

**LAKESIDE ESTATES PUBLIC IMPROVEMENT DISTRICT NO. 2**

**TOWN OF LITTLE ELM, TX**

**SERVICE AND ASSESSMENT PLAN**

**DECEMBER 5, 2017**

# **LAKESIDE ESTATES PUBLIC IMPROVEMENT DISTRICT NO. 2**

## **SERVICE AND ASSESSMENT PLAN**

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## **Section I**

### **PLAN DESCRIPTION AND DEFINED TERMS**

#### **A.     Introduction**

On August 15, 2017 (the “Creation Date”) the Town Council of the Town of Little Elm (the “Town Council”) passed and approved Resolution No. 08151703 approving and authorizing the creation of Lakeside Estates Public Improvement District No. 2 (the “PID”) to finance the costs of certain public improvements for the benefit of property in the PID, all of which is presently located within the Town of Little Elm (the “Town”).

The property in the PID is proposed to be developed in one phase, and the PID will finance improvements that benefit the entire property in the PID. Assessments will be imposed on all property in the PID for the improvements that benefit the entire PID.

Chapter 372 of the Texas Local Government Code, Subchapter A, the “Public Improvement District Assessment Act” (as amended, the “PID Act”), governs the creation of public improvement districts within the State of Texas. This Service and Assessment Plan has been prepared pursuant to Sections 372.013, 372.014, 372.015 and 372.016 of the PID Act. According to Section 372.013 of the PID Act, a service plan “must cover a period of at least five years and must also define the annual indebtedness and the projected costs for improvements. The plan shall be reviewed and updated annually for the purpose of determining the annual budget for improvements.” The service plan is described in Section IV of this Service and Assessment Plan. Section 372.014 of the PID Act states that “an assessment plan must be included in the annual service plan.” The assessment plan is described in Section V.

Section 372.015 of the PID Act states that “the governing body of the municipality or county shall apportion the cost of an improvement to be assessed against property in an improvement district.” The method of assessing the costs of the Authorized Improvements to the property in the PID is included in Section V of this Service and Assessment Plan.

Section 372.016 of the PID Act states that “after the total cost of an improvement is determined, the governing body of the municipality or county shall prepare a proposed assessment roll. The roll must state the assessment against each parcel of land in the district, as determined by the method of assessment chosen by the municipality or county under this subchapter.” The Assessment Roll for the Assessed Property is attached hereto as Appendix D of this Service and Assessment Plan. The Assessments as shown on the Assessment Roll are based on the method of assessment described in Section V of this Service and Assessment Plan.

#### **B.     Definitions**

Capitalized terms used herein shall have the meanings ascribed to them as follows:

“**Actual Cost(s)**” means, with respect to an Authorized Improvement, the demonstrated, reasonable, allocable, and allowable costs of constructing such Authorized Improvement, as specified in a Certification for Payment that has been reviewed and approved by the Town. Actual Costs may include (a) the costs for the design, planning, financing, administration, management, acquisition, installation, construction and/or implementation of such Authorized Improvement, including general contractor construction management fees and real estate acquisition costs, if any,

(b) the costs of preparing the construction plans for such Authorized Improvement, (c) the fees paid for obtaining permits, licenses or other governmental approvals for such Authorized Improvement, (d) the costs for external professional costs associated with such Authorized Improvement, such as engineering, geotechnical, surveying, land planning, architectural landscapers, advertising, marketing and research studies, appraisals, legal, accounting and similar professional services, taxes (property and franchise) (e) the costs of all labor, bonds and materials, including equipment and fixtures, incurred by contractors, builders and materialmen in connection with the acquisition, construction or implementation of the Authorized Improvements, (f) all related permitting, zoning and public approval expenses, architectural, engineering, legal, and consulting fees, financing charges, taxes, governmental fees and charges (including inspection fees, plan review fees, County permit fees, development fees), insurance premiums, miscellaneous expenses, and all advances and payments for Administrative Expenses.

Actual Costs may include general contractor's fees in an amount up to a percentage equal to the percentage of work completed and accepted by the Town or construction management fees in an amount up to five percent of the eligible Actual Costs described in a Certification for Payment. The amounts expended on legal costs, taxes, governmental fees, insurance premiums, permits, financing costs, and appraisals shall be excluded from the base upon which the general contractor and construction management fees are calculated. Actual Costs also may be paid to the Developer or any other person or entity only in the capacity of construction manager or only in the capacity of general contractor but not both.

**"Additional Interest"** means the extra 0.5% interest collected with the Assessments above the interest rate of the Bonds.

**"Administrator"** means the employee or designee of the Town who shall have the responsibilities provided for herein, or in another agreement approved by the Town Council.

**"Administrative Expenses"** mean the administrative, organization, maintenance and operation costs associated with, or incident to, the administration, organization, maintenance and operation of the PID, including, but not limited to, the costs of: (i) annual administrative, organization, maintenance, and operation costs and expenses associated with, or incident and allocable to, the administration, organization, and operation of the PID, (ii) computing, levying, billing and collecting Assessments or the installments thereof, (iii) investing or depositing of monies, (iv) complying with the PID Act and codes, (v) legal counsel, engineers, accountants, financial advisors, investment bankers or other consultants and advisors, and (vi) administering the construction of the Authorized Improvements. Administrative Expenses do not include payment of the actual principal of, redemption premium, if any, and interest on applicable PID Bonds. Administrative Expenses collected and not expended for actual Administrative Expenses shall be carried forward and applied to reduce Administrative Expenses in subsequent years to avoid the over-collection of Administrative Expenses.

**"Annual Installment"** means, with respect to each Assessed Property, each annual payment of: (i) the Assessment, as shown on the Assessment Roll attached hereto as Appendix D, as applicable, or in an Annual Service Plan Update, and calculated as provided in Section VI of this Service and Assessment Plan, (ii) the interest on the outstanding Assessment amount, and (iii) Administrative Expenses as described in this Service and Assessment Plan.

**“Annual Service Plan Update”** has the meaning set forth in Section IV of this Service and Assessment Plan.

**“Assessed Property”** means, for any year, Parcels within the PID other than Non-Benefited Property.

**“Assessment”** means an assessment levied against a Parcel imposed pursuant to an Assessment Ordinance and the provisions herein, as shown on an Assessment Roll, subject to reallocation upon the subdivision of such Parcel created by such subdivision or reduction according to the provisions herein and the PID Act.

**“Assessment Ordinance”** means an Assessment Ordinance adopted by the Town Council approving the Service and Assessment Plan (including amendments, supplements or updates to the Service and Assessment Plan) and levying the Assessments.

**“Assessment Revenues”** mean the revenues actually received by the Town from Assessments levied within the PID.

**“Assessment Roll”** means, as applicable, the Assessment Roll or any other Assessment Roll in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

**“Authorized Improvements”** mean those public improvements described in Section 372.003 of the PID Act designed, constructed, and installed in accordance with this Service and Assessment Plan, and any future updates and/or amendments, including improvements for Future Phases described in an amendment or supplement to this Service and Assessment Plan or in an Annual Service Plan Update.

**“Certification for Payment”** means the document to be provided by the Developer or construction manager to substantiate the Actual Cost of one or more Authorized Improvements.

**“County”** means Denton County, Texas.

**“Delinquent Collection Costs”** mean interest, penalties and expenses incurred or imposed with respect to any delinquent installment of an Assessment in accordance with the PID Act and the costs related to pursuing collection of a delinquent Assessment and foreclosing the lien against the Assessed Property, including attorney’s fees.

**“Developer”** means Little Elm Lakeside Development, L.P., a Texas limited partnership, and its successors and assigns.

