ANNEXATION AGREEMENT TO PROVIDE MUNICIPAL SERVICES TO CERTAIN CITY-OWNED LAND

THIS ANNEXATION AGREEMENT, effective the ____ day of ______, 2018, is made and entered into by and between the *CITY OF MCKINNEY* ("City"), and *D.R. HORTON – LTD.*, a Texas Limited Partnership ("Horton") for the provision of municipal services to approximately 0.605 acre of land located in the E.T. Berry Survey, Abstract No. 43 in Collin County, Texas ("Property") as more particularly described and depicted in Exhibit A, attached hereto and incorporated herein by reference, witnesseth that:

WHEREAS, the Property is an unimproved tract of land situated along the north side of Virginia Parkway, owned by the City, remaining from the City's purchase of land required for the improvement of Virginia Parkway; and

WHEREAS, the Property is a remnant of land the is not useable by the City and is adjacent to a tract of land owned by Horton; and

WHEREAS, City has negotiated an agreement with Horton to exchange the Property for a similar sized tract of land owned by Horton that is adjacent to and may be incorporated into a future City park site; and

WHEREAS, City is annexing the Property, which Property is owned in fee simple title by the City, into the City's corporate limits; and

WHEREAS, City is a "tier 2 municipality" as that phrase is defined in Texas Local Government Code Section 43.001; and

WHEREAS, recent legislative changes to Texas Local Government Code Section 43.0672 requires a tier 2 municipality to enter a written agreement with the owners of land seeking annexation into a city's corporate limits for the provision of services to the area seeking annexation; and

WHEREAS, Texas Local Government Code Chapter 43 does not recognize an exception to that requirement for a tier 2 municipality annexing land which is owned by the tier 2 municipality; and

WHEREAS, Horton is going to be City's successor-in-interest to the ownership of the Property and will be the party benefitting from its annexation;

NOW THEREFORE, for and in consideration of the premises and mutual covenants and conditions contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the City will provide municipal services to Horton as the successor owner of the Property in accordance with the Texas Local Government Code Section 43.0672 as follows:

A. POLICE PROTECTION:

- 1. Police personnel and equipment from the McKinney Police Department will be provided to the area annexed on the effective date of this ordinance.
- 2. Police protection services will be provided at a level of services equal to current services available in the City, or equal to the level of services available in other parts of the City with topography, land use and population density similar to those contemplated or projected in the annexed area, whichever is applicable.

B. **FIRE PROTECTION**:

- 1. Fire protection and Emergency Medical Services (EMS) from the McKinney Fire Department will be provided to the area annexed on the effective date of this ordinance.
- 2. Fire protection services will be provided at a level of services equal to current services available in the City, or equal to the level of services available in other parts of the City with topography, land use and population density similar to those contemplated or projected in the annexed area, whichever is applicable.

C. FIRE PREVENTION:

The services of the City of McKinney Fire Marshal will be provided to the area annexed upon the effective date of this ordinance.

D. SOLID WASTE COLLECTION:

- 1. Solid waste collection will be provided to the area annexed upon the effective date of this ordinance.
- 2. Solid waste collection services will be provided at a level of service at least equal to current services available in the City, or equal to the level of services available in other parts of the City with topography, land use and population density similar to those contemplated or projected in the annexed area, whichever may be applicable.
- 3. The collection of refuse from individual properties will be made in accordance with the usual Sanitation Department scheduling. Residential customers may utilize the North Texas Municipal Water District McKinney Landfill in accordance with City ordinances.

E. <u>WATER SERVICE</u>:

- 1. For portions of the annexed area within the City of McKinney's legally certificated area (CCN), the City of McKinney will provide water services to the area by any of the methods by which it extends the services to any other area of the municipality. For portions of the annexed area within the City of McKinney's legally certificated area (CCN), water services will be provided at a level of service at least equal to current services available in the City, or equal to the level of services available in other parts of the City with topography, land use and population density similar to those contemplated or projected in the annexed area, whichever may be applicable.
- When new development occurs, the City of McKinney requires a developer to construct the necessary infrastructure to meet the needs of the development. This requirement may also include the construction of off-site improvements.
- 3. The responsibility for construction of the infrastructure by a developer is described in the City's Subdivision Regulations.
- 4. For portions of the annexed area within the City of McKinney's legally certificated area (CCN), the City of McKinney will allow the provision of extensions of water facilities to the areas annexed on the effective date of this ordinance. Such extensions shall be in accordance with Section 110-1 through 110-165 of the Code of Ordinances, City of McKinney, and as amended.

