



City of Killeen

Agenda

City Council

Tuesday, September 16, 2025

3:00 PM

City Hall
Council Chambers
101 N. College Street
Killeen, Texas 76541

Call to Order and Roll Call

- | | |
|-----------------------------|----------------------|
| ___ Debbie Nash-King, Mayor | ___ Jessica Gonzalez |
| ___ Ramon Alvarez | ___ Jose Segarra |
| ___ Anthony Kendrick | ___ Joseph Solomon |
| ___ Nina Cobb | ___ Riakos Adams |

Invocation

Pledge of Allegiance

Approval of Agenda

Presentations

1. [PR-25-022](#) Killeen Star Award

Work Session

Discuss agenda items 2-18 for the September 16, 2025 Regular Session

Citizen Comments on Agenda Items

This section allows members of the public to address the Council regarding any item, other than a public hearing item, on the agenda for Council's consideration. Each person shall sign up prior to the start of the Council meeting, may speak only one (1) time, and such address shall be limited to three (3) minutes. A timer will be placed so that the speaker and citizens can see it. A majority vote of the City Council is required for any time extensions. The Mayor and Councilmembers shall have one (1) minute to respond to citizen comments with a statement or explanation without engaging in dialogue.

Consent Agenda

2. [MN-25-023](#) Consider Minutes of Regular City Council Meeting of August 19, 2025.

3. [RS-25-145](#) Consider a memorandum/resolution approving the investment reports for the quarter ended June 30, 2025.
Attachments: [Quarterly Investment Report June 30, 2025](#)
[Presentation](#)
4. [RS-25-146](#) Consider a memorandum/resolution approving the Killeen Arts Commission grant recommendations for Fiscal Year 2026.
Attachments: [Grant Recommendations](#)
[Presentation](#)
5. [RS-25-147](#) Consider a memorandum/resolution appointing members to vacant, expired and unexpired terms on various boards, commissions and committees.
Attachments: [Presentation](#)
6. [RS-25-148](#) Consider a memorandum/resolution awarding RFP 25-32, Aviation Fuel Supplier and authorizing an agreement with Avfuel Corporation, for fuel services at Killeen Regional Airport and Skylark Field, in the amount of \$340,000.00.
Attachments: [Agreement](#)
[Proposal](#)
[Certificate of Interested Parties](#)
[Presentation](#)
7. [RS-25-149](#) Consider a memorandum/resolution authorizing a HOME Investment Partnerships Subrecipient Agreement with Central Texas Council of Governments, to provide Tenant Based Rental Assistance (TBRA) to eligible households in accordance with Community Development policies and procedures, and HUD HOME TBRA program regulations, in the amount of \$500,000.00.
Attachments: [Agreement](#)
[Presentation](#)
8. [RS-25-150](#) Consider a memorandum/resolution authorizing the renewal of a 3-year Microsoft Enterprise Agreement, in the amount of \$1,884,699.00.
Attachments: [Quote](#)
[Agreement](#)
[Contract Verification Form](#)
[Certificate of Interested Parties](#)
[DIR-CPO-5237](#)
[Presentation](#)

9. [RS-25-151](#) Consider a memorandum/resolution approving a fireworks display application from Big Dog Pyro, LLC on behalf of Advent Health Medical Center.
Attachments: [Application](#)
[Site Map](#)
[Pyrotechnic Plan](#)
[Material Safety Data Sheet](#)
[Special Effects Operator's License](#)
[Certificate of Insurance](#)
[Presentation](#)
10. [RS-25-152](#) Consider a City Council Resolution of Support for an endorsement from the Texas Municipal League (TML) for Mayor Pro Tem Riakos Adams to fill a leadership role in the National League of Cities (NLC).
11. [RS-25-153](#) Consider a memorandum/resolution awarding RFP 25-42 to Blue Cross and Blue Shield of Texas (BCBSTX), for an excess risk policy (stop loss insurance) for medical and pharmacy claims under the City health insurance plan, effective October 1, 2025, in the amount of \$1,356,969.00.
Attachments: [Evaluation Tabulation](#)
[Presentation](#)
12. [RS-25-154](#) Consider a memorandum/resolution approving the appointment of an Assistant City Manager.
Attachments: [Resume](#)
[Presentation](#)
13. [OR-25-012](#) Consider an ordinance to amend the number of authorized civil service positions for the Killeen Police Department.
Attachments: [Ordinance](#)
[Presentation](#)
14. [OR-25-013](#) Consider an ordinance to amend the number of authorized civil service positions for the Killeen Fire Department.
Attachments: [Ordinance](#)
[Presentation](#)

Public Hearings

15. [PH-25-054](#) Hold a public hearing and consider an ordinance amending the Fiscal Year 2025 Annual Budget of the City of Killeen to increase revenue and expense accounts in multiple funds.

Attachments: [Ordinance](#)
[Presentation](#)

16. [PH-25-055](#) Hold a public hearing and consider an ordinance submitted by Charles Amundson, on behalf Terry Blake Bearden, (Case# Z25-26) to rezone approximately 1.26 acres out of a 2.15-acre tract in the T. Robinett Survey, Abstract No. 686, locally addressed as 3309 Old Farm-to-Market 440, Killeen, Texas, from "R-1" (Single-Family Residential District) to "B-5" (Business District).

Attachments: [Maps](#)
[Site Photos](#)
[Minutes](#)
[Ordinance](#)
[Letter of Request](#)
[Amended Request](#)
[Responses](#)
[Presentation](#)

17. [PH-25-056](#) Hold a public hearing and consider an ordinance amending the City of Killeen Thoroughfare Plan.

Attachments: [Minutes](#)
[Exhibit](#)
[Ordinance](#)
[Presentation](#)

18. [PH-25-057](#) Hold a public hearing and consider an ordinance amending Killeen Code of Ordinances, Chapter 31 – Zoning, establishing a Site Development Permit process.

Attachments: [Minutes](#)
[Ordinance](#)
[Presentation](#)

Discussion Items

19. [DS-25-044](#) Receive Quarterly Financial Report

Attachments: [Presentation](#)

20. [DS-25-045](#) Discuss the procedure for nominations and appointments to the Board of Directors of the Tax Appraisal District of Bell County
Attachments: [Presentation](#)

Executive Session

21. [DS-25-046](#) Receive update on pending litigation

Adjournment

I certify that the above notice of meeting was posted on the Internet and on the bulletin board at Killeen City Hall on or before 5:00 p.m. on September 9, 2025.

Laura J. Calcote, City Secretary

The public is hereby informed that notices for City of Killeen meetings will no longer distinguish between matters to be discussed in open or closed session of a meeting. This practice is in accordance with rulings by the Texas Attorney General that, under the Texas Open Meetings Act, the City Council may convene a closed session to discuss any matter listed on the agenda, without prior or further notice, if the matter is one that the Open Meetings Act allows to be discussed in a closed session.

This meeting is being conducted in accordance with the Texas Open Meetings Law [V.T.C.A., Government Code, § 551.001 et seq.]. This meeting is being conducted in accordance with the Americans with Disabilities Act [42 USC 12101 (1991)]. The facility is wheelchair accessible and handicap parking is available. Requests for sign interpretive services are available upon requests received at least 48 hours prior to the meeting. To make arrangements for those services, please call 254-501-7717, City Secretary's Office, or TDD 1-800-734-2989.

Notice of Meetings

The Mayor and/or City Council have been invited to attend and/or participate in the following meetings/conferences/events. Although a quorum of the members of the City Council may or may not be available to attend this meeting, this notice is being posted to meet the requirements of the Texas Open Meetings Act and subsequent opinions of the Texas Attorney General's Office. No official action will be taken by Council.

- Greater Killeen Chamber of Commerce - 92nd Annual Membership Banquet, September 18, 2025, 6:00 p.m., Killeen Civic and Conference Center
- Downtown ROI: Where Vision Meets Value, September 25, 2025, 4:30 p.m., 324 N. Gray St.
- Domestic Violence Awareness Walk, October 4, 2025, 10:00 a.m., Lions Club Park

Dedicated Service -- Every Day, for Everyone!



City of Killeen

Staff Report

File Number: PR-25-022

Killeen Star Award



City of Killeen

Staff Report

File Number: MN-25-023

Consider Minutes of Regular City Council Meeting of August 19, 2025.

City of Killeen
City Council Meeting
Killeen City Hall
August 19, 2025 at 3:00 p.m.

Presiding: Mayor Debbie Nash-King

Attending: Councilmembers Anthony Kendrick, Jose Segarra, Joseph Solomon, Ramon Alvarez and Jessica Gonzalez

Absent: Mayor Protem Riakos Adams and Councilmember Nina Cobb

Also attending were City Manager Kent Cagle, Assistant City Manager Laurie Wilson, City Attorney Holli Clements, Deputy City Secretary Beatrice Canseco and Sergeant-at-Arms Smith

Don Smith gave the invocation. Councilmember Segarra led everyone in the Pledge of Allegiance.

Approval of Agenda

Motion was made by Councilmember Solomon to approve the agenda, as presented. Motion was seconded by Councilmember Alvarez. The motion carried unanimously (5-0).

Presentations

PR-25-020 Killeen Economic Development Corporation Update

Killeen Economic Development Corporation Vice President of Economic Development, Tyler Robert, presented an overview of current developments, project and activity updates and marketing within the past quarter.

PR-25-021 Presentation by the Carl Sherman Group regarding Grocery Store Interest

The Carl Sherman Group Principal Manager, Carl Sherman, presented an overview of consulting services related to addressing grocery store needs.

Work Session

Discuss agenda items 3 - 17 for the August 19, 2025 Regular Session

Citizen Comments on Agenda Items

Sean Price spoke regarding PR-25-021, RS-25-129, RS-25-130 and RS-25-132.

Mellisa Brown spoke regarding PR-25-020, PR-25-021 and RS-25-129.

Regular Session

Consent Agenda

- MN-25-021** Consider Minutes of Special City Council Meeting of July 22, 2025.
- MN-25-022** Consider Minutes of Regular City Council Meeting of August 5, 2025.
- RS-25-128** Consider a memorandum/resolution authorizing a Subrecipient Agreement with Families in Crisis, Inc., to provide Tenant Based Rental Assistance (TBRA) to eligible populations experiencing homelessness or at risk of homelessness in accordance with Community Development policies and procedures, and in compliance with HUD TBRA program statues and regulations.
- RS-25-129** Consider a memorandum/resolution authorizing Contract Amendment No. 1 with Kimley Horn and Associates, Inc., for the Featherline Road Reconstruction Project, in the amount of \$82,173.76.
- RS-25-130** Consider a memorandum/resolution authorizing Change Order No. 1 for the Sidewalk and ADA Ramp Improvements Project with Jerdon Enterprises, LP, in the amount of \$86,542.00.
- RS-25-131** Consider a memorandum/resolution denying an Operating Authority to Limo Company.
- RS-25-132** Consider a memorandum/resolution approving a Professional Services Agreement with Schlueter Group for State Legislative Representation.

Motion was made by Councilmember Solomon to approve the Consent Agenda, as presented.

Motion was seconded by Councilmember Kendrick. The motion carried unanimously (5-0).

Public Hearings

- PH-25-043** Hold a public hearing on the proposed Fiscal Year 2026 Annual Budget.

Staff Comments: Judith Tangalin, Executive Director of Finance

This item was presented to City Council during their Work Session. Ms. Tangalin was available to provide additional information and to answer questions.

Mayor Nash-King opened the public hearing.

Sean Price spoke in opposition of the proposed budget.

Mellisa Brown spoke in opposition of the proposed budget.

Gary Purser spoke in opposition of the proposed budget.

George Speare spoke in opposition of the proposed budget.

With no one else appearing, the public hearing was closed.

Motion was made by Councilmember Solomon to set the date of September 2, 2025 to consider adoption of the budget. Motion was seconded by Councilmember Segarra. The motion carried unanimously (5-0).

PH-25-044 Hold a public hearing and consider an ordinance submitted by National Logistics Training Center Inc., on behalf of the Catholic Diocese of Austin, (FLUM#25-03) to amend the Comprehensive Plan's Future Land Use Map from a 'Residential Mix' designation to a 'Regional Commercial' designation for approximately 13.7 acres out of the G. W. Farris Survey, Abstract No. 306. The subject properties are locally addressed as 108 and 110 West Elms Road, Killeen, Texas.

The City Secretary Read the caption of the ordinance:

AN ORDINANCE AMENDING THE COMPREHENSIVE PLAN'S FUTURE LAND USE MAP BY CHANGING THE DESIGNATION OF APPROXIMATELY 13.7 ACRES, OUT OF THE G.W. FARRIS SURVEY, ABSTRACT NO. 306, FROM A 'RESIDENTIAL MIX' DESIGNATION TO A 'REGIONAL COMMERCIAL' DESIGNATION; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE.

Staff Comments: Wallis Meshier, Executive Director of Development Services
This item was presented to City Council during their Work Session. Ms. Meshier was available to provide additional information and to answer questions.

Mayor Nash-King opened the public hearing.

Mellisa Brown spoke in opposition of the ordinance.

With no one else appearing, the public hearing was closed.

Motion was made by Councilmember Solomon to approve PH-25-044. Motion was seconded by Councilmember Segarra. The motion carried unanimously (5-0).

PH-25-045 Hold a public hearing and consider an ordinance submitted by Quintero Engineering, LLC on behalf of SS Springs, LLC, (FLUM#25-04) to amend the Comprehensive Plan's Future Land Use Map (FLUM) from a 'Regional Commercial' designation to a 'Residential Mix' designation for approximately 7.2 acres, being part of Lot 2, Block 1, Rosewood Addition. The subject property is locally addressed as 5500 Rose Garden Loop, Killeen, Texas.

The City Secretary Read the caption of the ordinance:

AN ORDINANCE AMENDING THE COMPREHENSIVE PLAN'S FUTURE LAND USE MAP BY CHANGING THE DESIGNATION OF APPROXIMATELY 7.2 ACRES, BEING PART OF LOT 2, BLOCK 1, ROSEWOOD ADDITION, FROM A 'REGIONAL COMMERCIAL' DESIGNATION TO A 'RESIDENTIAL MIX' DESIGNATION; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE.

Staff Comments: Wallis Meshier, Executive Director of Development Services
This item was presented to City Council during their Work Session. Ms. Meshier was available to provide additional information and to answer questions.

Applicant, Pedro Quintero, was available to provide additional information and to answer questions.

Mayor Nash-King opened the public hearing.

Juanita Gaona spoke in opposition of the ordinance.

Mellisa Brown spoke in opposition of the ordinance.

Pedro Quintero spoke in favor of the ordinance.

Mi Zevallos spoke in opposition of the ordinance.

With no one else appearing, the public hearing was closed.

Motion was made by Councilmember Solomon to deny PH-25-045. Motion was seconded by Councilmember Kendrick. The motion carried 4-1, with Councilmember Alvarez in opposition.

PH-25-046 Hold a public hearing and consider an ordinance submitted by John Gilmore, on behalf of Ki Sup Son and Soon Sun Son, (Case# Z25-21) to rezone approximately 0.67 acres, being part of Lot 1, Block 1, out of the Chaney Addition, from "R-1" (Single-Family Residential District) to "B-5" (Business District). The subject property is locally addressed as 3413 Old Farm-to-Market 440, Killeen, Texas.

The City Secretary Read the caption of the ordinance:

AN ORDINANCE AMENDING THE CITY OF KILLEEN ZONING ORDINANCE BY CHANGING THE ZONING OF APPROXIMATELY 0.67 ACRES BEING LOT 1, BLOCK 1, OUT OF THE CHANEY ADDITION FROM "R-1" (SINGLE-FAMILY RESIDENTIAL DISTRICT) TO "B-5" (BUSINESS DISTRICT); PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE.

Staff Comments: Wallis Meshier, Executive Director of Development Services
This item was presented to City Council during their Work Session. Ms. Meshier was available to provide additional information and to answer questions.

Mayor Nash-King opened the public hearing.

Mellisa Brown spoke in opposition of the ordinance.

John Gilmore spoke in favor of the ordinance.

With no one else appearing, the public hearing was closed.

Motion was made by Councilmember Alvarez to approve PH-25-046. Motion was seconded by Councilmember Segarra. The motion carried unanimously (5-0).

PH-25-047 Hold a public hearing and consider an ordinance submitted by Mitchell & Associates, Inc., on behalf of Haun Investments, LLC, (Case# Z25-22) to rezone approximately 0.95 acres out of a 2.358-acre tract in the A. Dickson Survey, Abstract No. 266, from "R-1" (Single-Family Residential District) to "B-3" (Local Business District). The subject property is locally addressed as 554 58th Street, Killeen, Texas.

The City Secretary Read the caption of the ordinance:

AN ORDINANCE AMENDING THE CITY OF KILLEEN ZONING ORDINANCE BY CHANGING THE ZONING OF APPROXIMATELY 0.95 ACRES OUT OF A 2.358 ACRE TRACT OUT OF THE A. DICKSON SURVEY, ABSTRACT NO. 266 FROM "R-1" (SINGLE-FAMILY RESIDENTIAL DISTRICT) TO "B-3" (LOCAL BUSINESS DISTRICT); PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE.

Staff Comments: Wallis Meshier, Executive Director of Development Services
This item was presented to City Council during their Work Session. Ms. Meshier was available to provide additional information and to answer questions.

Mayor Nash-King opened the public hearing.

Mellisa Brown spoke in opposition of the ordinance.

With no one else appearing, the public hearing was closed.

Motion was made by Councilmember Alvarez to approve PH-25-047. Motion was seconded by Councilmember Gonzalez. The motion carried unanimously (5-0).

PH-25-048 Hold a public hearing and consider an ordinance submitted by Mitchell & Associates, Inc., on behalf of Killeen Summit Builders, LLC, (Case# Z25-23) to rezone approximately 6.7 acres, being Lots 14-23, Block 7; Lots 13-30, Block 8, out of Morris Subdivision Phase Two, from "R-2" (Two-Family Residential District) to "SF-2" (Single-Family Residential District). The subject properties are locally addressed as 1101-1108, 1110, 1201-1206, and 1301-1306 Nina Drive; 1102, and 3204, 3206, 3208, 3210, 3212, 3214, and 3216 Ricks Road, Killeen, Texas.

The City Secretary Read the caption of the ordinance:

AN ORDINANCE AMENDING THE CITY OF KILLEEN ZONING ORDINANCE BY CHANGING THE ZONING OF APPROXIMATELY 6.7 ACRES, BEING LOTS 14-23, BLOCK 7; LOTS 13-30, BLOCK 8, OUT OF MORRIS SUBDIVISION PHASE TWO, FROM "R-2" (TWO-FAMILY RESIDENTIAL DISTRICT) TO "SF-2" (SINGLE-FAMILY RESIDENTIAL DISTRICT); PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE.

Staff Comments: Wallis Meshier, Executive Director of Development Services
This item was presented to City Council during their Work Session. Ms. Meshier was available to provide additional information and to answer questions.

Applicant, Ace Fernell with Mitchell & Associates, was available to provide additional information and to answer questions.

Mayor Nash-King opened the public hearing.

Mellisa Brown spoke in favor of the ordinance.

With no one else appearing, the public hearing was closed.

Motion was made by Councilmember Solomon to approve PH-25-048. Motion was seconded by Councilmember Gonzalez. The motion carried unanimously (5-0).

PH-25-049 Hold a public hearing and consider an ordinance submitted by Amr A. Abdelazeem, on behalf of Abdelazeem Family Revocable Trust, (Case# Z25-24) to rezone approximately 0.19 acres, being Lot 11, Block 1, out of the Bellaire Addition Section 1, from "B-1" (Professional Business District) to "R-1" (Single-Family Residential District). The subject property is locally addressed as 909 Bellaire Drive, Killeen, Texas.

The City Secretary Read the caption of the ordinance:

AN ORDINANCE AMENDING THE CITY OF KILLEEN ZONING ORDINANCE BY CHANGING THE ZONING OF APPROXIMATELY 0.19 ACRES, BEING LOT 11, BLOCK 1 OUT OF THE BELLAIRE ADDITION SECTION 1, FROM "B-1" (PROFESSIONAL BUSINESS DISTRICT) TO "R-1" (SINGLE-FAMILY RESIDENTIAL DISTRICT); PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE.

Staff Comments: Wallis Meshier, Executive Director of Development Services
This item was presented to City Council during their Work Session. Ms. Meshier was available to provide additional information and to answer questions.

Applicant, Amr Abdelazeem, was available to provide additional information and to answer questions.

Mayor Nash-King opened the public hearing.

Mellisa Brown spoke in favor of the ordinance.

Amr Abedlazeem spoke in favor of the ordinance.

With no one else appearing, the public hearing was closed.

Motion was made by Councilmember Alvarez to approve PH-25-049. Motion was seconded by Councilmember Kendrick. The motion carried unanimously (5-0).

PH-25-050 Hold a public hearing and consider an ordinance amending Killeen Code of Ordinances, Chapter 31 - Zoning by amending the zoning amendment approval requirements; providing for additional signage and public hearing notification requirements; amending home occupation regulations; providing for multi-family and mixed uses in business districts; and providing for small lot regulations.

The City Secretary Read the caption of the ordinance:

AN ORDINANCE AMENDING CHAPTER 31 OF THE CITY OF KILLEEN CODE OF ORDINANCES; AMENDING ZONING AMENDMENT APPROVAL REQUIREMENTS; PROVIDING FOR ADDITIONAL SIGNAGE REQUIREMENT FOR ZONING AMENDMENT REQUESTS; AMENDING PERMISSIBLE HOME OCCUPATION REGULATIONS; PROVIDING FOR MULTI-FAMILY AND MIXED USES IN BUSINESS DISTRICTS; PROVIDING FOR SMALL LOT REGULATIONS; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE.

Staff Comments: Wallis Meshier, Executive Director of Development Services

This item was presented to City Council during their Work Session. Ms. Meshier was available to provide additional information and to answer questions.

Mayor Nash-King opened the public hearing.

Mellisa Brown spoke in opposition of the ordinance.

John Haun spoke in opposition of the ordinance.

Dillon Whitis spoke in opposition of the ordinance.

Charles Amundson spoke in opposition of the ordinance.

Gary Purser spoke in opposition of the ordinance.

Verda Bell spoke in opposition of the ordinance.

With no one else appearing, the public hearing was closed.

Motion was made by Councilmember Segarra to amend Sec. 31-475 (b)(4) to "forty (40)" and to approve PH-25-050. Motion was seconded by Councilmember Alvarez. The motion carried unanimously (5-0).

Adjournment

With no further business, upon motion being made by Councilmember Segarra, seconded by Councilmember Alvarez, and unanimously approved, the meeting was adjourned at 8:01 p.m.



City of Killeen

Staff Report

File Number: RS-25-145

Consider a memorandum/resolution approving the investment reports for the quarter ended June 30, 2025.

DATE: September 16, 2025
TO: Kent Cagle, City Manager
FROM: Judith Tangalin, Executive Director of Finance
SUBJECT: Quarterly Investment Report

BACKGROUND AND FINDINGS:

The attached investment reports summarize all investment activity for the quarter ended June 30, 2025. The highlights of the report are as follows:

Quarter ended June 30, 2025:

	Jan. - March, 2025	Apr. - June 2025	Change
Interest Income	\$2,367,241	\$2,979,106	25.85%
Investment Balance	\$264,533,441	\$285,355,891	7.87%
Average Yield	4.29%	4.28%	-0.23%

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

The City of Killeen's investment policy requires that a quarterly report of investment activity be submitted to the City Council within a reasonable time after the end of each quarter. The quarterly report includes a detailed description of the investment position of the City, summarizes the investment activity in each pooled fund group, states the total rate of return on the investment portfolio, and contains information regarding the market value and book value of each separately invested asset.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

N/A

Is this a one-time or recurring revenue/expenditure?

N/A

Is this revenue/expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

N/A

RECOMMENDATION:

City Council approve the attached investment reports for the quarter that ended June 30, 2025.

DEPARTMENTAL CLEARANCES:

Legal

ATTACHED SUPPORTING DOCUMENTS:

Quarterly Investment Report June 30, 2025
Presentation



PUBLIC FUNDS ADVISORY

City of Killeen

Quarterly Investment Report

PRESENTED BY:

SCOTT GRUBER, CMT - DIRECTOR, ADVISORY SERVICES

JUNE 30, 2025



MEEDER
PUBLIC FUNDS

Compliance Certification



The undersigned have acknowledged that they have reviewed this quarterly investment report for the period ending June 30, 2025. The City officials designated as investment officers by the City’s Investment Policy attest that all investments are in compliance with the Texas Public Funds Investment Act and the City’s Investment Policy.

Executive Director of Finance

Assistant Director of Executive Finance

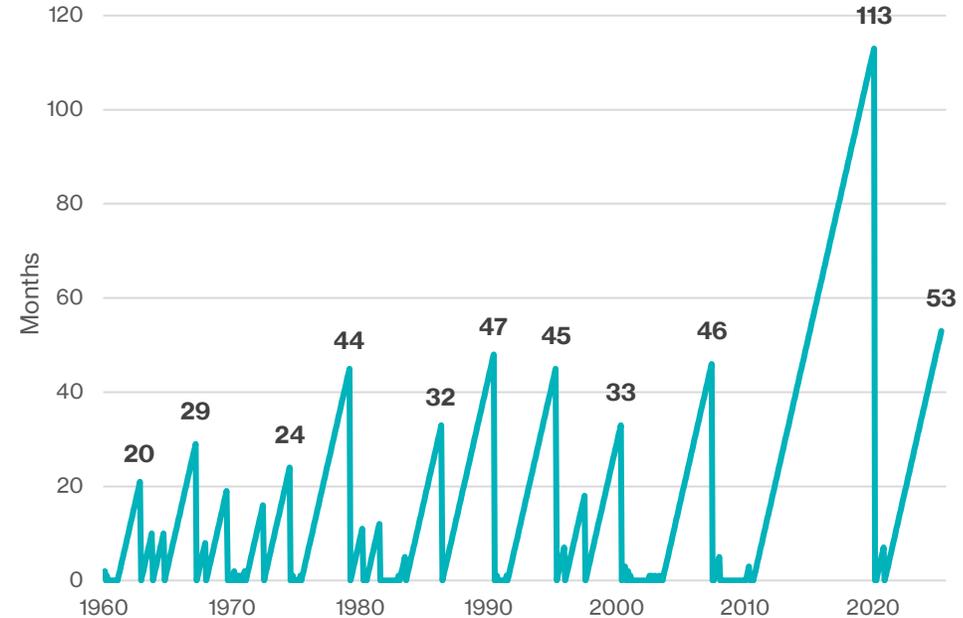
Controller

OBSERVATIONS AND EXPECTATIONS

- Fed's Powell stated the labor market is still solid but slowing somewhat
- Trade/tariff tensions continue to weigh on business investment and sentiment
- The Fed held rates steady at the June FOMC meeting, projecting two cuts later in 2025
- GDP is expected to rebound in Q2 from the tariff-induced decline of -0.5% in Q1
- The Fed's favored inflation metric – Core PCE – ticked higher in May
- Interest rates across the yield curve were lower in the month of June

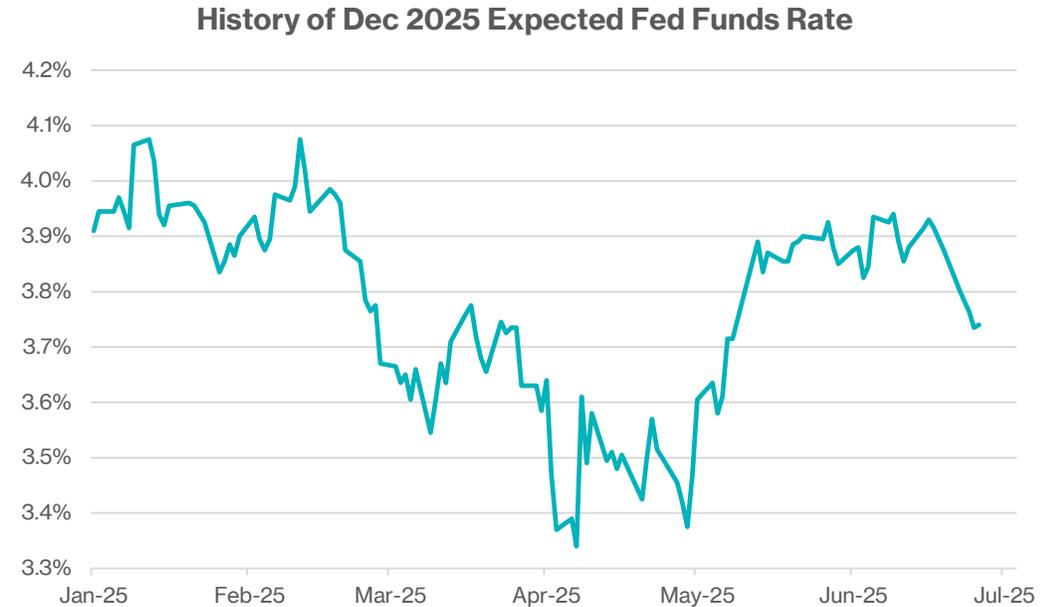
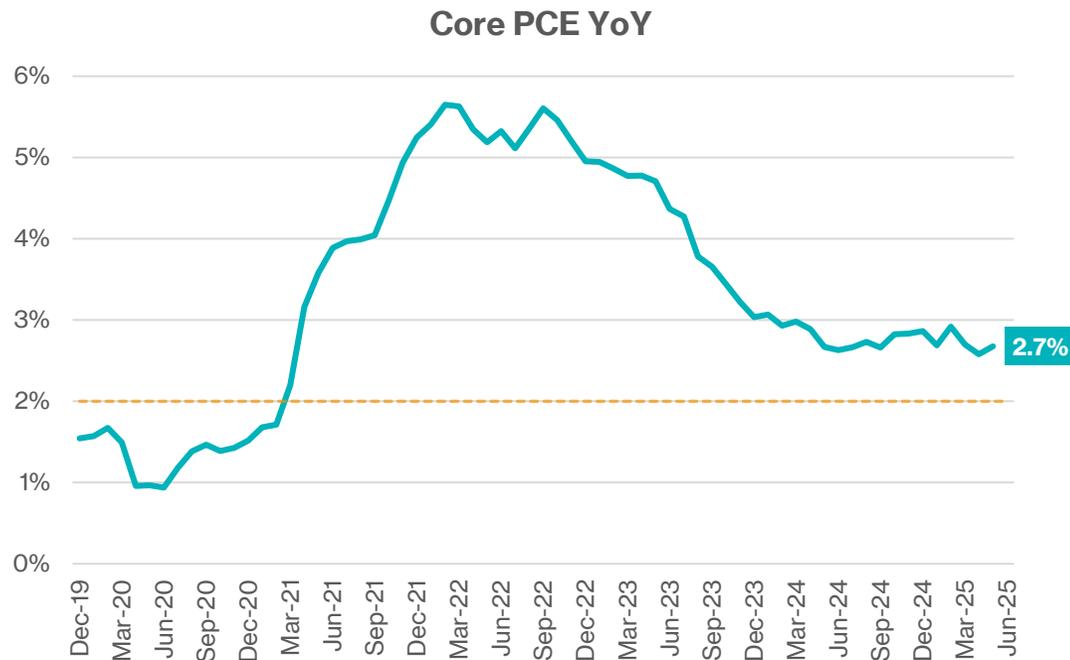
- May 2025 marks the 53rd consecutive month of job growth, the second-best streak since the 1960s.
- With this consistent job growth, average wages have been outpacing inflation (CPI) for the past two years.
- The Federal Reserve and other economists expect unemployment to increase by the end of 2025.

Number of Months for Consecutive Job Growth



SOURCE: BLOOMBERG, BUREAU OF LABOR STATISTICS

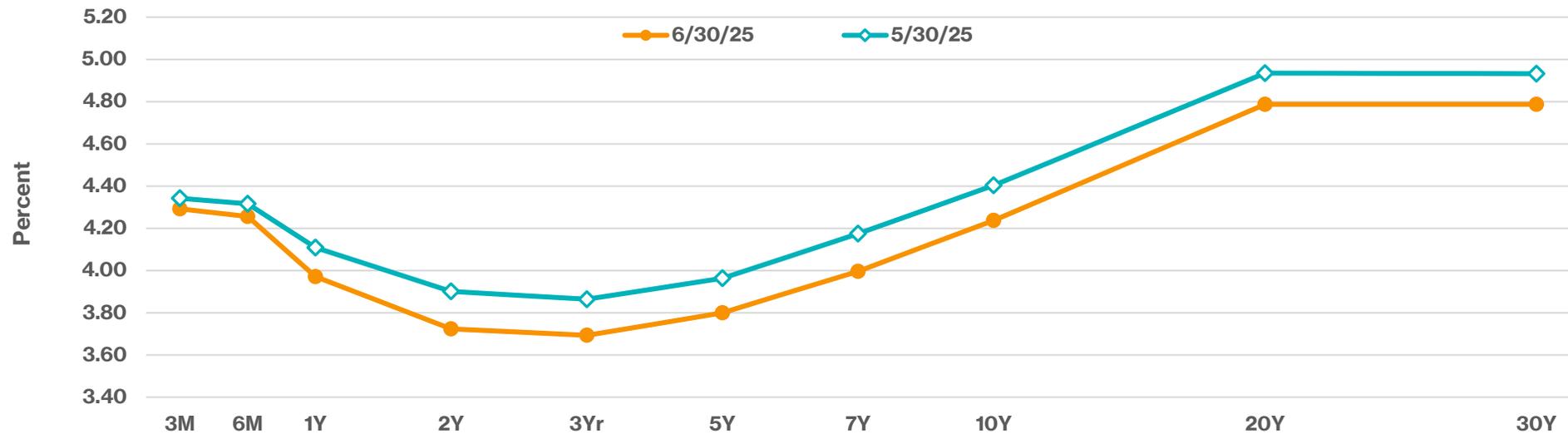
- The Fed Funds futures market continually prices where market participants expect the Fed Funds rate to be heading.
- At the end of June, the futures market was showing about two and a half 0.25% Fed cuts by the end of 2025, with the rate ending the year at approximately 3.7%, from its current 4.3%.



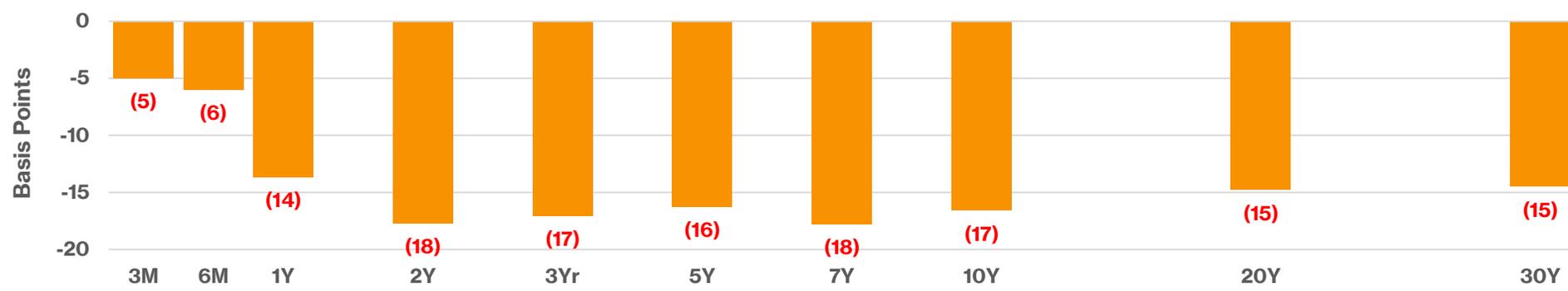
SOURCES: BLOOMBERG, CME

- Core Personal Consumption Expenditure YoY is the Fed’s preferred inflation gauge.
- Core excludes food and energy components, which generally make the series less volatile.
- Core PCE YoY is currently at 2.7%, not yet at the Fed’s 2% target, and moved higher last month.
- The Federal Reserve expects inflation to move higher later this year.

U.S. Treasury Yield Curve Change



Basis Point Change





M E E D E R
PUBLIC FUNDS

PORTFOLIO REVIEW

Quarterly Portfolio Summary – All Funds



This quarterly report is prepared in compliance with the Investment Policy and Strategy of the City of Killeen and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

Portfolio as of March 31, 2025		Portfolio as of June 30, 2025	
Beginning Book Value	\$264,879,880	Ending Book Value	\$285,761,373
Beginning Market Value	\$265,951,728	Ending Market Value	\$287,119,929
Unrealized Gain/(Loss)	\$1,071,848	Unrealized Gain/(Loss)	\$1,358,556
		Change in Unrealized Gain/(Loss)	\$286,708
Weighted Average Maturity	489 days	Weighted Average Maturity	500 days
Weighted Average Yield	4.28%	Weighted Average Yield	4.27%

Portfolio Market Value by Fund	3/31/2025	6/30/2025	Change
Pooled Investments	\$265,605,288.01	\$286,714,447.16	\$21,109,159.15
Internal Services Fund	\$157,623.80	\$189,897.89	\$32,274.09
Enterprise Funds	\$231.85	\$242.38	\$10.53
General Fund	\$188,584.15	\$215,341.49	\$26,757.34
Total	\$265,951,727.81	\$287,119,928.92	\$21,168,201.11

Portfolio Summary – Investment Pool

As of 6/30/2025

Your Portfolio

Cash/LGIPs	\$76,820,168
Securities Book Value	\$208,535,723
Total Portfolio Book Value	\$285,355,891

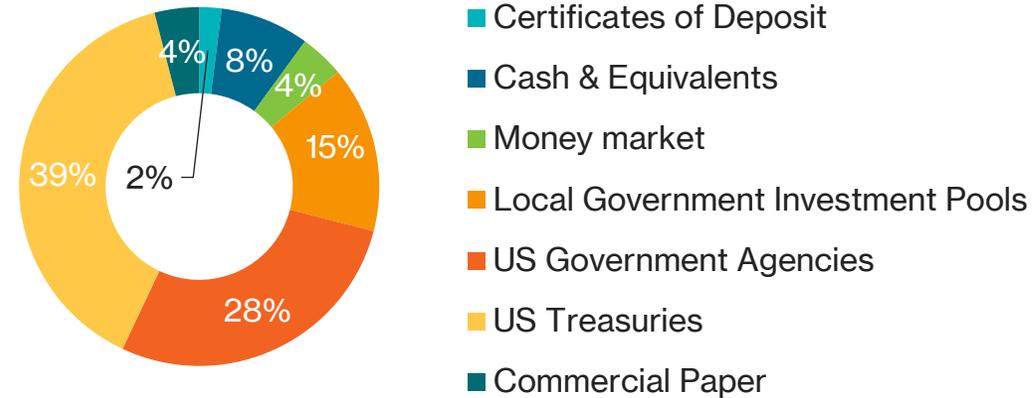
Your Securities

Weighted Average Maturity	1.37 years
Weighted Average Yield	4.28%

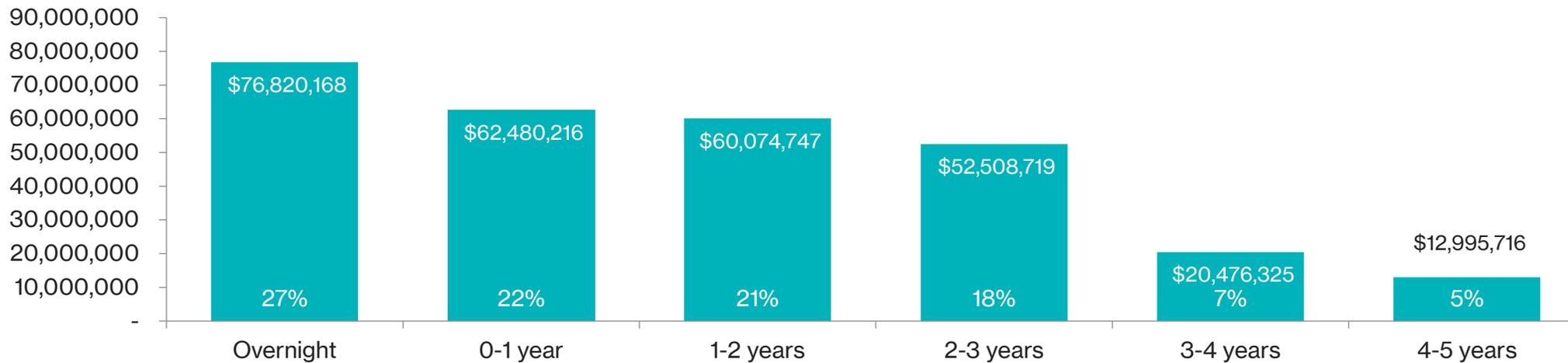
Interest Earnings:

Quarterly Interest Earned	\$2,979,106
Year-to-date Interest Earned	\$8,123,576

Your Asset Allocation

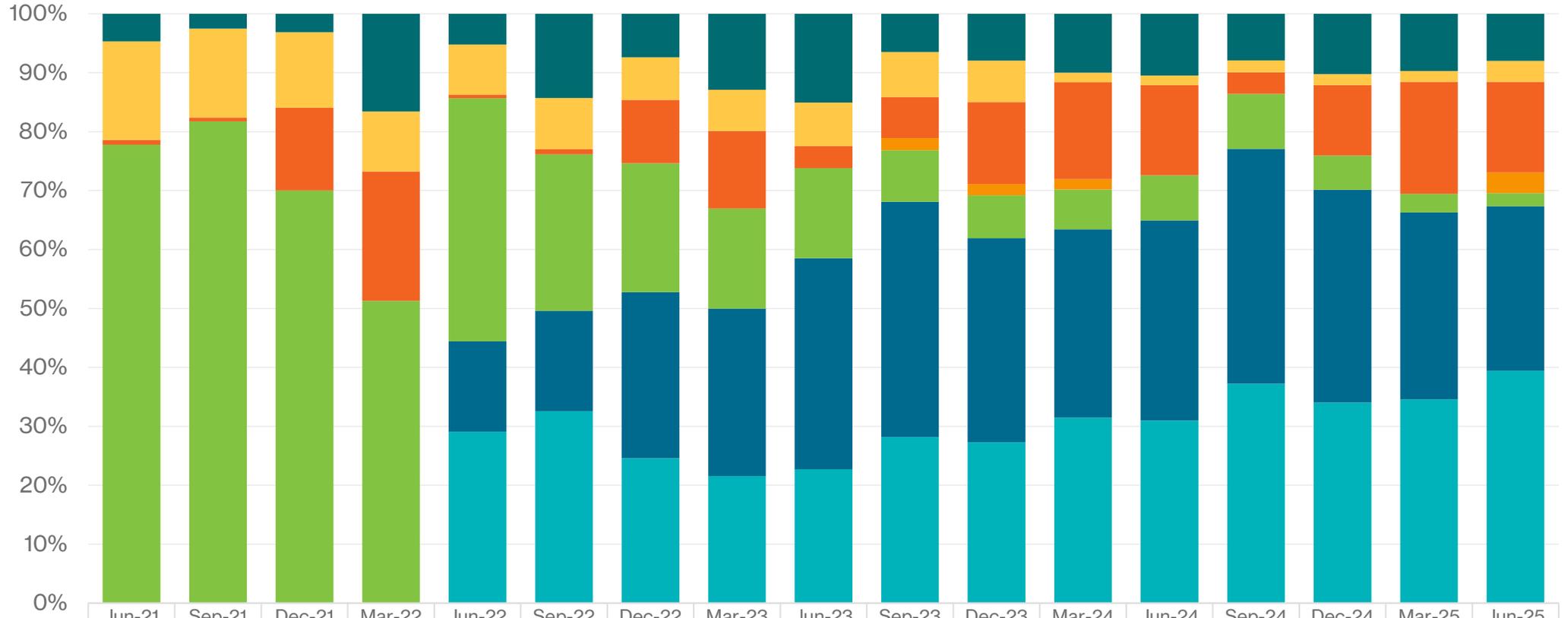


Your Maturity Distribution



YIELD AND INTEREST INCOME INFORMATION IS ANNUALIZED. ALL YIELD INFORMATION IS SHOWN GROSS OF ANY ADVISORY AND CUSTODY FEES AND IS BASED ON YIELD TO MATURITY AT COST. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS.

Asset Composition



	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25
■ Cash	4.66%	2.51%	3.11%	16.59%	5.19%	14.28%	7.38%	12.88%	15.07%	6.49%	7.95%	10.01%	10.48%	7.91%	10.25%	9.70%	7.98%
■ Money Market	16.75%	15.13%	12.83%	10.18%	8.52%	8.71%	7.25%	7.01%	7.40%	7.63%	7.05%	1.61%	1.65%	1.99%	1.89%	1.84%	3.55%
■ LGIPs	0.79%	0.59%	14.02%	21.93%	0.61%	0.87%	10.73%	13.14%	3.69%	6.97%	13.89%	16.43%	15.26%	3.68%	11.93%	19.00%	15.39%
■ Commercial Paper	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.08%	1.92%	1.79%	0.00%	0.00%	0.00%	0.00%	3.52%
■ Certificates of Deposit	77.80%	81.76%	70.03%	51.29%	41.26%	26.53%	21.89%	17.00%	15.30%	8.76%	7.25%	6.72%	7.68%	9.32%	5.81%	3.15%	2.21%
■ U.S. Government Agencies	0.00%	0.00%	0.00%	0.00%	15.31%	17.04%	28.15%	28.39%	35.83%	39.88%	34.63%	31.97%	33.94%	39.86%	36.08%	31.73%	27.89%
■ U.S. Treasury Securities	0.00%	0.00%	0.00%	0.00%	29.11%	32.57%	24.59%	21.59%	22.70%	28.20%	27.31%	31.48%	30.99%	37.23%	34.05%	34.59%	39.46%

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Past performance does not guarantee future results. Opinions and forecasts are all subject to change at any time, based on market and other conditions, and should not be construed as a recommendation of any specific security. Investing in securities involves inherent risks, including the risk that you can lose the value of your investment. Any forecast, projection, or prediction of the market, the economy, economic trends, and fixed-income markets are based upon current opinion as of the date of issue and are also subject to change. Opinions and data presented are not necessarily indicative of future events or expected performance. Meeder Public Funds, Inc. cannot and does not claim to be able to accurately predict the future investment performance of any individual security or of any asset class. There is no assurance that the investment process will consistently lead to successful results. The investment return and principal value of an investment will fluctuate, thus an investor's shares, or units, when redeemed, may be worth more or less than their original cost.

Meeder Public Funds
901 Mopac Expressway South
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Austin, TX 78746

866.633.3371



M E E D E R

PUBLIC FUNDS

MeederPublicFunds.com



PUBLIC FUNDS ADVISORY

City of Killeen

Quarterly Investment Report

PRESENTED BY:

SCOTT GRUBER, CMT - DIRECTOR, ADVISORY SERVICES

JUNE 30, 2025



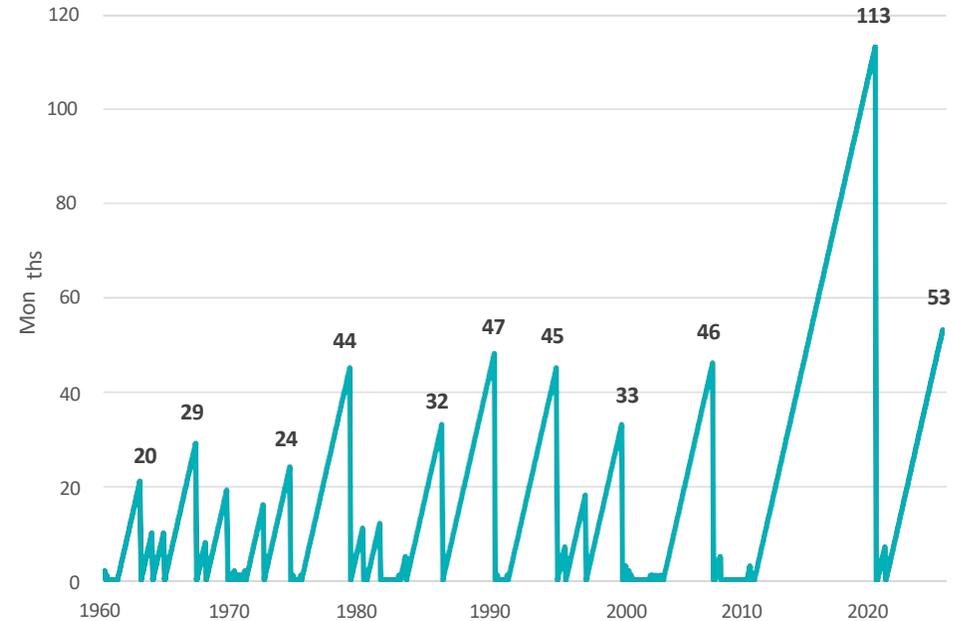
MEEDER
PUBLIC FUNDS

OBSERVATIONS AND EXPECTATIONS

- Fed’s Powell stated the labor market is still solid but slowing somewhat
- Trade/tariff tensions continue to weigh on business investment and sentiment
- The Fed held rates steady at the June FOMC meeting, projecting two cuts later in 2025
- GDP is expected to rebound in Q2 from the tariff-induced decline of -0.5% in Q1
- The Fed’s favored inflation metric—Core PCE—ticked higher in May
- Interest rates across the yield curve were lower in the month of June

- May 2025 marks the 53rd consecutive month of job growth, the second-best streak since the 1960s.
- With this consistent job growth, average wages have been outpacing inflation (CPI) for the past two years.
- The Federal Reserve and other economists expect unemployment to increase by the end of 2025.

Number of Months for Consecutive Job Growth



SOURCE: BLOOMBERG, BUREAU OF LABOR STATISTICS

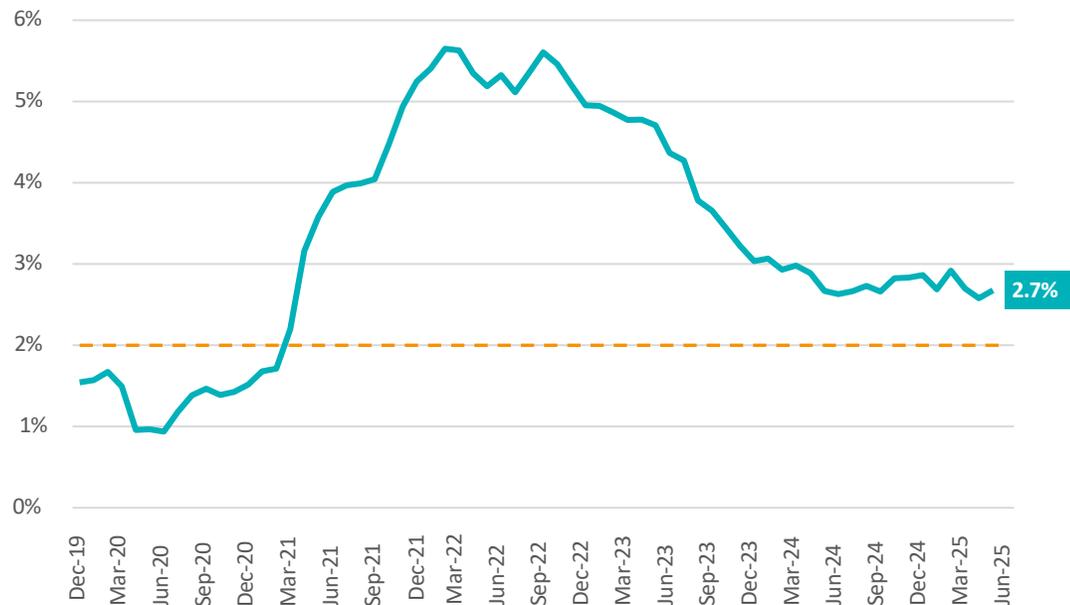
- The Fed Funds futures market continually prices where market participants expect the Fed Funds rate to be heading.
- At the end of June, the futures market was showing about two and a half 0.25% Fed cuts by the end of 2025, with the rate ending the year at approximately 3.7%, from its current 4.3%.

History of Dec 2025 Expected Fed Funds Rate



SOURCES: BLOOMBERG, CME

Core PCE YoY



- Core Personal Consumption Expenditure YoY is the Fed’s preferred inflation gauge.
- Core excludes food and energy components, which generally make the series less volatile.
- Core PCE YoY is currently at 2.7%, not yet at the Fed’s 2% target, and moved higher last month.
- The Federal Reserve expects inflation to move higher later this year.

Quarterly Portfolio Summary – All Funds



This quarterly report is prepared in compliance with the Investment Policy and Strategy of the City of Killeen and the Public Funds Investment Act (Chapter 2256, Texas Government Code).

Portfolio as of March 31, 2025		Portfolio as of June 30, 2025	
Beginning Book Value	\$264,879,880	Ending Book Value	\$285,761,373
Beginning Market Value	\$265,951,728	Ending Market Value	\$287,119,929
Unrealized Gain/(Loss)	\$1,071,848	Unrealized Gain/(Loss)	\$1,358,556
		Change in Unrealized Gain/(Loss)	\$286,708
Weighted Average Maturity	489 days	Weighted Average Maturity	500 days
Weighted Average Yield	4.28%	Weighted Average Yield	4.27%

Portfolio Market Value by Fund	3/31/2025	6/30/2025	Change
Pooled Investments	\$265,605,288.01	\$286,714,447.16	\$21,109,159.15
Internal Services Fund	\$157,623.80	\$189,897.89	\$32,274.09
Enterprise Funds	\$231.85	\$242.38	\$10.53
General Fund	\$188,584.15	\$215,341.49	\$26,757.34
Total	\$265,951,727.81	\$287,119,928.92	\$21,168,201.11

Portfolio Summary – Investment Pool

As of 6/30/2025

Your Portfolio

Cash/LGIPs	\$76,820,168
Securities Book Value Total	\$208,535,723
Portfolio Book Value	\$285,355,891

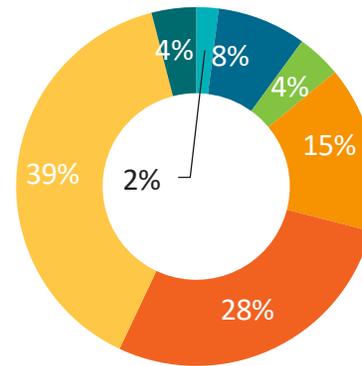
Your Securities

Weighted Average Maturity	1.37 years
Weighted Average Yield	4.28%

Interest Earnings:

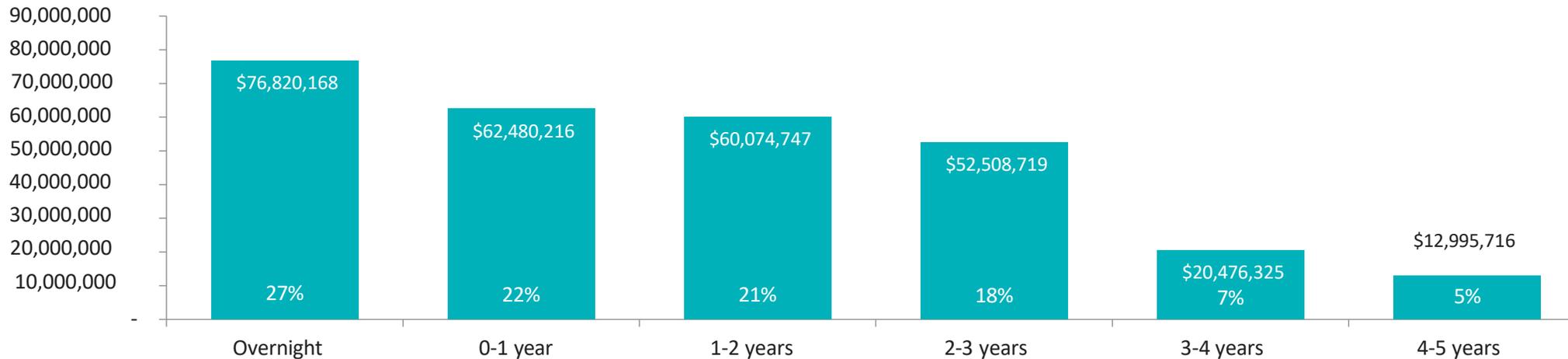
Quarterly Interest Earned	\$2,979,106
Year-to-date Interest Earned	\$8,123,576

Your Asset Allocation



- Certificates of Deposit
- Cash & Equivalents
- Money market
- Local Government Investment Pools US
- Government Agencies
- US Treasuries
- Commercial Paper

Your Maturity Distribution



YIELD AND INTEREST INCOME INFORMATION IS ANNUALIZED. ALL YIELD INFORMATION IS SHOWN GROSS OF ANY ADVISORY AND CUSTODY FEES AND IS BASED ON YIELD TO MATURITY AT COST. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS.



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PUBLIC FUNDS

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City of Killeen

Staff Report

File Number: RS-25-146

Consider a memorandum/resolution approving the Killeen Arts Commission grant recommendations for Fiscal Year 2026.

DATE: September 16, 2025
TO: Kent Cagle, City Manager
FROM: Judith Tangalin, Executive Director of Finance
SUBJECT: Killeen Arts Commission FY 2026 Grant Recommendations

BACKGROUND AND FINDINGS:

One of the primary duties carried out by the Arts Commission involves providing recommendations to the City Council concerning the allocation of funds from the Hotel Occupancy Tax. These funds are specifically designated for supporting arts-related grants. The utilization of municipal hotel occupancy taxes is governed by Texas Tax Code Chapter 351. As outlined in Section 351.101, there are two key criteria that must be fulfilled in order to utilize revenue from municipal hotel occupancy taxes: 1) the expenditures should contribute to the advancement of tourism and the convention and hotel industry, and 2) the expenditures should fall within one of the nine predefined categories mandated by statute. Notably, the encouragement, promotion, enhancement, and advancement of the arts constitute one of these nine categories. Additionally, Section 351.103(c) sets a limit on the proportion of hotel occupancy tax revenue that can be allocated to the arts, capping it at 15% of the total revenue collected from hotel occupancy taxes.

On June 13, 2025, a session of the Killeen Arts Commission took place. In this gathering, a total of seven (7) applicants put forth their grant. The proposed events, put forth by these applicants, underwent assessment by the Arts Commission in accordance with the Rules and Regulations that were revised and adopted by the City Council on February 18, 2025. Out of the seven applicants to put for their application, one did not qualify and one withdrew their application.

Upon City Council's approval of the recommended grant awards, contracts will be formulated and signed with the chosen grant recipients, with the designated commencement date set for October 1, 2025. The proposed allocations are as follows:

\$ 76,202	Vive Les Arts Societe
\$ 4,778	Artesenia Y Cultura
\$ 5,674	Crossroads to Texas Quilt Guild
\$ 11,021	Innovation Black Chamber of Commerce
<u>\$ 27,325</u>	Songhai Bamboo Roots
\$ 125,000	Total

THE ALTERNATIVES CONSIDERED:

1. Do not approve the Arts Commission's grant recommendations
2. Amend the Arts Commission's grant recommendations
3. Approve the Arts Commission's grant recommendations

Which alternative is recommended? Why?

City Council approve the Killeen Arts Commission's grant recommendations for fiscal year 2026.

CONFORMITY TO CITY POLICY:

In compliance with Texas Tax Code Section 351 and the Arts Commission Rules and Regulations.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

\$125,000 for FY 2026

Is this a one-time or recurring revenue/expenditure?

One-Time

Is this revenue/expenditure budgeted?

Yes, \$125,000 is included in the Hotel Occupancy Tax Fund in account 214-55660-160-162-000000 upon City Council approval of the FY 2026 Proposed Budget.

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

Yes, upon City Council approval of the FY 2026 Proposed Budget

RECOMMENDATION:

City Council approve the Killeen Arts Commission's grant recommendations for fiscal year 2026.

DEPARTMENTAL CLEARANCES:

Legal

ATTACHED SUPPORTING DOCUMENTS:

Grant Recommendations
Presentation

Proposed budget for FY 2026 Art Grant Allocation \$

125,000

Organization	Event	Grant Requested	Average % Score	Grant Request Adjusted by Avg % Score	Percentage of Overall Grant Requests	Proposed Grant Recommendation	Proposed Total by Organization
IMPAC Outreach	Rhythm & Vibes Killeen Poetry Slam	\$ -	85.83%	\$ -	0.00%	\$ -	\$ -
	Inspired Voices Narrative Project	\$ -	80.00%	\$ -	0.00%	\$ -	
Vive Les Arts Societe	Beetlejuice JR	\$ 20,000	88.88%	\$ 17,775	7.73%	\$ 9,658	\$ 76,202
	How the Grinch Stole Christmas	\$ 20,000	88.75%	\$ 17,750	7.72%	\$ 9,644	
	Madagascar JR	\$ 20,000	85.88%	\$ 17,175	7.47%	\$ 9,332	
	Anastasia	\$ 20,000	88.75%	\$ 17,750	7.72%	\$ 9,644	
	High School Musical JR	\$ 20,000	88.00%	\$ 17,600	7.65%	\$ 9,563	
	9 to 5	\$ 20,000	88.75%	\$ 17,750	7.72%	\$ 9,644	
	The Sound of Music	\$ 20,000	85.00%	\$ 17,000	7.39%	\$ 9,237	
Waitress	\$ 20,000	87.25%	\$ 17,450	7.58%	\$ 9,481		
Artesenia Y Cultura	Fiesta Art and Culture 2026	\$ 10,000	87.94%	\$ 8,794	3.82%	\$ 4,778	\$ 4,778
Crossroads to Texas Quilt Guild	Stars and Stripes over Texas Quilt Show	\$ 12,883	81.06%	\$ 10,443	4.54%	\$ 5,674	\$ 5,674
Innovation Black Chamber of Commerce	Juneteenth Festival	\$ 14,797	77.81%	\$ 11,514	5.00%	\$ 6,256	\$ 11,021
	Culture on the Square Jamboree	\$ 10,667	82.21%	\$ 8,770	3.81%	\$ 4,765	
Songhai Bamboo Roots	Kwanzaa	\$ 9,029	81.22%	\$ 7,334	3.19%	\$ 3,985	\$ 27,325
	Killeen 2nd African American World Book Day	\$ 8,009	84.39%	\$ 6,759	2.94%	\$ 3,672	
	Caribbean Afram Festival	\$ 44,176	81.94%	\$ 36,200	15.73%	\$ 19,668	
TOTALS		\$ 269,561		\$ 230,063	100%	\$ 125,000	\$ 125,000



**KILLEEN ARTS COMMISSION
FISCAL YEAR 2026
GRANT AWARDS**

RS-25-146

September 16, 2025

Background

2

- ❑ Texas Tax Code 351.101 - Hotel Occupancy Tax (HOT)
 - ▣ Requires hotel occupancy tax revenues to be spent in a manner that directly enhances and promotes tourism, the convention industry, and the hotel industry
 - ▣ Authorizes municipalities to allocate up to 15% of hotel occupancy tax collections for the arts
 - ▣ Total FY 2026 grants to the arts allocation is \$125,000

Grant Award Process

3

- March 2 and March 16 – notice of mandatory workshop published
- March 21 and April 4 – staff held grant application workshop
- April 25 – grant application due
- June 13 – Arts Commission evaluated grant applications
- July 11 – Arts Commission reviewed art grant recommendations

Grant Award Recommendations

4

Grantee	FY 2026 Amount
Vive Les Arts Societe	\$76,202
Artesenia Y Cultura	4,778
Crossroads to Texas Quilt Guild	5,674
Innovation Black Chamber of Commerce	11,021
Songhai Bamboo Roots Association	27,325
Total	\$125,000

Recommendation

5

City Council approve the Arts Commission's grant recommendations



City of Killeen

Staff Report

File Number: RS-25-147

Consider a memorandum/resolution appointing members to vacant, expired and unexpired terms on various boards, commissions and committees.

DATE: September 16, 2025

TO: Kent Cagle, City Manager

FROM: Laura Calcote, City Secretary

SUBJECT: Annual Citizen Appointments to Boards, Commissions & Committees

BACKGROUND AND FINDINGS:

The City of Killeen has various citizen boards, commissions and committees that serve in an advisory capacity. Per City Code of Ordinances, Article IV, Sec. 2-116, all appointments and reappointments to citizen boards, commissions and committees shall be made by the City Council prior to October 1st of each year for all positions to be filled that fiscal year.

Listed below are board, commission and committee seats that have become vacant due to a resignation or are expiring September 30, 2025.

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

Making these appointments conforms to relevant city ordinances and policies.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

There is no current or future expenditure associated with these appointments.

Is this a one-time or recurring revenue/expenditure?

N/A

Is this revenue/expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

N/A

RECOMMENDATION:

It is recommended that the City Council appoint individuals to fill identified vacancies and expired terms.

DEPARTMENTAL CLEARANCES:

City Attorney

ATTACHED SUPPORTING DOCUMENTS:

FY 2025 -2026 Boards, Commissions and Committees

***Requested Reappointment (RR)**

Animal Advisory Committee (Sub-Comm: Riakos Adams)

Current Member	Status	New Member	Comments	Termed?	*RR
Vacant	Term Expires 09/2025	Amanda Moore	Animal Services Director	No	N/A
Laurie Wilson	Term Expires 09/2025	Laurie Wilson	City Official	No	Yes
Kendra Hicks	Term Expires 09/2025	Citizen Rep.		No	No
Vacant	Term Expires 09/2025	Licensed Veterinarian		N/A	N/A
Vacant	Term Expired 09/2024	Animal Welfare Org. Rep.		N/A	N/A
Vacant	Term Expired 09/2024	Citizen Rep.		N/A	N/A

Arts Commission (All Council)

Current Member	Status	New Member	Comments	Termed?	*RR
Treymont Cannon	Term Expires 09/2025	At-Large Member		No	Yes
Vacant	Term Expires 09/2025	At-Large Member		N/A	N/A
Vacant	Term Expires 09/2025	Dance/Drama/Writing		N/A	N/A

Audit Committee (All Council)

Current Member	Status	New Member	Comments	Termed?	*RR
Tyrone McLaurin	Term Expires 09/2025	Citizen Rep.		No	No
James Ralston	Term Expires 09/2025	Citizen Rep.		Yes	Yes

Board of Adjustment - Aviation (Sub-Comm: Nina Cobb, Debbie Nash-King)

Current Member	Status	New Member	Comments	Termed?	*RR
Vacant	Term Expires 09/2024	N/A	N/A		

Board of Adjustment - Construction (Sub-Comm: Ramon Alvarez, Anthony Kendrick)

Current Member	Status	New Member	Comments	Termed?	*RR
Jarret Irby-Holden	Term Expires 09/2027	Steven Rinehart	Mechanical Contractor	No	N/A
Vacant	Term Expires 09/2025	Jarret Irby-Holden	General Contractor	No	N/A
Steven Rinehart	Term Expires 09/2025	Building Inspector		No	Yes

*Steven Rinehart and Jarret Irby-Holden are both currently serving on the Board. The two of them will be moved to different unexpired positions on the Board, with Council approval.

Board of Adjustment - Fire Prevention Code (Sub-Comm: Joseph Solomon, Anthony Kendrick)

Current Member	Status	New Member	Comments	Termed?	*RR
Vacant	Term Expires 09/2025	N/A	N/A		
Vacant	Term Expires 09/2025	N/A	N/A		
Vacant	Term Expires 09/2025	N/A	N/A		
Vacant	Term Expired 09/2024	N/A	N/A		

Board of Adjustment - Zoning (Sub-Comm: Ramon Alvarez, Debbie Nash-King)

Current Member	Status	New Member	Comments	Termed?	*RR
Leo Gukeisen	Term Expires 09/2025	Citizen Rep.	No	No	
Bear Jones	Term Expires 09/2025	Citizen Rep.	No	No	
Tad Dorroh	Term Expires 09/2025	Citizen Rep.	No	No	
Vantonio Fraley	Term Expires 09/2025	Citizen Rep.	No	Yes	

Capital Improvement Advisory Committee (All Council)

Current Member	Status	New Member	Comments	Termed?	*RR
Chet Southworth	Term Expires 09/2025	Real Estate Dev./Bldg. Industry	No	No	
Josh Welch	Term Expires 09/2025	Real Estate Dev./Bldg. Industry	No	No	
Sandra Wooten	Term Expires 09/2025	Community Rep.	No	Yes	
Dillon Whitis	Term Expires 09/2025	Real Estate Dev./Bldg. Industry	No	Yes	
Johnny Frederick	Term Expires 09/2025	Community Rep.	No	Yes	
Patsy Bracey	Term Expires 09/2025	Community Rep.	No	Yes	
Camille Francis-Howard	Term Expires 09/2025	Real Estate Dev./Bldg. Industry	No	Yes	
Angela Ann Santos	Term Expires 09/2025	ETJ Resident	No	Yes	
Vacant	Term Expires 09/2025	Community Rep.	N/A	N/A	

Civil Service Commission (City Manager)

Current Member	Status	New Member	Comments	Termed?	*RR
Dirk Davis	Term Expires 09/2025	Charles Kimble	Citizen Rep.	Yes	Yes

Community Development Advisory Committee (All Council)

Current Member	Status	New Member	Comments	Termed?	*RR
Toni Ringgold	Term Expires 09/2025	Citizen Rep.	No	No	
Teresa Cossey	Term Expires 09/2025	Citizen Rep.	No	Yes	
Angela Ann Santos	Term Expires 09/2025	Citizen Rep.	No	No	

Vacant Term Expires 09/2025 Citizen Rep. N/A N/A

Heritage Preservation Board (All Council)

Current Member	Status	New Member	Comments	Termed?	*RR
Josie Mckinney	Term Expires 09/2025		Downtown Tenant	No	No
Michael DeHart	Term Expires 09/2025		Realtor	Yes	No

Killeen Economic Development Corporation (All Council)

Current Member	Status	New Member	Comments	Termed?	*RR
Tad Dorroh	Term Expires 09/2025	Curtis Gaines	KIF Rep.	Yes	N/A
Scott Cospier	Term Expires 09/2025	Scott Cospier	Chamber Rep.	No	N/A

Killeen Sister Cities (All Council)

Current Member	Status	New Member	Comments	Termed?	*RR
Andriana Lopez Espinoza	Term Expires 09/2025		TBD YAC Rep.	No	N/A
La Donna Barbee	Term Expires 09/2025		Citizen Rep.	No	No
Scott Connell	Term Expires 09/2025	Michelle Flores	Greater Killeen Chamber of Commerce	No	No

Parks and Recreation Advisory Board (All Council)

Current Member	Status	New Member	Comments	Termed?	*RR
Juan Marshall	Term Expires 09/2025		Position 1: District 1	No	No
Joe Davis	Term Expires 09/2025		Position 3: District 3	No	Yes
Vacant	Term Expires 09/2025		Position 5: At-Large	N/A	N/A
David Fleming	Term Expires 09/2025		Position 7: At-Large	No	No

Planning and Zoning Commission (All Council)

Current Member	Status	New Member	Comments	Termed?	*RR
Ricky Wilson	Term Expires 09/2025		Position 4	No	Yes
Louie Minor	Term Expires 09/2025		Position 5	No	No
Randy Ploeckelmann	Term Expires 09/2025		Position 6	Yes	No

Senior Citizens Advisory Board (Sub-Comm: Nina Cobb, Joseph Solomon)

Current Member	Status	New Member	Comments	Termed?	*RR
Debbie Bundy	Term Expires 09/2025		Citizen Rep.	No	No
Patricia Holland	Term Expires 09/2025		Citizen Rep.	No	No

Tax Increment Reinvestment Zone Number Two Board (All Council)

Current Member	Status	New Member	Comments	Termed?	*RR
Bobby Whitson	Term Expires 09/2025	Bobby Whitson	Bell County Rep.	Yes	Yes

Youth Advisory Commission (Sub-Comm: Ramon Alvarez, Jose Segarra, Riakos Adams)

Current Member	Status	New Member	Comments	Termed?	*RR
Adriana Lopez Espinoza	Term Expires 09/2025		Adriana Lopez Espinoza	No	Yes
Aniya Black	Term Expires 09/2025	Abigail Hallas		No	
Iyanna Daniels	Term Expires 09/2025	Kyndall Means		No	
Katherine Pelayo	Term Expires 09/2025	Jaxson Stovall		No	
Kalina-rose Charfauros	Term Expires 09/2025	Malyha Drew		No	

Brianna Trevino	Term Expires 09/2025	Leianda Rivera-Roman	No
Derek Ortiz Mercado	Term Expires 09/2025	Alamea Rivera-Roman	No
Ava McQuaide	Term Expires 09/2025	Ava McQuaide	No Yes
Harmony Morales	Term Expires 09/2025	Harmony Morales	No Yes
Chance Ma	Term Expires 09/2025	No	
Nadine Nyamari	Term Expires 09/2025	No	
Malachi Phillips	Term Expires 09/2025	No	
Carlos Diaz Torres	Term Expires 09/2025	No	

A stylized graphic in the background consisting of a grey five-pointed star at the top right, a curved grey line that starts below the star and curves upwards and to the left, and two grey trapezoidal shapes positioned behind the curve.

