attendance	Deposit	Nonprofit/ Resident		Nonresident	
			Hourly	**Day**	**Hourly**	**Day**
Bowl	1-250	$817.75	$218.25	$2,620.00	$273.00	$3,272.25
	251-500	$1,226.75				
	501 – 1,000	$1,636.50				
	1,001 – 2,000	$2,045.25				
Overlook	1 - 250	$817.75	$109.00	$1,261.75	$136.25	$1,578.50

Setup/breakdown fee…$259.50

Parking Lot A or B	$1,556.50/per day
Parking Lot A and B	$2,594.25/per day

(5) Park Reservation Security fee … $100/per hour/per officer, 4-hour minimum

(6) Non-Standard Park Reservation Fees:

a. Non-Standard Deposit (1-250) … $817.75
b. Non-Standard Deposit (250-500) …$1,226.75
c. Application fee for Non-Standard reservations (blanket attendance) …$32.00

(7) Trail use fee ….$289.50

(8) Special events fees:

a. Application processing fees:

i. By attendance

Attendance	Rate
Under 100	$0.00

100 to 500	$32.25
500 to 1K	$64.00
1K to 5K	$128.00
5K to 10K	$255.25
Over 10K	$637.75

ii. Expedited application fee…. $210.00

iii. Refundable deposit for special events on non-city owned property (100 – 499) …..$259.50

iv. Refundable deposit for special events on non-city owned property (500 and over) ….$518.75

b. Filming application fee

i. Feature film with full permitting ….$100.00

ii. Basic film for commercial/obstructive shoots …$50.00

c. Crown Festival Park fees:

i. Rental fees for 1 – 2-day events

Tier	**Attendance**	**Deposit per Event**	**Event Day Rate**	**Setup/Breakdown per day**
1	2K to 5K	$2,678.25	$3,825.50	$383.50
2	5K to 8K	$7,897.25	$9,965.75	$625.00
3	8K to 35K	$12,251.25*	$16,451.00	$1,084.75

*After 15K attendance the deposit rate is $1.00 per person per event.

ii. Additional fees: 1–2-day For-profit events

Subject to additional fees to be negotiated with goal of reaching three to seven percent return of producer's gross revenue.

iii. Rental fees for events 3 days or longer

Tier	Attendance	Deposit per Event	Event Day Rate	Setup/Breakdown per day
1	Up to 1K	$2.678.25	$891.00	$383.50
2	1K – 3K	$2,678.25	$2,673.00	$383.50
3	3K – 5K	$5,892.50	$4,455.00	$383.50

iv. Additional fees: 3+ days For-profit events

Market value of Celebration Bermuda grass sod x sq. ft. included on Site map

Fees for 3 + day events with over 5k attendees per day will be negotiated

Subject to additional fees to ensure 3 – 7% return of producer's gross revenue

v. Fair Weather Parking Flagging …. $2,594.25/per event

d. Cost recovery for city services activated during a permitted or unpermitted special event will be based on the pre-established hourly rates below:

DEPARTMENT:	POSITIONS:	HOURLY RATE:
PUBLIC WORKS TRAFFIC	Traffic Operations Manager	$100.00
	TMC Operator	$62.25
	Traffic Signs Supervisor	$62.25
	Traffic Signal Technician	$49.75
PUBLIC WORKS STREETS	General Maintenance	$49.75
	Crew Chief	$62.00
	Field Supervisor	$74.00
	Streets & Drainage Manager	$86.75
POLICE	Police Officer	$100.00
	Sergeant	$122.00

	Lieutenant	$139.50
	Captain	$163.50
	Emergency Management Specialist	$80.75
FIRE-EMS	Assistant Fire Chief	$112.00
	Battalion Chief	$101.00
	Division Chief	$129.00
	Captain – Shift	$88.00
	Captain – Non-Shift	$131.75
	Lieutenant – Shift	$79.00
	Lieutenant – Non-Shift	$116.00
	Engineer/Operator	$66.00
	Firefighter	$63.00
NEIGHBORHOOD SERVICES	Food Inspector I	$48.25
	Food Inspector Coordinator/ Food Inspector II	$60.50
	Environmental Services Inspector	$48.25
	Environmental Manager	$72.00
PERMITS AND INSPECTIONS	Chief or Deputy Building Official	$87.50
	Senior Building Inspector	$74.75
	Building Inspector	$62.75

PARKS & RECREATION	General Maintenance	$50.00
	Crew Chief	$62.75
	Field Supervisor	$74.00
	Parks Manager	$85.00

The fee for unlisted positions will be based on a reimbursement rate calculated by the city that includes employees' overtime rate, current TMRS rate, current Medicare tax rate, and worker's compensation rate.

(9) TIRZ No. 4 Plaza fees:

a. Plaza usage fee:

Special events with no admission charge and are open to the public $125.25/hr

Special events with an admission charge and/or are not open to the public $250.50/hr

b. Refundable cleanup deposit:

For special events or general rentals deposit rates will be:

Attendance	**Setup**	**Deposit Rate**
0—100 people	No more than table and chairs	$323.00
101—500 people		$626.50
501—2,786 people		$1,252.50

c. Activities conducted during blackout periods are exempt from usage fees.

(b) *Sugar Land Regional Airport fees and charges:*

(1) Fuel and petroleum products pricing (Operational expenses and discount categories/rates to be determined annually through budget process to meet the annual operating requirements of the airport):

Customer	**Price**
Retail Price of Fuel	Cost of fuel sold (COFS) + applied margin rate

Government	COFS without tax + applied margin rate

(2) Fuel Discount programs:

a. Transactional Discounts:

Jet A	
Discount Category	Discount (per gal)
Less than 250 gal	0.00
250-749 gal	0.20
750 gal or more	0.40

Avgas	
Discount Category	Discount (per gal)
Less than 25 gal	0.00
Between 25 – 99.9 gal	0.25
100 gal or more	0.50

The director of aviation or designee may offer a $0.03-$0.05 discount per jet fuel gallon in addition to the current discounts if there is a situation where a customer is asking for an additional discount in order to take a larger fuel load.

b. Volume discount programs: (based on previous year's purchases)

Transient Jet A Volume Discounts*	
Annual Volume	Discount (per gal)
VC1: 10,000 – 19,999 gal	0.20
VC2: 20,000 – 99,999 gal	0.40
VC3: 100,000 – 299,999 gal	0.60
VC4: 300,000 gal or more	0.80

*Jet A Volume customer must use fuel provider credit card to receive discount

Avgas Volume Discounts	
Discount Category	Discount (per gal)
Itinerant Volume (1,000 gal annually)	0.35
Based Volume (1,000 gal annually)	0.55

c. Based customer discount programs:

Jet A Based Customer Volume Discount*	
Discount Category	Discount (per gal)
B1: Less than 10,000 gal	0.25
B2: 10,000 – 19,999 gal	0.45
B3: 20,000 – 99,999 gal	0.65
B4: 100,000 – 299,999 gal	0.85
B5: 300,000 – 499,999 gal	1.05
B6: 500,000 or more	1.30

*Jet A Based transactional customer must use fuel provider credit card to receive discount

Avgas Based Transactional Discount	
Discount Category	Discount (per gal)
Less than 25 gal	0.25
Between 25-99.9 gal	0.45
100 gal or more	0.85

d. Airport Management is authorized to adjust the Margin Rate for any fuel type during the year to ensure the margin does not fall below the established minimum margin revenue approved by City Management.

(3) Self-Fueling facility fuel flowage fee = $0.50 per gallon.

(4) Oil: Cost + 100% + 8.25% sales tax

(5) Leases:

Type	Price
T-Hangars	$0.55/square foot/month
Banks A and B	$531.00/month plus one month's rent deposit
Banks C and D	$646.00/month plus one month's rent deposit
Bank E	$704.00/month plus one month's rent deposit
Bank F	$851.00/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	$125.00/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)

(6) Other space rental:

Type	Price
Occupying Tenant Maintenance Hangar without a Reservation	$50 per calendar day after hangar reservation expires
Airport office space	$1.82/square foot/month

Transient hangar storage:	
Heavy, Super Heavy, Transport	$375.00/night plus ramp fee if applicable
Light turbo and up	$250.00/night plus ramp fee if applicable
Piston	$125.00/night plus ramp fee if applicable

(7) Miscellaneous aviation fees:

Type	Price
135 commercial aircraft handling fee	$750.00/trip
Administrative fee	$63.00/invoice
Aircraft jump start	$13.00/jump—One free every six months
Avgas Surcharge – less than 15 gallons	$13.00
Mobile aircraft washing permit fee	$155.00/year
Mobile aircraft maintenance permit fee	$250.00/year
Flying club permit fee	$12.50/member/year
Car rental concession fee—Onsite	Negotiable (approved by city council)
Car rental concession fee—Offsite	15% on-airport gross income
Car rental parking lot fee (per space)	Negotiable
Customer Facility Charge (CFC)	$3.50 per day/per transaction/max charge $24.50
Maintenance processing fee—Onsite	Ten percent of monthly gross revenue
Car wash service	Negotiable (approved by city council)

Catering processing fee (vendor direct bill to customer)	Ten percent pre-tax invoice total
Catering processing fee (airport bills customer)	12% pre-tax invoice total
Crew car coverage	$60.00/hour—First two hours free
Customs agent call-out fees	$350.00/service
One to three passengers	$315.00
Four to six passengers	$435.00
Seven to ten passengers	$625.00
11 – 15 passengers	$750.00
16 – 20 passengers	$900.00
21-30 passengers	$1,200.00
30+ passengers	$40.00/per person
Helistop Annual license	$600.00/site/year + $360.00 deposit
Heliport Temporary—Fewer than ten days	$120.00/site
Heliport Temporary—Ten to 180 days	$360.00/site
Heliport Inspection fee	$100.00/site
Airfield escort	$88.00/hour/person
Incident response fee	$625.00/hour; $125.00/hour thereafter + recovery expenses
Incident/after-hours call-out fees	$125.00/hour/person

Runway Closure recovery fee 6:00 a.m. – 11p.m.	$1050.00/per hour
Runway Closure recovery fee 11:01p.m. – 5:59 a.m.	$786.00/per hour
International garbage	$220.00/service
Lost key replacement	$63.00/key
Parcel storage fee	$32.00/week; One-week minimum
Pipeline field escort	$88.00/hour/person plus $25.00 equipment use
Returned check fee	Subsection 2-140
Spill clean-up fee	$315.00/barrel of absorbent + any fines incurred
Airport access card – new	no charge
Airport access card –additional cards	$63.00
Airport access card – replacement	$32.00
Toll violations in crew car	As billed/violation plus $63.00 administrative fee
Towing	$57.00/tow
Pull-out/push-back	$13.00/service
Unlimited pull-outs/push-backs	$63.00/month
Valet covered parking	$10.00/day; $57.00/week; $125.00/month The director of aviation or designee may waive or discount valet covered parking fees as a promotional tool to promote the use of the covered parking.

(8) FBO service fees:

Ground power unit	$20.00/15 minutes (15 minutes free with fuel)
Lavatory fees	$63.00/service
Dishwashing	$26.00/per bin
Potable Water Service (per request)	$36.00 (waived for Jet A Volume Discount purchaser of 300,000 gallons or more)

The director or designee has the authority to waive FBO service fees for negotiation purposes to bring in additional business.

(9) Ramp/Infrastructure/Security fees for non-special events: Ramp fees per day/overnight (charged by aircraft category and waived with purchase of minimum fuel load). The director or designee has the authority to waive ramp fees for negotiation purposes to bring in additional business.

	Minimum Gallons	Ramp Fee	Infrastructure Fee	Security Fee
Transport aircraft type	400	$910.00	40% of Ramp Fee	20% of Ramp Fee
Super heavy jets	300	$535.00	40% of Ramp Fee	20% of Ramp Fee
Heavy jet aircraft	200	$412.00	40% of Ramp Fee	20% of Ramp Fee
Medium jet aircraft	150	$250.00	40% of Ramp Fee	20% of Ramp Fee
Light jet aircraft	100	$187.00	40% of Ramp Fee	20% of Ramp Fee
Very light jet (VLJ) aircraft	75	$125.00	40% of Ramp Fee	20% of Ramp Fee
Heavy turboprop	75	$125.00	40% of Ramp Fee	20% of Ramp Fee
Medium turboprop	60	$100.00	40% of Ramp Fee	20% of Ramp Fee
Light turboprop	50	$75.00	40% of Ramp Fee	20% of Ramp Fee
Heavy twin (AvGas)	30	$63.00	40% of Ramp Fee	20% of Ramp Fee
Light twin engine (AvGas)	30	$50.00	40% of Ramp Fee	20% of Ramp Fee

Single engine—Light aircraft (AvGas)	5	$13.00	40% of Ramp Fee	20% of Ramp Fee

Special events ramp fee* per day/overnight (charged by aircraft category and waived with purchase of minimum fuel load)

Reservation deposit, non-refundable, 10% charge for modification/cancellation:

Jets/turbine aircraft ….$2,500.00
Piston/single engine ….$500.00

*For this fee, "special event" means a sporting, cultural, business or other type of unique activity, occurring for a limited or fixed duration and presented to a live audience. Activities that are sponsored by the city are not deemed special events.

	Minimum Gallons	Ramp Fee	Infrastructure Fee	Security Fee
Transport aircraft type	1000	$5,000.00	25% of Ramp Fee	12.5% of Ramp Fee
Super heavy jets	750	$4,500.00	25% of Ramp Fee	12.5% of Ramp Fee
Heavy jet aircraft	600	$3,000.00	25% of Ramp Fee	12.5% of Ramp Fee
Medium jet aircraft	350	$2,000.00	25% of Ramp Fee	12.5% of Ramp Fee
Light jet aircraft	200	$1,500.00	25% of Ramp Fee	12.5% of Ramp Fee
Very light jet (VLJ) aircraft	100	$1,200.00	25% of Ramp Fee	12.5% of Ramp Fee
Heavy turboprop	300	$1,000.00	25% of Ramp Fee	12.5% of Ramp Fee
Medium turboprop	200	$1,000.00	25% of Ramp Fee	12.5% of Ramp Fee
Light turboprop	100	$1,000.00	25% of Ramp Fee	12.5% of Ramp Fee
Heavy twin (AvGas)	50	$600.00	25% of Ramp Fee	12.5% of Ramp Fee
Light twin engine (AvGas)	40	$600.00	25% of Ramp Fee	12.5% of Ramp Fee

Single engine—Light aircraft (AvGas)	20	$600.00	25% of Ramp Fee	12.5% of Ramp Fee

The director of aviation or designee may waive or discount ramp fees to customers attending Houston area conferences as a promotional tool to promote the airport/FBO during a specific time period in advance and not longer than a week at a time.

