

TARRANT REGIONAL WATER DISTRICT

AGENDA ITEM 9

DATE: March 27, 2026

SUBJECT: Consider Adoption of Resolution to Establish Developer Regulations for Community Facilities Agreements and Future Improvement Agreements to Govern Developer Construction of Public Infrastructure

FUNDING: N/A

RECOMMENDATION:

Management recommends the Board of Directors adopt a Resolution to establish Panther Island Developer Regulations for Community Facilities Agreements and Future Improvement Agreements (“Developer Regulations”) that govern developer construction of certain infrastructure within TRWD rights-of-way.

DISCUSSION:

The Panther Island Canal System Manual, adopted by Resolution of the TRWD Board, outlines instances when developers may be responsible for construction of the Paseo (walkways adjacent to canal basin). In addition, in rare instances where existing or imminent canal facilities will not serve the drainage requirements of a new development, a developer may propose to:

1. Construct segments of the Canal no less than one block in length; or
2. Provide funding for future improvements to be constructed by the District while providing temporary on-site detention.

To govern private construction of and financial commitments for these public facilities, management is recommending that the Board adopt new regulations to establish community facilities agreements (CFA) and future improvement agreements (FIA).

The Developer Regulations will apply to the design, construction of, or payment for public infrastructure, and the dedication of property by developers to ensure that all developments are adequately served by the public infrastructure and that the public infrastructure is constructed according to District standards.

Specifically, the Regulations establish:

1. Responsibilities and authority of the Panther Island Program Office, on behalf of the District, to review plans and provide ongoing inspection and acceptance of

facilities that are built;

2. Qualifications of engineers and contractors engaged by the developer;
3. Provision of financial guarantees to ensure completion;
4. Risk assignment to the developer for any phased or concurrent CFA projects;
5. Purpose of any District participation in a Developer-built project and resulting public procurement processes; and
6. Potential requirements for maintenance agreements for any enhanced features constructed by a developer.

Management will publish administrative guidelines, standard agreements, and processes to carry out these Regulations. In addition, management is authorized to establish appropriate fees for plan review and inspection, when and if deemed necessary to recover the cost of staff dedicated to these services.

This item was reviewed by the Construction and Operations Committee on March 11, 2026.

Submitted By:

Susan Alanis
Panther Island Program Director

**RESOLUTION OF THE BOARD OF DIRECTORS
OF
TARRANT REGIONAL WATER DISTRICT**

**TO ADOPT REGULATIONS FOR COMMUNITY FACILITIES AGREEMENTS AND
FUTURE IMPROVEMENT AGREEMENTS (“DEVELOPER REGULATIONS”)**

WHEREAS, under Article XVI, Sec. 59 of the Texas Constitution Chapter 340 of the General and Special Laws enacted by the 44th Legislature of Texas, and the laws and regulations governing Texas water control and improvement districts, the governing body of a Water Control and Improvement District may adopt, following appropriate public notice, rules to afford protection of the lands, physical properties and improvements of the District; and to safeguard the quality of the water stored in the reservoirs owned and controlled by the District;

WHEREAS, the Board of Directors has determined that it is necessary to promulgate District policies related to community facilities agreements and future improvement agreements, along with the Panther Island Canal System Manual and the Canal Connection Fee adopted separately by the Board, which are incorporated herein by reference and collectively referred to as Developer Requirements to manage and facilitate development on Panther Island;

WHEREAS, while the District intends to construct most segments of the Canal, there may be instances when a Developer accepts responsibility for construction; and

WHEREAS, in many instances, the Developer will be responsible for construction of all or portions of the Paseo;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE TARRANT REGIONAL WATER DISTRICT, THAT:

ARTICLE I: GENERAL

A. PURPOSE AND SCOPE

This Section applies to the design, construction of or payment for public infrastructure, and the dedication of property by Developers on Panther Island, to ensure that all developments are adequately served by public infrastructure and that the public infrastructure is constructed according to District standards. This Ordinance is intended to operate consistently with the authorizations and procedures established under Texas law.

B. DEFINITIONS

The following terms, when used in this Chapter, shall have the meanings respectively ascribed to them by this section:

CANAL – The 19-foot to 42-foot-wide concrete drainage structure with a normal water surface elevation of 525 feet. Also known as the Canal basin.

CANAL SYSTEM All canal segments and TRWD improvements within the Canal ROW which includes the Canal and the Paseos.

COMMERCIAL DEVELOPMENT. The development of property for commercial and industrial use, or multi-family developments.

COMMUNITY FACILITIES. Canal System including the Canal and the Paseo and other public infrastructure constructed pursuant to a Community Facilities Agreement or other agreement between the District and a Developer.

COMMUNITY FACILITIES AGREEMENT – TRWD (CFA – TRWD). A contract between a Developer and the District for the construction of Community Facilities, on property in which the District has or will have an ownership or other legal interest, that the District requires to be constructed as a condition issuance of a building permit or a certificate of occupancy by the City.

COMPLIANCE REVIEW. The infrastructure plan review stage at which the District confirms that the Design Engineer has revised the engineering plans to adequately address the comments received and ensures that the Submittal Package is complete and complies with the District's policies and specifications. This is required for any portions of the Canal System that will be constructed by the Developer and for which the District has not provided a complete set of plans.

CONCURRENT CFAs. A CFA in which one or more of the Community Facilities being constructed by a Developer is dependent upon connecting to Community Facilities being constructed by a different Developer pursuant to a separate CFA, either with the City or with TRWD.

CONSTRUCTION INSPECTOR. An employee or contractor of the District responsible for inspecting Community Facilities.

DESIGN ENGINEER. A professional engineer, licensed by the State of Texas, working for a Developer, who performs studies and tests, and prepares a complete set of plans, specifications, and contract documents for the construction of Community Facilities.

DEVELOPER. The owner, or the agent of an owner, of a tract of land that requires the construction of any portion of the Canal System as a condition of the approval of a building permit, a certificate of occupancy, or other plans by the District or the City.

DEVELOPMENT. Property on or to which a Developer is extending or constructing public infrastructure to provide service to one or more existing or proposed lots,

regardless of whether the property is located in an area that was previously developed, or the act of making improvements to property.

DISTRICT PARTICIPATION. The District's financial participation in a Community Facilities Agreement for the construction of public infrastructure.

PANTHER ISLAND PROGRAM MANAGER. An employee of the District responsible for the contract administration of engineering related to Community Facilities.

ENGINEERING SHEET. Each page of plans, drawings or documents prepared by the Design Engineer for the design of Community Facilities.

FUTURE IMPROVEMENTS AGREEMENT. An agreement between the District and a Developer through which the Developer pays to the District the cost of constructing one or more public improvements in lieu of constructing the public improvements.

GOVERNMENTAL ENTITY. The State, the federal government, or a political subdivision of the State or federal government.

OVERSIZING. When District Participation in a CFA – TRWD is used to make the public improvements larger, longer, or more enhanced than the Developer is required to construct.

PARENT PROJECT. The public infrastructure being constructed pursuant to a CFA - TRWD that some or all of the public infrastructure constructed pursuant to a Phased CFA will directly connect to and is dependent upon.

PASEO. The area between the outer boundary Canal ROW and edge of the Canal water surface including the sidewalks, pedestrian walkways, planter boxes, plantings, walls, irrigation systems, decorative features, and all other areas to which the public has access adjacent to the Canal. The Paseo will be publicly accessible.

PHASED CFA. Community Facilities being constructed by a Developer that will connect to public infrastructure being constructed in a Parent Project by the same Developer.

PRE-APPLICATION MEETING. A required meeting a Developer must have with District staff to discuss a proposed Project to assist in determining capacity of existing or planned Canal System to support the development and related requirements. City Stormwater staff will participate.

STORMWATER PRE-DEVELOPMENT MEETING. A required meeting a Developer must have with City staff to discuss a proposed Project to assist in determining the requirements for and feasibility of the Project. District staff will participate.

PRIMARY PROJECT. Community Facilities being constructed by a Developer that will be connected to and relied upon by Community Facilities being constructed pursuant to a Concurrent CFA.

PROJECT. A Developer's plan to develop a specific area.

PROJECT MANAGER. An employee of IPRC responsible for managing a CFA – TRWD Project for the City.

RECORD DRAWINGS. As-built drawings prepared by a Design Engineer after construction that show the public infrastructure that was constructed.

STANDARD CONDITIONS. Any requirements promulgated by the District regarding construction requirements.

SUBMITTAL PACKAGE. Design plans and related documentation submitted by a Design Engineer to TRWD for review of a Project.

