

April 30, 2021

NOTICE OF SPECIAL COMMISSIONERS COURT MEETING

Notice is hereby given that the Erath County Commissioners Court will meet in SPECIAL SESSION on MONDAY, MAY 3, 2021 at 9:00 a.m. in the 2nd floor courtroom at the Erath County Courthouse, Stephenville, Texas to consider the following agenda items for discussion and possible action:

1. Pct. 1 requests permission to purchase a rubber tire wheel loader through an approved cooperative purchasing program. (D. Stephens)
2. Workshop with Stephenville Economic Development.
3. Discuss plan for subdivisions.
4. Closed Executive Session in Accordance with the Open Meeting Act, *Tex. Govt. Code 551.071 through 551.086*, to discuss:
 - a. Personnel
 - b. Legal Matter
 - c. Real Estate
 - d. Reconvene
5. Resume Open Session and take any necessary action resulting from Executive Session deliberations.
6. Discuss any new business.
7. Adjourn

Alfonso Canales

COUNTY JUDGE
ERATH COUNTY, TEXAS



POSTED

8:05 A.M. _____ P.M.

APR 30 2021

GWINDA JONES, COUNTY CLERK
ERATH COUNTY, TEXAS

By CW Deputy

Erath County Reserves the right to adjourn into Executive Session at any time during the course of this meeting to discuss any of the matters listed, as authorized by the Texas Government Code, §551.071 (Consultation with Attorney), subsection 551.071(2) (Consultation with Attorney on legal matters that are not related to litigation), §551.072 (Deliberations regarding Real Property), §551.073 (Deliberations about Gifts and Donations), §551.074 (Personnel Matters), §551.076 (Deliberations about Security Personnel or Devices), §551.087 (Economic Development), §551.088 (Deliberation regarding Test Item), and 551.089 (Deliberation regarding Security Devices or Security Audits).

Commissioner's Court
Special Meeting
May 3, 2021
9:00 a.m.
Commissioners' Courtroom 2nd Floor - Courthouse

Present:

Commissioner Precinct #1 – Dee Stephens - Present

Commissioner Precinct #2 – Albert Ray - Present

Commissioner Precinct #3 – Joe Brown - Present

Commissioner Precinct #4 – Jim Buck - Present

County Judge, Alfonso Campos

Garla Allen, Chief Deputy sat in for County Clerk, Gwinda Jones

Others present in the courtroom: See attached roster

Agenda Item #1

Number 2021-115

Motion: To allow Precinct 1 to purchase a used rubber tire wheel loader through an approved cooperative purchasing program

Made By: Commissioner Brown

Second By: Commissioner Ray

Ayes: Stephens X Ray X Brown X Buck X

Noes: None

Motion Carried

Agenda Item #2 Workshop with Stephenville Economic Development / No action

Agenda Item #3 Discussed plan for subdivisions / no action

Agenda Item #4 Closed Session / No needed

Agenda Item #5 Action on Executive Session / Not needed

Agenda Item #6 No New Business

Motion To Adjourn:

Made By: Commissioner Buck

Second By: Commissioner Ray

All Ayes Meeting Adjourned At 10:47 a.m.

STATE OF TEXAS

COUNTY OF ERATH

The above and foregoing is a true and complete copy of the minutes taken in my capacity as County Clerk of the Commissioners Court of Erath County, Texas, at the time and place heretofore set forth.

DATED at Stephenville, Texas, this 3rd day of May, 2021.

ATTESTED BY:

GWINDA JONES, Erath County Clerk

A handwritten signature in cursive script, reading "Gwinda Jones", is written over a horizontal line.

ERATH COUNTY COMMISSIONERS COURT
RESOLUTION OF INTENT
TO ESTABLISH A PACE PROGRAM

STATE OF TEXAS §
 §
ERATH COUNTY §

WHEREAS, The 83rd Regular Session of the Texas Legislature enacted the Property Assessed Clean Energy Act, Texas Local Government Code Chapter 399 (the "PACE Act"), which allows the governing body of a local government, including a City or County, to designate an area of the territory of the local government as a region within which an authorized representative of a local government and the record owners of commercial, industrial, and large multifamily residential (5 or more dwelling units) real property may enter into written contracts to impose assessments on the property to repay the financing by the owners of permanent improvements fixed to the property intended to decrease water or energy consumption or demand; and

WHEREAS, the installation or modification by property owners of qualified energy or water saving improvements to commercial, industrial, and large multifamily residential real property in Erath County will further the goals of energy and water conservation without cost to the public; and

WHEREAS, the Commissioners Court finds that financing energy and water conserving projects through contractual assessments ("PACE financing") furthers essential government purposes, including but not limited to, economic development, reducing energy consumption and costs, and conserving water resources; and

WHEREAS, the Commissioners Court, subject to the public hearing scheduled as provided below, at which the public may comment on the proposed program and the report issued contemporaneously with this resolution, finds that it is convenient and advantageous to establish a program under the PACE Act and designate the entire geographic area within the County's jurisdiction as a region within which a designated Erath County authorized representative and the record owners of qualified real property may enter into PACE financing arrangements:

THEREFORE, be it resolved by the Commissioners Court of Erath County that:

1. The Recitals to this Resolution are true and correct and are incorporated into this Order for all purposes.
2. Erath County hereby adopts this Resolution of Intent and finds that financing qualified projects through contractual assessments pursuant to the PACE Act is a valid public purpose.
3. Erath County intends to make contractual assessments to repay PACE financing for qualified energy or water conserving projects available to owners of commercial, industrial, and large multifamily residential real property. The program is to be called Erath County Property Assessed Clean Energy Program ("Erath County PACE").
4. The following types of projects are qualified projects for PACE financing that may be subject to such contractual assessments: Projects that (a) involve the installation or modification of a permanent improvement fixed to privately owned commercial, industrial, or residential real property with five (5) or more dwelling units, and (b) are intended to decrease energy or water

consumption or demand, including a product, device, or interacting group of products or devices on the customer's side of the meter that uses energy technology to generate electricity, provide thermal energy, or regulate temperature.

An assessment may not be imposed to repay the financing of facilities for undeveloped lots or lots undergoing development at the time of the assessment or the purchase or installation of products or devices not permanently fixed to real property.

5. The boundaries of the entire geographic area within Erath County's jurisdiction are the boundaries of the region where PACE financing and assessments can occur.
6. Financing for qualified projects under the PACE program will be provided by qualified third-party lenders chosen by the owners. Such lenders will execute written contracts with Erath County's authorized representative to service the assessments, as required by the PACE Act. The contracts will provide for the lenders to determine the financial ability of owners to fulfill the financial obligations to be repaid through assessments, advance the funds to owners on such terms as are agreed between the lenders and the owners for the installation or modification of qualified projects, and service the debt secured by the assessments, directly or through a servicer, by collecting payments from the owners pursuant to contracts executed between the lenders and the owners. The lender contracts will provide that Erath County will maintain and continue the assessments for the benefit of such lenders and enforce the assessment lien for the benefit of a lender in the event of a default by an owner. [Erath County will not, at this time, provide financing of any sort for the PACE program.
7. Erath County will contract with Texas PACE Authority, a qualified non-profit organization to be the independent third-party Authorized Representative.
8. Erath County will consult with the County Tax Assessor/Collector for Erath County.
9. The report on the proposed PACE program prepared as provided by Tex. Local Gov't Code Sec. 399.009, is available for public inspection on the County's Internet website and in the office of the County Judge in the Erath County Courthouse, 100 W. Washington, Stephenville, TX 76401.
10. and is incorporated in this resolution and made a part hereof for all purposes.
11. The County Commissioners Court will hold a public hearing on the proposed PACE program and report on [date] at ____m. in the 2nd floor County Commissioner's Courtroom, at the Erath County Courthouse, 100 W. Washington, Stephenville, TX 76401.

Adopted this _____ day of _____, 202_.

Honorable Alfonso Campos, County Judge

Honorable Dee Stephens
Commissioner, Precinct 1

Honorable Albert Ray
Commissioner, Precinct 2

Honorable Joe Brown
Commissioner, Precinct 3

Honorable Jim Buck
Commissioner, Precinct 4

REPORT REQUIRED BY TEXAS LOCAL GOVERNMENT CODE SECTION 399.009
FOR PROPOSED PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM

This Report is adopted by the County Commissioners Court for Erath County, Texas (“**Local Government**”) Property Assessed Clean Energy (PACE) Program (**the “Program”**) in accordance with the requirements of the Property Assessed Clean Energy Act (**the “PACE Act”**) as set forth in Texas Local Government Code Chapter 399.

The Local Government and its constituents benefit when older existing buildings are modified with new technology and equipment that increases energy efficiency and reduces water consumption. As described in this Report, the Local Government is establishing the commercial PACE Program to encourage private sector investment in energy efficiency and water conservation. The PACE Program will be offered to property owners on a strictly voluntary basis and will not require the use of any public funds or resources.

Authorized under the PACE Act enacted in 2013, the PACE program is an innovative financing program that enables private sector owners of privately owned commercial, industrial, and multi-family residential properties with five or more dwelling units to obtain low-cost, long-term loans to pay for water conservation, energy-efficiency improvements, and renewable energy retrofits. PACE loans provide up to 100% financing of all project costs, with little or no up-front out-of-pocket cost to the owner. The Local Government has chosen to follow the administrative principles, program processes, and model documents of the uniform Texas PACE in a Box model program.¹

Loans made under the PACE Program will be secured by assessments on the property that are voluntarily imposed by the owner. Assessments may be amortized over the projected life of the improvements. The utility cost savings derived from improvements financed with PACE loans are expected to equal or exceed the amount of the assessment. In turn, these improvements are able to generate positive cash flow upon installation because the debt service will be less than the savings.

PACE assessments are tied to the property and follow title from one owner to the next. Each owner is responsible only for payment of the assessments accruing during its period of ownership. When the property is sold, the payment obligation for the remaining balance of the assessment is transferred automatically to the next owner. As a result, the program will help property owners overcome market barriers that often discourage investment in energy efficiency and water conservation improvements.

¹ <https://www.keepingpaceintexas.org/pace-in-a-box>

1. Eligible Properties

The Local Government's PACE program is a strictly voluntary program. All private sector owners of Eligible Properties located within the Local Government's PACE region may participate in PACE financing. "**Eligible Properties**" include commercial, industrial, and multi-family residential properties with five or more dwelling units. Government, residential², and undeveloped property and property undergoing development at the time of the assessment are not Eligible Properties.

2. Qualified Improvements

PACE financing may be used to pay for Qualified Improvements to Eligible Properties. "**Qualified Improvements**" are permanent improvements intended to decrease water or energy consumption or demand, including a product, device, or interacting group of products or devices on the customer's side of the meter that use energy technology to generate electricity, provide thermal energy, or regulate temperature. Under the PACE Act, products or devices that are not permanently fixed to real property are not considered to be Qualified Improvements.

The following items may constitute Qualified Improvements:

- High efficiency heating, ventilating and air conditioning ("HVAC") systems
- High efficiency chillers, boilers, and furnaces
- High efficiency water heating systems
- Energy management systems and controls
- Distributed generation systems
- High efficiency lighting system upgrades
- Building enclosure and envelope improvements
- Water conservation and wastewater recovery and reuse systems
- Combustion and burner upgrades
- Heat recovery and steam traps
- Water management systems and controls (indoor and outdoor)
- High efficiency irrigation equipment

3. Benefits of PACE to Property Owners

The PACE program will enable owners of Eligible Properties to overcome traditional barriers to capital investments in energy efficiency and water conservation improvements, such as unattractive returns on investment, split incentives between landlords and tenants, and uncertainty of recouping the investment upon sale of the property.

By financing Qualified Improvements through the program, property owners may achieve utility cost savings that exceed the amount of the assessment and reduce their exposure to utility price volatility. As a result, the value of the property will be enhanced, and the owner will only be obligated to pay the assessment installments that accrue during its period of ownership of the property. Additionally, by investing in energy efficiency and water conservation with PACE

² This encompasses single family residential and any multi-family properties with fewer than five units.

financing, property owners may also qualify for various rebate, tax credit, and incentive programs offered by utility providers and state or federal governmental authorities to encourage these types of investments.

4. Benefits of PACE to the Local Government

Among other things, projects financed through PACE will:

- Enable property owners and occupants to save substantial amounts in utility costs,
- Reduce demand on the electricity grid
- Mitigate greenhouse gas emissions associated with energy generation
- Enhance the value and efficiency of existing buildings
- Boost the local economy by creating new job opportunities and new business opportunities for contractors, engineers, commercial lenders, professionals, and equipment vendors and manufactures
- Increase business retention and expansion in the PACE region by enabling cost effective energy and water saving updates to existing property
- Improve productivity through optimized energy usage
- Support the State's water conservation plan
- Better enable the Local Government to meet its water conservation goals

Finally, through the reduction in energy consumption as a result of the PACE program, there will be a decreased demand for power resulting in lower emissions from power plants. EPA regulations have significant impacts on air quality standards in Texas. Being non-attainment for priority pollutants in the Clean Air Act endangers federal transportation funding.

The PACE program requires minimal support from the Local Government. It is designed to be self-sustaining. Furthermore, because the PACE program is tax neutral, it achieves all of the benefits listed in this Report without imposing a burden on the Local Government's general fund.

The 84th Texas Legislature added a provision that explicitly shields the Local Government and its employees, members of the governing body of a local government, employees of a local government, and board members, executives, employees, and contractors of a third party who enter into a contract with a local government to provide administrative services for a program under this chapter.³

5. The Benefits of PACE to Lenders

PACE loans are attractive to lenders because they are very secure investments. Like a property tax lien, the assessment lien securing the PACE loan has priority over other liens on the property. Therefore, the risk of loss from non-payment of a PACE loan is low compared to most other types of loans. PACE assessments provide lenders with an attractive new product to assist

³ TX. Local Gov't Code §399.019. In the 85th legislature, HB 2654 clarified that the personal immunity provisions apply to all elected officials performing rights and duties under chapter 399 of the Local Government Code.

existing and new customers in addressing an almost universal pent-up demand for needed commercial and industrial property equipment modernization. In order to protect the interests of holders of existing mortgage loans on the property, the PACE Act requires their written consent to the PACE assessment as a condition to obtaining a PACE loan.

6. The Benefits of PACE to Contractors, Engineers, and Manufacturers

PACE loans provide attractive sources of financing for water and energy saving retrofits and upgrades, thereby encouraging property owners to make substantial investments in existing commercial and industrial buildings. As a result, PACE will unlock business opportunities for contractors, engineers, and manufacturers throughout the commercial and industrial sectors.

7. Administration of the Local Government PACE Program

Under the PACE Act, the establishment and operation of the program are considered to be governmental functions.⁴ The PACE Act further authorizes the Local Government to enter into a contract with a third party to provide administrative services for the PACE program (the “*Authorized Representative*”). The Local Government will delegate administration of the PACE program to Texas PACE Authority, a qualified, non-profit organization that can administer the program at no cost to the Local Government.

The Authorized Representative’s role is to serve as an extension of the local government staff to provide oversight of the program to ensure best practices and consumer protections at the lowest possible cost to the property owner in a transparent and ethical manner and to provide education and outreach.

The Authorized Representative will be funded by administrative fees paid by the property owners establishing a PACE project, charitable grants or other authorized sources of revenue. The Authorized Representative will not receive compensation or reimbursement from the Local Government.

8. Eligible Lenders

The PACE Act does not set criteria for financial institutions or investors to be PACE lenders. The Local Government will follow best practices of other PACE programs and the Texas PACE in a Box model program by recommending that lenders be:

- Any federally insured depository institution such as a bank, savings bank, savings and loan association and federal or state credit union;
- Any insurance company authorized to conduct business in one or more states;
- Any registered investment company, registered business development company, or a Small Business Administration small business investment company;
- Any publicly traded entity; or
- Any private entity that:
 - Has a minimum net worth of \$5 million; and

⁴ TX Local Government Code §399.003(b)

- Has at least three years' experience in business or industrial lending or commercial real estate lending (including multifamily lending), or has a lending officer that has at least three years' experience in business or industrial lending or commercial real estate lending; and
- Can provide independent certification as to availability of funds; and
- All lenders must have the ability to carry out, either directly or through a servicer, the bookkeeping and customer service work necessary to manage the assessment accounts.

Any lender can participate in the PACE program as long as it is a financially stable entity with the ability to carry out, either directly or through a servicer, the bookkeeping and customer service work necessary to manage the assessment accounts. The property owner, not the Local Government or the Authorized Representative, selects the lender.

The Authorized Representative will not guarantee or imply that funding will automatically be provided from a third-party lender, imply or create any endorsement of, or responsibility for, any lender; or create any type of express or implied favoritism for any eligible lender.

9. Components of the PACE Program

As required under Section 399.009 of the PACE Act, the following describes all aspects of the PACE Program:

- a. Map of Region. A map of the boundaries of the region included in the program is attached to this Report as Exhibit 1. The region encompasses the Local Government limits.
- b. Form Contract with Owner. A form contract between the Local Government and the record owner of the Eligible Property is attached as Exhibit 2. It specifies the terms of the assessment under the PACE program and the financing to be provided by an Eligible Lender of the property owner's choosing.
- c. Form Contract with Lender. A form contract between the Local Government and the Eligible Lender chosen by a property owner is attached to this Report as Exhibit 3. It specifies the financing and servicing of the debt through assessments.

Form Notice of Contractual Assessment Lien. A form Notice of Assessment Lien to be filed by the Local Government with the County Clerk is attached to this Report as Exhibit 4.

- d. Qualified Improvement. The following types of projects are qualified improvements that may be subject to contractual assessments under the PACE program:

Projects that (a) involve the installation or modification of a permanent improvement fixed to privately owned commercial,

industrial or residential real property with five (5) or more dwelling units;⁵ and (b) are intended to decrease energy or water consumption or demand by installing a product, device, or interacting group of products or devices on the customer's side of the meter that uses energy technology to generate electricity, provide thermal energy, or regulate temperature.⁶

A sample list of potential Qualified Improvements appears in Section 2 above.

The PACE program may not be used to finance improvements to undeveloped lots or lots undergoing development at the time of the assessment, or for the purchase or installation of products or devices not permanently fixed to real property.⁷

- e. Authorized Representative. HB 3187 was signed into law on June 16, 2015. It authorizes the Local Government to delegate administration of the PACE program to a third-party "Authorized Representative." The Local Government may delegate all official administrative responsibilities, such as the execution of individual contracts with property owners and lenders, to an Authorized Representative. This relationship will be monitored and maintained by the County Judge or his designee.
- f. Project Review. Track and provide a public overview with savings metrics for all PACE projects
- g. Plans for Insuring Sufficient Capital⁸. Lenders will extend loans to finance Qualified Improvements. Financing documents executed between owners and lenders will impose a contractual assessment on Eligible Property to repay the owner's financing of the Qualified Improvements. The lenders will ensure that property owners demonstrate the financial ability to fulfill the financial obligations to be repaid through contractual assessments.
- h. No Use of Bonds or Public Funds. The Local Government does not intend to issue bonds or use any other public monies to fund PACE projects. Property owners will obtain all financing from the Eligible Lenders they choose.
- i. Limit on Length of Loan. One of the statutory criteria of a PACE loan is that the assessment payment period cannot exceed the useful life of the Qualified Improvement that is the basis for the loan and assessment. As part of the application process, the property owners will submit an independent third-party review prepared by a licensed engineer showing the water or energy baseline

⁵ TX. Local Gov't Code §399.002(5).

⁶ TX. Local Gov't Code §399.002(3).

⁷ TX. Local Gov't Code §399.004.

⁸ The Texas PACE Authority's website (www.texaspaceauthority.org) offers a non-exhaustive list of interested and qualified lenders to assist property owners in funding PACE projects in Texas.

conditions and the projected water or energy savings. This review will aid the Authorized Representative in making a determination that the period of the requested assessment does not exceed the useful life of the Qualified Improvement.

- j. Application Process. The Authorized Representative will accept applications from property owners seeking to finance Qualified Improvements under the program. Each application must be accompanied by the required application fee and must include:

- (1) A description of the specific Qualified Improvements to be installed or modified on the property,
- (2) A description of the specific real property to which the Qualified Improvements will be permanently fixed, and
- (3) The total amount of financing, including any transaction costs, to be repaid through assessments.

Based on this information, the Authorized Representative may issue a preliminary letter indicating that, subject to verification of all requirements at closing, the proposed project appears to meet program requirements. Based on this preliminary letter, the property owner may initiate an independent third-party review of the project and submit the project to Eligible Lenders for approval of financing.