(10) T-hangar damage (damage assessed at move-out):

Vehicular access card(s)	$63.00
Hangar door keys	$63.00
Damage to hangar exterior	
Access door:	
Door hardware	$105.00
Access door dent(s)	Airport will provide a quote
Hangar door	Airport will provide a quote
Metal wall	Airport will provide a quote
Damage to hangar interior	
Metal wall	Airport will provide a quote
Fire partition damage	Airport will provide a quote
Ceiling/light	Airport will provide a quote
Floor:	
Major oil stains	$125.00
Missing chocks	$63.00

Door switch	$250.00
Fire extinguisher	$312.00
General clean-up	
Trash	$63.00
Oil stain	$63.00

(c) *Rights of way fees*:

(1) A permit fee is required to be paid for any work done in city-owned rights-of-way. The ROW permit fee does not apply to the city's existing utility franchisees or to entities exempt by law from payment of a ROW permit fee (including their contractors) $101.75

(2) Application fee for network providers per application (as established by V.T.C.A., Local Government Code, ch. 284): Up to five network nodes $500.00

Each additional network node (up to total of 30 network nodes per application) $250.00

Each pole $1,000.00

Resubmission of denied or incomplete application .....Actual cost

(3) Public right-of-way rates for network providers (per V.T.C.A., Local Government Code, ch. 284):

a. Public right-of-way rate—Annual rate of $286.74 multiplied by number of network provider's network nodes in public right-of-way (will be prorated for the months remaining in the calendar year after the later date of the permits issued by city)

b. Annual adjustment to public-right-of-way rate—One-half the annual change to the Consumer Price Index for All Urban Consumers for Texas, as published by the federal Bureau of Labor Statistics in February of the preceding year. The annual adjustment will apply to the first payment due to the city on the later of (a.) January 1st; or (b.) after 60 days following written notice to the network provider of the increase and new annual rate.

c. Network provider's installation of its own transport facilities—In addition to the public right-of-way rate, the sum of $28.00 multiplied by number of network provider's network nodes in the public right-of-way for which transport facilities provide backhaul until time payment exceeds monthly aggregate per node compensation.

(4) Collocation on service poles by network provider (per V.T.C.A., Local Government Code, ch. 284)—$20.00 per year per service pole (will be pro-rated for the months remaining in the calendar year after the later date of the permits issued for the network node at the location)

(5) Connection of network node to network using the public right-of-way to obtain transport service from a person paying municipal fees to occupy public right-of-way equivalent to at least $28.00 per node per month .....No additional cost

(d) *Public Safety Training Complex daily fees*

The PTSC is only available to public safety partners, no public bookings are available.

The City may charge a reasonable fee for any activity, event, program, or facility rental for which a fee is not already established under this article. The fee must be in an amount necessary to allow the City to recover all reasonable costs to the City associated with administering the activity, event, program, or facility rental, including direct, indirect, and administrative costs where appropriate in context of the general benefit to the community.

PSTC BUILDING C	Classroom Red	$200.00
	Classroom Blue	$200.00
	Classrooms Red & Blue	$400.00
	Sim Area	$200.00
	Romper Room	$200.00
	Entire Building	$1,000
SLFD FIRE FIELD	Conex Structure	$100.00
	Ventilation Prop	$100.00
SLPD LEGACY GUN RANGE	Outdoor gun range (50 yard)	$100.00
PSTC MULTI-USE WAREHOUSE		$50.00
Training Complex Attendant Fee (as needed for oversight)		$83.50/hour

Sec. 2-140. *Miscellaneous fees*:

The fees set out below are adopted for the city services outlined therein:

(a) *Returned checks or dishonored credit card transactions, per occurrence* .....Full amount allowed by state statute

(b) *Copies of city records* .....Full amount allowed by state statute

(c) *Requests that require large amounts of staff time* .....Full amount allowed by state statute

(d) *Notarial Service* ….$7.50

(e) *Paper copies of municipal court records* .....$0.10 per page + $20.75/hour

(f) *Electronic compilation and distribution of municipal court records (each report)* $20.50

(g) *Municipal court record on flash drive, compact disc or other storage medium (each)* $4.00

(h) *Convenience fee for credit card transaction related to Municipal Court* …as charged by vendor

(i) *Convenience fee for credit card transactions related to Open Records* … 3.20% of total transaction

(j) *Convenience fee for credit card transactions other than Municipal Court, Open Records and Utility payments*....2% of total transaction

(k) *Accident report copies - regular* $6.00

(l) *Accident report copy – certified* ….$8.00

(m) *Parking placards (subsection 5-140(b)(6)):*

Resident $12.75

Guest $2.00

(n) *Solicitor's license* 15 years of age and over.....$105.00

(o) *Solicitor's license* 14 years of age and under ….$0.00

(p) *Application for municipal setting designation* $10,370.00

(q) *Application for tax abatement* $1,000.00

(r) *Application* for *Economic Development Incentive* ….$1,000.00

(s) *Alcoholic Beverage Administrative Review and Certification* …$70.75

(t) *False alarm signals, based on preceding 12-month period:*

First to third … no charge

Fourth and fifth … $50.00

Sixth and seventh … $75.00

Eighth and all subsequent …$100.00

Section 2. That Chapter 5, Article VI, Section 5-171 (Use of public rights-of-way by certain telecommunications providers) is revised to read as follows:

Sec. 5-171. - Use of public rights-of-way by certain telecommunications providers.

(a) *Persons covered.* This section applies to telecommunications service providers that:

(1) Are not exempt by federal or state law from paying a city-imposed fee for use of the public rights-of-way; and

(2) Deliver telecommunications services within the city to any person through use of facilities in the city's public rights-of-way.

(b) *City consent and fees required.* A person subject to this section:

(1) Must apply for and obtain the city manager's consent to use the city's public rights-of-way. The required form application must be submitted to the city with a $500.00 non-refundable application fee;

(2) Must execute the city's agreement if consent is granted; and

(3) Must pay the city an annual public right-of-way use fee in the greater amount of $200.00 or $0.10 per linear foot of facilities that have been placed in the public rights-of-way. The fee must be paid within 30 days after execution of the agreement and each year thereafter by the anniversary date of the agreement.

(c) *Compliance with other requirements.* The telecommunications provider granted consent under this section must comply with all other requirements of the city, including any requirement to obtain and pay for a permit to work in or place facilities in the public rights-of-way.

Section 3. That Chapter 5, Article VIII, Division 3, Rates and Charges is amended to read as follows:

DIVISION 3. - RATES AND CHARGES

Sec. 5-246. - Monthly retail water rates.

(a) *Regular service.* Each customer receiving city retail water service through a meter must pay a monthly charge based on the following quantity and service charges by user class:

(1) Residential users must pay usage charges based on an increasing block volume rate for each 1,000 gallons of water, or portion thereof, as follows:

Volume Block (gallons)	Rate
0 to 3,000	$1.26
3,001 to 10,000	$1.45
10,001 to 20,000	$1.98
Over 20,000	$2.27

(2) Commercial users must pay usage charges based on a uniform volume rate of $1.63 for each 1,000 gallons of water, or portion thereof.

(3) Landscape users must pay usage charges based on a uniform seasonal volume rate for each 1,000 gallons of water, or portion thereof, as follows:

Season	Rate
Winter (Oct.—Apr.)	$1.62
Summer (May—Sept.)	$2.03

(4) In addition to other charges, each residential, commercial and landscape user must pay a service charge based on the water meter size as follows:

Meter Size	Service Charge
⅝ or ¾ inch	$17.46
1 inch	$34.91
1½ inch	$79.38
2 inch	$125.32
3 inch	$292.78
4 inch	$685.02
6 inch	$1,314.09
8 inch	$1,693.14

(5) Surface water fee. In addition to other charges, each residential, commercial, and landscape user must pay a surface water fee of $3.81/1,000 gallons of water or portion thereof.

(6) *Adjustments and payment plans.* The City Manager is authorized to implement policies and procedures to adjust residential water and surface water charges on bills due to a water leak that was beyond the customer's control and resulted in a significantly higher water bill than the bill received for the same billing cycle in the immediately preceding year. Documentation of leak and repair must be provided. Adjustments are limited to one per rolling twelve-month period per customer.

Customers who do not qualify for adjustment may be offered payment plan for higher-than-normal charges upon request.

(b) *Fire lines.* Any property served by a fire line must pay a monthly service charge of $20.31 and the monthly quantity charge, if any, applicable to regular service.

(c) *Transient meters.* Any person making use of a transient meter must pay a monthly service charge of $61.81 and the monthly quantity charge applicable to regular service.

Sec. 5-247. - Monthly retail wastewater charges.

Each residential and commercial user receiving city retail wastewater service must pay a monthly charge based on the following volume and service charges:

(1) A uniform charge of $3.78 for each 1,000 gallons of water, or portion thereof, provided through the meter, and

(2) A service charge based on the customer's water meter size as follows:

Meter Size	Service Charge
⅝ or ¾ inch	$18.20
1 inch	$35.92
1½ inch	$85.50
2 inch	$134.83
3 inch	$311.64
4 inch	$753.91
6 inch	$1,456.40
8 inch	$1,865.62

(3) Unless subsection (4) applies, for residential customers, wastewater volume charges for April through March of the following year will be calculated using the lesser of the following:

a. The customer's average monthly water usage for the latest preceding February and March bills for service; or

b. Twelve thousand gallons per month.

(4) New and existing residential customers with no water usage billed in the latest preceding February and March will be charged a wastewater volume charge based on the average water usage billed to residential customers in the latest preceding February and March. In a new residential customer's first billing cycle, the wastewater volume charge will be prorated based on the number of days for which water service was received through a meter.

(5) Wastewater charges will not be imposed in conjunction with water service for a new meter installed on property for new residential construction until the expiration of 90 days of service, or the date of permanent occupancy, whichever first occurs.

(6) Wastewater charges will not be imposed in conjunction with water service for a new meter installed on property for new nonresidential construction until the expiration of 180 days of service, or the date of permanent occupancy, whichever first occurs.

Sec. 5-248. - Out of city retail customers.

(a) Retail water and wastewater customers located outside of the city's corporate limits and not governed by a Strategic Partnership Agreement with the city will be charged double the rate for water, wastewater, and surface water service that applies to retail customers located within the city.

(b) Retail water and wastewater customers located outside of the city’s corporate limits and governed by a Strategic Partnership Agreement with the city will be charged the same rate for water, wastewater, and surface water service that applies to retain customers located within the city.

Sec. 5-249. – Water, wastewater, reclaim water charges for districts served by the utility system.

(a) *Application.* This section provides for usage and connection charges to any district located in the city's extraterritorial jurisdiction that contracts with the city to receive water, wastewater and reclaim water services from the city's utility system.

(b) *Quantity charges.*

(1) *Amount.* The city will bill and the district must pay monthly water, wastewater, and surface water quantity charges, in the same manner as provided for in this chapter for retail customers, in the following amounts:

a. Water: $1.54 per 1,000 gallons of metered water.

b. Wastewater for Champion X: $1.62 per 1,000 gallons of metered water.

c. All other Wastewater: $1.98 per 1,000 gallons of metered water.

d. Surface water fee: $4.57 per 1,000 gallons of metered water.

e. MUD 128 Reclaim water fee, per 1,000 gallons of metered water: $0.18

(2) Calculation of surface water fee. The surface water fee under subsection (1)d. must be determined by subtracting the metered volume of reclaimed water produced and used by the district from the total metered volume used by the district.

(c) *Connection charges.*

(1) *Amount.* The district must pay the city a connection charge in the following amounts for each equivalent single-family connection made to the district's water and wastewater system:

Categories	North of the Brazos	South of the Brazos
Water Production and Storage	$737.47	$4,650.00
Water Distribution and Wastewater collection	$3,586.69	$0.00
Wastewater Treatment	$2,280.84	$7,900.00
Surface Water	$0.00	$150.00
Total connection fee	$6,605.00	$12,700.00

(2) *Calculation of connection charge.* The connection charge is imposed to pay for the capital costs of providing water and wastewater services to a district that contracts with the city for water and wastewater services provided by the utility system. The connection charge is based on the city's projected capital cost of providing the required capital facilities for the utility system that will be necessary to serve the utility system service area as determined by the city from time to time. The basis on which the city calculates the connection charge and from time to time adjusts the connection charge must be reduced to writing and filed as a city record, which must show:

a. The estimated capital costs of providing future utility system facilities for the service area for which connection charges have not been previously paid; and

b. The estimated number of connections that will be served by the system in the future for which connection charges have not been paid.

(3) *Time of payment.* The district must pay the connection charge imposed in this section to the city before water or wastewater service is provided by the district to any premises for which a connection charge has not been paid. For residential subdivisions, the district will pay the connection charge to the city for the estimated number of equivalent single-family service connections that will be needed to serve the subdivision, or portion thereof, being platted before the plat is recorded in the county real property records. For nonresidential properties, the district will pay the connection charge to the city for the estimated number of equivalent single-family service connections to serve the property before the city issues a slab permit for the property.

(4) *Credit for facilities.* The city manager may approve a written agreement with a district that provides for the district to receive credits for connection charges for constructing "oversized" facilities requested by the city or other facilities that would not otherwise be required to be constructed by the district to serve development within the district.

(5) *Deposit of funds.* All connection charges collected by the city under this section must be deposited in a construction fund and used solely to pay the capital costs of the utility system.

Sec. 5-250. - Schedule of service fees and charges.

The following fees and charges apply to the water and wastewater services provided under this article:

Delinquent process fee (section 5-279):

To continue service if payment not received by 9:00 a.m. on termination date $50.00

Deposits (section 5-269):

Single-family $50.00

Multifamily: two months' average usage based on prior tenant's usage. For first time occupancy, usage will be based on usage tables.

Commercial: Two months' average usage based on standard projected usage tables.

Sprinkler $100.00

Additional deposit if termination for nonpayment $25.00

Beginning with the second termination, up to a maximum of $100.00 additional deposit.
Grease trap inspection fee $50.00

Grease trap reinspection fee $50.00

Transient meters:

One inch $633.15

Two inches $1,527.75

Meter tampering (section 5-280):

Administrative fee $51.00

Reinstallation fee $171.36

Meter test fees (section 5-311) $214.20

Return check fee—See section 2-140.

Service initiation fee:

Twenty-four hours' notice or more $0.00

Less than 24 hours' notice $25.00

Additional service call (if meter shows water running and new service cannot be initiated per request) $10.00

Sewer tap fees:

Four-inch residential $200.00

Six-inch commercial tap $300.00

Eight-inch commercial tap $400.00

Temporary water service charge (30 days or less) $10.00

Water connections (section 5-310):

Meter Size (in inches)	Set
⅝ or ¾	$960.75
1	$1,328.25
1½	$1,648.50
2	$1,753.50

Meter downsizing (section 5-310) .....$150.00 plus cost of replacement meter

Sec. 5-251. - Groundwater reduction plan pumpage fees.

(a) Groundwater reduction plan (GRP) pumpage fee .....$3.55/1,000 gallons

Each entity that participates in the city's groundwater reduction plan must pay a monthly pumpage fee in the amount of $3.55 per 1,000 gallons of:

(1) Ground water that the entity pumps from a well operating under a permit issued by the Fort Bend Subsidence District; and

(2) Water supplied by the city to the entity as part of the groundwater reduction plan.

(b) Groundwater reduction plan (GRP) participants outside the corporate city limits of Sugar Land shall incur an additional 20 percent charge in addition to GRP fees billed as an out of city service fee.

Sec. 5-252. - Fee for untreated (raw) surface water.

Each entity that receives untreated (raw) surface water from the city must pay a monthly fee in the amount of $0.56 per 1,000 gallons of metered untreated (raw) surface water.

Sec. 5-253. - Industrial waste charges and permit fees.