ARTICLE II: DETERMINATION OF REQUIRED PUBLIC INFRASTRUCTURE

- A.** As a condition of District approval of the City's issuance of a building permit or a certificate of occupancy for a property development project, the District requires Developers to bear a portion of the costs of the Canal System by the making of dedications, the payment of fees, or the payment of construction costs.
- B.** A Developer must deliver to the District studies and other information necessary for the District to determine if the existing Canal System can serve the development or, alternatively, to make a determination if additional drainage solutions are required, consistent with the Panther Island Canal System Manual. The information the Developer submits to the District must include site grading plans, assessments of existing site drainage, stormwater management plans, or other information necessary for the District to make a determination.
- C.** Fees for access to drainage and stormwater facilities ("Canal Connection Fee") assessed and collected adopted by the TRWD Board shall be charged by the District independently of a Developer's requirement to bear a roughly proportionate cost of City drainage and stormwater infrastructure improvements. Credits to Canal Connection Fees for actual construction of a segment of the Canal System by the Developer may be available as provided by District regulations.

ARTICLE III: INFRASTRUCTURE PLAN REVIEW PROCESS

A. PANTHER ISLAND PROGRAM OFFICE (PIPO)

PIPO will be responsible for managing the design and construction of community facilities on behalf of the District to ensure the community facilities comply with the District's policies and specifications. The PIPO is comprised of a team of professional engineers and administrative staff. The professional engineers serve as project managers for their assigned projects. PIPO, in conjunction with city staff responsible for public infrastructure, will review and provide comments on engineering plans, contract documents, and other documents necessary for the construction of public infrastructure. The PIPO will accept final plans for construction, assist with public bidding, and coordinate with the developer, the design engineer, the construction inspector, and city staff during construction of community facilities. Developers and design engineers must comply with the processes established by PIPO for the submission, review, and approval of construction plans and related information by the PIPO.

B. SUBMITTAL

1. Pursuant to a Pre-Application Meeting with TRWD where the capacity of the existing Canal System was evaluated and it was determined that the proposed development cannot be served without additional construction and/or the developer is required to construct the Paseo, a complete set of engineering plans and all detailed checklists must be fully completed, executed, and delivered to PIPO in the form and manner specified by PIPO.
2. Pre-submittal meetings with PIPO staff are available to the Developer for iterative consultation prior to submittal as needed.

C. ACCEPTANCE OF PLANS

1. The District's signing of the cover sheet for the plans and specifications shall not constitute or be deemed to be a release of the responsibility and liability of the developer, the design engineer, or the developer and design engineer's officers, agents, employees, and subcontractors, for the accuracy and competency of the plans and specifications, including but not limited to surveys, location of subsurface investigations, design, working drawings and specifications, and other engineering documents.
2. The District's provision of plans and specifications to the Developer shall not constitute or be deemed to be a release of the responsibility and liability of the developer, the design engineer, or the developer and design engineer's officers, agents, employees, and subcontractors, for the accuracy and competency of the plans and specifications, including but not limited to surveys, location of subsurface investigations, design, working drawings and specifications, and other engineering documents.
3. The District's signing of the cover sheet for the plans and specifications shall not be deemed to be an assumption of such responsibility and liability by the District for any negligent act, error or omission in the conduct or preparation of the subsurface

investigation, surveys, designs, working drawings and specifications, and other engineering documents by the developer, the design engineer, or the developer and design engineer's officers, agents, employees, and subcontractors, it being the intent of the developer, design engineer and the city that acceptance by the city of the plans, contracts between the developer and the developer's contractors, payment, performance, and maintenance bonds, insurance certificates, and other documents signifies the city's acceptance only of the format of the documents and the general design concept of the community facilities.

D. REQUIREMENTS OF CONTRACTORS

1. The contracts between the developer and the developer's contractors must incorporate any requirements promulgated by the District regarding construction requirements.
2. The insurance policy from the developer's contractor must be in the amounts required by the standard conditions and must name the District as an additional insured under all insurance policies.
3. The payment, performance, and maintenance bonds must be in the total amount of the construction contract between the developer and the contractor. The bonds must meet the requirements of the District's standard conditions, Tex. Government Code Chapter 2253, and the Texas Insurance Code. The maintenance bond must cover the community facilities to be constructed against defects in materials and workmanship for a period of two years after completion and final acceptance of the community facilities by the District.

E. ADJUSTMENT OR DISTURBANCE OF INFRASTRUCTURE DURING MAINTENANCE BOND PERIOD

If a project requires an adjustment, cut, relocation, or disturbance of public infrastructure that has been accepted by the District and is covered by a maintenance bond, the contractor for the project must provide the District with a new maintenance bond covering the scope of work being performed by the contractor that is valid for a period of two years from acceptance of the community facilities. Compliance with the city's utility construction policy, if applicable, is required.

F. DESIGN STANDARDS; REQUESTS FOR ALTERNATIVE SPECIFICATIONS

1. All engineering plans must be designed in accordance with state and federal law, and with all applicable District policies, design specifications, and design standards, including but not limited to the:
 - a) Panther Island Canal System Manual
 - b) Water Quality Guidance Manual; and
 - c) City of Fort Worth Stormwater Criteria Manual.
2. All engineering plans and CFA – TRWD exhibits must identify the public infrastructure that the Community Facilities will connect to. If the public infrastructure that Community Facilities will connect to has not been

constructed and accepted by the District, the engineering plans and CFA – TRWD exhibits must identify that the public infrastructure has not been constructed and appropriate temporary condition shall be constructed

3. Any request for an alternative to a District design specification must be submitted in writing to the PIPO by the Design Engineer.

G. EXPIRATION OF ENGINEERING PLANS

Engineering plans accepted by the District shall be valid for a period of four (4) years. A CFA – TRWD will not be executed for engineering plans that are more than four (4) years old unless validated by the Design Engineer that they conform to current requirements.

ARTICLE IV: COMMUNITY FACILITIES AGREEMENTS

A. CFA – TRWD APPLICATION

Before submitting engineering plans to PIPO, the Developer must submit a completed CFA – TRWD application and any CFA – TRWD application fee established by the District.

B. MATERIAL TESTING

1. The District shall determine the estimated amount of material testing necessary for a CFA – TRWD based upon the engineering plans submitted to the District. The estimated cost of material testing will be provided by the District to the Developer.
2. The District will maintain a list of pre-approved material testing laboratories. The Developer must contract with material testing laboratories acceptable to the District. Material testing laboratories must provide copies of all test results directly to the District and the Developer. If the community facilities being constructed fail a test, the Developer must correct or replace the community facilities until the community facilities pass a retest. The Developer must pay the material testing laboratories directly for all material testing and retesting. The District will obtain proof from the material testing laboratories that the material testing laboratories have been paid in full by the Developer before the District will accept the Community Facilities that were tested.
3. The Developer shall pay any administrative material testing service fee established by the District set for each material test required for Community Facilities constructed pursuant to a CFA – TRWD to reimburse the District for the District's cost incurred for material testing.

C. INSPECTION FEES

The District will inspect Community Facilities being constructed to ensure that the

Community Facilities are constructed in accordance with the engineering plans. The Developer must pay any construction inspection service fees established by the District to cover the District's cost for performing inspections.

D. CALCULATION AND PAYMENT OF ANY ESTIMATED FEES

1. The District will calculate the estimated cost of any administrative material testing service fees and any construction inspection service fees based on the engineering plans and construction schedule submitted to PIPO. PIPO will deliver a copy of the written estimate of the fee to the Developer with the comments on the engineering plans submitted.
2. The Developer must pay the estimated cost of any administrative material testing service fees and construction inspection service fees to the District before the CFA – TRWD is executed. If there is District Participation in the Project; the District will be responsible for any administrative material testing service fees and construction inspection service fees attributable to the District Participation.

E. STANDARD FORM OF CONTRACTS; CHANGES

The District uses standardized forms for Community Facilities Agreements and financial guarantees. The Developer may request changes to the language in the forms. The District is not required to accept the changes requested by the Developer.

F. TERM OF THE CFA – TRWD

1. The term for completing construction of Community Facilities pursuant to a CFA – TRWD shall be three (3) years. The District and the Developer may agree upon a term of less than three (3) years.
2. If construction of the Community Facilities has commenced before the end of the term, the CFA – TRWD may be amended to extend the term for up to one (1) additional year. The maximum term of a CFA – TRWD may not be more than four (4) years.
3. If construction of Community Facilities pursuant to a CFA – TRWD has not begun ninety days before the end of the term, the District may send written notice to the Developer of the District's intent to use the Developer's financial guarantee to construct the Community Facilities. If the Developer and the District do not agree on an extension of the term within sixty days before the term expires or if the term of the CFA – TRWD is already three years, the District may use the Developer's financial guarantee to construct all or some of the Community Facilities contemplated by the CFA – TRWD.

G. CFA – TRWD AMENDMENTS AND ASSIGNMENTS

All requests to amend or assign an executed CFA – TRWD must be submitted by the Developer to the Panther Island Program Office. The Developer must pay any

CFA – TRWD amendment fee established by the District before an amendment or a consent to an assignment of a CFA – TRWD will be executed by the District. An amendment or assignment of a CFA – TRWD shall be at the discretion of the District.