**“Development Agreement”** means that certain Amended and Restated Lakeside Estates Development Agreement relating to the PID executed by and between the Developer and the Town effective as of August 15, 2017, as the same may be amended from time to time.

**“Homeowner Association Property”** means property within the boundaries of the PID that is owned by or irrevocably offered for dedication to, whether in fee simple or through an exclusive

use easement, a homeowners' association established for the benefit of a group of homeowners or property owners within the PID.

**“Lot”** means a tract of land described as a “lot” in a subdivision plat recorded in the Official Public Records of Denton County, Texas.

**“Non-Benefited Property”** means Parcels within the boundaries of the PID that accrue no special benefit from the Authorized Improvements, including Homeowner Association Property, Public Property and easements that create an exclusive use for a public utility provider. Property identified as Non-Benefited Property at the time the Assessments (i) are imposed or (ii) are reallocated pursuant to a subdivision of a Parcel is not assessed. Assessed Property converted to Non-Benefited Property, if the Assessments may not be reallocated pursuant to the applicable provisions herein, remains subject to the Assessments and requires the Assessments to be prepaid as provided for in Section VI-D.

**“Parcel”** means a property identified by either a tax map identification number assigned by the Denton Central Appraisal District for real property tax purpose, by metes and bounds description, by lot and block number in a final subdivision plat recorded in the Official Public Records of Denton County, or by any other means determined by the Town.

**“PID”** has the meaning set forth in Section I.A of this Service and Assessment Plan.

**“PID Act”** means Texas Local Government Code Chapter 372, Improvement Districts in Municipalities and Counties, Subchapter A, Public Improvement Districts, as amended.

**“PID Bonds”** mean any bonds issued by the Town in one or more series and secured in whole or in part by the Assessment Revenues.

**“Prepayment Costs”** mean interest and expenses to the date of prepayment, plus any additional expenses related to the prepayment, reasonably expected to be incurred by or imposed upon the Town as a result of any prepayment of an Assessment.

**“PID Property”** has the meaning set forth in Section II.A of this Service and Assessment Plan.

**“Public Property”** means property right of way and easements within the boundaries of the PID that are owned by or irrevocably offered for dedication to the federal government, the State of Texas, Denton County, the Town, a school district, a public utility provider or any other public agency, whether in fee simple or through an exclusive use easement.

**“Service and Assessment Plan”** means this Service and Assessment Plan prepared for the PID pursuant to the PID Act, as the same may be amended from time to time.

**“Town”** means the Town of Little Elm, Texas.

**“Town Council”** means the duly elected governing body of the Town.

**“Trust Indenture”** means an indenture of trust, ordinance or similar document setting forth the terms and other provisions relating to the Bonds, as modified, amended, and/or supplemented from time to time.

**“Trustee”** means the fiscal agent or trustee as specified in the Trust Indenture, including a substitute fiscal agent or trustee.

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## **Section II**

### **PROPERTY INCLUDED IN THE PID**

#### **A. Property Included in the PID**

The PID is presently located within the Town and contains approximately 70.185 acres of land. A map of the property within the PID is shown in Appendix A and described by metes and bounds in Appendix A (“PID Property”) to this Service and Assessment Plan.

At completion, the PID is expected to consist of approximately 214 detached single family residential units, and infrastructure necessary to provide roadways, drainage, water and wastewater to the property within the PID.

The estimated number of units at the build-out of the PID is based on the land use approvals for the property, the anticipated subdivision of property in the PID, and the Developer’s estimate of the highest and best use of the property within the PID.

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### **Section III**

## **DESCRIPTION OF THE AUTHORIZED IMPROVEMENTS**

### **A. Authorized Improvement Overview**

Section 372.003 of the PID Act defines the improvements that may be undertaken by a municipality or county through the establishment of a public improvement district, as follows:

#### 372.003. Authorized Improvements

- (a) If the governing body of a municipality or county finds that it promotes the interests of the municipality or county, the governing body may undertake an improvement project that confers a special benefit on a definable part of the municipality or county or the municipality's extraterritorial jurisdiction. A project may be undertaken in the municipality or county or the municipality's extraterritorial jurisdiction.
- (b) A public improvement may include:
  - (i) landscaping;
  - (ii) erection of fountains, distinctive lighting, and signs;
  - (iii) acquiring, constructing, improving, widening, narrowing, closing, or rerouting of sidewalks or of streets, any other roadways, or their rights-of way;
  - (iv) construction or improvement of pedestrian malls;
  - (v) acquisition and installation of pieces of art;
  - (vi) acquisition, construction, or improvement of libraries;
  - (vii) acquisition, construction, or improvement of off-street parking facilities;
  - (viii) acquisition, construction, improvement, or rerouting of mass transportation facilities;
  - (ix) acquisition, construction, or improvement of water, wastewater, or drainage facilities or improvements;
  - (x) the establishment or improvement of parks;
  - (xi) projects similar to those listed in Subdivisions (i)-(x);
  - (xii) acquisition, by purchase or otherwise, of real property in connection with an authorized improvement;
  - (xiii) special supplemental services for improvement and promotion of the district, including services relating to advertising, promotion, health and sanitation, water and wastewater, public safety, security, business recruitment, development, recreation, and cultural enhancement; and

- (xiv) payment of expenses incurred in the establishment, administration and operation of the district.

After analyzing the public improvement projects authorized by the PID Act, the Town has determined that the Authorized Improvements described Section III.B and Section III.C should be undertaken by the Town for the benefit of the property within the PID.

## **B. Description and Estimated Costs of Authorized Improvements**

The Authorized Improvements are described below. All of the Authorized Improvements provide benefit to the Assessed Property. The costs of the Authorized Improvements are shown in Table III-A. The costs shown in Table III-A are estimates and may be revised in Annual Service Plan Updates.

***Roadway improvements:*** The road improvements consist of construction of residential streets, including unclassified excavation, paving, drainage, curbs, gutters, sidewalks, retaining walls, signage and traffic control devices. These roadway improvements include streets that will provide street access to each Parcel. All roadway improvements will be designed and constructed in accordance with the Town standards and specifications and will be owned and operated by the Town. These projects will provide access to community roadways and thoroughfares.

***Water distribution system improvements:*** The water distribution system improvements consist of construction and installation of off-site and on-site water lines, mains, pipes, valves and appurtenances, necessary for the water distribution system, as well as related testing, trench safety and erosion protection. These water distribution system improvements will be designed and constructed in accordance with Mustang Special Utility District (“MSUD”) standards and specifications and will be owned and operated by MSUD.

***Sanitary sewer collection system improvements:*** The sanitary sewer collection system improvements consist of construction and installation of sewer pipes, lift station, service lines, manholes, encasements and appurtenances. The sanitary sewer collection system improvements will be designed and constructed in accordance to MSUD standards and specifications and will be owned and operated by MSUD.

***Storm drainage collection system improvements:*** The storm drainage collection system improvements consist of construction and installation of pipes, laterals, encasements and appurtenances. This system will accommodate onsite flow and will carry flow though the site to Lake Lewisville. The storm drainage collection system improvements will be designed and constructed according to the Town standards and specifications and will be maintained and operated by the Town.

Table III-A on the following page shows the estimated costs of the Authorized Improvements.

**Table III-A**  
**Estimated Costs of the Authorized Improvements**

<b>Authorized Improvements</b>	<b>Estimated Cost</b>
Roadway improvement costs	\$1,503,543
Water distribution system improvement costs	\$702,450
Sanitary sewer collection system improvement costs	\$1,252,289
Storm drainage collection system improvements	\$905,868
<b>Total Estimated Improvement Costs<sup>1</sup></b>	<b>\$4,364,150</b>

1 – Does not include PID Bond issuance costs

The costs shown in Tables III-A are estimates and may be revised in Annual Service Plan Updates. The detailed costs of the Authorized Improvements are shown in Appendix B to this Service and Assessment Plan. Savings from one line item may be applied to a cost increase in another line item. These savings may be applied only to increases in costs of the Authorized Improvements (i.e., the improvements for the benefit of property within the PID).