ANNUAL APPOINTMENT OF
CITIZENS TO BOARDS,
COMMISSIONS & COMMITTEES

RS-25-147

September 16, 2025

Boards, Commissions & Committees

2

- The Mayor and City Council make annual appointments to various boards, commissions and committees each year and throughout the year, as vacancies occur
- The following tables show members with Expired Terms, Expiring Terms or Resignations and whether the member:
 - Is term limited – generally six (6) years, unless specialized knowledge is required, or other good cause is found by Council
 - Requested Reappointment (*RR)

Animal Advisory Committee

(Sub-Comm: Riakos Adams)

3

Current Member	Status	New Member	Comments	Termed?	*RR
Vacant	Term Expires 09/2025	Amanda Moore	Animal Services Director	N/A	N/A
Laurie Wilson	Term Expires 09/2025	Laurie Wilson	City Official	No	Yes
Kendra Hicks	Term Expires 09/2025		Citizen Rep.	No	No
Vacant	Term Expires 09/2025		Licensed Veterinarian	N/A	N/A
Vacant	Term Expired 09/2024		Animal Welfare Org. Rep.	N/A	N/A
Vacant	Term Expired 09/2024		Citizen Rep.	N/A	N/A

Arts Commission (All Council)

4

Current Member	Status	New Member	Comments	Termed?	*RR
Treymont Cannon	Term Expires 09/2025		At-Large Member	No	Yes
Vacant	Term Expires 09/2025		At-Large Member	N/A	N/A
Vacant	Term Expires 09/2025		Dance/Drama/ Writing	N/A	N/A

Audit Committee (All Council)

5

Current Member	Status	New Member	Comments	Termed?	*RR
Tyrone McLaurin	Term Expires 09/2025		Citizen Rep.	No	No
James Ralston	Term Expires 09/2025		Citizen Rep.	Yes	Yes

Board of Adjustment – Aviation

(Sub-Comm: Nina Cobb, Debbie Nash-King)

6

Current Member	Status	New Member	Comments	Termed?	*RR
Vacant	Term Expired 09/2024			N/A	N/A

Board of Adjustment – Construction

(Sub-Comm: Ramon Alvarez, Anthony Kendrick)

7

Current Member	Status	New Member	Comments	Termed?	*RR
Jarret-Irby Holden	Term Expires 09/2027	Steven Rinehart	Mechanical Contractor	No	N/A
Vacant	Term Expires 09/2025	Jarret-Irby Holden	General Contractor	No	N/A
Steven Rinehart	Term Expires 09/2025		Building Inspector	No	Yes

Board of Adjustment – Fire Prevention Code (Sub-Comm: Joseph Solomon, Anthony Kendrick)

8

Current Member	Status	New Member	Comments	Termed?	*RR
Vacant	Term Expires 09/2025			N/A	N/A
Vacant	Term Expires 09/2025			N/A	N/A
Vacant	Term Expires 09/2025			N/A	N/A
Vacant	Term Expired 09/2024			N/A	N/A

Board of Adjustment – Zoning

(Sub-Comm: Ramon Alvarez, Debbie Nash-King)

9

Current Member	Status	New Member	Comments	Termed?	*RR
Leo Gukeisen	Term Expires 09/2025		Citizen Rep.	No	No
Bear Jones	Term Expires 09/2025		Citizen Rep.	No	No
Tad Dorroh	Term Expires 09/2025		Citizen Rep.	No	No
Vantonio Fraley	Term Expires 09/2025		Citizen Rep.	No	Yes

Capital Improvement Advisory Committee (All Council)

10

Current Member	Status	New Member	Comments	Termed?	*RR
Chet Southworth	Term Expires 09/2025		Real Estate Dev./Bldg. Industry	No	No
Josh Welch	Term Expires 09/2025		Real Estate Dev./Bldg. Industry	No	No
Sandra Wooten	Term Expires 09/2025		Community Rep.	No	Yes
Dillon Whitis	Term Expires 09/2025		Real Estate Dev./Bldg. Industry	No	Yes

Capital Improvement Advisory Committee Cont. (All Council)

11

Current Member	Status	New Member	Comments	Termed?	*RR
Johnny Frederick	Term Expires 09/2025		Community Rep.	No	Yes
Patsy Bracey	Term Expires 09/2025		Community Rep.	No	Yes
Camille-Francis Howard	Term Expires 09/2025		Real Estate Dev./Bldg. Industry	No	Yes
Angela Ann Santos	Term Expires 09/2025		ETJ Resident	No	Yes
Vacant	Term Expires 09/2025		Community Rep.	N/A	N/A

Civil Service Commission (City Manager)

12

Current Member	Status	New Member	Comments	Termed?	*RR
Dirk Davis	Term Expires 09/2025	Charles Kimble	Citizen Rep.	Yes	Yes

Community Development Advisory Committee (All Council)

13

Current Member	Status	New Member	Comments	Termed?	*RR
Toni Ringgold	Term Expires 09/2025		Citizen Rep.	No	No
Teresa Cossey	Term Expires 09/2025		Citizen Rep.	No	Yes
Angela Ann Santos	Term Expires 09/2025		Citizen Rep.	No	No
Vacant	Term Expires 09/2025		Citizen Rep.	N/A	N/A

Heritage Preservation Board (All Council)

14

Current Member	Status	New Member	Comments	Termed?	*RR
Josie Mckinney	Term Expires 09/2025		Downtown Tenant	No	No
Michael DeHart	Term Expires 09/2025		Realtor	Yes	No

Killeen Economic Development Corporation (All Council)

15

Current Member	Status	New Member	Comments	Termed?	*RR
Tad Dorroh	Term Expires 09/2025	Curtis Gaines	KIF Rep.	Yes	N/A
Scott Cospers	Term Expires 09/2025	Scott Cospers	Chamber Rep.	No	N/A

Killeen Sister Cities (All Council)

16

Current Member	Status	New Member	Comments	Termed?	*RR
Andriana Lopez Espinoza	Term Expires 09/2025	TBD	YAC Rep.	No	N/A
La Donna Barbee	Term Expires 09/2025		Citizen Rep.	No	No
Scott Connell	Term Expires 09/2025	Michelle Flores	Greater Killeen Chamber of Commerce	No	No

Parks and Recreation Advisory Board (All Council)

17

Current Member	Status	New Member	Comments	Termed?	*RR
Juan Marshall	Term Expires 09/2025		Position 1: District 1	No	No
Joe Davis	Term Expires 09/2025		Position 3: District 3	No	Yes
Vacant	Term Expires 09/2025		Position 5: At-Large	N/A	N/A
David Fleming	Term Expires 09/2025		Position 7: At-Large	No	No

Planning and Zoning Commission (All Council)

Current Member	Status	New Member	Comments	Termed?	*RR
Ricky Wilson	Term Expires 09/2025		Position 4	No	Yes
Louie Minor	Term Expires 09/2025		Position 5	No	No
Randy Ploeckelmann	Term Expires 09/2025		Position 6	Yes	No

Senior Citizens Advisory Board

(Sub-Comm: Nina Cobb, Joseph Solomon)

19

Current Member	Status	New Member	Comments	Termed?	*RR
Debbie Bundy	Term Expires 09/2025		Citizen Rep.	No	No
Patricia Holland	Term Expires 09/2025		Citizen Rep.	No	No

Tax Increment Reinvestment Zone #2 Board (All Council)

20

Current Member	Status	New Member	Comments	Termed?	*RR
Bobby Whitson	Term Expires 09/2025	Bobby Whitson	Bell County Rep.	Yes	Yes

Youth Advisory Commission (Sub-Comm: Ramon Alvarez, Jose Segarra, Riakos Adams)

21

Current Member	Status	New Member	Comments	Termed?	*RR
Adriana Lopez Espinoza	Term Expires 09/2025	Adriana Lopez Espinoza		No	Yes
Aniya Black	Term Expires 09/2025	Abigail Hallas		No	
Iyanna Daniels	Term Expires 09/2025	Kyndall Means		No	
Katherine Pelayo	Term Expires 09/2025	Jaxson Stovall		No	
Kalina-rose Charfauros	Term Expires 09/2025	Malyha Drew		No	
Brianna Trevino	Term Expires 09/2025	Leianda Rivera-Roman		No	

Youth Advisory Commission Cont. (Sub-Comm: Ramon Alvarez, Jose Segarra, Riakos Adams)

22

Current Member	Status	New Member	Comments	Termed?	*RR
Derek Ortiz Mercado	Term Expires 09/2025	Alamea Rivera-Roman		No	
Ava McQuaide	Term Expires 09/2025	Ava McQuaide		No	Yes
Harmony Moralez	Term Expires 09/2025	Harmony Moralez		No	Yes
Chance Ma	Term Expires 09/2025			No	
Nadine Nyamari	Term Expires 09/2025			No	
Malachi Phillips	Term Expires 09/2025			No	
Carlos Diaz Torres	Term Expires 09/2025			No	

Recommendation

23

- Staff recommends that the City Council appoint individuals to fill identified vacancies and expired terms



City of Killeen

Staff Report

File Number: RS-25-148

Consider a memorandum/resolution awarding RFP 25-32, Aviation Fuel Supplier and authorizing an agreement with Avfuel Corporation, for fuel services at Killeen Regional Airport and Skylark Field, in the amount of \$340,000.00.

DATE: September 16, 2025

TO: Kent Cagle, City Manager

FROM: Mike Wilson, Executive Director of Aviation

SUBJECT: Aviation Fuel Supply Agreement for Killeen Regional Airport and Skylark Field

BACKGROUND AND FINDINGS:

The City of Killeen, Aviation Department is pursuing a contract with a common aviation fuel supplier to secure a reliable and uninterrupted fuel supply essential for its aviation operations. This initiative seeks to enhance the quality of service provided while establishing a profitable arrangement for the acquisition of aviation fuel.

This strategic approach not only guarantees a consistent supply of aviation fuel but also positions the City to benefit from competitive pricing and quality service in the aviation sector.

A Request for Proposals (RFP#25-32) was advertised on June 23rd, 2025, and three proposals were received on July 30th, 2025. Proposals were submitted by Avfuel Corporation, AEG Fuels, and Titian Aviation Fuels. Following a thorough assessment of all submissions, staff determined that Avfuel Corporation's proposal meets the Airport's operational needs and provides the best value for the City of Killeen.

Staff has negotiated an Aviation Fuel Supply agreement with Avfuel Corporation. The term of the agreement is for a period beginning October 1, 2025, and ending September 30, 2027, with two one-year option periods.

The aviation fuel supply agreement provides goods that generate revenue for both Killeen Regional Airport (GRK) and Skylark Field Airport (ILE) through resale or contracted delivery to air operators. The contract is expected to generate approximately \$541,724 in revenue, with estimated expenses totaling \$340,000. Additionally, the agreement includes additional value-added services at no extra cost, such as three fuel trucks, free regulatory training, quality-control equipment, regulatory signage and stickers, and other cost-saving items.

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

Yes, this item conforms to state and local policies.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

No fiscal impact in the current year (FY 2025).

For FY 2026, the aviation fuel supply agreement provides goods which generate revenues for Killeen Regional Airport (KRA) and Skylark Field Airport (ILE) from resale or contract delivery to air operators, (i.e., Fuel Flow Fees, Into Plane Fees, Jet Fuel and 100LL Fuel Sales). This fuel supply contract provides revenue into the following accounts for FY 2026:

525-44224-600-601-000000 - Fuel Flow Fees (KRA)	\$	730
525-44224-600-602-000000 - Fuel Flow Fees (ILE)	\$	3,394
525-44228-600-601-000000 - Into Plane Fees (KRA)	\$	156,000
525-44230-600-601-000000 - Jet Fuel Sales (KRA)	\$	101,000
525-44230-600-602-000000 - Jet Fuel Sales (ILE)	\$	91,000
525-44210-600-602-000000 - 100LL Fuel Sales (ILE)	\$	189,600
Total Estimated Revenue	\$	541,724

The goods of this vendor and potential new customers it may bring to the airport are also expected to have a positive effect on aviation fuel sales, however the estimated amount cannot be determined at this time.

Is this a one-time or recurring revenue/expenditure?

Expenditures are recurring from the following accounts:

525-55510-600-601-000000 - Cost of Goods (GRK)	\$	90,000
525-55500-600-602-000000 - Cost of Goods (ILE)	\$	250,000
Total Estimated Expense		\$ 340,000

Is this revenue/expenditure budgeted?

Yes

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

Yes

RECOMMENDATION:

City Council approve the aviation fuel supply agreement with Avfuel Corporation in the amount of \$340,000 and authorize the City Manager, or designee, to execute same, and all amendments or supplemental agreements allowed per federal, state, or local law.

DEPARTMENTAL CLEARANCES:

Purchasing
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Agreement
Proposal
Certificate of Interested Parties
Presentation



AVFUEL CORPORATION
FIXED BASE OPERATOR
AVIATION FUEL SUPPLY AGREEMENT

Reference Date: September 1, 2025 Effective Date: October 1, 2025

SUMMARY

This Agreement is between Avfuel Corporation and its affiliates and subsidiaries all of which have principal offices at 47 West Ellsworth Road, Ann Arbor, MI 48108 USA, hereinafter referred to, individually or collectively as "Avfuel" and City of Killeen having its principal office at (Street address only) 8101 Clear Creek Road, Killeen, TX 76549 hereinafter called "Customer", collectively called "the Parties", and is effective on the Effective Date or, if no Effective Date is specified then on the Reference Date noted above.

THIS IS AN INTEGRATED AGREEMENT CONSISTING OF SEVERAL PARTS, ALL OF WHICH SHALL BE READ TOGETHER AND INTERPRETED AS ONE AGREEMENT. The parts shall include this Summary, the Special Terms and Conditions, and the General Terms and Conditions. In the event of any inconsistencies between the Special Terms and Conditions and the General Terms and Conditions, the Special Terms and Conditions shall govern. Avfuel offers other Programs that it believes are of benefit to Customer. Customer chooses to participate in those Programs that are checked below and agrees that the applicable provisions of the Special and General Terms and Conditions govern those Programs. Additions or deletions to this agreement are governed by the Changes Provision set forth in Section 21 of the General Terms and Conditions. If customer should avail itself of any of the Programs not checked below then Customer specifically agrees to be bound by the Special and General Terms and Conditions that govern those Programs.

Applicable Certificates of Insurance are attached hereto. Insurance Company Name: _____

- Customer Credit Program, Brand Program, Equipment Lease Agreement, Addenda, AVTRIP Program, Contract Fuel Dealer Program

CUSTOMER FEIN: 74-6001504 TYPE OF BUSINESS: Government Entity (i.e. C-corp, S-corp, Partnership, LLC, Sole Proprietorship, or other)

STATE ID NUMBER: STATE OF INCORPORATION: TX

FOR: AVFUEL CORPORATION
By: William B. Light
Title: Vice President, Administration

FOR: CITY OF KILLEEN
By: Kent Cagle
Title: City Manager

The undersigned hereby guarantee(s) payment and performance of this Agreement by Customer.

By: (Signature) (Print Name) (Social Security Number)

By: (Signature) (Print Name) (Social Security Number)

**FIXED BASE OPERATOR
AVIATION FUEL SUPPLY AGREEMENT**

SPECIAL TERMS AND CONDITIONS

CUSTOMER NAME: City of Killeen

BILLING ADDRESS: SAME
(if different than street address)

DELIVERY ADDRESS: 1. ILE: 1523 Stone Tree Dr Skylark Field, Killeen, TX 76543
(if different than street address) 2. GRK: 8101 South Clear Creek Rd, Killeen, TX 76549

AIRPORT ID (IATA CODE): ILE – Skylark Field
GRK – Killeen Regional Airport

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

PAYMENT TERMS: Net 30 Days

CREDIT LIMIT: \$100,000

EQUIPMENT LEASED:

Description **	Serial Number or VIN	Lease Rate	Replacement Cost (Current)*

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

CONTRACT FUEL DEALER:

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

Airport Flowage Fee: YES NO \$0.055
Storage Fee: YES NO

Into-wing Fee Schedule:

Jet Fuel Gallons Uplifted	
Range of Uplifted Gallons	Rate/gallon
1-250	\$0.65
251-99,999	\$0.55

OTHER SPECIAL TERMS AND CONDITIONS:

Incorporation of Proposal: Avfuel hereby incorporates product assurances, services, and incentive offerings contained in the Branded Fuel Supply Proposal to Customer dated July 30, 2025. Elements not listed in this Agreement but included in these proposal documents are incorporated herein by reference. In case of conflicting or contradictory language, the language in the Aviation Fuel Supply Agreement will prevail.

AVIATION FUEL SUPPLY AGREEMENT**GENERAL TERMS AND CONDITIONS**

1. PURCHASE AND SALE: Subject to the terms and conditions contained herein, throughout the entire term of this Agreement, Avfuel agrees to sell and deliver, and Customer agrees to purchase from Avfuel and pay for, the Customer's entire requirements for the following aviation fuel products, including, without limitation: Jet-A, 100LL, SAF, and G100UL, to be handled, stored, used, distributed or sold by Customer or its affiliates at each airport (each an "Airport") listed in the Special Terms and Conditions, including without limitation those Products and Alternative Products that the Customer is presently using that are identified in the Special Terms and Conditions. Customer represents and warrants that all products and services purchased hereunder will be for commercial purposes and Avfuel has relied on this representation in entering into this Agreement. Avfuel has entered this Agreement with the Customer on the expectation and condition that (a) except for Everest Fuel or their successor, the Customer's deliveries of Products and Alternative Products at the Delivery Addresses will be limited to deliveries to end users pursuant to direct sales by the Customer to those end users and deliveries to purchasers listed as Contract Fuel Customers (a "CFC") to facilitate direct sales by Avfuel to those CFCs pursuant to Avfuel's Contract Fuel Program (the "CFD Program"), (b) except for sales pursuant to the CFD Program or Everest Fuel or their successor to purchasers listed as CFCs for brokered resale by those CFCs to end users or resale otherwise brokered through Avfuel, or Everest Fuel or their successor, the Customer will not make any deliveries (or hold inventories) of aviation fuel at the Delivery Addresses pursuant to brokered sales (i.e. sales to end users in which a third party receives a brokerage margin or commission or other fee from the Customer or the end user or sales to third parties who resell the fuel to end users). The Customer acknowledges that these conditions are necessary to preserve Avfuel's continuing investment in developing and maintaining Avfuel's network and that Customer's failure to comply with these conditions will result in Avfuel's exercise of the rights pursuant to Article 11 of the General Terms and Conditions.

2. TERM: – The initial term of this Agreement is (2) years, beginning on the Effective Date specified in the Summary. The City will have the option to extend the contract for up to two (2) additional years, in six (6) month intervals. This option will occur automatically at the end of the previous term unless the City / Contractor serves notice 60 days before contract termination or the end of any extension period. If no notice is given prior to the completion of any renewal, then term shall be automatically renewed for successive thirty (30) day terms until notice is given. The option to extend will not be considered if funding is unavailable or if the contractor's past performance is not within the industry standard.

3. PRICE AND PAYMENT:

3.1. Unless otherwise agreed in writing by the Parties, the price per gallon for Products delivered to Customer shall be as established by Avfuel from time to time in its discretion based upon market and other conditions that it deems pertinent based on the date and time that Avfuel loads the Products into delivery trucks. Prices shall be F.O.B. the Customer's facilities at the Airports (each a "Delivery Address") and shall be exclusive of all taxes, fees, surcharges and other charges.

3.2. Unless otherwise agreed in writing or otherwise required by the state law where the Product is delivered, the standard unit of measurement of quantities of Products purchased and delivered shall be the Net Gallon. The term "Net Gallon" shall mean the volumetric measurement, in U.S. gallons, of a Product actually loaded and measured at the point of shipment, adjusted to the number of U.S. gallons that would have been loaded at a temperature of sixty degrees Fahrenheit (60°F). The conversion ratio shall be from the current American Society for Testing and Materials ("ASTM") IP Petroleum Measurement Tables.

3.3. Unless otherwise agreed in writing by the Parties, Customer agrees to pay in advance by bank wire transfer for all Products purchased hereunder. Failure to pay in advance shall be construed as a credit transaction and shall be subject to the Terms and Conditions of the Customer Credit Program set forth below.

4. TAXES AND OTHER CHARGES:

4.1. Customer shall pay all taxes, assessments, fees and other charges (the "Taxes") which are imposed by any federal, state or local governmental agency or by any airport authority (collectively, the "Taxing Authorities") based upon the delivery, sale, importation, inspection, storage or use of the Products purchased by Customer, excepting Taxes which are imposed upon Avfuel based upon its net income or revenues.

4.2. If the Taxing Authorities collect the Taxes directly from Customer, then Customer shall pay all such Taxes on or before their due dates. If the Taxing Authorities require that Avfuel collect the Taxes from Customer at the time of sale, Avfuel will use its best efforts to include all such Taxes in its invoices to Customer and Customer shall pay all such invoices on or before their due dates. (In its invoices, Avfuel will identify those Taxes as separate items.) If Customer is entitled to an exemption from any Taxes which the Taxing Authorities require to be collected by Avfuel, then, in order to permit Avfuel not to collect those Taxes, Customer shall obtain and provide to Avfuel current and valid exemption certificates relating to those Taxes. If, subsequent to the issuance of any invoice, the Taxing Authorities or Avfuel advise Customer of additional Taxes payable with respect to the Products covered by that invoice, then Customer shall promptly pay such additional Taxes.

4.3. CUSTOMER ACKNOWLEDGES THAT IT REMAINS SOLELY RESPONSIBLE FOR ALL SUCH TAXES, AND WILL INDEMNIFY AVFUEL TO THE EXTENT ALLOWED BY LAW AGAINST ANY LIABILITY FOR SUCH TAXES EVEN IF AVFUEL FAILS FOR ANY REASON TO INCLUDE ANY SUCH TAXES IN ITS INVOICES TO CUSTOMER. HOWEVER, AVFUEL WILL INDEMNIFY CUSTOMER AGAINST ANY LATE CHARGES, PENALTIES OR OTHER CHARGES THAT CUSTOMER INCURS IF AVFUEL'S FAILURE TO INCLUDE ANY TAXES IN ITS INVOICE IS DUE TO GROSS NEGLIGENCE OR WILLFUL MISCONDUCT.

4.4. Customer's obligation to indemnify Avfuel to the extent allowed by law shall extend to any Taxes which are assessable against Customer as a result of any subsequent change or reinterpretation of the laws relating to those Taxes or any exemptions from those Taxes and to any Taxes for which an exemption had been claimed but which are subsequently assessed by Taxing Authorities based upon its rejection of the claimed exemption for the Products or Customer.

5. DELIVERY:

5.1. Deliveries shall be made to the Delivery Address(es) listed in the Special Terms and Conditions. Avfuel or its authorized shipping agent ("Shipping Agent") shall be provided access to Customer's storage facilities during normal business hours, or at such other times as may be approved by Customer's authorized representative, for the purpose of unloading the Products. Unless otherwise agreed in writing, the minimum delivery of Jet A or Avgas fuel will be a full standard transport tanker load as determined by the maximum allowable Gross Vehicle Weight between the supply point and the delivery address. Avfuel reserves the right to impose a surcharge for deliveries of less than a full tanker load.

5.2. Delivery shall be into tanks designated by Customer. Such designation shall be construed as a warranty that the designated tanks and containment areas have been inspected and approved by the appropriate regulatory agencies. Customer shall be responsible for all unloading operations including the placement of hoses into the proper storage tanks. Customer shall specifically designate and gauge the available capacity of the tanks into which the Product shall be unloaded, and shall bear all responsibility of spillage or contamination of the Product after it leaves the end of any properly operating hose provided by Avfuel or its Shipping Agent. Access to Customer's tanks shall be furnished in such a manner that Avfuel or its Shipping Agent can safely and conveniently reach Customer's storage facility with the hoses available, and Avfuel or its Shipping Agent may refuse to complete any delivery which Avfuel or the Shipping Agent determines, in its sole discretion, cannot be made safely.

5.3. Customer shall be responsible for all demurrage charges assessed by the Shipping Agent for additional time spent at the Delivery Address(es) or any Alternative Location.

5.4. Any claim by Customer of any discrepancy in the quantity of the Product delivered shall be effective only if Avfuel is immediately notified, while Shipping Agent is still present. **GIVEN THE NATURE OF THE PRODUCTS, TIME IS OF THE ESSENCE WITH RESPECT TO SUCH CLAIMS AND NO CLAIM SHALL BE PERMITTED OR EFFECTIVE UNLESS DELIVERED WITHIN THE SPECIFIED PERIOD.**

6. FORCE MAJEURE: Except as provided below, neither Party shall be responsible for any failure to comply with the terms of this Agreement due to causes beyond its reasonable control for the period the effects of such causes continue. These causes shall include but shall not be restricted to: fire, storm, flood, earthquake, explosion, accident, acts of any local, state or federal authority or agency or of a public enemy, war, rebellion, terrorism, insurrection, sabotage, epidemic,

quarantine restrictions, labor disputes, transportation embargoes or delays, acts of God and unavailability of the Product. For purposes of this Agreement, the term "unavailable" shall mean that Avfuel, for any reason whatsoever, including but not limited to government action, reduced or allocated fuel supplies, lack of transportation or the like, is unable to procure and deliver a specific Product on a commercially reasonable basis within two (2) days of the specific time requested by Customer. In that event, and only to the extent of such unavailability, the Parties hereto shall be relieved of their obligations under the applicable provisions of this Agreement. If and as applicable, Avfuel will comply with any governmental statute or regulation mandating the allocation of available supplies of Products. The provisions of this Section shall not apply to the failure of a Party to pay any monetary amounts when due under this Agreement.

7. LIMITED WARRANTY:

7.1. Avfuel warrants that all Products delivered pursuant to this Agreement will, at the time of delivery, conform to the then latest revision of following specifications: Aviation Gasoline will conform to the ASTM Specification D910; and Jet Fuel will conform to the ASTM Specification D1655 and Alternative Products will conform to the then current applicable specifications. Avfuel retains the right to revise the applicable specifications upon written Notice to Customer.

7.2. **THE LIMITED WARRANTY STATED ABOVE IS THE ONLY WARRANTY GIVEN BY AVFUEL REGARDING THE PRODUCTS. AVFUEL DISCLAIMS ANY OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.**

7.3. Customer shall sample and test each shipment of Product prior to delivery using industry standard test procedures. If Customer determines or suspects non-conformity then Avfuel must be immediately notified, while the Shipping Agent is still present, and the delivery shall not be completed until either Customer accepts the Product, acknowledging conformity or Avfuel replaces the Product. Customer will permit Avfuel access to Customer's premises and records during normal business hours and upon four (4) hours' telephonic or written Notice to Customer for purposes of investigating any claim of non-conformity. If it is determined that the Product is non-conforming, Avfuel's sole obligation shall be either (1) replacement of the non-conforming Product with conforming Product, or (2) removal of the non-conforming Product and cancellation of the invoice for that Product or refund of the amount paid for that Product, as determined by Avfuel. Avfuel will be reasonably prompt in its actions hereunder. **TIME IS OF THE ESSENCE AND ANY FAILURE TO FOLLOW THE ABOVE PROCEDURE SHALL VOID THE LIMITED WARRANTY.**

8. COMPLIANCE WITH LAWS:

8.1. Each Party shall, at all times and in all respects, comply with all federal, state, county or municipal laws, ordinances, rules and regulations governing its actions in the purchase, storage, handling, use and sale of the Products and all industry standards pertaining thereto, including those that may contain tetraethyl lead or lead alkyl. Further, each of the Parties agree to use its reasonable best efforts to assist the other Party in complying with such laws, ordinances, rules and regulations which the other Party may be required to observe in the performance of its obligations under this Agreement. Each Party reserves the right to terminate those portions of this Agreement governing the purchase of a Product if the other Party violates the provisions of this subsection with respect to that Product. In such event, the remaining provisions of this Agreement shall continue in full force and effect.

8.2. Each Party shall properly instruct its employees, agents and contractors with regard to compliance with all applicable laws, ordinance, rules, regulations and standards governing the use, sale and distribution of the Products that are the subject of this Agreement.

9. **INDEPENDENT STATUS:** Each Party shall at all times function as an independent contractor and not as a subcontractor, employee or other agent of the other Party. Neither Party shall have the authority to and shall not purport to make any commitments or representations on behalf of the other Party or otherwise to take any actions on behalf of the other Party.

10. **RECIPROCAL INDEMNIFICATION: EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, AND TO THE EXTENT TEXAS LAW EACH PARTY (AS SUCH, THE "INDEMNIFYING PARTY") AGREES TO INDEMNIFY TO THE EXTENT ALLOWED BY LAW AND TO HOLD HARMLESS THE OTHER PARTY AND THE OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS OF THE OTHER**

PARTY (AS SUCH, THE "INDEMNIFIED PARTIES") FROM AND AGAINST ANY AND ALL CLAIMS, DEMANDS, LOSSES, LIABILITIES, CAUSES OF ACTION, COSTS OR EXPENSES (INCLUDING ATTORNEY'S FEES) OF WHATSOEVER NATURE WHICH ARE ASSERTED AGAINST OR INCURRED BY ANY INDEMNIFIED PARTY AS A RESULT OF THE BREACH BY THE INDEMNIFYING PARTY OF ITS OBLIGATIONS UNDER THIS AGREEMENT OR AS A RESULT OF ANY NEGLIGENCE OR INTENTIONAL MISCONDUCT OF THE INDEMNIFYING PARTY OR OF ANY OFFICERS, DIRECTORS, EMPLOYEES OR AGENTS OF THE INDEMNIFYING PARTY. ANY AMOUNT PAYABLE BY THE INDEMNIFYING PARTY UNDER THIS SECTION 10 SHALL BE DUE WITHIN TEN (10) DAYS AFTER WRITTEN DEMAND AND ANY SUCH AMOUNT WHICH IS NOT PAID WHEN DUE SHALL BEAR INTEREST FROM THE DUE DATE TO THE DATE OF PAYMENT AT THE RATE OF 16% PER ANNUM (OR, IF LESS, AT THE MAXIMUM RATE OF INTEREST PERMITTED UNDER THE LAWS OF THE STATE IN WHICH THE INDEMNIFYING PARTY HAS ITS PRINCIPAL PLACE OF BUSINESS). WITHOUT LIMITING THE GENERALITY OF THE ABOVE PROVISIONS, THE OBLIGATION OF THE INDEMNIFYING PARTY UNDER THIS SECTION 10 SHALL INCLUDE ANY REASONABLE ATTORNEY'S FEES OR OTHER COSTS INCURRED BY THE INDEMNIFIED PARTIES IN ENFORCING THE OBLIGATION OF INDEMNITY UNDER THIS SECTION. EACH PARTY'S OBLIGATION TO INDEMNIFY SHALL SURVIVE THE TERMINATION OF THIS AGREEMENT AND SHALL REMAIN IN FULL FORCE AND EFFECT UNTIL THE LAPSE OF ALL APPLICABLE STATUTES OF LIMITATIONS OR SIMILAR TIME PERIODS WITHIN WHICH AN ACTION FOR INDEMNITY OR CONTRIBUTION MUST BE BROUGHT.

11. BREACH AND TERMINATION:

11.1. Failure of a Party to comply with the provisions of this Agreement shall constitute a breach of the Agreement by the non-complying Party. Except as otherwise permitted under this Agreement, the non-breaching Party shall provide Notice of that breach to the other Party in the manner set forth in Section 16. The Notice shall specify the alleged breach and the period within which the breach must be cured which, except as provided in Section 11.2, shall be at least ten (10) business days. The Party receiving such Notice shall respond thereto in writing within three (3) business days. If the breach is not cured or the dispute resolved within the period specified in the Notice, the Party claiming breach, by further written Notice, at its election, may affirm this Agreement and initiate appropriate legal actions to require the other Party to remedy that breach or may immediately terminate this Agreement. In either instance, the Party claiming the breach may by appropriate legal proceedings seek and secure recovery of any damages resulting from that breach.

11.2. The provisions of Section 11.1 to the contrary notwithstanding, if the breach is of the Customer's obligation to make a payment to Avfuel when due, then Avfuel may declare all amounts owed to it under this Agreement immediately due and payable, and Avfuel, in addition to all other rights hereunder, may suspend its performance or terminate this Agreement forthwith and without giving Customer Notice or the opportunity to cure. Avfuel shall also have the right to offset any amount that Avfuel then or thereafter owes to Customer, to any guarantor of the Customer's obligations under this Agreement or to any affiliate entity that owns, is owned by or is under common ownership with the Customer against any amounts owed by Customer to Avfuel. Customer warrants that it is authorized to make this commitment with respect to amounts owed by Avfuel to such guarantors and affiliate entities. In addition, Avfuel or its agents or employees may, without further Notice and without legal process enter onto any facility of Customer for the purpose of repossessing any item of Equipment or any personal property of any description owned by Avfuel, and Customer shall use its best efforts to assist Avfuel in such repossession. Exercise of the foregoing remedies shall not constitute a waiver of any amount due by Customer hereunder or of any damages accruing by reason of the breach of any of the terms or conditions of this Agreement. Fuels on board repossessed Equipment will become the property of Avfuel, and credited against any amount owed Avfuel by Customer at that day's market price.

11.3. The Party claiming a breach may waive that breach by giving Notice to the other Party in the manner set forth in Section 16 below. The waiver of any breach shall not constitute a waiver of any subsequent breach of the same or any other term or condition. Any failure of either Party to enforce rights or seek remedies arising out of any breach by the other Party shall not prejudice or affect the rights and remedies of that Party in the event of any subsequent breach by the other Party.

11.4. Except as set forth in Section 11.2, any dispute that arises under this Agreement, pursuant to Section 11.1 or otherwise, shall be submitted to a senior officer or other person having the authority to negotiate the resolution of such disputes for each Party. Those persons shall attempt, in good faith, to resolve the dispute, and no action in law or equity shall lie until the process set forth herein shall have run its course. If the dispute involves the payment of money, all undisputed amounts shall be paid when due regardless of whether the undisputed amount is only part of an invoice.

11.5. The exercise of a Party's right to terminate the Agreement or to exercise any other remedy shall not be deemed an election of remedies and shall be without prejudice to the non-breaching Party's rights to exercise any other remedy afforded to it by this Agreement or by law or equity. In any action related to the enforcement or breach of this Agreement, the prevailing Party shall have the right to recover its reasonable attorney's fees and costs actually incurred.

12. INSURANCE:

12.1. Customer shall secure and at its cost shall thereafter maintain in effect during the term of this Agreement the following insurance and furnish Avfuel a Certificate of Insurance evidencing: (1) aviation general liability insurance, including products and completed operations liability, with limits not less than one million dollars (\$1,000,000.00) combined single limit for bodily injury and property damage; and (2) automobile liability insurance with limits not less than one million dollars (\$1,000,000.00) combined single limit for bodily injury and property damage; (3) workers compensation covering all employees of Customer and (4) physical damage coverage covering the value of any leased Equipment. Insurance policies shall be issued by insurance companies acceptable to Avfuel (whose acceptance may not be unreasonably withheld), shall name Avfuel, or its subsidiary, as applicable, as an additional insured and/or loss payee, and shall provide for at least thirty (30) days' written Notice to Avfuel prior to cancellation or modification. Prior to the Effective Date stated in the Summary, and from time to time thereafter as requested by Avfuel, Customer shall furnish Avfuel a Certificate of Insurance evidencing compliance with this Section.

12.2. Customer may, if it chooses, apply for this insurance through Avfuel's subsidiary, Avsurance Corporation.

12.3. Avfuel currently offers to qualifying customers that participate in Avfuel's Brand Program ("Branded Dealers") the opportunity to participate in Avfuel's Excess Aviation Liability Insurance Program. To qualify, a Branded Dealer must maintain as its primary insurance coverage an Airport Liability Policy with premises, products and completed operations coverage of \$1,000,000 (combined single limit) issued by an insurer acceptable to Avfuel. This Program currently allows qualifying Branded Dealers, at no charge, to be designated as additional insured parties under an Excess Aviation Liability Insurance Policy secured by Avfuel, with excess coverage in the amount of \$50,000,000 against claims for bodily injury or property damage resulting from defects in any aviation gasoline and jet fuel that is supplied by Avfuel to the Branded Dealer and resold by the Branded Dealer to end users.

To participate in this Program and secure this excess coverage, the Branded Dealer must complete and submit to Avfuel the required Application and provide to Avfuel a Certificate of Insurance confirming its primary insurance coverage and naming Avfuel as an additional insured. A Branded Dealer becomes an additional insured under Avfuel's Aviation Products Excess Liability insurance coverage on the date that Avfuel delivers Notice to the Branded Dealer that its Application and Certificate of Insurance have been approved by Avfuel and the excess coverage will be applicable to occurrences following that date.

Avfuel reserves the right to discontinue this Program or to require the Customer to pay a charge for participation in this Program. But in that event, Avfuel will deliver Notice to the Branded Dealer at least thirty (30) days prior to the effective date of that discontinuance or cost change so that the Branded Dealer has the ability if it chooses to make alternative arrangements.

13. CUSTOMER CREDIT:

IN THE EVENT THAT AVFUEL CHOOSES TO DELIVER GOODS OR SERVICES THAT HAVE NOT BEEN PAID FOR IN FULL BY WIRE TRANSFER PRIOR TO THE TIME OF THAT DELIVERY, AVFUEL SHALL BE CONSTRUED AS HAVING EXTENDED CREDIT TO CUSTOMER AND THE TERMS AND CONDITIONS IN THIS SECTION

SHALL APPLY.

13.1. Credit terms may not be used during any period in which the Customer is in breach of its obligations under this Agreement. In addition to the provisions of Section 11 of the General Terms and Conditions, for the specific purposes of this Customer Credit Program, the Customer will be in breach if (a) any amount charged to the Customer's account is not paid in accordance with the agreed upon payment terms; (b) if and for so long as the Customer is in breach of any of its obligations under any Agreement with Avfuel or any of its subsidiaries; or (c) if Avfuel determines that there is any misrepresentation or breach of a warranty by the Customer under or with respect to any Agreement with Avfuel. Use of credit is limited to the amount specified in the Special Terms and Conditions of this Agreement. No purchase may be made which would cause the total amount owed under this Agreement to exceed that credit limit.

13.2. Upon termination of this Agreement, Customer shall have no right to credit terms for new purchases, but all obligations incurred prior to the termination, as well as all remedies provided for default or breach, shall survive. If Avfuel, intentionally or unintentionally, permits any purchases on credit after termination, then the terms of this Agreement shall pertain to those charges.

13.3. Subject to the approval by Avfuel at its offices in Michigan, all purchases by Customer for which Avfuel does not receive payment at or prior to the time of delivery to Customer shall be charged as principal to Customer's account. Avfuel may require Customer or Customer's authorized representative, as a condition of delivery or at any time thereafter, to give receipt for all deliveries in writing and to sign sales slips and other documents in Avfuel's opinion necessary to record or substantiate any or all transactions resulting in a charge to Customer's account.

13.4. Avfuel shall invoice Customer for all Products delivered to Customer or to Customer's designees. Invoices shall include the selling price of the Products delivered, taxes, duties, and any other charges as separate line items. Each invoice will be payable in full on or before that due date specified in that invoice.

13.5. Unless otherwise determined by Avfuel in its discretion, all payments received will be applied by Avfuel (subject to collection of remittance if other than cash) first to interest, if any, accrued on Customer's account, then to the unpaid principal balance owed upon such account in direct calendar order of due date.

13.6. Customer agrees to pay to Avfuel upon demand a fee of \$50.00 for each check, draft or other form of remittance that is not honored by the drawee upon due presentment by Avfuel or its agents.

13.7. From time to time, Avfuel may send Customer a statement of Customer's account for Customer's information showing in summary, or in such detail as Avfuel may deem appropriate, current transactions Avfuel posted to Customer's account to date thereof, the amount of interest (if any) which has accrued, and the balance owing thereon; however, the failure of Avfuel to furnish any such statement shall not relieve Customer of the obligation to make payment against invoices when due in accordance with the other terms of this Agreement. Customer agrees to review all statements promptly after receipt, and shall have fifteen (15) days from date of receipt to notify Avfuel in writing of any discrepancies. If no such Notice is given, such statement shall be conclusively presumed correct.

13.8. In the event that any invoice is not paid in full by the due date stated therein, the unpaid amount of the invoice shall bear interest until paid at the lower of 18% per annum or the highest rate which may lawfully be contracted for, charged and received according to applicable law for business purchases at the time of delivery. Notwithstanding anything in this Agreement to the contrary, Customer shall never be obligated to pay and Avfuel shall never be entitled to receive any interest upon any indebtedness incurred by Customer pursuant hereto in excess of the maximum contract rate of interest authorized by applicable law for business purposes, and it is expressly understood and agreed that if Avfuel shall render any charge for the payment of usurious interest, such charge shall be automatically and unconditionally reduced to the maximum non-usurious amount, and the excess, if paid, shall be applied as credit to Customer's account. If such application results in a credit balance in Customer's said account, such balance shall be refunded to Customer or applied to the next due amount in such account as Customer shall direct.

13.9. If, at any time during the term of this Agreement, the financial responsibility of Customer becomes impaired or unsatisfactory to Avfuel, in the sole judgment of Avfuel, Avfuel, effective immediately upon delivery of Notice to Customer, may require the advance cash payment or other security satisfactory to Avfuel for any shipment of fuel and shipment may be withheld until such payment or security is received.

14. CREDIT, CHARGE CARD, AND PAYMENT ACCEPTANCE:

14.1. Customer is participating in Avfuel's Credit, Charge Card, and Payment Acceptance Program (the "Payment Acceptance Program") Accordingly, unless otherwise agreed in writing, Customer must use Avfuel's platform and gateway for all its payment processing needs and Customer shall honor any valid credit or charge card or other non-card based payment modality listed as accepted in the most current Acceptable Card and Payment List ("ACL") issued by Avfuel and published from time to time on its website at Avfuel.com (the "Accepted Cards") for the purchase by the party to which that card/payment method is issued (the "Cardholder") of products and services if the purchase has been specifically approved by Avfuel. To the extent that a non-card payment modality is not listed among the Approved Cards on the ACL, Customer shall be allowed to process such payment outside of Avfuel's gateway until such payment modality is included among the Approved Cards on the ACL.

14.2. Customer shall prepare a voucher for each transaction (a "Card Transaction") with an Accepted Card (a "Voucher") and shall promptly submit that Voucher to Avfuel. The term "Voucher" means an electronically prepared credit card slip or other written record of a credit sale in form acceptable to Avfuel that has been fully completed by Customer and for which Customer is retaining a copy signed a person authorized to use that Accepted Card (an "Authorized User"). Each Voucher must be submitted electronically by means of an approved point of sale machine or point of sale software system (a "POS Device") in accordance with the instructions contained in the then current edition of Avfuel's Manual that can be viewed or downloaded at Avfuel's website at Avfuel.com or according to the approved point of sale software vendors instructions. In all Card Transactions, the Customer is responsible for making sure that the card presented is an Accepted Card and is not expired and that the person signing the Voucher is an Authorized User. In Card Transactions where the Voucher is first prepared manually, the Customer is also responsible to make sure that the Voucher is complete and legible. If imprinted and hand written amounts on a Voucher do not agree the lesser amount shall be presumed to be correct. The Customer shall make a manual imprint of all cards electronically processed but requiring that the card number be entered manually, in order to prove that the card was present at the time of sale. "Promptly" means batches of Vouchers should be submitted (settled) at least once per day and by 11:00 PM Central Time but in no case any less frequently than once every 72 hours. Customer must keep copies of signed Vouchers and summaries for a period of seven (7) years and supply Avfuel with duplicates if requested. Manual Card Transactions are for pre-arranged emergency processing only and are not accepted under most circumstances. Higher discount rates apply for manual Card Transactions and electronic Card Transactions not settled and received daily by 11 pm Central Time.

14.3. Upon receipt from the Customer of a properly prepared and processed Vouchers, Avfuel shall, on its normal schedule, remit to Customer or, as Avfuel may elect, credit Customer's fuel purchase account with Avfuel, in an amount equal to the total face amount of all such Vouchers less such discounts as applicable according to Avfuel's then current Accounts Receivable Discounts Schedule ("ARDS") issued to Customer by Avfuel and subject to adjustments and chargebacks as provided in Section 14.7 below and less any fees for AVTRIP point awards. In addition to any lien rights which Avfuel might otherwise possess as a result of services provided to the Cardholder, upon Customer's receipt of the payment or credit from Avfuel for the Vouchers generated from the Customer's sales to that Cardholder, the Customer automatically and irrevocably transfers to Avfuel any lien rights that Customer has or may have with respect to any property owned by the Cardholder arising from the Card Transaction(s) for which those Vouchers were issued. Avfuel's ARDS is subject to change upon five (5) days prior written Notice.

14.4. Customer acknowledges merchant processing instructions and rules and regulations established by the issuers of the Accepted Cards (the "Issuers") in the Issuers' websites that are included in or referenced in Avfuel's website at Avfuel.com and agrees to abide by these instructions, rules and regulations, as updated from time to time by the Issuers. Furthermore, Customer agrees to comply with all Data Security Standards and Data Security Policies of the Issuers (the "PCI/DSOP Requirements") and certifies to Avfuel that it is and will continue to be compliant with those PCI/DSOP Requirements. Customer shall defend, indemnify and hold harmless Avfuel and its credit card processor from any claims based on Customer's non-compliance with Customer's commitments in this Section including but not limited to penalties, fines, and any costs incurred in responding to any action alleging such non-compliance. Customer understands that failure to be fully compliant with the PCI/DSOP Requirements may result in loss of right to process Card Transaction under the Payment Acceptance Program.

14.5. Customer acknowledges receipt of, and agrees to observe, Avfuel's current instructions for recording and processing Card Transactions that are included in Avfuel's website at Avfuel.com. Avfuel reserves the right to amend any and all instructions in its website and to add new instructions to its website from time to time, and Customer agrees to be bound by all such amendments and new instructions. Avfuel also reserves the right to issue new or revised forms, POS Machines, software

and imprinters from time to time, and to issue instructions regarding their use to be effective upon five (5) days prior written Notice.

14.6. Customer shall be solely liable and responsible for charging and subsequent remittance of all taxes to the proper authorities for all Card Transaction regardless of whether charged to purchaser. Avfuel does not assume any responsibility for the setup, tax rate, reporting or payment of any tax applicable to sales or other transactions resulting in credit card accounts receivable and Customer shall defend, indemnify and hold harmless Avfuel from any such claims. CUSTOMER IS SOLELY RESPONSIBLE FOR KNOWING THE TAXES THAT MUST BE CHARGED FOR EACH CARD TRANSACTION AND FOR PROPER SETUP FOR TAXES IN ANY ELECTRONIC SYSTEM AND THE MAINTENANCE OF THAT ELECTRONIC SYSTEM.

14.7. Without limiting the generality of other provisions of this Agreement or in Avfuel's website at Avfuel.com pertaining to charge backs, it is specifically understood and agreed that Avfuel may decline to accept or, if accepted, may subsequently charge back to Customer any Voucher:

14.7.1. Where any of the required information is omitted or illegible;

14.7.2. That is imprinted or processed with an expired credit card;

14.7.3. Covering a purchase not authorized by the Cardholder or involving fraud or any misuse of a credit card by the purchaser with or without Customer's knowledge;

14.7.4. Covering a transaction that has not been authorized by Avfuel or does not carry a valid authorization code;

14.7.5. Covering a transaction or series of related transactions (constituting in the reasonable opinion of Avfuel a single sale transaction) the aggregate face amount of that exceeds any of the single sale limitations to which the parties hereto may agree;

14.7.6. That becomes the subject of a dispute between Customer and Cardholder, including but not limited to cases where the Customer did not conspicuously post at its facility and print on a work order signed by the Cardholder the Customer's return policy for goods and services.

14.7.7. Where the Authorized User has not received a copy of the Voucher;

14.7.8. For which Customer has received or will receive any payment or reimbursement from any person other than Avfuel;

14.7.9. Where Customer has granted any right of ownership or security interest to any person other than Avfuel unless the invoice is accompanied by a written waiver of such interest;

14.7.10. Presented by Customer to Avfuel more than ten (10) days after the transaction date;

14.7.11. If the Card Transaction occurred or was settled after the date of expiration or termination of this Agreement;

14.7.12. Created by any person other than Customer, or in any transaction other than a Card Transaction in which Customer has sold merchandise or services to a purchaser presenting an Accepted Card for use in payment for that Card Transaction;

14.7.13. That are charged back to Avfuel or rejected for processing by an Issuer or processor for any reason at all; or

14.7.14. That in any other manner does not conform to this Agreement or with Avfuel's or Issuer's instructions for recording and processing Card Transactions in its website at Avfuel.com.

17.7.15 Where Customer has processed a post authorization transaction with no authorization, a fake authorization or an authorization received from anyone other than the company issuing the card

14.8. In the event that a charge back exceeds the credit balance in Customer's fuel purchase account then carried by Avfuel, Customer agrees to pay such excess within three (3) days after notice that such excess is due. Upon reimbursement, title to the Voucher(s) that include such excess and the indebtedness represented thereby (to the extent of such excess) shall pass to Customer. If any funds come into Avfuel's possession for any voucher that has previously been charged back to Customer, Avfuel will promptly credit the full amount thereof to Customer's account. Avfuel's charge back rights and rights of recourse against Customer shall survive the termination of this Agreement.

14.9. Cash advances may not be charged on any Accepted Card and charges for fuel in Vouchers shall only include charges for fuels from stocks delivered by and purchased from Avfuel.

14.10. From time to time, Avfuel will send Customer a Credit Card Remittance Summary for Customer's information showing in such detail as Avfuel may deem appropriate the Card Transactions and amounts that have been credited to Customer's account or paid to Customer during the period since the last report. The failure of Avfuel to furnish a Summary shall not relieve Customer of any obligations under the Payment Acceptance Program. Customer agrees to review all such Summaries promptly after receipt. In any event, Customer shall be solely responsible for making sure that it has received proper payment for each Card Transaction submitted. Customer shall have forty-five (45) days from the date of a Card Transaction to provide Avfuel Notice that the Card Transaction has not been properly accounted for or that payment has not been received. If no such Notice is given, such Card Transaction shall be conclusively presumed to have been settled and closed.

15. ASSIGNMENT: Customer shall not assign its rights or delegate its obligations under this Agreement, in whole or in part, unless with the prior written consent of Avfuel, which consent will not be unreasonably withheld. Any transfer of a controlling interest in Customer shall be deemed an assignment requiring the consent of Avfuel.

16. NOTICES: All notices permitted or required under this Agreement (each a "Notice") shall be in writing. Notices by facsimile or email transmission shall be deemed "delivered" on the date of confirmed transmission, without error, to the fax number or email address designated in the Summary. Notices by mail shall be deemed delivered three (3) business days following the date deposited with the United States Postal Service, certified mail, return receipt requested, postage prepaid, addressed to the Party at the address of the principal office. Notices sent by overnight courier shall be effective on the next business day following deposit with the overnight courier for overnight delivery with the delivery fee prepaid, addressed to the Party at the address of the principal office, and with instructions to obtain the signature of the addressee.

17. PROGRAM PARTICIPATION:

17.1. The provisions of these General Terms and Conditions will apply to the BRAND PROGRAM, AVTRIP PROGRAM, AVSURANCE PRIMARY COMMERCIAL INSURANCE PROGRAM, CONTRACT FUEL PROGRAM, and EQUIPMENT LEASE PROGRAM that are described in the subparts below (each a "Program") except to the extent these provisions are inconsistent with the provisions in the subpart describing that Program.

17.2. If the Customer participates in any Program, whether by formally electing to participate in that Program by selection in the Summary or by informally electing to participate in that Program by taking part in the benefits of that Program, the Customer will be bound by and subject to the provisions in the subpart relating to that Program, as supplemented by the provisions of these General Terms and Conditions.

17.3. Avfuel reserves the unilateral right to amend, suspend, or terminate any Program at any time effective upon written Notice to the Customer. Termination of Customer's participation in any one Program shall not be construed as terminating the Agreement or Customer's participation in another Program.

18. EXCLUSIVE JURISDICTION: Each Party irrevocably and unconditionally agrees that venue and jurisdiction for the resolution of any dispute and the enforcement of any rights in any way arising from or relating to this Agreement shall exclusively be the courts of the state of Texas sitting in Bell County, and any applicable Texas appellate court. This Agreement shall be construed as having been made and entered into in the State of Texas. Each Party submits and consents to personal jurisdiction in Bell County, Texas, and agrees that it is a convenient forum to resolve any such disputes and enforce any such rights, each Party hereby waiving to the fullest extent possible the defense of an inconvenient forum. Each Party agrees that a final judgment in any such action, litigation, or proceeding is conclusive and may be enforced in any jurisdiction anywhere in the world.

19. EXCLUSIVE GOVERNING LAW: This Agreement, and all other matters arising from or relating to this Agreement, are exclusively governed by, and exclusively construed in accordance with, the laws of the State of Texas, without regard to its conflict of laws provisions.

20. SEVERABILITY: In the event that any court of competent jurisdiction shall determine that any provision of this Agreement shall be unenforceable, then that provision shall be deemed to be null and void and the remaining provisions hereof shall remain in full force and effect.

21. ENTIRE AGREEMENT/AMENDMENTS: This Agreement, including all of its parts, sets forth the entire agreement between Avfuel and Customer with respect to the subject matter hereof and there are no other terms or conditions, oral or written, express or implied, relating to or otherwise affecting such subject matter. No term or condition of the Summary or Special Terms and Conditions shall be changed, supplemented, cancelled or waived unless in writing and signed by both Avfuel and Customer. If Avfuel and Customer have, prior to the effective date, been parties to any other agreement relating directly to the sale of Products to Customer (a "Prior Agreement"), such Prior Agreement, except for guarantees, shall be superseded as of the effective date and all rights and obligations between Avfuel and Customer with respect to the supply of Products from and after the effective date shall be governed by the terms of this Agreement. The terms and conditions of such Prior Agreement shall, however, remain in full force and effect with respect to rights and obligations relating to the supply of Products prior to the effective date and nothing contained in this Agreement shall be construed as terminating or otherwise affecting any such rights or obligations.

BRAND PROGRAM:

IF CUSTOMER HAS ELECTED TO PARTICIPATE IN AVFUEL'S BRAND PROGRAM, THE FOLLOWING WILL APPLY.

1. Customer has been invited and has elected to participate in Avfuel's Brand Program. Accordingly, Avfuel hereby licenses Customer as a dealer ("Branded Dealer") to use Avfuel's Brand Names and Trademarks subject to the provisions set forth herein. All trade names, trademarks, service marks, logos and other commercial symbols that Avfuel either owns or has the right to sub-license (the "Intellectual Property") shall be and remain the property of Avfuel. Further all signs, decals, graphic materials and other tangible property supplied by Avfuel which bear or are imprinted with any of the Intellectual Property or are used to imprint or display the same (the "Branded Property") and all replacements thereof shall be and remain the property of Avfuel. Any use of the Intellectual Property or the Branded Property by the Customer otherwise than as expressly authorized by this Agreement is hereby expressly prohibited. Upon termination of Customer's participation in the Brand Program Customer shall, at its expense, de-install and return to Avfuel all salvageable signage and return or destroy all other items that identify Customer as a branded Avfuel dealer.

2. Avfuel agrees to supply to Customer, for Customer's use and possession during the term of this Agreement such signs, decals, and other graphic materials as Avfuel deems necessary in order to identify Customer as an Avfuel Branded Dealer. Unless otherwise agreed in writing, Avfuel will bear all costs of such materials.

3. Customer shall be responsible for obtaining all necessary permits and for installation of all Branded Property including (without limitation) all electrical and other connections, and shall make sure that all installations shall comply with all brand specifications and with all applicable state and local codes, ordinances and governmental regulations (if any). Unless otherwise agreed in writing, the Customer will bear all costs of installation. No signage shall be installed so as to become a fixture upon real property. The use of color schemes and Intellectual Property painted on facilities and equipment owned by Customer or others and used in the conduct of Customer's business, shall comply with particular and displayed specifications. Customer shall be responsible for maintenance and upkeep of Branded Property and Paint-ons, and agrees to keep and maintain the same at all times in a good, clean, safe, operative and first-class condition, neatly painted and displayed. If any of such installation or maintenance is performed by Avfuel, Customer agrees to remit upon demand all costs thereof, including (without limitation) all expenditures for labor, materials and the like. If any Branded Property is damaged, lost or destroyed while in Customer's use, possession or control, or if Customer shall deliver any of such property to anyone not herein expressly authorized to use or possess it, Customer agrees to repair, recover or replace such property forthwith, at Customer's expense.

4. Customer shall keep all Branded Property insured at all times against loss, theft, fire or physical damage, up to the full replacement cost thereof, designating Avfuel as the loss payee. The Customer shall pay when due all personal property taxes and assessments assessed against the Branded Property and shall neither suffer nor permit any lien or encumbrance or any attachment against any of such Branded Property.

5. Customer agrees that it will not use or display any Branded Property or Intellectual Property: (a) in a manner which causes or is calculated to cause confusion among patrons of Customer or the general public as to the type, characteristics, quality, manufacture or sponsorship of any fuel or other product which Customer offers for sale; (b) for the purpose of selling or promoting the sale of aviation fuel other than fuels supplied by Avfuel; or (c) for the purpose of selling or offering for sale any product which has been diluted or adulterated, whether

intentionally or not. Customer further agrees that it will at all times maintain its facilities and conduct its operations in compliance with those standards and procedures established from time to time by Avfuel and applicable to aviation fixed base operators displaying any of the Intellectual Property. Such standards and procedures may include (without limitation) image quality standards for the brand displayed, quality control and refueling procedures for products bearing such brand, and standards for services offered and facilities utilized by Customer in conjunction with such products. Avfuel may, but shall be under no obligation to conduct periodic tests and inspections as it may deem appropriate to evaluate compliance with this Agreement. Copies of all test and inspection reports shall be given to Customer. It is expressly understood that the purpose of any such tests or inspections is to assist Customer in complying with the standards set for a Branded Dealer. By performing such tests or inspections Avfuel assumes no responsibility for Customer's failure to comply with the Standards or for safety hazards, latent or patent, created or maintained by Customer. If Avfuel determines, in its sole discretion, that Customer is or has violated this provision, then Avfuel may suspend or terminate Customer's right to use Avfuel's Brands and or Trademarks.

AVTRIP PROGRAM:

IF CUSTOMER HAS ELECTED TO PARTICIPATE IN AVFUEL'S AVTRIP PROGRAM, THE FOLLOWING WILL APPLY.

1. Customer has been invited and has elected to participate in Avfuel's AVTRIP Program a marketing incentive program intended to reward pilots who choose to purchase fuel and services from participating Avfuel dealers.

2. Customer will:

2.1. Use its best efforts to enroll pilots in the AVTRIP Program;

2.2. Award all participating pilots two AVTRIP Points for each U.S. gallon of fuel purchased from Customer and, at Customer's discretion, a minimum of one point for each U.S. dollar, or part thereof, spent by a participating pilot for parts and services at Customer's facilities;

2.3. Pay to Avfuel, by deduction from amounts due to Customer or in cash if no amounts are due Customer, \$.01 for each AVTRIP point awarded;

2.4. Maintain complete records of all points earned by participating pilots;

2.5. Train its personnel in the operation of the AVTRIP Program, and prominently post written materials relating to AVTRIP in and around its facilities in order to encourage pilot participation in the program; and

2.6. Promptly send all enrollments to Avfuel so that the enrollee can be added to the list of AVTRIP participants. Not less frequently than every two weeks, Customer will send Avfuel copies of all records pertaining to points earned by pilots that have not been previously reported via POS transmission, and remit to Avfuel all sums due hereunder.

3. Avfuel will:

3.1. Act as the administrator of the AVTRIP Program; and

3.2. Include the AVTRIP Program in its local, national and international marketing and advertising efforts as it deems appropriate to encourage pilot participation in the AVTRIP Program.

4. The price charged to any pilot for fuel, parts or service shall not be based on whether a pilot participates in the AVTRIP Program.

5. Avfuel reserves the unilateral right to amend, suspend, or terminate the AVTRIP Program at any time effective upon written notice to the Customer. Avfuel also reserves the right to terminate any individual's participation at any time for misuse of the AVTRIP card, violation of the rules of the program, or inactivity for a period of twelve (12) consecutive months. Customer may withdraw from this Program upon ninety (90) days' Notice to Avfuel. See Section 16 of the General Terms and Conditions regarding Notices. Termination of Customer's participation in this Program shall not be construed as terminating the Agreement or Customer's participation in any other program.

CONTRACT FUEL DEALER PROGRAM:

IF CUSTOMER HAS ELECTED TO PARTICIPATE IN AVFUEL'S CONTRACT FUEL DEALER PROGRAM, THE FOLLOWING WILL APPLY.

1. Customer has been invited and has elected to participate in Avfuel's Contract Fuel Dealer Program (the "CFD Program"). Accordingly, Customer agrees to sell and deliver to clients who participate in Avfuel's Contract Fuel Program (the "CFCs" or a CFC" as the context may require) aviation fuel supplied by Avfuel and other products and services supplied by the Customer. A CFC is a person or entity that has executed a Contract Fuel User's Agreement with Avfuel or that is specifically authorized in writing, in accordance with authorization procedures established from time to time by Avfuel, and is included in a listing of purchasers eligible to purchase aviation fuel and other products and services under the CFD Program. The Customer will secure authorization from Avfuel before completing a sale to a CFC and the failure to obtain such authorization may result in Avfuel's dishonor of the invoice for that sale.

2. Subject to agreement between Customer and Avfuel, Products supplied hereunder shall be supplied from either Avfuel inventory on site or from Customer inventory. If, as a convenience to Customer, Avfuel maintains inventory at Customer's facility then Customer agrees to the following: (a) if Avfuel's inventory is held separately in a segregated storage facility, Customer will withdraw fuel from that facility only to supply authorized CFCs and (b) if Avfuel's inventory is commingled with the inventory of the Customer (and, if applicable, third parties) in unsegregated facilities, Customer will not use or permit others to use Avfuel's inventory to supply parties other than authorized CFCs and to that end Customer shall not at any time make or permit withdrawals from that facility that would reduce the fuel in such facilities below the level of Avfuel's inventory (and, if applicable, the inventories of third parties). Customer shall measure Avfuel's inventory and reconcile that inventory on an ongoing basis. Reconciliation reports, in a form satisfactory to Avfuel, shall be delivered to Avfuel no later than the 5th day following the end of each month. If Avfuel's inventory is commingled in an unsegregated storage facility, gains and losses shall be allocated proportionally to the parties sharing the storage facility based on receipts of fuel during the month and losses shall be limited to no more than 1/4% of total receipts for per annum. Book inventory shall be adjusted to coincide with actual inventory each month. Unless the Products are contaminated by an act or omission of Dealer, Avfuel will be liable if the Products do not conform to specifications. If the Products are supplied from the Customer's inventory, the Customer will be liable if the Products do not conform to specifications. Customer shall maintain Avfuel's inventory level in accordance with Avfuel's guidelines and shall specify when ordering fuel whether that fuel is for Customer's or Avfuel's inventory (which is subject to approval by Avfuel).

3. Under the CFD Program, all aviation fuel delivered by the Customer to a CFC will be deemed sold by Avfuel and will be at the prices and terms independently established between Avfuel and the CFC. If Avfuel maintains an inventory of aviation fuel at the Customer's facilities, then aviation fuel supplied by the Customer to CFCs will be drawn from Avfuel's inventory. If Avfuel does not maintain an inventory of aviation fuel at the Customer's facilities, then aviation fuel supplied to a CFC is drawn from the Customer's inventory and Avfuel will account for that aviation fuel by issuing a credit to the Customer equal to the Customer's cost for that aviation fuel, including applicable taxes, based upon the Customer's cost for the last load of aviation fuel purchased from Avfuel prior to the date of supply to the CFC.

4. The charges for all aviation fuel supplied to the CFC will be payable solely to Avfuel. Avfuel will be responsible for collecting and remitting any taxes imposed thereon by any local, state or federal taxing authority. Avfuel will invoice and collect those charges and taxes from the CFC. Avfuel, as the seller of all aviation fuel supplied to the CFC, will be the holder of and have the sole right to exercise all lien rights under applicable law on the aircraft into which that aviation fuel is supplied. In addition to any lien rights which Avfuel might possess as a result of services provided to a CFC, upon Customer's receipt of the credit from Avfuel for the vouchers generated from the Customer's deliveries of fuel to that CFC, the Customer automatically and irrevocably transfers to Avfuel any lien rights that Customer has or may have with respect to any equipment or other property owned by the CFC arising from such deliveries of fuel.

5. In all sales of aviation fuel drawn from Avfuel's inventory, title to that aviation fuel will be retained by Avfuel until the point in time that the aviation fuel enters into the aircraft of the CFC, at which point in time title will pass to the CFC. In all sales of aviation fuel drawn from Customer's inventory, title to that aviation fuel will be retained by the Customer until the point in time that the aviation fuel enters into the aircraft of the CFC, at which point in time title will pass instantaneously first to Avfuel and then to the CFC. The risk of loss or contamination of aviation fuel will be borne at each point in time by the party who or which holds title to that aviation fuel at that point in time. If, while Avfuel holds title, any aviation fuel is lost or contaminated as a result of the acts or omissions of the Customer, then the Customer will be liable to Avfuel for that loss or contamination.

6. The into-wing services provided by the Customer in delivering the aviation fuel to the CFC and any other services or products other than aviation fuel to the CFC for which a fee is charged will be deemed sold by the Customer to the CFC. The Customer's fees to CFC's for into-wing services will be at a charge equal to the lowest charge imposed by the Customer to any other purchaser of aviation fuel at the FBO, less the discount that would be applicable to that charge under Avfuel's Payment Acceptance Program (in that Avfuel will incur the discount in collecting that charge from the CFC). All other services and products will be supplied at the Customer's normally established rates. Such other products may include, without limitation, lubricants, spare parts, food and other amenities. Such other services may include, without limitation, flowage fees, tie-down services, catering services and similar services that expedite deliveries and facilitate arrangements for the CFC. No cash advances will be permitted as "other products or services". The Customer will supply all such other products or services as an independent contractor to the CFC and not as an agent or a subcontractor of Avfuel.

7. All other products and services that are supplied by Customer to CFCs will be provided in accordance with procedures and quality standards that are commercially reasonable and that comply with all legal requirements in the jurisdiction where the Customer's facilities are located. Customer will be solely liable if such other products and services do not conform to such standards, procedures or requirements.

8. The charges for all other products and services supplied by the Customer to the CFC will be payable solely to the Customer. The Customer will be responsible for collecting and remitting any taxes imposed thereon by any local, state or federal taxing authority. Customer may directly invoice and collect such charges from the CFC. Alternatively, at the Customer's option, Customer may assign to Avfuel for collection the account receivable from the CFC for other products and services supplied by the Customer (a "CFC Receivable"). If the Customer assigns a CFC Receivable to Avfuel, then Avfuel will issue a credit to the Customer's account for the amount of that CFC Receivable and Avfuel will thereafter invoice, collect and retain those charges from the CFC.

9. Any fees for any services supplied by the Customer in the delivery of aviation fuel to a CFC, including, without limitation any flowage fees or into-wing fees, will be earned by the Customer only after it has completed delivery of the entire load of aviation fuel into the aircraft of the CFC and title to that aviation fuel has passed to the CFC. Initial into-wing fees are established in the Special Terms and Conditions and, subject to the "most favored customer" provision in Paragraph 6, Customer may change those fees upon seven (7) days written Notice to Avfuel.

10. Customer will generate an electronic written record (a "Ticket") of all aviation fuel supplied to a CFC at the Customer's facility. Each Ticket will include the following information: the CFC's name; the authorization number; pilot's name; aircraft registration number; flight or ID number provided by the CFC if applicable, transaction date(s); and type and quantity of fuel products provided, as measured in U.S. gallons. In addition, if the Customer assigns to Avfuel the CFC Receivable for other products and services supplied by the Customer to the CFC, the Customer will include in the Ticket the type and quantity of such other products or services and the charges payable by the CFC for such other products or services. Any charges for such other products or services must be separately stated and clearly identified as fees charged by the Customer that are separate from and independent of the amounts charged by Avfuel for aviation fuel. The pilot or other responsible representative of the CFC shall sign and be given a copy of the completed Ticket.

11. The Ticket (or all information required to be shown on the Ticket) for each sale to a CFC shall be delivered to Avfuel by POS Transmission within twenty-four (24) hours following the completion of that sale. The original Tickets shall be kept on file by Customer for a period of five (5) years from the invoice date and will be sent to Avfuel upon request. Avfuel will from time to time provide Customer with instructions for processing these transactions and may provide the forms for doing so. Avfuel reserves the right to change these procedures upon seven (7) days written Notice to Customer.

12. The total amount due with respect to each Ticket shall be paid or credited to Customer's by Avfuel within ten (10) days following Avfuel's receipt of the Ticket.

13. Except as provided herein, all Tickets will be accepted by Avfuel without recourse. The exceptions are: a) Customer warrants the validity of all charges, and any charge that is disputed by the CFC, correctly or incorrectly, on grounds that the charge is invalid or inaccurate or that the aviation fuel, products or services supplied were unsatisfactory, not performed or not delivered may be charged back to Customer at Avfuel's option; b) charges not previously authorized by Avfuel may be charged back to Customer at Avfuel's option; and c) any Ticket that is incomplete, illegible, or is otherwise not prepared in accordance with Avfuel's processing instructions may be charged back to Customer at Avfuel's option.

EQUIPMENT LEASE PROGRAM:

IF CUSTOMER HAS ELECTED TO PARTICIPATE IN AVFUEL'S EQUIPMENT LEASING PROGRAM, THE FOLLOWING WILL APPLY.

1. Customer has elected to participate in Avfuel's Equipment Lease Program. Accordingly, Avfuel, either for its own account or through one of its subsidiaries, agrees to deliver and lease the equipment identified in the Special Terms and Conditions (the "Equipment") at the lease rates shown in the Special Terms and Conditions to Customer for its sole use. All additional equipment or replacement equipment delivered to Customer but not listed in the Special Terms and Conditions shall also constitute Equipment subject to the provisions of this Section. For example, Customer may lease POS equipment from Avfuel at the then current lease price. Customer hereby agrees to pay Avfuel in advance the monthly lease payments prorated for any partial month. Avfuel may increase the rent during the term of the Lease upon 30 days written Notice. Customer shall be permitted to notify Avfuel within the first 15 days of that Notice period of its intention to terminate the lease effective on the date that the increase goes into effect. If Avfuel rescinds the rate increase, the lease shall continue in effect at the then current rates. If it does not rescind the increase, the lease shall expire on the date the increase goes into effect. Unless otherwise agreed, the term of the lease of each item of Equipment (a "Lease") shall correspond to the term of this Agreement.

2. Avfuel will advance the costs for the transport of the Equipment from the Avfuel facility to the Customer's facility and the responsibility for those costs will be as follows: (a) if the initial term of the Lease is less than five (5) years, at the time of delivery of the Equipment Avfuel will invoice the Customer for those advanced costs and the Customer will pay that invoice within twenty (20) days; (b) if the initial term of the Lease is five (5) years or more but is terminated before the end of the first five (5) years of that initial term as a result of the default by the Customer (truck lease being terminated for any reason other than a Default by Avfuel), then at the time of that termination, Avfuel will invoice the Customer for those advanced costs and the Customer will pay that invoice within twenty (20) days; and (c) if the initial term of the Lease is at least five (5) years and is not terminated before the end of that initial term, then Avfuel will bear those advanced costs without any right of reimbursement from the Customer.

3. Customer shall inspect the Equipment and shall make written notes as to any defects that are observed. A copy of all such notes shall be faxed or emailed to Avfuel within forty-eight (48) hours after the Equipment is delivered to the Customer. The failure to make and deliver those notes within that period will constitute the Customer's acknowledgement that there were no defects in the Equipment at the time delivered to the Customer.

4. Avfuel warrants that it has all necessary rights to lease said Equipment to Customer. Further, the parties agree that as between themselves, Avfuel has title to the Equipment and Customer shall keep the Equipment free of liens and shall not do or permit anything to be done that will prejudice the title of Avfuel, or its rights in the Equipment. Each item of Equipment shall bear a legend denoting it as the property of Avfuel and Customer shall not remove or deface that legend under any circumstances. Customer also agrees and understands that Avfuel may file such evidence of its ownership of the equipment as may be necessary in the state where the equipment is located.

5. AVFUEL MAKES NO WARRANTY, EXPRESS OR IMPLIED, REGARDING DEFECTS IN MATERIAL, WORKMANSHIP, DESIGN, CAPACITY, MERCHANTABILITY OR FITNESS OF THE EQUIPMENT FOR ANY PURPOSE, OR WHICH EXTEND BEYOND THE DESCRIPTION OF THE EQUIPMENT THAT APPEARS IN THE SPECIAL TERMS AND CONDITIONS.

6. Any of the Equipment that is used to store or transport Products shall be used solely for storing or transporting Products supplied to Customer under this Agreement.

7. The Equipment is not licensed or titled for use on public roads. The Equipment shall not be moved from the facility to which it was delivered nor operated on any public road without the prior written consent of Avfuel.

8. Customer will comply with all laws, ordinances and regulations applicable to the possession, operation or use of the Equipment and will demonstrate compliance upon request.

9. The maintenance obligations with regard to the Equipment are as follows.

9.1. Except as set forth in Section 9.2 below, Customer will maintain the Equipment in as good a condition as it was on the day of delivery, normal wear and tear excepted. Customer shall, at its sole expense, provide all preventative maintenance (including

but not limited to lubrication, oil and filter changes, etc.), repairs, and replacement parts as are necessary to preserve the Equipment in good operating condition and in compliance and in conformity with all laws, rules, regulation, and industry standards which are applicable to the operation of the Equipment. Customer shall also be responsible for all meter calibration and certification (meters are not calibrated or certified when delivered) and all tire maintenance, repair, and replacement. **CHANGING A TIRE ON A REFUELER TRUCK IS VERY DANGEROUS AND MUST NOT BE ATTEMPTED BY UNTRAINED PERSONNEL. CUSTOMER AGREES THAT IT WILL PERMIT TIRES TO BE CHANGED ONLY BY AN OUTSIDE CONTRACTOR WHO IS PROFESSIONALLY TRAINED TO DO SUCH WORK.** Customer shall keep complete and accurate maintenance records and Avfuel is entitled to inspect the Equipment and the maintenance records at any time during regular business hours. At Avfuel's option, any item of repair or maintenance that would be the responsibility of Customer may be performed by Avfuel and billed back to Customer as additional rent. Customer shall not make any alterations or modifications to the Equipment of any kind including but not limited to painting, mounting of radios or antennas, applying decals or lettering without the prior express written consent of Avfuel.

9.2. Avfuel shall be responsible for the following refueler truck repairs when, in its opinion, repair is necessary: overhauls or replacement of the engine, transmission, differential, or belly valve. Avfuel shall be permitted access to the Equipment at any reasonable time in order to perform the repairs and modifications, which are its obligation hereunder. Repairs and maintenance to be performed by Avfuel shall be completed within a reasonable time after it learns of the need for such repairs. Avfuel assumes no responsibility for loss of use or any other items of ancillary damage, which may be caused by, or result to Customer by reason of the fact that the Equipment becomes inoperable. If any such repair or maintenance is required as the result of intentional conduct, negligence, or failure to perform repair or maintenance on the part of Customer or any of Customer's agents or employees, Customer shall be liable for all costs associated with performing such repairs and/or maintenance.

10. Customer shall be responsible for all Federal, State, and local taxes, fees, etc. that are assessed on the use or value of the Leased Equipment, including but not limited to, personal property, sales, and use taxes.