Once the above processes are completed, the property owner will submit the application to the Authorized Representative to obtain preliminary approval. The property owner is expected to produce the following documentation prior to closing on the PACE loan:

- (1) A Report conducted by a qualified, independent third-party reviewer, showing water or energy baseline conditions and the projected water or energy savings, or the amount of renewable energy generated attributable to the project;
- (2) Such financial information about the owner and the property as the lender chosen by the owner deems necessary to determine that the owner has demonstrated the financial ability to fulfill the financial obligations to be paid through assessments; and
- (3) All other information required by the Authorized Representative.

- k. Financial Eligibility Requirements. The Authorized Representative will determine whether the owner, the property and the improvements are eligible for financing under the program. The Eligible Lender chosen by the owner will determine whether the owner has demonstrated the financial ability to repay the financial obligations to be collected through contractual assessments. The statutory method⁹ for ensuring such a demonstration of financial ability must be based on appropriate underwriting factors, including the following:

⁹ TX. Local Gov't Code §399.009(b).

- (1) verification that the person requesting to participate in the program is the legal record owner of the benefitted property,
- (2) the applicant is current on mortgage and property tax payments,
- (3) the applicant is not insolvent or in bankruptcy proceedings,
- (4) the title of the benefitted property is not in dispute; and
- (5) there is an appropriate ratio of the amount of the assessment to the assessed value of the property. The Local Government determines that it will follow the Texas PACE in a Box model program recommendation for determining the appropriate loan to assessed value of the property.

The Local Government determines to be eligible for PACE financing, the projected savings derived from the Qualified Improvement must be greater than the cost of the PACE assessment and lien over the life of the assessment (i.e., the Savings to Investment Ratio (SIR) should be greater than one, $SIR > 1$). A third-party lender and a for profit-property owner may request a waiver in writing for a project with an $SIR < 1$ and address the interests of tenants and future property owners. The Authorized Representative may consider factors in a variance request including:

- (a). Are there other environmental benefits such as air or water quality or resiliency that are not captured in the SIR analysis;
- (b) Will the proposed qualifying improvements generate environmental marketable credits that can be monetized?
- (c). What is the SIR calculation for the project (how far below 1?);
- (d). If the SIR is < 1 over the term of the assessment, is the $SIR > 1$ over the useful life of the equipment?
- (e). What is the impact of a variance request on affected third parties? and
- (f) Other information the owner and lender wish to submit regarding the impact of the qualified improvements on the company and the community.

- l. Mortgage Holder Notice and Consent. As a condition to the execution of a written contract between the Authorized Representative and the property owner imposing an assessment under the program, the holder of any mortgage lien on the property must be given notice of the owner's intention to participate in the program on or before the 30th day before the date the contract is executed, and the owner must obtain the written consent of all mortgage holders.¹⁰
- m. Imposition of Assessment. The Authorized Representative will enter into a written contract with the property owner, only after:
 - (1) The property owner delivers to the Authorized Representative written consent of all mortgage lien holders;
 - (2) The Authorized Representative's determination that the owner and the property are eligible to participate in the program, that the proposed improvements are reasonably likely to decrease energy or water

¹⁰

TX. Local Gov't Code §399.010.

consumption or demand, and that the period of the requested assessment does not exceed the useful life of the Qualified Improvements; and
(3) The Eligible Lender notifies the Authorized Representative that the owner has demonstrated the financial ability to fulfill the financial obligations to be repaid through contractual assessments.

The contract will impose a contractual assessment on the owner's Eligible Property to repay the lender's financing of the Qualified Improvements. The Authorized Representative will file "A Notice of Contractual Assessment Lien," in substantially the form in Exhibit 4 in the Official Public Records of Erath County, depending on where the Eligible Property is located, as notice to the public of the assessment, from the date of filing. The contract and the notice must contain the amount of the assessment, the legal description of the property, the name of the property owner, and a reference to the statutory assessment lien provided under the PACE Act.

- n. Collection of Assessments. The execution of the written contract between the Local Government and the property owner and recording of the Notice of Contractual Assessment Lien incorporate the terms of the financing documents executed between the property owner and with the lender to repay the financing secured by the assessment. The third-party lender will advance financing to the owner, and the terms for repayment will be such terms as are agreed between the lender and the owner. Under the form lender contract attached as Exhibit 3, the lender or a designated servicer will agree to service the debt secured by the assessment.¹¹

With funds from the lender, the property owner can purchase directly the equipment and materials for the Qualified Improvement and contract directly, including through lease, power purchase agreement, or other service contract, for the installation or modification of the Qualified Improvements. Alternatively, the lender may make progress payments to the property owner as the Qualified Improvement is installed.

The lender will receive the owner's assessment payments to repay the debt and remit to the Authorized Representative any administrative fees. The lender will have the right to assign or transfer the right to receive the installments of the debt secured by the assessment, provided all of the following conditions are met:

- (1) The assignment or transfer is made to an Eligible Lender, as defined above;
- (2) The property owner and the Authorized Representative are notified in writing of the assignment or transfer and the address to which payment of the future installments should be mailed at least 30 days before the next installment is due according to the schedule for repayment of the debt; and

¹¹ The servicer will be responsible for maintaining payment records, account balances, and reporting to the Authorized Representative as required.

(3) The assignee or transferee, by operation of the financing documents or otherwise, written evidence of which shall be provided, assumes lender's obligations under the lender contract.

- o. Verification Review. After a Qualified Improvement is completed, the Authorized Representative will require the property owner to provide verification by a qualified independent third-party reviewer that the Qualified Improvement was properly completed and is operating as intended.¹² The verification report conclusively establishes that the improvement is a Qualified Improvement and the project is qualified under the PACE program.¹³
- p. Marketing and Education Services. The Program Administrator will provide service provider training workshops for contractors, engineers, property managers and other stakeholders, provide outreach and education for all stakeholders including presentations, conference booths and individual meetings, and provide written and electronic materials such as case studies, flyers, and webinars.
- q. The Local Government may subsequently enter into agreements with one or more other local governments or non-profit organizations that promote energy and water conservation and/or economic development to provide marketing and education services for the PACE program.
- r. Quality Assurance and Antifraud Measures. The Authorized Representative will institute quality assurance and antifraud measures for the Program. The Authorized Representative will review each PACE application for completeness and supporting documents through independent review and verification procedures. The application and required attachments will identify and supply the information necessary to ensure that the property owner, the property itself, and the proposed project all satisfy PACE program underwriting and technical standard requirements. Measures will be put in place to provide safeguards, including a review of the energy and water savings baseline and certification of compliance with the technical standards manual from an independent third-party reviewer (ITPR), who must be a registered professional engineer, before the project can proceed. This review will include a site visit, report, and a letter from the ITPR certifying that he or she has no financial interest in the project and is an independent reviewer. After the construction of the project is complete, an ITPR will conduct a final site inspection and determine whether the project was completed and is operating properly. The reviewer's certification will also include a statement that the reviewer is qualified and has no financial interest in the project.

¹² TX Local Gov't Code §399.011.

¹³ TX Local Government Code §399.011(a-1)

- s. Delinquency. Under the terms of the form lender contract attached as Exhibit 3, if a property owner fails to pay an agreed installment when due on the PACE assessment, the lender will agree to take at least the following steps to collect the delinquent installment:

- (1) Mail to the owner a written notice of delinquency and demand for payment by both certified mail (return receipt requested) and first-class mail, and
- (2) Mail to the owner a second notice of delinquency and demand for payment by both certified mail (return receipt requested) and first-class mail, at least 30 days after the date of the first notice if the delinquency is continuing.

If the owner fails to cure the delinquency within 30 days after mailing the second notice of delinquency, the lender may notify the Authorized Representative of the owner's default. Pursuant to Texas Local Government Code Section 399.014(c), the Authorized Representative will initiate steps for the Local Government to enforce the assessment lien in the same manner as a property tax lien against real property may be enforced, to the extent the enforcement is consistent with Section 50, Article XVI, of the Texas Constitution. Delinquent installments will incur penalties and interest in the same manner and at the same rate as delinquent property taxes, according to Texas Local Government Code Section 399.014(d), and such statutory penalties and interest will be due to the Local Government to offset the cost of collection.

If the Local Government files suit to enforce collection, the Local Government may also recover costs and expenses, including attorney's fees, in a suit to collect a delinquent installment of an assessment in the same manner and at the same rate as in suit to collect a delinquent property tax. If a delinquent installment of an assessment is collected after the filing of a suit, the Local Government will remit to the lender the net amount of the delinquent installments and contractual interest collected and remit to the Authorized Representative the amount of any administrative fees collected but will retain any statutory penalties, interest, and attorney's fees collected.

EXHIBIT 1

MAP OF ERATH COUNTY PACE REGION

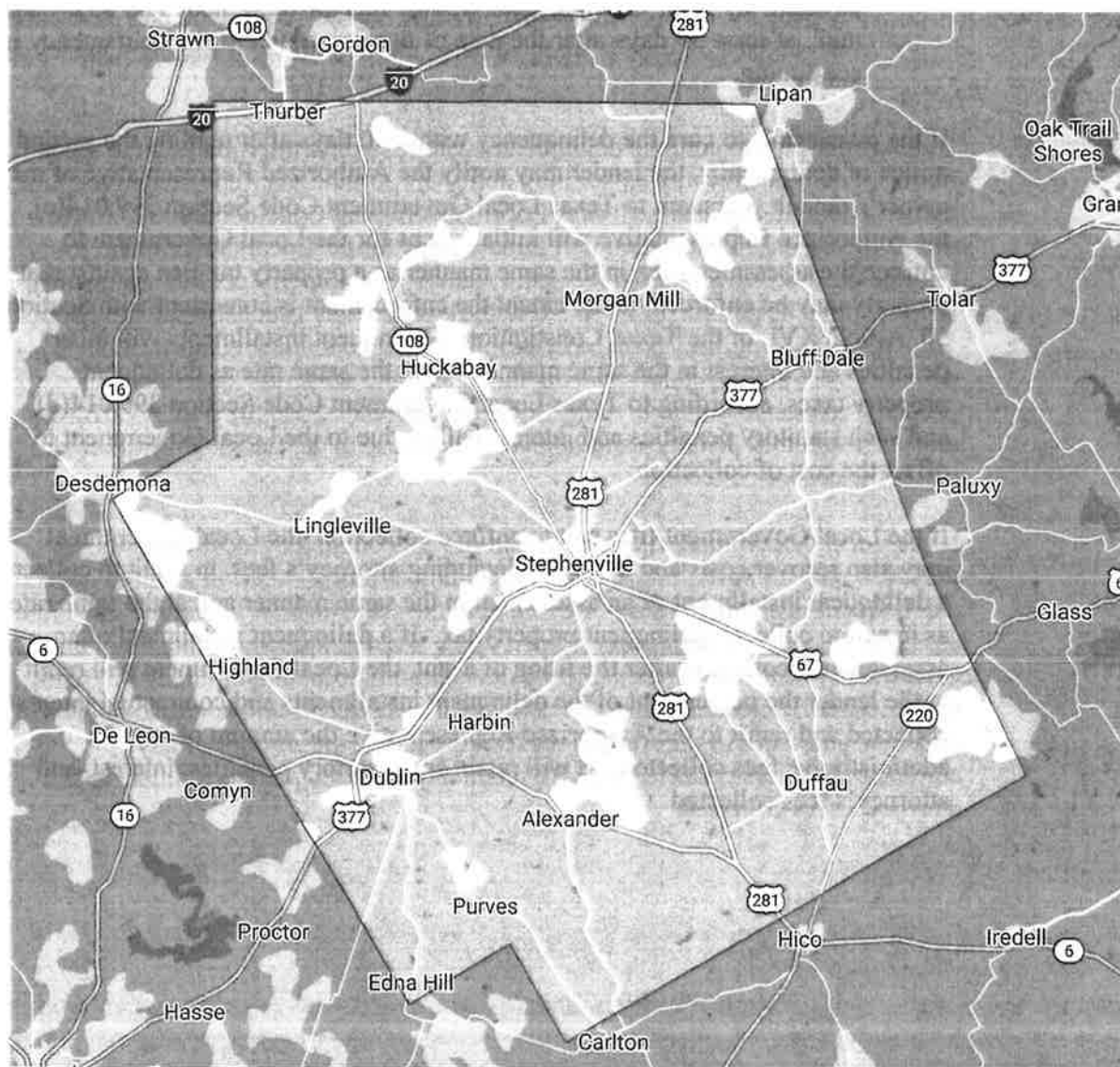


EXHIBIT 2
FORM OWNER CONTRACT

FORM PACE OWNER CONTRACT

THIS PROPERTY ASSESSED CLEAN ENERGY ("**PACE**") OWNER CONTRACT including the attached exhibits ("**Owner Contract**") is made as of the _____ day of _____, _____ ("**Effective Date**"), by and between Erath County, Texas ("**Local Government**"), and _____ ("**Property Owner**").

RECITALS

A. The Property Assessed Clean Energy Act ("**PACE Act**"), Texas Local Government Code Chapter 399, authorizes the governing body of a local government to establish a program and designate a region within the local government's jurisdiction within which an authorized representative of the local government may enter into written contracts with the record owners of privately owned commercial, industrial, and large multifamily residential (5 or more dwelling units) real property to impose assessments on the property to finance the cost of permanent improvements fixed to the property intended to decrease water or energy consumption or demand.

B. Local Government has established a program under the PACE Act pursuant to a resolution dated _____, adopted by the Erath County Commissioners Court ("**PACE Program**"), and has designated Texas Property Assessed Clean Energy Authority, dba Texas PACE Authority as the representative of Local Government ("**Authorized Representative**") authorized to enter into the written contracts with the owners of such property and the providers of such financing described herein, and has designated the entire territory within the boundaries of Erath County, Texas as a region (the "**Region**") within which the Authorized Representative and the record owners of such real property may enter into written contracts to impose assessments to repay the financing by owners of qualified improvements on the owners' property pursuant to the PACE Program.

C. Property Owner is/are the sole legal and record owner of the qualified "real property," as defined in Section 399.002 of the PACE Act, within the Region located at _____, _____, Texas _____ - _____ (the "**Property**").

D. Pursuant to Application number _____, Property Owner has applied to Local Government to participate in the PACE Program by installing or modifying on the Property certain permanent improvements which are intended to decrease water or energy consumption or demand, and which are or will be fixed to the Property as "qualified improvements", as defined in Section 399.002 of the PACE Act ("**Qualified Improvements**"). The installation or modification of such Qualified Improvements on the Property will be a "qualified project" as defined in Section 399.002 of the PACE Act (the "**Project**"). Property Owner has requested that Local Government enter into this Owner Contract pursuant to the PACE Act and the PACE Program and has requested Local Government to impose an assessment (the "**Assessment**") on the Property as set forth in the Notice Of Contractual Assessment Lien Pursuant To Property Assessed Clean Energy Act to be filed in the real property records of Erath, County, Texas (the "**Notice of Contractual Assessment**").

Lien”), to repay the financing of such Qualified Improvements. A copy of the Notice of Contractual Assessment Lien is attached hereto as Exhibit A and made a part hereof. The Property, Qualified Improvements and Assessment are more fully described in the Notice of Contractual Assessment Lien.

E. Financing for the Project (“**Financing**”) will be provided to Property Owner by _____ (“**Lender**”), a qualified lender selected by Property Owner, pursuant to a written contract executed by Lender and Local Government as required by Section 399.006(c) of the PACE Act (the “**Lender Contract**”). The financing will include only those costs and fees for which an assessment may be imposed under Section 399.006(e) of the PACE Act. Local Government has agreed to maintain and continue the Assessment for the benefit of Lender until the Financing, all contractual interest due to Lender (“**Contractual Interest**”), any prepayment penalty, and any penalties, interest, fees, and costs due under or authorized by the PACE Act are paid in full and to release the Assessment upon notice from Lender of such payment, or to foreclose the lien securing the Assessment for the benefit of Lender upon notice from Lender of a default in payment by Property Owner.

F. As required by Section 399.010 of the PACE Act, Property Owner has notified the holder(s) of any mortgage liens on the Property at least thirty (30) days prior to the date of this Owner Contract of Property Owner’s intention to participate in the PACE Program. The written consent of each mortgage holder to the Assessment was obtained on or prior to the date of this Owner Contract and is attached hereto as Exhibit B and made a part hereof.

AGREEMENT

The parties agree as follows:

1. Imposition of Assessment. In consideration for the Financing advanced or to be advanced to Property Owner by Lender for the Project under the PACE Program pursuant to the Lender Contract, Property Owner hereby requests and agrees to the imposition by Local Government of the Assessment in the principal amount of \$ _____, as set forth in the Notice of Contractual Assessment Lien. In the event the actual total of costs and fees for which an assessment may be imposed under the PACE Act is different from the stated amount or any other term requires correction, Local Government, Property Owner, and Lender agree to execute an amended Owner Contract and Lender Contract, and Authorized Representative will record an amended Notice of Contractual Assessment Lien. The Assessment includes the application and administration fees authorized by the PACE Program and Section 399.006(e) of the PACE Act. Property Owner promises and agrees to pay the Assessment, Contractual Interest thereon, any prepayment penalty, and all penalties, interest, fees, and costs due under or authorized by the PACE Act and the financing documents executed between Property Owner and Lender (the “**Financing Documents**”) described in or copies of which are attached as Exhibit C attached hereto and made a part hereof by reference. Property Owner will pay such amount in care of or as directed by Lender, in satisfaction of the Assessment imposed pursuant to this Owner Contract and the PACE Act. Accordingly, Local Government hereby imposes the Assessment on the Property to repay the Financing of the Project, Contractual Interest, any prepayment penalty, and any penalties, interest, fees and costs due under or authorized by the PACE Act and the Financing

Documents, in accordance with the requirements of the PACE Program and the provisions of the PACE Act.

2. Maintenance and Enforcement of Assessment. In consideration for Lender's agreement to advance Financing to Property Owner for the Project pursuant to the Financing Documents, Local Government agrees to maintain and continue the Assessment on the Property for the benefit of Lender until the Assessment, Contractual Interest, any prepayment penalty, and any penalties, interest, fees, and costs, due under or authorized by the PACE Act and the Financing Documents are paid in full, and to release the Assessment upon notice from Lender of such payment. Local Government agrees to enforce the assessment lien against the Property at the request of Lender in the event of a default in payment by Property Owner, in accordance with the provisions set forth in paragraph 5. Authorized Representative will deliver an annual notice of assessment to Property Owner by electronic mail each year until the Assessment is released. If requested by Property Owner by marking the box below, Local Government agrees to also deliver an annual notice of assessment to Property Owner by first-class mail in the envelope with the tax bill of the Property each year until the Assessment is released.

☐ Property Owner requests an annual notice of assessment from Local Government.

Any failure of Local Government or Authorized Representative to deliver an annual notice of assessment to Property Owner will not affect the Assessment or Property's Owner's obligations under this Owner Contract.

3. Installments. The Assessment and Contractual Interest thereon are due and payable to Lender in installments ("**Installments**"), according to the payment schedule set forth in the Financing Documents attached hereto as Exhibit C. The Assessment includes (1) an application fee paid by Property Owner to Authorized Representative at closing of the Financing, and (2) a recurring administration fee paid by Property Owner to Authorized Representative until the Assessment is released. The recurring administration fee amount will be collected by Lender and paid to Authorized Representative within thirty (30) days of receipt by Lender, unless otherwise agreed to in writing by Authorized Representative. Notwithstanding the foregoing, in the event of a delinquency in the payment of any Installment, Lender will, upon notice to Authorized Representative, withhold payment of any administration fee due to Authorized Representative in connection with such Installment until the Installment is paid. Any such temporary withholding will not reduce the amount of the administration fees included in the Assessment. The amounts due to Authorized Representative are identified in Exhibit C hereto. When the Assessment, Contractual Interest, any prepayment penalty, and any penalties, interest, fees and costs due under or authorized by the PACE Act and the Financing Documents, have been paid in full, Local Government's rights under this Owner Contract will cease and terminate. Upon notice from Lender that all amounts due have been paid in full, Authorized Representative will execute a release of the Assessment and this Owner Contract and record the release. As required by Section 399.009(a) (8) of the PACE Act, the period during which such Installments are payable does not exceed the useful life of the Project.

4. Assignment of Right to Receive Installments or Require Enforcement of Lien. Lender will have the right, with or without the consent of Property Owner, to assign or transfer the right to receive the Installments or require Local Government to enforce the assessment lien in the

event of a default in payment, together with all corresponding obligations, provided that all of the following conditions are met:

(a) The assignment or transfer is made to a qualified lender as defined in the Lender Contract;

(b) Property Owner and Authorized Representative are notified in writing of the assignment or transfer and the address to which payment of the future Installments should be mailed at least 30 days before the next Installment is due according to the payment schedule included in the Financing Documents, and

(c) The assignee or transferee executes a written assumption agreement according to the Financing Documents of all of Lender's rights and obligations under the Lender Contract related to the receipt of the Installments or the enforcement of the assessment lien and provides a copy of such assumption to Property Owner and Authorized Representative within 10 days after execution of the agreement.