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## **Section IV SERVICE PLAN**

The PID Act requires the service plan to cover a period of at least five years. The service plan is required to define the annual projected costs and indebtedness for the Authorized Improvements undertaken within the PID during a five-year period. It is anticipated that construction of the Authorized Improvements will be completed by the first quarter of 2018.

The total estimated costs for the Authorized Improvements and payment of expenses incurred in the establishment of the PID is \$5,338,706 shown in Table IV-A herein. The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll(s). Any update to this Service and Assessment Plan is herein referred to as an Annual Service Plan Update.

Table IV-A summarizes the sources and uses of funds required to construct the Authorized Improvements and the establishment of the PID. The Town may issue PID Bonds and/or enter into a reimbursement agreement with the Developer to reimburse the Developer for the Actual Costs of the Authorized Improvements constructed, inspected and approved by the Town from Assessment Revenues collected (excluding amounts collected for Administrative Expenses). The sources and uses of funds shown in Table IV-A shall be updated each year in the Annual Service Plan Update to reflect any budget revisions and Actual Costs.

The service plan shall be reviewed and updated at least annually for the purpose of determining the annual budget for Administrative Expenses, updating the estimated Authorized Improvement costs, and updating the Assessment Roll. Any update to this Service and Assessment Plan is herein referred to as an “Annual Service Plan Update.”

As shown in Table IV-A on the following page, the total par amount of the PID Bonds for the Authorized Improvements is \$4,700,000, the total amount of Authorized Improvements funded with the Bonds and other funding sources is \$5,338,706.

**Table IV-A**  
**Estimated Sources and Uses of Funds**

<b>Sources of Funds</b>	
PID Bonds	\$4,700,000
Other funding sources	\$638,706
<b>Total Sources</b>	<b>\$5,338,706</b>
<b>Uses of Funds</b>	
<i>Authorized Improvements</i>	
Road improvements	\$1,503,543
Water distribution system improvements	\$702,450
Sanitary sewer collection system improvements	\$1,252,289
Storm drainage collection system improvements	\$905,868
Estimated PID Bond issuance costs	
Capitalized interest	\$155,756
Debt service reserve	\$311,900
Administrative expenses	\$35,000
Other bond issuance costs	\$471,900
<b>Total Uses</b>	<b>\$5,338,706</b>

The annual projected costs and annual projected indebtedness are shown in Table IV-B. The annual projected costs and indebtedness are subject to revision and each shall be updated in the Annual Service Plan Update to reflect any changes in the costs or indebtedness expected for each year. The project indebtedness will either reflect anticipated or outstanding Assessments.

**Table IV-B**  
**Annual Projected Costs and Annual Projected Indebtedness**

<b>Year</b>	<b>Annual Projected Cost</b>	<b>Annual Projected Indebtedness</b>	<b>Other Funding Sources</b>
2017	\$5,338,706	\$4,700,000	\$638,706
2017	\$0	\$0	\$0
2018	\$0	\$0	\$0
2019	\$0	\$0	\$0
2020	\$0	\$0	\$0
	<b>\$5,338,706</b>	<b>\$4,700,000</b>	<b>\$638,706</b>

The annual projected costs shown in Table IV-B are the annual expenditures relating to the Authorized Improvements shown in Table III-A herein. The difference between the total projected

cost and the total projected indebtedness, if any, is an amount contributed by the Developer. The project indebtedness will reflect either anticipated or outstanding Assessments.

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## **Section V**

### **ASSESSMENT PLAN**

#### **A. Introduction**

The PID Act requires the Town Council to apportion the Actual Cost of the Authorized Improvements on the basis of special benefits conferred upon the PID Property by the Authorized Improvements. The PID Act provides that the Actual Costs may be assessed: (i) equally per front foot or square foot; (ii) according to the value of the property as determined by the governing body, with or without regard to improvements on the property; or (iii) in any other manner that results in imposing equal shares of the cost on property similarly benefited. The PID Act further provides that the governing body may establish by ordinance or order reasonable classifications and formulas for the apportionment of the cost between the municipality and the area to be assessed and the methods of assessing the special benefits for various classes or improvements.

For purposes of this Service and Assessment Plan, the Town Council has determined that the costs of the Authorized Improvements shall be allocated to the Assessed Property in a manner consistent with the projected benefit received by each Parcel within the PID from the Authorized Improvements. Accordingly, the costs of Authorized Improvements funded through the PID Bonds shall be allocated to the Assessed Property equally on the basis of the number of units to be developed within the PID, and that such method of allocation will result in the imposition of equal shares of applicable costs of the Authorized Improvements to Parcels similarly benefited.

This section of this Service and Assessment Plan currently describes the special benefit received by each Parcel within the PID as a result of the Authorized Improvements, provides the basis and justification for the determination that this special benefit exceeds the amount of the Assessments, and establishes the methodologies by which the Town Council allocates and reallocates the special benefit of the Authorized Improvements to Parcels in a manner that results in equal shares of the Actual Costs being apportioned to Parcels similarly benefited. The determination by the Town Council of the assessment methodologies set forth below is the result of the discretionary exercise by the Town Council of its legislative authority and governmental powers and is conclusive and binding on the Developer and all future owners and developers of the Assessed Property.

#### **B. Special Benefit**

Assessed Property must receive a direct and special benefit from the Authorized Improvements, and this benefit must be equal to or greater than the amount of the Assessments. The Authorized Improvements are provided specifically for the benefit of the Assessed Property. The Authorized Improvements (more particularly described in line-item format in Appendix B to this Service and Assessment Plan) and the costs incurred in the establishment of the PID shown in Table IV-A are authorized by the Act.

Each of the owners of the Assessed Property has acknowledged that the Authorized Improvements confer a special benefit on the Assessed Property and has consented to the imposition of the Assessments to pay for the Actual Costs associated therewith. Each of the owners is acting in its interest in consenting to this apportionment and levying of the Assessments because the special benefit conferred upon the Assessed Property by the Authorized Improvements exceeds the amount of the Assessments.

Each owner of the Assessed Property has ratified, confirmed, accepted, agreed to and approved; (i) the determinations and finding by the Town Council as to the special benefits described in this Service and Assessment Plan and the Assessment Ordinance; (ii) the Service and Assessment Plan and the Assessment Ordinance, and (iii) the levying of Assessments on the Assessed Property. Use of the Assessed Property as described in this Service and Assessment Plan requires that Authorized Improvements be acquired, constructed, installed, and/or improved. Funding the Actual Costs using PID Bond proceeds has been determined by the Town Council to be the most beneficial means of doing so. As a result, the Assessments result in a special benefit to the Assessed Property, and this special benefit exceeds the amount of the Assessment. This conclusion is based on and supported by the evidence, information, and testimony provided to the Town Council.

In summary, the Assessments result in a special benefit to the Assessed Property for the following reasons:

1. The Authorized Improvements are being provided specifically for the use of the Assessed Property, are necessary for the proposed best use of the PID Property and provide a special benefit to the Assessed Property as a result;
2. The Developer has consented to the imposition of the Assessments for the purpose of providing the Authorized Improvements and the Developer is acting in its interest by consenting to this imposition;
3. The Authorized Improvements are required for the highest and best use of the Assessed Property;
4. The highest and best use of the Assessed Property is the use of the Assessed Property that is most valuable (including any costs associated with the use of the Assessed Property);
5. Financing of the Authorized Improvement costs using PID Bond proceeds is determined to be the most beneficial means of providing for the Authorized Improvements; and,
6. As a result, the special benefits to the Assessed Property from the Authorized Improvements will be equal to or greater than the Assessments.