11. Customer shall secure insurance against any damage to or loss of the Equipment with coverage equal to the actual cash value of the Equipment and with the limitation of that coverage not less than the amount specified for that Equipment in the Special Terms and Conditions. Insurance policies shall be issued by insurance companies acceptable to Avfuel (which acceptance may not be unreasonably withheld), shall name Avfuel, or its subsidiary as loss payee, and shall provide for at least thirty (30) days' written Notice to Avfuel prior to cancellation or modification. Customer shall maintain such policies in full force and effect for the equipment for so long as Customer continues to lease that Equipment.

12. IN ADDITION TO THE INDEMNIFICATION OBLIGATIONS CONTAINED IN SECTION 10 OF THE GENERAL TERMS AND CONDITIONS, CUSTOMER AGREES TO INDEMNIFY TO THE EXTENT ALLOWED BY LAW AND HOLD AVFUEL AND/OR THE OWNER OF THE EQUIPMENT HARMLESS FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITIES, LOSSES, EXPENSES (INCLUDING ATTORNEY'S FEES), OBLIGATIONS AND CAUSES OF ACTION FOR INJURY TO OR DEATH OF ANY AND ALL PERSONS, OR FOR DAMAGE TO OR DESTRUCTION OF ANY OR ALL PROPERTY ARISING OUT OF OR RESULTING FROM THE CONDITION, EXISTENCE, USE OR MAINTENANCE OF THE EQUIPMENT.

13. Upon termination of any Lease, at any time and for any reason, Customer shall (a) return the Equipment to Avfuel in as good condition as when Customer received it, normal wear and tear excepted, (a) pay for any necessary repair and replacement of any damages or missing Equipment, and (c) pay all costs for the transport of the Equipment from the Customer's facility to Avfuel's facility. If Customer breaches any of these commitments, Avfuel may advance those costs and invoice the Customer for those costs and the Customer will pay that invoice within twenty (20) days.



City of Killeen | KILE & KGRK

Prepared By:

Collin Cowsert, Area Manager South Central United States

On behalf of:

Avfuel Corporation | 47 West Ellsworth Rd. | Ann Arbor, MI 48108



CONFIDENTIAL

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Killeen Regional Airport | 802 N 2nd Street, Killeen, TX

July 30, 2025

Dear Evaluation Committee:

Thank you for taking the time to learn how Avfuel Corporation's comprehensive support systems can continue to enhance the City of Killeen's operations during a new contract term.

The following proposal not only outlines Avfuel's ability to supply fuel and services for the City of Killeen, but also how Avfuel's programs and dedicated support team can continue to help you realize your goals. How? **By further leveraging our dedicated sales, marketing and support experts to actively nurture connectivity with current and prospective partners on your behalf.**

With a 50+ year track record of providing reliable, uninterrupted fuel supply, industry-leading solutions to support back-office operations, and traffic-generating marketing and sales support—including 32 years as your preferred partner—Avfuel has a unique understanding of how to help the City of Killeen succeed in a competitive market.

Backed by proven solutions and 250+ dedicated employees, I am confident an extended partnership can help streamline your operations and further accelerate your business in the years to come. Working as a team, we plan to accomplish this with a number of high-value offerings for a new contract term, including:

- ▶ **REFUELING EQUIPMENT** from the largest fleet offered by any fuel supplier, all built and maintained in-house.
- ▶ **IN-HOUSE TRAINING SOLUTIONS**, including PART 139 FAA-approved fuel safety, Avfuel programs, sales and customer service.
- ▶ **MARKETING AT NO COST** to assist your operation in promoting its new and existing facilities, and brand for the duration of the contract.
- ▶ **A CONNECTED AND ACTIVE PARTNER** that's not only engaged at a high-level in numerous industry endeavors, but also proactively connects you with industry stakeholders and initiatives.

With a half-century focus on aviation, Avfuel became the industry's first and foremost all-round aviation facilitator. Our diverse business lines and programs—from card processing and FBO training, to equipment and commercial fuel services—propelled us to the forefront of the aviation industry. It would be our honor to continue putting our programs, reputation, aviation commitment and *people* to work for you.

Best regards,

A handwritten signature in black ink that reads "Collin Cowser". The signature is written in a cursive, flowing style.

Collin Cowser
Area Manager, South Central United States
Avfuel Corporation



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Important

This comprehensive proposal is submitted for approval within 90 days and is subject to the execution of the contract documents satisfactory to both parties, which will incorporate the proposal terms and, when executed, become binding to both parties. In case of any discrepancy between the contract documents, this proposal, a request for proposal or any other correspondence between our organizations, the content of the contract documents will take precedence.

Confidential

All material in this document is to be considered confidential and you are hereby notified that any disclosure, copying or distribution is strictly prohibited.



4.2 Pricing Proposal

- **Jet-A Fuel Pricing**
- **Avgas Pricing**
- **Price Breakdown**
- **Payment Terms**

City of Killeen RFP 25-32 – Price Revision



Dear City of Killeen,

Please find attached a revised Jet A price as part of Avfuel Corporation's proposal in response to the City of Killeen's RFP 25-32.

The original Platts index value of \$2.32 included in our proposal referenced an incorrect market week. The correct Platts index value for June 22, 2025, should be \$2.0180.

We respectfully request that this updated value be considered in reference to our original submission.

If you have any questions or require further clarification, please don't hesitate to reach out.

A handwritten signature in black ink, appearing to read 'Trent A. Reeder'.

Signature _____

Date 08/06/2025

Trent A. Reeder

Regional Sales Manager – South Central US, **Avfuel**

47 West Ellsworth Rd. | Ann Arbor, MI 48108 | avfuel.com

P: +1-734-663-6466, ext. 425 **M:** +1- 325-370-5425

Revised Pricing Proposal



PRICE EFFECTIVE: June 22, 2025
Pricing valid Tuesdays - Mondays

JET A		
Location	KILE	KGRK
Index	Platts	Platts
Basis	United States Gulf Coast Jet Average	United States Gulf Coast Jet Average
Full Truck Load Delivery	7,500 Gallons	7,500 Gallons
Index Value: June 22, 2025	\$2.01810	\$2.01810
Fuel Differential	\$0.06190	\$0.06190
Base Freight Rate	\$0.06280	\$0.05830
Variable Diesel Fuel Surcharge	\$0.01382	\$0.01283
Total Freight	\$0.07662	\$0.07113
Itemized list of taxes and fees:		
Federal Excise Tax	\$0.24400	\$0.24400
Superfund/Oil Spill Fee	\$0.00619	\$0.00619
Total Taxes:	\$0.25019	\$0.25019
Total Delivery Price	\$2.40681	\$2.40132
Primary Hauler:	Penn Tank Lines	Penn Tank Lines
Primary Terminal:	Flint Hills – Cedar Creek	Flint Hills – Cedar Creek
Alternate Hauler:	Maverick Tank Lines	Maverick Tank Lines
Alternate Terminal:	Valero – San Antonio	Valero – San Antonio



PRICE EFFECTIVE: June 17 - 23, 2025
Pricing valid Tuesdays - Mondays

AVGAS		
Location	KILE	KGRK
Weekly Price	Posted Rack Price	Posted Rack Price
Posted Rack Price: June 22, 2025	\$2.72160	\$2.72160
Full Truck Load Delivery	8,500 Gallons	8,500 Gallons
Base Freight Rate	\$0.24660	\$0.26220
Variable Diesel Fuel Surcharge	\$0.08138	\$0.08653
Total Freight	\$0.32798	\$0.34873
Itemized list of taxes and fees:		
Federal Excise Tax	\$0.19400	\$0.19400
Superfund/Oil Spill Fee	\$0.00619	\$0.00619
Texas Petroleum Delivery Tax	\$0.00086	\$0.00086
Total Taxes:	\$0.20105	\$0.20105
Total Delivery Price	\$3.25063	\$3.27138



Contingency Statement – Fuel Supply Disruption Protocol

In the event of a terminal outage or any unforeseen disruption that may impact the regular supply of fuel to the City of Killeen, Avfuel has established a robust contingency plan to ensure continuity of service.

Avfuel will promptly notify the City of Killeen of any such supply issues. Upon notification, Avfuel will provide:

1. **A detailed explanation of the issue** causing the disruption.
2. **Alternative supply options**, including available terminals or routing solutions (split loads) to maintain delivery schedules.
3. **Information regarding any potential price impacts**, including associated transportation adjustments or market conditions that may affect cost.

Unmatched Reliability

300+ Supply Terminals | 90+ Refiners | 100+ Transport Carriers

Avfuel maintains an industry-leading network of fuel terminals and an extensive roster of reputable haulers across Texas and the U.S. This diversified infrastructure enables us to rapidly adapt to supply challenges and **continuously meet the City of Killeen’s fuel requirements reliably and efficiently, just as we have for more than three decades without fail.**

We remain committed to ensuring fuel availability and open communication under all operating conditions.

Payment Terms:

Avfuel confirms it will continue to honor the 30-day payment terms for transactions with the City of Killeen at both the Killeen-Fort Hood Regional Airport (GRK) and Skylark Field (ILE).

All payments can be processed electronically or by check, with credit card transaction funds remitted to the City of Killeen twice per week as part of our standard electronic disbursement schedule.



4.3 Service and Technical Support

- **Aviation Fuels Quality Control Program**
- **Account Manager**
- **Fuel Delivery Capability**
- **Refueler Equipment**



Avfuel offers its branded FBOs access to the online Avfuel Training System (ATS), which includes **FAA-Approved Line Service Fuel Safety Training and Supervisory Fuel Safety Training to satisfy 14 CFR 139.321**. Upon completion, employees receive a Line Service Fuel Safety Training Certification or Supervisory Certification equivalent to NATA.

ONLINE FAA-APPROVED SUPERVISORY & LINE SERVICE FUEL SAFETY MODULES



FUEL SAFETY TRAINING

- Fuel Handling and Fire Safety
- Aviation Fuels and Additives
- Fuel System Icing Inhibitor (FSII)
- Contaminants and Fuel Testing Methods
- Receiving a Load of Aviation Fuel
- Aviation Fueling Components
- Fuel Storage Systems
- Mobile Refueling Equipment
- Aircraft Fueling and General Operations
- Record Keeping Best Practices
- **For Supervisors:** Effective Training Techniques



AVFUEL CUSTOMER SERVICE TRAINING

- Culture and Brand
- Service Essentials
- Amaze and Wow



AVFUEL FRONT COUNTER TRAINING

- Avfuel Contract Fuel
- AVTRIP
- Avfuel Network Referrals & Rewards



RAMP SAFETY

- Aircraft Marshalling
- Aircraft Towing Equipment
- Aircraft Towing Procedures
- De-icing and Anti-icing Introduction
- De-icing and Anti-icing Fluid Handling Procedures
- De-icing and Anti-icing Fluid Application
- General Aviation Security



PRICING

All subscriptions include unlimited seats for the year, and training on customer service, front counter and ramp safety.

<p>BASIC</p> <p>FREE</p> <p>General Fuel Safety Lesson <i>Free to Avfuel-branded FBOs</i></p>	<p>FREE for City of Killeen</p> <p>PRO</p> <p>\$750*</p> <p>FAA-Approved Line Fuel Safety Training</p> <p>Certifications Awarded Upon Completion</p>	<p>FREE for City of Killeen</p> <p>PRO+</p> <p>\$1250*</p> <p>FAA-Approved Line Fuel Safety Training</p> <p>FAA-Approved Supervisory Training</p> <p>Certifications Awarded Upon Completion</p>
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**Prices indicate the initial subscription setup fee. Annual fee at time of subscription renewal is \$300 for PRO and \$500 for PRO+. FREE FOR THE CITY*



IN-PERSON: SUPERVISORY FUEL SAFETY TRAINING SEMINAR

Avfuel provides its customers with **FREE** 14 CFR FAA-approved Part 139 Supervisory Fuel Safety Training Seminars.





MEET YOUR AVFUEL SALES CONTACTS



Trent Reeder
Regional Manager
South Central U.S.
8 Years with Avfuel



Collin Cowsert
Area Manager
South Central U.S.
1 Year with Avfuel



Jim Korcek
Vice President
Commercial Sales
18 Years with Avfuel

Trent Reeder, Regional Manger, South Central United States

With over eight years of experience at Avfuel, Trent oversees fuel operations, business development and customer relations across the South Central U.S. In this role, he supports a robust network of branded FBOs and aviation partners. Known for his customer-focused approach and industry insight, Trent plays a key role in driving growth and operational excellence in the region. Trent is based at Avfuel's office in Abilene, Texas.

Collin Cowsert, Area Manager, South Central United States

Collin joined Avfuel in 2024, bringing a strong background in aviation fuel sales to the company. In his role, Collin supports FBOs and aviation partners across the South Central U.S. with tailored fuel solutions and strategic operational support. Prior to joining Avfuel, he gained valuable industry expertise in aviation fuel sales, building a solid foundation in customer service and operations. Based in Texas, Collin has strong roots in the region and is a 2018 graduate of the University of Mary-Hardin Baylor.

Jim Korcek, Vice President Commercial Sales

With 18 years of experience at Avfuel, Jim provides strategic leadership in the growth and management of Avfuel's commercial fuel sales team. In this role, he drives relationships with airlines, cargo operators, government/military clients and sports charter partners, connecting Avfuel's branded FBO partners with this high-value customer base. Known for his deep industry insight and commitment to customer service, Jim plays a key role in advancing Avfuel's commercial fuel strategy, tailoring solutions for this unique sector of aviation and strengthening partnerships within a critical segment of the aviation market.

Fuel Delivery Capabilities:

We utilize over 10 reliable haulers out of both the primary and secondary fuel terminals, ensuring consistent and dependable availability even during the busiest seasonal periods. This robust logistics network allows us to efficiently meet your fuel needs without interruption.

With this infrastructure, the City will be able to order up to 8,000 gallons of Jet-A and 8,500 gallons of 100LL Avgas per delivery.

Fuel Delivery Equipment Overview:

Jet-A Delivery Fleet

- Truck Type: Dedicated Jet-A fuel trucks
- Truck Size: 8,000-gallon capacity
- Fleet Count: Multiple trucks available for daily dispatch, ensuring flexible and redundant coverage

100LL Avgas Delivery Fleet

- Truck Type: Dedicated Avgas (100LL) fuel trucks
- Truck Size: 8,500-gallon capacity
- Fleet Count: Numerous trucks in service to ensure high-volume and consistent delivery scheduling

Our logistics strategy is designed to maintain supply continuity, optimize delivery lead times, and uphold the highest safety and compliance standards across all fuel types and transportation modes.

Refueler Truck Confirmation:

Avfuel confirms it can provide the requested 5,000-gallon Jet-A refueler truck, and 1,000-gallon 100LL Avgas refueler truck to support the City of Killeen's operations. Please see pages 15-18 for more information on Avfuel's proposed refueling equipment.





NO OTHER SUPPLIER HAS CURATED MORE RELATIONSHIPS WITH REFINERS & SUPPLIERS.

REDUNDANCY KEEPS YOU FUELED DURING FLUCTUATIONS & EMERGENCIES.



DELIVERING YOUR FUEL VIA

- PIPELINE
- BARGE
- RAIL
- TRUCK



YOUR POWERFUL SOURCE OF POWER

Rely on our expertise in the movement, scheduling and safe handling of aviation fuel. With Avfuel, nothing comes between you and your fuel.



ORDERING FUEL HAS NEVER BEEN EASIER

CALL US 24/7/365 FOR QUICK ACCESS TO AVFUEL'S DISPATCH PROFESSIONALS.

Special circumstances are our specialty. With Avfuel, you gain logistics experts with extensive experience handling fuel deliveries, including for special events and emergency orders.



WE KEEP IT SIMPLE TO MAKE IT SIMPLE



DELIVERY TIME FOR
JET A **24 HOURS**
AVGAS **24 HOURS**



24/7/365
CALL OR ORDER
ONLINE



THE EQUIPMENT YOU NEED TO FUEL YOUR OPERATION

All refuelers meet FAA, ATA 103 and NFPA 407 standards.

Skylark Field Airport

Year	Make	Type	Gallon Capacity	Truck Value	Monthly Lease Rate
2006-2010	International	Jet-A	3,000	\$130,000	\$1,500
2021-2024	Isuzu	Avgas	1,000	\$140,000	\$0

Killeen Regional Airport

Year	Make	Type	Gallon Capacity	Truck Value	Monthly Lease Rate
2021-2024	Freightliner M2	Jet-A	5,000	\$320,000	\$0
2021-2024	Freightliner M2	Jet-A	5,000	\$320,000	\$0

Grant Option: At the discretion of City of Killeen, if it is decided only one (1) 5,000-gallon refueler is needed, Avfuel will provide the City of Killeen with a \$75,000 Business Development Grant.

Truck Purchase Opportunity: Avfuel will conduct a thorough assessment of your existing 5,000-gallon trucks and provide a competitive offer based on current fair market value.

ADDITIONAL OFFERINGS

- **Flexible Leasing:** Ability to replace, return or add units during the term of the agreement
- **Training:** In-service / start-up training for all leased equipment
- **New Refueler Warranty**
 - First 12 months: Chassis and pumping system (bumper-to-bumper)
 - First 36 months: Emissions system
 - First 60 months: Tank
- **Refueler Truck Support:** Avfuel QA available 24/7/365
- **Avfuel responsible for overhaul or replacement** of engine, transmission, differential and belly valve. The lessee is responsible for all other maintenance.
- **Loaner Refueler Trucks** available as needed for support



2006 - 2010 International



ENGINE: ULSD Diesel

TRANSMISSION: Automatic

FUEL TYPE: Jet

NUMBER OF HOSE REELS: 3

NUMBER OF METERS: 2

FSII ADDITIVE INJECTOR? Available

METER TYPE: TCS3000 Electronic

FUEL/DEFUEL?: Yes

TANK CAPACITY: 3,000 Gallons

TANK MATERIAL: Aluminum

RATED GPM: 300

DEFUEL CAPABILITY? Yes

BOTTOM LOAD TYPE: Standard

SCULLY HIGH-LEVEL SYSTEM: 2-Wire
Green



Meet all FAA, NFPA 407 & ATA 103 requirements



2021 - 2024 Isuzu NPR XD



*Photo may not be exact unit as described

ENGINE: ULSD Diesel-SCR	TANK CAPACITY: 1,200 Gallons
TRANSMISSION TYPE: Automatic	TANK MATERIAL: Aluminum
FUEL TYPE: Avgas	RATED GPM: 40
NUMBER OF HOSE REELS: 1	DEFUEL CAPABILITY? Yes
METER TYPE: TCS3000 Electronic	BOTTOM LOAD TYPE: OPW 2"
VAPOR RECOVERY? Optional	IN-CAB TICKET PRINTER: Roll or Slip
WIRELESS COMMUNICATION: Yes	SCULLY HIGH-LEVEL SYSTEM: Yes



Avgas Refueler Trucks:
Meet all FAA, NFPA 407 & ATA 103 requirements



2021 - 2024 Freightliner M2



- ENGINE:** ULSD Diesel-SCR
- TRANSMISSION:** Automatic
- FUEL TYPE:** Jet
- NUMBER OF HOSE REELS:** 3
- NUMBER OF METERS:** 2
- FSII ADDITIVE INJECTOR?** Available
- METER TYPE:** TCS3000 Electronic
- CONDITION:** New
- TANK CAPACITY:** 5,000 Gallons
- TANK MATERIAL:** Stainless Steel
- RATED GPM:** 300
- DEFUEL CAPABILITY?** Yes
- BOTTOM LOAD TYPE:** Standard
- IN-CAB TICKET PRINTER:** Roll or Slip
- SCULLY HIGH-LEVEL SYSTEM:** Yes
- WIRELESS COMMUNICATION:** Yes



Jet Refueler Trucks:
Meet all FAA, NFPA 407 & ATA 103 requirements

LARGEST REFUELER FLEET IN THE U.S.



1K+
VEHICLES

REFUELING EQUIPMENT IS A CRITICAL COMPONENT OF YOUR DAILY BUSINESS.



AVFUEL'S QA TEAM IS AVAILABLE 24/7/365

Our fuel quality assurance team is a group of recognized experts that work with FBOs, transport companies, terminals and handlers on the proper handling of aviation products.



THAT'S WHY WE MAKE CONSTRUCTING THEM A CRITICAL PART OF OURS.

As the only fuel supplier with an in-house OEM, our equipment not only features advanced technologies, but is also backed by the industry's most knowledgeable team of refueler specialists.

Avfuel has a fleet of 1,000+ refueling trucks available for lease.



OUR PRIORITY? KEEP YOUR OPERATION RUNNING.

- **Electronic meters** to streamline operations
- Trend-setting, high-tech truck designs
- **Parts and supplies** ready to ship
- Maintenance guidelines
- Sleek branding decals on new or existing equipment



"I've never seen a supplier care so much about every detail of our trucks. They have a whole team to make sure their equipment is just right."

Avfuel FBO Customer



AVTANK CORPORATION
ANN ARBOR, MI

SETTING THE STANDARD FOR AVIATION REFUELING EQUIPMENT

30+

DEDICATED TECHNICIANS,
FABRICATORS & WELDERS

35+

YEARS OF OPERATION

33,000

SQ. FT. EQUIPMENT FACILITY



4.4 Customer Service Program

- **Customer Support**
- **FAA Certification Support**
- **Credit Card Program**
- **Remote Processing Options**



Customer Support:

Avfuel is committed to delivering exceptional customer service and robust quality assurance support across all facets of fuel and refueler truck operations. Our customer service model is designed to ensure that any fueling or quality control concern is addressed promptly, professionally and effectively.

24/7 Quality Assurance Support

Avfuel maintains a dedicated 24/7 Quality Assurance (QA) Team, staffed by highly trained and widely respected industry professionals. This elite team is available around the clock to support our customers with:

- Immediate assistance for any fuel quality concerns, including contamination, appearance discrepancies, additive levels, sampling procedures or fuel spills
- Technical guidance and resolution of refueler truck issues, including troubleshooting, fueling equipment maintenance and operational best practices.

Whether the issue arises on the ramp or in the fuel farm, our QA representatives are equipped with the expertise and authority to deliver fast, accurate and compliant solutions.



Randy Harrison, Quality Assurance Manager

Randy has 34 years of experience anchoring the quality assurance department for Avfuel's customers. He is a respected leader in the industry, holding a seat on the NATA/EI subcommittee. Randy is a Part 139 certificate holder for the FAA and developed Avfuel's FAA-approved Part 139 Supervisor Training Seminars. He also played a leading role in creating the Avfuel Training System. Randy has engineered and developed a variety of aviation fueling systems, including trucks and storage facilities.



Brad Van Camp, Director of Technical Operations

Brad brings 15 years of experience in aviation ground support equipment and refueling logistics. In his role, Brad oversees the procurement, deployment, maintenance and strategic management of Avfuel's refueling equipment fleet—the largest privately managed fleet in the aviation industry.



List of Contacts:

Account Manager

Collin Cowsert
(734) 358-7012
ccowsert@avfuel.com

Dispatch and Fuel Ordering

(800) 458-0675
dispatch@avfuel.com

Quality Assurance

(734) 663-6466 ext. 20550
qa@avfuel.com

FAA Certification Support:

Avfuel proudly provides its branded FBO network with access to the robust Avfuel Training System (ATS), featuring FAA-Approved Line Service Fuel Safety Training and Supervisory Fuel Safety Training programs. These programs meet the full requirements of 14 CFR 139.321, ensuring compliance with FAA fuel handling and fire safety regulations. Upon successful completion, line service personnel receive a Line Service Fuel Safety Training Certification, while supervisory personnel earn a Supervisory Fuel Safety Certification equivalent to NATA standards.

Avfuel has extensive experience with FAA regulations surrounding fuel quality and fire safety training, as well as compliance-related paperwork, security protocols, and other operational elements necessary to assist airports with Part 139 certification. Avfuel's sister company, Avflight, owns and operates FBOs at over twenty (20) Part 139-certificated airports. Avflight's vast expertise in airport operations and FAA 139 compliance can be deployed to assist the City of Killeen in its pursuit of Part 139 certification and ongoing regulatory compliance.

Additionally, Avfuel offers free regional FAA-Approved Part 139 Fire Safety and Fuel Quality Assurance Training Seminars specifically designed for supervisory personnel. These in-depth seminars reinforce best practices in fueling operations, fire safety, and quality assurance, further enhancing safety culture and regulatory compliance across the Avfuel Network. See pages 9 and 10 for more information.



Avfuel Credit Card Solutions:

Avfuel offers a comprehensive suite of aviation credit card programs designed to meet the operational and financial needs of flight departments, charter operators, corporate aviation, and general aviation users. Our card solutions provide exceptional flexibility, cost-efficiency and streamlined management across the Avfuel Network.



Avfuel Pro Card

The Avfuel Pro Card is the most flexible aviation payment solution available combining contract fuel benefits and retail purchasing in a single card. Cardholder benefits include:

- Access to Avfuel Contract Fuel pricing at 3,500+ global locations
- Use for contract fuel and non-fuel purchases on one transaction
- Easy online account management
- Consolidated billing and detailed reporting for ease of accounting
- Zero fees to cardholder.



Avfuel Contract Fuel Card

The Avfuel Contract Fuel Card is optimized for operators who prioritize cost control and efficiency. Key features:

- Pre-negotiated contract fuel rates
- Tail-specific pricing visible before fueling
- Simplified checkouts with no on-site price negotiation
- Easy integration into dispatch and scheduling workflows



Avfuel Retail Card

The Avfuel Retail Card is ideal for pilots and operators requiring retail fuel access on-demand. It offers:

- Acceptance at Avfuel-branded FBOs nationwide
- Itemized receipts and easy transaction tracking
- Centralized billing to reduce administrative workload

To ensure a seamless and convenient payment experience, Avfuel and its branded FBO network **accept all major credit cards, including Visa, Mastercard, American Express and Discover—as well as key aviation industry cards, such as the MultiService Aviation Card and the Government AIRCard.** This ensures operators have the flexibility to pay in the way that best suits their mission and accounting systems.

Remote Processing Options:

Remote processing options are available with Avfuel's cards, depending on the POS software utilized by the FBO. Phone, tablet and meter integration are available with Avman and X-1FBO. Tablet integration is available with the Avfuel Hub. **All Avfuel cards work with the following POS systems: the Avfuel Hub, X-1FBO, Avman, FBO Director, FBO 360 and Total FBO (See Page 37 and 38 for more details).**



Processing Fees

Save Significantly With 0% Processing on Avfuel Cards



Card Type	Rate	Card Type	Rate
Avfuel Pro Card	0% Contract Fuel 2.25% Retail- & Non-Fuel	Discover	3.27%
Avfuel Contract Fuel	0% Fuel 2.25% Non-Fuel items	American Express	3.95%
Avfuel Retail Card	0% Avgas 2.25% Jet & Non-Fuel	MultiService	3.35%
MasterCard & Visa	2.39% Qualified 3.32% Non-Qualified	Avcard	2.95%
KHI Card	3.25%	Government AIRCard	0.0% Contracted 6.55% Non-Contracted

The Avfuel Hub | \$0/month software | \$0/month optional printer

- All transaction data is accessible via the Avfuel Hub
- All payments are electronically processed
- Credit card funds are remitted to FBOs twice per week
- Compatible with current versions of Total Aviation Software, Total FBO, X-1 FBO, AVMAN, FBO Director, QT and FuelMaster.



4.5 Branding Package

- Signage Plan
- Regulatory Labels
- Promotional Materials
- Advertising Programs
- Co-Op Programs
- Trade Show Participation
- Industry Memberships



LEVERAGE THE POWER OF A GLOBAL BRAND, RECOGNIZED BY THOUSANDS OF OPERATORS WORLDWIDE.



OUTDOOR SIGNAGE

Avfuel will provide signage at **NO COST** and will work with the City to identify effective outdoor signage, and propose plans for approval and integration.

Pictured: Avfuel's standard brushed-aluminum, hangar-mounted signage from Day to Night. Available at 7 x 6.5', 9.x10' or custom sizing as appropriate.



REFUELER TRUCK BRANDING

Avfuel will provide decals to brand refueling equipment, in addition to providing all regulatory type labeling and placards (i.e., product identification, No Smoking, Flammable, Hazardous ID labels) at **NO COST**.

FRONT COUNTER SIGNAGE

Avfuel will provide counter signage to promote our programs at **NO COST**.





Promotional Materials:

Upon request, Avfuel can also provide your facility with Avfuel-branded items like:

- Windsocks
- Welcome mats
- Uniform patches
- Hats
- Point-of-purchase displays
- Digital and physical interior signage
- Banner development
- Social media graphics

Avfuel can also provide the City with an array of popular giveaway items for events and pilots. This includes, but is not limited to, items like the following:

- Balsa wood airplanes
- Hats
- Stress-ball airplanes
- Stationary/pens
- Sunglasses

Avfuel's sales and marketing teams will work directly with the City to supply it with promotional items as needed from its fully-stocked supply.





Advertising Programs:

Avfuel promotes its network of branded FBOs, and its Avfuel Contract Fuel and AVTRIP programs in a variety of domestic and international trade publications, including, but not limited to, Aviation International News, Professional Pilot Magazine, Airport Business, Business Aviation Magazine, Executive & VIP Aviation International, and many more. Avfuel also promotes its network and programs through electronic advertising on highly-trafficked sites such as AirNav and FitPlan.com.

Avfuel FBOs are continually promoted through both national and international advertising, established relationships with industry media, and regular communication to Avfuel's loyal customer groups.

Marketing Experts Working for You

Managing these initiatives is Avfuel's in-house team of aviation marketing experts who work for Avfuel's branded partners at **NO COST**. A renewed partnership with Avfuel grants the City unrestricted access to these professionals and the **opportunity to utilize this free service at more regular intervals, particularly as the City prepares to open a brand new FBO facility.**

With decades of aviation-specific expertise, the team blends creative vision with industry insight to deliver impactful marketing and creative strategies tailored to your unique needs. Depending on your goals, we're ready to execute tactics under the umbrellas of:



BRANDING & IMAGERY



PRINTED COLLATERAL



PUBLIC RELATIONS



EVENT ASSISTANCE



CUSTOMER RETENTION



SALES & TRAINING



DIGITAL MARKETING



PHOTOSHOOT ASSISTANCE



SOCIAL MEDIA PLATFORMS

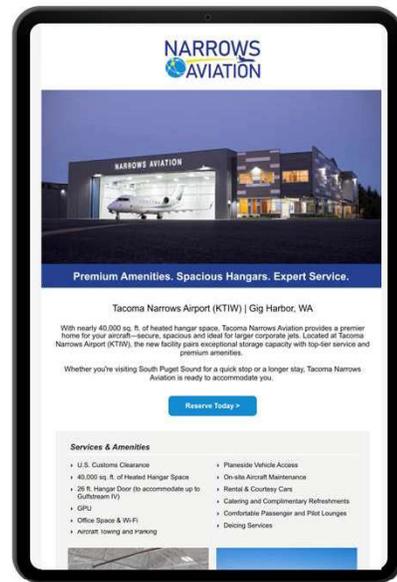
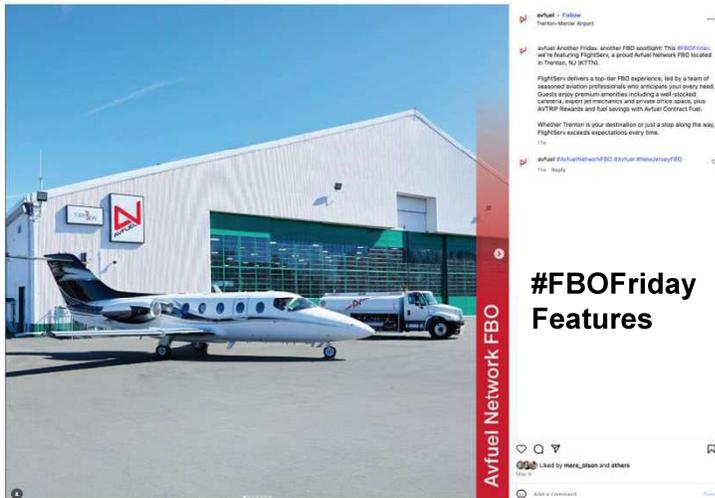


Sample Marketing Deliverables: KILE New Facility Support

Avfuel's marketing team has extensive experience supporting its branded partners with both general exposure needs and marketing campaigns for unique milestones. As it pertains to the City's new FBO facility at KILE, Avfuel's marketing team would be ready to assist with a number of recommended promotional activities, including, but not limited to, the following.

- **Press Release:** Writing, editing, distributing
- **Grand Opening Support:** Invitations, story boarding, vendor recommendations, etc.
- **Shot List Recommendations:** Tips for getting the most out of professional photoshoots
- **Email Blast Communications:** Enhancing exposure to attract traffic
- **Letter to Tenants:** Updating current customer base
- **Newsletter Inclusion:** Sharing developments with Avfuel's customer base of 6,000+ Avfuel Contract Fuel flight departments and 65,000+ registered AVTRIP members
- **Social Media:** Coordinating announcements on Avfuel's robust social channels

Avfuel will work directly with the City and airport leadership to determine how it can best assist you in your marketing needs as this exciting development progresses, as well as for any other developments, such as future commercial and hangar developments at KGRK.



Co-Op Program



Avfuel's co-op Program is a value-added benefit available to its branded FBO partners, designed to help offset the cost of local and regional advertising efforts while strengthening brand presence and visibility within the aviation community.

Co-op marketing funds accrue at a rate of **\$0.005 per gallon** includes all gallons including commercial and military gallons.

Co-op funds can be applied toward a wide variety of marketing and promotional activities, including, but not limited to, web advertising, print media, direct mail, uniforms, signage and displays, and social media.



Industry Involvement:

Trade Show Participation:

We look forward to showcasing our partnership on a national stage, and creating meaningful opportunities for engagement, innovation and visibility within the aviation community.

- **4 Years at SDC (See Page 34 for more details)**

Avfuel is proud to welcome the City of Killeen as a valued co-exhibitor at the NBAA Schedulers & Dispatchers Conference (SDC) for four years during the contract duration. This includes:

- Floorspace cost (10x10') with NBAA
- Full booth display kit (10')
- Custom booth graphic design
- Avfuel traffic-creating activity participation cost and promotional support

Estimated value: \$37,000

TXDOT Attendance

Avfuel is also pleased to sponsor the attendance of four representatives at the annual TXDOT convention.

Estimated value: \$7,200

Industry Memberships:

Avfuel is extremely proactive in the aviation industry, with high-level employees serving in leadership roles on the National Business Aviation Association (NBAA), National Aviation Transportation Association (NATA), NBAA's Schedulers & Dispatchers Committee and other regional boards and committees.



- C.R. Sincok, II**, Executive Vice President of Avfuel Corporation
- National Business Aviation Association (NBAA) – Board Position
 - National Air Transportation Association (NATA) – Board Position
 - NBAA Schedulers and Dispatchers
 - American Association of Airport Executives (AAAE)
 - Experimental Aircraft Association (EAA)
 - Aircraft Owners and Pilots Association (AOPA)



- Keith Sawyer**, Manager of Alternative Fuels
- NATA/NBAA/ICAO Steering Committee
 - NATA/GAMA Environmental Committees
 - NATA/NBAA CoSAFA on Book and Claim Guidelines for BA
 - ICAO CAEP (Committee on Environmental Protection)
 - BTS (Blenders Tax Credit) Committee
 - IATA: Numerous Foundational Meetings
 - SFO and CA Airport SAF Working Group on Sustainability and SAF



- Randy Harrison**, Quality Assurance Manager:
- NATA/EI (Energy Institute) Subcommittee

Avfuel uses its globally-recognized brand and positions in industry organizations to advocate for the unique needs of its more than 700 branded FBO partners, and the general aviation community in general.



LAND YOUR BRAND IN FRONT OF A LARGER AUDIENCE



32,500

Contract Fuel
Aircraft



45,000

Media Contacts
& Subscribers



65,000

AVTRIP Members

120,000
Hits/Month

On Social Media
& Avfuel.com

Home About **Posts** Jobs People

All **Images** Videos Articles Documents

Avfuel
7,772 followers
Kicking off the week with a look back at SDC2025!

2,180,000,000

TOTAL POTENTIAL REACH FROM EARNED MEDIA ACROSS 2024

AVFUEL PRIORITIZES EXPOSURE FOR ITS BRANDED PARTNERS



Of the press releases Avfuel wrote, edited and distributed in 2024, **86% were focused on its partners and their accomplishments.** We celebrate our partners and put their names in front of international aviation audiences.



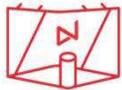
NO SIGN IS MORE SOUGHT AT INDUSTRY EVENTS THAN AVFUEL'S

We participate at 75 industry events a year to keep the Avfuel Network in front of pilots, schedulers, dispatchers and operators. **Our goal? Drive traffic to our partners' ramps.**

75
INDUSTRY EVENTS
PER YEAR

- NBAA BACE
- NBAA SDC
- EBACE
- IATA
- LABACE
- AIR OPS
- AirVenture
- NBAA Regional Forums
- CBAA
- ALTA
- DLA Energy Conference
- Air Charter Expo
- Malta Aviation Conference and Expo
- CJI Miami
- ... AND MORE!

WHEREVER WE GO, WE GO BIG



Largest exhibits at industry's most attended events



Numerous sponsorship opportunities



100+ Co-exhibiting partners per year

THE AVFUEL TEAM'S ON THE SHOW FLOOR TO ...

Heighten Exposure | Educate Attendees | Facetime With Operators & Customers | Learn From Customers
Make New Industry Friends | Strengthen Existing Relationships
DRIVE BUSINESS FOR AVFUEL AND ITS NETWORK FBOS!





EXHIBIT WITH AVFUEL AT SDC IN THE LARGEST SUPPLIER AISLES AT THE SHOW.

VIEW RECAP



FUEL up with us

CUSTOM DISPLAY: PROMOTING YOUR BRAND

Avfuel's creative team manages the graphic design and production processes for exhibitor booth displays. Benefits for first-time exhibitors (or returning exhibitors who order a new display) include:

- A dedicated designer for custom artwork
- Exclusive discounts on exhibit products
- Orders delivered directly to their booth
- Optional assembly and teardown service
- Repeat usage for trade shows or events

TRAFFIC GENERATION IN SDC'S MOST-VISITED FUEL ROW

Avfuel's marketing team develops and executes an attention-grabbing activity — including supply of all collateral and giveaways—in which qualified attendees visit a certain number of FBOs to claim prizes. Leading up to the show, this activity and exhibiting FBOs are highlighted via:

- Emails to Avfuel Contract Fuel & AVTRIP customers
- Emails to previous activity participants
- Features in Avfuel customer newsletters
- Posts on Avfuel social media channels





4.6 Additional Considerations

- Marketing/Business Development Grants
- Employee Uniforms and PPE
- Test Equipment and QC Supplies
- Fuel Delivery Equipment
- POS System and FBO Software
- Aviation Oils and Fluids

Marketing/Business Development Grants:

If it is decided only one (1) refueler truck is needed at Killeen Regional Airport, Avfuel will provide a **\$75,000 business development grant**, which can be used at the discretion of the City of Killeen.

Employee Uniforms and PPE:

The City of Killeen may utilize funds accrued through its participation in the co-op program to cover expenses related to uniforms and personal protective equipment (PPE).

Avfuel can provide uniform options through third parties, including a 10% Discount for Avfuel FBOs through FBOEssentials.com



Test Equipment and QC Supplies:

Avfuel confirms that it will supply all necessary test equipment and quality control (QC) supplies required for safe and compliant fuel handling operations. This includes, but is not limited to, the following items: hydrometers, white test buckets, Millipore testing supplies, fuel filters, fuel-water separators, quality control posters, and guidebooks. Avfuel is committed to maintaining the highest standards of fuel quality and operational safety. The above-listed items will be provided in accordance with industry best practices and applicable regulatory guidelines to ensure reliable field testing and filtration.

Should additional QC items be needed beyond those listed, Avfuel will work collaboratively with the City of Killeen to ensure appropriate procurement and timely delivery.

Fuel Delivery Equipment:

As a special offering unique to the City, funds accrued through participation in Avfuel's co-op program may be utilized to support fuel delivery equipment upgrades. These upgrades may include, but are not limited to, investments in new fuel hoses, nozzles, pumps, and related dispensing infrastructure necessary to maintain operational efficiency and safety standards.

Additionally, Avfuel is pleased to provide 24-hour parts support to its valued partners. Our around-the-clock service includes expedited assistance and fulfillment for critical fuel system components, such as hoses, fuel pumps, nozzles and more, ensuring your operations remain uninterrupted and compliant with fueling standards.



POS and FBO Software:

Avfuel will provide access to **The Avfuel Hub**—its comprehensive digital platform for fuel management, operations support and account services—will be provided to the City of Killeen at **NO COST**. This complimentary access includes all standard features of the Avfuel Hub, such as:

STREAMLINE YOUR OPERATIONS WITH MORE EFFICIENT TRANSACTIONS.

THE **avfuel** HUB

CORE FEATURES



-  Electronic processing of all transactions (sales, voids, credits, post-authorizations)
-  Easy customer lookup by name, tail number, city or card type
-  Avfuel Contract Fuel Pre-Authorizations are sent directly to the Avfuel Hub
-  Create on-demand reports
-  International processing capabilities
-  Integrated with Avfuel Contract Fuel and AVTRIP rewards
-  Minimal steps and pre-populated data for quick processing
-  Print and email receipt options
-  Manage customer data
-  PCI (Payment Card Industry) compliant, improving credit card security



Should you decide to use a different third-party POS provider, Avfuel's card programs can be used on the following certified software:



Advanced Certification & Avfuel Network Pricing: Avman & X-1 FBO

Avfuel worked with **Avman and X-1FBO** to incorporate specific features that better cater to Avfuel-branded FBO locations, making Avfuel's card programs even more intuitive and seamless at the front desk. These features include:



Avfuel Pro Card / Contract Fuel

Account Lookup: By name, tail number, city or card type



AVTRIP Rewards Enhanced Usability:

AVTRIP Member lookup, emailed receipt capability, user activity tracking by transaction

**REDUCED PRICING
FOR AVFUEL FBOS**



COMING SOON:

- Contract fuel authorization integration directly into invoice/transaction screen for ease of use
- Sign up an AVTRIP rewards member in X-1 directly



SOFTWARE CONSULTATION AND REFERRALS

Not sure which point-of-sale is best for your operation?

Our expert team can help guide you on the best solution and connect you with Avfuel Network customers who have used each product for greater insight.



- **Aviation Oils and Fluids:**

Avfuel confirms aviation oils and fluids are available for purchase through its dedicated parts department. This includes a full range of high-quality products necessary for aircraft maintenance and operational performance.

Our parts department is fully equipped to support the City of Killeen's needs with timely order fulfillment and competitive pricing. Avfuel remains committed to ensuring the availability of essential products to maintain aircraft reliability and safety.



4.7 Compliance and Certification

- **Company Certifications**
- **References**
- **Legal and Financial Information**



Company Certifications:

Avfuel has extensive experience working in compliance with the regulations and standards set forth by the Federal Aviation Administration (FAA). Our operations are guided by strict adherence to FAA regulations to ensure safety and reliability across all facets of aviation fuel supply, distribution and services.

All Avfuel training programs pass or exceed FAA regulations and meet 14 CFR FAA-approved Part 139 Supervisory Fuel Safety Training requirements.

Avfuel is also certified as a Tier 2 Green Aviation Business under the National Air Transportation Association Sustainability Standard.

All Avfuel employees have been certified through SensCy Cyber Security Compliance audit system.

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of vendor who has a business relationship with local governmental entity.

2 Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 Name of local government officer about whom the information is being disclosed.

Name of Officer

4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?

Yes No

B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?

Yes No

5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director or holds an ownership interest of one percent or more.

6 Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).

7

Signature of vendor doing business with the governmental entity

Date

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

(a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

(a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

- (1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);
- (2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or
- (3) has a family relationship with a local government officer of that local governmental entity.

(a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

- (A) begins discussions or negotiations to enter into a contract with the local governmental entity; or
- (B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

- (A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);
- (B) that the vendor has given one or more gifts described by Subsection (a); or
- (C) of a family relationship with a local government officer.

REFERENCES

Please provide three references:

Reference No. 1

Company Name City of McKinney

Address 1508 East Industrial Airport Blvd. McKinney, TX 75070

Type of Business Public general aviation airport

Contact Person Andrew Griffin, General Manager

Email Address agriffin2@flytki.com

Telephone and Fax #'s (972) 547-3401

Date and Type of Service(s) Provided Branding Start Date: 2013; City of McKinney has been an Avfuel-branded FBO since 2013 for aviation fuel and services, including refueler trucks, insurance, contract fuel and marketing.

Reference No. 2

Company Name Brazoria County Airport

Address 8000 Airport Way, Angleton, TX 77515

Type of Business County-owned, public-use airport

Contact Person Jeff Bilyeu, Director of Aviation

Email Address jbilyeu@brazoria-county.com

Telephone and Fax #'s (979) 849-5755

Date and Type of Service(s) Provided Branding Start Date: 2018; Brazoria County has been an Avfuel-branded FBO since 2018 for aviation fuel and services, including refueler trucks, insurance, contract fuel and marketing.

Reference No. 3

Company Name City of New Braunfels

Address 2333 FM 758 City Terminal, New Braunfels, TX 78130

Type of Business Public-use, city-owned general aviation airport

Contact Person Robert Lee, Airport Director

Email Address rlee@nbtexas.org

Telephone and Fax #'s (830) 625-1501

Date and Type of Service(s) Provided Branding start date: 2021; the City of New Braunfels has been an Avfuel-branded FBO since 2021 for aviation fuel and services, including refueler trucks, contract fuel and marketing

Emergency Business Service Contact Notice

During a natural disaster, or homeland security event, there may be a need for the City of Killeen to access your business for products or services after normal business hours and/or holidays. The City may request City employee pick up or vendor delivery of product or services

For this purpose, a primary and secondary emergency contact name and phone number are required. It is critical the vendor's emergency contact information remains current. City shall be contacted by E-mail with any change to a contact name or phone number of these emergency contacts. Updates may be emailed to luciano@killeentexas.gov

All products or services requested during an emergency event are to be supplied as per the established contract prices, terms, and conditions. The vendor shall provide the fee (pricing) for an after-hours emergency opening of the business, if any. In general, orders will be placed using a City of Killeen procurement card (Master Card) or City issued Purchase Order. The billing is to include the emergency opening fee, if applicable.

The contractor shall provide the names, phone numbers and fee (pricing), if any, for an after-hour's emergency opening of the business listed below.

Business Name: Avfuel Corporation

Contract #: Request for Proposal 25-32 Aviation Fuel Supplier for ILE and GRK

Description: Aviation fuel and services supplier for City of Killeen.

Primary Contact (Name): Collin Cowsert

Primary Contact Phone Numbers: Home: (734) 663-6466 ext. 20245 Cell: (734) 358-7012

Secondary Contact (Name): Avfuel Dispatch

Secondary Contact Phone Numbers: Home: (800) 458-0672 Cell: (734) 663-6466 ext. 20515

After Hours emergency opening fee, if applicable: \$ 0.00



Legal Documentation:

Avfuel is committed to maintaining transparency and full compliance with all applicable regulatory and contractual obligations. Upon request, Avfuel will provide any necessary legal documentation relevant to our partnership, programs or operations as required by the City of Killeen or other authorized entities.

Financial Information:

Avfuel is a privately-owned corporation that has been in business since 1973 and has always been profitable, with annual sales over 3.0 billion USD. A private meeting to confirm financial information can be arranged with Avfuel's Vice President of Finance. Should further support be needed, a confidential meeting with Avfuel's senior bank officers from Comerica Bank will be arranged to attest to its financial stability, capacity and availability of credit lines.

Bank Reference

Aaron Hasenjager
Comerica Bank
One Detroit Center
500 Woodward Avenue
Detroit, Michigan 48226
Fax: 900-835-6400

Financial Summary



Refueler Truck Purchasing

VALUE: MARKET

- Avfuel will conduct a thorough assessment of your existing 5,000-gallon trucks and provide a competitive offer based on current fair market value.



Refueler Truck Leasing

VALUE: \$561,600

- Three refueler trucks provided at NO COST; one refueler at a discounted rate
- 24/7/365 quality assurance experts on hand for troubleshooting needs
- Large parts department for maintenance and expedited shipments
- Loaner refueler trucks available at NO COST



Business Development Grant

VALUE: \$75,000

- \$75,000 Business Development Grant **if** only one (1) 5,000-gallon refueler is delivered to Killen Regional Airport



Convention Support: 4 years

VALUE: \$44,200

On an annual basis, provided Avfuel is a conference exhibitor and FBO elects to co-exhibit with Avfuel, Avfuel will waive the cost for the City of Killeen to co-exhibit at NBAA SDC and attend TXDOT:

- **NBAA SDC** – Avfuel will cover the costs for exhibit space in the Avfuel Aisle, Avfuel's traffic-generating activity, one exhibitor badge, and one graphic to keep and reuse at future NBAA SDC events. | **\$9,250 annual value**
- **TXDOT** – Avfuel will cover the cost for 4 members to attend the annual TXDOT convention | **\$1,800 annual value**



World-Class Training Resources

VALUE: \$31,000

- On-site quality assurance inspection & training by request | **\$5,000 value per visit**
- Web-based Avfuel Training System (ATS) cost waived | **\$1,250 value annually**
- Regional Fuel Quality and Safety Seminars, FAA Pt. 139-approved | **\$1,500 annual value**



AVTRIP BONUS POINTS: 3X Points for 90 Days

VALUE: \$1,110

- Bonus points of a triple point promotion for 90 days at NO COST
- FBO to decide timeframe for promotion. Excludes commercial and military gallons.

CONTRACT & PAYMENT TERMS

Payment Terms: Net thirty (30) days via ACH.

Credit Limit: City of Killeen's credit limit will be increased to \$100,000

Contract Term: Two (2) year with two (2) one (1) year renewal options

Aviation Fuel Supply Agreement effective September 16, 2025, or date of city's request



Supplemental Information



Two Programs Connect You to Tens of Thousands of Loyal Customers



FUELING

32,500

AIRCRAFT

No Fees for Cardholders



REWARDING

28,000

MEMBERS

**\$30 Million Awarded
Since 1993**



Avfuel Contract Fuel



LAND MORE TRAFFIC. SAVE MORE ON PROCESSING. MAKE MORE IN SALES.

- Transact Avfuel Contract Fuel with the Avfuel Pro Card.
- The Avfuel Pro Card can be used for contract fuel, retail fuel and non-fuel flight expenses.
- You enjoy no fees on contract fuel transactions.
- Improve your margins with custom into-plane rates.
- Transactions are simplified with an approved direct-bill format for fractional operators, like NetJets and Flexjet.
- All third-party (reseller) transactions are processed through your point-of-sale system to streamline billing and reduce receivables
- We take a targeted approach to prospecting by leveraging market data (TRAQPak/AMSTAT, FAA, etc.), and assessing flight patterns and buying history.



PROCESSING FEES

*One Northeastern Avfuel-branded FBO **SAVED MORE THAN \$50,000/YEAR** in processing fees alone by leveraging Avfuel Contract Fuel.*



OUR CONTRACT FUEL SALES TEAM LANDS YOU MORE BUSINESS

Expand your team by putting our sales professionals to work for you. Our team is ready to develop a targeted list of prospects, make the connection and drive business to your ramp by leveraging relationships with thousands of flight departments who love Avfuel Contract Fuel.



OUR THREE-TIERED PROSPECTING APPROACH

1

OPERATOR ANALYSIS

We can collaborate with you to analyze who visits your FBO without buying fuel.

- Using market data, we'll identify your most common departure/destination points.
- We'll ensure pricing is in-line and competitive with those markets.

2

COMPETITOR ANALYSIS

We can analyze operators that fly to your competition.

- With 6K+ flight department customers, we have insight on decision-making criteria.
- Operators often prioritize service, maintenance offerings, facilities, amenities and fuel price.
- Our team works with you and operators to align their needs with your offerings.

3

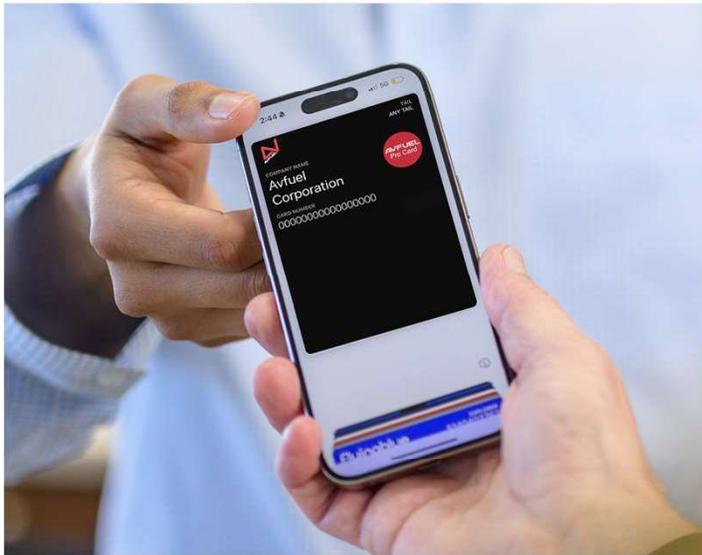
AIRPORT ANALYSIS

We can examine nearby airports using comprehensive market data.

- We'll target operators open to moving their business.
- While some might use other airports for their location, others may not know you're an option.
- Our team can help identify prospects for diversions, fuel stops or a less-congested alternative.



WHY CARDHOLDERS LOVE AVFUEL CONTRACT FUEL



- **No need to split transactions.**
 - Fuel and non-fuel items can be on one invoice, saving time.
- **Zero fees.**
- **Global acceptance** at 3,500+ locations.
- **Competitive prices** on fuel.
- **24/7/365 support.**
- **Easy account management** online.



Of all the independent fuel suppliers in our industry, Avfuel is NetJets' largest fuel provider. This not only speaks to Avfuel's size, scope, scale and capabilities on the supply side, but also its dedication to accurate and timely invoicing; and its team's round-the-clock availability for questions and invoice resolution, when required.

NETJETS®

Andy Naudhauser
VP, Global Procurement
NetJets

LAND HIGH-VOLUME ACCOUNTS

Avfuel has a dedicated sales team on hand to help its FBOs land high-volume business with commercial carriers and military operations. Our commercial fuel division actively works with the following customer segments to win you contracts or direct them to your ramp:

 Scheduled operators	 Military & Federal Agencies
 Special event charters (e.g., sports)	 Freight and cargo

COMMERCIAL FUEL SALES SUPPORT

Make Services Compelling

Avfuel explores service requirements to strengthen the tender, from de-icing and ground handling, to maintenance and customs.

Annually Review Service Rates

Rate stagnation becomes counterproductive. We can annually advise on rates by taking into consideration business costs.

Liaise on Your Behalf

Avfuel maintains a direct line of communication with you and commercial carriers to promote retention, resolve discrepancies and create business opportunities.



MILITARY FUEL SALES SUPPORT

Assist With DLA Submissions

Avfuel's dedicated DLA contract team can help you with the complex submission package.

Streamline Payments

Avfuel FBOs efficiently process the AIRCard.

Simplify Taxes

Avfuel can eliminate tax filing complications from government agency exemptions.

Provide Resources

Avfuel can help you fulfill DLA requirements with fuel, trucks/equipment, payment processing, training, quality assurance support 247/7/365, aviation insurance, etc.





AVTRIP Rewards: Pilot Loyalty Program



INCREASE FUEL SALES WHILE DECREASING DEEP DISCOUNTS.

AVTRIP isn't only business aviation's longest running pilot rewards program—it's also the industry's most popular. As the only proven fuel supplier sales enhancement tool, AVTRIP is lucrative for operators and FBOs alike.

FREE 90-DAY TRIPLE POINT PROMOTION
Avfuel offers a 90-day triple AVTRIP Point promotion at a time of your choosing; Avfuel will cover the bonus points at NO COST.
(Excludes commercial and military gallons)

1¢ PER POINT *Min 2pts/gal*

SAVING YOU MONEY ON FUEL DISCOUNTS



28k
Active Members per Quarter



65k
Total Registered Members



\$30M
In Total Cash Awards

REACHING MORE THAN \$1 MILLION ANNUALLY

AVTRIP Rewards: Pilot Loyalty Rewards

SO MUCH TO LOVE

PILOTS ASK FOR IT. MEMBERS LOVE IT. FBOS SELL MORE FUEL BECAUSE OF IT.

WHAT MEMBERS LOVE



For every 5,000 points



Tiered membership to earn more



525 Locations



Automatic, digital awards



Points never expire

Multiple ways to earn (uplift fuel, engage with Avfuel, compounding points, etc.)

WHAT YOU'LL LOVE



Low cost: 2¢ per gallon



Softens need for fuel discounts



Avfuel covers extra tiered points



Simple to transact with POS



Tiered membership incentivizes pilots to fly and fuel in the Avfuel Network



Personalized support

LEARN MORE ABOUT AVTRIP >



Optional: Avfuel Network Rewards



PARTNER WITH THE ONLY SUPPLIER REWARDING YOUR STAFF

When FBO staff members engage with the Avfuel Network, they earn points that translate to cash awards. It's a simple, but rewarding way to show our appreciation. Staff can earn points by:

- Referring pilots to Avfuel-branded FBOs
- Signing up AVTRIP members
- Completing training
- And MORE!



KEEP PILOTS FLYING WITHIN THE AVFUEL NETWORK AND ONTO **YOUR RAMP**

This web-based system is designed to **increase referrals within the Avfuel Network of 700+ branded FBOs for enhanced connectivity**—the ultimate way to take advantage of a network of our size and scope.

The program thrives on system of reciprocity—just as you refer pilots to other FBOs, other FBOs refer pilots to you. Your FBO is notified every time you are referred, giving you a strategic advantage to earn business and increase visibility.



MANAGE RISKS WITH \$50 MILLION EXCESS PRODUCTS LIABILITY COVERAGE.

Avfuel's in-house aviation insurance subsidiary, Avsurance, has **MORE THAN 30 YEARS** of hands-on experience providing coverage to FBOs and airports.

Avfuel-branded operations are granted third-party, **\$50 MILLION USD** excess products liability coverage for fueling operations, provided underlying requirements are met, including a certificate of insurance evidencing \$1 million USD CSL airport premises and products liability with Avfuel as additional insured.



INSURANCE COVERAGE FOR ALL FBO NEEDS

Insurance coverage for all FBO needs is available, including items such as courtesy cars, aircraft maintenance, environmental exposure, fuel farms and more.

COVERAGES INCLUDE, BUT ARE NOT LIMITED TO:

- | | | |
|--|--|--|
| <ul style="list-style-type: none"> • Aviation general liability insurance • Premises insurance • Hangar keepers insurance • Airport insurance • Heliport insurance • Airport property insurance • Helicopter insurance • Workers' compensation | <ul style="list-style-type: none"> • Aircraft hull and liability insurance • Air ambulance insurance • Part 135 insurance • Part 91 insurance • Scheduled 121 operator insurance • Cargo insurance • Freight insurance • Flight school insurance | <ul style="list-style-type: none"> • Environmental liability insurance • Crew car insurance • Commercial auto insurance • Mobile equipment insurance • Commercial property insurance • Products & completed operation insurance • Heavy lift insurance • Pipeline patrol insurance |
|--|--|--|



DIRECTING HIGH-VOLUME, INTERNATIONAL OPERATORS TO YOUR FBO.

Avplan is Avfuel's trip-planning and flight-support company that facilitates high-volume clients with personalized service for all travel—domestic and global. Combined with Avfuel Contract Fuel and AVTRIP rewards, Avplan lands Avfuel FBOs more business.



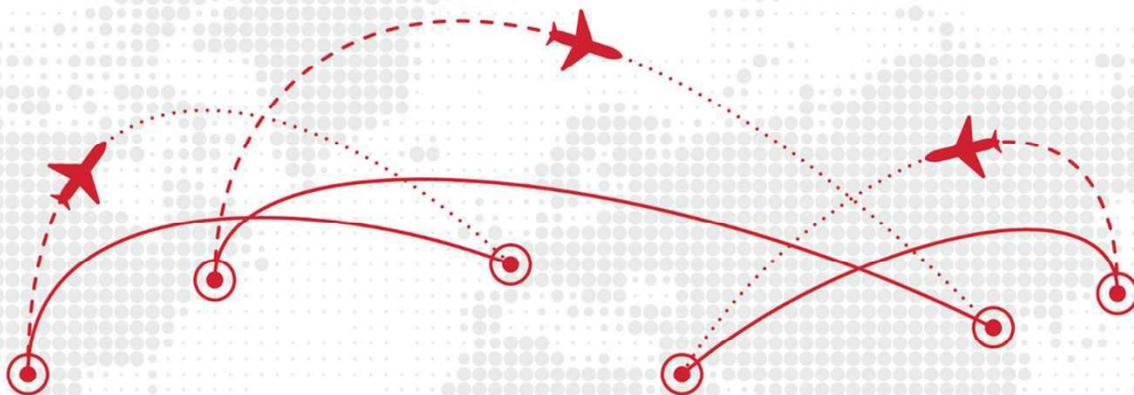
**PUTS AVFUEL FBOS ON THE FLIGHT
PATH OF MORE CUSTOMERS FROM
MORE COUNTRIES**



**IN-HOUSE TEAM OF METEOROLOGISTS,
PLANNERS AND FLIGHT-FOLLOWERS**

30+ YEARS OF PROFESSIONAL EXPERIENCE IN AVIATION PLANNING, INCLUDING:

- Flight following
- Communications
- Government agency relations
- NOTAMs
- Permits
- Arrival and departure slots
- Computerized flight planning
- Weather services
- Visas

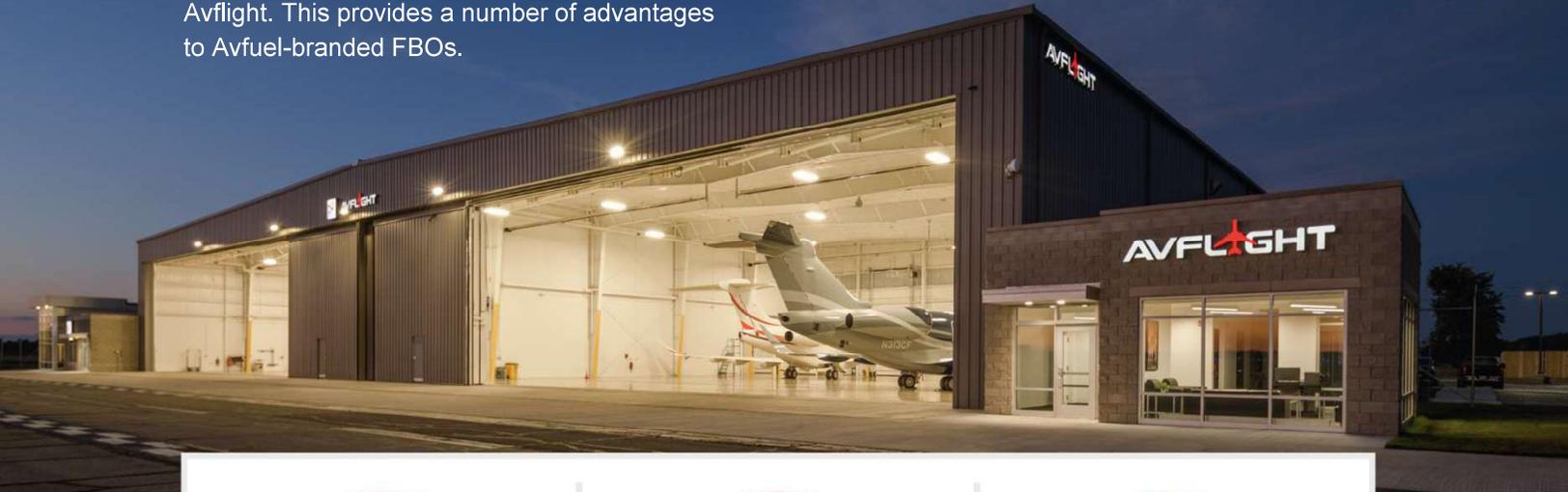


Avflight: A Network of FBOs

INSIGHTS FROM 27 OWNED FBOs READY TO COLLABORATE WITH YOU.



Avfuel is unique in the fuel supply industry in that it not only claims to understand the FBO business, but has first-hand experience in the daily operation and challenges of FBO ownership through its sister company, Avflight. This provides a number of advantages to Avfuel-branded FBOs.



BETA TESTING

With Avflight, Avfuel is able to beta-test new solutions and updates to existing programs. This ensures every offering Avfuel provides has been thoroughly vetted in the market and built with direct feedback from FBO users.



KNOWLEDGE SHARING

Avflight's team members love sharing their expertise with fellow Avfuel-branded locations. With 27 FBOs throughout North America and Europe, Avflight personnel have extensive experience in a vast array of FBO events and situations, and they're eager to share what they've learned.



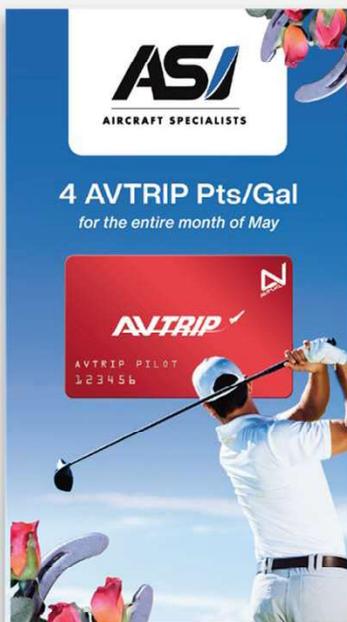
EXCLUSIVE PARTNERSHIPS

Avflight has been known to work with Avfuel-branded FBOs on exclusive, beneficial partnerships, including preferred pricing structures and direct referrals.





Graphic Design, Promotion Collaboration

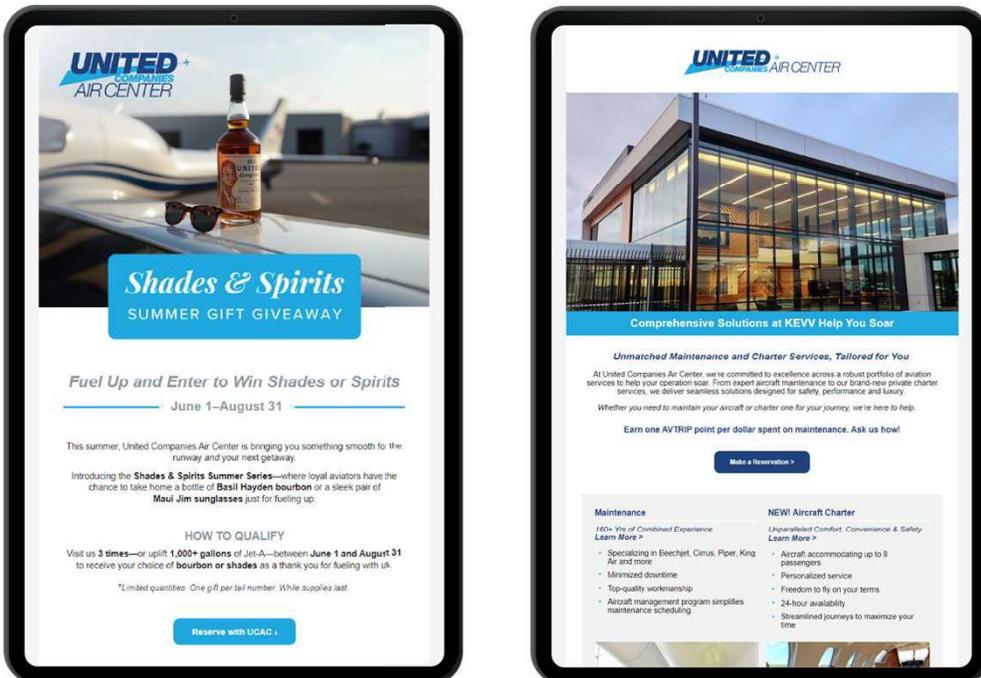




Collaboration, Copywriting, & Design



Email Marketing

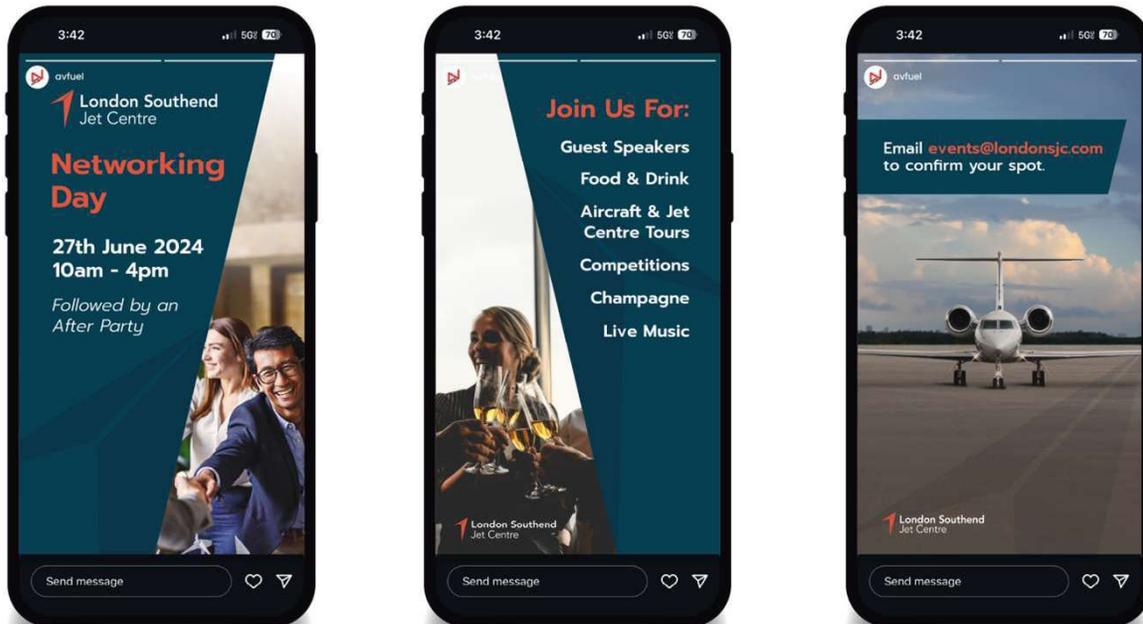




Event Signage



Social Media Graphics



CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

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

OFFICE USE ONLY CERTIFICATION OF FILING

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
Avfuel Corporation
Ann Arbor, MI United States

Certificate Number:
2025-1352885

Date Filed:
08/20/2025

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

Date Acknowledged:

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
25-32
Aviation Fuel and Services

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary
	Sincock, Craig	Ann Arbor, MI United States	X	

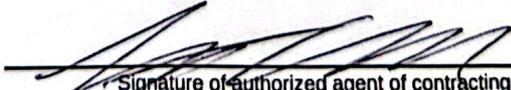
5 Check only if there is NO Interested Party.

6 UNSWORN DECLARATION

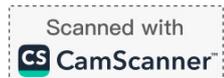
My name is Trent Reeder, and my date of birth is 09/03/1987.
My address is 1206 Mistletoe Dr, Fort Worth, TX, 76110, USA.
(city) (state) (zip code) (country)

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

Executed in Tarrant County, State of Texas, on the 20 day of August, 2025.
(month) (year)



Signature of authorized agent of contracting business entity
(Declarant)





AVIATION FUEL SUPPLY
AGREEMENT – KILLEEN
REGIONAL AIRPORT &
SKYLARK FIELD

RS-25-148

September 16, 2025

Background

- The City of Killeen, Aviation Department is pursuing a contract with a common aviation fuel supplier to secure a reliable and uninterrupted fuel supply essential for its aviation operations.
- This initiative seeks to enhance service quality while establishing a profitable agreement for aviation fuel procurement.

Background

- This strategic approach not only guarantees a consistent supply of aviation fuel but also positions the City to benefit from competitive pricing and quality service in the aviation sector.

Background

4

- A Request for Proposals (RFP#25-32) was advertised on June 23rd, 2025, and three (3) proposals were received on July 30th, 2025.
- Proposals submitted include:
 - ▣ Avfuel Corporation
 - ▣ AEG Fuels
 - ▣ Titian Aviation Fuels

Background

5

- Following a thorough assessment of all submissions, Staff determined that Avfuel Corporation's proposal meets our operational needs and provides the best value for the City of Killeen.

Discussion

6

- Staff has negotiated an Aviation Fuel Supply agreement with Avfuel Corporation. The term of the agreement is for a period beginning October 1, 2025, and ending September 30, 2027, with 2 (one-year options).

Discussion

7

- The aviation fuel supply agreement provides goods which generates revenues for both Killeen Regional Airport (KRA) and Skylark Field Airport (ILE) through resale or contracted delivery to air operators.
- The contract is expected to generate approximately \$541,724 in revenue, with estimated expenses totaling \$340,000.

Discussion

- Additionally, the agreement includes additional value-added services at no extra cost, such as three fuel trucks, free regulatory training, quality-control equipment, regulatory signage and stickers, and other cost-saving items.

Recommendation

- City Council approve the Aviation Fuel Supply agreement with Avfuel Corporation and authorize the City Manager or designee to execute same as well as any and all amendments and lease actions allowed per federal, state, or local law.



City of Killeen

Staff Report

File Number: RS-25-149

Consider a memorandum/resolution authorizing a HOME Investment Partnerships Subrecipient Agreement with Central Texas Council of Governments, to provide Tenant Based Rental Assistance (TBRA) to eligible households in accordance with Community Development policies and procedures, and HUD HOME TBRA program regulations, in the amount of \$500,000.00.

DATE: September 16, 2025

TO: Kent Cagle, City Manager

FROM: Tiffanie McNair, Executive Director of Community Development

SUBJECT: HOME Investment Partnerships Subrecipient Agreement with Central Texas Council of Governments

BACKGROUND AND FINDINGS:

Central Texas Council of Governments (CTCOG) has been providing housing assistance under the Housing and Urban Development (HUD) Section 8 Housing Assistance Program. Section 8 is designed to aid in the expansion of affordable housing opportunities for low-income families, the elderly, and disabled individuals in the region. CTCOG has administered the Housing Choice Voucher program to rent housing at an affordable cost and at the same time receive essential services necessary to achieve stability, maintain their housing and improve their overall quality of life. CTCOG has assisted eligible households with rental subsidies through the HOME funded Tenant Based Rental Assistance (TBRA) Program to help bridge the gap between what a household can afford and the actual rent. TBRA can cover a range of housing costs, including rent, security deposits and utility deposits.