(a) *Annual permit fees for industrial users of wastewater treatment plant.* Each industrial user must pay the following annual permit fees to the city:

(1) Industrial Discharger—Category I $9,000.00

City inspection once per year, city monitoring twice per year, self-monitoring twice per month, and self-reporting twice per year.

(2) Industrial Discharger—Category II $7,000.00

City inspection once per year, city monitoring twice per year, self-monitoring once per quarter, and self-reporting once per quarter.

(3) Industrial Discharger—Category III $5,000.00

City inspection once per year, city monitoring twice per year, self-monitoring twice per year, and self-reporting twice per year.

(4) Industrial Discharger—Category IV $1,000.00

City inspection once per year, city monitoring as required by city's permit and self-reporting twice per year.

(b) *Industrial surcharges.* In addition to any other fees required by this Code, each industrial user must pay to the city the surcharges shown below for discharges and contributions to the city's sewers that have not been approved by the city and that:

(1) Have a five-day biochemical oxygen demand greater than 300 ppm by weight; or

(2) Contain more than 400 ppm by weight of total suspended solids.

Surcharge amounts:

cBOD5 .....$0.10 per pound exceeding the limit

Total suspended solids .....$0.08 per pound exceeding the limit

(c) Any person found guilty of violating this section will be fined not more than $2,000.00 for each offense. A violation of this section requires a culpable mental state of "recklessness." Each day any violation continues constitutes a separate offense.

Sec. 5-254 –5-265. – Reserved.

Section 4. That Chapter 5, Article VIII, Division 12 (Municipal Drainage Utility System) is amended by amending section 5-413 to read as follows:

Sec. 5-413. Stormwater Compliance Fee Rates.

(a) The owner or occupant of any single-family residential lot will be charged a monthly Stormwater Compliance Fee as follows:

Tier	Minimum IA SF	Maximum IA SF	Monthly Fee
1	0	3,500	$2.16
2	3,501	4,800	$3.23
3	4,801		$4.85

(b) The owner or occupant of any place of worship, multi-family or commercial lot will be charged a monthly Stormwater Compliance Fee as follows:

Total SF of IA / 4200 X $3.23

Section 5. That Chapter 5, Article VIII, Division 13 (Stormwater Coalition) is amended by amending section 5-419 to read as follows:

Sec. 5-419. Member Participation Fees.

(a) Application Fee. Each Coalition applicant must pay the City a one-time application fee of $5,000.00. Payment is due within fifteen days of execution of the Interlocal Agreement adding the Municipal Utility District or Conservation and Reclamation District to the Coalition. The City is not required to update the SWMP or MS4 Permit until the applicant has paid this fee in full.

(b) Annual Fee. Each member shall pay an annual fee of $2,500.00. The fee shall be due on October 1 of each year. The fee for the first year shall be prorated on a monthly basis based on the number of full and partial months from the Effective Date of the Interlocal Agreement through September 30 of that year, with any partial month counted as a full month.

Section 6. That Chapter 5, Article IX, Division 1, Section 5-421(b) (Fire protection service fee for districts in extraterritorial jurisdiction) is amended to read as follows:

(c) Each district that contracts with the city to receive fire protection services from the city must pay the monthly fee set forth below, per fire service connection, per month, for the full cost of fire service:

Plantation MUD …$16.51
All other districts …$24.31

Section 7. That Chapter 5, Article IX, Division 1, Section 5-422(b) (Emergency medical service fee for districts in extraterritorial jurisdiction) is amended to read as follows:

(b) Each district that contracts with the city to receive Emergency medical services from the city must pay a monthly fee of $14.94 per service connection, per month, for the full cost of EMS. This monthly fee excludes charges incurred per call and billed pursuant to the city's fee ordinance in chapter 2.

Section 8. That the Fire Department will submit the EMS rates and charges adopted by this Ordinance to the Texas Department of Insurance Portal within 30 calendar days of Second Consideration.

Section 9. That Chapter 3, Article 1, Section 3-3 (Fees for city response to alarm system) is deleted and Section 3-4 (Requirements for alarm systems) is renumbered as Section 3-3.

Section 10. That Chapter 3, Article IX, Division 5, Section 3-167(3) is amended to read as follows:

Sec.-3-167(3) *Statement of costs incurred by city.* A statement of costs incurred by the city in correcting a violation will be mailed to the property owner. The costs will include an administrative fee as established in Chapter 2 of this Code. Payment of all costs is due within 30 days of the date of mailing.

Section 11. That Chapter 4, Article VII. Heliports and Helistops, Division 2 (Licensing and Permit Regulations) is revised by deleting Section 4-109, and revising Sections 4-112, 4-114, and 4-166 to read as follows:

Sec. 4-112. - Temporary landing permits.

(a) A permit for temporary landing privileges may be issued in conjunction with a building permit, provided that the applicant and the temporary landing site comply with all other requirements of this article applicable to a heliport or helistop. The publication and posting notice requirements of this article are waived for such permit.

(b) The city council may grant an extension of a temporary landing permit upon finding unusual circumstances, conditions, or factors unique to the construction project or site. The city council may impose appropriate conditions and safeguards and may approve additional extensions as it deems just and appropriate.

Sec. 4-114. - License renewal.

(a) A helistop or heliport license granted under the provisions of this article may be renewed annually on or before the expiration date of the current license. An applicant seeking renewal must submit an application on forms provided at least 60 days before the license expires.

(b) The city will renew the license if the applicant complies with the requirements of this Article and pays all required fees.

Sec. 4-116. - Transferability.

A license issued under this article may be sold, transferred, or assigned, provided that:

(a) the licensee gives written notice to the city at least 30 days before the sale, transfer, or assignment;

(b) the licensee is in compliance with all terms and conditions of the license; and

(c) the notice is accompanied by the transfer fee established in Chapter 2 of this Code.

Section 12. That section 5-310(b) of Chapter 5, Article VIII, Division 7: General Conditions of Services, is revised to read as follows:

Sec. 5-310(b). Upon request by a customer and payment of the applicable fee, the City will replace the existing water meter with a smaller meter.

Section 13. 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 14. That the rates and fees contained in this ordinance are effective on January 1, 2027.

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

City Council Agenda Request
September 1, 2026

Agenda Request No: VII.C.

Agenda of: City Council Meeting

Initiated by: Li Su, Senior Budget & Strategy Analyst

Presented by: ShaLae Steadman, Director of Budget

Responsible Department: Budget

Agenda Caption:
PUBLIC HEARING 5:30 P.M.: Receive and hear all persons desiring to be heard on the proposed Tax Year 2026 assessment for properties located in the Park at Eldridge Public Improvement District.

FIRST CONSIDERATION: Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2414:** AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, APPROVING AND ADOPTING THE 2027 SERVICE PLAN; THE 2026 ASSESSMENT ROLL; AND LEVYING ASSESSMENTS FOR THE 2026 CALENDAR YEAR FOR PROPERTY LOCATED IN THE PARK AT ELDRIDGE PUBLIC IMPROVEMENT DISTRICT.

Recommended Action:
Hold a public hearing followed by First Reading of the Tax Year 2026 proposed assessment for the Park at Eldridge Public Improvement District, Ordinance No. 2414

Executive Summary:
Background Information

The Park at Eldridge began development in 2021, and through petition by the developer to the City, the PID was created in 2021 to finance public infrastructure required for development of homes in the area, instead of creating an in-City Municipal Utility District (MUD) to support development as adjacent neighborhoods did. The PID is a more cost-effective means to financing public infrastructure than a MUD and the small size of the development made a MUD a less - effective means to fund the improvements. Infrastructure allowed to be reimbursed included street and drainage improvements as well as utility improvements that were required to serve the homes.

After an external audit, the developer was reimbursed for $1.74 million in July 2026 for eligible public infrastructure improvements constructed within the district. The reimbursement was financed by the City over 20 years to allow the payment to be spread over time. The debt is funded through the assessment on property owners in the Park at Elridge. The City contributes 50% of its property taxes collections generated within the PID, up to a maximum of $52,590 annually, to help fund debt service.

2026 Assessment

The proposed 2026 assessment rate for The Park at Eldridge Public Improvement District (PID) is $935 per lot, unchanged from the previous year. Notice of the proposed assessment and public hearing was mailed to each property owner. The assessment will be billed and collected by Fort Bend County and included on each property's annual property tax bill.

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. Exhibit A - Park at Eldridge Assessment Roll
2. Exhibit B - 2026 Service Plan
3. 2026 Park at Eldridge Ordinance 2414