Lender may assign or transfer the right to receive the Installments or the right to require enforcement of the assessment lien separately. Upon written notice to Property Owner and Authorized Representative of an assignment or transfer that meets all of these conditions, the assignor will be released of all of the rights and obligations of the Lender under such Lender Contract accruing after the date of the assignment that are specified in the assignment or transfer document, and all of such rights and obligations will be assumed by and transferred to the assignee. Any attempt to assign or transfer the right to receive the Installments or require enforcement of the assessment lien that does not meet all of these conditions is void. Lender will retain all of the rights and obligations of Lender under the Lender Contract until such rights and obligations are assigned or transferred according to this paragraph.

5. Lien Priority and Enforcement. Pursuant to Section 399.014 of the PACE Act:

(a) Delinquent Installments will incur penalties and interest on the principal of the Installment in the same manner and in the same amount as delinquent property taxes, that is, a delinquent Installment incurs a penalty of 6% of the principal amount of the Installment for the first calendar month it is delinquent plus 1% for each additional month or portion of a month the Installment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an Installment delinquent on July 1 incurs a total penalty of 12% of the principal amount of the delinquent Installment without regard to the number of months it has been delinquent. A delinquent Installment will also accrue interest on the principal of the Installment at the rate of 1% for each month or portion of a month that the Installment remains unpaid. Subject to paragraph 16 below, penalties, interest, fees, and costs payable under this paragraph will be retained by Local Government to compensate it for the cost of enforcing the Assessment. Additional interest at any default rate imposed by Lender pursuant to the Financing Documents, along with any other fees that become due pursuant to the Financing Documents, may be imposed and retained by Lender.

(b) The Assessment and any interest or penalties thereon,

(1) are a first and prior lien against the Property from the date on which the Notice of Contractual Assessment Lien is recorded in the real property records of Erath County, Texas as provided by Section 399.013 of the PACE Act, until the Assessment, interest, or penalty is paid; and

(2) such lien has the same priority status as a lien for any other ad valorem tax.

(c) The lien created by the Assessment runs with the land, and according to Section 399.014(b) of the PACE Act, any portion of the Assessment that has not yet become due will not be eliminated by foreclosure of (i) a property tax lien, or (ii) the lien for a delinquent installment of the Assessment. In the event of a sale or transfer of the Property by Property Owner, the obligation for the Assessment and the Property Owner's obligations under the Financing Documents will be transferred to the succeeding owner without recourse to Lender, Local Government, or Authorized Representative.

(d) In the event of a default by Property Owner in payment of an Installment called for by the Financing Documents or the filing of a case under the U.S. Bankruptcy Code by or against Property Owner, the lien created by the Assessment will be enforced by Local Government for the benefit of Lender, in the same manner according to Texas Tax Code Secs. 33.41 to 34.23 that a property tax lien against real property may be enforced by a local government, to the extent the enforcement is consistent with Section 50, Article XVI, Texas Constitution.

(e) In a suit to collect a delinquent Installment of the Assessment, Local Government will be entitled to recover costs and expenses, including attorney's fees in the amount of 15% of the total principal amount of the delinquent Installment, penalties, and interest due, in the same manner according to Texas Tax Code Sec. 33.48 as in a suit to collect a delinquent property tax. Lender will be entitled to any additional sums due to it under the Financing Documents in connection with a suit to collect a delinquent Installment of the Assessment.

(f) As provided in Section 399.014 (a-1) of the PACE Act, after the Notice of Contractual Assessment Lien is recorded in the real property records of the county in which the Property is located, the lien created by the Assessment may not be contested on the basis that the improvement is not a "qualified improvement" or the project is not a "qualified project", as such terms are defined in Section 399.002 of the PACE Act.

6. Written Contract Required by PACE Act. This Owner Contract constitutes a written contract for the Assessment between Property Owner and Local Government as required by Section 399.005 of the PACE Act. The Notice of Contractual Assessment Lien will be recorded in the real property records of Erath County, Texas as public notice of the contractual Assessment, in accordance with the requirements of Section 399.013 of the PACE Act.

7. Qualified Improvements. Property Owner agrees that all improvements purchased, constructed, or installed through the Financing obtained pursuant to this Owner Contract will be permanently affixed to the Property and will transfer with the Property to the transferee in the

event of a sale or transfer of the Property. Property Owner agrees to provide to Authorized Representative within 30 days after the completion of the Project a verification by an independent third party reviewer ("ITPR") that the project was properly completed and is operating as intended. Property Owner agrees that Lender may retain the final advance of Financing until such verification is submitted or require Property Owner to pay liquidated damages for a failure to do so, according to paragraph 19 below.

8. Water or Energy Savings. For so long as the Assessment encumbers the Property, Property Owner agrees, on or before January 31st of each year, to report to Authorized Representative the water or energy savings realized through the Project in accordance with the reporting requirements established by Authorized Representative.

9. Construction and Definitions. This Owner Contract is to be construed in accordance with and with reference to the PACE Program and PACE Act. Terms used herein and not otherwise defined herein have the meanings ascribed to them in the PACE Program and/or the PACE Act.

10. Binding Effect. This Owner Contract is binding upon and inures to the benefit of the parties hereto and their respective heirs, representatives, successors, and assigns.

11. Notices. Unless otherwise specifically provided herein, all notices and other communications required or permitted by this Owner Contract shall be in writing and delivered by first-class mail or by electronic mail, addressed to the other party at the address stated below the signature of such party or at such other address as such party may from time to time designate in writing to the other party, and shall be effective from the date of receipt.

12. Governing Law. This Owner Contract shall in all respects be governed by and construed in accordance with the laws of the State of Texas.

13. Entire Agreement. This Owner Contract constitutes the entire agreement between Local Government and Property Owner with respect to the subject matter hereof and may not be amended or altered in any manner except by a document in writing executed by both parties.

14. Captions. Paragraph and section titles are for convenience of reference only and shall not be of any legal effect.

15. Counterparts. This Owner Contract may be executed in any number of counterparts, and each counterpart may be delivered on paper or by electronic transmission, all of which when taken together will constitute one agreement binding on the parties, notwithstanding that all parties are not signatories to the same counterpart.

16. Interest. Interest and penalties in the event of default, as provided above, are explicitly authorized by Section 399.014(d) of the PACE Act. However, in no event will the total amount of interest on the Assessment, including statutory interest payable to Local Government and Contractual Interest payable to Lender under the Financing Documents, exceed the maximum amount or rate of nonusurious interest that may be contracted for, charged, or collected under Texas law (the "**usury limit**"). If the total amount of interest payable to Local Government and Contractual Interest payable to Lender exceeds the usury limit, the interest payable to Local

Government will be reduced and any interest in excess of the usury limit will be credited to the amount payable to Local Government or refunded. This provision overrides any conflicting provisions in this Owner Contract.

17. Costs. No provision of this Owner Contract will require Local Government to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

18. Further Assurances. Property Owner further covenants and agrees to do, execute and deliver, or cause to be done, executed, and delivered all such further acts for implementing the intention of this Owner Contract as may be reasonably necessary or required.

19. Construction Terms. The Financing Documents executed by Lender and Property Owner must include a requirement that Lender will withhold _____% of the Financing until verification that the Project was properly completed and is operating as intended is provided to Authorized Representative by an Independent Third Party Reviewer ("ITPR), or Property Owner will pay liquidated damages to Lender of \$_____ per day for every day after 30 days following completion of the Project that such verification of completion is not provided. If verification of completion is not provided by Property Owner within 30 days after completion of the Project, such verification shall be submitted by Lender. If the Lender Contract includes requirements related to the construction of the Project and disbursement of Financing, such requirements are set forth in Exhibit D attached hereto and incorporated herein by reference. Such requirements may include, among other things, (1) the disbursement schedule and (2) any holdback amount to be funded following verification of final project completion.

PROPERTY OWNER:

By: _____

Name: _____

Title: _____

Address: _____

Email address: _____

ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

This PACE Owner Contract pursuant to Property Assessed Clean Energy Act was
acknowledged before me on _____, _____ by _____,
_____, on behalf of _____.

_____ (print name)

NOTARY PUBLIC, STATE OF _____

LOCAL GOVERNMENT:

ERATH COUNTY, TEXAS

By: TEXAS PROPERTY ASSESSED CLEAN ENERGY AUTHORITY
AUTHORIZED REPRESENTATIVE

Pursuant to Tex. Local Gov't Code §399.006(b)

By: _____

Name: CHARLENE HEYDINGER

Title: PRESIDENT, TEXAS PACE AUTHORITY

Address: PO BOX 200368
AUSTIN, TX 78720-0368

Email Address: charlene@texaspaceauthority.org

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF _____ §

This PACE Owner Contract pursuant to Property Assessed Clean Energy Act was acknowledged before me on _____, 20__ by Charlene Heydinger, President, Texas Property Assessed Clean Energy Authority, dba Texas PACE Authority, a Texas nonprofit corporation, on behalf of said corporation as Authorized Representative for the Local Government.

(print name)

NOTARY PUBLIC, STATE OF TEXAS

OWNER CONTRACT EXHIBIT A

NOTICE OF CONTRACTUAL ASSESSMENT LIEN
PURSUANT TO
PROPERTY ASSESSED CLEAN ENERGY ACT

OWNER CONTRACT EXHIBIT B

MORTGAGE HOLDER(S) CONSENT

OWNER CONTRACT EXHIBIT C

FINANCING DOCUMENTS

Assessment Payment Schedule

Assessment Total:

Payment Frequency:

Payment Date	Total Payment	Principal Paid	Interest Paid	Administration Fee	Remaining Balance

Financing Documents

Document Title	Parties	Date Executed

OWNER CONTRACT EXHIBIT D

CONSTRUCTION TERMS

Retainage or Liquidated Damages:

Lender will retain _____% of the Financing until a report of completion by a qualified Independent Third Party Reviewer ("ITPR") is provided to Authorized Representative.

OR

Property Owner will pay liquidated damages to Lender of \$_____ per day for every day after 30 days following completion of the Project that such a report of completion is not provided. Lender will then provide the report of completion to Authorized Representative.

Additional Construction Terms

Date	Draw down Amount	Purpose

EXHIBIT 3
FORM LENDER CONTRACT

FORM PACE LENDER CONTRACT

THIS PROPERTY ASSESSED CLEAN ENERGY ("PACE") LENDER CONTRACT including the attached exhibits ("**Lender Contract**") is made as of the _____ day of _____, _____, ("**Effective Date**") by and between the Erath County, Texas ("**Local Government**") and _____ ("**Lender**").

RECITALS

A. The Property Assessed Clean Energy Act ("**PACE Act**"), Texas Local Government Code Chapter 399, authorizes the governing body of a local government to establish a program and designate a region within the local government's jurisdiction within which an authorized representative of the local government may enter into written contracts with the record owners of privately owned commercial, industrial, and large multifamily residential (5 or more dwelling units) real property to impose assessments on the property to finance the cost of permanent improvements fixed to the property intended to decrease water or energy consumption or demand.

B. Local Government has established a program under the PACE Act pursuant to a resolution dated _____, adopted by the Erath County Commissioners Court ("**PACE Program**"), and has designated Texas Property Assessed Clean Energy Authority, dba Texas PACE Authority as the representative of Local Government ("**Authorized Representative**") authorized to enter into the written contracts with the owners of such property and the providers of such financing described herein, and has designated the entire territory within the boundaries of Erath County, Texas as a region (the "**Region**") within which the Authorized Representative and the record owners of such real property may enter into written contracts to impose assessments to repay the financing by owners of qualified improvements on the owner's property pursuant to the PACE Program.

C. Pursuant to Application number _____, _____ ("**Property Owner**"), the sole legal and record owner of the following qualified "real property," as defined in Section 399.002 of the PACE Act, within the Region has/have applied to Local Government to participate in the PACE Program with respect to certain real property located at _____, _____, Texas, _____ - _____ (the "**Property**") by installing or modifying on the Property certain permanent improvements which are intended to decrease water or energy consumption or demand, and which are or will be fixed to the Property as "qualified improvements", as defined in Section 399.002 of the PACE Act ("**Qualified Improvements**"). The installation or modification of such Qualified Improvements on the Property will be a "qualified project" as defined in Section 399.002 of the PACE Act (the "**Project**").

D. Property Owner and Local Government have entered into a written contract as required by Section 399.005 of the PACE Act, a copy of which is attached hereto as Exhibit A and made a part hereof (the "**Owner Contract**"), in which Property Owner has requested that Local

Government impose an assessment (the “**Assessment**”) on the Property as set forth in the Notice Of Contractual Assessment Lien Pursuant To Property Assessed Clean Energy Act to be filed in the real property records of Erath County, Texas (the “**Notice of Contractual Assessment Lien**”), to repay the financing of such Qualified Improvements. A copy of the Notice of Contractual Assessment Lien is attached as Exhibit A to the Owner Contract and made a part hereof. The Property, Qualified Improvements, and Assessment are more fully described in the Notice of Contractual Assessment Lien.

E. Financing for the Project (“**Financing**”) will be provided to Property Owner by Lender in accordance with financing documents which are described in or copies of which are attached as Exhibit B attached hereto and made a part hereof (the “**Financing Documents**”). Such Financing will include only those costs and fees for which an assessment may be imposed under Section 399.006 (e) of the PACE Act. This Lender Contract is entered into between Local Government and Lender as required by Section 399.006(c) of the PACE Act to provide for repayment of the Financing through the Assessment.

F. As required by Section 399.010 of the PACE Act, Property Owner has notified the holder(s) of any mortgage liens on the Property at least thirty (30) days prior to the date of the Owner Contract of Property Owner’s intention to participate in the PACE Program. The written consent of each mortgage lien holder to the Assessment was obtained on or prior to the date of the Owner Contract, as shown by the copy of such consent(s) attached as Exhibit B to the Owner Contract.

AGREEMENT

The parties agree as follows:

1. Maintenance and Enforcement of Assessment. Lender agrees to provide Financing for the Project in the total principal amount of \$ _____, according to the terms set out in the Financing Documents attached hereto as Exhibit B. In the event the actual total of costs and fees for which an assessment may be imposed under the PACE Act is different from the stated amount or any other term requires correction, Local Government, Property Owner, and Lender agree to execute an amended Owner Contract and Lender Contract, and Authorized Representative will record an amended Notice of Contractual Assessment Lien. In consideration for the Financing provided or to be provided by Lender for the Project, and subject to the terms and conditions of this Lender Contract, Local Government agrees to maintain and continue the Assessment for the benefit of Lender until the Assessment, all contractual interest due to Lender according to the Financing Documents (“**Contractual Interest**”), any prepayment penalty, and any penalties, interest, fees, or costs due under or authorized by the PACE Act and the Financing Documents are paid in full, and to release the Assessment upon notice from Lender of such payment. Local Government will not release, sell, assign or transfer the Assessment or the lien securing it without the prior written consent of Lender. Local Government agrees to enforce the assessment lien against the Property at the request of Lender in the event of a default in payment by Property Owner in accordance with the provisions set forth in paragraph 6. Local Government shall have no obligation to repurchase the Assessment and no liability to Lender should there be a default in the payment thereof or should there be any other loss or expense suffered by Lender or under any other circumstances.

2. Installments. The Assessment and Contractual Interest thereon are due and payable to Lender in installments (“**Installments**”) according to the payment schedule set forth in the Financing Documents attached hereto as Exhibit B. The Assessment includes (1) an application fee paid by Property Owner to Authorized Representative at closing of the Financing and (2) a recurring administration fee paid by Property Owner to Authorized Representative until the Assessment is released. The recurring administration fee amount will be collected by Lender and paid to Authorized Representative within thirty (30) days of receipt by Lender, unless otherwise agreed to in writing by Authorized Representative. Notwithstanding the foregoing, in the event of delinquency in the payment of any Installment, Lender will, upon notice to Authorized Representative, withhold payment of any amounts due to Authorized Representative in connection with such Installment until the Installment is paid. Any such temporary withholding will not reduce the amount of administration fees included in the Assessment. The amounts due to Authorized Representative are identified in Exhibit B hereto. As required by Section 399.009(a)(8) of the PACE Act, the period during which such Installments are payable does not exceed the useful life of the Project.

3. Assignment of Right to Receive Installments or Require Enforcement of Lien. Lender will have the right, with or without the consent of Property Owner, to assign or transfer the right to receive the Installments or require Local Government to enforce the assessment lien in the event of a default in payment, together with the corresponding obligations, provided that all of the following conditions are met:

(a) The assignment or transfer is made to a qualified lender, which may be one of the following:

(1) Any federally insured depository institution such as a bank, savings bank, savings and loan association and federal or state credit union;

(2) Any insurance company authorized to conduct business in one or more states;

(3) Any registered investment company, registered business development company, or a Small Business Administration small business investment company;

(4) Any publicly traded entity; or

(5) Any private entity that:

(i) Has a minimum net worth of \$5 million;

(ii) Has at least three years’ experience in business or industrial lending or commercial real estate lending (including multifamily lending), or has a lending officer that has at least three years’ experience in business or industrial lending or commercial real estate lending;

(iii) Can provide independent certification as to availability of funds; and

(iv) Has the ability to carry out, either directly or through a servicer, the bookkeeping and customer service work necessary to manage the assessment accounts

(6) A financially stable entity, whether or not from the list above, with the ability to carry out, either directly or through a servicer, the obligations of this Lender Contract related to the receipt and accounting of the Installments or the enforcement of the assessment lien.

(b) Property Owner and Authorized Representative are notified in writing of the assignment or transfer and the address to which payment of the future Installments should be mailed at least 30 days before the next Installment is due according to the payment schedule included in the Financing Documents; and

(c) The assignee or transferee executes a written assumption agreement according to the Financing Documents of all of Lender's rights and obligations under this Lender Contract related to the receipt of the Installments or enforcement of the assessment lien and provides a copy of such assumption to Property Owner and Authorized Representative within 10 days after execution of the agreement. Lender may assign or transfer the right to receive the Installments or the right to require enforcement of the assessment lien separately. Upon written notice to Property Owner and Authorized Representative of an assignment or transfer that meets all of these conditions, the assignor will be released of all of the rights and obligations of the Lender under this Lender Contract accruing after the date of the assignment that are specified in the assignment or transfer document, and all of such rights and obligations will be assumed by and transferred to the assignee. Any attempt to assign or transfer the right to receive the Installments or to require enforcement of the assessment lien that does not meet all of these conditions is void. Lender will retain all of the rights and obligations of Lender under this Lender Contract until such rights and obligations are assigned or transferred according to this paragraph.

4. Financing Responsibility. Lender assumes full responsibility for determining the financial ability of the Property Owner to repay the Financing and for advancing the funds as set forth in the Financing Documents and performing Lender's obligations and responsibilities thereunder. In the event the assessment lien on the Property is enforced by foreclosure as provided below, Lender will have no further obligations to Property Owner with respect to the Installments that were the subject of the foreclosure, but Lender will retain the rights to enforcement of the lien for any Installments that are not eliminated by the foreclosure, and the succeeding owner of the Property will be subject to such lien.

5. Lien Priority and Enforcement. As provided in the Owner Contract and Section 399.014 of the PACE Act:

(a) Delinquent Installments will incur penalties and interest on the principal of the Installment in the same manner and in the same amount as delinquent property taxes, that is, a delinquent Installment incurs a penalty of 6% of the principal amount of the Installment for the first calendar month it is delinquent plus 1% for each additional month

or portion of a month the Installment remains unpaid prior to July 1 of the year in which it becomes delinquent. However, an Installment delinquent on July 1 incurs a total penalty of 12% of the principal amount of the delinquent Installment without regard to the number of months it has been delinquent. A delinquent Installment will also accrue interest on the principal of the Installment at the rate of 1% for each month or portion of a month that the Installment remains unpaid. Subject to paragraph 16 below, penalties, interest, fees, and costs payable under this paragraph will be retained by Local Government to compensate it for the cost of enforcing the Assessment. Additional interest at any default rate imposed by Lender pursuant to the Financing Documents, along with any other fees and charges that become due pursuant to the Financing Documents may be imposed and retained by Lender.

(b) The Assessment and any interest or penalties thereon,

(1) are a first and prior lien against the Property from the date on which the Notice of Contractual Assessment Lien is recorded in the real property records of Erath County, Texas, as provided by Section 399.013 of the PACE Act, until the Assessment, interest, or penalty is paid; and

(2) such lien has the same priority status as a lien for any other ad valorem tax.