CTCOG will target persons or families currently on its Section 8 waitlist. However, any qualified household within the City of Killeen may apply for TBRA.

The program will assist up to 20 households with up to 24 months of rental assistance. The goal of the program is to establish long-term housing stability by reducing the number of households that are homeless or at-risk of homelessness, reducing the number of households at risk of eviction, providing supportive services and education for household self-sufficiency, and increasing housing affordability for low-income households.

Staff recommends that City Council authorize the City Manager, or his designee, to execute a HOME Investment Partnerships Subrecipient Agreement with Central Texas Council of Governments for the purpose of administering a Tenant-based Rental Assistance program in the amount of \$500,000.00.

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

Staff recommends that City Council authorize the City Manager, or his designee, to execute a HOME Investment Partnerships Subrecipient Agreement with Central Texas Council of Governments for the purpose of administering a Tenant-based Rental Assistance program in the amount of \$500,000.00.

CONFORMITY TO CITY POLICY:

This action conforms to HUD and city procurement policies.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

\$500,000.00

Is this a one-time or recurring revenue/expenditure?

This is a one-time expenditure.

Is this revenue/expenditure budgeted?

This expenditure is budgeted.

211-55124-500-520-421940	\$60,522.35
211-55124-500-520-422040	\$33,688.23
211-55124-500-520-422226	\$108,173.80
211-55124-500-520-422240	\$76,310.12
211-55124-500-520-422340	\$88,377.23
211-55124-500-520-422440	\$132,928.27

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

N/A

RECOMMENDATION:

Staff recommends that City Council authorize the City Manager, or his designee, to execute a HOME Investment Partnership Subrecipient Agreement with Central Texas Council of Governments for the purpose of administering a Tenant-based Rental Assistance program in the amount of \$500,000.00.

DEPARTMENTAL CLEARANCES:

Legal
Finance

ATTACHED SUPPORTING DOCUMENTS:

Agreement
Presentation

**HOME INVESTMENT PARTNERSHIPS PROGRAM
TENANT BASED RENTAL ASSISTANCE SUBRECIPIENT AGREEMENT
BETWEEN THE CITY OF KILLEEN, TEXAS AND
CENTRAL TEXAS COUNCIL OF GOVERNMENTS**

PROVIDING FOR THE PAYMENT AND USE OF HOME INVESTMENT PARTNERSHIP GRANT FUNDS

This Agreement is hereby entered into by and between the City of Killeen, a Texas municipal corporation, acting by and through its City Manager, hereinafter referred to as "**CITY**," and Central Texas Council of Governments, 2180 N. Main St., Belton Texas 76513, hereinafter referred to as "**SUBRECIPIENT**."

WHEREAS the **CITY** receives HOME Investment Partnerships Act Program (HOME) Entitlement funds from the U.S. Department of Housing and Urban Development, herein referred to as "HUD," established by the National Affordable Housing Act of 1990 under Title II and allocates funds to eligible local governments to strengthen public-private partnerships to expand the supply of decent, safe, sanitary, and affordable housing to very low-income and low-income families; and

WHEREAS the **CITY** is undertaking certain activities to develop a viable community by providing decent housing, a suitable living environment, and expanding economic opportunities principally for low-income and very low-income families. HUD defines low-income families as those with incomes at or below 80% of the area median income (AMI), and very low-income families as those with incomes at or below 50% of the AMI; and

WHEREAS the **CITY** provides certain qualified non-profits funds to accomplish the purpose of providing programs and services is in the public interest and in accordance with the HOME Program funding objectives, and

WHEREAS the **CITY** desires to award qualified non-profits with subawards of HOME Tenant Based rental Assistance (herein after "TBRA") funds where all compliance requirements for use of HOME Program funds and any and all reporting requirements for expenditures of HOME Program funds apply; in accordance with 24 Code of Federal Regulations (CFR) Part 92 and the HOME Program Notice, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards to provide the **SUBRECIPIENT** a sub-award from HOME Program funds to carry out project activities in compliance with the HOME Program; and

NOW, THEREFORE, the parties hereto agree to the mutual obligations and the performance and accomplishment of the conditions hereinafter described.

I. TERM

This Agreement shall be effective September 1, 2025, and shall terminate on August 31, 2027, unless sooner terminated because funding is no longer available or in accordance with Section

25 "Termination" herein. The City shall have the right, but not the obligation, to extend the term of this agreement by two (2) additional one-year periods.

II. RESPONSIBILITIES

SUBRECIPIENT hereby accepts responsibility for the performance of all services and activities described in the Scope of Services attached hereto as **Exhibit A** and incorporated herein by reference, in a satisfactory and efficient manner as determined by **CITY**, in accordance with the terms herein. **CITY** will consider **SUBRECIPIENT's** executive officer to be **SUBRECIPIENT's** representative responsible for the management of all contractual matters pertaining hereto unless written notification to the contrary is received from **SUBRECIPIENT** and approved by **CITY**.

The **CITY's** Executive Director of Community Development will be **CITY's** representative responsible for the administration of this Agreement. Beneficiaries of the activities to be provided hereunder must reside in the City of Killeen and **SUBRECIPIENT** certifies that the activities carried out with these funds shall meet HOME Program funding objectives in response to the needs of low-income families for safe, affordable, and sustainable housing. **SUBRECIPIENT** shall provide services and/or programming for City of Killeen residents as detailed in **Exhibit A** Scope of Services.

III. REPRESENTATIONS

- A. **SUBRECIPIENT** assures and guarantees that it possesses the legal authority, pursuant to any proper, appropriate, and official motion, resolution, or action passed or taken, to enter into this Agreement.
- B. The person or persons signing and executing this Agreement on behalf of **SUBRECIPIENT**, do hereby warrant and guarantee that they have been fully authorized by **SUBRECIPIENT** to execute this Agreement on behalf of **SUBRECIPIENT** and to bind **SUBRECIPIENT** validly and legally to all terms, performances, and provisions herein set forth.
- C. **CITY** shall have the right, at its option, to either temporarily suspend or permanently terminate this Agreement if there is a dispute as to the legal authority of either **SUBRECIPIENT** or the person signing the Agreement to enter into this Agreement. **SUBRECIPIENT** is liable to **CITY** for any money it has received from **CITY** for performance of the provisions of this Agreement if **CITY** has suspended or terminated this Agreement for the reasons enumerated in this Section.
- D. **SUBRECIPIENT** agrees that the funds and resources provided **SUBRECIPIENT** under the terms of this Agreement will in no way be substituted for, or duplicative of, funds and resources from other sources, nor in any way serve to reduce the resources, services, or other benefits which would have been available to, or provided through, **SUBRECIPIENT** had this Agreement not been executed.

IV. SUBRECIPIENT OBLIGATIONS

In consideration of the receipt of funds from the **CITY**, the **SUBRECIPIENT** agrees to the following terms and conditions:

- A. Five Hundred Thousand Dollars (\$500,000.00) in HOME Program funds may be paid to **SUBRECIPIENT** by **CITY** on a reimbursement basis in accordance with the Budget attached as **Exhibit B**, and the only expenditures reimbursed from these funds shall be those in accordance with the Budget, set forth in **Exhibit B**, for those services described in the Scope of Services, **Exhibit A**, as provided herein. **SUBRECIPIENT** shall not utilize these funds for any other purpose.
- B. **SUBRECIPIENT** shall submit monthly performance and expenditure reports to **CITY** pursuant to Section 10 of this Agreement. **CITY** may withhold payment to **SUBRECIPIENT** for any period for which **SUBRECIPIENT** has failed to submit the reports required by this Agreement.
- C. **SUBRECIPIENT** will establish, operate, and maintain an account system for this program that will allow for a tracing of funds and a review of the financial status of the program. The system will be based on generally accepted accounting principles as recognized by the American Institute of Certified Public Accountants.
- D. **SUBRECIPIENT** will permit authorized officials of **CITY** to review its books at any time.
- E. **SUBRECIPIENT** will reduce to writing all of its rules, regulations, and policies and file a copy with **CITY's** Community Development Division office along with any amendments, additions, or revisions upon request.
- F. **SUBRECIPIENT** will not enter into any contracts that would encumber **CITY** funds for a period that would extend beyond the term of this Agreement.
- G. **SUBRECIPIENT** will promptly pay all bills when submitted unless there is a discrepancy in a bill; any errors or discrepancies in bills shall be promptly reported to **CITY's** Community Development Division for further direction.
- H. **SUBRECIPIENT** will appoint a representative who will be available to meet with **CITY** officials when requested.
- I. **SUBRECIPIENT** will indemnify and hold harmless **CITY**, its officers, elected and appointed officials, agents, employees, and contractors from any and all claims and suits arising out of the services or activities of **SUBRECIPIENT**, its employees, and/or contractors.
- J. **SUBRECIPIENT** will submit to **CITY** copies of year-end audited financial statements.

V. COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS

- A. **SUBRECIPIENT** shall comply with all applicable federal laws, laws of the State of Texas, and ordinances of the City of Killeen.
- B. **SUBRECIPIENT** agrees to abide by the conditions of and comply with the requirements of the Office of Management 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- C. **SUBRECIPIENT** shall give the **CITY**, the U.S. Department of Housing and Urban Development, the U.S. Department of Treasury, the Comptroller General of the United States, and any of the **CITY's** authorized representatives, access to and the right to reproduce all records belonging to or in use by **SUBRECIPIENT** pertaining to this Agreement. Such access shall continue as long as **SUBRECIPIENT** retains the records. **SUBRECIPIENT** shall maintain such records in an accessible location for not less than five (5) years.

- D. **SUBRECIPIENT** shall refrain from entering into any subcontract for services without prior approval in writing by **CITY** of the qualifications of the subcontractor to perform and meet the standards of this Agreement. All subcontracts entered into by the **SUBRECIPIENT** will be subject to the requirements of this Agreement. The **SUBRECIPIENT** agrees to be responsible to **CITY** for the performance of any subcontractor.
- E. **SUBRECIPIENT** further agrees and certifies that if the regulations and issuances promulgated pursuant to the Act are amended or revised, it shall comply with them, or notify **CITY**, as provided in Section 23 of this Agreement.
- F. **SUBRECIPIENT** shall adopt and implement affirmative marketing procedures for this program in accordance with the requirements in 24 CFR 92.351, including the requirements to (i) identify those portions of the population of the **CITY** that are least likely to apply, (ii) establish specific marketing actions (e.g., advertising in specialty publications, native languages, etc.) intended to reach such populations, and (iii) maintain records of the results of such activities.
- G. **SUBRECIPIENT** shall comply with all applicable Federal laws and regulations at 24 CFR 92 Subpart H. Sub- part H prescribes procedures for compliance in the following areas: nondiscrimination and equal opportunity, affirmative marketing, displacement and relocation, labor relations and conflict of interest.
- H. **SUBRECIPIENT** agrees that it shall be committed to carry out the purposes of Executive Order 14173 of January 21, 2025 entitled "Ending Illegal Discrimination and Restoring Merit-Based Opportunity" one of its purposes being to enforce federal civil rights laws "for the benefit of all Americans."
- I. **SUBRECIPIENT** agrees that it shall not use grant funds to promote "gender ideology," as defined in Executive Order (E.O.) 14168, Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government.
- J. **SUBRECIPIENT** agrees that it shall not use any grant funds to fund or promote elective abortions, as required by E.O. 14182, Enforcing the Hyde Amendment.
- K. **SUBRECIPIENT** agrees to follow Executive Order 14154 that aims to remove regulations and restrictions imposed by the previous administration on domestic energy production and natural resource development. The order directs agencies to streamline permitting processes, prioritize energy independence, and ensure reliable and affordable energy supplies for the nation.
- L. **SUBRECIPIENT** agrees to administer its grant funds in accordance with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended (8 U.S.C. 1601-1646) (PRWORA) and any applicable requirements that HUD, the Attorney General, or the U.S. Citizenship and Immigration Services may establish from time to time to comply with PRWORA, Executive Order 14218, or other Executive Orders or immigration laws.
- M. **SUBRECIPIENT** agrees that it may not use program funds in a manner that by design or effect facilitates the subsidization or promotion of illegal immigration or abets policies that seek to shield illegal aliens from deportation.

- N. **SUBRECIPIENT** agrees that unless excepted by PRWORA, it will use SAVE, or an equivalent verification system approved by the Federal government, to prevent any Federal public benefit from being provided to an ineligible alien who entered the United States illegally or is otherwise unlawfully present in the United States.

VI. PERFORMANCE BY SUBRECIPIENT

SUBRECIPIENT will provide, oversee, administer, and carry out the activities and services set out in the Scope of Services described in **Exhibit A**, utilizing the funds described in **Exhibit B**, deemed by both parties to be necessary and sufficient payment for full and satisfactory performance of the program, as determined solely by **CITY** and in accordance with all other terms, provisions, and requirements of this Agreement. No modifications or alterations may be made in the Scope of Services or Budget without the prior written approval of the **CITY's** Executive Director of Community Development.

VII. PAYMENTS

- A. Payments to **SUBRECIPIENT**. **CITY** will pay **SUBRECIPIENT** for expenses pursuant to and in accordance with the Project Budget attached hereto as **Exhibit B**, and incorporated herein by reference, and the Scope of Services herein attached as **Exhibit A** and incorporated herein by reference. Notwithstanding any other provision of the Agreement, the total of all payments and other obligations made or incurred by **CITY** hereunder shall not exceed the sum of **Five Hundred Thousand Dollars (\$500,000.00)**.
- B. Funds are to be used for the sole purpose of providing the services described in the Scope of Services in **Exhibit A** and based on the Budget in **Exhibit B**.
- C. Excess Payment. **SUBRECIPIENT** shall refund to **CITY** within ten business days of **CITY's** request, any sum of money which has been paid by **CITY** and which **CITY** at any time thereafter determines:
- (1) has resulted in overpayment to **SUBRECIPIENT**; or
 - (2) has not been spent strictly in accordance with the terms of this Agreement; or
 - (3) is not supported by adequate documentation to fully justify the expenditure.
- D. Disallowed Costs. Upon termination of this Agreement, should any expense or charge for which payment has been made be subsequently disallowed or disapproved as a result of any auditing or monitoring by **CITY** or any other Federal agency, **SUBRECIPIENT** will refund such amount to **CITY** within ten business days of a written notice to **SUBRECIPIENT**, which specifies the amount disallowed. Refunds of disallowed costs may not be made from these or any funds received from or through **CITY**.
- E. Reversion of Assets.
- (1) **SUBRECIPIENT**, upon expiration of this Agreement, shall transfer to the **CITY** any funds on hand at the time of expiration and any accounts receivable attributable to the use of funds.
 - (2) The reversion of these financial assets shall be in addition to any other remedy available to **CITY** either at law or in equity for breach of this Agreement.

- F. **Obligation of Funds.**
- (1) In the event that actual expenditure rates deviate from SUBRECIPIENT's provision of a corresponding level of performance, as specified in **Exhibits A and B**, CITY hereby reserves the right to re-appropriate or recapture any such under expended funds.
 - (2) If CITY finds that **SUBRECIPIENT** is unwilling and/or unable to comply with any of the terms of this Agreement, CITY may require a refund of any and all money expended pursuant to this Agreement by **SUBRECIPIENT**, as well as any remaining unexpended funds which shall be refunded to CITY within ten business days of a written notice to **SUBRECIPIENT** to revert these financial assets.
- G. **Contract Close Out.** **SUBRECIPIENT** shall submit a final expenditure report, for the time period covered by the last invoice requesting reimbursement of funds under this Agreement, within 15 business days following the close of the Agreement period.
- H. The CITY may withhold payment(s) until the appropriate and required reports are received and approved, which approval shall not be unreasonably withheld.
- I. **Measure of Liability.**
- (1) The parties expressly understand and agree that CITY's obligations under this Section are contingent upon the actual receipt of adequate HOME funds to meet CITY's liabilities under this Agreement. If adequate funds are not available to make payments under this Agreement, CITY shall notify **SUBRECIPIENT** in writing within a reasonable time after such fact has been determined. CITY may, at its option, either reduce the amount of its liability or terminate the Agreement. If funds eligible for use for purposes of this Agreement are reduced, CITY shall not be liable for further payments due to **SUBRECIPIENT** under this Agreement.
 - (2) It is expressly understood that this Agreement in no way obligates the General Fund or any other monies or credits of the City of Killeen.
 - (3) CITY shall not be liable for any cost or portion thereof which:
 - (a) Has been paid, reimbursed, or is subject to payment or reimbursement, from any other source;
 - (b) Was incurred prior to the beginning date or after the ending date specified in Section 1;
 - (c) Is not in strict accordance with the terms of this Agreement, including all **Exhibits** attached hereto;
 - (d) Is not an allowable cost as defined by Section 10 of this Agreement or in the Budget set forth in **Exhibit B**.
 - (4) CITY shall not be liable for any cost or portion thereof which is incurred with respect to any activity of **SUBRECIPIENT** requiring prior written authorization from CITY, or after CITY has requested that **SUBRECIPIENT** furnish data concerning such action prior to proceeding further, unless and until CITY advises **SUBRECIPIENT** to proceed.
 - (5) CITY shall not be obligated or liable under this Agreement to any party other than **SUBRECIPIENT** for payment of any monies or provision of any goods or services.

- (6) Funding not expended within the term of this Agreement will revert to the City of Killeen within 15 business days from the expiration of the Agreement for use on alternative services or projects.
- (7) Payments may be contingent upon certification of the **SUBRECIPIENT's** financial management system in accordance with the standards specified in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

VIII. ALLOWABLE COSTS

- A. Costs must comply with HOME TBRA allowable uses and expenditure categories as published in the Compliance and Reporting Guidance by the U.S. Department of Treasury.
- B. Costs shall be considered allowable only if incurred directly and specifically in the performance of and in compliance with this Agreement and in conformance with the standards and provisions of **Exhibits A and B**.
- C. **SUBRECIPIENT** may not expend more than 10% of the funds for any administrative or project delivery costs.
- D. To the extent that **SUBRECIPIENT** has received funds from another municipal, state, or federal source for any purpose contemplated herein, **SUBRECIPIENT** shall not expend funds paid under this Agreement in a manner that would be duplicative of the use of such prior funds.
- E. Approval of **SUBRECIPIENT's** Budget, **Exhibit B**, does not constitute prior written approval, even though certain items may appear herein. **CITY's** prior written authorization is required in order for the following to be considered allowable costs:
 - a. **CITY** shall not be obligated to any third parties, including any subcontractors of **SUBRECIPIENT**, and **CITY** funds shall not be used to pay for any contract service extending beyond the expiration of this Agreement.
 - b. Any alterations, deletions, or additions to the Budget detail incorporated in **Exhibit B**;
 - c. Costs or fees for temporary employees or services;
 - d. Any fees or payments for consultant services.
- F. Written requests for prior approval are **SUBRECIPIENT's** responsibility and shall be made within sufficient time to permit a thorough review by **CITY**. **SUBRECIPIENT** must obtain written approval by **CITY** prior to the commencement of procedures to solicit or purchase services or personal property. Any procurement or purchase which may be approved under the terms of this Agreement must be conducted in its entirety in accordance with the provisions of this Agreement.
- G. The purchase of real property is not an allowable cost under this agreement.

IX. PROGRAM INCOME

- A. Generally, program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under Federal awards and principal and interest on loans made with Federal award funds. Program income does not include interest earned on advances of Federal funds, rebates, credits,

discounts, or interest on rebates, credits, or discounts. Recipients of HOME Program funds should calculate, document, and record the organization's program income. Additional controls that your organization should implement include written policies that explicitly identify appropriate allocation methods, accounting standards and principles, compliance monitoring checks for program income calculations, and records.

- B. **SUBRECIPIENT** shall maintain records of the receipt and disposition of Program Income in the same manner as required for other contract funds and reported to **CITY** in the format prescribed by **CITY**. **CITY** and **SUBRECIPIENT** agree that any fees collected for services performed by **SUBRECIPIENT** shall be used for payment of costs associated with service provision. Revenue remaining after payment of all program expenses for service provision shall be considered Program Income and shall be subject to all the requirements of this Agreement and the regulations found at 2 CFR 200.307 and any additional guidance regarding program income and the application of 2 CFR 200.307(e)(1), including with respect to lending programs, released by the US Department of Treasury.
- C. **SUBRECIPIENT** shall include this Section in its entirety in all of its sub-contracts which involve other income-producing services or activities.
- D. It is **SUBRECIPIENT's** responsibility to obtain from **CITY** a prior determination as to whether or not income arising directly or indirectly from this Agreement, or the performance thereof, constitutes Program Income. **SUBRECIPIENT** is responsible to **CITY** for the repayment of any and all amounts determined by **CITY** to be Program Income, unless otherwise approved in writing by **CITY**.

X. REPORTS AND INFORMATION

At such times and in such form as **CITY** may require, **SUBRECIPIENT** shall furnish such statements, records, data, and information as **CITY** may request and deem pertinent to matters covered by this Agreement. **SUBRECIPIENT** shall submit performance and expenditure reports to **CITY** no less than once every month. The performance report shall detail client information, including race, ethnicity, income, female head of household, and other statistics required by **CITY**. The financial report shall include information and data relative to all programmatic and financial reporting as of the commencement date specified in Section 1 of this Agreement. Unless the **CITY** has granted a written exemption, **SUBRECIPIENT** shall submit an audit conducted by independent examiners in accordance with Generally Accepted Accounting Principles. If the **SUBRECIPIENT** expends more than \$750,000 in federal funding, the audit must be conducted in accordance with OMB 2 CFR Part 200, as applicable within thirty days after receipt of such audit.

XI. MONITORING AND EVALUATION

SUBRECIPIENT agrees to participate in a monitoring and evaluation system whereby the services can be continuously monitored. **CITY** shall perform monitoring of the **SUBRECIPIENT's** performance under this Agreement.

- A. **SUBRECIPIENT** agrees that **CITY** may carry out monitoring and evaluation activities to ensure adherence by **SUBRECIPIENT** to the Scope of Services, Program Goals, and

Objectives, which are attached hereto as **Exhibit A**, as well as other provisions of this Agreement.

- B. **SUBRECIPIENT** agrees to cooperate fully with **CITY** and provide data determined by **CITY** to be necessary for **CITY** to effectively fulfill its monitoring and evaluation responsibilities.
- C. **SUBRECIPIENT** agrees to cooperate in such a way so as not to obstruct or delay **CITY** in such monitoring and to designate one of its staff to coordinate the monitoring process as requested by **CITY** staff.
- D. **SUBRECIPIENT** agrees to make available its financial records for review by **CITY** at **CITY's** discretion. In addition, **SUBRECIPIENT** agrees to provide **CITY** the following data and reports, or copies thereof:
 - (1) All external or internal evaluation reports;
 - (2) Performance and expenditure reports to be submitted in the schedule published by the **CITY's** Community Development Division. Reports shall include such information as requested by the **CITY's** Community Development Division including but not limited to number of persons or households assisted, race, gender, disability status, and household income. Performance and expenditure reports shall be due to **CITY** within 15 business days after the completion of required reporting period. **SUBRECIPIENT** agrees to submit a performance report and expenditure report no less than once a month. The expenditure report shall include a profit and loss statement with current and year- to-date period accounting of all revenues, expenditures, outstanding obligations, and beginning and ending balances.
 - (3) An explanation of any major changes in program services.
- E. After each official monitoring on-site visit, **CITY** shall provide **SUBRECIPIENT** with a written report of monitoring findings, documenting findings, and concerns that will require a written response to the **CITY**. An acceptable response must be received by the **CITY** within 60 days from the **SUBRECIPIENT's** receipt of the monitoring report or audit review letter. Future contract payments can be withheld for the **SUBRECIPIENT's** failure to submit a written response within 60 days.
- F. To comply with this section, **SUBRECIPIENT** agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of funds received and the services performed under this Agreement. **SUBRECIPIENT's** record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure. **SUBRECIPIENT** agrees to retain all books, records, documents, reports, and written accounting procedures pertaining to the services provided and expenditure of funds under this Agreement for the period of time and under the conditions specified by the **CITY**, but no less than 5 years. Nothing in the above subsections shall be construed to relieve **SUBRECIPIENT** of responsibility for retaining accurate and current records, which clearly reflect the level and benefit of services, provided under this Agreement.
- G. **SUBRECIPIENT** shall submit copies of any fiscal, management, or audit reports by any of the **SUBRECIPIENT's** funding or regulatory bodies to **CITY** within ten working days of receipt by the **SUBRECIPIENT**.

- H. **CITY** shall be responsible for performing an environmental review to ensure necessary compliances are met. HOME Program funds will not be paid, and costs cannot be incurred until **CITY** has conducted and completed an environmental review and completed an Environmental Review Record as required by 24 CPR Part 58. The environmental review may result in a decision to proceed with, modify, or cancel this project. Further, **SUBRECIPIENT** will not undertake or commit any funds for the project prior to the environmental clearance.

XII. MAINTENANCE OF RECORDS

- A. **SUBRECIPIENT** agrees to maintain records that will provide accurate, current, separate, and complete disclosure of the status of the funds received under this Agreement, in compliance with the provisions of **Exhibit A** and **Exhibit B**, attached hereto, and with any other applicable Federal and State regulations establishing standards for financial management. **SUBRECIPIENT's** expenditures of funds made under this Agreement will conform to 2 CFR §200 Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards as they pertain to costs incurred, audits, program income, administration, and other activities and functions. **SUBRECIPIENT's** record system shall contain sufficient documentation to provide in detail full support and justification for each expenditure. Nothing in this Section shall be construed to relieve **SUBRECIPIENT** of fiscal accountability and liability under any other provision of this Agreement or any applicable law. **SUBRECIPIENT** shall include the substance of this provision in all subcontracts.
- B. **SUBRECIPIENT** agrees to retain all books, records, documents, reports, and written accounting procedures pertaining to the operation of programs and expenditures of funds under this Agreement for five years after the termination of all activities funded under this agreement.
- C. Nothing in the above subsections shall be construed to relieve **SUBRECIPIENT** of responsibility for retaining accurate and current records which clearly reflect the level and benefit of services provided under this Agreement.
- D. At any reasonable time and as often as **CITY** may deem necessary, the **SUBRECIPIENT** shall make available to **CITY** or any of their authorized representatives, all of its records and shall permit **CITY** or any of their authorized representatives to audit, examine, make excerpts and copies of such records, and to conduct audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and all other data requested by said representatives.

XII. DIRECTORS MEETINGS

During the term of this Agreement, **SUBRECIPIENT** shall cause to be delivered to **CITY** copies of all notices of meetings of its Board of Directors, setting forth the time and place thereof wherein the obligations of this agreement shall be discussed and /or voted upon. Such notices shall be delivered to **CITY** in a timely manner to give adequate notice and shall include an agenda and a brief description of the matters to be discussed. **SUBRECIPIENT** understands and agrees that **CITY** representatives shall be afforded access to all of the Board of Directors'

meetings. Minutes of all meetings of **SUBRECIPIENT's** governing body shall be available to **CITY** within ten days after Board approval.

XIV. WARRANTIES

SUBRECIPIENT represents and warrants that:

- A. All information, reports, and data heretofore or hereafter requested by **CITY** and furnished to **CITY**, are complete and accurate as of the date shown on the information, data, or report, and, since that date, have not undergone any significant change without written notice to **CITY**.
- B. Any supporting financial statements heretofore requested by **CITY** and furnished to **CITY**, are complete, accurate, and fairly reflect the financial condition of **SUBRECIPIENT** on the date shown on said report, and the results of the operation for the period covered by the report, and that since said date, there has been no material change, adverse or otherwise, in the financial condition of **SUBRECIPIENT**.
- C. No litigation or legal proceedings are presently pending or threatened against the **SUBRECIPIENT**.
- D. None of the provisions herein contravene or are in conflict with the authority under which **SUBRECIPIENT** is doing business or with the provisions of any existing indenture or agreement of **SUBRECIPIENT**.
- E. **SUBRECIPIENT** has the power to enter into this Agreement and accept payments hereunder and has taken all necessary action to authorize such acceptance under the terms and conditions of this Agreement.
- F. None of the assets of **SUBRECIPIENT** is subject to any lien or encumbrance of any character, except for current taxes not delinquent, except as shown in the financial statements furnished by **SUBRECIPIENT** to **CITY**.
- G. Each of these representations and warranties shall be continuing and shall be deemed to have been repeated by the submission of each request for payment.

XV. COVENANTS

- A. During the period of time that payment may be made hereunder and so long as any payments remain unliquidated, **SUBRECIPIENT** shall not, without the prior written consent of the Executive Director of Community Development or their authorized representative:
 - (1) Mortgage, pledge, or otherwise encumber or suffer to be encumbered, any of the assets of **SUBRECIPIENT** now owned or hereafter acquired by it, or permit any pre-existing mortgages, liens, or other encumbrances to remain on, or attached to, any assets of **SUBRECIPIENT** which are allocated to the performance of this Agreement and with respect to which **CITY** has ownership hereunder.
 - (2) Sell, assign, pledge, transfer, or otherwise dispose of accounts receivables, notes, or claims for money due or to become due.
 - (3) Sell, convey, or lease all or a substantial part of its assets.
 - (4) Make any advance or loan to, or incur any liability for any other firm, person, entity, or corporation as guarantor, surety, or accommodation endorser.

- (5) Sell, donate, loan, or transfer any equipment or item of personal property purchased with funds paid to **SUBRECIPIENT** by **CITY**, unless **CITY** authorizes such transfer in writing.
- B. **SUBRECIPIENT** agrees, upon a written request by **CITY**, to require its employees to attend training sessions sponsored by the Community Development Division.

XVI. INSURANCE

- A. **SUBRECIPIENT** shall observe sound business practices with respect to providing such bonding and insurance as would provide adequate coverage for the services provided pursuant to this Agreement.
- B. The premises on and in which the services and activities described in **Exhibit A** are conducted, and the employees conducting these services and activities, shall be covered by premise liability insurance, commonly referred to as "Owner/Tenant" coverage, with **CITY** named as an additional insured. Upon request of **SUBRECIPIENT**, **CITY** may, at its sole discretion, approve alternate insurance coverage arrangements.
- C. **SUBRECIPIENT** will comply with applicable workers' compensation statutes and will obtain employers' liability coverage where available and other appropriate liability coverage for program participants, if applicable.
- D. **SUBRECIPIENT** will maintain adequate and continuous liability insurance on all vehicles owned, leased, or operated by **SUBRECIPIENT**. All employees of **SUBRECIPIENT** who are required to drive a vehicle in the normal scope and course of their employment must possess a valid Texas driver's license and automobile liability insurance. Evidence of the employee's current possession of a valid license and insurance must be maintained on a current basis in **SUBRECIPIENT's** files.
- E. Actual losses not covered by insurance as required by this Section are not allowable or eligible costs under this Agreement and remain the sole responsibility of **SUBRECIPIENT**.
- F. The policy or policies of insurance shall contain a clause which requires that **CITY** and **SUBRECIPIENT** be notified in writing of any cancellation or change in the policy at least 30 days prior to such change or cancellation.

XVII. CIVIL RIGHTS/EQUAL OPPORTUNITY

- A. **SUBRECIPIENT** shall comply with all applicable equal employment opportunity and affirmative action laws or regulations. The **SUBRECIPIENT** shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, national origin, gender, age, or disability. The **SUBRECIPIENT** will take affirmative action to ensure that all employment practices are free from such discrimination. Such employment practices include but are not limited to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- B. **SUBRECIPIENT** shall not discriminate against any person in the selection of beneficiaries or provision of services under this Agreement because of race, color, religion, sex, national origin, age, familial status, or disability in connection with this Contract

Determinations of eligibility for this program must be made without regard to actual or perceived sexual orientation, gender identity, or marital status.

- C. **SUBRECIPIENT** agrees to comply with Title VI of the Civil Rights Act of 1964 as amended, Title VIII of the Civil Rights Act of 1968 as amended, Section 104(b) and Section 109 of Title I of the Housing and Community Development Act of 1974 as amended, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Executive Order 11063.
- D. **SUBRECIPIENT** shall comply with the Violence Against Women Act, as amended, and HUD's implementing regulation at 24 CFR Part 5, Subpart L regulations.
- E. **SUBRECIPIENT** will furnish all information and reports requested by the **CITY**, and will permit access to its books, records, and accounts for purposes of investigation to ascertain compliance with local, state, and Federal rules and regulations.
- F. In the event of **SUBRECIPIENT's** non-compliance with the non-discrimination requirements, **CITY** may cancel or terminate the Agreement in whole or in part, and **SUBRECIPIENT** may be barred from further contracts with **CITY**.

XVIII. PERSONNEL POLICIES

Personnel policies shall be established by **SUBRECIPIENT** and shall be available for examination. Such personnel policies shall:

- A. Include policies with respect to employment, salary and wage rates, working hours and holidays, fringe benefits, vacation, and sick leave privileges, and travel;
- B. Be in writing; and
- C. Be approved by the governing body of **SUBRECIPIENT**.

XIX. CONFLICT OF INTEREST

- A. **SUBRECIPIENT** covenants that neither it nor any member of its governing body presently has any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Agreement. **SUBRECIPIENT** further covenants that in the performance of this Agreement, no person having such interest shall be employed or appointed as a member of its governing body.
- B. **SUBRECIPIENT** further covenants that no member of its governing body or its staff, subcontractors, or employees shall possess any interest in or use his/her position for a purpose that is or gives the appearance of being motivated by desire for private gain for himself/herself, or others, particularly those with which he/she has family, business, or other ties.
- C. No officer, member, or employee of **CITY** and no member of its governing body who exercises any function or responsibilities in the review or approval of the undertaking or carrying out of this Agreement shall participate in any decision relating to the Agreement which affects his or her personal interest or the interest in any corporation, partnership, or association in which he or she has a direct or indirect interest.

XX. NEPOTISM

SUBRECIPIENT shall not employ in any paid capacity any person who is a member of the immediate family of any person who is currently employed by **SUBRECIPIENT** or is a member of **SUBRECIPIENT's** governing board. The term "member of immediate family" includes wife, husband, son, daughter, mother, father, brother, sister, in-laws, aunt, uncle, nephew, niece, stepparent, stepchild, half-brother, and half-sister.

XXI. POLITICAL OR SECTARIAN ACTIVITY

- A. Neither the funds advanced pursuant to this Agreement, nor any personnel who may be employed by the **SUBRECIPIENT** with funds advanced pursuant to this Agreement shall be in any way or to any extent engaged in any conduct or political activity in contravention of Chapter 15 of Title 5 of the United States Code.
- B. The **SUBRECIPIENT** is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; sectarian or religious activities, lobbying, political patronage, or nepotism activities.
- C. The **SUBRECIPIENT** agrees that none of the funds or services provided directly or indirectly under this Agreement shall be used for any partisan political activity or to further the election or defeat of any candidate for public office, or for publicity, lobbying, and/or propaganda purposes designed to support or defeat pending legislation. Employees of the **SUBRECIPIENT** connected with any activity that is funded in whole or in part by funds provided to **SUBRECIPIENT** under this Agreement may not during the term of this Agreement:
 - (1) Use their official position or influence to affect the outcome of an election or nomination;
 - (2) Solicit contributions for political purposes; or
 - (3) Take an active part in political management or in political campaigns.
- D. **SUBRECIPIENT** hereby agrees to sign a Certification Regarding Lobbying included herein as **Exhibit C** and if necessary, the Disclosure of Lobbying Activities provided by the **CITY**.

XXII. PUBLICITY

- A. Where such action is appropriate, **SUBRECIPIENT** shall publicize the activities conducted by **SUBRECIPIENT** under this Agreement that the U.S. Department of HUD HOME Program funding through the City of Killeen has contributed to make the project possible.
- B. All published material and written reports submitted under this project must be originally developed material unless otherwise specifically provided in this Agreement. When material not originally developed is included in a report, the report shall identify the source in the body of the report or by footnote. This provision is applicable when the material is in a verbatim or extensive paraphrase format.
- C. All published material submitted under this project shall include the following reference on the front cover or title page:

"This document is prepared in accordance with the City of Killeen's Home Investment Partnerships Grant Program, with funding received from the United States Department of Housing and Urban Development."

- D. All reports, documents, studies, charts, schedules, or other appended documentation to any proposal, content of basic proposal, or contracts and any responses, inquiries, correspondence, and related material submitted by **SUBRECIPIENT** shall become the property of **CITY** upon receipt.

XXIII. CHANGES AND AMENDMENTS

- A. Any alterations, additions, or deletions to the terms of this Agreement shall be by written amendment executed by both parties, except when the terms of this Agreement expressly provide that another method shall be used.
- B. **SUBRECIPIENT** may not make transfers between or among approved line items within budget categories set forth in **Exhibit B** without prior written approval of **CITY**. **SUBRECIPIENT** shall request, in writing, the budget revision in a form prescribed by **CITY**, and such request for revision shall not increase the total monetary obligation of **CITY** under this Agreement. In addition, budget revisions cannot significantly change the nature, intent, or scope of the program funded under this Agreement.
- C. The City Manager, or designate, may authorize minor amendments to the approved Scope of Work in **Exhibit A** or Budget in **Exhibit B** as necessary to carry out the intent of this Agreement, in a manner consistent with the efficient use of public funds, and in accordance with Federal Law. Such minor amendments may not increase the overall funding set forth in **Exhibit B**, extend the term, or otherwise alter the performance obligations of **SUBRECIPIENT**, without approval of the City Manager or designate.
- D. It is understood and agreed by the parties hereto that changes in the State, Federal, or local laws or regulations pursuant hereto may occur during the term of this Agreement. Any such modifications are to be automatically incorporated into this Agreement without written amendment hereto and shall become a part of the Agreement on the effective date specified by the law or regulation.
- E. **CITY** may, from time to time during the term of the Agreement, request changes to the Agreement, which may include an increase or decrease in the amount of **SUBRECIPIENT's** compensation. Such changes shall be incorporated in a written amendment hereto, as provided in Subsection A of this Section.
- F. **SUBRECIPIENT** agrees to notify **CITY** of any proposed change in physical location for work performed under this Agreement at least 30 calendar days in advance of the change.
- G. **SUBRECIPIENT** shall notify **CITY** of any changes in personnel or governing board composition.
- H. It is expressly understood that neither the performance of **Exhibit A** for any program contracted hereunder nor the transfer of funds between or among said programs will be permitted.

XXIV. SUSPENSION OF FUNDING

Upon determination by **CITY** of **SUBRECIPIENT's** failure to timely and properly perform each of the requirements, time conditions, and duties provided herein, **CITY**, without limiting any rights it may otherwise have, may, at its discretion, and upon ten working days written notice to **SUBRECIPIENT**, withhold further payments to **SUBRECIPIENT**. Such notice may be given by mail

to the Executive Officer and the Board of Directors of **SUBRECIPIENT**. The notice shall set forth the default or failure alleged, and the action required for cure. The period of such suspension shall be of such duration as is appropriate to accomplish corrective action, but in no event shall it exceed 30 calendar days. At the end of the suspension period, if **CITY** determines the default or deficiency has been satisfied, **SUBRECIPIENT** may be restored to full compliance status and paid all eligible funds withheld or impounded during the suspension period. If, however, **CITY** determines that **SUBRECIPIENT** has not come into compliance, the provisions of Section 25 may be effectuated.

XXV. TERMINATION

- A. **CITY** may terminate this Agreement for cause under any of the following reasons or for other reasons not specifically enumerated in this Section:
- (1) **SUBRECIPIENT's** failure to attain compliance during any prescribed period of suspension as provided in Section 24.
 - (2) **SUBRECIPIENT's** failure to materially comply with any of the terms of this Agreement.
 - (3) **SUBRECIPIENT's** violation of covenants, agreements, or guarantees of this Agreement.
 - (4) Termination or reduction of funding by the **CITY** or U.S. Department of Treasury.
 - (5) Finding by **CITY** that the **SUBRECIPIENT**:
 - a. is in such unsatisfactory financial condition as to endanger performance under this Agreement; or
 - b. has allocated inventory to this Agreement substantially exceeding reasonable requirements; or
 - c. is delinquent in payment of taxes or of costs of performance of this Agreement in the ordinary course of business.
 - (6) Appointment of a trustee, receiver, or liquidator for all or substantial part of **SUBRECIPIENT's** property, or institution of bankruptcy, reorganization, rearrangement of, or liquidation proceedings by or against **SUBRECIPIENT**.
 - (7) **SUBRECIPIENT's** inability to conform to changes required by Federal, State, and local laws or regulations as provided in Section 5 of this Agreement.
 - (8) The commission of an act of bankruptcy.
 - (9) **SUBRECIPIENT's** violation of any law or regulation to which **SUBRECIPIENT** is bound or shall be bound under the terms of the Agreement.
- B. **CITY** shall promptly notify **SUBRECIPIENT** in writing of the decision to terminate and the effective date of termination.
- C. **CITY** may terminate this Agreement for convenience at any time. If **CITY** terminates this Agreement for convenience, **SUBRECIPIENT** will be paid an amount not to exceed the total of accrued expenditures as of the effective date of termination, subject to the requirements of Section 7 and **Exhibit B**. In no event will this compensation exceed an amount which bears the same ratio to the total compensation as the services actually performed bears to the total services of **SUBRECIPIENT** covered by the Agreement, less payments previously made.

- D. **SUBRECIPIENT** may terminate this Agreement in whole or in part by thirty (30) days written notice to **CITY**, if a termination of outside funding occurs upon which **SUBRECIPIENT** depends for performance hereunder. **SUBRECIPIENT** may opt, within the limitations of this Agreement, to seek an alternative funding source, with the approval of **CITY**, provided the termination by the outside funding source was not occasioned by a breach of contract as defined herein or as defined in a contract between **SUBRECIPIENT** and the funding source in question. **SUBRECIPIENT** may terminate this Agreement upon the dissolution of **SUBRECIPIENT's** organization not occasioned by a breach of this Agreement.
- E. Upon receipt of notice to terminate, **SUBRECIPIENT** shall cancel, withdraw, or otherwise terminate any outstanding orders or subcontracts, which relate to the performance of this Agreement. **CITY** shall not be liable to **SUBRECIPIENT** or **SUBRECIPIENT's** contractors, subcontractors or creditors for any expenses, encumbrances, or obligations whatsoever incurred after the termination date listed on the notice to terminate referred to in this Section.
- F. **SUBRECIPIENT** shall, within 30 days of notice of termination by any party, provide **CITY** a full accounting of all expenditures not previously audited by the **CITY** and that have occurred since the last required reporting period. **SUBRECIPIENT** shall return any unused funds, or funds determined to be ineligible or used improperly within five days of termination date.
- G. Notwithstanding any exercise by **CITY** of its right of suspension or termination, **SUBRECIPIENT** shall not be relieved of liability to **CITY** for damages sustained by **CITY** by virtue of any breach of the Agreement by **SUBRECIPIENT**, and **CITY** may withhold any reimbursement to **SUBRECIPIENT** until such time as the exact amount of damages due to **CITY** from **SUBRECIPIENT** is agreed upon or otherwise determined.

XXVI. NOTIFICATION OF ACTION BROUGHT

In the event that any claim, demand, suit, or other action or proceeding is made or brought by any person(s), firm, corporation, or other entity against **SUBRECIPIENT** in connection to **SUBRECIPIENT** responsibilities, obligations and/or duties hereunder this Agreement, **SUBRECIPIENT** shall give written notice to **CITY** as soon as possible but no later than five (5) business days after being notified of such claim, demand, suit, or other action or proceeding. Such notice shall state the date and hour of notification of any such claim, demand, suit, or other action or proceeding; the names and addresses of the person(s), firm, corporation, or other entity making such claim, or demand, or that instituted or threatened to institute any type of suit, or other action or proceeding; the basis of such claim, demand, suit, or other action, or proceeding; and the name of any person(s) against whom such claim, demand, suit, or other action or proceeding is being made or threatened. Such written notice shall be delivered either personally or by mail postage paid in accordance with the provisions of Section 29.N.

XXVII. INDEMNIFICATION

- A. IT IS EXPRESSLY UNDERSTOOD AND AGREED BY BOTH PARTIES HERETO THAT **CITY** IS CONTRACTING WITH **SUBRECIPIENT** AS AN INDEPENDENT CONTRACTOR AND THAT AS

SUCH, **SUBRECIPIENT** SHALL SAVE AND HOLD **CITY**, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, AGENTS, EMPLOYEES, AND CONTRACTORS HARMLESS FROM ALL LIABILITY OF ANY NATURE OR KIND, INCLUDING COSTS AND EXPENSES FOR, OR ON ACCOUNT OF, ANY CLAIMS, AUDIT EXCEPTIONS, DEMANDS, SUITS, OR DAMAGES OF ANY KIND OR CHARACTER WHATSOEVER RESULTING IN WHOLE OR IN PART FROM THE PERFORMANCE, ACT OR OMISSION OF ANY EMPLOYEE, AGENT, CONTRACTOR, SUBCONTRACTOR, OR REPRESENTATIVE OF **SUBRECIPIENT**.

- B. **SUBRECIPIENT** AGREES TO PROVIDE THE DEFENSE FOR, AND TO INDEMNIFY AND HOLD HARMLESS **CITY**, ITS OFFICERS, ELECTED AND APPOINTED OFFICIALS, AGENTS, EMPLOYEES, AND CONTRACTORS FROM ANY AND ALL CLAIMS, SUITS, CAUSES OF ACTION, DEMANDS, DAMAGES, LOSSES, ATTORNEY FEES, EXPENSES, AND LIABILITY ARISING OUT OF THE USE OF THESE CONTRACTED FUNDS AND PROGRAM ADMINISTRATION AND IMPLEMENTATION EXCEPT TO THE EXTENT CAUSED BY THE WILLFUL ACT OR OMISSION OF **CITY**, ITS AGENTS, EMPLOYEES, OR CONTRACTORS.

XXVIII. NON-RELIGIOUS ACTIVITIES

- A. As stated in 24 CFR Part 5.109, no organization will be prohibited from participating in activities supported by **CITY** funding including programs that make funds available through contracts, grants, or cooperative agreements. **SUBRECIPIENT** is prohibited from discriminating against beneficiaries in providing services or carrying out activities with such assistance based on religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice, while also noting that organizations that participate in programs only funded by indirect **CITY** or Federal financial assistance need not modify their program or activities to accommodate beneficiaries who choose to expend the indirect aid on those **SUBRECIPIENT** organizations' programs.
- B. Faith based organizations that carry out programs or activities with direct Federal financial assistance from HUD are required to provide written notice of certain protections to beneficiaries and prospective beneficiaries. Specifically, such organizations are required to give notice to beneficiaries that:
1. The organization may not discriminate against a beneficiary or prospective beneficiary based on religion, a religious belief, a refusal to hold a religious belief, or a refusal to attend or participate in a religious practice; and
 2. The organization may not require a beneficiary to attend or participate in any explicitly religious activities that are offered by the organization, and any participation by the beneficiary in such activities must be purely voluntary; and
 3. The organization must separate, in time or location, any privately funded explicitly religious activities from activities supported by direct Federal financial assistance; and
 4. If a beneficiary objects to the religious character of the organization, the organization must undertake reasonable efforts to identify and refer the beneficiary to an alternative provider to which the beneficiary has no such objection;

5. A beneficiary or prospective beneficiary may report an organization's violation of these protections, including any denials of services or benefits by an organization, by contacting or filing a written complaint to HUD or the intermediary administering the program, if applicable.
6. Faith-based organizations must provide this notice to prospective beneficiaries prior to enrollment. In the event of an emergency or exigent circumstance that make it impracticable to provide the written notice in advance, prospective beneficiaries may receive the notice at the earliest available opportunity. Current beneficiaries must receive the notice at the earliest available opportunity.
7. Faith-based organizations that carry out a program or activity with direct Federal financial assistance from HUD are to promptly undertake reasonable efforts to identify an alternative provider if a beneficiary or prospective beneficiary object to the religious character of the organization, and to refer the beneficiary or prospective beneficiary to an alternative provider to which the beneficiary or prospective beneficiary has no such objection.

XXIX. MISCELLANEOUS

- A. **SUBRECIPIENT** shall not transfer, pledge, or otherwise assign this Agreement or any interest therein, or any claim arising thereunder, to any party or parties, bank, trust company, or other financial institution without the prior written approval of **CITY**.
- B. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect and continue to conform to the original intent of both parties hereto.
- C. All reports, documents, studies, charts, schedules, or other appended documentation to any proposal, content of basic proposal, or contracts and any responses, inquiries, correspondence, and related material submitted by **SUBRECIPIENT** shall become the property of **CITY** upon receipt.
- D. Debarment: **SUBRECIPIENT** certifies that it is not listed on the System for Award Management (SAM), which lists the debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549 and 24 CFR Part 24.
- E. In no event shall any payment to **SUBRECIPIENT** hereunder, or any other act or failure of **CITY** to insist in any one or more instances upon the terms and conditions of this Agreement constitute or be construed in any way to be a waiver by **CITY** of any breach of covenant or default which may then or subsequently be committed by **SUBRECIPIENT**. Neither shall such payment, act, or omission in any manner impair or prejudice any right, power, privilege, or remedy available to **CITY** to enforce its rights hereunder, which rights, powers, privileges, or remedies are always specifically preserved. No representative or agent of **CITY** may waive the effect of this provision.
- F. This Agreement, together with the attached **EXHIBITS**, constitutes the entire agreement between the parties hereto, and any prior agreement, assertion, statement, understanding, or other commitment antecedent to this Agreement, whether written or oral, shall have no force or effect whatsoever; nor shall an agreement, assertion,

statement, understanding, or other commitment occurring during the term of this Agreement, or subsequent thereto, have any legal force or effect whatsoever, unless properly executed in writing, and if appropriate, recorded as an amendment of this Agreement.

- G. In the event any disagreement or dispute should arise between the parties hereto pertaining to the interpretation or meaning of any part of this Agreement or its governing rules, codes, laws, ordinances, or regulations, CITY as the party ultimately responsible to U.S. Department of Housing and Urban Development and the U.S. Department of the of Treasury for matters of compliance, will have the final authority to render or to secure an interpretation.
- H. **SUBRECIPIENT** acknowledges that in accordance with Chapter 2271 of the Texas Government Code, CITY is prohibited from entering into a contract with a company for goods or services unless the contract contains a written verification from the company that it: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the contract. The terms "boycott Israel" and "company" shall have the meanings ascribed to those terms in Section 808.001 of the Texas Government Code. By signing this agreement, **SUBRECIPIENT** certifies that **SUBRECIPIENT's** signature provides written verification to the CITY that **SUBRECIPIENT**: (1) does not boycott Israel; and (2) will not boycott Israel during the term of the agreement. Failure to meet or maintain the requirements under this provision will be considered a material breach.
- I. Sections 2252 and 2270 of the Texas Government Code restricts CITY from contracting with companies that do business with Iran, Sudan, or a foreign terrorist organization. By signing this agreement, **SUBRECIPIENT** certifies that **SUBRECIPIENT's** signature provides written verification to the CITY that **SUBRECIPIENT**, pursuant to Chapters 2252 and 2270, is not ineligible to enter into this agreement and will not become ineligible to receive payments under this agreement by doing business with Iran, Sudan, or a foreign terrorist organization. Failure to meet or maintain the requirements under this provision will be considered a material breach.
- J. **SUBRECIPIENT** acknowledges that in accordance with Chapter 2276 of the Texas Government Code, CITY is prohibited from entering into a contract with a company for goods or services unless the contract contains written verification from the company that it (1) does not boycott energy companies; and (2) will not boycott energy companies during the term of the contract. The terms "boycott energy company" and "company" shall have the meanings ascribed to those terms in Section 809.001 of the Texas Government Code. By signing this agreement, **SUBRECIPIENT** certifies that **SUBRECIPIENT's** signature provides written verification to the CITY that **SUBRECIPIENT**: (1) does not boycott energy companies; and (2) will not boycott energy companies during the term of the agreement. Failure to meet or maintain the requirements under this provision will be considered a material breach.
- K. **SUBRECIPIENT** acknowledges that in accordance with Chapter 2274 of the Texas Government Code, CITY is prohibited from entering into a contract with a company for goods or services unless the contract contains written verification from the company that it (I) does not have a practice, policy, guidance, or directive that discriminates

against a firearm entity or firearm trade association; and (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association. The terms "discriminate against a firearm entity or firearm trade association," "firearm entity" and "firearm trade association" shall have the meanings ascribed to those terms in Chapter 2274 of the Texas Government Code. By signing this agreement, **SUBRECIPIENT** certifies that **SUBRECIPIENT's** signature provides written verification to the **CITY** that **SUBRECIPIENT: (1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association. Failure to meet or maintain the requirements under this provision will be considered a material breach.**

- L. The City of Killeen may terminate this Contract immediately without any further liability if the City of Killeen determines, in its sole judgment, that this Contract meets the requirements under Chapter 2275, and **SUBRECIPIENT** is, or will be in the future, (i) owned by or the majority of stock or other ownership interest of the company is held or controlled by individuals who are citizens of China, Iran, North Korea, Russia, or other designated country (ii) directly controlled by the Government of China, Iran, North Korea, Russia, or other designated country, or (iii) is headquartered in China, Iran, North Korea, Russia, or other designated country.
- M. If **SUBRECIPIENT** provides services to the homeless it is required to report homeless data to the Homeless Management Information System (HMIS) unless **SUBRECIPIENT** is a Victim Service Provider (VSP) and prohibited from entering Personal Identifying Information into HMIS. A **SUBRECIPIENT** that is a VSP must use a comparable database approved by the **CITY**.
- N. For purposes of this Agreement, all official communications and notices among the parties shall be deemed made if delivered by courier or overnight mail service or if sent U.S. Mail postage paid, in each case to the parties and addresses set forth below:

TO CITY:
City Manager
City of Killeen
101 N. College St.
Killeen, Texas 76541

TO SUBRECIPIENT:
Central Texas Council of Governments
Attn: Executive Director
2180 N. Main St.
Belton, Texas 76513

w/a copy to
City Attorney Office
P.O. Box 1329
Killeen, TX 76540

- O. This Agreement shall be interpreted in accordance with the laws of the State of Texas and venue of any of any litigation concerning this Agreement shall be in a court competent jurisdiction sitting in Bell County, Texas.

[Signature page follows]

EXECUTION OF AGREEMENT

SIGNED, ACCEPTED AND AGREED TO this ___ day of _____ 2025, by the undersigned Parties who acknowledge that they have read and understand this Agreement and that the Agreement is issued in accordance with local, State, and Federal laws, and the undersigned Parties hereby execute this legal document voluntarily and of their own free will.

CITY OF KILLEEN

CENTRAL TEXAS COUNCIL OF
GOVERNMENTS

BY: KENT CAGLE, CITY MANAGER



JIM REED, AICP, EXECUTIVE DIRECTOR

APPROVED AS TO FORM:

HOLLI CLEMENTS, CITY ATTORNEY

Exhibit A
Scope of Services

SECTION I - PROJECT PURPOSE

SUBRECIPIENT assists the City of Killeen to meet the housing needs of low-mod income families as outlined in the HOME Investment Partnership Program Grant (HOME Program) grant entitlement funds from the U.S. Department of Housing and Urban Development, herein referred to as "HUD," established by the National Affordable Housing Act of 1990 under Title II.

SECTION II - PROJECT DESCRIPTION AND DELIVERY

HOME Program funds shall be used to provide tenant-based rental assistance (HOME TBRA) to individuals and families who are defined as low-income under Title 24, Subtitle A Part 92-HOME Investment Partnerships Program: families whose annual incomes do not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. An individual does not qualify as a low-income family if the individual is a student who is not eligible to receive Section 8 assistance under.

In addition to all other terms, provisions, and requirements of this Agreement, **SUBRECIPIENT** shall provide the activities and services in accordance with this Scope of Work and the City of Killeen HOME Program Guidelines: Tenant Based Rental Assistance attached hereto in Exhibit D.

SUBRECIPIENT shall provide eligible HOME TBRA on behalf of qualified households including:

- Rental Assistance
- Security Deposit Assistance
- Utility Security Deposit

For each qualifying household, **SUBRECIPIENT** shall make payments of HOME TBRA directly to the property owner on behalf of the qualifying household. Each HOME Program assisted household has the right to continued HOME TBRA assistance if the household moves to a different unit and continues to qualify for assistance. **SUBRECIPIENT** shall verify ownership of each potential HOME TBRA-assisted unit by obtaining a recorded deed or other title instrument or certificate from the property owner that evidences the property owner's fee simple ownership of the unit.

SUBRECIPIENT shall select qualifying households for the program from a waiting list established solely for this program pursuant to the City of Killeen HOME TBRA Policy and Procedures in **Exhibit D** or from referrals for the program from the City's Homeless Outreach Team.

SECTION III - LEASE REQUIREMENTS

SUBRECIPIENT shall verify that each household that will receive HOME TBRA will have an executed lease with the property owner with a term of at least one year and which complies with the requirements of this Agreement. **SUBRECIPIENT** shall not be eligible for

reimbursement for HOME TBRA relating to a particular lease unless it has reviewed and approved the lease.

The lease may not contain any of the prohibited lease terms specified in 24 CFR 92.253(b). The lease may not permit the property owner to terminate the tenancy or refuse to renew the lease of a tenant of a HOME-ARP unit except for serious or repeated violation of the terms of the lease; for violation of applicable Federal State, or local laws; or for other good cause.

SECTION IV - RENT STANDARDS

Rent amounts for each HOME TBRA assisted rental unit must comply with the rent limits set forth in the City of Killeen HOME TBRA Policy and Procedures in **Exhibit D**.

SECTION V - HOUSING QUALITY STANDARDS

HOME TBRA-assisted rental units must be maintained in compliance with the housing quality standards required by 24 CFR 982.401, as well as any City property standards and all applicable accessibility standards. **SUBRECIPIENT** shall inspect housing to be occupied by a household receiving HOME TBRA to verify that it complies with the requirements of this section.

SECTION VI - TERMINATION OF TENANT BASED RENTAL ASSISTANCE TO A QUALIFYING HOUSEHOLD

If a qualifying household is absent from a HOME TBRA-assisted rental unit for more than 60 consecutive days, **SUBRECIPIENT** may, after providing written notice of the assisted household's absence to the City's Executive Director of Community Development, terminate its provision of HOME TBRA to that household.

SECTION VII - PROJECT MILESTONES

Milestone	Anticipated Start Date	Anticipated Deadline
HOME TBRA START DATE	September 1, 2025	August 31, 2027
50% OF FUNDS EXPENDED		September 1, 2026
100% OF FUNDS EXPENDED		August 31,2027

SECTION VIII - OUTCOMES

Tracking Outcome measures will be a tool by which the **CITY** and the **SUBRECIPIENT** can measure services delivered and performances under this agreement.

SUBRECIPIENT provides benefits to the citizens of the City of Killeen through these outcomes:

- Up to 20 households will be assisted with Tenant Based Rental Assistance during the term of this agreement.

**Exhibit B
Budget**

SUBRECIPIENT shall provide the services listed in this Agreement within the monetary limits attached hereto and incorporated by reference herein. Rental Assistance, Security Deposit, and Utility Deposit Assistance expenditures may be adjusted as allowable, but in no event shall compensation to the **SUBRECIPIENT** exceed the costs attributable to the work performed as stated herein or the sum of Five Hundred Thousand Dollars (\$500,000.00). In no event shall Project Delivery Costs exceed 10% or Fifty Thousand Dollars (\$50,000.00) of the total allocation.

Allowable Expenditure	Amount
Tenant Based Rental Assistance (TBRA)	\$500,000.00
Rental Assistance (Up to 24 months)	\$395,000.00
Security Deposit (Maximum two (2) times monthly contract rent)	\$ 37,000.00
Utility Deposit Assistance (Gas, Electric, Water, & Sewer)	\$ 18,000.00
Project Delivery Costs	\$ 50,000.00
Total	\$500,000.00

SUBRECIPIENT will receive payments on the following schedule:

Funds are disbursed on a reimbursement basis through claims submitted to the **CITY**. Sub-recipients must submit requests for reimbursement to the **CITY** on a monthly basis.

Required Request for Reimbursement documentation to be submitted:

- o Verification of Qualifying Household
- o Request for Unit Approval
- o Rent Reasonableness and Minimum Habitability Standards Checklist documentation
- o Rental Agreement between Agency, Tenant, and Landlord
- o For rental assistance - Copy of the Signed Executed Lease at first request (monthly rent, deposit, arrears)
- o Proof of Payment
- o Beneficiary Report Data

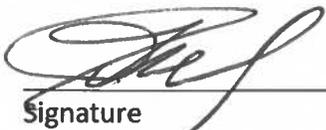
Exhibit C
Certification Regarding Lobbying

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this Certification be included in the award documents for all subawards at all tiers (including subcontractors, subgrants, and contracts under grants, loans, and cooperative agreements) and that all **SUBRECIPIENTS** shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of the certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$ 100,000 for each such failure.

Central Texas Council of Governments
SUBRECIPIENT



Signature

8/24/25

Date

Title: Executive Director

Exhibit D
City of Killeen HOME Tenant Based Rental Assistance
Policy and Procedures

FOLLOWS



HOME Investment Partnerships

Tenant-Based Rental Assistance Program

Policies and Procedures

August 2025

City of Killeen
Department of Community Development
802 N. 2nd Street, Building E
Killeen, TX 76541
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I. Background

The Home Investment Partnerships Program (HOME) was introduced in the Cranston- Gonzalez National Affordable Housing Act of 1990. The program, administered by the U.S. Department of Housing and Urban Development (HUD), is a federal block grant program that provides funding to states and localities (Participating Jurisdictions (P.J.)) to create affordable housing through acquisition, construction, or rehabilitation of affordable housing, whether for rental or homeownership, and can also provide direct rental assistance. Additionally, 15% of the HOME allocation must be set aside for Community Housing Development Organizations (CHDOs).

II. Purpose

The purpose of the HOME Program is to increase the supply of safe, decent, and affordable housing for families, especially for low-income households, and strengthen public-private partnerships in housing development. The HOME program also provides tenant-based rental assistance to low-income households, allowing them to pay no more than 30% of their income for rent and utilities.

III. HOME Investment Partnerships Activities

- Homeowner Rehabilitation
- Homebuyer Activities
- Rental Housing
- Tenant-Based Rental Assistance

IV. Tenant-Based Rental Assistance Program

The Tenant Based Rental Assistance (TBRA) Program must be operated consistent the requirements of eligible costs and requirements outlined in CFR Part 92.209. The City of Killeen administers its TBRA program via a Subrecipient through an agreement. The Subrecipient may be a PHA or other not-for profit entity with the capacity to operate a rental assistance program.

The tenant-based rental assistance may be provided through a rental assistance contract in accordance with 24 CFR Part 92.209(e). The Subrecipient partner must approve the lease.

V. TBRA Eligible Costs

TBRA program funds may be used to provide:

- A. Rental assistance to help pay the cost of monthly rent for up to 24 months.
 1. The amount of the monthly assistance may not exceed the difference between the established payment standard for the unit size and 30 percent of the household's monthly adjusted income.
 2. Payments must be paid directly to a third-party on behalf of the household.
 3. Costs of inspecting the housing and determining income eligibility and assistance level are eligible for reimbursement as either administrative or project delivery costs.
- B. Security deposits in conjunction with rental assistance in an amount not to exceed two month's rent for the unit.
 1. Only the prospective tenant may apply for security deposit assistance.
 2. The Subrecipient must pay the security deposit directly to the landlord.
 3. The security deposit may not exceed two months contract rent for the unit.
 4. The security deposit shall be used to provide compensation to the owner if the tenant, upon vacating, owes money for damages and unpaid rent in the unit.

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5. The assisted household may receive any security deposit refunded by the owner upon vacating the unit. However, if the subrecipient receives any security deposit funds returned from the owner upon the tenant vacating the unit, it must use the funds for future security deposits under the guidelines of the program. In the event the funding agreement has expired with the Subrecipient, any returned deposits must be transmitted to the City of Killeen Community Development Division (CDD).
- C. Utility deposit assistance in conjunction with rental assistance and security deposit assistance.
1. The family, housing unit, and all other eligibility criteria for assistance must be followed.
 2. Only the prospective tenant may apply for utility deposit assistance.
 3. The Subrecipient must pay the utility deposit directly to the service provider.
 4. TBRA utility deposit assistance is limited to the paying of deposits.
 5. Deposits should be returned to the tenant. If the Subrecipient receives the return of any deposit, it must use the funds for the next eligible HOME cost under the guidelines of the program, or return the funds to the CDD. In the event the funding agreement has expired with the subrecipient, any returned deposits must be transmitted to the CDD.

HOME TBRA may pay up to 100% of these costs for an eligible household.

HOME rule permits administrative funds and certain project delivery costs to be paid in association with TBRA administration.

VI. **TBRA Ineligible Costs**

- A. Program funds may not be used to assist a resident owner of a cooperative or mutual housing unit when that resident is recognized by state law as a homeowner.
- B. Program funds may not be used to prevent the displacement of tenants from projects assisted with HOME Rental Rehabilitation Program funds.
- C. TBRA cannot be used to duplicate another form of assistance. For instance, if a tenant receives a rental subsidy that lowers their rent to 30% of their adjusted income, such as a Housing Choice Voucher, they cannot receive additional HOME TBRA.
- D. Program funds may not be used to pay rental arrears.
- E. Program funds cannot be used to pay for the down payment in a lease-purchase program, although it may be used as a rental subsidy.
- F. Program funds cannot be provided to homeless persons for overnight or temporary shelters, as a valid lease is required for program enrollment.

VII. **Marketing & Outreach**

HOME rules require affirmative marketing for any program or project with 5 or more HOME assisted units. Consequently, the TBRA program must be affirmatively marketed, with procedures to be approved by CDD.

HOME TBRA should be affirmatively marketed to all persons within the target population and/or special needs group. The marketing plan must address:

1. How the program will be announced (i.e., which media and other sources);
2. Where applications will be taken (i.e., at one site or more);
3. When applications will be accepted (i.e., daily, during normal working hours or extended

- hours for a specified period); and
4. The method for taking applications (i.e., in person, by mail).

The willingness of owners to participate in the HOME TBRA program significantly affects the options and opportunities available to participating households. The Subrecipient should conduct outreach to owners of rental property to stimulate their interest in the program. Mailing program notices to owners using tax or PHA records as sources and participating in meetings of owner and realtor associations are often effective outreach methods.

VIII. Application for Rental Assistance

All applications must be in written form and must contain, at a minimum, information that enables the Subrecipient to determine household composition, income, and eligibility.

Each application received must be reviewed for completeness and to determine if the applicant is obviously ineligible. Grantees may elect to fully determine eligibility at the time the household makes application. However, it is rare that households bring or provide at the time of application sufficient documentation to confirm eligibility. The Subrecipient will place all applicants who are apparently eligible on the waiting list pending verification of information provided.

A tenant file must be created for each application. This file will ultimately contain the application, documentation of the household's eligibility, copies of program forms, correspondence, etc.

IX. Tenant Selection

The Subrecipient must have a written tenant selection policy that clearly specifies how households will be selected for participation in its TBRA program in accordance with criteria that are based on local housing needs and priorities established in the City's consolidated plan.

TBRA may only be provided to very low- and low-income families. The Subrecipient must determine that the person or family qualifies as very low-income or low-income before the assistance is provided. A person or family assisted is not required be on a wait list for permanent housing assistance or on a local Housing Choice Voucher wait list.

There are two major components of tenant selection:

1. Income eligibility, and
2. Preferences established by the subrecipient.

NOTE: Program access cannot be limited to a particular organization or program's clients.

Households cannot receive HOME TBRA if they are receiving rental assistance under another Federal, state, or local rental assistance program **IF** the HOME subsidy would result in duplicative subsidies. However, if another rental subsidy program does not provide assistance sufficient to lower a tenant's rental payment to 30 percent of their monthly adjusted income, HOME TBRA could be provided as supplemental assistance to further reduce the tenant's rent payment to 30 percent of monthly adjusted income.

TBRA rental assistance may be provided only to families whose annual income does not exceed 60 percent of the median family income for the area, as determined and made

available by HUD with adjustments for smaller and larger families at the time of occupancy.

The Subrecipient must determine whether an applicant:

- Qualifies as a family;
- Is income-eligible; and,
- Is a member of a target population under approved preferences, if any.

X. Eligible Families and Other Related Terms

The following definitions shall be applicable to all housing assisted under the TBRA Program:

1. **Dependent.** A member of the family household (excluding foster children) other than the family head or spouse, who is under 18 years of age or is a person with disabilities, or is a full-time student.
2. **Disabled person.** A person who is under a disability as defined in Section 223 of the Social Security Act (42 USC 423), or who has a developmental disability as defined in Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 USC 6001(7)).
3. **Displaced person.** A person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized under Federal disaster relief laws.
4. **Elderly family.** A family whose head or spouse (or sole member) is an Elderly, Disabled, or Handicapped person. It may include two or more elderly, disabled, or handicapped persons living together, or one or more of those persons living with one or more live-in aides.
5. **Elderly person.** A person who is at least 62 years of age.
6. **Family.** "Family" includes but is not limited to an elderly family or single person, the remaining member of a tenant family, and a displaced person.
7. **Handicapped person.** A person having a physical or mental impairment that:
 - a. Is expected to be of long-continued and indefinite duration.
 - b. Substantially impedes the person's ability to live independently, and,
 - c. Is of such a nature that the tenant's disability could be improved by more suitable housing conditions.
8. **Live-in Aide.** A person who resides with an elderly, disabled, or handicapped person, or persons who:
 - a. Is determined to be essential to the care and well-being of the person(s);
 - b. Is not obligated for the support of the person(s);
 - c. Would not be living in the unit except to provide the necessary supportive services; and
 - d. Is not related to the household receiving the rental assistance.
9. **Single person.** A person who lives alone or intends to live alone, and who does not qualify as an elderly family or a displaced person, or as the remaining member of a tenant family.

Live-in Aides. A Live-in Aide may only reside in the unit with the approval of the administrator, subject to the following requirements:

1. The income of the Live-in Aide shall not be counted as household income. The Live-in Aide may be counted in terms of household/unit size as long as the Live-in Aide resides with the tenant on a full-time basis.
2. Part time Live-in Aides may not be counted in terms of family or unit size.
3. The tenant's physician must sign the Physician's Verification of Live-in Aide form. The form must be placed in the tenant file.

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4. The tenant, Live-in Aide and the Landlord must sign the Live-in Aide Housing Agreement. A copy of the agreement must be placed in the tenant file.
5. The Live-in Aide qualifies for occupancy only as long as the tenant needs supportive services. In the event the tenant no longer requires a Live-in Aide, the TBRA subsidy shall revert to HUD guidelines as to the applicable rents for the number of bedrooms allowed for the household.
6. If the household member requiring assistance dies, the Live-in Aide shall vacate the unit within ten days of said household member's death. If the household member requiring assistance moves out, the Live-in Aide shall vacate the unit no later than the tenant's vacate date. Upon the termination of the Live-in Aide's services for any other reason, the Live-in Aide shall vacate the unit within 24 hours.
7. The Live-in Aide shall not violate any of the landlord's house rules. The Landlord may evict the Live-in Aide if s/he violates any of the House Rules.

Applicants must disclose all real, potential, or perceived conflicts of interest as outlined in 24 CFR 92.356. All conflicts of interest must be disclosed and resolved prior to providing HOME TBRA assistance to the household.

XI. Waiting List

After a family has been determined eligible for the TBRA program, the Subrecipient shall place the family on a waiting list in chronological order of completed application received.

The waiting list shall comply with 24 CFR Part 92.253(d). The waiting list should show the family's name, date and time of application, local preferences if applicable, and appropriate size of units in bedroom.

Families currently on a Section 8 or other rental assistance waiting list who received TBRA shall not be harmed or removed from the subrecipient waiting list. In any case where assistance under Section 8 becomes available, recipients of TBRA will qualify for tenant selection preferences to the same extent as when they received TBRA.

XII. Written Notice of Rejection

If an applicant is rejected for the program, the Subrecipient must provide in writing the reason(s) for rejection and provide an administrative process for the applicant to appeal the determination.

XIII. Annual Income

Income must be verified before assistance is provided and re-examined annually thereafter. Income limits are established by household size and revised annually by the HUD.

Household income under HOME-funded TBRA program must be calculated using the definition of annual income at 24 CFR Part 5 (Section 8).

Annual income is the anticipated total income from all sources received by the family head and spouse (even if temporarily absent), and each additional member of the family, including all net income derived from assets for the 12-month period following the effective date of certification of income.

Annual income includes, but not limited to:

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- a. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips, and bonuses, and other compensation for personal services.
- b. The net income from operation of a business or profession, including independent contractor work not limited to: Uber, Lyft, Door Dash, etc.
- c. Interest, dividends, and other net income of any kind from real or personal property.
- d. The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including lump-sum payment from a delayed start of a periodic payment.
- e. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay.
- f. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling.
- g. All regular pay, special pay, and nonhousing allowances of a member of the Armed Forces.

Annual income does not include the following:

- a. Income from employment of children (including foster children) under the age of 18 years.
- b. Payments received for the care of foster children.
- c. Lump-sum additions to family assets, such as inheritances, insurance payments, capital gains, and settlement for personal or property losses.
- d. Amounts received by the family that is specifically for, or in reimbursement of the cost of medical expenses for any family member.
- e. Income of a Live-in Aide.
- f. Amounts of educational scholarships paid directly to the student or the educational institution, and amounts paid by the Government for use in meeting the costs of tuition, fees, books, equipment, materials, supplies, transportation, and miscellaneous personal expenses of the student.
- g. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.
- h. Amounts received under training programs funded by HUD.
- i. Temporarily, nonrecurring, or sporadic income (including gifts).
- j. If it is not feasible to anticipate a level of income over a 12-month period, the income anticipated for a shorter period must be annualized.

XIV. Verification of Income

The Subrecipient must determine annual income by reviewing source documents for at least two months, evidencing annual income (for example, wage statement, interest statement, unemployment compensation) for the TBRA-assisted household.

Income and asset source documentation for new TBRA recipients is good for a six-month period. If a TBRA contract is not executed before the six months has expired, the household's income eligibility must be reviewed again before assistance may be provided.