Park at Eldridge PID
2025 Assessment Roll
EXHIBIT A

Tax Year	OwnerQuick RefID	Percent Ownership	LegalDescription	PartyName	MailingAddress	2026 Assessment
2026	R554977	100	The Park at Eldridge, BLOCK 1, Lot 1	Bhatti Muhammad Imran & Faiza Khan	2002 Pearl ST Sugar Land, TX 77478	$935
2026	R554978	100	The Park at Eldridge, BLOCK 1, Lot 2	Nguyen An Nhan & Bach Phung Hong	2006 Pearl ST Sugar Land, TX 77498-4108	$935
2026	R554979	100	The Park at Eldridge, BLOCK 1, Lot 3	Ma Jan & Phat	2010 Pearl ST Sugar Land, TX 77498-4108	$935
2026	R554980	100	The Park at Eldridge, BLOCK 1, Lot 4	Karim Mubashir & Khadija Mubashir	2014 Pearl ST Sugar Land, TX 77498-4108	$935
2026	R554981	100	The Park at Eldridge, BLOCK 1, Lot 5	Nazir, Mohammad Fahd	2011 Gardenia CT Sugar Land, TX 77498-4105	$935
2026	R554982	100	The Park at Eldridge, BLOCK 1, Lot 6	Galvan, Susanna Jimenez	2015 Gardenia CT Sugar Land, TX 77498-4105	$935
2026	R554983	100	The Park at Eldridge, BLOCK 1, Lot 7	Gudur Ravindra & Kathryn	2019 Gardenia CT Sugar Land, TX 77498-4105	$935
2026	R554984	100	The Park at Eldridge, BLOCK 1, Lot 8	Nguyen Toine & Tuyet Tran	2023 Gardenia CT Sugar Land, TX 77498-4105	$935
2026	R554985	100	The Park at Eldridge, BLOCK 1, Lot 9	PKH & SHH Living Trust	2022 Gardenia CT Sugar Land, TX 77498-4105	$935
2026	R554986	100	The Park at Eldridge, BLOCK 1, Lot 10	Ng Maria & Raymond	2018 Gardenia CT Sugar Land, TX 77498-4105	$935
2026	R554987	100	The Park at Eldridge, BLOCK 1, Lot 11	Pereira Ria & Jason Monteiro	2014 Gardenia CT Sugar Land, TX 77498-4105	$935
2026	R554988	100	The Park at Eldridge, BLOCK 1, Lot 12	Ho, Willie	2010 Gardenia CT Sugar Land, TX 77498-4105	$935
2026	R554989	100	The Park at Eldridge, BLOCK 1, Lot 13	Narvarte Luther & Prinssita	2006 Gardenia CT Sugar Land, TX 77498-4105	$935
2026	R554990	100	The Park at Eldridge, BLOCK 1, Lot 14	Noe, Nicholas Ryan	2002 Gardenia CT Sugar Land, TX 77498-4105	$935
2026	R554991	100	The Park at Eldridge, BLOCK 1, Lot 15	Alamzaib Sardar Muhammad & Qurrat Ul Ain Shahid	13403 Beacon ST Sugar Land, TX 77498-4100	$935
2026	R554992	100	The Park at Eldridge, BLOCK 1, Lot 16	Johnson, Philys Elaine	13407 Beacon ST Sugar Land, TX 77498-4100	$935
2026	R554993	100	The Park at Eldridge, BLOCK 1, Lot 17	Loh, Lin Chun	13411 Beacon ST Sugar Land, TX 77478	$935
2026	R554994	100	The Park at Eldridge, BLOCK 1, Lot 18	Seth, Jaweria	13415 Beacon ST Sugar Land, TX 77478-4100	$935
2026	R554995	100	The Park at Eldridge, BLOCK 1, Lot 19	Kc, Sita	13419 Beacon ST Sugar Land, TX 77498-4100	$935
2026	R554996	100	The Park at Eldridge, BLOCK 1, Lot 20	The Ha-Ngo Trust	13423 Beacon ST Sugar Land, TX 77498-4103	$935
2026	R554997	100	The Park at Eldridge, BLOCK 1, Lot 21	Kajani Shirazee & Khushbu	13427 Beacon ST Sugar Land, TX 77498-4100	$935
2026	R554998	100	The Park at Eldridge, BLOCK 1, Lot 22	Rimal Krishna & Amirah	13431 Beacon ST Sugar Land, TX 77498-4100	$935
2026	R554999	100	The Park at Eldridge, BLOCK 1, Lot 23	Nguyen, Ngoc	13435 Beacon ST Sugar Land, TX 77478	$935
2026	R555000	100	The Park at Eldridge, BLOCK 1, Lot 24	Lei Daphne & Eric Chen	13439 Beacon ST Sugar Land, TX 77478-4100	$935
2026	R555001	100	The Park at Eldridge, BLOCK 1, Lot 25	Do David & Tran Nguyen	13443 Beacon ST Sugar Land, TX 77498-4100	$935
2026	R555002	100	The Park at Eldridge, BLOCK 1, Lot 26	Urgelles Ruvilneidis Labanino & Amy Huynh	13447 Beacon ST Sugar Land, TX 77498-4100	$935
2026	R570056	33.33	The Park at Eldridge, BLOCK 1, Lot 27	Samuel, Aaron Thomas	13503 Beacon ST Sugar Land, TX 77498-4101	$312
2026	R555003	66.67	The Park at Eldridge, BLOCK 1, Lot 27	Thomas Latha & Thomas Samuel	14510 Marshall Bridge LN Sugar Land, TX 77498-2188	$623
2026	R555004	100	The Park at Eldridge, BLOCK 1, Lot 28	Xu Yan & Yating Hou	13507 Beacon ST Sugar Land, TX 77498-4101	$935
2026	R555005	100	The Park at Eldridge, BLOCK 1, Lot 29	Phan Thanh & Trinh Nguyen	13511 Beacon STA Sugar Land, TX 77498-4101	$935
2026	R555006	100	The Park at Eldridge, BLOCK 1, Lot 30	Tang, Brandon	13515 Beacon ST Sugar Land, TX 77498-4101	$935
2026	R555007	100	The Park at Eldridge, BLOCK 1, Lot 31	Ali Mubashar & Nafisa	13519 Beacon ST Sugar Land, TX 77498-4101	$935
2026	R555008	100	The Park at Eldridge, BLOCK 1, Lot 32	Tran, Vinh Dinh	13523 Beacon ST Sugar Land, TX 77498-4101	$935
2026	R555009	100	The Park at Eldridge, BLOCK 1, Lot 33	Nguyen Trang & John Thanh	13527 Beacon ST Sugar Land, TX 77498-4101	$935
2026	R555010	100	The Park at Eldridge, BLOCK 1, Lot 34	Punjwani Nooral & Anam	13531 Beacon ST Sugar Land, TX 77498-4101	$935
2026	R555011	100	The Park at Eldridge, BLOCK 1, Lot 35	Lucas, Martha Aguirre	13535 Beacon ST Sugar Land, TX 77498-4101	$935
2026	R555012	100	The Park at Eldridge, BLOCK 1, Lot 36	Aleman Leticia & Richard	13539 Beacon ST Sugar Land, TX 77498-4101	$935
2026	R555013	100	The Park at Eldridge, BLOCK 1, Lot 37	Vu Dinh & Van Do	13603 Beacon ST Sugar Land, TX 77498-4102	$935
2026	R555014	100	The Park at Eldridge, BLOCK 1, Lot 38	Vo, Kim	13607 Beacon ST Sugar Land, TX 77498-4102	$935
2026	R555015	100	The Park at Eldridge, BLOCK 1, Lot 39	Giron Jeovanny & San Ta	13611 Beacon ST Sugar Land, TX 77498-4102	$935
2026	R555016	100	The Park at Eldridge, BLOCK 1, Lot 40	Tran, Son	13615 Beacon ST Sugar Land, TX 77498-4102	$935
2026	R555017	100	The Park at Eldridge, BLOCK 1, Lot 41	Nguyen, Tri Van	13619 Beacon ST Sugar Land, TX 77498-4102	$935
2026	R555018	100	The Park at Eldridge, BLOCK 1, Lot 42	Virani, Anam	13623 Beacon ST Sugar Land, TX 77498-4102	$935
2026	R555019	100	The Park at Eldridge, BLOCK 1, Lot 43	Silva Vincent & Kisses	13627 Beacon ST Sugar Land, TX 77478	$935
2026	R555020	100	The Park at Eldridge, BLOCK 1, Lot 44	Wong, Gavin	13631 Beacon ST Sugar Land, TX 77478	$935
2026	R555021	100	The Park at Eldridge, BLOCK 1, Lot 45	Wang, Wumin	13635 Beacon ST Sugar Land, TX 77498-4102	$935
2026	R555022	100	The Park at Eldridge, BLOCK 1, Lot 46	Kwan, Luke	13639 Beacon ST Sugar Land, TX 77498-4102	$935
2026	R555023	100	The Park at Eldridge, BLOCK 1, Lot 47	Bhangar, Shaheer	2003 Cape Cod CT Sugar Land, TX 77478-4103	$935
2026	R555024	100	The Park at Eldridge, BLOCK 1, Lot 48	Aleman Leticia & Richard	2011 Cape Cod CT Sugar Land, TX 77498-4103	$935
2026	R555025	100	The Park at Eldridge, BLOCK 1, Lot 49	Dang, Stephanie	2015 Cape Cod CT Sugar Land, TX 77498-4103	$935
2026	R555026	100	The Park at Eldridge, BLOCK 1, Lot 50	Mendybayev Alash & Aida Meirbekova	2019 Cape Cod CT Sugar Land, TX 77498-4103	$935
2026	R555027	100	The Park at Eldridge, BLOCK 1, Lot 51	Vohra Muhammad H & Muhammad W	2023 Cape Cod CT Sugar Land, TX 77498-4103	$935
2026	R555028	100	The Park at Eldridge, BLOCK 1, Lot 52	Tsegai, Yohana	2027 Cape Cod CT Sugar Land, TX 77498-4103	$935
2026	R555029	100	The Park at Eldridge, BLOCK 1, Lot 53	Koshy Rency John & Remya Mariam Rency	2026 Cape Cod CT Sugar Land, TX 77498-4103	$935
2026	R555030	100	The Park at Eldridge, BLOCK 1, Lot 54	Husain Mudassar & Asifa Mudassar	2022 Cape Cod CT Sugar Land, TX 77498-4103	$935
2026	R555031	100	The Park at Eldridge, BLOCK 1, Lot 55	Patrick, Christopher	2018 Cape Cod CT Sugar Land, TX 77498-4103	$935
2026	R555032	100	The Park at Eldridge, BLOCK 1, Lot 56	Tam, William	2014 Cape Cod CT Sugar Land, TX 77498-4103	$935
2026	R555033	100	The Park at Eldridge, BLOCK 1, Lot 57	Abdelsalam, Mohamed	2010 Cape Cod CT Sugar Land, TX 77498-4103	$935
2026	R555034	100	The Park at Eldridge, BLOCK 2, Lot 1	Nguyen, Trang Thi Le	2014 Orchid ST Sugar Land, TX 77498-4107	$935
2026	R555035	100	The Park at Eldridge, BLOCK 2, Lot 2	Bui Duoc & Thuy Nguyen	2010 Orchid ST Sugar Land, TX 77478-4107	$935
2026	R555036	100	The Park at Eldridge, BLOCK 2, Lot 3	Yang Guang & Shenhua Zhu	2006 Orchid ST Sugar Land, TX 77498-4107	$935
2026	R555037	100	The Park at Eldridge, BLOCK 2, Lot 4	Hua, Thoa Diep	2002 Orchid ST Sugar Land, TX 77498-4107	$935
2026	R555038	100	The Park at Eldridge, BLOCK 2, Lot 5	Chen, Xu	2003 Sunflower CT Sugar Land, TX 77498-4109	$935
2026	R555039	100	The Park at Eldridge, BLOCK 2, Lot 6	Kuang Cindy & Yanying Mei	2007 Sunflower CT Sugar Land, TX 77498-4109	$935
2026	R555040	100	The Park at Eldridge, BLOCK 2, Lot 7	Borski, Matthew	2011 Sunflower CT Sugar Land, TX 77498-4109	$935
2026	R555041	100	The Park at Eldridge, BLOCK 2, Lot 8	Tran Thi & Yennie Nguyen	2015 Sunflower CT Sugar Land, TX 77498-4109	$935
2026	R555042	100	The Park at Eldridge, BLOCK 2, Lot 9	Atmadja Elizabeth Yuyu & Peter Kurniawan	2014 Sunflower CT Sugar Land, TX 77498-4109	$935
2026	R555043	100	The Park at Eldridge, BLOCK 2, Lot 10	Chintha Bhanu Priya & Sai Kumar Neela	2010 Sunflower CT Sugar Land, TX 77498-4109	$935
2026	R555044	100	The Park at Eldridge, BLOCK 2, Lot 11	Kumar Kishan & Manju Bala	2006 Sunflower CT Sugar Land, TX 77498-4109	$935
2026	R555045	100	The Park at Eldridge, BLOCK 2, Lot 12	Noor Erah & Uzma Bokhari	2002 Sunflower CT Sugar Land, TX 77498-4109	$935
2026	R555046	100	The Park at Eldridge, BLOCK 2, Lot 13	Dylan Nguyen & Sharon Vu	2003 Cottage CT Sugar Land, TX 77498-4104	$935
2026	R555047	100	The Park at Eldridge, BLOCK 2, Lot 14	DeSipio, Joseph	2007 Cottage CT Sugar Land, TX 77498-4104	$935
2026	R555048	100	The Park at Eldridge, BLOCK 2, Lot 15	Luong, Danny	2011 Cottage CT Sugar Land, TX 77498-4104	$935
2026	R555049	100	The Park at Eldridge, BLOCK 2, Lot 16	Yu, Chui	2015 Cottage CT Sugar Land, TX 77498-4104	$935
2026	R555050	100	The Park at Eldridge, BLOCK 2, Lot 17	Pal Mitin & Divya	2014 Cottage CT Sugar Land, TX 77498-4104	$935
2026	R555051	100	The Park at Eldridge, BLOCK 2, Lot 18	Varughese Leelamma & Varughese Manjadiyil	2010 Cottage CT Sugar Land, TX 77498-4104	$935
2026	R555052	100	The Park at Eldridge, BLOCK 2, Lot 19	Dao Binh Kim & Giao Ngoc Quynh Phan	2006 Cottage CT Sugar Land, TX 77498-4104	$935
2026	R555053	100	The Park at Eldridge, BLOCK 2, Lot 20	Mohamed Asghar Peer & Aysha Rajifa Syed Mohamed Thassim	2002 Cottage CT Sugar Land, TX 77498-4104	$935
2026	R555054	100	The Park at Eldridge, BLOCK 2, Lot 21	Lee, Jong Han	2003 Magnolia CT Sugar Land, TX 77498-4106	$935
2026	R555055	100	The Park at Eldridge, BLOCK 2, Lot 22	Tran, Jeanne Thao	2007 Magnolia CT Sugar Land, TX 77498-4106	$935
2026	R555056	100	The Park at Eldridge, BLOCK 2, Lot 23	Tsegai Bereket & Bethlehem	12302 Maple Leaf LN Stafford, TX 77477-1692	$935
2026	R555057	100	The Park at Eldridge, BLOCK 2, Lot 24	Tran Nhung & Vinh Doan	2015 Magnolia CT Sugar Land, TX 77498-4106	$935
2026	R555058	100	The Park at Eldridge, BLOCK 2, Lot 25	Sheraz Hassan	2014 Magnolia CT Sugar Land, TX 77498-4106	$935
2026	R555059	100	The Park at Eldridge, BLOCK 2, Lot 26	Awan Ayaz & Shazia Ali	2010 Magnolia CT Sugar Land, TX 77498-4106	$935
2026	R555060	100	The Park at Eldridge, BLOCK 2, Lot 27	Wacker, Barbara Joyce	2006 Magnolia CT Sugar Land, TX 77498-4106	$935
2026	R555061	100	The Park at Eldridge, BLOCK 2, Lot 28	Khan, Saad	2002 Magnolia CT Sugar Land, TX 77498-4106	$935
2026	R555062	100	The Park at Eldridge, BLOCK 2, Lot 29	Ghebremeskel Ghebrehiwet & Astier Ghebremeskel	2003 Pearl ST Sugar Land, TX 77498-4108	$935
2026	R555063	100	The Park at Eldridge, BLOCK 2, Lot 30	Onafowora, Olufunke	2007 Pearl ST Sugar Land, TX 77498-4108	$935
2026	R555064	100	The Park at Eldridge, BLOCK 2, Lot 31	Zhu, Dongmei	2011 Pearl ST Sugar Land, TX 77498-4108	$935
2026	R555065	100	The Park at Eldridge, BLOCK 2, Lot 32	Tran Antoine & Duy My Vuong	2015 Pearl ST Sugar Land, TX 77498-4108	$935
					Total	**$83,215**

Exhibit B

Park at Eldridge PID Service Plan for FY2027 – 2031

Fiscal Year	2027	2028	2029	2030	2031
Revenues					
Assessments	83,215	83,215	83,215	83,215	83,215
City Contribution	51,573	51,938	52,590	52,590	52,590
Interest Income	5,711	7,704	8,306	8,863	9,358
Total Sources	140,499	142,857	144,111	144,668	145,163
Expenses					
Debt Service	126,750	127,750	130,125	132,250	124,375
Billing & Collection	50	50	50	50	50
Total Uses	126,800	127,800	130,175	132,300	124,425
Fund Balance Drawdown	13,699	15,057	13,936	12,368	20,738
Annual Assessment	$ 935	$ 935	$ 935	$ 935	$ 935

Park at Eldridge PID Assessment Plan

The Park at Eldridge PID proposed assessment rate is $935 per lot for tax year 2026.

PID Assessment bills are mailed by the Fort Bend County Tax Office directly to the property owners (to the mailing address listed with the Tax office) and will be collected on the schedule listed below:

Mailed no later than December 31
Due by January 31
Delinquent on February 1

Penalties and interest accrue to delinquent PID assessments just as with delinquent property taxes. The penalty rate on delinquent PID assessment levies is 10% per year. PID assessments remain with the property and continue to accrue penalties until paid in full with the Fort Bend County Tax Office.

ORDINANCE NO. 2414

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, APPROVING AND ADOPTING THE 2027 SERVICE PLAN; THE 2026 ASSESSMENT ROLL; AND LEVYING ASSESSMENTS FOR THE 2026 CALENDAR YEAR FOR PROPERTY LOCATED IN THE PARK AT ELDRIDGE PUBLIC IMPROVEMENT DISTRICT.

WHEREAS, Chapter 372 (Public Improvement District Assessment Act) of the Texas Local Government Code (Act) authorized the creation of the Park at Eldridge Public Improvement District (District); and

WHEREAS, on April 6, 2021, the City Council passed Resolution 21-04 establishing the District; and

WHEREAS, on September 1, 2026, the City Council held a public hearing, properly noticed under the Act, to consider the levy of the proposed assessments on property located within the District for calendar year 2026; and

WHEREAS, at the September 1, 2026 public hearing, the City Council provided the public an opportunity to state their objections to the proposed assessment, NOW, THEREFORE;

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

Section 1. That the facts and recitations set forth in this ordinance are declared true and correct.

Section 2. That the assessments set out in **Exhibit A**, attached and incorporated into this ordinance:

(a) should be made and levied against the property and property owners within the District;

(b) are in proportion to the benefits to the property for the services and improvements in the District; and

(c) establish substantial justice, equality, and uniformity in the amount assessed against each property owner for the benefits received and burdens imposed.

Section 3. That the 2027 Service Plan set out in **Exhibit B**, attached and incorporated into this ordinance, is feasible and sound and will serve the needs of the property owners in the District and that the assessment rate of $935 per lot is reasonable and consistent with the special benefits conferred by the District.

Section 4. That the procedures followed and apportionment of the cost of the services and improvements in the District comply with applicable law and the purpose for which the District was formed.

Section 5. That the following are exempted from the payment of the assessment and are excluded from the assessment roll:

(a) property owned by a utility that is located in a public street or rights-of-way;

(b) property owned by the City and used for a public purpose; and

(c) property platted as a "Restricted Reserve" on the plat filed as File No. 2023073715 and 20230163 in the real property records of Fort Bend County.

Section 6. That the assessments shown on **Exhibit A** are levied and assessed against the property in the District and against the record owner of the property identified by the Fort Bend County Appraisal District records.

Section 7. That the assessment shown in **Exhibit A**:

(a) accrues interest at a rate of 0% from the effective date of this Ordinance until February 1, 2027;

(b) accrues interest, penalties, and attorney's fees in the same manner as a delinquent ad valorem tax after February 1, 2027, until paid; and

(c) is a lien on the property shown in **Exhibit A** and the personal liability of the property owner.

Section 8. 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:

APPROVED AS TO FORM:
D'Ann Shea Smith

____
Linda Mendenhall, City Clerk

City Council Agenda Request
September 1, 2026

Agenda Request No: VIII.A.

Agenda of: City Council Meeting

Initiated by: Li Su, Senior Budget & Strategy Analyst

Presented by: Justyn Mejorado, Assistant Director of Budget

Responsible Department: Budget

Agenda Caption:
FIRST AND FINAL CONSIDERATION: Consideration of and action on **CITY OF SUGAR LAND ORDINANCE NO. 2416**: 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:
Approve the First and Final Reading of Ordinance No. 2416, 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 addresses funds relating to certain capital and operating budget matters and that this amendment be adopted as the budgeted amount for those funds.

Executive Summary:
The City's budget is adopted by City Council through one reading of an ordinance each year, as provided by the City Charter. After the budget is adopted, budget amendments requiring an increase to a fund's total appropriation must be approved by City Council. To streamline the process, budget amendments are considered by City Council on an as-needed basis and formally adopted by ordinance periodically.

As part of the annual budget process, the Budget Department re-estimates revenues and expenditures using year-to-date actuals and projections for the remainder of the fiscal year. The year-end amendment formally documents these updated projections, which become the revised budget for FY26.