(c) The lien created by the Assessment runs with the land, and according to Section 399.014(b) of the PACE Act, any portion of the Assessment that has not yet become due will not be eliminated by foreclosure of (i) a property tax lien, or (ii) the lien for a delinquent Installment of the Assessment. In the event of a sale or transfer of the Property by Property Owner, the obligation for the Assessment and the Property Owner's obligations under the Financing Documents will be transferred to the succeeding owner without recourse to Lender, Local Government or Authorized Representative

(d) In the event of a default by Property Owner in payment of an Installment called for by the Financing Documents or the filing of a case under the U.S. Bankruptcy Code by or against Property Owner, the lien created by the Assessment will be enforced by Local Government for the benefit of Lender according to paragraph 6(c) below in the same manner according to Texas Tax Code Secs. 33.41 to 34.23 that a property tax lien against real property may be enforced by a local government, to the extent the enforcement is consistent with Section 50, Article XVI, Texas Constitution.

(e) In a suit to collect a delinquent Installment of the Assessment, Local Government will be entitled to recover costs and expenses, including attorney's fees in the amount of 15% of the total principal amount of the delinquent Installment, penalties, and interest due, in the same manner according to Texas Tax Code Sec. 33.48 as in a suit to collect a delinquent property tax. Lender will be entitled to any additional sums due to it under the Financing Documents in connection with a suit to collect a delinquent Installment of the Assessment.

(f) As provided in Section 399.014(a-1) of the PACE Act, after written notice of the Assessment is recorded in the real property records of the county in which the Property is located, the lien created by the Assessment may not be contested on the basis that the improvement is not a “qualified improvement” or the project is not a “qualified project”, as such terms are defined in Section 399.002 of the PACE Act.

6. Servicing and Enforcement of Assessment.

(a) Servicing. The Installments and other amounts due under the Financing Documents will be billed, collected, received, and disbursed in accordance with the procedures set out in the Financing Documents. Lender or its designee will be responsible for all servicing duties other than those specifically undertaken by Local Government in this Lender Contract. Authorized Representative will deliver an annual notice of assessment to Property Owner by electronic mail each year until the Assessment is released. If requested by Property Owner in the Owner Contract, Local Government agrees to also send an annual notice of assessment to Property Owner by first class mail in the envelope with the tax bill of the Property each year until the Assessment is released. However, any failure of Local Government or Authorized Representative to deliver an annual notice of assessment to Property Owner will not affect the Assessment or Property Owner’s obligations under the Owner Contract.

(b) Remittances. Each of the parties covenants and agrees to promptly remit to the other party any payments incorrectly received by such party with respect to the Assessment after the execution of this Lender Contract.

(c) Default and Enforcement. In the event of a default in payment of any Installment according to the Financing Documents, Lender agrees to take at least the following steps to collect the delinquent Installment:

(1) Mail a written notice of delinquency and demand for payment to the Property Owner by both certified mail, return receipt requested, and first class mail; and

(2) Mail a second notice of delinquency to the Property Owner and the holder of any mortgage lien on the property by both certified mail, return receipt requested, and first-class mail at least 30 days after the date of the first notice if the delinquency is continuing.

The holder of any mortgage lien on the property will have not less than a 30-day right to cure the delinquency by paying the amount of the delinquent installment. If the Property Owner fails to cure the delinquency within 30 days after the mailing of the second notice of delinquency, Lender or its designee may notify Authorized Representative in writing of a default in payment by Property Owner. Upon receipt of such notice and after doing its own due diligence, including delivering a notice of foreclosure to Freddie Mac not less than 30 days prior to the foreclosure if the mortgage lien is held by Freddie Mac, Authorized Representative will certify the default to Local Government, which will enforce the assessment lien for the benefit of Lender pursuant to Sec. 399.014(c) of the PACE Act, in the same manner as a property tax lien against real property

may be enforced, to the extent the enforcement is consistent with Section 50, Article XVI, Texas Constitution. However, if a case under the U.S. Bankruptcy Code is filed by or against Property Owner or if the enforcement of the assessment lien is prevented by the order of a court, Local Government will notify Authorized Representative and will file a proof of claim for the balance of the assessment, accrued interest and penalties, and all costs and expenses, including attorney's fees, as authorized by Section 399.014 of the PACE Act. Authorized Representative will notify Lender of the filing of the proof of claim. Lender will not be required to mail a notice of delinquency to Property Owner or a notice of default to Local Government. Lender will reimburse Local Government for any costs and expenses, including attorney's fees, required to file and present the claim.

(d) Priority. If the assessment lien is enforced by foreclosure or collected through a bankruptcy or similar proceeding, the assessment balance and any interest or penalties on the assessment will have the same priority status as a lien for any other ad valorem tax, pursuant to Sec. 399.014(a)(2) of the PACE Act.

(e) Final Payment and Release. When the Assessment, Contractual Interest, any prepayment penalty, and any penalties, interest, fees, or costs due under or authorized by the PACE Act or the Financing Documents have been paid in full, Local Government's rights under the Owner Contract will cease and terminate. Upon notice from Lender that all amounts due have been paid in full, Authorized Representative will execute a release of the Assessment and the Owner Contract and record the release.

(f) Limitations on Local Government's Actions. Without the prior written consent of Lender, Local Government will not enter into any amendment or modification of or deviation from the Owner Contract. Local Government or Authorized Representative will not institute any legal action with respect to the Owner Contract, the Assessment, or the assessment lien without the prior written request of Lender.

(g) Limitations of Local Government's Obligations. Local Government undertakes to perform only such duties as are specifically set forth in this Lender Contract, and no implied duties on the part of Local Government are to be read into this Lender Contract. Local Government will not be deemed to have a fiduciary or other similar relationship with Lender. Local Government may request written instructions for action from Lender and refrain from taking action until it receives satisfactory written instructions. Local Government will have no liability to any person for following such instructions, regardless of whether they are to act or refrain from acting.

(h) Costs. No provisions of this Lender Contract will require Local Government to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder.

7. Lender's Warranties and Representations. With respect to this Lender Contract, Lender hereby warrants and represents that on the date on which Lender executes this Lender Contract:

(a) Lender is a qualified lender under the PACE Program, as defined in paragraph 3(a) above, and is fully qualified under the PACE Program to enter into this Lender Contract and the Financing Documents;

(b) Lender has independently and without reliance upon Local Government conducted its own credit evaluation, reviewed such information as it has deemed adequate and appropriate, and made its own analysis of the Owner Contract, the Project, and Property Owner's financial ability to perform the financial obligations set out in the Financing Documents; and

(c) Lender has not relied upon any investigation or analysis conducted by, advice or communication from, or any warranty or representation by Local Government, Authorized Representative, or any agent or employee of Local Government, express or implied, concerning the financial condition of the Property Owner or the tax or economic benefits of an investment in the Assessment.

8. Written Contract Required by the PACE Act. This Lender Contract constitutes a written contract between Local Government and Lender, as required under Section 399.006 (c) of the PACE Act.

9. Construction and Definitions. This Lender Contract is to be construed in accordance with and with reference to the PACE Program and PACE Act. Terms used herein and not otherwise defined herein have the meanings ascribed to them in the PACE Program, and/or the PACE Act.

10. Binding Effect. This Lender Contract is binding upon and inures to the benefit of the parties hereto and their respective heirs, representatives, successors, and assigns.

11. Notices. Unless otherwise specifically provided herein, all notices and other communications required or permitted hereunder shall be in writing and delivered by first-class mail or by electronic mail, addressed to the other party at the address stated below the signature of such party or at such other address as such party may from time to time designate in writing to the other party, and shall be effective from the date of receipt.

12. Governing Law. This Lender Contract shall in all respects be governed by and construed in accordance with the laws of the State of Texas.

13. Entire Agreement. This Lender Contract constitutes the entire agreement between Local Government and Lender with respect to the subject matter hereof and shall not be amended or altered in any manner except by a document in writing executed by both parties.

14. Captions. Paragraph and section titles are for convenience of reference only and shall not be of any legal effect.

15. Counterparts. This Lender Contract may be executed in any number of counterparts, and each counterpart may be delivered on paper or by electronic transmission, all of which when taken together will constitute one agreement binding on the parties, notwithstanding that all parties are not signatories to the same counterpart.

16. Interest. Interest and penalties in the event of default, as provided above, are explicitly authorized by Section 399.014(d) of the PACE Act. However, in no event will the total amount of interest on the Assessment, including statutory interest payable to Local Government and Contractual Interest payable to Lender under the Financing Documents, exceed the maximum amount or rate of nonusurious interest that may be contracted for, charged, or collected under Texas law (the “**usury limit**”). If the total amount of interest payable to Local Government and Contractual Interest payable to Lender exceeds the usury limit, interest payable to Local Government will be reduced and any interest in excess of the usury limit will be credited to the amount payable to Local Government or refunded. This provision overrides any conflicting provisions in this Lender Contract.

17. Certification. Local Government certifies that the PACE Program has been duly adopted and is in full force and effect on the date of this Lender Contract. Property Owner has represented to Lender and Local Government that the Project is a “qualified project” as defined in the PACE Program and Section 399.002 of the PACE Act. The Assessment has been imposed on the Property as a lien in accordance with the PACE Owner Contract and the PACE Act. Local Government has not assigned or transferred any interest in the Assessment or the PACE Owner Contract.

18. Construction Terms. The Financing Documents executed by Lender and Property Owner must include a requirement that Lender will withhold _____% of the Financing until verification that the Project was properly completed and is operating as intended is provided to Authorized Representative by an Independent Third Party Reviewer (“ITPR”), or Property Owner will pay liquidated damages to Lender of \$_____ per day for every day after 30 days following completion of the Project that such verification of completion is not provided. If verification of completion is not provided by Property Owner within 30 days after completion of the Project, such verification shall be submitted by Lender. If this Lender Contract includes any additional requirements related to construction of the Project and disbursement of Financing, such requirements are set forth in Exhibit C attached hereto and incorporated herein by reference. Such requirements may include, among other things, (1) the disbursement schedule and (2) any holdback amount to be funded following verification of final project completion.

LENDER:

By: _____

Name: _____

Title: _____

Address: _____

Email Address: _____

ACKNOWLEDGEMENT

STATE OF _____ §

COUNTY OF _____ §

This PACE Lender Contract pursuant to Property Assessed Clean Energy Act was
acknowledged before me on _____, _____ by _____,
_____, on behalf of _____.

_____ (print name)

NOTARY PUBLIC, STATE OF _____

LOCAL GOVERNMENT:

ERATH COUNTY, TEXAS

By: TEXAS PROPERTY ASSESSED CLEAN ENERGY AUTHORITY
AUTHORIZED REPRESENTATIVE

Pursuant to Tex. Local Gov't Code §399.006(b)

By: _____

Name: CHARLENE HEYDINGER

Title: PRESIDENT, TEXAS PACE AUTHORITY

Address: PO BOX 200368
AUSTIN, TX 78720-0368

Email Address: charlene@texaspaceauthority.org

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF _____ §

This PACE Lender Contract pursuant to Property Assessed Clean Energy Act was acknowledged before me on _____, 20__ by Charlene Heydinger, President, Texas Property Assessed Clean Energy Authority, dba Texas PACE Authority, a Texas nonprofit corporation, on behalf of said corporation as Authorized Representative for the Local Government.

(print name)

NOTARY PUBLIC, STATE OF TEXAS

LENDER CONTRACT EXHIBIT A

OWNER CONTRACT

LENDER CONTRACT EXHIBIT B

FINANCING DOCUMENTS

Assessment Payment Schedule

Assessment Total:

Payment Frequency:

Payment Date	Total Payment	Principal Paid	Interest Paid	Administration Fee	Remaining Balance

Financing Documents

Document Title	Parties	Date Executed

LENDER CONTRACT EXHIBIT C

CONSTRUCTION TERMS

Retainage or Liquidated Damages:

Lender will retain _____ % of the Financing until a report of completion by a qualified Independent Third Party Reviewer ("ITPR") is provided to Authorized Representative.

OR

Property Owner will pay liquidated damages to Lender of \$_____ per day for every day after 30 days following completion of the Project that such a report of completion is not provided. Lender will then provide the report of completion to Authorized Representative.

Date	Draw down Amount	Purpose

EXHIBIT 4

FORM NOTICE OF CONTRACTUAL ASSESSMENT LIEN
PURSUANT TO PROPERTY ASSESSED CLEAN ENERGY ACT

**FORM NOTICE OF CONTRACTUAL ASSESSMENT LIEN
PURSUANT TO
PROPERTY ASSESSED CLEAN ENERGY ACT**

STATE OF TEXAS §
 §
COUNTY OF ERATH §

RECITALS

A. The Property Assessed Clean Energy Act (“**PACE Act**”), Texas Local Government Code Chapter 399, authorizes the governing body of a local government to establish a program and designate a region within the local government’s jurisdiction within which an authorized representative of the local government may enter into written contracts with the record owners of privately owned commercial, industrial, and large multifamily residential (5 or more dwelling units) real property to impose assessments on the property to finance the cost of permanent improvements fixed to the property intended to decrease water or energy consumption or demand. Unless otherwise expressly provided herein, all terms used herein have the same meanings ascribed to them in the PACE Act.

B. Erath County, Texas (“**Local Government**”) has established a program under the PACE Act (“**PACE Program**”) pursuant to a resolution dated _____, adopted by the Erath Commissioners Court, and has designated Texas Property Assessed Clean Energy Authority, dba Texas PACE Authority, as the representative of Local Government (“**Authorized Representative**”) authorized to enter into and enforce the written contracts with the owners of such property and the providers of such financing described herein, and has designated the entire territory within the boundaries of Erath County, Texas as a region (the “**Region**”) within which the Authorized Representative and the record owners of such real property may enter into written contracts to impose assessments to repay the financing by owners of qualified improvements on the owners’ property pursuant to the PACE Program.

C. _____ (“**Property Owner**”) is/are the sole legal and record owner of the qualified “real property,” as defined in Section 399.002 of the PACE Act, within the Region located at _____, _____, Texas _____-_____ and more fully described in Exhibit A attached hereto and made a part hereof (the “**Property**”).

D. Property Owner has applied to Local Government to participate in the PACE Program by installing or modifying on the Property certain permanent improvements described in Exhibit B attached hereto and made a part hereof, which are intended to decrease water or energy consumption or demand and which are or will be fixed to the Property as “qualified improvements”, as defined in Section 399.002 of the PACE Act (the “**Qualified Improvements**”). The installation or modification of such Qualified Improvements on the Property will be a “qualified project” as defined in Section 399.002 of the PACE Act (the “**Project**”). Property Owner has entered into a written contract (the “**Owner Contract**”) with Local Government pursuant to the PACE Act and the PACE Program and has requested Local

Government to impose an assessment on the Property to repay the financing of such Qualified Improvements.

E. The financing of such Qualified Improvements will be provided to Property Owner by _____ (“**Lender**”), a qualified lender selected by Property Owner, pursuant to a written contract executed by Lender and Local Government as required by Section 399.006(c) of the PACE Act (the “**Lender Contract**”). Lender will be responsible for all servicing duties other than those specifically undertaken by Local Government in the Lender Contract.

THEREFORE, Local Government hereby gives notice to the public pursuant to Section 399.013 of the PACE Act that it has imposed an assessment on the Property in the principal amount of \$ _____ (the “**Assessment**”). The Assessment includes only those costs and fees for which an assessment may be imposed under Section 399.006(e) of the PACE Act. In the event that the actual total of costs and fees for which an assessment may be imposed is different from the amount stated or any other term requires correction, Local Government, Property Owner, and Lender will execute an amended Owner Contract and Lender Contract, and Authorized Representative will record an amended Notice of Contractual Assessment Lien.

The Assessment and contractual interest thereon due to the Lender (the “**Contractual Interest**”) are due and payable in installments (“**Installments**”) in accordance with the terms and payment schedule included in the financing documents executed between Property Owner and Lender that are described in or copies of which are attached hereto as Exhibit C (the “**Financing Documents**”).

Pursuant to Section 399.014 of the PACE Act,

1. The Assessment and any interest or penalties thereon,
 - (i) are a first and prior lien against the Property from the date on which this Notice of Contractual Assessment Lien is recorded in the real property records of Erath County, Texas, until the Assessment, interest, or penalty is paid; and
 - (ii) such lien has the same priority status as a lien for any other ad valorem tax.
2. The lien created by the Assessment runs with the land, and according to Section 399.014(b) of the PACE Act, any portion of the Assessment that has not yet become due will not be eliminated by foreclosure of: (i) a property tax lien, or (ii) the lien for a delinquent Installment of the Assessment. In the event of a sale or transfer of the Property by Property Owner, the obligation for the Assessment and the Property Owner’s obligations under the Financing Documents will be transferred to the succeeding owner without recourse to Local Government, or Authorized Representative.

As provided in Section 399.014(a-1) of the PACE Act, after this Notice of Contractual Assessment Lien is recorded in the real property records of the county in which the Property is located, the lien created by the Assessment may not be contested on the basis that the improvement is not a “qualified improvement” or the project is not a “qualified project”, as such terms are defined in Section 399.002 of the PACE Act.

EXECUTED on _____, _____.

LOCAL GOVERNMENT:

ERATH COUNTY, TEXAS

By: Texas Property Assessed Clean Energy Authority

AUTHORIZED REPRESENTATIVE

Pursuant to Tex. Local Gov't Code §399.006(b)

By: _____

Name: CHARLENE HEYDINGER

Title: PRESIDENT, TEXAS PACE AUTHORITY

Address: PO BOX 200368
AUSTIN, TX 78720-0368

E-mail: charlene@texaspaceauthority.org

ACKNOWLEDGEMENT

STATE OF TEXAS §

COUNTY OF _____ §

This Notice of Contractual Assessment Lien pursuant to Property Assessed Clean Energy Act was acknowledged before me on _____, 20__ by Charlene Heydinger, President, Texas Property Assessed Clean Energy Authority, dba Texas PACE Authority, a Texas nonprofit corporation, on behalf of said corporation as Authorized Representative for the Local Government.

_____ (print name)

NOTARY PUBLIC, STATE OF TEXAS

NOTICE OF LIEN EXHIBIT A

PROPERTY DESCRIPTION

NOTICE OF LIEN EXHIBIT B
QUALIFIED IMPROVEMENTS

NOTICE OF LIEN EXHIBIT C

FINANCING DOCUMENTS

Assessment Payment Schedule

Assessment Total:

Payment Frequency:

Payment Date	Total Payment	Principal Paid	Interest Paid	Administration Fee	Remaining Balance

Financing Documents

Document Title	Parties	Date Executed

INDEXING INSTRUCTION:

Grantor: _____, Property Owner
Grantees: _____, Local Government
 _____, Lender

After recording, return to- Texas PACE Authority
Charlene Heydinger
PO Box 200368
Austin, TX 78720-0368



ERATH COUNTY SUBDIVISION & RURAL DEVELOPMENT REGULATIONS

REVISED JULY 27, 2020



County Judge: Alfonso Campos	254-965-1452
County Commissioner, Precinct 1: Dee Stephens	254-965-7178
County Commissioner, Precinct 2: Albert Ray	254-445-3122
County Commissioner, Precinct 3: Joe Brown	254-965-2113
County Commissioner, Precinct 4: Jim Buck	254-965-3561
County Clerk: Gwinda Jones	254-965-1482
County Attorney: Lisa Pence	254-965-1453
Environmental Officer: Keith Bailey	254-965-1414

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SECTION I - ERATH COUNTY SUBDIVISION REGULATIONS

ARTICLE I: AUTHORITY, PURPOSE & SCOPE

Authority

These rules are adopted by the Commissioners Court of Erath County, Texas, acting in its capacity as a governing body of Erath County. These rules are adopted pursuant to Chapter 232 of the Texas Local Government Code.

Purpose

These Regulations have been prepared in general to aid in the orderly development of Erath County, Texas, and provide guidelines which will lead to a desirable environment. Specifically, they have been prepared for the following purposes:

- a. To furnish the Owner with guidance and assistance in the expedient preparation and approval of his or her plat.
- b. To protect the citizens of Erath County by providing subdivision and development guidelines for residential, commercial and industrial subdivisions.
- c. To provide for the welfare of the public by providing guidelines for the location, design, and construction of roadways, roadway intersections, drainage improvements and other features that provide for the safety of the general public.
- d. To provide for the proper arrangement and construction of roads, and to ensure the proper relationship of roads to existing or planned roads.
- e. To ensure adequate access for emergency response vehicles.
- f. To ensure that Erath County will not be burdened with substandard roads in the future.

Conflicts

In the event of a conflict between these rules and State Statutes, the State Statute will control. These rules are to be harmonized with city zoning where concurrent jurisdiction exists, but in the event of conflict, the most restrictive will control. In the event of a conflict with a homeowner's association rules, then the most restrictive will control.

Administration

The Commissioners Court of Erath County, Texas shall administer these rules, which shall apply to all subdivisions whose plans, plats or re-plats are filed with the Erath County Clerk on or after July 27, 2020.

ARTICLE II: DEFINITIONS

Application

A submittal that includes a completed Plat Application form (as found in Appendix A) along with all required attachments which may be required as part of that submittal and the appropriate review fee. These attachments may include, but are not limited to, drawings, drainage or geotechnical reports or electronic data files.