It is the obligation of the Subrecipient to obtain complete information from applicants and thoroughly document the methods by which it has verified all pertinent information in the applicant's file.

XV. Rent Limits

The HOME TBRA uses the rent limits provided and updated annually by HUD with adjustments for number of bedrooms in the unit. The rent limits will apply to the rent plus the utilities or utility allowance.

- A. **Rent Limit for Low-Income Households:** For any HOME TBRA units occupied by "low-income households," the rent must comply with the rent limitations in CFR Part 92.252(a). The maximum rents are the lesser of:
- i. The fair market rent (FMR) for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or
 - ii. A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. The HOME rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions. This is also known as the high HOME rent limit.
 - iii. Notwithstanding the foregoing, when a household receives a form of federal tenant-based rental assistance (e.g., housing choice vouchers), the rent is the rent permissible under the applicable rental assistance program (i.e., the tenant rental contribution plus the rent subsidy allowable under the rental assistance program).
- B. **Rent Security Deposit Assistance:** In accordance with 24 CFR 92.209 (i), the amount of HOME funds provided for a security deposit may not exceed the equivalent of two month's rent for the unit.
- i. Security deposits must be paid directly to a third-party on behalf of the household.
 - ii. Any portion of the security deposit which is returned at the end of the lease must be returned to the tenant.
- C. **Utility Deposit Assistance:** Utility deposit assistance may be provided as an eligible program activity only in conjunction with security deposits and/or rental assistance.
- i. Utility deposit assistance may only be applied to the utilities described in the Utility Allowance Schedule of the municipal housing authority or Central Texas Council of Governments.

XVI. Rental Assistance Calculation

The rental assistance payment is maximum amount that the HOME TBRA program may pay to assist any given household is the difference between 30 percent of the household's adjusted monthly income using the requirements in 24 CFR Part 5.611 and the rent limit established by the subrecipient, known as the payment (rent) standard.

Adjusted income is derived by subtracting any of five deductions (or allowances) that apply to the household from the household's annual (gross) income. The household's eligibility for deductions depends, in part, on the type of household that it is. For disabled households, deductions are permitted for:

- A. Elderly or disabled household deduction - \$400 per household;
- B. Dependent - \$480 for each household dependent (non-head of household under 18, disabled, or a full-time student);
- C. Childcare expenses;

- D. Medical expenses in excess of 3% of annual income; and
- E. Disability assistance expenses in excess of 3% of annual income.

These must be calculated and documented as specified in HOME Program guidance, including Chapter 4 of the Technical Guide for Determining Income and Allowances for the HOME Program, available at:

<https://www.hudexchange.info/resources/documents/HOMEGuideForIncomeAndAllowances.pdf>.

This gap is then the constant amount of the monthly TBRA assistance. The household is free to select an actual unit that costs more or less than the subrecipient's payment (rent) standard.

- A. **Unit costing more:** If the household selects a unit costing more than the payment (rent) standard, the household's monthly payment will exceed 30 percent of its monthly adjusted income. Should a household elect a unit that exceeds the subrecipient's payment (rent) standard, the subrecipient should obtain documentation signed by the household that it understands the unit is considered unaffordable to their income level.
- B. **Unit costing less:** If the household selects a unit costing less than the payment (rent) standard, the household's monthly payment will be less than 30 percent of its monthly adjusted income.

Rental assistance is subject to the following:

- A. **Minimum Family Contribution:** Participating households must pay at least \$10.00 per month (the greater of \$10.00 or 30% of their adjusted monthly income) towards rent.
- B. **Maximum TBRA Subsidy:** The TBRA subsidy may not exceed the difference between the Payment Standard and 30 percent of the household's monthly adjusted income.

Upon approval of a rental unit, a final subsidy calculation is required to determine the tenant's share and assistance amount.

XVII. Issuance of Rental Coupon

The Tenant Based Rental Assistance Coupon is the sole document, which authorizes the family to look for an eligible rental unit for the TBRA program. The Rental Coupon specifies the appropriate unit size necessary to meet the family's needs.

The Rental Coupon also sets forth a number of requirements regarding both Family and Subrecipient responsibilities that apply only while the Rental Coupon is in effect but also after the Rental Assistance Contract is executed on behalf of the family.

- A. The Rental Coupon term is for a 60-day period, within which the family must submit a Request for Unit Approval if it is to utilize the Rental Coupon. The City or its subrecipient may extend the term to a maximum 60-day additional period.
- B. The Rental Coupon is only valid within the City of Killeen. Rental Coupons are not portable outside the jurisdiction of the City of Killeen.

When a family receives a Rental Coupon, the Subrecipient must conduct a briefing session to provide the family with an explanation of program requirements, information to assist it in finding a suitable unit, and an explanation of family and owner responsibilities.

The information and specific items which must be given to families in the briefing session are, but not limited to:

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1. Families and owners' responsibilities under the lease and contract;
2. How to find a suitable unit;
3. Fair housing information, including any search assistance that may be available, and the process for filing a complaint in the case of discrimination;
4. The location and characteristics of the full range of neighborhoods in which the subrecipient is able to execute Rental Assistance Contracts;
5. Applicable Fair Market Rents (FMRs), how the Gross Family Contribution (GFC) is determined, and how housing assistance payments are determined;
6. Limitations on the rent the owner may charge, including how utility allowances are used in this determination;
7. Security deposit policy, including how much may be charged, who pays, and who receives any refund;
8. Information to the families concerning NSPIRE inspections, Rental Assistance Contract, schedule of allowances for tenant-furnished utilities and other services, and the process for lease approval; and
9. Coupon expirations and extension policies.

XVIII. Unit Approval

A. Eligible Units

The HOME TBRA program offers households great flexibility in selecting a housing unit. Households must be free to select the unit of their choice.

- i. Public or private: Units under the TBRA program may be publicly- or privately-owned. Publicly- owned units include public housing, Section 811, Section 202, HOPE 6, Continuum of Care, and HOPWA.
- ii. Combining rental assistance with another rental assistance program: HOME TBRA rental assistance cannot be provided to a program participant who is receiving tenant-based rental assistance (e.g., Section 8 or Continuum of Care rental assistance) or living in a housing unit receiving project-based rental assistance or operating assistance through other public sources.
- iii. Combining security and utility deposit assistance with another security or utility deposit program: HOME TBRA security and utility deposit assistance cannot be provided to a program participant who is receiving security deposit or utility deposit assistance through other public sources.
- iv. Rents must be reasonable: Subrecipients must disapprove a lease if the Subrecipient determines the rent is not reasonable, based on rents that are charged for comparable unassisted rental units.
- v. HOME-funded units are permissible: Households may select units developed or rehabilitated with HOME assistance. However, the subrecipient may not require the household to select a HOME unit as a condition of receiving TBRA. Households must be permitted to move out at the end of the HOME lease term, taking their TBRA assistance with them.
- vi. Portability is not permitted. The City of Killeen does not allow TBRA assistance to be used outside of the city boundaries without written approval from the Executive Director of Community Development.

B. Environmental Review

Based on 24 CFR 58.35(b), TBRA projects are Categorically Excluded Not Subject to 58.5. While the program as a whole was cleared, the subrecipient must still complete the Compliance

Documentation Checklist for 24 CFR Part 58.6 prior to the execution of a rental assistance contract, submit the checklist to HCDD, and maintain a copy in the tenant file.

C. Determination of Unit Size

The unit size designated shall be assigned in accordance with the following criteria:

1. No more than two persons are required to occupy a bedroom;
2. Persons of different generations (i.e., grandparents, parents, children), persons of the opposite sex (other than spouses/couples) and unrelated adults are not required to share a bedroom;
3. Children of the same sex (regardless of age) and spouses must share the same bedroom for purpose of assigning the bedroom size in housing coupon;
4. Unborn child may be considered for purpose of assigning the bedroom size in housing coupon.
5. In some cases, however, the relationship, age, sex, health, or handicap of the family members may warrant the assignment of a larger unit size. Such flexibility is permissible to the extent the determinations are made on the basis of these factors. Such allowable determination should be fully documented in the applicant's file. For example, a two-bedroom unit may be used by a two-member family which consists of a single parent and child or by a couple who, due to medical reasons, must have separate bedrooms, as approved by the Subrecipient.
6. Fair housing rules permit a household to select smaller units that do not create seriously overcrowded conditions. Participants may also select larger units at their own expense (i.e., TBRA subsidy will not cover the increased cost of a larger unit). In addition to the number of bedrooms, both the size of the unit and the size of the bedrooms should be considered when evaluating the individual circumstances of the family.

D. Rent Reasonableness

The Subrecipient must certify all units assisted with TBRA are reasonable in relation to rents currently being charged for comparable units in the private unassisted market, and not in excess of rents currently being charged by the owner for comparable unassisted units.

The Subrecipient must document the basis for its rent reasonableness determination. Key components of a comparability analysis include:

- i. Location: In many market locations is the key determinant of housing price.
- ii. Size: Only units of comparable size (both in terms of number of bedrooms and square footage) should be used.
- iii. Utilities Included: Consider the type and fuel source of utilities.
- iv. Condition: Only units in similar condition should be compared.
- v. Amenities: Consider such amenities as garage, appliances, and lot size.

It is not sufficient to approve a unit merely because its gross rent is within the applicable FMR limits.

E. Property and Occupancy Standards

Any TBRA assisted property must meet all applicable City housing codes and ordinances as well as the NSPIRE or Section 8 Housing Quality Standards (HQS). Inspection to verify compliance with HQS and occupancy standards are made both at initial move-in and annually during the term of the TBRA assistance.

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Inspections must be conducted and documented at least 48 hours prior to signing a lease for move in and annually during the term of the TBRA assistance. For households receiving one-time security deposit assistance, a unit inspection is required only at the time that assistance is provided. A written inspection form must be signed, dated, and retained in the tenant file.

If a unit fails inspection, the inspection form will contain comments detailing the areas that failed to meet NSPIRE or HQS standards and will prescribe the necessary repairs needed to pass inspection. If the landlord is willing to repair the items listed, they will need to submit a written statement detailing the repairs that were completed. The owner is responsible for completing all repairs and the Subrecipient must re-inspect the unit and verify completion. A participant cannot receive TBRA until the landlord corrects all issues noted in the inspection report and the Subrecipient has re-inspected and approved the unit.

The Subrecipient must apply the occupancy standards that specify the number of bedrooms needed by households of various sizes and composition, as defined in Section XVIII(C).

The Subrecipient must also ensure that the landlord makes reasonable accommodations for the accessibility needs of the tenant.

F. Lead Based Paint

The TBRA program must adhere to Federal Regulation 24 CFR Part 35.

- i. Tenants must receive the fact sheet “Ten Tips to Protect Children from Pesticide and Lead Poisonings around the Home” (EPA) and the pamphlet “Protect Your Family from Lead” (EPA) at the time of application.
- ii. Tenants must receive the Elevated Blood Level form (tenant signature optional) and the Tenant Notice of Defect/Notice of Elevated Blood Level Above 15 ug form prior to move in.
- iii. A sign off form indicating that the tenant has received the four documents must be in place in tenant files.
- iv. Visual assessment of units built prior to 1978 must take place during the HQS inspection. Exemptions include 0-bedroom units, SROs, and units exclusively for the elderly and disabled where children aged 6 and under will not/do not occupy the unit.
- v. If deteriorated paint is identified in the visual assessment,
 - a. Lead based paint stabilization/abatement procedures must take place at the expense of the owner within 30 days of notification to the owner (24 CFR Part 35.1330(a) and (b).)
 - b. The owner of the unit must meet the requirements of paint stabilization as defined in 24 CFR Part 35.110. Paint stabilization must be conducted in accordance with procedures outlined at 24 CFR 1330(a) & (b). Owners must pay for stabilization and/or abatement procedures prior to move-in (or during occupancy). If the owner declines to provide stabilization, another unit must be selected.
 - c. Owner must provide a copy of the clearance report performed in accordance with 24 CFR 35.1340 whenever paint stabilization is undertaken. Owner must provide tenant.
- vi. If lead-based paint or deteriorated paint in non-exempt units is identified following

move in and/or during an annual or periodic re-inspection, depending on the scope of the work to stabilize the paint, and if necessary, the owner is responsible for relocating the tenants to a comparable dwelling free of lead-based paint hazards while the work is taking place.

- vii. Owner must adopt procedures to ensure that on-going maintenance activities are conducted in accordance with 24 CFR 35.1355 during the term of assisted tenancy.
- viii. Identification of the number of units built prior to 1978 and the number of children and pregnant women residing in each unit must be provided on TBRA tenant project set-up forms.

XIX. Lease Approval

After a family finds a unit, which is suitable for its needs, it must submit a completed Request for Unit Approval, signed by both parties, to the Subrecipient along with a copy of the proposed lease, if supplied by the owner/landlord.

The Subrecipient shall review the request to determine if the owner is eligible, if the unit is eligible, if the lease complies with the program requirements in 24 CFR 92.253 governing prohibited and required lease provisions, and if the lease complies with state and local laws.

After a Request for Unit Approval has been approved, the Subrecipient must prepare the Rental Assistance Contract for execution by the owner and the Subrecipient, and execution of the lease between the family and the owner. No rental assistance will be paid until the contract has been executed. The Subrecipient must retain a copy of the contract and lease in the family's file.

The lease must contain certain required provisions which include the tenant and the Subrecipient shares of the rent, the landlord's responsibility for maintenance and services, any utilities and appliances which the owner will provide, the condition necessary for eviction, the prohibition against discrimination, and the amount of security deposit.

The lease may not contain any of the following provisions:

1. **Agreement to be sued.** Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the owner in a lawsuit brought in connection with the lease.
2. **Treatment of property.** Agreement by the tenant that the owner may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The owner may dispose of this personal property in accordance with state law.
3. **Excusing owner from responsibility.** Agreement by the tenant not to hold the owner or the owner's agents legally responsible for any action or failure to act, whether intentional or negligent.
4. **Waiver of notice.** Agreement of the tenant that the owner may institute a lawsuit without notice to the tenant.
5. **Waiver of legal proceedings.** Agreement by the tenant that the owner may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties.
6. **Waiver of a jury trial.** Agreement by the tenant to waive any right to a trial by jury.

City of Killeen HOME-TBRA Policy and Procedures

7. Waiver of right to appeal court decision. Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease.
8. **Tenant chargeable with cost of legal actions regardless of outcome.** Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the owner against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

The Subrecipient will also provide the required VAWA lease addendum.

The lease between a tenant and an owner of rental housing assisted with TBRA funds must be for not less than one year. The Subrecipient may renew a lease for an additional year. The total time allocated for a family to receive TBRA must be not more than two years.

The owner may not terminate the tenancy or refuse to renew the lease of the tenant except for serious or repeated violation of the terms and conditions of the lease; for violations of applicable federal, state, or local law; or for other good cause.

Any termination or refusal to renew must be preceded by not less than 30-day notice by the owner specifying the grounds for the action.

XX. Project Set-up

Upon completion of all family and unit eligibility requirements, the Subrecipient shall submit a completed Project Set-up Report to Community Development Grants Program Manager (Manager). Upon receipt of the Project Set-up Report, Manager will submit the family for participation in the TBRA program through HUD's IDIS system. IDIS will assign an activity number to the project that CDD will issue to the Subrecipient.

XXI. Payment Request

Upon receiving an activity number for a family, the Subrecipient must submit a Request for Funds form to obtain funds for the family's rental assistance. Monthly requests will be submitted, but up to 2 months of rent (plus any approved security and/or utility deposits) may be requested with CDD approval.

Upon receiving the funds, the Subrecipient must disburse the funds within 15 days to the destination of the funds, such as landlords and utility providers. The Subrecipient must return any funds not distributed within the time limit to CDD.

The Subrecipient may request administration or project delivery costs funds with each Payment Request.

The Subrecipient must maintain their financial records in such a manner that is easily possible to summarize subsidy amounts provided by household and owner. The Subrecipient must report to the Internal Revenue Service annually the amount of rental income paid to owners.

XXII. Annual Recertification

Families receiving TBRA assistance may be approved for renewal of the lease and assistance contract for another year, up to the 24-month limit.

The Subrecipient must re-examine the incomes of all program participants annually using source documentation. The Subrecipient must re-evaluate household income, size, and composition and adjust the amount of rental assistance according to the circumstances in effect at the time of recertification. If there are changes in household size, the Subrecipient must determine income compliance of the family and the proper unit size. Annual recertifications shall also include an NSPIRE or HQS inspection and request for rent increase

The re-examination process should begin 90-120 days in advance of the household's one year anniversary date to assure that the process is completed on time and that 30-day notice is given to both the owner and tenant of changes in the household's eligibility or share of the rent.

If at re-examination, a household's income exceeds the HOME low-income limit (80% AMI), the household is no longer eligible for the HOME TBRA program. The TBRA assistance must be terminated after the Subrecipient gives notice of at least 30 days to the tenant and the landlord. While the rental assistance payments will end at that time, the household's lease cannot be terminated for an increase in income.

XXIII. Annual Unit Inspections

All units assisted with TBRA funds must meet NSPIRE or HQS standards. Each unit under contract must be inspected at least annually to assure all NSPIRE or HQS requirements are met. Unit may also be inspected as a result of housing quality complaints initiated by the owner or tenant.

If a unit fails to pass an inspection, the owner may be given a reasonable period of time (i.e., 24 hours for emergency conditions or 30 days for less serious conditions) to correct the deficiencies. If the owner fails to make the needed corrections, the Subrecipient may:

1. With adequate notice to the owner and household, terminate the HOME Rental Assistance Contract and require the household to move to another location in order to continue to receive assistance; or
2. Temporarily suspend its payments until the owner remedies the NSPIRE or HQS deficiencies. (Note: If this second approach is taken, the tenant should be encouraged to continue to pay its share of the rent in order to prevent eviction.)

XXIV. Requests for Rent Increase

Unless the initial rent negotiations were for the two-year period, owners may request a rent increase at the end of the first year of the contract. The Subrecipient must again determine that the proposed rent is reasonable in comparison to rents charged for other comparable, unassisted units.

Rent increases are also subject to 30-day notice.

XXV. Rental Assistance Payment Contract Termination

The contract automatically terminates when:

1. The family vacates the unit in violation of the lease;
2. The family has moved from their unit according to the lease terms, or secured the owner's permission for an early termination date, and the lease term has therefore ended;
3. The owner has required the family to move according to the lease term, and the lease term has therefore ended;
4. The owner has evicted the family with authorization from the Subrecipient;

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5. The owner does not wish to enter into a new contract, or refuses to renew or extend the current one;
6. The length of assistance provided the family with the existing TBRA grant has reached two years.

Under the following circumstances, the Subrecipient may terminate the contract prior to its regular termination date:

1. The unit is not in compliance with NSPIRE or HQS, other contract requirements, and the owner refuses to correct the deficiencies;
2. The unit is overcrowded or under occupied due to family composition change which requires the family to move;
3. The family, at recertification, has been determined ineligible due to their income.
4. The Subrecipient is unable to approve a new Request for Unit Approval where a contract is expiring due to gross rent exceeding Fair Market Rent;
5. The Subrecipient has determined that the owner is not in compliance with the terms of the contract;
6. The Subrecipient has determined that the family is not in compliance with the terms of its rental coupon;
7. A family has been determined to have abused the program, or to have engaged in fraudulent activities.

A Project Close-out Form must be completed when a family is terminated for any reason from the TBRA program.

XXVI. Lease Terminations/Evictions

During the term of the lease, the owner may only terminate the tenancy because of:

- Serious or repeated violation of the lease;
- Violation of Federal, State, or local law that imposes obligations on the tenant in connection with the occupancy or use of the unit and the premises;
- Criminal activity; or
- Other good cause.

Owners must comply with all state and local laws. Other requirements should only be imposed if the City or its Subrecipient has a specific reason for intervening in the tenant-landlord relationship. For example, if the City or its subrecipient is using TBRA assistance in conjunction with some other program (i.e., self- sufficiency, life-skills, etc.) in which the City is providing additional funding for counseling or support, may want to consider requiring the owner to notify the City before taking any termination action.

If the household is evicted for cause, the TBRA assistance will also be terminated.

XXVII. Tenant Move

Tenant may elect to move to another unit as permitted by the lease. The TBRA Rental Assistance Contract contains provisions that terminate the Subrecipient's agreement with the owner when the household moves out. To assure that TBRA subsidies are not paid on units no longer occupied by an eligible tenant, the lease agreement must require that the household provide a minimum of 30 days written notice of their plans to relocate to both the owner and Subrecipient.

If the tenant is in compliance with program requirements, the TBRA assistance may be transferred to another eligible unit, following the same procedures for determining unit eligibility and rent assistance.

XXVIII. Other Requirements

- A. Fair Housing: Protected Classes and Prohibited Activities under Fair Housing and HUD's Equal Access Rule
- i. Subrecipients and the owner or agents of the owner shall not discriminate in the provision of housing on the basis of race, color, sex, national origin, religion, familial status, or disability [the seven protected classes under the Fair Housing Act]. Nondiscrimination means that owners cannot refuse to rent a unit, provide different selection criteria, fail to allow reasonable accommodations or modifications, evict, or otherwise treat a tenant or applicant in a discriminatory way based solely on that person's inclusion in a protected class. Owners may not engage in steering, segregation, false denial of availability, denial of access to services or amenities, discriminatory advertising, or retaliation against individuals that make fair housing complaints.
 - ii. Effective March 5, 2012, all HUD funded properties (including HOME/CDBG/CDBG-O/NSP funding) are subject to the rule entitled "Equal Access to Housing in HUD Programs Regardless of Sexual Orientation or Gender Identity." According to this rule, HUD-assisted properties must make housing available without regard to actual or perceived sexual orientation, gender identity, or marital status. Additionally, HUD-assisted housing providers are prohibited from inquiring about the sexual orientation or gender identity of applicants and occupants for the purpose of determining eligibility for housing. For purposes of this rule, the term "gender identity" means actual or perceived gender-related characteristics and the term "sexual orientation" means homosexuality, heterosexuality, or bisexuality.
 - iii. Property owners & managers must allow persons with disabilities to make reasonable modifications (structural changes) so that they can fully enjoy their homes. Also, property owners and managers must allow reasonable accommodations (flexibility in rules and policies) so that persons with disabilities may fully enjoy their homes.
- B. Required Actions
- i. The Subrecipient should be familiar with both state and federal civil rights and fair housing laws. The City strongly encourages Subrecipient to provide Fair Housing and Equal Opportunity training for all staff, including maintenance staff, associated with any property. Staff is encouraged to attend a Fair Housing and Equal Opportunity training at least once every calendar year.
 - ii. All participant selection plans must acknowledge that the program follows the Fair Housing Act's nondiscrimination requirements. In addition, tenant signed forms must include the Fair Housing and Equal Opportunity logos below.
 - iii. Violence against Women Reauthorization Act of 2013 (VAWA)
 - a. Notification of Occupancy Rights under VAWA and Certification Form: The subrecipient must ensure that notice of occupancy rights which is set forth in Form HUD 5380 is provided to each of its applicants and to each of its tenants. The subrecipient must provide the certification form set forth in Form HUD 5382 to the applicant for a HOME-assisted unit at the time the applicant is admitted to a HOME-assisted unit or denied admission to a HOME-assisted unit based on the sub recipient's participant selection policies and criteria. The Subrecipient must

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also provide the notice of occupancy rights and the certification form with any notification of eviction.

- b. Lease Addendum: The lease addendum incorporates all of the requirements that apply to the owner under 24 CFR part 5, subpart L, and 24 CFR 92.359(e), including the prohibited bases for eviction and restrictions on construing lease terms under 24 CFR 5.2005(b) and (c). The lease addendum also states that the tenant may terminate the lease without penalty if the Subrecipient determines that the tenant has met the conditions for an emergency transfer under 24 CFR 5.2005(e).
- c. Emergency Transfers: The Subrecipient must use and implement the emergency transfer plan set forth in Form HUD-5381 and must make the determination of whether a tenant qualifies for an emergency transfer under the plan. The sub-recipient may provide Form HUD -5383 to a tenant that is requesting an emergency transfer. With respect to tenants who qualify for an emergency transfer and who wish to make an external emergency transfer when a safe unit is not immediately available, the Subrecipient must provide a list of properties in the jurisdiction that include HOME-assisted units. The list must include the following information for each property: The property's address, contact information, the unit sizes (number of bedrooms) for the HOME- assisted units, and, to the extent known, any tenant preferences or eligibility restrictions for the HOME-assisted units. In addition, the Subrecipient may:
 1. Establish a preference under the Subrecipient's HOME program for tenants who qualify for emergency transfers under 24 CFR 5.2005(e); and
 2. Coordinate with victim service providers and advocates to develop the emergency transfer plan, make referrals, and facilitate emergency transfers to safe and available units.
- d. No person may deny assistance, tenancy, or occupancy rights to HOME TBRA assisted housing to a tenant solely on the basis of criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking that is engaged in by a member of the household of the tenant or any guest or other person under the control of the tenant, if the tenant or an affiliated individual of the tenant is the victim or threatened victim of such domestic violence, dating violence, sexual assault, or stalking. Notwithstanding the foregoing, the Subrecipient and/or manager of HOME- assisted housing may bifurcate a lease for the housing in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant of the housing and who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual, without evicting, removing, terminating assistance to, or otherwise penalizing a victim of such criminal activity who is also a tenant or lawful occupant of the housing. The Subrecipient and or manager or HOME-assisted housing must provide any remaining tenants with an opportunity to establish eligibility and a reasonable time to find new housing or to establish eligibility.
- e. Confidentiality (Tenant Information Related to Domestic Violence, Dating Violence, Sexual Assault, or Stalking): The Subrecipient shall ensure that any information submitted to the sub-recipient and or staff of HOME-assisted housing including the fact that an individual is a victim of domestic violence, dating violence, sexual assault, or stalking shall be maintained in confidence and may not

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be entered into any shared database or disclosed to any other entity or individual, except to the extent that the disclosure is:

1. Requested or consented to by the individual in writing.
2. Required for use in an eviction proceeding against any individual who is a tenant or lawful occupant of the housing and who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking; or
3. Otherwise required by applicable law.
4. Remedies Available to Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking:
The Subrecipient may bifurcate a lease, or remove a household member from a lease in order to evict, remove, terminate occupancy rights, or terminate assistance to such member who engages in criminal activity directly relating to domestic violence, dating violence, sexual assault, or stalking against an affiliated individual or other individual:
 - a. Without regard to whether the household member is a signatory to the lease; and
 - b. Without evicting, removing, terminating assistance to, or otherwise penalizing a victim of such criminal activity who is also a tenant or lawful occupant.

A lease bifurcation shall be carried out in accordance with any requirements or procedures as may be prescribed by Federal, State, or local law for termination of assistance or leases. If a household who lives in a HOME-assisted rental unit separates under 24 CFR S.2009(a), the remaining tenant(s) may remain in the HOME-assisted unit.

5. Limitations of VAWA Protections: VAWA, as applied in this Agreement, does not limit the authority of the Subrecipient, when notified of a court order, to comply with a court order with respect to:
 - a. The rights of access or control of property, including civil protection orders issued to protect a victim of domestic violence, dating violence, sexual assault, or stalking; or
 - b. The distribution or possession of property among members of a household.

VAWA as applied in this Agreement does not limit any available authority of the Landlord to evict a tenant for any violation not premised on an act of domestic violence, dating violence, sexual assault, or stalking that is in question against the tenant or an affiliated individual of the tenant. However, the Landlord must not subject the tenant, who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, or is affiliated with an individual who is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, to a more demanding standard than other tenants in determining whether to evict or terminate assistance.

VAWA, as applied in this Agreement, does not limit any available authority of the Subrecipient to terminate assistance to or evict a tenant under a covered housing program if the Subrecipient can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the Project would be present if that tenant or lawful occupant is not evicted or terminated from assistance. In this context, words, gestures, actions, or other indicators will be considered an "actual and imminent threat" if they meet the standards provided in the definition of "actual and imminent threat"

in 24 CFR 5.2003.

Any eviction or termination of assistance should be utilized by the Subrecipient only when there are no other actions that could be taken to reduce or eliminate the threat, including, but not limited to, transferring the victim to a different unit, barring the perpetrator from the property, contacting law enforcement to increase police presence or develop other plans to keep the property safe, or seeking other legal remedies to prevent the perpetrator from acting on a threat. Restrictions predicated on public safety cannot be based on stereotypes but must be tailored to particularized concerns.

- a. HUD 5381: Model Emergency Transfer Plan. The owner must create a model plan specific to each project. The plan must be made available for review by tenants and by CNCS.
- b. HUD 5382: Certification of Domestic Violence Dating Violence, Sexual Assault, or Stalking. This form is to be used by tenants as a self-certification form. A copy must be attached any time the HUD 5380 is distributed.
- c. HUD 5383: Emergency Transfer Request. This form is used by tenants to request a transfer under VAWA.

XXIX. Recordkeeping and Reporting

The Subrecipient is responsible for ensuring that TBRA funds are used in accordance with all program requirements of 24 CFR Part 92.508, and for documenting compliance. The Subrecipient must establish and maintain sufficient records to enable CDD to determine whether the Subrecipient has met the requirements of the TBRA program. HUD and the Comptroller General of the United States, any of their representatives, have the right of access to any pertinent books, documents, papers or other records of the participating jurisdiction, state recipients, and Subrecipients, in order to make audits, examinations, excerpts, and transcripts.

The Subrecipient must report monthly to CDD on the status of the program, in the format specified by the City.

XXX. Tenant Records

Recordkeeping and Record Retention requirements must be in compliance with 24 CFR 92.508. For TBRA projects, records must be retained for five years after the period of rental assistance ends or from the time the project is closed, whichever is longer.

The tenant files shall contain, but are not limited to, the following:

- Original application with copies of social security cards for each household member;
- Income verifications, along with source documentation;
- Annual release of information forms;
- Rental coupon, Request for Unit Approval, and other materials related to coupon issuance;
- Completed NSPIRE/HQS inspection form for the unit;
- Lead based paint disclosure forms to indicate receipt of required pamphlets and required tenant notification forms prior to move-in;
- Descriptions of any required paint stabilization activities, clearance reports and required tenant notifications;
- Annual adjusted income worksheet and other related documents;
- Utility allowance schedule;
- Total Tenant Payment / Total Rent form;

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- Rental Assistance Payments Contract and Lease Agreement; and
- Project Set-up and Project Closeout (IDIS).

Any tenant must give permission for the City of Killeen to review records to determine program compliance prior to receiving assistance.

XXXI. Program Monitoring

CDD staff will review all monthly progress reports and will monitor the Subrecipient TBRA program according to the requirements of 24 CFR 92.504(a) by reviewing monthly reports, claims, and other information.

The monitoring review may be done remotely or in person. At least two weeks of notice will be given to the Subrecipient before monitoring begins so that the Subrecipient can prepare using a monitoring checklist. The checklist will contain a list of areas that will be reviewed and documents that will need to be made available at the time of monitoring.

Upon completion of a monitoring review, the City will send a letter to the Subrecipient detailing all concerns and findings discovered during the review. The letter will be sent within 30 calendar days of the monitoring unless an investigation of findings requires more time. If there are findings or concerns discovered, the letter will request the Subrecipient to submit a specific resolution or correction within a certain period of time.

Significant deficiencies in program files or other record keeping that are found during a monitoring will result in required Plans of Corrective Action with possible loss of funds or repayment to the City.

During the annual compliance visit:

- HQS inspections of randomly selected units will occur
- Administrative and financial procedures and files will be reviewed;
- TBRA tenant files will be randomly reviewed.

A compliance follow-up report will be mailed to the Subrecipient.

Should the follow-up report include findings/concerns, the Subrecipient must respond in writing within thirty days regarding remediation of the findings and compliance with federal regulations and CDD policies and procedures.

CDD reserves the right to terminate the agreement and recapture funds:

- If funds are not committed and/or expended by the dates referenced in the funding agreement, or if the project substantially changes after the funding commitment.
- If the program is no longer feasible or is not progressing timely so that the imposed deadlines will be met, funds may be recaptured.
- If the subrecipient becomes suspended or debarred.

Other bases for termination and recapture are included in the funding agreement.

XXXII. Closeout

The Subrecipient shall provide a final close out report which must be submitted to The City within 30 days after the award expires. The City will provide a form on which Subrecipient will record

City of Killeen HOME-TBRA Policy and Procedures

information regarding their award performance. All reports must be submitted as requested by the City for the Subrecipient to remain eligible for future HUD funds.



CENTRAL TEXAS COUNCIL
OF GOVERNMENTS TBRA
SUBRECIPIENT AGREEMENT

RS-25-149

September 16, 2025

Background

- Each year the U.S. Department of Housing and Urban Development (HUD) awards HOME Investment Partnership (HOME) funds to eligible entitlement communities; also known individually as a Participating Jurisdiction (P.J.).
- The City of Killeen is recognized by HUD as a P.J. and receives HOME funds annually.
- HUD allows a P.J. to sub-award HOME funds to subrecipient to carry out HOME activities.

HOME Eligible Activities

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- Eligible HOME-funded activities include:
 - ▣ Homeowner rehabilitation;
 - ▣ Homebuyer activities;
 - ▣ Rental housing; and
 - ▣ Tenant-based rental assistance (TBRA).
- Each HOME activity must benefit a low to moderate income household.

Tenant-Based Rental Assistance (TBRA)

4

- TBRA provides financial assistance to income eligible households for:
 - ▣ Rent;
 - ▣ Security deposits; and
 - ▣ Under certain conditions, utility deposits.
 - Assistance for utility deposits may only be provided in conjunction with a TBRA security deposit or monthly rental assistance program.

Central Texas Council of Governments

5

- Central Texas Council of Governments (CTCOG) has experience in administering rental assistance programs, including the Housing Choice Voucher (Section 8) program.
- CTCOG will target persons or families currently on its Section 8 waiting list.
 - The household will be housed in a unit located in the City of Killeen.
- The amount of the agreement is \$500,000.00.
 - This amount includes direct assistance and project delivery costs.

CTCOG TBRA Goals

6

- The CTCOG TBRA will assist up to 20 households with up to 24 months of rental assistance.
- Establish long-term housing stability by:
 - ▣ Reducing the number of households that are homeless or at-risk of homelessness.
 - ▣ Reducing the number of households at risk of eviction.
 - ▣ Providing supportive services and education for household self-sufficiency.
 - ▣ Increasing housing affordability for low-income households.

Summary Slide Title

7

- Staff recommends that City Council authorize the City Manager, or his designee, to execute a HOME Investment Partnership Subrecipient Agreement with Central Texas Council of Governments for the purpose of administering a Tenant-based Rental Assistance program in the amount of \$500,000.00.



City of Killeen

Staff Report

File Number: RS-25-150

Consider a memorandum/resolution authorizing the renewal of a 3-year Microsoft Enterprise Agreement, in the amount of \$1,884,699.00.

DATE: September 16, 2025

TO: Kent Cagle, City Manager

FROM: Willie Resto, Executive Director of Information Technology

SUBJECT: Microsoft Enterprise Agreement Renewal

BACKGROUND AND FINDINGS:

In 2023, the City of Killeen entered into an Enterprise Agreement (EA) with Microsoft through a cooperative volume licensing program. This agreement standardized the City's software licensing, ensured compliance, and delivered cost savings by eliminating the need for piecemeal license purchases with every hardware refresh.

The EA serves as the foundation for the City's core software infrastructure, desktop security, collaboration applications, and productivity tools. Renewing the EA for another three years will ensure continued compliance, predictable budgeting, and access to Microsoft's latest technology and security updates.

The new agreement reflects higher costs due to several factors:

More Users & Devices: Growth in City staff, laptops, servers, and mobile devices.

Expanded Services: Includes enhanced collaboration tools, cloud features, and advanced security services.

Cybersecurity & Compliance Needs: Ensures IT can maintain current Microsoft versions and security patches.

Microsoft Pricing Adjustments: Reflects global price increases; EA locks in fixed pricing for 3 years.

Cost Avoidance: Avoids significantly higher retail costs for licenses and upgrades.

Without the EA, licenses and upgrades would need to be purchased individually at retail rates:

1,000 desktops/laptops - Retail Office & Windows upgrades: \$600 each = \$600,000

Server licensing - Estimated retail cost avoidance: \$50,000-\$100,000

Total 3-year savings estimate: \$700,000+

These savings come in addition to improved flexibility and efficiency through Microsoft's Software Assurance program, which includes all upgrades during the term of the agreement.

Benefits of Renewal-

Software Assurance - All Microsoft product upgrades included

Predictable Costs - Fixed pricing across 3 years

Centralized Management - Streamlined deployment and compliance tracking

Flexible Scalability - Annual "true-up" process for license adjustments
Supports Operations - Provides employees secure, up-to-date tools across desktops, servers, and mobile devices

THE ALTERNATIVES CONSIDERED:

Click or tap here to enter text.

Which alternative is recommended? Why?

Click or tap here to enter text.

CONFORMITY TO CITY POLICY:

Yes, this conforms to city policy.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

Year 1 of 3: FY 2026 \$628,233
Year 2 of 3: FY 2027 \$628,233
Year 3 of 3: FY 2028 \$628,233

Is this a one-time or recurring revenue/expenditure?

Recurring.

Is this revenue/expenditure budgeted?

Yes, funds are included in the FY 2026 adopted budget.

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

Yes, funds are budgeted in the Information Technology Fund in account 627-57140-180-800-000000.

RECOMMENDATION:

Staff recommends that the City Council authorize the City Manager, or designee to execute a contract for the procurement of a 3-year Microsoft Enterprise Agreement, in the amount of \$1,884,699, from SHI Government Solutions using the Texas DIR contract DIR-CPO-5237 and that the City Manager, or designee be expressly authorized to execute any and all change orders or

supplemental agreements within the amounts set by state and local law.

DEPARTMENTAL CLEARANCES:

Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Quote
Agreement
Contract Verification Form
Certificate of Interested Parties
DIR-CPO-5237
Presentation



Pricing Proposal
Quotation #: 26565545
Reference #: EA - 83818086
Created On: 8/26/2025
Valid Until: 9/30/2025

TX-City of Killeen

Willie Resto

TX
United States
Phone:
Fax:
Email: WResto@killeentexas.gov

Inside Account Manager

Jeidys Villafana

290 Davidson Ave
Somerset, NJ, 08873
Phone: | Toll Free: 888-394-5232 ext.:
6524741
Fax: 888-394-5322
Email: Jeidys_Villafana@SHI.com

All Prices are in US Dollar (USD)

Product	Qty	Your Price	Total
1 CCAL Bridge O365 Sub Per User Microsoft - Part#: AAA-12414 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	400	\$19.80	\$7,920.00
2 EOA Exchange Online GCC Sub Per User Microsoft - Part#: 4ES-00001 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	400	\$28.68	\$11,472.00
3 O365 G1 GCC Sub Per User Microsoft - Part#: U4S-00002 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	400	\$108.72	\$43,488.00
4 Project P3 GCC Sub Per User Microsoft - Part#: 7MS-00001 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	15	\$277.68	\$4,165.20
5 SQL CAL ALng SA Device CAL Microsoft - Part#: 359-00792 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	25	\$37.89	\$947.25
6 SQL CAL ALng SA User CAL Microsoft - Part#: 359-00961	35	\$37.89	\$1,326.15

Contract Name: Adobe/Microsoft Software & Related Services

Contract #: DIR-CPO-5237

Coverage Term: 10/1/2025 – 9/30/2026

Note: Year 1 of 3

7	SQL Server Standard ALng SA Microsoft - Part#: 228-04433 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	10	\$159.79	\$1,597.90
8	Win Server Standard Core ALng SA 2L Microsoft - Part#: 9EM-00270 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	196	\$21.42	\$4,198.32
9	Teams AC with Dial Out US/CA GCC Sub Add-on Microsoft - Part#: NYH-00001 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	1700	\$0.00	\$0.00
10	Visio P2 GCC Sub Per User Microsoft - Part#: P3U-00001 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	10	\$139.44	\$1,394.40
11	Win E3 ALng Sub Per User Microsoft - Part#: AAA-10787 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	400	\$61.32	\$24,528.00
12	Power BI Pro GCC Sub Per User Microsoft - Part#: DDJ-00001 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	25	\$101.76	\$2,544.00
13	Win Server DC Core ALng SA 2L Microsoft - Part#: 9EA-00278 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	104	\$137.54	\$14,304.16
14	M365 G3 Unified FUSL GCC Sub Per User Microsoft - Part#: AAD-34704 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3	1300	\$391.32	\$508,716.00
15	Power Automate Premium GCC Sub Per User	10	\$163.08	\$1,630.80

Microsoft - Part#: 1O5-00001
Contract Name: Adobe/Microsoft Software & Related Services
Contract #: DIR-CPO-5237
Coverage Term: 10/1/2025 – 9/30/2026
Note: Year 1 of 3

16 Azure Monetary Commitment Provision	1	\$0.00	\$0.00
Microsoft - Part#: AAA-35418 Contract Name: Adobe/Microsoft Software & Related Services Contract #: DIR-CPO-5237 Coverage Term: 10/1/2025 – 9/30/2026 Note: Year 1 of 3			
		Subtotal	\$628,232.18
		Shipping	\$0.00
		Total	\$628,232.18

Additional Comments

Due to the potential impact of any current or future tariffs, the price and availability of hardware items on this quote may be subject to change.

This quote has been marked as budgetary, as certain pricing may require approval from Microsoft. Please note, SHI is unable to process Purchase Orders against budgetary quotes. Kindly reach out to your SHI sales team for a Final Quote once you have determined your required counts and licenses.

Purchasing Microsoft Azure Services

Customer may purchase Microsoft Azure Services from SHI in one or a combination of the following ways: Azure Prepayment: Customer will have access to its entire Azure prepayment throughout the term of its Enrollment if Customer agrees to be invoiced for the full amount upfront (the “Fully Prepaid Option”). Alternatively, if Customer elects to be invoiced for its Azure prepayment on an annual basis, Customer will have access to an Allocated Annual prepayment each year of the Enrollment (the “Annually Prepaid Option”). Under the Fully Prepaid Option, any unused Azure prepayment will be forfeited at the end of the Enrollment, and under the Annually Prepaid Option, any unused Allocated Annual prepayment will be forfeited on the following Enrollment anniversary date.

Using Azure prepayment: Each month, Microsoft will deduct from Customer’s Azure prepayment (or Allocated Annual prepayment, if applicable) the monetary value of Customer’s usage of eligible Microsoft Azure Services. Once Customer’s Azure prepayment (or Allocated Annual prepayment, if applicable) balance has been exhausted, any additional usage will be invoiced at Consumption Rates (as described below).

Invoicing Azure prepayment: If Customer elects the Fully Prepaid Option, Azure prepayment will be invoiced immediately. If Customer elects the Annually Prepaid Option, the first Allocated Annual prepayment will be invoiced immediately, and future Allocated Annual prepayments will be invoiced on the anniversary of the Enrollment effective date.

Invoicing Azure prepayment overage: If Customer’s usage is higher than either its Azure prepayment under the Fully Prepaid Option or its Allocated Annual prepayment under the Annually Prepaid Option, such excess will be invoiced at Consumption Rates to Customer at the end of each Enrollment month.

Consumption: Customer pays based on the amount of Microsoft Azure Services consumed during a billing period. Consumption invoicing: If Customer provisions Microsoft Azure Services without an Azure prepayment, SHI will invoice customer in the following month of usage at Consumption Rates. All usage of the Microsoft Azure Services after the expiration or termination of Customer’s subscription term will be invoiced by SHI to Customer at then-current Consumption Rates monthly.

SHI will invoice eligible Microsoft Azure Services at the contracted mark-up. Please refer to the Azure Portal or Pricing Calculator for more information on availability: <https://azure.microsoft.com/en-us/pricing/calculator/>

Year 1 10/1/2025 - 9/30/2026 \$628,232.18
Year 2 10/1/2026 - 9/30/2027 \$628,232.18
Year 3 10/1/2027 - 9/30/2028 \$628,232.18
Total \$1,884,696.54

The products offered under this proposal are resold in accordance with the terms and conditions of the Contract referenced under that applicable line item.

Program Signature Form

MBA/MBSA number

AMD000460976

Agreement number

4942672

Note: Enter the applicable active numbers associated with the documents below. Microsoft requires the associated active number be indicated here, or listed below as new.

For the purposes of this form, "Customer" can mean the signing entity, Enrolled Affiliate, Government Partner, Institution, or other party entering into a volume licensing program agreement.

This signature form and all contract documents identified in the table below are entered into between the Customer and the Microsoft Affiliate signing, as of the effective date identified below.

Contract Document	Number or Code
Enterprise Enrollment (Indirect)	X20-10637
Product Selection Form	3063363.004_PSF
Enterprise Amendment	M97 - (74257139)

By signing below, Customer and the Microsoft Affiliate agree that both parties (1) have received, read and understand the above contract documents, including any websites or documents incorporated by reference and any amendments and (2) agree to be bound by the terms of all such documents.

Customer
Name of Entity (must be legal entity name)* City of Killeen Signature* Printed First and Last Name* Printed Title Signature Date*
Tax ID

* indicates required field

Microsoft Affiliate
Microsoft Corporation
Signature Printed First and Last Name Printed Title Signature Date (date Microsoft Affiliate countersigns)
Agreement Effective Date (may be different than Microsoft's signature date)

Optional 2nd Customer signature or Outsourcer signature (if applicable)

Customer
Name of Entity (must be legal entity name)* Signature* Printed First and Last Name* Printed Title Signature Date*

** indicates required field*

Outsourcer
Name of Entity (must be legal entity name)* Signature* _____ Printed First and Last Name* Printed Title Signature Date*

** indicates required field*

If Customer requires additional contacts or is reporting multiple previous Enrollments, include the appropriate form(s) with this signature form.

After this signature form is signed by the Customer, send it and the Contract Documents to Customer's channel partner or Microsoft account manager, who must submit them to the following address. When the signature form is fully executed by Microsoft, Customer will receive a confirmation copy.

Microsoft Corporation
 Dept. 551, Volume Licensing
 6880 Sierra Center Parkway
 Reno, Nevada 89511
 USA

Enterprise Enrollment

State and Local

Enterprise Enrollment number <i>(Microsoft to complete)</i>	74257139	Framework ID <i>(if applicable)</i>	
Previous Enrollment number <i>(Reseller to complete)</i>	83818086		

This Enrollment must be attached to a signature form to be valid.

This Microsoft Enterprise Enrollment is entered into between the entities as identified in the signature form as of the effective date. Enrolled Affiliate represents and warrants it is the same Customer, or an Affiliate of the Customer, that entered into the Enterprise Agreement identified on the program signature form.

This Enrollment consists of: (1) these terms and conditions, (2) the terms of the Enterprise Agreement identified on the signature form, (3) the Product Selection Form, (4) the Product Terms, (5) the Microsoft Products and Services Data Protection Addendum, (6) any Supplemental Contact Information Form, Previous Agreement/Enrollment form, and other forms that may be required, and (7) any order submitted under this Enrollment. This Enrollment may only be entered into under a 2011 or later Enterprise Agreement. By entering into this Enrollment, Enrolled Affiliate agrees to be bound by the terms and conditions of the Enterprise Agreement.

All terms used but not defined are located at <http://www.microsoft.com/licensing/contracts>. In the event of any conflict the terms of this Agreement control.

Effective date. If Enrolled Affiliate is renewing Software Assurance or Subscription Licenses from one or more previous Enrollments or agreements, then the effective date will be the day after the first prior Enrollment or agreement expires or terminates. If this Enrollment is renewed, the effective date of the renewal term will be the day after the Expiration Date of the initial term. Otherwise, the effective date will be the date this Enrollment is accepted by Microsoft. Any reference to “anniversary date” refers to the anniversary of the effective date of the applicable initial or renewal term for each year this Enrollment is in effect.

Term. The initial term of this Enrollment will expire on the last day of the month, 36 full calendar months from the effective date of the initial term. The renewal term will expire 36 full calendar months after the effective date of the renewal term.

Terms and Conditions

1. Definitions.

Terms used but not defined in this Enrollment will have the definition in the Enterprise Agreement. The following definitions are used in this Enrollment:

“Additional Product” means any Product identified as such in the Product Terms and chosen by Enrolled Affiliate under this Enrollment.

“Community” means the community consisting of one or more of the following: (1) a Government, (2) an Enrolled Affiliate using eligible Government Community Cloud Services to provide solutions to a Government or a qualified member of the Community, or (3) a Customer with Customer Data that is subject to Government regulations for which Customer determines and Microsoft agrees that the use of Government Community Cloud Services is appropriate to meet Customer’s regulatory requirements.

Membership in the Community is ultimately at Microsoft's discretion, which may vary by Government Community Cloud Service.

"Enterprise Online Service" means any Online Service designated as an Enterprise Online Service in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Online Services are treated as Online Services, except as noted.

"Enterprise Product" means any Desktop Platform Product that Microsoft designates as an Enterprise Product in the Product Terms and chosen by Enrolled Affiliate under this Enrollment. Enterprise Products must be licensed for all Qualified Devices and Qualified Users on an Enterprise-wide basis under this program.

"Expiration Date" means the date upon which the Enrollment expires.

"Federal Agency" means a bureau, office, agency, department or other entity of the United States Government.

"Government" means a Federal Agency, State/Local Entity, or Tribal Entity acting in its governmental capacity.

"Government Community Cloud Services" means Microsoft Online Services that are provisioned in Microsoft's multi-tenant data centers for exclusive use by or for the Community and offered in accordance with the National Institute of Standards and Technology (NIST) Special Publication 800-145. Microsoft Online Services that are Government Community Cloud Services are designated as such in the Use Rights and Product Terms.

"Industry Device" (also known as line of business device) means any device that: (1) is not useable in its deployed configuration as a general purpose personal computing device (such as a personal computer), a multi-function server, or a commercially viable substitute for one of these systems; and (2) only employs an industry or task-specific software program (e.g. a computer-aided design program used by an architect or a point of sale program) ("Industry Program"). The device may include features and functions derived from Microsoft software or third-party software. If the device performs desktop functions (such as email, word processing, spreadsheets, database, network or Internet browsing, or scheduling, or personal finance), then the desktop functions: (1) may only be used for the purpose of supporting the Industry Program functionality; and (2) must be technically integrated with the Industry Program or employ technically enforced policies or architecture to operate only when used with the Industry Program functionality.

"Managed Device" means any device on which any Affiliate in the Enterprise directly or indirectly controls one or more operating system environments. Examples of Managed Devices can be found in the Product Terms.

"Qualified Device" means any device that is used by or for the benefit of Enrolled Affiliate's Enterprise and is: (1) a personal desktop computer, portable computer, workstation, or similar device capable of running Windows Pro locally (in a physical or virtual operating system environment), or (2) a device used to access a virtual desktop infrastructure ("VDI"). Qualified Devices do not include any device that is: (1) designated as a server and not used as a personal computer, (2) an Industry Device, or (3) not a Managed Device. At its option, the Enrolled Affiliate may designate any device excluded above (e.g., Industry Device) that is used by or for the benefit of the Enrolled Affiliate's Enterprise as a Qualified Device for all or a subset of Enterprise Products or Online Services the Enrolled Affiliate has selected.

"Qualified User" means a person (e.g., employee, consultant, contingent staff) who: (1) is a user of a Qualified Device, or (2) accesses any server software requiring an Enterprise Product Client Access License or any Enterprise Online Service. It does not include a person who accesses server software or an Online Service solely under a License identified in the Qualified User exemptions in the Product Terms.

"Reseller" means an entity authorized by Microsoft to resell Licenses under this program and engaged by an Enrolled Affiliate to provide pre- and post-transaction assistance related to this agreement;

"Reserved License" means for an Online Service identified as eligible for true-ups in the Product Terms, the License reserved by Enrolled Affiliate prior to use and for which Microsoft will make the Online Service available for activation.

"State/Local Entity" means (1) any agency of a state or local government in the United States, or (2) any United States county, borough, commonwealth, city, municipality, town, township, special purpose district, or other similar type of governmental instrumentality established by the laws of Customer's state and located within Customer's state's jurisdiction and geographic boundaries.

"Tribal Entity" means a federally recognized tribal entity performing tribal governmental functions and eligible for funding and services from the U.S. Department of Interior by virtue of its status as an Indian tribe.

"Use Rights" means, with respect to any licensing program, the use rights or terms of service for each Product and version published for that licensing program at the Volume Licensing Site and updated from time to time. The Use Rights include the Product-Specific License Terms, the License Model terms, the Universal License Terms, the Data Protection Terms, and the Other Legal Terms. The Use Rights supersede the terms of any end user license agreement (on-screen or otherwise) that accompanies a Product.

"Volume Licensing Site" means <http://www.microsoft.com/licensing/contracts> or a successor site.

2. Order requirements.

- a. Minimum order requirements.** Enrolled Affiliate's Enterprise must have a minimum of 250 Qualified Users or Qualified Devices. The initial order must include at least 250 Licenses for Enterprise Products or Enterprise Online Services.
 - (i) Enterprise commitment.** Enrolled Affiliate must order enough Licenses to cover all Qualified Users or Qualified Devices, depending on the License Type, with one or more Enterprise Products or a mix of Enterprise Products and the corresponding Enterprise Online Services (as long as all Qualified Devices not covered by a License are only used by users covered with a user License).
 - (ii) Enterprise Online Services only.** If no Enterprise Product is ordered, then Enrolled Affiliate need only maintain at least 250 Subscription Licenses for Enterprise Online Services.
- b. Additional Products.** Upon satisfying the minimum order requirements above, Enrolled Affiliate may order Additional Products.
- c. Use Rights for Enterprise Products.** For Enterprise Products, if a new Product version has more restrictive use rights than the version that is current at the start of the applicable initial or renewal term of the Enrollment, those more restrictive use rights will not apply to Enrolled Affiliate's use of that Product during that term.
- d. Country of usage.** Enrolled Affiliate must specify the countries where Licenses will be used on its initial order and on any additional orders.
- e. Resellers.** Enrolled Affiliate must choose and maintain a Reseller authorized in the United States. Enrolled Affiliate will acquire its Licenses through its chosen Reseller. Orders must be submitted to the Reseller who will transmit the order to Microsoft. The Reseller and Enrolled Affiliate determine pricing and payment terms as between them, and Microsoft will invoice the Reseller based on those terms. Throughout this Agreement the term "price" refers to reference price. Resellers and other third parties do not have authority to bind or impose any obligation or liability on Microsoft.
- f. Adding Products.**
 - (i) Adding new Products not previously ordered.** New Enterprise Products or Enterprise Online Services may be added at any time by contacting a Microsoft Account Manager or Reseller. New Additional Products, other than Online Services, may be used if an order is placed in the month the Product is first used. For Additional Products that are Online Services, an initial order for the Online Service is required prior to use.

- (ii) Adding Licenses for previously ordered Products.** Additional Licenses for previously ordered Products other than Online Services may be added at any time but must be included in the next true-up order. Additional Licenses for Online Services must be ordered prior to use, unless the Online Services are (1) identified as eligible for true-up in the Product Terms or (2) included as part of other Licenses.
- g. True-up requirements.** Enrolled Affiliate must submit an annual true-up order that accounts for any changes since the initial order or last order. If there are no changes, then an update statement must be submitted instead of a true-up order.
- (i) Enterprise Products.** For Enterprise Products, Enrolled Affiliate must determine the number of Qualified Devices and Qualified Users (if ordering user-based Licenses) at the time the true-up order is placed and must order additional Licenses for all Qualified Devices and Qualified Users that are not already covered by existing Licenses, including any Enterprise Online Services.
- (ii) Additional Products.** For Additional Products that have been previously ordered under this Enrollment, Enrolled Affiliate must determine the maximum number of Additional Products used since the latter of the initial order, the last true-up order, or the prior anniversary date and submit a true-up order that accounts for any increase.
- (iii) Online Services.** For Online Services identified as eligible for true-up in the Product Terms, Enrolled Affiliate may place a reservation order for the additional Licenses prior to use and payment may be deferred until the next true-up order. Microsoft will provide a report of Reserved Licenses ordered but not yet invoiced to Enrolled Affiliate and its Reseller. Reserved Licenses will be invoiced retrospectively to the month in which they were ordered.
- (iv) Subscription License reductions.** Enrolled Affiliate may reduce the quantity of Subscription Licenses at the Enrollment anniversary date on a prospective basis if permitted in the Product Terms, as follows:
- 1)** For Subscription Licenses that are part of an Enterprise-wide purchase, Licenses may be reduced as long as (a) the initial order minimum requirements are maintained and (b) the total quantity of Licenses and Software Assurance for an applicable group meets or exceeds the quantity of Qualified Devices and Qualified Users (if ordering user-based Licenses) identified on the Product Selection Form, and includes any additional Qualified Devices and Qualified Users added in any prior true-up orders. Step-up Licenses do not count towards this total count.
 - 2)** For Enterprise Online Services in a given Product pool that are not a part of an Enterprise-wide purchase, Licenses can be reduced as long as (a) the initial order minimum requirements are maintained and (b) all then-active users of each Online Service are included the total quantity of Licenses remaining after the reduction. An Enrolled Affiliate may reduce Licenses for Online Services on or before the Enrollment anniversary date and place a reservation order for such licenses within 90 days after the anniversary date; however, any licenses ordered as described in this section will be invoiced to the Enrolled Affiliate for the time period the licenses were made available. Subscription Licenses ordered upfront may not be reduced.
 - 3)** For Additional Products available as Subscription Licenses, Enrolled Affiliate may reduce the Licenses. If the License count is reduced to zero, then Enrolled Affiliate's use of the applicable Subscription License will be cancelled.
- Invoices will be adjusted to reflect any reductions in Subscription Licenses at the true-up order Enrollment anniversary date and effective as of such date.
- (v) Update statement.** An update statement must be submitted instead of a true-up order if, since the initial order or last true-up order, Enrolled Affiliate's Enterprise: (1) has not changed the number of Qualified Devices and Qualified Users licensed with Enterprise Products or Enterprise Online Services; and (2) has not increased its usage of Additional

Products. This update statement must be signed by Enrolled Affiliate's authorized representative.

- (vi) **True-up order period.** The true-up order or update statement must be received by Microsoft between 60 and 30 days prior to each Enrollment anniversary date. The last true-up order or update statement during an Enrollment term is due within 30 days prior to the Expiration Date, and any license reservations within this 30-day period will not be accepted. Enrolled Affiliate may submit true-up orders more often to account for increases in Product usage, but an annual true-up order or update statement must still be submitted during the annual order period.
- (vii) **Late true-up order.** If the true-up order or update statement is not received when due, Microsoft may invoice Reseller for all Reserved Licenses not previously invoiced and Subscription License reductions cannot be reported until the following Enrollment anniversary date (or at Enrollment renewal, as applicable).
- h. **Step-up Licenses.** For Licenses eligible for a step-up under this Enrollment, Enrolled Affiliate may step-up to a higher edition or suite as follows:
 - (i) For step-up Licenses included on an initial order, Enrolled Affiliate may order according to the true-up process.
 - (ii) If step-up Licenses are not included on an initial order, Enrolled Affiliate may step-up initially by following the process described in the Section titled "Adding new Products not previously ordered," then for additional step-up Licenses, by following the true-up order process.
- i. **Clerical errors.** Microsoft may correct clerical errors in this Enrollment, and any documents submitted with or under this Enrollment, by providing notice by email and a reasonable opportunity for Enrolled Affiliate to object to the correction. Clerical errors include minor mistakes, unintentional additions and omissions. This provision does not apply to material terms, such as the identity, quantity or price of a Product ordered.
- j. **Verifying compliance.** Microsoft may, in its discretion and at its expense, verify compliance with this Enrollment as set forth in the Enterprise Agreement.

3. **Pricing.**

- a. **Price Levels.** For both the initial and any renewal term Enrolled Affiliate's Price Level for all Products ordered under this Enrollment will be Level "D" throughout the term of the Enrollment.
- b. **Setting Prices.** Unless otherwise expressly agreed to by the parties and except for Online Services designated in the Product Terms as being exempt from fixed pricing, Enrolled Affiliate's prices for each Product or Service will be established by its Reseller. As long as Enrolled Affiliate continues to qualify for the same price level, Microsoft's prices for Resellers for each Product or Service ordered will be fixed throughout the applicable initial or renewal Enrollment term. Microsoft's prices to Resellers are reestablished at the beginning of the renewal term.

4. **Payment terms.**

For the initial or renewal order, Microsoft will invoice Enrolled Affiliate's Reseller in three equal annual installments. The first installment will be invoiced upon Microsoft's acceptance of this Enrollment and remaining installments will be invoiced on each subsequent Enrollment anniversary date. Subsequent orders are invoiced upon acceptance of the order and Enrolled Affiliate may elect to pay annually or upfront for Online Services and upfront for all other Licenses.

5. **End of Enrollment term and termination.**

- a. **General.** At the Expiration Date, Enrolled Affiliate must immediately order and pay for Licenses for Products it has used but has not previously submitted an order, except as otherwise provided in this Enrollment.
- b. **Renewal option.** At the Expiration Date of the initial term, Enrolled Affiliate may request to renew Products and Services under this Enrollment for one additional 36-month term. Microsoft may make changes to this program that will make it necessary for Customer and its Enrolled Affiliates to enter into new agreements or Enrollments in order to renew. In order for a renewal request to be considered, Microsoft must receive a Renewal Form, Product Selection Form, and renewal request prior to or at the Expiration Date. Microsoft will review a renewal request made under this section in good faith and may accept or reject such request in its sole discretion.
- c. **If Enrolled Affiliate elects not to renew.**
 - (i) **Software Assurance.** If Enrolled Affiliate elects not to renew Software Assurance for any Product under its Enrollment, then Enrolled Affiliate will not be permitted to order Software Assurance later without first acquiring a new License with Software Assurance.
 - (ii) **Online Services eligible for an Extended Term.** For Online Services identified as eligible for an Extended Term in the Product Terms, the following options are available at the end of the Enrollment initial or renewal term.
 - 1) **Extended Term.** Licenses for Online Services will automatically expire in accordance with the terms of the Enrollment. An extended term option that allows Online Services to continue month-to-month (“Extended Term”) is available. During the Extended Term, Online Services will be invoiced monthly at the then-current published price as of the Expiration Date plus a 3% administrative fee for up to one year. If Enrolled Affiliate wants an Extended Term, Enrolled Affiliate must submit a request to Microsoft at least 30 days prior to the Expiration Date.
 - 2) **Cancellation during Extended Term.** At any time during the first twelve months of the Extended Term, Enrolled Affiliate may terminate the Extended Term by submitting a notice of cancellation to Microsoft for each Online Service. Thereafter, Microsoft may condition the continued use of each Online Service on the acceptance of new terms by the Enrolled Affiliate. Enrolled Affiliate will be notified in writing of any new terms at least 60 days before any such changes take effect. Enrolled Affiliate acknowledges and agrees that after the notice described in this section, its continued use of each Online Service after the effective date provided in the notice will constitute its acceptance of the new terms. If Enrolled Affiliate does not agree to the new terms, it must stop using the Online Services and terminate the Extended Term as provided in this section. Enrolled Affiliate’s termination under this section will be effective at the end of the month following 30 days after Microsoft has received the notice.
 - (iii) **Subscription Licenses and Online Services not eligible for an Extended Term.** If Enrolled Affiliate elects not to renew, the Licenses will be cancelled and will terminate as of the Expiration Date. Any associated media must be uninstalled and destroyed and Enrolled Affiliate’s Enterprise must discontinue use. Microsoft may request written certification to verify compliance.
- d. **Termination for cause.** Any termination for cause of this Enrollment will be subject to the “Termination for cause” section of the Agreement. In addition, it shall be a breach of this Enrollment if Enrolled Affiliate or any Affiliate in the Enterprise that uses Government Community Cloud Services fails to meet and maintain the conditions of membership in the definition of Community.
- e. **Early termination.** Any early termination of this Enrollment will be subject to the “Early Termination” Section of the Enterprise Agreement.

For Subscription Licenses, in the event of a breach by Microsoft, or if Microsoft terminates an Online Service for regulatory reasons, Microsoft will issue Reseller a credit for any amount paid in advance for the period after termination.

6. Government Community Cloud.

- a. Community requirements.** If Enrolled Affiliate purchases Government Community Cloud Services, Enrolled Affiliate certifies that it is a member of the Community and agrees to use Government Community Cloud Services solely in its capacity as a member of the Community and, for eligible Government Community Cloud Services, for the benefit of end users that are members of the Community. Use of Government Community Cloud Services by an entity that is not a member of the Community or to provide services to non-Community members is strictly prohibited and could result in termination of Enrolled Affiliate's license(s) for Government Community Cloud Services without notice. Enrolled Affiliate acknowledges that only Community members may use Government Community Cloud Services.
- b.** All terms and conditions applicable to non-Government Community Cloud Services also apply to their corresponding Government Community Cloud Services, except as otherwise noted in the Use Rights, Product Terms, and this Enrollment.
- c.** Enrolled Affiliate may not deploy or use Government Community Cloud Services and corresponding non-Government Community Cloud Services in the same domain.
- d. Use Rights for Government Community Cloud Services.** For Government Community Cloud Services, notwithstanding anything to the contrary in the Use Rights:
 - (i)** Government Community Cloud Services will be offered only within the United States.
 - (ii)** Additional European Terms, as set forth in the Use Rights, will not apply.
 - (iii)** References to geographic areas in the Use Rights with respect to the location of Customer Data at rest, as set forth in the Use Rights, refer only to the United States.

Enrollment Details

1. Enrolled Affiliate's Enterprise.

Make an election for including Affiliates in the Enterprise (Required).

Check **only one box** in this section. If no boxes are checked, Microsoft will deem the Enterprise to include the Enrolled Affiliate only. If more than one box is checked, Microsoft will deem the Enterprise to include the largest number of Affiliates:

Enrolled Affiliate only.

All Affiliates. All Affiliates of Enrolled Affiliate are hereby included in the Enterprise. Enrolled Affiliate represents that its Affiliates are entire offices, bureaus, agencies, departments, or other entities, not partial offices, bureaus, agencies, or departments, or other partial entities. Enrolled Affiliate may order Products for use by its Affiliates. If it does, the licenses granted to Enrolled Affiliate under this Enrollment will apply to such Affiliates, but Enrolled Affiliate will have the sole right to enforce the Agreement and this Enrollment against Microsoft. Enrolled Affiliate will remain responsible for all obligations under this Enrollment and for its Affiliates' compliance with this Enrollment.

Enrolled Affiliate including. Only the Enrolled Affiliate and the Affiliates listed below will be included in the Enterprise. Enrolled Affiliate represents that its Affiliates are entire offices, bureaus, agencies, departments, or other entities, not partial offices, bureaus, agencies, or departments, or other partial entities. Enrolled Affiliate may order Products for use by its Affiliates. If it does, the licenses granted to Enrolled Affiliate under this Enrollment will apply to such Affiliates, but Enrolled Affiliate will have the sole right to enforce the Agreement and this Enrollment against Microsoft. Enrolled Affiliate will remain responsible for all obligations under this Enrollment and for its Affiliates' compliance with this Enrollment.

The following Affiliates are included in the Enterprise:

Notwithstanding anything to the contrary in the Agreement, the parties acknowledge and agree to the following:

Products ordered under this Enrollment may be subject to U.S. and other countries' export jurisdictions. Each party will comply with all laws and regulations applicable to the import or export of the Products, including, without limitation, trade laws of the U.S., EU, and UK, such as the U.S. Export Administration Regulations, sanctions regulations administered by the U.S. Office of Foreign Assets Control, the EU Dual Use Regulation 2021/821, and/or other end-user, end use, and destination restrictions ("Trade Laws"). Customer will not, and will ensure its Affiliates will not, take any action that causes Microsoft to violate applicable Trade Laws. Microsoft may suspend or terminate this Enrollment immediately without notice to the extent that Microsoft reasonably believes that performance would cause it to violate Trade Laws or put it at risk of becoming subject to sanctions and penalties under such laws. Customer remains responsible for its and for its Affiliates' compliance with this section and, to the extent applicable, a Regional Trade Compliance Supplemental Terms incorporated herein by reference.

2. Contact information.

Each party will notify the other in writing if any of the information in the following contact information page(s) changes. The asterisks (*) indicate required fields. By providing contact information, Enrolled Affiliate consents to its use for purposes of administering this Enrollment by Microsoft, its Affiliates, and other parties that help administer this Enrollment. The personal information provided in connection with this Enrollment will be used and protected in accordance with the privacy statement available at <https://privacy.microsoft.com/privacystatement>.

- a. Primary contact.** This contact is the primary contact for the Enrollment from within Enrolled Affiliate's Enterprise. This contact may also be an Online Administrator for Volume Licensing

in the Microsoft 365 Admin Center (MAC) and may grant online access to others. The primary contact will be the default contact for all purposes unless separate contacts are identified for specific purposes

Name of entity (must be legal entity name)* City of Killeen

Contact name: First* Willie Middle Last* Resto

Contact email address* wresto@killeentexas.gov

Street address* 101 E Avenue D

City* Killeen

State* TX

Postal code* 76541-0000-

(Please provide the zip + 4, e.g. xxxxx-xxxx)

Country* United States

Phone* 254.501.7891

Tax ID

Work or School (WSA) Account ID

** indicates required fields*

- b. Notices contact and Online Administrator.** This contact (1) receives the contractual notices, (2) is the Online Administrator for Volume Licensing in the Microsoft 365 Admin Center (MAC) and may grant online access to others, and (3) is authorized to order Reserved Licenses for eligible Online Services, including adding or reassigning Licenses and stepping-up prior to a true-up order.

Same as primary contact (default if no information is provided below, even if the box is not checked).

Contact name: First* Willie Middle Last* Resto

Contact email address* wresto@killeentexas.gov

Street address* 101 E Avenue D

City* Killeen

State* TX

Postal code* 76541-0000-

(Please provide the zip + 4, e.g. xxxxx-xxxx)

Country* United States

Phone* 254.501.7891

Work or School (WSA) Account ID

Language preference. Choose the language for notices. English

This contact is a third party (not the Enrolled Affiliate). Warning: This contact receives personally identifiable information of the Customer and its Affiliates.

** indicates required fields*

- c. Online Services Manager.** This contact is authorized to manage the Online Services ordered under the Enrollment and (for applicable Online Services) to add or reassign Licenses and step-up prior to a true-up order.

Same as notices contact and Online Administrator (default if no information is provided below, even if box is not checked)

Contact name: First* Willie Middle Last* Resto

Contact email address* wresto@killeentexas.gov

Phone* 254.501.7891

Work or School (WSA) Account ID

This contact is from a third party organization (not the entity). Warning: This contact receives personally identifiable information of the entity.

** indicates required fields*

d. Reseller information. Reseller contact for this Enrollment is:

Reseller company name* SHI International Corp.
Street address (PO boxes will not be accepted)* 290 Davidson Ave
City* Somerset
State* NJ
Postal code* 08873-4145
Country* United States
Contact name* DeirdreKeelan
Phone* 888-764-8888
Contact email address* msteam@shi.com

** indicates required fields*

By signing below, the Reseller identified above confirms that all information provided in this Enrollment is correct.

<p>Signature* <i>DeirdreKeelan</i></p> <hr/> <p>Printed name* Deirdre Keelan Printed title* Date*</p>

** indicates required fields*

Changing a Reseller. If Microsoft or the Reseller chooses to discontinue doing business with each other, Enrolled Affiliate must choose a replacement Reseller. If Enrolled Affiliate or the Reseller intends to terminate their relationship, the initiating party must notify Microsoft and the other party using a form provided by Microsoft at least 90 days prior to the date on which the change is to take effect.

- e.** If Enrolled Affiliate requires a separate contact for any of the following, attach the Supplemental Contact Information form. *Otherwise, the notices contact and Online Administrator remains the default.*
- (i)** Additional notices contact
 - (ii)** Software Assurance manager
 - (iii)** Subscriptions manager
 - (iv)** Customer Support Manager (CSM) contact

3. Financing elections.

Is a purchase under this Enrollment being financed through MS Financing? Yes, No.

If a purchase under this Enrollment is financed through MS Financing, and Enrolled Affiliate chooses not to finance any associated taxes, it must pay these taxes directly to Microsoft.

Previous Enrollment(s)/Agreement(s) Form

Entity Name: City of Killeen

Contract that this form is attached to: State Local Government

For the purposes of this form, "entity" can mean the signing entity, Customer, Enrolled Affiliate, Government Partner, Institution, or other party entering into a volume licensing program agreement.

Please provide a description of the previous Enrollment(s), Agreement(s), Purchasing Account(s), and/or Affiliate Registration(s) being renewed or consolidated into the new contract identified above.

- a. Entity may select below any previous contract(s) from which to transfer MSDN subscribers to this new contract. Entity shall ensure that each MSDN subscriber transferred is either properly licensed under the new contract or is removed.
- b. Entity may select below only one previous contract from which to transfer the Software Assurance (SA) Benefit contact details, i.e., benefits contact (*not* the SA manager) and the program codes, to this new contract.
- c. An Open License cannot be used to transfer either the SA Benefit details or MSDN subscribers.
- d. The date of the earliest expiring Enrollment/Agreement that contains SA or Online Services will be the effective date of the new contract (or SA coverage period for Select Plus).
- e. Please insert the number of the earliest expiring Enrollment/Agreement with SA or Online Services in the appropriate fields of the new contract.