Amending the budget to year-end projections provides an updated view of the City's anticipated financial position at the close of the fiscal year and ensures the revised budget reflects the most current expectations for revenues and expenditures. The year-end ordinance also formalizes budget amendments and adjustments that have been approved since the previous budget ordinance.

The following information provides a brief overview of the changes to the major operating funds.

General Fund
Revenues are projected to be $5.1 million, or 3.7%, higher than the current budget, primarily driven by a $4.9 million, or 8.6%, increase in projected sales tax collections. Property tax revenue is also projected to be $0.6 million, or 1.3% higher than budget, primarily due to the expiration of Tax Increment Reinvestment Zone (TIRZ) #1 and the resulting return of its taxable value to the City's tax roll. This increase is partially offset by projected decreases in other taxes of $0.54 million, or 7.9%, primarily due to lower-than-anticipated monthly electric franchise payments.

Expenditures are projected to increase by $0.97M from the current budget, primarily reflecting necessary increases for electricity costs.

The General Fund is projected to end FY26 with a balance of $49.2M, which is $4.1M better than the revised budget and $14.3M above the fund balance policy requirement.

Debt Service Fund
Revenues are projected to be $3.5 million, or 7.1% higher than the current budget. The increase is primarily driven by $1.6 million in bond proceeds related to the developer infrastructure reimbursement for the Park at Eldridge PID. These funds will be transferred to the PID Fund, where they will be used to pay the developer reimbursement. Additionally, transfers from the CIP Fund are projected to increase by $0.7 million, reflecting transportation fees collected during the Riverstone development and reserved to fund the developer’s share of debt service for the construction of University Boulevard South. Property tax revenue is also projected to be $0.4 million, or 1.3%, higher than budget, primarily due to the expiration of Tax Increment Reinvestment Zone (TIRZ) #1 and the resulting return of its taxable value to the City's tax roll. Interest income is also projected to increase by $0.3 million. These increases are partially offset by a $0.1 million decrease in delinquent property tax collections, as the FY26 projection has been conservatively adjusted to reflect historical and current year-to-date collection trends.

Expenditures are projected to decrease by $2.0 million from the current budget, primarily due to $3.0 million in lower debt service associated with the timing of the planned debt issuance, and $592K in issuance costs and fees that have been reallocated to other funds to align the expenses with the fund responsible for payment. These decreases are offset by the scheduled $1.6 million increase in transfers to the Park at Eldridge PID fund.

The Debt Service Fund is projected to end FY26 with a fund balance of $15.8 million, which is $5.5 million better than the revised budget and $12.1 million above the fund balance policy requirement.

Utility Fund
Revenues are projected to be $1.9 million, or 1.5%, higher than the current budget, primarily driven by a $2.9 million increase in miscellaneous revenue. Most of this increase is associated with a $1.7 million reimbursement related to the water-supply agreement between the City, Brazos River Authority and Dow Chemical. Interest income is also expected higher, with an increase of $0.9 million. These increases are offset by projected decreases of $1.5 million or 5.5% in surface water fees and $0.39 million or 52.9% in tap fees. Tap Fees are projected below budget due to lower-than-anticipated connection activity, reflecting slower development activity than assumed in the adopted budget.

Expenditures are projected to decrease by $3.1 million from the current budget, primarily due to $3.6 million in lower debt service and $0.3 million in lower issuance costs, based on specific financing and market conditions at the time of sale. These reductions are partially offset by a $0.8 million increase in operating expenditures, primarily reflecting higher electricity costs and a smaller increase in Treasury banking fees.

The Utility Fund is projected to end FY26 with a fund balance of $63.9 million, which is $5.1 million above the revised budget. After accounting for the debt service reserve, the fund is projected to have $54.6 million in available fund balance, representing 152% of the City's minimum cash reserve target.

Airport Fund
Revenues are projected to be $6.5 million, or 13.7%, higher than the current budget, primarily driven by a $5.5 million increase in fuel sales, along with increases of $0.3 million in charges for services, $0.1 million in interest income, and $0.4 million in miscellaneous revenues.

Expenditures are projected to increase by $2.1 million from the current budget, primarily due to a $2.2 million increase in operating expenditures associated with fuel for resale. This increase is partially offset by a $0.1 million decrease in miscellaneous expenditures, reflecting lower than anticipated bond issuance costs based on specific financing and market conditions at the time of sale.

The Airport Fund is projected to end FY26 with a fund balance of $21.6 million, which is $4.4 million better than the revised budget. After accounting for the debt service reserve, the fund is projected to have $18.9 million in available fund balance, or 211% of the City's minimum cash reserve target.

Employee Benefits Fund
Revenues are projected to be $0.7 million, or 3.8%, lower than the current budget, primarily driven by a decrease of $0.59 million in miscellaneous revenues, tied to lower than budgeted stop loss reimbursements.

Expenditures are also projected to be $0.8 million below budget, primarily due to lower-than-anticipated premiums and claims costs, reflecting favorable claims experience.

The fund is projected to end FY26 with a fund balance of $4.8 million. After the reserve for self-insurance, an additional $2.1 million remains available in fund balance.

Solid Waste Fund
Revenues are projected to end $0.1 million, or 0.7%, higher than the current budget. Franchise fee revenue is projected to increase by $0.3 million, or 25%, while the $0.3 million originally budgeted for emergency fees has been shifted to the Disaster Recovery Fund. Slightly higher solid waste collections and interest earnings further contribute to the overall increase in revenues.

Expenditures are also projected to increase, primarily due to higher contractual services associated with serving more households than originally anticipated. Transfers out are projected to increase by $0.3 million to reflect the anticipated reimbursement to the Utility Fund for the interfund loan used for Hurricane Beryl debris cleanup. The reimbursement was originally anticipated in FY25 as part of the $6.3 million interfund loan; however, the transfer was deferred due to the timing of the anticipated FEMA reimbursement. The amount was not carried forward into the FY26 budget and is therefore being added through this amendment to align the budget with the anticipated timing of the FEMA reimbursement.

The fund is projected to end FY26 with approximately $3.1 million in fund balance.

Other Operating Fund Changes

Special Events Funds

Total revenues in this fund are projected $36k or 4.1% lower than budget. This is the result of lower rental fees and interest income. Expenditures include $47k in expenditures to correct a prior-year coding related to the performance arts center capital reserve. This is a one-time adjustment and does not represent new spending.

Tourism Fund

Total revenues for this fund are projected $20k or 0.6% lower, due to the reduction in miscellaneous revenues, which is a result of the City no longer receiving utility reimbursement from the Children’s Museum after acquiring it as part of the Imperial Historic District purchase. Expenditures include a related increase in electricity costs for the area of $13k.

Park at Eldridge PID

Total revenues for the fund are projected to be $1.6 million higher, primarily due to a transfer from the Debt Service Fund related to bonds issued for the developer infrastructure reimbursement. The reimbursement was triggered when the development reached $25.5 million in certified assessed value. These funds, combined with fund balance from prior assessments, will fund the $1.7 million increase in expenditures to pay the developer reimbursement.

ARPA & Public Safety Replacement Fund

Remaining interest earned in the ARPA fund is planned to be transferred to the newly created

Public Safety Replacement Fund, totaling $0.7 million.

Opioid Litigation Settlement Fund

Captures additional interest earnings and allocates any remaining available fund balance between the Police and Fire departments.

Capital Project Funds - Budget Amendments

- **10/21/2025 – CWW2302 to CWW2401 – Lift Station Rehabilitation Program**
  - $163,680 – Reallocation and consolidation of funding to execute construction contract for rehabilitation of 4 lift stations.
- **10/21/2025 – CPK1702 – Ditch H/ Sugar Land Trail**
  - $9,090,240 – Acceptance of Surface Transportation Block Grant funding from the Federal Transit Administration, funding for Sugar Land Trail phases 1 & 2.
- **12/16/2025 – CWW2503 – South of the Brazos Wastewater Treatment Plant**
  - $4,406,342 – Reallocation and consolidation of funding to execute construction contract for wastewater treatment facilities.
- **03/03/2026 – CWW2502**
  - $500,000 – Reallocation of funding to execute construction contract for rehabilitation of three lift stations.
- **03/17/2026 – CWA2305 – Groundwater Well Rehabilitation**
  - $144,649 – Reallocation of funding from completed water project CWA2208 for an emergency pump & motor replacement at the Greatwood East Groundwater Plant.
- **08/04/2026 – CWA2406 – Generator & Right-Angle Drive Placement Program**
  - $2,800,000 – Consolidation of funding for construction and replacement costs of improvements at First Colony and Sugar Creek groundwater plants.

Arbitrage Payments
Based on arbitrage rebate calculations, two payments are due to the IRS in FY26, totaling approximately $375,000 and include the following to be amended:

- $175,000 – General CIP Bond Fund – Related to GO Refunding Bonds, Series 2021
- $200,000 – Utility CIP Bond Fund – Related to WW&S Revenue Bonds, Series 2021

Recommended Action
Staff recommends approval of the first and final reading of Ordinance No. 2416, amending the FY26 budget to projections.

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. Ordinance 2416 - FY26 Budget Projections Amendment
2. Exhibit A - Fund Statements

ORDINANCE NO. 2416

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 2388, and amended by Ordinance No. 2391, and Ordinance No. 2398 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 on ________________, 2026.

____

Carol K. McCutcheon, Mayor

ATTEST:

APPROVED AS TO FORM:

Meredith Riede

____

Linda Mendenhall, City Clerk

CITY OF SUGAR LAND
GENERAL FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Property Taxes	$ 43,640,005	$ -	$ 43,640,005	$ 557,070	$ 44,197,075
Sales Tax	57,086,367	-	57,086,367	4,896,500	61,982,867
Other Taxes	6,850,477	-	6,850,477	(540,724)	6,309,753
Licenses & Permits	4,495,453	-	4,495,453	(28,417)	4,467,036
Charges for Services	7,583,353	-	7,583,353	(178,225)	7,405,128
Fines & Forfeitures	1,210,000	-	1,210,000	(54,500)	1,155,500
Other	1,430,075	15,414	1,445,489	275,133	1,720,622
Intergovernmental	1,404,290	426,606	1,830,896	(135,034)	1,695,862
Interest Income	1,944,000	-	1,944,000	293,000	2,237,000
Operating Revenues	125,644,020	442,019	126,086,040	5,084,803	131,170,843
Transfers In	10,407,228	-	10,407,228	-	10,407,228
Non-operating Revenues	10,407,228	-	10,407,228	-	10,407,228
Total Revenues	136,051,248	442,019	136,493,268	5,084,803	141,578,071
EXPENDITURES					
General Government	26,543,977	728,592	27,272,568	-	27,272,568
Finance	4,654,239	-	4,654,239	-	4,654,239
Municipal Court	1,596,270	-	1,596,270	-	1,596,270
Public Works	16,536,682	298,210	16,834,893	872,564	17,707,456
Parks & Recreation	7,079,693	400,113	7,479,807	92,885	7,572,692
Community Development	7,412,717	201,708	7,614,424	-	7,614,424
Fleet Services	1,751,204	100	1,751,304	-	1,751,304
Animal Services	2,235,761	20,380	2,256,141	-	2,256,141
Police Department	31,608,717	734,634	32,343,351	-	32,343,351
Public Safety Dispatch	4,303,399	34,583	4,337,982	-	4,337,982
Fire Department	25,617,432	292,479	25,909,911	-	25,909,911
Departmental Expenditures	129,340,093	2,710,799	132,050,892	965,449	133,016,340
Transfers to other Funds	3,271,290	670,574	3,941,864	4,247	3,946,111
Miscellaneous	3,646,086	2,700,356	6,346,442	-	6,346,442
Rebates & Assignments	4,066,720	-	4,066,720	-	4,066,720
Non-departmental Expenditures	10,984,096	3,370,930	14,355,026	4,247	14,359,273
Total Expenditures	140,324,188	6,081,729	146,405,918	969,696	147,375,613
Fund Balance - Beginning	54,992,043		54,992,043	-	54,992,043
Change in Fund Balance	(4,272,940)	(5,639,710)	(9,912,650)	4,115,108	(5,797,542)
Fund Balance - Ending	$ 50,719,103	$ (5,639,710)	$ 45,079,392	$ 4,115,108	$ 49,194,500
Ending Fund Balance- 25% of Oper Exp	38%		32%		35%
Fund Balance - Requirement	$ 33,166,179		$ 34,728,669		$ 34,942,442
Over / (Under) Policy	17,552,924		10,351,723		14,253,058

CITY OF SUGAR LAND
DEBT SERVICE FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Current Property Tax	$ 31,763,250	$ -	$ 31,763,250	$ 437,750	$ 32,201,000
Delinquent Property Taxes	57,157	-	57,157	(137,157)	(80,000)
Interest on Investments	298,100	-	298,100	261,900	560,000
Bond Proceeds	-	-	-	1,626,548	1,626,548
Miscellaneous	521,550	-	521,550	-	521,550
Total Operating Revenues	32,640,057	-	32,640,057	2,189,041	34,829,098
From Utility Fund	1,244,739	-	1,244,739	-	1,244,739
From Tourism Fund	351,900	-	351,900	-	351,900
From PID	95,288	-	95,288	-	95,288
From CIP - Non Bond	-	-	-	674,250	674,250
From SLDC	3,292,707	-	3,292,707	-	3,292,707
From SL4B	2,636,582	-	2,636,582	-	2,636,582
Total Transfers In	7,621,216	-	7,621,216	674,250	8,295,466
Total Revenues	40,261,273	-	40,261,273	3,537,541	43,124,563
EXPENDITURES					
Current Outstanding & New Debt	39,955,267	-	39,955,267	(3,000,000)	36,955,267
Issuance Costs/Fiscal Fees/Other	689,993	-	689,993	(591,700)	98,293
Total Debt Service	40,645,260	-	40,645,260	(3,591,700)	37,053,560
Rebates & Assignments	2,976,939	-	2,976,939	-	2,976,939
Transfers to Other Funds	274,221	-	274,221	1,634,346	1,908,567
Total Non-Operating Expenditures	3,251,160	-	3,251,160	1,634,346	4,885,506
Total Expenditures	43,896,420	-	43,896,420	(1,957,354)	41,939,066
FUND BALANCE - BEGINNING	14,622,482		14,622,482		14,622,482
CHANGE IN FUND BALANCE	(3,635,147)	-	(3,635,147)	5,494,895	1,185,498
FUND BALANCE - ENDING	$ 10,987,334	$ -	$ 10,987,334	$ 5,494,895	$ 15,807,979
Policy Requirement (10% of Debt)	3,995,527		3,995,527		3,695,527
Over/(Under) Policy	$ 6,991,808		$ 6,991,808		$ 12,112,452