- 5. Connection to existing city water mains for water service will be provided in accordance with existing City Policies. Upon connection to existing mains, water will be provided at rates established by City Ordinance.
- 6. Water mains installed or improved to City standards within the annexed area which are part of the City of McKinney water system and are located within dedicated easements, rights-of-way, or any other acceptable location approved by the City Engineer, will be maintained by the City of McKinney upon the effective date of this ordinance.
- 7. Maintenance of private lines shall continue to be the responsibility of the owner or occupant of property situated within the area annexed.
- 8. Where other water districts provide water service, any development that occurs will still meet the City of McKinney standards for the sizing and construction of utilities.
- 9. For portions of the annexed area which are not solely within the City of McKinney's legally certificated area (CCN), water services shall continue to be provided in the same manner that is described in an approved Judgment, Agreement, Decree or other legal document as of the effective date of this ordinance and as it may thereafter be adopted or amended.

F. SANITARY SEWER SERVICE:

- 1. The City of McKinney will provide sewer services to the annexed area by any of the methods by which it extends the services to any other area of the municipality. Upon annexation, sanitary sewer services will be provided at a level of service at least equal to current services available in the City, or equal to the level of services available in other parts of the City with topography, land use and population density similar to those contemplated or projected in the annexed area, whichever may be applicable.
- When new development occurs, the City of McKinney requires a developer to construct the necessary infrastructure to meet the needs of the development. This requirement may also include the construction of off-site improvements.
- 3. The responsibility for construction of the infrastructure by a developer is described in the City's Subdivision Regulations.
- 4. The City of McKinney will allow the provision of extensions of sanitary sewer facilities to the areas annexed upon the effective date of this ordinance. Such extensions shall be in accordance with Section 110-1 through 110-165 of the Code of Ordinances, City of McKinney, and as amended.
- 5. Connection to existing city sanitary sewer mains for sewage service will be provided in accordance with existing City Policies. Upon connection to existing mains, sanitary sewer collection will be provided at rates established by City Ordinances.
- 6. Sanitary sewer mains and lift stations installed or improved to City Standards within the annexed area which are located within dedicated easements, rights-of-way, or any other acceptable location approved by the City Engineer, will be maintained by the City of McKinney upon the effective date of this ordinance.

G. STREETS:

- 1. Emergency street maintenance will be provided for publicly dedicated streets or roads within the area annexed upon the effective date of this ordinance. Routine maintenance will be scheduled as part of the City's annual street maintenance program in accordance with the then current policies and procedures defined by ordinance.
- 2. Street services will be provided at a level of services at least equal to current services available in the City, or equal to the level of services available in other parts of the City with topography, land use and population density similar to those contemplated or projected in the annexed area, whichever may be applicable.

H. PARKS AND RECREATION:

- The City of McKinney will provide parks and recreation services to the annexed area by any of the methods by which it extends the services to any other area of the municipality. For new development, the City of McKinney requires developers to construct hike/bike trails in keeping with the Parks Master Plan. Additionally, new developments must still satisfy the parkland dedication requirements that call for the dedication of land or the payment of fees in lieu of land for park uses.
- 2. Residents within the areas annexed may utilize all existing park and recreation facilities upon the effective date of this Ordinance. Fees for such usage shall be in accordance with current fees established by ordinance.
- 3. Additional park and recreation facilities will be constructed based on Park policies defined in the 2012 Comprehensive Plan, as amended, and the Parks Master Plan. The general planned locations and classifications of parks will ultimately serve residents from the current city limits and residents from areas being considered for annexation.

I. <u>ENVIRONMENTAL HEALTH AND CODE ENFORCEMENT SERVICES</u>:

- 1. Enforcement of current environmental health ordinances and regulations, including but not limited to, weed and brush ordinances, junked and abandoned vehicles ordinances and animal control ordinances, will begin within the area annexed upon the effective date of this annexation ordinance.
- 2. Inspection services, including but not limited to, the review of building plans, the issuance of permits and the inspection of all buildings, plumbing, mechanical, and electrical work to ensure compliance with City Codes and Ordinances will be provided within the area annexed upon the effective date of this ordinance.
- 3. The City will provide the level of Environmental Health and Code Enforcement Services equal to current services available in the City, or equal to the level of services available in other parts of the City with topography, land use and population density similar to those contemplated or projected in the annexed area, whichever may be applicable.