Enrollment/Agreement/ Purchasing Account/Affiliate Registration Description	Enrollment/Agreement/ Purchasing Account/Affiliate Registration Public Customer Number	Transfer SA Benefit Contact	Transfer MSDN Subscribers
Standard Enrollment	83818086	X	X

Proposal ID

3063363.004

Enrollment Number

Language: English (United States)

Enrolled Affiliate's Enterprise Products and Enterprise Online Services summary for the initial order:				
Profile	Qualified Devices	Qualified Users	Device / User Ratio	CAL Licensing Model
Enterprise	1,700	1,700	1.0	User Licenses

Products	Enterprise Quantity
Office 365 Plans	
O365 G1 GCC	400
Client Access License (CAL)	
Core CAL	
Bridge for Office 365	400
Windows Desktop	
Windows E3 per User USL	400
Microsoft 365 Enterprise	
M365 G3 GCC USL Unified	1,300

Enrolled Affiliate's Product Quantities:				
Price Group	1	2	3	4
Enterprise Products	Office Professional Plus + M365 Apps for Enterprise + Office 365 (Plans E3 and E5) + Microsoft 365 Enterprise	Client Access License + Office 365 (Plans E1, E3 and E5) + Microsoft 365 Enterprise	Client Access License + Windows Intune + EMS USL + Microsoft 365 Enterprise	Win E3 + Win E5 + Win VDA + Microsoft 365 Enterprise
Quantity	1300	1700	1300	1700

Enrolled Affiliate's Price Level:	
Product Offering / Pool	Price Level
Enterprise Products and Enterprise Online Services USLs: Unless otherwise indicated in associated contract documents, Price level set using the highest quantity from Groups 1 through 4.	D
Additional Product Application Pool: Unless otherwise indicated in associated contract documents, Price level set using quantity from Group 1.	D
Additional Product Server Pool: Unless otherwise indicated in associated contract documents, Price level set using the highest quantity from Group 2 or 3.	D
Additional Product Systems Pool: Unless otherwise indicated in associated contract documents, Price level set using quantity from Group 4.	D

Notes	
<p>Unless otherwise indicated in the associated contract documents, the price level for each Product offering / pool is set as described above, based upon the quantity to price level mapping below:</p>	
Quantity of Licenses and Software Assurance	Price Level
2,399 and below	A
2,400 to 5,999	B
6,000 to 14,999	C
15,000 and above	D
<p>Note 1: In the following countries, any direct Enrollment consisting of only Enterprise Online Services will not be eligible for the Renewal option described in Section 5.b. of the Enrollment or for a new Enrollment due to program changes: Argentina, Australia, Austria, Belgium, Canada, Chile, Cyprus, Denmark, Finland, France, Germany, Greece, Iceland, Ireland, Jamaica, Italy, Lichtenstein, Luxemburg, Malta, Netherlands, Norway, Portugal, Puerto Rico, South Africa, Spain, Sweden, Switzerland, Trinidad & Tobago, United Kingdom, United States, and Uruguay.</p>	
<p>Note 2: Enterprise Online Services may not be available in all locations. Please see the Product List for a list of locations where these may be purchased.</p>	
<p>Note 3: Unless otherwise indicated in the associated Agreement documents, the CAL selection must be the same across the Enterprise for each Profile.</p>	
<p>Note 4: Enrolled Affiliate acknowledges that in order to use a third party to reimaging the Windows Operating System Upgrade, Enrolled Affiliate must certify that it has acquired qualifying operating system licenses. The requirement applies to Windows Enterprise OS Upgrade. See Product Terms for details.</p>	
<p>Note 5: If Enrolled Affiliate does not order an Enterprise Product or Enterprise Online Service associated with an applicable Product pool, the price level for Additional Products in the same pool will be price level "A" throughout the term of the Enrollment. Refer to the Qualifying Government Entity Addendum pricing provision for more details on price leveling.</p>	
<p>Note 6: Bridge CAL, Office 365 Plan E3 Add Ons, EMS Add Ons, Windows Ent SA Per User Add Ons, and Enterprise Cloud Suite Add On quantities are not included for Price Leveling, as License quantities are determined by the corresponding Enterprise Online Service(s).</p>	

Amendment to Contract Documents

Agreement Number

AMD000460976

This amendment ("Amendment") is entered into between the parties identified on the attached program signature form. It amends the Enrollment or Agreement identified above. All terms used but not defined in this Amendment will have the same meanings provided in that Enrollment or Agreement.

Enterprise Enrollment Invoice for Quoted Price Amendment ID M97

The price quoted to Enrolled Affiliate is a fixed price based on an estimated order submission date. Microsoft will invoice Enrolled Affiliate based on this fixed price quote. If this order is submitted later than the estimated order submission date, Enrolled Affiliate will be charged for net new Monthly Subscriptions (including Online Services) for the period during which these services were not provided. For Indirect models, Pricing to Enrolled Affiliate is agreed between Enrolled Affiliate and Enrolled Affiliate's Reseller.

SKU Number	SKU Description	Existing Quantity	Incremental quantities
4ES-00001	EOA Exchange Online GCC Sub Per User	400	0
AAD-34704	M365 G3 Unified FUSL GCC Sub Per User	0	1,300
U4S-00002	O365 G1 GCC Sub Per User	400	0
7MS-00001	Planner & Project P3 GCC Sub Per User	15	0
1O5-00001	Power Automate Premium GCC Sub Per User	0	10
DDJ-00001	Power BI Pro GCC Sub Per User	25	0
NYH-00001	Teams AC with Dial Out US/CA GCC Sub Add-on	1,700	0
P3U-00001	Visio P2 GCC Sub Per User	5	5
AAA-12414	CCAL Bridge O365 Sub Per User	400	0
AAA-10787	Win E3 ALng Sub Per User	400	0
VRM-00001	Win OLS Activation User GCC Sub Per User	0	400

Except for changes made by this Amendment, the Enrollment or Agreement identified above remains unchanged and in full force and effect. If there is any conflict between any provision in this Amendment and any provision in the Enrollment or Agreement identified above, this Amendment shall control.

This Amendment must be attached to a signature form to be valid.

Microsoft Internal Use Only:

"(M97)EnrAmend(Ind)(InvoiceforQuotedPrice) (WW)(ENG)(Dec2024)(IU).docx"		M97	Blue
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Contract Verification

Texas law provides that a governmental entity may not enter into certain contracts for goods and services with a company unless the company provides written verification regarding aspects of the company’s business dealings.

- Texas Government Code, Chapter 2271 – the company must verify that it does not boycott Israel and will not boycott Israel during the term of the contract. *Boycott Israel is defined in Government Code Chapter 808.*
- Texas Government Code, Chapter 2274 – the company must verify that it does not boycott energy companies and will not boycott energy companies during the term of the contract. *Boycott energy company is defined in Government Code Chapter 809.*
- Texas Government Code, Chapter 2274 – the company must verify that it does not have a practice, policy, guidance or directive that discriminates against a firearm entity or firearm trade association and will not discriminate during the term of the contract against a firearm entity or firearm trade association. Verification is not required from a sole source provider. *Discriminate, firearm entity and firearm trade association are defined in Government Code Chapter 2274.*

Affected by the above statutes are contracts 1) with a company with ten (10) or more full-time employees, and 2) valued at \$100,000 or more to be paid wholly or partly from public funds. A contract with a sole proprietorship is not included.

By signing below, I verify that the company listed below does not boycott Israel, does not boycott energy companies and does not discriminate against firearms entities or firearm trade associations and will not do so during the term of the contract entered into with the City of Killeen. I further certify that I am authorized by the company listed below to make this verification.

DocuSigned by:

 F10405B7CF74D0...
 Signature

SHI Government Solutions _____
Company Name

Paul Linhardt

Printed Name

Sr. Lead Contracts Specialist

Title

8/13/2025

Date

CERTIFICATE OF INTERESTED PARTIES

FORM 1295

1 of 1

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

**OFFICE USE ONLY
CERTIFICATION OF FILING**

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.
SHI Government Solutions, Inc.
Austin, TX United States

Certificate Number:
2025-1349947

Date Filed:
08/14/2025

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

Date Acknowledged:

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the services, goods, or other property to be provided under the contract.
83818086
Microsoft Subscription

4	Name of Interested Party	City, State, Country (place of business)	Nature of interest (check applicable)	
			Controlling	Intermediary

5 Check only if there is NO Interested Party.

6 UNSWORN DECLARATION

My name is Taleef Jones, and my date of birth is 9/29/1998.

My address is 3828 Pecana Trail, Austin, TX, 78749, USA.
(city) (state) (zip code) (country)

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

Executed in Travis County, State of Texas, on the 14th day of August, 2025.
(month) (year)

Taleef Jones

Signature of authorized agent of contracting business entity
(Declarant)

[Home](#) ›

Contract Number

DIR-CPO-5237

Contract Start Date: **09/22/23** ⓘ

Contract Term Date: **09/22/25** ⓘ

Contract Expiration Date: **09/22/29** ⓘ

Vendor Information

SHI/GOVERNMENT SOLUTIONS, INC.

Vendor ID: **1223695478500**

HUB Type: **Non HUB** ⓘ

RFO: **DIR-CPO-TMP-570**

Contract Status: **Active**

VENDOR CONTACT:

[Texas Team](#) ↗

Phone: (800) 870-6079

Fax: (512) 732-0232

[Vendor Website](#) ↗

DIR CONTACT:

[Eliza Garcia](#) ↗

Phone: (512) 475-4631

Provide Feedback

Contract Overview

SHI Government Solutions, Inc. as a Value Added Reseller (VAR) offers Adobe and Microsoft software products and related services through this contract. Customers may purchase from the Select Plus Program or must enter into an Enterprise Agreement (EA) or have a current ELA with Microsoft. Customers can purchase directly through this DIR VAR contract. Contracts may be used by state and local government, public education, other public entities in Texas, as well as public entities outside the state. This Contract covers the entire Adobe and Microsoft Catalogue of products and Related Services plus all government and education volume licensing MSRP special Discount programs. Resellers are not available for this contract.

Contract Details & Ordering Information

Products & Services

Products & Services

This contract offers the following products and services. Please contact the Vendor for the latest information.

- Software
- Technical Services

MORE INFORMATION

[Vendor Website](#) 

Visit this Vendor's website to view the latest product, service, and pricing information.

About File Formats

Some documents on this page are in the PDF format. Please download the [Adobe Reader](#) in order to view these documents.

Texas
Department of
Information
Resources

300 W. 15th Street
Suite 1300
Austin, TX 78701
512-475-4700

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MICROSOFT ENTERPRISE LICENSE AGREEMENT (EA)

RS-25-150

September 16, 2025

Background

2

- For the past 3 years, the City of Killeen has utilized and purchased Microsoft products through an Enterprise Agreement (EA) which will expire September 30, 2025
- Microsoft Enterprise Agreements allows for, or include:
 - ▣ Volume pricing
 - ▣ Flexible license management
 - ▣ Software updates
 - ▣ Access to the most current, updated versions, of products like Windows, Office 365, One Drive, SharePoint, Teams and Outlook

Enterprise License Agreement

- The City's EA provides the foundation for its core software infrastructure, desktop security platform, collaboration tools, and productivity suite, all of which are based on Microsoft operating systems.
- Renewing the EA for a new three-year term ensures cost predictability, compliance with licensing requirements, and access to Microsoft's latest technology
- It also allows the Information Technology (IT) Department to maintain critical security patches and updates, which are essential for protecting against cybersecurity threats and meeting compliance standards

Background continued

4

- SHI Government Solutions is a certified Microsoft partner and pricing is through the Texas Department of Information Resources contract DIR-CPO-5237
- The annual cost of the 3-year Microsoft Enterprise Agreement is \$628,233

Recommendation

- Staff recommends the City Council authorize the City Manager, or designee, to execute a contract for the procurement of a 3-year Microsoft Enterprise Agreement from SHI Government Solutions using the DIR contract DIR-CPO-5237, in the amount of \$1,884,699 and that the City Manager, or designee be expressly authorized to execute any and all change orders or supplemental agreements within the amounts set by state and local law



City of Killeen

Staff Report

File Number: RS-25-151

Consider a memorandum/resolution approving a fireworks display application from Big Dog Pyro, LLC on behalf of Advent Health Medical Center.

DATE: September 16, 2025

TO: Kent Cagle, City Manager

FROM: James Kubinski, Fire Chief

SUBJECT: Fireworks Display Application

BACKGROUND AND FINDINGS:

Section 11-6 of the Killeen Code of Ordinances provides that the City Council may permit the use of fireworks for public display. The ordinance requires an applicant to provide the following information: name of person/group sponsoring the display; evidence of financial responsibility naming the City as an additional insured; date and time of the display; confirmation of a permit from the State of Texas; the approximate number and kinds of fireworks to be discharged; the manner and place of storage; and a detailed diagram of the area of this display.

On August 06, 2025 the City Manager's Office and the Fire Marshal received an application from Big Dog Pyro, LLC on behalf of Advent Health Medical Center for a public fireworks display on September 25, 2025 from 8:15 - 8:45 pm. The proposed location for firework setup is at Advent Health Medical Center, 2201 South Clear Creek Road. The public fireworks display will be held in conjunction with the Advent Health Breast Cancer Awareness Event.

Big Dog Pyro, LLC has provided the required information outlined in the ordinance except for a State of Texas permit for the display. The application for the state requires the approval of the local fire authority before issuance. The applicant indicated the number and size of fireworks to be discharged and that they will be transported on the day of event and under constant supervision of licensed pyrotechnicians. A diagram was also provided. Number & Size of Shells to be discharged: 32 1.4 gram firework cakes no greater than 2 inches in diameter.

The Killeen Fire Marshal and other staff have reviewed the application for compliance with fire codes.

THE ALTERNATIVES CONSIDERED:

- Deny the fireworks display application.
- Approve the fireworks display application with specific stipulations
- Approve the fireworks application as submitted

Which alternative is recommended? Why?

At this time staff is not recommending any action due to weather and drought conditions. Staff plans to reinspect the site and conditions on Monday, September 15, 2025, and will provide a recommendation at the Tuesday, September 16, 2025 City Council Meeting.

CONFORMITY TO CITY POLICY:

This action confirms to city ordinances and policies.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

There is no expenditure associated with the approval or denial of a public display of fireworks application.

Is this a one-time or recurring expenditure?

N/A

Is this expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this expenditure?

N/A

RECOMMENDATION:

At this time staff is not recommending any action due to weather and drought conditions. Staff plans to reinspect the site and conditions on Monday, September 15, 2025, and will provide a recommendation at the Tuesday, September 16, 2025, City Council Meeting.

DEPARTMENTAL CLEARANCES:

Fire Department
Police Department
Legal

ATTACHED SUPPORTING DOCUMENTS:

Application
Site Map
Pyrotechnic Plan
Material Safety Data Sheet
Special Effects Operator's License
Certificate of Insurance
Presentation



CITY OF KILLEEN
APPLICATION FOR FIREWORKS PUBLIC DISPLAY PERMIT

Name of Applicant: AdventHealth Central Texas

Address: 2201 S. Clear Creek Rd, Killeen, TX 76549

Telephone: 254-519-8314 Secondary #: _____

Applicant doing business as: () Individual, () Partnership, (X) Corporation

DATE OF DISPLAY: September 25, 2025, Time: 8:15 PM to 8:45 PM

Location of Display (attach site plan): 2201 S. Clear Creek Rd. Killeen, TX 76549

Pyrotechnic operator licensed in Texas who will supervise the display:

Name: Joslyn Killey, License # TX SEP # 2299244 Exp. 5/16/26

Size and Number of Fireworks to be discharged: Up to 32 cakes with shell sizes no greater than 2" in diameter. We will only be using 1.4g Firework cakes.

Manner and place of storage of fireworks prior to and during the display: Fireworks will be transported day of the event and under constant supervision of licensed pyrotechnicians.

Manufacturer of distributor licensed in Texas who is to supply the fireworks:

Name: Big Dog Pyro LLC, License #: FWD # 2852659

Texas public Display permit number: _____

In applying for a fireworks public display permit, I certify that I am familiar with and will comply with Section 11-6 of the Killeen Code of Ordinances, Article 5.43-4 of the Texas Insurance Code, Chapter 591, of Title 27 of the Texas Administrative Code and NFPA 1123. I hereby authorize the Fire Marshall to enter, examine, and inspect any premises, building, room or establishment used in connection with the permit for which I am applying to determine compliance with the above provisions.

I understand that I must complete this application and return it to the City Manager's Office at least twenty-one (21) days in advance along with a diagram of the grounds on which the outdoor fireworks display is to be held showing the point at which the fireworks are to be discharged, the location of all buildings, highways and other lines of communication, the lines behind which the audience will be restrained, and the location of other possible overhead obstructions.

Debi Hamilton
Applicant's Signature

8-6-2025
Date

Debi Hamilton
Printed Name

BIG DOG PYRO

SITE MAP

3 MINUTE FIREWORKS DISPLAY
ADVENT HEALTH CENTRAL TEXAS
2201 S CLEAR CREEK RD, KILLEEN, TX

SITE MAP KEY

Show Duration: 3 Minutes

Product: 1.4G fireworks up to 2" in shell size.

X Firing Site: Firing location, point of assembly for aerial fireworks display utilizing shell sizes up to 2 inches.

○ Fallout Zone: Safety radius of 140 feet from the Firing Site. Fallout zone to be secured and monitored by Big Dog Pyro personnel who will be the only ones permitted in this area.

- - - Safety Perimeter: or line behind which the audience and all vehicles shall be restricted.

AUDIENCE

AdventHealth Central Texas



**Use of Pyrotechnics Before A Proximate Audience
- Pyrotechnic Plan**

Location of Display: AdventHealth Medical Center-2201 S Clear Creek Rd., Killeen, TX 76549

Date: Thursday, September 25, 2025

Time: Approximately 8:15 pm to 8:45 pm

Licensed Pyrotechnic Operators

Joslyn Killey-TX.SEO#2299244 Expires 5-16-2026

Dale Singleton-TXSEO#2850248 Expires 6-7-2026

Thomas Kelley-TXSEO#3248649 Expires 10-18-2025

We will have additional Pyro/SPFX technicians on-site to meet the needs of this event.

Lead Pyrotechnician On The Job Contact Info:

Joslyn Killey

(512) 563-6070

Description of Event: A 3 minute 1.4g fireworks display and an outdoor 20 second cold spark gerb display.

Insurance

Big Dog Pyro, LLC is insured with a commercial general liability policy aggregating to \$5 million.

We have named the appropriate parties as additional insureds.

(See attached insurance certificate)

Site Map

We have provided a diagram of the grounds where the production is to be held. The diagram shows the point at which fireworks are to be fired, the fallout zone (safety radius) and the lines behind which the audience shall be restrained.

Number and Type of Devices To Be Used

Aerial Fireworks Display

- Up to 32 firework cakes with shell sizes no greater than 2" in diameter. We will be using only 1.4g firework cakes.
- The show will be electronically fired.
- The duration of this display will be approximately 3 minutes.

Number and Type of Devices To Be Used

- 20 close-proximity Gerb devices (sparkling fountains) will be fired simultaneously.
- Each Gerb device will fire up to 20 seconds.
- Each Gerb device will have a maximum firing height of 20 feet.
- Each Gerb device has no fallout, no debris, and creates “cold sparks”
- All devices will be positioned at or beyond 15ft from the audience.

Material Safety Data Sheets (MSDS) for the pyrotechnic materials to be used have been attached. (See attached MSDS)

Safety

Only as much active material will be on site as is needed to meet the needs of this event. The pyrotechnics will be secured when not in use, under the full time supervision of a licensed pyrotechnician. We certify that the location, set, scenery, rigging materials, equipment, and all materials worn by crew in the fallout area during the use of pyrotechnic effects are inherently flame-retardant or will be treated to achieve flame retardancy.

We will have multiple fire extinguishers, fire suppression equipment, and a designated fire watch on-site at all times. Our pyrotechnic plans have been designed with safety distances that meet or exceed NFPA 1123 and 1126 standards.

We will be happy to provide a walk-through and/or a representative demonstration of the pyrotechnics at your convenience.

Thank you!

Carolina Moody Bear

Big Dog Pyro LLC | Owner

office: (512) 710-7976 cell: (512) 363-6388

Carolina@bigdogpyro.com

Material Safety Data Sheet

May be used to comply with
OSHA's Hazard Communication Standard,
29 CFR 1910.1200. Standard must be
consulted for specific requirements.

U.S. Department of Labor

Occupational Safety and Health Administration
(Non-Mandatory Form)
Form Approved
OMB No. 1218-0072

IDENTITY Consumer Fireworks, 1.4G

Note: Blank spaces are not permitted. If any item is not applicable, or no information is available, the space must be marked to indicate that.

Section I

Name Spirit of '76 Fireworks	Emergency Telephone Number 1-800-535-5053 (INFOTRAC) (100581)
Address (Number Street) 6401 West Highway 40	Telephone Number for Information (573) 447-1776
Address (City, State, ZIP) Columbia, MO 65202	Date Prepared 01-23-09
Signature of Preparer (optional)	

Section II – Hazardous Ingredients/Identity Information

Hazardous Components (Specific Chemical Identity: Common Name(s))	OSHA PEL	ACGIH TLV	Other Limits Recommended	% (optional)
1.4G UN0336, PGII				.25 of gross weight

Contains pyrotechnic composition - a solid mixture of oxidizer and fuel that will burn if ignited. These items are classified as 1.4G explosive by DOT.

No chemical composition is exposed during normal handling and storage.

Section III – Physical/Chemical Characteristics

Boiling Point	n/a	Specific Gravity (H ₂ O = 1)	n/a
Vapor Pressure (mm Hg)	n/a	Melting Point	n/a
Vapor Density (AIR = 1)	n/a	Evaporation Rate (Butyl Acetate = 1)	n/a

Solubility in Water Slight

Appearance and Odor All pyrotechnic composition is contained in a cardboard casing.

Section IV – Fire and Explosion Hazard Data

Flash Point (Method Used) n/a	Flammable Limits n/a	LEL n/a	UEL n/a
-------------------------------	----------------------	---------	---------

Extinguishing Media Flood with water if a small amount of fireworks is involved.

Special Fire Fighting Procedures Do not use suffocation methods - devices contain their own oxygen. If a large amount of fireworks are involved, allow them to burn and prevent spread of fire.

Unusual Fire and Explosion Hazards Fireworks will burn rapidly in the event of fire.

Section V – Reactivity Data

Stability	Unstable	<input type="checkbox"/>	Conditions to Avoid Open flames, smoking.
	Stable	<input checked="" type="checkbox"/>	
Incompatibility (Materials to Avoid) Exposure to water may cause items to deteriorate.			
Hazardous Decomposition or Byproducts Smoke, nitrogen oxides, and sulfur oxides may be produced in a fire.			
Hazardous Polymerization	May Occur	<input type="checkbox"/>	Conditions to Avoid
	Will Not Occur	<input checked="" type="checkbox"/>	

Section VI – Health Hazard Data

Route(s) of Entry:	Inhalation? <input type="checkbox"/>	Skin? <input type="checkbox"/>	Ingestion? <input type="checkbox"/>
Health Hazards (Acute and Chronic) Exposure to finished items does not pose any health hazard.			
Carcinogenicity: No	NTP? No	IARC Monographs? No	OSHA Regulated? No
Signs and Symptoms of Exposure n/a			
Medical Conditions Generally n/a Aggravated by Exposure			
Emergency and First Aid Procedures n/a			

Section VII – Precautions for Safe Handling and Use

Steps to Be Taken in Case Material is Released or Spilled No smoking or open flames in vicinity of spilled material. Carefully pick up and place spilled items in cardboard cartons. Sweep up any exposed chemical composition with a natural fiber brush.
Waste Disposal Method In accordance with local, state, and federal regulations.
Precautions to Be Taken in Handling and Storing Avoid open flames, smoking, and high temperatures (above 120°F). Keep shipping cartons cool and dry.
Other Precautions None

Section VIII – Control Measures

Respiratory Protection (Safety Type) None required when handling finished items.		
Ventilation	Local Exhaust n/a	Special n/a
	Mechanical (General) n/a	Other n/a
Protective Gloves None required	Eye Protection n/a	
Other Protective Clothing or Equipment n/a		
Work/Hygienic Practices No smoking in vicinity of fireworks.		

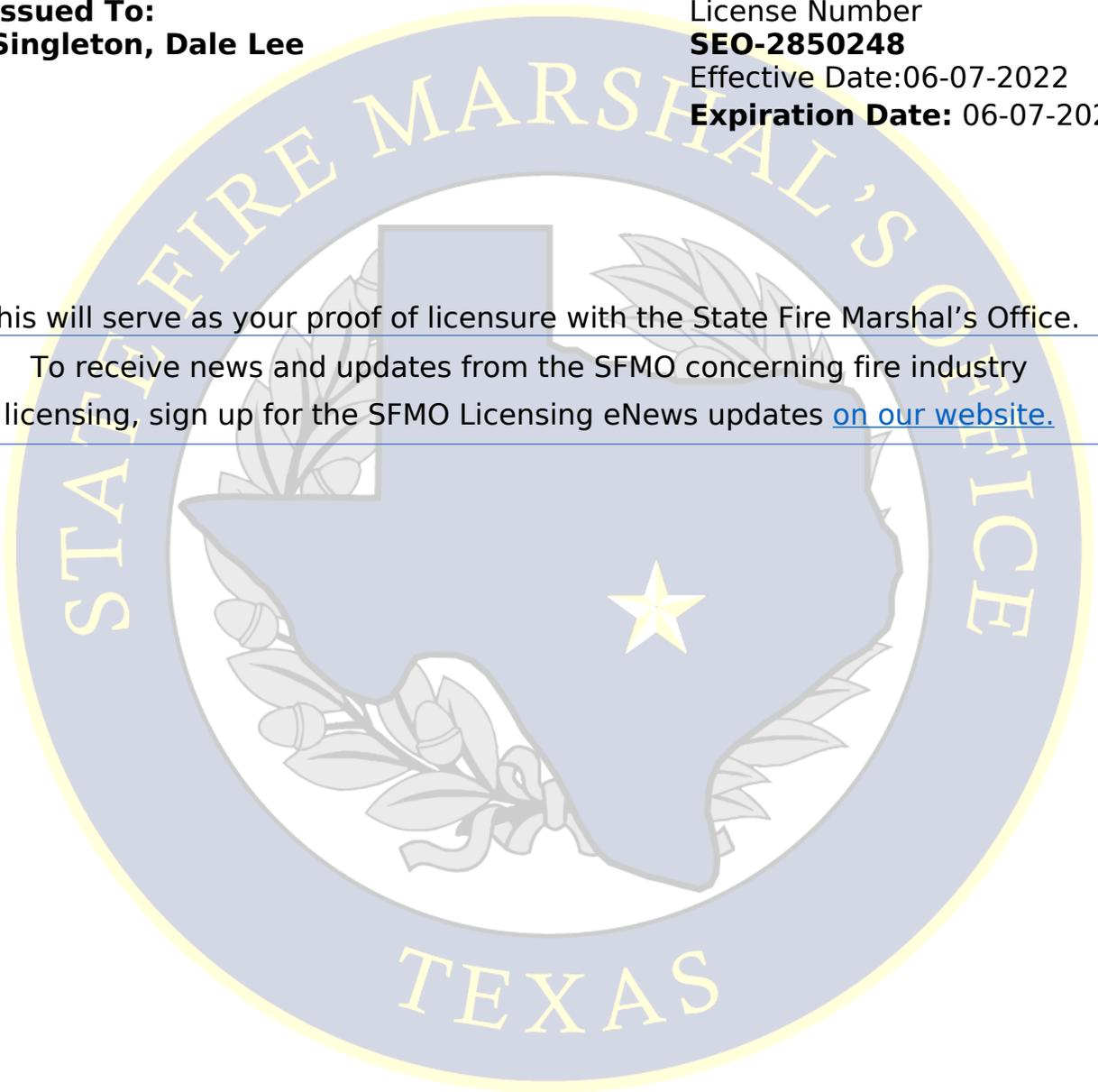
**FIREWORKS SPECIAL EFFECTS OPERATOR'S LICENSE
TEXAS DEPARTMENT OF INSURANCE
STATE FIRE MARSHAL'S OFFICE**

**Issued To:
Singleton, Dale Lee**

License Number
SEO-2850248
Effective Date:06-07-2022
Expiration Date: 06-07-2026

This will serve as your proof of licensure with the State Fire Marshal's Office.

To receive news and updates from the SFMO concerning fire industry licensing, sign up for the SFMO Licensing eNews updates [on our website.](#)



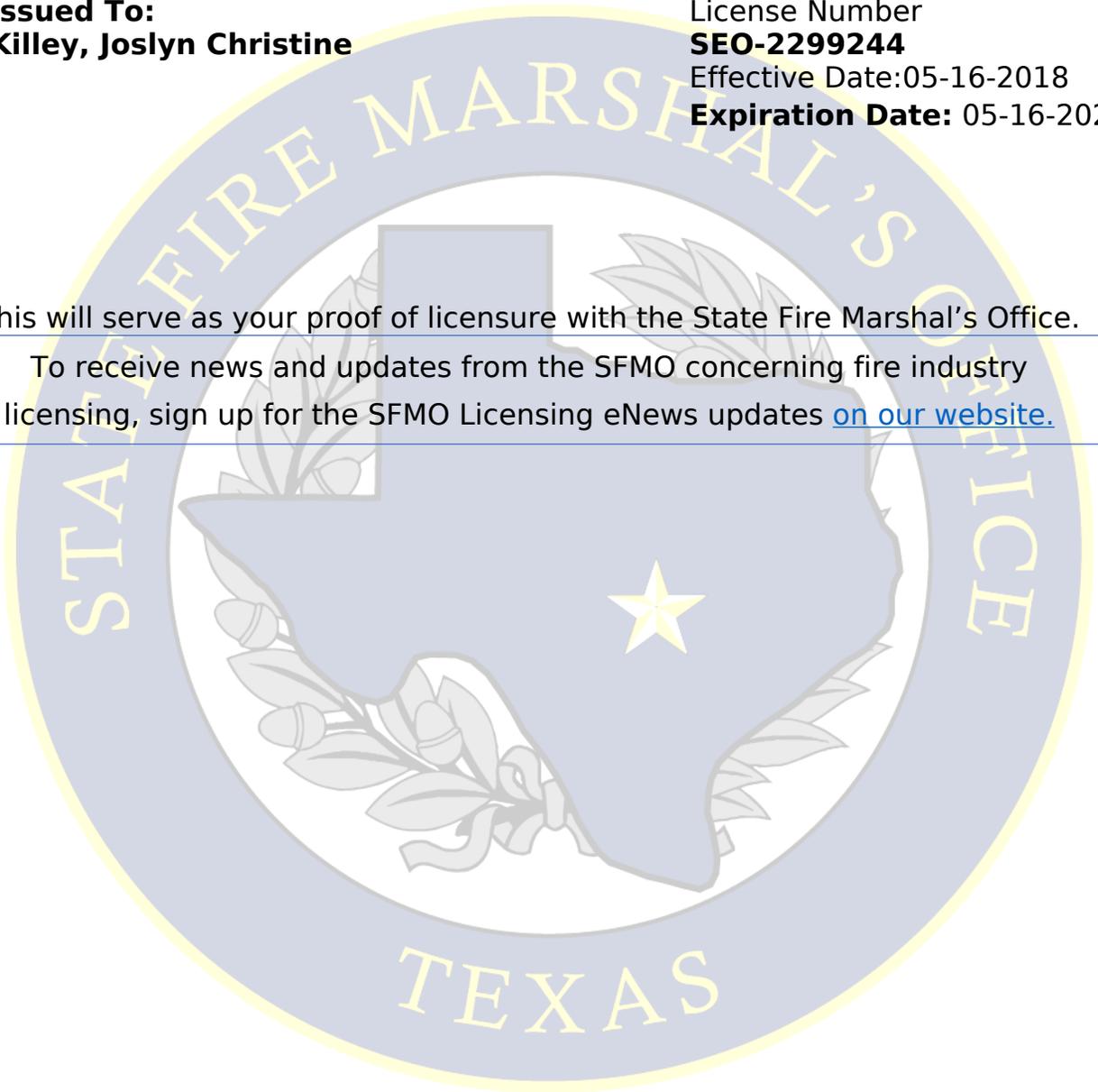
**FIREWORKS SPECIAL EFFECTS OPERATOR'S LICENSE
TEXAS DEPARTMENT OF INSURANCE
STATE FIRE MARSHAL'S OFFICE**

**Issued To:
Killey, Joslyn Christine**

License Number
SEO-2299244
Effective Date:05-16-2018
Expiration Date: 05-16-2026

This will serve as your proof of licensure with the State Fire Marshal's Office.

To receive news and updates from the SFMO concerning fire industry licensing, sign up for the SFMO Licensing eNews updates [on our website.](#)



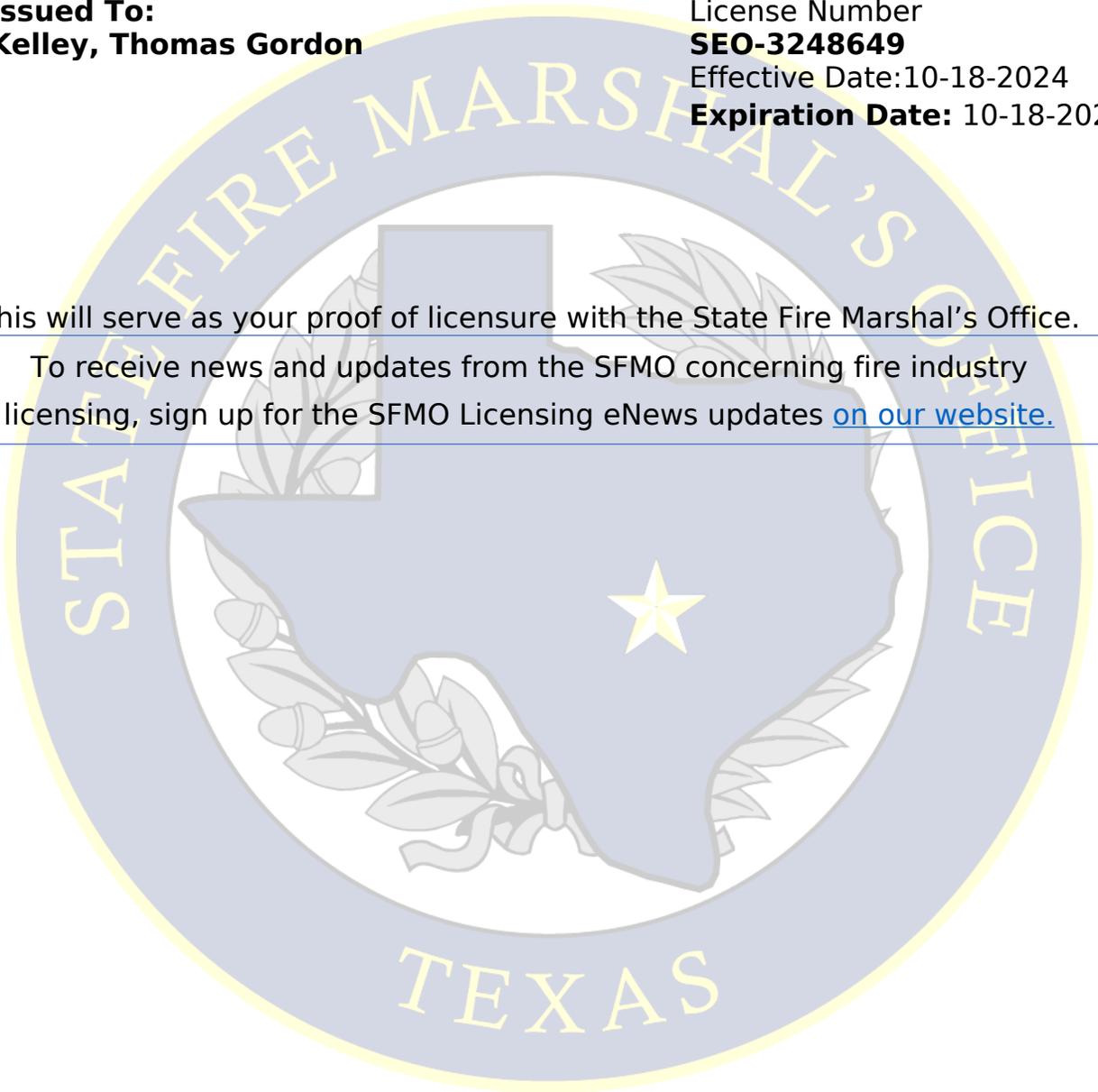
**FIREWORKS SPECIAL EFFECTS OPERATOR'S LICENSE
TEXAS DEPARTMENT OF INSURANCE
STATE FIRE MARSHAL'S OFFICE**

**Issued To:
Kelley, Thomas Gordon**

License Number
SEO-3248649
Effective Date:10-18-2024
Expiration Date: 10-18-2025

This will serve as your proof of licensure with the State Fire Marshal's Office.

To receive news and updates from the SFMO concerning fire industry licensing, sign up for the SFMO Licensing eNews updates [on our website.](#)



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED

Underwriter's at Lloyd's, London: Referred to in this endorsement as either the "Insurer" or the "Underwriters"
This endorsement modifies insurance provided under the following:

SECTION III. PERSONS INSURED

In consideration of the premium charged for the Policy, it is hereby understood and agreed that the following entity(ies) is an additional insured pursuant to Section III. e), but only as respects the specific Display or Special Effects listed on the attached Certificate of Insurance:

Name of Person or Organization (Additional Insured):

Advent Health Medical Center, The City of Killeen Texas, Bell County

2201 S. Clear Creek Rd., Killeen, TX 76549

09/25/2025 to 09/26/2025 (RD: 09/25/2025 to 09/26/2025)

Any coverage afforded to any above person or entity as an Additional Insured shall apply only with respect to **Bodily Injury** or **Property Damage** directly resulting from (1) the **Named Insured's** ongoing operations performed for such specific person and entity; or (2) acts or omissions of the Additional Insured in connection with their general supervisions of the **Named Insured's** ongoing operations. Coverage for such person or entity as an Additional Insured does not apply to:

- (i) **Personal Injury and Advertising Injury Liability;**
- (ii) Fire Legal Liability;
- (iii) Employee Benefits Liability;
- (iv) **Bodily Injury or Property Damage** which the person or entity is obligated to pay as damages by reason of the assumption of liability under a contract or agreement but this shall not apply to liability for damages the person or entity would have in the absence of the contract or agreement;
- (v) **Property Damage** to: (1) property owned, used or occupied by or rented to such person or entity; (2) property in the care custody, or control of such person or entity or over which such person or entity is for any purpose exercising physical control; or (3) any work, including materials, parts or equipment furnished in connection with such work, which is performed for the person or entity by or on behalf of the **Named Insured**.
- (vi) **Products-Completed Operations Hazards;**
- (vii) Any obligation assumed by the Additional Insured in any contract related to the Display or Special Effects listed in the attached Certificate of Insurance.
- (viii) Such other **Claims, Accidents**, offenses, damages and/or liabilities which may be excluded pursuant to Section V. Exclusions of the Policy.

All other terms, exclusions and conditions of this Policy remain unchanged.



**ADVENT HEALTH
FIREWORKS DISPLAY**

RS-25-151

September 16, 2025

Background Information

- Section 11-6 of the Killeen Code of Ordinances provides that the City Council may permit use of fireworks for public display
- Application Requirements
 - Submit application to the City Secretary Office at least 21 Days prior to the date of the event
 - name of group sponsoring the display, evidence of financial responsibility naming the City as an additional insured, date and time of the display, confirmation of a permit from the State of Texas
 - approximate number and kinds of fireworks to be discharged, manner and place of storage, detailed diagram of the area of the display

Background Information

3

- Big Dog Pyro, LLC submitted an application for a fireworks display on behalf of Advent Health Medical Center on August 06, 2025
 - Breast Cancer Awareness Month Kickoff Event
 - September 25, 2025, 8:15 – 8:45 pm
 - Advent Health Medical Center
 - Licensing, insurance, site plan, storage, and type of fireworks provided

Background Information

4

- The Fire Marshal has reviewed the application
 - ▣ Submitted documentation is approved
 - ▣ Fire Department approval is contingent on weather conditions
 - The Fire Chief will reserve the right to cancel the display if the weather and ground conditions are not favorable prior to, and/or on the actual date of the event.
 - The Fire Department will inspect site and conditions on Monday, September 15, 2025, and again on the day of the event which is September 25, 2025.

Recommendation

At the time of posting of the agenda, staff is not recommending any action in order to assess weather and/or drought conditions closer to the City Council Meeting date.

Staff will inspect the site and conditions on Monday, September 15, 2025, and will provide a recommendation at the Tuesday, September 16, 2025, City Council Meeting.



City of Killeen

Staff Report

File Number: RS-25-152

Consider a City Council Resolution of Support for an endorsement from the Texas Municipal League (TML) for Mayor Pro Tem Riakos Adams to fill a leadership role in the National League of Cities (NLC).

DATE: September 16, 2025

TO: Kent Cagle, City Manager

FROM: Laurie Wilson, Assistant City Manager

SUBJECT: City Council Resolution of Support from Texas Municipal League

BACKGROUND AND FINDINGS:

The Texas Municipal League (TML) requires a City Council Resolution of Support to endorse an elected official for leadership roles in the National League of Cities.

The National League of Cities (NLC) is an organization comprised of city, town and village leaders that are focused on improving the quality of life for their current and future constituents. Their mission is to advocate for and protect the interests of cities, towns, and villages with federal policy, and strengthening local leadership and innovative solutions.

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

A City Council Resolution of Support is required by TML to provide an endorsement.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

N/A

Is this a one-time or recurring revenue/expenditure?

N/A

Is this revenue/expenditure budgeted?

N/A

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

N/A

RECOMMENDATION:

City Council authorize a resolution of support for an endorsement from the Texas Municipal League for Mayor Pro Tem Riakos Adams to fill a leadership role in the National League of Cities.

DEPARTMENTAL CLEARANCES:

Legal

ATTACHED SUPPORTING DOCUMENTS:

N/A



City of Killeen

Staff Report

File Number: RS-25-153

Consider a memorandum/resolution awarding RFP 25-42 to Blue Cross and Blue Shield of Texas (BCBSTX), for an excess risk policy (stop loss insurance) for medical and pharmacy claims under the City health insurance plan, effective October 1, 2025, in the amount of \$1,356,969.00.

DATE: September 16, 2025

TO: Kent Cagle, City Manager

FROM: Kate McDaniel, Executive Director of Human Resources

SUBJECT: Award RFP 25-42 for an excess risk policy (stop loss insurance) for medical and pharmacy claims under the City health insurance plan with Blue Cross and Blue Shield of Texas

BACKGROUND AND FINDINGS:

On June 3, 2025, Council approved Blue Cross Blue Shield of Texas (BCBSTX) as the City's Group Employee Medical and Pharmaceutical benefit provider, effective October 1, 2025. The City must purchase stop-loss insurance in the event of high claims to support the self-insured health care and pharmaceutical plan in FY26.

Stop-loss insurance protects the City against catastrophic or unpredictable losses. The City of Killeen will protect its plan with both specific and aggregate stop-loss coverage. Specific Stop-loss protects the City against a high claim on any one individual. Aggregate stop-loss provides a ceiling on the dollar amount of expenses that the City would pay, in total, during a contract period.

In partnership with the City's Employee Benefits Consultant, Lockton Dunning, on July 28, 2025, the City initiated a Request for Proposal (RFP) for firms experienced in stop-loss insurance coverage for the City of Killeen employees and retirees. Staff received and reviewed a proposal from BCBSTX, (\$1,356,969), the sole bidder. The review and evaluation of the proposal were based on product offerings, the reputation of the vendor, and cost savings for the City and the employees.

After a thorough analysis of the stop-loss insurance proposal and option, staff recommends entering into an agreement with BCBSTX for FY26 for a term of one year in the amount of \$1,356,969.

Stop-loss insurance with BCBSTX provides cost-effective insurance for the City.

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

Staff recommends the City award RFP 25-42 to BCBSTX for stop-loss insurance for medical and

pharmacy claims under the City health insurance plan because it provides the most cost-effective stop-loss insurance for the City.

CONFORMITY TO CITY POLICY:

Yes.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

The cost for FY26 is \$1,356,969.

Is this a one-time or recurring revenue/expenditure?

Recurring.

Is this revenue/expenditure budgeted?

Yes

If not, where will the money come from?

N/A.

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

Yes. The FY 2026 Health Insurance Fund budget includes \$1,342,087 for Stop Loss Insurance (account 615-55430-170-171-000000). The estimate used during the budget process was slightly lower than the actual premium, resulting in a \$14,822 shortfall. The fund is capable of covering this minimal difference, with the claims account expected to be the likely funding source in the next fiscal year. Should an appropriation of fund balance be necessary, it will be addressed in the FY 2026 Year-End Budget Amendment; however, this is not anticipated.

RECOMMENDATION:

Staff recommends the City Council award RFP 25-42 to BCBSTX for an excess risk policy (stop loss insurance) for medical and pharmacy claims under the City health insurance plan effective October 1, 2025, in the amount of \$1,356,969 and authorize the City Manager or his designee to execute the contract and any necessary change orders in accordance with state and local law.

DEPARTMENTAL CLEARANCES:

Purchasing
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Evaluation Tabulation
Presentation



EVALUATION TABULATION

RFP No. 25-42

Stop Loss for High Insurance Claims

RESPONSE DEADLINE: August 26, 2025 at 2:00 pm

Report Generated: Thursday, September 4, 2025

CONSENSUS SCORECARD SUMMARY

Vendor	Evaluation Criteria and Weighting Pass / Fail 1 Points (1%)	Compliance with RFP Format 0-100 Points 5 Points (4.9%)	Fixed Cost / Price 0-100 Points 40 Points (39.2%)	Contract Maturity (Differentiating Mature Paid Contract vs. 24/12 contract) 0-100 Points 20 Points (19.6%)	Services (Reimbursement Process Friendliness and Turnaround Time) 0-100 Points 20 Points (19.6%)	Renewal Protection (Rate Cap / No New Lasers) 0-100 Points 15 Points (14.7%)	Final Evaluation and Selection Pass / Fail 1 Points (1%)	Total Score (Max Score 102)
Blue Cross and Blue Shield of Texas	Pass	96	86	100	100	96	Pass	95.6

PHASE 1

EVALUATION CRITERIA

Criteria	Scoring Method	Weight (Points)
Evaluation Criteria and Weighting	Pass / Fail	1 (1% of Total)

Description:

1. Compliance with RFP format (5%)
2. Fixed Cost / Price (40%)

EVALUATION TABULATION

RFP No. 25-42

Stop Loss for High Insurance Claims

- 3. **Contract Maturity (Mature Paid Contract vs 24/12 contract) (20%)**
- 4. **Services (Reimbursement process friendliness and turnaround time) (20%)**
- 5. **Renewal Protection (Rate Cap / No New Lasers) (15%)**

Criteria	Scoring Method	Weight (Points)
Compliance with RFP Format	0-100 Points	5 (4.9% of Total)

Description:

This criterion evaluates how thoroughly and accurately the proposal adheres to the required RFP structure. It includes ensuring all mandatory sections are present, properly labeled, and formatted according to the provided guidelines. Even small deviations—missing headers, misnumbered sections, or formatting errors—can affect clarity and usability. Proposals should present content in a consistent, logical order, facilitating straightforward evaluation and comparison.

Criteria	Scoring Method	Weight (Points)
Fixed Cost / Price	0-100 Points	40 (39.2% of Total)

Description:

This is the most heavily weighted factor. Reviewers will assess the clarity, transparency, and completeness of the cost proposal. Proposals should detail all costs associated with the stop loss insurance coverage (e.g., premiums, administrative fees, cost-sharing requirements, etc.). A cost-effective but realistic price is key. Pricing that is excessively low and risks under-provision, as well as unattainably high estimates, may both be penalized. Include detailed breakdowns, assumptions, and payment schedules where appropriate.

Criteria	Scoring Method	Weight (Points)
Contract Maturity (Differentiating Mature Paid Contract vs. 24/12 contract)	0-100 Points	20 (19.6% of Total)

EVALUATION TABULATION

Request For Proposal - Stop Loss for High Insurance Claims

EVALUATION TABULATION

RFP No. 25-42

Stop Loss for High Insurance Claims

Description:

This section examines the stability and predictability of contract terms:

- **Mature Paid Contract:** Refers to established contracts with historical stability and reliable performance—indicating less volatility and better long-term forecasting.
- **24/12 Contract:** Often denotes a shorter-term or more variable arrangement (e.g., 24-month maximum liability with 12-month lookbacks or similar dynamic terms), which may introduce uncertainty in costs or availability.

Evaluators will compare the advantages and risk associated with each structure, placing higher value on contracts offering long-term stability and predictability.

Criteria	Scoring Method	Weight (Points)
Services (Reimbursement Process Friendliness and Turnaround Time)	0-100 Points	20 (19.6% of Total)

Description:

This section assesses the provider’s administrative services, with a focus on the efficiency and ease of the reimbursement process. Key considerations include:

- User-friendliness of claim submission (online portals, documentation requirements, etc.)
- Clarity of communication and responsiveness from customer service
- Typical turnaround time from claim submission to payment
- Transparency in showing where a claim stands in the process

Proposals that demonstrate a smooth, responsive, and efficient process—minimizing admin burden on users—will score highly.

Criteria	Scoring Method	Weight (Points)
Renewal Protection (Rate Cap / No New Lasers)	0-100 Points	15 (14.7% of Total)

Description:

EVALUATION TABULATION

Request For Proposal - Stop Loss for High Insurance Claims

EVALUATION TABULATION

RFP No. 25-42

Stop Loss for High Insurance Claims

This criterion evaluates protections offered at renewal:

- **Rate Cap:** Limits on how much the insurer may increase rates year-over-year—important for budgeting and financial predictability.
- **No New Lasers:** Guarantees that the insurer will not impose new “lasers” (special limitations or exclusions) on specific claimants or groups upon renewal.

Proposals should clearly define any limitations on premium increases and confirm protection against the sudden imposition of restrictive terms. Better protection earns a higher score.

Criteria	Scoring Method	Weight (Points)
Final Evaluation and Selection	Pass / Fail	1 (1% of Total)

Description:

Final Evaluation and Selection

- **Rank the Proposals:** Rank the proposers based on their total scores.
- **Review the Highest Scoring Proposals:** Assess the highest-scoring proposals to ensure they align with the City’s goals, budget, and requirements.
- **Interviews or Presentations:** If necessary, invite top proposers to **present** their proposal in more detail or to clarify any questions.

AGGREGATE SCORES SUMMARY

EVALUATION TABULATION

RFP No. 25-42

Stop Loss for High Insurance Claims

Vendor	Evaluator 1	Evaluator 2	Evaluator 3	Evaluator 4	Evaluator 5	Total Score (Max Score 102)	Total Average Rank
Blue Cross and Blue Shield of Texas	95.8 (1)	95.8 (1)	95.8 (1)	95 (1)	95.8 (1)	95.6	1

VENDOR SCORES BY EVALUATION CRITERIA

Vendor	Evaluation Criteria and Weighting Pass / Fail 1 Points (1%)	Compliance with RFP Format 0-100 Points 5 Points (4.9%)	Fixed Cost / Price 0-100 Points 40 Points (39.2%)	Contract Maturity (Differentiating Mature Paid Contract vs. 24/12 contract) 0-100 Points 20 Points (19.6%)	Services (Reimbursement Process Friendliness and Turnaround Time) 0-100 Points 20 Points (19.6%)	Renewal Protection (Rate Cap / No New Lasers) 0-100 Points 15 Points (14.7%)	Final Evaluation and Selection Pass / Fail 1 Points (1%)	Total Score (Max Score 102)
Blue Cross and Blue Shield of Texas	100%	96	86	100	100	96	100%	95.6



STOP-LOSS INSURANCE

RS-25-153

September 16, 2025

Background

2

- The City healthcare benefits is a self-insured benefits platform
- The City must bid for stop-loss insurance to protect the City from high medical claims
- On July 9, 2025, the City utilized the Request for Bids to select a stop-loss insurance provider

Background

- Stop-Loss insurance protects the City against catastrophic/unpredictable losses. The City of Killeen will protect its plan with both specific and aggregate stop-loss coverage.
 - Specific Stop-Loss protects the City against high claims on any one individual in which the claims exceed \$200,000
 - Aggregate Stop-Loss provides a ceiling on the amount of expenses that the City would pay, in total during a contract period. Our ceiling is 125% of expected claim liability.

Bid Results

4

- ❑ The City received bids from only one vender, Blue Cross Blue Shield Texas (BCBSTX)
- ❑ Cost for BCBSTX is \$1,356,969

Recommendation

5

- Staff recommends City award RFP 25-42 to Blue Cross Blue Shield TX as the provider for stop-loss insurance services, effective October 1, 2025, in an amount of \$1,356,969.



City of Killeen

Staff Report

File Number: RS-25-154

Consider a memorandum/resolution approving the appointment of an Assistant City Manager.

DATE: September 16, 2025
TO: Kent Cagle, City Manager
FROM: Kate McDaniel, Executive Director of Human Resources
SUBJECT: Appointment of an Assistant City Manager

BACKGROUND AND FINDINGS:

On September 2, 2025, the FY26 Budget was approved including the addition of a second authorization for Assistant City Manager, effective October 1, 2025.

Mr. Cagle has selected Mr. Jeffrey Reynolds as the City of Killeen's new Assistant City Manager, effective October 1, 2025.

Mr. Reynolds is the City's current Executive Director of Public Works and has spent the entirety of his 10+ years of municipal service with the City of Killeen. During his time with the City, Mr. Reynolds has worked diligently to build trusting relationships with citizens and community partners. Additionally, Mr. Reynolds' foundation in military leadership has been invaluable in strengthening the City's partnership with Fort Hood on community initiatives.

Mr. Reynolds received his Bachelor of Business Administration and Marketing degree from Columbia Southern University and holds various certifications with FEMA and the Department of Defense.

Mr. Reynolds' appointment is contingent upon confirmation by City Council.

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

This action conforms to city policy. Assistant City Manager appointments are subject to approval by the City Council pursuant to Section 29 of the City Charter.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

The annual base salary of the position is \$192,400.21 and will include a \$3,000 annual car allowance and associated benefits.

Is this a one-time or recurring revenue/expenditure?

Recurring.

Is this revenue/expenditure budgeted?

Yes, funds are available in the FY 2026 Budget in the City Manager Department's salary and benefits accounts in the General Fund.

If not, where will the money come from?

N/A.

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

Yes.

RECOMMENDATION:

N/A

DEPARTMENTAL CLEARANCES:

Budget
Finance
Legal
City Manager's Office

ATTACHED SUPPORTING DOCUMENTS:

Resume
Presentation

J E F F E R Y L . R E Y N O L D S

EXPERIENCED LOCAL GOVERNMENT PROFESSIONAL

CAREER DIRECTION

I am seeking a highly challenging, continuing and long-term assignment in a responsible decision-making capacity within an environment that will assist you in meeting current and long-term objectives.

Adaptability: I am unrestricted regarding the type of company or industry I am capable of working with. I have the ability to rapidly transition into and effectively master new responsibilities. I am especially skilled in management, telecommunications, military operations and logistics.

SUMMARY OF QUALIFICATIONS

- Over 30 years of experience with sales, communications systems, electronics and management; including over 10 years in the municipality sector.
- Demonstrated ability to manage teams of employees as well as work individually to complete projects.
- Able to conduct telephone and face to face interviews based on leads developed to determine qualifications
- Proven ability to plan, execute, and produce results in a fast-paced environment.
- Motivated self-starter with accelerated learning curve and an exceptional aptitude for detail.
- Exceptional leadership in planning, organizational, and time management skills.
- Strong interpersonal team building skills and a leadership style that obtains results through a strong set of values with proven ability to work within various echelons of an organization.
- Able to read and understand basic schematics and flow charts.
- Class B MSW Operator License.
- Proficient in Microsoft Office.

PROFESSIONAL EXPERIENCE

April 2021- Current Executive Director of Public Works, City of Killeen, (Killeen Texas)

- Performs a complex supervisory, administrative, and professional work in planning, organizing, directing, and supervising the Public Works Department, including environmental, water, sewer, street, traffic control, solid waste, and other public works projects and programs.
- Exercises supervision of the employees in the Public Works Department.
- Plans, organizes, coordinates, supervises, and evaluates programs, plans, services, staffing, equipment, and infrastructure of the Public Works department.
- Reviews and updates City master plan for streets, drainage, water and sewer.
- Determines work procedures, prepares work schedules, and expedites workflow.
- Studies and standardizes department policies and procedures to improve efficiency and effectiveness of operations.
- Coordinates all Public Works activities during emergency operations.

- Responds to public or other inquiries relative to department policies and procedures.
- Adheres to assigned work schedule as outlined in the Department and City attendance policies and procedures; ensures all behaviors comply with the City's Personnel Rules and Regulations; possesses and maintains a valid driver's license, if required, and complies with City of Killeen driving policy accordingly.

March 2017- April 2021 Assistant Director of Public Works, City of Killeen, (Killeen, Texas)

- Provide daily support of operations to divisions within Public Works: Engineering, Environmental Services, Water and Sewer, Street Services and Solid Waste.
- Studies and standardizes departmental policies and procedures to improve efficiency and effectiveness of operations.
- Evaluates and assists in the needs of Public Works to formulate short- and long-range plans to meet the needs of all areas of responsibility, including transportation, streets, water, sewer, drainage and solid waste.
- Attends City Council workshops and meetings to provide staff input to the City Manager, Committee members and City Council.
- Reviews private project development plans with various City departments for compliance with codes, regulations, and standards with approved plans in infrastructure.
- Assist in the review and updates of the City's master plan for streets, drainage, water and sewer and solid waste services to include infrastructure inventory.
- Acts as interim Director of Public Works in the absence of the Executive Director of Public Works.

March 2014- March 2017 Mowing and Drainage Manager, Environmental Services, City of Killeen, (Killeen, Texas)

- Responsible for the coordination of staff and schedules for the mowing and maintenance of public right-of-ways, city properties and drainage utility infrastructure.
- Developed and implemented the Accident Prevention Plan (APP) for the Environmental Services Division in compliance with Texas Labor Code and the City of Killeen's Safety Program.
- Prepared and maintained annual budget for the division through analysis of operational effectiveness, productivity and forecasting of equipment, logistical and manpower needs.
- Worked in conjunction with engineers, city, county, state and federal agencies regarding drainage utility infrastructure on new construction developments.
- Complied with the State of Texas and Federal erosion, construction and municipal separate storm sewer system rules and regulations.

April 2013- March 2014 Supervisor, Environmental Services, United States Environmental Services (Houston, Texas)

- Developed and implemented environmental strategies and action plans to ensure sustainable development.
- Negotiated environmental service agreements and managing associated costs and revenue.
- Responsible for coordinating and leading the Environmental Services team, in conjunction with the manager, in the daily activities of the division.
- Developed site plans for remediation activities, prepares reports, evaluates remedial technologies/alternatives, and prepare remedial action plans

Nov 2010- Jul 2012 Field Engineer Senior for the Persistent Threat Detection System (PTDS), Lockheed Martin, (Afghanistan)

- Served as Night Shift Lead and Acting Site Manager for Forward Operations Base, Aryan Afghanistan, consisting of 14 PTDS operators.
- Oversaw the status of projects and budgets; managed schedules and prepared status reports.
- Monitored the assessment of project issues and developed resolutions to meet productivity, quality, and client-satisfaction goals and objectives.
- Attended two-week course at Lockheed Martin on the Persistent Threat Detection System Aerostat.
- Served as primary instructor teaching students about the payload systems on the PTDS system in Yuma, Arizona.
- Responsible for all repairs on the aerostat which include fiber optics repair, fiber splicing, high voltage wire repair, measuring fiber using a light source, repair of electronics and computers, hydraulic repairs on the platform, and electrical repairs.
- Interfaced with Military and Customers during PTDS operations.
- Successfully executed over 200 aerostat launches and recoveries.

July 2008- Sept. 2010 Telecommunications Chief (MOS 25W50) U.S. Army, 1st Cavalry Division G6, Ft. Hood, TX

- Planned, supervised, and managed the installation, operation, and maintenance of telecommunications systems and networks, including radio, telephone, switching, cable, and automation equipment for the 1st Cavalry Division while deployed in support to OIF FY-09.
- Managed the communications architecture for four maneuver Brigades, the Division Main and TAC CPs (over 20,000 users) during Operation Iraqi Freedom (OIF) FY-09.
- Supervised the network management, monitoring and policy development of a Modular Division fielded with Joint Network Transport Capability (JNTC).
- Maintained complete accountability of all communications equipment worth in excess of \$10,000,000 dollars.
- Identified system requirements, assigned duty positions and coordinated activities of all tactical communications systems for 4 subordinate Brigade Combat Teams, 1 Combat Aviation Brigade and 1 Combat Sustainment Brigade consisting, in excess of over 20,000 personnel.
- Supervised the installation, operation and maintenance of the Harris 7800 radio, Redline AN-50, High Band Net Radios, Redcom, and FBCB2 tactical network.
- Oversaw the Global Broadcasting System (GBS) VSAT Terminal, providing live Unman Aerial Vehicle (UAV) feeds to Contractors and throughout the Multi-National Division, Baghdad (MND-B) area of operation.
- Provided technical advice and assistance to the Division Staff and Commanders.

Mar 2005-June 2008 First Sergeant (MOS 25W50), U.S. Army, 1st Armor Division, Ft. Bliss, TX

- Primary advisor to the Commander in matters pertaining to human resources and personnel matters, labor management relations, promotions and filling vacant positions.
- Supervised 118 personnel, coordinated training, provided counseling, direction, and evaluated performance on a daily basis.
- Planned and established current and long-term goals and ensured the development and execution of procedures to accomplish these objectives.
- Maintained 100% accountability of \$ 30,000,000 worth of equipment and supplies to include 27 government vehicles.
- Determined the overall operational needs of the Army's first ever Network Support Company that supported Future Combat Systems.

- Directly responsible for equipment assignment, inventory accountability, and logistics for a Company size element.
- Managed and monitored expenditures and government credit card purchases of a \$100,000 account used to support Company operations and maintenance.
- Responsible for coordinating subordinate employee recruitment, selection, training, performance assessment, work assignments and recognition/disciplinary actions.

**July 2002-Feb 2005 Operations Non-Commissioned Officer in Charge, U.S. Army,
3rd Brigade Great Lakes Recruiting Battalion, Lansing, MI**

- Overall responsible for the training of 281 Soldiers in preventative and corrective maintenance, quality control procedures, equipment readiness, supply support, current eligibility and policies.
- Provided staff assistance to the operations officer on the operational matters encompassing production, statistics, reports and administrative matters critical to operations.
- Assisted in supervision of clerical and administrative matters; training functions and the employment of the command in garrison environment; logistics functions; inspections and investigations; and personnel management.
- Interviewed, counseled and provided direction to command personnel on pertinent professional and personal matters that may affect the efficiency of the command.
- Made recommendations to the operations officer and commander regarding all functional operations matters.

**June 1997-June 2002 Army Recruiter, U.S. Army, 3rd Brigade Great Lakes Recruiting Battalion,
Flint, MI**

- Managed an Army Recruiting Office located in Flint, Michigan, covering a 78 square mile radius.
- Directly responsible for the accountability and operations of all wheeled motor transport items as well as the training, supervision and performance evaluation of 10 personnel.
- Responsible for successfully recruiting, mentoring and developing approximately 570 qualified men and women for the United States Army.
- Tasked with meeting daily, weekly and monthly prospecting requirements of 80 appointments conducted per month.
- Interviewed all future Soldiers to determine basic qualifications, resulting in a 97% enlistment rate
- Provided over 200 hours of volunteer services, while maintaining close relations with High School, College and community officials; resulting in numerous referrals becoming Soldiers.
- Implemented and conducted a variety of Army recruiter and awareness programs.

**June 1989-May 1997 Network Switching Systems Operator/Maintainer (MOS 31F20) U.S. Army,
Fort Lewis WA, Korea, and Fort Hood, TX**

- Supervised, installed, operated and performed maintenance on systems control center, node center switch, extension node switches, associated multiplexing equipment, net radio interface equipment, communications security devices, and remote transmission radios.
- Performed troubleshooting using digital multi-meters, computer terminals with diagnostic readouts and board level LEDs and configuration switches.

EDUCATION

- Bachelor of Science Degree in Business Management and Marketing, Columbia Southern University, Orange Beach, AL (2010)
- High School Diploma, Headland High School, Headland, AL (1989)

TRAINING

- Confined Space
- Emergency Rescue
- Commercial Drivers License, San Antonio, TX (2013)
- Certificate - Persistent Threat Detection System, Yuma, AZ (2010)
- First Sergeant's Leadership Course (2005)
- Guidance Counselor Leadership Course (2001)
- Advanced Non-Commissioned Officers Leadership Course, U.S. Army (2000)
- Station Commander Leadership Course (2000)
- Army Recruiter Course (1997)
- Basic Non-Commissioned Officers Leadership Course, U.S. Army (1995)
- Primary Leadership Development Course, U.S. Army (1991)



APPOINTMENT OF AN ASSISTANT CITY MANAGER

RS-25-154

September 16, 2025

Background

2

- On September 2, 2025, City Council approved the annual budget for FY26 which included a second Assistant City Manager authorization.
- The City Manager selected Mr. Jeffrey Reynolds as the City of Killeen's new Assistant City Manager.

Candidate Information

- Mr. Reynolds is the City's current Executive Director of Public Works.
- Mr. Reynolds has spent the entirety of his 10+ years of municipal service with the City of Killeen.
- Mr. Reynolds received his Bachelor's of Business Administration and Marketing degree from Columbia Southern University and holds various certifications with FEMA and the Department of Defense.

Staff Recommendation

4

Staff recommends that the City Council approve the City Manager's appointment of Mr. Jeffrey Reynolds as the City of Killeen's new Assistant City Manager.



City of Killeen

Staff Report

File Number: OR-25-012

Consider an ordinance to amend the number of authorized civil service positions for the Killeen Police Department.

DATE: September 16, 2025

TO: Kent Cagle, City Manager

FROM: Kate McDaniel, Executive Director of Human Resources

SUBJECT: Ordinance to Amend the Number of Authorized Civil Service Positions for the Killeen Police Department

BACKGROUND AND FINDINGS:

The Texas Local Government Code (TLGC), Chapter 143, represents an effort to present, in a coherent and practical format, the laws and civil service procedures for Texas police and fire departments. The civil service system was established in the City of Killeen in an election duly called and lawfully conducted on August 13, 1977. The rules and regulations of TLGC Chapter 143 apply to all classified police and fire officers.

One of the provisions of TLGC, Chapter 143, is that the municipality’s governing body establishes the civil service classifications by ordinance. This ordinance, as adopted by the governing body, further prescribes the number of positions in each classification [TLGC 143.021(a)].

During the FY26 budget presentation, the plan to amend the number Police Department authorizations was discussed. The attached ordinance increases Police Officer authorizations by four (4) and increases Police Sergeant authorizations by one (1).

Current Strength of Force for KPD		Revised Strength of Force for KPD	
Police Officer	218	Police Officer	222
Police Sergeant	30	Police Sergeant	31
Police Lieutenant	10	Police Lieutenant	10
Police Captain	4	Police Captain	4
Assistant Chief of Police	2	Assistant Chief of Police	2

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

This action is consistent with city policy.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

The total cost of this expenditure is \$522,579 and is inclusive of benefit costs.

Is this a one-time or recurring revenue/expenditure?

Recurring

Is this revenue/expenditure budgeted?

Yes. These authorization changes are funded in the FY26 budget; accounts 100-51110-210-212-000000 through 100-51700-210-212-000000.

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

Yes.

RECOMMENDATION:

Staff recommends the City Council approve the ordinance amending the total number of authorizations for the Police Officer position increasing authorizations by four (4) and the Police Sergeant position increasing authorizations by one (1).

DEPARTMENTAL CLEARANCES:

Budget
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Ordinance
Presentation

AN ORDINANCE OF THE CITY COUNCIL OF KILLEEN, TEXAS, TO AUTHORIZE THE NUMBER OF POLICE DEPARTMENT CIVIL SERVICE EMPLOYEES TO COMPLY WITH THE PROVISIONS OF TEXAS LOCAL GOVERNMENT CODE §143.021; PROVIDING FOR A REPEALER CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS:

SECTION I. That the City Council authorizes the following civil service classifications of employees in the Police Department of the City of Killeen shall be amended for the purpose of covering such employees under the provisions of Texas Local Government Code 143.021(a) as required by statute. These classifications and no others shall exist with the number shown indicating the number of positions in each classification:

<u>CLASSIFICATION</u>	<u>NUMBER IN EACH CLASSIFICATION</u>			
	<u>FY 24-25</u>	<u>(Over hire)</u>	<u>FY 25-26</u>	<u>(Over hire)</u>
	<u>(Base Authorization)</u>		<u>(Base Authorization)</u>	
Police Officer	218	10	222	10
Police Sergeant	30	0	31	0
Police Lieutenant	10	0	10	0
Police Captain	4	0	4	0
Assistant Police Chief	2	0	2	0

That this amendment to amend the authorized number of civil service positions in the Police Department reflects an increase of four (4) authorized Police Officer positions; from two-hundred and eighteen (218) Police Officers to two-hundred and twenty-two (222) Police Officers and from thirty (30) authorized Police Sergeant positions to thirty-one (31) Police Sergeants.

SECTION II. That all other ordinances or parts of ordinances that are in conflict with the provisions of this ordinance are repealed to the extent of such conflict.

SECTION III. That should any part of this ordinance be held invalid, such part shall be deemed severable and the invalidity thereof shall not affect the remaining parts of this ordinance.

SECTION IV. That this ordinance shall be effective immediately upon passage and publication according to law.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Killeen, Texas this 16th day of September, 2025 at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, 551.001 *et seq.*

APPROVED

Debbie Nash-King, MAYOR

ATTEST:

Laura Calcote, CITY SECRETARY

APPROVED AS TO FORM:

Holli C. Clements, CITY ATTORNEY



ORDINANCE TO AMEND THE
NUMBER OF AUTHORIZED CIVIL
SERVICE POSITIONS FOR THE
KILLEEN POLICE DEPARTMENT

OR-25-012

September 16, 2025

Background

- Civil Service system was established on August 13, 1977.
- City Council, by ordinance, shall prescribe the number of authorizations in each classification.
- Killeen Police Department Civil Service staffing currently is:
 - 218 Police Officers
 - 30 Police Sergeants
 - 10 Police Lieutenants
 - 4 Police Captains
 - 2 Assistant Chiefs of Police

Discussion

3

- One decision package approved in the FY26 Annual Budget
- Killeen Police Department Civil Service requested staffing changes:
 - **222** Police Officers
 - **31** Police Sergeants
 - 10 Police Lieutenants
 - 4 Police Captains
 - 2 Assistant Chiefs of Police

Recommendation

4

Staff recommends the City approve the ordinance amending the total number of authorizations for the Police Officer position increasing authorizations by four (4), and the Police Sergeant position increasing authorizations by one (1) in support of a decision package approved in the FY26 Annual Budget.



City of Killeen

Staff Report

File Number: OR-25-013

Consider an ordinance to amend the number of authorized civil service positions for the Killeen Fire Department.

DATE: September 16, 2025

TO: Kent Cagle, City Manager

FROM: Kate McDaniel, Executive Director of Human Resources

SUBJECT: Ordinance to Amend the Number of Authorized Civil Service Positions for the Killeen Fire Department

BACKGROUND AND FINDINGS:

The Texas Local Government Code (TLGC), Chapter 143, represents an effort to present, in a coherent and practical format, the laws and civil service procedures for Texas police and fire departments. The civil service system was established in the City of Killeen in an election duly called and lawfully conducted on August 13, 1977. The rules and regulations of TLGC Chapter 143 apply to all classified police and fire officers.

One of the provisions of TLGC, Chapter 143, is that the municipality’s governing body establishes the civil service classifications by ordinance. This ordinance, as adopted by the governing body, further prescribes the number of positions in each classification [TLGC 143.021(a)].

During the FY26 budget presentation, the plan to amend the number Fire Department authorizations was discussed. The attached ordinance decreases Fire Captain authorizations by -one (1), increases Fire Battalion Chief authorizations by one (1), and increases the Deputy Chief of Fire authorizations by one (1).

Current Strength of Force for KFD		Revised Strength of Force for KFD	
Fire Rescue Officer	211	Fire Rescue Officer	211
Fire Captain	40	Fire Captain	39
Fire Battalion Chief	6	Fire Battalion Chief	7
Deputy Chief of Fire	3	Deputy Chief of Fire	4
Assistant Chief of Fire	2	Assistant Chief of Fire	2

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

This action is uniform to city ordinance.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

The total cost of this expenditure is \$169,306 and is inclusive of benefit costs.

Is this a one-time or recurring revenue/expenditure?

Recurring

Is this revenue/expenditure budgeted?

Yes. These authorization changes were funded in the FY26 budget; accounts 100-51110-250-251-000000 through 100-51700-250-251-000000 for the Deputy Chief of Fire and 100-51110-250-254-000000 through 100-51700-250-254-000000 for the Battalion Chief.

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

Yes.

RECOMMENDATION:

Staff recommends the City Council approve the ordinance amending the total number of authorizations for the Fire Captain position decreasing authorizations by one (1), the Fire Captain position increasing authorizations by one (1), and the Fire Deputy Chief position increasing authorizations by one (1).

DEPARTMENTAL CLEARANCES:

Budget
Finance
Legal

ATTACHED SUPPORTING DOCUMENTS:

Ordinance
Presentation

AN ORDINANCE OF THE CITY COUNCIL OF KILLEEN, TEXAS, TO AUTHORIZE THE NUMBER OF FIRE DEPARTMENT CIVIL SERVICE EMPLOYEES TO COMPLY WITH THE PROVISIONS OF TEXAS LOCAL GOVERNMENT CODE §143.021; PROVIDING FOR A REPEALER CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION AND EFFECTIVE DATE.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS:

SECTION I. That the City Council authorizes the following civil service classifications of employees in the Fire Department of the City of Killeen shall be amended for the purpose of covering such employees under the provisions of Texas Local Government Code 143.021(a) as required by statute. These classifications and no others shall exist with the number shown indicating the number of positions in each classification:

<u>CLASSIFICATION</u>	<u>NUMBER IN EACH CLASSIFICATION</u>			
	<u>FY 24-25</u>	<u>(Over hire)</u>	<u>FY 25-26</u>	<u>(Over hire)</u>
	<u>(Base Authorization)</u>		<u>(Base Authorization)</u>	
Fire Rescue Officer	211	7	211	7
Fire Captain	40	0	39	0
Fire Battalion Chief	6	0	7	0
Fire Deputy Chief	3	0	4	0
Assistant Chief of Fire	2	0	2	0

That this amendment to amend the authorized number of civil service positions in the Fire Department reflects a decrease of one (1) authorization for the Fire Captain position; from forty (40) to thirty-nine (39) Fire Captain authorizations, an increase of one (1) authorization for Fire Battalion Chief; from six (6) to seven (7) Fire Battalion Chief authorizations, and an increase of one (1) authorization for Fire Deputy Chief; from three (3) to four (4) Fire Deputy Chief authorizations.