H. FINANCIAL GUARANTEE REQUIRED

The Developer must provide the District with adequate financial security to guarantee the Developer's obligations under the CFA – TRWD, which include, but are not limited to, the Developer's obligations to construct all the Community Facilities contemplated by the CFA – TRWD and the payment by the Developer to all contractors and material suppliers with whom the Developer has a contract for the Project. No construction of Community Facilities shall ever begin until the financial guarantee has been delivered to and approved by the District and the CFA – TRWD has been executed by the Developer and the District.

I. TYPES OF FINANCIAL GUARANTEES

1. One or more of the following types of financial guarantees shall be provided by the Developer to the District to guarantee the Developer's obligations under the CFA – TRWD:
 - a) *Development Bond* A development bond in the amount of 100% of the total amount of the Developer's share of the construction costs in the CFA – TRWD. The development bond shall be executed by the Developer and guarantee that the Developer will construct the Community Facilities and pay all contractors, material suppliers, and equipment suppliers for the Project. The development bond must meet the requirements of Chapter 2253 of the Texas Local Government Code, and the Texas Insurance Code.
 - b) *Cash Deposit*. A cash deposit with the District in the amount of 125% of the total amount of the Developer's share of construction costs in the CFA – TRWD. The additional 25% above the Developer's share of the construction costs shall cover change orders to the CFA – TRWD. The District will not pay any interest on cash deposits made with the District;
 - c) *Letter of Credit*. A letter of credit in the amount of 125% of the total amount of the Developers share of the construction costs in the CFA – TRWD. The additional 25% above the Developer's share of the construction costs shall cover change orders to the CFA – TRWD. The expiration date of a Letter of Credit shall be no less than ninety (90) days after the Term of the CFA – TRWD expires;
 - d) *Escrow Agreement*. An escrow agreement between the District, the Developer and a financial institution or escrow agent in the amount of 125% of the Developer's share of the construction costs in the CFA – TRWD. The additional 25% above the Developer's share of the construction costs shall cover change orders to the Community Facilities Agreement;
2. All financial guarantees must be on forms prescribed by or acceptable to the

District.

3. Reductions in Financial Guarantees requested by the Developer may be allowed in one-third increments at the sole discretion of the District when construction is partially complete and project completion is delayed solely by the construction schedule of the District on connected facilities.

J. PHASED CFA

1. A Phased CFA allows a Developer constructing a multi-phased Development to construct subsequent phases of the Development before construction of the Community Facilities for the previous phases have been completed and accepted by the District. A Phased CFA is also allowed when one Developer is constructing two different Developments and would like to simultaneously construct the Community Facilities in the two Developments that will be connected to each other.
2. The Developer or Design Engineer must notify the District on the CFA application that the CFA – TRWD will be a Phased CFA.
3. The plans for a Phased CFA may be reviewed simultaneously with the review of the plans for the Parent Project regardless of whether the Parent Project includes on-site or off- site Community Facilities.
4. The Parent Project and the Phased CFA must be constructed by the same Developer.
5. Any type of financial guarantee a Developer is authorized by this Ordinance to use may be used for a Phased CFA.
6. The District will direct the City to withhold a Certificate of Occupancy for any buildings until the Community Facilities being constructed pursuant to the Phased CFA have been completed and accepted by the District, unless otherwise agreed to by the District and the City.
7. The Developer must notify all of the Developer's contractors performing work on the Phased CFA that the Developer has elected to construct a Phased CFA, the provisions relating to Phased CFAs in the Community Facilities Agreement, the risks associated with a Phased CFA, and that the District will not bear any responsibility for the Developer's decision to proceed with a Phased CFA. The Developer will be responsible for resolving any disputes between contractors performing work on the Parent Project and contractors performing work on the Phased CFA. Technical conflicts relating to connection of the Community Facilities between the Parent Project and the Phased CFA are part of the at-risk nature of a Phased CFA and the Developer must resolve all conflicts.
8. A Developer may not make the final connection of the Community Facilities in the Phased CFA to the Community Facilities in the Parent Project until the Community Facilities in the Parent Project have been constructed and accepted by the District and the City has consented to the Developer making the connection.
9. The Developer of a Phased CFA must assume all risks associated with a Phased CFA and must indemnify, defend and hold the District harmless for the construction of the Community Facilities pursuant to a Phased CFA and

the Developer's decision to construct Community Facilities pursuant to a Phased CFA.

K. CONCURRENT CFAS

1. A Concurrent CFA allows a Developer to construct Community Facilities that will connect to and are dependent upon Community Facilities being constructed by another Developer, before the construction and acceptance by the District of the Community Facilities being constructed by the other Developer.
2. The Developer or Design Engineer must notify the District on the CFA – TRWD application the CFA – TRWD will be a Concurrent CFA.
3. The Primary Project must have reached Compliance Review before the engineering plans for a Concurrent CFA may be submitted to PIPO for Pre-submittal Review.
4. Any type of financial guarantee a Developer is authorized by this Ordinance to use may be used for a Concurrent CFA.
5. The District will direct the City to withhold a Certificate of Occupancy for any buildings until the Community Facilities being constructed pursuant to the Concurrent CFA have been completed and accepted by the District, unless otherwise agreed to by the District and the City.
6. The Developer of a Concurrent CFA must acknowledge in writing to the District that due to the Developer's election to proceed with a Concurrent CFA, the potential exists for technical, delivery, acceptance, or performance problems which could result in the Developer having to remove and reconstruct, at the Developer's expense, the Community Facilities constructed under the Concurrent CFA.
7. The Developer of a Concurrent CFA must agree that the Developer will resolve all disputes with the Developer of the Primary Project and between contractors and subcontractors performing work on the Concurrent CFA and contractors and subcontractors performing work on the Primary Project.
8. The Developer of a Concurrent CFA must execute a written agreement with the Developer of the Primary Project that includes the following provisions:
 - a) Provides access to the Developer of the Concurrent CFA onto property owned or controlled by the Developer of the Primary Project that is necessary for the construction of the Community Facilities pursuant to the Concurrent CFA;
 - b) Stipulates that the Developer of the Concurrent CFA and the Developer of the Primary Project must resolve all disputes regarding the design and construction of the Concurrent CFA and the Primary Project; and
 - c) Provides that the Developer of the Primary Project must notify the Developer of the Concurrent CFA of all changes to the design or construction of the Community Facilities in the Primary Project, including any field changes.
 - d) The written agreement between the Developer of the Concurrent CFA and the Developer of the Primary Project does not have to be delivered to the District for review.

- e) The Developer of a Concurrent CFA must certify to the District in an attachment to the Developer's CFA – TRWD that the written agreement required by this subsection has been executed.
- f) The Developer of a Concurrent CFA must notify all of Developer's contractors performing work on the Concurrent CFA that:
 - (i) the Developer has elected to construct Community Facilities pursuant to a Concurrent CFA;
 - (ii) the provisions relating to Concurrent CFAs in the Community Facilities Agreement;
 - (iii) the risks associated with a Concurrent CFA; and
 - (iv) the District will not bear any responsibility for the Developer's decision to construct Community Facilities pursuant to a Concurrent CFA.
- g) A Developer shall not make the final connection of Community Facilities constructed pursuant to a Concurrent CFA to Community Facilities in the Primary Project until the Community Facilities in the Primary Project have been constructed and accepted by the District and the District has consented to Developer making the connection.
- h) The Developer of a Concurrent CFA must assume all risks associated with a Concurrent CFA and must indemnify, defend and hold the District harmless for the construction of the Community Facilities pursuant to a Concurrent CFA and the Developer's decision to construct Community Facilities pursuant to a Concurrent CFA.

L. EXECUTION OF CFA – TRWDS BASED ON ESTIMATES OF PROBABLE COSTS

1. At the discretion of the Project Manager, a CFA – TRWD may be executed based upon the Design Engineer's estimate of probable costs before the engineering plans for the CFA – TRWD have been accepted by the District. The engineering plans must have completed first review before a CFA – TRWD may be executed based upon the Design Engineer's estimate of probable costs.
2. The Project Manager shall review the cost estimates and must agree with the Design Engineer's estimate of probable costs before the CFA – TRWD is executed.
3. The Developer's financial guarantee must be in the amount of one hundred fifty percent (150%) of the Design Engineer's estimate of probable costs.
4. Before a pre-construction meeting can be scheduled, the Developer must amend the financial guarantee if the financial guarantee is less than one hundred twenty-five percent (125%) of the cost of the Community Facilities based upon the bids received by the Developer's contractors.
5. If the CFA – TRWD exhibits must be revised or the cost of the public infrastructure for the engineering plans accepted by the District is more than the amount in the CFA – TRWD, the CFA – TRWD must be amended and the Developer shall pay any CFA – TRWD amendment fee.

M. PROCUREMENT AND AWARD OF CONSTRUCTION CONTRACTS FOR COMMUNITY FACILITIES WITHOUT DISTRICT PARTICIPATION

If there is no District Participation in a CFA – TRWD, the Developer may procure the construction contracts by public or private bids, or any other lawful manner.