### **C. Assessment Methodology**

The Actual Costs may be assessed by the Town Council against the Assessed Property so long as the special benefit conferred upon the Assessed Property by the Authorized Improvements equals or exceeds the amount of the Assessments. The Actual Costs may be assessed using any methodology that results in the imposition of equal shares of the Actual Costs on Assessed Property similarly benefited.

For purpose of this Service and Assessment Plan, the Town Council has determined that the costs the Authorized Improvements shall be allocated to the Assessed Property by spreading the entire Assessment across the Parcels based on the estimated number of units anticipated to be developed within the PID.



Upon subsequent divisions of any Parcel, the Assessment applicable to it will then be apportioned pro rata based on the estimated number of units to be constructed on each newly created Parcel, as determined by the Administrator and confirmed by the Town Council. The result of this approach is that each final residential Lot within a recorded subdivision plat will have the same Assessment.

As shown in Section IV, Table IV-A of this Service and Assessment Plan, the total par amount of the PID Bonds is \$4,700,000. The total amount of Assessments is, therefore, \$4,700,000. The total number of units planned to be developed in the PID is 214. As a result, the Assessment per unit is \$21,962.62 ( $\$4,700,000 \div 214 = \$21,962.62$ ).

A summary of the Assessment per unit is shown in Table V-A below.

**Table V-A**  
**Assessment per unit**

Description	Total Assessment
Total Assessments	\$4,700,000
Estimated total number of units	214
<b>Assessment per unit</b>	<b>\$21,962.62</b>

#### **D. Assessments**

The Assessments for the applicable Authorized Improvements will be levied on each Parcel according to the Assessment Roll attached hereto as Appendix D. The Annual Installments will be collected at the time and in the amounts shown on the Assessment Roll, subject to any revisions made during an Annual Service Plan Update.

#### **E. Administrative Expenses**

The cost of administering the PID and collecting the Annual Installments shall be paid for on a pro rata basis by each Parcel based on the amount of Assessment levied against the Parcel. The Administrative Expenses shall be collected as part of and in the same manner as Annual Installments in the amounts shown on the Assessment Roll, which may be revised based on actual costs incurred in Annual Service Plan Updates.

#### **F. Additional Interest**

Pursuant to the PID Act, the interest rate for Assessments may exceed the actual interest rate per annum paid on the related PID Bonds by no more than one half of one percent (0.50%). The interest rate used to determine the Assessments is one half of one percent (0.50%) per annum higher than the actual rate paid on the PID Bonds. The Additional Interest of Annual Installments allocated to fund a prepayment and delinquency reserve (the "Prepayment and Delinquency Reserve"), which shall be funded until it reaches 5.50% of the outstanding PID Bonds as described in the Trust Indenture. The Town may use any Additional Interest collected to redeem PID Bonds after the Prepayment and Delinquency Reserve is fully funded.

## **Section VI**

### **TERMS OF THE ASSESSMENTS**

#### **A. Amount of Assessments and Annual Installments for Parcels**

The Assessment and Annual Installments for each Parcel of Assessed Property located within the PID is shown on the Assessment Roll, attached as Appendix D, and no Assessment shall be changed except as authorized by this Service and Assessment Plan and the PID Act.

The Annual Installments shall be collected in an amount sufficient to pay (i) principal and interest on the PID Bonds, (ii) to fund the Prepayment and Delinquency Reserve described in Section V, and (iii) to pay Administrative Expenses of the PID. The Annual Installment for each Parcel shall be calculated by taking into consideration any available funds applicable to the Parcel.

#### **B. Reallocation of Assessments for Parcels Located Within the PID**

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

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

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

Where the terms have the following meanings:

A = the Assessment for the new subdivided Parcel

B = the Assessment for the Parcel prior to subdivision

C = the estimated number of units to be built on the newly subdivided Parcel

D = the sum of the estimated number of units for all of the newly subdivided Parcels

The calculation of the estimated units of a Parcel shall be performed by the Administrator and confirmed by the Town Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcels prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation. Any reallocation pursuant to this section shall be reflected in an update to this Service and Assessment Plan approved by the Town Council.

## **2. Upon Subdivision by a Recorded Subdivision Plat**

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

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

Where the terms have the following meanings:

A = the Assessment for the new subdivided Lot

B = the Assessment for the Parcel prior to subdivision

C = the estimated number of units to be built on the newly subdivided Parcel

D = the sum of the estimated number of units for all of the newly subdivided Parcels

The calculation of the estimated number of units to be built on a Parcel shall be performed by the Administrator and confirmed by the Town Council based on the information available regarding the use of the Parcel. The estimate as confirmed shall be conclusive. The number of units to be built on a Parcel may be estimated by net land area and reasonable density ratios.

The sum of the Assessments for all newly subdivided Parcels shall equal the Assessment for the Parcel prior to subdivision. The calculation shall be made separately for each newly subdivided Parcel. The reallocation of an Assessment for a Parcel that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the subdivision of the Parcels. Any reallocation pursuant to this section shall be reflected in an Annual Service Plan Update approved by the Town Council.

## **3. Upon Consolidation**

Upon the consolidation of two or more Parcels, the Assessment for the consolidated Parcel shall be the sum of the Assessments for the Parcels prior to consolidation. The reallocation of an Assessment for an Assessed Property that is a homestead under Texas law may not exceed the Assessment prior to the reallocation and to the extent the reallocation would exceed such amount, it shall be prepaid by such amount by the party requesting the consolidation of the Parcels. Any reallocation pursuant to this section shall be calculated by the Administrator and reflected in an update to this Service and Assessment Plan approved by the Town Council.

### **C. Mandatory Prepayment of Assessments**

1. If a Parcel subject to Assessments is transferred to a party that is exempt from the payment of the Assessment under applicable law, or if an owner causes a Parcel subject to Assessments to become Non-Benefited Property, the owner of such Parcel shall pay to the Town the full amount of the Principal Portion of the Assessment on such Parcel, plus all Prepayment Costs, prior to any such transfer or act.

2. The payments required above shall be treated the same as any Assessment that is due and owing under the Act, the Assessment Ordinance, and this Service and Assessment Plan, including the same lien priority, penalties, procedures, and foreclosure specified by the Act.

**D. Reduction of Assessments**

1. If after all Authorized Improvements to be funded with the Assessments have been completed, including any additional Authorized Improvements described herein, and Actual Costs for such Authorized Improvements are less than the Actual Costs used to calculate the Assessments securing such PID Bonds, then the Assessments securing such PID Bonds for each Parcel of Assessed Property shall be reduced by the Town Council prorata such that the sum of the resulting reduced Assessments for all Assessed Properties equals the total reduced Actual Costs. The Assessments shall not be reduced to an amount less than the outstanding PID Bonds. If all of the Authorized Improvements are not completed, the Town may reduce the Assessments in another method if it determines such method would better reflect the benefit received by the Parcels from the Authorized Improvements completed.

2. If the Authorized Improvements to be funded with the respective Assessments including any additional Authorized Improvements described herein, are not undertaken by the Town, the Assessments securing such PID Bonds for each Assessed Property shall be reduced by the Town Council to reflect only the Actual Costs that were expended. The Town Council shall reduce such Assessments for each Assessed Property pro rata such that the sum of the resulting reduced Assessments equals the Actual Costs with respect to such Authorized Improvements that were undertaken. The Assessments shall not be reduced to an amount less than the related outstanding PID Bonds.

**E. Payment of Assessments**

**1. Payment in Full**

(a) The Assessment for any Parcel may be paid in full at any time. Payment shall include all Prepayment Costs.