SECTION II. That all other ordinances or parts of ordinances that are in conflict with the provisions of this ordinance are repealed to the extent of such conflict.

SECTION III. That should any part of this ordinance be held invalid, such part shall be deemed severable and the invalidity thereof shall not affect the remaining parts of this ordinance.

SECTION IV. That this ordinance shall be effective immediately upon passage and publication according to law.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Killeen, Texas this 16th day of September, 2025 at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, 551.001 *et seq.*

APPROVED

Debbie Nash-King, MAYOR

ATTEST:

Laura Calcote, CITY SECRETARY

APPROVED AS TO FORM:

Hollie C. Clements, CITY ATTORNEY



ORDINANCE TO AMEND THE
NUMBER OF AUTHORIZED CIVIL
SERVICE POSITIONS FOR THE
KILLEEN FIRE DEPARTMENT

OR-25-013

September 16, 2025

Background

- Civil Service system was established on August 13, 1977.
- City Council, by ordinance, shall prescribe the number of authorizations in each classification.
- Killeen Fire Department Civil Service staffing currently is:
 - 211 Fire Rescue Officers
 - 40 Fire Captains
 - 6 Battalion Chiefs
 - 3 Deputy Chiefs of Fire
 - 2 Assistant Chiefs of Fire

Discussion

3

- Two decision packages approved in the FY26 Annual Budget
- Killeen Fire Department Civil Service requested staffing changes:
 - 211 Fire Rescue Officers
 - **39** Fire Captains (decrease by 1)
 - **7** Battalion Chiefs (increase by 1)
 - **4** Deputy Chiefs of Fire (increase by 1)
 - 2 Assistant Chiefs of Fire

Recommendation

Staff recommends the City approve the ordinance amending the total number of authorizations for the Fire Captain position decreasing authorizations by one (1), the Fire Battalion Chief position increasing authorizations by one (1), and the Fire Deputy Chief position increasing authorizations by one (1) in support of decision packages approved in the FY26 Annual Budget.



City of Killeen

Staff Report

File Number: PH-25-054

Hold a public hearing and consider an ordinance amending the Fiscal Year 2025 Annual Budget of the City of Killeen to increase revenue and expense accounts in multiple funds.

DATE: September 16, 2025

TO: Kent Cagle, City Manager

FROM: Judith Tangalin, Executive Director of Finance

SUBJECT: Fiscal Year 2025 Budget Amendment

BACKGROUND AND FINDINGS:

Per the City's Financial Governance Policies, Section V. Budget Administration (B)(1), **City Council may amend or change the budget by ordinance.** Additionally, Article V, Section 56 of the City Charter requires a **public hearing** before finalizing any budget amendments that add or increase appropriations.

This budget amendment addresses the following **25 items**:

Excess Fund Balance Transfer

Transfer of projected excess General Fund balance to Governmental CIP Fund, per City Council direction on August 5, 2025, for one-time projects-FD Training Tower, PD Impound Lot, and four fleet additions (for FTEs approved in FY 2026 budget)

2. City Auditor

Additional part-time salary budget allocated to cover actual hours worked by Auditor Intern exceeding budgeted amount

3. Opioid Abatement Settlement

Opioid Abatement Settlement revenue and corresponding program expenditures allocated in the Opioid Settlement Fund, per CCMR 25-062R

4. Special Event Center Roof Replacement

Planned use of fund balance in the HOT Fund for Special Event Center roof replacement, per CCMR 25-062R

5. Tractor Asset Transfer

Transfer of asset value (tractor) from Drainage Utility Enterprise Fund to HOT Fund

6. Watercrest Road Reconstruction

Street Maintenance Fund balance allocated to the Watercrest Road Reconstruction project, per CCMR 25-082R, Change Order #2

7. Court Technology Kiosk

Court Technology Fund balance allocated for completion of queue management kiosk installation

8. Parks & Recreation Naming Rights

Parks & Recreation Special Revenue Fund - Naming Rights revenue and corresponding expenditures, including commission to third-party sponsorship broker and required signage, per CCMR 25-071R and CCMR 25-077R, with remaining sponsorship proceeds used for installation of four scoreboards

9. Pickleball Court Project

Texas Parks & Wildlife Grant revenue and related expenditures allocated in the Parks & Recreation Special Revenue Fund for the Pickleball Court project

10. Animal Services Incinerator Building

Governmental CIP Fund balance allocated per CCMR 25-051R for crematorium building at Animal Services

11. Fire Station 9 HVAC

Governmental CIP Fund balance allocated per CCMR 25-064R for Fire Station 9 HVAC

12. TDEM Generators

TDEM grant revenue and corresponding expenditures, with required grant match funded from fund balance, allocated in the Governmental CIP Fund for generators, per TDEM Grant Acceptance Letters

13. GRK Office Building

Governmental CIP Fund and Water & Sewer CIP Fund balances allocated per CCMR 25-069R for GRK Office Building

14. 2025 Bond Proceeds

Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032

15. Skylark AWOS Project

FAA-AIG grant revenue and corresponding expenditures appropriated in the Aviation AIP Grants Fund for the Skylark AWOS project, per CCMR 25-110R

16. Terminal Improvements - Construction

Aviation AIP and PFC Funds - grant revenue and related construction expenditures appropriated for the Terminal Mechanical & Security Improvements project, per CCMR 25-137R

17. Terminal Improvements - Design-Engineering

Aviation AIP and PFC Funds - grant revenue and related Design-Engineering expenditures

appropriated for the Terminal Mechanical & Security Improvements project, per CCMR 25-138R; plus, IFE costs

18. Terminal Rehabilitation

Aviation AIP Fund - grant revenue and related Design-Engineering expenditures appropriated for the Terminal Rehabilitation project, per CCMR 25-139R; plus, IFE costs

19. PFC Application #14

Aviation PFC Fund balance allocated for PFC Application #14, per PFC Application 25-14-C-00-GRK Acknowledgement Letter

20. Impact Fee Update

Water Impact Fee Fund balance allocated to support professional agreement for updating the City's Water & Wastewater Impact Fees, per CCMR 25-119R

21. Paying Agent Fees

Debt Service Fund balance allocated to cover increased Paying Agent Fees

22. Golf Course Operations and Maintenance

Golf Course Fund - additional revenue and offsetting management expense, with fund balance allocated for one-time maintenance and equipment costs

23. Solid Waste Disposal Costs

Solid Waste Fund - additional funds allocated to cover increased refuse disposal costs from higher tonnage, offset by additional revenues

24. Utility Collection Costs

Water & Sewer Fund - additional funds allocated to cover increased collection expense, offset by additional revenues

25. Risk Management Allocations

Increased Risk Management interfund allocations across multiple funds to meet increased TML insurance premiums

THE ALTERNATIVES CONSIDERED:

Option 1 - Do not approve the ordinance amending the FY 2025 Annual Budget.

Option 2 - Approve the ordinance amending the FY 2025 Annual Budget.

Which alternative is recommended? Why?

Option 2 is recommended to approve the ordinance amending the FY 2025 Annual Budget.

CONFORMITY TO CITY POLICY:

The City's Financial Governance Policies, Section V. Budget Administration (B)(1) states that City Council may amend or change the budget by ordinance.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

This FY 2025 budget amendment includes the following:

Grant Related Appropriations	Revenues	Expenditures
Aviation AIP Grants	5,715,622	5,715,622
Governmental CIP-Grant	709,750	845,147
Opioid Settlement	159,589	159,589
Parks And Rec Donations-Grant	12,500	12,500
Subtotal	6,597,461	6,732,858

Non-Grant Related Appropriations	Revenues	Expenditures
2025 W/S Bond Fund	19,939,027	19,939,027
Aviation CIP	3,545,000	3,545,000
Governmental CIP	1,250,000	3,233,701
General Fund	-	1,323,940
Water And Sewer CIP	-	684,834
Solid Waste Enterprise	650,000	663,283
Hotel Occupancy Tax	-	343,202
Street Maintenance	-	336,697
Aviation PFC	-	318,454
Golf Course Enterprise	160,000	199,123
Water Impact Fee	-	136,080
Risk Management Internal Service Fund		114,175
Parks And Rec Donations	86,097	86,097
Water and Sewer Enterprise	30,000	53,303
Debt Service	-	10,000
Court Technology	-	5,000
Aviation Enterprise	-	2,728
Drainage Utility Enterprise	7,000	2,725
Texas State Veterans Cemetery	-	777
Subtotal	25,781,299	30,998,146

Total 32,378,760 37,731,004

The following tables summarize the FY 2025 Adopted Budget by fund categories, the impact of the FY 2025 Capital Improvement Program rollover, the two budget amendments approved during FY 2025, the proposed Year-End Budget Amendment, and the resulting Amended Budget. Revenues and Expenditures are presented separately for clarity.

The revenue table also includes a row titled Fund Balance Applied/(Added). This line reflects the difference between revenues and expenditures:

Positive amounts represent prior-year revenues held in reserve and appropriated in the current year to support multi-year projects, including CIP rollovers.

Negative amounts represent current-year revenues exceeding expenditures, which are added to reserves.

Revenue Budget	Adopted Budget	CIP Roll	Carry Forward	Mid-Year	Year-End	Amended		
General Fund	125,683,084	-	270,841 (146,310)	-	125,807,615			
Enterprise Funds	90,892,719	-	(50,000)	847,000	91,689,719			
Capital Project Funds	39,272,209	25,080,805	20,224	49,450,056	31,159,399	144,982,693		
Special Revenue Funds	25,394,041	-	118,705	410,235	258,186	26,181,167		
Internal Service Funds	18,411,353	-	-	1,695,462	114,175	20,220,990		
Debt Service Fund	16,976,055	-	-	-	16,976,055			
Fund Balance Applied/(Added)			(1,623,649)	126,556,945	1,971,454	7,500,577	5,352,244	139,757,571
Total	315,005,812	151,637,750	2,381,224	58,860,020	37,731,004	565,615,810		

Expenditure Budget	Adopted Budget	CIP Roll	Carry Forward	Mid-Year	Year-End	Amended
General Fund	125,683,084	-	1,150,997	4,772,484	1,323,940	132,930,505
Enterprise Funds	90,182,655	-	602,193	5,496,456	921,162	97,202,466
Capital Project Funds	41,502,403	145,117,100	20,224	41,443,931	34,417,865	262,501,523
Special Revenue Funds	20,658,439	6,520,650	448,544	5,193,854	943,862	33,765,349
Internal Service Funds	19,074,203	-	159,266	1,953,295	114,175	21,300,939
Debt Service Fund	17,905,028	-	-	10,000	17,915,028	
Total	315,005,812	151,637,750	2,381,224	58,860,020	37,731,004	565,615,810

Is this a one-time or recurring revenue/expenditure?

One-time

Is this revenue/expenditure budgeted?

Upon approval of this ordinance, the revenue and expenditure adjustments will be reflected in the FY 2025 Annual Budget.

If not, where will the money come from?

N/A

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

Upon approval of this ordinance, the revenue and expenditure adjustments will be reflected in the FY 2025 Annual Budget.

RECOMMENDATION:

Staff recommends City Council approve the ordinance amending the FY 2025 Annual Budget.

DEPARTMENTAL CLEARANCES:

Legal

ATTACHED SUPPORTING DOCUMENTS:

Ordinance
Presentation

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS, AMENDING THE FY 2025 ANNUAL BUDGET OF THE CITY OF KILLEEN TO INCREASE REVENUE AND EXPENSE ACCOUNTS IN MULTIPLE FUNDS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT WITH THIS ORDINANCE; PROVIDING A SAVINGS CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, a budget for operating the municipal government of the City of Killeen for the Fiscal Year October 1, 2024 to September 30, 2025, has been adopted by City Council in accordance with the City Charter; and

WHEREAS, it is the desire of the Killeen City Council to amend the FY 2025 Annual Budget; and

WHEREAS, the budget amendment requires City Council approval;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN:

SECTION 1. That Ordinance 24-036, adopting a budget for operating the municipal government of the City of Killeen for the Fiscal year October 1, 2024 to September 30, 2025, be amended as to the portion of said budget as follows:

Revenues:

Account Number	Description	Budget Change	Budget
213-43200-500-501-299604	State Grant Reimbursement		\$ 20,000
	Opioid Abatement Settlement revenue and corresponding program expenditures allocated in the Opioid Settlement Fund, per CCMR 25-136R	159,589	
	Budget Change Sub-total	159,589	
	Account Sub-total		179,589
260-43200-300-306-225612	State Grant Reimbursement		\$ -
	Texas Parks & Wildlife Grant revenue and related expenditures allocated in the Parks & Recreation Special Revenue Fund for the Pickleball Court project	12,500	
	Budget Change Sub-total	12,500	
	Account Sub-total		12,500

Revenues (continued):

Account Number	Description	Budget Change	Budget
260-44120-300-300-660010	Naming Rights		\$ -
	Parks & Recreation Special Revenue Fund – Naming Rights revenue and corresponding expenditures, including commission to third-party sponsorship broker and required signage, per CCMR 25-071R and CCMR 25-077R, with remaining sponsorship proceeds used for installation of four scoreboards	86,097	
	Budget Change Sub-total	86,097	
	Account Sub-total		86,097
300-43200-900-250-925024	State Grant Reimbursement		\$ -
	TDEM grant revenue and corresponding expenditures, with required grant match funded from fund balance, allocated in the Governmental CIP Fund for generators, per TDEM Grant Acceptance Letters	299,243	
	Budget Change Sub-total	299,243	
	Account Sub-total		299,243
300-43200-900-250-925025	State Grant Reimbursement		\$ -
	TDEM grant revenue and corresponding expenditures, with required grant match funded from fund balance, allocated in the Governmental CIP Fund for generators, per TDEM Grant Acceptance Letters	410,507	
	Budget Change Sub-total	410,507	
	Account Sub-total		410,507

Revenues (continued):

Account Number	Description	Budget Change	Budget
300-49100-900-990-000000	Transfer from General Fund		\$ 7,990,954
	Transfer of projected excess General Fund balance to Governmental CIP Fund, per City Council direction on August 5, 2025, for one-time projects—FD Training Tower, PD Impound Lot, and four fleet additions (for FTEs approved in FY 2026 budget)	1,250,000	
	Budget Change Sub-total	1,250,000	
	Account Sub-total		9,240,954
 			
340-49850-900-600-925022	Bond Proceeds		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032	3,545,000	
	Budget Change Sub-total	3,545,000	
	Account Sub-total		3,545,000
 			
341-43100-900-600-923039	Federal Grant Reimbursement		\$ 18,293
	Aviation AIP and PFC Funds – grant revenue and related construction expenditures appropriated for the Terminal Mechanical & Security Improvements project, per CCMR 25-137R	4,740,287	
	Aviation AIP and PFC Funds – grant revenue and related design-engineering expenditures appropriated for the Terminal Mechanical & Security Improvements project, per CCMR 25-138R, plus \$4,750 IFE costs	650,085	
	Budget Change Sub-total	5,390,372	
	Account Sub-total		5,408,665
 			

Revenues (continued):

Account Number	Description	Budget Change	Budget
341-43100-900-600-925008	Federal Grant Reimbursement		\$ 720,000
	Aviation AIP Fund – grant revenue and related Design-Engineering expenditures appropriated for the Terminal Rehabilitation project, per CCMR 25-139R, plus \$4,275 IFE costs	230,000	
	Budget Change Sub-total	230,000	
	Account Sub-total		950,000
341-43200-900-600-923035	State Grant Reimbursement		\$ 90,000
	FAA-AIG grant revenue and corresponding expenditures appropriated in the Aviation AIP Grants Fund for the Skylark AWOS project, per CCMR 25-110R	95,250	
	Budget Change Sub-total	95,250	
	Account Sub-total		185,250
355-49850-900-400-000000	Bond Proceeds		\$ 17,740,410
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032	18,029,590	
	Budget Change Sub-total	18,029,590	
	Account Sub-total		35,770,000
355-49852-900-400-000000	Bond Premium		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032	1,909,437	
	Budget Change Sub-total	1,909,437	
	Account Sub-total		1,909,437

Revenues (continued):

Account Number	Description	Budget Change	Budget
530-44378-300-304-000000	Green Fees		\$ 745,000
	Golf Course Fund – additional revenue and related operating expense, with fund balance allocated for one-time maintenance and equipment costs	160,000	
	Budget Change Sub-total	160,000	
	Account Sub-total		905,000
 			
540-44532-400-410-000000	SW Commercial Services		\$ 10,149,339
	Solid Waste Fund – additional funds allocated to cover increased refuse disposal costs from higher tonnage, offset by additional revenues	250,000	
	Budget Change Sub-total	250,000	
	Account Sub-total		10,399,339
 			
540-44534-400-412-000000	Drop Off Fees		\$ 1,653,647
	Solid Waste Fund – additional funds allocated to cover increased refuse disposal costs from higher tonnage, offset by additional revenues	150,000	
	Budget Change Sub-total	150,000	
	Account Sub-total		1,803,647
 			
540-44536-400-412-000000	Specialty Disposal Fees		\$ 26,594
	Solid Waste Fund – additional funds allocated to cover increased refuse disposal costs from higher tonnage, offset by additional revenues	50,000	
	Budget Change Sub-total	50,000	
	Account Sub-total		76,594
 			
540-49860-400-400-000000	Sale of Assets		\$ 35,987
	Solid Waste Fund – additional funds allocated to cover increased refuse disposal costs from higher tonnage, offset by additional revenues	200,000	
	Budget Change Sub-total	200,000	
	Account Sub-total		235,987
 			

Revenues (continued):

Account Number	Description	Budget Change	Budget
550-44518-160-166-000000	Utility Collections Service Charges		\$ 1,000,000
	Water & Sewer Fund – additional funds allocated to cover increased collection expense, offset by additional revenues	30,000	
	Budget Change Sub-total	30,000	
	Account Sub-total		1,030,000
 			
575-49214-400-990-000000	Transfer from HOT Fund		\$ -
	Transfer of asset value (tractor) from Drainage Utility Enterprise Fund to HOT Fund	7,000	
	Budget Change Sub-total	7,000	
	Account Sub-total		7,000
 			
623-44900-170-172-000000	General Fund Charges		\$ 835,725
	Increased Risk Management interfund allocations across all funds to meet projected obligations	68,940	
	Budget Change Sub-total	68,940	
	Account Sub-total		904,665
 			
623-44902-170-172-000000	Aviation Fund Charges		\$ 100,985
	Increased Risk Management interfund allocations across all funds to meet projected obligations	2,728	
	Budget Change Sub-total	2,728	
	Account Sub-total		103,713
 			
623-44904-170-172-000000	HOT Fund Charges		\$ 21,247
	Increased Risk Management interfund allocations across all funds to meet projected obligations	2,419	
	Budget Change Sub-total	2,419	
	Account Sub-total		23,666
 			

Revenues (continued):

Account Number	Description	Budget Change	Budget
623-44906-170-172-000000	Drainage Fund Charges		\$ 43,947
	Increased Risk Management interfund allocations across all funds to meet projected obligations	2,725	
	Budget Change Sub-total	2,725	
	Account Sub-total		46,672
 			
623-44908-170-172-000000	Solid Waste Fund Charges		\$ 185,595
	Increased Risk Management interfund allocations across all funds to meet projected obligations	13,283	
	Budget Change Sub-total	13,283	
	Account Sub-total		198,878
 			
623-44910-170-172-000000	W&S Fund Charges		\$ 395,404
	Increased Risk Management interfund allocations across all funds to meet projected obligations	23,303	
	Budget Change Sub-total	23,303	
	Account Sub-total		418,707
 			
623-44912-170-172-000000	Tx Veteran Cem Charges		\$ -
	Increased Risk Management interfund allocations across all funds to meet projected obligations	777	
	Budget Change Sub-total	777	
	Account Sub-total		777
 			
	REVENUES TOTAL	\$ 32,378,760	\$ 74,151,887

Expenditures:

Account Number	Description	Budget Change	Budget
100-51120-130-131-000000	PS-Salaries-Part Time		\$ 18,019
	Additional part-time salary budget allocated to cover actual hours worked by Auditor Intern exceeding budgeted amount	5,000	
	Budget Change Sub-total	5,000	
	Account Sub-total		23,019
 			

Expenditures (continued):

Account Number	Description	Budget Change	Budget
100-54623-700-710-000000	Risk Management ISF		\$ 835,725
	Increased Risk Management interfund allocations across all funds to meet projected obligations	68,940	
	Budget Change Sub-total	68,940	
	Account Sub-total		904,665
 			
100-59300-700-701-000000	Transfer to Gov't CIP		\$ 7,990,954
	Transfer of projected excess General Fund balance to Governmental CIP Fund, per City Council direction on August 5, 2025, for one-time projects—FD Training Tower, PD Impound Lot, and four fleet additions (for FTEs approved in FY 2026 budget)	1,250,000	
	Budget Change Sub-total	1,250,000	
	Account Sub-total		9,240,954
 			
213-55124-500-501-630002	Programs		\$ 122,774
	Opioid Abatement Settlement revenue and corresponding program expenditures allocated in the Opioid Settlement Fund, per CCMR 25-136R	159,589	
	Budget Change Sub-total	159,589	
	Account Sub-total		282,363
 			
214-54623-700-710-000000	Risk Management ISF		\$ 21,247
	Increased Risk Management interfund allocations across all funds to meet projected obligations	2,419	
	Budget Change Sub-total	2,419	
	Account Sub-total		23,666
 			
214-56110-500-540-000000	CAP-Building		\$ -
	Planned use of fund balance in the HOT Fund for Special Event Center roof replacement, per CCMR 25-062R	333,783	
	Budget Change Sub-total	333,783	
	Account Sub-total		333,783
 			

Expenditures (continued):

Account Number	Description	Budget Change	Budget
214-59575-500-990-000000	Transfer to Drainage Fund		\$ -
	Transfer of asset value (tractor) from Drainage Utility Enterprise Fund to HOT Fund	7,000	
	Budget Change Sub-total	7,000	
	Account Sub-total		7,000
 			
225-56201-900-400-922031	CAP-Construction		\$ 3,182,153
	Street Maintenance Fund balance allocated to the Watercrest Road Reconstruction project, per CCMR 25-082R, Change Order #2	336,697	
	Budget Change Sub-total	336,697	
	Account Sub-total		3,518,850
 			
240-56315-270-271-000000	CAP-Equip & Machinery		\$ 15,000
	Court Technology Fund balance allocated for completion of queue management kiosk installation	5,000	
	Budget Change Sub-total	5,000	
	Account Sub-total		20,000
 			
260-52135-300-300-660010	SUP-Minor Capital		\$ -
	Parks & Recreation Special Revenue Fund – Naming Rights revenue and corresponding expenditures, including commission to third-party sponsorship broker and required signage, per CCMR 25-071R and CCMR 25-077R, with remaining sponsorship proceeds used for installation of four scoreboards	51,171	
	Budget Change Sub-total	51,171	
	Account Sub-total		51,171
 			

Expenditures (continued):

Account Number	Description	Budget Change	Budget
260-53415-300-306-225612	RM-Infrastructure		\$ 12,500
	Texas Parks & Wildlife Grant revenue and related expenditures allocated in the Parks & Recreation Special Revenue Fund for the Pickleball Court project	12,500	
	Budget Change Sub-total	12,500	
	Account Sub-total		25,000
 			
260-54250-300-300-660010	MSC-Professional Services		\$ -
	Parks & Recreation Special Revenue Fund – Naming Rights revenue and corresponding expenditures, including commission to third-party sponsorship broker and required signage, per CCMR 25-071R and CCMR 25-077R, with remaining sponsorship proceeds used for installation of four scoreboards	17,000	
	Budget Change Sub-total	17,000	
	Account Sub-total		17,000
 			
260-56425-300-300-660010	CAP-Signs		\$ -
	Parks & Recreation Special Revenue Fund – Naming Rights revenue and corresponding expenditures, including commission to third-party sponsorship broker and required signage, per CCMR 25-071R and CCMR 25-077R, with remaining sponsorship proceeds used for installation of four scoreboards	17,926	
	Budget Change Sub-total	17,926	
	Account Sub-total		17,926
 			
262-54623-700-710-000000	Risk Management ISF		\$ -
	Increased Risk Management interfund allocations across all funds to meet projected obligations	777	
	Budget Change Sub-total	777	
	Account Sub-total		777
 			

Expenditures (continued):

Account Number	Description	Budget Change	Budget
300-56110-900-250-925028	CAP-Building (FD Training Tower)		\$ -
	Transfer of projected excess General Fund balance to Governmental CIP Fund, per City Council direction on August 5, 2025, for one-time projects—FD Training Tower, PD Impound Lot, and four fleet additions (for FTEs approved in FY 2026 budget)	600,000	
	Budget Change Sub-total	600,000	
	Account Sub-total		600,000
 			
300-56110-900-280-925012	CAP-Building (AS Crematorium)		\$ -
	Governmental CIP Fund balance allocated per CCMR 25-051R for crematorium building at Animal Services	210,201	
	Budget Change Sub-total	210,201	
	Account Sub-total		210,201
 			
300-56110-900-500-925017	CAP-Building (FD Station 9 HVAC)		\$ -
	Governmental CIP Fund balance allocated per CCMR 25-064R for Fire Station 9 HVAC	773,500	
	Budget Change Sub-total	773,500	
	Account Sub-total		773,500
 			
300-56200-900-210-925029	CAP-Design/Engineering (PD Impound Lot)		\$ -
	Transfer of projected excess General Fund balance to Governmental CIP Fund, per City Council direction on August 5, 2025, for one-time projects—FD Training Tower, PD Impound Lot, and four fleet additions (for FTEs approved in FY 2026 budget)	50,000	
	Budget Change Sub-total	50,000	
	Account Sub-total		50,000
 			

Expenditures (continued):

Account Number	Description	Budget Change	Budget
300-56201-900-210-925029	CAP-Construction (PD Impound Lot)		\$ -
	Transfer of projected excess General Fund balance to Governmental CIP Fund, per City Council direction on August 5, 2025, for one-time projects—FD Training Tower, PD Impound Lot, and four fleet additions (for FTEs approved in FY 2026 budget)	150,000	
	Budget Change Sub-total	150,000	
	Account Sub-total		150,000
 			
300-56201-900-600-925022	CAP-Construction (GRK Office Building)		\$ -
	Governmental CIP Fund and Water & Sewer CIP Fund balances allocated per CCMR 25-069R for GRK Office Building	1,000,000	
	Budget Change Sub-total	1,000,000	
	Account Sub-total		1,000,000
 			
300-56315-900-250-925024	CAP-Equipment & Machinery (Generators, with grant match)		\$ -
	TDEM grant revenue and corresponding expenditures, with required grant match funded from fund balance, allocated in the Governmental CIP Fund for generators, per TDEM Grant Acceptance Letters	332,492	
	Budget Change Sub-total	332,492	
	Account Sub-total		332,492
 			
300-56315-900-250-925025	CAP-Equipment & Machinery (Generators, with grant match)		\$ -
	TDEM grant revenue and corresponding expenditures, with required grant match funded from fund balance, allocated in the Governmental CIP Fund for generators, per TDEM Grant Acceptance Letters	512,655	
	Budget Change Sub-total	512,655	
	Account Sub-total		512,655
 			

Expenditures (continued):

Account Number	Description	Budget Change	Budget
300-56800-900-210-825300	CAP-Motor Vehicle (PD)		\$ 1,604,703
	Transfer of projected excess General Fund balance to Governmental CIP Fund, per City Council direction on August 5, 2025, for one-time projects—FD Training Tower, PD Impound Lot, and four fleet additions (for FTEs approved in FY 2026 budget)	330,000	
	Budget Change Sub-total	330,000	
	Account Sub-total		1,934,703
 			
300-56800-900-250-825300	CAP-Motor Vehicle (FD)		\$ 163,540
	Transfer of projected excess General Fund balance to Governmental CIP Fund, per City Council direction on August 5, 2025, for one-time projects—FD Training Tower, PD Impound Lot, and four fleet additions (for FTEs approved in FY 2026 budget)	120,000	
	Budget Change Sub-total	120,000	
	Account Sub-total		283,540
 			
340-56200-900-600-925022	CAP-Design/Engineering (GRK Office Building)		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032	1,242,209	
	Budget Change Sub-total	1,242,209	
	Account Sub-total		1,242,209
 			
340-56201-900-600-925022	CAP-Construction (GRK Office Building)		\$ 125,000
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032	2,261,417	
	Budget Change Sub-total	2,261,417	
	Account Sub-total		2,386,417
 			

Expenditures (continued):

Account Number	Description	Budget Change	Budget
340-57113-800-800-925022	Bond-Paying Agent		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032	2,500	
	Budget Change Sub-total	2,500	
	Account Sub-total		2,500
 			
340-57115-800-800-925022	Bond-Issuance Costs		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032	38,874	
	Budget Change Sub-total	38,874	
	Account Sub-total		38,874
 			
341-56200-900-605-920309	CAP-Design-Engineering (GRK Pax Term & Security Improv)		\$ -
	Aviation AIP and PFC Funds – grant revenue and related design-engineering expenditures appropriated for the Terminal Mechanical & Security Improvements project, per CCMR 25-138R, plus \$4,750 IFE costs	650,085	
	Budget Change Sub-total	650,085	
	Account Sub-total		650,085
 			
341-56200-900-605-925008	CAP-Design-Engineering (GRK Pax Term Rehabilitation)		\$ 719,525
	Aviation AIP Fund – grant revenue and related Design-Engineering expenditures appropriated for the Terminal Rehabilitation project, per CCMR 25-139R, plus \$4,275 IFE costs	230,000	
	Budget Change Sub-total	230,000	
	Account Sub-total		949,525
 			

Expenditures (continued):

Account Number	Description	Budget Change	Budget
341-56201-900-605-923035	CAP-Construction-(Skylark Field AWOS Relocation)		\$ 90,000
	FAA-AIG grant revenue and corresponding expenditures appropriated in the Aviation AIP Grants Fund for the Skylark AWOS project, per CCMR 25-110R	95,250	
	Budget Change Sub-total	95,250	
	Account Sub-total		185,250
341-56201-900-605-923039	CAP-Construction (GRK Pax Term & Security Improv)		\$ -
	Aviation AIP and PFC Funds – grant revenue and related construction expenditures appropriated for the Terminal Mechanical & Security Improvements project, per CCMR 25-137R	4,740,287	
	Budget Change Sub-total	4,740,287	
	Account Sub-total		4,740,287
343-54210-900-603-925023	MSC-Accounting Services		\$ -
	Aviation PFC Fund balance allocated for PFC Application #14, per PFC Application 25-14-C-00-GRK Acknowledgement Letter	10,000	
	Budget Change Sub-total	10,000	
	Account Sub-total		10,000

Expenditures (continued):

Account Number	Description	Budget Change	Budget
343-56206-900-603-923039	Projects-PFC (GRK Pax Term & Security Improv)		\$ 2,006
	Aviation AIP and PFC Funds – grant revenue and related construction expenditures appropriated for the Terminal Mechanical & Security Improvements project, per CCMR 25-137R	249,489	
	Aviation AIP and PFC Funds – grant revenue and related design-engineering expenditures appropriated for the Terminal Mechanical & Security Improvements project, per CCMR 25-138R, plus \$4,750 IFE costs	33,965	
	Budget Change Sub-total	283,454	
	Account Sub-total		285,460
343-56206-900-603-925023	Projects-PFC (Admin Fees Appl #14)		\$ -
	Aviation PFC Fund balance allocated for PFC Application #14, per PFC Application 25-14-C-00-GRK Acknowledgement Letter	25,000	
	Budget Change Sub-total	25,000	
	Account Sub-total		25,000
350-56201-900-600-925022	CAP-Construction (GRK Office Building)		\$ -
	Governmental CIP Fund and Water & Sewer CIP Fund balances allocated per CCMR 25-069R for GRK Office Building	684,834	
	Budget Change Sub-total	684,834	
	Account Sub-total		684,834

Expenditures (continued):

Account Number	Description	Budget Change	Budget
351-54250-900-450-000000	MSC-Professional Services		\$ -
	Water Impact Fee Fund balance allocated to fund professional agreement to update City's Water & Wastewater Impact Fees, per CCMR 25-119R	136,080	
	Budget Change Sub-total	136,080	
	Account Sub-total		136,080
 			
355-56200-900-450-925018	CAP-Design-Engineering (12" Featherline Water Repl)		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects,per CCMO 25-032	458,700	
	Budget Change Sub-total	458,700	
	Account Sub-total		458,700
 			
355-56200-900-450-925019	CAP-Design-Engineering (12" Wastewater Trimmer Basin)		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects,per CCMO 25-032	450,100	
	Budget Change Sub-total	450,100	
	Account Sub-total		450,100
 			
355-56200-900-450-925020	CAP-Design-Engineering (Dead-End Looping-Auto-Flushing)		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects,per CCMO 25-032	500,000	
	Budget Change Sub-total	500,000	
	Account Sub-total		500,000
 			

Expenditures (continued):

Account Number	Description	Budget Change	Budget
355-56201-900-400-922000	CAP-Construction (24" Hwy 195 Waterline)		\$ 9,999,650
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects,per CCMO 25-032	5,718,940	
	Budget Change Sub-total	5,718,940	
	Account Sub-total		15,718,590
355-56201-900-400-922001	CAP-Construction (Hwy 195 Ground Storage Tank)		\$ 2,000,000
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects,per CCMO 25-032	3,281,000	
	Budget Change Sub-total	3,281,000	
	Account Sub-total		5,281,000
355-56201-900-400-922020	CAP-Construction (Lift Sta 6 Rehab & Expansion)		\$ 5,740,410
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects,per CCMO 25-032	381,360	
	Budget Change Sub-total	381,360	
	Account Sub-total		6,121,770
355-56201-900-450-925018	CAP-Construction (12" Featherline Water Repl)		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects,per CCMO 25-032	3,057,600	
	Budget Change Sub-total	3,057,600	
	Account Sub-total		3,057,600

Expenditures (continued):

Account Number	Description	Budget Change	Budget
355-56201-900-450-925019	CAP-Construction (12" Wastewater Trimmer Basin)		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032	3,000,400	
	Budget Change Sub-total	3,000,400	
	Account Sub-total		3,000,400
 			
355-56201-900-450-925020	CAP-Construction (Dead-End Looping-Auto-Flushing)		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032	2,500,000	
	Budget Change Sub-total	2,500,000	
	Account Sub-total		2,500,000
 			
355-56810-900-700-000000	CAP-Contingency		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032	424,523	
	Budget Change Sub-total	424,523	
	Account Sub-total		424,523
 			
355-57113-800-800-000000	Bond-Paying Agent		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032	750	
	Budget Change Sub-total	750	
	Account Sub-total		750
 			

Expenditures (continued):

Account Number	Description	Budget Change	Budget
355-57115-800-800-000000	Bond-Issuance Costs		\$ -
	Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025, and Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per CCMO 25-032	165,654	
	Budget Change Sub-total	165,654	
	Account Sub-total		165,654
400-57112-800-800-000000	Bond-Paying Agent		\$ 25,000
	Debt Service Fund balance allocated to cover increased Paying Agent Fees	10,000	
	Budget Change Sub-total	10,000	
	Account Sub-total		35,000
525-54623-700-710-000000	Risk Management ISF		\$ 100,985
	Increased Risk Management interfund allocations across all funds to meet projected obligations	2,728	
	Budget Change Sub-total	2,728	
	Account Sub-total		103,713
530-53110-300-304-000000	RM-Building		\$ -
	Golf Course Fund – additional revenue and related operating expense, with fund balance allocated for one-time maintenance and equipment costs	16,930	
	Budget Change Sub-total	16,930	
	Account Sub-total		16,930
530-54450-300-304-000000	Stonetree Golf Course		\$ 1,523,740
	Golf Course Fund – additional revenue and related operating expense, with fund balance allocated for one-time maintenance and equipment costs	160,000	
	Budget Change Sub-total	160,000	
	Account Sub-total		1,683,740

Expenditures (continued):

Account Number	Description	Budget Change	Budget
530-54530-300-304-000000	MSC-Notices Req'd by Law		\$ -
	Golf Course Fund – additional revenue and related operating expense, with fund balance allocated for one-time maintenance and equipment costs	294	
	Budget Change Sub-total	294	
	Account Sub-total		294
 			
530-56315-300-304-000000	CAP-Equip & Machinery		\$ -
	Golf Course Fund – additional revenue and related operating expense, with fund balance allocated for one-time maintenance and equipment costs	21,899	
	Budget Change Sub-total	21,899	
	Account Sub-total		21,899
 			
540-54623-700-710-000000	Risk Management ISF		\$ 185,595
	Increased Risk Management interfund allocations across all funds to meet projected obligations	13,283	
	Budget Change Sub-total	13,283	
	Account Sub-total		198,878
 			
540-55200-400-412-000000	Refuse Disposal Costs		\$ 4,761,310
	Solid Waste Fund – additional funds allocated to cover increased refuse disposal costs from higher tonnage, offset by additional revenues	650,000	
	Budget Change Sub-total	650,000	
	Account Sub-total		5,411,310
 			
550-54623-700-710-000000	Risk Management ISF		\$ 395,404
	Increased Risk Management interfund allocations across all funds to meet projected obligations	23,303	
	Budget Change Sub-total	23,303	
	Account Sub-total		418,707
 			

Expenditures (continued):

Account Number	Description	Budget Change	Budget
550-55850-160-166-000000	DE-Collection Expense		\$ 51,500
	Water & Sewer Fund – additional funds allocated to cover increased collection expense, offset by additional revenues	30,000	
	Budget Change Sub-total	30,000	
	Account Sub-total		81,500
 			
575-54623-700-710-000000	Risk Management ISF		\$ 43,947
	Increased Risk Management interfund allocations across all funds to meet projected obligations	2,725	
	Budget Change Sub-total	2,725	
	Account Sub-total		46,672
 			
623-54230-170-172-000000	Insurance Services		\$ 1,590,980
	Increased Risk Management interfund allocations across all funds to meet projected obligations	114,175	
	Budget Change Sub-total	114,175	
	Account Sub-total		1,705,155
 			
	EXPENDITURES TOTAL	\$ 37,731,004	\$ 79,052,671

SECTION II: That the City Council finds that the public notice and public hearing requirements of Section 38 and 56 of the City Charter have been complied with prior to the enactment of this ordinance.

SECTION III: That should any section or part of any section or paragraph of this ordinance be declared invalid or unconstitutional for any reason, it shall not invalidate or impair the validity, force or effect of any other section or sections or part of a section or paragraph of this ordinance.

SECTION IV: That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION V: That this ordinance shall be effective after its passage and publication according to law.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Killeen, Texas, this 16th day of September, 2025, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 et seq.

APPROVED:

Debbie Nash-King, MAYOR

ATTEST:

Laura J. Calcote, CITY SECRETARY

APPROVED AS TO FORM:

Holli C. Clements, CITY ATTORNEY



FY 2025 BUDGET AMENDMENT

YEAR-END

PH-25-054

September 16, 2025

Budget Amendment: Year-End

Background and Findings

2

Per the City's Financial Governance Policies, Section V. Budget Administration (B)(1), City Council may **amend or change the budget by ordinance**. Additionally, Article V, Section 56 of the City Charter requires a **public hearing** before finalizing any budget amendments that add or increase appropriations.

This budget amendment ensures compliance with these requirements and addresses necessary adjustments based on changes that have occurred since the beginning of the fiscal year.

*The required Notice of Public Hearing was published in the local newspaper on **September 11, 2025**.*

Budget Amendment: Year-End

General Fund

3

General Fund

- Transfer Projected Excess Fund Balance → Governmental CIP Fund per City Council direction on August 5, 2025, for one-time projects:
 - ✓FD Training Tower
 - ✓PD Impound Lot
 - ✓Fleet Additions for FY 2026 FTE
- Transfer to Risk Management ISF
- Auditor Intern – additional salary for hours beyond budget

	FY 2025 Budget	Budget Change	Amended Budget
Fund Balance Applied	\$ -	\$ 1,323,940	
Total Revenue	\$ -	\$ 1,323,940	\$ -
Transfer to Gov't CIP	\$ 7,990,954	\$ 1,250,000	\$ 9,240,954
Risk Management ISF	835,725	68,940	904,665
PS-Salaries-Part Time	18,019	5,000	23,019
Total Expense	\$ 8,844,698	\$ 1,323,940	\$ 10,168,638

Budget Amendment: Year-End

Special Revenue Funds

4

Opioid
Settlement
Fund

- Appropriation of settlement revenue and program expenditures, per **CCMR 25-136R**

	FY 2025 Budget	Budget Change	Amended Budget
State Grant Reimbursement	\$ 20,000	\$ 159,589	\$ 179,589
Total Revenue	\$ 20,000	\$ 159,589	\$ 179,589
Programs	\$ 122,774	\$ 159,589	\$ 282,363
Total Expense	\$ 122,774	\$ 159,589	\$ 282,363

Budget Amendment: Year-End

Special Revenue Funds

5

Hotel
Occupancy
Tax Fund

- Planned use of fund balance for Special Event Center roof replacement, per **CCMR 25-062R**
- Transfer of asset value from Drainage Utility Fund to HOT Fund
- Transfer to Risk Management ISF

	FY 2025 Budget	Budget Change	Amended Budget
Fund Balance Applied	\$ -	\$ 343,202	
Total Revenue	\$ -	\$ 343,202	\$ -
CAP-Building	\$ -	\$ 333,783	\$ 333,783
Transfer to Drainage Fund	-	7,000	7,000
Risk Management ISF	21,247	2,419	23,666
Total Expense	\$ 21,247	\$ 343,202	\$ 364,449

Budget Amendment: Year-End

Special Revenue Funds

6

Street
Maintenance
Fund

- Fund balance allocated to the Watercrest Road Reconstruction project, per **CCMR 25-082R**, Change Order #2

	FY 2025 Budget	Budget Change	Amended Budget
Fund Balance Applied	\$ -	\$ 336,697	
Total Revenue	\$ -	\$ 336,697	\$ -
CAP-Construction	\$ 3,182,153	\$ 336,697	\$ 3,518,850
Total Expense	\$ 3,182,153	\$ 336,697	\$ 3,518,850

Budget Amendment: Year-End

Court
Technology
Fund

- Fund balance allocated for completion of queue management kiosk installation

	FY 2025 Budget	Budget Change	Amended Budget
Fund Balance Applied	\$ -	\$ 5,000	
Total Revenue	\$ -	\$ 5,000	\$ -
CAP-Equip & Machinery	\$ 15,000	\$ 5,000	\$ 20,000
Total Expense	\$ 15,000	\$ 5,000	\$ 20,000

Budget Amendment: Year-End

Special Revenue Funds

8

Parks & Rec
Special
Revenue Fund

- Naming Rights revenue and corresponding expenditures per **CCMR 25-071R** and **CCMR 25-077R**, and installation of four scoreboards
- Texas Parks & Wildlife Grant revenue and related expenditures for the Pickleball Court project

	FY 2025 Budget	Budget Change	Amended Budget
Naming Rights	\$ -	\$ 86,097	\$ 86,097
State Grant Reimbursement	-	12,500	12,500
Total Revenue	\$ -	\$ 98,597	\$ 98,597
SUP-Minor Capital	\$ -	\$ 51,171	\$ 51,171
CAP-Signs	-	17,926	17,926
MSC-Professional Services	-	17,000	17,000
RM-Infrastructure	12,500	12,500	25,000
Total Expense	\$ 12,500	\$ 98,597	\$ 111,097

Budget Amendment: Year-End

Special Revenue Funds

9

Texas State
Veteran
Cemetery
Fund

- Transfer to Risk Management ISF

	FY 2025 Budget	Budget Change	Amended Budget
Fund Balance Applied	\$ -	\$ 777	
Total Revenue	\$ -	\$ 777	\$ -
Risk Management ISF	\$ -	\$ 777	\$ 777
Total Expense	\$ -	\$ 777	\$ 777

Budget Amendment: Year-End

Enterprise Funds

10

Solid
Waste
Fund

- Additional funds allocated to cover increased refuse disposal costs from higher tonnage, offset by additional revenues
- Transfer to Risk Management ISF

	FY 2025 Budget	Budget Change	Amended Budget
SW Commercial Services	\$ 10,149,339	\$ 250,000	\$ 10,399,339
Sale of Assets	35,987	200,000	235,987
Drop Off Fees	1,653,647	150,000	1,803,647
Specialty Disposal Fees	26,594	50,000	76,594
Fund Balance Applied	-	13,283	
Total Revenue	\$ 11,865,567	\$ 663,283	\$ 12,515,567
Refuse Disposal Costs	\$ 4,761,310	\$ 650,000	\$ 5,411,310
Risk Management ISF	185,595	13,283	198,878
Total Expense	\$ 4,946,905	\$ 663,283	\$ 5,610,188

Budget Amendment: Year-End

Enterprise Funds

11

Water &
Sewer
Fund

- Additional funds allocated to cover increased collection expense, offset by additional revenues
- Transfer to Risk Management ISF

	FY 2025 Budget	Budget Change	Amended Budget
Utility Collections Service Charges	\$ 1,000,000	\$ 30,000	\$ 1,030,000
Fund Balance Applied	-	23,303	
Total Revenue	\$ 1,000,000	\$ 53,303	\$ 1,030,000
DE-Collection Expense	\$ 51,500	\$ 30,000	\$ 81,500
Risk Management ISF	395,404	23,303	418,707
Total Expense	\$ 446,904	\$ 53,303	\$ 500,207

Budget Amendment: Year-End

Drainage Utility Fund

- Transfer to Risk Management ISF
- Transfer of asset value (tractor) from Drainage Utility Enterprise Fund to HOT Fund

	FY 2025 Budget	Budget Change	Amended Budget
Transfer from HOT Fund	\$ -	\$ 7,000	\$ 7,000
Fund Balance Added	-	(4,275)	
Total Revenue	\$ -	\$ 2,725	\$ 7,000
Risk Management ISF	\$ 43,947	\$ 2,725	\$ 46,672
Total Expense	\$ 43,947	\$ 2,725	\$ 46,672

Budget Amendment: Year-End

Enterprise Funds

13

Golf Course Fund

- Additional revenue and offsetting operation expense, and fund balance allocated for one-time maintenance and equipment costs

	FY 2025 Budget	Budget Change	Amended Budget
Green Fees	\$ 745,000	\$ 160,000	\$ 905,000
Fund Balance Applied	-	39,123	
Total Revenue	\$ 745,000	\$ 199,123	\$ 905,000
Stonetree Golf Course	\$ 1,523,740	\$ 160,000	\$ 1,683,740
RM-Building	-	16,930	16,930
CAP-Equip & Machinery	-	21,899	21,899
MSC-Notices Req'd by Law	-	294	294
Total Expense	\$ 1,523,740	\$ 199,123	\$ 1,722,863

Budget Amendment: Year-End

Enterprise Funds

14

Aviation
Fund

- Transfer to Risk Management ISF

	FY 2025 Budget	Budget Change	Amended Budget
Fund Balance Applied	\$ -	\$ 2,728	
Total Revenue	\$ -	\$ 2,728	\$ -
Risk Management ISF	\$ 100,985	\$ 2,728	\$ 103,713
Total Expense	\$ 100,985	\$ 2,728	\$ 103,713

Budget Amendment: Year-End

Internal Service Funds

15

Risk
Management
Fund

- Increased Risk Management interfund allocations across multiple funds to meet increased TML insurance premiums

	FY 2025 Budget	Budget Change	Amended Budget
General Fund Charges	\$ 835,725	\$ 68,940	\$ 904,665
W&S Fund Charges	395,404	23,303	418,707
Solid Waste Fund Charges	185,595	13,283	198,878
Aviation Fund Charges	100,985	2,728	103,713
Drainage Fund Charges	43,947	2,725	46,672
HOT Fund Charges	21,247	2,419	23,666
Tx Veteran Cem Charges	-	777	777
Total Revenue	\$ 1,582,903	\$ 114,175	\$ 1,697,078

Insurance Services	\$ 1,590,980	\$ 114,175	\$ 1,705,155
Total Expense	\$ 1,590,980	\$ 114,175	\$ 1,705,155

Budget Amendment: Year-End

Debt Service Fund

Debt
Service
Fund

- Fund balance allocated to cover increased Paying Agent Fees

	FY 2025 Budget	Budget Change	Amended Budget
Fund Balance Applied	\$ -	\$ 10,000	
Total Revenue	\$ -	\$ 10,000	\$ -
Bond-Paying Agent	\$ 25,000	\$ 10,000	\$ 35,000
Total Expense	\$ 25,000	\$ 10,000	\$ 35,000

Budget Amendment: Year-End

Governmental CIP Fund

- Transfer Projected Excess Fund Balance → Governmental CIP Fund per City Council direction on August 5, 2025, for one-time projects:
 - ✓FD Training Tower
 - ✓PD Impound Lot
 - ✓Fleet Additions for FY 26 FTE
- TDEM grant revenue and corresponding expenditures, with required grant match funded from fund balance, allocated for generators per Grant Acceptance Letters
- Fund balance allocated per:
 - **CCMR 25-069R** for GRK Office Building
 - **CCMR 25-064R** for Fire Station 9 HVAC
 - **CCMR 25-051R** for Crematorium Building at Animal Services

Budget Amendment: Year-End

Capital Improvement Program Funds

18

Governmental Capital Fund	FY 2025 Budget	Budget Change	Amended Budget
Transfer from General Fund	\$ 7,990,954	\$ 1,250,000	\$ 9,240,954
State Grant Reimbursement	-	709,750	709,750
Fund Balance Applied	-	2,119,098	
Total Revenue	\$ 7,990,954	\$ 4,078,848	\$ 9,950,704
CAP-Building (FD Training Tower)	\$ -	\$ 600,000	\$ 600,000
CAP-Construction (PD Impound Lot)	-	150,000	150,000
CAP-Design/Engineering (PD Impound Lot)	-	50,000	50,000
CAP-Motor Vehicle (PD)	1,604,703	330,000	1,934,703
CAP-Motor Vehicle (FD)	163,540	120,000	283,540
CAP-Equipment & Machinery (Generators, with grant match)	-	845,147	845,147
CAP-Construction (GRK Office Building)	-	1,000,000	1,000,000
CAP-Building (FD Station 9 HVAC)	-	773,500	773,500
CAP-Building (AS Crematorium)	-	210,201	210,201
Total Expense	\$ 1,768,243	\$ 4,078,848	\$ 5,847,091

Budget Amendment: Year-End

Aviation CIP Fund

- Proceeds from Aviation Lease Revenue Bonds, Taxable Series 2025 allocated for designated capital projects, per **CCMO 25-032**

	FY 2025 Budget	Budget Change	Amended Budget
Bond Proceeds	\$ -	\$ 3,545,000	\$ 3,545,000
Total Revenue	\$ -	\$ 3,545,000	\$ 3,545,000
CAP-Construction (GRK Office Building)	\$ 125,000	\$ 2,261,417	\$ 2,386,417
CAP-Design/Engineering (GRK Office Building)	-	1,242,209	1,242,209
Bond-Issuance Costs	-	38,874	38,874
Bond-Paying Agent	-	2,500	2,500
Total Expense	\$ 125,000	\$ 3,545,000	\$ 3,670,000

Budget Amendment: Year-End

Capital Improvement Program Funds

20

Aviation
AIP Fund

- Grant revenue and expenditures per:
 - **CCMR 25-110R** for the Skylark AWOS project
 - **CCMR 25-137R** and **CCMR 25-138R** for the Terminal Mechanical & Security Improvements project; plus, IFE costs
 - **CCMR 25-139R** for Terminal Rehabilitation project; plus, IFE costs

	FY 2025 Budget	Budget Change	Amended Budget
Federal Grant Reimbursement	\$ 738,293	\$ 5,620,372	\$ 6,358,665
State Grant Reimbursement	90,000	95,250	185,250
Total Revenue	\$ 828,293	\$ 5,715,622	\$ 6,543,915
CAP-Construction (GRK Pax Term & Security Improv)	\$ -	\$ 4,740,287	\$ 4,740,287
CAP-Design-Engineering (GRK Pax Term & Security Improv)	-	650,085	650,085
CAP-Design-Engineering (GRK Pax Term Rehabilitation)	719,525	230,000	949,525
CAP-Construction-(Skylark Field AWOS Relocation)	90,000	95,250	185,250
Total Expense	\$ 809,525	\$ 5,715,622	\$ 6,525,147

Budget Amendment: Year-End

Aviation PFC Fund

- Required grant match for the Terminal Mechanical & Security Improvements projects, per **CCMR 25-137R** and **CCMR 25-138R**
- Fund balance allocated per PFC Application Acknowledgement Letter

	FY 2025 Budget	Budget Change	Amended Budget
Fund Balance Applied	\$ -	\$ 318,454	
Total Revenue	\$ -	\$ 318,454	\$ -
Projects-PFC (GRK Pax Term & Security Improv)	\$ 2,006	\$ 283,454	\$ 285,460
Projects-PFC (Admin Fees Appl #14)	-	25,000	25,000
MSC-Accounting Services	-	10,000	10,000
Total Expense	\$ 2,006	\$ 318,454	\$ 320,460

Budget Amendment: Year-End

Water &
Sewer CIP
Fund

- Fund balance allocated per **CCMR 25-069R** for GRK Office Building

	FY 2025 Budget	Budget Change	Amended Budget
Fund Balance Applied	\$ -	\$ 684,834	
Total Revenue	\$ -	\$ 684,834	\$ -
CAP-Construction (GRK Office Building)	\$ -	\$ 684,834	\$ 684,834
Total Expense	\$ -	\$ 684,834	\$ 684,834

Budget Amendment: Year-End

Water
Impact Fee
Fund

- Fund balance allocated in the Water Impact Fee Fund to support professional agreement for updating the City’s Water & Wastewater Impact Fees, per **CCMR 25-119R**

	FY 2025 Budget	Budget Change	Amended Budget
Fund Balance Applied	\$ -	\$ 136,080	
Total Revenue	\$ -	\$ 136,080	\$ -
MSC-Professional Services	\$ -	\$ 136,080	\$ 136,080
Total Expense	\$ -	\$ 136,080	\$ 136,080

Budget Amendment: Year-End

Water &
Sewer
Improvement
Bond, 2025

- Proceeds from Waterworks & Sewer System Revenue Bonds, Series 2025, allocated for designated capital projects, per **CCMO 25-032**

	FY 2025 Budget	Budget Change	Amended Budget
Bond Proceeds	\$ 17,740,410	\$ 18,029,590	\$ 35,770,000
Bond Premium	-	1,909,437	1,909,437
Total Revenue	\$ 17,740,410	\$ 19,939,027	\$ 37,679,437

Budget Amendment: Year-End

Capital Improvement Program Funds

25

Water & Sewer Improvement Bond 2025	FY 2025 Budget	Budget Change	Amended Budget
CAP-Construction (24" Hwy 195 Waterline)	\$ 9,999,650	\$ 5,718,940	\$ 15,718,590
CAP-Construction (Hwy 195 Ground Storage Tank)	2,000,000	3,281,000	5,281,000
CAP-Construction (Lift Sta 6 Rehab & Expansion)	5,740,410	381,360	6,121,770
CAP-Construction (12" Featherline Water Repl)	-	3,057,600	3,057,600
CAP-Design-Engineering (12" Featherline Water Repl)	-	458,700	458,700
CAP-Construction (12" Wastewater Trimmer Basin)	-	3,000,400	3,000,400
CAP-Design-Engineering (12" Wastewater Trimmer Basin)	-	450,100	450,100
CAP-Construction (Dead-End Looping-Auto-Flushing)	-	2,500,000	2,500,000
CAP-Design-Engineering (Dead-End Looping-Auto-Flushing)	-	500,000	500,000
CAP-Contingency	-	424,523	424,523
Bond-Issuance Costs	-	165,654	165,654
Bond-Paying Agent	-	750	750
Total Expense	\$ 17,740,060	\$ 19,939,027	\$ 37,679,087

Budget Amendment: Year-End

Budget Change Summary

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Revenue	Adopted Budget	CIP Roll	Carry Forward	Mid-Year	Year-End	Amended Budget
General Fund	125,683,084	-	270,841	(146,310)	-	125,807,615
Enterprise Funds	90,892,719	-	-	(50,000)	847,000	91,689,719
Capital Project Funds	39,272,209	25,080,805	20,224	49,450,056	31,159,399	144,982,693
Special Revenue Funds	25,394,041	-	118,705	410,235	258,186	26,181,167
Internal Service Funds	18,411,353	-	-	1,695,462	114,175	20,220,990
Debt Service Fund	16,976,055	-	-	-	-	16,976,055
<i>*Fund Balance Applied/(Added)</i>	<i>(1,623,649)</i>	<i>126,556,945</i>	<i>1,971,454</i>	<i>7,500,577</i>	<i>5,352,244</i>	<i>139,757,571</i>
Total	\$ 315,005,812	\$ 151,637,750	\$ 2,381,224	\$ 58,860,020	\$ 37,731,004	\$ 565,615,810
Expenditure	Adopted Budget	CIP Roll	Carry Forward	Mid-Year	Year-End	Amended Budget
General Fund	125,683,084	-	1,150,997	4,772,484	1,323,940	132,930,505
Enterprise Funds	90,182,655	-	602,193	5,496,456	921,162	97,202,466
Capital Project Funds	41,502,403	145,117,100	20,224	41,443,931	34,417,865	262,501,523
Special Revenue Funds	20,658,439	6,520,650	448,544	5,193,854	943,862	33,765,349
Internal Service Funds	19,074,203	-	159,266	1,953,295	114,175	21,300,939
Debt Service Fund	17,905,028	-	-	-	10,000	17,915,028
Total	\$ 315,005,812	\$ 151,637,750	\$ 2,381,224	\$ 58,860,020	\$ 37,731,004	\$ 565,615,810

**Fund Balance Applied/(Added) reflects the difference between revenues and expenditures. Positive amounts represent prior-year revenues held in reserve and appropriated in the current year to support multi-year projects (including CIP rollovers). Negative amounts represent current-year revenues exceeding expenditures, which are added to reserves.*

Recommendation

27

City Council approve the ordinance amending the
FY 2025 Annual Budget



City of Killeen

Staff Report

File Number: PH-25-055

Hold a public hearing and consider an ordinance submitted by Charles Amundson, on behalf Terry Blake Bearden, (**Case# Z25-26**) to rezone approximately 1.26 acres out of a 2.15-acre tract in the T. Robinett Survey, Abstract No. 686, locally addressed as 3309 Old Farm-to-Market 440, Killeen, Texas, from "R-1" (Single-Family Residential District) to "B-5" (Business District).

DATE: September 16, 2025
TO: Kent Cagle, City Manager
FROM: Wallis Meshier, Exec. Dir. Of Dev. Serv.
SUBJECT: Zoning Case # Z25-26: "R-1" to "B-5"

BACKGROUND AND FINDINGS:

Property Information:

Property Owner: Terry Blake Bearden
Agent: Charles Amundson
Current Zoning: "R-1" (Single-Family Residential District)
Proposed Zoning: "B-5" (Business District)
FLUM Designation: 'Regional Commercial' (RC)
Growth Sector Designation: 'Neighborhood Infill' (NI)
Development Zone: 4

Summary of Request:

Charles Amundson, on behalf of Terry Blake Bearden, is requesting to rezone approximately 1.26 acres out of a 2.15-acre tract in the T. Robinett Survey, Abstract No. 686, from "R-1" (Single-Family Residential District) to "B-5" (Business District). The property is locally addressed as 3309 Old Farm-to-Market ("FM") 440, Killeen, Texas

In the applicant's letter of request, they further note their intention to purchase the adjacent property, also under consideration for rezoning from "R-1" to "B-5". They plan on platting both parcels to combine into one lot for the development of a new automotive repair facility on the site.

Zoning/Plat Case History:

The subject property was annexed into the City of Killeen in 1980, via ordinance 80-07, and

subsequently zoned to "R-1" (Single-Family Residential District).

Character of the Area:

North: Undeveloped property zoned "R-1" (Single-Family Residential District)

South: Undeveloped commercial property partly zoned "R-1" (Currently under consideration to rezone to "B-5") and "B-5" (Business District).

East: Developed commercial property zoned "B-5" (Business District).

West: Existing single-family development zoned "R-1" (Single-Family Residential District).

Future Land Use Map Analysis:

The property is located within the 'Neighborhood Infill' (NI) area on the Growth Sector Map and designated as 'Regional Commercial' (RC) on the Future Land Use Map (FLUM) of the Killeen 2040 Comprehensive Plan.

The 'Neighborhood Infill' area on the Growth Sector Map includes areas of the city that are already developed and have access to city services and infrastructure, but have vacant, underutilized, or poorly developed properties. Growth policies for this sector should encourage development or redevelopment of these properties with accessory dwelling units, smallplexes, and micro commercial that provides incremental increases in density. Development should match the existing character and improve walkable access to businesses and amenities for people living and working in the vicinity.

These 'Regional Commercial' places are first identified by their principal focus on auto-oriented traffic. Logically placed near high-traffic intersections, these spaces bring people from many surrounding neighborhoods. Typical uses will include regional businesses including but not limited to restaurants, grocery stores, banks, retail, gas stations, and offices. This place type encourages small-scale, neighborhood-scale, regional, and industrial. This place type encourages one hundred percent (100%) nonresidential and fifty percent (50%) residential use mix.

The request supports the following Comprehensive Plan recommendations:

LU3 - Encourage incremental evolution of neighborhoods.

MC2 - Coordinate land use and mobility strategies to create commercial nodes in each development zone of the city and within neighborhoods.

The Killeen 2040 Comprehensive Plan promotes incremental redevelopment of properties that can add to a widespread improvement. Additionally, staff finds that the proposed rezoning is consistent with the surrounding area, which consists of a mix of residential and commercial properties.

Development Zone Analysis:

These properties are located within the City of Killeen Development Zone #4. This development zone is west of Fort Hood Street and north of Stan Schlueter Loop. This development zone consists of 44.81% residential uses and 55.19% commercial uses.

The current land use mix within this area comprises of the following acreages and percentages, approximately:

District	Acres	Percentage
Special Districts	107.15	1.87%
Residential	2457.49	42.94%
Industrial	11.37	0.20%
Commercial	2937.38	51.33%
Agricultural	209.35	3.66%
Totals	5722.74	100.00%
Vacant Land	684	11.95%

Water, Sewer and Drainage Services:

Provider: City of Killeen

Within Service Area: Yes

Feasibility Study or Service Commitment: Water, wastewater, and drainage services are located within the City of Killeen municipal utility service area and are available to the subject tract.

Water services are available for the property at 3309 Old FM 440 via an existing 20" water transmission main and an existing 8" water distribution main located in Old Farm to Market 440.

Wastewater services are available for the property at 3309 Old FM 440 via an existing 10" wastewater main located on the east side of Old FM 440.

An existing drainage swale traverses the tract located at 3309 Old FM 440, flowing from south to north towards two existing 8'x4' RCB culverts in W. Elms Road. An existing curb inlet is located on the northern boundary of the tract in W. Elms Road.

Transportation and Thoroughfare Plan:

Access to the property is via Old Farm-to-Market 440 (65' ROW) classified as a Collector Road and via W. Elms Road (100' ROW) classified as a Minor Arterial in the currently adopted Comprehensive Plan.

The current zoning classification for the property is "R-1", and the property is currently undeveloped and generates no appreciable traffic.

The proposed zoning classification is "B-5" with the proposed use stated as an automotive repair facility. Based on the information contained in the 10th Edition of the ITA trip generation documents and the anticipated proposed use of the property, approximately 716 average daily trips will be generated by the tract.

An individual traffic impact analysis is not required at this time. If the conditions or assumptions used in the development of the current Traffic Impact Determination change, a revised

determination may be warranted at that time.

PARKS AND PROPOSED TRAIL PLAN:

There are no proposed parks or trails located on this site.

Environmental Assessment:

The property is located in the Nolan Creek / Leon River Watershed, in Zone X (Outside the 0.2% Annual Change Flood Hazard), per Federal Emergency Management Agency Flood Insurance Rate Map 48027C0260E with effective date September 26, 2008. The property is not directly affected by the revised portion of the existing floodplain map per LOMR 21-06-3142P, effective date 10/28/2022.

The property is impacted by an existing Freshwater Forested/Shrub wetland area corresponding to an existing drainage swale that traverses the tract, flowing from south to north towards two existing 8'x4' "RCB" (Reinforced Concrete Box) culverts in W. Elms Rd. An existing curb inlet is located on the northern boundary of the tract in W. Elms Rd.

No visual evidence of other environmental impediments is apparent on the property at this time.

Public Notification:

Staff notified property owners of thirty-two (32) surrounding properties regarding this request.

Staff has received one (1) response in support and one (1) in opposition regarding this request.

Staff Findings:

Staff finds that the proposed zoning is consistent with the Future Land Use Map and Killeen 2040 Comprehensive Plan. The applicant intends to develop the property into an automotive repair facility, and this will not have an adverse effect on the character of the area.

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

This zoning request conforms to the City's policy and procedures, as detailed in Chapter 31 of the Killeen Code of Ordinances.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

This zoning request does not involve the expenditure of city funds. Public infrastructure is already in place for this property and maintained by the City. Maintenance cost will continue for the life of the development.

Is this a one-time or recurring expenditure?

This is not applicable.

Is this expenditure budgeted?

This is not applicable.

If not, where will the money come from?

This is not applicable.

Is there a sufficient amount in the budgeted line item for this expenditure?

This is not applicable.

RECOMMENDATION:

Staff recommends approval of the applicant's request to rezone the property from "R-1 (Single-Family Residential District to "B-5" (Business District) as presented.

The Planning and Zoning Commission recommended approval of the applicant's request to change the zoning classification from "R-1 (Single-Family Residential District) to "B-5" (Business District) designation by a vote of 5 to 0.

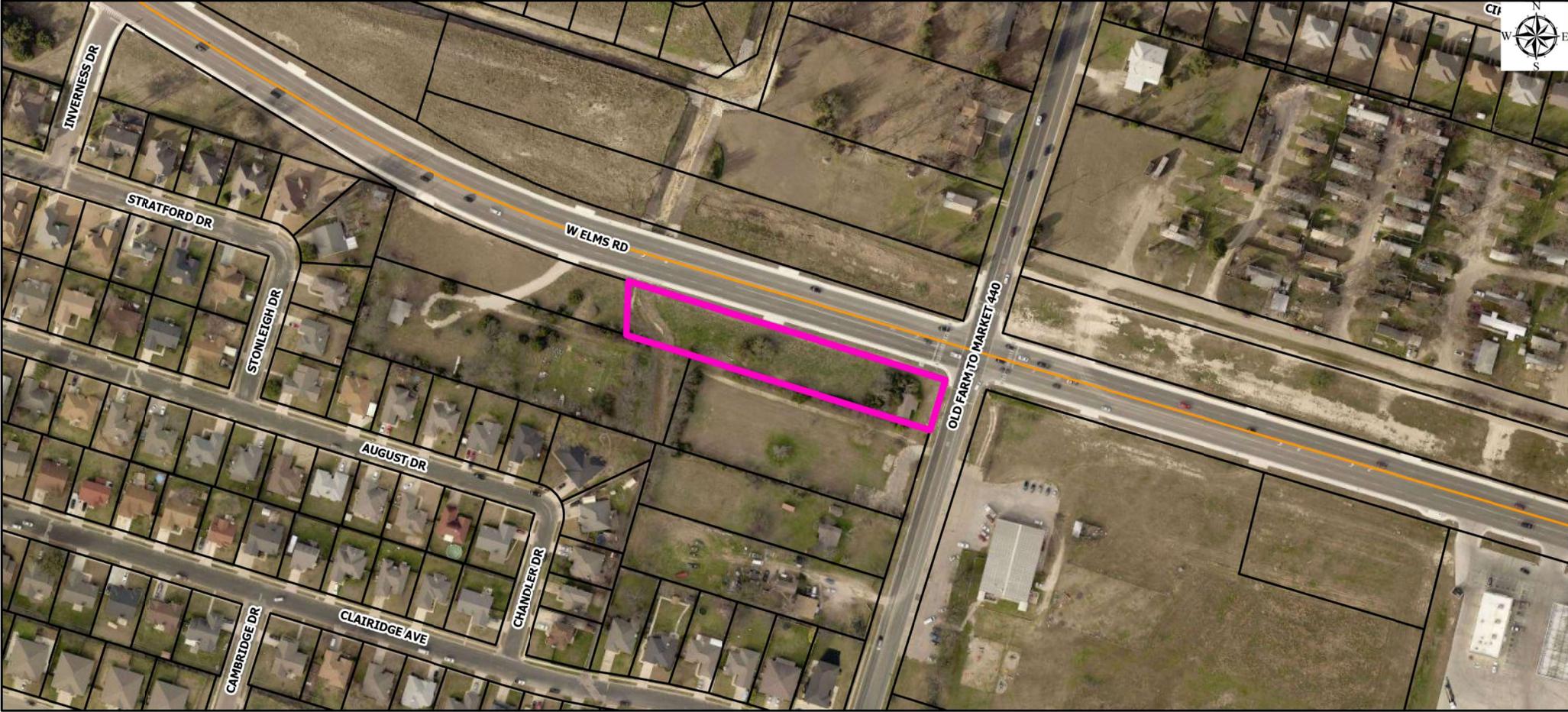
DEPARTMENTAL CLEARANCES:

The Planning and Legal staff have reviewed this item.

ATTACHED SUPPORTING DOCUMENTS:

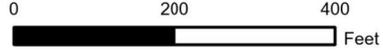
- Maps
- Site Photos
- Minutes
- Ordinance

Letter of Request
Amended Request
Responses
Presentation



AERIAL MAP

Council District: 3

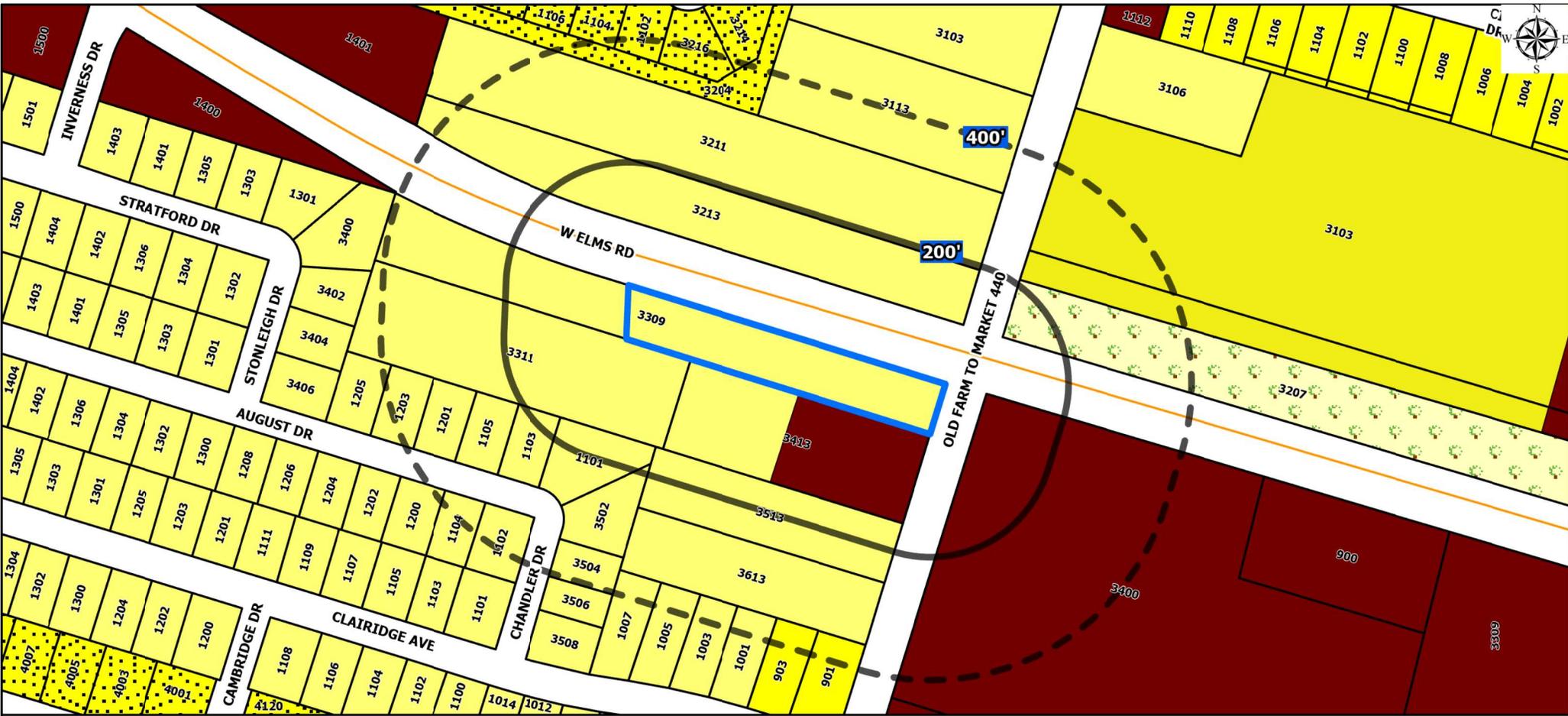


Zoning Case 2025-26
R-1 TO B-5

Legend

 Zoning Case

Subject Property Legal Description: APPROXIMATELY 1.26 ACRES OUT OF A 2.15 ACRES TRACT IN THE T. ROBINETT SURVEY, ABSTRACT NO. 686.