N. REQUIREMENTS FOR CONTRACTORS CONSTRUCTING COMMUNITY FACILITIES

1. Community Facilities must be constructed by contractors that:
 - a) are in good standing with the District;
 - b) are licensed, bonded, and insured; and
 - c) have the proper permits required by the District policies.
2. If the Developer provides a development bond as the financial guarantee for a CFA – TRWD that does not involve District Participation, the Developers contractors will not be required to provide the District with payment and performance bonds but must provide a maintenance bond for the Community Facilities.

O. REQUIREMENTS FOR A NOTICE TO PROCEED TO CONSTRUCTION

The following items are required before the District will issue a notice to proceed to construction for a CFA – TRWD:

1. A complete set of engineering plans accepted by the District;
2. Proof of conveyance of all easements and temporary construction easements for the Community Facilities, and proof that all required permits have been issued;
3. A CFA – TRWD executed by the District and the Developer;
4. A financial guarantee acceptable to the District;
5. Payment of any required fees;
6. Complete Contract Document Books that have been accepted by the District;
7. A maintenance bond in the amount of the construction contracts executed in the name of the District covering Community Facilities to be constructed against defects in materials and workmanship for a period of two (2) years after completion and acceptance of the Community Facilities by the District; and
8. Payment and performance bonds provided by the contractors, or a development bond provided by the Developer for a CFA – TRWD that does not have District Participation which eliminates the requirement that the contractors provide payment and performance bonds as specified in Article IV, Section I.

ARTICLE V: DISTRICT PARTICIPATION IN COMMUNITY FACILITIES AGREEMENTS

A. PURPOSE OF DISTRICT PARTICIPATION

1. District Participation in a CFA – TRWD may be used to enlarge the scope of the Project beyond what the Developer is responsible for constructing or as an economic incentive.
2. District Participation in a CFA – TRWD allows the District to:
 - a) Take advantage of the Developer's construction mobilization, allowing for faster delivery of public infrastructure;
 - b) Increase the extent or capacity of the public infrastructure beyond what the Developer is responsible for constructing; or
 - c) Replace or improve existing public infrastructure that is deficient or in a deteriorating condition.

B. PUBLIC PROCUREMENT REQUIREMENTS

The District must comply with state laws relating to the expenditure of public funds. No District Participation will be paid for work performed prior to a CFA – TRWD being executed or for work performed that was not procured in accordance with state law. Contractors working pursuant to a CFA – TRWD that includes District Participation must be selected in accordance with state laws relating to the expenditure of public funds and the procurement of contractors for public works projects. The method of selection may include lowest responsive and responsible bid, or best value, as allowed by state law.

C. CALCULATING DISTRICT PARTICIPATION

District Participation in a CFA – TRWD shall be calculated in accordance with the Developer's Estimate of Probable Construction Cost as agreed to by the District. Final participation payments shall be based on actual costs up to the amount of the estimate. District participation in any cost overruns resulting from higher than anticipated bids or change orders must be agreed to in writing by the District prior to commencement of construction and are subject to TRWD Board approval if greater than \$150,000 in aggregate.

D. LIMITS ON DISTRICT PARTICIPATION

District Participation is limited to the availability of District funds and subject to approval of the TRWD Board when required. The District's obligation to participate in a CFA – TRWD will terminate if construction of the Community Facilities is not completed within the term of the CFA – TRWD, including any extension period.

E. AWARD OF PUBLICLY BID CONTRACTS WITH DISTRICT PARTICIPATION

1. All public bids involving District Participation in a CFA – TRWD will be opened at District offices or an alternative location as designated by PIPO. The District's Project Manager, or District staff designated by the Project Manager, will attend the bid opening.
2. Before construction contracts for a CFA – TRWD that is publicly bid are awarded, the Developer must deliver the following items to the District:
 - a) A bid tabulation showing the bid proposals of all prospective bidders;
 - b) A publisher's affidavit from the newspaper showing that the notice of public bidding was properly advertised;
 - c) A letter of recommendation from the Developer for contract award; and
 - d) A breakdown of the Developer cost and District Participation based upon the bid items contained in the winning bid.

F. CHANGE ORDERS

All change orders must be approved in writing by the Developer and the contractor and then submitted to the District for approval. If a change order increases District Participation by more than the current amount authorized by the TRWD Board for administrative approval, the change order must be submitted to the TRWD Board for approval if they exceed \$150,000 in aggregate. The additional District Participation is contingent upon compliance with public procurement laws, the approval of the TRWD Board, and the availability of funds.

ARTICLE VI: ALTERNATIVE METHODS OF DELIVERING COMMUNITY FACILITIES

A. FUTURE IMPROVEMENTS IN LIEU OF CONSTRUCTION

1. At the discretion of the District and in conformance with the Panther Island Canal System Manual, the immediate construction of the public infrastructure required for a Development may be infeasible or impractical until a later date for reasons including, but not limited to:
 - a) Scheduling or other conflicts with other planned public improvements the District or other entities may be making in the same general area; or
 - b) The public infrastructure creates a potentially hazardous condition if they are constructed immediately.
2. To accommodate the later construction of the public improvements, the District may require a Developer to enter into a Future Improvements Agreement in lieu of the Developer constructing the public improvements.
3. The Design Engineer must deliver to the District an estimated construction cost for the public infrastructure required for the Development as validated by the District.
4. After the District and Developer agree to the estimate, the Future

Improvements Agreement will be executed by the District and the Developer and the Developer shall deliver a check to the District in the amount of one hundred twenty-five percent (125%) of the total estimated construction costs for the Community Facilities.

5. After the Future Improvements Agreement has been executed by the District and the Developer, and the Developer has paid the District the amount required by this section, the Developer's requirement to construct public infrastructure for the Development contained in the Future Improvements Agreement shall be met unless the Developer makes changes to the design of the Development that would require additional or different public infrastructure.

ARTICLE VII: CONSTRUCTION, FINAL INSPECTION, AND CFA – TRWD CLOSEOUT

A. CONSTRUCTION NOTICE

For all construction activities in the right-of-way that impact traffic or pedestrian access, the Developer must provide notice to residences and businesses. The notice must be posted by the Developer in the manner, form, and times proscribed by the District.

B. FINAL INSPECTIONS

1. Except as otherwise provided in this Ordinance, a final inspection will not be scheduled until:
 - a) The Community Facilities are fully constructed as determined by the Construction Inspector;
 - b) All required material testing has been completed with a passing result and delivered to the Construction Inspector;
 - c) Redline engineering sheets completed by the contractors showing differences between the engineering plans and the Community Facilities that have been constructed have been delivered to the Construction Inspector; and
 - d) Compliance with the rules established by PIPO for obtaining a final inspection.
2. Any deficiencies in or adjustments needed to the Community Facilities that are found by the Construction Inspector during a final inspection shall be listed on a punch list. Once all items on the punch list have been addressed and closed, a follow-up final inspection may be scheduled with the Construction Inspector.
3. Once the construction passes final inspection, an acceptance letter is initiated by the Construction Inspector. The acceptance letter starts the closeout of the CFA – TRWD and the process by which the District accepts and capitalizes the Community Facilities.

C. REQUIREMENTS FOR PROJECT CLOSEOUT

The following items must be delivered to the District before a CFA – TRWD can be closed out:

1. An affidavit of bills paid and final lien waiver executed by the Developer's contractors on forms provided by the District;
2. Consent of surety forms for the payment and performance bonds executed by the surety company issuing the bonds; and
3. Record Drawings completed by the Design Engineer.

D. ACCURACY OF RECORDS

1. The Developer, the Developer's contractors, and the Design Engineer must ensure that all changes to the Record Drawings have been made by making adequate and proper entries on each page of the specifications, each sheet of engineering plans, and on any other documents where such notations are required to reflect the change properly.
2. All changes to the Record Drawings shall be made in a manner that all information contained in the Record Drawings may be reasonably relied upon.
3. To ensure the accuracy of records, all redline changes or entries should be made within twenty-four (24) hours after the changes have occurred.
4. The Developer, the Developer's contractors, and the Design Engineer must provide factual information regarding all aspects of the Community Facilities that were constructed to enable future modifications of the Community Facilities to be made without extensive site measurement, investigation, or examination.

E. RECONCILIATION

1. PIPO will reconcile the final actual construction costs with the costs reflected in the CFA – TRWD.
2. PIPO will reconcile the actual cost of any administrative material testing service fees and construction inspection service fees with any estimated fees paid by the Developer. If the actual fees are more than the estimated payments made by the Developer, the Developer must pay the difference to the District before the improvements are accepted by the District. If the actual fees are less than the estimated payments made by the Developer, the District will refund the difference to the Developer. If the difference between the actual costs and the estimated payments made by the Developer for administrative material testing service fees and construction inspection service fees is less than one hundred dollars (\$100.00), the District will not issue a refund and the Developer will not be responsible for paying the difference.
3. If the Developer owes the City any administrative material testing service fees or construction inspection service fees, the fees shall be paid before the financial guarantee can be released by the District. Any refunds for any

administrative material testing service fees or construction inspection service fees owed by the District to the Developer shall be processed after reconciliation of the CFA – TRWD is complete.