J. PLANNING AND ZONING:

The annexed area shall be zoned in conjunction with the annexation pursuant to the City's Comprehensive Zoning Ordinance (Chapter 146 of the McKinney's Code of Ordinances, as amended). The Future Land Use Plan and Future Land Use Plan Modules Diagram contained within the Comprehensive Plan, as amended, will serve as a guide for consideration of future (re)zoning requests.

K. <u>MISCELLANEOUS</u>:

Any city owned facility, building, or service located within the annexed area will be operated and maintained by the City upon the effective date of the annexation ordinance.

L. CAPITAL IMPROVEMENTS PROGRAM

The area annexed is eligible for Capital Improvement Program consideration upon the effective date of the annexation ordinance.

M. OTHER MUNICIPAL SERVICES

Other municipal services not specifically listed in Sections A-L shall be provided to the annexed area no later than two and one-half years after the effective date of the annexation, unless certain services cannot reasonably be provided within two and one-half years. In that case, the City shall propose a schedule for providing certain services, and the schedule shall provide for the provision of full municipal services no later than four and one-half years after the effective date of the annexation ordinance.

EXECUTED this the	_ day of	, 2018.	
		CITY OF McKINNEY	
		By:PAUL G. GRIMES City Manager Date Signed:	
ATTEST:			
EMPRESS DRANE City Secretary MELISSA LEE Deputy City Secretary			
APPROVED AS TO FORM:			
MARK S. HOUSER City Attorney			
STATE OF TEXAS			

BEFORE ME, the undersigned authority, on this day personally appeared PAUL G. GRIMES, in his capacity as City Manager of the City of McKinney, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to

me that he exe therein express		e same for t	he pur	pose an	id co	onsiderati	on and	in the	capa	city
GIVEN		MY HAND _, 2018.	AND	SEAL	OF	OFFICE	this _		day	of
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My Commission Expires	:	Not	tary Pub	olic ir	and for	the Stat	e of Te	<u> </u>		
			Prin	ted N	Name of I	Notary				

EXHIBIT A

BEING A 0.605 ACRE TRACT OF LAND LOCATED IN THE E.T. BERRY SURVEY, ABSTRACT NO. 43, SAID TRACT BEING A PORTION OF THE 1.000 ACRE TRACT OF LAND DESCRIBED IN THE SPECIAL WARRANTY DEED FROM THE SCHELL FAMILY TRUST AND THE WILLIAM WILLKOMM SCHELL FAMILY TRUST TO THE CITY OF McKINNEY, AS RECORDED IN CLERK'S FILE NO. 20100608000579930 OF THE LAND RECORDS OF COLLIN COUNTY, TEXAS, SAID LAND BEING A PORTION OF THE RESURVEY AND CONSOLIDATION OF ALL OF AN 0.666 ACRE TRACT DESCRIBED IN A DEED FROM WARREN SANDERS TO ALVIN JENNING MITCHELL RECORDED IN VOLUME 1427, PAGE 799 OF THE LAND RECORDS OF COLLIN COUNTY, TEXAS AND ALL OF A 0.333 ACRE TRACT DESCRIBED IN A DEED FROM JOHN COOK AND ROBERT F. SHIELDS TO WARREN W. SANDERS, AS RECORDED IN VOLUME 1164, PAGE 347 OF THE LAND RECORDS OF COLLIN COUNTY, TEXAS, AND BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS;

BEGIN AT A 5/8 " IRON ROD WITH CAP (GEER SURV) FOUND AT NORTHEAST CORNER OF SAID CITY OF McKINNEY 1.000 ACRE TRACT, SAID CORNER ALSO BEING THE EASTERLY AND NORTHERLY MOST SOUTHEAST CORNER OF FOSSIL CREEK AT WESTRIDGE, PHASE 1, ACCORDING TO THE RECORD PLAT THEREOF, AS RECORDED IN VOLUME 2013, PAGE 243 OF THE PLAT RECORDS OF COLLIN COUNTY, TEXAS, SAID CORNER ALSO BEING IN THE WEST LINE OF THE LAND DESCRIBED IN THE WARRANTY DEED FROM MIKE BROWN TO EDMUND HARDAWAY'S AFFORDABLE AUTOMOTIVE, LTD. AS RECORDED IN CLERK'S FILE NO. 20100413000357480 OF THE LAND RECORDS OF COLLIN COUNTY, TEXAS;