(b) If an Annual Installment has been billed prior to payment in full of an Assessment, the Annual Installment shall be due and payable as provided in the bill and shall be credited against the payment in full amount.

(c) Upon payment in full of an Assessment and all Prepayment Costs, the Town shall deposit the payment in accordance with this Service and Assessment Plan or the applicable PID Bonds; whereupon, the Assessment shall be reduced to zero, and the owner's obligation to pay the Assessment and Annual Installments thereof shall automatically terminate.

(d) At the option of the owner, the Assessment on any Parcel plus Prepayment Costs may be paid in part as determined by the Administrator. Upon the payment of such amounts for a Parcel, the Assessment for the Parcel shall be reduced, the Assessment Roll shall be updated to reflect such partial payment, and the obligation to pay the Annual Installment for such Parcel shall be reduced to the extent the partial payment is made.

## **2. Payment in Annual Installments**

The Act provides that an Assessment for a Parcel may be paid in full at any time. If not paid in full, the Act authorizes the Town to collect interest and collection costs on the outstanding Assessment. An Assessment for a Parcel that is not paid in full will be collected in Annual Installments each year in the amounts shown in the Assessment Roll, which includes interest on the outstanding Assessment and Administrative Expenses.

Each Assessment shall be paid with interest based on an interest rate of 4.5% per annum for Term 2027 bonds and 5% per annum for Term 2047 bonds. The Town has determined that the Assessments shall bear interest at the rate of 4.5% per annum for Term 2027 bonds and 5% for Term 2047 bonds plus the Additional Interest of 0.5% to fund the Prepayment and Delinquency Reserve. Furthermore, the principal and interest component of the Annual Installments may not exceed the amounts shown on the Assessment Roll. The Assessment Roll, with the estimated interest rate on the PID Bonds, is shown in Appendix D.

The Annual Installments shall be reduced to equal the actual costs of repaying the PID Bonds and actual Administrative Expenses (as provided for in the definition of such term), taking into consideration any other available funds for these costs, such as interest income on account balances.

### **F. Collection of Annual Installments**

No less frequently than annually, the Administrator shall prepare, and the Town Council shall approve, an Annual Service Plan Update to allow for the billing and collection of Annual Installments. Each Annual Service Plan Update shall include an updated Assessment Roll and a calculation of the Annual Installment for each Parcel. Administrative Expenses shall be allocated among Parcels in proportion to the amount of the Annual Installments for the Parcels. Each Annual Installment shall be reduced by any credits applied under this Service and Assessment Plan, such as available capitalized interest and any other funds available to the Town for such purpose. Annual Installments shall be collected by the Town in the same manner and at the same time as ad valorem taxes and shall be subject to the same penalties, procedures, and foreclosure sale in case of delinquencies as are provided for ad valorem taxes of the Town. The Town Council may provide for other means of collecting the Annual Installments to the extent permitted under the PID Act. The Assessments shall have lien priority as specified in the PID Act.

Any sale of property for nonpayment of the Annual Installments shall be subject to the lien established for the remaining unpaid Annual Installments against such property and such property may again be sold at a judicial foreclosure sale if the purchaser thereof fails to make timely payment of the non-delinquent Annual Installments against such property as they become due and payable.

Each Annual Installment, including the interest on the unpaid amount of an Assessment, shall be assessed on, or around, September 1 and shall be billed on, or around, October 1 of that year. Each Annual Installment together with interest thereon shall be delinquent if not paid prior to February 1 of the following year.

## **Section VII THE ASSESSMENT ROLL**

### **A. Assessment Roll**

Each Parcel within the PID has been evaluated by the Town Council (based on the developable area, proposed Homeowner Association Property and Public Property, the Authorized Improvements and highest use of land, and other development factors deemed relevant by the Town Council) to determine the Assessed Property within the Parcel.

Assessed Property will be assessed for the special benefits conferred upon the property as a result of the Authorized Improvements. Table IV-A summarizes the \$5,338,706 in special benefit received by the Assessed Property from the Authorized Improvements and the estimated PID establishment costs. As such the total Assessment for all Assessed Property within the PID is \$4,700,000 plus interest on the PID Bonds and annual Administrative Expenses. The Assessment for each Parcel of Assessed Property within the PID is calculated based on the allocation methodologies described in Section V of this Service and Assessment Plan. The Assessment Roll is attached hereto as Appendix D.

### **B. Annual Assessment Roll Updates**

The Administrator shall prepare, and shall submit to the Town Council for approval, annual updates to the Assessment Roll in conjunction with the Annual Service Plan Update to reflect the following matters, together with any other changes helpful to the Administrator or the Town and permitted by the Act: (i) the identification of each Parcel (ii) the Assessment for each Parcel of Assessed Property, including any adjustments authorized by this Service and Assessment Plan or in the PID Act; (iii) the Annual Installment for the Assessed Property for the year (if the Assessment is payable in installments); and (iv) payments of the Assessment, if any, as provided by Section VI.F of this Service and Assessment Plan.

Remainder of this page left intentionally blank.

## **Section VIII MISCELLANEOUS PROVISIONS**

### **A. Administrative Review**

The Town may elect to designate a third party to serve as Administrator. The Town shall notify Developer in writing at least thirty (30) days in advance before appointing a third party Administrator.

To the extent consistent with the Act, an owner of an Assessed Property claiming that a calculation error has been made in the Assessment Roll, including the calculation of the Annual Installment, shall send a written notice describing the error to the Town and the Administrator not later than thirty (30) days after the date any amount which is alleged to be incorrect is due prior to seeking any other remedy. The Administrator shall promptly review the notice, and if necessary, meet with the Assessed Property owner, consider written and oral evidence regarding the alleged error and decide whether, in fact, such a calculation error occurred.

If the Administrator determines that a calculation error has been made and the Assessment Roll should be modified or changed in favor of the Assessed Parcel owner, such change or modification shall be presented to the Town Council for approval, to the extent permitted by the Act. A cash refund may not be made for any amount previously paid by the Assessed Parcel owner (except for the final year during which the Annual Installment shall be collected or if it is determined there are sufficient funds to meet the expenses of the PID for the current year), but an adjustment may be made in the amount of the Annual Installment to be paid in the following year. The decision of the Administrator regarding a calculation error relating to the Assessment Roll may be appealed to the Town Council. Any amendments made to the Assessment Roll pursuant to calculations errors shall be made pursuant to the PID Act.

This procedure shall be exclusive and its exhaustion by any property owner shall be a condition precedent to any other appeal or legal action by such owner.

### **B. Termination of Assessments**

The Assessment on a Parcel shall be extinguished on the date the Assessment is paid in full, including unpaid Annual Installments and Delinquent Collection Costs, if any. After the extinguishment of an Assessment, and the collection of any delinquent Annual Installments and Delinquent Collection Costs, the Town shall provide or cause to be provided to the owner of the affected Parcel a recordable "Notice of the PID Assessment Termination."

### **C. Amendments**

Amendments to the Service and Assessment Plan can be made as permitted or required by the PID Act and under Texas law.

The Town Council reserves the right to the extent permitted by the Act to amend this Service and Assessment Plan without notice under the Act and without notice to property owners of Parcels: (i) to correct mistakes and clerical errors; (ii) to clarify ambiguities; and (iii) to provide procedures

for the collection and enforcement of Assessments, Prepayment Costs, Collection Costs, and other charges imposed by the Service and Assessment Plan.

**D. Administration and Interpretation of Provisions**

The Town Council shall administer (or cause the administration of) the PID, this Service and Assessment Plan, and all Annual Service Plan Updates consistent with the PID Act, and shall make all interpretations and determinations related to the application of this Service and Assessment Plan unless stated otherwise herein, such determination shall be conclusive.