4. Once the CFA – TRWD has been fully reconciled and all fees have been paid to the District, the financial guarantee for the CFA – TRWD will be released.

F. MAINTENANCE AGREEMENTS

The District may allow a Developer to install Community Facilities that are enhanced beyond the District's standard specifications, including but not limited to, water features and specialty tiles in the Paseo. If enhanced public infrastructure is authorized by the District and not to be maintained by a Special District, the Developer must execute a maintenance agreement with the District by which the Developer agrees to maintain the enhanced Community Facilities. The maintenance agreement must be executed by the Developer before the Community Facilities are constructed.

PASSED, APPROVED AND ADOPTED THIS 27TH DAY OF MARCH, 2026.

TARRANT REGIONAL WATER DISTRICT

BY: _____
Leah M. King, President
Board of Directors

ATTEST:

Paxton Motheral, Vice President

**RESOLUTION OF THE BOARD OF DIRECTORS
OF
TARRANT REGIONAL WATER DISTRICT**

**TO ADOPT REGULATIONS FOR COMMUNITY FACILITIES AGREEMENTS AND
FUTURE IMPROVEMENT AGREEMENTS (“DEVELOPER REGULATIONS”)**

WHEREAS, under Article XVI, Sec. 59 of the Texas Constitution Chapter 340 of the General and Special Laws enacted by the 44th Legislature of Texas, and the laws and regulations governing Texas water control and improvement districts, the governing body of a Water Control and Improvement District may adopt, following appropriate public notice, rules to afford protection of the lands, physical properties and improvements of the District; and to safeguard the quality of the water stored in the reservoirs owned and controlled by the District;

WHEREAS, the Board of Directors has determined that it is necessary to promulgate District policies related to community facilities agreements and future improvement agreements, along with the Panther Island Canal System Manual and the Canal Connection Fee adopted separately by the Board, which are incorporated herein by reference and collectively referred to as Developer Requirements to manage and facilitate development on Panther Island;

WHEREAS, while the District intends to construct most segments of the Canal, there may be instances when a Developer accepts responsibility for construction; and

WHEREAS, in many instances, the Developer will be responsible for construction of all or portions of the Paseo;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE TARRANT REGIONAL WATER DISTRICT, THAT:

ARTICLE I: GENERAL

A. PURPOSE AND SCOPE

This Section applies to the design, construction of or payment for public infrastructure, and the dedication of property by Developers on Panther Island, to ensure that all developments are adequately served by public infrastructure and that the public infrastructure is constructed according to District standards. This Ordinance is intended to operate consistently with the authorizations and procedures established under Texas law.

B. DEFINITIONS

The following terms, when used in this Chapter, shall have the meanings respectively ascribed to them by this section:

CANAL – The 19-foot to 42-foot-wide concrete drainage structure with a normal water surface elevation of 525 feet. Also known as the Canal basin.

CANAL SYSTEM All canal segments and TRWD improvements within the Canal ROW which includes the Canal and the Paseos.

COMMERCIAL DEVELOPMENT. The development of property for commercial and industrial use, or multi-family developments.

COMMUNITY FACILITIES. Canal System including the Canal and the Paseo and other public infrastructure constructed pursuant to a Community Facilities Agreement or other agreement between the District and a Developer.

COMMUNITY FACILITIES AGREEMENT – TRWD (CFA – TRWD). A contract between a Developer and the District for the construction of Community Facilities, on property in which the District has or will have an ownership or other legal interest, that the District requires to be constructed as a condition issuance of a building permit or a certificate of occupancy by the City.

COMPLIANCE REVIEW. The infrastructure plan review stage at which the District confirms that the Design Engineer has revised the engineering plans to adequately address the comments received and ensures that the Submittal Package is complete and complies with the District's policies and specifications. This is required for any portions of the Canal System that will be constructed by the Developer and for which the District has not provided a complete set of plans.

CONCURRENT CFAs. A CFA in which one or more of the Community Facilities being constructed by a Developer is dependent upon connecting to Community Facilities being constructed by a different Developer pursuant to a separate CFA, either with the City or with TRWD.

CONSTRUCTION INSPECTOR. An employee or contractor of the District responsible for inspecting Community Facilities.

DESIGN ENGINEER. A professional engineer, licensed by the State of Texas, working for a Developer, who performs studies and tests, and prepares a complete set of plans, specifications, and contract documents for the construction of Community Facilities.

DEVELOPER. The owner, or the agent of an owner, of a tract of land that requires the construction of any portion of the Canal System as a condition of the approval of a building permit, a certificate of occupancy, or other plans by the District or the City.

DEVELOPMENT. Property on or to which a Developer is extending or constructing public infrastructure to provide service to one or more existing or proposed lots,

regardless of whether the property is located in an area that was previously developed, or the act of making improvements to property.

DISTRICT PARTICIPATION. The District's financial participation in a Community Facilities Agreement for the construction of public infrastructure.

PANTHER ISLAND PROGRAM MANAGER. An employee of the District responsible for the contract administration of engineering related to Community Facilities.

ENGINEERING SHEET. Each page of plans, drawings or documents prepared by the Design Engineer for the design of Community Facilities.

FUTURE IMPROVEMENTS AGREEMENT. An agreement between the District and a Developer through which the Developer pays to the District the cost of constructing one or more public improvements in lieu of constructing the public improvements.

GOVERNMENTAL ENTITY. The State, the federal government, or a political subdivision of the State or federal government.

OVERSIZING. When District Participation in a CFA – TRWD is used to make the public improvements larger, longer, or more enhanced than the Developer is required to construct.

PARENT PROJECT. The public infrastructure being constructed pursuant to a CFA - TRWD that some or all of the public infrastructure constructed pursuant to a Phased CFA will directly connect to and is dependent upon.

PASEO. The area between the outer boundary Canal ROW and edge of the Canal water surface including the sidewalks, pedestrian walkways, planter boxes, plantings, walls, irrigation systems, decorative features, and all other areas to which the public has access adjacent to the Canal. The Paseo will be publicly accessible.

PHASED CFA. Community Facilities being constructed by a Developer that will connect to public infrastructure being constructed in a Parent Project by the same Developer.

PRE-APPLICATION MEETING. A required meeting a Developer must have with District staff to discuss a proposed Project to assist in determining capacity of existing or planned Canal System to support the development and related requirements. City Stormwater staff will participate.

STORMWATER PRE-DEVELOPMENT MEETING. A required meeting a Developer must have with City staff to discuss a proposed Project to assist in determining the requirements for and feasibility of the Project. District staff will participate.

PRIMARY PROJECT. Community Facilities being constructed by a Developer that will be connected to and relied upon by Community Facilities being constructed pursuant to a Concurrent CFA.

PROJECT. A Developer's plan to develop a specific area.

PROJECT MANAGER. An employee of IPRC responsible for managing a CFA – TRWD Project for the City.

RECORD DRAWINGS. As-built drawings prepared by a Design Engineer after construction that show the public infrastructure that was constructed.

STANDARD CONDITIONS. Any requirements promulgated by the District regarding construction requirements.

SUBMITTAL PACKAGE. Design plans and related documentation submitted by a Design Engineer to TRWD for review of a Project.

ARTICLE II: DETERMINATION OF REQUIRED PUBLIC INFRASTRUCTURE

- A.** As a condition of District approval of the City's issuance of a building permit or a certificate of occupancy for a property development project, the District requires Developers to bear a portion of the costs of the Canal System by the making of dedications, the payment of fees, or the payment of construction costs.
- B.** A Developer must deliver to the District studies and other information necessary for the District to determine if the existing Canal System can serve the development or, alternatively, to make a determination if additional drainage solutions are required, consistent with the Panther Island Canal System Manual. The information the Developer submits to the District must include site grading plans, assessments of existing site drainage, stormwater management plans, or other information necessary for the District to make a determination.
- C.** Fees for access to drainage and stormwater facilities ("Canal Connection Fee") assessed and collected adopted by the TRWD Board shall be charged by the District independently of a Developer's requirement to bear a roughly proportionate cost of City drainage and stormwater infrastructure improvements. Credits to Canal Connection Fees for actual construction of a segment of the Canal System by the Developer may be available as provided by District regulations.

ARTICLE III: INFRASTRUCTURE PLAN REVIEW PROCESS

A. PANTHER ISLAND PROGRAM OFFICE (PIPO)

PIPO will be responsible for managing the design and construction of community facilities on behalf of the District to ensure the community facilities comply with the District's policies and specifications. The PIPO is comprised of a team of professional engineers and administrative staff. The professional engineers serve as project managers for their assigned projects. PIPO, in conjunction with city staff responsible for public infrastructure, will review and provide comments on engineering plans, contract documents, and other documents necessary for the construction of public infrastructure. The PIPO will accept final plans for construction, assist with public bidding, and coordinate with the developer, the design engineer, the construction inspector, and city staff during construction of community facilities. Developers and design engineers must comply with the processes established by PIPO for the submission, review, and approval of construction plans and related information by the PIPO.