CITY OF SUGAR LAND
ENTERPRISE FUND - UTILITY SYSTEM
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Charges for Services	$ 48,840,092	$ -	$ 48,840,092	$ (770,523)	$ 48,069,569
Surface Water Fees	26,453,263	-	26,453,263	(1,453,263)	25,000,000
Tap Fees	732,534	-	732,534	(387,534)	345,000
Interest Income	1,073,467	-	1,073,467	926,533	2,000,000
Miscellaneous	451,950	-	451,950	2,877,673	3,329,623
Operating Revenues	77,551,306	-	77,551,306	1,192,886	78,744,192
Bond Proceeds	41,186,118	-	41,186,118	404,245	41,590,363
Transfers In - PID	33,531	-	33,531	-	33,531
Transfers In - Connection Fees	868,019	-	868,019	-	868,019
Transfers In - Solid Waste	5,957,182	-	5,957,182	342,818	6,300,000
Non-operating Revenues	48,044,850	-	48,044,850	747,063	48,791,913
Total Revenues	125,596,156	-	125,596,156	1,939,949	127,536,105
EXPENDITURES					
Utility Administration	1,294,584	167,314	1,461,898	(105)	1,461,794
Water Distribution	3,022,265	112,764	3,135,029	(4,000)	3,131,029
Water Production	4,468,584	839,780	5,308,364	520,396	5,828,760
Wastewater Collection	1,660,136	359,029	2,019,165	-	2,019,165
Wastewater Treatment	8,969,236	1,177,368	10,146,604	226,222	10,372,826
Customer Service	2,054,041	111,476	2,165,517	4,000	2,169,517
Water Quality	1,113,199	83,756	1,196,954	-	1,196,954
Water Conservation	392,386	81,447	473,832	1	473,833
Treasury	2,452,627	-	2,452,627	60,250	2,512,877
AMI Operations	889,506	114,470	1,003,976	-	1,003,976
Surface Water	9,529,530	1,285,244	10,814,774	698,977	11,513,751
Total Operating Expenditures	35,846,094	4,332,646	40,178,740	1,505,741	41,684,481
Debt Service	31,793,137	-	31,793,137	(3,618,612)	28,174,525
Issuance Costs	726,722	(9,400)	717,322	(313,077)	404,245
Transfers Out	7,117,975	-	7,117,975	-	7,117,975
Miscellaneous	332,337	194,400	526,737	-	526,737
Contingency	500,000	(185,000)	315,000	-	315,000
CIP Transfers	43,186,118	-	43,186,118	-	43,186,118
Total Non-Operating Expenditures	83,656,289	-	83,656,289	(3,931,689)	79,724,600
Total Expenditures	119,502,383	4,332,646	123,835,029	(2,425,948)	121,409,081
Fund Balance - Beginning	57,032,631		57,032,631		57,032,631
Revenues Over/(Under) Expenditures	6,093,773	(4,332,646)	1,761,127	4,365,897	6,127,024
Fund Balance - Ending	**$ 63,126,404**	**$ (4,332,646)**	**$ 58,793,758**	**$ 4,365,897**	**$ 63,159,655**
Less Debt Service Reserve	(9,306,492)		(9,306,492)		(9,306,492)
Available Fund Balance	**$ 53,819,913**		**$ 49,487,267**		**$ 53,853,164**
Cash Reserve Ratio (Min. 25%)	149%		139%		153%
Cash Reserve Over/(Under) Target	$ 44,772,502		$ 40,616,595		$ 45,060,705
Bond Coverage Ratio (Min. 1.25x)	1.28		1.26		1.25

CITY OF SUGAR LAND
ENTERPRISE FUND - AIRPORT
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Fuel Sales	$ 25,907,858	$ 1,609,818	$ 27,517,676	$ 5,534,403	$ 33,052,079
Hangar Leases	1,589,200	-	1,589,200	-	1,589,200
Charges for Services	1,097,700	-	1,097,700	328,715	1,426,415
Interest Income	505,026	-	505,026	94,974	600,000
Other Revenues	350,000	-	350,000	-	350,000
Miscellaneous	300,000	-	300,000	393,340	693,340
Total Operating Revenues	29,749,784	1,609,818	31,359,602	6,351,432	37,711,034
Bond Proceeds	15,500,000	-	15,500,000	161,584	15,661,584
Grant Proceeds	100,000	-	100,000	-	100,000
Transfer from Other Funds	580,906	-	580,906	12,045	592,951
Total Non-Operating Revenues	16,180,906	-	16,180,906	173,629	16,354,535
Total Revenues	45,930,690	1,609,818	47,540,508	6,525,061	54,065,569
EXPENDITURES					
Airport Administration	1,638,333	(44,589)	1,593,743	68,446	1,662,190
Airfield Operations	533,201	204,692	737,893	(0)	737,893
FBO Services	19,555,411	1,168,790	20,724,200	2,187,680	22,911,881
Café Select	364,392	(9,521)	354,871	(3,000)	351,871
Maintenance & Operations	1,386,540	62,596	1,449,136	(31,125)	1,418,011
U.S. Customs	446,900	300,952	747,852	-	747,852
Total Operating Expenditures	23,924,776	1,682,919	25,607,695	2,222,002	27,829,697
Operating Transfers Out	1,200,857	-	1,200,857	-	1,200,857
Transfers Out - Bond CIP	15,500,000	-	15,500,000	-	15,500,000
Transfers Out - Non-Bond CIP	250,000	-	250,000	-	250,000
Debt Service	1,431,119	-	1,431,119	-	1,431,119
Miscellaneous	533,024	21,989	555,013	(148,416)	406,597
Total Non-Operating Expenditures	18,915,000	21,989	18,936,989	(148,416)	18,788,573
Total Expenditures	42,839,776	1,704,908	44,544,684	2,073,586	46,618,270
Fund Balance - Beginning	14,116,485		14,116,485		14,116,485
Revenues Over/(Under) Expenditures	3,090,914	(95,090)	2,995,824	4,451,476	7,447,299
Fund Balance - Ending	**$ 17,207,399**	**$ (95,090)**	**$ 17,112,308**	**$ 4,451,476**	**$ 21,563,784**
Less Debt Service Reserve	(2,582,005)		(2,582,005)		(2,582,005)
Available Fund Balance	**$ 14,625,393**		**$ 14,530,303**		**$ 18,981,779**
Cash Reserve Ratio (Min. 25%)	162%		175%		211%
Cash Reserve Over/(Under) Target	$ 12,366,645		$ 12,449,394		$ 16,728,702
Bond Coverage Ratio (Min. 1.25x)	1.80		2.34		3.94
Fuel Gallons Sold	4,581,343		4,857,796		5,074,178

CITY OF SUGAR LAND
INTERNAL SERVICE FUND - EMPLOYEE BENEFITS
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Contributions	$ 15,408,763	$ -	$ 15,408,763	$ (88,668)	$ 15,320,095
Miscellaneous	1,942,572	-	1,942,572	(586,712)	1,355,860
Interest Income	143,891	-	143,891	7,560	151,451
Total Revenues	17,495,226	-	17,495,226	(667,820)	16,827,406
EXPENDITURES					
Premiums & Claims	16,495,867	(6,038)	16,489,829	(836,331)	15,653,498
Other	1,028,328	6,038	1,034,366	3,630	1,037,996
Total Expenditures	17,524,195	-	17,524,195	(832,701)	16,691,494
Fund Balance - Beginning	4,652,418		4,652,418		4,652,418
Change in Fund Balance	(28,969)	-	(28,969)	164,881	135,912
Fund Balance - Ending	$ 4,623,449	$ -	$ 4,623,449	$ 164,881	$ 4,788,330
Reserve for Self Insurance	(2,712,175)		(2,712,175)	-	(2,712,175)
Fund Balance - Available	1,911,274	-	1,911,274	164,881	2,076,155

CITY OF SUGAR LAND
ENTERPRISE FUND - SOLID WASTE
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Solid Waste Collections	$ 9,568,261	$ -	$ 9,568,261	$ 33,921	$ 9,602,182
Franchise Fees	1,469,800	-	1,469,800	365,896	1,835,696
Commercial SW License	32,000	-	32,000	-	32,000
Miscellaneous Revenues	3,500	-	3,500	-	3,500
Federal Reimbursements	5,957,182	-	5,957,182	-	5,957,182
Emergency Fee	319,500	-	319,500	(319,500)	-
Interest Income	62,000	-	62,000	36,000	98,000
Total Revenues	17,412,243	-	17,412,243	116,317	17,528,560
EXPENDITURES					
Contractual Services	9,568,260	-	9,568,260	71,232	9,639,492
Salary & Benefits	378,448	-	378,448	-	378,448
Maintenance & Operations	173,737	14,925	188,662	(0)	188,662
Total Operating Expenditures	10,120,445	14,925	10,135,370	71,232	10,206,602
Miscellaneous	70,000	(14,925)	55,075	-	55,075
Transfers Out	6,757,603	-	6,757,603	342,818	7,100,421
Total Non-Operating Expenditures	6,827,603	(14,925)	6,812,678	342,818	7,155,496
Total Expenditures	16,948,048	-	16,948,048	414,050	17,362,097
Fund Balance - Beginning	2,952,137		2,952,137		2,952,137
Revenues Over/(Under) Expenditures	464,195	-	464,195	(297,733)	166,463
Fund Balance - Ending	**$ 3,416,332**	**$ -**	**$ 3,416,332**	**$ (297,733)**	**$ 3,118,599**

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - TOURISM
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Hotel/Motel Occupancy Tax	$ 3,150,000	$ -	$ 3,150,000	$ -	$ 3,150,000
Interest Income	100,000	-	100,000	-	100,000
Miscellaneous	21,000	-	21,000	(20,000)	1,000
Total Revenues	3,271,000	-	3,271,000	(20,000)	3,251,000
EXPENDITURES					
Tourism Program	1,628,110	303,846	1,931,956	-	1,931,956
Imperial Historic District	543,603	-	543,603	13,217	556,820
Sponsorships	100,000	-	100,000	-	100,000
Total Operating Expenditures	2,271,713	303,846	2,575,559	13,217	2,588,776
Transfer Out - Debt Service Fund	351,900	-	351,900	-	351,900
Transfer Out - Others	550	-	550	-	550
Total Non-Operating Expenditures	352,450	-	352,450	-	352,450
Total Expenditures	2,624,163	303,846	2,928,009	13,217	2,941,226
			-	-	-
Fund Balance - Beginning	4,224,992		4,224,992	-	4,224,992
Revenues Over/(Under) Expenditures	646,837	(303,846)	342,991	(33,217)	309,774
Fund Balance - Ending	$ 4,871,829	$ (303,846)	$ 4,567,983	$ (33,217)	$ 4,534,766
Fund Balance Policy (10% of Budgeted HOT)	$ 315,000		$ 315,000		$ 315,000
Over/Under Policy	4,556,829		4,252,983		4,219,766

CITY OF SUGAR LAND
SUGAR LAND DEVELOPMENT CORPORATION
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Sales Tax	$ 9,514,394	$ -	$ 9,514,394	$ 816,084	$ 10,330,478
Interest Income	1,000,000	-	1,000,000	(180,000)	820,000
Miscellaneous	-	-	-	20,901	20,901
Total Revenues	10,514,394	-	10,514,394	656,985	11,171,379
EXPENDITURES					
Economic Development Program	1,185,047	(550,950)	634,097	-	634,097
Sponsorships	-	550,000	550,000	-	550,000
Total Operating Expenditures	1,185,047	(950)	1,184,097	-	1,184,097
Debt Service	2,967,219	950	2,968,169	-	2,968,169
Reserve for Opportunities	1,000,000	-	1,000,000	-	1,000,000
Incentives	4,100,000	-	4,100,000	-	4,100,000
Transfers to Capital Projects	2,300,000	-	2,300,000	-	2,300,000
Transfer to General Fund	1,620,463	-	1,620,463	-	1,620,463
Transfer to Debt Service Fund	3,292,707	-	3,292,707	-	3,292,707
Transfer to Airport Fund	50,000	-	50,000	-	50,000
Total Non-Operating Expenditures	15,330,389	950	15,331,339	-	15,331,339
Total Expenditures	16,515,436	-	16,515,436	-	16,515,436
Fund Balance - Beginning	27,913,269		27,913,269		27,913,269
Revenues Over/(Under) Expenditures	(6,001,042)	-	(6,001,042)	656,985	(5,344,057)
Fund Balance - Ending	21,912,227	-	21,912,227	656,985	22,569,212
Debt Service Reserve	(3,997,049)		(3,997,049)	-	(3,997,049)
Fund Balance - Available	$ 17,915,177	$ -	$ 17,915,177	$ 656,985	$ 18,572,162
Minimum Fund Balance (15%)	$ 1,427,159		$ 1,427,159		$ 1,427,159
Over/Under Policy	20,485,068		20,485,068		21,142,053
Bond Coverage Ratio (>1.25x)	3.58		3.58		3.80

CITY OF SUGAR LAND
SUGAR LAND 4B CORPORATION
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Sales Tax	$ 9,514,394	$ -	$ 9,514,394	$ 816,084	$ 10,330,478
Interest Income	650,000	-	650,000	(75,000)	575,000
Total Revenues	10,164,394	-	10,164,394	741,084	10,905,478
EXPENDITURES					
Economic Development Program	777,170	(250,000)	527,170	-	527,170
Sponsorships	250,000	250,000	500,000	-	500,000
Total Operating Expenditures	1,027,170	-	1,027,170	-	1,027,170
Debt Service	1,738,550	-	1,738,550	-	1,738,550
Reserve for Opportunities	2,000,000	(10,256)	1,989,744	-	1,989,744
Incentives	893,000	-	893,000	-	893,000
Transfers to Capital Projects	2,100,000	10,256	2,110,256	-	2,110,256
Transfer to General Fund	1,354,045	-	1,354,045	-	1,354,045
Transfer to Debt Service Fund	2,636,582	-	2,636,582	-	2,636,582
Transfer to Public Art Fund	250,000	-	250,000	-	250,000
Total Non-Operating Expenditures	10,972,177	-	10,972,177	-	10,972,177
Total Expenditures	11,999,347	-	11,999,347	-	11,999,347
Fund Balance - Beginning	16,692,107		16,692,107		16,692,107
Revenues Over/(Under) Expenditures	(1,834,953)	-	(1,834,953)	741,084	(1,093,869)
Fund Balance - Ending	14,857,154	-	14,857,154	741,084	15,598,238
Debt Service Reserve	(2,092,277)		(2,092,277)	-	(2,092,277)
Fund Balance - Available	$ 12,764,877	$ -	$ 12,764,877	$ 741,084	$ 13,505,961
Minimum Fund Balance (15% of Sales Tax)	1,427,159		1,427,159		1,427,159
Over/Under Policy	13,429,995		13,429,995		14,171,079
Bond Coverage Ratio (Min. 1.25x)	5.81		5.81		6.24

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - SPECIAL EVENTS
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Rental Fees	$ 80,000	$ -	$ 80,000	$ (40,000)	$ 40,000
Interest Income	40,000	-	40,000	(10,000)	30,000
Sponsorship Contributions	-	364,000	364,000	-	364,000
Miscellaneous	400,000	-	400,000	13,326	413,326
Total Revenues	520,000	364,000	884,000	(36,674)	847,326
EXPENDITURES					
Personnel Costs	36,948	-	36,948	-	36,948
Events Funding	1,100,000	(1,000,000)	100,000	-	100,000
Sponsorship	-	1,364,000	1,364,000	-	1,364,000
Total Operating Expenditures	1,136,948	364,000	1,500,948	-	1,500,948
Transfer to CIP	-	-	-	47,980	47,980
Total Non-Operating Expenditures	-	-	-	47,980	47,980
Total Expenditures	1,136,948	364,000	1,500,948	47,980	1,548,928
Fund Balance - Beginning	1,092,736		1,092,736		1,092,736
Revenues Over/(Under) Expenditures	(616,948)	-	(616,948)	(84,654)	(701,602)
Fund Balance - Ending	$ 475,788		$ 475,788		$ 391,134