**E. Severability**

If any provision, section, subsection, sentence, clause or phrase of this Service and Assessment Plan or the application of same to an Assessed Parcel or any person or set of circumstances is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Service and Assessment Plan or the application to other persons or sets of circumstances shall not be affected thereby, it being the intent of the Town Council in adopting this Service and Assessment Plan that no part hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other part hereof, and all provisions of this Service and Assessment Plan are declared to be severable for that purpose.

If any provision of this Service and Assessment Plan is determined by a court to be unenforceable, the unenforceable provision shall be deleted from this Service and Assessment Plan and the unenforceable provision shall, to the extent possible, be rewritten to be enforceable and to give effect to the intent of the Town.

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## **Appendix A**

### **PID Maps**





Concept Plan

data summary		
Gross Site Area:	70.2	
	Acres	Gross %
Residential Lots	50.2	72%
100-Year Floodplain	9.5	13%
HOA Open Space	10.5	15%
Residential Product Type:	Lots	Density
60'x 115' Lot	213	3.5:1

- Notes:
1. The street pattern and open space area are for illustrative purposes and are subject to future alteration during the design process.
  2. The floodplain limits are for illustrative purposes and based on the current FEMA Flood Insurance Rate Map; the limits of the floodplain will be defined with future engineering plans and/ or hydrologic and hydraulic studies.

DEVELOPMENT DATA

MINIMUM LOT WIDTH	60'
MINIMUM LOT DEPTH	115'
MINIMUM LOT AREA	6,900 SF
MINIMUM FRONT BUILDING LINE	20'
MINIMUM REAR BUILDING LINE	15'
MINIMUM SIDE BUILDING LINE	5'
MINIMUM CORNER BUILDING LINE	10'

LAKE SIDE ESTATES AT PALOMA  
TOWN OF LITTLE ELM, DENTON COUNTY, TEXAS



**PETITT BARRAZA**  
ENGINEERING PLANNING SURVEYING

SCALE: 1"=250'

DATE: SEPTEMBER 2016



**Appendix B**  
**Estimated Costs of the Authorized Improvements**

**LAKESIDE ESTATES PUBLIC IMPROVEMENT DISTRICT NUMBER 2  
TOWN OF LITTLE ELM, TEXAS**

<b>IMPROVEMENTS SUMMARY</b>			
	<b>PID</b>	<b>TOTAL COST</b>	<b>214</b>
	<b>DIRECT COST</b>	<b>BY CATEGORY</b>	<b>BY LOT</b>
A. ROADWAY IMPROVEMENTS	\$1,503,543.00	\$1,503,543.00	\$7,025.90
B. WATER SYSTEM	\$702,450.00	\$702,450.00	\$3,282.48
C. SANITARY SEWER	\$1,252,289.00	\$1,252,289.00	\$5,851.82
D. STORM DRAIN SYSTEM	\$905,868.00	\$905,868.00	\$4,233.03
<b>SUB TOTAL CONSTRUCTION COSTS</b>	<b>\$4,364,150.00</b>	<b>\$4,364,150.00</b>	<b>\$20,393.22</b>

**LAKESIDE ESTATES PUBLIC IMPROVEMENT DISTRICT NUMBER 2  
TOWN OF LITTLE ELM, TEXAS**

PAY ITEM	DESCRIPTION OF ITEMS WITH BID PRICES EXPRESSED IN WORDS	UNIT	QUANTITY	UNIT PRICE	CONS. AMOUNT
<b>A. ROADWAY IMPROVEMENTS</b>					
1	Sawcut & Connect to Existing Pavement	LF	216	\$19.00	\$4,104.00
2	Remove Existing Sidewalk	LF	28	\$14.00	\$392.00
3	Rdwy Excavation - Sparrow Drive	CY	490	\$13.00	\$6,370.00
4	8" Reinf. Conc. Pavement	SY	1,570	\$39.50	\$62,015.00
5	6" Reinf. Conc. Pavement	SY	35,300	\$28.55	\$1,007,815.00
6	Lift Station Driveway - 6" Conc. Pavement	SY	94	\$28.55	\$2,683.70
7	6" Subgrade Preparation	SY	40,500	\$2.90	\$117,450.00
8	Lime For Subgrade (36#/SY)	TON	911	\$163.00	\$148,493.00
9	Barrier Free Ramps	EA	42	\$1,300.00	\$54,600.00
10	5' Concrete Sidewalk	SF	5,800	\$4.80	\$27,840.00
11	10' Trail	SF	13,210	\$5.35	\$70,673.50
12	Traffic Control	LS	1	\$1,106.80	\$1,106.80
<b>PID DIRECT COST ROADWAY IMPROVEMENTS</b>			<b>100.00%</b>	<b><u>\$1,503,543.00</u></b>	

<b>B. WATER SYSTEM</b>					
13	8" P.V.C. Waterline	LF	11,590	\$27.00	\$312,930.00
14	8" Gate Valve & Box	EA	47	\$1,322.00	\$62,134.00
15	Connect to Exist 16" - 16"x8" Tapping Tee	EA	1	\$7,944.00	\$7,944.00
16	1" Single Water Service (ALL LENGTHS)	EA	214	\$613.00	\$131,182.00
17	2" Irrigation Service	EA	1	\$2,473.00	\$2,473.00
18	Fire Hydrant Assembly with Gate Valves	EA	27	\$4,187.00	\$113,049.00
19	Fire Hydrant Final Adjustment	EA	27	\$739.00	\$19,953.00
20	Testing (Excluding Geotech)	LF	11,590	\$1.00	\$11,590.00
21	Trench Safety	LF	11,590	\$1.00	\$11,590.00
22	Connect to Ext. 8" - Remove Plug	EA	1	\$908.00	\$908.00
23	8"x6" Reducer	EA	1	\$660.00	\$660.00
24	Connect to Exist. 8"	EA	1	\$1,127.00	\$1,127.00
25	Roadway Bore Alternative	LF	32	\$550.00	\$17,600.00
26	Sawcut & Repair Ex. Conc. Pavement Alternative	SY	35	\$266.00	\$9,310.00
<b>PID DIRECT COST WATER SYSTEM</b>			<b>100.00%</b>	<b><u>\$702,450.00</u></b>	