B. SUBMITTAL

1. Pursuant to a Pre-Application Meeting with TRWD where the capacity of the existing Canal System was evaluated and it was determined that the proposed development cannot be served without additional construction and/or the developer is required to construct the Paseo, a complete set of engineering plans and all detailed checklists must be fully completed, executed, and delivered to PIPO in the form and manner specified by PIPO.
2. Pre-submittal meetings with PIPO staff are available to the Developer for iterative consultation prior to submittal as needed.

C. ACCEPTANCE OF PLANS

1. The District's signing of the cover sheet for the plans and specifications shall not constitute or be deemed to be a release of the responsibility and liability of the developer, the design engineer, or the developer and design engineer's officers, agents, employees, and subcontractors, for the accuracy and competency of the plans and specifications, including but not limited to surveys, location of subsurface investigations, design, working drawings and specifications, and other engineering documents.
2. The District's provision of plans and specifications to the Developer shall not constitute or be deemed to be a release of the responsibility and liability of the developer, the design engineer, or the developer and design engineer's officers, agents, employees, and subcontractors, for the accuracy and competency of the plans and specifications, including but not limited to surveys, location of subsurface investigations, design, working drawings and specifications, and other engineering documents.
3. The District's signing of the cover sheet for the plans and specifications shall not be deemed to be an assumption of such responsibility and liability by the District for any negligent act, error or omission in the conduct or preparation of the subsurface

investigation, surveys, designs, working drawings and specifications, and other engineering documents by the developer, the design engineer, or the developer and design engineer's officers, agents, employees, and subcontractors, it being the intent of the developer, design engineer and the city that acceptance by the city of the plans, contracts between the developer and the developer's contractors, payment, performance, and maintenance bonds, insurance certificates, and other documents signifies the city's acceptance only of the format of the documents and the general design concept of the community facilities.

D. REQUIREMENTS OF CONTRACTORS

1. The contracts between the developer and the developer's contractors must incorporate any requirements promulgated by the District regarding construction requirements.
2. The insurance policy from the developer's contractor must be in the amounts required by the standard conditions and must name the District as an additional insured under all insurance policies.
3. The payment, performance, and maintenance bonds must be in the total amount of the construction contract between the developer and the contractor. The bonds must meet the requirements of the District's standard conditions, Tex. Government Code Chapter 2253, and the Texas Insurance Code. The maintenance bond must cover the community facilities to be constructed against defects in materials and workmanship for a period of two years after completion and final acceptance of the community facilities by the District.

E. ADJUSTMENT OR DISTURBANCE OF INFRASTRUCTURE DURING MAINTENANCE BOND PERIOD

If a project requires an adjustment, cut, relocation, or disturbance of public infrastructure that has been accepted by the District and is covered by a maintenance bond, the contractor for the project must provide the District with a new maintenance bond covering the scope of work being performed by the contractor that is valid for a period of two years from acceptance of the community facilities. Compliance with the city's utility construction policy, if applicable, is required.

F. DESIGN STANDARDS; REQUESTS FOR ALTERNATIVE SPECIFICATIONS

1. All engineering plans must be designed in accordance with state and federal law, and with all applicable District policies, design specifications, and design standards, including but not limited to the:
 - a) Panther Island Canal System Manual
 - b) Water Quality Guidance Manual; and
 - c) City of Fort Worth Stormwater Criteria Manual.
2. All engineering plans and CFA – TRWD exhibits must identify the public infrastructure that the Community Facilities will connect to. If the public infrastructure that Community Facilities will connect to has not been

constructed and accepted by the District, the engineering plans and CFA – TRWD exhibits must identify that the public infrastructure has not been constructed and appropriate temporary condition shall be constructed

3. Any request for an alternative to a District design specification must be submitted in writing to the PIPO by the Design Engineer.

G. EXPIRATION OF ENGINEERING PLANS

Engineering plans accepted by the District shall be valid for a period of four (4) years. A CFA – TRWD will not be executed for engineering plans that are more than four (4) years old unless validated by the Design Engineer that they conform to current requirements.

ARTICLE IV: COMMUNITY FACILITIES AGREEMENTS

A. CFA – TRWD APPLICATION

Before submitting engineering plans to PIPO, the Developer must submit a completed CFA – TRWD application and any CFA – TRWD application fee established by the District.

B. MATERIAL TESTING

1. The District shall determine the estimated amount of material testing necessary for a CFA – TRWD based upon the engineering plans submitted to the District. The estimated cost of material testing will be provided by the District to the Developer.
2. The District will maintain a list of pre-approved material testing laboratories. The Developer must contract with material testing laboratories acceptable to the District. Material testing laboratories must provide copies of all test results directly to the District and the Developer. If the community facilities being constructed fail a test, the Developer must correct or replace the community facilities until the community facilities pass a retest. The Developer must pay the material testing laboratories directly for all material testing and retesting. The District will obtain proof from the material testing laboratories that the material testing laboratories have been paid in full by the Developer before the District will accept the Community Facilities that were tested.
3. The Developer shall pay any administrative material testing service fee established by the District set for each material test required for Community Facilities constructed pursuant to a CFA – TRWD to reimburse the District for the District's cost incurred for material testing.

C. INSPECTION FEES

The District will inspect Community Facilities being constructed to ensure that the

Community Facilities are constructed in accordance with the engineering plans. The Developer must pay any construction inspection service fees established by the District to cover the District's cost for performing inspections.

D. CALCULATION AND PAYMENT OF ANY ESTIMATED FEES

1. The District will calculate the estimated cost of any administrative material testing service fees and any construction inspection service fees based on the engineering plans and construction schedule submitted to PIPO. PIPO will deliver a copy of the written estimate of the fee to the Developer with the comments on the engineering plans submitted.
2. The Developer must pay the estimated cost of any administrative material testing service fees and construction inspection service fees to the District before the CFA – TRWD is executed. If there is District Participation in the Project; the District will be responsible for any administrative material testing service fees and construction inspection service fees attributable to the District Participation.

E. STANDARD FORM OF CONTRACTS; CHANGES

The District uses standardized forms for Community Facilities Agreements and financial guarantees. The Developer may request changes to the language in the forms. The District is not required to accept the changes requested by the Developer.

F. TERM OF THE CFA – TRWD

1. The term for completing construction of Community Facilities pursuant to a CFA – TRWD shall be three (3) years. The District and the Developer may agree upon a term of less than three (3) years.
2. If construction of the Community Facilities has commenced before the end of the term, the CFA – TRWD may be amended to extend the term for up to one (1) additional year. The maximum term of a CFA – TRWD may not be more than four (4) years.
3. If construction of Community Facilities pursuant to a CFA – TRWD has not begun ninety days before the end of the term, the District may send written notice to the Developer of the District's intent to use the Developer's financial guarantee to construct the Community Facilities. If the Developer and the District do not agree on an extension of the term within sixty days before the term expires or if the term of the CFA – TRWD is already three years, the District may use the Developer's financial guarantee to construct all or some of the Community Facilities contemplated by the CFA – TRWD.

G. CFA – TRWD AMENDMENTS AND ASSIGNMENTS

All requests to amend or assign an executed CFA – TRWD must be submitted by the Developer to the Panther Island Program Office. The Developer must pay any

CFA – TRWD amendment fee established by the District before an amendment or a consent to an assignment of a CFA – TRWD will be executed by the District. An amendment or assignment of a CFA – TRWD shall be at the discretion of the District.

H. FINANCIAL GUARANTEE REQUIRED

The Developer must provide the District with adequate financial security to guarantee the Developer's obligations under the CFA – TRWD, which include, but are not limited to, the Developer's obligations to construct all the Community Facilities contemplated by the CFA – TRWD and the payment by the Developer to all contractors and material suppliers with whom the Developer has a contract for the Project. No construction of Community Facilities shall ever begin until the financial guarantee has been delivered to and approved by the District and the CFA – TRWD has been executed by the Developer and the District.