Commissioners Court

As used herein, "Commissioners Court" means the Commissioners of Erath County, Texas.

Easement

A right of access which is granted for the purpose of limited public or semi-public use across over or under private land.

Lot

Land occupied or to be occupied by a building and its accessory buildings and including open spaces are required by any applicable regulations which are part of the subdivision (such as parks), and having its principal frontage upon a public road or officially approved place.

Record Plat

The final plat drawing of a subdivision which has been approved in accordance with the requirements of these rules and has been filed for record with the County Clerk of Erath County, Texas.

Private Subdivision

A subdivision in which the owner wishes to create a subdivision utilizing private roads.

Subdivision

The term "subdivision" means the division of a parcel of land into two or more lots or tracts for the purpose of development, dedication of roads or easements, or for use for building development. A division of land for agricultural purposes into lots or tracts, not to exceed five (5) in number, of ten (10) acres or more and not involving a new road or alley shall not be deemed a subdivision.

Each such tract must include not less than two hundred (200') feet of road frontage per tract and must also exhibit not less than five hundred (500') feet of visibility in either direction on said road from any and all point(s) of ingress/egress into and from said tract, including any driveway(s) associated with such tract.

The term also includes multi-unit residential developments, and other similar developments, as well as re-subdivision and, when appropriate to the context, shall relate to the process of subdividing or to the land subdivided. (Note: The Erath County Commissioners Court hereby retains the power and right to further define the term "subdivision" and to decide, on a case-by-case basis, whether or not these Subdivision Rules apply to any particular development within the Commissioners Court's jurisdiction.) The terms "subdivider" and "developer" are synonymous and shall include any person, agent, employee or trustee of any such entity who does or participates in the doing of any act toward subdivision of land within the scope of these rules.

ARTICLE III: PROCEDURE

For the purposes of these Rules, "owner" shall mean the owner of a proposed subdivision, or said owner's designated representative. On or after the effective date of these Rules, all owners of proposed subdivision, except those set out in Part III of these Rules, shall submit a Plat to the Erath County Commissioners Court which complies with the minimum infrastructure development standards adopted by this Commissioners Court.

On Site Assessment

The developer will consult at the proposed development site informally with the Commissioner in whose precinct said developer is working to give an overview of the proposed subdivision. Written permission from the property owner is required for developer/broker to build on property.

Pre-Application Meeting

The developer will consult informally with the Commissioners Court prior to preparing a formal application for its approval in order to save time and money. The Subdivision Rules packet will be handed to the developer and the process and requirements will be reviewed.

Formal Presentation of Plat Application

A Plat Application shall be submitted by filing the application together with all required documentation and the filing fee with the Erath County Commissioners' Court or its designee. (Also referred to as the Preliminary Plat).

ARTICLE IV: PLAT APPLICATION REVIEW AND APPROVAL PROCEDURE

Requirements of the Plat Application

Each plat application shall be submitted with the following information and materials:

- a. Three (3) copies or prints of the proposed subdivision drawn on a sheet maximum size of 24 inches by 36 inches and drawn to a scale of 100 feet to the inch (1-inch equals 100 feet) shall be submitted in the number specified herein above. In case of large developments which would exceed the dimensions of the sheet of 100-foot scale, preliminary plats may be 200 feet to the inch (1-inch equals 200 feet).
- b. Boundary lines, bearing and distances sufficient to locate the exact area proposed for the subdivision and shall identify the subdivision with respect to an original corner of the original survey of which it is a part, and distance and direction to the nearest State or U.S. Highway. All corners are to be marked with a permanent marker stamped with the name of the surveyor.
- c. The name and location of all adjoining subdivisions shall be drawn to the same scale and shown in dotted lines adjacent to the tract proposed for subdivision in sufficient detail to show accurately the existing roads and other features that may influence the layout of development of proposed subdivision. Adjacent unplatted land shall be so designated.
- d. The location and widths of all roads and ways existing or proposed within the subdivision limits. In case of easements, a written statement as to the easement use shall be included on the plat.
- e. The location of all existing property lines, buildings, sewers, or water mains, gas mains, or other underground structures, easements or other existing features within the area proposed for subdivision.
- f. Proposed arrangement of lots and proposed use of same; however, approval of a plat application with uses so indicated, does not constitute approval of such uses.
- g. The title under which the proposed subdivision is to be recorded, the name and address of the owner with the name of the Land Planner, Licensed Land Surveyor or Registered Professional Engineer platting the tract.
- h. Sites, if any, to be reserved or dedicated for parks, playgrounds, or other public uses.
- i. Scale, North arrow, date and other pertinent data.
- j. Contours with intervals of five feet (5') or less shall be shown for the area. All elevations on the contour map shall be referenced to the latest U.S.C. and G.S. data.
- k. All physical features of the property to be subdivided, including location and size of all water courses, ravines, bridges, culverts, existing structures, and other features pertinent to subdivisions. The outline of wooded areas or the location of important individual trees may be required.
- l. If the Subdivision does not intake all of the property owned by the developer a division line should be drawn differentiating property usage for roll back purposes.

- m. The Plat shall also include a written narrative which provides explanation as to how the owner proposes to satisfy the various requirements of these Subdivision Rules.
- n. Consultation verification by licensed sanitarian.
- o. Site suitability study by Professional Engineer or Registered Sanitarian.
- p. Subdivisions should have a drainage plan. An engineering drainage plan shall be submitted with the plat unless waived by the Commissioners Court. The engineering drainage plan shall be prepared by a registered professional engineer for the State of Texas and qualified in the field of storm run-off and drainage design. The drainage study will show the width of the right-of-way required to provide property drainage ditches and structures in order to properly dispose of the expected storm flow run-off. A typical cross section of the road and drainage ditches shall be provided in the report.
- q. Consultation verification with Middle Trinity Groundwater Conservation District.
- r. Lots with access to State or U.S. highways must have the approval of Texas Department of Transportation.
- s. Consultation with utility provider.
- t. Paid Tax Certificate.
- u. Consultation with 911 addressing.

Designated County Official

Erath County designates the Erath County Commissioners Court as that entity responsible for approval or rejection of the preliminary plat. During review of the plat, the Erath County Commissioners Court shall, if deemed necessary by the Court, consult with the County Attorney and the County Sanitation Director.

Time Limits for Approval

Not later than the 30th day after the date the owner of a proposed subdivision submits a plat application, the application shall be approved, rejected, or approved with conditions by the Erath County Commissioners Court or its designee. The Erath County Commissioners Court shall notify the applicant of its determination in writing. If the plan is approved, rejected, or approved with conditions the Erath County Commissioners Court shall specify the reasons for the rejection or conditional approval in its written determination.

The 30-day time period may be extended for a period of 30 days, if the following conditions are met:

1. Requested and agreed to in writing by the applicant and approved by the commissioner's court or its designee; or
2. Chapter 207, Government Code, requires the county to perform a takings impact assessment in connection with the plat application;

The commissioners court or its designee shall make the determination of whether the 30-day period will be extended not later than the 20th day after the date the completed plat application is received.

If a plat application is rejected or conditionally approved, the applicant may submit a written response to the commissioner's court or its designee that satisfies each condition for the conditional approval or remedies each reason for the rejection. If a response is received, the commissioners court or its designee shall determine whether to approve or disapprove the applications within 15 days.

Approval

Failure to reject a Plat Application by the Erath County Commissioners Court within the 30 days constitutes approval of the plan.

Construction Prohibited without Approved Plat Application

Construction of any proposed subdivision may not begin before the Erath County Commissioners Court approves the proposed Preliminary Plat.

ARTICLE V: EXEMPTIONS

The following types of land divisions into two (2) or more tracts are exempt from the platting requirements of these Subdivision Regulations provided that, except for manufactured housing rental communities, no part of the land is intended or designed for the laying out of any of the following facilities intended to be dedicated to the County for public use or for the use of purchasers or owners of lots, parcels or tracts fronting onto or adjacent to such facilities: (i) roads or streets; (ii) alleys; (iii) squares; (iv) parks; (v) public utility easements; (vi) public rights-of-way; (vii) drainage or storm water improvements; (viii) other public facilities.

- 1) Divisions in which all tracts are intended to be used primarily for agricultural use, or farm, ranch, wildlife management or timber production use, as defined by Section 1 -d, Article VIII of the Texas Constitution;
- 2) Divisions into four (4) or fewer parcels, if each of the lots are sold, given or otherwise transferred to an individual who is related to the owner within the third degree of consanguinity or affinity (if any of the lots are sold, transferred or otherwise distributed to individuals who are not related to the owner within the third degree of consanguinity or affinity, the platting requirements of these Regulations apply);
- 3) Divisions in which all of the lots of the subdivision are more than ten (10) acres in area;
- 4) Divisions in which all the lots are sold to veterans through the Veterans' Land Board program;
- 5) Divisions in which one new part is to be retained by the owner, and the other new part is to be transferred to another person who will subdivide the tract subject to the plat approval requirements of these Regulations;
- 6) Divisions in which all parts are transferred to persons who owned an undivided interest in the original tract and a plat is filed before any further development of any part of the tract;
- 7) Divisions in which the owner of the land is a political subdivision of the State, the land is situated in a flood plain, and the lots are sold to adjoining landowners; or

Land divisions that are initially exempt, under this Section, or development on tracts which were a part of a division that was initially exempt, require approval under these Subdivision Regulations at the time that subdivision of the land is proposed to occur or at the time that the intended development on the tract exceeds the nature of the particular exemption.

Exemption under these Regulations does not exempt the development of the property from requirements arising under the County's development permit orders or orders governing on-site sewage facilities.

PERFORMANCE BOND

The county shall require bonding or a letter of credit in relation to the construction of public improvements. Performance bonds are required of all owners as set forth below.

- a. The owner or owners of any tract of land to be subdivided shall give a good and sufficient bond for the proper construction of the roads and drainage facilities in all subdivisions. Such bond may be either a performance bond executed by a surety company authorized to do business in the State of Texas, or an irrevocable letter of credit from an acceptable Texas bank.
- b. Such performance bond or letter of credit shall be made payable to "Erath County Judge or his/her successors in office," conditioned that the owner or owners shall subdivide any such tract of land and all improvements shall be constructed in accordance with these Regulations.
- c. The performance bond or letter of credit shall be in an amount equal to the actual cost or contract amount of constructing such roads and drainage facilities.
- d. The performance bond or letter of credit, in an amount as established herein, shall be presented to the Commissioners Court Prior to subdividing the land and any construction starts. The county's auditor or county judge must approve, in writing, the form of said bond or letter prior to the date of submission to the Commissioners Court.
- e. Bond must remain in full force and effect until after all roads and all associated drainage improvements in the subdivision have been completed and have been accepted by the county in accordance with these regulations as certified by the Commissioners Court.
- f. When the owner or owners of any tract of land to be subdivided has or have finished construction of all of these roads and drainage facilities in said subdivision in accordance with these regulations, the owner or owners shall give written notice of this fact to the Commissioners Court by giving notice to the County Judge.
- g. Before release of the performance bond, three County Commissioners shall inspect the roads and the owner shall remedy all deficiencies prior to release of the security. If the deficiencies are not properly remedied, the county shall draw on the security to make the necessary repairs.

FINAL AND RECORDED PLAT

Final and Recorded Plat

A final and recorded plat shall include the following:

1. Engineer Certification

All of the drainage plans and specifications of the drainage improvements contained in the Developer's subdivision application to Commissioners' Court shall be prepared by a Texas Registered Professional Engineer and all of the drainage improvements contained in the application shall be built under the supervision of such Engineer. Such Engineer shall certify in writing to the Commissioner's Court that as each segment or phase is completed, that such segment or phase has been built true and correct in accordance with the submitted plans and specifications and that the same was built under his supervision. This written certification shall be signed and sealed by such Engineer. All of the expenses of such engineering shall be paid for by the Developer.

2. Final Inspection

A final inspection of any proposed subdivision infrastructure upon its completion is required. Final inspection shall be made by two (2) Commissioners, i.e., the Commissioner in whose precinct the subdivision is situated as well as one other commissioner to be appointed by the County Judge. Final inspection shall be made prior to the Commissioners Court's approval and issuance of a Certificate of Compliance. Said Commissioners shall make the final inspection not later than the second business day after the Erath County Commissioners Court receives written confirmation of completion from owner.

3. Certificate of Compliance by Commissioners Court

If the Erath County Commissioners Court determines that the Preliminary Plat has been properly carried out, the Commissioners Court shall issue a Certificate of Compliance within five (5) business days after the final inspection is completed. The Commissioners Court may delegate issuance of the Certificate of Compliance to the County Judge's office.

4. Corrective Action if Construction Not Approved

If the Erath County Commissioners Court determines that the subdivision has not been properly carried out, then the owner shall be advised in writing and shall have thirty (30) days from the date of notification to make the required corrections or to perform the additional work required.

5. Standards for Approval.

The Commissioners Court shall approve a final plat if it satisfies the following standards:

- a. The plat is consistent with the approved preliminary plat;
- b. The plat conforms to each of the requirements contained in these Regulations.

After being considered at a meeting of the Commissioners Court, with a quorum being present, the final plat shall be acted upon by the Court. If the final plat is approved by order of the Court, then the County Judge shall sign the plat and shall so state the date of approval. The following certification shall be provided on the final plat:

"I hereby certify that this plat was approved this ____ day of _____, 20__, by the Erath County Commissioners Court, and maybe filed for record in the Plat Records of Erath County by the County Clerk.

County Judge"

ARTICLE VI: WATER DRAINAGE

Lots and Private Property

Lots and private property shall be graded so that surface drainage from said property shall be taken to roads or drainage courses as directly as possible. Drainage water from roads shall be taken to defined drainage courses.

Roads without Curbs and Gutters

All roads without curbs and gutters shall have drainage ditches adjacent to and running parallel to said roads or roads. Said drainage ditches shall have minimum depth of twelve (12") inches below the level of the sub grade.

Permanent Drainage Structures

Permanent drainage structures, including but not limited to culverts, pipes, drainage boxes and bridges, shall be installed at all crossings of drainage courses, including drainage ditches with driveways and roads.

Types of Permanent Drainage Structures

The exact dimensions and type of permanent drainage structures including culverts, pipes, drainage boxes, and bridges shall be established for each subdivision by the Commissioners Court in its order granting or denying preliminary authorization of a subdivision plat.

Driveway Drain Pipes

Placement of driveway drain pipes and drain structures shall be made at the expense of the owner or developer upon receipt of a written approval of the County Precinct Commissioner prior to installation. No driveway drain pipe will be accepted unless it has a minimum drainage of fifteen inches (15") in diameter and a minimum length of twenty-two feet (22') if ends are concreted, however, the placement, length and diameter of a drain pipe must be inspected and approved by a County Commissioner prior to installation by

the developer and it is within the Commissioner's discretion to alter the required size, length and placement if deemed necessary. Larger drain pipes shall be installed if necessary to handle drainage based upon a ten-year flow frequency. An easement shall be required from any affected property owner or owners when the natural flow of water is changed.

Embankments

All roadways subject to flooding and high waters and all roadway crossing streams must have reinforced embankments to prevent erosion of said embankments, as approved by the precinct Commissioner.

Permanent Obstacles

Permanent obstacle, such as concrete or rock retards, shall be installed on the sloping sides of drainage ditches and drainage courses to prevent erosion where specifically designated by the Commissioners Court in its order granting or denying preliminary authorization to the subdivision plat.

Open Drainage Channels and Ditches

Open drainage channels and ditches shall be constructed with a proper cross-slope grade and an alignment which will facilitate proper functioning without destructive velocities of drainage waters.

Drainage Easements

All drainage easements in the land being authorized for development must be of adequate width, as determined by the Commissioners Court in its order granting or denying authorization of a subdivision plat, to permit drainage and flood control for all land whose natural drainage runs through the property being authorized for development.

Drainage Plan

An engineering 20-year flood drainage plan shall be submitted with the preliminary plat unless waived by the Commissioners Court. The engineering drainage plan shall be prepared by a registered professional engineer for the State of Texas and qualified in the field of storm run-off and drainage design. The drainage study will show the width of the right-of-way required to provide property drainage ditches and structures in order to properly dispose of the expected storm flow run-off. A typical cross section of the road and drainage ditches shall be provided in the report. Subdivision may not be built in flood plan.

Maximum Road Grades

Grades of roads shall be a maximum of twelve percent (12%). Exceptions to this rule may be granted by Commissioner's Court.

Backfill of Pipe

All pipe shall be backfilled at six-inch (6") lifts and tamped with air tamp, with water as needed.

ARTICLE VII: SEWAGE DISPOSAL SYSTEMS

A licensed sanitarian must review and approve the plat to assure that all County sanitation rules and regulations are met.

Land Planning and Site Evaluation

Property that will use an on-site sewage facility (OSSF) for sewage disposal shall be evaluated for overall site suitability.

Soil Analysis

If a State-approved disposal sewage system is not provided, the subdivider will have soil tests made in accordance with applicable Erath County and State regulations then in effect for installation of private sewage facilities so that a minimum of ten percent (10%) of the proposed tracts or lots have been approved by a licensed sanitarian.

Lot Adequate Sizes to Meet Sanitation Requirements

All subdivision lots that have individual septic systems shall contain a minimum of 43,560 square feet (i.e., one (1) acre) for those with community water system and a minimum of 87,120 square feet (i.e., two (2) acres) for those without a community water system. It must be noted that size alone does not assure sanitation requirement can be met. The sub divider or owner shall ascertain and certify that an acceptable septic tank with a proper drain field can be installed on each tract platted or offered for sale, unless public sanitary sewer collection facilities are made available to the site. A licensed sanitarian may be contacted for the specifications. All subdivisions using a state permitted and approved sewage disposal system must meet all state requirements as to lot size. The owners or developer must ascertain and certify that lot sizes within the subdivision meet all state requirements.

All Habitable Structures Must Have Approved Sewage Systems

All habitable structures shall be connected to septic tanks or sewer systems conforming to the regulations and recommendations of the State and Erath County. Septic tanks shall meet State and County regulations and must be inspected by a licensed sanitarian, a licensed professional engineer or a designated agent of the T.C.E.Q. before, during, and after construction. [Note: Only one (1) habitable structure shall be connected to a single septic system.]

Additionally, the planning materials for an on-site sewage facility to be submitted for approval by the permitting authority shall be prepared by a professional engineer or professional sanitarian and shall include an overall site plan, topographic map, 100-year floodplain map, soil survey, location of water wells, locations of easements and a complete report detailing the types of on-site sewage facilities to be considered and their compatibility with area-wide drainage and groundwater. A comprehensive drainage plan shall also be included in these planning materials.

Outdoor Toilets or Cesspools Prohibited

There will be no outdoor toilets or cesspools within any subdivision.

All Sewage Disposal Regulations of Erath County, Texas, Must Be Met, With No Exceptions

ARTICLE V: ROADS

Roadway Layout

A. Internal streets shall be so laid out that their use by through traffic will be discouraged, but access may be provided to adjacent development.

B. The subdivision shall provide at least one point of access to an arterial or Collector Street and shall provide no less than one (1) entrance for each seventy-five (75) lots, including stubs for future development or connection to an existing major collector or arterial.

C. Any owner that gates the entrances to the subdivision shall provide either a crash gate, a lock box, and/or an electronic device for entry by emergency response agencies stating their approval of full time access to and from the subdivision.

D. The Commissioners' Court may require gates and/or warning devices at all road crossings where a storm event is anticipated to flow over the road surface

E. All roads are preferred to intersect at ninety-degree (90) angles; where this is not possible, the intersection on the side of the acute angle must be cut back, as specified by the Commissioner for the Precinct where the subdivision is located, but in no case will the cut-back be less than twenty-five feet (25').

F. Roads should avoid abrupt offsets insofar as possible. Roads should provide for continuation of appropriate projection of existing roads in surrounding areas. New roads of like alignment shall bear the names of existing roads and shall be dedicated at equal or greater widths than existing roads.

Right of Way

Road right-of-way widths shall meet the following guidelines:

County Roads – minimum of 60 feet, depending upon the location and the city road plan with which the major thoroughfare is to be connected.

[Note: Should there exist a subdivision on only one side of any County Road, the right-of-way width as to the subdivision-side of said County Road must be a minimum of 30 feet from the center of said County Road.]

Design Criteria and Construction Standards for Streets

A. Proposed streets must conform to existing topography, as nearly as possible, in order that drainage problems may be reduced and/or avoided. Streets should, whenever possible, follow valleys or depressions so as to form a collection system for surface water.

B. The classification and construction standards for all public or private streets shall be determined according to the average daily traffic anticipated for the streets. All streets shall be constructed in accordance with the Road Construction Standards of Erath County on Page 14 of these rules and the "Standard Specifications for Public Works Construction," published by the NCTCOG, as may be amended.