CITY OF SUGAR LAND
ANIMAL SHELTER DONATIONS
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Donations	$ 20,000	$ -	$ 20,000	$ -	$ 20,000
Interest Income	10,000	-	10,000	(2,000)	8,000
Total Revenues	30,000	-	30,000	(2,000)	28,000
EXPENDITURES					
Maintenance & Operations	56,000	-	56,000	-	56,000
Total Expenditures	56,000	-	56,000	-	56,000
Fund Balance - Beginning	210,945		210,945	-	210,945
Revenues Over/(Under) Expenditures	(26,000)	-	(26,000)	(2,000)	(28,000)
Fund Balance - Ending	$ 184,945	$ -	$ 184,945	$ -	$ 182,945

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - COURT SECURITY FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Security Fees	$ 40,000	$ -	$ 40,000	$ (5,500)	$ 34,500
Interest Income	4,500	-	4,500	-	4,500
Total Revenues	44,500	-	44,500	(5,500)	39,000
EXPENDITURES					
Operations & Maintenance	22,000	-	22,000	-	22,000
Total Expenditures	22,000	-	22,000	-	22,000
Fund Balance - Beginning	94,089		94,089	-	94,089
Revenues Over/(Under) Expenditures	22,500	-	22,500	(5,500)	17,000
Fund Balance - Ending	$ 116,589	$ -	$ 116,589	$ -	$ 111,089

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - COURT TECHNOLOGY FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Technology Fees	$ 32,000	$ -	$ 32,000	$ (3,500)	$ 28,500
Interest Income	2,700	-	2,700	-	2,700
Total Revenues	34,700	-	34,700	(3,500)	31,200
EXPENDITURES					
Operations & Maintenance	19,700	33,489	53,189	-	53,189
Total Expenditures	19,700	33,489	53,189	-	53,189
Fund Balance - Beginning	86,670		86,670	-	86,670
Revenues Over/(Under) Expenditures	15,000	(33,489)	(18,489)	(3,500)	(21,989)
Fund Balance - Ending	$ 101,670	$ (33,489)	$ 68,181	$ -	$ 64,681

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - TRUANCY PREVENTION
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Fines	$ 38,000	$ -	$ 38,000	$ (1,600)	$ 36,400
Interest Income	7,000	-	7,000	-	7,000
Total Revenues	45,000	-	45,000	(1,600)	43,400
EXPENDITURES					
Personnel Costs	47,311	-	47,311	-	47,311
Total Expenditures	47,311	-	47,311	-	47,311
Fund Balance - Beginning	156,313		156,313	-	156,313
Revenues Over/(Under) Expenditures	(2,311)	-	(2,311)	(1,600)	(3,911)
Fund Balance - Ending	$ 154,002	$ -	$ 154,002	$ -	$ 152,402

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - JUROR FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Fines	$ 750	$ -	$ 750	$ -	$ 750
Interest Income	180	-	180	-	180
Total Revenues	930	-	930	-	930
EXPENDITURES					
Operations & Maintenance	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Fund Balance - Beginning	4,637		4,637	-	4,637
Revenues Over/(Under) Expenditures	930	-	930	-	930
Fund Balance - Ending	$ 5,567	$ -	$ 5,567	$ -	$ 5,567

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - ENCLAVE AT RIVER PARK PID
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
PID Assessment Fees	$ -	$ -	$ -	$ -	$ -
Interest Income	2,000	-	2,000	-	2,000
Transfers In	127,089	-	127,089	-	127,089
Total Revenues	129,089	-	129,089	-	129,089
EXPENDITURES					
Miscellaneous	60	-	60	-	60
Transfers to Other Funds	128,819	-	128,819	-	128,819
Total Expenditures	128,879	-	128,879	-	128,879
Fund Balance - Beginning	64,490		64,490		64,490
Revenues Over/(Under) Expenditures	210	-	210	-	210
Fund Balance - Ending	$ 64,700	$ -	$ 64,700	$ -	$ 64,700

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - PARK AT ELDRIDGE PID
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
PID Assessment Fees	$ 83,215	$ -	$ 83,215	$ -	$ 83,215
Interest Income	7,140	-	7,140	(2,140)	5,000
Transfers In - Property Tax	12,649	-	12,649	-	12,649
Transfers In - Debt Services	-	-	-	1,626,548	1,626,548
Total Revenues	103,004	-	103,004	1,624,408	1,727,412
EXPENDITURES					
Reimbursements	-	-	-	1,742,312	1,742,312
Miscellaneous	50	-	50	8,950	9,000
Total Expenditures	50	-	50	1,751,262	1,751,312
Fund Balance - Beginning	87,700		87,700	-	87,700
Revenues Over/(Under) Expenditures	102,954	-	102,954	(126,854)	(23,900)
Fund Balance - Ending	$ 190,654	$ -	$ 190,654	$ -	$ 63,800

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - SPA DEBT REDUCTION FUND - RIVERSTONE
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Out of City Service Fees	$ 553,990	$ -	$ 553,990	$ 11,438	$ 565,428
Interest Income	140,000	-	140,000	21,413	161,413
Total Revenues	693,990	-	693,990	32,851	726,841
EXPENDITURES					
Operations & Maintenance	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Fund Balance - Beginning	3,583,240		3,583,240	-	3,583,240
Revenues Over/(Under) Expenditures	693,990	-	693,990	32,851	726,841
Fund Balance - Ending	$ 4,277,230	$ -	$ 4,277,230	$ -	$ 4,310,081

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - SPA DEBT REDUCTION FUND - TARA PLANTATION
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Out of City Service Fees	$ 69,000	$ -	$ 69,000	$ 11,000	$ 80,000
Interest Income	34,000	-	34,000	863	34,863
Total Revenues	103,000	-	103,000	11,863	114,863
EXPENDITURES					
Operations & Maintenance	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Fund Balance - Beginning	856,976		856,976	-	856,976
Revenues Over/(Under) Expenditures	103,000	-	103,000	11,863	114,863
Fund Balance - Ending	$ 959,976	$ -	$ 959,976	$ -	$ 971,839

CITY OF SUGAR LAND
SPECIAL REVENUE FUNDS - FEDERAL SEIZURES
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Other Income	$ -	$ -	$ -	$ 766	$ 766
Interest Income	2,000	-	2,000	-	2,000
Total Revenues	2,000	-	2,000	766	2,766
EXPENDITURES					
Maintenance and Operations	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Fund Balance - Beginning	49,344		49,344		49,344
Revenues Over/(Under) Expenditures	2,000	-	2,000	766	2,766
Fund Balance - Ending	$ 51,344	$ -	$ 51,344	$ 766	$ 52,110

CITY OF SUGAR LAND
SPECIAL REVENUE FUNDS - STATE SEIZURES
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Seized Funds	$ -	$ -	$ -	$ 238,662	$ 238,662
Interest Income	33,000	-	33,000	-	33,000
Total Revenues	33,000	-	33,000	238,662	271,662
EXPENDITURES					
Maintenance and Operations	330,000	(68,960)	261,040	-	261,040
Capital	-	68,960	68,960	-	68,960
Total Expenditures	330,000	-	330,000	-	330,000
Fund Balance - Beginning	1,131,141		1,131,141	-	1,131,141
Revenues Over/(Under) Expenditures	(297,000)	-	(297,000)	238,662	(58,338)
Fund Balance - Ending	$ 834,141	$ -	$ 834,141	$ -	$ 1,072,803

CITY OF SUGAR LAND
SPECIAL REVENUE FUNDS - LAW ENFORCEMENT
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Other Income	$ -	$ -	$ -	$ 3,469	$ 3,469
Interest Income	1,000	-	1,000	-	1,000
Total Revenues	1,000	-	1,000	3,469	4,469
EXPENDITURES					
Maintenance and Operations	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Fund Balance - Beginning	27,406		27,406	-	27,406
Revenues Over/(Under) Expenditures	1,000	-	1,000	3,469	4,469
Fund Balance - Ending	$ 28,406	$ -	$ 28,406	$ -	$ 31,875

CITY OF SUGAR LAND
PUBLIC EDUCATION GRANT
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
PEG Funds	$ 140,000	$ -	$ 140,000	$ 9,600	$ 149,600
Interest Income	4,000	-	4,000	(3,000)	1,000
Total Revenues	144,000	-	144,000	6,600	150,600
EXPENDITURES					
Maintenance and Operations	116,100	(81,100)	35,000	-	35,000
Capital	-	81,100	81,100	(81,100)	-
Total Expenditures	116,100	-	116,100	(81,100)	35,000
Fund Balance - Beginning	32,734		32,734	-	32,734
Revenues Over/(Under) Expenditures	27,900	-	27,900	87,700	115,600
Fund Balance - Ending	$ 60,634	$ -	$ 60,634	$ -	$ 148,334

CITY OF SUGAR LAND
SPECIAL REVENUE FUND- AMERICAN RESCUE PLAN ACT (ARPA) FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Interest Income	$ -	$ -	$ -	$ 45,371	$ 45,371
Total Revenues	-	-	-	45,371	45,371
EXPENDITURES					
General Government	-	19,595	19,595	3,072	22,667
Public Works	-	125,000	125,000	-	125,000
Environmental & Neighborhood SVC	-	491,471	491,471	-	491,471
Fire Department	-	1,769,160	1,769,160	(3,072)	1,766,088
Transfers Out	-	-	-	719,953	719,953
Total Expenditures	-	2,405,226	2,405,226	719,953	3,125,179
Fund Balance - Beginning	3,079,807		3,079,807	-	3,079,807
Revenues Over/(Under) Expenditures	-	(2,405,226)	(2,405,226)	(674,582)	(3,079,808)
Fund Balance - Ending	$ 3,079,807	$ (2,405,226)	$ 674,581	$ -	$ (0)

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - CONTRACT POLICING FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Contracted Services	$ 899,697	$ -	$ 899,697	$ -	$ 899,697
Interest Income	4,000	-	4,000	14,000	18,000
Transfers In	-	-	-	-	-
Total Revenues	903,697	-	903,697	14,000	917,697
EXPENDITURES					
Personnel Costs	778,949	-	778,949	-	778,949
Operations & Maintenance	465,100	-	465,100	-	465,100
Total Expenditures	1,244,049	-	1,244,049	-	1,244,049
Fund Balance - Beginning	703,568		703,568	-	703,568
Revenues Over/(Under) Expenditures	(340,352)	-	(340,352)	14,000	(326,352)
Fund Balance - Ending	$ 363,216	$ -	$ 363,216	$ -	$ 377,216

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - PUBLIC ARTS
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Trf in General Fund	$ 35,000	$ -	$ 35,000	$ -	$ 35,000
Trf in SL4B	250,000	-	250,000	-	250,000
Donations	-	1,035	1,035	-	1,035
Interest Income	10,000	-	10,000	20,000	30,000
Total Revenues	295,000	1,035	296,035	20,000	316,035
EXPENDITURES					
Maintenance & Operations	116,000	78,627	194,627	(52,259)	142,368
Capital Costs	603,000	(76,107)	526,893	52,259	579,152
Total Expenditures	719,000	2,520	721,520	-	721,520
Fund Balance - Beginning	973,840		973,840		973,840
Revenues Over/(Under) Expenditures	(424,000)	(1,485)	(425,485)	20,000	(405,485)
Fund Balance - Ending	$ 549,840	$ (1,485)	$ 548,355	$ -	$ 568,355

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - FIRE STATION FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Fire protection Fees	$ -	$ -	$ -	$ 9,200	$ 9,200
Interest Income	-	-	-	-	-
Total Revenues	-	-	-	9,200	9,200
EXPENDITURES					
Personnel	-	-	-	-	-
Operations & Maintenance	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Fund Balance - Beginning	-		-		-
Revenues Over/(Under) Expenditures	-	-	-	9,200	9,200
Fund Balance - Ending	$ -	$ -	$ -	$ 9,200	$ 9,200

CITY OF SUGAR LAND
OPIOID LITIGATION SETTLEMENT FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Litigation Settlement Distributions	$ -	$ 24,838	$ 24,838	$ (0)	$ 24,838
Interest Income	-	-	-	638	638
Total Revenues	-	24,838	24,838	638	25,476
EXPENDITURES					
Police Department	-	15,224	15,224	755	15,979
Fire Department	-	13,401	13,401	754	14,155
Total Expenditures	-	28,625	28,625	1,509	30,134
Fund Balance - Beginning	4,658		4,658	-	4,658
Revenues Over/(Under) Expenditures	-	(3,787)	(3,787)	(871)	(4,658)
Fund Balance - Ending	$ 4,658	$ (3,787)	$ 871	$ -	$ -

CITY OF SUGAR LAND
SPECIAL REVENUE FUND - GRANTS FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Grants	$ -	$ -	$ -	$ -	$ -
Reimbursements	-	-	-	433,464	433,464
Interest Income	-	-	-	-	-
Total Revenues	-	-	-	433,464	433,464
EXPENDITURES					
Police Department	-	-	-	-	-
Fire Department	-	-	-	-	-
Other	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Fund Balance - Beginning	-		-		-
Revenues Over/(Under) Expenditures	-	-	-	433,464	433,464
Fund Balance - Ending	$ -	$ -	$ -	$ 433,464	$ 433,464

CITY OF SUGAR LAND
INTERNAL SERVICE FUND - FLEET REPLACEMENT FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Sale of Property	$ 160,000	$ -	$ 160,000	$ 20,000	$ 180,000
Interest Income	45,000	-	45,000	(30,000)	15,000
Transfers From Other Funds	2,088,231	-	2,088,231	-	2,088,231
Miscellaneous	50,000	-	50,000	(35,000)	15,000
Total Revenues	2,343,231	-	2,343,231	(45,000)	2,298,231
EXPENDITURES					
Vehicles & Contractual Service	585,990	-	585,990	-	585,990
Contingency	100,000	-	100,000	-	100,000
Total Expenditures	685,990	-	685,990	-	685,990
Fund Balance - Beginning	151,492		151,492	-	151,492
Revenues Over/(Under) Expenditures	1,657,241	-	1,657,241	(45,000)	1,612,241
Fund Balance - Ending	**$ 1,808,733**	**$ -**	**$ 1,808,733**	**$ (45,000)**	**$ 1,763,733**

CITY OF SUGAR LAND
INTERNAL SERVICE FUND - HIGH-TECH REPLACEMENT FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Sale of Capital Property	$ 500	$ -	$ 500	$ 11,370	$ 11,870
Interest Income	80,000	-	80,000	-	80,000
Transfers in	1,193,980	-	1,193,980	-	1,193,980
Total Revenues	1,274,480	-	1,274,480	11,370	1,285,850
EXPENDITURES					
Equipment & Contractual Services	1,239,998	117,860	1,357,858	-	1,357,858
Total Expenditures	1,239,998	117,860	1,357,858	-	1,357,858
Fund Balance - Beginning	2,325,149		2,325,149	-	2,325,149
Revenues Over/(Under) Expenditures	34,482	(117,860)	(83,378)	11,370	(72,008)
Fund Balance - Ending	$ 2,359,630	$ (117,860)	$ 2,241,771	$ 11,370	$ 2,253,141