I. TYPES OF FINANCIAL GUARANTEES

1. One or more of the following types of financial guarantees shall be provided by the Developer to the District to guarantee the Developer's obligations under the CFA – TRWD:
 - a) *Development Bond* A development bond in the amount of 100% of the total amount of the Developer's share of the construction costs in the CFA – TRWD. The development bond shall be executed by the Developer and guarantee that the Developer will construct the Community Facilities and pay all contractors, material suppliers, and equipment suppliers for the Project. The development bond must meet the requirements of Chapter 2253 of the Texas Local Government Code, and the Texas Insurance Code.
 - b) *Cash Deposit*. A cash deposit with the District in the amount of 125% of the total amount of the Developer's share of construction costs in the CFA – TRWD. The additional 25% above the Developer's share of the construction costs shall cover change orders to the CFA – TRWD. The District will not pay any interest on cash deposits made with the District;
 - c) *Letter of Credit*. A letter of credit in the amount of 125% of the total amount of the Developers share of the construction costs in the CFA – TRWD. The additional 25% above the Developer's share of the construction costs shall cover change orders to the CFA – TRWD. The expiration date of a Letter of Credit shall be no less than ninety (90) days after the Term of the CFA – TRWD expires;
 - d) *Escrow Agreement*. An escrow agreement between the District, the Developer and a financial institution or escrow agent in the amount of 125% of the Developer's share of the construction costs in the CFA – TRWD. The additional 25% above the Developer's share of the construction costs shall cover change orders to the Community Facilities Agreement;
2. All financial guarantees must be on forms prescribed by or acceptable to the

District.

3. Reductions in Financial Guarantees requested by the Developer may be allowed in one-third increments at the sole discretion of the District when construction is partially complete and project completion is delayed solely by the construction schedule of the District on connected facilities.

J. PHASED CFA

1. A Phased CFA allows a Developer constructing a multi-phased Development to construct subsequent phases of the Development before construction of the Community Facilities for the previous phases have been completed and accepted by the District. A Phased CFA is also allowed when one Developer is constructing two different Developments and would like to simultaneously construct the Community Facilities in the two Developments that will be connected to each other.
2. The Developer or Design Engineer must notify the District on the CFA application that the CFA – TRWD will be a Phased CFA.
3. The plans for a Phased CFA may be reviewed simultaneously with the review of the plans for the Parent Project regardless of whether the Parent Project includes on-site or off- site Community Facilities.
4. The Parent Project and the Phased CFA must be constructed by the same Developer.
5. Any type of financial guarantee a Developer is authorized by this Ordinance to use may be used for a Phased CFA.
6. The District will direct the City to withhold a Certificate of Occupancy for any buildings until the Community Facilities being constructed pursuant to the Phased CFA have been completed and accepted by the District, unless otherwise agreed to by the District and the City.
7. The Developer must notify all of the Developer's contractors performing work on the Phased CFA that the Developer has elected to construct a Phased CFA, the provisions relating to Phased CFAs in the Community Facilities Agreement, the risks associated with a Phased CFA, and that the District will not bear any responsibility for the Developer's decision to proceed with a Phased CFA. The Developer will be responsible for resolving any disputes between contractors performing work on the Parent Project and contractors performing work on the Phased CFA. Technical conflicts relating to connection of the Community Facilities between the Parent Project and the Phased CFA are part of the at-risk nature of a Phased CFA and the Developer must resolve all conflicts.
8. A Developer may not make the final connection of the Community Facilities in the Phased CFA to the Community Facilities in the Parent Project until the Community Facilities in the Parent Project have been constructed and accepted by the District and the City has consented to the Developer making the connection.
9. The Developer of a Phased CFA must assume all risks associated with a Phased CFA and must indemnify, defend and hold the District harmless for the construction of the Community Facilities pursuant to a Phased CFA and

the Developer's decision to construct Community Facilities pursuant to a Phased CFA.

K. CONCURRENT CFAS

1. A Concurrent CFA allows a Developer to construct Community Facilities that will connect to and are dependent upon Community Facilities being constructed by another Developer, before the construction and acceptance by the District of the Community Facilities being constructed by the other Developer.
2. The Developer or Design Engineer must notify the District on the CFA – TRWD application the CFA – TRWD will be a Concurrent CFA.
3. The Primary Project must have reached Compliance Review before the engineering plans for a Concurrent CFA may be submitted to PIPO for Pre-submittal Review.
4. Any type of financial guarantee a Developer is authorized by this Ordinance to use may be used for a Concurrent CFA.
5. The District will direct the City to withhold a Certificate of Occupancy for any buildings until the Community Facilities being constructed pursuant to the Concurrent CFA have been completed and accepted by the District, unless otherwise agreed to by the District and the City.
6. The Developer of a Concurrent CFA must acknowledge in writing to the District that due to the Developer's election to proceed with a Concurrent CFA, the potential exists for technical, delivery, acceptance, or performance problems which could result in the Developer having to remove and reconstruct, at the Developer's expense, the Community Facilities constructed under the Concurrent CFA.
7. The Developer of a Concurrent CFA must agree that the Developer will resolve all disputes with the Developer of the Primary Project and between contractors and subcontractors performing work on the Concurrent CFA and contractors and subcontractors performing work on the Primary Project.
8. The Developer of a Concurrent CFA must execute a written agreement with the Developer of the Primary Project that includes the following provisions:
 - a) Provides access to the Developer of the Concurrent CFA onto property owned or controlled by the Developer of the Primary Project that is necessary for the construction of the Community Facilities pursuant to the Concurrent CFA;
 - b) Stipulates that the Developer of the Concurrent CFA and the Developer of the Primary Project must resolve all disputes regarding the design and construction of the Concurrent CFA and the Primary Project; and
 - c) Provides that the Developer of the Primary Project must notify the Developer of the Concurrent CFA of all changes to the design or construction of the Community Facilities in the Primary Project, including any field changes.
 - d) The written agreement between the Developer of the Concurrent CFA and the Developer of the Primary Project does not have to be delivered to the District for review.

- e) The Developer of a Concurrent CFA must certify to the District in an attachment to the Developer's CFA – TRWD that the written agreement required by this subsection has been executed.
- f) The Developer of a Concurrent CFA must notify all of Developer's contractors performing work on the Concurrent CFA that:
 - (i) the Developer has elected to construct Community Facilities pursuant to a Concurrent CFA;
 - (ii) the provisions relating to Concurrent CFAs in the Community Facilities Agreement;
 - (iii) the risks associated with a Concurrent CFA; and
 - (iv) the District will not bear any responsibility for the Developer's decision to construct Community Facilities pursuant to a Concurrent CFA.
- g) A Developer shall not make the final connection of Community Facilities constructed pursuant to a Concurrent CFA to Community Facilities in the Primary Project until the Community Facilities in the Primary Project have been constructed and accepted by the District and the District has consented to Developer making the connection.
- h) The Developer of a Concurrent CFA must assume all risks associated with a Concurrent CFA and must indemnify, defend and hold the District harmless for the construction of the Community Facilities pursuant to a Concurrent CFA and the Developer's decision to construct Community Facilities pursuant to a Concurrent CFA.

L. EXECUTION OF CFA – TRWDS BASED ON ESTIMATES OF PROBABLE COSTS

1. At the discretion of the Project Manager, a CFA – TRWD may be executed based upon the Design Engineer's estimate of probable costs before the engineering plans for the CFA – TRWD have been accepted by the District. The engineering plans must have completed first review before a CFA – TRWD may be executed based upon the Design Engineer's estimate of probable costs.
2. The Project Manager shall review the cost estimates and must agree with the Design Engineer's estimate of probable costs before the CFA – TRWD is executed.
3. The Developer's financial guarantee must be in the amount of one hundred fifty percent (150%) of the Design Engineer's estimate of probable costs.
4. Before a pre-construction meeting can be scheduled, the Developer must amend the financial guarantee if the financial guarantee is less than one hundred twenty-five percent (125%) of the cost of the Community Facilities based upon the bids received by the Developer's contractors.
5. If the CFA – TRWD exhibits must be revised or the cost of the public infrastructure for the engineering plans accepted by the District is more than the amount in the CFA – TRWD, the CFA – TRWD must be amended and the Developer shall pay any CFA – TRWD amendment fee.

M. PROCUREMENT AND AWARD OF CONSTRUCTION CONTRACTS FOR COMMUNITY FACILITIES WITHOUT DISTRICT PARTICIPATION

If there is no District Participation in a CFA – TRWD, the Developer may procure the construction contracts by public or private bids, or any other lawful manner.

N. REQUIREMENTS FOR CONTRACTORS CONSTRUCTING COMMUNITY FACILITIES

1. Community Facilities must be constructed by contractors that:
 - a) are in good standing with the District;
 - b) are licensed, bonded, and insured; and
 - c) have the proper permits required by the District policies.
2. If the Developer provides a development bond as the financial guarantee for a CFA – TRWD that does not involve District Participation, the Developers contractors will not be required to provide the District with payment and performance bonds but must provide a maintenance bond for the Community Facilities.

O. REQUIREMENTS FOR A NOTICE TO PROCEED TO CONSTRUCTION

The following items are required before the District will issue a notice to proceed to construction for a CFA – TRWD:

1. A complete set of engineering plans accepted by the District;
2. Proof of conveyance of all easements and temporary construction easements for the Community Facilities, and proof that all required permits have been issued;
3. A CFA – TRWD executed by the District and the Developer;
4. A financial guarantee acceptable to the District;
5. Payment of any required fees;
6. Complete Contract Document Books that have been accepted by the District;
7. A maintenance bond in the amount of the construction contracts executed in the name of the District covering Community Facilities to be constructed against defects in materials and workmanship for a period of two (2) years after completion and acceptance of the Community Facilities by the District; and
8. Payment and performance bonds provided by the contractors, or a development bond provided by the Developer for a CFA – TRWD that does not have District Participation which eliminates the requirement that the contractors provide payment and performance bonds as specified in Article IV, Section I.