C. Street (Block) Length. The maximum length of any block or street segment shall be one thousand eight hundred feet (1,800'), as measured along the street centerline from the point(s) of intersection with other through (i.e., not dead-end or cul-de-sac) streets.

D. Cul-De-Sacs. A street ending in a cul-de-sac shall not be longer than six hundred feet (600'), as measured from the centerline of the intersecting street to the center point of the bulb, and shall have a properly designed turnaround at the closed end. If a central water system exists, with properly placed fire hydrants, then the turnaround shall have a minimum outside roadway (i.e., pavement) diameter of at least eighty (80'), and a minimum bulb right-of-way diameter of at least one hundred feet (100'). If no central water system exists, then the turnaround shall have a minimum outside roadway (i.e., pavement) diameter of at least one hundred feet (100'), and a minimum bulb right-of-way diameter of at least one hundred and twenty feet (120'). Dead end streets are prohibited.

E. Flag Lots.

Lots with a very narrow corridor intersecting the roadway (County or State) with the majority of the property behind another lot or lots fronting the roadway. Flag lots are prohibited.

Street Names and Signs

1. Street Names and Numbers

New streets and roads in a subdivision shall be names so as to provide continuity of names with existing streets and so as to prevent conflict with identical or similar street and road names in other parts of Erath County. All street names shall be approved by the Erath County 911 Coordinator and the Erath County Commissioner's Court. Roads or streets which are a continuation of any existing road or street shall take the name of the existing road or street.

2. Street and Road Numbers and Names Signs Required

The Developer shall install street or road name signs at all intersections in a subdivision. The proper installation of these signs is a part of the required construction standards of Erath County. Final approval of the construction will not be given by the Erath Commissioners Court until all signs are installed.

Mailboxes

1. Mailboxes shall be set at least one foot (1'), but no more than three feet (3'), back from the curb, paving edge, or shoulder area of the permitted street upon which the property is addressed.

2. All mailboxes within County rights-of-way shall meet current TxDOT standards if the speed limit on the County road is more than 40 miles per hour. Mailboxes in subdivisions with speed limits at or below 40 miles per hour must meet U.S. Post Office requirements, and must be placed in a manner that does not interfere with the efficient movement of traffic or with visibility from driveways, side streets, and other access points.

3. All mailboxes along arterials shall be of a "break-away" type design (this type of design is also encouraged along collector and local streets). Clustering of mailboxes is greatly encouraged.

Inspection of Roads

Two Commissioners have reviewed and approved all required inspections and tests at the completion of each phase of construction of the road, tests include atterberg limits and moisture-density relationships for the subgrade and base, depth of base material, type and placement of the surface course (it is the responsibility of the developer to coordinate all inspections and laboratory tests with the Commissioner's Court), and not to proceed with construction until proper inspections and tests have been obtained, as required by the County Commissioner. All laboratory tests shall be at the expense of the developer. In no event will any base be placed on the road until the subgrade has been inspected at each phase of construction and approved in writing by the County Commissioner.

ROAD CONSTRUCTION STANDARDS

1. General

The Erath County Commissioner's Court shall be notified forty-eight (48) hours prior to the commencement of any major construction items such as subgrade stabilization, installation of flexible base, prime coat application or placement of surface course. It shall be the owner/developers responsibility to provide adequate inspection of the construction to insure compliance with county standards. All construction and testing reports shall be furnished to the Commissioner's Court certifying that the construction requirements of these standards have been met. The test results must be approved prior to initiating the next phase of construction.

A "STOP WORK ORDER" shall be issued whenever the owner/developer or his contractor fails to adhere to the approved plat, construction plans or these specifications. The owner/developer may not continue development until the deficiencies listed in the "STOP WORK ORDER" are corrected. If the owner/developer or his contractor fails to correct the deficiencies, the Commissioners' Court will not accept the roadway and/or subdivision.

Roadways built within the unincorporated areas of Erath County shall be designed and constructed to achieve a minimum Structural Number (SN) of 2.50. The Erath County Commissioners' Court has approved the following road section comparisons:

(a) The road right-of-way shall be cleared of trees and roots and the road-bed graded up to an approved level.

(b) Drainage Pipe: The Developer will be required to install corrugated metal pipe culverts according to the Drainage Plan Submitted and approved by the Commissioners court. Grading at all culverts will be on a 3-1 slope.

(c) The road sub-grade material shall be checked by a qualified laboratory and where the Plasticity Index (P.I.) of the material is twenty (20) or less, the top six (6) inches of the sub grade shall be scarified, mixed and compacted to a minimum of 95% of the maximum density as determined by TX Dot Test method Tex-113 E at a moisture content between 2% below and 4% above the optimum moisture content. Where the P.I. of the raw sub grade is greater than 20, the top 6" of the sub grade shall be stabilized with Hydrated Lime slurry at a rate of 27 lbs. of hydrated lime per square yard and compacted to 95% of maximum density as determined by TX Dot Test Method Tex-121-E, Part II. Lime slurry shall be Type B as defined in TXDOT Item 264, "Lime and Lime Slurry" and placement shall conform to TX Dot item 250, "Lime Treatment for Materials used as sub grade" (Road Mixed).

All embankments constructed under roads and roadways shall be constructed in layers not exceeding 8" in compacted thickness and shall be compacted to 95% of maximum density as determined by TX Dot test method Tex-113-E at moisture content between 2% below and 4% above optimum moisture.

(d) Flexible Base: After sub grade has been completed and approved, the roadbed shall be covered to a minimum width of twenty-eight (28) feet and with a minimum compacted depth of 6" with

crushed stone (Texas Department of Highways & Transportation, Item 247, Grade A number 2). The crushed stone shall be mixed, watered, and compacted to a minimum 95% of maximum density as determined by TX Dot Test method Tex-113-E at moisture content between 2% below and 4% above the optimum moisture content.

(e) Paving: After crushed stone base has been compacted, cured and approved for paving, base shall be primed for a minimum width of 24' (twenty-four feet) with AEP prime at a rate of .15-.2 gallons per square yard, or an equivalent product approved by the County Commissioner for this precinct.

Paving shall be completed at a minimum width of 24' (twenty-four feet) with two (2) courses of asphalt and Grade 4, Type A Cover Stone. The asphalt shall be AC-5, AC-10, or approved equal. Paving shall be applied at temperature of 70° (seventy degrees) Fahrenheit and rising, i.e., equal to or greater than said temperature. (Note: Any roadway with a grade of 13% or more shall include at least two inches of hot mix.)

It shall be applied at a rate of .3 gallons or more per square yard. Cover stone shall be spread at a rate of one yard to eighty (80) to ninety (90) square yards. After curing a minimum of two (2) days, a second coat of asphalt and cover stone may be applied. After each application of asphalt and rock, the pavement shall be rolled with a pneumatic roller a minimum of twice over.

ARTICLE VIII: ACCEPTANCE OF ROAD MAINTENANCE AND BONDING REQUIREMENTS

Owners Maintenance Responsibility.

The owner shall remain responsible for all maintenance and repair of the roads within a subdivision until the Commissioners Court, by formal written action or minute order in accordance with this Article and Section 4.06 herein, accepts the obligation to maintain and repair such roads. The Commissioners Court's decision to approve a record plat or dedication of the right-of-way for a road shall not be deemed to constitute acceptance of the roads for maintenance.

County Acceptance of Roadways

- 1) All streets and roads will not receive consideration for final approval by the Commissioners Court until at least two (2) years after original construction of streets and roads is completed. Subdivisions in which there has been insufficient use of the streets and roads to insure their stability will not be considered for acceptance by the Commissioners Court until such time as there is sufficient development to insure street and road stability. Development will not be considered sufficient until such time as 80% of the existing lots are completed and occupied, or, improvements have been added to the real estate which, when taxes are levied on such improvements, will provide tax revenues in the Road & Bridge dedicated funds equal or exceeding the "average dollar amount" computed, at the end of the fiscal year, to maintain the number of miles of county road with a like surface. The "average dollar amount" shall be defined as the total expenditures in the four Erath County Precinct Funds, less no-road related expenditures, divided by the total miles of accepted county roads.
- 2) The owner has submitted a written request to the County Commissioner. If the owner is no longer available (i.e., has ceased to transact business or, in the case of an individual, has died), any person owning property with frontage or access onto the road may submit the written request.
- 3) Two Commissioners have inspected the roads (first inspections) no earlier than thirty (30) days prior to the Commissioners Court's acceptance of the roadway, and has submitted to the Commissioners Court an inspection report stating that:
 - (a) The road, in its current condition and with no repairs, upgrades or improvements, is in compliance with the regulations and all other guidelines in effect at the time of inspection.

- (b) The requirements of these Rules regarding construction of drainage structures and driveway drain pipes have been satisfied;
- (c) The County Commissioner recommends acceptance of the road and a (2) year maintenance bond to the Commissioners Court.

Maintenance Bond

Once the Commissioner's Court has voted to accept the subdivision roads the owner or applicant asking for acceptance of roads, must post cash, bond or a letter of credit (a "Maintenance Bond"), with the county auditor to secure the proper construction and maintenance of the roads prior to county acceptance thereof in an amount equal to twenty-five (25%) of the construction costs of the roads, for a term of two (2) years following acceptance by the county. At the conclusion of two (2) years, the county shall assume full maintenance responsibilities, if the following requirements have been met:

- (1) A final inspection (second inspection) shall be made within thirty (30) days of lapse of the twenty-four (24) month maintenance bond after acceptance of the roadway. If no maintenance is necessary, then the bonding requirements will be deemed to have been met.
- (2) The subdivider will be notified, in writing, of any work found not in compliance with these regulations. The Commissioners Court will establish a reasonable time for correction of the defective work, and the subdivider shall make the necessary corrections within the time set, or such corrections will be made by action taken upon the performance bond.
- (3) No road will be accepted for maintenance by Erath County which contains a petroleum pipeline within the right-of-way, other than crossing pipelines.
- (4) The roads or roads in any subdivision will not be accepted for final maintenance by the Commissioners Court until all the requirements and conditions regarding road names and road signs have been complied with.

ARTICLE IX: UTILITIES

Easements

Appropriate dedication of perpetual easements for utilities must be provided where needed. Subdivision plats must be coordinated with the utility companies, as to the proper location of utility easements and such easements or reference thereto must be shown on the subdivision plat. If public sanitary sewage systems are practically accessible, proper easements shall be dedicated for access to such public systems.

Utility Lines in Rear of Homes

Utility lines which are to be above ground are preferred to be in the rear of homes or other buildings. Underground lines shall be prominently marked along the length of the lines.

County Not Liable

Erath County will not assume any liability for damage to utility lines suffered while maintaining roads.

ARTICLE X: GENERAL PROVISIONS

- A. **General** – The Commissioners Court of Erath County recognizes that there are vast differences in terrain and population density in Erath County. In instances when the Commissioners Court finds that extraordinary hardships or extreme practical difficulties will result from strict compliance with these Subdivision Development Rules and/or the purposes of these Rules may be fulfilled to a greater extent by an alternative proposal, the Commissioners Court may approve variances, or exceptions to these Rules so that substantial justice may be done and the public interest secured.

Variances may be made, provided that the variance or exception shall not have the effect of nullifying the intent and purpose of these Rules, further provided that the variance is allowed by Texas law.

- B. Evidence Required – The Commissioners Court shall not approve variances or exceptions unless it shall make finding based upon evidence presented to it in each specific case that:
1. The granting of the variance or exception will not be detrimental to the public health, safety or welfare, or injurious to other property;
 2. The conditions upon which the variance request is based are unique to the property for which the relief is sought and are not applicable generally to other property;
 3. Because of the particular physical surroundings, shape, or topographical conditions of the specific property involved, a particular hardship to the owner would result, as distinguished from a mere inconvenience, if the strict letter of these Rules is carried out.
- C. Authority – Authority to make final approval of all variances and exceptions is vested in the Commissioners Court. Request for variances shall be filed at the time of application and may be taken up at only posted meeting of Commissioners Court while the application is pending.

Severability

If any section or part of any section of these rules should be declared invalid by a court of competent jurisdiction, such declaration shall not invalidate or impair the validity or effect of any other section or part of any section of these rules.

Subdividing Lots within a Subdivision

Once a subdivision receives final approval by the Commissioners Court, no further alteration or modification of the approved plat is authorized. This provision applies to new owners within the subdivision as well as the developer.

Fire Protection

The County Fire Marshall or other firefighting expert will be consulted to determine if provision for adequate water supply for firefighting could be efficiently provided by the developer.

Lot Purchasers

A copy of the Erath County Subdivision Rules must be furnished to each purchaser of land within a subdivision by the developer.

ARTICLE XI: ENFORCEMENT, PENALTIES, AND APPEALS

- A. Category of Offense - A person commits an offense if the person knowingly or intentionally violates a requirement of these regulations, including the road design and construction specifications incorporated into these regulations, the rules of Erath County for on-site sewage facilities, and any appendices attached to these regulations. An offense under this provision is a Class B misdemeanor punishable by fine or imprisonment or both.
- B. Enforcement Actions - At the request of the Commissioners' Court, the County Attorney or other prosecuting attorney for the County may file an action in a court of competent jurisdiction to:
1. Enjoin the violation or threatened violation of a requirement established by or adopted by the Commissioners' Court under these regulations; or
 2. Recover damages in an amount adequate for the County to undertake any construction or other activity necessary to bring about compliance with a requirement established by or adopted by the Commissioners' Court under these regulations.

- C. Enforcement of Building Lines - If a structure is erected, constructed or reconstructed in violation of a building setback line established in accordance with these regulations, then the Commissioners' Court, the District or County Attorney, or an owner of real property in the County may institute an injunction, mandamus, abatement or other appropriate action to prevent, abate, remove or enjoin the unlawful erection, construction or reconstruction (see Texas Local Government Code, Chapter 233, Section 233.006).
- D. Appeal of Building and Setback Lines - An owner of property who is aggrieved by an action or order adopted by the Commissioners' Court may appeal the decision within thirty (30) days after the date adopting the action or order.

A property owner in the County who is aggrieved by a final order of the Court may appeal to the district court or to another court with proper jurisdiction, in accordance with Section 233.007 of the Texas Local Government Code.

XII: APPLICABILITY

- A. Effective Date – These Rules are effective upon the date of final approval by Commissioners Court.
- B. Date Construction Commenced – These Rules apply to any subdivision for which construction, or expansion (as defined herein), is commenced on or after the date that the original infrastructure standards were adopted by this Commissioners Court.
- C. Expansion of Existing Subdivision – These Rules are applicable to any expansion of any existing Subdivision after the original effective date of these Rules. "Expansion" includes but is not limited to any improvement concerning roads, water systems, septic systems and/or utilities and is ultimately defined at the discretion of the Commissioners Court.
- D. Applicable Outside City Limits – These Rules are applicable in Erath County outside the city limits of any incorporated city and outside the limits of the extra territorial jurisdiction (ETJ) of any incorporated city within Erath County, Texas.

XII: INTERPRETATION – CONFLICT, SEVERABILITY, SAVINGS AND AMENDMENTS

- A. Interpretation – In their interpretation and application, the provision of these Rules shall be held to be minimum requirements for the promotion of the public health, safety, and general welfare. These Rules shall be construed broadly to promote the purposes for which they are adopted.
- B. Public Provisions – These Rules are not intended to interfere with, abrogate, or annul any other County regulation, state statute, or other provision of law except as provided in these Rules. Where any provision of these Rules or any other rule or regulation or other provisions of law are in conflict, the provision which is more restrictive or imposes higher standards shall control.
- C. Private Provisions – These Rules are not intended to abrogate any easement, covenant or any other private agreement or restriction, provided that were the provisions of these Rules are more restrictive or impose higher standards or regulations than such easement, covenant, or other private agreement or restriction, the requirements of these Rules shall govern.
- D. Severability – If any part or provision of these Rules, or the application of these Rules to any person or circumstance is adjudged invalid by any court of competent jurisdiction, the judgment shall be confined in its operation to the part, provision, or application directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of these Rules or application of them to other persons or

circumstances. The Commissioners Court hereby declares that it would have enacted the remainder of these Rules, even without any such part, provision, or application which is judged to be invalid.

- E. Saving Provision – These Rules shall not be construed as abating any action now pending under or by virtue of, prior existing subdivision regulations, or as discontinuing, abating, modifying, or altering any penalty accruing or about to accrue, or as affecting the liability of any person, firm, or corporation, or as waiving the right of the State or County under any section or provision existing at the time of adoption of these Rules, or as vacating or annulling any rights obtained by any person, firm, or corporation by lawful action of the County except as shall be expressly provided for in these Rules.
- F. Amendments – For the purpose of protecting the public health, safety, and general welfare or for any other valid purpose, the Commissioners Court may, from time to time, amend these Rules at a public meeting following public notice in the manner prescribed by law.

Adopted and finally approved by unanimous vote of the Erath County Commissioners Court, in regular session, on this the 27th day of July, 2020.

Alfonso Campos, Erath County Judge

Dee Stephens, Commissioner PCT 1

Albert Ray, Commissioner PCT 2

Joe Brown, Commissioner PCT 3

Jim Buck, Commissioner PCT 4

Attest: _____
Gwinda Jones, Erath County Clerk

(Appendix A)

SUBDIVISION PLAT APPLICATION

SUBJECT PROPERTY INFORMATION	
APPLICATION DATE*:	RESUBMITTAL: ☐ YES ☐ NO
PROJECT NAME:	
PROJECT ADDRESS OR LOCATION:	
IF RESUBMITTAL, PROJECT FORMERLY KNOWN AS:	
NUMBER OF LOTS:	TOTAL ACREAGE:
JURISDICTION: ☐ COUNTY (Outside all City Limits and ETJs) ☐ Stephenville ETJ	

**This application shall expire five (5) years from the Application date if the project becomes dormant, as defined by Sec. 245.005, Texas Local Government Code, as amended. This application shall expire forty-five (45) days from the date the Application is submitted if, after proper notification, the Application remains incomplete, as defined by Sec. 245.002e, Texas Local Government Code, as amended.*

TYPE OF APPLICATION		
☐ PRELIMINARY PLAT	☐ FINAL PLAT	☐ AMENDED PLAT / REPLAT

CONTACT INFORMATION					
AGENT INFORMATION			PROPERTY OWNER INFORMATION		
FIRM NAME:			OWNER NAME:		
CONTACT:			CONTACT:		
ADDRESS:			ADDRESS:		
CITY:	STATE:	ZIP:	CITY:	STATE:	ZIP:
PHONE: ()		FAX: ()	PHONE: ()		FAX: ()
EMAIL:			EMAIL:		
DEVELOPER INFORMATION			SURVEYOR INFORMATION		
FIRM NAME:			FIRM NAME:		
CONTACT:			CONTACT:		
ADDRESS:			ADDRESS:		
CITY:	STATE:	ZIP:	CITY:	STATE:	ZIP:
PHONE: ()		FAX: ()	PHONE: ()		FAX: ()
EMAIL:			EMAIL:		
ENGINEER INFORMATION			OTHER CONTACT INFORMATION (IF DIFFERENT)		
FIRM NAME:			OWNER NAME:		
CONTACT:			CONTACT:		
ADDRESS:			ADDRESS:		
CITY:	STATE:	ZIP:	CITY:	STATE:	ZIP:
PHONE: ()		FAX: ()	PHONE: ()		FAX: ()
EMAIL:			EMAIL:		

DIGITAL FILE SUBMISSION

☐ ADOBE .pdf sent to County Judge's office at email: laurie.gillispie@co.erath.tx.us

PROPERTY OWNER CONSENT/AGENT AUTHORIZATION

By my signature, I hereby affirm that I am the property owner of record, or if the applicant is an organization or business entity, that authorization has been granted to represent the owner, organization or business in this application. I certify that the preceding information is complete and accurate, and it is understood that I agree to the development/subdivision of this property.

Signature:

Printed Name:

Date:

Signature:

Printed Name:

Date:

By signing this form, the owner of the property owner authorizes Erath County to begin proceedings in accordance with the process for this type of application indicated on page one of this application. The owner further acknowledges that submission of an application does not in any way obligate the County to approve the application and that although County staff may make certain recommendations regarding this application, the Commissioners Court may not follow that recommendation and may make a final decision that does not conform to the staff's recommendation.

CALCULATION OF FEES

See attached Fee Schedule

RECEIPT BY ERATH COUNTY CLERK (Office use only)

Date Application Received: ____ / ____ / 20____

Application Fee received by:

Fee Amount Paid \$_____

☐ Cash☐ Check #_____☐ Credit/Debit☐ Money Order

County Receipt Number _____

Note to Applicant: The submission of the application with plans, plats or drawings makes such items public record and the applicant understands that the general public may view these items.