CITY OF SUGAR LAND
PUBLIC SAFETY REPLACEMENT FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Transfers In	$ -	$ -	$ -	$ 719,953	$ 719,953
Interest Income	-	-	-	-	-
Total Revenues	-	-	-	719,953	719,953
EXPENDITURES					
Operations & Maintenance	-	-	-	-	-
Capital	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Fund Balance - Beginning	-		-		-
Revenues Over/(Under) Expenditures	-	-	-	719,953	719,953
Fund Balance - Ending	$ -	$ -	$ -	$ 719,953	$ 719,953

CITY OF SUGAR LAND
DEBT SERVICE FUND - TAXABLE CO'S
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Rent	$ 2,003,384	$ -	$ 2,003,384	$ -	$ 2,003,384
Interest Income	120,000	-	120,000	4,000	124,000
Total Revenues	2,123,384	-	2,123,384	4,000	2,127,384
EXPENDITURES					
Current Outstanding & New Debt	1,589,530	-	1,589,530	-	1,589,530
Fiscal Fees/Other	825	-	825	-	825
Total Expenditures	1,590,355	-	1,590,355	-	1,590,355
Fund Balance - Beginning	2,814,035		2,814,035	-	2,814,035
Revenues Over/(Under) Expenditures	533,029	-	533,029	4,000	537,029
Fund Balance - Ending	**3,347,064**	**-**	**3,347,064**	**4,000**	**3,351,064**

CITY OF SUGAR LAND
DISASTER RECOVERY FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Disaster Recovery Fee	$ -	$ -	$ -	$ 314,397	$ 314,397
Total Revenues	-	-	-	314,397	314,397
EXPENDITURES					
Maintenance & Operations	-	-	-	-	-
Total Expenditures	-	-	-	-	-
Fund Balance - Beginning	-		-		-
Revenues Over/(Under) Expenditures	-	-	-	314,397	314,397
Fund Balance - Ending	**$ -**	**$ -**	**$ -**	**$ 314,397**	**$ 314,397**

CITY OF SUGAR LAND
ENTERPRISE FUND - STORM WATER COMPIANCE FEE FUND
FUND STATEMENT

	FY26 Adopted Budget	Budget Transfers & Amendments	FY26 Current Budget	Projections Amendment	FY26 Projections
REVENUES					
Stormwater Fees	$ 2,011,877	$ -	$ 2,011,877	$ 136,123	$ 2,148,000
Interest Income	42,000	-	42,000	6,000	48,000
Total Revenues	2,053,877	-	2,053,877	142,123	2,196,000
EXPENDITURES					
Stormwater Management	424,277	42,516	466,793	-	466,793
Drainage Maintenance	1,665,507	240,570	1,906,077	-	1,906,077
Total Expenditures	2,089,784	283,086	2,372,870	-	2,372,870
Fund Balance - Beginning	1,332,641		1,332,641	-	1,332,641
Revenues Over/(Under) Expenditures	(35,907)	(283,086)	(318,993)	142,123	(176,870)
Fund Balance - Ending	$ 1,296,734	$ (283,086)	$ 1,013,648	$ 142,123	$ 1,155,771

City Council Agenda Request
September 1, 2026

Agenda Request No: IX.A.

Agenda of: City Council Meeting

Initiated by: Jennifer Alexander, Business Development Manager

Presented by: Alba Penate-Johnson, Assistant Director of Economic Development

Responsible Department: Economic Development

Agenda Caption:
TAX ABATEMENT GUIDELINES AND CRITERIA
Review of and discussion regarding the City’s Tax Abatement Guidelines and Criteria, including proposed revisions to better align the City’s tax abatement program with its economic development priorities.

Recommended Action:
Review of and discussion on the existing Tax Abatement policy.

Executive Summary:
The City of Sugar Land is required by Chapter 312 of the Texas Tax Code to adopt guidelines and criteria governing tax abatement agreements every two years if the City Council elects to participate in tax abatements.

This workshop provides an opportunity for City Council to review the existing tax abatement guidelines and criteria and discuss the proposed revisions recommended by staff. As part of the required biennial review, staff evaluated the current policy to ensure it continues to support the City's economic development objectives while remaining competitive with peer communities. Proposed revisions include increasing the minimum value added to the tax rolls from $4 million to $10 million. As a mature, largely built-out community, Sugar Land's economic development strategy is focused on supporting transformative capital investment projects that generate significant long-term economic value. The proposed revisions are intended to better align the City's tax abatement program with the City's strategic priorities while ensuring the incentive remains available for projects that provide substantial economic and fiscal benefit.

The City does not lose existing tax revenue through value-added tax abatements, as the development would not have occurred without the incentive. Tax abatement agreements are performance-based, requiring recipients to meet negotiated investment and performance standards to receive the approved benefit. Once the abatement term expires, the City realizes the full property tax value generated by the investment, while the economic activity created by these projects also benefits the local school district, which does not participate in abatements.

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. 1.3 2026 Tax Abatement Guidelines rev 8-24-26

RESOLUTION NO. 26-34

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUGAR LAND, TEXAS, ADOPTING GUIDELINES AND CRITERIA GOVERNING TAX ABATEMENT AGREEMENTS IN THE CITY OF SUGAR LAND UNDER CHAPTER 312 OF THE TEXAS TAX CODE TO BE EFFECTIVE ON SEPTEMBER 15, 2026.

WHEREAS, Chapter 312 of the Texas Tax Code requires the City Council to adopt guidelines and criteria governing tax abatement agreements every two years if the Council elects to be eligible to participate in tax abatement; and

WHEREAS, the guidelines and criteria may only be amended or repealed by a vote of three-fourths of the members of the City Council during the two-year period; and

WHEREAS, Tax Code § 312.002 (c-1) requires the City Council to hold a public hearing at which members of the public are given the opportunity to be heard, before it may adopt, amend, repeal, or reauthorize guidelines and criteria governing tax abatement; and

WHEREAS, the City Council has conducted, in the time and manner after notice required by law and applicable ordinances, a public hearing on the proposed adoption of the guidelines and criteria governing tax abatement; and

WHEREAS, the City Council elects to remain eligible to participate in tax abatement as provided for in Chapter 312 of the Texas Tax Code and wishes to adopt guidelines and criteria governing tax abatement according to the terms set forth in this Resolution; NOW, THEREFORE;

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

Section 1. That it elects to remain eligible to participate in tax abatement as provided for in Chapter 312 of the Texas Tax Code, as amended, by adoption of these guidelines and criteria.

Section 2. That it adopts the following guidelines and criteria for granting tax abatement in the City of Sugar Land:

A. Definitions.

Abatement means the full or partial exemption of property from ad valorem taxes.

District means the Fort Bend County Appraisal District.

Ineligible Property includes:

1. Land;

2. Real property used for residential purposes;

3. Real property with a productive life of less than 10 years;

4. Real property used primarily to provide retail sales or services to the public, unless such property is part of a mixed-use project located within an NAC or RAC;

5. Tangible personal property that the district classifies as inventory or supplies;

6. Tangible personal property located on the Real Property Improvements prior to the effective date of the applicable tax abatement agreement;

7. Any property owned or leased by a member of the City Council or the planning and zoning commission on the effective date of a tax abatement agreement; and

8. Any other property for which Abatement is not allowed by state law.

Neighborhood Activity Center (NAC) means smaller scale mixed use developments that provide amenities to nearby residential neighborhoods, as identified and described in Section 5 of the City's Land Use Plan, adopted in 2018.

Owner means the Owner of the real property to which the abatement agreement applies.

Personal Property means any property classified as tangible personal property by the District that is not Ineligible Property.

Real Property Improvement or Improvements means any new facility or structure, or the expansion or modernization of an existing facility or structure classified as real property by the District that is not Ineligible Property.

Regional Activity Center (RAC) means new or redeveloped commercial areas that will serve as destinations for both the City and the region as identified and described in Section 5 of the City's Land Use Plan, adopted in 2018.

Reinvestment Zone means an area that the City Council of the City of Sugar Land designates by ordinance as a Reinvestment Zone that meets the requirements of Chapter 312 of the Texas Tax Code.

Repairs means an existing structure which has become imperfect and means to supply in the original existing structure that which is lost or destroyed, and thereby restore it to the condition in which it originally existed, or better.

Targeted Business or Industry means a type of business or industry that the City Council determines would primarily fall into one or more of the following classifications:

1. Information Technology;
2. Advanced Manufacturing;

3. Business and Professional Services;
4. Life Sciences; and
5. Tourism.

Value means the appraised value as shown on the records of the District.

Value Added means potential economic enhancement and benefit to the City of Sugar Land that exceeds and is in addition to the value of actual improvements or Repairs.

B. Minimum Qualifications for Abatement.

1. The City Council may grant Abatement for Real Property Improvements and Personal Property if:

   (a) Upon completion:

      (1) The cumulative Value of Improvements and Personal Property is at least $10,000,000, or in an amount determined by the City; and
      (2) The Improvements and Personal Property will be used by a Targeted Business or Industry; and

   (b) A building permit for the Improvements has not been issued.

2. As to the Personal Property, the Personal Property is located on the same property as the Improvements for which Abatement is granted and the Abatement is for the same year or years as the Abatement of the Improvements; and

3. Any abated Improvements and Personal Property must meet all the requirements of state law.

C. Factors Considered in Granting Abatement. To determine whether to grant Abatement, the types of property to be abated, and the percentage and duration of the abatement, the City Council may consider any factor that could have an impact on the community, including, but not limited to, the following:

1. The type, value, and productive life of the property to be abated;

2. The number of jobs that will likely be retained or created;

3. The amount of local payroll that will be created;

4. The amount of local sales taxes that will be generated;

5. The increase in the tax base during and after abatement;

6. The amount applicant proposes to expend on public infrastructure, whether on or off-

site, to provide for or serve the Improvements;

7. The Improvements and Personal Property will be used by a Targeted Business or Industry;

8. The Improvements and Personal Property are within a RAC/NAC, as identified and described in Section 5 of the City's Land Use Plan, adopted in 2018;

9. The Value of the applicant's existing, improvements, personal property and investment within the City;

10. The applicant's demolition of an existing improvement for purposes of building new Improvements within the City; and

11. The applicant makes specific improvements or Repairs to the property that will result in Value Added.

D. Amount and Duration of Abatement.

The following table provides guidance when granting Abatement for Improvements and Personal Property for projects that meet the requirements of state law and these guidelines and criteria:

Cumulative Value of Improvements and Personal Property	Abatement Duration	Annual Percent of Abatement	Potential Maximum Benefit of Abatement
$10,000,000 - $40,000,000	Up to 10 years	Up to 55%	$10M - $231,525 Total or $23,152 Annually $40M - $926,099 Total or $92,609 Annually
$40,000,001 - $75,000,000	Up to 10 years	Up to 75%	$40M - $1,262,862 Total or $126,286 Annually $75M - $2,367,867 Total or $236,786 Annually
$75,000,001 and Greater	Up to 10 years	Up to 100%	$75M - $3,157,156 Total or $315,715 Annually

G. Conditions. A subcommittee of the City Council charged with Economic Development oversight may recommend and the City Council may impose any other conditions in a tax abatement agreement that the city council deems necessary to promote the purposes of these guidelines.

H. Abatement Agreement Requirements. To receive abatement, the Owner of the Real Property Improvements must enter into the City's standard tax abatement agreement that provides for:

1. The kind, number, and location of the Improvements;

2. The annual percentage of Abatement for property receiving Abatement;

3. The duration of the agreement, but not exceeding ten years;

4. Recapture of abated taxes if the Owner breaches the agreement;

5. A City Council finding that the abatement agreement complies with these guidelines;

6. Limiting the use of the Improvements to the purpose for which Abatement is granted;

7. The construction of Improvements by "separated contracts," as defined by State law or regulations, so that the City receives municipal sales taxes on the materials incorporated into the Improvements;

8. The Owner to certify annually that the Owner is in compliance with the abatement agreement and that the Owner will provide, upon the City's request, any information reasonably necessary for the City to determine if the Owner has complied with the abatement agreement;

9. City access to the Improvements during regular business hours to determine if the Owner is in compliance with the abatement agreement;

10. City to terminate the agreement if the Owner breaches the agreement;

11. The recording of a copy of the agreement in the Fort Bend Real Property Records by the Owner; and

12. Any other provisions required by law or required by the City Council.

I. Application and Processing.

1. Any person may request Abatement by filing a written application with the City on forms provided by the City for that purpose.

2. The City's Economic Development Department will review the application and make its recommendation to a subcommittee of the City Council charged with Economic Development oversight. The council subcommittee is responsible for reviewing abatement applications and making recommendations to the City Council. The council subcommittee may develop policies and procedures for processing abatement applications that are not inconsistent with these guidelines or State law.

3. The council subcommittee will review all abatement applications it receives. If the council subcommittee believes the City should grant Abatement to the applicant, it will submit the application to the City Council along with its recommendation of the terms and conditions under which Abatement should be granted. If the council subcommittee

believes Abatement should not be granted to the applicant, no further action will be taken on the abatement application unless the applicant requests in writing that the council subcommittee submit the application and its negative recommendation to the full City Council.

4. Before the City Council may approve a Tax Abatement agreement or designate an area as a Reinvestment Zone, the City Council must first establish guidelines and criteria governing tax abatement agreements under the requirements of Chapter 312, Texas Tax Code. It is then necessary to designate a Reinvestment Zone by ordinance, which requires a public hearing under Chapter 312, Tex. Tax Code. The notice of the public hearing must be published in a newspaper having general circulation in the municipality not later than the seventh day before the date of the public hearing. The public hearing must be identified on the City Council agenda and posted as provided in the Open Meetings Act. Additionally, notice of the hearing must be delivered in writing to the presiding officer of the governing body of each taxing unit that includes in its boundaries real property that is to be included in the proposed reinvestment zone not later than the seventh day before the date of the public hearing. The ordinance designating a Reinvestment Zone must be identified on the City Council agenda and posted as provided in the Open Meetings Act. A Reinvestment Zone ordinance requires two readings of the City Council.

5. Notice of any proposed abatement agreement to be presented to the City Council must be identified on a City Council agenda that must be posted as required by the Open Meetings Act, at least 30 days prior to the meeting, as required by Chapter 312, Tex. Tax Code, and given to other taxing jurisdictions, as required by state law. A tax abatement agreement must be approved by the affirmative vote of four or more City Council members at a regularly scheduled meeting.

6. After a tax abatement agreement has been approved by City Council a copy of the abatement must be submitted to the District.

J**. City Discretion.** The City's adoption of these guidelines and criteria does not:

1. Limit the City’s discretion in deciding whether to enter into a specific tax abatement agreement; or

2. Create any property, contract or other legal right in any person to have the City consider or grant a specific application or request for tax abatement.

Section 3. That these guidelines and criteria are effective on September 15, 2026, and remain in force and effect for two years, unless amended by a vote of three-fourths of the members of the City Council of the City of Sugar Land.

APPROVED on ____, 2026.

Carol K. McCutcheon, Mayor

ATTEST:

APPROVED AS TO FORM:

D'Ann Shea Smith

Linda Mendenhall, City Clerk