ARTICLE V: DISTRICT PARTICIPATION IN COMMUNITY FACILITIES AGREEMENTS

A. PURPOSE OF DISTRICT PARTICIPATION

1. District Participation in a CFA – TRWD may be used to enlarge the scope of the Project beyond what the Developer is responsible for constructing or as an economic incentive.
2. District Participation in a CFA – TRWD allows the District to:
 - a) Take advantage of the Developer's construction mobilization, allowing for faster delivery of public infrastructure;
 - b) Increase the extent or capacity of the public infrastructure beyond what the Developer is responsible for constructing; or
 - c) Replace or improve existing public infrastructure that is deficient or in a deteriorating condition.

B. PUBLIC PROCUREMENT REQUIREMENTS

The District must comply with state laws relating to the expenditure of public funds. No District Participation will be paid for work performed prior to a CFA – TRWD being executed or for work performed that was not procured in accordance with state law. Contractors working pursuant to a CFA – TRWD that includes District Participation must be selected in accordance with state laws relating to the expenditure of public funds and the procurement of contractors for public works projects. The method of selection may include lowest responsive and responsible bid, or best value, as allowed by state law.

C. CALCULATING DISTRICT PARTICIPATION

District Participation in a CFA – TRWD shall be calculated in accordance with the Developer's Estimate of Probable Construction Cost as agreed to by the District. Final participation payments shall be based on actual costs up to the amount of the estimate. District participation in any cost overruns resulting from higher than anticipated bids or change orders must be agreed to in writing by the District prior to commencement of construction and are subject to TRWD Board approval if greater than \$150,000 in aggregate.

D. LIMITS ON DISTRICT PARTICIPATION

District Participation is limited to the availability of District funds and subject to approval of the TRWD Board when required. The District's obligation to participate in a CFA – TRWD will terminate if construction of the Community Facilities is not completed within the term of the CFA – TRWD, including any extension period.

E. AWARD OF PUBLICLY BID CONTRACTS WITH DISTRICT PARTICIPATION

1. All public bids involving District Participation in a CFA – TRWD will be opened at District offices or an alternative location as designated by PIPO. The District's Project Manager, or District staff designated by the Project Manager, will attend the bid opening.
2. Before construction contracts for a CFA – TRWD that is publicly bid are awarded, the Developer must deliver the following items to the District:
 - a) A bid tabulation showing the bid proposals of all prospective bidders;
 - b) A publisher's affidavit from the newspaper showing that the notice of public bidding was properly advertised;
 - c) A letter of recommendation from the Developer for contract award; and
 - d) A breakdown of the Developer cost and District Participation based upon the bid items contained in the winning bid.

F. CHANGE ORDERS

All change orders must be approved in writing by the Developer and the contractor and then submitted to the District for approval. If a change order increases District Participation by more than the current amount authorized by the TRWD Board for administrative approval, the change order must be submitted to the TRWD Board for approval if they exceed \$150,000 in aggregate. The additional District Participation is contingent upon compliance with public procurement laws, the approval of the TRWD Board, and the availability of funds.

ARTICLE VI: ALTERNATIVE METHODS OF DELIVERING COMMUNITY FACILITIES

A. FUTURE IMPROVEMENTS IN LIEU OF CONSTRUCTION

1. At the discretion of the District and in conformance with the Panther Island Canal System Manual, the immediate construction of the public infrastructure required for a Development may be infeasible or impractical until a later date for reasons including, but not limited to:
 - a) Scheduling or other conflicts with other planned public improvements the District or other entities may be making in the same general area; or
 - b) The public infrastructure creates a potentially hazardous condition if they are constructed immediately.
2. To accommodate the later construction of the public improvements, the District may require a Developer to enter into a Future Improvements Agreement in lieu of the Developer constructing the public improvements.
3. The Design Engineer must deliver to the District an estimated construction cost for the public infrastructure required for the Development as validated by the District.
4. After the District and Developer agree to the estimate, the Future

Improvements Agreement will be executed by the District and the Developer and the Developer shall deliver a check to the District in the amount of one hundred twenty-five percent (125%) of the total estimated construction costs for the Community Facilities.

5. After the Future Improvements Agreement has been executed by the District and the Developer, and the Developer has paid the District the amount required by this section, the Developer's requirement to construct public infrastructure for the Development contained in the Future Improvements Agreement shall be met unless the Developer makes changes to the design of the Development that would require additional or different public infrastructure.

ARTICLE VII: CONSTRUCTION, FINAL INSPECTION, AND CFA – TRWD CLOSEOUT

A. CONSTRUCTION NOTICE

For all construction activities in the right-of-way that impact traffic or pedestrian access, the Developer must provide notice to residences and businesses. The notice must be posted by the Developer in the manner, form, and times proscribed by the District.

B. FINAL INSPECTIONS

1. Except as otherwise provided in this Ordinance, a final inspection will not be scheduled until:
 - a) The Community Facilities are fully constructed as determined by the Construction Inspector;
 - b) All required material testing has been completed with a passing result and delivered to the Construction Inspector;
 - c) Redline engineering sheets completed by the contractors showing differences between the engineering plans and the Community Facilities that have been constructed have been delivered to the Construction Inspector; and
 - d) Compliance with the rules established by PIPO for obtaining a final inspection.
2. Any deficiencies in or adjustments needed to the Community Facilities that are found by the Construction Inspector during a final inspection shall be listed on a punch list. Once all items on the punch list have been addressed and closed, a follow-up final inspection may be scheduled with the Construction Inspector.
3. Once the construction passes final inspection, an acceptance letter is initiated by the Construction Inspector. The acceptance letter starts the closeout of the CFA – TRWD and the process by which the District accepts and capitalizes the Community Facilities.

C. REQUIREMENTS FOR PROJECT CLOSEOUT

The following items must be delivered to the District before a CFA – TRWD can be closed out:

1. An affidavit of bills paid and final lien waiver executed by the Developer's contractors on forms provided by the District;
2. Consent of surety forms for the payment and performance bonds executed by the surety company issuing the bonds; and
3. Record Drawings completed by the Design Engineer.

D. ACCURACY OF RECORDS

1. The Developer, the Developers contractors, and the Design Engineer must ensure that all changes to the Record Drawings have been made by making adequate and proper entries on each page of the specifications, each sheet of engineering plans, and on any other documents where such notations are required to reflect the change properly.
2. All changes to the Record Drawings shall be made in a manner that all information contained in the Record Drawings may be reasonably relied upon.
3. To ensure the accuracy of records, all redline changes or entries should be made within twenty-four (24) hours after the changes have occurred.
4. The Developer, the Developer's contractors, and the Design Engineer must provide factual information regarding all aspects of the Community Facilities that were constructed to enable future modifications of the Community Facilities to be made without extensive site measurement, investigation, or examination.

E. RECONCILIATION

1. PIPO will reconcile the final actual construction costs with the costs reflected in the CFA – TRWD.
2. PIPO will reconcile the actual cost of any administrative material testing service fees and construction inspection service fees with any estimated fees paid by the Developer. If the actual fees are more than the estimated payments made by the Developer, the Developer must pay the difference to the District before the improvements are accepted by the District. If the actual fees are less than the estimated payments made by the Developer, the District will refund the difference to the Developer. If the difference between the actual costs and the estimated payments made by the Developer for administrative material testing service fees and construction inspection service fees is less than one hundred dollars (\$100.00), the District will not issue a refund and the Developer will not be responsible for paying the difference.
3. If the Developer owes the City any administrative material testing service fees or construction inspection service fees, the fees shall be paid before the financial guarantee can be released by the District. Any refunds for any

administrative material testing service fees or construction inspection service fees owed by the District to the Developer shall be processed after reconciliation of the CFA – TRWD is complete.

4. Once the CFA – TRWD has been fully reconciled and all fees have been paid to the District, the financial guarantee for the CFA – TRWD will be released.

F. MAINTENANCE AGREEMENTS

The District may allow a Developer to install Community Facilities that are enhanced beyond the District's standard specifications, including but not limited to, water features and specialty tiles in the Paseo. If enhanced public infrastructure is authorized by the District and not to be maintained by a Special District, the Developer must execute a maintenance agreement with the District by which the Developer agrees to maintain the enhanced Community Facilities. The maintenance agreement must be executed by the Developer before the Community Facilities are constructed.

PASSED, APPROVED AND ADOPTED THIS 27TH DAY OF MARCH, 2026.

TARRANT REGIONAL WATER DISTRICT

BY: 
Leah M. King, President
Board of Directors

ATTEST:


Paxton Motheral, Vice President