**LAKESIDE ESTATES PUBLIC IMPROVEMENT DISTRICT NUMBER 2  
TOWN OF LITTLE ELM, TEXAS**

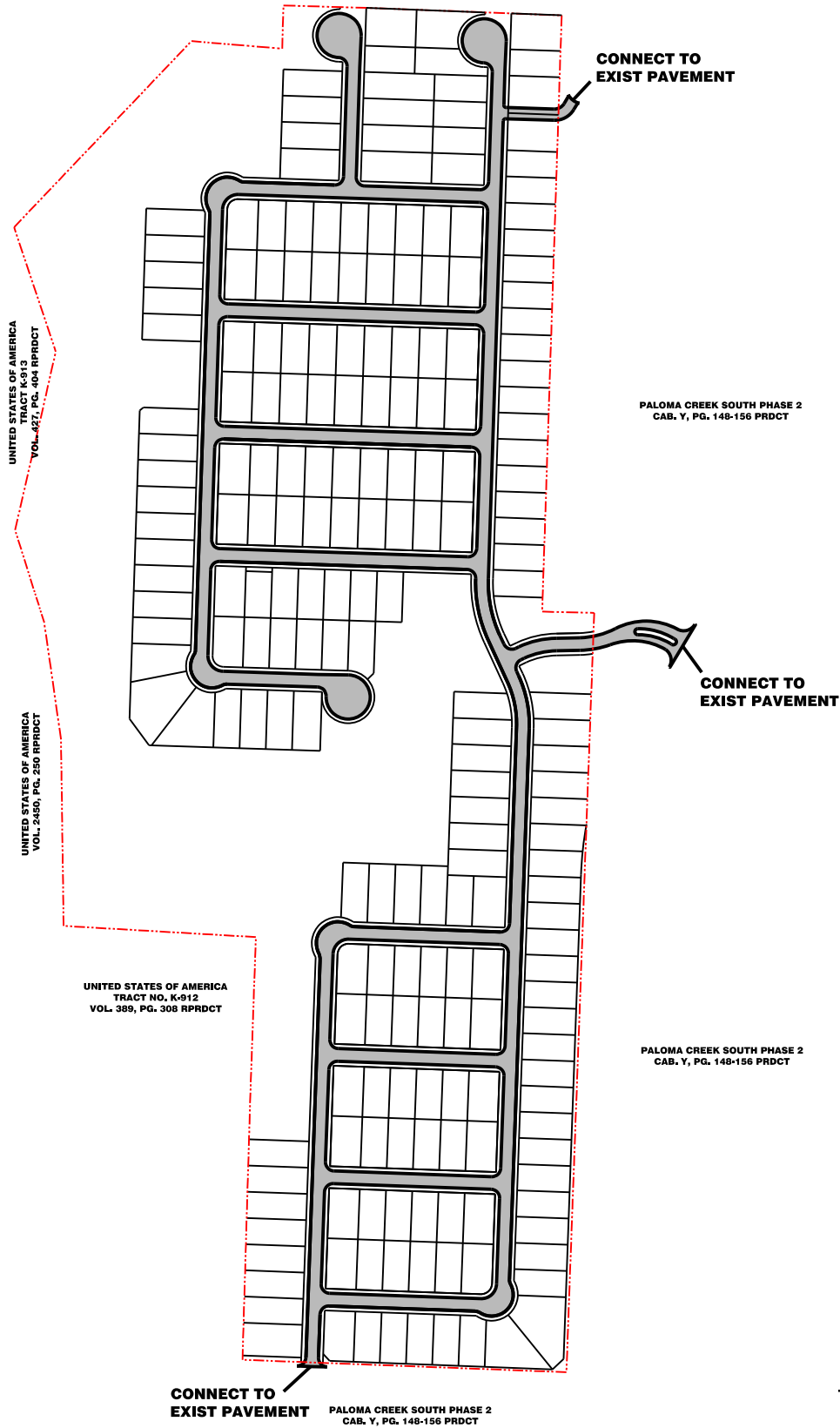
PAY ITEM	DESCRIPTION OF ITEMS WITH BID PRICES EXPRESSED IN WORDS	UNIT	QUANTITY	UNIT PRICE	CONS. AMOUNT
<b>C. SANITARY SEWER</b>					
27	8" PVC Pipe (ALL DEPTHS) (SDR 35)	LF	5,954	\$35.00	\$208,390.00
28	8" PVC Pipe (ALL DEPTHS) (SDR 26)	LF	5,734	\$53.00	\$303,902.00
29	4" Force Main	LF	742	\$28.00	\$20,776.00
30	4" Service Lines (ALL LENGTHS)	EA	214	\$785.00	\$167,990.00
31	4' Diameter Manhole w/Rain Pans Integrated	EA	16	\$3,255.00	\$52,080.00
32	5' Diameter Manhole w/Rain Pans Integrated	EA	4	\$4,987.00	\$19,948.00
33	5' Diameter Drop Manhole w/Rain Pans Integrated	EA	7	\$8,523.00	\$59,661.00
34	Standard Cleanout	EA	1	\$799.00	\$799.00
35	Water Crossing per TCEQ requirements	LF	460	\$34.00	\$15,640.00
36	Concrete Encasement	LF	30	\$83.00	\$2,490.00
37	Connect to Lift Station	EA	1	\$835.00	\$835.00
38	Connect to Ex. Manhole - Force Main	EA	1	\$1,070.00	\$1,070.00
38	TV Inspection	LF	12,430	\$2.00	\$24,860.00
39	Testing (Excluding Geotech)	LF	12,430	\$1.00	\$12,430.00
40	Trench Safety	LF	12,430	\$1.00	\$12,430.00
37	Lift Station	LS	1	\$348,988.00	\$348,988.00
<b>SANITARY SEWER PID DIRECT COST</b>				<b>100.00%</b>	<b>\$1,252,289.00</b>

BID ITEM	DESCRIPTION OF ITEMS WITH BID PRICES EXPRESSED IN WORDS	UNIT	QUANTITY	UNIT PRICE	AMOUNT BID
<b>D. STORM DRAIN SYSTEM</b>					
38	18" R.C.P. (ALL DEPTHS)	LF	198	\$55.00	\$10,890.00
39	21" R.C.P. (ALL DEPTHS)	LF	144	\$60.00	\$8,640.00
40	24" R.C.P. (ALL DEPTHS)	LF	319	\$67.00	\$21,373.00
41	27" R.C.P. (ALL DEPTHS)	LF	549	\$74.00	\$40,626.00
42	33" R.C.P. (ALL DEPTHS)	LF	245	\$93.00	\$22,785.00
43	42" R.C.P. (ALL DEPTHS)	LF	122	\$134.00	\$16,348.00
44	4'x3' B.C. (ALL DEPTHS)	LF	62	\$179.00	\$11,098.00
45	6'x4' B.C. (ALL DEPTHS)	LF	787	\$287.00	\$225,869.00
46	6'x5' B.C. (ALL DEPTHS)	LF	479	\$312.00	\$149,448.00
47	8'x4' B.C. (ALL DEPTHS)	LF	421	\$378.00	\$159,138.00
48	10' Inlet	EA	20	\$3,300.00	\$66,000.00
49	10' Inlet w/Debris Separator Inlet Shroud	EA	1	\$6,434.00	\$6,434.00
50	8'x4' Sloped Headwall	EA	1	\$7,150.00	\$7,150.00
51	6'x5' Sloped Headwall	EA	1	\$7,145.00	\$7,145.00
52	42" Sloped Headwall	EA	2	\$3,520.00	\$7,040.00
53	21" Sloped Headwall	EA	1	\$2,200.00	\$2,200.00
54	Inlet Protection	EA	20	\$182.00	\$3,640.00
55	Connect to Existing	EA	5	\$1,213.00	\$6,065.00
56	Remove Existing Headwall	EA	5	\$462.00	\$2,310.00
57	Construct Storm Drain Debris Separator Manhole	EA	4	\$27,500.00	\$110,000.00
58	Rock Riprap (Including Rock Check Dam)	SY	221	\$83.00	\$18,343.00
59	Trench Safety	LF	3,326	\$1.00	\$3,326.00
<b>STORM DRAIN PID DIRECT COST</b>				<b>100.00%</b>	<b>\$905,868.00</b>