THENCE SOUTH 00^03'35" EAST, ALONG THE EAST LINE OF SAID CITY OF McKINNEY 1.000 ACRE TRACT AND THE WEST LINE OF SAID EDMUND HARDAWAY'S TRACT, A DISTANCE OF 148.38 FEET TO A 1/2 " IRON ROD WITH CAP (PETSCHE & ASSOC. INC.) FOUND FOR CORNER AT THE SOUTHEAST CORNER OF A PIPELINE EASEMENT TO ATMOS ENERGY CORPORATION, AS RECORDED IN CLERK'S FILE NO. 20110902000933010 OF THE LAND RECORDS OF COLLIN COUNTY, TEXAS, SAID CORNER ALSO BEING THE NORTHWEST CORNER OF A CALLED 0.210 ACRE TRACT OF LAND DESCRIBED IN THE RIGHT-OF-WAY WARRANTY DEED FROM MIKE AND FELICIA BROWN TO THE CITY OF McKINNEY, AS RECORDED IN CLERK'S FILE NO. 20100406000327860 OF THE LAND RECORDS OF COLLIN COUNTY, TEXAS, SAID CORNER ALSO BEING ON THE ULTIMATE NORTH RIGHT-OF-WAY LINE OF VIRGINIA PARKWAY, SAID CORNER ALSO BEING ON THE ARC OF A CURVE HAVING A RADIUS OF 1110.00 FEET, A CENTRAL ANGLE OF 10^50'47", AND A CHORD OF NORTH 84^03'17" WEST, A CHORD DISTANCE OF 209.81 FEET;

THENCE IN A WESTERLY DIRECTION, ALONG THE ARC OF SAID CURVE TO THE LEFT, AND SAID ULTIMATE NORTH RIGHT-OF-WAY LINE OF VIRGINIA PARKWAY AND THE SOUTHERLY BOUNDARY OF SAID ATMOS ENERGY CORPORATION PIPELINE EASEMENT, AN ARC DISTANCE OF 210.13 FEET TO A 1/2 IRON ROD WITH CAP (PETSCHE & ASSOC., INC.) FOUND FOR CORNER AT THE NORTHEAST CORNER OF VIRGINIA PARKWAY PHASE 4, ACCORDING TO THE RECORD PLAT THEREOF AS RECORDED IN VOLUME 2015, PAGE 7 OF THE PLAT RECORDS OF COLLIN COUNTY, TEXAS ALSO BEING THE WESTERLY MOST SOUTHEAST

CORNER OF SAID FOSSIL CREEK AT WESTRIDGE, PHASE 1, SAID CORNER ALSO BEING ON THE WEST LINE OF SAID CITY OF MCKINNEY 1.000 ACRE TRACT;

THENCE NORTH 00^02'13" WEST, ALONG THE WEST LINE OF SAID CITY OF McKINNEY 1.000 ACRE TRACT, ALSO BEING THE SOUTHERLY AND WESTERLY MOST EAST LINE OF SAID FOSSIL CREEK AT WESTRIDGE, PHASE 1, A DISTANCE OF 118.78 FEET TO A 5/8 " IRON ROD WITH CAP (GEER SURV) FOUND FOR CORNER AT THE NORTHWEST CORNER OF SAID CITY OF McKINNEY 1.000 ACRE TRACT;

THENCE SOUTH 89^57'49" EAST (BEARING REFERENCE FOR THIS SURVEY), ALONG THE NORTH LINE OF SAID CITY OF McKINNEY 1.000 ACRE TRACT ALSO BEING THE NORTHERLY MOST SOUTH LINE OF SAID FOSSIL CREEK AT WESTRIDGE, PHASE 1, A DISTANCE OF 208.63 FEET BACK TO THE POINT OF BEGINNING, CONTAINING 0.605 OF AN ACRE OF LAND, MORE OR LESS.