RECEIPT BY ERATH COUNTY JUDGE'S OFFICE (Office use only)

Date Application Received: ____ / ____ / 20____

Date Application Accepted/Rejected: ____ / ____ / 20____

Signature:

Signature:

Receipt of this application by Erath County does not provide confirmation or acceptance of a complete application, nor does it waive requirements for any additional information not contained as part of this application which may also be needed as a part of the review process.

(Appendix B)
FEE SCHEDULE

Development Application	Application Fee
Conventional OSSF Permit	\$310.00
Aerobic OSSF Permit	\$310.00
Subdivision Fees:	
1-5 lots in subdivision	\$350.00 + \$10.00 per lot
6-10 lots in subdivision	\$450.00 + \$10.00 per lot
11 + lots in subdivision	\$650.00 + \$10.00 per lot
Cancellation of Subdivision	\$200.00
Variance Request	\$150.00 per Variance
Infrastructure Development Plan (Rural Development Rules)	\$300.00

(Appendix C)
BOND FORMS

PERFORMANCE BOND

KNOW ALL MEN BY THESE PRESENTS

THAT _____ (hereinafter called "Obligor"), and _____ (hereinafter called "Surety"), a corporation authorized under the laws of the State of Texas to act as Surety, are held and firmly bound unto the County of Erath, State of Texas, through its County Judge, or his successor in office, (hereinafter called "Obligee") in the full and just sum of _____ Dollars (\$_____), lawful money of the United States, for the payment whereof Obligor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, said Obligor is required by the Erath County Subdivision and Development Regulations, under the authority granted by the laws of the State of Texas, to file a bond with the Erath County Judge in the amount of 100% of the estimated construction cost of constructing such roadways and drainage facilities within a certain subdivision to be known as _____ as platted by Obligor.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, the owners of the tract of land to be subdivided will construct all roadways and drainage facilities within such subdivision in accordance with the specifications promulgated by and within one year from date of which final plat is approved by Commissioners' Court. If Obligor has not completed the improvement within one year this bond may be extended an additional one(1) year, if it can be demonstrated by Obligor to Commissioners' Court that a good faith effort is being made to complete the required improvements. In the event the required improvements are not completed within the time allowed then the Commissioners' Court can complete the improvements and request reimbursement funds from the Obligor or Surety without requiring approval of the Obligor. This bond shall remain in force and in effect until all roads, streets, drainage and drainage structures in the subdivision have been completed and approved by the Erath County Road Operations Department, and the bond has been released by a Court Order from the Commissioners' Court.

No right of action shall accrue on this bond to or for the use, of any person or corporation other than the Commissioners' Court herein named or successors of Commissioners' Court.

SIGNED and SEALED this ____ day of _____, 20____, in the presence of _____ (Witness)

By: _____ (Obligor)

By: _____ (Surety)

MAINTENANCE BOND

KNOW ALL MEN BY THESE PRESENTS

THAT _____, (hereinafter called "Obligor"), and _____, (hereinafter called "Surety"), a corporation authorized under the laws of the State of Texas to act as Surety, are held and firmly bound unto the County of Erath, State of Texas, through its County Judge, or her successor in office, (hereinafter called "Obligee"), in the full and just sum of _____ Dollars (\$_____), lawful money of the United States, to the payment of which sum, will and truly to be made, the Obligor and Surety bind themselves, their and each of their heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Obligor has constructed the roads and drainage improvements in a certain subdivision located in Erath County, Texas and outside the limits of an incorporated city or town, said subdivision to be known as _____, and

WHEREAS, the Erath County Subdivision and Development Regulations requires that the Obligor shall furnish a bond conditioned to guarantee for a period of two (2) years after acceptance of the required improvements, by the Obligee, against all defects in workmanship and materials which may become apparent during said period. Said period to be from _____ to _____.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that, if the Obligor shall indemnify the Obligee for all loss the Obligee may sustain by reason of any defective materials or workmanship which become apparent during the two (2) year period, then this obligation shall be void, otherwise to remain in full force and effect. If any defective materials or workmanship is not corrected by the end of the aforesaid period by the Obligor, then the Obligee may complete required work and be reimbursed by the Obligor or Surety.

SIGNED and SEALED this _____ day of _____ 20____, in the presence of _____ (Witness)

By: _____ (Obligor)

By: _____ (Surety)

ERATH COUNTY SUBDIVISION CHECKLIST

The following items must be provided to the County Judge's Office with each Plat Application.

Name of Subdivision: _____

Date Submitted: _____ Contact Name: _____

Telephone No.: _____ Email address: _____

INFORMATION SUBMITTED BY PROPERTY OWNER WITH PLAT APPLICATION

- ☐ 3 Copies of Plat for review and one digital copy in pdf format. The Plat shall be shown on a single sheet (additional detail sheets okay to show all required information)
- ☐ Verification from County Clerk to insure proposed subdivision name is not duplicated.
- ☐ ETJ Statement from City of Stephenville (if development is within the ETJ)
- ☐ Completed and Signed Plat Application Form.
- ☐ Application Fee Receipt from County Clerk.
- ☐ Copy of Deed – current owner
- ☐ Engineering drainage plan.
- ☐ Consultation verification from licensed sanitarian.
- ☐ Verification letter from Middle Trinity Ground Water District.
- ☐ Verification letter from utility providers.
- ☐ Verification letter with 911 addressing.
- ☐ Verification Letter from Post Office.
- ☐ Texas Department of Transportation approval. (Lots with State/U.S. highway access.)
- ☐ Drainage Engineer Certification.

INFORMATION ON PLAT - SURVEYOR PROVIDES THIS ON THE MYLAR

- ☐ One Mylar and three copies of the plat. All copies shall have "Final Plat" placed on the face.
- ☐ The title under which proposed subdivision is to be recorded.
- ☐ Land Owner Dedication and Land Owner Notary
- ☐ Name and address of the owner with the name of the Land Planner, Licensed Land Surveyor or Registered Professional Engineer platting the tract.
- ☐ Flood Plain Statement
- ☐ Ground Water certification or statement
- ☐ Registered Public Surveyor or Licensed Land Surveyor name and stamp on each page.
- ☐ Legal Description
- ☐ Lien Holder
- ☐ Distance and direction to the nearest State or U.S. Highway.
- ☐ Linear Feet
- ☐ Location and widths of all roads.
- ☐ North Marker
- ☐ Scale (1" = 200')
- ☐ Utility Easements
- ☐ Vicinity Map
- ☐ Developer Information
- ☐ Water Source

INFORMATION SUBMITTED BY PROPERTY OWNER FOR FINAL HEARING

- ☐ One Mylar and three copies of plat and one digital copy in pdf format. All copies shall have "Final Plat" placed on the face and must be signed and notarized.
- ☐ Certified Paid Tax Certificate from Erath County Tax Assessor/Collector.
- ☐ Certificate of Compliance from Commissioner
- ☐ Drainage Engineer Certification
- ☐ Performance Bond or Construction Letter of Credit.

Section II - Rural Development Rules of Erath County

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SECTION II - RURAL DEVELOPMENT RULES OF ERATH COUNTY, TEXAS

(Revised and Adopted: July 27, 2020)

SECTION II, ARTICLE I: AUTHORITY, PURPOSE & SCOPE

The Erath County Commissioners Court, for purposes of clarity and brevity, hereby adopts the title of "Rural Development Rules" to replace the previous title of this document: "Order . . . for Manufactured Home Rental Communities." The Court intends by the term "Rural Development" to include not only Manufactured Home Rental Community, as that term is defined below. Note: The Erath County Commissioners Court hereby retains the power and right to further define the term "Rural Development" and to decide, on a case-by-case basis, whether or not these Rules apply to any particular development within the Commissioners Court's jurisdiction.

The Erath County Commissioners Court further finds that minimum infrastructure standards for Rural Development, including Manufactured Home Rental Communities, are necessary:

- To promote public health and safety;
- To provide adequate emergency access;
- To provide for orderly growth within the County; and
- To ensure that the ultimate tenants or residents of any Rural Development have adequate access, proper utilities and other health and safety assurances.

SECTION II, ART. II: DEFINITIONS

"Manufactured Home" means any manufactured home or mobile home manufactured to the code or specifications of the federal Department of Housing and Urban Development, and/or any residence as defined by the Texas Manufactured Housing Standards Act, used collectively, the term "Manufactured Home" refers to both manufactured homes and mobile homes.

"Manufactured Home Rental Community" shall mean: A plot or tract of land that is separated into two or more spaces or lots that are rented, leased, or offered for rent or lease, for a term of less than sixty (60) months without a purchase option, for the installation of manufactured homes for use and occupancy as residences, and as defined in §232.007, Local Government Code, VTCA.

"Manufactured Home Subdivision" means a Manufactured Home Community in which two or more of the spaces or lots are to be sold or offered for sale. Unless exempted by some provision of state law, Manufactured Home Subdivisions are "subdivisions" within the meaning of the Erath County Subdivision Rules and Regulations.

"Owner" shall mean the Owner of a proposed Manufactured Home Rental Community or the Owner's designated representative.

"Sale" shall be construed to include any and all transactions in which legal, beneficial, or equitable ownership of the space or lot is transferred to another. It is immaterial whether such transfer occurs by deed, contract of sale, option contract, lease-purchase, long term ground lease, or any other method. Without limitation to the foregoing, "sale" includes both (1) any rental or lease agreement for a term of 60 months or more and (2) any rental or lease agreement with a purchase option.

SECTION II, ART. III: PROCEDURES FOR RURAL DEVELOPMENT

For the purposes of these Rules, "owner" shall mean the owner of a proposed area of Rural Development, including a Manufactured Home Rental Community, or said owner's designated representative. On or after the effective date of these Rules, all owners of proposed Rural Development, *except those set out in Part III of these Rules*, shall submit a Rural Infrastructure Development Plan to the Erath County Commissioners Court which complies with the minimum infrastructure development standards adopted by this Commissioners Court.

On Site Assessment – The developer will consult at the proposed development site informally with the Commissioner in whose precinct said developer is working to give an overview of the proposed Rural Development.

Pre-Application Meeting - The developer will consult informally with the Commissioners Court prior to preparing a rural Infrastructure Development Plan and before formal application for its approval in order to save time and money. The Rural Development packet will be handed to the developer and the process and requirements will be reviewed.

Formal Presentation of Plan – A Rural Infrastructure Development Plan shall be submitted by filing an application together with a copy of the proposed Rural Infrastructure Development Plan with the Erath County Clerk.

PRELIMINARY PLAN FOR RURAL DEVELOPMENT

Requirements of the Preliminary Plan for Rural Development

Each application for a preliminary plan or final plan shall be submitted to the Erath County Clerk at least thirty (30) days, and no more than sixty (60) days, prior to the desired Commissioners Court meeting, and said application shall be accompanied by the following information and materials:

- (a) Three (3) copies or prints of the proposed rural development drawn on a sheet maximum size of 24 inches by 36 inches and drawn to a scale of 100 feet to the inch (1-inch equals 100 feet) shall be submitted in the number specified herein above. In case of large developments which would exceed the dimensions of the sheet of 100-foot scale, preliminary plans may be 200 feet to the inch (1-inch equals 200 feet).
- (b) Boundary lines, bearing and distances sufficient to locate the exact area proposed for the rural development and shall identify the rural development with respect to an original corner of the original survey of which it is a part, and distance and direction to the nearest State or U.S. Highway. All corners are to be marked with a permanent marker stamped with the name of the surveyor.
- (c) The name and location of all adjoining subdivisions or rural developments shall be drawn to the same scale and shown in dotted lines adjacent to the tract proposed for Rural Development in sufficient detail to show accurately the existing roads and other features that may influence the layout of development of proposed rural development. Adjacent unplanted land shall be so designated.
- (d) The location, widths and length of all roads and ways existing or proposed within the Rural Development limits. In case of easements, a written statement as to the easement use shall be included on the plan.
- (e) The location of all existing property lines, buildings, sewers, or water mains, gas mains, or other underground structures, easements or other existing features within the area proposed for rural development.
- (f) Proposed arrangement of buildings and measurements between them.
- (g) The title under which the proposed Rural Development is to be recorded, the name and address of the owner with the name of the Land Planner, Licensed Land Surveyor or Registered Professional Engineer platting the tract.
- (h) Sites, if any, to be reserved or dedicated for parks, playgrounds, or other public uses.
- (i) Scale, North arrow, date and other pertinent data.

- (j) Contours with intervals of five feet (5') or less shall be shown for the area. All elevations on the contour map shall be referenced to the latest U.S.C. and G.S. data.
- (k) All physical features of the property, including location and size of all water courses, ravines, bridges, culverts, existing structures, and other features pertinent to the Rural Development. The outline of wooded areas or the location of important individual trees may be required.
- (l) If the Rural Development does not intake all of the property owned by the developer a division line should be drawn differentiating property usage for roll back purposes.
- (m) The Rural Infrastructure Development Plan shall also include a written narrative which provides explanation as to how the owner proposes to satisfy the various requirements of the Rural Infrastructure Development Plan and these Rules.
- (n) Consultation verification by licensed sanitarian.
- (o) Rural Development should have a drainage plan. An engineering drainage plan shall be submitted with the plan unless waived by the Commissioners Court. The engineering drainage plan shall be prepared by a registered professional engineer for the State of Texas and qualified in the field of storm run-off and drainage design. The drainage study will show the width of the right-of-way required to provide property drainage ditches and structures in order to properly dispose of the expected storm flow run-off. A typical cross section of the road and drainage ditches shall be provided in the report.
- (p) Consultation verification with Middle Trinity Groundwater Conservation District.
- (q) Lots with access to State or U.S. highways must have the approval of Texas Department of Transportation.
- (r) Consultation with utility provider.
- (s) Consultation with utility provider
- (t) Consultation with 911 addressing

Further, in order for said Rural Infrastructure Development Plan to be considered for acceptance and filing by the Erath County Clerk, said plan must contain thereon the following statement verbatim:

"Note: This plan is for the location of rental spaces only. It is not intended to be used to convey real property to any party or, particularly, to convey title to the streets and any other improvements to Erath County, Texas. The owner of the present property hereby acknowledges that this plan does not meet Erath County's requirements for a Subdivision per se but does meet Erath County's requirements for and comply with Erath County's Rural Development Rules."

Designated County Official – Erath County designates the Erath County Commissioners Court as that entity responsible for approval or rejection of the Rural Infrastructure Development Plan. During review of the Plan, the Erath County Commissioners Court shall, if deemed necessary by the Court, consult with the County Attorney and the County Sanitation Director.

Time Limits for Approval – Not later than the 60th day after the date the owner of a proposed Rural Development submits a Rural Infrastructure Development Plan, the Plan shall be approved or rejected by the Erath County Commissioners Court. The Erath County Commissioners Court shall notify the applicant of its determination in writing. If the plan is rejected, the Erath County Commissioners Court shall specify the reasons for the rejection in his written determination.

Approval – Failure to reject a Rural Infrastructure Development Plan by the Erath County Commissioners Court within the 60 (sixty) days constitutes approval of the plan.

Expiration

1. Approval of a preliminary plan shall expire and be of no further force and effect within twelve (12) months following the date the Commissioners' Court approves the preliminary plan, unless a final plan is approved for all or part of the preliminary plan within that time period.
2. In the case of a multi-phase rural development, where phases are depicted on the approved preliminary plan, approval of a final plan for a phase shall extend the expiration date for the remaining portion of the original preliminary plan for a period of not more than six (6) months after the date of approval of the final plan. Approval of a subsequent final plan within such period shall extend the expiration date for the portion of the original preliminary plan for which no final plans have been approved for an additional six (6) months from the date of approval of such plan.
3. Each extension period for the expiration of the original preliminary plan runs from the date of the latest final plan approval; extension periods are not cumulative. If a final plan is not approved during the extension period, the original preliminary plan, together with any unapproved final plan applications or expired final plans, expires.
4. The filing of a revised preliminary plan after approval of the original preliminary plan but prior to final plan approval shall cause the prior preliminary plan to expire immediately. If a phase of the development already has received final plan approval, the Developer shall submit a revised preliminary plan for all phases of the rural development that have not received final plan approval. In either case, all regulations in effect on the date of filing of the revised preliminary plan shall be applied to the new plan application.

Construction Prohibited without Approved Plan – Construction of any proposed Rural Development may not begin before the Erath County Commissioners Court approves the proposed Rural Infrastructure Development Plan.

Performance Bond - The county shall require bonding or a letter of credit in relation to the construction of public improvements. Performance bonds are required of all owners as set forth below.

1) Performance Bond

- (a) The owner or owners of any tract of land to be developed shall give a good and sufficient bond for the proper construction of the roads and drainage facilities in all rural developments. Such bond may be either a performance bond executed by a surety company authorized to do business in the State of Texas, or an irrevocable letter of credit from an acceptable Texas bank.
- (b) Such performance bond or letter of credit shall be made payable to "Erath County Judge or his/her successors in office," conditioned that the owner or owners shall subdivide any such tract of land and all improvements shall be constructed in accordance with these Regulations.
- (c) The performance bond or letter of credit shall be in an amount equal to the actual cost or contract amount of constructing such roads and drainage facilities.
- (d) The performance bond or letter of credit, in an amount as established herein, shall be presented to the Commissioners Court when the final rural development plan is presented to the court for approval. The county's auditor or county judge must approve, in writing, the form of said bond or letter prior to the date of submission to the Commissioners Court. No rural development plan or plan will be approved by the Commissioners Court without being accompanied by a performance bond or letter of credit meeting the requirements of this section.

- (e) The performance bond or letter of credit shall go into effect on the day the final rural development plan receives county approval. Bond must remain in full force and effect until after all roads and all associated drainage improvements in the rural development have been completed and have been accepted by the county in accordance with these regulations as certified by the Commissioners Court.
- (f) When the owner or owners of any tract of land to be subdivided has or have finished construction all of these roads and drainage facilities in said rural development in accordance with these regulations, the owner or owners shall give written notice of this fact to the Commissioners Court by giving notice to the County Judge.
- (g) Before release of the performance bond, three County Commissioners shall inspect the roads and the owner shall remedy all deficiencies prior to release of the security. If the deficiencies are not properly remedied, the county shall draw on the security to make the necessary repairs.

See Appendix C: Performance Bond.

FINAL AND RECORDED PLAN FOR RURAL DEVELOPMENT

Application for Final and Recorded Plan

An application for approval of a final and recorded plan shall include the following:

- (a) Engineer Certification - All of the drainage plans and specifications of the drainage improvements contained in the Developer's application to Commissioners' Court shall be prepared by a Texas Registered Professional Engineer and all of the drainage improvements contained in the application shall be built under the supervision of such Engineer. Such Engineer shall certify in writing to the Commissioner's Court that as each segment or phase is completed, that such segment or phase has been built true and correct in accordance with the submitted plans and specifications and that the same was built under his supervision. This written certification shall be signed and sealed by such Engineer. All of the expenses of such engineering shall be paid for by the Developer.
- (b) Final Inspection - A final inspection of any proposed rural development infrastructure upon its completion is required. Final inspection shall be made by two (2) Commissioners, i.e., the Commissioner in whose precinct the development is situated as well as one other Commissioner to be appointed by the County Judge. Final inspection shall be made prior to the Commissioners Court's approval and issuance of a Certificate of Compliance. Said Commissioners shall make the final inspection not later than the second business day after the Erath County Commissioners Court receives written confirmation of completion from owner.
- (c) Certificate of Compliance by Commissioners Court - If the Erath County Commissioners Court determines that the Preliminary Plan has been properly carried out, the Commissioners Court shall issue a Certificate of Compliance within five (5) business days after the final inspection is completed. The Commissioners Court may delegate issuance of the Certificate of Compliance to the County Judge's office.
- (d) Corrective Action if Construction Not Approved - If the Erath County Commissioners Court determines that the development has not been properly carried out, then the owner shall be advised in writing and shall have thirty (30) days from the date of notification to make the required corrections or to perform the additional work required. On completion of the corrective work, the owner shall again follow the procedures set out in Section I, of this Order, before the owner is eligible to receive a Certificate of Compliance.
- (e) The owner or owners of any tract of land to be developed shall give a good and sufficient bond for the proper construction of the roads and drainage facilities in all developments
- (f) Standards for Approval.

The Commissioners Court shall approve a final plan if it satisfies the following standards:

- (a) The plan is consistent with the approved preliminary plan;
- (b) The plan conforms to each of the requirements contained in these Regulations
- (g) After being considered at a meeting of the Commissioners Court, with a quorum being present, the final plan shall be acted upon by the Court. If the final plan is approved by order of the Court, then the County Judge shall sign the plan and shall so state the date of approval. The following certification shall be provided on the final plan:

"I hereby certify that this plan was approved this _____ day of _____, 20____, by the Erath County Commissioners Court, and maybe filed for record in the Plan Records of Erath County by the County Clerk.