NOTIFICATION MAP

Council District: 3



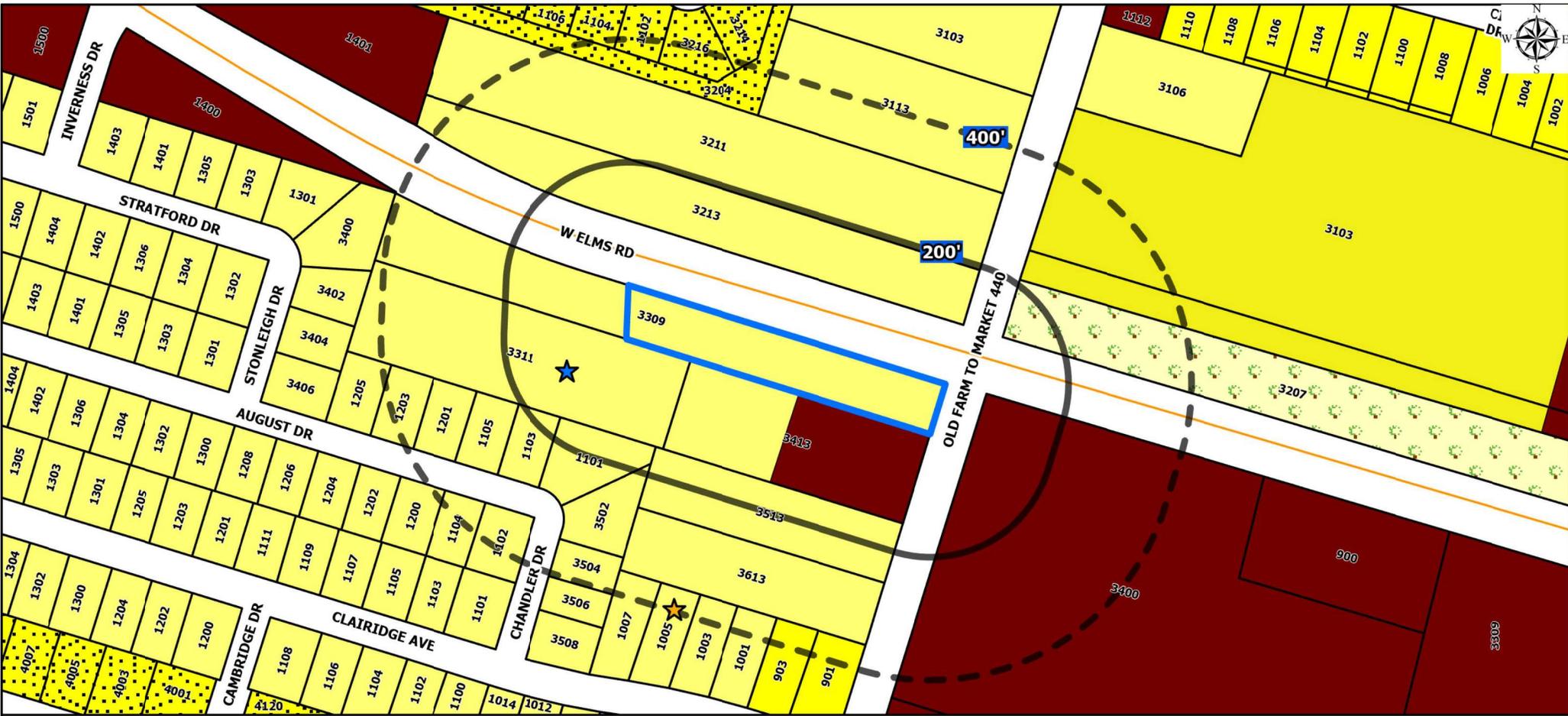
Zoning Case 2025-26
R-1 TO B-5

Subject Property Legal Description: APPROXIMATELY 1.26 ACRES OUT OF A 2.15 ACRES TRACT IN THE T. ROBINETT SURVEY, ABSTRACT NO. 686.

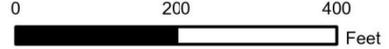
Legend

	Current Zoning R-1		R-3		RMH
	B-5		R-2		R-MP
	Zoning Case				





RESPONSE MAP
Council District: 3



Subject Property Legal Description: PART OF A0686BC T ROBINETT, 14, 756-10, ACRES 1.26

Zoning Case 2025-26

R-1 TO B-5

Legend

Current Zoning	R-1	R-3	RMH
	B-5	R-2	R-MP
	Zoning Case	Support	Opposed

SITE PHOTOS

Case #Z25-26: "R-1" to "B-5"



View of the subject property from Old FM 440 facing west:



View of the subject property looking across West Elms Road:



SITE PHOTOS

Case #Z25-26: "R-1" to "B-5"



View of the subject property facing west along West Elms Road:



View of the subject property facing east along West Elms Road:



MINUTES
PLANNING AND ZONING COMMISSION MEETING
AUGUST 11, 2025
CASE # Z25-26
“R-1” to “B-5”

Hold a public hearing and consider a request submitted by Charles Amundson on behalf Terry Blake Bearden (**Case# Z25-26**) to rezone approximately 1.26 acres out of a 2.15-acre tract in the T. Robinett Survey, Abstract No. 686 from “R-1” (Single-Family Residential District) to “B-5” (Business District). The subject property is locally addressed as 3309 Old Farm-to-Market-440, Killeen, Texas.

Ms. Lopez presented the staff report for this item. She stated that the purpose of the rezoning is to facilitate the development of a new automotive repair facility on the site. Ms. Lopez further explained that the applicant’s intent is to purchase the adjacent property, which is also under consideration for rezoning from “R-1” to “B-5”. If approved, the applicant intends to plat both parcels into one lot.

The subject property is located within the ‘Neighborhood Infill’ (NI) growth sector on the Growth Sector Map and is designated as ‘Regional Commercial’ (RC) on the Future Land Use Map (FLUM).

Ms. Lopez stated that staff notified owners thirty-two (32) surrounding properties regarding this request. As of the date of the meeting, staff has received one written response in opposition and one written response in support of this request.

Ms. Lopez stated that staff finds that the proposed rezoning request is consistent with the Future Land Use Map (FLUM) and Killeen 2040 Comprehensive Plan. Therefore, staff recommends approval of the request to rezone the property from “R-1” (Single-Family Residential District) to “B-5” (Business District) as presented.

The applicant, Mr. Charles Amundson, was present to represent the request.

Commissioner Wilson asked the applicant if they had procedures in place ensure that the creek would not be contaminated by the intended use of the property. Mr. Amundson said that they will follow proper procedures.

Chairman Minor opened the public hearing at 5:26 p.m.

Ms. Brittney Henry spoke in opposition to the request. She expressed concerns about increase in flooding and foot traffic in the area.

With no one else wishing to speak, the public hearing was closed at 5:29 p.m.

Commissioner Wilson moved to recommend approval of the applicant's request as presented.
Commissioner Giacomozzi seconded and the motion passed by a vote of 5 to 0.

ORDINANCE NO. 25-XXX

AN ORDINANCE AMENDING THE CITY OF KILLEEN ZONING ORDINANCE BY CHANGING THE ZONING OF APPROXIMATELY 1.26 ACRES OUT OF A 2.15-ACRE TRACT IN THE T. ROBINETT SURVEY, ABSTRACT NO. 686, FROM “R-1” (SINGLE-FAMILY RESIDENTIAL DISTRICT) TO “B-5” (BUSINESS DISTRICT); PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, pursuant to Chapter 211 of the Texas Local Government Code and Section 31-39 of the City of Killeen Code of Ordinances, the City Council, upon application, may amend the City of Killeen Zoning Ordinance following a recommendation by the Planning and Zoning Commission and a public hearing;

WHEREAS, Charles Amundson, on behalf of Terry Blake; presented to the City of Killeen, a request for an amendment to the City of Killeen Zoning Ordinance by changing the classification of approximately 1.26 acres out of a 2.15-acre tract in the T. Robinett Survey, Abstract No. 686, locally addressed as 3309 Old Farm-to-Market 440, Killeen, Texas, from “R-1” (Single-Family Residential District) to “B-5” (Business District);

WHEREAS, the Planning and Zoning Commission of the City of Killeen, following a public hearing on August 11, 2025, duly recommended approval of the application for amendment;

WHEREAS, due notice of the filing of said request and the date of hearing thereon was given as required by law, and a hearing on said request was set for 3:00 P.M., on September 16, 2025, at the City Hall, City of Killeen; and

WHEREAS, the City Council at said hearing duly considered said request, the action of the Planning and Zoning Commission, and the evidence in support thereof, and the City Council being of the majority opinion that the applicant’s zoning request should be approved as recommended by the Planning and Zoning Commission.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN:

SECTION I. That the zoning classification of approximately 1.26 acres out of a 2.15-acre tract in the T. Robinett Survey, Abstract No. 686, locally addressed as 3309 Old Farm-to-Market 440, Killeen, Texas, from “R-1” (Single-Family Residential District) to “B-5” (Business District).

SECTION II. That should any section or part of this ordinance be declared unconstitutional or invalid for any reason, it shall not invalidate or impair the validity, force, or effect of any other section or parts of this ordinance.

SECTION III. That all ordinances and resolutions, or parts thereof, in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION IV. That this ordinance shall take effect immediately upon passage of the ordinance.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Killeen, Texas, this 16th day of September 2025, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, § 551.001, *et seq.*

APPROVED:

Debbie Nash-King, MAYOR

ATTEST:

Laura J. Calcote, CITY SECRETARY

APPROVED AS TO FORM

Holli C. Clements, CITY ATTORNEY

Case #25-26

Ord. #25-____

LETTER OF REQUESTED

To whom it may concern,

We are requesting that both 3311 and 3309 Old 440 be rezoned from R-1 to B-5.

The request is to facilitate the construction of an automotive repair facility. The property is in between a creek and foliage, road way, a B5 zoned property, and property that is currently under consideration to be considered for rezoning to B5. We do not believe it will disturb any surrounding properties. After meeting with the planning we have found that the property FLUM supports the request of B5 zoning.

Best regards,

A handwritten signature in black ink, appearing to read 'Charles Amundson', with a stylized flourish at the end.

Charles Amundson

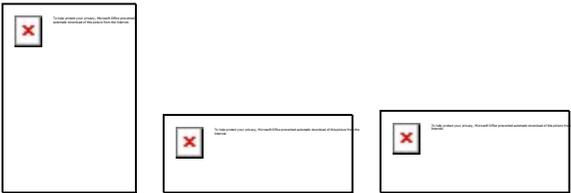
JoAnn Lomas

From: CHARLES AMUNDSON <chucksmmg@gmail.com>
Sent: Tuesday, July 22, 2025 5:21 PM
To: JoAnn Lomas
Subject: Re: exhibit 1

CAUTION: This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know that the content is safe. Never enter your password or other sensitive information on linked web pages contained in this email unless you are certain the web pages are safe. If you have questions or need assistance, please contact the Help Desk at 254-501-8900.

Sorry, just seeing this. Correct, just the part from the creek to old 440 along elms of 3309 old 440. Thanks!!

Charles (Chuck) Amundson
-Chucks Garage and Mobile Mechanics
-Bills Towing and Storage
-BFF Construction
254-423-7349



On Tue, Jul 22, 2025 at 2:34 PM JoAnn Lomas <JLomas@killeentexas.gov> wrote:

Mr. Amundson,

Just confirming, we are only rezoning about 1.26 acres of the property addressed as 3309 Old FM 400.

We are not rezoning any portion of 3311 Old FM 440.

If that is correct, please confirm in this email.

YOUR NAME:	Brittney Henry	PHONE NUMBER:	(254) 371-9453
CURRENT ADDRESS:	1005 Clairidge Ave		
ADDRESS OF PROPERTY OWNED:	Same		
COMMENTS:	I really hope this does not turn into commercial property because of the foot traffic of strangers that already come through the ditch will triple as a result to it being changed to commercial property.		
SIGNATURE:	<i>Brittney H</i>	REQUEST: "R-1" to "B-5"	
		725-26/	05

RECEIVED
 AUG 11 2005
 By *UL*

YOUR NAME: <u>PEARL BETAUDEN</u>	PHONE NUMBER: <u>254-526-7822</u>		
CURRENT ADDRESS: <u>1101 EDWARDS LN HW, TX</u>			
ADDRESS OF PROPERTY OWNED: <u>3311 OLD FM 442</u>			
COMMENTS: <u>IN FAVOR</u>			
		<div data-bbox="917 268 1258 499" data-label="Text"> <p>RECEIVED AUG 05 2025 By <u>JL</u></p> </div>	
SIGNATURE: 	REQUEST: "R-1" to "B-5" Z25-26/ <u>22</u>		



**CASE #Z25-26:
“R-1” TO “B-5”**

PH-25-055

September 16, 2025

Case #Z25-26: “R-1” to “B-5”

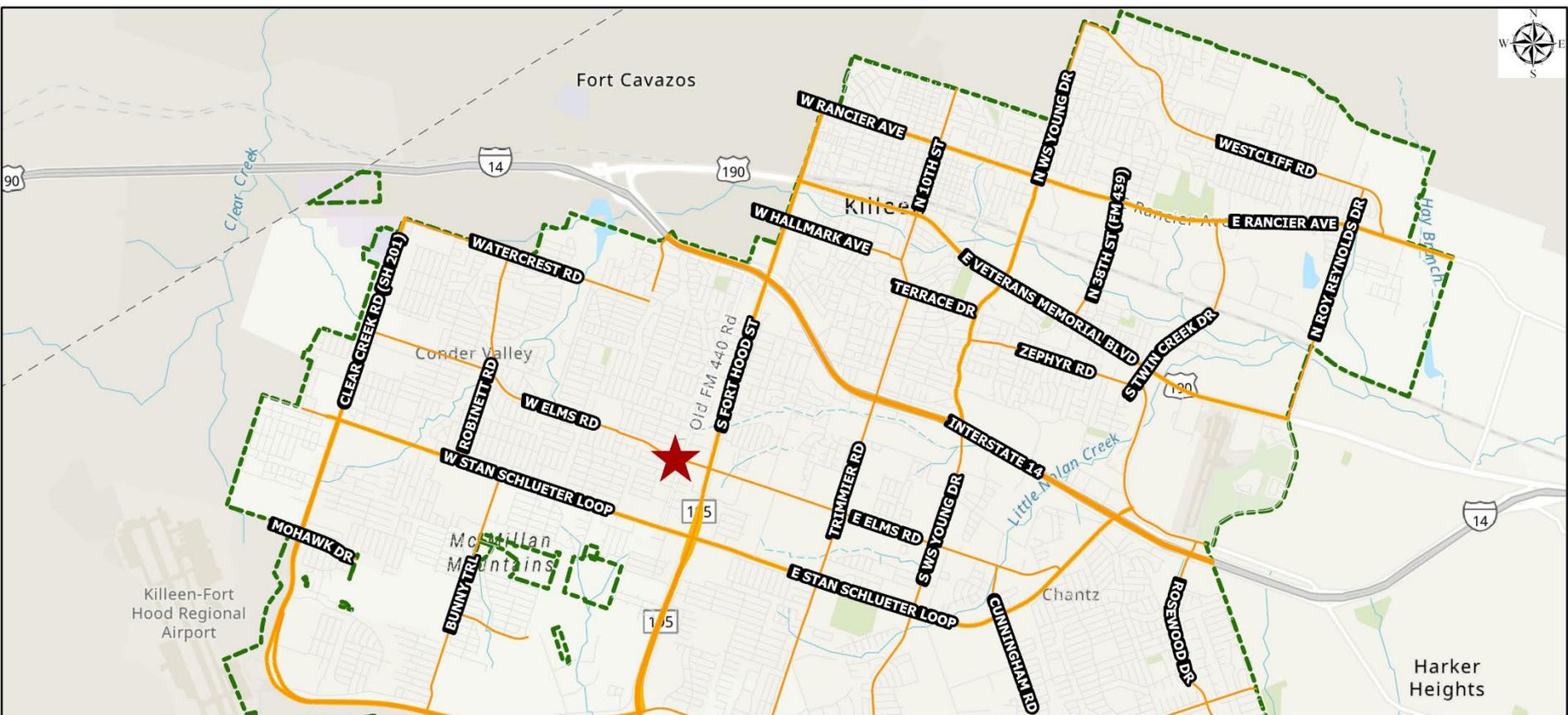
- Hold a public hearing and consider a request submitted by Charles Amundson on behalf of Terry Blake Bearden (**Case# Z25-26**) to rezone approximately 1.26 acres out of a 2.15-acre tract in the T. Robinett Survey, Abstract No. 686 from “R-1” (Single-Family Residential District) to “B-5” (Business District).
- The subject property is locally addressed as 3309 Old Farm-to-Market 440, Killeen, Texas.

Case #Z25-26: “R-1” to “B-5”

- The adjacent property to the south was recently rezoned from “R-1” to “B-5” on August 19, 2025.
- If approved, the applicant intends to purchase both properties and plat them into one lot in order to develop an automotive repair facility.

Case #Z25-26: “R-1” to “B-5”

- The subject property is located within the ‘Neighborhood Infill’ (NI) area on the Growth Sector Map and designated ‘Regional Commercial’ (RC) on the Future Land Use Map (FLUM) of the Killeen 2040 Comprehensive Plan.



LOCATION MAP

Council District: 3



Zoning Case 2025-26

R-1 TO B-5

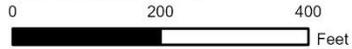
Legend

- Major Roads
- City Limit
- Zoning Case Location

Subject Property Legal Description: PART OF A0686BC T ROBINETT, 14, 756-10, ACRES 1.26



AERIAL MAP
Council District: 3



Zoning Case 2025-26

R-1 TO B-5

Legend
 Zoning Case

Subject Property Legal Description: PART OF A0686BC T ROBINETT, 14, 756-10, ACRES 1.26

Case #Z25-26: “R-1” to “B-5”

7

View of the subject property from Elms Road facing south:



Case #Z25-26: “R-1” to “B-5”

8

View facing east on Elms Road (subject property on right):



Case #Z25-26: “R-1” to “B-5”

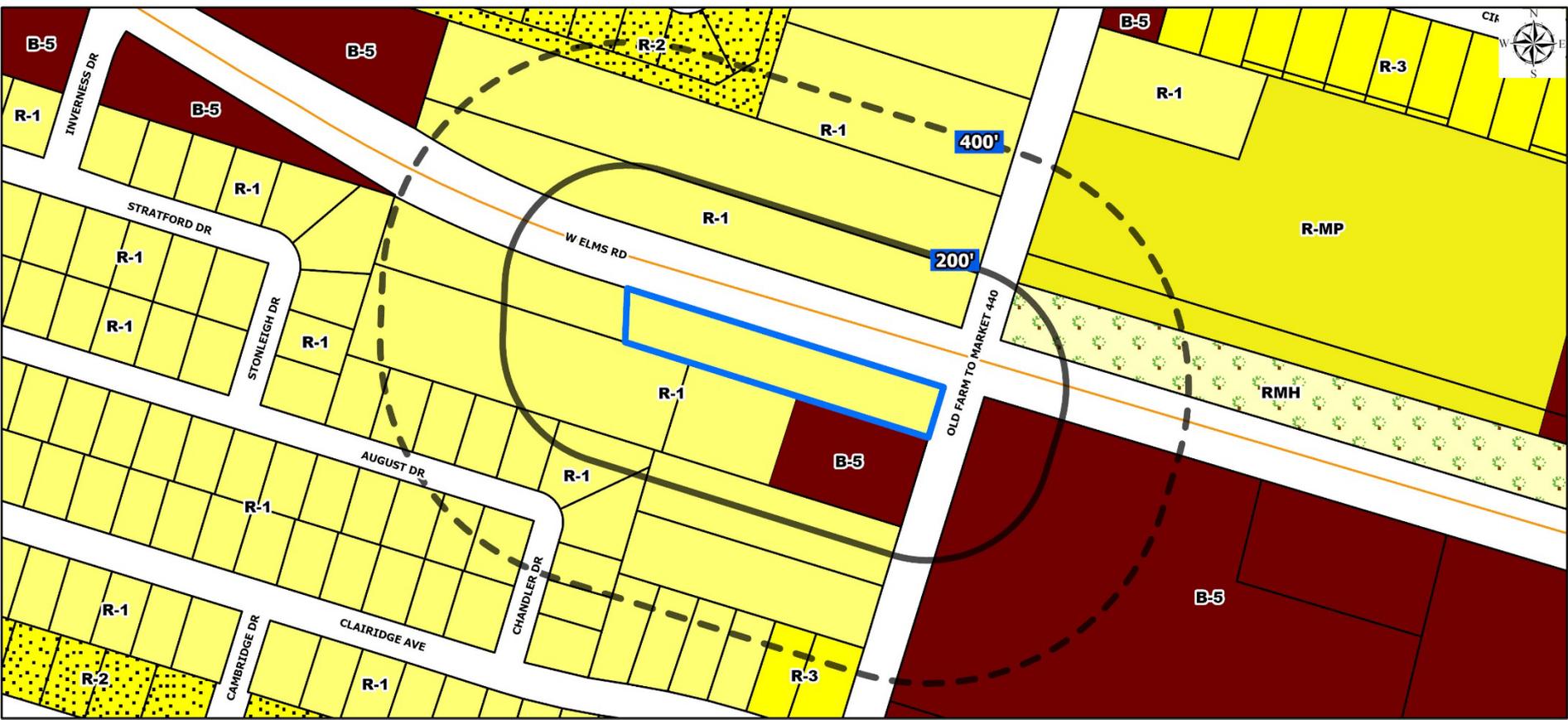
9

View facing west on Elms Road (subject property on left):



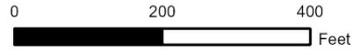
Public Notification

- Staff notified the owners of thirty-two (32) surrounding properties regarding this request.
- To date, staff has received one (1) written response in support of the request, and one (1) in opposition.



ZONING MAP

Council District: 3



Zoning Case 2025-26

R-1 TO B-5

Subject Property Legal Description: PART OF A0686BC T ROBINETT, 14, 756-10, ACRES 1.26

Staff Findings

- Staff finds that the requested “B-5” (Business District) zoning is consistent with the Future Land Use Map and with the Killeen 2040 Comprehensive Plan.

Staff Recommendation

- Staff recommends approval of the applicant's request to rezone the property from "R-1 (Single-Family Residential District to "B-5" (Business District) as presented.

Commission Recommendation

- At their regular meeting on August 11, 2025, the Planning and Zoning Commission recommended approval of the applicant's request by a vote of 5 to 0.



City of Killeen

Staff Report

File Number: PH-25-056

Hold a public hearing and consider an ordinance amending the City of Killeen Thoroughfare Plan.

DATE: September 16, 2025
TO: Kent Cagle, City Manager
FROM: Wallis Meshier, Exec. Dir. Of Dev. Serv.
SUBJECT: Thoroughfare Plan Amendment

BACKGROUND AND FINDINGS:

The City's Thoroughfare Plan establishes the transportation network for the City of Killeen and establishes a framework for the orderly development of roadways to include their alignments, connections, and classifications. As the City grows, it becomes necessary to amend or update the Thoroughfare Plan accordingly.

Staff finds the proposed amendment is necessary to align with existing and proposed residential growth, and to account for the topography of the area.

Area 1 Reclassification & Realignment of Briar Patch Lane Extension:

Current Road Classification: Proposed Collector

New Classification: Proposed Residential Collector

Realignment: The existing topography prevents the construction of the proposed alignment.

Staff finds that the existing topography in the area would prevent the construction of the roadway as contemplated in the Thoroughfare Plan. Modifying the alignment and classification of the planned thoroughfare will ensure future east/west connectivity from Bunny Trail to South Fort Hood Street.

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

This item conforms with state and local policies.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

This is not applicable.

Is this a one-time or recurring revenue/expenditure?

This is not applicable.

Is this revenue/expenditure budgeted?

This is not applicable.

If not, where will the money come from?

This is not applicable.

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

This is not applicable.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

This is not applicable.

Is this a one-time or recurring revenue/expenditure?

This is not applicable.

Is this revenue/expenditure budgeted?

This is not applicable.

If not, where will the money come from?

This is not applicable.

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

This is not applicable.

RECOMMENDATION:

Staff recommends approval of the ordinance amending the City of Killeen Thoroughfare Plan. At its regular meeting on August 11, 2025, the Planning and Zoning Commission recommended approval of the proposed amendment by a vote of 5 to 0.

DEPARTMENTAL CLEARANCES:

This item has been reviewed by Development Services and Legal Staff.

ATTACHED SUPPORTING DOCUMENTS:

Exhibit
Minutes
Ordinance
Presentation

**MINUTES
PLANNING AND ZONING COMMISSION MEETING
AUGUST 11, 2025
THOROUGHFARE PLAN AMENDMENTS**

Hold a public hearing and consider amendments to the City of Killeen Thoroughfare Plan.

Mr. Hermosillo presented the proposed amendments to the City of Killeen Thoroughfare Plan. Mr. Hermosillo stated that after reviewing the current 2025 Thoroughfare Plan, staff finds that these updates are essential to address recent residential and commercial developments, account for topography, and ensure proper reclassification and realignments with future projects.

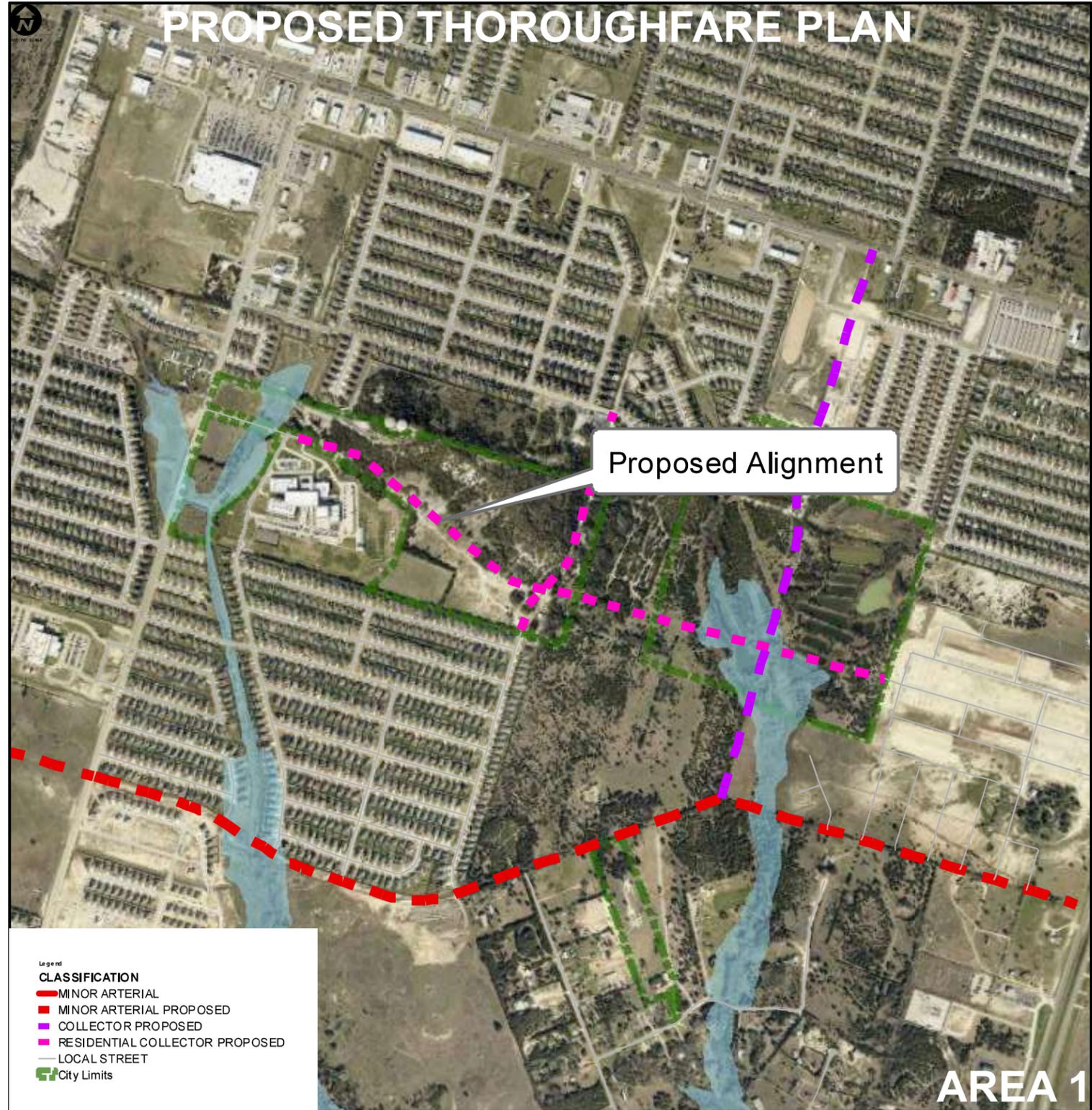
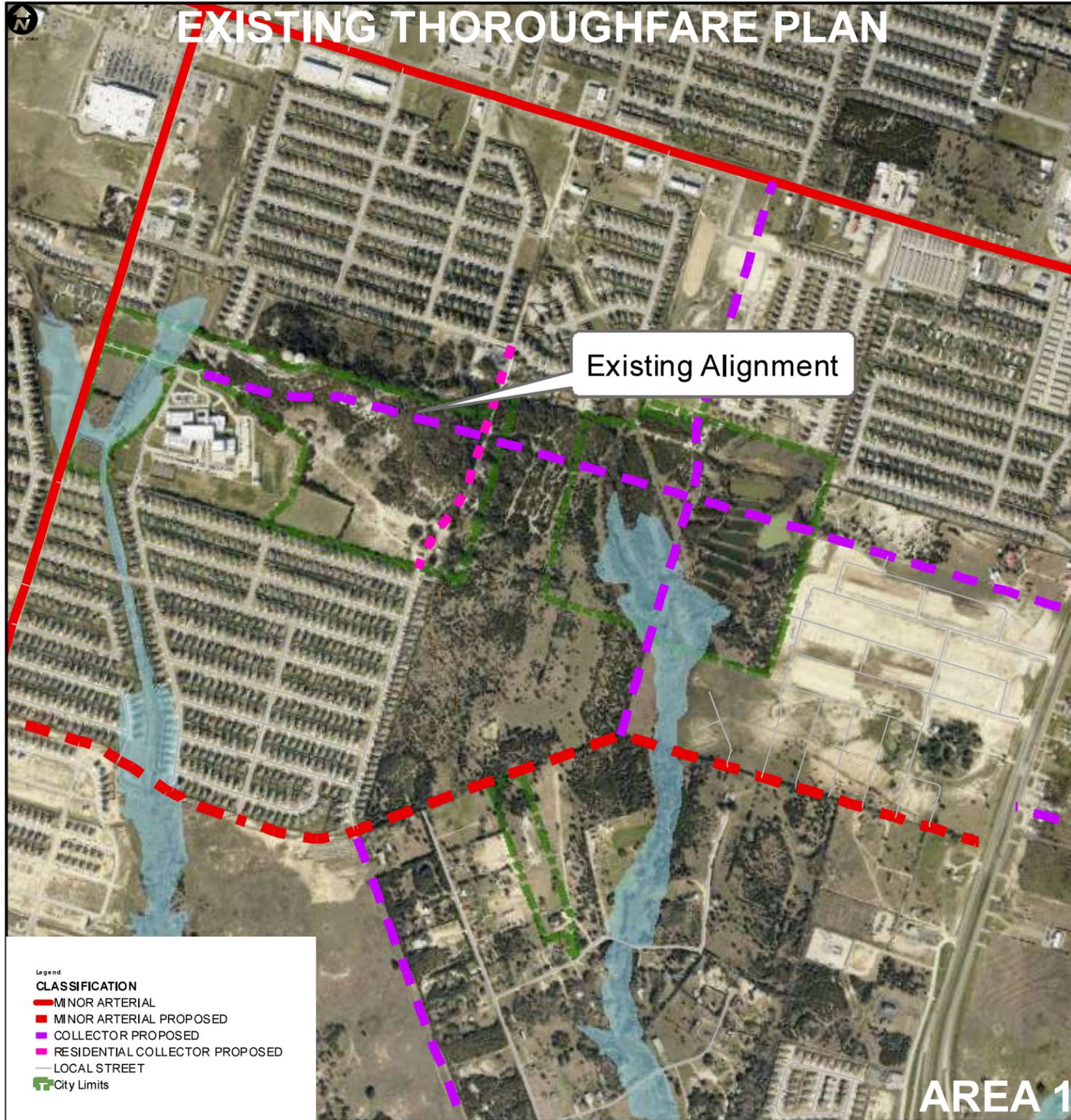
He stated that the intent of the proposed amendments is to ensure alignment with current on-the-ground developments.

He stated that staff recommends approval of the Thoroughfare Plan amendments as presented.

Chairman Minor opened the public hearing at 5:33 p.m.

With no one wishing to speak, the public hearing was closed at 5:33 p.m.

Commissioner Ploeckelmann moved to recommend approval of the Thoroughfare Plan amendments as presented by staff. Commissioner Giacomozzi seconded, and the motion passed by a vote of 5 to 0.



ORDINANCE _____

AN ORDINANCE AMENDING THE COMPREHENSIVE PLAN TO UPDATE THE THOROUGHFARE PLAN; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

WHEREAS, the City of Killeen finds that Chapter 213.003 of the Local Government Code enables municipalities to adopt and amend comprehensive plans in the interest of coordinating long-range development of the municipality.

WHEREAS, the Planning and Zoning Commission has received a request from the City of Killeen Development Services Department for revisions, per the attached exhibits, to the adopted Thoroughfare Plan Map within the Comprehensive Plan

WHEREAS, said revisions having been duly presented and recommended for approval by the Planning and Zoning Commission of the City of Killeen on the 11th day of August 2025;

WHEREAS, due notice of the filing of said request and the date of hearing thereon was given as required by law, and hearing on said request was set for 3:00 P.M., on the 16th day of September 2025, at the City Hall, City of Killeen;

WHEREAS, the City Council at said hearing duly considered said request, the action of the Planning and Zoning Commission and the evidence in support thereof, and the City Council being of the opinion that the amendment should be approved;

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS:

SECTION I: That the Thoroughfare Plan Map of the 2040 Comprehensive Plan be updated per the attached exhibits as duly recommended by the Planning and Zoning Commission of the City of Killeen.

SECTION II. That should any section or part of this ordinance be declared unconstitutional or invalid for any reason, it shall not invalidate or impair the validity, force, or effect of any other section or parts of this ordinance.

SECTION III. That all ordinances and resolutions, or parts thereof, in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION IV. That this ordinance shall take effect immediately upon passage of the ordinance.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Killeen, Texas, this 16th day of September 2025, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 et seq.

APPROVED:

Debbi Nash-King, MAYOR

ATTEST:

Laura J. Calcote, CITY SECRETARY

APPROVED AS TO FORM:

Holli C. Clements, CITY ATTORNEY



THOROUGHFARE PLAN AMENDMENT

PH-25-056

September 16, 2025

Background



- The City's Thoroughfare Plan establishes the transportation network for the city and establishes a framework for the orderly development of roadways to include their alignments, connections, and classifications.
- As the City grows, it becomes necessary to amend or revise the Thoroughfare Plan accordingly.

Background

3

- Staff finds the proposed amendment is necessary to align with existing and proposed residential growth, and to account for the topography of the area.

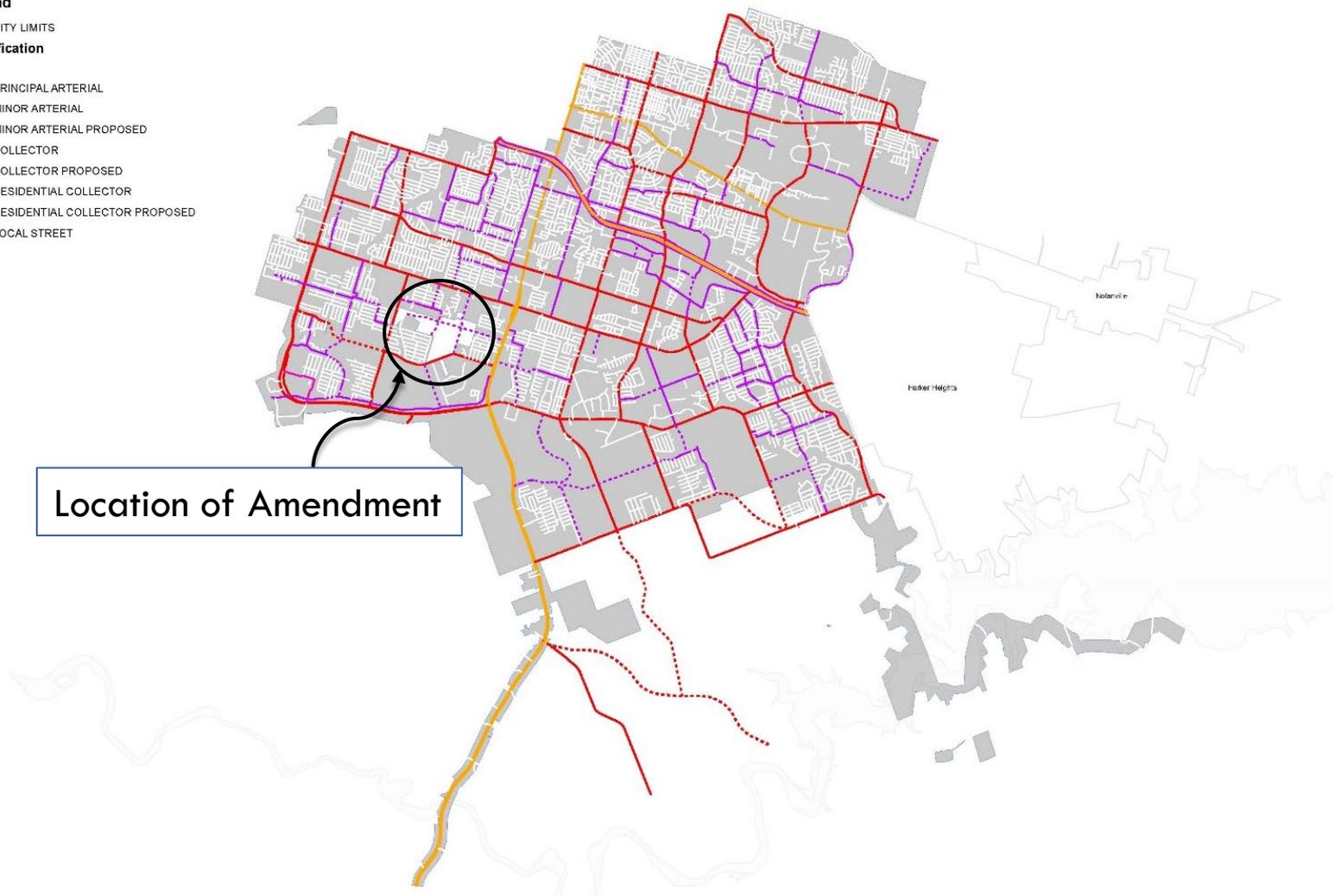
Legend

■ CITY LIMITS

Classification

- PRINCIPAL ARTERIAL
- MINOR ARTERIAL
- ⋯ MINOR ARTERIAL PROPOSED
- COLLECTOR
- ⋯ COLLECTOR PROPOSED
- RESIDENTIAL COLLECTOR
- ⋯ RESIDENTIAL COLLECTOR PROPOSED
- LOCAL STREET

Location of Amendment



EXISTING THOROUGHFARE PLAN

Existing Alignment

- Legend
- CLASSIFICATION
 - MINOR ARTERIAL
 - MINOR ARTERIAL PROPOSED
 - COLLECTOR OR PROPOSED
 - RESIDENTIAL COLLECTOR PROPOSED
 - LOCAL STREET
 - City Limits

AREA 1

PROPOSED THOROUGHFARE PLAN

Proposed Alignment

- Legend
- CLASSIFICATION
 - MINOR ARTERIAL
 - MINOR ARTERIAL PROPOSED
 - COLLECTOR OR PROPOSED
 - RESIDENTIAL COLLECTOR PROPOSED
 - LOCAL STREET
 - City Limits

AREA 1

Staff Findings

- Staff finds that the existing topography in the area would prevent the construction of the roadway as contemplated in the Thoroughfare Plan.
- Modifying the alignment and classification of the planned thoroughfare will ensure future east/west connectivity from Bunny Trail to South Fort Hood Street.

Staff Recommendation

7

- Staff recommends approval of the proposed Thoroughfare Plan amendment as presented.

Commission Recommendation

- At their regular meeting on August 11, 2025, the Planning and Zoning Commission recommended approval of the proposed Thoroughfare Plan amendment by a vote of 5 to 0.



City of Killeen

Staff Report

File Number: PH-25-057

Hold a public hearing and consider an ordinance amending Killeen Code of Ordinances, Chapter 31 - Zoning, establishing a Site Development Permit process.

DATE: September 16, 2025

TO: Kent Cagle, City manager

FROM: Wallis Meshier, Exec. Dir. Of Dev. Serv.

SUBJECT: Ordinance Amending Chapter 31 - Establishing Site Development Permit Process

BACKGROUND AND FINDINGS:

On June 17, 2025, the City Council approved the new FY 26 Fee Schedule, which provides for a new fee for Commercial Site Plan Review. The new Fee Schedule will go into effect on October 1, 2025. The purpose of the proposed ordinance is to establish a permit requirement and process for review of commercial site plans. If approved, the proposed ordinance will also go into effect on October 1st.

If approved, the proposed ordinance will establish Killeen Code of Ordinances, Chapter 31, Article VIII - Site Development Permit Required. The purpose of the proposed ordinance is to establish a formal review process for new nonresidential and multifamily development to ensure that new development conforms with all applicable code requirements. The proposed Site Development Permit review process will ensure conformance with requirements related to:

- Building setbacks
- Drainage & detention
- Driveways and access
- Fire protection
- Off-street parking
- Sidewalks
- Landscaping
- Screening
- Lighting
- Solid waste

THE ALTERNATIVES CONSIDERED:

N/A

Which alternative is recommended? Why?

N/A

CONFORMITY TO CITY POLICY:

This item conforms with state and local policies.

FINANCIAL IMPACT:

What is the amount of the revenue/expenditure in the current fiscal year? For future years?

This is not applicable.

Is this a one-time or recurring revenue/expenditure?

This is not applicable.

Is this revenue/expenditure budgeted?

This is not applicable.

If not, where will the money come from?

This is not applicable.

Is there a sufficient amount in the budgeted line-item for this revenue/expenditure?

This is not applicable.

RECOMMENDATION:

Staff recommends that City Council approve the ordinance amending Chapter 31 establishing a Commercial Site Development Permit process.

At their regular meeting on August 25, 2025, the Planning and Zoning Commission recommended approval of the proposed ordinance by a vote of 7 to 0.

DEPARTMENTAL CLEARANCES:

This item has been reviewed by Development Services and Legal Staff.

ATTACHED SUPPORTING DOCUMENTS:

Minutes
Ordinance

Presentation

MINUTES
PLANNING AND ZONING COMMISSION MEETING
AUGUST 25, 2025
CHAPTER 31, ARTICLE VIII – SITE DEVELOPMENT PERMIT REQUIRED

Hold a public hearing and consider an ordinance amending the Killeen Code of Ordinances, Chapter 31 – Zoning to provide for commercial site plan review regulations.

Mr. Hermosillo stated that on June 17, 2025, the City Council approved the new FY 26 Fee Schedule, which provides for new fees for Commercial Site Plan Review. The new Fee Schedule will go into effect on October 1, 2025.

He explained that the purpose of the proposed ordinance is to establish a formal requirement and process for reviewing commercial site plans. If approved, the proposed ordinance will also go into effect on October 1, 2025.

The fees for commercial site plan review will be as follows:

- 0 to 5 acres: \$1,000.00
- over 5 to 15 acres: \$2,000.00
- over 15 acres: 2,500.00

Mr. Hermosillo further stated that the ordinance would establish Chapter 31, Article VIII – Site Development Permit Required within the Killeen Code of Ordinances. The ordinance aims to ensure that new nonresidential and multifamily development conforms to all applicable code requirements through a formal Site Development Permit review process.

Staff recommended approval of the proposed ordinance amending the Killeen Code of Ordinances Chapter 31 as presented.

Chairman Minor asked when the fees would be assessed. Mr. Hermosillo stated that the fees would be assessed at the time of submittal.

Mrs. Meshier noted that the North Killeen Revitalization Program provides for the waiver of all permit and plan review fees within the designated area. Therefore, site plan permits for property within the North Killeen Revitalization Area would be exempt from paying the associated fee.

Chairman Minor opened the public hearing at 5:21 p.m.

With no one requesting to speak, the public hearing was closed at 5:21 pm.

Commissioner Wilson moved to recommend approval of the ordinance as presented. Commissioner Giacomozzi seconded, and the motion passed by a vote of 7 to 0.

ORDINANCE _____

AN ORDINANCE AMENDING CHAPTER 31 OF THE CODE OF ORDINANCES OF THE CITY OF KILLEEN; PROVIDING FOR SITE DEVELOPMENT PERMIT REGULATIONS; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR A SAVINGS CLAUSE; PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

WHEREAS, the City of Killeen, Texas is a home-rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5 of the Texas Constitution and Chapter 9 of the Texas Local Government Code;

WHEREAS, the City of Killeen has declared the application and enforcement of the City's development regulations to be necessary for the promotion of the public safety, health, convenience, comfort, prosperity, and general welfare of the City;

WHEREAS, the City Council desires to amend its regulations pertaining to the development of nonresidential and multifamily property with the City of Killeen;

WHEREAS, the City of Killeen finds it necessary to amend Chapter 31 of the Code of Ordinances to establish standard requirements for approval of a site development permit for the development of nonresidential and multifamily property with the City of Killeen;

WHEREAS, the Planning and Zoning Commission of the City of Killeen, duly recommended approval of the amendment;

WHEREAS, a public hearing was held by the City Council of the City of Killeen on the 16th day of September, 2025 at 3:00 p.m.;

WHEREAS, due notice of the public hearing was provided as required by law; and

WHEREAS, the City Council at said hearing duly considered said amendment, the recommendation of the Planning and Zoning Commission, and the evidence in support thereof, and the City Council being of the majority opinion that Chapter 31 of the Code of Ordinances should be amended.

NOW, THEREFORE BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS:

SECTION I. That Chapter 31 of the City of Killeen Code of Ordinances is hereby amended to read as follows:

ARTICLE VII. – SHORT TERM RENTAL REGISTRATION

Secs. 31-962—31-969. - Reserved.

ARTICLE VIII. – SITE DEVELOPMENT PERMIT REQUIRED

Sec. 31-970. - Purpose and intent.

- (a) Purpose. A formal administrative review process conducted by the City to evaluate proposed commercial and multi-family development for compliance with applicable zoning regulations, building codes, subdivision requirements, engineering standards, and other adopted development regulations.
- (b) Intent. The site development permit review process ensures that all elements of the site – such as building placement, parking, access, utilities, drainage, landscaping, and fire protection – conform to City ordinances and standards prior to the issuance of development or construction permits.

Sec. 31-971. - Applicability and exemptions.

- (a) Applicability and exemptions. Prior to any development other than single-family and two-family, an applicant must obtain a site development permit in accordance with this Article. No such development shall be lawful or permitted to proceed without final site plan approval. All improvements reflected on approved site plans must be constructed at the time of development. All terms and conditions of the site development permit must be met at the time of development.
- (b) Approval process. Site development permit applications shall be processed in accordance with the following requirements:
- (c) Pre-development meeting. Prior to the submission of a site development permit application, all potential applicants are strongly encouraged to request a pre-development meeting. The Development Services Department will facilitate and coordinate the pre-development meeting. The purpose of the meeting is to respond to any questions that the applicant may have regarding any application procedures, standards, or regulations required by this Code. Upon receipt of such request, the planning department shall afford the potential applicant an opportunity for a pre-development meeting at the earliest reasonable time.
- (d) Review and action by the Development Services Department. A site development permit application shall be submitted to the Development Services Department for review and approval prior to submittal of a building permit. If the proposed site plan is determined to be consistent with all applicable provisions of this Article and all other provisions of this Code, the Executive Director of Development Services, or designee, shall approve the site plan and so advise the applicant in writing. A determination that all such requirements and provisions have not been satisfied

shall result in disapproval of the site development permit and notice of such disapproval shall be given to the applicant in writing.

Sec. 31-972. - Approval criteria.

- (a) In order to be approved, a site plan shall be prepared by a licensed engineer, architect, or professional designer and shall demonstrate compliance with all development requirements of this Code. A site plan submitted for review shall provide the following information:
- (1) The recorded plat, legal description, or metes and bounds survey that legally describes the lot and street address;
 - (2) The location of all easements, building setbacks, fire lanes, and fire hydrants. All features must be fully dimensioned to allow for a comprehensive and accurate review;
 - (3) Driveway access, alignments, and spacing;
 - (4) Traffic control and handling;
 - (5) Sidewalks and pedestrian safety measures in accordance with Chapter 25 of this Code, particularly regarding sidewalk width, placement, and conformance with the Americans with Disabilities Act. Additionally, sidewalks should align with the City of Killeen Trails Master Plan, where applicable;
 - (6) Proposed location of water and sewer infrastructure, and any proposed connections or extensions;
 - (7) Internal access and pedestrian and vehicular circulation (public, private, and emergency);
 - (8) Off-street parking, loading, and maneuvering areas in accordance with the requirements of this Chapter;
 - (9) Screening requirements in accordance with the provisions of this Chapter;
 - (10) Location of any FEMA designated Special Flood Hazard Area (SFHA) and demonstrated conformance with the floodplain damage prevention provisions in Chapter 12 of this Code;
 - (11) Stormwater runoff, drainage, flood control, and onsite detention in accordance with Chapter 32 of this Code;
 - (12) Sign location requirements in accordance with the provisions of this Chapter;
 - (13) Refuse storage areas, including screening and accessibility in accordance with the requirements of this chapter and Chapter 24 of this Code;
 - (14) Screening of mechanical areas and equipment in accordance with the requirements of this chapter;
 - (15) Location of all existing and proposed buildings or structures, relevant topographic features, and other site characteristics. The design should demonstrate consistency with accepted engineering practices and principles;
 - (16) Landscape plans demonstrating conformance with the landscaping provisions of this Chapter;
 - (17) Lighting site plan or photometric plan demonstrating conformance with the lighting provisions of this Chapter;
 - (18) Compliance with any additional site plan approval criteria required for zoning districts or any site plan approval criteria adopted as part of a Planned Unit

- Development, Conditional Use Permit, zoning overlay, or other applicable special area designation;
- (19) City of Killeen Traffic Impact Analysis worksheet in accordance with Chapter 26 of this Code, which may result in a requirement for a complete Traffic Impact Analysis; and
- (20) A pre-approval letter from TXDOT for access to any TXDOT roads or drainage.

Sec. 31-973. - Required documents.

- (a) Civil engineering plan files must be uploaded as a completed PDF package with a cover sheet. Individual sheets are not allowed. A valid commercial site plan application shall include the following items as a minimum, or the applicant shall provide a written explanation stating why the required information is not required to convey the design intent:
- (1) Cover sheet;
 - (2) Preliminary or final plat;
 - (3) Impervious cover table;
 - (4) Drainage report;
 - (5) General notes, abbreviations, and legend sheet;
 - (6) Existing conditions plan (including existing utilities);
 - (7) Demolition plan (if required);
 - (8) Fire protection plan (if required);
 - (9) Erosion and sediment control plan with details;
 - (10) Overall site plan;
 - (11) Overall signage and striping layout with details;
 - (12) Overall traffic control with details;
 - (13) Phasing plan and/or overall development layout;
 - (14) Overall water layout;
 - (15) Overall wastewater layout;
 - (16) Overall storm sewer / drainage system layout;
 - (17) Overall dry utilities layout (if required);
 - (18) Overall street network / circulation sheets (as required);
 - (19) Overall grading plan sheets;
 - (20) Street / paving plan and profile sheets;
 - (21) Intersection plan and profile sheets, including sidewalk ramp requirements/grading;
 - (22) Water system plan and profile sheets;
 - (23) Pump station plans (if required);
 - (24) Wastewater system plan and profile sheets;
 - (25) Lift station plans (if required);
 - (26) Grading sheet with proposed contours and spot elevations;
 - (27) Drainage system design sheets for existing and proposed conditions;
 - (28) Retaining wall sheets;
 - (29) Solid waste plan sheets;
 - (30) Landscape plan sheets;
 - (31) Lighting plan sheets;
 - (32) City of Killeen standard detail sheets;

- (33) Special details sheets;
- (34) Draft Maintenance Easement, Covenant and Agreement (MECA);
- (35) Stormwater management site plan (SWMSPP);
- (36) Warranty deed for properties being developed; and
- (37) Other relevant data and information, as determined by the project professional.

Sec. 31-974. - Commercial site plan design standards.

All site development permit components must be designed in compliance with the City of Killeen Code of Ordinances, and all relevant zoning district requirements, design manuals, master plans, comprehensive plans, and any applicable state and federal requirements. In case of a conflict, the more stringent standard shall apply, as interpreted by the City Engineer or Executive Director of Development Services.

Sec. 31-975. - Commercial site plan area of development.

A site development permit shall include the entire area within the legal boundaries of the tract for which it is proposed. However, the area included in a commercial site plan may be reduced to reflect the actual area of development in the situations listed below. The development boundary shall be the same used for all components of the commercial site plan and shall be scaled such that all requirements applicable to the commercial site plan can be met within that boundary.

- (a) The area of development is part of a much larger tract whereby the area encompasses less than fifty percent (50%) of the total tract.
- (b) The proposed improvements are part of a larger campus where the areas are designed to function relatively independent of each other.
- (c) The excluded area is to remain undeveloped and in its natural state.
- (d) The improvements are proposed to be added to an existing site, provided:
 - (1) No improvements are proposed to the excluded area.
 - (2) Review of the excluded area is not necessary for review of the area of development.
 - (3) The improvements proposed within the area of development are not dependent on improvements located within the excluded area.
 - (4) No retrofitting of existing site improvements is required.
- (e) Other similar circumstances at the discretion of the Executive Director of Development Services, or designee.

Sec. 31-976. - Commercial site plan phasing.

When development is proposed for a larger site with multiple buildings, an applicant may choose to partition the site and construct the improvements in a series of phases as follows:

- (a) The commercial site plan submittal shall include a phasing plan indicating the boundaries of each phase and the order of construction of associated site improvements.
- (b) No phasing plan shall propose more than five phases or exceed ten years. The

Executive Director of Development Services or designee may approve phasing more than this number if the applicant can justify such an increase.

- (c) The proposed order of phasing shall follow a logical progression and, in the event subsequent phases are not built, must meet the minimum requirements of the City of Killeen code of ordinances and related documents, including, but not limited to, parking, landscaping, tree mitigation, fire access and stormwater management.
- (d) Changes to a phasing plan shall meet the requirements of this Section and follow the procedures established for revisions to an approved site plan.

Sec. 31-977. - Minor site development permit.

Where the scope of required or proposed site improvements is limited, as herein defined, a minor site development review process may be utilized subject to the provisions below.

- (a) Determination of minor site development review. A minor site development permit submittal may be considered when the extent, type or size of the site improvements is such that review of all standard commercial site plan components, as identified in this Article, is not necessary, as determined at the discretion of the Executive Director of Development Services, or designee. Typical situations qualifying for minor commercial site plan review may include, but not be limited to, improvements required due to a use change, a small addition to a building over existing impervious coverage, installing parking lot striping on an existing parking lot, replacement of a site's landscaping, or where only one component of a minor commercial site plan is required.
- (b) A minor site development permit review shall not be utilized when:
 - (1) Site improvements are proposed to a property where no development has otherwise occurred, except in unique situations as determined by the Executive Director of Development Services or designee.
 - (2) The proposed project requires preparation of a Traffic Impact Analysis (TIA).
 - (3) The proposed project requires preparation of a stormwater drainage study, although some drainage information may be reviewed as part of a minor site development permit.
 - (4) A new building(s) over 1,000 square feet is proposed.
 - (5) A building addition is proposed more than 1,000 square feet or twenty percent (20%) of the existing building's square footage, whichever is less.
 - (6) The intended project requires or proposes more than six (6) parking spaces.
 - (7) Similar situations at the discretion of the Executive Director of Development Services, or designee.
- (c) Components of a minor site development permit. The components required for a minor site development permit application shall be those determined by the Executive Director of Development Services, or designee, to verify conformance of with the provisions of this Code.

Sec. 31-978. - Expiration.

- (a) Expiration. A site development permit plan shall expire 24 months after the date that it was approved, unless:

- (1) A building permit application has been approved or, if no building permit is required, a Certificate of Occupancy has been issued.
 - (2) In case of projects where more than one building or phase is to be built, the applicant may submit a series of Building Permit applications. The first application must be approved within 24 months from the date the commercial site plan approval is granted. Each subsequent application must be approved within 24 months from the date of issuance of a Certificate of Occupancy, conditional or otherwise, by the Building Official for the previous phase of the development.
 - (3) Except as provided for within this Section, a lapse of a period greater than those set forth above causes the related approvals or permits to expire and be of no further force and effect. Any further action shall require a new application and approval.
- (b) Extension. Before expiration of an approved site development permit, an applicant may request, in writing, a one-time extension of 24 months. Approval of the extension is at the discretion of the Executive Director of Development Services, or designee, and only if it is determined that such extension will have no negative impacts on the surrounding area and would not be contrary to the public interest.
- (c) Reinstatement. In the event a commercial site plan approval expires, an applicant may request, in writing, a one-time reinstatement of the approved commercial site plan, without modification, subject to the provisions below. Such reinstatement may be granted by, and at the discretion of, the Executive Director of Development Services, or designee, for a period not exceeding 24 months.
- (1) The reinstatement must be requested within 24 months of the expiration date of the approved commercial site plan.
 - (2) The regulations applicable to the project per the Code currently in effect have not been determined to be significantly different from those applied to the original approval of the commercial site plan, such that a new application for the same plan would be substantially the same.
 - (3) The circumstances of the adjacent properties, roadways and subject property shall have remained the same, not to change the requirements applicable to the property. Such circumstances could include, but not be limited to, a change of zoning in the subject or adjacent properties, a change in the boundary of the subject property, a change in classification of the adjacent roadway or neighboring construction affecting landscape buffers.
- (d) The Executive Director of Development Services, or designee, shall have the authority to determine if a commercial site plan extension or reinstatement meets the criteria for processing and approval.

Sec. 31-979. – Inspection required.

- (a) A site development permit inspection shall be required in accordance with Section 8-29 of this code prior to submittal of an application for a Certificate of Occupancy.

Secs. 31-980 - 31-989. - Reserved.

SECTION II. That all ordinances or resolutions or parts of ordinances or resolutions in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION III. That should any section or part of any section, paragraph or clause of this ordinance be declared invalid or unconstitutional for any reason, it shall not invalidate or impair the validity, force or effect of any other section or sections or part of a section or paragraph of this ordinance.

SECTION IV. That the Code of Ordinances of the City of Killeen, Texas, as amended, shall remain in full force and effect, save and except as amended by this ordinance.

SECTION V. That this ordinance shall take effect October 1, 2025.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Killeen, Texas, this 16th day of September, 2025, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 et seq.

APPROVED:

Debbie Nash-King, MAYOR

ATTEST:

Laura J. Calcote, CITY SECRETARY

APPROVED AS TO FORM

Holli C. Clements, CITY ATTORNEY



**SITE DEVELOPMENT PERMIT
ORDINANCE –
CHAPTER 31 AMENDMENT**

PH-25-057

September 16, 2025

Site Development Permit Ordinance

2

- Hold a public hearing and consider an ordinance amending Killeen Code of Ordinances, Chapter 31 – Zoning, establishing a Site Development Permit process.

Background

- On June 17, 2025, the City Council approved the new FY 26 Fee Schedule, which provides for a new fee for Commercial Site Plan Review. The new Fee Schedule will go into effect on October 1, 2025.
- The purpose of the proposed ordinance is to establish a permit requirement and process for review of commercial site plans. If approved, the proposed ordinance will also go into effect on October 1st.

Background

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- The fee structure for commercial site plan review will be as follows:
 - ▣ 0 to 5 acres: \$1,000.00
 - ▣ Over 5 to 15 acres: \$2,000.00
 - ▣ Over 15 acres: 2,500.00

Site Development Permit

- If approved, the proposed ordinance will establish Killeen Code of Ordinances, Chapter 31, Article VIII – Site Development Permit Required.
- The purpose of the proposed ordinance is to establish a formal review process for new nonresidential and multifamily development to ensure that new development conforms with all applicable code requirements.

Site Development Permit

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- The proposed Site Development Permit review process will ensure conformance with requirements related to:
 - Building setbacks
 - Drainage & detention
 - Driveways and access
 - Fire protection
 - Off-street parking
 - Sidewalks
 - Landscaping
 - Screening
 - Lighting
 - Solid waste

Staff Recommendation

7

- Staff recommends approval of the proposed ordinance amending Killeen Code of Ordinances Chapter 31 as presented.

Commission Recommendation

8

- During their Regular Meeting on August 25, 2025, the Planning and Zoning Commission recommended approval of the proposed ordinance by a vote of 7 to 0.



City of Killeen

Staff Report

File Number: DS-25-044

Receive Quarterly Financial Report



3RD QUARTERLY FINANCIAL REPORT

DS-25-044

September 16, 2025

Accounting Calendar FY 2025



Overview

3

- Staffing Indicators
- Review Major Operating Funds
- Special Revenue Funds

Staffing Indicators – Turnover

4

12-Month Annualized Turnover (as of June 2025)							
Departments	Total # of Approved Positions	YTD_Total Exiting Employees	YTD Dept. Turnover %	Departments	Total # of Approved Positions	YTD_Total Exiting Employees	YTD Dept. Turnover %
Animal Services	30.00	16	53.33%	Human Resources	16.00	4	25.00%
Aviation	47.00	3	6.38%	Information Technology	21.00	3	14.29%
City Manager	5.50	2	36.36%	Legal	10.00	1	10.00%
Communications and Marketing	8.00	3	37.50%	Parks and Recreation	86.99	22	25.29%
Community Development	78.63	11	13.99%	Police (non-civil)	71.00	17	23.94%
Development Services	41.00	9	21.95%	Public Works	272.00	58	21.32%
Engineering	32.00	1	3.13%	Public Safety:			
Finance	116.50	28	24.03%	Fire (civil)	262.00	15	5.73%
Fire (non-civil)	9.00	3	33.33%	Police (civil)	274.00	22	8.03%

Total of resigned employees	218
Total employees	1,380.62
Overall turnover	15.79%

	FY 2025	Filled	% Filled
Total Classified	844.62	715.62	84.73%
Public Safety Sworn Positions:			
Police	274.00	264.00	96.35%
Fire	262.00	261.00	99.62%

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General Fund

Key Revenue Sources

General Fund

6

	YTD Total June 30, 2025	Revised Budget	% Budget	Inc/Dec PYTD
Property Taxes	\$ 54,044,488	\$ 55,622,225	97.16%	9.11%
Sales and Excise Taxes	26,961,682	36,026,533	74.84%	0.61%
Franchise	1,806,314	5,871,975	30.76%	-37.12%
Licenses & Permits	2,107,120	2,280,904	92.38%	20.62%
Intergovernmental	2,374,827	3,472,059	68.40%	-44.18%
Charges For Services	5,992,022	6,682,789	89.66%	38.38%
Fines & Fees	2,708,644	2,897,356	93.49%	7.24%
Investment Income	2,000,149	1,546,751	129.31%	7.11%
Miscellaneous Income	208,259	83,279	250.07%	104.92%
Contributions & Donations	1,000	-	-	-93.75%
Other Financing Sources	8,409,824	11,323,744	74.27%	-0.41%
Total Revenues	\$ 106,614,329	\$ 125,807,615	84.74%	4.02%



Key Expenses/Fund Balance

General Fund

7

	YTD Total June 30, 2025	Revised Budget	% Budget	Inc/Dec PYTD
Personnel Services	\$ 63,965,792	\$ 93,320,796	68.54%	5.59%
Supplies	3,448,460	5,721,420	60.27%	-9.22%
Repairs & Maintenance	1,718,610	2,536,535	67.75%	-11.79%
Misc Services & Charges	7,994,288	12,129,686	65.91%	6.47%
Designated Expenses	4,672,431	7,150,151	65.35%	-14.26%
Capital Outlay	719,741	1,238,515	58.11%	19.43%
Debt Service	80,107	191,847	41.76%	-35.92%
Other Financial Uses	9,301,370	9,317,615	99.83%	-9.97%
Total Expenses	\$ 91,900,801	\$ 131,606,565	69.83%	1.72%
Net Change	\$ 14,713,529	\$ (5,798,950)		
Fund Balance - Beginning	34,357,833	34,357,833		
Fund Balance - Ending	\$ 49,071,362	\$ 28,558,883		



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Water & Sewer Fund

Key Financials

	<u>YTD Total June 30, 2025</u>	<u>Revised Budget</u>	<u>% Budget</u>	<u>Inc/Dec PYTD</u>
Charges For Services	34,753,153	49,256,470	70.56%	3.70%
Investment Income	481,106	371,302	129.57%	-2.93%
Miscellaneous Income	-	3,100	0.00%	-100.00%
Other Financing Sources	242,485	269,913	89.84%	-5.12%
Total Revenues	\$ 35,476,743	\$ 49,900,785	71.09%	-0.33%
Personnel Services	6,096,087	8,698,798	70.08%	7.39%
Supplies	660,286	1,013,106	65.17%	13.63%
Repairs & Maintenance	752,865	1,050,912	71.64%	35.82%
Misc Services & Charges	3,485,291	4,959,805	70.27%	9.18%
Designated Expenses	10,153,524	16,901,416	60.07%	-5.97%
Capital Outlay	366,652	1,400,969	26.17%	49.73%
Debt Service	532,082	4,720,949	11.27%	-11.78%
Other Financial Uses	13,159,866	14,858,452	88.57%	36.92%
Total Expenses	\$ 35,206,653	\$ 53,604,407	65.68%	12.62%
Net Change	\$ 270,091	\$ (3,703,622)		
Fund Balance - Beginning	13,780,972	13,780,972		
Fund Balance - Ending	\$ 14,051,063	\$ 10,077,350		



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Solid Waste Fund

Key Financials

	YTD Total June 30, 2025	Revised Budget	% Budget	Inc/Dec PYTD
Charges For Services	20,162,772	26,781,315	75.29%	5.30%
Investment Income	197,054	256,581	76.80%	-22.77%
Miscellaneous Income	17,404	2,000	870.19%	11800.00%
Other Financing Sources	260,974	35,987	725.19%	2119.31%
Total Revenues	\$ 20,638,204	\$27,075,883	76.22%	6.30%
Personnel Services	4,291,237	6,306,081	68.05%	6.01%
Supplies	911,350	1,741,249	52.34%	-24.10%
Repairs & Maintenance	955,991	1,545,326	61.86%	-18.58%
Misc Services & Charges	1,523,236	2,077,816	73.31%	23.39%
Designated Expenses	5,503,086	7,493,339	73.44%	9.51%
Capital Outlay	74,599	97,100	76.83%	18.43%
Debt Service	36,932	692,424	5.33%	-76.68%
Other Financial Uses	7,930,850	8,830,476	89.81%	15.75%
Total Expenses	\$ 21,227,280	\$28,783,811	73.75%	7.45%
Net Change	\$ (589,076)	\$ (1,707,928)		
Fund Balance - Beginning	7,211,877	7,211,877		
Fund Balance - Ending	\$ 6,622,801	\$ 5,503,949		



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Drainage Utility Fund

Key Financials

	<u>YTD Total</u> <u>June 30, 2025</u>	<u>Revised Budget</u>	<u>% Budget</u>	<u>Inc/Dec</u> <u>PYTD</u>
Charges For Services	3,957,329	5,454,401	72.55%	1.44%
Investment Income	41,095	34,778	118.16%	-12.77%
Miscellaneous Income	-	2,020	0.00%	0.00%
Other Financing Sources	50,250	2,000	2512.50%	-7.71%
Total Revenues	\$ 4,048,673	\$ 5,493,199	73.70%	1.14%
Personnel Services	1,579,937	2,474,332	63.85%	7.58%
Supplies	104,123	216,977	47.99%	-8.80%
Repairs & Maintenance	127,532	246,252	51.79%	3.47%
Misc Services & Charges	275,322	451,202	61.02%	-2.49%
Designated Expenses	15,360	131,758	11.66%	276.00%
Capital Outlay	-	5,040	0.00%	0.00%
Debt Service	5,445	518,919	1.05%	-94.21%
Other Financial Uses	1,768,602	1,990,062	88.87%	-8.05%
Total Expenses	\$ 3,876,321	\$ 6,034,542	64.24%	-3.33%
Net Change	\$ 172,352	\$ (541,343)		
Fund Balance - Beginning	1,696,294	1,696,294		
Fund Balance - Ending	\$ 1,868,646	\$ 1,154,951		



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Aviation Fund

Key Financials

	<u>YTD Total</u> <u>June 30, 2025</u>	<u>Revised Budget</u>	<u>% Budget</u>	<u>Inc/Dec</u> <u>PYTD</u>
Intergovernmental	3,875,038	3,155,000	122.82%	594.22%
Charges For Services	2,437,314	3,454,953	70.55%	2.16%
Investment Income	20,382	30,404	67.04%	-48.29%
Miscellaneous Income	52	3,245	1.61%	-91.09%
Other Financing Sources	4,300	-	-	-71.20%
Total Revenues	\$ 6,337,086	\$ 6,643,602	95.39%	111.31%
Personnel Services	1,962,143	3,108,136	63.13%	14.73%
Supplies	155,686	244,197	63.75%	44.31%
Repairs & Maintenance	367,828	690,370	53.28%	37.45%
Misc Services & Charges	656,979	1,110,841	59.14%	19.42%
Designated Expenses	240,903	501,072	48.08%	6.69%
Capital Outlay	119,350	121,200	98.47%	111.47%
Debt Service	2,480	6,364	38.97%	2.06%
Other Financial Uses	504,739	504,739	100.00%	0.00%
Total Expenses	\$ 4,010,106	\$ 6,286,919	63.78%	37.31%
Net Change	\$ 2,326,979	\$ 356,683		
Fund Balance - Beginning	1,478,785	1,478,785		
Fund Balance - Ending	\$ 3,805,764	\$ 1,835,468		



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Golf Course Fund

Key Financials

	<u>YTD Total June 30, 2025</u>	<u>Revised Budget</u>	<u>% Budget</u>	<u>Inc/Dec PYTD</u>
Charges For Services	1,337,509	1,729,250	77.35%	3.45%
Investment Income	4,262	-	-	1984.15%
Total Revenues	\$ 1,341,771	\$ 1,729,250	77.59%	-1.85%
Misc Services & Charges	1,211,414	1,523,740	79.50%	5.08%
Capital Outlay	68,583	47,885	143.22%	0.00%
Total Expenses	\$ 1,279,997	\$ 1,571,625	81.44%	11.30%
Net Change	\$ 61,774	\$ 157,625		
Fund Balance - Beginning	187,074	187,074		
Fund Balance - Ending	\$ 248,848	\$ 344,699		



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Hotel Occupancy Tax (HOT) Fund

Key Financials

	<u>YTD Total</u> <u>June 30, 2025</u>	<u>Revised Budget</u>	<u>% Budget</u>	<u>Inc/Dec</u> <u>PYTD</u>
Taxes	1,354,449	3,054,232	44.35%	0.40%
Charges For Services	654,235	839,296	77.95%	2.53%
Investment Income	52,019	56,371	92.28%	-24.12%
Miscellaneous Income	2,420	500	484.07%	0.00%
Other Financing Sources	-	50	0.00%	0.00%
Total Revenues	\$ 2,063,124	\$ 3,950,449	52.23%	-4.44%
Personnel Services	707,176	981,595	72.04%	11.20%
Supplies	42,767	76,154	56.16%	21.75%
Repairs & Maintenance	86,346	141,727	60.92%	-82.46%
Misc Services & Charges	514,565	945,483	54.42%	31.13%
Designated Expenses	474,145	779,357	60.84%	67.92%
Capital Outlay	146,293	146,293	100.00%	61.60%
Debt Service	75,594	723,060	10.45%	-10.46%
Total Expenses	\$ 2,046,886	\$ 3,793,669	53.96%	1.68%
Net Change	\$ 16,238	\$ 156,780		
Fund Balance - Beginning	1,688,692	1,688,692		
Fund Balance - Ending	\$ 1,704,930	\$ 1,845,472		



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Street Maintenance Fund

Key Financials

	<u>YTD Total June 30, 2025</u>	<u>Revised Budget</u>	<u>% Budget</u>	<u>Inc/Dec PYTD</u>
Charges For Services	7,290,054	9,938,490	73.35%	0.85%
Investment Income	374,708	212,844	176.05%	8.25%
Total Revenues	<u>\$ 7,664,761</u>	<u>\$10,151,334</u>	<u>75.50%</u>	<u>1.19%</u>
Repairs & Maintenance	1,718,610	2,536,535	67.75%	-11.79%
Capital Outlay	719,741	1,238,515	58.11%	19.43%
Debt Service	80,107	191,847	41.76%	-35.92%
Total Expenses	<u>\$ 2,518,458</u>	<u>\$ 3,966,897</u>	<u>63.49%</u>	<u>1.72%</u>
Net Change	<u>\$ 5,146,303</u>	<u>\$ 6,184,437</u>		
Fund Balance - Beginning	12,807,606	12,807,606		
Fund Balance - Ending	<u>\$ 17,953,909</u>	<u>\$18,992,043</u>		





Questions



City of Killeen

Staff Report

File Number: DS-25-045

Discuss the procedure for nominations and appointments to the Board of Directors of the Tax Appraisal District of Bell County



TAX APPRAISAL DISTRICT BOARD OF DIRECTORS

DS-25-045

September 16, 2025

Background

- In 2023, the Texas Property Tax Code replaced the previous process for appointing the Board of Directors for the Tax Appraisal District.
- Under the new regulations, the Tax Appraisal Board will be made up of the elected Tax Assessor-Collector, 3 members elected by voters, and 5 members appointed by taxing entity election with either two or three directors being elected to entity elected positions each year.
- Two directors will be elected by the taxing units this year for a term beginning January 1, 2026.

Taxing Entity Election – Nominations/Voting

- All taxing entities will nominate up to two candidates before October 15, 2025.
- The Appraisal District will send a ballot to taxing entities that includes all nominations.
- Each entity receives a certain percentage of 2,000 votes based off the percentage of the total tax levy. The City of Killeen will have 218 of the 2,000 total votes.
- Once the City receives the ballot with all nominations, the City will be required to adopt a resolution with its vote by the second meeting after receiving the ballot.

Next Steps

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- October 7, 2025: Resolution nominating up to 2 candidates for Bell County Tax Appraisal District of Bell County Board of Directors
- November 18, 2025: Resolution submitting City of Killeen's final votes for Bell County Tax Appraisal District of Bell County Board of Directors



City of Killeen

Staff Report

File Number: DS-25-046

Receive update on pending litigation