**Appendix C**  
**Diagram of the Authorized Improvements**

UNITED STATES OF AMERICA  
TRACT NO. K-922  
VOL. 391, PG. 69 RPRDCT

NAVO JOINT VENTURE  
VOL. 1380, PG. 42 RPRDCT



**PAVING PLAN**



UNITED STATES OF AMERICA  
TRACT NO. K-922  
VOL. 391, PG. 69 RPRDCT

NAVO JOINT VENTURE  
VOL. 1380, PG. 42 RPRDCT

UNITED STATES OF AMERICA  
TRACT K-913  
VOL. 427, PG. 404 RPRDCT

UNITED STATES OF AMERICA  
VOL. 2450, PG. 250 RPRDCT

UNITED STATES OF AMERICA  
TRACT NO. K-912  
VOL. 389, PG. 308 RPRDCT

CONNECT TO  
EXIST 8" WATER

PALOMA CREEK SOUTH PHASE 2  
CAB. Y, PG. 148-156 PRDCT

CONNECT TO  
EXIST 16" WATER

PALOMA CREEK SOUTH PHASE 2  
CAB. Y, PG. 148-156 PRDCT

CONNECT TO  
EXIST 8" WATER

PALOMA CREEK SOUTH PHASE 2  
CAB. Y, PG. 148-156 PRDCT

## SANITARY SEWER PLAN

UNITED STATES OF AMERICA  
TRACT NO. K-922  
VOL. 391, PG. 69 RPRDCT

UNITED STATES OF AMERICA  
TRACT K-913  
VOL. 427, PG. 404 RPRDCT

UNITED STATES OF AMERICA  
VOL. 2450, PG. 250 RPRDCT

UNITED STATES OF AMERICA  
TRACT NO. K-912  
VOL. 389, PG. 308 RPRDCT

PALOMA CREEK SOUTH PHASE 2  
CAB. Y, PG. 148-156 PRDCT

CONNECT TO  
EXIST MANHOLE

PALOMA CREEK SOUTH PHASE 2  
CAB. Y, PG. 148-156 PRDCT

PALOMA CREEK SOUTH PHASE 2  
CAB. Y, PG. 148-156 PRDCT

## SANITARY SEWER PLAN

UNITED STATES OF AMERICA  
TRACT NO. K-922  
VOL. 391, PG. 69 RPRDCT

NAVO JOINT VENTURE  
VOL. 1380, PG. 42 RPRDCT

CONNECT TO  
EXIST 18" RCP

REMOVE EXIST HEADWALL  
CONNECT TO EXIST 6"x3' BC

REMOVE EXIST HEADWALL  
CONNECT TO EXIST 4"x3' BC

STORM DRAIN LINE "A"

PALOMA CREEK SOUTH PHASE 2  
CAB. Y, PG. 148-156 PRDCT

CONNECT TO  
EXIST 18" RCP

REMOVE EXIST HEADWALL  
CONNECT TO EXIST 10"x5' BC

UNITED STATES OF AMERICA  
TRACT K-913  
VOL. 427, PG. 404 RPRDCT

UNITED STATES OF AMERICA  
VOL. 2450, PG. 250 RPRDCT

UNITED STATES OF AMERICA  
TRACT NO. K-912  
VOL. 389, PG. 308 RPRDCT

PALOMA CREEK SOUTH PHASE 2  
CAB. Y, PG. 148-156 PRDCT

PALOMA CREEK SOUTH PHASE 2  
CAB. Y, PG. 148-156 PRDCT

## STORM DRAIN PLAN

## **Appendix D**

### **Assessment Roll**

## Appendix D Assessment Roll

<b>Parcel</b>	<b>All Parcels</b>
<b>Assessment</b>	<b>\$4,700,000</b>
<b>Total Equivalent Units</b>	<b>214.00</b>

<b>Year</b>	<b>Principal<sup>1</sup></b>	<b>Interest<sup>1</sup></b>	<b>Administrative Expenses<sup>2</sup></b>	<b>Total Annual Installment</b>
1	\$0	\$155,756	\$35,000	\$190,756
2	\$80,000	\$254,250	\$35,700	\$369,950
3	\$80,000	\$250,250	\$36,414	\$366,664
4	\$85,000	\$246,250	\$37,142	\$368,392
5	\$90,000	\$242,000	\$37,885	\$369,885
6	\$95,000	\$237,500	\$38,643	\$371,143
7	\$100,000	\$232,750	\$39,416	\$372,166
8	\$105,000	\$227,750	\$40,204	\$372,954
9	\$105,000	\$222,500	\$41,008	\$368,508
10	\$110,000	\$217,250	\$41,828	\$369,078
11	\$115,000	\$211,750	\$42,665	\$369,415
12	\$125,000	\$205,425	\$43,518	\$373,943
13	\$130,000	\$198,550	\$44,388	\$372,938
14	\$135,000	\$191,400	\$45,276	\$371,676
15	\$140,000	\$183,975	\$46,182	\$370,157
16	\$150,000	\$176,275	\$47,105	\$373,380
17	\$155,000	\$168,025	\$48,047	\$371,072
18	\$165,000	\$159,500	\$49,008	\$373,508
19	\$170,000	\$150,425	\$49,989	\$370,414
20	\$180,000	\$141,075	\$50,988	\$372,063
21	\$190,000	\$131,175	\$52,008	\$373,183
22	\$200,000	\$120,725	\$53,048	\$373,773
23	\$210,000	\$109,725	\$54,109	\$373,834
24	\$220,000	\$98,175	\$55,191	\$373,366
25	\$230,000	\$86,075	\$56,295	\$372,370
26	\$240,000	\$73,425	\$57,421	\$370,846
27	\$255,000	\$60,225	\$58,570	\$373,795
28	\$265,000	\$46,200	\$59,741	\$370,941
29	\$280,000	\$31,625	\$60,936	\$372,561
30	\$295,000	\$16,225	\$62,155	\$373,380
<b>Total</b>	<b>\$4,700,000</b>	<b>\$4,846,231</b>	<b>\$1,419,883</b>	<b>\$10,966,114</b>

1-The principal and interest are based on the final pricing numbers for the Series 2017 Bonds and includes 0.5% additional interest.

2-The Administrative Expenses shown include the estimated PID administration and assessment collection costs and will be updated each year in Annual Service Plan Updates.

**Lakeside Estates PID**  
**Projected Annual Installment per Lot**

**Lot Type**  
**Assessment**

60 Ft  
 \$21,963

<b>Year</b>	<b>Principal</b>	<b>Interest<sup>1</sup></b>	<b>Administrative Expenses<sup>2</sup></b>	<b>Total Annual Installment</b>
1	\$0	\$728	\$164	\$891
2	\$374	\$1,188	\$167	\$1,729
3	\$374	\$1,169	\$170	\$1,713
4	\$397	\$1,151	\$174	\$1,721
5	\$421	\$1,131	\$177	\$1,728
6	\$444	\$1,110	\$181	\$1,734
7	\$467	\$1,088	\$184	\$1,739
8	\$491	\$1,064	\$188	\$1,743
9	\$491	\$1,040	\$192	\$1,722
10	\$514	\$1,015	\$195	\$1,725
11	\$537	\$989	\$199	\$1,726
12	\$584	\$960	\$203	\$1,747
13	\$607	\$928	\$207	\$1,743
14	\$631	\$894	\$212	\$1,737
15	\$654	\$860	\$216	\$1,730
16	\$701	\$824	\$220	\$1,745
17	\$724	\$785	\$225	\$1,734
18	\$771	\$745	\$229	\$1,745
19	\$794	\$703	\$234	\$1,731
20	\$841	\$659	\$238	\$1,739
21	\$888	\$613	\$243	\$1,744
22	\$935	\$564	\$248	\$1,747
23	\$981	\$513	\$253	\$1,747
24	\$1,028	\$459	\$258	\$1,745
25	\$1,075	\$402	\$263	\$1,740
26	\$1,121	\$343	\$268	\$1,733
27	\$1,192	\$281	\$274	\$1,747
28	\$1,238	\$216	\$279	\$1,733
29	\$1,308	\$148	\$285	\$1,741
30	\$1,379	\$76	\$290	\$1,745
<b>Total</b>	<b>\$21,963</b>	<b>\$22,646</b>	<b>\$6,635</b>	<b>\$51,244</b>

1-The principal and interest are based on the final pricing numbers for the Series 2017 Bonds and includes 0.5% additional interest.

2-The Administrative Expenses shown include the estimated PID administration and assessment collection costs and will be updated each year in Annual Service Plan Updates.