County Judge"

SECTION II, ART. IV: PROCEDURES FOR RURAL DEVELOPMENT MINIMUM STANDARDS FOR PLANS: ROADS/STREETS, WATER DRAINAGE, SEWAGE DISPOSAL SYSTEMS, AND UTILITIES; PARTICULAR RULES FOR RV PARKS

Erath County hereby adopts the following minimum standards for Rural Development Infrastructure and for any Rural Infrastructure Development Plan.

ROADS

Also see "Road Construction Standards" on Page 15.

Required Streets and Roadway

A. All streets within a manufactured home rental community shall be classified as private streets to be maintained by an approved maintenance entity, unless the Commissioners' Court determines that the public health, safety or general welfare requires dedication of the street to the public.

B. A proposed infrastructure development plan shall satisfy the requirements of these Regulations relating to the provision of rights-of-way for, design of, and construction of roadways, and shall contain a written certification from a registered professional civil engineer or surveyor that the locations and dimensions of roadways, as set forth and laid out in the development plan, are in accordance with these Regulations.

Roadway Layout

A. Internal streets shall be so laid out that their use by through traffic will be discouraged, but access may be provided to adjacent development.

B. The manufactured home rental community shall provide at least one point of access to an arterial or collector street and shall provide no less than one (1) entrance for each seventy-five (75) lots, including stubs for future development or connection to an existing major collector or arterial.

C. The Commissioners' Court may require gates and/or warning devices at all road crossings where a storm event is anticipated to flow over the road surface

Design Criteria and Construction Standards for Streets

A. Proposed streets must conform to existing topography, as nearly as possible, in order that drainage problems may be reduced and/or avoided. Streets should, whenever possible, follow valleys or depressions so as to form a collection system for surface water.

B. The classification and construction standards for all public or private streets shall be determined according to the average daily traffic anticipated for the streets. The standards for paved streets are summarized on Table attached hereto. All streets shall be constructed in accordance with the Standards of Erath County attached hereto and the "Standard Specifications for Public Works Construction," published by the NCTCOG, as may be amended.

C. **Street (Block) Length.** The maximum length of any block or street segment shall be one thousand eight hundred feet (1,800'), as measured along the street centerline from the point(s) of intersection with other through (i.e., not dead-end or cul-de-sac) streets.

D. **Cul-De-Sacs.** A street ending in a cul-de-sac shall not be longer than six hundred feet (600'), as measured from the centerline of the intersecting street to the center point of the bulb, and shall have a properly designed turnaround at the closed end. If a central water system exists, with properly placed fire hydrants, then the turnaround shall have a minimum outside roadway (i.e., pavement) diameter of at least eighty (80'), and a minimum bulb right-of-way diameter of at least one hundred feet (100'). If no central water system exists, then the turnaround shall have a minimum outside roadway (i.e., pavement) diameter of at least one hundred feet (100'), and a minimum bulb right-of-way diameter of at least one hundred and twenty feet (120'). Dead end streets are prohibited.

Street Names and Signs

1. Street Names and Numbers

New streets and roads in Manufactured Home Rental Communities shall be names so as to provide continuity of names with existing streets and so as to prevent conflict with identical or similar street and road names in other parts of Erath County. All street names shall be approved by Erath County Commissioner's Court. Roads or streets which are a continuation of any existing road or street shall take the name of the existing road or street.

2. Street and Road Numbers/Names Required

The Developer shall install street or road name signs at all intersections in the Manufactured Home Rental Community. The proper installation of these signs is a part of the required construction standards of Erath County. Final approval of the construction will not be given by the Erath Commissioners Court until all signs are installed.

Mailboxes

1. Mailboxes shall be set at least one foot (1'), but no more than three feet (3'), back from the curb, paving edge, or shoulder area of the permitted street upon which the property is addressed.

2. All mailboxes within County rights-of-way shall meet current TxDOT standards if the speed limit on the County road is more than 40 miles per hour. Mailboxes in a development with speed limits at or below 40 miles per hour must meet U.S. Post Office requirements, and must be placed in a manner that does not interfere with the efficient movement of traffic or with visibility from driveways, side streets, and other access points.

3. All mailboxes along arterials shall be of a "break-away" type design (this type of design is also encouraged along collector and local streets). Clustering of mailboxes is greatly encouraged.

SECTION II, ART. V: WATER DRAINAGE

Lots and Private Property - Lots and private property shall be graded so that surface drainage from said property shall be taken to roads or drainage courses as directly as possible. Drainage water from roads shall be taken to defined drainage courses.

Roads without Curbs and Gutters - All roads without curbs and gutters shall have drainage ditches adjacent to and running parallel to said roads or roads. Said drainage ditches shall have minimum depth of twelve (12") inches below the level of the sub grade.

Permanent Drainage Structures - Permanent drainage structures, including but not limited to culverts, pipes, drainage boxes and bridges, shall be installed at all crossings of drainage courses, including drainage ditches with driveways and roads.

Types of Permanent Drainage Structures - The exact dimensions and type of permanent drainage structures including culverts, pipes, drainage boxes, and bridges shall be established for each development by the Commissioners Court in its order granting or denying preliminary authorization of a development plan.

Driveway Drain Pipes - Placement of driveway drain pipes and drain structures shall be made at the expense of the owner or developer upon receipt of a written approval of the County Precinct Commissioner prior to installation. No driveway drain pipe will be accepted unless it has a minimum drainage of fifteen inches (15") in diameter and a minimum length of twenty-two feet (22') if ends are concreted, however, the placement, length and diameter of a drain pipe must be inspected and approved by a County Commissioner prior to installation and it is within the Commissioner's discretion to alter the required size, length and placement if deemed necessary. Larger drain pipes shall be installed if necessary to handle drainage based upon a ten-year flow frequency. An easement shall be required from any affected property owner or owners when the natural flow of water is changed.

Embankments - All roadways subject to flooding and high waters and all roadway crossing streams must have reinforced embankments to prevent erosion of said embankments, as approved by the precinct Commissioner.

Permanent Obstacles - Permanent obstacle, such as concrete or rock retards, shall be installed on the sloping sides of drainage ditches and drainage courses to prevent erosion where specifically designated by the Commissioners Court in its order granting or denying preliminary authorization to the development plan.

Open Drainage Channels and Ditches - Open drainage channels and ditches shall be constructed with a proper cross-slope grade and an alignment which will facilitate proper functioning without destructive velocities of drainage waters.

Drainage Easements - All drainage easements in the land being authorized for development must be of adequate width, as determined by the Commissioners Court in its order granting or denying authorization of a development plan, to permit drainage and flood control for all land whose natural drainage runs through the property being authorized for development.

Drainage Plan

An engineering 20-year flood drainage plan shall be submitted with the preliminary plan unless waived by the Commissioners Court. The engineering drainage plan shall be prepared by a registered professional engineer for the State of Texas and qualified in the field of storm run-off and drainage design. The drainage study will show the width of the right-of-way required to provide property drainage ditches and structures in order to properly dispose of the expected storm flow run-off. A typical cross section of the road and drainage ditches shall be provided in the report.

Maximum Road Grades - Grades of roads shall be a maximum of twelve percent (12%). Exceptions to this rule may be granted by Commissioner's Court.

Backfill of Pipe - All pipe shall be backfilled at six-inch (6") lifts and tamped with air tamp, with water as needed.

SECTION II, ART. VI: SEWAGE DISPOSAL SYSTEMS

A licensed sanitarian must review and approve the plan to assure that all County sanitation rules and regulations can be met.

Soil Analysis - If a State-approved disposal sewage system is not provided, the subdivider will have soil tests made in accordance with applicable Erath County and State regulations then in effect for installation of private sewage facilities so that a minimum of ten percent (10%) of the proposed tracts or lots have been approved by a licensed sanitarian.

Lot Adequate Sizes to Meet Sanitation Requirements - All development lots that have individual septic systems shall contain a minimum of 43,560 square feet (i.e., one (1) acre) for those with community water system and a minimum of 87,120 square feet (i.e., two (2) acres) for those without a community water system. It must be noted that size alone does not assure sanitation requirement can be met. The developer or owner shall ascertain and certify that an acceptable septic tank with a proper drain field can be installed on each tract planted or offered for sale, unless public sanitary sewer collection facilities are made available to the site. A licensed sanitarian may be contacted for the specifications. All developments using a state permitted and approved sewage disposal system must meet all state requirements as to lot size. The owners or developer must ascertain and certify that lot sizes within the development meet all state requirements.

All Habitable Structures Must Have Approved Sewage Systems - All habitable structures shall be connected to septic tanks or sewer systems conforming to the regulations and recommendations of the State and Erath County. Septic tanks shall meet State and County regulations and must be inspected by a licensed sanitarian, a licensed professional engineer or a designated agent of the T.C.E.Q. before, during, and after construction.
[Note: Only one (1) habitable structure shall be connected to a single septic system.]

Additionally, the planning materials for an on-site sewage facility to be submitted for approval by the permitting authority shall be prepared by a professional engineer or professional sanitarian and shall include an overall site plan, topographic map, 100-year floodplain map, soil survey, location of water wells, locations of easements and a complete report detailing the types of on-site sewage facilities to be considered and their compatibility with area-wide drainage and groundwater. A comprehensive drainage plan shall also be included in these planning materials.

Outdoor Toilets or Cesspools Prohibited - There will be no outdoor toilets or cesspools within any development.

All Sewage Disposal Regulations of Erath County, Texas, Must Be Met, With No Exceptions

SECTION II, ART. VII: UTILITIES

Easements - The Owner of the Manufactured Home Rental Community shall coordinate with utility service provider to determine the locations and widths of required easements. Evidence of such coordination will be required as a condition of approval of the Rural Development Infrastructure Plan and the issuance of a Certificate of Compliance. A Rural Development Infrastructure Plan shall not be approved until the Owner has obtained a satisfactory agreement with utility service providers regarding the utility easements. At a minimum, utility service companies, which must be consulted, include electric service, telephone service and any water or wastewater district or other water utility, which has jurisdiction.

Utility Lines in Rear of Homes - Utility lines which are to be above ground are preferred to be in the rear of homes or other buildings. Underground lines shall be prominently marked along the length of the lines.

County Not Liable - Erath County will not assume any liability for damage to utility lines suffered while maintaining roads.

SECTION II, ART. VIII: RV PARKS

Rules and Regulations Particular to RV Parks – Additionally, Erath County hereby adopts the following Rules and Regulations applicable specifically and only to Recreational Vehicle (RV) Parks, said Rules and Regulations being promulgated in furtherance of the public's safety:

1. Ingress and Egress: Each RV Park shall have a separate entrance- and exit-roadway, each of which shall not be less than 28 (twenty-eight) feet wide from flow line to flow line. No overhead obstructions shall be allowed at such entrances and exits. Minimum obstruction height on the RV Park's interior roads shall be 15 (fifteen) feet. No entrance or exit from any

RV Park shall be permitted through or allow movement through a residential district or subdivision.

2. **Address Signage:** RV Parks shall have designated 911-addressing posted in minimum six (6) contrasting lettering visible from the roadway. Each individual RV Park spaces shall have a designated signage posted in contrasting letters with a minimum size of four (4) inches at each space clearly visible from the adjoining road.
3. **Minimum spacing:** The minimum distance between each parked recreational vehicle shall be twenty (20) feet. Foldouts and slide length shall be included in determining spacing.
4. **Parking:** Off-road parking allotment shall be included in the site plan. No parking of vehicles shall be allowed in park-access roadways.
5. **Setback:** A minimum of ten (10) feet of setback shall be allowed between RV parking and any outbuilding or adjacent property.
6. **Fire Prevention and Protection:** No outdoor fires shall be allowed except in grills, ovens, stoves or park-provided fire boxes designed for the specific use of food preparation. LP gas, fuel oil, gasoline and other flammable liquids shall not be stored inside or beneath any vehicle. LP tanks shall be limited to 100-pound size or less. Storage buildings, lean-to's, or outside storage shall not be allowed at individual RV sites.
7. **Flammable Material:** Trees, brush, grass, trash bins and landscaping shall be kept neat, clean and in accordance with accepted NFPA fire-safety guidelines.
8. **Fire Extinguishers:** Twenty-pound class ABC fire extinguisher must be mounted, tagged, and located at or inside an office-area that is accessible by the public. Extinguisher shall be subject to annual inspection by a Texas State Fire Marshal licensed service company.

SECTION II, ART. IX: VARIANCES AND EXCEPTIONS

- A. **General** – The Commissioners Court of Erath County recognizes that there are vast differences in terrain and population density in Erath County. In instances when the Commissioners Court finds that extraordinary hardships or extreme practical difficulties will result from strict compliance with these Rural Development Rules and/or the purposes of these Rules may be fulfilled to a greater extent by an alternative proposal, the Commissioners Court may approve variances, or exceptions to these Rules so that substantial justice may be done and the public interest secured. Variances may be made, provided that the variance or exception shall not have the effect of nullifying the intent and purpose of these Rules, further provided that the variance is allowed by Texas law.
- B. **Evidence Required** – The Commissioners Court shall not approve variances or exceptions unless it shall make finding based upon evidence presented to it in each specific case that:
 1. The granting of the variance or exception will not be detrimental to the public health, safety or welfare, or injurious to other property;
 2. The conditions upon which the variance request is based are unique to the property for which the relief is sought and are not applicable generally to other property;
 3. Because of the particular physical surroundings, shape, or topographical conditions of the specific property involved, a particular hardship to the owner would result, as distinguished from a mere inconvenience, if the strict letter of these Rules is carried out.
- C. **Authority** – Authority to make final approval of all variances and exceptions is vested in the Commissioners Court. Request for variances shall be filed at the time of application and may be taken up at only posted meeting of Commissioners Court while the application is pending.

SECTION II, ART. X: ENFORCEMENT; PENALTIES; APPEALS

- A. **Category of Offense.**

A person commits an offense if the person knowingly or intentionally violates a requirement of these regulations, including the road design and construction specifications incorporated into these regulations, the rules of Erath County for on-site sewage facilities, and any appendices attached to these regulations. An offense under this provision is a Class B misdemeanor punishable by fine or imprisonment or both.

B. Enforcement Actions.

At the request of the Commissioners' Court, the County Attorney or other prosecuting attorney for the County may file an action in a court of competent jurisdiction to:

1. Enjoin the violation or threatened violation of a requirement established by or adopted by the Commissioners' Court under these regulations; or
2. Recover damages in an amount adequate for the County to undertake any construction or other activity necessary to bring about compliance with a requirement established by or adopted by the Commissioners' Court under these regulations.

C. Enforcement of Building Lines.

If a structure is erected, constructed or reconstructed in violation of a building setback line established in accordance with these regulations, then the Commissioners' Court, the District or County Attorney, or an owner of real property in the County may institute an injunction, mandamus, abatement or other appropriate action to prevent, abate, remove or enjoin the unlawful erection, construction or reconstruction (see Texas Local Government Code, Chapter 233, Section 233.006).

D. Appeal of Building and Setback Lines.

An owner of property who is aggrieved by an action or order adopted by the Commissioners' Court may appeal the decision within thirty (30) days after the date adopting the action or order.

A property owner in the County who is aggrieved by a final order of the Court may appeal to the district court or to another court with proper jurisdiction, in accordance with Section 233.007 of the Texas Local Government Code.

SECTION II, ART. XI: APPLICABILITY

- E. Effective Date – These Rules are effective upon the date of final approval by Commissioners Court.
- F. Date Construction Commenced – These Rules apply to any Rural Development for which construction, or expansion (as defined herein), is commenced on or after the date that the original infrastructure standards were adopted by this Commissioners Court.
- G. Expansion of Existing Areas of Rural Development – These Rules are applicable to any expansion of any existing Rural Development after the original effective date of these Rules. "Expansion" includes but is not limited to any improvement concerning roads, water systems, septic systems and/or utilities and is ultimately defined at the discretion of the Commissioners Court.
- H. Applicable Outside City Limits – These Rules are applicable in Erath County outside the city limits of any incorporated city.

**SECTION II, ART. XII: INTERPRETATION – CONFLICT, SEVERABILITY,
SAVINGS AND AMENDMENTS**

- G. Interpretation – In their interpretation and application, the provision of these Rules shall be held to be minimum requirements for the promotion of the public health, safety, and general welfare. These Rules shall be construed broadly to promote the purposes for which they are adopted.
- H. Public Provisions – These Rules are not intended to interfere with, abrogate, or annul any other County regulation, state statute, or other provision of law except as provided in these Rules. Where any provision of these Rules or any other rule or regulation or other provisions of law are in conflict, the provision which is more restrictive or imposes higher standards shall control.
- I. Private Provisions – These Rules are not intended to abrogate any easement, covenant or any other private agreement or restriction, provided that were the provisions of these Rules are more restrictive or impose higher standards or regulations than such easement, covenant, or other private agreement or restriction, the requirements of these Rules shall govern.
- J. Severability – If any part or provision of these Rules, or the application of these Rules to any person or circumstance is adjudged invalid by any court of competent jurisdiction, the judgment shall be confined in its operation to the part, provision, or application directly involved in the controversy in which such judgment shall have been rendered and shall not affect or impair the validity of the remainder of these Rules or application of them to other persons or circumstances. The Commissioners Court hereby declares that it would have enacted the remainder of these Rules, even without any such part, provision, or application which is judged to be invalid.
- K. Saving Provision – These Rules shall not be construed as abating any action now pending under or by virtue of, prior existing development regulations, or as discontinuing, abating, modifying, or altering any penalty accruing or about to accrue, or as affecting the liability of any person, firm, or corporation, or as waiving the right of the State or County under any section or provision existing at the time of adoption of these Rules, or as vacating or annulling any rights obtained by any person, firm, or corporation by lawful action of the County except as shall be expressly provided for in these Rules.
- L. Amendments – For the purpose of protecting the public health, safety, and general welfare or for any other valid purpose, the Commissioners Court may, from time to time, amend these Rules at a public meeting following public notice in the manner prescribed by law.

Adopted and finally approved by unanimous vote of the Erath County Commissioners Court, in regular session, on this the 27th day of July, 2020.

Alfonso Campos, Erath County Judge

Dee Stephens, Commissioner PCT 1

Albert Ray, Commissioner PCT 2

Joe Brown, Commissioner PCT 3

Jim Buck, Commissioner PCT 4

Attest: _____
Gwinda Jones, Erath County Clerk

(Appendix C)
RURAL DEVELOPMENT APPLICATION FORM

Item(s) Submitted:
Preliminary Plan _____
Final Plan _____
Replat/Plan Revision _____

FOR ERATH COUNTY COMMISSIONERS MEETING ON: _____
(Date)

Rural Development name: _____

Applicant's Name or Owner's Name: _____

Company Name (if applicable): _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone No.: _____ Fax: _____

Physical location of property: _____

Current legal description of Property:

(Abstract/Survey Number or previously platted name.)

Acreage (to the nearest tenth of an acre) _____ Number of Rental Spaces _____

ACKNOWLEDGMENT BY APPLICANT:

"Applicant herein agrees and acknowledges by evidence of signature below that the submission of this Application with plans, plats or drawings makes such items public record and that the Applicant understands that the general public may view the above-listed items.

"Further, Applicant agrees and acknowledges that the plan and/or plat submitted herewith is for the location of rental spaces only. It is not intended to be used to convey real property to any party or, particularly, to convey title to the streets and any other improvements to Erath County, Texas. The owner of the property described herein acknowledges that this plan and/or plat does not meet Erath County's requirements for a Subdivision *per se* but does meet Erath County's requirements for and comply with Erath County's Rural Development Rules."

(Applicant's Signature)

_____, Applicant
(Applicant's Printed Name)

Date: _____

(Appendix E)
RURAL DEVELOPMENT PRELIMINARY PLAN CHECKLIST

- ☐ Three copies of the preliminary plan.
 - All copies shall have "Preliminary Plan" placed on the face. The title under which proposed subdivision is to be recorded.
 - Name and address of the owner with the name of the Land Planner, Licensed Land Surveyor or Registered Professional Engineer platting the tract.
 - Each page shall be marked/stamped with the name of the registered public surveyor or licensed land surveyor.
- ☐ Distance and direction to the nearest State or U.S. Highway.
- ☐ Location and widths of all roads.
- ☐ Scale, North arrow, date and pertinent data.
- ☐ Engineering drainage plan.
- ☐ Consultation verification from licensed sanitarian.
- ☐ Consultation verification from Middle Trinity Ground Water District.
- ☐ Consultation verification with utility providers.
- ☐ Consultation verification with 911 addressing
- ☐ Texas Department of Transportation approval. (Lots with State/U.S. highway access.)
- ☐ Filing fee

FINAL PLAN CHECKLIST

- ☐ Drainage Engineer Certification
- ☐ Certificate of Compliance from Commissioners
- ☐ Performance Bond